



كلية الآداب والعلوم
College of Arts and Sciences
QATAR UNIVERSITY جامعة قطر

مركز دراسات الخليج
Gulf Studies Center

China and Europe in the Gulf: Competitor or Collaborator?

Tingyi Wang

GULF STUDIES CENTER
Gulf Insights

Cluster: Politics and Security

No. 66 November 2022



China and Europe in the Gulf: Competitor or Collaborator?¹

Tingyi Wang

Ukraine Crisis and Europe's Return to the Gulf

The continuing Ukraine war is transforming the relationship between Europe and the Gulf. After Russian President Putin decided to invade Ukraine in February 2022, many European leaders visited the Gulf region for energy support or crisis mediation. From March 15 to 16, just after the Russian “special military operation”, British Prime Minister Boris Johnson visited the UAE and Saudi Arabia, which was considered as part of [efforts](#) to secure more oil supplies and increase pressure on Russia. One week later, the Minister for Europe and Foreign Affairs of France visited Qatar, Oman and Kuwait for [bilateral and international issues](#) in light of the Ukraine crisis and Europe's energy supply. At the same time, the German Economy Minister visited Doha and Abu Dhabi to increase supplies of liquefied natural gas to Germany. The oil diplomacy of European states is a projection of Europe and the Gulf amid Ukraine Crisis.

From a geographical perspective, the European Union lies just 164 miles from the Middle East. Actually, since the colonial era, Europe has never been far away from the Gulf. For a period of over 150 years, Britain dominated the Gulf region until its withdrawal in 1971. But the UK still maintains a special connection with the elites of the Gulf monarchies, especially the royal families. Other European powers, like

the Portuguese, the French and the Dutch, stretched their [trade and commercial interests](#) in the Gulf region much earlier to the 17th century.

According to the official figure of the European Commission, the EU is the 2nd biggest trade partner (after China) of the GCC, representing 12.3% of the GCC's total trade in goods globally in 2020. And the EU ranked as the GCC's number one [import partner](#). Now, Russia's action is pushing Europe back to the Gulf.

China's Rising Role in the Gulf

On the other side of Eurasia, China is deepening its comprehensive strategic connections with the Gulf states. In January of 2022, before the Ukraine crisis, four foreign ministers from Saudi Arabia, Kuwait, Oman and Bahrain, along with the Secretary-General of the Gulf Cooperation Council, visited Beijing to discuss strengthening energy ties and the China-GCC free-trade agreement. Soon after this, in February, both Amir of Qatar and the de facto ruler of the UAE were invited by the President of China to attend the opening ceremony of the twenty-fourth Winter Olympics in Beijing. It was also the first [direct interaction](#) between the two Gulf leaders since the end of the four-year Qatar diplomatic crisis in the Gulf region. Meanwhile, Chinese President Xi announced that China would support Qatar in hosting the FIFA World Cup Qatar 2022 and the 2030 Asian Games,

¹ All articles published under “Gulf Insights” series have been discussed internally but they reflect the opinion and views of the authors, and do not reflect the views of the Center, the College of Arts and Sciences or Qatar University, including the terms and terminology used in this publication.

and was ready to send two pandas to Qatar which would be the [first panda cooperation project](#) in the Middle East. About one month away from the 2022 World Cup, two gifted pandas arrived in Doha at a “fully air-conditioned” new home, and [China](#) will fly 800kg of fresh bamboo to Qatar every week for these two precious bears. Besides the “panda diplomacy”, the massive infrastructure buildings by Chinese companies for the World Cup in Doha also reflect the rising relations between Beijing and the Gulf states, like the giant Lusail Stadium for the final game. And the Chinese-led Shanghai Cooperation Organization (SCO) has officially admitted Qatar as a [new dialogue partner](#) in the Samarkand summit this year. Furthermore, Qatar also signed several remarkable long-term LNG contracts with Chinese firms, like Sinopec and China National Offshore Oil Corporation, in 2021, which could be a figurative barometer for the closeness of the bilateral relationship.

The historical turning point for China-Gulf relations came about a decade ago. As Professor Tim Niblock stressed, “In 2013, for the first time, China became the largest [trading partner](#) of the Gulf region (taking all eight Gulf countries together),” and the European Union and India were pushed into second and third positions. After 7 years, China replaced the EU as the GCC’s [largest](#) trading partner in 2020. And according to the Chinese Ministry of Foreign Affairs, the trade between [China-GCC](#) reached 232.67 billion dollars in 2021, increasing 44.1% to 2020. The rise of Chinese influence in the Gulf region is interpreted as a [potential challenge](#) to the US and Europe, stimulating “a growing concern in Brussels and Washington about the Gulf’s steady drift toward China and Russia”.

Collaborator or Competitor?

However, unlike the extended competition between the US and China across the world, Europe and China might share some common interests for potential cooperation in this turbulent and strategic area.

1. Gulf as a natural geographical linkage between China and Europe: The Gulf region is a natural hub for two giant economic powers - China and Europe - across the Eurasia continent. For example, the UAE is a crucial axis for re-exporting Chinese goods into the ME, Africa and East Europe. The Dragon Mart in Dubai, the largest Chinese shopping mall outside mainland China, is an excellent example of China-Gulf-Europe trade. Like the ancient [Silk Road](#) in history, a natural network of Eurasian trade routes for almost 1500 years, Persian or Arab merchants carried silk from China to Europe via the Middle East region. Now, China’s Belt and Road Initiative, a modern infrastructure project, also aims to stretch from East Asia to Europe as well as to promote Chinese investments and communication networks. This might benefit Europe and the Gulf region from an economic perspective.

2. China and Europe share common security interests in the Gulf region: As neighbouring states and the top two trade partners of the Middle East, China and Europe share common security interests in the Gulf region, including regional stability, energy security, shipping security, etc. Any turbulence or conflicts in the Gulf region will inevitably cause significant concerns from China and European states. Both sides need energy supplies from this resourceful area, especially under great powers competition and Ukraine crisis. China is increasingly getting involved

with local security and is pursuing sustainable existence in this area. Europe is also returning to the Gulf for energetic support and geopolitical consideration. By all means, both China and Europe expect stable energetic suppliers instead of a chaotic Arab peninsula.

3. Neither China nor Europe could dominate this region: It is unlikely that China or Europe could control this crucial area. Both parties' economic clout is undeniable, yet Gulf states are developing a balancing strategy towards great powers, including the US, India, Russia, Japan, etc. And these cautious monarchies seek to [avoid entanglement](#) in "great power competition", as Gerald Feierstein, a former US ambassador to Yemen, said in an interview. More important, neither China nor Europe has prominent military existence in this region. And it's unlikely either of them could establish numerous military bases like the Americans in the Gulf region in the near future. Thus, both sides have no choice but to cooperate on the Gulf issues, like opposing the second Iraq War and maintaining the Iran nuclear negotiation.

However, there're still many challenges to the potential cooperation between China and Europe in the Gulf region. Firstly, the great power competition is tearing the world apart, and Europe and China are obviously at two different blocks. Secondly, ideological prejudice and misunderstanding might lead to deep mistrust and miscalculation between both sides. And this may reverse the potential cooperation and trigger serious competition in the future.

About the author

Dr. Tingyi Wang is an assistant professor at the Institute for International and Area Studies, Tsinghua University. He is now a visiting professor at the Gulf Studies Center, Qatar University. He also holds fellowships at the University of Exeter as an honorary research fellow and at King Faisal Center as a senior associate fellow. His research mainly focuses on comparative politics and foreign policy of Arab Gulf states.

About the Gulf Insights series:

The "Gulf Insights" series is published by the Gulf Studies Center on a weekly base with the aim to promote informed debate with academic depth. The Gulf Insights are commentaries on pressing regional issues written by the GSC/GSP faculty, staff PhD and MA students, as well as guest scholars, and they can be between 1,200 to 1,500 words.

All articles published under "Gulf Insight" series have been discussed internally but they reflect the opinion and views of the authors, and do not reflect the views of the Center, the College of Arts and Sciences or Qatar University.