



NSD-S HUB

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China's Relevance in the Security Domain in Africa and the Middle East



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EXECUTIVE SUMMARY

What is new

China's involvement in Africa and the Middle East region is not new but it has significantly increased since the implementation of the Belt and Road Initiative. Globally, even though China remains behind other historical partners such as the USA or Europe, the growth rate of its engagement is far higher. The gradual erosion of the Chinese principle of non-intervention has led China to change its posture vis-à-vis other developing countries, shouldering its responsibilities to help and, in some cases, to act as a model.

Why it is important

The economic weight of China and the opportunities brought by the Belt and Road Initiative make China a crucial partner for African and Middle Eastern countries. Even its passive attraction is influencing the regional and global geopolitical game. One of China's distinct characteristics is its approach to the development/security nexus. In Chinese foreign policy, development comes before security in promoting stability, which explains why security remains a secondary tool in China's diplomacy. However, this could change easily and rapidly.

What should be done

In the various scenarios envisaged in this document, the level of engagement is a key factor which must be monitored in order to assess the relevance of China in the security domain. If its level of engagement were to rise, the risk of China's international isolation could be mitigated by strengthening its participation in international bodies and creating opportunities for cooperation.

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1. Introduction and methodological note

China is today a major power in the global economy, and it is becoming ever more relevant in the political domain. However, it remains mainly a regional military power due to its relatively underdeveloped military-projection capabilities. China's military presence in the wide region of Africa and the Middle East is still relatively marginal and apparently unable to significantly alter the balance of power or the local security dynamics.

Many elements combine to indicate that the present state of affairs could change significantly in the not-too-distant future. The ever-increasing Chinese interest in global trade and associated maritime and land routes, the need to secure access to vital natural resources and the need to safeguard Chinese strategic investment as well as national communities abroad could trigger a more proactive attitude in Beijing.

While China could consider that the existing approach to African and Middle Eastern security issues offers the perfect balance to avoid excessive risks of being dragged into non-strategic efforts, it could also opt for a much more assertive presence in the region, stepping-up military engagement in keeping with economic interests and political ambitions. Although unlikely, China could even decide to further reduce its involvement in security-related activities there, accentuating the current 'free-rider' approach.

Each of these possible scenarios requires proper adaptation to the changing geostrategic balance, in order to mitigate the risks of major confrontation or the increase in local and regional instability.

In order to investigate this strategic and highly uncertain issue, incorporating the wide range of factors which might come to bear and exploring a range of outcomes not bound to any preconceived result, the NSD-S Hub has elaborated an Alternative Future Analysis with the active involvement of selected subject matter experts from Africa and the Middle East.

2. China's economic, political and security CoA

Chinese Economic Engagement

Economic influence is by far the most visible aspect of Chinese power outside its national borders. China still describes itself as a *developing country* and, although regarding some criteria, such as GDP per capita, China still remains somewhat behind other developed countries, any potential comparison with African countries stops there. China is in all effects a major economic actor whose interaction with African and Middle Eastern countries is bound to have significant and lasting consequences. In an official publication entitled “China and the World in the New Era¹”, China's leadership emphasizes that the main objective of its national and international strategy is to support and sustain national economic growth. In this regard, even though Africa and the Middle East are not China's main market destination, those regions are certainly of strategic importance.

Due to the size of its population and its already advanced level of development, China has growing needs in terms of commodities, energy and market expansion. China's system could be compared anatomically to a respiratory system, requiring air in the form of strategic inward and outward flows, and a circulatory system to move the air, the Belt and Road Initiative (BRI). The main goal of this system, as presented by the Chinese president in 2013, is to develop the Chinese physical infrastructure as well as its influence in order to optimize the flow of imports and exports. The main desired effect is to nourish national economic growth by supplying the required inputs at minimal cost.

In official speeches, China presents Africa and the Middle East as partners of strategic interest. However, this statement needs to be nuanced. Africa represents a very modest 4.1% of China's global imports (62.8 Bn\$), and the Middle East just 6.5% (100 Bn\$). Nevertheless, more than half of China's

CHINA'S TOP CRUDE SUPPLIERS 2017

Country Volume (1,000 barrels/day) Percentage of Imported Crude Oil

1. Russia 1,198 14%	2. <u>S. Arabia</u> 1,045 <u>13%</u>
3. Angola 1,010 12%	4. <u>Iraq</u> 738 <u>8.6%</u>
5. <u>Iran</u> 624 <u>7.5%</u>	6. <u>Oman</u> 621 <u>7.7%</u>
7. Brazil 462 5.1%	8. Venezuela 436 5%
9. <u>Kuwait</u> 365 <u>4.4%</u>	10. <u>UAE</u> 203 <u>2%</u>

crude oil imports (55%) come from the Middle East, resulting in a positive trade balance for the Middle East with China. The situation is completely different with African countries with which the trade balance is negative due to heavy African dependence on imports from China. This trade surplus increased regularly beginning in 2010, peaking in 2015 at over 50 Bn\$. The negative trade

balance is even more significant in North Africa, where the ratio between imports from China versus exports to China is 10:1. This surplus brings a significant threat with it: the “Dutch disease².” One of

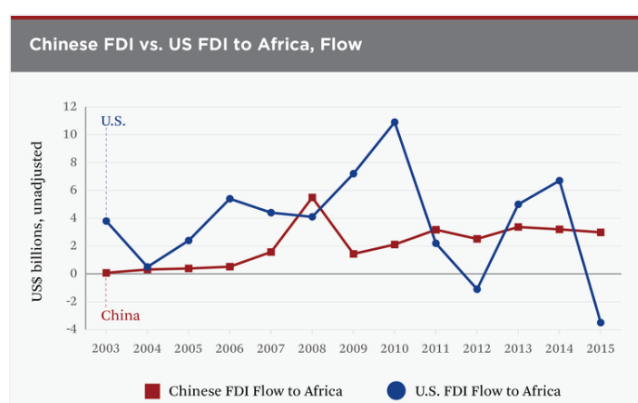
¹ English.gov.cn. (2019). *China and the World in the New Era*. [online] Available at:

http://english.www.gov.cn/archive/whitepaper/201909/27/content_WS5d8d80f9c6d0bcf8c4c142ef.html

² “Dutch disease” is an economic term for the negative consequences that can arise from a spike in the value of a nation's currency. It is primarily associated with the new discovery or exploitation of a valuable natural resource and the unexpected repercussions that such a discovery can have on the overall economy of a nation. Source Investopedia - <https://www.investopedia.com/terms/d/dutchdisease.asp>

the solutions to avoid this risk is to reinvest resultant profits directly in Africa. This is perhaps why we have seen a general correlation between the development of this trade surplus and Chinese loans in Africa.

The most visible manifestation of Chinese external engagement in Africa and the Middle East is the BRI and the long list of infrastructure projects which accompanies it. Even if the available data is not absolutely reliable, it gives a general idea of the trend; more than half of Chinese investment in Africa and the Middle East is used on infrastructure projects mainly linked to energy and transportation. To mention a few, China has invested massively in oil and gas in the Middle East and Angola. For mining of minerals such as lithium, cobalt, manganese or chromium, China has shown a growing interest in African countries such as Zimbabwe³, Gabon, South Africa, Ghana, the Republic of Congo, Cameroon, Sudan, Zambia, Tanzania and Mozambique. Investment in transportation infrastructure can be found all along the BRI route and takes different forms: highways (e.g., trans-Maghreb highway⁴), railways (e.g., Mombasa-Nairobi or Addis Ababa-Djibouti) or maritime infrastructure (e.g., El Hamdania Sea port⁵).



Source: SAIS-CARI.org 19/07/2019

In Africa and the Middle East, between 2005 and 2019, China invested over 500 Bn\$, which represents 25% of its global investment. Despite the general worldwide decrease in Foreign Direct Investments (FDI) since 2010, Chinese FDI has remained stable compared to the US, as shown in the graph. China uses FDI and loans differently. While FDI and loans are relatively balanced in the Middle East (28 Bn\$ and 23 Bn\$ respectively in 2018)⁶, the ratio in Africa is 5:1 in favour of loans.

This can be explained by two main factors: relative economic stability in some countries makes FDI more favourable, while the need to maintain a larger control over certain projects leads to loans. Regarding China's loans to developing countries, Chinese detractors often talk about the "debt trap Theory"⁷. According to SAIS-CARI, among the 17 low-income countries which have high debt risk in Africa, China played/plays a major role in only three of them. Zambia has borrowed 60% of its external debt from China. In the Republic of Congo, the

³ Zimbabwe is the 5th largest producer of Lithium on the planet. According to recent media reports, in 2016 Beijing Pinchang, one subsidiary of Chinese Railways, agreed to a deal which would see it injecting 100M\$ for a 49% stake in Kamativi Mine.

⁴ Once completed, the Trans-Maghreb Highway will connect 55 major North African towns and cities, 60 million people (of the region's 100m), 22 international airports and the region's chief universities, hospitals and research centers all along one road.

⁵ The 3.5 Bn\$ project in Algeria will directly compete with the port of Tangiers and when completed will be one of the 30 biggest ports in the world.

⁶ <https://www.aei.org/china-global-investment-tracker>

⁷ OppLoans. 2020. *Debt Trap Definition - Financial Smarts*. <https://www.opploans.com/glossary/debt-trap>

financial situation was unclear for both parties, even for the IMF, to the extent that the country's president visited China in July 2018 to clarify the situation. Finally, China owns between 82% and 96% of Djibouti's external debt, which leads to tensions with other major actors due to the strategic position of Djibouti and the extensive involvement of many other nations there.

Political Engagement

The pre-condition of any diplomatic ties with China is to respect the "One China" policy. Hence, official ties with Taiwan are prohibited due to the China/Taiwan territorial dispute. In 1971, when the People's Republic of China was recognized as the only legitimate representative of China to the United Nations, 28 countries in Africa and the Middle East had already cut ties with Taiwan. Today, all of them, with the exception of Swaziland, have embraced the "One China" policy. In addition, China has built its political engagement and especially its narrative on three pillars: **non-interference**, **non-colonialism** and **mutual benefit**. Before developing those aspects, it is worth noting that China's engagement is mainly by way of soft power tools.

Soft Power Tools

Of the three primary Soft Power Tools used by China in this region, the first is diplomatic visits and relations. China organizes regular ministerial visits to the Middle East and Africa. However, the Chinese president has only visited 10 times since 2013 (South Africa (three times), Tanzania, Republic of Congo, Zimbabwe, Saudi Arabia, Egypt, Iran, UAE, Senegal and Rwanda). Conversely, every single president from the two regions has visited Beijing at least once, with a special remark for the Egyptian president who has paid six visits to China since 2014 (including his first official visit abroad). President Xi Jinping also uses several broad forums to meet with his counterparts, such as the Forum on China-Africa Cooperation (FOCAC) or the BRI Forum.



The second soft power tool is media and communications engagement. Groups such as Central Publicity with *China Daily*, China Central Television (CCTV), StarTimes or the Xinhua News Agency are well implanted in Africa and the Middle East and contribute to the spread of a pro-China narrative⁸. Cooperation agreements between these groups and African communications enterprises are also common, allowing for significant media coverage of Chinese projects and investments. Furthermore,

⁸ The Economist. 2018. *China Is Broadening Its Efforts To Win Over African Audiences*. Available at: <https://www.economist.com/middle-east-and-africa/2018/10/20/china-is-broadening-its-efforts-to-win-over-african-audiences>

China has organized several training events for journalists and other communications professionals in China.

Finally, China also uses cultural tools to expand its influence on Middle Eastern and African societies. This approach is more subtle and results in a less immediate effect. However, China has always had a long term perspective. The tip of the spear of China's cultural influence approach to the world is its Confucius Institutes. In May 2018 in Mozambique, 300 delegates from 40 African countries attended the annual Joint Conference of Confucius Institutes in Africa. These institutes are joint ventures between Chinese and foreign universities to promote Chinese language and culture and support academic exchanges. In 2012, there was only one in Africa. Today, about 70 Institutes operate in over 40 countries on the African continent, along with 12 more in the Middle East region.⁹

The Three Pillars of China's Foreign Policy

The principle of **non-intervention** is certainly the most controversial pillar. Even though China insists that there is an absence of political will to formally intervene in African or Arab domestic affairs, reality shows that this principle has to be nuanced and China knows it. The main problem is that, whether it wants to or not, the weight of China is such that it is a *de facto* interfering power and, when its economic interests are at stake, China will not hesitate to formally intervene.

Because China relies mainly on bilateral relations, it always finds itself in a superior negotiating position. Even during the FOCAC¹⁰, multilateral negotiations are rare compared to numerous bilateral ones. Thus, China always faces an interlocutor which needs the deal more than China does and is ready to make significant concessions to keep China's support.

The consequences of China's weight are even clearer when regional tensions become relevant. Saudi Arabia and the United Arab Emirates (UAE) both have plans to develop regional trade hubs, thus court BRI opportunities. However, the BRI official route not only avoids these two countries¹¹ but goes through their sworn rival, Iran, and has privileged investments in Gwadar port (Pakistan). Even as Saudi Arabia and the UAE make additional efforts to attract Chinese investment, there is a real potential that this situation could exacerbate pre-existing tensions in an already unstable region. This can also be seen in North Africa, where the BRI seems to benefit Algeria to the detriment of Morocco.

When its economic interests are at stake, China is more than ready to directly and openly intervene. The multiplication of Chinese initiatives to offer mediation assistance is proof of this. In the framework of the Sudan/South Sudan conflict, the oil production was stopped in 2012. Before the

⁹ *Confucius Institutes Around The World - 2020*. Digmandarin.com. Available at: <https://www.digmandarin.com/confucius-institutes-around-the-world.html>

¹⁰ Forum on China – Africa Cooperation

¹¹ Although Saudi Arabia and the UAE have a Comprehensive Strategic Partnership status, the infrastructure investments related to the BRI remain limited. The Comprehensive Strategic Partnership status is mainly due to the important role those countries play in providing China with oil. Chinese investments in seaport infrastructure are more focused around the Arabic Peninsula, in Pakistan or in Djibouti

closure of the Sudanese oilfields, China imported 4% of its crude oil from Sudan (7.33 Bn\$). It was the first time China intervened so clearly in a conflict resolution effort. Both parties signed a peace treaty in 2014 following a comprehensive intervention from China.¹²

The People's Republic of China was created in 1949 after what Chinese refer to as the '*century of humiliation*' where, between 1839 and 1949, China found itself under Western (UK and France), Russian and finally Japanese dominance. The consequences of this are visible in the Chinese visions of today. The current "Chinese Dream" presented by Xi Jinping still refers to this century of humiliation which should be followed by a century leading to national rejuvenation until 2049. As such, China uses its history as a colonial victim to validate its **non-colonialist** position and its assistance to countries striving to separate themselves entirely from the sphere of influence of their former colonizers. China was the first non-Arab country to recognize the Front de Libération Nationale's (FLN) in Algeria in September 1958, two years prior to actual independence. The same goes for other African countries.

Ever since the Bandung Conference in Indonesia in 1955, China has strived to play an active role in South-South Cooperation (SSC). The SSC's aim is to share economic, technologic and development opportunities between countries in the Global South. In order to protect this image of proximity with other developing countries in Africa and the Middle East, China still refers to itself as a developing country, creating and strengthening a "resonance" with their counterparts.

The last pillar is a logical extension of the first two: long lasting **mutual benefit**. Once again, the Chinese narrative uses the concept of anti-colonialism to differentiate its interactions from historically colonialist powers. China's declared goal is to achieve a "peaceful rise"¹³ which would benefit all parties. This win-win situation applies not only to the economic but also to the political domain. For instance, Nigeria has been seeking to become a permanent member of the UN Security Council since 1991. According to Nigerian officials, China has expressed its support for Nigeria's bid and Nigeria supports the one-China policy.

Maintaining the idea of mutual benefit is crucial for China in Africa and the Middle East. As long as both parties have an equivalent level of development, the win-win philosophy is realistic. However, now that China has become an economic power house, China defines itself by maintaining the illusion of the principle more than the principle itself.

Recent developments

¹² Hozdi, O., 2017. *Strategy Of 'Parallels': China In The South Sudanese Armed Conflict*. ASIA CENTER. Available at: https://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&cad=rja&uact=8&ved=2ahUKEwjnva-oLDoAhUCx4sKHa5yA4QQFjAAegQIAxAB&url=https%3A%2F%2Fwww.defense.gouv.fr%2Fcontent%2Fdownload%2F498731%2F8484271%2Ffile%2FOBS_Chine_201701-NA14-Chine%2520Sud%2520Soudan.pdf&usg=AOvVaw0aAbBREvObAhmJyvzmG0tZ

¹³ Concept developed under Hu Jintao leadership in contrast to the "China Threat Theory" developed in some Western countries.

As mentioned above, maintaining the illusion of these principles, rather than their reality, is becoming more and more of a challenge for China in its relationship with counterparts in Africa and the Middle East. China itself seems to be aware of this dilemma. In two recent documents, Chinese leadership has changed its stance regarding its interaction with the rest of the world.¹⁴ The first of these documents (China and the World in the New Era), addresses the responsibilities of a major nation which, whether by design or not, serves as a model to others. Therefore, it is entitled to influence well beyond its national borders in order to promote a 'peaceful development' path. In the second document (China's National Defence in the New Era), the tone is sharper and words whose use had until then been limited are more frequent, such as 'threat' when referring to maritime defence against 'security threats and provocations' in the East China Sea, the South China Sea and the Yellow Sea. Since last year, the Chinese narrative has become more assertive; it might mark the official end of the non-intervention principle in order for China to recover its alleged rightful place under the sun.

Security engagement

Generally, China's approach in the security domain is portrayed as non-military. However, China's security engagement in Africa and the Middle East (ME) is supported by a Soft Power Strategy¹⁵ (SPS), which includes limited military presence, arms trade, close military cooperation and engagement in the economic and political spheres. In Africa and the ME, China has established a military presence in order to protect its commercial interests and contribute to international security. Protection of Chinese energy supply, investments and secure Sea Line of Communications (SLOCs) are China's main concerns in the security domain in Africa and the ME.

In these regions China is using the People's Liberation Army (PLA) to carry out military operations other than war (MOOTW), especially in conducting operations such as the evacuation of nationals, humanitarian relief, search and rescue, protecting Chinese citizens, escorting, logistics, peacekeeping and conflict prevention. To ensure its aims, China will continue to invest in Africa and the ME, modernize the People's Liberation Army (PLA) as well as maintain good relations with all relevant actors in Africa and the ME in economic, political and military spheres.

According to the white paper entitled *China's National Defence in the New Era*¹⁶, China will continue to be engaged in the security domain in an effort to avoid becoming involved in any type of armed conflict. To achieve this goal, the Soft Power Strategy is critical to avoid any serious misunderstandings between China and other Great Powers (US, Russia, EU and NATO). Any such misunderstandings could lead to the creation of uncertainty and, in the end, push China to move in directions it considers strategically disadvantageous.

¹⁴ English.gov.cn. 2019. *Full Text: China And The World In The New Era*. Available at:

http://english.www.gov.cn/archive/whitepaper/201909/27/content_WS5d8d80f9c6d0bcf8c4c142ef.html

English.gov.cn. 2019. *Full Text: China'S National Defense In The New Era*. Available at:

http://english.www.gov.cn/archive/whitepaper/201907/24/content_WS5d3941ddc6d08408f502283d.html

¹⁵ Soft Power Strategy - using economic and political power instead using 'Hard' (military) Power.

¹⁶ China's National Defense in the New Era, First Edition 2019

Arms Trade

China recently became the second largest arms producer¹⁷, behind the US but ahead of Russia. Also, China is the fifth largest exporter behind the US, Russia, France and Germany. In 2014–18, China delivered arms to 53 countries, compared to 41 in 2009–13 and 32 in 2004–2008. China is also in fifth position, behind the US, Russia, France and Germany, in arms trade in Africa and the ME. However, China's share in arms trade in Africa and the ME is low. The biggest importers of Chinese arms in Africa are Egypt and Algeria, and Iran and Saudi Arabia for the Middle East. It is significant, though, that China has recently changed its approach. Since 2010, China has been offering complete arms systems such as artillery, tanks, aircraft and ships. Additionally, communication satellites have been launched by China - Algeria and China - Egypt (a 2nd is soon to be launched) and a Chinese drone factory has been established on Saudi Arabia soil. Trade between China and Israel could also be considered interesting from a security perspective because of the trade of articles and services which can be used for both civilian and military purposes (dual-use items). Expanding China's arms trade with Iran could pose a security challenge in the complex geopolitical environment of the ME. The US, Russia and West European suppliers continue to dominate Africa the Middle Eastern arms markets, while China has the potential to increase sales.

Military Presence

China has not established military bases in the ME, though they do have convoy fleets and peacekeeping forces in the region. In Africa, China established a military base in Djibouti (2017). Initially, it functioned as a Support Base¹⁸, (max capacity is 10,000 personnel) able to provide equipment for the maintenance of four escort task groups. It is now an operational base capable of supporting the carrying out of military operations. The Chinese military base in **Djibouti is a strategic point** and can be used for commercial and military purposes. China is considering establishing bases in Senegal, Sao Tome and Principe, and Namibia.

As a part of SPS, China has become a very **important contributor** of troops (2,544¹⁹ personnel on 31 Jan 2020; 2,453 in Africa and the ME) and the second largest financial donor (10.29%) to UN peacekeeping missions. In Africa and the ME, China contributes to the following PKO missions: Mali (MINUSMA – 413 personnel), South Sudan (UNMISS – 1,031 personnel), Sudan (UNAMID – 365 personnel), Lebanon (UNIFIL - 410 personnel), DR Congo (MONUSCO – 218 personnel). In addition to these units, China has sent military observers, staff officers and military officers under UN contract to the 5 above-mentioned UNPKOs: UNTSO (4 personnel), MINURSO (10 personnel) and MINUSCA (2 personnel).

¹⁷ Stockholm International Peace Research Institute (SIPRI) – 27/01/2020

¹⁸ <https://www.globalsecurity.org/military/world/djibouti/forrel-prc-base.htm>

<https://warontherocks.com/2017/08/chinas-military-base-in-djibouti-strategic-implications-for-india/>

¹⁹ <https://peacekeeping.un.org/en/troop-and-police-contributors>

Military Cooperation

China maintains **close military relations** with all its counterparts in Africa and the ME while not involving itself in internal affairs and complex relations between countries there. With countries participating in the Belt and Road Initiative (BRI), China signed Memorandums of Understanding (MoUs) which included a security section. China conducts military cooperation in Africa and the ME in four security areas; Military assistance, Bilateral and Multilateral Exchanges, Antipiracy and Mediation Efforts, and the Security-Development Nexus. It also cooperates militarily in the areas of training, anti-piracy missions, non-combat evacuation operations, peacekeeping operations and counterterrorism.

"Free-riding policy"

The *Free-riding policy* allows China to enjoy the benefits of cooperation in order to achieve planned aims while not limiting the interests of partner countries and not taking any significant role in the security domain. However, China's policy in the sphere of arms trade could **pose security challenges** to regional stability, particularly China's arms exports to Iran or to local warlords in Africa.

Free-riding allows access while avoiding direct engagement in the security domain using military power. China buys oil and supports the local/regional population by investing in infrastructure which could indirectly be seen as aiding in creating the conditions needed for security and stability, a win-win cooperation. As long as this win-win cooperation in Africa and the ME is to the satisfaction of everyone involved, there is no reason for China to change its *Free-riding policy* approach. As long as the US and other relevant actors actively continue to invest resources to maintain international security, China will likely continue with the *Free-Riding policy* building a Security Partnership with all relevant actors along the BRI in Africa and the ME.

The relevance of China as an actor in the security domain in Africa and the Middle East, over the next 5 to 10 years

Drivers of change

It is a fair assumption that today China is a major power in the global economic and political domains but remains mainly a regional military power due to its relatively underdeveloped military-projection capabilities. In the wide region including Africa and the Middle East, China's military projection is still relatively marginal and apparently unable to significantly alter the balance of power or the local security dynamics. However, many elements combine together in indicating that the present state of affairs could change significantly in the not-too-distant future.

The BRI, as well as the Chinese ever-increasing interest in global trade and the associated maritime and land routes, suggest that China is poised to contribute to securing these lines of communication, which are vital for the sustainability of the Chinese economic development. Along with the protection of the routes, the trade outlets are also critical for China: the ability to safely move goods around the globe would make little sense if these flows are finally obstructed at their destination.

In the case of Africa and the Middle East, the route across the Red Sea, including the choke-points of Bab-al-Mandab and Suez, is already highly strategic for Chinese economic interests and it is not by chance that Beijing is actively contributing to the international anti-piracy effort there. Also, the safe access to natural resources is vital due to the high Chinese consumption of energy and other raw-materials. Hence, the Strait of Hormuz and, to a lesser extent, ports and inland routes in the region clearly deserve the highest attention.

Other considerations could contribute to persuading China to be more actively involved in securing the region or, more likely, the most strategic portions of it. While Chinese investments in infrastructures have been so far instrumental in pursuing other objectives in the wider political domain, it could well be the case that, in the future, the relevance of these assets will press China to actively protect and preserve them if threatened. The need to safeguard Chinese communities abroad could also trigger a more proactive attitude in Beijing, especially when these communities start to be considered relevant to China's wider global strategy.

Besides Beijing's willingness to protect its interests in Africa and the Middle East, China's role and relevance in the security domain there will also be obviously defined by the capabilities to do so. China's military is clearly changing for the better, adding more assets – a powerful blue-water navy; fifth generation tactical aircraft and long-range planes; technologically sophisticated ground forces etc. and conducting ever more complex exercises. However, the need to secure Chinese 'near abroad' (i.e., the East and South China Seas, up to the Strait of Malacca) is currently driving the military requirements while the increasing capabilities to project power far beyond the eastern hemisphere are probably a consequence of that main effort. On the other hand, the decision to establish a first military base abroad in Djibouti testifies to China's determined strategy in the region.

Looking at the medium term, or five-to-ten years from now, the level of Chinese engagement in the security domain across the region could vary significantly from rather low to very high. Both China's attitude to actively playing a role and its technical ability to do so could be substantially influenced by concurring factors.

Beijing could well consider that the existing approach to African and Middle Eastern security issues offers the perfect balance to avoid excessive risks of being dragged into non-strategic efforts. While the security situation can definitely change on the ground and Chinese interests there could also grow, the hypothesis of China refraining from any substantial engagement in the security domain remains a distinct possibility. However, China could also opt for a much more assertive presence in the region, stepping-up military engagement in keeping with economic interests and political ambitions. Finally, although unlikely, China could even decide to further reduce its involvement in security-related activities there, accentuating the current 'free-rider' approach.

As far as military capabilities are concerned, all the evidence suggest that, in the medium term, China's military will be more capable of projecting power beyond the Chinese 'near-abroad'. There remains the theoretical possibility that a substantial worsening of the security situation in either or both the East and South China Seas could require that China masses the majority of its military might near the motherland. Alternatively, although not very likely, a significant reorientation of Chinese economic and political priorities could push China to look at other strategic axes, toward the Pacific region or perhaps across the Arctic, stretching the available resources and imposing a decrease in its military presence in Africa and the Middle East.

In order to properly assess the extent of China's future engagement in security issues in Africa and the Middle East, more elements must be factored into the calculation, besides the attitude of Beijing and its military might. The rest of the world's attitude and reaction to China's moves is also very relevant.

Firstly, China's growing presence and activity in the region could well cause increased attrition with local stakeholders, both state and non-state actors, as well as the civil society at large. While China has so far been able to take advantage of its non-colonial past, the lack of European, century-long experience of co-existence and interaction with African and Middle Eastern populations and elites could prove detrimental in the longer term. Some kind of cultural rejection – including racism – could emerge, on a par with what happened with the Europeans.

Secondly, as the Middle East and, to a lesser extent, Africa have been the stage of great power competition for decades during the Cold War, this could also well be the case into the future.

Thirdly, while the perception of domestic and global audiences has always been considered critical for the success of Western power projections around the world, it could well be possible that China will need to devote increasing attention to these audiences while seeking for a prominent role on the world's stage. Beijing's ability to forge a positive narrative, as well as to fight against hostile ones, will greatly contribute to the overall achievement of China's ever increasing ambitions.

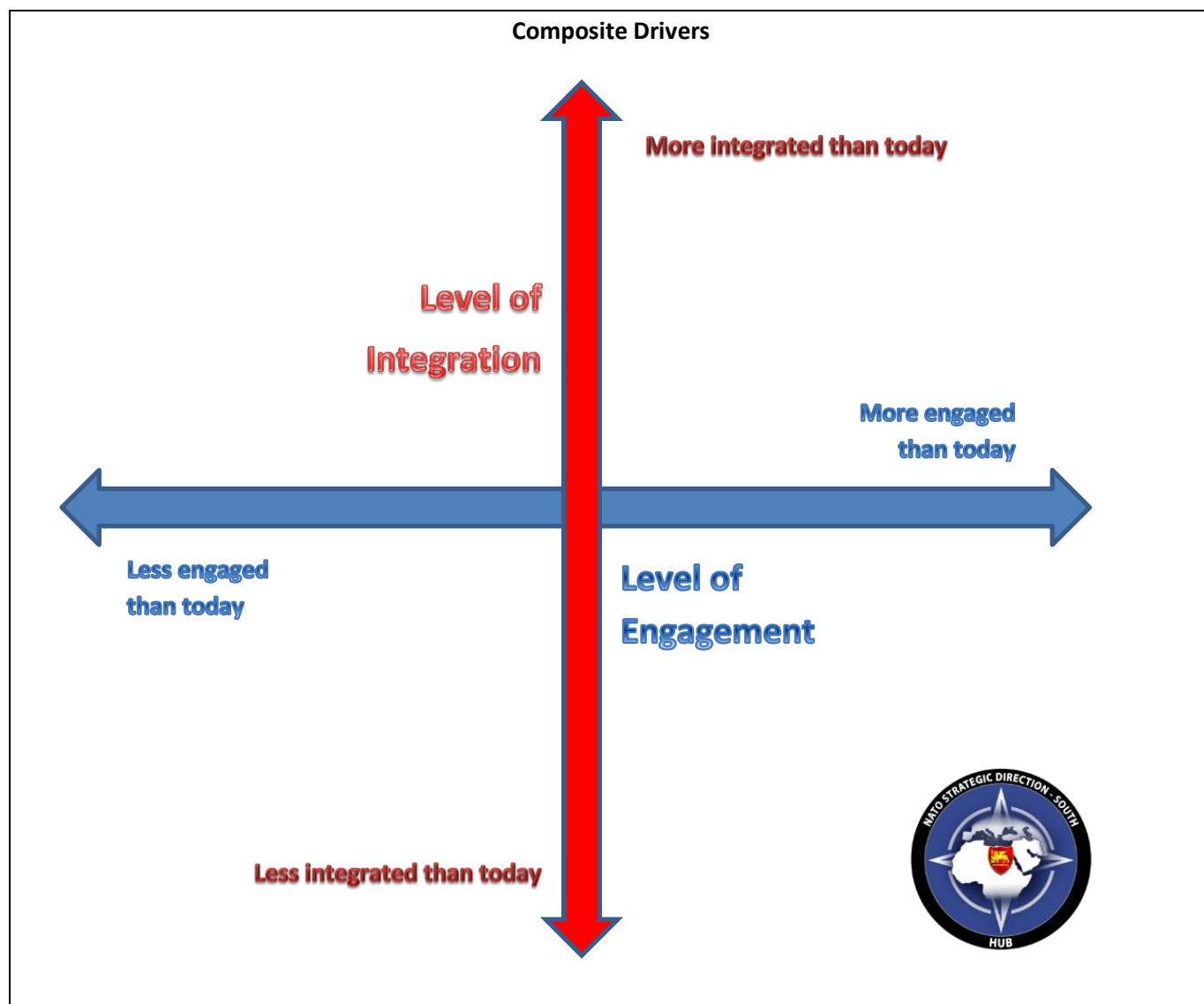
Finally, China's attitude toward multilateralism in the economic domain has so far been positive although largely opportunistic, since the current rules-of-the-game proved favourable for the optimal exploitation of its specific comparative advantages, while its support for multilateralism in the political domain (i.e., China's posture in the context of the international system) has been more ambiguous, with China often 'back-seating' when the international community was putting effort into addressing major challenges. In the security domain, China is today shielding behind the United Nations' flag in order to play a role in local crises. In the future, Beijing could opt to further increase its participation in UN-led operations, or it could start to work more within coalitions-of-the-willing, or even elect to proceed alone, in adherence with its appreciation of the pros and cons of multilateralism.

The combination of the abovementioned factors defines two 'composite drivers', useful for assessing Chinese relevance in the security domain in Africa and the Middle East over the next 5 to 10 years.

The first 'composite driver', notionally defined as 'level of engagement', is drawn by the combination of China's attitude (or willingness) towards playing a role in the security domain and China's military capability to do so. The interdependence of these two factors – or the fact that Beijing's willingness to be proactive in the security domain likely promotes the acquisition of more military capabilities – reinforces the choice of combining them into a single driver.

The second 'composite driver', here defined as 'level of integration', is obtained out of the combination of China's attitude vis-à-vis the international community and the level of attrition that China's action receives from local, regional and global actors. Again, there is probably a correlation between these two factors, because higher attrition for China's moves would likely encourage Beijing to look for allies in order to dilute the political and economic costs of intervention, and to ease the promotion of a positive narrative.

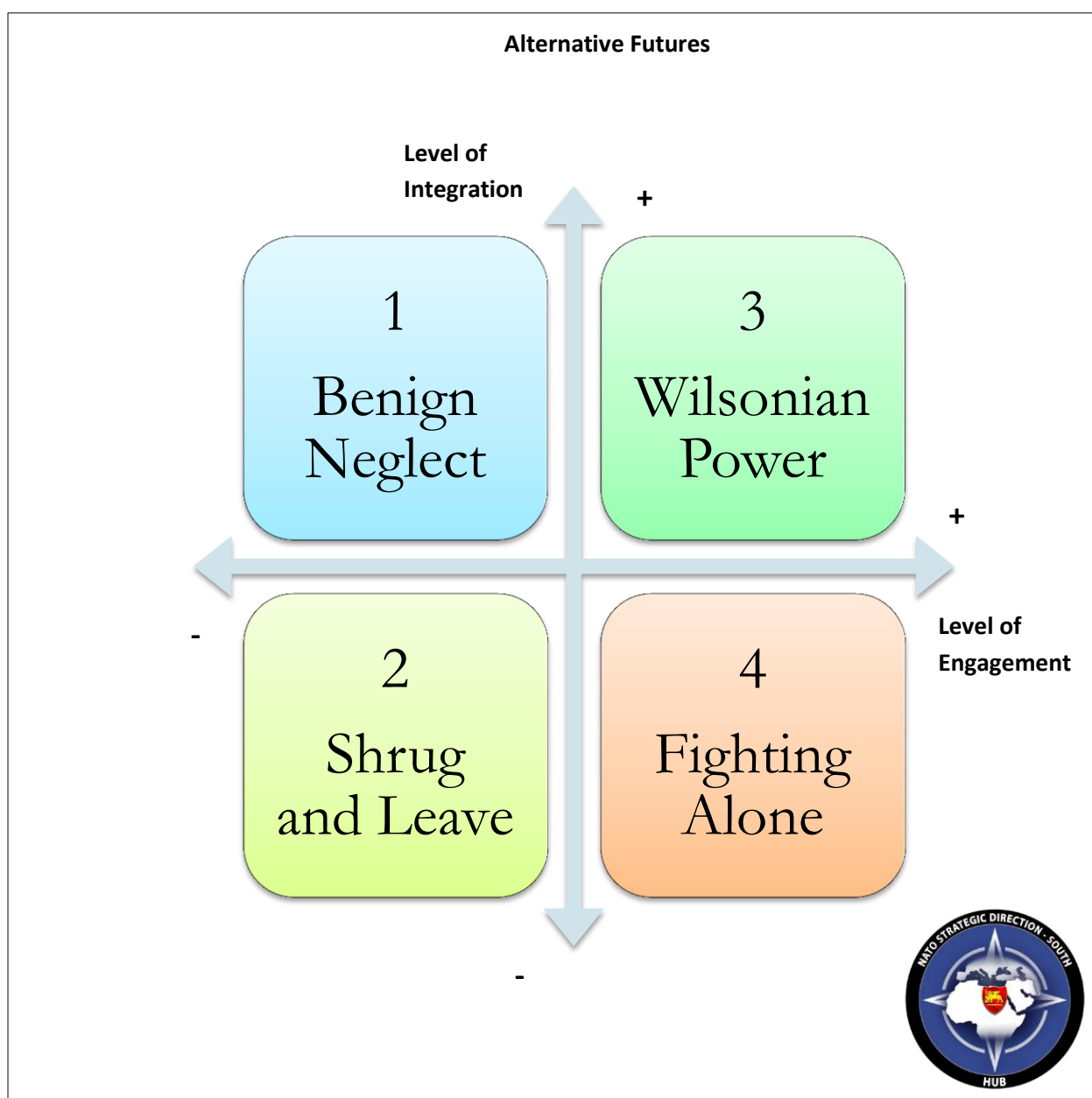
The following figure depicts the composite drivers



Alternative Futures

Looking into the future, five different scenarios can be expounded on the basis of the effects of the abovementioned drivers. The first is relatively easy to describe and coincides with the present state of affairs. Basically, all the factors behind China's role in the security domain, in Africa and the Middle East, could well remain steady over the next 5 to 10 years or, more precisely, could adapt to the changing circumstances in a way that the final outcome remains very close to the current one. In accordance with this hypothesis, China will be a relevant actor but definitely not a major one; it will continue to influence the security environment but mostly through economic and political leverage; it will maintain a minor military presence in Africa and the Middle East, significant enough to protect its most sensitive interests or to assure visibility on the world stage, but not able to alter the geostrategic balance in the region.

The other four 'alternative futures' are the outcome of a combination where the chosen drivers lead China to be more (or less) engaged in the security domain in Africa and the Middle East than it is today, and more (or less) integrated into the international system than today. Notionally, a definition can be associated with each alternative future, in accordance with the distinct nature of the drivers, as in the following figure:



Future 1: Benign Neglect

In this scenario, China will decrease its level of engagement in Africa and the Middle East over the next 5 to 10 years, while at the same time increasing its level of integration into the international community. This could be the outcome of either increased attrition that China experiences in expanding or even keeping its footprint in the region or the re-orientation of China's strategic priorities towards other regions of the world, or both. Therefore, China could decide to dilute the evidence of its presence while empowering international or multinational bodies, taking advantage of their action in order to protect its interests, although on a reduced scale.

This scenario does not pose significant danger to western interests in the region. However, it would call for a timely adaptation to the changing balance-of-power there, as well as an increased attention towards the "battle of narratives", because it seems likely that Beijing would emphasize the soft-power approach in order to justify and take advantage of its apparent reduction in the level of engagement.

Future 2: Shrug and Leave

Here, Chinese interests in the region are reduced to the point that they do not deserve a significant political and military presence, neither under the Chinese flag nor through Chinese participation in international efforts. As in the case of 'Future 1', this reduced interest for the region could well be the outcome of a strategic calculation where Chinese involvement is assessed as non-cost-effective, either because of too-high attrition or because of the rising importance of other regions in the world.

Given the relatively minor role that China plays today in the security domain in the region, Beijing's withdrawal would not create a relevant power vacuum. However, Chinese economic interests and assets in Africa and the Middle East are definitely relevant and any sharp reduction in Chinese ability to protect those interests would likely encourage other powers to step in. As a consequence, this scenario implies a potential instability in the whole region, although not on a large scale.

Future 3: Wilsonian Power

It seems very likely that China will continue to cultivate its political ambitions worldwide and that its interest toward fast-developing societies and markets will encourage Beijing to take increasing responsibilities in the security domain in the Middle East and, even more likely, in Africa. In this scenario, China continues to take full advantage of the international system, both in its economic and political aspects. Therefore, China could further increase its geo-strategic role by way of an increased and more assertive presence in the international bodies, taking the lead in international efforts aimed at keeping peace or even imposing a new – and more favourable – order. While China has so far shown a preference for permanent international organisation, while avoiding being forced into alliances, it could well be possible that Beijing will change its current attitude and start to create ad-hoc coalitions or groups-of-interest, alongside the permanent international bodies, in order to

reinforce its leadership and foster its interests. Africa and the Middle East are potentially the regions where this change of attitude could be tested.

This scenario poses a clear challenge to the western powers and to their role in the world arena, unless a new balance-of-power inside international organisations is agreed, one capable of accommodating China's acquired stature and level of ambition. While China will likely follow its national priorities regardless of external pressure, it would be a wise choice to favour an adaptation of existing international bodies and institutions (for accommodating a more assertive China) in order to prevent their reduced relevance and the emergence of an alternative international system centred on Beijing.

Future 4: Fighting Alone

The continuous growth of China's ambitions on the world stage, combined with either a rising domestic nationalism or heightened competition with other global powers, or both, could lead to the fourth scenario where China decides to increase its engagement in Africa and the Middle East, including also an intensified involvement in the security affairs in the region, while at the same time reducing its participation in or reliance on international organisations.

This scenario is clearly the most dangerous for western interests and, probably, the most destabilising for the region, since it implies medium-to-high level confrontation between major powers and the prevalence of a 'zero-sum game' approach. The longer China remains on the path toward this scenario, the higher the effort to revert to a more peaceful settlement would be. Therefore, any indication pointing to this risky evolution should trigger a timely and effective response.

3. Conclusions

The following conclusions are the result of the Alternative Future Analysis conducted by the NSD-S Hub with the active involvement of selected subject matter experts from Africa and the Middle East.

China's enduring economic growth has already delivered huge political effects and altered the geopolitical balance at a global level. In Africa and the Middle East, China's economic relevance is indisputable and its political influence is ever increasing. However, Beijing's traditional approach toward security issues, where economic development takes precedence over military deployment, has so far kept Chinese military presence and visibility relatively low.

Unexpected circumstances, including the current pandemic, could obviously alter the trajectory of any political development. As far as Africa and the Middle East are concerned, although unlikely, there is the possibility of a progressive reduction of Chinese engagement there, particularly if the level of attrition encountered while pursuing its strategic objectives, or the emergence of more profitable axes of development, convince Beijing of that course of action. In such a case, the International community should be ready to mitigate any potential instability generated by the (partial) withdrawal of Chinese resources with the subsequent arrival of new 'emerging powers' ready to step in and take over China's assets.

However, it is a fair assumption that China is going to further increase its role in global affairs in the medium term. Multiple reasons also reinforce the expectation of a more assertive China in both Africa and the Middle East, with an increasing political role and a strategically deployed military might which would be capable of effectively protecting the wide spectrum of Chinese interests in the region.

In accordance with this outlook, such re-balancing of power would have an impact at both global and regional levels, which would call for appropriate mitigating measures in order to preserve stability. The case of China further increasing its role within international bodies would require the latter to be constantly adapted in order to preserve their centrality in global governance. Alternatively, China could opt to create and take the lead of ad-hoc coalitions, endangering inclusiveness and generating the risk of the world partitioning into spheres of influence.

The most troublesome scenario would be where China opts to proceed in isolation while pursuing its strategic interests. In this case, the risk of conflict between great powers becomes real and both Africa and the Middle East could offer the perfect 'battle space' for such an eventuality.

