

## Syria Is Tempting, But Will China Bite?

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EXECUTIVE SUMMARY: China looms large as a potentially key player alongside Russia and Iran in President Bashar Assad's post-war Syria. With Russia and Iran lacking the financial muscle and the US and Europe refusing to engage with the Assad regime, China is, from Syria's perspective, a shining knight on a white horse. Syria could become a key node in China's infrastructure, telecommunications, and energy-driven Belt and Road Initiative (BRI)—but it could also drag China closer to the Middle East's multiple conflicts.

## China's economic interests in Syria

On the eve of the Syrian Civil War, Muhammad Jarah's and Ahmad Bustati's warehouse in Damascus symbolized China's emergence as Syria's largest supplier of industrial and consumer goods. The dilapidated warehouse was stocked with everything from Chinese laser cutting machines to plastic toys for children.

A decade of fighting dashed the two Syrian entrepreneurs' hopes. However, things seemed to be looking up for businessmen like Jarah and Bustati once Syrian president Bashar Assad gained the upper hand in the war through the assistance of Russia and Iran. China sees longer-term economic potential in Syria as a regional node of what the BRI will eventually look like, irrespective of the coronavirus pandemic and its devastating economic consequences.

Syrian officials have sought to drive home China's competitive advantages and perceived interest in taking a lead in the reconstruction of their country. "The Silk Road is not a silk road if it does not pass through Syria, Iraq, and Iran," <a href="mailto:said">said</a> Buthina Shaaban, Bashar Assad's media advisor, referring to the BRI.

Chinese access to the Syrian Mediterranean Sea ports of Tartus and Latakia is an attractive prospect for China's multi-billion-dollar infrastructure, telecommunications, and energy-driven initiative, which seeks to link Eurasia to the People's Republic. It would complement Beijing's footholds in Greece's Piraeus and the Israeli harbors of Haifa and Ashdod, and would anchor Syria as a key point on the ancient Silk Road.

Closely connected to Chinese interest in Syrian ports is the exploration by China Harbour Engineering Company Ltd (CHEC) of a possible upgrading of the deep seaport of Tripoli, Lebanon, to allow it to accommodate larger vessels. Unlike the Syrian ports, Tripoli would grant China greater freedom of action because it would not have to share control with Russia. Together with the Syrian ports, Tripoli would serve as an alternative to passage through the Suez Canal.

Last year, Russia appeared to be anticipating potential Chinese moves when it negotiated with the Assad government an extension of its access to military bases including what it describes as a "logistics support facility of the Russian Navy" in Tartus.

As the agreement has not been made public, it remains unclear what Russia's intentions are. However, a modernization of Tartus for military purposes would guarantee Russia a role in control of the Eastern Mediterranean. Tartus would have to be upgraded to be able to accommodate all types of vessels, including aircraft carriers.

In a further move, Russian president Vladimir Putin <u>ordered</u> his foreign and defense ministries in May to reach an agreement with Syria on an additional expansion of a 2015 accord that governs Russia's naval presence in Tartus and allows the Russian Navy to base up to 11 ships in the port for 49 years. Putin wants the life of the agreement to be extended by an additional 25 years.

"From the coast of Syria, there is an opportunity to control not only the eastern part, but the entire Mediterranean Sea," said <u>Captain 1st Rank Anatoly Ivanov</u>, a Moscow-based naval expert. "The United States has in the Mediterranean Sea not only the ships of its Sixth Fleet, but also an extensive ship repair base and training centers of the Navy. For Russia, the Mediterranean Sea is much closer not only geographically, but also geopolitically. Therefore, to use the opportunity to establish [itself] more densely in Syria seems to be a reasonable measure."

Qingdao Haixi Heavy-Duty Machinery Co. has already sold Tripoli Port two 28-storey container cranes capable of lifting and transporting more than 700 containers a day, while a container vessel belonging to China's state-owned

COSCO Shipping Lines docked in Tripoli in December 2018, inaugurating a new maritime route between China and the Mediterranean.

Major Chinese construction companies are also looking at building a railroad to connect Beirut and Tripoli in Lebanon to Homs and Aleppo in Syria. China has suggested that Tripoli could become a special economic zone within the BRI and serve as an important trans-shipment point between the People's Republic and Europe.

Adding to China's expansion in the Eastern Mediterranean, COSCO acquired in 2015 a 65% stake in <u>Turkey's Kumport Terminal</u> on the Ambarli coast of Istanbul. To round off the circle, last year Egypt's navy signed an agreement with China's Hutchinson Ports to build a terminal in <u>Abu Qir</u>, a port 23 kilometers northeast of Alexandria. Chinese companies already <u>operate</u> Alexandria's own port as well as that of El Dekheila, 10 kilometers west of the city.

Chinese influence in at least 10 ports in six countries bordering the Eastern Mediterranean—Israel, Greece, Lebanon, Turkey, Egypt, and Syria—could complicate the US's and NATO's ability to maneuver in the region.

This was one reason why the Trump administration warned Israel that Chinese involvement in Haifa, where the Chinese have built their own pier, could jeopardize continued use of the port by the US Sixth Fleet.

Informing US thinking is <u>China's Military Strategy white paper</u>, published in 2015, which emphasizes the "strategic requirement of offshore waters defense and open seas." It raises the specter of Chinese-managed or owned ports in the Eastern Mediterranean serving the People's Republic's economic and commercial, as well as military, interests.

Chinese sway over multiple ports in the Eastern Mediterranean could also encourage Turkey to bolster its grip on the energy-rich waters in violation of international law. Turkish military support for the internationally recognized Libyan Government of National Accord produced a maritime agreement between the two entities that created an Exclusive Economic Zone (EEZ) in the Eastern Mediterranean favoring expansive Turkish claims.

China's interest in Mediterranean ports is part of a larger effort to integrate the Middle East into the maritime leg of the BRI that also includes the Gulf, the Arabian Sea with the Pakistani port of Gwadar as its focal point, and the Red Sea with the establishment of the People's Republic's first military outpost in Djibouti.

The integration is further advanced by Chinese investment in ports and logistics facilities in, among other locations, Dubai and Oman, as well as industrial parks linked to maritime infrastructure. China's moves have been embraced by Gulf States, several of which have incorporated them in their long-term plans to diversify and streamline their economies.

Qi Qianjin, China's ambassador in Damascus, spelled out China's interest in Syria when he stressed, in a 2018 statement to the People's Republic's staterun news agency Xinhua as well as in a letter, Beijing's intent to expand its economic, political, and military footprint in the country.

"I think it's about time to focus all efforts on the development and reconstruction of Syria, and I think China will play a bigger role in this process by providing more aid to the Syrian people and the Syrian government," Qi said during a visit to a hospital in the Syrian capital.

Chinese donations in recent years of at least \$44 million to Syria for humanitarian purposes back up Qi's statements.

In a letter written in August 2019, the ambassador <u>focused</u> on the development of Syrian railways and seaports. The letter was published a month after Chinese President Xi Jinping <u>promised</u> to lend \$20 billion to Syria, Yemen, Lebanon, and Jordan for reconstruction and economic development.

Few doubt that China, even prior to the coronavirus pandemic and its devastating economic fallout, is best positioned to be a key, if not *the* key player in the post-war reconstruction of Syria. That project is estimated to require between \$250 billion and \$400 billion in investment.

This is even more the case as other potential funders, including the US, Europe, Russia, and the Gulf Cooperation Council states, will either refuse to work with the government of Assad or be consumed with fighting a domestic and global recession and substantial loss of revenues in the wake of the pandemic.

Moreover, in opposition to Western states, China has, on six occasions, backed Russian vetoes at the UN Security Council that blocked condemnations of the Syrian government and its backers, Russian and Iran; calls for ceasefires; and sanctioning of alleged war criminals.

One of China's comparative advantages in heavily sanctioned Syria is the experience it has garnered in circumventing US and UN sanctions imposed on Iran and North Korea.

China further benefits from alternative institutions it has built like the Asian Infrastructure Investment Bank and the Shanghai Cooperation Organization. Beijing either controls these institutions outright or has considerable influence over them.

That has not stopped the US Justice Department from accusing Chinese telecommunications giant Huawei of operating in Syria in violation of US sanctions. The department is seeking the extradition from Canada of Meng Wanzhou, the company's chief financial officer and daughter of its founder. Meng was detained in Canada at the request of the US.

Seemingly oblivious to the risk of being targeted by the long arm of US justice, some 200 Chinese companies in 2018 and 58 in 2019, active in sectors such as telecommunications, oil and gas, and transportation, attended the Damascus International Fair where they discussed deals ranging from car manufacturing to development of mobile hospitals.

The participation of China National Heavy Duty Truck Company highlighted China's interest in the Syrian automotive sector. Syria could also prove to be a lucrative market for Chinese military exports. Assad could well see Chinese interest as a way of loosening Moscow's and Tehran's grip on his country despite Russian and Iranian efforts to reap the benefits of their boots-on-theground support for his government by winning lucrative reconstruction contracts.

China has so far refrained from responding in any real way to Syrian urging to kick-start reconstruction of critical national infrastructure even before remaining rebel strongholds in the country has been reconquered. It has, however, exploited commercial opportunity.

The vast majority of Syrian exports go to China, and Chinese goods are ubiquitous in Syrian markets. Hama, Syria's most important industrial region after the collapse of manufacturing in Aleppo and Damascus as a result of the war, is awash in Chinese-made car parts as well as machine tools and equipment for the automobile, motorcycle, and shoe industries.

Multiple delegations of Chinese investors and businessmen have visited Syria in recent years. In 2018, China hosted its First Trade Fair on Syrian Reconstruction Projects with some 1,000 Chinese companies in attendance and pledged \$2 billion for the construction of industrial parks.

## China's security concerns from Syria

Assad's ability to regain control of most of Syria, with the exception of the rebel-held northern region of Idlib, not only created economic opportunity but also heightened already existing Chinese security concerns.

As Syrian government forces rolled back rebel fighters, China feared their battle-hardened Uyghur and Central Asian contingent would gravitate toward Afghanistan, Tajikistan, and Pakistan from where it would be easier to target China.

The presence of Uyghur fighters in Syria was one driver for a brutal crackdown on Turkic Muslims in China's troubled northwestern province of Xinjiang. It also persuaded China to step up border security cooperation with Tajikistan and Afghanistan, where militants of the Uyghur jihadist Turkistan Islamic Party, an al-Qaeda-affiliated group, allegedly fight alongside the Taliban.

The Uyghur presence in Syria prompted China to consider sending Chinese troops to join the fight for Idlib in violation of its foreign and defense policy principles. China ultimately dropped the idea, which would have amounted to the People's Republic's first military intervention beyond its borders in recent memory.

Repeated unconfirmed media reports have, however, suggested that China has been sharing intelligence with Syria and has been sending military advisors for the past four years to help in the fight against Uyghur militants.

Discussion about an intervention followed a pledge in 2016 by Rear Admiral Guan Youfei of the People's Liberation Army Navy (PLAN) to increase military cooperation with the Syrian government.

Two years later, a Syrian state-controlled newspaper, *Al Watan*, cited Mr. Qi, the Chinese ambassador, and China's military attaché, Wong Roy Chang, as saying that China wanted to contribute "in some way" to the Syrian military campaign against the rebels in Idlib. The <u>PLAN</u> took nine days to deny Chinese interest in getting involved in the fighting, calling the report a "misunderstanding."

Though it is supportive of efforts to negotiate an end to the Syrian war, China has studiously avoided taking a leading role. Its sole initiative to shape the outcome of the conflict was a <u>four-point plan</u> that never gained much traction.

China's dilemma in Idlib lies partially in sensitivity to Turkish opposition to an all-out assault on Idlib. Ankara fears it could spark a renewed refugee exodus and is concerned that Chinese involvement in an assault could whip up pro-Uyghur sentiments in Turkey despite growing anti-refugee sentiment in the country.

Turkey has long supported Uyghur rights and has frequently turned a blind eye to Uyghur militants.

An Uyghur dressed in a Turkish military uniform and sporting an automatic weapon, claiming in a <u>video clip</u> posted on Twitter that he was fighting in the northern Syrian district of Afrin alongside Turkish-backed rebels, advised Han Chinese residents of Xinjiang to leave the area. "Listen you dog bastards, do you see this? We will triumph! We will kill you all. Listen up Chinese civilians, get out of our East Turkestan. I am warning you. We shall return, and we will be victorious," the Uyghur said.

## Syria in the wider Chinese Middle East policy

Beyond its reluctance to become embroiled in the Syrian war, China, despite its consistent backing of the Syrian government as a secular bulwark against Islamic extremism, feared that greater involvement in Syria could jeopardize its successful efforts to remain aloof in the conflict between Saudi Arabia and Iran that has influenced multiple disputes in the Middle East.

That fear has receded with states in the GCC ending their longstanding support for anti-Assad rebels and cozying up to the Syrian leader in an effort to counter Iranian and Turkish influence.

Chinese aloofness also shielded it from entering into direct competition with Russia and Iran in the post-war reconstruction phase. Deepening Chinese-Russian ties in the wake of the pandemic and perceived greater Iranian dependence on China may allow for a divvying up of the pie in ways that turn Syria into an important BRI node.

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