

**Iran the Day After:
China, Israel and Iran through a Nuclear Looking Glass¹.**
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Introduction

In 2010 several Iran nuclear crisis simulations were held at prestigious academic institutions in the US and Israel simulating response to a flare up between Iran and Israel and trying to forecast the steps taken by respective State and non-State actors according to their national interests. Participants included strategic experts, politicians, academics, diplomats and ex-military personnel.

I was asked to represent Chinese interests and how China would act, at one such simulation held at IDC Herzelia in June 2010. Armed with an appreciation for some of the subtleties of China's vital interests in the Middle East and Central Asia, I prepared to delicately balance these with China's wish to maintain good will in the Western oriented international community, while trying to stall as much as possible.

The last thing I expected was a blasé attitude toward the Chinese position and dismissal of her opinions as if they were not of critical importance to the equation. The participants, even those who represented Arab nations and terror groups relegated China to the diplomatic back seat expecting it would follow the consensus, while all were engaged in identifying the triggers that drive US interests. There seemed to be a complete absence of comprehension of the interests that animate Chinese policy and a miscalculation how important this was in finding a regional solution.

The presumption was that after diplomatic wrangling and horse trading, and upon consensus amongst the Security Council members, Beijing would finally agree to sanctions and even military intervention on Iran. Few cared to delve into what was really driving the Chinese.

Far from perturbed, I was delighted. It is generally accepted amongst Chinese policy makers that the longer China was able to resist being identified as a super power and delay its status as an authoritative international presence, the longer it would be able to avoid international responsibilities and the stigma and burden that came with it. While relying on existing international bodies to carry out the policing, China could pursue its own agenda, amass gains and lay a formidable network of inter-business and inter-government ties throughout the Middle East and Central Asia. Forfeit its standing and prestige on international forums was a small price to pay for the strategic and unhindered headway.

The relative inconsequentiality attributed to the Chinese position, in the Simulation – as in reality - made it easier for me to maintain ambiguity as to China's real intentions, and

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hedge Beijing's position with the representatives of both the West and the oil rich Arab States as well as with Iran. By stalling international consensus for more severe sanctions, or by maneuvering war posturing into what seemed like an inevitable stalemate, the exercise was a complete success from the Chinese perspective. More remarkable was that no one paid attention that China was the only real winner in the entire exercise.

At the Simulation's conclusion, as participants debated if there was not a better way for the US and the Western alliance, I walked away feeling sure China's interests were secured from all sides. On one side China was appreciated by many parties at the Security Council and the UN for its diligent and moderate presence; it was perceived as a champion to many NGOs, Socialist, radical, anarchistic and non-governmental interests; on the other side it was rewarded by the US and its partners for any concessions made; in return for concessions a blind eye was turned to its economic activities in Iran and Syria; and it was still able to build credibility with Iranian leaders and amongst other isolated nations for showing independent will against the US. China's ME interests were intact!

Over signification of Western interests has blinded Iran experts to the fuller picture in which China is a huge stakeholder. However unassuming China may appear in international forums has no correlation with its disproportionate influence on the ground. The absence of thought about China's real interests causes severe lapses in the ability of Israeli and Western strategists to determine the likely reactions of major players, and / or identify sustainable solutions, incentives and dis-incentives as it relates to the Iranian nuclear crisis.

The following summarizes some of the conclusions I drew from the Iran Nuclear Crisis Simulation exercise. It also makes observations of the cultural and strategic issues that guide China in its international relations and in its relationship with Iran. It suggests what China's real interests are and presents scenarios and a theory how Beijing will respond in real time to an Iranian – Israel/ US nuclear stand-off. It concludes by proposing ways to realign the conflicting interests between Israel, the US and China.

US Military Will

The only issue that still makes the US disproportionately relevant to China and in the Middle East and in the future Sino-Iranian axis, is its proven willingness to use (or lend) its overwhelming military strength to support its political resolve and strategic interests in distant places around the globe.

Once it is perceived that the US cannot or will not use its military might, or, is severely deterred from doing so due to Iran's nuclear deterrence, its political influence in the region will follow its plummeting economic and technological prestige. This process has already begun. Middle Eastern nations sensing the impending change of US resolve are scrambling to redraw their political alliances, and are greeted with a welcoming hand from the ambitious economies to their East.

The Rationality of Iran – China Relations

Relations along the ancient Silk Road from China – Pakistan – Central Asia – Iran – Turkey (or an alternative Israel, Syrian route) to the Mediterranean and onward to Europe resonates historically². Trade between the regions extends back three millennium.

Geographic linkedness, complimentary economies, interest in each other's natural resources and productive capabilities lend themselves synergetic sustainability and militarily, geographic and strategic cooperation.

Scorned by its Sunni neighbors, isolated from European and US markets, incentivized by national pride, revolutionary passion and Islamic indignation, Iran became profoundly motivated to undergo a traumatic transition, weaning itself of Western dependence, it constructed a plan to dominate the region by interfacing with its Eastern markets. By enabling an unlikely alliance of diverse, asset rich nations and ideological groups with far wielding networks, and exceptional capabilities, armed with cavalier daring, including radical Islamic networks aka Hezbollah and Hamas; rogue dictatorships such as North Korea; radical regimes such as Venezuela; strategic neighbors such as Syria and Lebanon, and most recently, the feather in its cap, and gateway to Europe – Turkey, it provides a package of valuable strategic assets to China, which has been seeking ways and means for its westward expansion. The call by Chinese conservatives to ensure self sufficiency and to secure its assets through its own power, and to ensure leverage over the US and provide an alternative medium to countenance US dominance over East Asian nations and waterways, has led it to embrace the Iranian option.

While China has yet to fully and publically commit to an exclusive relationship with Iran, nonetheless, if the Iranians succeed in further shaking off European and US influence in the region, they will possess many of the most compelling assets to attract a meaningful Chinese alliance.

Though the leveraging of radical Islamic networks is one of the more diabolical quirks of Ahmanadinejad's leadership, and a great concern to the rational and generally moderate, atheistic Chinese leadership, nonetheless, Ahmadinejad correctly surmises that by ridding the region of extraneous intervention of former world powers, the US and European imperialists – with a nuclear deterrent, Iran can credibly vie for a critical stake in China's westward expansion. The leverage Iran provides China throughout Central Asia and the Middle East seems too attractive to resist. If Ahmadinejad succeeds with his first steps and achieves nuclear deterrence, he will invariably succeed to lure China into a long term strategic partnership. Over decades China has extended a non committal hand to Iran's ambitions, but as its chances of succeeding increase, China's interest in the Iranian option has grown. Perhaps influenced by the conservative military voices, over the past several years there are signs that China has found even greater vested interests in Iran's ambitions for regional hegemony, and has adopted its success as a manifest Chinese interest.

² Marco Polo began his journey along the Silk Road to the Far East from Akko in Northern Israel.

Hidden Intentions

Despite the signals, the full extent of China's role in the geo-political re-alignment in the ME still remains somewhat sketchy. China appears as a passive and non-accentuated player in the Iranian – US faceoff. Its ability to disguise its huge stakes in Iranian's nuclear success is to the eternal credit of its political craftsmen and policymakers.

China will continue to do anything to disguise and hide and deny its interests in the Sino-Iranian axis. For obvious reasons it has little incentive to promote understanding of its interests in international forums and academe.

Beijing, despite the temptation, even prefers to take on an unassuming role in international forums, preferring to patiently wait till its transformation into a ME power is complete and irreversible, and engagement with the Western axis will more fully meet its own terms.

What does China Want in the ME?

One of the important determinations that should be made from the outset about China's Middle East policies and its support for Iran in particular, are its motivations.

Is China supporting Iran for ideological or practical reasons? Is its nearly unwavering support for Iran on the Security Council out of empathy with its revolutionary spirit, its shared dislike for colonialism and foreign intervention, or its shared history along the Silk Road, its interest in Confucian-Islamic dialogue, its dislike for US hegemony, or does it emerge from distinct national motives.

In many respects, China prefers to align itself with the community of enlightened nations, its natural philosophic partners and the nations it respects as advanced and enlightened - the US and Europe. Chinese hold a natural disdain for extremism and fundamentalist religion. Iran is the most unlikely of partners.

But relations with Iran emerge from purely economic and strategic necessity and as such ideological or religious differences are put aside.

Beijing's interest ranges as follows:

- Chinese engagement in Iran and the Middle East are closely linked to the objectives of its state-owned energy companies—the China National Petroleum Corporation (CNPC), the China National Petrochemical Corporation (Sinopec), and CNOOC. It seeks exclusive contracts for its huge needs. One of the primary components of China's foreign policy in general, and in the ME in particular is pursuant of its energy / resource priorities. In the case of Iran, due to its international isolation, it has discovered it has greater access, with cherry picking

incentives to a slew of Iranian resources and deals. These options improve as China increasingly challenges US demands for isolating Iran.

- Availing of Iran's strategic location to create a land route from Western China (through the Middle East) to Europe. In addition to trade and transport, this facilitates the transport of oil and gas, resources, commodities, permanent infrastructure, train lines and highways, via Pakistan, Iran and Turkey to the Mediterranean and beyond, or via Pakistan, Oman, Saudi Arabia, Jordan and Israel (or Egypt). The apparent irreconcilability of the Israel-Arab conflict, together with American influence amongst the Gulf States, may have deterred Chinese policy makers from pursuing the latter route. The eagerness of the Iranian authorities to align with China has been hard to refuse.
- Iranian relations ensure alternatives and contingencies in the case of a breakdown in relations with mainstream Western allies or in the advent of transportation difficulties on China's Eastern waterways.
- China Western regions are relatively undeveloped. Its Eastern ports and access points very expensive. Building a Western corridor is necessary for China's continued economic progress.
- Belonging to an axis of countries and a network of State and non-State partners who benefit from a discreet, but lucrative business and political partnership, furnished with alternative, ways and means, suits Chinese diverse ambitions and requirement for back channels, discreet, extensive and unorthodox networks spanning North Korea, Pakistan, Iran, Syria, Libya, Venezuela as well as several religious and ideological networks.
- China's patronage of North Korea, necessitate a degree of involvement and open channels with other radical States including Iran to ensure oversight.
- Continued tension and isolation of Iran by the US and Europe provides China with access and exclusivity over lucrative deals and accelerates the process of realigning ME economies towards the East.
- China's strong relations with Iran – a traditional Western sphere of influence, furnishes China with a negotiating card in discussion with the US and Europe over issues such as Taiwan, Tibet and the US military presence in the Asia Pacific. China has built a series of instruments to leverage its own interests against US security interests in Asia.
- China's presence in Iran and the ME is welcomed and appreciated by its leaders. China is perceived as a champion of the oppressed, a leader of anti-imperialism and credible for standing up to US demands.
- Relations with Iran compliment China's own home-grown Islamic populations mainly in the Western and North Western provinces. By expanding trade and investment between this population and its Islamic neighbours in Central Asia, it provides stability and economic prosperity and leverages the broad Islamic networks of the region.
- China's relations with Iran seem to have included a clear understanding to keep fundamentalism and terror away from its borders and population. This is evinced from the low terror occurrences in China despite porous borders, incentives, opportunities and easy targets.

- China would like to see the development of nuclear based energy solutions. Empowering nations to explore diverse nuclear options is in its interests.
- Strong ties and cooperation with Iran ensures China's immunity from radical Islamic terror sponsored by Iran, which is a grave concern to China's interests amongst the Muslim minorities in Western China.

China's Strategy:

Protracted Iranian – US Tension

While China believes long-term stable, healthy China-US relationship is in the fundamental interests of the two countries, the benefits from US-Iranian tensions outweigh the disadvantages.

As ME nations fall out of the US-European orbit they invariably turn to China and enter its orbit, providing it with resources, geographic access to distant markets and partnership in a strategic and sprawling strategic axis of developing economies with autocratic leaders.

Iranian Nuclear Fait Accompli

Once Iran achieves nuclear weaponization, the patterns of rational deterrence and market forces will return to normal with one difference. China will have replaced the US as the most important factor in the region. The tension between the US and China will invariably dissipate as China's victory will cap any vindictive backlashes. Evidence of China's double game will fade into an irrevocable reality. Iran's ability to build its own deterrent capacity will keep the US away from the region indefinitely and probably lead it to retreat from any meaningful engagement. Most Middle Eastern States will enter a Chinese orbit – of their own decision. China will not have appeared to have been involved in their decision making process beyond its economic activities. In a perfect political manoeuvre, a civilizational takeover occurred with no proof of anything untoward having occurred.

Stalling at the Security Council

The reasons are that to do so cannot be proven, while the benefits of it far outweigh the price of not doing so.

The main difficulty in diagnosing Beijing's true goal is because all it is required to do to achieve it is stall headway at the Security Council until the reality on the ground makes it too late.

The telling sign that stalling is a designed strategy to achieve maximum benefit for the Chinese at the expense of the Western axis is no less than the outcome itself - perfect circumstances' favouring Beijing. By doing nothing, Beijing achieves the most. This reflects classic Chinese political strategy as for example promoted by Laozi's Dao de

Jing and in other classic Chinese works of political strategy. Perceived effortlessness is consistent with Chinese political values, mores and culture. The present Iranian nuclear predicament should not be viewed as an accident which happily serves Beijing's interests, but rather a carefully chiselled work of Chinese political statecraft.

China is not a passive country and didn't become the world's fastest growing economy through quietism. On issues important to its manifest national interest however it employs powerful self control to reign in its otherwise furious and uncompromising hyper activity – to the art of doing nothing. Under the right circumstances it can find reasons to stall, delay, postpone and reconsider, advocate a status quo, seek harmonious dialogue, exult the virtue of passivity, or an array of other excuses to achieve its interest.

The apparently moderate and earnest call to dialogue and patience with Iran should in fact be a warning sign that leaving the situation as is a valuable asset to Beijing's westward ambitions.

As much as it cannot be proved, China will never openly admit this policy, or pursue it openly. It will continue to insist at every opportunity on peaceful development as a foundational pillar of its developmental philosophy. Only by direct confrontation can Beijing's austere confidence be rattled. Armed with the means and determination to implement an alternative less Beijing friendly course, or the proposal of other more mutually beneficial sharing arrangements, can change the course of this superbly constructed manoeuvre.

Options

China can be convinced to alter its course in a number of situations as follows:

- US military intervention in Iran, together with regime change, and the termination of illegal Sino-Iranian contracts, is probably the only credible negotiating card the US has vis-à-vis China.
- If threatened with termination of contracts in a regime change, and if understood that the US will attack Iran with or without Security Council approval, China will support US actions both on sanctions and for an attack, to save its assets.
- A combined Saudi Arabian - Jordanian - Israeli offer (under US auspices) to provide China with a western corridor to the Mediterranean, as well as oil and gas pipelines through their territory, can also obviate the imperative of a Sino-Iranian axis, and assist the US and China reconcile their strategic tensions.