When Oil Is Not Enough: Sino-Saudi Relations and Vision 2030

Sean FOLEY © (Department of History, Middle Tennessee State University, USA)

Abstract: This paper explores how cultural developments help us to better understand Sino-Saudi ties in the 21st century, Saudi "Vision 2030", and China's "One Belt and One Road Initiative" (OBOR). For much of the last decade, scholarly studies of Sino-Saudi ties have focused on the energy trade between the two states, with relatively little attention paid to other economic or cultural factors. By contrast, this article argues that Sino-Saudi ties deserve an alternative approach. While it recognizes the role of oil and energy in the bilateral relationship, it argues that the Sino-Saudi relationship in the future will be increasingly defined by economic and, remarkably, cultural ties that are not directly tied to the energy trade. A critical part of this process will be OBOR, and Vision 2030, the latter looking to non-oil industries, including arts and culture, to transform Saudi Arabia and its political and economic ties with Asia.

Key Words: China; Islam in Asia; OBOR; Saudi Arabia; Vision 2030; Yiwu

"A few of the more entrepreneurial Yemeni workers realized there was money to be made from the revival in consumption. And so they quit their jobs as construction workers and, tossing their hardhats aside, traveled to China, eventually settling in Yiwu. They found cheap consumer goods in the city's exhibition halls for export back to Saudi Arabia."

— Ben Simpfendorfer, *The New Silk Road: How a rising Arab World is turning away from the West and rediscovering China*®

On January 18, 2017, the East Wind locomotive arrived in London's Barking rail freight terminal at the head of 34 carriages full of items for London's tourist souvenir shops. For many observers, the train, which had crossed eight countries on its sixteen-day journey from East Asia to the British Isles, symbolized a new economic geography in Eurasia and the realization of China's "One Belt and One Road Initiative" (OBOR). The initiative, which Chinese President Xi Jinping announced in 2013, seeks to recreate the

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[®] Ben Simpfendorfer, *The New Silk Road: How A Rising Arab World Is Turning away from the West and Rediscovering China*, London: Palgrave, 2009, p.16.

[®] Tracy McVeigh, "Silk Road Route Back in Business as China Train Rolls into London," *The Guardian*, January 14, 2017.

[®] Ben Kentish, "First Direct Train Service from China to the UK arrives in London," *The Independent*, January 19, 2017.

While the East Wind's route ran thousands of miles away from Saudi Arabia, the Kingdom has nonetheless played a critical role in it and the factors that would lead to the rise of Yiwu, the railway's eastern terminus in China's Zhejiang Province. The city of 1.2 million people, which is located 300 kilometers (186 miles) from Shanghai, boasts one of China's largest inland ports and the largest wholesale commodities market in the world. Saudi merchants and foreign Arab merchants, who had once lived in the Kingdom, were among the first foreigners to recognize the vast potential of Yiwu as a global wholesale market in small commodities. By the turn of the 21st century, they came to realize that Yiwu could serve as a profitable alternative to Dubai and Jeddah—the Gulf's traditional centers for wholesale commodities.

Since 2002, Saudi Arabia has annually been among Yiwu's top 10 importers. Throughout that time, merchants from Saudi Arabia and other Arab states helped Yiwu establish profitable commercial ties with the rest of the Middle East, Africa, and beyond. These merchants have also helped Yiwu accommodate one of the fastest growing Muslim populations in China. Today, many of the city's 35,000 Muslims work in Exotic Street, a bustling wholesale and commercial district, where Arabic is the lingua franca among the workers and food from Saudi Arabia and other Arab countries is readily available. Not surprisingly, the architectural style of the city's main mosque, a blend of Gulf and Central Asian styles, reflects the importance of Muslims from Saudi Arabia and other Gulf states in Yiwu's economy.

This article explores how the economic and cultural developments in Yiwu and elsewhere help us better understand Sino-Saudi ties in the contemporary era. For much of the 15 years, most scholarly studies of Sino-Saudi ties have overwhelmingly focused on the energy trade or between the two states, with relatively little attention paid to other economic or cultural factors. By contrast, I will argue that Sino-Saudi ties deserve an alternative approach. While I recognize the role of energy and strategic ties in the relationship, my contention is that the Sino-Saudi relationship in the future will also be increasingly defined by socioeconomic and cultural ties that are not defined by energy or

[®] Balbina Hwang, "What South Korea Thinks of China's Belt and Road," *The Diplomat*, January 14, 2017

[®] Daniel Goodman, "Photo Tour: The World's Largest Wholesale Market in Yiwu, China," *Business Insider*, November 3, 2011, http://www.businessinsider.com/yiwu-china-largest-wholesale-market-2011-10.

[®] Saïd Belguidoum, Olivier Pliez, "Yiwu: The Creation of a Global Market Town in China," *Articulo-Journal of Urban Research*, Vol.12, 2015.

[®] Belguidoum and Pliez, "Yiwu: The Creation of a Global Market Town in China."

Daniel Bardsley, "Yiwu is the 'Fastest Growing Muslim Community' in China," *The National*, August 12, 2012.

Belguidoum and Pliez, "Yiwu: The Creation of a Global Market Town in China."

[®] Roschanack Shaery, "Arabs in Yiwu, Confucius in East Beirut," *Middle East Report* 270, Vol.44, Spring 2014, http://www.merip.org/mer/mer270/arabs-yiwu-cionfucius-east-beirut.

[®] Examples of this literature include Jon Alterman, John Garver, *The Vital Triangle: China, the United States, and the Middle East*, Washington, DC: CSIS Press, 2008; Jin Liangxiang, "Energy First: China and the Middle East," *Middle East Quarterly*, Spring 2005, pp.3-10; Muhamad S. Olimat, *China and the Middle East: From Silk Road to Arab Spring*, London and New York: Routledge, 2013; and Naser al-Tamimi, *China-Saudi Arabia Relations*, 1990–2012: Marriage of Convenience or Strategic Alliance, Abingdon, Oxon (UK) and New York: Routledge Press, 2013.

[®] My argument, which focuses on art and other aspects of Saudi and Chinese culture, is very different from an earlier generation of Western scholars who sought to integrate cultural norms into frameworks for understanding China's foreign policy in the Middle East. These scholars stressed a common negative

traditional economic ties. In particular, I stress the role of the OBOR and Saudi Arabia's Vision 2030, the latter of which promotes the arts, entertainment, and other new industries that are not tied to oil. My approach builds on the approach of two Chinese scholars: Liu Mingfu, who stresses the role of culture in global affairs in *The China Dream* and Dr. Zou Zhiqiang, who, in a 2015 article in the *International Journal of African and Asian Studies*, called for new scholarship that goes "beyond the single field of oil" to understand Sino-Saudi ties.

I. Rising Bilateral Trade, Yiwu, and American Cultural Influence

When the late Saudi King Abdullah ascended to the throne in 2005, he presided over the "Look East" foreign policy, which recognized that the Kingdom's commercial and even strategic interests were increasingly moving eastward. Throughout the first decade of the 21st century, Saudi exports to Asia's large economies grew very rapidly, especially with China. Sino-Saudi trade rose from \$1.8 billion in 1999 to \$70.2 billion in 2012. By 2007, Saudi Arabia had become China's largest trading partner in the Middle East.

The growth in Sino-Saudi ties was all the more remarkable since there were no formal diplomatic relations between the Kingdom and China before 1990. But ties improved in the early 1990s as China (a) looked to export more goods and weapons to the Middle East, and (b) became an oil-importing nation. Saudi Arabia's King Abdullah visited China in 2006, while China's former President Hu visited Saudi Arabia in 2006 and 2009. During this period, the Saudi Basic Industries Corporation and the Saudi Aramco Overseas Company made large investments in China's petroleum and petrochemical industries — a necessity since "Saudi oil tended to have too high a sulfur content for Chinese refining capability." The Saudi Arabian General Investment Authority (SAGIA) and Saudi Arabian Airlines established a substantial presence in China. Some private Saudi investors, such as the Zamil Group, established factories in China. To facilitate Chinese investment in Saudi Arabia, SAGIA founded a branch office in Hong Kong. In addition, after 2006, Saudi companies established close relations and invested in the rapidly growing halal food industrial zone in Ningxia, a region in central China with a large population of Hui Muslims."

Throughout this era, Riyadh provided substantial funds to Chinese mosques and increased the number of fellowships to Chinese students to study in Saudi or

experience with Western imperialism or "traditional" Chinese policies, such as playing off one barbarian against another. For more on this scholarly literature, see Matteo Legrenzi, Fred H. Lawson, "China's Gulf Policy: Existing Theories, New Perspectives," *Middle East Policy*, Vol.22, No.2, Summer 2015, pp.64-65.

[®] Liu Mingfu, *The China Dream: Great Power Thinking & Strategic Posture in the Post-American Era*, New York: Beijing Mediatime Books CO., LTD. & C.N. Times Books, Inc., 2015, p.78.

[®] Zhiqiang Zou, "Oil and Beyond: Sino-Saudi Strategic Economic Relationships," *International Journal of African and Asian Studies*, Vol.16, 2015, p.49.

[®] Statistics drawn from the International Monetary Fund, *DOTS Statics: Saudi Arabia 2013.*

^(a) Al-Tamimi, China-Saudi Arabia Relations, p.85.

^⑤ Jin, "Energy First," p.3.

[®] Simpfendorfer, The New Silk Road: How A Rising Arab World Is Turning away from the West and Rediscovering China, pp.35-36.

Wolfgang Zank, "A New Silk Road' between China and the Arab World: A Problem for the US or the EU?" in Li Xing, ed., *The Brics and Beyond: The International Political Economy of the Emergence of a New World Order*, Surrey, England: Ashgate Publishing Limited, 2014, p.167.

[®] Matthew Erie, *China and Islam: The Prophet, the Party, and the Law*, Cambridge University Press, 2016, p.77.

Saudi-affiliated universities. These fellowships built on long established ties and were meant to counter Iranian influence among China's Muslims, which "has generated divergent opinions on these two Islamic powers and their ideologies within China."2 Notably, a number of the graduates of Saudi universities became imams in China, with some, in Qinghai and Gansu, briefly establishing websites to answer questions from Muslim Chinese "on everyday matters from dress to intermarriage with Han Chinese." These websites emulated those of leading clerics in Egypt and Saudi Arabia, "who mobilize social media to reach audiences broader than their mosques communities."

While other Chinese graduates of Saudi universities taught in Muslim schools, most took on "middleman jobs in either Guangzhou or Yiwu." Among the first companies to employ this new generation of Chinese were Yemeni entrepreneurs and other Arabs who lived or had once lived in the Kingdom. They came "to explore the possibilities in Yiwu" in the late 1990s and the start of the 21st century.® There they found lower prices than in Guangzhou[®], and a welcoming local government. Notably, Yiwu's municipal authorities made it "easier for foreigners to get resident visas and to register companies than it is in other Chinese cities." They also provided land for a mosque, helped the Muslim community win approval for it, and gave Muslims wide "freedom to manage the place of prayer and study themselves." In addition, Yiwu's authorities built multiple five-star hotels in the city — recognizing that affluent Arab merchants "wouldn't travel to Yiwu if they had to stay in dirty and noisy lodgings."

These investments paid off handsomely. After the imposition of much tighter restrictions on Arabs visiting the United States and other Western nations after the 9/11, 2001 terrorist attacks, many Saudi and other Arab merchants, who had once done business in Europe or the United States, followed the Yemeni traders to Yiwu. Doon, more Arabs visited Yiwu in a single year than the United States. These merchants looked to Yiwu to fill the needs of the booming consumer economies in Saudi Arabia and the other Arab oil-producing states in the Gulf after 2001, made increasingly wealthy by rising oil prices. Between 2000 and 2005 alone, China's share of Saudi Arabia's domestic market doubled from 3.6% to 7.2%.

By 2008, Tom Spencer, writing for Dubai's English-language daily newspaper, The National, commented how much Yiwu resembled Jeddah and the other major metropolises of Saudi Arabia and its Gulf neighbors. "Remove the big neon Chinese characters on the

[®] Muhammad al-Sudairi, "Chinese Salafism and the Saudi Connection," *The Diplomat*, October 23, 2014.

²⁰ Duan Jiuzhou, Gulf Papers: The Strategic Position of the GCC Countries: The View from China 10, Gulf Research Center, June 2016, p.9.

Erie, China and Islam, p.317.

⁴ Ibid., p.317.

[®] Al-Sudairi, "Chinese Salafism and the Saudi Connection."

[®] Zank, "A New Silk Road' Between China and the Arab World," p.167.

[®] Satarupa Bhattacharjya, "The Merchants of Yiwu," China Daily, September 9, 2015.

[®] David Eimer, "At Home on the Silk Road," *The National*, August 1, 2009.

[®] Clifford Coonan, "Muslims Near and Far Thrive in Trading Center," *The National*, September 23, 2009. Simpfendorfer, The New Silk Road: How A Rising Arab World Is Turning away from the West and Rediscovering China, p.17.

Zank, "A New Silk Road' Between China and the Arab World," p.167.

Afshin Molavi, "The New Silk Road, 'Chindia,' and the Geo-Economic Ties that Bind the Middle East and East Asia," in Bryce Wakefield, Susan L. Levenstein, eds., China and the Persian Gulf: Implications for the United States, Washington, DC: Woodrow Wilson International Center for Scholars, 2011, p.46.

Oliver Pliez, "Following the New Silk Road Between Yiwu and Cairo," in Gordon Matthews, Gustavo Lins Ribeiro, and Carlos Alba Vega, eds., Globalization from Below: The World's Other Economy, London and New York: Routledge, 2012, p.29.

restaurant and shopfront signs" the journalist noted, and one "could be in Dubai." In Yiwu's streets, Spencer observed, one could readily find "dice rattling across backgammon boards, loud Arabic chatter and the sweet smell of shisha smoke fill the humid evening air and a presenter in a *dishdasha* from one of the Gulf channels looks sternly out from the TV screen mounted on the street." Intermarriage between Arab men and Chinese women was so frequent that it had its own nickname—namely, "Kebab with sweet-and-sour pork."

By contrast, the linkages between expatriate Chinese and local populations were far less direct or intimate in Saudi Arabia. Chinese private investment in the Kingdom, at \$400 million, paled in comparison to those of Saudi businesses in China before 2010[®], and there is no Chinese community in the Kingdom anywhere near as large as the Muslim community in Yiwu. Still, by 2002, there were 40,000 Chinese living in Saudi Arabia — even though the Chinese were technically barred from selling retail in the Kingdom. A decade later, in 2013, there were still 35,325 Chinese laborers in Saudi Arabia. Furthermore, nearly two hundred thousand Chinese have come to settle in Dubai, a large city in the United Arab Emirates, one of the Kingdom's neighbors, and Chinese state-owned firms won large contracts in Saudi Arabia. In 2009, for instance, China Railway Engineering, a state-owned holding company, was awarded a \$1.8 billion contract to build the high-speed Mecca railway connecting Mecca and Medina. From 2007 to 2015, Wengfu Enterprises, a Chinese state-owned engineering firm, signed contracts worth over \$550 million in Saudi Arabia, including one for the largest mineral processing project in the world at the time.

In November 2010, Chinese and Saudi businessmen unveiled the first of three Chinese malls in Saudi Arabia. Called China Mart, the \$80 million, 100,000-square-meter mall, was situated in a busy intersection of a rapidly developing central Riyadh neighborhood. When it opened, the mall featured a large Chinese restaurant and 250 shops, which featured Chinese-made products from a variety of manufacturing sectors. English, Chinese, and Arabic all appeared on signs. The mall appeared to be the symbol of a new age of Western decline and Chinese ascendancy.

The hopes of the developers, however, were soon dashed. Despite a consumer spending boom in Saudi Arabia[®], China Mart remained empty most days of the week after it opened, with the notable exception of the French chain Carrefour and the government benefits office. The mall's food court and its special Chinese restaurant closed in fall 2013. The rows of shops carrying Chinese-made products closed or moved soon afterwards. The enormous sign on the side of the building advertising the mall and visible from a busy highway was removed in late January 2014. [®]

¹⁰ Tom Spencer, "Some Arab Traders Call China Home," *The National*, June 1, 2008.

[®] Spencer, "Some Arab Traders Call China Home."

[®] Shaery, "Arabs in Yiwu, Confucius in East Beirut."

[®] Al-Tamimi, China-Saudi Arabian Relations, 2012.

[®] Zank, "'A New Silk Road' Between China and the Arab World," p.167.

[®] Zou, "Oil and Beyond," p.50.

[®] Malcom Moore, "China Will Build Special Railway Project for Muslim Pilgrims in Saudi Arabia," *The Telegraph*, February 11, 2009.

[®] "Stamping Footprint Overseas," China Daily, April 11, 2016.

[®] The mall was a joint venture between Saudi businessman Sheikh Abdul Aziz Al-Kridis and his Chinese counterpart Wei Shiming. Adnan Jaber, "Exclusive Chinese Market Planned for Riyadh," *The Arab News*, November 20, 2008.

Michael Peel, "Saudi Arabia: Spending Power," Financial Times, May 29, 2013.

[®] Author's field notes from Riyadh, May 2013; Author's field notes from Riyadh, July 2013; and Author's field notes from Riyadh, August 2013.

By contrast, the mega-malls that carry Western-branded products remained filled. In IKEA and other home-furnishing stores in the Kingdom, most of the cityscape pictures for homes show New York City. A visitor would be hard-pressed to find a picture from a comparable Asian city. Furthermore, the second-largest McDonald's franchise in the world is located in Saudi Arabia: the Riyadh Catering Company. The success of these businesses pointed to a key reality that the planners of China Mart had not built into their business model. For Saudis, the contemporary world and advanced technology (what could be called "modernity"), at least in 2013 and 2014, was still understood through an American English-language prism, and they did not see Chinese-branded products as comparable to Western ones.

While one could almost talk of a post-colonial relationship between the two nations, the reality is far more complicated, since Saudis had freely chosen for decades to continue to work with American culture, products, and technology, showing little interest in adopting competing visions of modernity. When I interviewed, on November 5, 2013, Dr. Haya Bint Abdul Aziz al-Awad, an undersecretary in the Saudi Ministry of Education, she made clear that (a) English is the only foreign language taught in Saudi secondary schools, (b) there are no plans to add any other languages to the curriculum, and (c) many[®] of the Kingdom's secondary and post-secondary schools depend on lesson plans designed by American and European education companies.[®] Indeed, an English textbook widely used in Saudi high schools and designed by Greeks and Americans, *Traveler 3*, features a picture of the *Ka'aba* on its cover, but through the passenger window of a modern commercial airliner — a clear impossibility in a city without an airport.[®] In 2015, more than a hundred thousand Saudis studied English and earned undergraduate and graduate degrees in the United States — far more than study in any other country, including in China.[®]

Although one can find McDonalds and other signature American companies in societies as different as China and Russia, it is the prevalence and depth of American cultural influence in the Kingdom that truly sets the country apart. The presence of English and American culture, at least in the 21st century, is hardly an elite phenomenon but a *mass* one in a society that is now overwhelmingly urban and literate. Youth literacy in Saudi Arabia is nearly 100%, and American-accented English is ubiquitous.

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[®] Author in conversation with former senior executive with Riyadh Catering Company, June 2013.

[®] Ibrahim Naffee, "'Made in China' Label Discourages Saudis," *The Arab News*, January 22, 2014.

[®] That does not mean that all Saudi textbooks preach values or ideas that are consistent with Western norms. For more on Saudi textbooks, including those used in ISIS schools, see Scott Shane, "Saudis and Extremism: 'Both the Arsonists and the Firefighters,'" *The New York Times*, August 26, 2016, A1.

[®] Author in conversation with Deputy Minister for Educational Affairs, Girls Education, Saudi Ministry of Education, November 2013.

The textbook, published in London by M.M. Publications, is listed on the Website for the Saudi ministry of Education (https://www.moe.gov.sa/ar/Alfasly/books/TRAVELLER_L3_ST.pdf). It also touches on baseball, a sport widely played in the United States but not in Saudi Arabia—except in Aramco's compound in Dhahran. The text includes exercises that call on students to imagine that they are in locations as diverse as France, Greece, Greenland, Hawaii, Mount Everest, Tanzania, and historic locations in Saudi Arabia. Students also must imagine that they have friends abroad and engage in conversations on a variety of topics, including the environment, Google Earth, health, and the politics of the European Union. H.Q. Mitchell, Marileni Malkogianni, KSA Edition: Traveller 3 English Language Workbook, London: M.M. Publications, 2013.

[®] There were 111,000 Saudi students in the United States alone in 2014. Ibrahim Naffee, "Number of Saudi Students in US Reaches 111,000," *Arab News*, April 20, 2014.

[©] According to the CIA World Factbook, 94.7% of Saudi Arabia's population in 2015 was literate and 83.1% of the population lives in urban areas. US Central Intelligence Agency, CIA, The World Factbook,

One especially sees this influence in Saudi Arabia's cultural products, including in artistic works dealing with gender issues. When Saudi comedian Hisham Fageeh and his colleagues at the Saudi media company Telfaz11 produced a video, in 2013, parodying the ban on women driving, "No Woman, No Drive," they drew on Bob Marley's classic song "No Woman, No Cry"—a song sung in English that Fageeh learned while he was a graduate student in the United States. The video, in which Fageeh and his colleagues appear in Saudi male clothing and clearly address a Saudi audience, is sung entirely in English with Arabic subtitles.

Another work, "Hawājis" ("Concerns") also shows the strong influence of American culture in the Kingdom's culture — even when discussing a uniquely Saudi issue. The YouTube video features a group of women, who are all wearing abayyas and niqabs. We see them dancing, skateboarding, playing basketball, bowling, and driving bumper cars. As the women sing that "may all men be erased as they've hurt us psychologically" there are images of Saudi men driving American cars and showing their displeasure with the women's actions. We also see cardboard cut-outs of President Donald Trump. One of the cut-outs of Trump rises behind a blue podium modeled on those used by American presidents with a seemingly official US seal in multiple languages. While "House of" is in English at the top of the seal, at the bottom is a word in Arabic characters, Rijalel, a Saudi colloquial Arabic term for "men." The video, which was produced by Riyadh's 8ies Studio, won media coverage around the world in much the same way that "No Women, No Drive" did in 2013. On the content of the cut-outs of President Donald Trump.

This American cultural veneer even extended to cultural dialogues between Saudi Arabia and other countries, including China. In July 2013, one of Jeddah's leading art galleries, Al-Athr gallery, hosted "Strokes in Dialogue," an art show featuring the works of Wang Dongling, one of China's greatest living calligraphers, and Samir Sayegh, a leading Arab calligrapher. As the gallery's directors told me at the time, they hoped the show would allow viewers to compare and contrast the two artists' works and how the two societies, both of which revere calligraphy, approach the ancient art form. In particular, the show's organizers wanted viewers to see how the two artists approach calligraphy as a "kind of meditative prayer, and consider it as a spiritual pursuit of the divine."

On the show's opening night, which I attended, a crowd of Saudis and expatriates gathered at the gallery to see the art and meet the artists. There were local print and television journalists and a senior cultural official from the US Consulate General in Jeddah. The audience, which included both men and women, loved seeing Wang create a new piece on a large canvas on the floor as well as the two artists collaborate on a piece

Saudi Arabia, https://www.cia.gov/library/publications/the-world-factbook/geos/sa.html.

[®] United Nations Emergency Fund (UNICEF), *Info by Country*, s.v. "Saudi Arabia," http://www.unicef.or g/infobycountry/saudiarabia statistics.html.

For more on the video, see Sophia Jones, "No Woman, No Drive': Behind the Viral Video," *The Daily Beast*, October 28, 2013.

The video, which has amassed nearly 14 million hits, is available at https://www.youtube.com/watch?v=aZMbTFNp4wI.

The videos, which has amassed nearly 6 million hits, is available at https://www.youtube.com/watch?v=1rUn2j1hLOo.

[©] Leyal Khalife, "Saudi Women Are Smashing All the Stereotypes in this Viral Music Video Skateboarding, Shooting Hoops and Showing off Some Epic Dance Moves," *stepFeed*, December 26, 2016, http://stepfeed.com/saudi-women-are-smashing-all-the-stereotypes-in-this-viral-music-video-2613.

[®] For example, see Adam Taylor, "A Music Video Featuring Skateboarding Women Has Saudi Arabia Entranced," *The Washington Post*, January 3, 2017.

[®] Hina Zahir Imam, "Athr Gallery Comes Alive with Ramadan Nights," *The Arab News*, July 25, 2013.

[®] Athr Gallery, Strokes in Dialogue, Jeddah, Saudi Arabia: Athr Gallery, 2013, p.1.

The use of English in the question and answer session, however, pointed to the central place of Anglo-American language and culture in an evening dedicated to connecting Chinese and Arab cultures. It is worth noting that Wang's interpreter was British, and there was no translation into Mandarin provided for Sayegh's comments, many of which were in Arabic. Although there is a Chinese Consulate General in Jeddah, a distinct Chinese mall, and a growing community of Chinese citizens in the Red Sea city, there were no Chinese diplomats at the show's opening night and only one or two people of Asian ancestry. Had more Chinese shown up that night, they would have been disappointed by the show's printed catalog, which was written in Arabic and English. The only printed Chinese characters were on the cover of the book.

II. Saudi Arabia and the OBOR

However, the deep US cultural links evident to everyone at the opening night of "Strokes of Dialogue" looked increasingly less valuable to many Saudis in the second decade of the twenty-first century. Shortly after coming to office in 2009, the Obama Administration sought to reach an agreement with Iran in cooperation with a group of international powers, including China — over Riyadh's vocal objections. It had not gone unnoticed in the Kingdom that, in an August 2013 New York Times column on US choices in Syria's civil war, the leading US foreign affairs columnist Thomas Friedman had chosen to cite Philip Verleger's argument that the Middle East was now "China's problem." Nor Nor could Saudis overlook the fact that Donald Trump, who succeeded Obama as president in January 2017, voiced hostility towards both Obama's deal with Iran and Saudi Arabia. Not only has he asserted that he would block oil imports from the Kingdom but he has also said that he would like to defeat the "Islamic State" in cooperation with Russia a country closely allied with Tehran.

If Riyadh could not depend on Washington's ironclad support, could it look to China as an economic and a new strategic partner — one that could at least compel Trump to adopt a more favorable position towards Saudi Arabia? Here Saudi Arabia faced a series of obstacles, for Beijing already had a series of preexisting links in the region, including with states that opposed Riyadh's interests. Nor was it immediately clear what direct role Saudi Arabia was to play in the OBOR — the Chinese initiative to improve ties with Central Asian, Indian Ocean and Southeast Asian nations and to create Chinese-dominated sea and land versions of the old Silk Road.

We can get a good idea of the initial goals of OBOR and how they might have clashed with Riyadh's by consulting one of the initial maps for the OBOR. While there are no stops shown for Saudi Arabia, there are stops in two nearby states, Turkey and Iran, both of which offer China large markets and unique geostrategic assistance without being tied to

[®] Author's field notes, Jeddah, Saudi Arabia, July 2013.

[®] Author's field notes, Jeddah, Saudi Arabia, July 2013.

[®] Ben Smith and Miriam Elder, "Obama's Very Personal Deal with Iran: Did He Finally Earn that Nobel?" *BuzzFeed*, November 23, 2013.

[®] Thomas Friedman, "Foreign Policy by a Whisper and a Nudge," New York Times, August 24, 2013.

[®] Tim Daiss, "No Saudi Oil Says Trump; Saudi Arabia Fires Back," Forbes, November 16, 2016.

[®] Charles Lister, "Trump's Syria Strategy Would Be A Disaster," Foreign Policy, November 17, 2016.

the United States as Saudi Arabia is. Washington, of course, has had virtually no influence in Iran since 1979, but since the US invasion of Iraq in 2003 and the failed coup in July 2016, American influence has also declined precipitously in Turkey.

From Beijing's perspective, the Turks can significantly assist China. Their trade and military ties have increased, thanks to Turkey's booming economy and Turkey's geographic position and cultural assets. The country that is famously in Asia and Europe has close political ties to the many Turkish peoples who live on the land route of OBOR. By contrast, Saudi Arabia enjoys only limited influence in Central Asia and among Turkish peoples.®

There is little question that Iran's geographic position is as useful to Beijing as Turkey's. While Chinese leaders have long sought to cautiously balance their country's relationship with Iran and Saudi Arabia[®], there is no question that Iran is the only state in the Middle East that can potentially export oil and gas to China entirely by land without having to transit through the Straits of Hormuz, the Indian Ocean, or the Straits of Malacca.[®] This is true because both China and Iran share a common neighbor, Pakistan, which could serve as a land bridge between them. This geography erases the key advantages that Saudi Arabia accrues from having far lower costs of production than Iran. Furthermore, Iran has a cultural advantage over Saudi Arabia in its dealings with China because Tehran, unlike Riyadh, has, at least officially, hostile relations with the West and American culture in particular.[®]

Geography and China's ties to another Saudi rival, Russia, also hampered Riyadh's attempts to prevent other nations from eating into Saudi Arabia's market share in China, the Kingdom's largest customer for oil — just as the global oil market collapsed in 2014 and 2015. At that time, Beijing, for the first time, had permitted small private oil refiners known as "teapots" to purchase petroleum from foreign suppliers as part of a reform program meant to make the domestic energy market and the vast state conglomerates that dominate it more efficient. While Aramco eschewed the teapots as unreliable and worked only with the state conglomerates, Russia sold its oil to the conglomerates and to the small refiners. Remarkably, Russia, which had sold about half as much oil in China as Saudi Arabia did in December 2013, sold nearly as much oil as its Middle East rival did by the end of 2014.

Further weakening the Saudi position vis-a-vis Russia in the Chinese energy markets was Aramco's insistence that it be paid only in US dollars for its oil after Russian oil

[©] Shen Dingli, "China's 'One Belt, One Road' Is Not Another Marshall Plan," *China US Focus*, March 16, 2015, http://www.chinausfocus.com/finance-economy/china- advances-its-one-belt-one-road-strategy/.

[®] William Armstrong, "Turkey and the West are Heading for a Breakup," *War on the Rocks*, August 1, 2016, http://warontherocks.com/2016/08/turkey-and-the-west-are-heading-for-a-breakup/.

[®] Zan Tao, "An Alternative Partner to the West? Turkey's Growing Partnership with China," *The Middle East Institute: Middle East-Asia Partnership*, October 25, 2013, http://www.mei.edu/content/alternative-partner-west-turkey%E2%80%99s-growing-relations-china.

[©] As Jiuzhou Duan correctly notes, China has very good reasons to not take sides, including divisions within its own Muslim community. Beijing has pursued a variety of strategies to maintain neutrality, including a consistent policy on non-proliferation and rejecting "Iran's request for full membership in the Shanghai Cooperation Organization in 2008." Duan, *The Strategic Position of the GCC Countries*, p.9.

[©] Duan, The Strategic Position of the GCC Countries, p.10.

⁽⁶⁾ Olimat, *China and the Middle East*, p.86.

[©] "Meet the Chinese Newcomers Staking a Claim to Global Oil Trading," *Bloomberg News*, January 13, 2016.

[®] Julian Lee, "Saudis Heed an Oil Warning from History," *Bloomberg Gadfly*, May 1, 2016, https://www.bloomberg.com/gadfly/articles/2016-05-01/saudi-arabia-heeds-she ikh-yamani-oil-warning. [®] Ibid.

companies agreed to accept payments for oil in Chinese currency Renminbi (RMB). The decision to accept RMB represented a "breakthrough in the Sino-Russian energy relationship—in Beijing's favor," for Chinese buyers prefer to pay for oil in RMB, a form of payment that is far less attractive than US dollars, since it is not fully convertible. The Russian decision to accept RMB as payment also reflected Moscow's desire to (a) find new markets for its oil after Western sanctions and the crisis in Ukraine closed ones in Europe; (b) deepen Russia's burgeoning strategic partnership with China; and (c) take advantage of the OBOR and the pipelines connecting Russia's Siberian oil fields to China. By contrast, the only way to get oil from Saudi Arabia to China was by ship — a trip that took up to three weeks or more in early 2016.

III. Vision 2030 and a New Cultural and Economic Framework for Sino-Saudi Ties

By that time, it was clear to the Kingdom's senior leaders that they could not meet their goals without a new relationship with China — even if it came at the expense of their strategic alliance with the United States, Fortunately, Saudi policy was already starting to prioritize diplomatic ties with Beijing and to find ways to link its own development goals with OBOR. In 2013, Dr. Mohammed Saleh A. Almadi, who speaks Mandarin fluently and had earned a Ph.D. at China's Petroleum University, was appointed as Saudi governor to OPEC, a key Saudi diplomatic post.

A year later Riyadh became one of the founding member states of the Beijing-backed Asian Infrastructure Investment Bank (AIIB), an institution which is seen as crucial to the success of the OBOR's development goals. For its part, Washington viewed the AIIB as a threat to US power and to the effectiveness of the World Bank and had lobbied Saudi Arabia and other long-term allies to refrain from joining.

Beijing noticed these shifts, and in January 2016 President Xi visited Saudi Arabia. The trip, which was the first to the region by a Chinese president since 2009, occurred just weeks after the Saudi government had executed a prominent Saudi Shi'a cleric and a serious crisis had erupted between Riyadh and Tehran. But in a sign of how much Sino-Saudi ties had improved, Beijing announced that the Chinese president's trip would start from Riyadh instead of Tehran "in order to balance" "the tense situation" between Saudi Arabia and Iran.[®] Beijing's message to the Middle East was crystal clear. China felt that it had to take Saudi Arabia's views into account when determining its policies in the region.

Upon his arrival in the Kingdom, President Xi published a letter in Al-Riyadh, a large Saudi newspaper, which further clarified how much had changed since March. He lauded Saudi Arabia as a "brotherly state" of China that had provided generous assistance to the

⁴ Ibid.

[®] Nick Cunningham, "Russia and China's Growing Energy Relationship," January 28, 2015, http://oilprice.com/Energy/Energy-General/Russia-and-Chinas-Growing-Energy-Relationship.html/.

² Cunningham, "Russia and China's growing energy relationship."

[®] Tim Daiss, "Move over Saudi Arabia, Russia Is Selling More Oil to China Than You," Bloomberg, August 5, 2016.

[®] Jyotsna Ravishankar, "Aramco's Al Madi Tipped to be OPEC Governor," Arabianoilandgas.com, October 2, 2013, http://www.arabianoilandgas.com/article-11472-aramcos-al-madi-tipped-to-be-opec-gov

He Yini, "China to Invest \$900 Million in Belt and Road Initiative," The Telegraph, June 10, 2015.

[®] "Saudi Arabia, Tajikistan to Join Beijing-backed Development Bank," *Reuters*, January 13, 2015.

[®] Selcuk Çolakoğlu, "China's Opening Up Towards Middle East," *Eurasia Review*, April 1, 2016.

[®] Abdullah al-Shihri, Aya Batrawy, "Chinese President Arrives in Saudi Arabia on Mideast Tour," The

victims of the 2008 Wenchuan earthquake. He detailed the long historical linkages between China and the people of Saudi Arabia, including Zheng He, the 14th century Muslim Admiral "who travelled to Jeddah, Mecca and Medina" and "had described the cities as paradises where people enjoyed peace and harmony. The Chinese president also observed that bilateral trade had grown 230% since 1990 and "one in six barrels of crude oil China imports comes from Saudi Arabia, and one out of every seven Riyals Saudi Arabia earns from its exports comes from China. In addition, he signaled that Beijing believed that the country could play a pivotal role in the OBOR: "We hope and trust that Saudi Arabia, located at the west crossroads of the 'One Belt and One Road' initiative, will become an important participant of, contributor to and beneficiary of this initiative." Indeed, China saw Saudi Arabia as a "strategic partner" and he urged both countries to seize the opportunity to strengthen relations.

During the visit, President Xi signed a number of joint agreements with Saudi Arabia's King Salman and received the King Abdulaziz Medal, the Kingdom's highest civilian award. The two leaders also pushed a button in Riyadh to remotely start a \$10 billion new oil refinery on the Kingdom's Red Sea coast that is jointly owned by Aramco and Sinopec, a Chinese state energy conglomerate.

In the months that followed President Xi's visit to Riyadh, the strategic relationship between Beijing and Riyadh continued to blossom. Saudi Arabia adjusted its business operations to better meet the national goals of the Chinese government, both at home and abroad. In May 2016, Aramco sold oil to Chambroad Petrochemical, a Chinese teapot refiner®—"a move described by Citibank analysts as 'dramatic.'" Following the historic sale, Aramco officials said that they hoped to make more sales to teapot refineries. The company also announced that it would cut Saudi oil prices to respond to Iranian, Iraqi and Russian competition. All of these actions were of course consistent with Beijing's goals to deregulate the Chinese energy market and ultimately to dramatically reduce the cost of oil and gas in the country.

Riyadh also signaled that it supported China's policies in areas that had little to do with energy or trade. As US warships sought to challenge China's legal claims to the South China Sea and Washington pushed Southeast Asian nations to resist Beijing's actions in the region, Saudi diplomats welcomed "China's adherence to peaceful means in settling

Associated Press International, January 19, 2016.

[®] Xi Jinping, "Be Good Partners for Common Development," *Al-Riyadh*, January 18, 2016.

² Ibid.

³ Ibid.

⁴ Ibid.

⁵ Ibid.

[®] Al-Shihri and Batrawy, "Chinese President Arrives in Saudi Arabia on Mideast Tour."

[®] Ghazanfar Ali Khan, "Great Will of China Wows Kingdom," *The Arab News*, January 20, 2016; Xing Zhigang, Lyu Chang, "Sinopec, Saudi Aramco Sign Strategic Agreement," *Asia News Network*, January 21, 2016

[®] Cindy Liang, "Saudi Aramco Courts China Independents," Platts Oilgram News, May 23, 2016.

[®] Lee, "Saudis Heed an Oil Warning from History."

Liang, "Saudi Aramco Courts China Independents."

Benoit Faucon, Summer Said, Saurabh Chaturvedi, "Saudi Arabia Cuts Asian Oil Prices to Counter Rivals Russia, Iraq and Iran: Iraq's Oil Exports to India Leapfrogged Saudi Arabia's in Second Quarter," *The Wall Street Journal*, August 5, 2016.

[®] Michael Martina, Greg Torode, Ben Blanchard, "China Scrambles Fighters as US Sails Warship Near Chinese-claimed Reef," *Reuters*, May 11, 2016.

disputes concerning the South China Sea." In a major global dispute involving Beijing and Washington, Riyadh had signaled that it did not feel compelled to automatically back the US position.

The Saudi "tilt" towards China extends to major economic decisions as well. When Aramco, in April 2016, announced that it would soon sell 5% of the company (worth as much as \$2 trillion) there were reports that the initial public offering (IPO) would be held in three cities, two in the West, New York and London, along with one in Hong Kong, China. The IPO generated headlines around the world and is a pillar of Vision 2030, the sweeping Saudi reform program announced in April 2016 by Prince Muhammad bin Salman, the Deputy Crown Prince. He has assumed a prominent public profile since his father became king in January 2015 and has come to overshadow Crown Prince Muhammad bin Navef.4

The goal of 2030 is simple yet profound — namely, to replace Saudi Arabia's basic economic model in which oil exports define everything. The model, which has been in place since World War II, had institutionalized deep cultural and political ties with the United States and a cyclical pattern of government expenditure, in which spending increased when oil prices were high and rapidly decreased when oil prices were low. It has created an urban landscape that physically resembles postwar US cities and a society that depends on generous government subsidies. In remarks introducing Vision 2030, Prince Muhammad bin Salman addressed the cyclical nature of state spending under the current system and the danger it poses to the country: "We have developed a case of oil addiction in Saudi Arabia." In the future, the Prince continued, "we will not allow our country ever to be at the mercy of commodity price volatility or external markets."

To reach this goal, Vision 2030 calls for curtailing subsidies and a series of new economic reforms, many of which are so ambitious that some Western observers have questioned if they are all achievable. But they are still clearly consistent with the goals of Beijing and disadvantage Washington. Among the most important are transferring shares from Aramco's IPO to the Public Investment Fund (PIF), the Kingdom's sovereign wealth fund. Those shares will make the PIF the largest of its kind in the world and provide it with the resources to meet two of its mandates. Not only will the PIF invest in China and other high-growth foreign markets, but the Saudi fund will also build new transportation infrastructure at home that could be easily integrated into the OBOR.[®] Even if not all of

[®] "Riyadh Hails Beijing's Stance on South China Sea," *Xinhua General News Service*, May 12, 2016.

[®] "From the Kingdom to the Middle Kingdom," *Global Capital Euroweek*, May 10, 2016.

Zainab Fattah, Vivian Nereim, Deema Almashabi, Dana Khraiche, "What's in Saudi Arabia's Blueprint for Life after Oil?" Bloomberg, April 25, 2016.

William Windrem, William M. Arkin, "US Officials Fear Saudi Collapse If New Prince Fails," NBC News, June 17, 2016, http://www.nbcnews.com/news/world/u-s-officials-fear-saudi-collapse-if-new-prince

John Sfakianakis, "Saudi Arabia Gets Ready to Tackle Tough Reforms," Financial Times: Emerging Markets, Beyond Bricks, April 28, 2016, https://www.ft.com/content/65e5afb1-3139-318d-9cb2-4fbc4eb0

[®] Ian Bremmer, "Saudi Arabia's Reform Plan is Bold, Modern, and Likely Doomed," *Time*, May 12, 2016.

Matthew R. Reed, "Saudi Vision 2030: Winners and Losers," Carnegie Endowment for International Peace, August 2, 2016, http://carnegieendowment.org/sada/64227.

Reed, "Saudi Vision 2030,"

Saudi Vision 2030 specifically promises that the Kingdom's government will work closely with the private sector to enhance Saudi Arabia's position as "a unique regional logical hub" and "gateway to the three continents." Kingdom of Saudi Arabia, Saudi Vision 2030, April 27, 2016, p.58, http://vision2030.gov.sa/en/media-center.

these projects are completed, strong Saudi support for OBOR will be crucial for China: As Zou Zhiqiang notes, it is unlikely that China could carry out the OBOR smoothly in the long run "without the support of regional powers including Saudi Arabia." In addition, the PIF will invest in new advanced manufacturing in the Kingdom, including the sophisticated military gear and fighter-jet aircraft that is overwhelmingly imported from the United States.[®] For decades, these imports have been a key component of Riyadh's strategic partnership with Washington.

Notably, Vision 2030 envisions Saudis replacing foreign workers in an expanding service industry. One of the new service industries envisioned by the plan, culture and entertainment, is another area that is likely to become a key component of an expanding relationship between China and Saudi Arabia.

Although public movie theaters are banned banned and conservative religious norms have wide support in the Kingdom, a dynamic artistic movement has emerged and become a tool to discuss controversial issues impacting Saudi society.

A hallmark of this movement is pieces that use contradictory and jarring images, forcing viewers to create the deep connections at which the artist only hints. We are dealing here with collage, certainly, but it is collage which becomes a form of collision and finally an unexpected harmony. These works are in a certain sense chordal-functioning as a chord does in music. Various elements, harmonious and dissonant, are all present and in touch with one another. They exist as a fundamental, culture-defining question. What does it mean to be Saudi? What does it mean to have all these elements in simultaneous, conscious insistence?

This first generation of artists helped to spawn the creation of a series of media companies, such as Telfaz11, that have created their own television networks online using YouTube. These companies have produced commercials and other original content, some some of which even touches on China. In 2016, Riyadh, for only the second time, submitted a nominee for the Foreign Language Oscar Race. The film, the romantic comedy, Barakah Meets Barakah[®], ultimately did not win an Oscar but its director and Saudi cast won rave reviews from critics and those who saw the film in international film festivals around the world.®

Overall, this approach to producing art consciously rejects the Western conceptions of the artist as a God-like individual who singularly creates new culture and shares it with the world in an art show. It also rejects a central tenant of Western thought—namely, that harmony requires uniformity of meaning—and builds on the central institution of Saudi society, the majlis [council], in which Saudis of different viewpoints gather for extended periods. Within this framework, improvements can occur, but the tensions between the

[®] Saudi Arabia, Saudi Vision 2030, p.22.

^① Zou, "Oil and Beyond," p.53.

² Reed, "Saudi Vision 2030."

For more on this process, see Gilbert Ramsay, Sumayah Futani, "The New Saudi Nationalism of the New Saudi Media," in Noha Mellor, Khalil Rinnawi, eds., Political Islam and Global Media, New York and London: Routledge, 2016, pp.187-202.

Nancy Tartaglione, "Oscars: Saudi Arabia Enters 'Barakah Meets Barakah' in Foreign Language Race; Kingdom's Second Submission Ever," Deadline, August 24, 2016, http://deadline.com/2016/08/barakahmeets-barakah-second-ever-foreign-language-oscar-submission-saudi-arabia-1201807983/.

Jordan Hoffman, "Toronto Film Festival 2016: Barakah Meets Barakah Review—Sizzle and Sadness in First Saudi Romcom," The Guardian, September 9, 2016.

[®] For more on this concept in Saudi society, see Stig Stenslie, Regime Stability in Saudi Arabia: The Challenge of Succession, London and New York: Routledge Press, 2012, p.83.

many oppositional forces cannot be humanly resolved. As is stated in the Quran, "Had Allah willed, He would have made you one nation" (5:48).

This principle, ironically, lends itself well to Chinese culture, especially Confucianism. Confucius' teachings provide a clear warning against imposing a singular political and social vision across society. Instead, his lessons stress that harmony arises out of a society of many voices, an image that suggests a group of musical instruments playing together in harmony. Indeed, the Chinese philosopher observes in the Analects that "the gentleman seeks harmony, not sameness; the petty person seeks sameness not harmony" (13:23). "

IV. An Oil Painting and the Future of Sino-Saudi Ties

In September 2016, Ahmed Mater showed how art, culture, and history could promote Sino-Saudi ties in the 21st century. At a Sino-Saudi business conference in Beijing attended by President Xi and Crown Prince Muhammad bin Salman, Mater presented "Silk Road," his piece composed of two silkscreens painted in the style of Chinese miniatures.

In one of the silkscreens, China is depicted through the Mandarin characters for "Silk Road," a dragon, and a ship that sailed in the fleet of Zheng He. By contrast, the other silkscreen depicts Saudi Arabia. It features the *Ka'ba* in Mecca, *Hajj* pilgrims, and an expression, written in Arabic, attributed to the Prophet Muhammad: "Seek Knowledge—even if it takes you to China." Along the bottom of the two silkscreens are camels, a symbol of the Silk Road, a force that is once again linking China and Saudi Arabia.

After showing his piece to President Xi, Mater told Saudi media that he hoped that it would (a) further the OBOR and Vision 2030 and (b) strengthen the dialogue between China and Saudi Arabia, two very different countries that have found a way to cooperate closely in the 21st century.[®]

Mater's ability to find harmony — or potential harmony—among these many differing images (collision, not collage) says much about him personally and about his ability to generate psychic health for himself. But his insistence on the public and social aspects of his art show that he is seeking health not just on a personal level but on a societal level.

If a mind can function successfully and creatively with all these contrasting elements actively inhabiting it, can't a country—can't two countries—do the same thing? While petroleum has long been central to Sino-Saudi ties, Mater's "Silk Road" suggests that oil will not be enough to understand a bilateral relationship that is increasingly critical to the future of Asia, the Middle East, and the world. Perhaps it is not the oil that fuels automobiles but the oil an artist places on his palette that will determine what happens in this most dynamic, most metamorphic of the world's areas.

[©] Joseph Chan, Confucian Perfectionism: A Political Philosophy for Modern Times, Princeton, NJ: Princeton University Press, 2014, p.91.

²⁰ For more information, see Twdeo, Twitter Post, September 1, 2016, 6:01 PM.

[®] 'Abīr Mušakkis, "Hadīya al-Mamlaka al-'Arabīya As-Sa'ūdiya li-Daula As-Şīn 'Unwān At-Ṭaqāfa wa Al-Fann," *Asharq Al-Awsat*, September 2, 2016, http://bit.ly/2cjvn4A.