

Opinion – China and the US in Israel: The Lucrative Versus the Indispensable?

Written by Nicholas Lyall and Roie Yellinek

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NICHOLAS LYALL AND ROIE YELLINEK, MAY 27 2021

China and the US have adopted different attitudes towards the Palestinians and the Israelis following the break out of hostilities in May 2021. A consideration of these different approaches, as reflected by the respective US and Chinese stances in the United Nation Security Council (UNSC), highlights important considerations for Israel's international relations going forward as it navigates the rising US-China tensions that are increasingly defining the international order.

As per the norm, the US has resolutely emphasized Israel's right to self-defense and three times in one week blocked the UN Security Council's joint statement calling for an immediate ceasefire between Israel and Hamas. US President Joe Biden spoke, for the third time since the outbreak of the latest Israeli-Hamas violence, with Israeli Prime Minister Benjamin Netanyahu on May 17th, and expressed his support for a ceasefire, but also reiterated his firm support for Israel's right to self-defense against Hamas's rocket attacks. The Biden administration also sent a special envoy to Israel to discuss the situation with all sides.

In contrast to the US position, China has called for the UNSC push for a de-escalation declaration, with a subtle but evident point to Israel as the instigator of the recent conflagration. In addition, China's Foreign Minister, Wang Yi, accused the US of undermining the UNSC's attempt to produce a unified response to the situation. Chinese state media also insinuated that the US supports Israel because of "the influence of wealthy Jews in the U.S. and the Jewish lobby on U.S. foreign policy makers" – a trope that Israeli diplomats have criticised as anti-Semitic and which will likely only strain relations between Israel and China.

While the ongoing broader US-China contest can be understood as a partly influential cause of China's recent strongly disparate position to the US over the Israeli-Palestinian situation, the more fundamental dynamic to understand the disparity is the values-based as well as comprehensive and strategic nature of the US-Israeli relationship in comparison to that of China and Israel. And indeed, the long-standing staunch support of the US for Israel can be partially attributed to their shared political values, and their shared interests, as demonstrated by the recent Abraham Accords, in supporting moderate, non-Islamist, regimes in the Middle East. However, it is the power of the security-strategic partnership between both states in the region that is the largest explanatory factor for the all-weather nature of American support. This security-strategic partnership, throughout the Cold War to the present, has seen Israel embody a strategic arm for the US to contain various Middle Eastern actors at different times, or prosecute strategic ambitions like resisting Iranian expansion.

On the other hand, China seeks relationships based not off the political values of the country in question and is instead more concerned with the potential for win-win economic partnerships. Furthermore, while China explicitly condemns terrorism and extremism, when considering China's usefulness in this domain to Israel in comparison to that of the US, China's 'friends of all' approach – whereby it seeks to build relationships with as many states as possible, no matter their political inclinations – means that China often ends up as economic lifelines of states, like Iran, who sympathize, or even collaborate, with extremist organizations with which Israel is in conflict, for instance Hezbollah, Palestinian Islamic Jihad and Hamas.

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The relative non-strategic nature of China's relationship to Israel vis-à-vis that of the US is also illustrated by the fact that China has historically always supported any resolution against Israel in the UNSC and other UN organizations. Again, this can be explained by economic expediency. There are 1.9 billion Muslims in the world, and less than 15 million Jews, and Islamic countries control a tremendous amount of proven oil and gas reserves. Accordingly, gestures like supporting Palestine in the UN ensure China doesn't undermine its access to a crucial, and immense, market. This is not to say that China's alignment against Israel in the UN causes any particular damage to the relationship: bilateral trade has increased from US\$50 million in 1992 (when formal bilateral diplomatic ties were established) to around US\$11 billion today. Furthermore, it is important to emphasize that China and the Arab world goes hand in hand since the 1955 Bandung Conference, when China saw itself as part of the Non-Aligned Movement, alongside the majority of Islamic countries.

So where does this leave Israel's foreign policy course regarding the US and China going forward? The US is an essential and irreplaceable pillar of Israel's national security, in terms of hardware, intelligence sharing, and (as discussed above) diplomatic protection. However, a small disturbance in the security partnership might have begun to appear since 2018, when the US government began objecting to perceived security implications (for the US) of recent Chinese investments in Israel, most prominently the Shanghai International Port Group Co.'s enhancement and lease of Haifa port, which is adjacent to a base used by the US Navy's 6th Fleet. Israel can and should increase as much as is possible the volume of trade with China, diversify it and also build cooperation in other fields, but only as long as this does not bring Israel into a conflict with the US.

To be sure, China's engagement in Israel is far from the point whereby the US-Israeli security relationship could be fundamentally threatened. However, looking long term, when considering that US-provided security hardware or infrastructure critical to Israel's defensive capabilities – like the Iron Dome system that neutralized the vast majority of Hamas' rockets – might start to be withheld from Israel by the US if the Chinese presence, and thus proximity to such hardware or infrastructure, in the country increases, the quality and quantity of Chinese investment in Israel is something Israel will need to monitor closely.

The proliferating economic ties between Israel and China, notably in infrastructure, but more importantly in technology, where China has a huge appetite for Israeli technology across a multiplicity of sectors, are areas in which it is clearly in Israel's interest to continue deepening and diversifying. Nonetheless, as Israel continues to carefully monitor dual-use implications of sales of Israeli tech to China, and as Israel continues to respond to US concerns over perceived Chinese state surveillance abilities gained through Chinese investment in Israeli ICT infrastructure, or Chinese mergers and acquisitions with Israeli tech firms, Israeli policymakers will constantly have at front of mind that security is always more important than prosperity. While China might be increasingly important for the latter, it won't, and can't, be able to provide the former for Israel.

About the author:

Nicholas Lyall is a Yenching Scholar at the Yenching Academy of Peking University, where he is pursuing research on China's growing involvement in global peace-building and development systems with a particular focus on the Middle East. His research focuses on Middle East affairs, conflict systems, and China in the Middle East.

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