



Convergence Factors Influencing Saudi Arabia's Ties with China: 2005-2015

Karabee Kakati

Ph.D student, Centre for West Asian Studies

Jawaharlal Nehru University, New Delhi.

Abstract

Saudi Arabia and China started its official diplomatic relations in 1990. China's growing population along with its development process increased its need for oil. Hence, oil became the bedrock of Saudi Arabia and China's relation. Saudi Arabia's search for stable oil markets along with reduced dependence upon US made it turn its attention towards China. On the other hand, China need for oil and its focus on expanding its trade relations in West Asia led it to Saudi Arabia. Today, Saudi Arabia and China has ties that expands to various areas encompassing political, economic and socio-cultural. The article will try to understand the main factors that binds Saudi Arabia and China; the converging elements that has made this tie so comfortable between both the countries. The factors that are to be analyzed are trade and commerce, growth in trade under the Look East Policy of Saudi Arabia, religion and the spread of Wahhabi ideas in China and human rights abuse along with the Uyghur crisis.

Keywords: *Saudi Arabia, China, Look East Policy, Religion, Uyghur*

I. Introduction

The informal relations between the two countries dates back to the year 1985. This was the year when unofficial relations were formed between Saudi Arabia and China through security cooperation. Under the reign of Fahd bin Abdulaziz Al Saud (1982 – 2005), the Saudi Arabia- China trade relations gained momentum when Saudi Arabia purchased CH-4 intermediate-range ballistic missiles from China for the first time in 1985. One of China's intentions in West Asian region is to maintain a steady supply of oil for its economic expansion. Under the rule of King Fahd, Saudi Arabia began exporting oil to China in 1993, when the latter's oil demand started

to surpass its supply. In order to secure long term energy security, today China has made investments in oil and gas fields and has also diversified its oil supply sources. However, Saudi Arabia remains one of the biggest oil suppliers to China. Jiang Zemin was the first Chinese head to visit the kingdom in 1999 where both the parties signed the Strategic Oil Cooperation Agreement.

King Abdullah ascended the throne of Saudi Arabia on 1st of August, 2005 and undertook major foreign policy changes, like under his guidance, Saudi Arabia adopted the 'Look East Policy'. In connection of Saudi Arabia's Look East Policy, on January 15, 2012 China and Saudi Arabia signed a deal to upgrade cooperation in the sector of atomic energy for non-violent motives. This also made way for both the countries to increase technological and economic collaboration as well as enlargement of nuclear power plants and reactors. In mid-2016, Saudi Arabia released a statement that it was eager to increase investments in the energy industry of China. Saudi Arabia wanted to boost its cooperation with China and hence don't want to restrict its dealings with China only to oil exports but also was interested to expand its hydrocarbon products market such as petrochemicals.

Both the countries share interest in crude oil storage, mining, renewable energy and industrial development. Saudi Aramco and Saudi Arabian Basic Industrial Cooperation (SABIC) have joint venture businesses in China. Saudi Aramco and SINOPEC operate a refinery in the Fujian province of China. Joint efforts were also made to expand the Yanbu oil refinery. Apart from energy cooperation, Saudi Arabia is a significant market for Chinese goods which include electronics, textiles and food items. According to the IMF, trade between Saudi Arabia and China increased from 1.28 billion US dollars in 1990 to 74 billion US dollars in 2012. To facilitate the expanding ties, China has also opened a branch of ICBC in the country's capital Riyadh in 2015.¹

Hence, it is seen that Saudi Arabia and China's relations has been ever growing. However, there are also instances where relations between these two countries seem problematic like China's simultaneous growing relation with Iran - the Shiite country who is the arch rival of Saudi Arabia in the region. Differences are also seen in areas like intra-regional war and religion. But in this paper, the discussion would be confined to the converging factors that makes China and Saudi Arabia ideal partners for one another.

Convergence Factors in Saudi Arabia and China Relations.

1) Trade and commerce

The first convergence factor between the two nations is business and commerce. Since the foundation of the People's Republic of China (PRC) to the termination of Cold War, the engagements between China and West Asian countries developed very quickly. In the mid-1950s, China had diplomatic ties with only a few Arab states due to the fact that the states were under the influence of western imperialism and occupied with struggles for independence. China itself was engulfed in many domestic issues. The first diplomatic victory of China in the Arab world was its establishment of diplomatic relations with Egypt in 1956.² China started to focus on economic growth, modern culture and developed technology after 1978. China's 1978 and 1985's reform and opening-up policy developed the Chinese society in all fields. Apart from gaining profits in trade, China also had the opportunity to forward its political, socio-cultural bonds with the entire Arabian region.

Speaking about the importance of trade and commerce in Saudi Arabia and China's relations it is important to mention that these two countries are the permanent members of the WTO. The WTO as members of the WTO has low trade restrictions and every member is equal as no preferential treatment is given to any member country. China became the member of WTO in 11 December 2001 while Saudi Arabia applied for the membership of the General Agreement on Tariff and Trade (GATT) in 1993.³ And after 12 years of long negotiation and implementation of sustained reforms of the Saudi economy, Saudi Arabia became the 149th member of the GATT's successor WTO in December 2005.⁴ As a result of both Saudi Arabia and China being members of the WTO, China has signed free trade agreements with the GCC member countries of which Saudi Arabia is a powerful member.⁵

China's growing appetite for oil is the product of the country's 30-year-long economic boom, which has seen expanding external trade, rising incomes, a growing population, and increasing urbanization. From 1979 to 2016, China's annual real GDP averaged 9.6 per cent which clearly shows that China has doubled the size of its economy in every eight years.⁶ From 2008 to 2010, China's real GDP growth averaged was 9.7 per cent and in the year 2016 it was 6.7 per cent.⁷ The country has been a net oil importer since 1993 and a net crude oil importer since 1996.⁸ China will surpass US by 2020 in importing oil and it will also spend 500 billion dollars on crude oil imports by 2020 which is far higher than US spending on crude oil which stands at around 335 billion dollars.⁹ This situation will lead to a high economic interdependence between China and the West Asian region in general and Saudi Arabia in particular. The refinery of Yunnan in China has been a joint venture between Saudi Arabia's ARAMCO and PetroChina Company Limited.¹⁰ Saudi Aramco and Sinopec has also signed MoU to develop the Yanbu Aramco Sinopec Refining Company (YASREF) in Yanbu, Saudi Arabia in

2016.¹¹ Saudi Aramco and Sinopec signed a “Framework Agreement for Strategic Cooperation” to enhance the competitiveness of the crude oil supplied by Saudi Aramco to Sinopec and to explore collaboration possibilities in major areas including oil and gas services, refining etc.¹²

Apart from the energy sector, trade and commercial ties has also expanded to the non - energy sectors like when King Abdulaziz Al Saud visited China, various MoUs were signed which included matters like avoidance of the Double Taxation Treaty as well as increased cooperation in oil, natural gas and mineral deposits.¹³ Chinese consumer items has gained immense popularity in Saudi Arabia due to its cheap and affordable prices. The Saudi Arabian middle class population usually buy Chinese products like textiles, electronic products, toys and furniture.

2) Religion - as an appeasement policy

While discussing about China and Saudi Arabia, religion has become a thread of converging interest. Almost the entire population in Saudi Arabia is Muslim and it comprises of around 97.1 per cent of the total population.¹⁴ The official religion of the country is the Sunni branch of Islam. China on the other hand has a Muslim minority population of 1.64 per cent of its total population.¹⁵ China has faced the largest religious rebellion of the Cultural Revolution in 1975 when the Shadian conflict took place. In the midnight of July 29, 1975, the central Chinese government deployed several PLA units to raid Shadian and surrounding Muslim villages in southern Yunnan province. The village was reduced to ashes as around 4,400 houses were destroyed and 1,600 people of the village lost their lives. Hence, it can be seen that in the past China has held a very hostile perspective towards Muslims in their land.

However, with the opening up of the Chinese economy in 1978, the country also attempted to bring various socio - cultural reforms in order to establish amicable relations with the West Asian countries like Saudi Arabia. It would be wrong, not to accept the fact that Muslims in China faced various degrees of discriminations. However in the present day the Communist government of China has a changed attitude towards the Chinese Muslims. The Communist Party of China has shown tolerance towards the Hui Muslim community by allowing this community to have freedom of religious belief. The Communist Government of China, since it came to power has maintained a non- religious, atheistic stand which shows the Government's loyalty to the state and not to any religion. But, the Chinese Constitution has Article 36 which allows religious freedom . It has been stated in the article that no state organ, public organization, or individual can force any citizen to follow or not follow any religion. Discrimination on the basis of religion is also prohibited and that the state would protect normal religious activities that would not disturb public order, hamper citizen's health and impede the academic

system of the country. The Muslim communities in China are setting up mosques without the interference of the government. It can be said that the Communist Party's tolerance towards its Muslim population is more of a strategy to gain a good impression from the West Asian countries and especially from Saudi Arabia in order to enrich trade and business relations. By 2012, Saudi Arabia became the largest trading partner with China as already mentioned above. Professor of International Affairs Beatrice Leung stated that, China is ready to barter religious relaxation for a advantageous foreign policy and for relations to grow, China has to show respect to the Saudi Arabia's culture traditions and religion.¹⁶ China has also allowed its Muslim population to take Hajj pilgrimage to Saudi Arabia's Mecca and Medina on an annual basis. The regime in China giving preferential treatment towards the Muslims is a clear indicator that it wants stability in the Chinese homeland and wants to maintain good relations with Saudi Arabia. Apart from this, supporting religious activities gives the government the chance to monitor the groups in the interest of preserving national interest and security. Chinese authorities are wary of cultural and religious influences from Saudi Arabia, which is why they tightly control participation in the Hajj. On the one hand, pilgrimage numbers have been increasing ever since the late 1970s. On the other hand, there have been occasional backlashes against the hajj, like in 1996 there were official complaints that pilgrims had returned to China “dressed like Arabs.

China has been trying to appease Saudi Arabia as the Chinese government allows more freedom for regulation and representation in the minority dominated autonomous regions. The Muslim minority population receives government aid for housing and for religious institutions as well as they receive educational grants and also special considerations in University admissions. However, it would be unfair to say that, the Muslims especially the Uyghurs do not face any discrimination in the hands of the Chinese state and government. The Uyghurs in the Xinjiang Province of China have been demanding their own state which has led the Chinese Government to label this minority group as radical that threatens the national unity and security. The Chinese government has used the terrorist label upon the Uyghurs and has justified the harsh treatment that is meted out to the Uyghurs by the state. For e.g., the Uyghurs do not have freedom of speech which is regulated and restricted by the state as the Chinese government fears that with freedom of speech the Uyghurs can bring alternative ideas of nationalism which can be detrimental for the Chinese state.

Saudi Arabia and China has started to take joint anti - terrorism drills and on 10 October, 2016, the first anti-terrorism combined drill took place in the Chinese city of Chongqing which was attended by twenty- five military personnel from both sides.¹⁷ This drill was done in order to raise the terrorism combating ability of the armies as well as to increase the capacity in dealing with non - traditional security threats. Chinese President Xi Jinping visited Saudi Arabia in 2016, where both the countries vowed to combat terrorism and expand security cooperation.¹⁸

3) Human Rights

Human rights are basic rights that are based on the shared values like dignity, fairness, equality, respect and independence. Countries like Saudi Arabia and China has been accused of violating human rights. When other countries like UK and US has condemned human rights violation in Saudi Arabia and China, the latter two countries has chosen to stay silent about the matter. Some of the instances where Saudi Arabia has been accused of human rights violations are mentioned below.

a). Sheikh Nimr al Nimr was a prominent Shia cleric of Saudi Arabia who was executed by the Saudi government in 2016 for supporting a mass anti-government protest that erupted in the Eastern Province of Saudi Arabia following the Arab spring in 2011.¹⁹ He was executed along with forty seven other people for engaging in terrorist activities against the state. His execution saw protest in Iran, Bahrain and Lebanon. The US too expressed its worry that the execution can further heightened the sectarian rivalry in the region with dangerous repercussions. China was silent about this entire incident.

b). Raif Badawi is a Saudi writer and blogger who has been sentenced by the Saudi regime for writing against the state in 2012. He was imposed confinement in prison for a decade. Adding to this harsh punishment, in 2016, he was subjected to 1000 lashes for advocating values like secularism, democracy and human rights.²⁰ Amnesty International has launched campaign demanding release of Badawi. Eighteen Nobel Laureate signed a letter to Saudi Academics to condemn the imprisonment and flogging of Badawi in 2015.²¹ Britain's then Prince Charles as well as Archbishop Desmond Tutu of South Africa has also requested the release of Raif Badawi. In this case too, China has maintained its silence.

c). Issa Al Hamid and Abdulaziz Al Subaily, the pre-reforms activists has been imprisoned for their advocacy for reforms.²²

d). Apart from this individual human rights violation, the execution rate in Saudi Arabia has been soaring. The Interior Ministry reports stated that Saudi Arabia from January to November in 2015, executed 152 persons mostly charged with murder and drug offenses.

e). Again, the greatest human rights violation that Saudi Arabia has committed is its airstrikes against the Houthi rebel forces in Yemen. From March and July, 2015 nearly 2,112 people has been killed by Saudi Arabian strikes.²³ The Saudi led coalition - imposed blockade also had a severe impact on Yemen's civilians. According to the United Nations, by September half the population faced insecurity regarding food and shelter and around eighty per cent of Yemen's people were in dire need of humanitarian relief. More than 15.2 million people lacked access to basic health care, and over 20 million lacked access to safe water. With commercial imports accounting for 90 per cent of Yemen's food and fuel supplies, the coalition-imposed blockade had led to starvation of civilians. Saudi Arabia was irked by the human rights groups like the Amnesty International and Human Rights Watch for accusing Saudi Arabia for carrying out 69 unlawful airstrikes in Yemen. Again, there

is Freedom House, the US based NGO who rated Saudi Arabia as "not free" with the lowest ranking amongst countries which are free and has rights.

Human rights violation in China have also been recorded. Violations in Tibet and the Xinjiang province of China are well noted. Tibet, which the Chinese government claims to be an integral part of mainland China faces various human rights violation at the hands of the Chinese authorities. Freedom of expression, religion, belief and association are all curtailed in Tibet along with the Tibetans facing arbitrary arrest as well as ill treatment in custody. Apart from this, the Chinese has committed human rights violations in the Xinjiang province. The Xinjiang province is an important part for China as it has huge oil and gas resources as well as it is used as the nuclear bomb testing ground by the Chinese government. From the year 1964 to 1996, the Chinese regime has conducted more than forty open air nuclear bomb test in Xinjiang which has atleast killed 194,000 people due to radiation exposure.²⁴ As mentioned earlier, the Uyghurs of Xinjiang has been demanding independence from China which the Chinese government has responded with violent campaigns. Arbitrary arrest, detention, imprisonment, torture, executions has been used as methods by the Chinese government to suppress the independence demands. According to the Amnesty International various kinds of torture are meted out to the Uyghurs by the Chinese military and police forces like keeping these people deprived of food and sleep, torturing them with electric shocks, pulling out the nails from finger as well as harassing these people by exposing them to extreme cold and heat.

Uyghur Human Rights activist Rebiya Kadeer faced harassment and subsequent imprisonment for raising her voice for Uyghur rights.²⁵ Rebiya Kadeer was released from prison on medical grounds. Her release was secured by former US Secretary of State Condoleezza Rice in 2005. Another instance when Saudi Arabia maintained its silence regarding the human rights violation in China was when Nobel Peace Prize winner Liu Xiaobe died in 2010, being surrounded by heavy state security as he was held as a political prisoner.²⁶

Human rights has been taken as a convergence factor because for the above examples it has been clear that both the countries Saudi Arabia and China has resorted to various kinds of breaches of human rights. China has refrain itself from voicing its concern against the human rights violation in Saudi Arabia because China considers those matters to be the internal matter of Saudi Arabia. Apart from it, China's main consideration is economic development along with political stability. China perceives human rights as the rights that are to be achieved in the process of development and not as legal bindings. Hence, China's perspective of human rights is different from the Western perspective of human rights.

While defending the suppression of the Tiananmen Square protest, China argued that it has complete right to suppress the rebellion as it took place within its sovereign boundaries and to ensure that its development process is continued without being hampered by these protest in the future. Tang Jiaxuan, the Minister of Foreign Affairs of China, while addressing the UN General Assembly in 22 of September, 1999 stated that "a country's

sovereignty is the prerequisite for and the basis of the human rights that the people of that country can enjoy. When the sovereignty of a country is put in jeopardy, its human rights can hardly be protected effectively."²⁷

On the same lines, Saudi Arabia has been silent about the human rights abuse in China as the latter is considered as a reliable trade partner of the former. It is felt that under any circumstances, Saudi Arabia does not want to offend China and ruin their burgeoning relations in various sectors like trade, military and culture.

References

- ¹ Rasooldeen Md," First Chinese bank to be set up in Riyadh," Arab News, 3 June, 2015, URL: https://www.arabnews.com/node/756376/session_trace/aggregate
- ² Daher Massoud (2009), "China and the Middle East: Establishing a New Partnership ,"*Journal for Middle Eastern and Islamic Studies (in Asia)*, 3 (1): 18-26, p. 18 , URL: <https://doi.org/10.1080/19370679.2009.12023120>
- ³ China and the WTO, Member Information, World Trade Organisation, URL: https://www.wto.org/english/thewto_e/countries_e/china_e.htm
- ⁴ Kingdom of Saudi Arabia and the WTO, *Member Information, World Trade Organisation*, URL: https://www.wto.org/english/thewto_e/countries_e/saudi_arabia_e.htm
- ⁵ Devonshire Ellis Chris,"Understanding China's Free Trade Agreements Along The OBOR Routes,"*Silk Road Briefings*,12 May, 2017, URL: <https://www.silkroadbriefing.com/news/2017/05/12/understanding-chinas-free-trade-agreements-along-obor-routes/>
- ⁶ Morrison M. Wayne," China's Economic Rise: History, Trends, Challenges and Implications for the United States," Congressional Research Service, 5 February, 2018, URL: <https://sgp.fas.org/crs/row/RL33534.pdf>
- ⁷ *ibid*
- ⁸ Leung Guy C. K., Li Raymond, et al.,(2011)," Transitions in China's Oil Economy, 1990–2010," *Eurasian Geography and Economics*, 52(4), 483-500, URL: https://esi.nus.edu.sg/docs/esi-bulletins/transitions-in-china%27s-oil-economy-1990-2010_eurasian-geography-and-economics.pdf
- ⁹ 'China crude import spend to reach \$500 bln by 2020 -Woodmac', Reuters, 20 August, 2013, URL: <https://www.reuters.com/article/china-crude-imports-idUSL4N0GL12G20130820>
- ¹⁰ Dipaola Anthony," CNPC, Aramco to construct refinery in Yunnan province,"*China Daily*, 22 March, 2011, URL: https://www.chinadaily.com.cn/bizchina/2011-03/22/content_12207620.htm
- ¹¹ Yasref Overview, YASREF, URL: <https://www.yasref.com/en-us/Pages/About.aspx>
- ¹² "King Salman, Chinese President Inaugurate Yanbu Aramco Sinopec Refining Company Project (YASREF)," The Embassy of the Kingdom of Saudi Arabia," 20 January, 2016, URL: <https://www.saudiembassy.net/news/king-salman-chinese-president-inaugurate-yanbu-aramco-sinopec-refining-company-project-yasref>
- ¹³ Jize Qin," China signs oil deal with Saudis," *China Daily*, 24 January, 2006, URL: https://www.chinadaily.com.cn/english/doc/2006-01/24/content_514887.htm
- ¹⁴ Fieldstadt Elisha, "The most heavily Muslim Countries on Earth,"*CBS News*, 22 November, 2017, URL: <https://www.cbsnews.com/pictures/most-heavily-muslim-countries-on-earth/>

- ¹⁵ Muslims in China, URL: <https://www.topchinatravel.com/china-muslim/muslim-in-china.htm>
- ¹⁶ Volinski Faaria," Islamic Revival in China: CCP Tolerance or Strategy?," Huffpost, 6 December, 2017, URL: https://www.huffpost.com/entry/islamic-revival-in-china_b_1852721
- ¹⁷ China, Saudi Arabia hold joint 'anti-terror' drills, Al Jazeera, 27 October, 2016, URL: <https://www.aljazeera.com/news/2016/10/27/china-saudi-arabia-hold-joint-anti-terror-drills>
- ¹⁸ Tanner Murray Scot and Bellacqua James,(2016)" China's Response to Terrorism,"CNA ,URL: https://www.uscc.gov/sites/default/files/Research/Chinas%20Response%20to%20Terrorism_CNA061616.pdf
- ¹⁹ Mamadkul Jiraroj,(2016)" Saudi Arabia – Iran's Foreign Policy Crisis: A Case Study of Execution of Saudi Shia Cleric Shaikh Nimr al-Nimr," *Rangsit Journal of Social Sciences and Humanities*, 75, URL: https://www.researchgate.net/publication/314068515_Saudi_Arabia_-_Iran's_Foreign_Policy_Crisis_A_Case_Study_of_Execution_of_Saudi_Shia_Cleric_Shaikh_Nimr_al-Nimr
- ²⁰ Raif Badawi: Saudi blogger freed after decade in prison, BBC News, 11 March 2022, URL: <https://www.bbc.com/news/world-middle-east-60714086>
- ²¹ Green Chris, Raif Badawi Exclusive: Nobel Laureates urge Saudi academics to condemn flogging of writer jailed for daring to criticise clerics, *Independent*, 19 January, 2015, URL: <https://www.independent.co.uk/news/world/middle-east/raif-badawi-exclusive-nobel-laureates-urge-saudi-academics-to-condemn-flogging-of-writer-jailed-for-daring-to-criticise-clerics-9989037.html>
- ²² Saudi Arabia: Women's Rights Advocate Arrested, Human Rights Watch, 18 May, 2018, URL: <https://www.hrw.org/news/2018/05/18/saudi-arabia-womens-rights-advocates-arrested>
- ²³ War in Yemen, Center for Preventive Action, 7 February, 2023, URL: <https://www.cfr.org/global-conflict-tracker/conflict/war-yemen>
- ²⁴ China's nuclear tests killed 1.94 lakh people due to acute radiation exposure, ANI News, 22 August, 2021, URL: <https://www.aninews.in/news/world/asia/chinas-nuclear-tests-killed-194-lakh-people-due-to-acute-radiation-exposure20210822201901/>
- ²⁵ "Break Their Lineage, Break Their Roots," *Human Rights Watch*, 19 April, 2021, URL: <https://www.hrw.org/report/2021/04/19/break-their-lineage-break-their-roots/chinas-crimes-against-humanity-targeting>
- ²⁶ Campbell Joseph," Chinese dissident Liu Xiaobo dies in custody, struck by liver cancer, *Reuters*, 13 July, 2017, URL: <https://www.reuters.com/article/us-china-rights-idUSKBN19Y1MV>
- ²⁷ Sceats Sony and Breslin Shaun," China and the International Human Rights System,"Chatham House, October, 2012, URL: https://www.chathamhouse.org/sites/default/files/public/Research/International%20Law/r1012_sceatsbreslin.pdf