

**156**  
SEPTEMBER  
2016

## CHINA MOORS IN THE MEDITERRANEAN: A sea of opportunities for Europe?

**Christina Müller-Markus**, Master's in Sinology, University of Vienna

In spring last year when the People's Republic of China carried out military manoeuvres in the Mediterranean alongside Russia for the first time, the stunned international community was alarmed overnight by the sudden appearance of both powers in European territory. A year later, China established itself in the so-called "pearl of the Mediterranean", securing its entry to the heart of Europe through the acquisition of Piraeus Port. In turn, the Chinese Ministry of Defence confirmed the construction of the first Chinese overseas **military base** in the Gulf of Aden, thus obtaining strategic access to the Mediterranean through the Suez Canal in Egypt, with whom it strengthened **economic and military ties** at the start of the year. Last but not least, the EU's foreign affairs representative, Federica Mogherini, arrived in Beijing for the EU-China summit in July with open arms, aiming to intensify security and defence cooperation in the Middle East and seeking to raise to the **next level** the trade relations that had thus far dominated the common political agenda.

This chain of events signals change on the strategic landscape, with the USA losing presence and China advancing decisively as a global actor, venturing towards distant territories and, specifically, penetrating the Mediterranean region. An immediate question is raised by the sudden shift in the international and European order: Is the EU ready?

More downcast than ever by the danger of disintegration raised by Brexit and nationalist and Europhobic resurgences, the EU's capacity for strategic reflection followed by a unanimous planned response seems to lack the necessary prerequisites to face the (apparent) monolith represented by the Communist Party of China (CPC) at the same eye level. What is more, the blurry perception of China still causes great confusion: What geopolitical ambitions is it pursuing in the Mediterranean? What does the (self)-invited presence of this guest from the east mean for Western values and the existing world order? What perception does China have of Europe, and who will decide on the new rules of the game?

**China reaffirms itself as a new strategic power that is prepared to take on a more constructive role in the Mediterranean and in the world.**

**China's strategic vision seeks to complement commercial ties with political, security and defence dialogue with its trade partners along the Mediterranean coast.**

**Europe should look on the Chinese expansion towards the Mediterranean ports with a more strategic eye: the Naples port terminal administered by Cosco, from where China can directly observe NATO's main military base in the Mediterranean, deserves particular attention.**

**The terrorism in Syria has a profound impact on China's economic projects given that imports around 60% of its oil.**

**In January this year China published its first Arab Policy Paper, which commits to providing support to the national defence and military forces of the Arab states with the end of maintaining regional peace.**

**It remains to be seen if the EU is able to predict how China will make subtle use of its tools of soft and hard power – diplomatic, economic and military – in order to defend its own national interests.**

## Piraeus and China: A friend in need is a friend indeed

“Cosco Go Home!” With that message on his placard, Alexis Tsipras, the recently elected leader of the post-communist party, Synaspismos, vehemently protested against the licence granted to the state-owned China Ocean Shipping Company (Cosco) to operate Pier II at Piraeus Port for a period of 35 years. Eight years on, at the second **Greece-China Maritime Cooperation Forum**, attended by 400 businesspeople from both countries in Beijing last July, the now Greek prime minister swapped his protest placard for praise of Chinese investments in his country. Before making the trip, Tsipras made sure his parliament had given the green light to the controversial Chinese acquisition of 67% of Piraeus for €368.5 million, plus €350 million Cosco has committed to spending on investment in infrastructure over the next decade. Before

## China considers it vital to secure its sea routes to Europe – its most important trade destination – with Piraeus as the geo-economic hub between the east, west and Africa.

the Premier Li Keqiang, Tsipras showed his gratitude using the **words** of the Roman poet Quintus Ennius: “A friend in need is a friend indeed”.

Alexis Tsipras’ change of attitude should surprise no one: after seven years of economic recession and painful austerity as a condition of the financial bailout, the leader found himself facing the sad reality of putting his country “up for sale” as the only way out of the crisis. China has stood out as the highest bidder, offering immense injections of capital on the promise of attracting an “investment shock” and cleaning up Greece’s castigated image. With this in mind, Li Keqiang himself openly expressed his intention to build a strong Greece **within a strong Europe**. His determined message shows that China’s settling in Piraeus to undertake the laborious work of making it the largest container port in the whole of Europe transcends purely commercial interests.

First, China considers it vital to secure its sea routes to Europe, its most important trade destination, with Piraeus as the geo-economic hub between the east, west and Africa. Second, Greece controls the largest commercial fleet in the world and China **imports** more than half of its crude oil using Greek fleets. At the same time, it benefits from Greek experience in the maritime sector. In this way, it guarantees its energy supply from the Middle East, a region whose extreme political volatility is a thorn in its side. Third, faced with the growing US military presence in the South China Sea – interference in China’s “back yard” – it reserves the right to enter America’s traditional sphere of political influence in the Mediterranean. Fourth, Greece’s geographical and diplomatic proximity – with Europe and NATO on one side and the Middle East on the other – makes it an attractive ally in the **strategic vision** pursued by China: only by complementing the commercial ties with political, security and defence dialogue with its commercial partners along

the Mediterranean coast will China manage to breach the gap between guaranteeing its economic interests and the real capacity to protect them in the case of conflict.

The diplomatic words of the Chinese ambassador to Athens, Zou Xiaoli, set out this vision of China reaffirming itself as a **new strategic power** that is prepared to take on a more constructive role in the Mediterranean and the world. Alongside Greece, whom it describes as a cultural bridge between east and west, and therefore its most important ally in the region, China seeks to intervene in conflict resolution, encouraging dialogue between religious and political forces with the goal of promoting regional peace. Tsipras responded to this friendly message with a **declaration** – apparently unilateral – of Greece as a bridge of friendship and close cooperation between China, NATO and the EU.

In Brussels, meanwhile, with the shock of Brexit still in the air, NATO and the EU continue to discuss the details of a new cooperation agenda in the framework of a military mission to fight the immigration mafias in the Mediterranean, with results that are still hard to see. Though barely six kilometres apart, both institutions act like they live on “on two different planets” **laments** the president of the European Commission, Donald Tusk.

## Greece, the pearl of the Mediterranean: Free entry to the Chinese People’s Liberation Army?

The exchange of friendly declarations by leading Chinese and Greek officials has gone practically unnoticed in European media and public opinion, whose attention to Piraeus is limited, in the main, to commercial relations. This (fatal) error has a possible explanation: since the Second World War we have witnessed the sweeping, expansionist US military policy, which overwhelms through the presence of its global military bases. China, by contrast, pursues a commercial-diplomatic model with a low or barely noticeable military profile. In this sense, academics and experts on security and defence **point to** the close ties between the People’s Liberation Army Navy (PLAN), the military wing of the Communist Party of China, and companies in the hands of the Chinese state. In this way, Cosco, which belongs to and obeys the government of the People’s Republic, could provide the PLAN with priority access to the seaports under its administration without the need to establish a permanent military base. On this issue it should be noted that as yet there is no common **EU port** policy. This legal vacuum allows member states to take critical decisions – such as those relating to the control of European ports by foreign companies – autonomously, without consulting the European Commission.

Europe should therefore look on the Chinese expansion towards the Mediterranean ports with a more strategic eye: the Naples port terminal administered by Cosco, from where China can directly **observe** NATO’s main military base in the Mediterranean, deserves particular attention. Piraeus Port could also fulfil a **dual purpose** – commercial and military

– that would provide the PLA with a logistical defence platform if a conflict breaks out, in order, for example, to evacuate Chinese workers from the Middle East and North Africa. Ultimately, as the previous Chinese president, Hu Jintao, already **foresaw** in his day, “modern wars are all about support. [...] When logistics support is in place, victory is a sure thing”.

## China and the threat from Syria

Ahead of the G20 summit held this September in the Chinese city of Hangzhou, President Xi Jinping **declared** the terrorist fight to be a maximum priority, calling on the participants in the summit for joint action. In the same context, in the Counterterrorism Bureau, Hou Le **warned** of possible attacks perpetrated by the Eastern Turkistan Islamic Movement (ETIM), a terrorist organisation founded by Uighur separatist militants living in the Chinese autonomous region of Xinjiang, on the border with Russia, Mongolia and Central Asia. Faced with the possible return of hundreds of ETIM fighters currently receiving military training from Islamic State (IS) in Syria, Iraq and Afghanistan, Hou warned of a real terrorist threat stalking his country. In fact, China was suddenly involved in the Middle East crisis when at the end of 2015 for the first time IS captured and **executed** one of its citizens. A few weeks later, a jihadist **song** in Mandarin Chinese circulated the internet called “I am Mujahid”, whose impeccable male voice choirs attempt to trick and rouse their Uighur Muslim brothers to die on the battlefield. The audio was published by IS’s propaganda arm, Al Hayat Media Center. Last but not least, the map that IS **revealed** with the territories it intends to conquer by 2020 to complete its caliphate includes geographical areas from Spain to China.

The terrorism in Syria also has a profound impact on Chinese economic projects: as a country that **imports** around 60% of its oil, a proportion that has doubled since the year 2000 and is predicted to grow over coming decades, China fears losing the billions of dollars its energy companies have invested in the Middle East if its fields fall into the hands of the Islamist insurgents, whose main source of income is the sale of stolen oil. The state-owned China National Petroleum Corporation has found itself obliged to **abandon** Syrian oilfields for the time being.

## The end of the non-interference principle

Faced with the dual jihadist threat, which on the one side threatens the country’s national security and unity and the other its investments in infrastructure and energy, China is contemplating the imminent need to actively boost the Middle East peace process. The following actions show the decisive steps of an assertive China that is taking on a new responsibility as a global actor in the region: first, last year, the minister of foreign affairs, Wang Yi, surprised the world by inviting his Syrian counterpart, Walid al-Muallem, to Beijing

and shortly afterwards receiving the then president of the National Coalition for Syrian Revolutionary and Opposition Forces, Khaled Khoja. To that point, China had sought not to meddle in the Syrian conflict, limiting its actions to rhetorical calls for a peaceful solution due to the complex involvement of neighbouring (Sunni and Shia) and external actors in the so-called proxy war. China does not want to put its good relations with the countries involved at risk, and avoids taking a position that leaves it open on one side or the other. Second, in January this year China published its first **Arab Policy Paper**, which commits to providing support to the national defence and military forces of the Arab states with the end of maintaining regional peace. Third, in March, China sent its first special envoy to Syria **aiming** “to better proactively put forward China’s wisdom”, in the words of the Foreign Ministry spokesperson, Hong Lei.

## Greece’s geographical and diplomatic proximity to Europe and NATO on one side and the Middle East on the other makes it an attractive ally for China.

All this indicates the Chinese readiness to “adapt” its strict doctrine of non-interference (不干涉原则) in the internal affairs of other countries introduced by Prime Minister Zhou Enlai during the fifties. This rhetorical tool of Chinese soft power has formed part of its foreign policy for the past six decades: on the one hand, it defends its own national sovereignty, avoiding other countries meddling in what it considers to be internal affairs, such as the various territorial disputes with neighbouring countries in the South China Sea, as well as the status of Taiwan, Tibet and Xinjiang. At the same time, it counterbalances the intrusive imposition of liberal values by the US and Europe in developing countries and forms a network of alliances with countries that are aligned with China. It is surprising, then, that for the first time the new **white paper on military strategy** published by the Ministry of Defence last year omitted any mention of the fiercely defended doctrine of non-interference. In its place, the strategic document argues for the need to balance “China’s own security and the common security of the world”. In an even more explicit way, it says that “China’s armed forces take their dream of making the military strong as part of the **Chinese Dream** (中国梦). Without a strong military, a country can be neither safe nor strong.”

Europe, which is also struggling to safeguard its security and unity, converges with China on its fundamental interest in fighting jihadist terrorism and establishing peace in the eastern Mediterranean. At the same time, the relationship between the two powers is exempt from territorial disputes. Given these positive premises, the EU will attempt to determine the rules of the game with China for the future security architecture in the region. In particular, the key issue will be understanding the new rules of Chinese foreign policy, which have diplomatically changed the non-interference doctrine by introducing the concept of “peaceful” intervention. It remains to be seen if the EU is able to predict how China will make subtle use of its tools of soft and hard power – diplomatic, economic and military – in order to defend its own national interests.

## Europe: divided, invaded and absorbed? The integration of the Mediterranean

“We have full-time Europeans when it comes to taking and part-time Europeans when it comes to giving ... too many part time Europeans. That is a problem.” With this lament, the president of the European Commission, Jean-Claude Juncker, **criticised** the absence of a common European feeling, foreshadowing the result of the Brexit referendum on June 23rd. Meanwhile the (still) 28 member countries were divided in argument over a foreign and defence policy in the Mediterranean to face the migration crisis. Despite the lack of consensus on the issue, EU High Representatives Juncker, Tusk and Mogherini travelled to the **summit** in Beijing in July with the EU’s new **strategy on China** in hand, turning to their host to jointly face the migration crisis and the resolution of peace in the Middle East. Though the European requests were received diplomatically by the heads of the CPC, the official state media and Chinese experts reflect the limited weight China gives to the so-called strategic alliance with Europe as a union. They reveal that for China the EU has become an actor that is uninfluential militarily, politically

## For China, the EU has become an actor that is uninfluential militarily, politically divided and ideologically weakened.

divided and ideologically weakened:

*China Military Online*, newspaper of the military wing of the CPC, **predicts** that with the loss of the United Kingdom as nuclear and military power, the EU’s capacity for common defence and regional and international influence will suffer a heavy blow. *Beijing Daily*, for its part, **puts forward** the grave lack of consensus on resolving the Middle East crisis as the root of European political division: “with the ever-growing arrival of millions of refugees, the unity and development of Europe will be reduced to a fantasy from the *One Thousand and One Nights*”. Questioning the liberal political system, the state news agency, Xinhua, **used** Brexit to illustrate the failure of a (democratic) referendum when taking national decisions. In this context it is necessary to underline that China considers it vital to suppress all secessionist initiatives out of fear of the separatist forces in its autonomous regions, Xinjiang and Tibet, destabilising the unity of the country and in turn depriving it of important sources of natural resources. It is also evident that the acceptance of democratic impulses would bring with it a loss of power for the CPC. For this reason, China continues to categorically **reject** universal values (普世价值) and appeals for the end of the hegemony of Western discourse (西方话语霸权), underlining the importance of following the path of so-called socialism with Chinese characteristics (中国特色社会主义). What is more, the Chinese Institute of International Studies **lays the blame** on what it considers to be an ironic policy of humanitarian intervention pursued by Europe and the USA since the Second World War. This policy is said to be precisely the root of the revolutions and the consequent humanitarian catastrophe in the Middle East. China, by contrast, could embody “virtue and wisdom” (仁者) and establish a new world order (新国际秩序).

Europe, for its part, seems to be awaking from its deep dream of incorporating China into its system of values and regulations and integrating it into “its” existing world order: China’s economic opening up in recent decades has not gone hand in hand with the long-awaited political liberalisation. Quite the opposite is true: the resurgence of the great nation of China as a political, economic and military power penetrates the sphere of European influence at its most fragile moment – controlling the Mediterranean from the Gulf of Aden, the Suez Canal, Piraeus and Naples – and it proposes to incorporate the world into its own order and political ideology.

With the recent rejection of the arbitration of the International Court of Justice in The Hague which favoured the Philippines in its maritime dispute with China, the People’s Republic has shown that it puts its territorial ambitions above the multilateral regulations of the United Nations Convention on the Law of the Sea (UNCLOS), which it signed in 1982. In this sense, Xi Jinping’s **proclamation** of China’s resurgence as a maritime power (海洋强国) has been given priority. Based on this, it remains to be seen whether China and the EU are able in the future to resolve possible differences in the Mediterranean region. As if seeking to calm the waters, the premier, Li Keqiang, assured the Greece-China Maritime Cooperation Forum that China would **make an effort** to stick to UNCLOS principles and the path of peaceful development. Nevertheless, the possibility that here too, China seeks to play by its own rules cannot be discounted. In a last attempt to grab the tiller, Donald Tusk **appealed** in Beijing to “the protection of the rule-based international order”, predicting that it would be the greatest challenge China and Europe would face.