

Journal of Peace, Development and Communication



Volume 06, Issue 02, June 2022
pISSN: 2663-7898, eISSN: 2663-7901
Article DOI: <https://doi.org/10.36968/JPDC-V06-I02-38>
Homepage: <https://pdfpk.net/pdf/>
Email: se.jpdc@pdfpk.net

Article:	The Iran-China Deal: Challenges for the United States of America in the Middle East
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Published:	30 th June 2022
Publisher Information:	Journal of Peace, Development and Communication (JPDC)
To Cite this Article:	Hussain, S. (2022). The Iran-China Deal: Challenges for the United States of America in the Middle East. In <i>Journal of Peace, Development and Communication</i> . Vol. 06, Issue 02, pp. 543–554. https://doi.org/10.36968/JPDC-V06-I02-38
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ABSTRACT

The China-Iran Agreement is a twenty-first-century mega initiative announced on March 27, 2016, in Tehran, Iran. A 25-year cooperation project has been established by the Chinese Foreign Ministry and the Iranian Foreign Ministry. Amid U.S. sanctions against Iran, Iran and China signed a 25-year strategic partnership agreement, which poses the greatest threat to the U.S. and its allies in the Middle East. President Xi Jinping visited Tehran in 2016 when he met with Iran's Supreme Leader Ali Khamenei and President Hassan Rouhani, and the accord was discussed for the first time. China promised to spend \$400 billion on Iran over the next 25 years for a continuous oil supply to support its growing economy as part of a broad economic and Security agreement struck on Saturday. International community especially Middle East influence to modify the pact where the U.S. undermining efforts to separate the Iran. Though the US-Iran issue over Iran's nuclear program is still unresolved, it is uncertain how much of the agreement would be enforced. However, China has no such intention of taking sides in Iran's regional confrontation with other countries. On the other hand, Iran is considered a useful partner for China in terms of opposing U.S. hegemony or, at the very least, alarming the U.S. from a global viewpoint.

KEYWORDS: China, Iran, Russia, USA, Middle East, Nuclear, Ali Khamenei, Xi Jinping, Hassan Rouhani, \$400 billion

INTRODUCTION:

Before 1935, the name of Iran was known as Persia.

It has a long ancient military history, dating back 2500 years. After the Islamic revolution 1979, the name of Iran is modified and named as Islamic Republic a religious republic in which a supreme leader is appointed as a state head. The first state head was Imam Khomeini the Leader of the revolution. He introduced an ideology and philosophy of Shia sect in Iran and imposed all institutions as Islamic laws by which the country will work. The country is now full of Islamic laws by which they run. However, it has great ties with the other countries.

Moreover, Iran and China are the key role of two ancient and proud civilizations, which define their own practical unique leaders' ideas about identity and place in the world. Ideas of bilateral ties between China and Iran emphasize a shared sense of cultural superiority and a shared sense of oppression by Western powers. Both country leaders have accepted a historical relation that displays the international community as biased and imposed extra powers by Western countries. On the other hand, the leaders of the Chinese and Iran's tried to maintain the legitimacy of their governments (John W., 2007) in front of the world face.

Iran and China had mostly unsatisfactory relations during the Pahlavi monarchy. Prior to the 1979 revolution, China and Iran had very strained relations as a result of US pressure on Iran. Ahmad Shah was the head of state at the time, and the Iranian government was wholly supportive of US foreign policy. The Shah wanted to improve ties with China before he was overthrown in order to have a more independent foreign policy. Tehran and Beijing started moving in the direction of stronger cooperation as a result of their shared worry over Soviet moves in Central, South, Southeast, and East Asia. 2011 (Michael).

With considerable changes occurring in both nations, Sino-Iranian relations started a new phase at the end of the 1980s. After Khomeini's passing in 1989, the Iran-Iraq war came to an end in 1988, and President Ali Akbar Hashemi Rafsanjani and Supreme Leader Ayatollah Ali Khamenei assumed office in Iran. At the meantime, China's suppression of pro-democracy demonstrations in Tiananmen Square in June 1989 affected both its foreign and internal policies in the short and long terms. The international and domestic strategies of both nations evolved during this time away from aggressively revolutionary objectives toward economic rehabilitation and military modernisation. However, neither nation was able to communicate with the US or its allies. As a result, at this time Iran and China began to work together on topics such as weapons and energy. They also strengthened diplomatic ties to counter US and Western demands for the two countries to improve human rights and democratic freedoms. In June 1989, China's support for Iran's suppression of a pro-democracy uprising strengthened relations. (Seal, 2010).

Raza Pahlavi received the title of Shahshah, or King of Kings, in 1925. The capital was moved to Tehran, and the country's name was changed to Iran in 1935. In 1979, the emperor was exiled, and the Islamic Republic of Iran took over. Instead, Raza Khan, an army officer, provided military support for the 1921 coup against the government and was later named

defense minister and prime minister. After parliament overthrew the Qajar dynasty in 1925, he became the Shah of Iran and took the Pahlavi surname. As Raza Shah Pahlavi, he sought to restore order and modernize the economy and society, as well as establish cultural ties with other countries. However, his refusal to aid the Allies during World War II led to British and Soviet attacks on Iran, forcing him to abdicate in favor of his son Mohammad Reza Shah Pahlavi. Iran recovered from the economic turmoil caused by the nationalization of oil in the 1960s, but the Shah's authoritarian rule led to political unrest.

During this time, Ayatollah Ruhollah Mousavi Khomeini gained a following as an opposition leader and was exiled to Turkey and then Iraq in 1964. Between 1965 and 1977, Iran experienced income, regional importance, and relative stability. However, the political system did not liberalize, and repression, along with anger at the expanding Western presence, fueled anti-government protests in 1977 and early 1978, which evolved into a nationwide revolutionary movement. Khomeini quickly emerged as a leader. A powerful opposition movement that organized from its exile base in Iraq. As the army was unable to maintain government due to massive disintegration and the refusal of junior officers to intervene against strikers and demonstrations, the Shah chose to flee the nation, apparently for medical treatment. After the departure of the Shah, his government was powerless to stop the revolution. On February 1, 1979, Khomeini returned from exile and formed a provisional administration, refusing to accept the Shah's powers as prime minister. The monarchy was effectively abolished when the military declared neutrality in the power struggle between the two governments. China and Iran have built a broad and deep alliance over the past few decades, with China's energy needs and Iran's vast resources, as well as many non-energy economic ties, arms sales and defense cooperation, and the U.S. Geostrategic balance against , 2021).

Since 1979, the United States and Britain have resisted Iran's revolutionary effort throughout the area. The US supported the Shah, and Imam Khomeini raised the American voice, but Iran remained a threat to him and his allies in the Middle East. A significant state presence in the petroleum, agricultural and service sectors, and Iranian industry and financial services are what make up its economy. Iran has the second-largest proven reserves of crude oil and natural gas in the world. Although it has a more diversified economy than one might expect from an oil exporting nation, its economic activity and government revenue are still mostly dependent on oil sales, which makes it unstable. The Iranian government has chosen a comprehensive programme of market-oriented reforms for its 20-year economic vision and five-year growth plan for 2016–17–2021/22. The approach is based on three pillars: fostering economic growth, advancing science and technology, and fostering cultural excellence. Among his top priorities are the reform of state-owned businesses, the financial and banking industry, and the allocation and handling of oil money. An annual economic growth rate of 8% is anticipated by the strategy. (World Bank, 2019).

GEOGRAPHY OF IRAN:

Iran is covered by Azerbaijan, Armenia, the Gulf of Oman, the Persian Gulf, Turkmenistan, Afghanistan, and Pakistan border to the east, the Caspian Sea to the south, the Caspian Sea to the west, the Gulf of Oman to the south, and Turkey to the west. More than

52% of the country's area is covered by mountains and deserts, and 16% of the land is more than 2000 metres above sea level.

ECONOMICAL COOPERATION:

The bedrock of the economic partnership between Iran and China is the massive energy resources of Iran and the rising energy demands of China. In recent years, China has surpassed the US as Iran's main oil customer and financial partner. 166 Chinese attended the Iran Oil show in 2011, up from 100 in 2010, according to an Iranian official, making them the largest foreign exhibitor at this global trade event. To broaden and speed up their energy cooperation, Iran and China have recently established a joint oil and gas committee.

According to an Iranian official, 166 Chinese enterprises visited the Iran Oil Show in 2011, up from 100 in 2010, making them the largest number of foreign participants at this international trade show. To broaden and speed up their energy cooperation, Iran and China have recently established a joint oil and gas committee. Additionally, in May 2011, the leaders of China and Iran pledged to increase their annual bilateral commerce and inked a \$20 billion pact to improve their bilateral cooperation in the mining and industrial mining sectors. Plans have been made, with the goal of reaching \$100 billion by 2016. (Tehran Times, 2011).

The most significant foreign company involved in Iranian "upstream" (trading and extraction) activities and the purchase of Iranian oil and natural gas is China. Large oil and gas deposits in Azadgan and Yadwaran are now being developed by China. 33 Tehran had chosen Japan as its preferred foreign investor in Azadgan, but Tokyo withdrew as a result of pressure from the United States. (CNPC, 2009).

MILITARY COOPERATION:

Safety collaboration China contributed significantly to Iran's nuclear programme and became one of its key weaponry suppliers during the Iran-Iraq War in the early 1980s. The two nations also started working together on defense-related matters. Chinese military deliveries to Iran began to decline in the 1990s, as did cooperation between the two countries on nuclear and ballistic missile technology. China halted arms supplies to Iran to avoid US sanctions, particularly after Iran's illegal nuclear program was discovered in 2003. China's support for Iranian nuclear and missile technologies is no longer compatible with China's membership in the Nuclear Suppliers Group, which it has held since 2004. (NSG). Despite not being a member, China acknowledges the Missile Technology Control Regime's rules (MTCR). The PRC, as a member of the E3+3, spearheaded a 2010 UN Security Council resolution on far-reaching sanctions against Iran, which also banned most conventional arms sales to Iran. These sanctions further reduced China's arms exports under China's policy of avoiding open aid to "rogue regimes" such as Iran, Sudan and North Korea. Another restraint was China's desire to avoid strained relations with other regional powers. (Angela Stanzel, 2022).

Iran's nuclear program has benefited from China's aid. In principle, most of this aid has gone to the civilian side of the projects. Additionally, what China has provided, such as assistance in enriching uranium, has a military component. China, for instance, gave Iran with a range of essential nuclear technology and equipment from 1985 to 1996, helped others acquire it, and helped Iran acquire, mine, and enrich uranium, aided Iran in developing its laser skills. The construction of the Isfahan Nuclear Research Center and the training of Iranian nuclear engineers were made possible in large part by 20 Chinese technicians and engineers, who have played a crucial role in the advancement of Iran's nuclear programme. Apart from this, China has also maintained close military and defense ties with Iran. From China's perspective, it is of strategic importance to help Iran build sufficient military capability to counter US hegemony in the Persian Gulf. The US-GCC partnership has established a security system in the Middle East that aligns with US interests. However, Iran's relatively advanced military arsenal helps China's goal of preventing the US from dominating this key geographical ally and diverting US attention away from the Pacific (Garver, 2007).

CHINA-IRAN DEALS:

China and Iran have agreed to a 25-year "strategic partnership" with "political, economic and strategic components". The signing of a strategic memorandum of understanding in late March 2021 has given political impetus to China-Iran relations. Over the past 25 years, the PRC and Iran have expanded their cooperation, especially in economics. However, no official information has been released yet. An 18-page New York Times document in July 2020 detailed the arrangement. Over the next 25 years, the deal is said to invest \$400 billion in Iran's financial oil and sectors and infrastructure projects. It is also said to include nuclear power, the development of 5G telecommunications networks, and increased cooperation in the military. However, compared to other BRI investments, the figure of US\$400 billion cited by the New York Times and another study appears high. Pakistan is the only BRI country to establish an Economic Corridor with China, for which China has given it US\$ 46 billion (now potentially US\$ 62 billion). (Farnaz, 2020).

In March 27, China and Iran signed 25 year strategic agreement to coup up the burning challenges. According to sources, the comprehensive strategic partnership agreement covers various economic activities including oil and mining, support for industrialization in Iran, transportation and agricultural cooperation. The agreement also supports other social instruments including travel and cross-cultural interactions. In this context, Mohammad Javad Zarif of Iran and Wang Yi of China both attended the event when the agreement was declared. Iran and a significant foreign power have come to a deal. In 2001, Iran and Russia agreed to cooperate for ten years, mostly in the nuclear industry. This deal was then extended again for additional five years for a total of twenty years. Before the event on Saturday, Wang met with Iran's president Hassan Rouhani and Ali Larijani, the country's special representative for the accord. China's willingness to advance China-Iran ties would not alter, Wang reportedly assured Rouhani, according to a readout from the country's foreign ministry. He added that the comprehensive cooperation plan signed today will serve as a foundation for advancing China's expanded strategic relationship with Iran. (Shannon, 2021).

When Chinese President Xi Jinping first met Iran's Supreme Leader Ali Khamenei in Tehran in 2016, they came to an agreement. According to the documents, China was willing to invest \$400 million in Iran over the course of a 25-year deal in exchange for unrestricted access to Iranian ports and islands. As a result, Iranians, where Chinese investment is a sensitive issue, began to worry about the loss of their country's sovereignty. According to Zhao, the strategy focuses on realizing the potential for future economic and cultural cooperation while setting the stage for it. "It will serve as a basic framework for advancing China-Iran cooperation, and will not include any measurable, clear agreements and targets, nor target any third party." (2021).

BEIJING -TEHRAN ECONOMIC, ENERGY, AND DEFENSE COOPERATION:

- Over the past few years, China has been Iran's biggest oil customer and trading partner. China has provided Iran with the technological know-how it needs to increase its energy supply. Moreover, Iranian infrastructure has been built by Chinese engineers, including tunnels, railroads, and dams.
- China has assisted Iran in modernising its military hardware and doctrine by transferring military technology, selling small guns, tactical ballistic and anti-ship cruise missiles, among other things. China has transferred technology and equipment to Iran to aid in the development of its nuclear programme.
- Due to China's economic ties with Iran, the Iranian government has been immune from the effects of international sanctions.

CHINESE INVESTMENT IN MIDDLE EAST

China wants to maintain a balance of power with all other countries in the Middle East and avoid any regional conflicts. The same can be said about China's investment in Iran. The China Global Investment Tracker estimates that China invested \$18.2 billion in Iran between 2010 and 2020. China, meanwhile, invested \$30.6 billion in Saudi Arabia and \$29.5 billion in the United Arab Emirates. Although Beijing and Tehran are proud of their alliance for political reasons, Chinese cooperation with Iran's Gulf rivals has yielded better results.

China's influence in the Middle East



Source: <https://www.drishtias.com/daily-updates/daily-news-analysis/china-iran-strategic-cooperation-pact>

INTEREST IN CHINA:

- Beijing sees Iran as a potential ally in its fight against the US, while Tehran sees Beijing as a strong ally in its efforts to reduce US influence in the region.
- The economic alliance between China and Iran is rooted in China's growing energy demand and Iran's vast energy resources. However, China is not relying heavily on Iran for its energy needs. In contrast, the Iranian regime increasingly sees China as its central player diplomatically. Iran and China may have different objectives on various topics despite their commercial and energy cooperation and common geopolitical interests.
- Despite having disproportionately less political power in the Middle East, China surpassed all other foreign investors as the region's top investor in 2016. The Middle East has always been significant to China due to its enormous need for regional oil to fund its manufacturing sectors. Still, the region has never been central to Chinese foreign policy objectives.
- China's grand approach to the Middle East emphasizes economic cooperation rather than political unity and maintains balanced relations with all regional actors rather than taking sides in regional crises.

- This major policy is shaping interactions with Iran. The latter is China's main regional ally and is highly respected by China because of the relationship's potential to provoke US interests. The two countries established a comprehensive strategic partnership in 2016. (Zhang, 2020).

THREATS FOR INDIA:

Due to China's aggressive foreign policy, both countries engaged in a war in 1962 and have occasionally fought in the region of Tibet; the 400 billion dollar pact between China and Iran poses risks to India. Any time a war breaks out between countries in the Tibet region, India fears a Chinese agreement because of turmoil in both nations. The economic corridor (CPEC), a major artery of China's Belt and Road Initiative that India has already declined to join, citing sovereignty concerns, was built and is operated by China. India saw the Chabahar port as a counterbalance to the Gwadar port in Pakistan, which was created and is used by China.

CHALLENGES FOR UNITED STATES:

The United States should continue to prevent Iran from developing nuclear weapons and pressure China to cut ties with Iran, although its power to substantially change China's relationship with Iran is limited. In the mid-1970s, Tehran emerged as a primary buyer of US military hardware. With over 400,000 soldiers at the time of the Revolution, his army was among the strongest in the region. However, Iran still needs strict technical support and guidance from the US to operate and maintain its sophisticated military hardware. Before the revolution, Iran ordered various advanced systems from Western manufacturers, including F-16s, F-18s, frigates, destroyers and submarines from the United States, but these never arrived. (Stephen, 2009).

In its 40-year existence, the Islamic Republic of Iran has fiercely fought American influence in the region and support for Israel, according to Robert Ashley, a lieutenant general in the U.S. military and the head of the Defense Intelligence Agency. Tehran has promised to rule the unstable and crucial Middle East while fortifying its defences against attack and influence from beyond. Its objectives and identity are frequently in conflict with those of its neighbours, many of whom depend on the West and the United Governments for their security since Persia is a primarily Shiite country in a region dominated by Arab Sunni states. Iran thinks it is making more progress than ever toward its objectives. Tehran had to play cards related to the downfall of Saddam, the revolt in Syria, the growth and fall of ISIS, and the Yemeni situation. It directs the coordination of Shia and Alawite state and non-state entities in the shape of an unofficial alliance as a "axis of resistance" against the West.

Meanwhile, there is a general perception in the region that the US is disinterested and disengaged. In particular, this cooperation has challenged the interests and goals of the United States. China's policies have particularly hampered US and international efforts to prevent Iran from acquiring nuclear weapons. This study looks at the variables that encourage cooperation between China and Iran, potential conflicts in their relationship, and possible US policy choices to influence this cooperation to further US objectives. The authors conclude that the ability of the United States to fundamentally alter China's relationship with Iran is somewhat limited, but

that the United States should pressure China to cut ties with Iran and allow Iran to denuclearize. Action should be taken to stop the manufacture of weapons. (Scott, 2021).

The alliance between the Islamic Republic of Iran and the People's Republic of China poses a particular threat to US interests and goals, particularly preventing Iran from acquiring a nuclear weapons capability. This study explores the reasons for promoting Sino-Iranian cooperation, the potential frictions in the relationship, and the possible course of US action to further US goals. The United States and its allies have sought to prevent Iran from acquiring a nuclear weapons capability through sanctions and engagement. Iran, on the other hand, is still working on enriching uranium and reportedly has the technology to build a nuclear bomb. (Michael, 2010).

Iran views the US as its biggest long-term threat. He believes that the US is waging a secret "soft war" against the regime to overthrow it and undermine its legitimate status as a regional power. Supreme Leader Ayatollah Ali Khamenei has a longstanding distrust of American intentions. The fundamentalist belief that the US created ISIS to destabilize Iran and its allies is held by many government elites who see regional events in terms of US aggression. A 1953 coup against Prime Minister Mossad, which restored the Shah to power, led to a distrust of the United States that predates the establishment of the regime. (Sharp, 2004).

This move is an acknowledgment of America's leadership in the Middle East. The US does not want to strengthen the dominance of Iran and China in the oil-rich region. Meanwhile, China wants to control the region to increase its military and economic power due to the economic downturn.

CONCLUSION

The relationship between Iran and China has consistently grown and evolved over the past three decades, overcoming obstacles such as shifting ideologies, opposing geostrategic goals, and competing leadership ambitions. As a consequence, ties between Beijing and Tehran are expected to steadily improve or at the very least, stay stable barring any significant disruptive events, such as a military conflict between Iran and the US. Given its extensive influence with China and the available policy options, the US may be able to persuade Beijing to scale back its assistance and collaboration with Iran.

Beijing should encourage energy providers other than Iran to enhance petroleum shipments to China in order to lessen Beijing's dependency on Iran and on Iran in order to shift its relative dependence on that country. This entails putting pressure on China to undermine sanctions measures by assembling a worldwide coalition of allies. These tactics include putting diplomatic pressure on China while imposing sanctions on Chinese companies investing in Iran and diplomatic pressure on China while imposing sanctions on the Chinese. Offering to increase cooperation between China and the United States on a number of crucial issues for China is another of these strategies including force.

The US's efforts to improve relations with China have resulted in a deterioration of China's relations with Iran. The US has also brought up the Iranian nuclear program as a shared concern, and has argued that China should stop cooperating with Iran in order to

strengthen and legitimize the sanctions system. In order to exert pressure on the other deal signatories, Germany, France, Britain, Russia, and China, to provide fresh economic incentives to counteract U.S. sanctions, Iran has disregarded the agreement's restrictions.

The Middle East and African nations are significantly impacted by the relationship between Iran and China. China and Iran have made significant attempts to compete with the United States in the twenty-first century. Further developments in the Middle East and Iran were brought forth by this significant occurrence. Iran criticizes the production of oil and gas as well as the usage of natural resources in doing so.

Instead than inciting strife among the countries of the Middle East, China wants to seize control of every one of them. China desires excellent relations with Saudi Arabia and Iran since it has spent \$800 billion in the BRI project. The project is crucial for China's commerce with other nations, particularly those that are oil and gas-rich. The world's biggest oil user is now China.

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