

stars insights: 2 November 2020

China Winning, India Losing In A Changing Middle East



*In recent years and months, the Middle East and Persian Gulf region has experienced developments that have changed the pattern of alliances and strategic interests to a large extent. The moves of two regional outsiders, China and India, particularly deserve a closer look, writes Former Ambassador **Philippe WELTI**, together with Former Ambassador **Daniel WOKER**, Co-founder of [Share-an-Ambassador/Geopolitical Coaching](#) and Former Swiss Ambassador to India and to Iran.*

Let's remember that, for a historical moment, an effective alliance against the so-called "Islamic State" ("ISIS"), composed among others of American, Turkish, Iranian, Kurdish, Iraqi and Syrian forces of both the regime and the anti-Assad opposition, had led a relatively successful war against that terrorist organization of Saudi origin. The presence of US troops on the ground, however, started to be reduced already while Obama was in office. This trend continued under the current US Administration, which did not bother to honour their obligations towards Syrian opposition forces and Kurdish fighters. The operative alliance for the extinction of ISIS, existentially important for the survival of Syrians and Kurds, was cancelled by President Trump on shortest notice and unscrupulously, cementing thus the poor reputation of America's loyalty towards allies. America's partial withdrawal from Syria certainly was one of the relevant factors for the re-establishment of Assad's rule over Syria. But it also helped Turkey, Russia and Iran to strengthen their military foothold in Syria.

The US withdrawal from Iraq, slowly but steadily, also made other governments in the region understand that they had to start planning their future without the reassurance of American strategic interest in the region. The most vulnerable in the region with this respect are certainly the Arab monarchies around the Persian Gulf. The new pattern of alliances for the defence of strategic interests is shaping a new regional order. On the one hand you find an axis composed of Turkey, Qatar and Iran, opposing it you find the new

grouping composed of the United Arab Emirates, Bahrain, Saudi Arabia and Israel. The Saudis may continue to refrain from recognizing Israel's claims over Palestinian lands and Jerusalem, which has to do with their special role as Guardians of the Holy Muslim places of Mecca and Medina. But Saudi Arabia, too, depends on powerful support against Iran. With this respect, the place of the US is increasingly being taken over by Israel. Israel's military might, still with the US as a supporter in the background, is becoming the regional power making the essential difference.

More and more, the leadership of Gulf Arab monarchies recognizes Israel as the indispensable regional military hegemon. This is of historic importance, because it illustrates the abandonment of the Palestinian cause, which, for decades, had been uniting Arabs all over the region against Israel. It may be a strong assumption that Arab people "in the streets" do not adhere to their rulers' strategic choice, but currently that aspect remains irrelevant for the strategic equation.

In this recent development, Palestinians are losing. The other loser, for the time being, is Iran. Its share in common interests with Turkey and Qatar is only partial. Against Gulf monarchies, Turkey would be of no avail for Iran in the Gulf; the Sunni-Shia divide there supersedes strategic considerations. Under US sanctions, Iran's economy is paying a heavy price, which in turn is shaping Iran's domestic politics in a direction of replacing the current Rohani administration with a rebirth of Revolutionary Guards in government. Next year, Iran is holding regular presidential elections.

US sanctions on Iran have one more impact: Europeans through their national governments, i.a. of France, Germany, Italy and even the United Kingdom, are being prevented from realizing the big hopes, which the so-called Nuclear Deal of 2015 had triggered for economic cooperation and trade. Against this background, the moves of two regional outsiders, China and India, deserve a closer look.

China, although adhering to the Nuclear Deal and, thus, supporting Iran, still refrains from taking advantage too excessively of its new-gained influence. The most redoubtable competitor of the US as a global superpower, who could powerfully step in as an alternative buyer of energy and as a supplier of much needed high-technology products, seems to carefully restrain from hurting US and Western "feelings" too much. And first of all, China, for the time being, lacks the military means to challenge the US in an out-of-area confrontation. But it is, nevertheless, consolidating its position in the region. It is developing its support for the construction of strategic railway-lines running through Iran as part of its Belt and Road Initiative (BRI). It is even about to substitute India in Chabahar, the South-Eastern Iranian deep-sea port, which is India's cornerstone of its own International North-South Transport Corridor (INSTC), linking the Subcontinent through Iran with Russia and ultimately Europe.

India, despite its age-old legacy of Persian Gulf involvement, its large expat community in the Arab Gulf States, and its vital interest not to abandon its historic and somehow "natural" control over the Indian Ocean, seems at a loss to counter the drive of China's surge as an inter-regional hegemon. The Covid-19 pandemic is dramatically depriving India's Government of the means to match China's surge whenever strategic tools are essential. India, today, is unable to carry on the much-needed modernisation of its naval forces. India is losing out to China's growing power projection capacities on land and on sea. Soon it will be missing in the power equation of other world powers' strategic concepts aiming at containing China. This is one of the most visible immediate impacts of the pandemic. One

day, it will even prove to be of a historic dimension. Weighing India's interests in the Persian Gulf region against the means it can mobilise for the defence of those interests, one cannot help identifying India's limitations in acting globally.



Philippe WELTI (welti@swiss-ambashare.ch) is Co-Founder of [Share-an-Ambassador/Geopolitical Coaching](#) and Member of the *International Institute for Strategic Studies (IISS)*. He retired from the Swiss Diplomatic Service after accomplishing missions as ambassador to India (including Bhutan) and to Iran. Prior to those two missions, he was seconded to the Swiss Defence Ministry in Berne in the capacity of Political Director with the rank of ambassador. In that position, he was in charge of strategic affairs, security policy and the minister's international relations and he represented the minister at NATO Ministerial Conferences as State Secretary. Earlier diplomatic postings abroad included Bonn as Deputy Chief of Mission, London and New York.

The views expressed here are solely those of the author and they do not necessarily represent or reflect the views of the stars Foundation.

[stars insights](#) are exclusive contributions by business leaders and experts who scan the horizon to discuss geopolitical, economic, technological and further trends and developments which will impact society and business in the next few years.

[Impressum](#)