

# CHAPTER I

## INTRODUCTION

### 1.1. Background

The Belt and Road Initiative (BRI) is China's ambitious project to connect countries across Eurasia and the Indian Ocean region. In 2013, the project which is China's foreign policy was announced as a sign of the emergence of a new power with global interests and at the same time a sign of the changing role of China in the Middle East. For security, diplomatic and economic reasons, the Middle East is very important to BRI. China's approach to the region is becoming more ambitious and complex (Lons et al., 2019). BRI is one of China's main vehicles for soft power projection (Sparks, 2018). The means to build the foundation of China's foreign policy is soft power. When it comes to diplomacy, China's main targets are the elites of foreign governments and their officials. This is done not only in the national interest, but also in the interest of resource control. Thus, China has succeeded in reaching international cooperation agreements and global partnerships that are in line with its foreign policy (Suter, 2017). China is able to increase its influence in the investment, economic and political fields significantly in the Middle East because of Soft Power with Chinese characteristics.

To realize the project, BRI uses two main components, namely the land-based Silk Road Economic Belt (SREB) and the Maritime Silk Road (MSR) sailing on the oceans, and focuses on mutual political trust, economic integration between countries between China and the rest of Eurasia (Li, 2018). In fact, this BRI is not a completely new project for China. In ancient times, the BRI, which used to be called the Silk Road, has become the main route for economic, political and cultural transactions between East and West. It is said that since 2000 years ago, a royal envoy in China's Western Han Dynasty named Zhang Qian held an expedition with a mission of peace connecting East and West (Bai & Wang, 2021). However, several research expose that sentiment towards BRI varies globally in varied countries. Interestingly, Conti & Mozias (2020) in their examination in the Austral-Brazilian Journal of Strategy & International Relations see that the countries that show further resistance to this aggressiveness are those who are shocked of mislaying geopolitical authority in the public or in their area. Thus, it was revealed

that further enterprises arise from geopolitical issues than from profitable problems. The most important profitable threat is the debt trap, but in numerous countries the long-term deficit of finances (particularly in transnational currency) and structure dearths are so severe that they tend to misbehave with systems. BRI also brings some challenges, as we've banded over. Along with the more specific challenges, which have been anatomized in the composition, there's one common trouble to all supplemental countries by adding marketable integration with China, these countries can immortalize their part in the International Labor Division, as suppliers of minerals.

China's superior geo-economic control requires primary geopolitical aggressiveness. The Chinese rise tenses the hegemonic authority structures led by the United States in several extent. It's really from this consequence that new frameworks of power will arise, with higher or lower force and with or without central war (Pautasso, 2019). From the perspective of International Relations, China is well aware of strategies that are internationally oriented, but with a strong national emphasis. This is done within the framework of keeping the vast region united, to strengthen regional socio-economic and political forces, and to promote cultural supremacy (Perez-Garcia, 2021). BRI is a comprehensive long-term strategic project that seeks to integrate Asia, Europe, the Middle East and Africa. Bai & Wang (2021) describe that BRI in the past has connected the world's major civilization systems such as China, Rome, the Islamic world, and India. China learned about religions from Buddhism to Islam through the Silk Road. Geographically, it is very strategic and natural resources are very rich, so China should continue to develop it. Including Japan's "Silk Road Diplomacy Strategy"; the "North-South Corridor Plan" initiated by Russia, India and Iran; The European Union's "New Silk Road Program" and the United States' "New Silk Road Strategy". The member countries of the Gulf Cooperation Council (GCC) are well aware of their position in the BRI project, specifically related to the Maritime Silk Road Initiative (MSRI). GCC members have established strong economic and political cooperation prior to the BRI project, thereby further strengthening and increasing cooperation opportunities and becoming important regional political actors. Therefore, it is very important for leaders of GCC countries to participate in

MSRI to discuss two important issues. First, to overcome domestic economic pressures and the second is political pressure (Blanchard, 2021).

According to the report of the 19th Party Congress, in the framework of building a modern socialist state in 30 years (from 2020 to the middle of the twenty-first century) will be carried out in two stages: Phase I, (2020–2035), China will build on the foundations created by prosperous society with a further 15 years of hard work to ensure that socialist modernization is realized; and stage II, (2035 to the middle of the twenty-first century), after achieving modernization, will work hard for another 15 years to build China into a great modern socialist state that is prosperous, strong, democratic, cultural. Advanced and harmonious (Angang Hu, Yilong Yan, Xiao Tang, 2017). Chinese foreign investment in the Middle East (West Asia) has drastically increased in the 21st century, particularly in energy, natural resource projects and dual-use infrastructure (serving civilian and military purposes). Within the framework of the Belt and Road Initiative (BRI), China helps finance, operate and build the necessary infrastructure in the Middle East, among other regions. He has pledged to help Middle Eastern countries develop infrastructure and invited them to become founding members of the Asian Infrastructure Investment Bank (AIIB). Ten countries in the region have joined (Egypt, Israel, Iran, Jordan, Kuwait, Oman, Qatar, Saudi Arabia, Turkey, and the United Arab Emirates), and infrastructure and development pledges have been factored into some countries' calculations when they engage with China in the final search for peace (Chaziza, 2019).

During the process of integration into the world, Middle Eastern countries are important partners of China. The Middle East is also an important arena for China to demonstrate its strength and is an important factor for China's rise and relations with other countries in the great power game (WANG, 2014). The Middle East is very important to BRI. This area occupies a strategic position at the intersection of SREB and MSR. It lies at the crossroads of Asia, Africa and Europe and as such has critical importance for the successful implementation of BRI. It has important maritime chokepoints that are critical to the global energy transport system. If disconnected, these chokepoints could have serious impacts on energy supply and prices, as well as global trade flows. The Middle East is also very important to China's energy security. In 2015, China became the world's biggest oil importer

with half-more than 6 million barrels per day-imported from the Middle East. By 2035, China is expected to double its Middle Eastern oil imports (Kamel, 2018). From a geopolitical perspective, Islamic countries are the main communication channel to the west and south of China; good relations with them are critical to the successful implementation of BRI. As the main religious belief and cultural carrier of Muslims, Islam greatly influences the politics, economy and diplomacy of Islamic countries. Therefore, China's understanding and respect for Islam is a necessary prerequisite and an important foundation for harmonious communication with Islamic countries (Li, 2018).

This research examines China's soft power and investment in the Middle East. Rather than focus on Joseph Nye's three pillars of soft power are: political values, culture, and foreign policy, novelty of this research focuses on Chinese investments and construction in the Middle Eastern countries (2005 - 2022). The researcher argue that culture is an important tool for China to increase its soft power, through cultural exchanges, hopes to assure the world that it is a civilized, responsible, and reliable nation. Soft power with Chinese characteristics made China has significantly increased its profitable, political, and growing the biggest trade mate and external investor for numerous countries in the Middle East. Participation in the BRI addresses two important interests for leaders in the Middle East. First, it is a means of addressing domestic profitable and by extension political pressures. Each of them has embarked upon development projects that require significant levels of infrastructure development and flows of foreign direct investment (FDI). Chinese foreign policy activities in the Middle East reflect a broader phenomenon the growth of the importance of geoeconomics and specifically economic instruments of foreign policy which countries use to achieve geopolitical goals. By early 2016, ten Middle Eastern countries had become members of the AIIB and China's total investment in all Middle Eastern countries reached \$153.94 billion, or 12.7 per cent of the total.

## **1.2.Research Questions**

Based on the background described above, this research focuses on answering the research question “**How does China's soft power support investment in the Middle East?**”

### **1.3. Research Purposes**

The main purpose of this research is examining China's soft power and investment in the Middle East.

### **1.4. Research Contributions**

This research aims to contribute on several aspects:

1. This research aims to contribute on broaden the knowledge about decision making factors of a country especially China and the Middle East.
2. This research aims to contribute the knowledge to students about the international political economy in the region.

### **1.5. Literature Review**

To answer the questions that have been listed in the formulation of the problem, the researcher conducted a literature review related to previous studies that discussed. Here are the lists of the literature review that the researcher has done:

#### **1.5.1. China's Political Economy and Development**

China is making efforts to secure its energy supply in order to ensure the quick growth of its economy and to secure a calm Middle East. Due to their long-standing cultural links, the Arabs and the Chinese have always had strong cultural relations, but both sides continue to work to deepen these ties through a range of initiatives, such as student exchange programs and exhibitions. The two sides have strong communication and are establishing typical state-to-state interactions. The era of Chinese neutrality in the Middle East is over given the intense global competition for Middle Eastern oil. In order to ensure its own energy security, China will take a more active role in the region. China's lack of a political orientation is its main advantage in the Middle East region. She is encouraged to take up her role in world affairs and do her best to foster a new, more humane kind of globalization (Daher, 2009).

The Middle East has always had a volatile condition, and the conflicts there have been quite complicated. In the Middle East, the major oil firms and the superpowers of the world fought for profit. Due to the expanding globalization, the competition became more intense (Xuewen QIAN, 2010). Oil from the Middle East is a key strategic resource for large nations' economic growth and national power.

Therefore, the United States, the European Union, Russia, and Japan made every effort to pursue their own strategic interests in Middle Eastern energy, and as a result, the Middle East has been deeply impacted by their political, economic, and military actions. The four nations worked to keep others from interfering with their own orbit because they were concerned about China and other nations' energy cooperation in their orbit. The United States' measures were particularly notable in this regard. China's energy cooperation with Middle Eastern oil-producing nations has traditionally been seen by the United States as a challenge to its global and energy policies (Xuewen QIAN, 2010). Therefore, the United States has long viewed China's energy cooperation in the Middle East region with a policy of containment and exclusion. Furthermore, Western nations—including Japan, which has a Western orientation—sought and exploited their own advantages in accordance with their strategies. They erected barriers to China's collaboration with the Middle East on energy. China suffered more as a result of the United States' increased influence over Middle Eastern energy following the Iraq war. It aided the US in limiting China's usual Middle Eastern energy cooperation (Xuewen QIAN, 2010).

In "The Political Economy of Sino-Middle Eastern Relations," Olimat (2010) argues that the aim of China's engagement in the Middle East is energy security rather than damaging US interests in the region. Contrary to realist expectations, China is exploiting existing Western institutions to achieve its regional ambitions, a development that Middle Eastern states applaud and support. Significant scholarly interest has been raised by how quickly China is becoming involved in the Middle East. The realist and liberal institutional schools of thought are vying for dominance in theorizing about China's regional activities. Clearly stating that China does not appear to have a well-orchestrated realism approach to its energy security in the Middle East is crucial at the opening of this discussion of China's policy in the region. China, on the other hand, appears to be utilizing the presently existing "Western" system and institutions to address its energy needs. China doesn't intend

to jeopardize American interests in the area; instead, it wants access to a reliable energy source to support its economic growth (Olimat, 2010).

There are various eras in the development of Chinese-Middle Eastern relations. Relations during the time before World War II were mostly centered around important trading routes like the Silk Road, which linked Chinese and Middle Eastern civilizations. However, the rise of Islam and its hegemony in the Middle East and the Far East signaled a significant change in Chinese-Islamic ties. Muslims rose to prominence in China as a result of Islam's favorable reception there. Up to the Islamic Empire's demise starting in the fourteenth century, there was continuing cultural and theological exchange between the two civilizations. China experienced an era of isolationism concurrently. In addition, Western imperialism came to dominate both China and the Islamic world, a scenario that persisted until World War II (Olimat, 2010). However, it is incorrect to believe that China's involvement in the Middle East was limited to the years following World War II. There was a lot of interest in local developments throughout Mao's lengthy march, particularly since the conflict was still raging nearby. Mao was fully aware of the role that rivalry among the old colonial powers played in the outbreak of World Wars I and II and how their demise had paved the way for the rise of the USSR and other new world powers. In regard to the enormous geographic areas located between the US and the USSR, including the Middle East, Mao felt that post-war rivalry and international relations would center on this "intermediate zone" (Olimat, 2010; Shichor, 1979).

In the post war period, China developed an ambitious foreign policy toward the region with a wide range of objectives that include diplomatic recognition, support of its position on the Taiwan issue, and trade. "Trade relations-always regarded by China as an avenue to better mutual understanding that might lead to normal relations"(Olimat, 2010; Shichor, 1979). China made anti-imperialism a tenet of its foreign policy toward the Middle East at that time, in keeping with its efforts to expand its influence worldwide. It also demonstrated a great deal of

enthusiasm for a peaceful resolution to the Israeli-Arab conflict. When Israel recognized the PRC in 1948, it was the first state in the region to do so. Later states in the region to recognize it included Egypt, Syria, Iraq, South Yemen, Algeria, Tunisia, and other nations beginning in the mid-1950s (Olimat, 2010; Shichor, 1979).

China supported direct negotiations leading to a peaceful resolution of the Arab-Israeli issue without the involvement of superpowers (Olimat, 2010; Shichor, 1979). China considers the ongoing Arab-Israeli conflicts to be a serious diversion from the struggle between colonialism and conquered nations worldwide (Olimat, 2010). China has pleaded with the international community to cooperate in order to help the Middle Eastern region's economic governance. China has repeatedly urged the international community to work together to foster development and provide practical assistance, actively supporting the United Nations, the International Monetary Fund, the World Bank, and other international organizations in the region's economic development to play a larger role. Faced with difficult economic development tasks and an unfavorable development environment in the Middle East (Bianchi, 2013).

China's involvement in international affairs is mostly intended to maintain a constant supply of oil to support its expanding economy. For example, China pursues energy security, and its foreign policy is designed to use its contacts with other countries to support its economic development. As a requirement for China's sustained economic development and modernisation, energy security is "defined as ensuring and safeguarding oil imports from other countries" (Yetiv & Lu, 2007). The political economy interaction between producer and consumer governments, where multinational firms frequently serve as intermediaries, is referred to as resource diplomacy. The attempts of producers to manipulate consumers from a position of resource strength explain the dynamics within the interaction. Resource security consists of three parts: ensuring a steady supply of energy and resources; maintaining resource supplies at reasonable costs; and having the



ability to move resources to designated areas, which need not be in the home country, for processing or consumption (Sultan, 2016).

### **1.5.2. China's Interests in the Middle East**

Alterman (2009) in "China's Soft Power in the Middle East" In C. McGiffert (Ed.), *Chinese Soft Power and Its Implications for the United States: Competition and Cooperation in the Developing World*. The Center for Strategic and International Studies (CSIS) explained China's interest in the Middle East is shaped by its energy needs. The intention of China's engagement in the Middle East, according to Olimat (2010) in "The Political Economy of the Sino-Middle Eastern Relations," is energy security rather than damaging American interests there. The GCC states require a stable energy market for their economic development because energy is their main industry, and the rapid economic development in China has raised the need for energy. Energy cooperation becomes the focal point of bilateral economic cooperation, as evidenced through trade, investments, and infrastructure construction (CHEN, 2011). In "Rise of China and Its Implications for the Muslim World," Moniruzzaman (2013) made reference to how economically dominant China will cause a shift in the political power structure from the West to the East, bringing about a change in culture. China will be heavily dependent on the petroleum resources of the world's oil-rich nations to maintain its economic, military, and technological development. Second, in order to preserve its strategic and military dominance in the region, China will employ the Shanghai Cooperation Organization as a tool. Energy, trade, military sales, culture, and political relationships with significant Middle Eastern countries such as Saudi Arabia, Iran, Israel, Algeria, and the United Arab Emirates are underlined. China's bilateral relations with each of these countries are founded on a fundamental factor that determines the country's interest in the region (Olimat, 2013).

WEI (2017) noted that infrastructure is not only a priority of the BRI but also a key element of the productivity collaboration between China and the Middle East in "China-Middle East Cooperation in the Field of

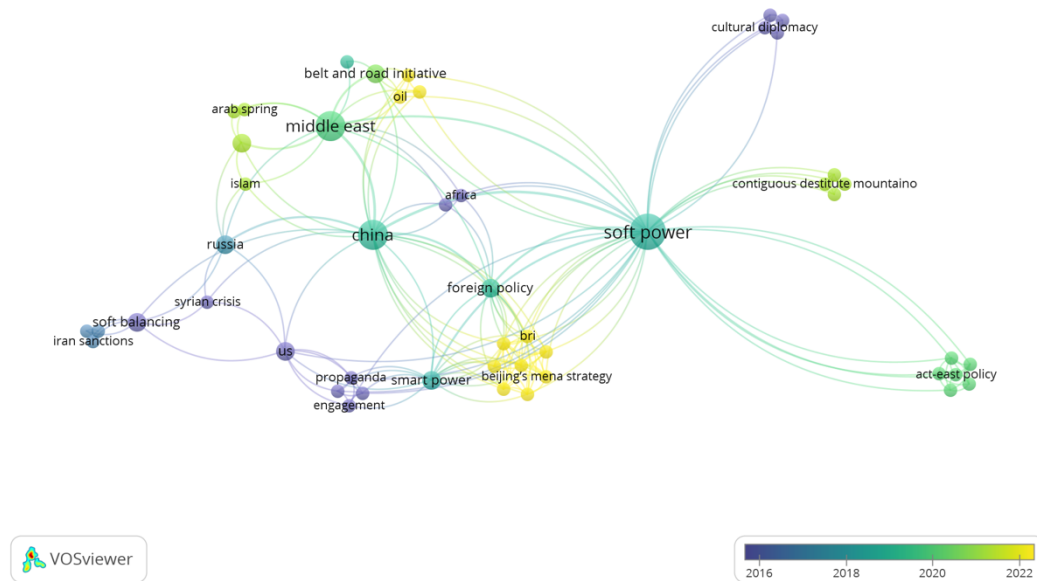
Infrastructure under the Framework of the Belt and Road Initiative." In the early years following China's reforms and opening up to the outside world, as well as when China was integrated into the global economy and engaged in international collaboration, the Middle East was one of the regions that had been cooperating with China. China has a strong basis and expertise working with the Middle East on infrastructure projects. The economics of China's dependence on the GCC are examined in "China-Gulf Economic Relationship under the Belt and Road Initiative" by Xuming QIAN & FULTON (2017). An examination of the characteristics of the political-economic interaction is done first, with a focus on trade, investment, infrastructure development, and energy. The process of formalizing these connections through the ongoing China-GCC Free Trade Agreement negotiations is then covered. It then looks at how GCC participation in China's Belt and Road Initiative can strengthen this economic partnership. The success of the BRI depends on collaboration with the GCC countries to supply China's energy demands and safeguard the Arabian Peninsula's sea routes, which are essential for international trade. The GCC governments are revising their strategic vision in response to the 2011 Arab Uprisings, which is changing the region's conventional security architecture. China has been mentioned as a potential partner by the Gulf states, who are adamant about expanding their strategic alliances. But if Beijing's involvement in the Middle East grows, so will its control over regional politics (Abdul Ghaffar, 2018).

In "China and the Middle East: A Global Strategy Where the Middle East has a Significant but Limited Place," Niblock (2020) noted that there has been a great deal of speculation, in particular, about whether China is attempting to displace the United States as a major provider of security for some Middle Eastern states and regimes. Whether the United States will scale back its involvement in the region and whether Middle Eastern states will look for a different guarantor are two important factors that will undoubtedly affect this. However, it also heavily hinges on China's willingness and ability to take on such a role.

Such an evaluation needs to start with a knowledge of the dynamics of China's global strategy and how the Middle East links to the framework around which the strategy is formed. Although China's relationship with Middle Eastern nations is important, it is not as important as the interests that the Chinese government considers to be most important.

According to Cipto (2022) in "China's diplomacy in the Islamic world," the desire to develop connections with developing countries has made contacts with the Muslim world unavoidable because many of them have oil and gas deposits. The Islamic world benefits from China's large demand for natural resources, particularly oil and gas. Relations with Islamic countries increased significantly amid Western distrust of Muslim countries. It is appropriate to investigate China's diplomacy in the Islamic world given that, on the one hand, Western countries use an ideological approach in their diplomacy with the Islamic world, whereas China is a moderate and pragmatic participant in dealing with the Islamic world. Because of the contrasting approaches taken by the West and China in dealing with the Islamic world, diplomacy applied in the Islamic world makes a significant contribution to current and future international relations. China's diplomatic contacts with the Islamic world in the Middle East and North Africa began in Egypt in 1956, and other Islamic countries in the region followed suit, according to Erzsébet N. Rózsa in "China's Interests in the Middle East and North Africa," a book by Bambang Cipto. In keeping with the establishment of its "Turn East" policy in the Middle East and North Africa, China is pushing west through the BRI. The BRI initiative also highlights Muslim-majority nations in Central Asia that were free of Russian hegemony during the Cold War. In contrast, Muslim nations in South and Southeast Asia require investment at a time when the West has just recently recovered from the global recession of 2008. This most recent book by Bambang Cipto, which was released in 2022, investigates how China's diplomacy has affected the Islamic world as a whole (Cipto, 2022).

**Picture 1 Keywords: China and Soft Power and Middle East in the Scopus**



Source: VOSviewer software

Based on the results of the literature review on previous research discussing on China's soft power, the researcher can identify that in terms of similarities and differences between this research and previous study. The similarity is area of research that the researcher analyzes with previous study is both discussing China's soft power. While the difference or novelty of this research focuses on Chinese investments in the Middle Eastern countries (2005-2022) which is the development of "A New Great Power Engages with the Middle East: China's Middle East Balancing Approach" by Gordon Houlden and Nouredin M. Zaamout (2019). Gordon and Nouredin (2019) focuses on Chinese investment in the modern Middle East and the Maghreb states of North Africa (MENA) (2005-2017). According to the data source in which was publications from the Scopus database (Picture 1) founded 31 document results with keywords: China and Soft Power and Middle East, processed by VOSviewer software, researcher finding that soft power relating to the investment in the Middle East need to be explore more. Not found any investment item and oil or energy item relatively new.

Gordon Houlden is the Director of the China Institute, Professor of Political Science and Adjunct Professor of the Alberta School of Business at the University

of Alberta. Professor Houlden joined the Canadian Foreign Service in 1976, serving in Ottawa and abroad. Twenty-two of his years in the Canadian Foreign Service were spent working on Chinese economic, trade and political affairs for the Government of Canada including five postings in China. He also served at Canadian Embassy in Havana and Warsaw, and at Canada National Defence College. His last assignment before joining the University of Alberta in 2008 was as Director General of the East Asian Bureau of the Department of Foreign Affairs and International Trade, responsible for Greater China, Japan, the Koreas and Mongolia. Under Professor Houlden's leadership, the China Institute has focused on contemporary China studies, with an emphasis on Canada's trade, investment and energy linkages with the PRC, and Asian security issues (Houlden & Zaamout, 2019).

Noureddin M. Zaamout completed his Bachelor of Arts Honours in Political Science (First Class) from the University of Calgary in 2013, and a Master of Arts in Political Science from the University of Alberta in 2017. Ph.D in the Department of Political Science at the University of Alberta, specializing in the fields of international relations and comparative politics. In his first field of focus, Noureddin specialises in international relations theory and the study of Sino-Middle Eastern relations. In the second, he specialises in the study of democratization, social movements and contentious politics as well as post-colonial theory. Noureddin is also a Policy Researcher at the China Institute University of Alberta (CIUA). At the CIUA, he is responsible for conducting research on a wide variety of topics as well as managing the CIUA's China-Canada Investment Tracker Database (Houlden & Zaamout, 2019).

## **1.6. Theoretical Framework**

### **1.6.1. Theories of Peaceful Rise and Peaceful Development**

Political principles and foreign policy of government are other sources of soft power. According to classic realists, state-to-state ties are based on concepts of honour and reputation (Morgenthau, 1948). One of the three types of foreign policy according to Hans J. Morgenthau is prestige. By "impressing other nations with the power one's own nation actually possesses, with the power it believes, or with the power it wants the other nations to believe, it possesses," this policy of prestige seeks

to win over its adversaries (Morgenthau, 1948). A country's foreign policy is still vulnerable to change under the governments' authority, even while political and cultural factors promote such a projection of power (J. S. Nye, 2004a). Countries are supposed to pursue policies that advance their national interests; but, how those interests are defined is open to change (J. S. Nye, 2004a). Since the state is regarded as a source of moral authority, soft power can affect foreign policy. Because other states' objectives seem unattainable in comparison, the state has a higher chance to use its agenda to prevent them from expressing other views. Nye defines soft power as a nation's ability to create conditions that lead to other countries forming preferences or defining their interests similarly to its own. Ideological and cultural attractiveness, as well as the rules and institutions of global regimes, are frequently the sources of this influence (J. S. Nye, 2004a).

Nye believes that an effective foreign policy should prioritize cultural and public diplomacy, the distribution of public goods, multilateral collaboration, and the protection of human rights (J. S. Nye, 2004b). In this regard, a strategy based on widely accepted values is more likely to encourage collaboration. A state's soft power can be boosted by foreign policies if they are seen as moral legitimate. Once a nation has amassed sufficient soft power, it can utilize it to its advantage by "preventing others from expressing particular opinions because they appear to be overly idealistic" (J. S. Nye, 2004a). Lundestad contends that over the latter part of the 20th century, this sense of shared ideologies served as the foundation for US-led Cold War alliances. For the US and its allies, these ideals included concepts of democracy, federation, and open trade (J. S. Nye, 2004a). The 2003 invasion of Iraq by the United States did, however, cause the breakdown of American soft power, much like unpopular strategies in Vietnam. China was portrayed as a hazardous state from an ideological standpoint by Mao Zedong's foreign policy (Gill & Huang, 2006). Beijing's prior use of military force to address strategic issues wasn't well received. This argument was only made clear by its frequent conflicts in the South

China Sea and its ownership of one of the Spratly Islands. The Asian Financial Crisis of 1997 is thought to have marked a turning point in Beijing's foreign policy, nevertheless (Ullah, 2015).

The Chinese Communist Party (CCP) leadership after Mao modernized China's foreign policy by taking a less aggressive and more cooperative approach to dealing with global and regional issues (Medeiros & Fravel, 2003). China began changing its foreign policy in the 1980s with similar goal in mind, hoping to create a harmonious global community. The CCP revised its foreign policy principles in order to bring about a new world order by taking into account the lessons learned from its Mao Era foreign policy and most crucially the experience of the international communism movement (Ding, 2006). In summary, Sheng Ding (2006) explained that China's new model of desired international orders entails the following principles: (1) All nations have the right to determine their own social, political, economic, and development pathways; none, especially great powers, should meddle in the internal affairs of other nations or force their values, ideologies, or growth models upon them; (2) Mutual respect for each other's sovereignty and territorial integrity; (3) equitable and peaceful dialogue as a means of resolving international conflicts; (4) equal participation rights for all states in global problem coordination; (5) reform of the current outmoded international economic order; and (6) major and crucial role for the UN in establishing the new international order.

China achieved significant success in its foreign relations during the 1980s and 1990s by following the same principles, although a few errors. Beijing not only succeeded in fostering a more hospitable international environment for its national economic structure, but also pushed for more liberal economic policy. In the twenty-first century, China's foreign condition has changed more. China now approaches bilateral ties with more flexibility, participates more in multilateral institutions, and takes security matters more seriously. "The revisions constitute an effort by Chinese leaders to rehabilitate their nation's post-

Tiananmen image, preserve and advance their economic interests, and improve their security” (Ding, 2006).

Chinese officials’ numerous narratives that portrayed China as a country that seeks peace, aware that the world is concerned about China’s ascent and its potential consequences. The first was President Jiang Zemin’s 1997 release of China’s “New Security Concept” to replace the country’s “Old Cold war security outlook” According to this theory, “mutual trust and benefit, equality, interdependence, cooperative security, and international rules” should all be promoted (Goh, 2014). Then, in the spring of 2003, senior party adviser Zheng Bijian proclaimed Beijing’s goal of “peaceful ascent” (E. Economy, 2005). Zheng claimed that China has been peacefully rising since 1978 and that this trend is expected to continue into the middle of the twenty-first century (E. Economy, 2005). Beijing sends the message that its expanding economy, combined with political and military force, will not only encourage peaceful trade, but will also contribute to global security and address transitional difficulties (E. Economy, 2005).

The importance of the peaceful rise theory, as promoted during the Hu Jintao era, was reflected in the Chinese government's desire to declare the growth of China's national strength and its impending rise to the status of a superpower in order to win over neighbouring Asian nations to this public statement (Cho & Jeong, 2008). The peaceful rise concept has straightforward ideas. Zheng Bijian has presented four points to support his idea of China's peaceful ascent. First, given that the government must provide for a population of 1.3 billion people, China's rapid economic growth, which it accomplished in a very short amount of time, had to begin at a very low level, making it still not that substantial. As a result, over the next few decades, China must devote all of its efforts to internal growth. Second, China’s growth policy is to participate more in the global community rather than to isolate itself from it. Third, China does not want to hurt other states while pursuing its own independent economic objectives. Fourth, the PRC’s current



economic expansion is promoting stability and growth across all of Asia (Cho & Jeong, 2008).

Chinese researchers claim that the peaceful rise theory implies three changes to China's foreign policy: a move to neighbor-centered diplomacy in place of American-centered diplomacy; more focused diplomatic goals to assume the role of world leadership as opposed to merely obtaining an acceptable place in international society; and a shift from a diplomatic strategy that is more focused on economic development to one that is more focused on these three changes. In a nutshell, the peaceful rise thesis states symbolically a shift in China's worldwide strategy focus from internal to external (Cho & Jeong, 2008).

The Chinese State Council Information Office produced a White Paper outlining the "peaceful development theory" in December 2005. According to the document, peaceful development is necessary for China's modernization and growth because it would create a peaceful world and promote world peace. It continues by saying that in order to achieve this progress, China depended on its own capabilities and innovation while also gradually opening up and embracing globalization trends in an effort to share gains with other nations. Additionally, the pledge assures that China would pursue economic prosperity while adhering to the principles of cooperation, peace, and development (Cho & Jeong, 2008).

There are not many differences between the peaceful rising theory and the peaceful development theory when we compare their respective theories' contents. Peaceful development is a new title for the peaceful rise hypothesis, with the addition of the phrase "harmonious world." This suggests that China hasn't completely given up on the ideas outlined in the peaceful rise hypothesis. However, it is impossible to overestimate the importance of the word change from "peaceful rise" to "peaceful growth". It highlights China's ongoing reluctance to declare its ascent to the world because rising implies a change in power while developing does not (Cho & Jeong, 2008).

### 1.6.2. The Concept of Soft Power

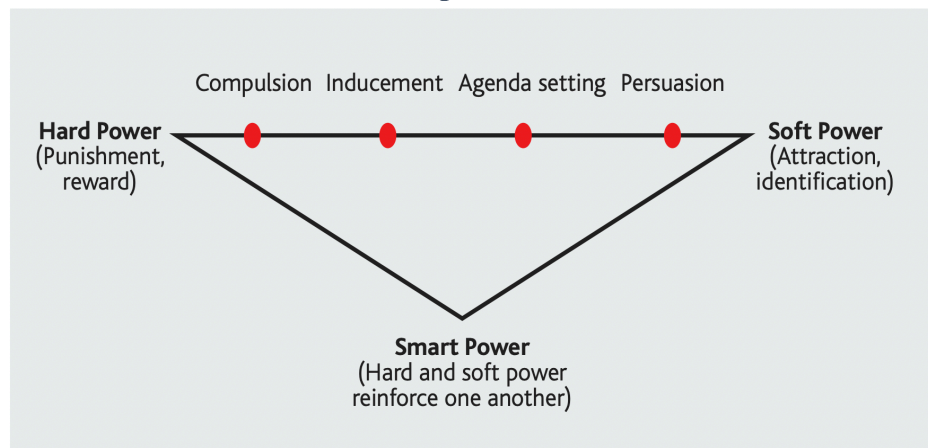
Joseph S. Nye developed the conception of soft power while trying to break two mystifications, one correctional and the other about policy. In the 1980s, the transnational relations discipline came enthralled with the hunt for penurious structural models that cut down allextaneous detail (J. S. Nye, 2021). Nye's conceptualisation is stylishly developed in his books *Soft Power The Means to Success in World Politics* (J. S. Nye, 2004a) and *The Future of Power* (J. S. Nye, 2011), but the conception was first introduced in his earlier book *Bound to Lead The Changing Nature of American Power* (J. S. Nye, 1990), which was founded by an composition on the same content that appeared in *Foreign Policy*. Nye's work is the main reference point within the body of scholarly literature on soft power. He not only chased the term 'soft power', but has also come the most fat author on the subject (Bakalov, 2019).

The circular way to get what you want has sometimes been called "the alternate face of power." A country may gain the issues it wants in world politics because other countries esteeming its values, emulating its illustration, aspiring to its position of substance and openness want to follow it. In this sense, it's also important to set the docket and attract others in world politics, and not only to force them to change by hanging military force or profitable warrants. This soft power getting others to want the issues that you want-co-opts people rather than coerces them. Hard and soft power are related because they're both aspects of the capability to achieve one's purpose by affecting the geste of others. In transnational politics, the coffers that produce soft power arise in large part from the values an association or country expresses in its culture, in the exemplifications it sets by its internal practices and programs, and in the way it handles its relations with others. Governments occasionally find it delicate to control and employ soft power, but that doesn't dwindle its significance. Soft power is an important reality. Indeed, the great British realist E.H. Carr, writing in 1939, described transnational power in three orders military, profitable, and power over opinion.

Those who deny the significance of soft power are like people who don't understand the power of temptation (J. S. Nye, 2004a).

The second change is the purported decrease of 'hard' power, which includes both military and economic dominance. Hard power is 'command power,' or the ability to influence what others do by using inducements (carrots) or threats (sticks). Soft power, on the other hand, has increased. Soft power is referred to as 'co-optive power,' and it is based on the capacity to alter the preferences of others through attraction rather than force (J. S. Nye, 2004a). Hard power uses resources like as force, sanctions, money, and bribery, whereas soft power primarily uses culture, political principles, and foreign policies (especially when these are seen to be attractive, legitimate or to possess moral authority). For some feminists, the hard/soft power divide emphasizes fundamental concerns related to power and gender. According to this viewpoint, the concept of 'power over,' particularly when connected with 'hard' techniques such as coercion and the use of threats and rewards, reflects 'masculinist' assumptions that underlay the realist theory of power politics. Feminists, on the other hand, have emphasized the amount to which power is expressed through nurturing, cooperation, and sharing, particularly in domestic and transnational social interactions. Instead of conflictual and capacity conceptions of power, this suggests a collaborative or 'power with' conception of power. Picture 2 depicts the distinctions between hard and soft power (Heywood, 2011).

**Picture 2 Hard, soft, and smart power**



Source: (Heywood, 2011).

Ullah (2015) in "China's Soft Power: Changing the World Perception" states that there are two schools of thought about the sources of soft power, and there are differences of opinion rooted in the perspective that each party has about soft power. Specifically, Nye defines it as "the ability to get what you want through attraction rather than coercion or payment. Nye (2004a) in his well-known book entitled "Soft Power the Means to Success in World Politics" explained that the soft power of a country lies in the 3 joints of its culture, its political values, and its foreign policy. Culture is the values that are rooted and have meaning that grows in society. High culture can be seen in terms of literature, art, and education. When a country's culture includes universal values and its programs promote those values and interests that are shared by others, it increases the likelihood of bringing up the problems that are being asked because of the magnetic relationship and the tasks it creates. Asian countries also have emotional implicit coffers for soft power. The trade, fashion and cuisine of ancient Asian peoples had a strong impact on the rest of the world for centuries. Culture, Politics, and foreign policy are Nye's focus as a source of soft power (Wilson, 2015). The distribution of power according to Nye is divided into; military power, advantageous power, and soft power and leave no room for their imbrication. As for Joshua Kurlantzick, combining the basics of advantageous strength with soft power, combining the two under soft power. Nye is of the view that auspicious forces present themselves as "carrot" or "stick" types and should not be subsumed under soft power. favorable forces push instead of attract other countries to do commodities (Ullah, 2015).

Talking about soft power targets becomes important to separate public policy, conventional or new, from soft power. Conventional public policy is "government-protected programming similar to the artistic exchange of TV and radio programs and images, intended to inform or influence public opinion in another country". The new public policy extends beyond government operations to conditioning the

private sector and the larger society and culture, to more "influence the stations and actions of others" Although they differ in terms of actors, the target audience remains unchanged. While soft power and public policy have similarities in terms of actors, the former, according to Kurlantzick, is more comprehensive because it aims to increase its charm in both elite and public situations (Suter, 2017).

Erzsébet N. Rózsa in "China's Interests in the Middle East and North Africa," in a book by Bambang Cipto mentioned that China's diplomatic relations with the Islamic world in the Middle East and North Africa began in Egypt in 1956 which were then followed by Islamic countries, others in the Middle East and North Africa. China is moving west through the BRI in line with the emergence of its "Turn East" policy in the Middle East and North Africa. The BRI program also points to Central Asian Muslim countries that have been independent from Russian domination during the Cold War. Meanwhile, Muslim countries in South Asia and Southeast Asia actually need investment when the West has just emerged from the 2008 global recession. This latest book, published in 2022, written by Bambang Cipto, examines the impact of China's diplomacy on the Islamic world in general (Cipto, 2022).

### **1.7. Research Method**

The researcher uses a research methodology through a descriptive qualitative approach with soft power research subjects focusing on China's soft power and investment in the Middle East. The discussion is divided into two parts. The first part, this research examine China's Soft Power in the Middle East described by Professor Jon B. Alterman (2009) in C. McGiffert (Ed.), *Chinese Soft Power and Its Implications for the United States: Competition and Cooperation in the Developing World* published by the Center for Strategic and International Studies (CSIS). Then, exploring China's foreign policy in the context of soft power in the Middle Eastern countries explained by Professor Bambang Cipto (2022) in his book "China's Diplomacy in the Islamic World". In this study, we are limited to countries in the Middle East which are selected based on the availability of energy resources and to some extent on their strategic position in the context of China's economic diplomacy. This is an area rich in oil and gas reserves and production with reference

to what was mentioned by Bambang Cipto: Saudi Arabia, The United Arab Emirates, Kuwait, Oman, Iran, and Turkey (Cipto, 2022).

The second part, the research focuses on Chinese investments in the Middle Eastern countries (2005 - 2022) using China Global Investment Tracker. Developing "A New Great Power Engages with the Middle East: China's Middle East Balancing Approach" by Gordon Houlden and Nouredin M. Zaaout (2019). Gordon and Nouredin (2019) focuses on Chinese investment in the modern Middle East and the Maghreb states of North Africa (MENA) (2005-2017). The China Global Investment Tracker is the only comprehensive public data set covering China's global investment, which are documented both separately and together. It includes over 3800 large transactions across energy, transportation, metals, technology, property, and other sectors (as well as 350 troubled transactions). The full set, with the amount, Chinese parent company, host country, and sector, is available for public use with the proper citation. The tracker is published by the American Enterprise Institute.

The data source in this thesis is a secondary data source derived from the results of library research is a secondary data collection method where data is obtained, analyzed and quoted from various sources such as books, scientific journals and research results, policy documents and journals, magazines, internet newspapers and other media related to research. In the process of collecting data, it is carried out by selecting data that is relevant to the research. Then, conducting literature research collects data through books, scientific journals and research results, policy documents and journals, magazines, internet newspapers and other media related to research.

### **1.8.Hyphothesis**

In the two parts of discussion to answer research question it is helpful to consider the three hypotheses with regards to the overall topic of the China's soft power and investment in the Middle East:

1. Soft power with Chinese characteristics made China has significantly increased its economic, political, and growing the biggest trade mate and external investor for numerous countries in the Middle East.
2. China's Middle East foreign policy activities in the Middle East reflect a broader phenomenon the growth of the importance of geoeconomics

and specifically economic instruments of foreign policy which countries use to achieve geopolitical goals.

3. Saudi Arabia has been the largest recipient of Chinese investment with the total \$ 12.78B and the United Arab Emirates was the second largest destination for Chinese investment with the total \$ 7.92B.

### **1.9. Systematical Writing**

The writing systematics used by the author in this thesis proposal will be divided and explained into five chapters, namely:

#### **CHAPTER I INTRODUCTION**

This chapter described from a number of sub-chapters, namely background, research question, research purposes, research contribution, literature review, theoretical frameworks, research method, and systematical writing.

#### **CHAPTER II THE RISE OF CHINA**

After reviewing the history and the new power of Chinese, both ancient and modern, researcher use some reliable poll data in this chapter to analyze China's rise and its global impact, and China's economic and political power. Then, examining China's rise: A challenge for the world and the United States.

#### **CHAPTER III CHINA'S MIDDLE EAST FOREIGN POLICY**

Examining China's Middle East foreign policy and China's Soft Power in the Middle East described by Professor Jon B. Alterman (2009) In C. McGiffert (Ed.). Explaining China and the Middle East's trade in Energy and goods, China's economics, and human right issues in the Middle East. Then, exploring China's foreign policy in the context of soft power with Chinese characteristics and China's soft power in the Middle East.

#### **CHAPTER IV CHINA'S INVESTMENT IN THE MIDDLE EAST**

In this chapter, researcher limited to countries in the Middle East which are selected based on the availability of energy resources and to some extent on their strategic position in the context of China's economic diplomacy. This is an area rich in oil and gas reserves and production with reference to what was mentioned by Bambang

Cipto: Saudi Arabia, The United Arab Emirates, Kuwait, Oman, Iran, and Turkey (Cipto, 2022). Then, the research will focus on the data of Chinese investments in the Middle Eastern countries (2005 - 2022) using China Global Investment Tracker. Developing "A New Great Power Engages with the Middle East: China's Middle East Balancing Approach" by Gordon Houlden and Nouredin M. Zaamout (2019). Gordon and Nouredin (2019) focuses on Chinese investment in the modern Middle East and the Maghreb states of North Africa (MENA) (2005-2017). The China Global Investment Tracker is the only comprehensive public data set covering China's global investment and construction, which are documented both separately and together. It includes over 3800 large transactions across energy, transportation, metals, technology, property and other sectors (as well as 350 troubled transactions). The full set, with the amount, Chinese parent company, host country, and sector, is available for public use with the proper citation. The tracker is published by the American Enterprise Institute.

## CHAPTER V CONCLUSIONS