

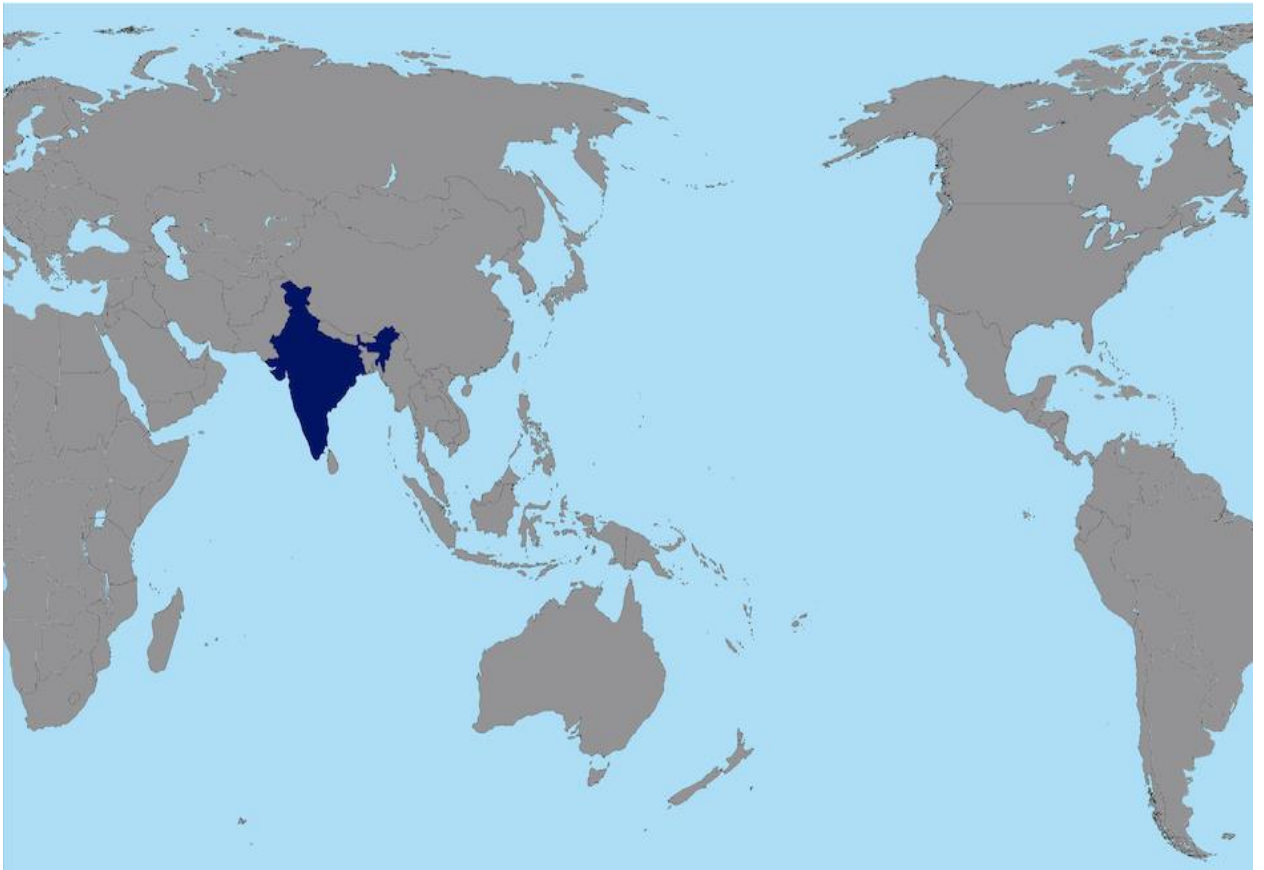


Delhi Policy Group

Advancing India's Rise as a Leading Power



DPG INDO-PACIFIC MONITOR MARCH 2021



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Delhi Policy Group

Core 5A, 1st Floor, India Habitat Centre, Lodhi Road, New Delhi- 110003

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DPG INDO-PACIFIC MONITOR

This publication is a monthly analytical survey of developments and policy trends that impact India's interests and define its challenges across the extended Indo-Pacific maritime space, which has become the primary theatre of global geopolitical contestation. It is authored by Cmde. Lalit Kapur (Retd.), DPG Senior Fellow for Maritime Strategy, with the assistance of a team of DPG Research Associates comprising Anushka Nair and Angana Guha Roy based on open source reports and publications. Your comments and feedback may be addressed to Anushka Nair at anushka@dpg.org.in. To subscribe, please [click here](#).

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DPG INDO-PACIFIC MONITOR

March 2021

What the Biden administration's approach to the Indo-Pacific would be had generated considerable interest, particularly after he was reported to have abandoned the "free and open" description in favour of "secure and prosperous" during the campaign¹. Five events during the month provided an indication of the new administration's approach: the Interim National Security Strategic Guidance, the Quad Summit, the US 2 + 2 meetings with Japan and South Korea, the US Defense Secretary's visit to India, and the US-China ministerial meeting at Anchorage, Alaska. China, meanwhile, strengthened its position in West Asia through its agreement with Iran and Foreign Minister Wang Yi's visits to Saudi Arabia, Turkey, the United Arab Emirates, Oman and Bahrain.

Interim National Security Strategic Guidance

The Interim National Security Strategic Guidance (INSSG)², released on March 03, identifies foreign policy priorities and spells out how the US will respond to various challenges.

The first priority goes to transnational threats requiring collective action (pandemics, climate change, cyber and digital threats, international economic disruptions, violent extremism and terrorism, and the proliferation of weapons of mass destruction). Next are challenges to democracies, including from antagonistic authoritarian powers using disinformation, misinformation and weaponised corruption. Third is the changed distribution of power around the globe. Next comes modernising international architectures for cooperation. The last is addressing challenges emanating from emerging technologies, which are largely ungoverned by laws or norms, and establishing new rules and practices.

China/Beijing finds mention 19 times in the INSSG, followed by Russia six times. Iran and North Korea are also included among threats. The INSSG identifies reinvigorating and modernising alliances and partnerships around the world as the fundamental necessity. It prioritises alliances such as with NATO, Australia, Japan and South Korea, while maintaining Trump's emphasis

¹ Sebastian Strangio, "Is Biden Preparing to Tweak the Indo-Pacific Strategy",

<https://thediplomat.com/2020/11/is-biden-preparing-to-tweak-the-indo-pacific-strategy/>

² <https://www.whitehouse.gov/wp-content/uploads/2021/03/NSC-1v2.pdf>

on sharing responsibilities equitably and encouraging allies to invest in their own comparative advantages. The priority theatre remains the Indo-Pacific, where the INSSG calls for deepening the partnership with India while working alongside New Zealand, Singapore, Vietnam and other ASEAN states. Next in order of priority is Europe, followed by the Middle East, with the mention of the US not giving partners in the latter arena a blank check to pursue policies at odds with American interests and values. Finally, the INSSG acknowledges that both the UN and other international organisations remain essential to advancing American interests and that the US will re-engage as a full participant, and work to reform institutions so that they continue to reflect democratic rather than authoritarian values.

Though the INSSG acknowledges the necessity of maintaining a powerful military matched to the security environment, and that the US will never hesitate to use force when required to defend vital national interests, it professes to elevate diplomacy as the tool of the first resort. In a return to a variant of the Weinberger and Powell Doctrines, it says military force will be used only when the objectives and missions are clear and achievable, when force is matched with appropriate resources and as part of an integrated strategy consistent with American values and laws, and with the informed consent of the American people. It also speaks of shifting emphasis from unneeded legacy military platforms and freeing up resources for investments in cutting edge technologies and capabilities that will determine military advantage in the future.

The INSSG speaks of ending the war in Afghanistan while ensuring that the country does not again become a safe haven for terrorist attacks, and making US presence in the Indo-Pacific and Europe more robust so as to deter adversaries. It limits objectives in the Middle East to being able to disrupt international terrorist networks, deter Iranian aggression and protect other vital US interests. On trade, it commits to working with allies to reform the WTO and pursuing new trade deals only after making investments in American workers and communities.

The INSSG continues with the strong language about China that was a hallmark of the previous administration's NSS. Importantly, it commits to ensuring "that US companies do not sacrifice American values in doing business with China", and confronting unfair and illegal trade practices, cyber theft and coercive economic practices that hurt American workers. Defending access to the global commons, including freedom of navigation and overflight rights under international law, continues to be a priority. The INSSG commits to supporting China's neighbours and commercial partners in defending their right to make

independent political choices free of coercion or undue foreign influence. It also commits to supporting Taiwan and standing up for democracy and human rights, including in Hong Kong, Xinjiang and Tibet.

The strategic thrust of the INSSG remains much the same as that of the Trump administration's broad approach. The national security pillars remain protecting the American people, homeland and way of life; promoting American prosperity; preserving peace through strength; and advancing American influence. The dilution of emphasis on the military while committing to expand diplomacy, development and economic statecraft is welcome. But whether the US will be able to enlist the support of others will depend to a large extent on how nations perceive its ability and actions to deliver on the stated objectives.

The Quad Summit

Responding to a media query about the Quadrilateral Security Dialogue (Quad), China's Foreign Minister Wang Yi had famously declared, "There's never a shortage of headline-grabbing ideas, but they are like sea foam in the Pacific or Indian Ocean" and "They may get some attention but will be short-lived"³. The Quad was then confined to meetings of officials, invariably accompanied by studious denial that it had anything to do with China's assertions. The Quad has not dissolved like sea foam; in fact it has since evolved to become the focus of the first multilateral Summit hosted by President Biden⁴. A Joint Statement titled "The Spirit of the Quad"⁵ and a joint Op-Ed by the four leaders highlighting their shared commitment to promoting a free, open, secure and prosperous Indo-Pacific region⁶ are both remarkable and unprecedented.

Quad leaders have successfully married their different Indo-Pacific visions and ensured that even though China is not mentioned in their statement, there is

³Inciting Bloc Confrontation will find no Market: Chinese FM, Xinhua, March 08, 2018, http://www.xinhuanet.com/english/2018-03/08/c_137024428.htm

⁴ Opening remarks by President Biden at the summit on March 12, 2021, <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/03/12/remarks-by-president-biden-prime-minister-modi-of-india-prime-minister-morrison-of-australia-and-prime-minister-suga-of-japan-in-virtual-meeting-of-the-quad/>

⁵Quad Leaders' Joint Statement: "The Spirit of the Quad", March 12, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/12/quad-leaders-joint-statement-the-spirit-of-the-quad/> .

⁶Opinion: Our four nations are committed to a free, open, secure and prosperous Indo-Pacific region, by Joe Biden, Narendra Modi, Scott Morrison and Yoshihide Suga, <https://www.washingtonpost.com/opinions/2021/03/13/biden-modi-morrison-suga-quad-nations-indo-pacific/>

no doubt that their cooperation is intended to balance its growing influence and assertion. The Fact Sheet⁷ accompanying the joint statement focuses on concrete measures of practical cooperation to deliver public goods (vaccinations and climate change) and reassuring smaller nations, concerned about becoming the battleground for great power conflict. The Quad vaccine initiative explores the building of a supply chain that doesn't depend on China; this can be replicated in other supply chains. The working group established for advanced technologies makes the intent to provide alternatives to China clear. The leaders have done well to eschew the military element of cooperation; the latent 'big stick' is there, but is best retained in the background.



President Joe Biden, Prime Minister Yoshihide Suga, Prime Minister Narendra Modi and Prime Minister Scott Morrison at the Quad Virtual Summit, March 12, 2021.

Source: White House/Twitter

In projecting the Quad as an Asian NATO, critics and Chinese commentators lose sight of the fact that NATO was the military element of a containment strategy against the former Soviet Union. China, however, is too deeply integrated in the global economy, including with that of the US and its allies, to be similarly contained. A different strategy will be needed. The Quad thus provides the foundations for a future Indo-Pacific Charter, based on common values and aspirations and rooted in international law.

⁷ Fact Sheet: Quad Summit, March 12, 2021, <https://www.whitehouse.gov/briefing-room/statements-releases/2021/03/12/fact-sheet-quad-summit/>

The announcement that Quad leaders will meet in person before the end of the year, as well as that senior officials will meet regularly and foreign ministers will do so at least once a year, indicates that the Quad will continue to gather momentum. China will no doubt energise its information warriors to denigrate the group (its wolf warrior spokesman Zhao Lijian has already come into action⁸). However, it is China's own evident regional coercion that provides the primary driving force for the Quad

But these are still early days. Some Quad institutional infrastructure will be needed, differences and divergent interests managed, common strategies identified for complex issues like balancing responsibilities and expectations from security cooperation.

2 + 2 Meetings with Japan and South Korea

The US Secretaries of State and Defense travelled to Tokyo and Seoul for the first overseas engagements by any member of the Biden cabinet. The Joint Statement⁹ following the Tokyo leg of the visit reaffirms "the vital importance of the US-Japan Alliance as the cornerstone of peace, security and prosperity in the Indo-Pacific region and around the world". It describes deepening US-Japan economic cooperation as a key priority for both and pledges to expand coordination on climate change, clean energy, supply chains, cyber-security and COVID-19. In the press conference after the meeting¹⁰, the two sides acknowledged the deterioration in the Indo-Pacific strategic environment and identified three major outcomes. The first was renewing the "unwavering commitment towards the alliance" including for the defence of Japan against all threats, and an agreement that both will collaborate with like-minded nations including Australia and India to promote a free and open Indo-Pacific. The second was recognition that China's behaviour presents challenges to the alliance and the international community. This included serious concern about China's coast guard law and confirmation of the application of Article 5 of the bilateral security treaty to the Senkaku Islands. Third was agreement to further reinforce collaboration for deterrence and response capability of the alliance. This includes "pushing back if necessary when China uses coercion

⁸Foreign Ministry Spokesperson Zhao Lijian's Regular Press Conference on March 12, 2021, https://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1860582.shtml

⁹The United States and Japan Expand Indo-Pacific Cooperation, <https://www.state.gov/the-united-states-and-japan-expand-indo-pacific-economic-cooperation/>

¹⁰<https://www.state.gov/secretary-antony-j-blinken-secretary-of-defense-loyd-austin-japanese-foreign-minister-toshimitsu-motegi-and-japanese-defense-minister-nobuo-kishi-at-a-joint-press-availability/>

or aggression to get its way". Whether this pushback includes Taiwan was not clarified; in fact Secretary Austin refused to get involved "in any kind of hypotheticals".



Secretary of Defense Lloyd Austin, Secretary of State Anthony Blinken, Foreign Minister Toshimitsu Motegi and Defence Minister Nobuo Kishi at the Joint Press Availability in Tokyo, March 16, 2021. Source: US Department of State

In Seoul two days later, the Joint Statement "reaffirmed that the ROK-US Alliance serves as the linchpin of peace, security and prosperity on the Korean Peninsula and the Indo-Pacific Region"¹¹. Unlike in Japan, however, there was no mention of China in the statement. The focus was on reinforcing the commitment to defending the ROK and extended deterrence using the full range of US capabilities, full denuclearisation of North Korea and the promotion of ROK-US-Japan trilateral cooperation. A specific question during the joint press conference about ROK participation in the Quad¹² elicited the response that this had not been discussed.

¹¹ <https://www.state.gov/joint-statement-of-the-2021-republic-of-korea-united-states-foreign-and-defense-ministerial-meeting-22/>

¹² <https://www.state.gov/secretary-antony-j-blinken-secretary-of-defense-loyd-austin-republic-of-korea-foreign-minister-chung-eui-yong-and-republic-of-korea-defense-minister-suh-wook-at-a-joint-press-availability/>



Secretary of Defense Lloyd Austin and Secretary of State Anthony Blinken Meet with President Moon Jae-in at Seoul, March 18, 2021. Source: US Department of State

The purpose of the visit was evidently to demonstrate the value the US places on its major alliances in East Asia, undoubtedly its priority region. For the moment, the US has done enough to ensure both countries remain with it. It will, however, have to work creatively and hard to manage their differing security perspectives on China as well as fissures in the Japan-ROK relationship which impede US-Japan-ROK security cooperation.

US Defense Secretary's Visit to India

Continuing his first overseas trip, Secretary of Defense Lloyd Austin visited India on March 19-20, reflecting the priority the Biden administration accords to the bilateral defence relationship. A Pentagon advisory on the objectives of the visit said that it was intended to "discuss deepening of the US-India Major Defense Partnership" and advance "cooperation between our countries for a free, prosperous and open Indo-Pacific and **Western Indian Ocean Region**¹³" (emphasis added). Deepening of the defence partnership was expected to include enhanced information sharing, regional security cooperation, defence

¹³Pentagon Advisory of March 10, 2021,

<https://www.defense.gov/Newsroom/Advisories/Advisory/Article/2531379/secretary-austin-travels-to-hawaii-japan-republic-of-korea-india/>

trade, and cooperation in new domains¹⁴. Reports indicated that the visit would include discussions on China, Afghanistan and the Indo-Pacific region¹⁵. Another objective was also helping strengthen India's defence industrial base so that it can better partner with the US military.



Secretary of Defense Lloyd Austin inspects Guard of Honour at Vigyan Bhavan, March 20, 2021. Source: US Dept. of Defense (Twitter)

The Austin visit appears to have fulfilled its objectives. The readout from India's Ministry of Defence¹⁶ speaks of discussions on expanding military-to-military engagement across the services, information sharing, cooperation in emerging sectors of defence and operational logistics support. It mentions review of the whole range of bilateral and multilateral exercises and enhanced cooperation with the US Indo-Pacific Command, Central Command and Africa Command, as well as steps to realise the full potential of foundational

¹⁴"Defence Secretary Austin and India's Rajnath Singh to discuss ways to operationalize major defence partnership, says Pentagon official", The Economic times, March 13, 2021, https://economictimes.indiatimes.com/news/defence/defence-secretary-austin-and-indias-rajnath-singh-to-discuss-ways-to-operationalise-major-defence-partnership-says-pentagon-official/articleshow/81479165.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

¹⁵Michael Kugelman, "What to Expect from Lloyd Austin's Trip to India", <https://foreignpolicy.com/2021/03/18/india-lloyd-austin-visit-defense-security-biden-indo-pacific/>

¹⁶<https://pib.gov.in/PressReleasePage.aspx?PRID=1706248>

agreements for mutual benefit. It also talks of agreement regarding opportunities for collaboration in defence industry and enhanced capacity building to address non-traditional challenges such as oil spills and environment disasters, drug trafficking and IUU fishing.

Following his discussions with India's Defence Minister, Secretary Austin stated, "At the top of my agenda I wanted to convey the Biden-Harris administration's commitment to allies and partners. India, in particular, is an increasingly important partner amid today's rapidly shifting international dynamics. And I reaffirmed our commitment to a comprehensive and forward-looking defence partnership with India as a central pillar of our approach to the (Indo-Pacific) region"¹⁷.

Contentious issues such as the possibility of CAATSA sanctions due to India's acquisition of the S-400 system from Russia were adroitly handled: Austin said that while the acquisition was discussed, the question of sanctions remained hypothetical as India had not yet taken delivery of the system¹⁸. Human rights concerns, if discussed, remained on the back burner. For the time being, the strategic considerations driving India-US relations forward can be expected to dominate.

The Anchorage Dialogue

In what was billed by the Chinese side as the first high-level strategic dialogue between the US and China under the Biden administration, Messrs Anthony Blinken, Jake Sullivan, Yang Jiechi and Wang Yi met at Anchorage, Alaska on March 18-19, 2021. The immediately preceding period had witnessed numerous actions that China considered provocative, including the US creating opportunities for Taiwan in Eswatini¹⁹, the Quad Summit, US condemnation of the continuing assault on democratic institutions in Hong Kong²⁰, the G-7 joint statement on Hong Kong electoral changes²¹, and sanctions on 24 additional CCP Hong Kong and Chinese nationals who had contributed significantly to the PRC's failure to meet its obligations under the

¹⁷Ajai Shukla, "US Secretary of Defense Lloyd Austin visits India, sends signals to China" Business Standard, https://www.business-standard.com/article/current-affairs/us-secretary-of-defense-visits-india-sends-signal-to-china-121032000697_1.html

¹⁸Snehesh Alex Philip, "US raises Russian S-400 issue, India says it has diversified portfolio", <https://theprint.in/diplomacy/us-raises-russian-s-400-issue-india-says-it-has-diversified-portfolio/625459/>

¹⁹<https://www.state.gov/united-states-eswatini-and-taiwan-identify-and-create-partnership-opportunities/>

²⁰<https://www.state.gov/assault-on-democracy-in-hong-kong/>

²¹<https://www.state.gov/g7-statement-on-hong-kong-electoral-changes/>

Joint Declaration or Basic Law²². China, on the other hand, increased its oil imports from Iran and Venezuela, notwithstanding the US threat of sanctions.



Secretary of State Anthony Blinken and National Security Adviser Jake Sullivan meet with Chinese Director of the Office of the Central Commission for Foreign Affairs Yang Jiechi and Chinese State Councilor Wang Yi at Anchorage, Alaska, on March 18, 2021. Source: AP News

The US preview of the meeting's objectives and expectations²³ made clear the intent to "confront China where it is undermining our interests and values" and "cooperate where there is an interest in doing so". The US team believed it had a strong hand, thought it important that Chinese interlocutors hear directly about US priorities and intentions (to dispel the idea that there was a difference between public and private messaging), and that it could exploit Beijing's keenness to change the tone of the relationship. The US side also made it clear that this was a one-off meeting, that there would be no joint statement, and that the Secretary and NSA were going in together to prevent China exploiting differences between the two high-level office holders. Asked how they would respond if the Chinese were equally blunt and insisted that the US stop meddling in China's affairs, the answer was that one meeting would not suffice to convince the Chinese of the error of their ways.

²² <https://www.state.gov/update-to-report-on-identification-of-foreign-persons-involved-in-the-erosion-of-the-obligations-of-china-under-the-joint-declaration-or-the-basic-law/>

²³ <https://www.state.gov/senior-administration-officials-preview-of-national-security-advisor-jake-sullivan-and-secretary-of-state-antony-j-blinkens-trip-to-anchorage-alaska/>

This question proved prescient. The US side did spell out their concerns²⁴, including about China's actions in Xinjiang, Hong Kong, Taiwan, cyber attacks on the US and economic coercion of allies. In return, they received a stinging, wolf-warrior response. After recounting the progress China had made, Chinese interlocutors pointedly observed that China upheld the UN centred international system underpinned by international law and not that unilaterally determined by the US. They questioned the professed US commitment to democracy while seeking regime change through force or other means, resulting in regional destabilisation. They rejected US interference in Xinjiang, Tibet and Taiwan, which were "inalienable parts of China's territory", denigrated the US human rights record, described the US as the champion in launching cyber attacks, and said it did not represent international public opinion. They also accused the US of trying to suppress China's legitimate rights and interests and interfering in its internal affairs.

Press statements by the two sides after the talks brought out the chasm between how both projected the outcome. The US statement²⁵ anticipated continued confrontation on issues such as Xinjiang, Hong Kong, Tibet, Taiwan and cyberspace, identified commonality in views on Iran, North Korea, Afghanistan and climate change, and set aside trade, technology and economic issues for review with Congress, allies and partners. The Chinese statements^{26,27} identified the "governing status of the CPC and the security of China's socialist system" as a red line that should not be crossed; Taiwan, Tibet and Xinjiang as internal matters on which the US has no locus standi; described the claim that there is genocide in Xinjiang as "the biggest lie of the century"; unequivocally stated that China has the right to change the electoral system in Hong Kong; and described the 14th Dalai Lama as a "a political exile who has long been engaged in anti-China separatist activities". China highlighted reiteration by the US of its adherence to the one-China policy; agreement to facilitate activities of each other's diplomatic and consular missions and personnel; adjustment of travel and visa policies and normalisation of personnel exchanges between the two countries; and agreement to step up "coordination and consultation on activities within such multilateral frameworks as the

²⁴ <https://www.state.gov/secretary-antony-j-blinken-national-security-advisor-jake-sullivan-chinese-director-of-the-office-of-the-central-commission-for-foreign-affairs-yang-jiechi-and-chinese-state-councilor-wang-yi-at-th/>

²⁵ <https://www.state.gov/secretary-antony-j-blinken-and-national-security-advisor-jake-sullivan-statements-to-the-press/>

²⁶ https://www.fmprc.gov.cn/mfa_eng/wjb_663304/wjbz_663308/activities_663312/t1862856.shtml

²⁷ https://www.fmprc.gov.cn/mfa_eng/wjb_663304/wjbz_663308/activities_663312/t1862857.shtml

Group of 20 and the Asia-Pacific Economic Cooperation". The Chinese readout closed with the prescription, "the two sides should respect each other's core interests and major concerns; it is upon that basis that the door for China-US dialogue will always be open".

For observers in Asia, the meeting highlighted the contrast between clarity in China's strategic approach and a degree of confusion and perceived weakness on the US side. China, convinced of the US inability to dictate results and confident of its own strategic advantage, is not prepared to yield any ground on its major concerns. In its eyes, it has successfully laid out boundaries and can be expected to expand areas where it will confront US "interference".

The battle lines for strategic competition in Asia between the US and China have been joined. The US is still marshalling its allies and resources, while China is confident that the US cannot approach this standoff from a position of strength. The US approach is unfolding through systematic and measured moves, but it is far from clear that there will be enough bandwidth in a polarised and domestically focused Washington DC for the challenges that lie ahead in the Indo-Pacific.

China Expands Influence in West Asia

The Iran-China Comprehensive Strategic Partnership Agreement of January 2016²⁸ provided for "consultations and discussions aimed at concluding a bilateral 25-year Comprehensive Cooperation Agreement" and Iran's welcome of "the Silk Road Economic Belt and the 21st Century Maritime Silk Road initiative introduced by China". It also called for expanding economic cooperation in areas such as "mining, transportation, communications, space, manufacturing industries, developing of ports, upgrading and expansion of railway networks, express railway systems, agriculture, water resources, protection of the environment, food security, water desalination, use of nuclear energy for peaceful purposes and renewable energies". Other areas of cooperation envisaged included the human and cultural domains, judiciary, security and defence, and in regional and international matters.

The 25-year plan for comprehensive cooperation signed by Foreign Ministers Wang Yi and Mohammad Javad Zarif in Tehran on March 27, 2021²⁹ brings

²⁸ Full text of Joint Statement on Comprehensive Strategic Partnership between the Islamic Republic of Iran and the People's Republic of China, <http://www.president.ir/EN/91435>

²⁹ Wang Yi Holds Talks with Iranian Foreign Minister Mohammad Javad Zarif, https://www.fmprc.gov.cn/mfa_eng/wjb_663304/wjbz_663308/activities_663312/t1865100.shtml

closer to fruition the vision contained in the 2016 agreement. Though the contours of the plan were not officially released, media reports³⁰ indicate it involves Chinese investment in Iran amounting to \$ 400 billion over 25 years, in over 100 projects including airports and high-speed railways, developing free trade zones, the infrastructure for a new 5G telecom network, cyberspace cooperation, and the building of new ports, including one at Bandar-e-Jask, about 300 Km West of Chabahar. It also includes establishment of an Iranian-Chinese bank which could help Tehran and Beijing to work around US sanctions³¹. In return China would receive assured supplies of Iranian oil at discounted prices.



Chinese State Councilor and Foreign Minister Wang Yi and Iran's Foreign Minister Mohammad Javad Zarif after signing the Iran-China plan for cooperation, March 27, 2021. Source: MOFA China

³⁰ Farnaz Fassihi and Steven Lee Myers, "Defying US, China and Iran Near Trade and Military Partnership", <https://www.nytimes.com/2020/07/11/world/asia/china-iran-trade-military-deal.html>

³¹ Sune Engel Rasmussen and Aresu Eqbali, "Iran, China Sign Economic, Security Agreement, Challenging US Pressure", <https://www.wsj.com/articles/iran-china-sign-economic-security-agreement-challenging-u-s-pressure-11616866936>

The agreement could prove an economic lifeline for Iran, strengthening its ability to stand up against crippling US sanctions. If successfully executed, it could also lead to substantial development in Iran while providing China a long-term presence in the country. Much will, however, depend on continuity in Iran's policies. The term of President Rouhani ends in June 2021; he is not permitted another term.

Wang Yi's visit to West Asia was not restricted to Iran. It included Turkey (March 25) and Arab capitals³², including Riyadh (March 24 & 26), Abu Dhabi (March 28), Muscat (March 29) and Bahrain (March 30). All six countries have endorsed China's Belt and Road Initiative. China's interests have expanded from crude oil imports to the China-Central Asia-West Asia Corridor of the Belt and Road Initiative, connecting the region to China through investment in infrastructure and connectivity (including digital).

Apart from the Iran-China deal, outcomes from the tour included what Wang Yi described as three markers for China-Arab relations: that China is by far their largest trading partner; that half of China's crude comes from these states; and that agreement has been reached for Riyadh to host the first ever China-Arab States Summit³³. He was able to publicise the vision of building a "community with a shared future"³⁴ as well as his five-point formula to achieve security and stability in the Middle East³⁵ (mutual respect and avoiding geopolitical competition; upholding equity and justice; non-proliferation and a return to the JCPOA; fostering collective security; and accelerating development cooperation). A meeting with the GCC Secretary General indicated China's

³² Wang Yi to Pay Official Visits to Saudi Arabia, Turkey, Iran, the UAE, Bahrain and Working Visit to Oman,

https://www.fmprc.gov.cn/mfa_eng/wjdt_665385/wsrc_665395/t1863107.shtml

³³ Wang Yi Talks about Three "Number Ones" in China-Arab Cooperation,

https://www.fmprc.gov.cn/mfa_eng/wjb_663304/wjbz_663308/activities_663312/t1864772.shtml

³⁴ Wang Yi: Build a China-Arab States Community with a Shared Future Based on Common Convictions and Pursuit, featuring Tranquility and Harmony in Pursuit of Development and Prosperity,

https://www.fmprc.gov.cn/mfa_eng/wjb_663304/wjbz_663308/activities_663312/t1864770.shtml

³⁵ Wang Yi Proposes a Five-point Initiative on Achieving Security and Stability in the Middle East,

https://www.fmprc.gov.cn/mfa_eng/wjb_663304/wjbz_663308/activities_663312/t1864767.shtml

vision of playing a constructive role in regional security³⁶, perhaps eventually supplanting the US.

It is clear that China hopes to sharply enhance its influence among Arab states, including through an undertaking to provide regime security without the human rights and democratic concerns that sometimes create friction in their relations with the West. This may be a long-term prospect, but China has displayed patience in the past.

The immediate impact for India could come in four areas: greater Chinese influence in Iran, where India has been handicapped by US sanctions; China developing the leverage to act as a bridge between Pakistan and Iran; the impact of the development of Bandar-e-Jask and Gwadar on its Chabahar project (Chabahar lies between the two) and outreach into Afghanistan and Central Asia; and the entrenching of the PLA (Navy) in the Arabian Sea. The pattern for the last is becoming clearer. Djibouti has become a strong Chinese base in the Strait of Bab-el-Mandeb. China's investment in Gwadar fits neatly into the long-term strategic design of securing another base near the Straits of Hormuz. Naval exercises involving Iran, China and Russia have already commenced; it can be expected that they will expand to include Pakistan and Turkey. China's strategic design for the Indian Ocean continues to move ahead.

³⁶ Wang Yi Meets with GCC Secretary General Nayef Falah Mubarak Al-Hajraf, https://www.fmprc.gov.cn/mfa_eng/wjb_663304/wjbz_663308/activities_663312/t1864161.shtml



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