

China Might be a “Silver Bullet” for Countries in the Middle East. Might Jeopardize Relations with Washington

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Region: [Asia](#), [Middle East & North Africa](#)

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As the Arab states in the Gulf embrace Beijing to ease off their over-reliance on hydrocarbons and diversify economy by seeking Chinese investment and technology, A US official [threatened](#) that the shift could jeopardize their relationship with Washington.

Giving a caveat to decades-old American allies, Assistant Secretary of State for Near Eastern Affairs David Schenker warned they “have to weigh the value of their partnership with the United States” and his country wants its partners to “do due diligence.”

The top US diplomat for Middle East sought the regional nations to be wary of Chinese aid, describing it “predatory” and conveyed his concerns over the participation of Shenzhen technology giant, Huawei, in building the 5G infrastructure across the oil-rich region.

Huawei is [working](#) in Arabian Peninsula for more than 20 years and by the end of last year, 12 out of 77 5G contracts it secured globally were in the Mideast. While Schenker conceded the US lags behind China on the fifth-generation technology, still looking at providing them with the alternatives was quite farcical.

After the reportedly drafting of a new rule by the US Commerce Department to allow domestic companies work with Huawei on setting standards for 5G networks, the eminence of world’s largest telecommunication equipment manufacturer has greatly scooped.

If the US government and industry officials believe that the Huawei placement in the Entity List had put the country at [disadvantage](#), Washington’s expectation from the Gulf nations to restrict their access to the global leader is unwarranted and prying.

Schenker’s allegation about Chinese support to the Middle East is counterfeited too. Beijing’s aid of gloves, masks, reagents and ventilators and deployment of medical experts to the region is aligned with its international commitment with the international world to defeat the coronavirus.

Chinese [display](#) of solidarity with the regional countries – including Iran, Palestine, Iraq, Saudi Arabia, Lebanon, Syria, Turkey, Algeria and others – is the testament that its indiscriminate cooperation is purely humanitarian, without expecting any political leverage.

Gulf nations have appreciated China for its aid and guidelines that helped them in controlling the spread of Covid-19. Egyptian Deputy Speaker Soliman Wahdan, Palestinian government spokesperson Ibrahim Melhem and Arab League’s Assistant General Secretary

Haifa Abu-Ghazaleh all praised Beijing's timely assistance and experience-sharing that played a key role in limiting losses and containing crisis.

Although China [relies](#) heavily on the Mideast oil to meet its massive domestic energy requirement – it has [skirted](#) becoming part of any multilateral maritime efforts such as the US-proposed International Maritime Security Construct (IMSC), Operation Sentinel, or French-led European Union initiative Operation Agenor to ensure freedom of navigation in Arabian Gulf, Strait of Hormuz, the Bab el-Mandeb Strait and the Gulf of Oman.

The obvious reason why Beijing turned down the opportunity to become part of these campaigns was that it did not want to stir tensions in the volatile waterways and have always intended to resolve all disputes through political dialogue and peaceful means.

Rebuttal by nearly all of the major EU members – including Belgium, France, Germany, Italy and the Netherlands – to join the IMSC alliance and launch its own naval effort – in a way backed Chinese stance as the European bloc also coveted to lower [tensions](#) in the region.

China too last December conducted joint naval drills with Iran and Russia in the Indian Ocean and Gulf of Oman, which connects to Strait of Hormuz. As it aimed at [protection](#) of international trade, countering piracy, rescue operations and sharing tactical experiences – the maneuver could be dubbed entirely routine exercise in accordance with the international law and practices.

Beijing has an economic role in the Mideast though and a very important one. The bilateral [trade](#) between the two has grown to \$245 billion while in 2018 alone; China had committed \$20 billion in loans for reconstruction in the Arab world as well as \$3 billion in finances to the banking sector. In Middle East and North Africa (MENA), five of the top ten e-commerce firms are Chinese.

Since China's Belt and Road Initiative (BRI) endeavors to elevate the comprehensive strategic partnership with Egypt, Iran, Saudi Arabia, the UAE and across the region – several visits to China by the regional state leaders, including six by Egyptian President Abdul-Fattah Al-Sisi since assuming office in 2014, describe the deepening and strengthening nature of relationship between them.

In addition to providing a mixture of concessional, preferred and commercial loans to support Mideast central banks and fund mega infrastructure projects – the currency swap agreements can help the Gulf nations to eschew the weaponization of dollar, used by the US to slap economic sanctions, and achieve a higher degree of financial stability since Chinese renminbi is set to play a stronger and significant role in international trade and finance.

For conflict-stricken Arab world that is facing economic [losses](#) of about 1.2 trillion with 7.1 million workers unemployed due to the Covid-19, China is a silver-bullet that can buy its oil and gas in large quantities and then again pour billions of dollars in loan and investment to build the infrastructure and transform the region's economy, realizing its ambition of industrialization.

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