



# The Asia-Pacific Journal: Japan Focus

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## China's Tortuous Middle East Journey: Israel, Iran, and Saudi Arabia

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Two prominent leaders of the Middle East headed abroad last weekend, canvassing support from the international community. Iranian President Mahmud Ahmadinejad went on a tour of Venezuela, Nicaragua and Ecuador, the "red rain land" of Latin America, while Israeli Prime Minister Ehud Olmert headed for China.



Iranian President Ahmadinejad, left, and his Venezuelan counterpart Hugo Chavez stand at attention outside Miraflores presidential palace in Caracas on January 13.



Israeli Prime Minister Olmert greets well-wishers after arriving at Beijing International Airport on January 9.

By coincidence, on Wednesday, while Ahmadinejad was being received in Managua by the charismatic Marxist revolutionary Daniel Ortega at his inauguration as the democratically elected president of Nicaragua, Olmert was received with state honors in Beijing. Nothing can bring home as vividly the complexities of the emerging "multipolar" world order.

The intimacy between Iranian Islamists and Latin American socialists is now out in the open. One view is that the newfound rapport between the left and the jihad is only an evanescent residue of the "war on terror". But Fred Halliday, a British academic specialist on the Middle East, wrote recently, "There are signs of a far more developed and politically articulate accommodation in many parts of the world between Islamism as a political force and many groups of the left."

Halliday visualized critically that the left might be seeing "some combination of al-Qaeda, the Muslim Brotherhood, Hezbollah, Hamas and not least Iranian President Mahmud Ahmadinejad as exemplifying a new form of international anti-imperialism that matches—even completes—their own historical project".



Ahmadinejad

But that is small comfort for Ahmadinejad's goodwill mission. Any axis between Islamists and the left cannot seriously change the "co-relation of forces" in the Middle East. What is obvious, though, is that Olmert's visit to Beijing holds deep implications for the security of the region. The Chinese leadership in discussions with Olmert has come down rather sharply on the Iranian stance in the impasse over Tehran's nuclear program.

Chinese Premier Wen Jiabao openly rebuffed Tehran's claim that the United Nations Security Council resolution imposing sanctions on Iran was a mere "piece of paper". Wen said, "Resolution 1737 adopted unanimously by the UN Security Council members reflects the concerns of the international community about the Iranian nuclear issue."

Olmert couldn't hide how pleased he was to hear the Chinese position. First, his mission to China was the final leg of his tour of the UN "permanent five" capitals (after London, Paris, Moscow and Washington) with a view to ratcheting up international pressure on Iran. He told the media in Beijing that he heard "many surprising and positive things" from Wen on the Iran nuclear issue, and that Wen "made it absolutely clear" Beijing opposed "an Iran with a nuclear bomb".



Olmert and Wen

Even making allowance for Israeli exaggeration and Olmert's own keenness to draw attention away from the scandals weakening his political standing at home, the fact is Wen's statement appeared soon after consultations by Iran's chief negotiator on the nuclear issue, Ali Larijani, in Beijing. Chinese President Hu Jintao told Larijani last Thursday, "The UN Security Council unanimously adopted Resolution 1737, which reflects the shared concerns of the international community over the Iranian nuclear issue, and we hope Iran will make a serious response to the resolution" (emphasis added).

The shift in the Chinese position comes at a particularly opportune moment for Washington when it has decided to get tough on Iran. US President George W Bush's address on January 10 on a new Iraq strategy contained no conciliatory references to tapping Iran's regional influence. On the contrary, Bush cited Iran as responsible for supporting Shi'ite "death squads", for providing safe haven to "terrorists and insurgents", and for sustaining "networks providing advanced weaponry and training to our enemies in Iraq".



Bush on January 10

Bush stated his intention to "interrupt the flow of support from Iran" and to "seek out and destroy" the networks allegedly maintained by Iran. Bush explained in this context the deployment of an additional aircraft-carrier strike group to the region and plans to "expand intelligence-sharing and deploy Patriot air-defense systems to reassure our friends and allies".

The geopolitics of Bush's Iraq strategy no doubt cast Iran as his main adversary. Syria receded into a distant second place—almost as if it were an afterthought. Bush said failure in Iraq would be a "disaster" as radical Islamists might topple moderate Arab governments, and Iran would be "emboldened in its pursuit" of nuclear weapons. Bush summed up that the US would work with other countries to "prevent Iran from gaining nuclear weapons and dominating the region".

China's helpful stance at this juncture will considerably strengthen the US strategy to "contain" Iran. Britain continues to be solidly with Washington. France is far too preoccupied with upcoming presidential elections. Germany under Chancellor Angela Merkel is restoring the traditional flavor of its trans-Atlantic ties. Thus, with China's "defection", Washington hopes to isolate Russia within the Security Council by the time the March deadline comes for the reviewing progress on Resolution 1737.

Indeed, Tehran could anticipate that China's partnership instinct was highly susceptible to US influence. A report by the Iranian Majlis (parliament) Research Center last April concluded that Beijing's cooperation with Tehran would proceed no further than the threshold that held the potential to displease Washington.

After Larjani's visit to Beijing, in a rare public taunt of China (and Russia) by the Iranian leadership, the influential head of the Majlis National Security and Foreign Policy Committee, Alae'ddin Broujerdi, told the Iranian official news agency, "We expect Moscow and Beijing to show more strength, power and independence ... We expect them to use their veto power as a show of their independence and political strength, as the US invariably does in instances involving the Zionist regime."

But China will unlikely draw inspiration from Iranian exhortations to show grit and valor. Without a doubt, China will carefully weigh pluses and minuses of its fruitful economic relations with Iran. Trade with Iran was an estimated US\$10 billion in 2006. Almost 13% of China's imports of oil come from Iran. Chinese business is steadily expanding into diverse sectors of the Iranian economy. But Beijing would be justified in assessing Iran's greater need of "partnership" with China at this juncture. True, China has initiated long-term energy deals with Iran, but it has made them conditional on a satisfactory resolution of the nuclear issue.

China has to keep up the image of a responsible rising power on the world stage. Besides, its relationship with the US and other Western powers must have foreign-policy priority. China's trade, investment and technological exchanges with the US are profound. China sees that six-party talks over the North Korea nuclear crisis have strengthened China-US relations. China counts on the United States to rein in the independence elements in Taiwan as well as in working out its differences with Tokyo.

Also, China could be losing patience with Iran's perceived "intransigence" and "inflexibility" with regard to nuclear negotiations with the permanent five plus Germany, and with Tehran's actions that might undermine the international nuclear non-proliferation regime. Thus, having largely deferred to Russia to take the initiative on Iran so far, China seems to be gently disengaging from Moscow. Beijing's interests in the Middle East and the Persian Gulf do not coincide with Moscow's.

But the most important factor in Chinese thinking will be the strategic considerations of its relationship with Saudi Arabia. The exchange of visits by King Abdullah bin Abdul Aziz al-Saud and Hu to each other's capitals within a four-month period early last year greatly cemented Saudi-Chinese political equations.

The crucial Saudi role in the proposed buildup of China's strategic oil reserves should not be underestimated. China is planning to build four strategic reserve bases at Zhenhai, Daishan, Xingang and Huangdao, which when completed next year will be able to hold the equivalent of one month's national oil imports. Beijing plans to expand the reserves to the equivalent of three months' net oil imports by 2015.

Saudi Arabia's credentials for helping China fulfill its target are far more credible than Iran's. Apart from supplying 17% of China's total oil imports currently and making multi-billion-dollar investments in China's petrochemical sector, Saudi Arabia, as a "swing producer", has unique capability to produce oil significantly above its Organization of Petroleum Exporting Countries quota. The expert estimation is that if Saudi Arabia chose to produce for the next three-year period an extra half-million barrels of oil a day for Beijing, that alone would bring China's strategic oil reserve to three months' supply. That is why China has offered extraordinary privileges to Saudi Arabia in the collaboration over the setting-up of the strategic oil reserve.

The criticality of China's "Saudi connection" needs no further elaboration. Besides, China cannot hope to diversify significantly away from the Middle East for its oil supplies. Two-thirds of proven oil reserves are in that region. According to the International Energy Agency, China's dependence on the Middle East will exceed 75% of its total imports by 2015.

Translated to the geopolitical plane, simply put, China has to be sensitive about the Saudi stance toward Iran. Riyadh's animus toward Tehran is real. It is born out of the instincts of self-preservation of the Saudi regime. It is quite intractable insofar as it is intertwined with acute factional rivalries within the Saudi royal family. These rivalries seem to be coming to a boil. The Associated Press reported that King Abdullah was considering a major cabinet reshuffle that might include the key posts of foreign minister and oil minister.

Shi'ite empowerment in Iraq threatens to spill over to Saudi Arabia's oil-rich eastern provinces. Saudi Arabia dreads the spread of Iran's regional influence. China also has to take careful measure of the bizarre regional realignment involving the US, Israel and the "moderate" pro-Western Arab power elites (including Wahhabi-dominated Saudi Arabia) on one side arrayed against the forces of political Islam identified with the (democratically inclined) Hamas, Hezbollah and Muslim Brotherhood and Iran and (secular) Syria. It really needs the ingenuity of Bush to give an ideological spin to the current regional lineup.

The heart of the matter is that ideology or no ideology, as China's integration with the world economy grows deeper it is in China's interest to help the Bush administration preserve the stability of the Middle East's political order. China's low-key presence in the international debate over the US occupation of Iraq, China's readiness to play a bigger role in peacekeeping operations in Lebanon, and China's acquiescence with the US strategy of pressuring Iran over the nuclear issue can be seen in this light. Curiously, within the three-way equation involving the US, China and Saudi Arabia, the Bush administration is justified in seeing interesting possibilities.

Washington has already grasped China's helping hand in steering the Security Council resolution on the tribunal for Lebanon (which serves the Saudi-Israeli regional agenda). The agenda in Iraq is much more complex. China's cooperation in the Security Council could prove crucial in the coming months. Whatever downstream success there is for Bush's Iraq strategy will depend on the establishment of a UN-mandated Arab peacekeeping force under the Arab League, under the pretext of supporting Iraq's Sunnis, which, in turn, would enable a US troop withdrawal and Washington's extrication from the Iraqi quagmire.

In his address, therefore, Bush pointedly called on "countries like Saudi Arabia, Egypt, Jordan and the Gulf states" to understand the "strategic threat to their survival ... [and] step up their support for Iraq's unity government". Bush offered to reform the "de-Ba'athification laws and establish a fair process for considering amendments to the Iraqi constitution", which is a prerequisite for the pro-US Arab regimes.

But any such effort by Washington will have to begin with "containing" Iran, which is by no means easy, as Tehran holds trump cards in Iraq, Lebanon and Palestine. Interestingly, the only American political figure Bush mentioned by name in his entire speech on Wednesday was Senator Joe Lieberman, the steadfast sentinel of Israel's interests on Capitol Hill. Bush thereby implied Israel's centrality in his Iran strategy.

In recent months, the US has supplied guns, ammunition and training to Palestinian Fatah fighters to take on Hamas, which enjoys Iran's backing. Huge quantities of arms and ammunition from Jordan and Egypt are pouring into Gaza and the West Bank via Israel for the use of Fatah cadres.

Against this background of gathering storms, Olmert was given a red-carpet welcome in Beijing with full military honors at the Great Hall of the People facing Tiananmen Square. During the banquet in Olmert's honor, the band played "Jerusalem of Gold". Aides accompanying Olmert recalled with excitement that there used to be a time when Chinese diplomats wouldn't say the word "Jerusalem" in deference to Palestinian sensitivity.



Olmert in China

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