

## China's Growing Interest in the Middle East: Implications for US Role

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*This paper aims to examine the shift of power from the US to China in the Middle East without paying attention to some of the most vital economic factors such as energy supply, infrastructural investments and trade. Using qualitative research, the study employs secondary research that involves surveying of peer academic journals, government data, and trade statistics. Also, it involves a comparative analysis of the economic factors and strategic policy comparison. According to the findings of the study, the oil imports and investments of China today are remapping the Middle East economy and poised to dethrone the American dominance in the region. The Chinese model is focused on economic relations and exchange and does not meddle in the domestic affairs of its counterparts, which is why many Middle Eastern countries looking for diversification and reliability are interested in this approach. Such a shift is capable of leading to new alignments of power on the international and regional levels or even the fall of American hegemony. The study also reveals the fact that the US must alter its strategy in order for it to be effective; the plan that the study recommends includes diplomacy and aid and also a cooperative approach, some economic incentives and a collaborative strategy. Some of the findings that have been established across the Middle Eastern countries include the need to be able to manage relations with superpowers and defend national interests as crucial for sustainable development. The implication for international ties, therefore, underscores a shift in the nature of power relations within the global system, hence the need to study further the social-political impact of Chinese financial engagement as well as the changing nature of the uneasy relationship between the US and China.*

## 1. Introduction

China has slowly inserted itself into the Middle East affairs over the past few decades, and this is seen as a shift in the strategic landscape of the region. (Khan et al., 2023) China Middle East relations have not been very friendly mostly due to the fact that the main focus of the relations is to establish diplomatic relations and to acquire oil resources for the growing economy of China. However, with the start of the Belt and Road Initiative (BRI) in 2013 (Ali et al., 2021), China's strategy broadened the economic cooperation with development to numerous political and strategic aspects. The BRI is to improve China's linkages and coordination with the participating countries, some of which are in the Middle East. This has led to higher.

Chinese investment in the infrastructure, energy and trade segments, and therefore, exhibits China's growing involvement in the growth of the region (Zhou et al., 2021) It is also worth acknowledging the fact that China's increasing presence in the Middle East cannot be seen in isolation from the overall dynamics of the global system. Preceding, the United States is the most powerful external force that affects the Middle Eastern countries for their political, economic and social structures through the use of its military strength and its partners (Hurewitz, 2019). But what China provides closer to economic cooperation and investment and funding of infrastructure projects is another type of engagement that might alter the US model (Khan et al., 2022).

We believe it is essential to talk about China and its rise as a power in the Middle East because it is not only reshaping the power relations in the region, which, in turn, is changing Middle Eastern economies and strategies of powers across the world. For these reasons, it is useful to think about how China's slow but steady assimilation into the region might change things. First of all, it is necessary to underline the fact that a large amount of the oil and gas resources is located in the region, which occupies one of the leading places in the world's supply of energy resources. The Middle East and China are both involved and concerned with each other, and both are involved in the business of energy chains, and their costs are fundamentals for all economies (Amineh, & Yang, 2018). Secondly, it will be advisable to draw attention to the fact that the Middle East is considered to be one of the politically unstable areas of the contemporary world (Milton-Edwards, 2018).

This paper explains how the changing engagement of China in the Middle East impacts the role that we previously performed. It will also look into the other major economic aspects, such as energy security, infrastructural development and trade, which will provide extensive insight into how Chinese strategies are reshaping the regional realities. All these dynamics will be studied using numerous secondary sources, including peer-reviewed articles, government reports, and trade statistics, which will offer various and intricate information about the situation.

The structure of this paper is organized as follows: Following this introduction, the literature review section will review the published scholarly literature on Sino-Middle Eastern

relations and the history of American involvement in the Middle East. Based on the set problem statement, the following research questions and objectives of the study will be outlined: In this case, the methodology section will identify the general research method used in the actual study, as well as the data collection methods used. The findings of the survey will be presented in three main sections: The economic influence of China in the Middle East, the politics and military of China and its impact on the Middle East, the rise of the new superpower and its effects on the USA's involvement in the Middle East region. Discussions on the findings, prospects and recommendations concerning the United States and the Middle Eastern countries shall follow this.

The paper will close by providing the conclusion, which will include some of the main findings and suggestions for further studies. Therefore, as this paper is set to give an evaluation of the economic relations between China and the Middle East this paper is meant to afford a comprehension of the complexity of the geopolitical setting of the Middle East. This is crucial in appreciating the fact that economic structures are important in shaping international relations and that players such as the US need to address these aspects. China's rise is an undisputable reality today and probably in the near future; thus, it is important to think of what it means for the world and world order.

### **1.1 Research question**

The research question addressed in this paper is the change of nature of the Middle East upon China's involvement and the impact on the USA and, in this case, the economic factor. China has gradually intervened through investment in the energy sector, infrastructure and trade in the region, thus challenging the hegemonic effect of the US economy. This shift raises important questions on how the US could continue to maintain power in the Middle East, especially when the emergence of china has created a new dynamic. Using these economic factors as outlined in this paper, this paper seeks to evaluate the overall geopolitical and economic implications of these changes on the US and to explore how these changes may reposition relations in this strategic sphere.

### **1.2 Objectives of the Study**

The purpose of this paper is to evaluate the impact of the increasing economic power of China in the Middle East and the role of the USA in the region. Since the work is devoted to the analysis of the essential factors of economic interdependence, such as energy security, infrastructural investments, and trade relations, this research is aimed at investigating the effects of China's strategic economic actions on the world's geopolitics. This paper sought to determine the extent to which the current Chinese influence poses a threat to diminishing the American hegemony and the actions that America might have to undertake in order to mitigate this effect.

## **2. Literature Review**

The Belt and Road Initiative (BRI) is an international development strategy announced by the Chinese government in 2013 and is also referred to as constructing the Silk Road for the 21<sup>st</sup> century. This indeed makes the Middle East interesting geographically as it is situated at

the crossroads of the BRI connecting route both by land and sea. Their work indicates that through investments in ports, railways, and industrial zones that Chinese companies invested in countries like Saudi Arabia, UAE, and Iran, they are changing the geography of the region's economy, integration, and development (Congiu, 2015).

The researcher, Kemp, explained the China- Middle East trade relations. The researcher described a marked increase in the overall trade turnover of the products that are considered between the two zones in the last two decades. As the researcher rightly pointed out, Many Middle Eastern countries have recognized China as their primary trading partner, and trade has spread out to commodities ranging from energy and basic materials to manufactured goods and consumer products. The relations between Chinese and Australian businesses are gradually growing even closer from an economic point of view. Still, they also shed light on aspects of China's plans in the Asia-Pacific (Kemp, 2012). China has signed a number of bilateral and multilateral agreements with some of the largest Middle Eastern countries. These are complex and comprehensive interactions with first-tier partners such as Saudi Arabia, Iran and Egypt involving aspects of defense, technology and construction (Scobell & Nader, 2016).

The researcher presents various features of the geopolitical dynamics of the relations between China and the Middle East. This shift is also seen when there is a slow but progressive change in the power structure that has been set by the United States and is now being threatened by China. According to the findings, the researcher thinks that as China strengthens its economic and strategic partnership with the Middle Eastern countries, this may likely shift the power balance in the region and possibly reduction in the influence of the US. It might have, therefore large consequences on the stability of the area and the relation between the states (Fawcett, 2016).

China has one or more of the following strategic interests in the Middle East: First, to guarantee the supply of oil; Second, to combat separatism and terrorism; and Third, to expand its political and economic influence (Yang, 2018). As for Chinese diplomacy in the region, it has been mainly instrumental or based purely on economic interests since the beginning of the 1990s, and as the economic power increases, it will also cultivate the political, diplomatic, and cultural aspects. Chinese activities in the Middle East impact the US national interest and the bilateral relations between the two countries because both nations have similar stakes as the powers in the system of powers, including energy security, peace, and the fight against terrorism. However, they may differ in some policy measures, such as in the Iran nuclear deal (Zhu, 2009).

The researchers Alterman and Garver pointed out several questions regarding the socio-political impact of China's investments in Middle Eastern countries; these have been made without regard to the perception of the host countries or the sustainability of the investments being made by China. As they demonstrated, much analysis remains to be done regarding the authorities and consequences of the economic policies that China pursues in the states of the Middle Eastern region in order to define the connections between the Chinese economic policies, on the one hand, and the political systems of the Middle Eastern states on the other.

Second, they also suggested examining the Chinese policy towards the ME and comparing it to the policy that China employs in other parts of the world, such as Africa and Southeast Asia, to get a comprehensive understanding of the general Chinese plan (Alterman & Garver, 2008)

The United States had a great involvement in the Middle East as early as the beginning of the twentieth century due to economic interest as well as strategic locations. The researcher Gause, in his study, highlights the importance of the Middle East to the USFP in terms of its geological endowment of oil and as a transit hub. The researcher revealed that the US has been able to maintain a hegemonic power in the world through its military, diplomacy and economic power to secure access to energy resources in the world theatre (Little, 2009). The researcher (Beck, 2020), in his research, examines the main allies of the US in particular regions, including Israel, Saudi Arabia and Egypt. The researcher also described that these alliances are viewed as foundations of the US policy in the Middle East as a strategy for containment of the adverse actors and maintaining stability.

The researcher (Niblock, 2020), in his research, summarized that China has emerged as one of the most influential actors in international relations, and being assertive in advancing its interest in the international system, the future of the Middle East in the Chinese strategic encyclopedia has become an area of concern. He described that critics have wondered whether China has the desire to replace America and become the region's security provider, and this depends on the question of whether America wants to be the security provider in the Middle East and whether the Middle Eastern countries are keen to find another security provider. In his research, he offers a much more precise analysis of the Chinese policy and the reader is left with the idea that although the Middle East is significant to China, it is not a region of critical relevance to China.

Some of the gaps that one is likely to notice in the existing literature regarding China-Middle East relations and US hegemony include the following. One of the significant gaps identified is that there are few studies regarding the socio-political impact of Chinese investments on local communities of Middle Eastern countries. While the Chinese BRI has been widely discussed in terms of economic effects and geopolitical benefits, the literature has been fairly sparse on how these investments affect society, employment opportunities and communities. Such aspects are crucial in the assessment of the impact of Chinese presence and its future longevity in the area.

From the reviewed literature, one is able to comprehend how China has grown its influence in the Middle East, especially through the following: Economic influence under BRI. China's influence can be seen through infrastructure projects, trade relations, and cooperation with states like Saudi Arabia, UAE, and Iran, which have transformed the economic landscape of the region.

### **3. Research Methodology**

This study employs a qualitative research approach and seeks to analyze the shift in the Middle East power relations due to the rising economic might of China to challenge the

dominance of America. This approach is adopted because it provides a richness of detail in describing the factors under study in the research area that cuts across geopolitics and economics. This method allows for discussion of various dimensions and perspectives that quantitative data may not capture to get at the more fundamental things happening at the strategic level in the zone.

As for the method of data collection, secondary research data collection is employed in this study to obtain the information. In this research, historical and current interactions between China and Middle Eastern countries and between the United States and Middle Eastern countries are highlighted based on theoretical and empirical data available in academic articles. Governmental reports, for instance, Middle Eastern countries and other external major stakeholders, including China and the United States, offer the official data and policy statement, which is vital in analyzing state-level plans and goals. Another type of data is the trade figures for the economic relations and interdependence between China, Middle Eastern countries and the US using the WTO and IMF trade databases.

The approach of this study is based on the economic comparison and the strategic comparison of policies. The economic relations can be depicted through shifts in the flow of trade, investments and import of energy, which is depicted and compared to show the shift in the dependence. Also, we look at the trade relations and cooperation and security and military and defense cooperation agreements and treaties such as trade and investment agreements and military and defense alliances to understand how China and the US are positioning themselves in the Middle East. It also makes it possible to detect various tendencies and periodicities of economic relations and political alignments in the area and understand how they mold the conventional American model.

Therefore, this paper aims at presenting a methodological approach of qualitative research design, a literature review and comparative analysis in order to discover and analyze the shifts in the geo-politics of the Middle East. In this way, the methodology enables the avoidance of an overemphasis on the quantitative economy shifts or the qualitative strategic shifts. Therefore, the analysis of the impact of the enhanced Chinese interest in the Middle East region on the traditional American role is balanced.

#### **4. Findings and Analysis**

##### **4.1 Analysis of China's Economic Interests in the Middle East**

For China, the Middle East is the source of energy, and this aspect remains valid to date. The area also holds some of the largest proven oil and natural gas resources, which play an important role in sustaining China's rapid industrialization and urbanization process. This is also supported by research that indicates that China's sources of oil imports are primarily from the Middle East, with the leading suppliers being Saudi Arabia, Iran and Iraq. This reliance has made China look for long-term import agreements and invest in Middle Eastern energy sources. These entail direct investments through the joint venture in oil exploration and production,

building of refineries as well as investment in pipelines to ensure that energy resources will be available for China.

The BRI is a central strategy in the Chinese economic policy concerning the Middle East, with a major focus on infrastructure. Infrastructure-related investments are perhaps the most well-known and are represented by ports, railways, highways, and industrial zones financed and realized by China across the BRI. For instance, the construction of the Gwadar port in Pakistan and the rail connection between Iran and other regional countries are also part of such connectivity and integration motives. In sum, besides providing infrastructure for the transport of goods and services between China and the Middle East, these infrastructure investments deepen China's integration into the economy of the Middle Eastern countries and further the long-term bilateral economic relations between China and each of the Middle Eastern countries.

China is today one of the biggest trading partners of many Middle Eastern countries, and the relations on the trade front have been on the rise. The trade is mainly concentrated on exports of energy products from the Middle East to China and importation of machinery electronics, and consumer products from China to the Middle East. This trade relationship is mutually beneficial: Middle Eastern countries provide cheap products and technologies, which include apparel and consumer electronics, among others, to the Chinese and, at the same time, receive assurance of energy to support their growth.

China has also developed political and military strategies and cooperation with most of the major Middle Eastern countries. These are normally entered in the form of contractual documents that detail the cooperation in areas of defense, technology, and infrastructure, among others. For instance, China and Saudi Arabia have signed contracts and agreements for military cooperation as well as on joint economic projects and leaders of both countries have paid visits to each other. In Iran, one of the most important investment obligations that has been made is the 25-year partnership in the energy, construction, and telecommunications sectors. These alliances are aimed at ensuring that China is able to have better access to economic resources. At the same time, China is also able to have a better political position in the world, which for a long time has been dominated by Western countries.

#### **4.2 Impact on US Role in the Middle East**

These Chinese economic advancements in the Middle East are gradually shifting the economic dominance from America to the Middle East. For many years America has been an economic giant through investment in the energy sector, trade as well as economic aid. Nevertheless, China's economic aggressiveness, especially in the framework of the BRI, is a threat to this dominance. The Middle Eastern countries gradually shifted their loyalty to China as a new economic partner that could provide investments and help develop their economies without imposing political conditions.

It is also bringing about significant changes in the nature of the geopolitics of the Middle East while improving the economic relations with China. The Chinese model that does not advocate for modernization of politics and non-escalation in their internal affairs is preferred

by most of the Middle Eastern countries that would like to have diversified relations with foreign powers. This change might lead to the deterioration of the loyalty of these countries to the West and the US in particular, as they may shift to balanced diplomacy that involves dealing with the East as well. China's growing importance as a major player in the Middle Eastern energy market has created a new power balance in the world energy market. The ability of China to independently produce energy resources has an impact on the supply chain and the market of the region. . Some of the possible implications of China's new energy deals may include the fact that the US, which used to be the biggest importer of energy from the Middle East, may lose its dominance in the region. Furthermore, Chinese investments in renewable energy projects and technologies in the Middle East may change the energy mix of the region, which will affect the world energy system and strategic relations of major powers, including the United States.

In the conclusion of this research, it is noted that with the new economic power of China, the Middle East region might be facing the danger of losing its leadership to the United States. China is not only defending its business but also shifting the political chessboard in the region regarding energy, infrastructure, and trade. This shift raises a set of questions and challenges for the United States, which has to adapt its strategies to maintain its dominance in the region that is gradually changing its character. This knowledge is beneficial to those individuals who wish to anticipate the shifts in the international relations of the region and develop new policies.

#### **4.3 Discussion**

The findings also explain how the economic strength of China is increasingly unseating the dominance of the US in the region. China's investments in energy security, infrastructure and trade are not only securing China's economy. However, they are also contributing to the construction of a new economy in the region where China is becoming inevitable. This shift indicates a potential realignment where Middle Eastern countries may look to China as a more suitable economic partner, thereby decreasing the perceived monopoly of the US. Moreover, it looks like with the growing tendency of China to buy stakes in the Middle Eastern states, these countries may lessen their reliance on the US, which, in turn, will contribute to the development of a better distribution of foreign policy in the Middle Eastern states. The shifts in the relations between China and the Middle East countries have the following meanings in the theories of international relations. From the realism perspective that deals with power and security, the move by China to acquire energy and secure a place in this strategically vital region can easily be understood. On the other hand, the liberal theories that stress economic interdependence and international institutions assist in explaining how economic embeddedness fosters cooperative relations that are beyond power politics in China.

Comparing China's strategy to that of the US helps to distinguish between the strategies and their priorities. Thus, the US has relied mainly on military coalitions, security aid, and diplomatic muscles to assert its dominance over the Middle East. While the US has a largely political approach that involves the use of politics, military and diplomacy in the BRI, China has more of an economic perspective that is centered on building physical infrastructure,



business partnerships, and energy projects. The American model, however, was associated with political demands and interferences, which has not been seen in the case of America's main competitor in the twenty-first century – China, which presents the Middle Eastern countries with a model of economic development and non-interference. Such comparison poses the question of a more radical shift in the US Middle East policy. It indicates that the US may be required to augment the economic and development component of its Middle East policy to address the Chinese interest.

## **5. Conclusion**

This research has contributed towards filling the gap of understanding the role of the emerging Chinese economic power in the Middle East for the traditional role of the United States. Some of them are the dynamics of the economic relations and cooperation and partnership, shifts in power politics in the region and the future of the US- Middle Eastern countries relations. These findings are important to the field of international relations because they help to discover more changes, for example, the change in the power balance to a multipolar world and the powers' adaptation to it. The following are the recommendations for future research: more research on the socio-political impact of Chinese investments, cross-sectional research on Chinese strategies in different regions, and more research on the economic and strategic impact of the competition between the US and China in the Middle East in the long term. By doing so, scholars are in a better place to offer more informed insights about the transformations that are happening in the Middle East and the effects of such transformations on the rest of the world's stability and progress.

### **5.1 Future Projections**

The future dynamics of these relationships can be divided into several possible models based on the level of cooperation: struggle and conflict, open conflict, interaction and existence. This is because the more China raises the degree of economic power in the area, the worse the relations with the United States could become if considered as this country's sphere of interest. This could result in competition for strategic materials, heightened tensions between countries and restricted wars in certain zones. On the other hand, there is also the prospect of cooperation and a share of the revenues, as both countries realize the importance of order and economic development in the Middle East region. Of course countries can cooperate in sectors such as infrastructure, energy, or counter-terrorism, yet this is possible only under certain political decisions which are made to allow for compromise and trust. However, the course of the further development of US-China relations in the Middle East will impact the region's economy since it will redefine trade and investment and change the trajectories of economic growth.

### **5.2 Recommendations of the Study**

In response to this threat, America must develop a multifaceted strategy for the Middle Eastern region that would not only include the security sector but also engage in the economic sphere. This requires deepening diplomacy with key allies in the region, a reiteration of the commitment to defense and nurturing of economic ties through application of economic and

investment appeal. Furthermore, the US has to concentrate on conflict prevention and conflict management, as well as the resolution of the root causes of conflict and insecurity through diplomacy and foreign assistance. The Middle Eastern countries must have a policy that they get the most out of it while dealing with these superpowers and, at the same time, protecting their sovereignty as well as their self-interest. With such approaches, the US and Middle Eastern countries can confront emerging issues in the new world order and strive for the general interest of the region's economic and political prosperity.

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