



RESEARCH PAPER

**China's Foreign Policy towards Iran and Saudi Arabia: A
Comparative Analysis**

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ABSTRACT

This qualitative study focuses on the foreign policies and strategies of China towards Iran and Saudi Arabia in the current scenario and throws light on the Chinese sponsored confrontation to cooperation process between Iran and Saudi Arabia. China has established historic and friendly relations with Iran and also establishing close ties with Saudi Arabia. China's growing role as a mediator between Iran and Saudi Arabia is also discussed in this study. China has emerged as a major power and developing industrial state. It has become one of the major petroleum consuming states. To fulfill its energy requirement, it generally relies upon the Middle Eastern region. A peaceful Middle East will not only accomplish its energy desires but also will support the Chinese Belt and Road Initiative projects in this region. To achieve this goal, it was necessary to restore Saudi-Iran diplomatic relations that were cut off after the execution of Shia religious person Sheikh Nimr al Nimr by Saudi government. China has played a crucial role to bring Saudi Arabia and Iran closer after the situation of long-term confrontation. It is recommended that if China succeeded to minimize the US role in Saudi Arabia and keep the Saudi-Iran détente continue, it would not only be useful for Chinese interest but also for the development of the Middle Eastern region.

KEYWORDS China, Saudi Arabia, Iran, Diplomatic, Strategic, BRI, Middle East, Power, Region

Introduction

China's role as a mediator between Iran and Saudi Arabia is a clear sign of its growing influence not only in these two states but also in the whole Middle Eastern region. Restoration of diplomatic relations between Iran and Saudi Arabia in the form of an agreement brokered by China that was signed on March 10, 2023, can be considered as an important shift in Persian Gulf's geopolitical scene. It can be called as a diplomatic breakthrough that is the sign of not only China's growing influence in this region but also a signal of changing dynamics of Middle Eastern politics and international relations (Ahmed, Arslan, & Mustafa, 2024).

China has deep economic, diplomatic and the strategic interest in both Saudi Arabia and Iran. By exploring these interests, it will be possible to gain the knowledge of China's objectives in the Middle Eastern region as well as its growing worldwide role. When we look at the historical relations between China, Iran, and Saudi Arabia, it seems the complex interplay in their economic, diplomatic and geopolitical relations from the last several decades. The diplomatic relations between Iran and China were established formally in 1971. It can be declared as the beginning of ties and partnership between both of the states that that boosted over the years. The volume of mutual trade between China and Iran reached to 16 billion dollars in 2022. The comprehensive strategic partnership was established between both countries that further strengthen the ties in the fields of

energy security and economic investment in 2016 (Mashwani, Waheed, & Shahzad, 2024).

Among the Arab states, Saudi Arabia was the first one to establish the diplomatic ties with China in 1939. After the Communist party's consolidation of power in China in 1949, the relations between these two states were interrupted. After a long time, both states re-established their diplomatic ties on July 21, 1990 (Ehteshami, 2017). In that scenario, both states recognized the rising value of each other in international politics. Their trade has reached to 106 billion dollar that has established China as Saudi Arabia's largest trade partner in 2022. Most of their trade consists of the export of energy from Saudi Arabia to China (Papageorgiou, 2023).

China's role as a mediator between Tehran and Riyadh is basically an effort to resolve the existing tensions in the region that could be hurdles for its economic development. China played this role to generate a peaceful and stable environment in the Middle Eastern region to safeguard its investment and trade routes. Saudi Arabia and Iran are the two major regional powers of Middle East both economically and militarily. The restoration of the diplomatic relations between Iran and Saudi Arabia in March 2023 with the mediation of China can be declared as change in the regional dynamics. The engagement of Tehran with Riyadh through Beijing is basically an effort to counter the perceived threats to its survival from the emerging coalition between the Arab states and Israel (Ahmed, Arslan, & Mustafa, 2024).

After exploring such factors, this article presents a comprehensive consideration of Chinese nuanced approach towards Saudi Arabia and Iran. Paper also describes that how such a situation fits into Chinese long-term foreign policy framework. The comparative analysis given in this study will focus on Chinese growing role as major regional power in Middle East and its impact impacts on the whole region's future stability and development.

China's increasing influence in the Middle East has a considerable impact on the changing dynamics of Middle Eastern politics, which are defined by shifting alliances, local conflicts, and emerging global power structures. This research will explore that how China's foreign policy towards Middle East contains the economic goals, security concerns, and diplomatic maneuvers. In addition, the study seeks to determine whether China's presence and policies enhance regional stability or create more issues in a volatile environment. This study will also compare that how Chinese policies towards Saudi Arabia and Iran are similar and different. It will also be discussed in this study that how China played a role of mediator between Saudi Arabia and Iran to reestablish their diplomatic ties. China's increasing influence in Middle East may tip the scales of power in the area that can be resulted in new rivalries and alliances. This study will also explore that BRI is also one of the aspects of Chinese foreign policy towards Middle East. This research is required to examine the historical rivalry between Iran and Saudi Arabia and its possible impacts on the regional security and stability.

Literature Review

"China and the Middle East: From Silk Road to Arab Spring" by Muhamad S. Olimat. In this book, the writer provides a detailed discussion of the different aspects like that of the political, financial, historic, and strategic sides of China-Middle Eastern relation. The writer has discussed the element of energy security and the day by day increasing oil demand of China. It also has discussed the rivalry between the great

powers in the Middle East. It also has been discussed in this book that what are the challenges to the China-Middle Eastern relation. This book discusses about the China-Middle East relations from Silk Road to Arab Spring but ignores the Saudi-Iran role as competing states in this period. This aspect of the study will be analyzed in this research.

“China and the Middle East: More Than Oil” by Abbas Varij Kazimi and Xiangming Chen. In this study, the writers discuss about the China-Middle East general relations as well as regarding oil politics. In this research it is describes that the China-Middle East ties are above the oil politics. Though, China has arisen as world’s prime oil customer and Middle East as largest oil producer, yet both regions have relations above this aspect (Chen, 2017; Muzaffar, Khan & Yaseen, 2017). Writers didn’t discuss about the major powers’ tussle on energy politics in this region, and it will be included in this study.

“Alternative Energy in The Middle East” by Gawdat Bahgat. In this book, writer discusses that the possible effects of climate change on the environment, society, and economy have sparked a heated international discussion on what steps should be taken to cut greenhouse gas emissions. The book describes that the Middle East has the special blessings as about 52% of world’s oil and about 48% of gas is in this region. Research shows that this region will not face the shortage of these resources soon. This volume examines the Middle East, a region where energy-related conflicts appear to be pervasive and significant from a geopolitical standpoint. Additionally, there is some quick political changes taking place in this area (Bahgat, 2013).

“The Middle East: a brief history of the last 2,000 years” by Bernard Lewis. In this book, the writer describes that the Middle East is the birthplace of three major religions as well as so many civilizations on the earth. Islam, Christianity, and Judaism are the three most ancient and widespread religions of the Middle Eastern region. The writer starts this book from the two important empires; the Persian Empire and the Roman Empire. This book discussed a number of aspects in detail but did not throw light on the Chinese role in this region. At that time China was also an independent state having international relations but the writer missed it. These aspects will be discussed in this study.

“China Ties with Iran and Saudi Arabia: A Critical Analysis of Changing Dynamics in Persian Gulf” by Tehreem Ahmed, Muhammad Arslan, and Ghulam Mustafa. In this article, the relationships between China and two regional powers of Middle east, Iran and Saudi Arabia, is discussed briefly. Writers conducted this qualitative research. In this paper, it is examined that how the competing powers with China are trying to preserve their interests in this region. The study describes that the Belt and Road Initiative is bringing China closer to these states and different agreements are being signed among these states. A number of aspects have been covered in this research but the one that is missed is the different aspects of the changing dynamics in Middle Eastern region. How these rival, competitive, and long-term clashing states are coming closer are discussed in this study.

Results and Discussion

China-Saudi Arabia Relations

China and Saudi Arabia have maintained their cooperation in every aspect of life. Both of the states have expanded their long-term mutual relations so quickly. The kind

of growth of their relationship can be categorized as “changing the focus while keeping the balance” (Fulton, 2019). Chinese president Xi Jinping visited Saudi Arabia in 2022 and signed a lot of agreements. This visit can be seen as a sign of China’s refocus in its policies towards Arab States both economically as well as politically (Ahmed, Arslan, & Mustafa, 2024). It also serves as China’s focus to make the friendly relations with all Arab states from Mediterranean to Gulf region. While on the other side, Saudi Arabia has started to make cordial relations with the eastern borders keeping the consistency with the West too. It seems that the Saudi relations with Biden administration are reluctant to produce some positive results (Jalilvand & Schneider, 2024). It is an obvious fact that Saudi Arabia is one of the most important states for Chinese project Belt and Road Initiative in the Middle East due to its strategic location, being one of the major regional powers, and its ambition of Saudi Vision 2030. The figures show that China has become the largest trading partner of Saudi Arabia currently. China-Saudi ties need to be handled carefully as Saudi Arabia has also close relations with America and America has deep interests in Persian Gulf. In respect of making friendly relations with Riyadh, Beijing used the strategic hedging strategy and concentrated upon the economic and infrastructural development projects like that of BRI and Saudi Vision 2030 (Jalilvand & Schneider, 2024).

Economic Ties

It is the fact that Sino-Saudi energy trade’s core base is the oil. The share of oil among all the imports from Saudi Arab to China is amounted 54 billion dollar that is estimated 83 percent in 2023. The approximate trade volume between the both countries has reached to \$107.33 billion annually in 2023. The above-mentioned figures represent a huge growth in trade volume as it was of \$418 million when the diplomatic ties were started in 1990 (Ahmed, Arslan, & Mustafa, 2024). Saudi Arab wants to reshape its economic sector by expanding its space beyond the energy sector that is its traditional source and for this purpose attracting the foreign investors. Under His Majesty Prince Mohammed bin Salman’s Vision 2030 reform plan, it has become compulsory to expand the local industries to move the national economy from “addiction to oil” (Papageorgiou, 2023). In such a situation, Saudi Arabia has shifted its attention towards China to make her key investor in Kingdom. It can be said that Saudi Arabia is one of the leading Middle Eastern states who benefited from Chinese investments and contracts. China has signed a number of much important construction and investment agreements with Saudi Arabia costing of about \$60 million since 2005. Such number of agreements are more than any other state in the Middle East and North Africa region. China has become the principal source of foreign direct investment in Saudi Arabia with 58.3 % of the total. A rapid growth in foreign direct investment in Saudi Arabia by China is seen in 2023 at the increased percentage of 111%. China has invested heavily in Saudi Arabia’s semiconductor, metal, and automotive sectors amounting about \$14.37 billion. Human Horizons, a Chinese electric car company, has invested \$5.6 billion to make a joint venture for research and car production in automotive industry. On the other hand, the Saudi investors are interested to invest in the Chinese smart vehicle production. It is evidence that Saudi Arabia is trying to decrease its reliance upon the oil production and wants to produce above 300,000 latest energy vehicles per year by 2030 (Ahmed, Arslan, & Mustafa, 2024).

Diplomatic Relations

The diplomatic relationship between Saudi Arabia and China is generally characterized by the strategic partnership. This relationship is particularly based upon

the cooperation in the sectors of trade, energy, and the regional security. These diplomatic relations between both states were formally established on July 21, 1990 (Kamel, 2018). It can be called an important shift in their relations as Saudi Arabia was in the favor of Taiwan, a Chinese claimed disputed area, and have friendly ties with them while on the other hand it was much cautious to make relations with People's Republic of China due to their ideological differences during the cold war era. During the past two decades, the relationship between Beijing and Riyadh witnessed much transformation towards strengthen. The most important moment in their relations can be traced in the Chinese president's visit to Saudi Arabia in December 2022 (Areej, Ikram, & Jhandad, 2024). During this visit, Saudi Arabia warmly welcomed Chinese president to participate in "Three Summits" that can be marked as an important diplomatic milestone. During this visit, president Xi actively participated in three most important diplomatic event. These events include the China-Saudi Arabia Summit, the China-Gulf Cooperation Council Summit, and the China-Arab States Summit for Cooperation and Development. The participation of Chinese president in these summits is an obvious fact about Chinese expansion in political, diplomatic, and economic matters of the region of Middle East and the shift in global dynamics. All the global strategic partnerships of Saudi Arabia are purely based upon its economic and geopolitical benefits and the same is in its ties with China. China-Saudi Arabia cooperation is based upon Saudi role as the largest oil producer country in global market while China as the largest oil consumer state. This economic cooperation between both states is much needed for Saudi Arabia as it wants to boost its oil revenues and also wants to get the Chinese expertise along with investment to support its Vision 2030. The Vision 2030 initiative basically aims to divert Saudi rely from oil to other sectors of development (Alemahu, 2023).

Security Relations

Sino-Saudi Arabia do not have such close defense collaboration as they have the economic and diplomatic ones. In defense sector, they have less collaboration in the joint exercises, the efforts to counter terrorism, the sales of weapon systems, and the cooperative production of some arms and drone technology. China has only 1-2% share in Saudi Arabia's all arms imports during the last decade. In arms imports, Saudi Arabia has Chinese made intermediate-range missile DF-3 that was shown in a parade held in 2014. According to unconfirmed reports, China has also provided a DF-21 missiles that is also called "carrier killers". Comparatively, China's capacity to supply arms to Saudi Arabia in comparison to Western suppliers is restricted as the Saudi military rely mainly upon American arms (Mnekhir, (2023). It seems much difficult for China to extend military collaboration with Saudi Arabia as it will be limited by the United States of America. Saudi Arabia imports 78% of all defense items from America. it includes 91 fighting jets, thousands of land-attack missiles, and above 20,000 guided type bombs. The Saudi government considers China as a major economic partner but still they rely upon USA for its security. Saudi authorities want to make balanced relations with both USA and China but the hostile condition between these both nations is a hurdle in this way. It is much important to note that if Saudi Arabia signs any new defense agreement with USA, it will not be easy for her to keep the smooth defense and economic ties with China (Kamel, 2018).

Strategic Ties

Thirty years have been completed to Sino-Saudi diplomatic relations in 2020. The relations were started from the small-scale cooperation and have been reached to the comprehensive strategic alliance. China has established friendly relations with Arab

states as it has developed cooperation in sectors like the energy, infrastructure, trade, nuclear and renewable energy, and the space exploration. Chinese president Xi Jinping's visit to Saudi Arabia in December 2022 was the most important diplomatic meeting between China and the Arab world since the rule of Communist Party in China in 1949 (Areej, Ikram, & Jhandad, 2024). This diplomatic meeting laid foundation of a number of projects signed between the Arab leaders and the Chinese authorities. A new cooperation pattern "1+2+3" was used by the Chinese president during this diplomatic meeting. This term was first of all used in a publication named "China's Arab Policy Paper" and got fame during the study on China-Arab cooperation process in the new era. Most of the Arab States of Middle Eastern region showed their keen interest to participate in the Chinese proposal of Belt and Road Initiative of 2013. The Chinese president declared it much necessary for China and Arab states to cooperate in establishing cooperation pattern and to make successful "the Belt and Road Initiative" on the occasion of China-Arab States Cooperation Forum's 6th Ministerial Conference held in Beijing in 2014. In this conference, aerospace satellites, nuclear energy, and latest infrastructure, three major high technology industries, were divided into two priority areas and the one focal area (Fulton, 2020).

China-Iran Relations

Iran recognized the People's Republic of China officially in 1967 and from that time both states have positive friendly relations. Although, the Islamic Revolution of Iran that was occurred in 1979 was a real setback in the relations of both states, yet the outbreak of Iran-Iraq war in 1980 changed the situation completely (Razoux, 2015). The two major powers of that time, USA and Russia, supported Iraq against Iran while the Chinese leadership offered their support to Iran. Iran didn't forget the Chinese support even after the war. The cooperation between both states developed in a situation when China was in the stage of modernization policy and Iran was suffering from the chaotic period having newly leadership that was facing the problems and challenges at home and abroad as well. The imposition of US sanctions against both Iran and China have brought these two states much closer and they decided to take their cooperation to the high level. In such a situation, both states have signed the military as well as the investment-based projects (Alemahu, 2023). China is trying to spread her influence throughout the globe by using the soft power. India is getting terrified by the collaboration of China, Afghan Taliban, Iran, and Pakistan and considering it harmful for its regional interests (Youns & Muzaffar, 2025). Indian exclusion from the project of Chahbahar port on the US pressure, have brought closer China and Iran. Most of the Arab states have signed trade agreements with China and also becoming the part of Chinese project BRI. China and Iran have signed a "Strategic Partnership Agreement" in 2004. Both states have also signed "Comprehensive Strategic Partnership" in 2016. Through this agreement, Iran got the status of such a state having high level of relations with China. Both states also signed the 25 years cooperation agreement that strengthens their relations and cooperation in the fields of political, strategic, and economic ones in 2021. Along with their anti-US feelings, both states have deep economic and trade ties as China being the largest importer and consumer of oil products while Iran having the abundant natural resources. Though, both states have to face a number of challenges to develop cooperation, yet they have established their ties in many fields (Syed, Khan, & Ejaz, 2022).

Economic Ties

China has invested a huge investment in Iran's both upstream and downstream producing systems along with purchasing the crude oil. Most of the part of Chinese investment in Iran is to explore and produce the crude oil. China and Iran have signed seven most important agreements since 2005 and that deals involve Chinese three huge national energy companies (Fulton, 2019).

According to the customs department of China, a rise of about 7% was seen in economic exchange between Iran and China from 2021 to 2022. It was about 14.760 billion dollars in 2021 and then raised to 15.795 billion dollars in 2022 (Syed, Khan, & Ejaz, 2022). Iran is a country with over eighty-three million population in which most of them are youth who have a substantial consumption potential. China and Iran have signed a number of agreements among that the Comprehensive Cooperation Plan is most notable. China hopes that through these trade ties, Chinese companies will be able to export more items, goods, and services to the Iranian nation. Iran is in the dire need of constructing the modern power plants, airports, internal roads, ports, and the rest of the infrastructure. The efficiency of the transportation and the other logistic networks is also much needed for Iran (Areej, Ikram, & Jhandad, 2024). The growing China's trade in Iran needs the better infrastructure here and China can take advantage of Iranian necessity by expanding the effectiveness to the relevant markets. The figures show that the 25% of Iranian total foreign trade was established by commerce with China in 2019. Most of the Chinese companies have keen interest in Iran's domestic industry like that of the infrastructure development and the economic development (Syed, Khan, & Ejaz, 2022). China kept continue to purchase the energy items and oil products from Iran despite the imposition of US sanction on Iran. China used the unofficial routes and outside companies to purchase the Iranian oil to minimize the transaction risks that were associated with the sanctions. According to the Refinitiv Oil Research, China purchased 17.8 million tons of crude oil from Iran within 14 months from January 2020 to February 2021. It can be estimated as 300,000 barrels per day as well (Areej, Ikram, & Jhandad, 2024). It is the Beijing-Tehran Strategic Cooperation Plan that's implementation will be useful to assist Tehran to resolve its financial crisis and will bring the much-needed foreign capital for the sake of its infrastructure. Due to the US sanctions, Iran is much behind and needs the foreign investment, trading space, and technological advancement. This situation is much favorable for China as this agreement permits China to purchase the cheaper and more reliable crude oil from Iran. It will be helpful for Chinese nation to expand its energy imports to ensure its energy security (Bajoghli, Nasr, Salehi-Isfahani, & Vaez, 2024).

Diplomatic Relations

Iran developed its relations with China on the basis of its being non-Western a major power. It was the time when the Western powers followed US imposed sanctions on Iran and behaved with Iran same like America was treating. China and Iran had developed their relations before the Iranian Islamic Revolution of 1979. This relationship changed with the passage of time as the Iranian nuclear program accelerated and an anti-Western narrative build in Iran (Syed, Khan, & Ejaz, 2022). The relationship between two states had been started but the era of the presidency of Mahmoud Ahmadinejad could be viewed as the peak of their cooperation. China supported Iran to get rid of the international sanctions as that of the nuclear cooperation deal that happened in the early 1990s. During Ahmadinejad's presidency, the trade volume between both states raised from \$10 billion to \$43 billion that was the sign of their collective efforts to evade the sanctions (Syed, Khan, & Ejaz, 2022). After Ahmadinejad, the Iranian president Ebrahim Raisi says that the foundation stone of the friendship between Iran and China is the

mutual respect and trust. It is an obvious fact that China remained the most significant trade partner of Iran for more than ten years. America pulled Iran out of the nuclear deal in 2018 otherwise Iran was planning to increase trade agreements and investment with both the Asian powers and the Westerns (Mokhtari, 2024). Whole the game changed when the US president Trump decided to put huge pressure on Iran and then the Western traders and businessmen stopped to trade with Iran. China and Iran have been cooperating each other in every field generally and in technology exchange especially with Beijing's strategy to collaborate with Iran on priority bases as compare to Europe. To get maximum power in the fields of technical and scientific dimensions, Iran is pursuing plans with the suggestions and opinions of their prominent political figures (Chaziza, 2024).

Security Relations

Both states have deep security relations. They convened the joint military exercises and interaction that were signal to the opponents as being stand together despite the US pressure. This interaction deepened particularly after 2021 as both states have the 25-year security agreement beyond the economic and bilateral relations. If China tries to play role to make relations better between Iran-Israel and Saudi-Iran, it seems impossible that China will make military alliance with Iran in the near future (Yaseen, Muzaffar, & Tariq, 2023; Syed, Khan, & Ejaz, 2022). Currently, China is following the policy to safeguard China's sovereignty, regional interests, and territorial waters. Though, it seems that China is trying to increase her military presence in the central region, yet it wants to get benefit from the US security in Middle East that is also protecting the Chinese trade in this area. It seems that China is not openly trying to replace USA as a major and dominant power in the Middle East (Mokhtari, 2024) China is trying to keep itself a major and dominant power globally. It is the economic strength, along with the military one, of China that is making it one of the major global powers. Diplomatically, Iran is accepting Chinese superiority in the economic, political, and military aspects. Iran always supported the Chinese policies regarding the balance of power and reduction in the weapons of mass destruction. During the nuclear crisis with Iran, China played an active role and the Chinese companies took the place of Western companies working in Iranian gas industry that fled away after the Western sanctions on Iran. The US desires and efforts to alienate Iran were not accepted by both China and Iran and they tried their best level to modify it. Such a situation resulted in the formation of new strategic alliances with China and the rise of new powers in the regions of Middle East and Asia (Fulton, 2022). China was thinking that the US policy to keep Iran under the supervision and check will create conflictual situation with the neighboring states and especially the US protectorate ones. This situation will divide the neighbor states, will affect the energy transmissions, and will also affect the environment in booth East and Southeast Asia. It was the situation in which the cooperation between China and Iran was developing and it was also impacted by some foreign policy overlaps, energy cooperation, and military and economic exchanges. The BRICS, the Eurasian Bank, and the BRI were the mediums used by China to make cooperation with developing nations and for global economy (Mokhtari, 2024). These projects were based on bilateral and multilateral relations and agreements. China and Iran signed a "25-year comprehensive cooperation agreement" in 2021 that was a part of Belt and Road Initiative (Mokhtari, 2024).

Strategic Ties

In the strategic ties, the 25-year cooperation agreement between China and Iran can be declared as one of the most important that is the sign of their willingness to cooperate with one another more closely. It was such a bilateral agreement that ensures considerable Iranian economic stability and stands Iran politically against the world isolation in future (Syed, Khan, & Ejaz, 2022). This agreement can be called a golden opportunity for Iran on one side while it has a number of challenges at the same time for its implementation. One of the major hurdles in its way to implementation is the sanctions against Iran. This agreement can be affected by the consequences of both the Russian invasion of Ukraine and the ongoing war in Gaza. There will be some sort of opportunities and also challenges for Iran if these wars prolong and those will also affect the Iranian political, energy, and the economic relation with China as well as other nations. It seems that the Comprehensive Strategic Partnership deal signed between China and Iran is not like a game-changer for USA and it did not create a situation of cold war between USA and China in the Middle East. The peaceful and stable Middle East is in the dire need of China to get the fruits of its investments and to fulfill its energy requirements. Same are the desires of USA to pursue the policy of stable and secure Central region. The stable, peaceful, and secure Iran is in the favor of China to secure its investment and smooth flow of resources. For the success of Chinese projects like that of BRI in Middle East, the stable political and economic environment in Iran is much required. For China, the strategic importance of Iran is much crucial due to its key role in the BRI, its character as an energy supplier, its role as a gateway to the crucial maritime routes, and being a center for regional connectivity and political and economic partner in the Middle East (Mokhtari, 2024).

There are a number of factors that make China important for Iran. China is much important for Iran in a geopolitical context. It is most important to note that China is the largest energy and trading partner of Iran. Their bilateral relations are strengthened on the bases of economic interdependence as China is one of the most important energy markets for Iran. A number of infrastructure projects in Iran like that of the ports, railway tracks, roads, and energy facilities are being completed by China. Beijing is actively participating in Tehran's economic development and building its important infrastructure. The greatest importance of China to Iran is Chinese role during the imposition of sanctions on Iran by USA and the West. It is China that provides Iran the access to economic participation and international markets during the sanctions. Chinese diplomatic support to Iran is frequently available on different issues related to diplomacy at the international forums. Such common efforts by China and Iran can fortify Iran's stance on the international level especially in those forums where both states have the common interests (Bajoghli, Nasr, Salehi-Isfahani, & Vaez, 2024).

Importance of Iran for BRI

Belt and Road Initiative is one of the most important projects of China for the global economy and Iran plays a vital role in this project. Strategically, Iran's role in BRI is an effort to mitigate the effects of international sanctions on Iran. Becoming the part of this project, Iran aims to widen its economic possibilities and to counter the US efforts to throw Iran in isolation to detach it from the global trade market. Iran gets a golden opportunity by BRI to find the foreign investment especially from China that has been the largest trading partner in the past years (Mokhtari, 2024). There are a number of economic opportunities for Iran under the BRI project through the infrastructure development and the energy projects. Iran, being the largest energy supplier and China, the largest energy consumer, are aligned with one another. Such complementary type of trade relationship between both states made Iran a reliable and attractive partner of

China for the sake of BRI in this region. By becoming the part of BRI, it can become a tool for Iran to grow its influence in the regional geopolitics. It is also a way for Iran to become a major player of Middle Eastern politics if it collaborates with China and all other participating countries in BRI. The major purpose of BRI is to develop wide-ranging trade routes and networks to increase the interconnectivity among all the participating nations (Fulton, 2022). Tehran's participation in the BRI will help not only Tehran itself but also the neighboring countries the smooth trading routes and logistics. Though, it can be said that much opportunities can be available to invest in Iran, yet the challenges also persist due to the ongoing geopolitical tensions and instabilities. These are the factors that can afraid China to make heavy investments in the BRI projects in Iran. The political situation of Iran and its relations with other countries can impact its participation and success in the BRI. The current diplomatic engagements between Beijing and Tehran can be useful to enhance Iranian benefits through the BRI. At the end, it can be concluded that Iran can play a multifaceted role in the Belt and Road Initiative through the geopolitical strategy, regional collaboration, and economic opportunities (Muzaffar, Afzal, & Yaseen, 2018).

Importance of Saudi Arabia for BRI

From the Chinese point of view, whole of the Middle Eastern region generally and GCC states specially are the emerging market for the Chinese companies. The Belt and Road Initiative can be called as the modern version of the old Silk Road and because the Middle Eastern region is situated along with this road, that's why it is much important for the BRI. Chinese growing efforts to implement the BRI aim to expand their trade and economic activities in this region. Chinese trade with this region is increasing day by day and it reached to \$259 billion by 2021. BRI can be called as the trademark of Chinese emergence. It is the BRI through which China is trying to grow its economic influence throughout the Asia and the other parts of the world. The rising China has enhanced its leaders' confidence also to promote the ambition of implementing BRI globally (Yu 2022). It is the BRI that is serving as a tool for China to advance her relations with the Arab world. BRI is also serving as a way to bring its members closer to cooperate with each other in the areas of infrastructure development, industrial parks, telecommunication, energy, manufacturing, finance, education, high-tech industries, tourism, and cultural exchanges. The development of trade, investment, and the economic relations with the Middle Eastern region and to expand its influence is a major aim of China behind the BRI. China wants to deepen its relations with the Middle Eastern states and especially with Iran and Saudi Arabia as they are situated along the ancient Silk Rout (Juan, Meng, & Shaobiao, 2018). It was the Silk Route that used to transport the silk from Arab and Persia to the West. Then, China used this route from Arabia and Persia to transport the silk to Europe. Now, China wants to make friendly relations with these states and wants to make them trade partners to substitute the Silk Route to the BRI. China wants to counter the US and allies' policy of confrontation and suppression by developing strong relations with Saudi Arabia and Iran and further proceeding the BRI throughout the Middle East and all US friends and ally states. Chinese growing warming ties with Saudi Arabia and Iran will be helpful for China to strengthen its strategic relations throughout the region. Chinese strategic interests are not bound to this region, it wants to go beyond the Asia-Pacific region. Chinese president XI Jinping's visit to Saudi Arabia was not limited to the energy cooperation between Beijing and Riyadh. In the terms of security relations with Saudi Arabia, China wants to train about 1500 police men and the cybersecurity persons (Alemahu, 2023). It also wants to play her role to help the member states to resolve their long-standing issues. These issues are ranging from Iranian clashes with Arab states to Israel-Palestine conflicts. The current Saudi-Iran reproachment with Chinese efforts is an example of such role. Chia's growing

involvement in the Middle Eastern region under the banner of BRI has upset the current geopolitical and global landscape. It is a reality that the BRI has got the attention throughout the globe. According to China's official sources, about 150 states, including the Middle Eastern ones, have signed various cooperation projects with China under the BRI by 2022 (Areej, Ikram, & Jhandad, 2024). It is also revealed by those sources that billions of dollars have been spent on overseas investments and the construction projects in more than 100 states under the BRI from its launching in 2013. BRI has achieved the status of world's largest and widespread geoeconomic initiative that have involved more than 150 nations. In the comparison to BRI, there are some other international projects like that of the Global Gateway by European Union, Bule Dot Network by the United States, Quality Infrastructure Investment by Japan, and Partnership for Global Infrastructure and Investment by the G7 states that have not succeeded to produce such a geoeconomic momentum globally. (Yu, 2024)

China's role in Saudi-Iran rapprochement

The Chinese exterior minister Wang Yi visited Middle Eastern six countries at the end of March 2021. During the visit, Wang discussed about Chinese five-point plan for the Middle East. That plan includes the mutual respect, collective security, non-proliferation, equity and justice, and development cooperation. His statements reveal that China concentrated especially on Syria, Libya, and Yemen that were fighting against the terrorism and want to make Middle East such a region free of nuclear weapons. In the statement by Wang, there were no signs about the Saudi-Iran rapprochement. The direct final negotiation between Saudi Arabia and Iran took place in Baghdad on April 9, 2021 facilitated by Iraqi Premier Mustafa al Kadhimi. According to the sources, these talks were about the Yemen and Lebanon. During the first round, discussions were made about the Houthi's attacks on Saudi Arabia. During these negotiations, it was said that it was accepted by Iran that Tehran will use its influence on the Houthis to stop attacking Saudi territory. In return, Riyadh promised to support Iran in the matters of nuclear talks. The Saudi Crown Prince, Mohammed bin Salman, gave a statement to a reporter that "We are negotiating on our key issues with Iran such as Iran's nuclear program, their support of illegal militias in the region or their ballistic missiles" (Areej, Ikram, & Jhandad, 2024).

When new Iranian president Ebrahim Raisi took the office in August 2021, it was confirmed and announced from both sides that they are willing to resume the paused negotiations. The 4th round of their talks was held in Baghdad in September 2021. The 4th round was followed by a progressive and a positive round on April 21, 2022 (Areej, Ikram, & Jhandad, 2024). The Iraqi foreign minister reported on the same day that both sides have agreed on a ten-point MOU as well as to keep continue the ceasefire in Yemen. At the same time, the Oman government facilitated the secret negotiation between the Saudi authorities and the Houthi representatives. The Riyadh authorities were hoping to become successful to extricate themselves from the Yemen conflict to go forward to rapprochement with Tehran.

The Middle Eastern regional politics witnessed March 10, 2023 as a historic day when the Kingdom of Saudi Arabia and Iran announced the restoration of their diplomatic relations with the mediation of China. These diplomatic ties were abandoned decades ago. Saudi-Iran rapprochement with China's mediation is the evidence of China's role as a regional peace broker and as a major player in the politics of Middle East. The diplomatic dialogue's deadlock between Iran and USA on the issue of Iranian controversial nuclear program and ultimately the sanctions on Tehran by the West gave

the room to Beijing (Ahmed, Arslan, & Mustafa, 2024). Before Chinese growing involvement in the Middle Eastern region, it was mainly observed in the respect of only security and energy perspectives. China aims to develop ties with Middle Eastern states in financial, geopolitical, and strategic areas. The aims behind Chinese interests in this region are based on the success of BRI and efforts to develop diplomatic, political and economic ties. In this respect, China has signed a number of agreements with Middle Eastern states.

The breakup of diplomatic relations between Saudi Arabia and Iran was seen after attacks on Saudi embassy in Tehran in January 2016. Both states remained close the diplomatic chapter till the Chinese sponsored diplomatic facilitation. Rapprochement between Tehran-Riadh can be called a milestone for these three states to reach a number of regional conflicts (Mushtaq & Afzal, 2017). Being traditional and long-term rival states, the rivalry and rapprochement between Tehran-Riadh affect whole of the Middle Eastern region. The reconciliation between these two states will open a gate to resolve some other regional issues like that of the Yemen crisis and the Syrian crisis (Yaseen, Muzaffar, & Naseem, 2018).

Comparative analysis

Chinese foreign policy towards Saudi Arabia and Iran can be compared in a number of ways. First of all, it emphasizes upon the economic cooperation and the principal of non-interference. China purchases a huge quantity of oil from these both states which is much necessary for its energy security. Chinese Belt and Road Initiative aims to develop the trade routes and infrastructure and this project needs much more the participation of both Iran and Saudi Arabia. It is noticed that about 150 states have become the part of BRI and China interacts differently with each state with some distinctions. The diplomatic agenda of both states is quietly different. Chinese relations with the West and especially USA are steady and such situation have a deep impact on Saudi Arabia (Areej, Ikram, & Jhandad, 2024) While on the other hand, Iran is facing the international sanctions and China has to keep such a situation in mind before making trade agreements with it to avoid from the international criticism. Chinese ties with Saudi Arabia can be called a balancing act as Saudi Arabia is an important US ally too. While on the other hand, Beijing-Tehran relationship can be declared as a challenge to US influence in this area. China knows well that if to facilitate the reconciliation between Iran and Saudi Arabia, it is necessary to create the balancing. Both states have the contradictory interests mainly based on sectarianism and wars like in Yemen as Riyadh the supporter of Sunni Muslims and Tehran that of Shiites. China generally acts upon the policy of neutrality and follow the economic diplomacy by avoiding to choose any side. China tries to present itself as a mediating power that supports the regional progress and stability by avoiding to indulge in regional crisis directly and encourages the multilateral negotiations (Alterman, 2024). A most important change in China's diplomatic approach towards Iran and Saudi Arabia can be seen in its shift from passive attitude to an active role as a mediator. China is much important for Iranian trade as they are crucial economic partners and China's share in Iranian international trade is estimated 30%. China endorses Iranian aims to make better relations with the neighboring states. It was China who sponsored rapprochement between Saudi Arabia and Iran in March 2023 and they reestablished their diplomatic ties after a long time. China enjoys the status of largest oil market for Saudi Arabia. In December 2022, the Chinese president Xi Jinping visited Riyadh through which their bilateral relation strengthened and stage was set for Chinese role as a mediator. It can be called the Saudi trust in Beijing's diplomatic and mediator capabilities that it made negotiations with Iran. Chinese foreign policy towards both

Saudi Arabia and Iran is genuinely based on its economic interests. During the US based international sanctions on Tehran, Beijing-Tehran economic ties played a role of lifeline for Tehran. China and Iran have signed a number of long-term strategic collaboration deals. As it is mentioned earlier that China is the largest oil importer from Saudi Arabia, China also supports the Saudi vision 2030 economic mission. Chinese regional security approach is different for both Iran and Saudi Arabia in the Middle East region. China always supported the Iranian non-interference policy in the internal matters of other states. Chinese and Iranian security officials have shown their interests and willingness to engage with one another which is perceived by Saudi authorities as more significant than the diplomats. On the other hand, China always endorsed the Saudi efforts to protect its national sovereignty and the territorial integrity. Saudi Arabia's security apprehensions and especially Houthi attack from Yemen are really considered by China who played an important role to address these ones. China demonstrates a careful balancing act through its foreign policy towards Iran and Saudi Arabia. Iran had to face a lot of international sanctions but China always continued solid economic relations with Iran despite all the pressure. The Chinese President Xi Jinping's visit to Saudi Arabia is evidence of their close economic as well as diplomatic relations. China has presented itself a reliable friend and partner to both states by keeping an equal distance. Chinese growing role in the Middle Eastern region has left an important impact on the changing regional dynamics involving both Saudi Arabia and Iran. The Chinese sponsored rapprochement deal between Iran and Saudi Arabia will help Iran to get out of the regional isolation. Iranian status has been strengthened after this deal over the regional issues. The deal also allowed Saudi Arabia to reduce the tensions with Iran and preserve its strategic interests. Through this deal, Saudi Arabia has succeeded to get an alternative diplomatic channel that decreased the dependence on USA.

At the end, it can be concluded that a nuanced approach has been used by China in its foreign policy towards Iran and Saudi Arabia. This approach balances the economic safeties, regional security anxieties, and international diplomatic desires. China's successful role as a mediator between two regional opponents is evidence of its growing influence and capability to play a constructive role in regional stability.

Conclusion

At the end, it can be concluded that China used the policy of balancing in the Middle Eastern region. By making relations with both Saudi Arabia and Iran, China avoid to become a party with either side in their internal matters. China also avoids to indulge in the internal affairs of all the Middle Eastern states and establish the diplomatic and economic ties. China has deep economic, diplomatic and the strategic interest in both Saudi Arabia and Iran. China aims to make close ties with both Iran and Saudi Arabia as these states are much crucial for the success of Belt and Road Initiative in this region. When we look at the historical relations between China, Iran, and Saudi Arabia, it seems the complex interplay in their economic, diplomatic and geopolitical relations from the last several decades. China and Saudi Arabia have not diplomatic relations since 1991 while China-Iran relations have been established since 1967 when Iran officially recognized China. When we observe the Saudi-Iran relations, they seem the traditional opponents in the region. Both states are the religious hubs for two different Islamic religious sects; Sunni and Shiite. A sectarian conflict between these two sects has been spread beyond the regional borders. Most of the ongoing wars and conflicts in the Middle East are mainly based on the sectarianism. The Syrian conflicts, Yemen crisis, or the Iran-Iraq war are based upon the sectarian crisis along with the other issues.

On the other hand, China, a growing global power and a huge oil consumption market, wants to make relations with the Middle Eastern states. For this purpose, it was necessary to resolve the regional crisis and to bring Saudi-Iran closer. Chinese president Xi Jinping visited Saudi Arabia to strengthen the economic and diplomatic ties on one side and to make a track for negotiation between Saudi-Iran on other hand. China succeeded in its mission and a Chinese sponsored rapprochement agreement was signed between Saudi Arabia and Iran on March 10, 2023. A peaceful and stable Middle East, especially Saudi Arabia and Iran being two major regional powers, was necessary for Chinese investment and Belt and Road Initiative's success.

Recommendations

- China should continue to maintain a carefully balanced policy toward both Iran and Saudi Arabia. This requires avoiding overt alignment with either side in order to preserve its credibility as a neutral actor in the Middle East. A more structured policy framework can help reduce the risk of being drawn into regional rivalries.
- While energy imports from both states remain vital, China should diversify its energy partnerships beyond the Gulf region. This would reduce overdependence on a volatile region while still deepening strategic energy cooperation with both Tehran and Riyadh.
- Establishing trilateral or multilateral forums involving China, Iran, Saudi Arabia, and other Gulf states could serve as a confidence-building mechanism. Such platforms may allow China to act as a mediator and facilitator of dialogue, enhancing its diplomatic influence.
- The Belt and Road Initiative (BRI) projects in Iran and Saudi Arabia should be designed in ways that contribute not only to infrastructure and trade but also to regional stability. Aligning economic investments with peace-building efforts would strengthen China's long-term position.
- Beyond oil and trade, China should broaden cooperation into fields such as technology transfer, renewable energy, education, and health diplomacy. Such diversification would build deeper and more sustainable partnerships with both countries.
- Given the shifting U.S. role in the Middle East and the growing regional assertiveness of Gulf states, China must adopt a flexible diplomatic approach. Continuous assessment of regional power dynamics will be essential for avoiding strategic overstretch.
- Beijing can play a constructive role in sustaining the Iran-Saudi rapprochement by offering diplomatic support and providing platforms for conflict-resolution. This would reinforce China's image as a responsible global power rather than a self-interested economic actor.

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