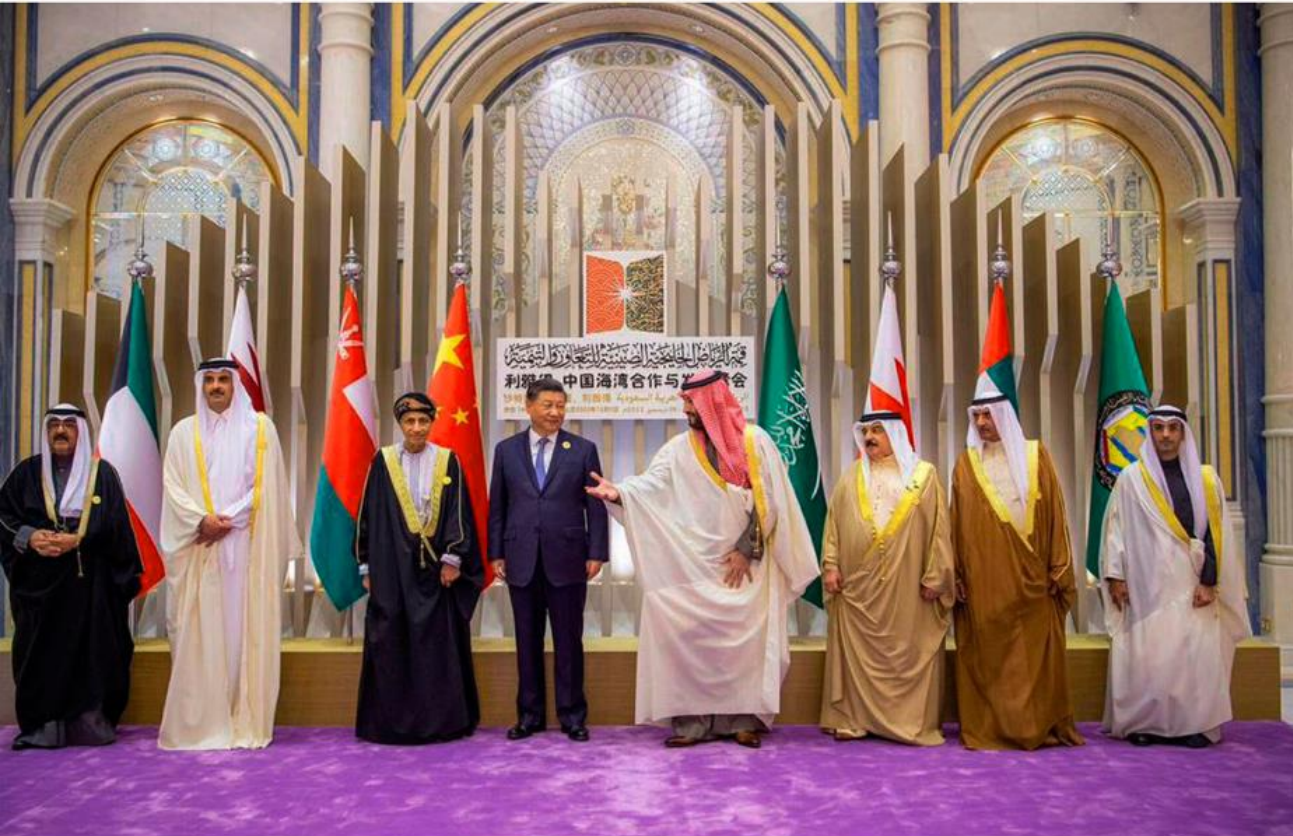


CHINA'S GROWING PRESENCE IN THE GULF REGION

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The Gulf region refers geographically either broadly to the area including Iran and Iraq, or narrowly to the countries of the Gulf Cooperation Council (GCC)—Bahrain, the United Arab Emirates, Qatar, Kuwait, Saudi Arabia, and Oman. From the 7th to the 20th century, this region witnessed the birth and spread of Islam, the rise and fall of major dynasties and empires, and the struggle for dominance among Western powers.

At the beginning of the 20th century, the Gulf was perceived by the West as a region with a desert climate, economically underdeveloped, strategically important but of secondary priority. However, the discovery of oil in Iran in 1908 by the Anglo-Persian Oil Company (APOC) marked a turning point, signaling shifting dynamics both for European powers and for the future of the Middle East. Following Iran, the discovery of oil in other countries significantly changed the global approach to the region. William L. Cleveland, in his book *A History of the Modern Middle East*, explains this transformation by stating, “What turned the Arabian Peninsula from Britain’s backyard into the focus of world attention was *oil*.”

In the United States, the discovery of oil acted like a magnet. American companies, especially the Standard Oil of California (SoCal)—which later became known as the Arabian American Oil Company (Aramco)—sought to maximize the benefits they could extract from the region’s petroleum resources. The discovery of oil diversified US relations with the Gulf states, with a focus on security ties with Saudi Arabia and efforts to reshape Iraq’s political landscape.

However, over the past 15 years, Washington’s influence over Middle Eastern countries has declined. Iran’s increasing influence in Syria, Lebanon, and Iraq, along with Türkiye’s expanding role in Syria, illustrate the shifting balance of power and the waning of the US engagement in the region. Nevertheless, America’s deep-rooted presence in the region’s long-term memory continues to play a key role in maintaining its influence. Furthermore, historical ties, Israeli attacks on Palestine, the shifting dynamics in Syria, and former President Donald Trump’s decision to make his first foreign visit to Saudi Arabia—and to engage subsequently with other Gulf states—delayed the fruition of Trump’s “anti-globalization” policy.

The Gulf countries, particularly Saudi Arabia and the United Arab Emirates (UAE), have been attempting to both strengthen their security and diplomatic ties with the United States amid concerns over the diminishing American commitment and to diversify their economies by developing bilateral relations with other major powers such as the People’s Republic of China and Russia.

China, the subject of this analysis, began its opening to the world under Deng Xiaoping

in the 1970s, and this process accelerated with Xi Jinping’s assumption of the presidency in 2012. Parallel to these developments, China has expanded its global influence and deepened its economic growth. In this context, the Gulf countries have come to the forefront by meeting China’s growing energy demands, by leveraging their geopolitical importance within the framework of the Belt and Road Initiative (BRI), and by becoming focal points for the dissemination of Chinese soft power in the region.

Along with positive outcomes, however, the strengthening of bilateral relations has also led to the sidelining of ethical concerns. Human rights violations and political repression carried out by China in East Turkestan, Hong Kong, Tibet, and Taiwan have often been overlooked by the Gulf states.

The People's Republic of China's Opening to the World

The People's Republic of China was established in 1949 following the victory of the Communist Party, led by Mao Zedong, after 22 years of civil war. Mao governed the country as a socialist state until 1976, adopting an isolationist foreign policy that largely withdrew China from the international arena, with the notable exception of the Korean War (1950–1953). Tensions with the Soviet Union—an important ally at the time—during the 1960s, along with the Cultural Revolution between 1966 and 1976, further deepened China's detachment from international affairs.

However, the 1970s marked a turning point in Chinese foreign policy. The opening to the outside world accelerated with the 1972 meeting between Richard Nixon and Mao Zedong, and gained further momentum after Deng Xiaoping assumed leadership in 1978 following Mao's death. Through his reforms, Deng made China more influential both economically and politically on the international stage.

In the following years, China fully integrated into the global system by joining the World Trade Organization (WTO) in 2001, significantly accelerating its economic growth. Alongside its economic expansion, China also took steps toward multilateral diplomacy, becoming an active

participant in platforms such as BRICS, the G20, and the Shanghai Cooperation Organization (SCO).

With Xi Jinping's rise to power in 2012, China's opening to the world both expanded and transformed. Unlike the "peaceful rise" policy followed during Deng's era, Xi pursued a more assertive foreign policy that made China increasingly visible on the world stage. Initiatives such as the Belt and Road Initiative, launched in 2013, and the establishment of the Asian Infrastructure Investment Bank (AIIB) in 2015, exemplify this new approach.

Parallel to China's rising production trends, its growing energy needs have enhanced the geopolitical importance of the Gulf countries. As China intensified its soft power activities in the Gulf and signed various security and investment agreements, bilateral relations gradually diversified and deepened.

The Diplomatic Dimension of China-Gulf Relations

Among the Gulf countries, Iraq was the first to establish diplomatic relations with the People's Republic of China, doing so on August 25, 1958. The backdrop to this diplomatic contact was the military coup that took place in Iraq the same year. The overthrow of the pro-Western monarchy and the rise of a regime more aligned with China's ideological stance, coupled with China's then-policy of fostering ties with anti-Western governments, laid the foundation for bilateral relations.

On the other hand, Saudi Arabia was the last country in the region to establish official diplomatic ties with China. The Kingdom formally recognized China on June 21, 1990. Until that time, Saudi Arabia

had recognized Taiwan as an independent state, violating China's "One China" principle. According to this principle, China regards Taiwan as an inseparable part of its territory and vehemently opposes diplomatic relations with countries that officially recognize Taiwan as independent. In addition to the Taiwan issue, Saudi Arabia's close alignment with the United States placed it firmly within the Western bloc for a long time, creating a significant ideological gap with China. However, over time, China's ideological rigidity softened, and Saudi Arabia sought to diversify its energy export markets, paving the way for bilateral engagement.

China's adherence to principles of "neutrality" and "non-interference in internal affairs" has played a crucial role in the advancement of China-Gulf relations. These policies have enabled China to cooperate with countries without becoming involved in regional conflicts or domestic issues. Considering the complex political landscape of the Middle East, this approach has greatly facilitated the development of bilateral ties. At the same time, it has worked to China's advantage by preventing Gulf countries from opposing Beijing over human rights violations and political repression in East Turkestan, Hong Kong, Taiwan, and Tibet.

China's neutrality policy also bore fruit in its mediation between Iran and Saudi Arabia. After Saudi Arabia severed diplomatic ties with Iran in 2016 following the execution of the Shiite cleric Nimr al-Nimr, China brokered a rapprochement between the two nations. This marked the first instance of a non-Western power conducting a major diplomatic mediation in the Middle East. Following the 2023 China-mediated agreement, China invited both Saudi Arabia and the United Arab

Emirates to join BRICS, and both countries officially became members in January 2024.

The Gulf countries' accession to BRICS—an organization in which China is a founding member—carries both strategic and economic significance. China's influence in global trade and energy markets presents a strategic opportunity for the Gulf states, while also paving the way for stronger regional economic cooperation.

Today, China regularly conducts high-level visits to Gulf countries, particularly Saudi Arabia, the United Arab Emirates, and Qatar. During these visits, strategic partnership agreements are signed across a range of sectors, including energy, infrastructure, technology, defense, and digitalization. Furthermore, China is expanding multilateral cooperation mechanisms with the Gulf Cooperation Council (GCC), advancing its diplomatic relations not only bilaterally but also at a regional level. These collaborations align with China's goals of expanding its regional influence under the Belt and Road Initiative and filling the strategic void left by the United States' declining presence in the region.

Mutual Economic Interests

The Gulf countries possess a significant portion of the world's oil reserves and occupy a strategic location at the crossroads of Asia, Africa, and Europe. Today, they are pursuing various initiatives to diversify their economies, ranging from green energy and tourism to major infrastructure projects and urban planning efforts.

While the Gulf's primary energy export market was traditionally the West, the

focus has now shifted—primarily toward East Asian countries, with China at the forefront. Having become the world's largest oil importer in 2013, China has increasingly strengthened its cooperation with Gulf countries in areas such as pipelines, refineries, and logistics to reinforce its energy infrastructure and supply chains. Consequently, a significant share of Gulf energy now serves Eastern markets.

China's status as one of the world's largest producers and consumer markets, its growing economy, rising energy demand and concerns about energy security, the Gulf's pivotal role in global trade, and a shared desire to establish a more independent economic system away from US and European influence collectively explain the economic dimension of China-Gulf relations.

In this context, the Belt and Road Initiative (BRI) represents a major convergence of economic interests for both sides. Launched by China in 2013 to revive the historical Silk Road, the initiative now encompasses more than 150 countries. Through the BRI, China invests in infrastructure, transportation, and energy projects in partner countries, aiming to expand its influence both by land and by sea. Projects such as the Khalifa Port, built by the Chinese firm COSCO in the United Arab Emirates, and the China-Oman Industrial Park developed in Oman are examples of efforts serving this purpose.

Although China-Gulf relations have progressed relatively steadily compared to other regions, they are occasionally subject to fluctuations due to China's rising energy demand or external factors. While China's growing energy needs benefit the Gulf, external factors like the Russia-Ukraine

War have introduced new uncertainties. Following sanctions imposed after the war, Russia pivoted its energy exports toward China and overtook Saudi Arabia as China's largest energy supplier. Given the critical importance of maintaining access to large markets like China, Gulf countries responded by signing a series of strategic cooperation agreements with China in December 2022, thereby reinforcing the foundation of China-Gulf relations amid intensifying Sino-Russian trade ties. Another external factor causing concern for the Gulf states is China's ongoing decarbonization process. Aware of the global green transition, Gulf countries have ramped up strategic investments in Chinese companies and are jointly developing projects in this field. For instance, electric vehicle manufacturers such as Human Horizons and Enovate have established billion-dollar factories in Saudi Arabia, contributing to the development of the region's green industrial infrastructure. In doing so, the Gulf states are not only enhancing their international reputation but also broadening the scope of their economic relations with China into new sectors.

In conclusion, China's energy demand remains the cornerstone of its economic ties with the Gulf, and this situation is not expected to change significantly in the near future. This is evidenced by crude oil export and refinery agreements with Saudi Arabia, long-term natural gas contracts with Qatar, and China's status as the largest purchaser of Omani crude oil.

The Course of Bilateral Relations in the Context of Public Diplomacy

China conducts various public diplomacy activities around the world to improve its global image, expand its cultural influence,

and foster friendly relations with foreign populations. These activities, which gained momentum in the early 2000s, aim to engage different countries through a variety of instruments.

In this context, China offers Chinese language education through Confucius Institutes, attracts international students with government scholarships, promotes its perspective to the world through state-supported media outlets like CGTN (China Global Television Network) and Xinhua, provides humanitarian aid across different regions, and uses traditional events such as Chinese New Year celebrations as elements of soft power.

At this point, the Gulf countries have served as an important pilot region for China's public diplomacy, helping to diversify bilateral relations. China has organized cultural programs in the Gulf, established new airline destinations, and simplified visa procedures to strengthen not only commercial but also public diplomacy ties with strategically important states in the region. As a result, bilateral engagement has expanded beyond political elites to broader segments of society.

Overlooked Issues Amid Growing Bilateral Relations

Although China-Gulf relations have not yet reached profound levels, they have diversified across various fields in a relatively short period. While the growth of bilateral ties has been beneficial both economically and diplomatically, it has also brought certain negative consequences. Notably, the silence of Gulf countries regarding China's human rights violations and political repression in regions like East

Turkestan, Hong Kong, Taiwan, and Tibet exemplifies this trend.

East Turkestan has long been grappling with severe human rights abuses perpetrated by China. Thousands of Turkic individuals, primarily Uyghurs, are forcibly held in so-called "re-education camps" where they endure torture. They also face restrictions on religious practices and traditional customs, with many women subjected to forced abortions under unhealthy conditions or coerced into marriages with Chinese nationals. Additionally, the cheap labor force that has helped establish China as the "world's factory" often involves Uyghurs working under forced labor conditions, receiving meager wages or no compensation at all.

When **Hong Kong** was handed over from Britain to China in 1997, it adopted a special governance model under the "one country, two systems" principle, preserving most of its freedoms. However, in recent years, China has increasingly curtailed these freedoms. Legal changes have undermined Hong Kong's economic strength and international reputation, while stifling democratic movements. For example, the Hong Kong National Security Law, passed unanimously by the legislature in 2020, allowed the suppression of activities deemed a threat to "Chinese sovereignty," thereby reducing the region's autonomy.

The People's Republic of China considers **Taiwan** an inseparable part of its territory and aspires to achieve reunification. In recent years, tensions have intensified due to Taiwan's pro-independence government and US support for Taiwan. To assert its position, China has conducted military exercises and airspace incursions around

Taiwan, underlining the seriousness of its intentions.

Tibet, which has historically engaged in popular resistance efforts to defend its rights, has frequently faced violent crackdowns by China. Beyond political oppression and religious restrictions, Tibet also struggles against international setbacks, particularly after China assumed its seat at the United Nations in 1971, hindering pro-Tibetan resolutions.

In this context, China perceives criticism related to these regions as interference in its internal affairs. Consequently, amid intensified economic cooperation and the prioritization of mutual interests, ethical concerns are often overlooked in international relations with the Gulf.

Consistent with this approach, Gulf countries have tolerated cultural stands in Qatar that present Uyghur cultural elements as “Chinese culture,” adhered to the “One China” policy despite political repression in Taiwan, turned a blind eye to China’s human rights violations raised in forums like the United Nations Human Rights Council and the G20, and have regarded potential criticisms as meddling in China’s domestic affairs.

The US Presence in the Region

US-Gulf relations entered a tense period after the events of September 11, and the US invasion of Iraq in 2003—despite strong objections from Saudi Arabia—and the subsequent opening left for Iranian influence further exacerbated these tensions.

Following the Arab Spring, Gulf countries adopted a more activist and interventionist approach in the region. While the US

remained silent toward the authoritarian practices of Gulf states, China, recognizing the strategic locations of these countries within the Belt and Road Initiative, moved closer to them. During this period, considered a turning point in China-Gulf relations, China notably strengthened its ties with Gulf countries through tools of economic diplomacy.

Over time, bilateral relations diversified beyond economics to include fields such as technology, artificial intelligence, security, and public diplomacy. However, it remains debatable to what extent the growing China-Gulf relations could overshadow the long-standing US-Gulf ties. Indeed, the US, with its enduring presence, continues to be the primary guarantor of Gulf security, maintaining strong bonds through military bases, defense agreements, and arms sales, and contributing to the security architecture that upholds Gulf regimes.

Furthermore, despite China’s efforts to promote the use of its own currency, the Yuan, Gulf countries’ currencies remain pegged to the dollar. This indicates that Gulf economies continue to operate largely within the US-centered global financial structures, with the dollar retaining its position as the region’s primary reserve currency. Additionally, the fact that most foreign direct investment into the Gulf comes from Europe and North America, along with the Gulf’s long-standing political and military ties with the West, further reinforces this alignment. The Gulf’s desire to protect its domestic industries against China’s manufacturing dominance also supports this trend.

On the other hand, the escalating US-China trade wars present both opportunities and challenges for the Gulf. While they pose threats to the Gulf’s economic

diversification strategies, they also offer new openings—especially for Riyadh and Abu Dhabi—to enhance their roles in the shifting global order. Saudi Arabia and the UAE may find ways to leverage the growing geopolitical competition between China and the US to their advantage.

Conclusion

The Gulf region became a global focal point following the discovery of oil. Western countries, particularly the United States, sought to maximize their benefit from Gulf oil through corporate control and to expand their influence in the region.

Over the past 15 years, starting with the Obama administration, the US has begun a military drawdown in the region and shifted its strategic focus from the Middle East to Asia. This shift has created space for regional actors like Iran and Türkiye to gain more influence. Alongside these regional powers, China, together with Russia, has expanded its footprint in the Gulf as an international actor.

China, which had accelerated its opening to the world starting in the 1970s, took this to its highest level in 2012 with Xi Jinping's appointment as president. Xi pursued a more active foreign policy, making China more visible on the international stage through various collaborations, projects, and mediation efforts. Parallel to China's growing outward engagement, the rise in its production index increased its energy demands, resulting in Gulf energy exports gradually shifting from Western to Eastern markets.

China-Gulf relations have evolved over time, increasing diplomatic contacts and diversifying beyond economic ties into new sectors. However, it would still be a

contested argument to claim that bilateral relations have reached a deep level. Several factors reveal this limitation: Gulf economies remain integrated into the global financial system via the US dollar, Gulf political elites maintain strong ties with the West, and no sufficient alternative to the US exists in the defense sector for Gulf countries. Thus, although China is moving away from being merely a silent energy customer of the Middle East and pursuing a more active foreign policy in the region, it still remains a passive actor, both specifically in the Gulf and generally in the broader Middle East.

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