

United States Should Derail Prospects for an Iran–China Alliance

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KEY TAKEAWAYS

Iran is reportedly on the verge of finalizing a comprehensive cooperation agreement with China that could greatly deepen ties between the two anti-Western regimes.

The Chinese Communist Party sees Iran as a key element in its Middle East strategy and a fulcrum for expanding Chinese leverage in a vital geostrategic region.

The Trump Administration should act firmly to discourage closer economic and military ties and punish Chinese violations of U.S. sanctions on Iran.

Iran is reportedly on the verge of finalizing a comprehensive 25-year cooperation agreement with the People’s Republic of China (PRC) that could greatly expand economic, trade, energy, technology, and military ties between the two anti-Western regimes. The authoritarian rulers of both countries lead anti-Western regimes hostile to American interests and values and opposed to U.S. foreign policy.

The PRC sees Iran as a key element in its Middle East strategy and a fulcrum for expanding Chinese leverage in a vital geostrategic region. Iran is a major Middle East power, an important oil exporter, a crucial link in China’s Belt and Road Initiative, an economic market where China is dominant, and a useful ally for pushing back against U.S. influence in the energy-rich Persian Gulf. The PRC has cultivated close diplomatic and economic ties with Iran and hopes to soon expand

This paper, in its entirety, can be found at <http://report.heritage.org/bg3541>

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military exports to the Islamic Republic if the United Nations arms embargo against Iran expires on October 18.

Iran's embattled Islamist regime sees China as a crucial source of economic, diplomatic, technological, and military support. Tehran's increasing isolation and desperation has made it much more dependent on Beijing, Iran's leading trade partner and chief market for Iran's diminished oil exports.

Iran needs China more than China needs Iran. The United States should exploit this asymmetry by raising the costs and risks of Beijing's growing ties to the unpopular and corrupt rulers of Iran while reducing the potential benefits. The PRC has historically refrained from forming a close alliance with Iran in part due to its concerns that such a move would trigger a crisis in its relations with the United States and a backlash by Middle Eastern countries threatened by Iran. Washington should discourage closer strategic ties between China and Iran by reinforcing Beijing's concerns on both fronts.

Pending Agreement

Iranian Foreign Minister Mohammad Zarif on July 5 told Iran's parliament that Tehran has been negotiating a 25-year agreement with China. The terms will be announced once the agreement is signed. Zarif indicated that the accord was approved by President Hassan Rouhani's cabinet in June. A Rouhani spokesman indicated that the agreement should be signed by next March.

Although some critics of the Trump Administration have blamed its maximum pressure sanctions campaign for pushing Tehran into Beijing's arms, the cooperation pact was first proposed in 2016 by PRC leader Xi Jinping during a visit to Iran. Significantly, this was soon after the implementation of the Iran nuclear deal, which suspended nuclear sanctions on Iran in January 2016. The nuclear agreement reduced the risks that boosting ties with Iran would strain Beijing's relations with Washington.

The pending agreement, entitled "Comprehensive Plan for Cooperation between Iran and China," according to an 18-page document leaked to the *New York Times*, proposed expanding China's involvement in Iran's economy, including banking, oil, construction, transportation, telecommunications, and other infrastructure.¹ China could also establish three free trade zones within Iran and build facilities at Iranian ports ostensibly for economic purposes that could have military significance not only for Iran, but for China. The draft agreement also calls for joint training and military exercises, joint weapons development efforts, and intelligence sharing.

Although the leaked text of the proposed agreement is extremely vague, anonymous Iranian sources claimed that the PRC would invest \$400 billion in Iran over 25 years. In return, China would gain access to Iran's oil exports, possibly at heavily discounted prices for 25 years.²

The proposed pact not only would greatly strengthen Iran's ability to withstand U.S.-led sanctions but could significantly enhance Iran's military capabilities. Closer ties to Iran and access to its bases would also enable China to project power astride critical oil supply routes and sea lines of communication.

While Western attention has focused primarily on the possible military aspects of the relationship, another concern is the proposed Chinese modernization of Iran's telecommunications sector, which could provide Tehran with the equipment and technical know-how to ban Iranians from the global Internet and build an Iranian version of China's Great Firewall.³ The Tehran regime cut off access to the global Internet for seven days in December 2019 during a massive wave of popular protests against fuel price hikes, but the blackout disrupted businesses and government operations. The PRC has already reportedly provided the regime with technical assistance for monitoring and suppressing political opposition during the 2009 Green Movement protests.⁴ The head of the Iranian parliament's Internal Affairs Commission, Mohammad Saleh Jokar, recently confirmed that the new agreement would include Chinese help in launching a national intranet, a restricted version of the Internet.⁵

The proposed pact has not officially been made public, and China has not disclosed details about the agreement, suggesting that Beijing has not signed off on it yet. The leaked text contains few concrete provisions and appears designed to serve the interests of Iran's beleaguered regime rather than to outline a full-blown agreement. One Iranian analyst concluded, "These dreams are unlikely to come true ever."⁶

The draft may have been leaked by Tehran to defuse rising criticism within Iran that the mullah regime was contemplating deep concessions to China that would undermine Iranian sovereignty. Rumors spread that Tehran would allow Beijing to construct military bases on Iranian soil, and some Iranian observers likened the agreement to the 1828 Treaty of Turkmenchai, in which Persia ceded territory to Russia. Former President Mahmoud Ahmadinejad, an ardent nationalist, denounced it as a "suspicious, secretive deal" that Iranians would not approve.⁷ Exiled Prince Reza Pahlavi, the son of the former shah who has garnered growing influence within Iranian opposition circles, accused the regime of "an undeniable betrayal of Iran's national interests" by forging a "despicable 25-year agreement with China to plunder Iran's natural resources and accepting a foreign army in our homeland."⁸

Nevertheless, Supreme Leader Ayatollah Ali Khamenei has embraced the deal, and media controlled by Khamenei's praetorian guard, the Islamic Revolutionary Guard Corps—which is sure to reap the lion's share of benefits from any deal—have lauded it. Hardline regime supporters, who criticize President Rouhani's administration for being too soft and attuned to the West, also support boosting ties with China.

Iran values China as a potential military ally, chief oil export market, one of its few trade outlets, and an important source of technology. Iran needs China more than China needs Iran. The PRC has cultivated diverse trade partners and sources of energy imports, while U.S. sanctions have deprived Tehran of alternative sources of trade, investment, and technology. Beijing has negotiated partnership agreements with 14 countries in the Middle Eastern and North Africa region besides Iran.⁹ China has also developed stronger economic ties to Egypt, Israel, Saudi Arabia, and the United Arab Emirates than with Iran, in part due to U.S. sanctions.¹⁰ Beijing clearly has the upper hand in the relationship and has the leverage to drive a hard bargain with Tehran on the pending cooperation agreement.

Chinese–Iranian Mutual Interests

Both Iran and China are ruled by anti-Western regimes that share a strong sense of victimization by Western powers. The founders of both revolutionary regimes seized power through bloody revolutions against pro-American governments. Both regimes were organized along ideological lines and are the proud heirs of ancient empires that were once linked by Silk Road economic ties before being marginalized by Europe and Japan.

After Iran's 1979 revolution, the Islamic Republic was suspicious of communist China. Ayatollah Rouhallah Khomeini's Islamist extremist faction saw Iran's communists as dangerous rivals for leadership of the nascent revolution. Khomeini distrusted foreign influence of any kind and proclaimed that Iran would follow an independent path according to the slogan "Neither East nor West."

Beijing cultivated the prickly revolutionary regime in Tehran by selling it arms during the 1980–1988 Iran–Iraq war. Although Beijing also sold arms to Iraq, Iran was more isolated than Iraq due to its 1979 seizure of American hostages and had access to fewer foreign sources of arms. Bilateral relations gradually improved further in the 1990s as both regimes became more pragmatic and downgraded their commitments to incompatible ideological dogmas.

The PRC courted Iran and other oil exporters as the Chinese economy boomed in the 1990s and China became more dependent on imports of

foreign oil. But Beijing carefully balanced its outreach to Iran with its continued need for good relations with the United States, which was a key source of foreign investment, trade, and technology. In 1997, Beijing downgraded ties to Tehran in part to mollify Washington, but China's accession to the World Trade Organization in 2001 undermined an important source of U.S. leverage over Beijing.¹¹ Washington also lost its focus on Iran after the 9/11 attack that year and the 2003 invasion of Iraq. During the next decade, Iran's economic ties with China mushroomed, and Beijing became Iran's foremost trading partner by 2007.

Repeated clashes with the United States and Western countries due to Tehran's support for terrorism and the subversion of pro-Western Middle Eastern states eventually triggered escalating U.S. and Western sanctions on Iran. This pressure campaign forced Iran to adopt a "Look East" policy. China also benefitted from residual Iranian distrust of Russia.¹²

Growing Energy Ties

Once an oil exporter in the 1980s, China became a net oil importer in 1993, and imports of foreign oil have comprised at least 50 percent of total consumption since 2009. Today the PRC imports more than 70 percent of its petroleum, which has exposed a major potential energy security vulnerability. China surpassed the United States as the world's largest crude oil importer in 2017 and imported more than 10.1 million barrels per day in 2019.¹³ It receives more than 40 percent of its imports from the Middle East, and it is projected to grow increasingly dependent on oil imports from the Middle East, particularly the gulf states.

Iran is an attractive partner for China. It controls the world's second-largest natural gas reserves after Russia and the world's fourth-largest oil reserves. Moreover, its hostile anti-Western policies limited Western investment and trade, leaving China with an opportunity to fill the void. Over 100 Chinese companies have invested in Iran's economy, particularly in the energy and transportation sectors. Chinese companies have been key developers of Iran's major oil and gas fields and provided vital technical support to keep Iran's poorly maintained oil fields and refineries operational.

U.S. sanctions have limited the growth of Chinese-Iranian energy ties. In 2010, Washington and Beijing agreed that the United States would not sanction Chinese energy companies for past investments in Iran if they agreed to make no additional investments.¹⁴ U.S. sanctions on Iran's central bank also severely constrained Chinese-Iranian economic ties, leading the

China National Petroleum Corporation to pull out of a huge natural gas project and compelling the two countries to rely on barter deals to evade financial sanctions.

After the United States withdrew from the nuclear deal in 2018 and renewed sanctions, Iran's total oil exports dropped from 2.5 million barrels per day to about 300,000 by April 2020, according to official statistics.¹⁵ Iran's actual oil exports, however, have been estimated at up to 600,000 barrels per day, using ship-to-ship transfers with transponders turned off to avoid detection.¹⁶

China is reportedly the only paying customer for Iran's crude oil exports (Iranian exports to Syria are not reimbursed), but its purchases have fallen 83 percent by value from 2019 to 2020.¹⁷ Beijing's state-owned enterprises have largely kept their distance, although Washington has been forced to levy sanctions on some Chinese companies that have continued to violate U.S. sanctions.¹⁸ China has also given Iran discreet help in evading sanctions by allowing Tehran to rent Chinese offshore tanker farms to store excess barrels of oil that it cannot sell.¹⁹

Belt and Road Initiative

China has selected Iran to play a crucial role within President Xi Jinping's Belt and Road Initiative, which calls for more than \$1 trillion in Chinese infrastructure investments across the Indo-Pacific region, Eurasia, and elsewhere.²⁰ Its goal is to establish China at the hub of trade routes and communications networks, which will allow Beijing to extract economic benefits while expanding its influence over recipient nations. The 2013 announcement of the initiative foreshadowed a surging Chinese economic and political role in the Middle East from which Beijing seeks to reap major geopolitical benefits. By 2016, the PRC had become the largest source of foreign investment in the Middle East.²¹

The Belt and Road Initiative has created an expanding network of economic clientelism. It is a framework for restructuring trade patterns to make them more favorable to China, finding foreign outlets for employing Chinese workers, expanding China's soft power, and laying the foundations for Chinese hegemony in key regions.

Beijing has already extended a \$10 billion loan to Chinese companies to build infrastructure projects in Iran such as power plants, dams, and transportation links, including rail links that will link western China and Tehran.²² Even before the unveiling of the Belt and Road Initiative, Beijing was actively involved in building Iranian infrastructure, including Tehran's five metro lines.

Economic Ties Evolve into Strategic Ties

China, a relative latecomer to the Middle East, initially adopted a cautious but opportunistic long-term regional strategy. As an emerging economic superpower with limited security interests in the Middle East, China prioritized economic benefits while avoiding entanglement in Middle East conflicts. It proclaimed a “zero enemies” policy in the region that enabled it to claim that it promoted regional stability through economic development.²³

The PRC historically has not established a significant military footprint in the Middle East. Chinese officials consistently downplayed the region as a strategic priority, maintaining that any military clashes with the United States are likely to occur in the Asia–Pacific theater. But this narrow military focus neglects the indirect conflicts and political warfare that Beijing continues to stoke to chip away at American influence. Chinese Middle East scholar Fan Hongda argued in a July article in a Chinese Communist Party newspaper that the current situation and rising tensions with the United States gives China more latitude to bolster its ties with Iran.²⁴

China currently has a minimal military presence in the region, although it contributes extensively to U.N. peacekeeping missions and participates in multilateral anti-piracy and maritime security operations in the Gulf of Aden and Arabian Sea. Beijing deployed military forces to evacuate Chinese workers and other citizens from Libya in 2011 and from Yemen in 2015. There are more than 1 million Chinese expatriates working, studying, or living in the Middle East and North Africa.²⁵ Chinese companies have also increasingly deployed private security contractors to protect their workers and the infrastructure they are building, particularly in Afghanistan, Iraq, and Sudan.

Chinese economic penetration can be a prelude to enhanced military ties. For example, a Chinese infrastructure project in the port of Djibouti evolved into a logistics base to support Chinese anti-piracy efforts by 2015 that was eventually fortified and transformed into a naval base by 2017, China’s first overseas military base.²⁶ By 2019, China had deployed approximately 1,000 troops to the base, and scores of warships have temporarily deployed there, ostensibly for anti-piracy missions.²⁷ The base, located close to the narrow Bab al-Mandab Strait, which links the Red Sea to the Indian Ocean, gives Chinese military forces easy access to a strategic chokepoint through which flows substantial volumes of oil and other seaborne freight between Asia, Europe, Africa, and the gulf.²⁸ Although the naval forces deployed so far to Djibouti do not pose a major threat, the strength and capabilities of those forces could be ramped up in the future.

China has bided its time, refraining from developing exclusive or high-profile security ties to Iran to avoid alienating countries concerned by Iran's malign policies. But behind the scenes, Beijing tacitly supported and enabled Iran's aggressive foreign policy through economic and diplomatic support. Michael Doran and Peter Rough have written persuasively about how China has exploited Iran as a stalking horse to reap strategic benefits in the region.²⁹ By propping up the beleaguered Tehran regime, Beijing is assured of preserving a long-term source of cheap oil, a tacit ally in undercutting U.S. and Western influence in the oil-rich gulf, a means of diverting Washington's attention and pinning down U.S. military forces to prevent a pivot to Asia, a wedge issue to sow divisions between the United States and its European allies, and a destabilizing actor that encourages Arab states and Israel to seek better relations with China.

The proposed cooperation agreement would reportedly commit China to develop several ports, including port facilities at Jask, located outside the Strait of Hormuz, the world's most important oil transit chokepoint.³⁰ This port, ostensibly developed for economic purposes, could also serve military purposes or evolve into a Chinese naval base, as in Djibouti. This would give the fast-growing Chinese navy a strategic foothold in close proximity to the strait, a critical chokepoint through which pass about 20 percent of the world's oil supplies.

Arms Sales

China has supplied Iran with military weapons since the 1980s, sometimes indirectly through North Korea, to avoid diplomatic or other consequences.³¹ It has transferred Silkworm and C-802 missiles, sophisticated naval mines, and small arms. It has also helped Iran modernize its military industrial base. Many Iranian ballistic missiles are based on Chinese designs.³²

The expiration of the U.N. arms embargo on Iran on October 18, 2020, could permit Beijing to renew the direct export of Chinese arms to the Islamic Republic on a massive scale. The Defense Intelligence Agency warned in its 2019 "Iran Military Power" report that Tehran has already initiated discussions with Beijing and Moscow to acquire weapon systems that it cannot produce domestically, particularly advanced fighter aircraft and main battle tanks.³³

Such a transfusion of Chinese military arms and technology would amplify the long-term threat that Iran poses to the region. Although it may take considerable time and effort to fully integrate new weapons into Iran's

military forces and defense doctrine, China is sitting on an estimated \$22 billion that it owes Iran but cannot transfer due to U.S. financial sanctions, so paying for the weapons may not be a major constraint.³⁴

One of the principal constraints in the past on such arms transfers has been Beijing's need to avoid triggering an American reaction that would disrupt lucrative economic ties between Washington and Beijing. But as Chinese power has grown, Beijing has become much more assertive in the South China Sea, on the Indian border, and even in Djibouti, where Chinese personnel have aggressively used lasers to obstruct U.S. military operations at nearby Camp Lemonnier.³⁵

Naval Exercises

Another barometer of China's increased assertiveness in the Middle East has been its escalating naval cooperation with Iran. Both countries, which share a history of harassing U.S. naval forces in international waters, have participated in at least three joint naval exercises since 2014. In the most recent maneuvers in December 2019, a Chinese missile destroyer participated in a joint naval exercise with Iran and Russia in the Sea of Oman. The maneuvers, which came at a time of rising tension between Iran and the United States, were played up by Iran as a game changer. Iran's navy commander proclaimed that "the era of American invasions in the region is over."³⁶

Iran's rulers have an interest in exaggerating their economic and strategic links with China. But Beijing does not want a direct military clash with the United States in the Middle East, one that it would swiftly lose. Instead, it prefers to use Iran as a proxy for challenging the United States at minimal risk to its own interests.

China has hedged its bets by investing in relationships with many other regional states. In addition to Iran, China has developed comprehensive strategic partnerships with Algeria, Egypt, Saudi Arabia, and the United Arab Emirates as well as strategic partnerships with Djibouti, Iraq, Jordan, Kuwait, Morocco, Oman, Qatar, and Turkey.

The final text of China's pending comprehensive strategic agreement with Iran will clarify future Chinese-Iranian strategic ties. Another omen is whether China accepts Iran as a full member of the Shanghai Cooperation Organization, the Chinese- and Russian-led Asian security coalition. Beijing admitted Iran as an observer but has slow-walked discussions about making Iran a full member.

The Nuclear Issue

The PRC officially supports the goal of nuclear nonproliferation but has also defended the right of states to obtain nuclear weapons for self-defense. Beijing has downplayed Iran's nuclear weapons ambitions, at least in part because it has probably assessed that such efforts pose a much greater threat to the United States than to China. Beijing has long provided technical assistance to Iran's civilian nuclear program, including help with uranium exploration and enrichment, but stopped providing direct nuclear support in 1997 under U.S. pressure.³⁷ Chinese nuclear assistance resumed after the 2015 nuclear agreement despite the fact that Iran has used its civilian program to cloak its nuclear weapons efforts. Beijing has also provided diplomatic protection at the U.N. Security Council to dilute and delay U.N. sanctions before the 2015 agreement, which it strongly supported.

China was one of the biggest winners of the nuclear accord, which cleared the way for a rapid expansion of its economic ties with Iran. Shortly after U.N. sanctions were lifted, Beijing signed contracts worth \$35 billion with Iran, although many of the contracts were suspended after U.S. sanctions were restored in 2018.³⁸ Beijing continues to support a return to the flawed agreement, which allowed it to move back into the Iranian market. The 2015 nuclear agreement also allowed resumption of Chinese technical assistance to Iran's nuclear program until U.S. waivers for such assistance were withdrawn in May 2020.

Although Beijing rejects the legitimacy of secondary U.S. sanctions on Iran's business partners, it has officially reduced its commercial and trade relations with Iran. However, it is suspected of covertly circumventing the sanctions. Iranian oil shipments have been rebranded in Malaysia and other countries to disguise continued imports by China.³⁹ Iran has also exported oil to China by disguising it as Iraqi or Russian oil.⁴⁰

Beijing has strongly supported Tehran on the nuclear issue despite Iran's mounting violations of the 2015 accord. China and Russia were the only two countries to vote against a June 19, 2020, resolution passed by the Board of Governors of the International Atomic Energy Agency that criticized Tehran for denying access to two sites suspected of past nuclear activity and called on Tehran to fully comply with its nuclear nonproliferation obligations. China has also hedged its bets and reaped economic rewards by assisting the civilian nuclear program of Saudi Arabia, including help in building a facility for extracting uranium yellowcake from uranium ore.⁴¹

U.S. Policy Should Drive Wedges Between China and Iran

The Trump Administration's maximum pressure sanctions policy has severely disrupted Chinese–Iranian trade relations, which has hurt Tehran much more than it has Beijing. But preventing a more robust Chinese–Iranian security alignment is a much more difficult proposition. Outside of sanctions, Washington has limited leverage for influencing China's policies regarding Iran, but it can shape the international environment to strengthen constraints on their economic cooperation and reduce the prospects for a full-blown military alliance.

The goal should be to maximize the political, economic, and foreign policy costs and risks to Beijing of its support for Iran's hostile agenda. The Trump Administration has hardened U.S. policy on both regimes. Secretary of State Mike Pompeo, in a groundbreaking speech at the Nixon Library on July 23, 2020, said that “the only way to truly change communist China is to act not on the basis of what Chinese leaders say, but how they behave.”⁴² The Trump Administration should make it clear that it is closely monitoring Chinese policy and will act forcefully to discourage closer military ties and punish Chinese violations of U.S. Iran sanctions.

Recommendations

The United States should:

- **Maintain the maximum pressure sanctions strategy against Iran.** U.S. sanctions undermine Tehran's capacity to fund military and nuclear programs and support proxy and terrorist groups. Sanctions have also exacerbated popular disaffection with the regime's corruption, economic mismanagement, and repression. In addition, sanctions also diminish the economic payoff to China of close ties to Iran and boost the risks that Iran may never repay its debts to Beijing. The Trump Administration correctly sought to trigger U.N. snapback sanctions under U.N. Security Council Resolution 2231, which remains in force despite the demise of the nuclear agreement. Although Washington invoked the snapback sanctions on August 20, most other members of the U.N. Security Council have rejected that move and are unlikely to enforce it. This makes U.S. sanctions, and those of like-minded allies, all the more important for maintaining pressure on Iran and constraining Chinese ties to Iran.

- **Prioritize the Iran issue in bilateral relations with China.**

Beijing has been sensitive to American concerns about its ties with Iran in the past and has reduced its engagement with Iran under U.S. pressure. Washington should privately warn Beijing against trying to rescue a rogue regime that may soon collapse due to popular protests. Washington should also drive a wedge between Tehran and Beijing by underscoring to the PRC that Iran's threat to disrupt gulf oil exports poses one of the greatest threats to Chinese energy security. China would be one of the biggest losers if Iran follows through on its threats against Arab oil producers. In addition to sticks, Washington could also offer carrots. If Beijing reduces its ties with Iran, then Washington could offer increased U.S. energy exports to China in a future oil crisis instigated by Iran.

- **Sanction Chinese companies that trade with Iran.** Washington should force Beijing to choose between continued trade ties with the United States and Iran. China's economic future depends much more on stable economic relations with the United States than on its much smaller trade with Iran. The Trump Administration got off to a good start in 2017 by fining the Chinese telecommunications company ZTE \$1.19 billion for violating U.S. sanctions on Iran and North Korea. The United States also brought criminal charges against Chinese telecommunications company Huawei's CFO Meng Wanzhou for attempting to evade U.S. sanctions by hiding investments in Iran. The Trump Administration has followed up with sanctions on several Chinese companies for shipping Iranian oil in 2019. It still needs to do more to halt Iranian oil shipments falsely rebranded in Iraq, Malaysia, Russia, and other countries to avoid sanctions. Escalating these sanctions also diminishes the perceived value of Iranian oil exports as a reliable source of secure oil supplies for China.

- **Work with allies to undercut Chinese support for Iran.** Washington should boost the costs and risks to Beijing of closer ties with Tehran not only in terms of Sino-American relations but also in terms of China's relations with states threatened by Iran, particularly the gulf Arab states and Israel. Washington should encourage key countries such as Egypt, Israel, Jordan, Saudi Arabia, and the United Arab Emirates to make it clear to China that if it further bolsters its strategic ties with Iran, it will be forced to pay a high price in terms of relations with Iran's regional adversaries. China currently has a

much bigger economic and trade relationship with these countries than with Iran, and that imbalance is likely to grow further due to U.S. Iran sanctions.

- **Forge closer security ties to Arab states and Israel.** Washington should develop stronger and more integrated security ties and military cooperation with Arab states, particularly the members of the Gulf Cooperation Council. If possible, U.S. cooperation with the Arab gulf states should be expanded to include Egypt, Jordan, and other Arab countries as envisioned in the Trump Administration's proposed Middle East Strategic Alliance. Israel should be included in the coalition informally, if not officially. Israel's peace agreement with the United Arab Emirates may improve the prospects for such an alignment. Regardless, the United States should reinforce its credentials as a reliable ally or Arab states will seek improved relations with Iran, China, or both to safeguard their own interests.
- **Mount information campaigns on wedge issues.** Iran's Islamist regime seeks a partnership with China, as do other authoritarian regimes in the Middle East, in part because they are comfortable with China's disregard for human rights issues. Iran's dictatorship also seeks Chinese surveillance technologies that pose a threat to freedom and human rights. The State Department should escalate its information operations to expose Chinese efforts to prop up the oppressive regime in Tehran and spotlight the confinement of at least 1 million Uighur Muslims in "reeducation camps" in Xinjiang province. This would help to expose Tehran's cynical hypocrisy in ignoring the plight of Chinese Muslims while it claims to be the global champion of the Muslim world. Another wedge issue to focus on is the cheap and low-quality Chinese consumer goods that have flooded Iran in recent years, which many Iranians have criticized for undermining Iran's domestic industries.

Conclusion

Although Tehran has trumpeted its pending cooperation agreement with China, Beijing has publicly said remarkably little about what the agreement will entail. China is unlikely to make a final decision on the terms of its cooperation with Iran until after the U.S. presidential election. In the meantime, the Trump Administration should raise the costs and risks to

Beijing of enhancing its economic and security cooperation with Tehran while reducing its perceived benefits. Close cooperation with U.S. allies is necessary to increase U.S. leverage over both China and Iran and help constrain, if not preclude, a full-blown Sino–Iranian alliance.

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