

China-Iran Deal Is a Major Blow to U.S. Aspirations in Central Asia

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"Two ancient Asian cultures, two partners in the sectors of trade, economy, politics, culture and security with a similar outlook and many mutual bilateral and multilateral interests will consider one another strategic partners" – these were the opening words of an 18-page document that confirmed a multi-billion dollar deal between China and Iran that blatantly defies U.S. imposed sanctions against the Islamic Republic.

According to <u>The New York Times</u>, the agreement that Iran and China drafted is an economic and security partnership that would allow China to invest in Iran's banking, telecommunications, ports, railways and dozens of other projects, "undercutting the Trump administration's efforts to isolate the Iranian government because of its nuclear and military ambitions."

In Tehran's view, China and Iran are long-standing strategic partners who are now reinforcing their strategies on the international stage to oppose U.S. unilateralism. Both countries had already agreed on a strategic partnership in 2016, but this latest agreement allows Iran's economy to have a semblance of normalcy with this flurry of desperately needed investments.

The New York Times claims that the military ties include "joint training and exercises, joint research and weapons development and intelligence sharing" to fight "the lopsided battle with terrorism, drug and human trafficking and cross-border crimes."

Effectively, the agreement between the two countries "represents a major blow to the Trump administration's aggressive policy toward Iran." The agreement is expected to guarantee the supply of Iranian oil to China for the next 25 years, which undoubtedly benefits both parties as the U.S. intends to completely block Iranian crude exports to starve the country of foreign money.

The deal is a major win for China's Belt and Road Initiative as Iran's major new investments in transportation, rail, ports, energy, industry, commerce and services will improve China's network in the region. Iran serves as a meeting point between South Asia, Central Asia, the Caucasus and the Middle East, making it one of the most important countries for the Belt and Road Initiative. The agreement secures the supply of oil and gas to China with an overland route that gives another option away from Southeast Asian waterways, especially at a time when hostilities between China and the U.S. in the South China Sea are increasing.

The deal will see \$400 billion worth of Chinese investments into Iran's infrastructure, including upgrades in the oil industry and the construction of a 900-kilometer railway between Tehran and Mashhad, the second city of Iran and a center of pilgrimage near the

borders with Afghanistan and Turkmenistan. Not only will this railway line connect two of Iran's most important cities, but as its on the doorstep of Central Asia, it will give both China and Iran greater access into Eurasia.

Zbigniew Brzezinski argued in his book The Grand Chessboard that Central Asia was the center of global power and that it was imperative that no power, indirectly referring to Russia and China, should arise that could challenge U.S. dominance in the region. If something like this happened, the global power of the U.S. would erode. Halford John Mackinder argued in his 1904 article, The Geographical Pivot of History, that whoever ruled the "Heartland," ruled the world. He defined the Heartland as the great Eurasian expanse of Siberia and Central Asia.

Iran is certainly a major gateway into Central Asia, and China's enormous investment into the Islamic Republic shows that it is making a strong push to control the region. In accordance to Brzezinski's and Mackinder's theories, by China being the major influencer in Central Asia, it is making a strong push to control the entire region and/or world. Although Russia is another major power with vast influence in Central Asia, their relationship with China in the region can be considered cooperative at best or friendly rivals at worst. However, both are making strong efforts to limit U.S. influence in the region.

Russia simply cannot economically challenge China in the region, but due to the long history of the Russian Empire and Soviet Union controlling the region, it still has large influence for historical reasons that also includes a significant Russian minority and Russian being the second language of Central Asia. Although Russia deals with Iran, it does not have the capabilities of investing hundreds of billions into the country, meaning that the Islamic Republic will certainly come under much stronger Chinese influence, and there is not much the U.S. can do to stop it.

"The United States will continue to impose costs on Chinese companies that aid Iran, the world's largest state sponsor of terrorism," a State Department spokeswoman wrote in response to questions about the draft agreement. "By allowing or encouraging Chinese companies to conduct sanctionable activities with the Iranian regime, the Chinese government is undermining its own stated goal of promoting stability and peace."

It appears the U.S. will penalize Chinese companies dealing with Iran, but China would have anticipated this. How Beijing plans to deal with such penalizations that can unravel a worsening of already tense relations with the U.S. remains to be seen, but China certainly would have prepared for such a scenario. Despite some harsh words from the State Department, it is highly unlikely that Washington can respond to this immense deal that will give the beleaguered Iranian economy and currency a major lifeline. The deal will also encourage other states wary of U.S. sanctions to begin dealing with Iran again knowing that they can have Chinese support and backing.

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