China and Iran are Changing Rules of the Game

During a meeting between Foreign Minister of PRC Wang Yi and President of Iran Hassan Rouhani in Tehran on March 27, the former said that China opposed the unilateral sanctions against Iran and firmly supported “Iran in opposing hegemony and safeguarding” its national sovereignty and dignity. According to the head of the executive department responsible for PRC’s foreign relations, these sanctions violated international law and caused “harm to the Iranian people”, and the international community needed to “work together to oppose any acts of bullying by powers”. He also stated that China stood “ready to work with Iran to defend the legitimate rights of the two nations and other developing countries”.

In Tehran, Wang Yi met with practically all of Iran’s top officials: President Hassan Rouhani, counterpart Mohammad Javad Zarif and Ali Larijani, an Advisor to Supreme Leader of Iran, Ali Khamenei. Apparently, the latter does not often take part in diplomatic talks. Wang Yi and Mohammad Javad Zarif agreed to start a new chapter of China-Iran relations.

A key outcome of the Foreign Minister’s visit was the signing of a bilateral 25-year Comprehensive Strategic Partnership (“in areas such as economy and culture”). In fact, its primary focus is on collaboration in the economic
sphere. Although neither Iran nor the PRC made the details of the agreement public before the signing, according to experts, it was largely unchanged from the 18-page draft obtained the previous year by The New York Times.

In general, China is one of Iran’s key trade partners and an important buyer of Iranian oil. In addition, for the PRC, cooperation with Iran is vital for its New Silk Road initiative. In 2016, trade between Iran and China was worth approximately $31 billion (i.e. the next year after the historic multi-party Joint Comprehensive Plan of Action (JCPOA) on Iran’s nuclear program was signed). However, after ex-President Donald Trump unilaterally withdrew from the nuclear deal in May 2018 despite opposition to the move from its other signatories, such as Russia, China, Great Britain, France and Germany, and imposed tough sanctions against the Islamic Republic of Iran, trade between the former and the PRC declined.

The words “strategic partnership” in the concluded agreement clearly caused quite a stir. After all, the signed bilateral pact could become a prelude to a fully-fledged alliance (also in the military sphere) between the two countries. The author would like to remind his readers that as far back as last year, former Crown Prince of Iran in exile in the United States, Reza Pahlavi (the son of last Shah of Iran, Mohammad Reza Pahlavi), expressed his opposition to the 25-year economic and security deal valued at $500 billion, which China and Iran were supposedly close to signing. There were also rumors at the time that “the deal included the transfer of some Iranian islands in the Persian Gulf region to China for military exercises”. A year ago, such news elicited concern among US officials.

More recently, certain US media outlets have already reported on the improving relationship between the PRC and Iran by stating that the deal could deepen China’s influence in the Middle East and undercut American efforts to keep Iran isolated. In such a context, at a meeting with Chinese officials in Alaska, US Secretary of State Antony Blinken stated: “I said that the United States relationship with China will be competitive where it should be, collaborative where it can be, adversarial where it must be”.

On March 28, in an interview given in Delaware and broadcast by the American TV, US President Joe Biden mentioned that the latest alliance between Beijing and Tehran is a challenge to US.

According to a report published by an Israeli newspaper Haaretz, the strategic pact with China has given “Iran breathing room at a critical time”.

A number of journalists have referred to the recently concluded 25-year agreement between the oil-rich nation of Iran and globally powerful China as a potential game changer in the Middle East. A March 29 article published by the Strategist, a website of the Australian Strategic Policy Institute, stated that the agreement was the culmination of growing economic, trade and military ties between the two countries since the advent of the Iranian Islamic regime following the revolutionary overthrow of the Shah’s pro-Western monarchy in 1979. Deeper and wider cooperation between China and Iran, especially when considered in the context of their close ties with Russia and the trio’s adversarial relations with the US, carries a strong potential for changing the regional strategic landscape.

“So far, China has been careful not to partner with Iran to an extent that could jeopardize its lucrative relations with the oil-rich Kingdom of Saudi Arabia (Iran’s regional arch-rival) and its Arab allies,” the report also says. Another reason why the PRC leadership must have avoided showing public support for Tehran before is that China enjoys reasonable military and intelligence cooperation with Israel, another main regional adversary of Iran.

Beijing’s conclusion of the deal with Tehran is bound to deeply concern the Gulf Arab states, Israel and indeed the US, as these countries were already troubled by a perceived Iranian threat, given Tehran’s expanding influence across the Levant (Iraq, Syria and Lebanon) and Yemen as well as its support for the Palestinian cause against Israeli occupation. The US is also concerned by Iranian leverage in Afghanistan, where American and allied forces have been fighting the Taliban-led insurgency [an organization banned in the Russian Federation] for two decades without much success, and from which Washington wants to extricate itself with some face-saving measures as soon as possible.

Western observers also point out that combined with Iran’s close ties with Russia, the China–Iran deal potentially generates a strong axis that can only boost Tehran’s regional position and bargaining power in any negotiations with the Biden administration regarding the JCPOA.

It is worth noting that Wang Yi’s trip to Iran was part of his tour of the Middle East, which includes visits to the UAE, Oman and three other nations that the Iranian leadership has highly problematic relations with: Bahrain, Turkey and Saudi Arabia. Undoubtedly, the head of China’s Foreign Ministry tried to safeguard Tehran’s interests during meetings with officials from the three latter nations.
In Tehran, Wang Yi and top politicians from Iran showed their willingness to jointly oppose sanctions imposed by the West, as stated earlier in the article. In fact, on March 22, during an interview before his visit to the PRC, Russia’s Minister of Foreign Affairs, Sergey Lavrov, criticized Western countries for resorting to the use of sanctions. A day later, following the meeting with Foreign Minister of the PRC Wang Yi, Sergey Lavrov stated “Moscow and Beijing stand for developing interstate relations on the principles of mutual respect and a balance of each other’s interests, justice and non-interference in others’ internal affairs... We noted the growing importance of the joint activities of Russia, China and a wide range of other countries to preserve the current system of international law in the context of the increasing Western attempts to promote its concept of a rules-based international order.”

In any case, the signing of the agreement between Iran and the PRC is an important step for their bilateral relationship, which will not only consolidate China’s position in the Greater Middle East but also facilitate Tehran’s interactions with its regional rivals, i.e. Sunni majority Arab nations.

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