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China's Regional Diplomacy and Strategy in Light of the Gaza Crisis

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Since November 2023, the Houthis have conducted at least 33 attacks on commercial ships in the Red Sea that it claims are connected to Israel or headed for Israeli ports. They have also engaged in direct combat with the U.S. Navy, shooting ballistic missiles and deploying armed drones against U.S. and British vessels. The response of the U.S., along with the support of some other states, has been two-fold. For one, the U.S. assembled a multinational naval coalition and promised to protect ships passing through the region. More directly, the U.S. and the U.K. military launched several raids against anti-ship ballistic missile launch bases under Houthi control. In response, the Houthis have declared that they are working in solidarity with the Palestinian people and promised to increase the scope of their attacks to include U.S. ships. What all of this signifies is the regionalization of the Gaza crisis since the Israeli military incursion at the end of October 2023.

Due to the Houthi strikes, the Shanghai Containerized Freight Index (SCFI) increased by 161% since December 15, 2023, from \$1,029 to \$2,694 (USD) as a measure of the cost of shipping products imported from China. Shipping companies are rerouting and circumnavigating the Cape of Good Hope to avoid the Red Sea and the Suez Canal, adding 14 extra days to the journey. Some estimates state that the cost of shipping a 10-foot container from China to ports in Europe will have exceeded \$5,000 by the second week of January 2024.

With 15% of global maritime traffic passing through it, the Red Sea is an essential shipping route connecting Europe and Asia. Mohammed Al-Bukhaiti, a member of the Houthi political leadership, said in an interview with the Russian outlet Izvestia that the shipping lanes around Yemen are safe for ships from China and Russia as long as vessels are not connected with Israel.

Despite China deliberately avoiding involvement in the conflict, it has been considered a potential regional stabilizer. China's Middle East policy is multidimensional, with its main aim being to put significant emphasis on diplomacy. This strengthens Beijing's soft power in the region and increases its engagements in the Middle East, specifically in the Gulf region. A core pillar of China's diplomatic role in the Middle East is to maintain and promote peace and stability by preventing conflicts and tensions from escalating. Even before the recent attack, China had been promoting itself as a possible negotiator between the Palestinians and Israelis. Palestinian Authority leader Mahmoud Abbas visited Beijing in June 2023, and Israeli Prime Minister Benjamin Netanyahu had been scheduled to travel to Beijing in late October until the conflict with Hamas forced him to postpone.

Former Chinese Foreign Minister Qin Gang in April 2023 declared that China is prepared to broker peace talks between Palestine and Israel with the aim of finding a resolution for their conflict: "China is willing to strengthen coordination and cooperation with Palestine to promote an early, comprehensive, just and lasting solution to the Palestine issue," Chinese President Xi Jinping told Palestinian leader Mahmoud Abbas during the latter's visit to China in June 2023. President Xi met with Palestinian leader Abbas and offered a 3-point proposal for a 'lasting solution' to the conflict with Israel.

Beijing understands that any regional escalation between countries in the Middle East will not be beneficial to China. China relies on regional stability, especially in terms of oil flow from the Gulf to its shores via the Hormuz Strait and other maritime chokepoints as a vital strategic interest. In addition to this, China has billions of dollars in Belt and Road investments in the region, and its overall <u>trade</u> with the Middle East reached \$507.2 billion in 2022. Chinese officials have <u>requested</u> assistance from their Iranian counterparts in reducing ship attacks in the Red Sea by the Iran-backed Houthis, as it risks harming economic relations with Beijing, given that China has been Iran's largest trading partner, bringing over 90% of Iran's crude exports in 2023.

On January 24, 2024, the US put diplomatic pressure on Beijing to urge Tehran to stop the Iran-backed Houthi group from attacking commercial ships in the Red Sea; however, according to US officials, they have not received any indication that China will assist. This diplomatic push on Beijing comes as the US and its allies continue to bomb Houthi positions in Yemen. During the APEC San Francisco Summit in November 2023, the US repeatedly urged China to use its leverage with Iran amid concerns that the Gaza crisis could spiral into a broader conflict in the Middle East.

China, along with Algeria, Mozambique, and Russia, abstained from voting on the United Nations Security Council Resolution 2722 that condemned the Houthi attacks on the Red Sea vessels and demanded an immediate end to all such vessel attacks. Zhang Jun, China's permanent representative to the UN, explained China's abstention: "We call on relevant parties to strictly abide by the UN Charter and international law, and play a constructive and responsible role in easing tensions in the Red Sea. No country should misinterpret or abuse relevant provisions in this resolution to create new tensions in the Red Sea," Zhang said. In his speech, he also mentioned that resolution 2722 fails to explicitly call for an immediate ceasefire in Gaza.

As China's Foreign Minister Wang Yi traveled through Egypt, Tunisia, Tongo, and the Ivory Coast, it was perceived that Beijing was trying to play a more constructive role while at the same time avoid being caught between conflicting parties. China and the Arab

League called for an immediate and comprehensive ceasefire in the conflict-ravaged Palestinian enclave of Gaza. On January 14, 2024, during his regional trip, Wang said the international community should "listen" carefully to the legitimate concerns in the Middle East. "China calls for the convening of a larger-scale, more authoritative, and more effective international peace conference, the formulation of a specific timetable and road map for the implementation of the 'two-state solution,' and support for the prompt resumption of Israel-Palestinian peace talks," Wang <u>said</u>.

Furthermore, according to Foreign Minister Wang, President Xi Jinping had "in-depth communication" with the leaders of Saudi Arabia and Iran to persuade them to put their historical differences behind them. The mending of their ties in 2023 also sparked a "wave of reconciliation" throughout the Middle East. Efforts from China in the region were also made apparent during the first meeting of the China-Saudi Arabia-Iran trilateral joint committee, which took place in December 2023. China hopes to take advantage of this trilateral summit as a chance to strengthen ties between Saudi Arabia and Iran and offer additional assistance for Middle Eastern peace and stability. During this meeting, China put forward three suggestions for continuing to advance the process of improving relations between Saudi Arabia and Iran. The first proposal emphasized the importance of firmly upholding the reconciliation strategy decision. It is hoped that Saudi Arabia and Iran will carry on establishing mutual trust via communication and cooperation, eventually reaching a comprehensive and enduring amicable partnership. Additionally, Beijing proposed further advancements in actively exploring cooperation and exchanges in areas such as economy, trade, security, and people-to-people exchanges. Lastly, the call for the rejection of external interference in the Middle East, and highlighting that the fate of the region should be determined by the people of the regional countries.



(Photo Source: Global Times, 2023)



China assured that it will keep collaborating with other Security Council members and the global community to make relentless efforts to support the end of hostilities in Gaza, deescalation in the Red Sea, a diplomatic resolution to the Yemen conflict, and the establishment of peace and stability in the Middle East. With this in mind, China has recently also attempted to project itself as a global mediator of peace. On November 20, 2023, foreign ministers from the Palestinian Authority, Saudi Arabia, Jordan, Egypt, and Indonesia traveled to Beijing to encourage Chinese officials to help bring a ceasefire in Gaza.

A few weeks after the October 7th attack, the Special Envoy of the Chinese Government on the Middle East, Zhai Jun, visited Saudi Arabia on October 26, 2023, and met with Deputy Foreign Minister of Saudi Arabia, Waleed Al-Khuraiji, in which both sides discussed China-Saudi relations and the current crisis in Gaza. China wants to test the US's moral authority and legitimize the internationalization of the issue by emphasizing its neutral stance and role as a voice of the Global South. In doing so, during his visit to Riyadh, Special Envoy Zhai <u>stated</u> that China called for an international peace conference to push the Israeli and Palestinian sides to undergo peace negotiations and set a detailed timetable and roadmap. This action would remove Washington from its long-standing position as the unchallenged arbiter in the dispute.



(Photo Source: Ministry of Foreign Affairs of the People's Republic of China, 2023)

In the long term, Beijing will find it challenging to help bring an acceptable resolution to all parties involved; however, China could increase its expanding presence in the region by launching its diplomatic footprint and strategy to promote regional peace in response to the crisis in Gaza. On the one hand, the GCC states are keeping a close eye on China's diplomatic role in the region and are expecting China to use its current ties with Iran to support its security initiatives in pushing back Iran's regional influence and deterring its military activities.

While acknowledging the positive strides made in economic cooperation and strategic partnerships, there's a shared belief among the GCC states that China could play an even more influential role in regional stability. In the bigger picture, China seeks to reframe its traditional policy, moving from merely balancing stability and security in its own region to ensuring consistent energy flows and expanding areas of convergence with the GCC. Another critical area of interest is the ongoing dynamics in the Middle East, particularly involving Iran and the Houthis in the current attacks in the Red Sea amidst the Gaza crisis. The GCC states see China as a significant global player with the potential to contribute significantly to conflict resolution and regional peace. There's an expectation that China, with its diplomatic influence, could play a constructive role in encouraging positive dialogue and fostering stability.

For Beijing, the challenge also lies in deepening ties with the GCC while simultaneously effectively managing its relations with Tehran. Although China's increasing engagement in the region is not intended to replace the US, the Gulf states have a growing tendency to involve China in regional affairs, given Beijing's increased diplomatic role. However, how long China can maintain its current role as a 'regional stabilizer' and become a more significant player in the region and the broader Middle East remains to be seen.

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