

Join us as we dive deep into China's maritime dynamics with Isaac B. Kardon, a senior fellow for China studies in the Asia Program at the Carnegie Endowment for International Peace. Isaac's expertise in maritime disputes, global port development, and the People's Liberation Army Navy activities sheds light on China's evolving role in shaping international waters. Discover Isaac's groundbreaking book on China's maritime strategies and delve into his research on China's impact beyond its shores. Uncover China's ambitions in global waters, from deep-sea mining to infrastructure development with dual-use functionality to achieve civil-military integration.

Tune in for an engaging discussion on China's maritime might and its implications for the global order and the Middle East and North Africa.

Takeaways:

- China's Maritime Expansion
- Global Maritime Strategy
- Maritime Capabilities and International Maritime Order
- Naval Presence in the Middle East
- Commercial Ports and Industrial Parks
- Geopolitical Implications

Quotes

"The power differentials have become significantly important. It has made your ability to resort to international law as a regional actor less effective and more diluted." - Isaac B. Kardon

"China is heavily invested in transportation infrastructure due to its economic priorities as the world's largest trading nation."-Isaac B. Kardon

Featured in the Episode

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Jonathan Fulton:

Welcome to the China MENA podcast. I'm your host, Jonathan Fulton, a non-resident senior fellow at the Atlantic Council and a political scientist at Said University in Abu Dhabi, United Arab Emirates. China's navy has made significant strides this century, growing in both size and capabilities. It now has the world's largest naval fleet, with over 340 warships. And this increasing capacity signals to many that China's maritime ambitions are to sustain global reach. At the same time, its power projection seems modest, relative to its size and it currently has a single overseas naval base. The

People's Liberation Army Supply Base in Djibouti, which opened in 2017. This base drew a lot of international attention during the Red Sea Crisis, as the Houthis disrupted maritime shipping that passes through 2 vital choke points, Bab el Mandeb and the Suez Canal.

Jonathan Fulton:

There was an expectation that the People's Liberation Army Navy could or should do more to protect these important shipping lanes. That it didn't lead to questions about what kind of role we can expect China to play as a maritime security actor. To answer some of these questions, I'm very happy to be talking with the Doctor. Isaac Hart. Isaac is a senior fellow for China Studies at Carnegie Endowment For International Peace. And he's also an adjunct professor at John Hopkins. His research centers on China's maritime power, with specialization in maritime disputes and the international law of the sea, PRC, Global Port Development, PLA, Overseas Basing and China Pakistan Relations. He is also the author of a recent book that's been getting great reviews, China's Law of the Sea, the New Rules of Maritime Order, which was published with Yale University Press last year.

Jonathan Fulton:

Isaac, welcome to the show.

Isaac B. Kardon:

Jonathan, thanks so much for having me.

Jonathan Fulton:

Yeah. You've been on the list for a long time, and, you know, recent events make your research focus very, very timely. So great to have you.

Isaac B. Kardon:

Well, yeah, interested to dig into those questions you've raised.

Jonathan Fulton:

Okay. Well, let's get right into it then. Can start, promoting your book right out of the gate. So, feel free to be shameless in promoting your book. You know, that's what it's there for. So your book talks about

Isaac B. Kardon:

Don't don't tempt me.

Jonathan Fulton:

Yeah. Yeah. I mean, I've it's, you know, academic. It's an occupational hazard for all of us, I think. So your book talks about the geopolitics of China's maritime disputes, and asks whether China is trying to challenge the global order. And what's great about it is you've got a very interesting case. You're using the international law of the sea as a case study. Can you briefly give us an overview of China's law of the sea?

Isaac B. Kardon:

Well, the first thing to say is it's a long and detailed book, so definitely do pick it up. So the basic motivation for this, as you rightly observed, is to look at the law of the sea as an instance of China's relationship to international order. And there are a lot of reasons why I think the law of the sea is really one of the most important, if not necessarily the most representative, place to look at the nature of China's relationship to order. And what China's law of the sea is is basically a detailed study of the ways that China has tried to develop and use certain rules to advance its maritime interest. And so it's very much a story about its relationship to the international legal system, and the rules that compose it. And I get to this kinda really literal minded focus on rules, specific rules of the law of the sea, particularly those enshrined in the UN Convention on the Law of the Sea, UNCLOS, the biggest multilateral treaty in the international system other than the UN Charter itself. And the reason I'm so literal minded about it is that basically any conception of order that we can come up with whether from a an extreme kind of realpolitik standpoint where rules and law are really just a reflection of the of the hegemonic power in a system or from a more liberal, frame of mind where rules actually constitute and build up the the structure of the system. In either event, we're gonna be interested in rules, and I'd argue we're gonna be interested in rules of international law as the most concrete types of rules and norms in the system.

Isaac B. Kardon:

And the law of the sea is really encompassing some of the most significant disputes and conflicts and international security problems that China confronts. If we look across its

periphery, we see that it's remarkably settled most of its land boundary disputes over the course of its short history, with the sole exception of India and Bhutan, which are not in the in tribally on the least, but are reflective of a general, pacification of that frontier. Whereas when we look at the maritime domain, every single boundary that China could have in its maritime space is disputed. That's a function of sovereignty disputes. It's a function of, in my view, their way of understanding and using the law, which I call China's law of the sea.

Jonathan Fulton:

Cool. So, you know, when we're talking about order and this is something I think all of us, if you're doing IR, if you're doing security studies, international order has gone from being kind of an abstraction to something that is really, really concrete, I think, in the way we look at how things are shifting right now. So what capacity does China have to do to challenge international maritime order? And what does that look like in the coming years?

Isaac B. Kardon:

So the short answer is China has great and growing capacity. I'll note that the original title that I was working with for this book was rising power creeping jurisdiction. And there's very much a direct relationship between how much capacity China has in particular to enforce its domestic maritime law with law enforcement capacity, and its ability to change rules. Now I'll give away some of the conclusions of the study, which I didn't get into its empirical details. But I'm really asking because this frustration with order is such a nebulous concept, trying to focus on this concrete set of questions. And so I look at individual rules to my estimate, all of the specific rules that China really has a dispute, an international dispute with either neighbors or extra regional powers like the United States about. And I try to assess according to the same standard, are they doing the things that under international law, under a basic interpretation of international law, meet some necessary threshold where they could be changing the rules? And the short answer is, in most cases, the answer is no. And the reason is other countries don't much like what China is doing in this space.

Isaac B. Kardon:

And it does take some acquiescence at a minimum, if not acceptance for practices, the activities of a powerful state to really start to be codified or recognized as norms. What we see is more that China is not changing the rules themselves so much as it's changing the environment in which those rules might actually bear on state behavior. And overall, I would say, making the rules less effective is sort of the upshot of the study. International law from a Chinese perspective is an important part of maritime, excuse me, is an important part of international order. When you hear their officials, including this senior most leadership, talk about international order and international law, we often hear this discussion about the UN centric international system. And I think we can afford to take them at their word in at least one significant way here, which is that they're very focused on challenging the system from within its basic institutional framework. The United Nations system does not necessarily entail that many substantive norms as far as China's maritime disputes are concerned, but it means one big thing, and it is sovereignty is going to be the core consideration in any of these disputes. And that's what we see as a potential challenge to international maritime order that I think we can start to track empirically is just how much control the coastal states have over maritime space that they claim.

Isaac B. Kardon:

Just how much can they creep their jurisdiction out into maritime space? And I'd say even more specifically, it's just how much can China do because what they're doing is not going to be replicated elsewhere. There's nobody with whom I believe the US National Security Strategy talks about, sort of the combination of power and intent, and recognizing China is the only power that has those requisite levels of capability and intent. And I think the problem that China runs into is that they are not meeting a very receptive international audience when it comes to their maritime disputes. Because in each of those cases, there's some other aggrieved party with some other version of the rules. And now we sort of come to the question, and I suppose I'll leave off here because we can talk about it in its concrete forms of what's that interaction like between power and the rules? And what we see is generally that China has made the rules less effective in maritime East Asia. It's very difficult for you to enforce your rights under the United Nations Convention on the Law of the Sea. If you're Vietnam, if you're the Philippines, if you're Malaysia, if you're Brunei, if you're Japan in many cases, the power differentials have come to matter significantly. They've made your ability to to have recourse to international law as a regional actor in particular, less effective, more dilute.

Jonathan Fulton:

So that's really interesting because when you're talking about that, I mean, when you say countries like, you know, Malaysia, Indonesia, even Japan, of course, you know, that that that, asymmetry works in China's favor, but it doesn't work in China's favor with everybody. Right? Like, when they're antagonizing every country in their region or if every country feels that China's actions are threatening their sovereignty in the maritime domain, which leads to a whole lot of other issues in terms of just hard security and trade and investment and development and everything. So I mean, doesn't this seem somewhat shortsighted on China's side? You know, by trying to push up against the rules of the, you know, the so called rules of the order, they're actually putting themselves in a less secure spot. Because they're not only pushing against the US and its allies and partners, but also against all of its neighbors. Making its potential to kind of expand its presence beyond the region that much harder.

Isaac B. Kardon:

Yeah. And, you know, this is a pattern that we've seen for a long time. I think the negative reactions of the region or of other claimants have been pretty plain to see, and you think also for Chinese leadership for all this time. But I think ultimately, it forces us to ask the question of why have they persisted in this assertiveness as the original kinda meme about how to understand this. Why is it that in this particular area of its foreign policy, even in sort of at the tail end of what they used to call China's charm offensive in Southeast Asia in particular? Why did they just remove the charm and it became offensive? They started being very assertive with foreign with fishing vessels, for example, of from Vietnam that had historically fished in the in, on the west and east side of the median line, started kidnapping and arresting them, started pushing the Filipinos around much harder, started, ultimately, a few years later, building up island, artificial island bases and facilities, to support this coast guard and potentially naval and other military presence. And I think the reason that they've been willing to pay these costs has to do with a sense of sovereignty being their most core interest. As I was saying before, what can we really pull out and, you know, having had the chance to reflect a little bit on not just the law of the sea, but a bunch of different regimes, now that the book is safely behind me and used to be off camera. What we can say is that whatever China whatever else China thinks of it as its international priorities, the protection of its sovereign integrity and the, sort of, the political security and stability of the Central Party regime being intimately linked to this sense of the sovereign unity of China, which includes, of course, Taiwan and their conception of it.

Isaac B. Kardon:

You can start to understand why these maritime issues, of which Taiwan is, of course, 1. It is 1 not unlike the South China Sea Island Islands and emphatically not unlike the East China Sea Islands. It is part of the same end of World War 2 in which Japan surrendered these territories effectively into the ether. Not not to 1 or the other China, not to any of the other claimants, but rather simply surrendered them because of these sovereignty issues. Understanding why China is so fixated on these sovereignty issues, and in particular, the question of Taiwan is well beyond our scope here. But I think, for me, it explains why actions that appear counterproductive, that appear to run against China's interest if we were to take them again at their word that they care about the law of the sea and want to advance the progressive development of international law and make the UN the centerpiece of the international system. I think those things are all of a piece with the sense from China that its most core interest in its sovereign integrity is challenged in this case, and it's willing to accept quite a lot of quite a lot of cost for it. And if, if we listen to how they project out the evolution of the international system, maybe we can see why.

Isaac B. Kardon:

This idea that we're already in a multi polar world rather than its sort of, on its way. We're starting to hear from senior diplomats and from Xi Jinping himself this idea that multipolarity is not this projected future state, but rather we're in that circumstance now. And I think roughly what that means from the standpoint of the international legal system is something recognizable to an older generation of international relations scholars as like spheres of influence. And, again, when I think about where China has the capacity to challenge maritime order, I think it's really concentrated in East Asia. And I know you wanna pull us out and start talking about other regions. And it'll be interesting to make that contrast explicit as we do that. Those other regions are areas in which I wouldn't say China is indifferent to international law. They certainly are focused on their overseas interest, but there's no direct bearing on Chinese sovereignty.

Isaac B. Kardon:

There is no need for China to focus on international legal conflict as a centerpiece of its problems. And so we see an entirely different set of priorities. I think, unfortunately, for the region, in particular, where there's many agreed states who don't get to have an exclusive economic zone, don't get to enjoy the resources that they're entitled to under international law. I think, unfortunately, for them, that power dynamic, as my colleague and mentor, Peter Dutton, has referred to this sort of balance between power and

institutional mechanisms in international order. That's something that they just have to contend with on a daily and practical basis. And the fact of China's extraordinary coast guard capacity, fisheries capacity, not to mention naval capacity, which we'll start to talk about, makes international law much less effective in that maritime literal there in East Asia.

Jonathan Fulton:

Yeah. So when you talk about core interests and and, it just made me think of Susan Shirk's book from last year, I guess, *Overreach*. And she writes about how, you know, you mentioned that period of new assertiveness. And, you know, right around the later years of the second Hu Jintao administration. She writes about how the South China Sea evolved as one of the core interests, which previously were all very domestic. Right? And now she's saying there's this more expansionist view of it. And if you were in Southeast Asia, you would have felt that because there was that ASEAN summit, in 2010, when Yangtze kind of let the quiet part out. We said, you know, we're a big state.

Jonathan Fulton:

You're a small state, so you just have to accept this. And it's interesting because I think I agree completely with your assertion that East Asia is where this is more tangible, and this is where it matters most to China. But, of course, you know, where I am in the Gulf region, a lot of those countries that are affected by this area are very important customers and investment partners for Gulf countries. A lot of the shipping that goes both directions is affected by that. Right? It passes through the South China Sea. So, you know, it's hard to look at this and say, well, this is a regional issue because it has spillover effects that really just go across the entire IOR and land right here eventually. Which is a great segue, I think, to you know, bringing the Middle East into this.

Isaac B. Kardon:

Absolutely.

Jonathan Fulton:

Yeah. So we don't see, you know, a lot of Chinese naval presence here. There's a planned supply base in Djibouti. This has been used in support of the anti piracy mission since, you know, well, since 2017, but they've been here since, I believe, 2008. There's been a lot of porta calls in Oman and in the Emirates. There's been joint naval drills with the Saudis and the Iranians. But beyond that, there hasn't really been a whole lot, you know. So do you anticipate that's going to change? Can we expect to see the People Liberation Army Navy playing a big role in the Middle Eastern affairs?

Isaac B. Kardon:

So this is a really important question about, you know, what sort of an international order we're likely to have. And I wish I had a crystal ball to say exactly what the sort of planning parameters are for, let's say, particularly the People's Liberation Army. But I think you can say with confidence, it is gonna change, especially in the Middle East region because as you rightly note, that Indian Ocean kinda trunk line connecting Chinese population centers in the East Coast of China to oil and gas in the Middle East, to minerals, to markets in Europe, to all of this sort of essential lifeblood of their economic system, has already driven a lot of PLA deployments. You mentioned the base at Djibouti. That is very much sort of the western end of this chain, and what we've seen across, the rest of the expanse of the Indian Ocean is a variety of commercial facilities that the PLA has made increasingly intensive use of just to sustain its deployments across the Indian Ocean region. So there's no reason to expect that that particular trend is not gonna continue to grow. They started sailing into the Indian Ocean region in 1985, making visits to some of their friends in, in Bangladesh and Pakistan in particular. And, basically, it's a secular linear trend all the way up to now.

Isaac B. Kardon:

The question is, what are some of those considerations that might bend that curve and might either accelerate or perhaps, decelerate this process. And I think, unfortunately, the extraordinary turmoil in the Red Sea now and in the region generally is not something that the PLA or that Chinese civilian strategic thinkers look at as being a sustainable situation over the long term. Because it is China disproportionately that relies on these trade flows moving east and west across this lane, the idea that there's gonna be some permanent, kinda obstacle or separation in it might be manageable from the standpoint of shipping taking the long way around. We haven't stopped any of the, the one way, maritime choke points like Hormuz, for example. But those are some of the things where you'd say, China does have this latent capability. They do have a

light facing footprint, but also a quite formidable blue water navy, an ability to sustain forces on, on station in places like the Gulf of Aden or potentially in the Persian Gulf, Arabian Gulf as your preference dictates. And yet the questions for them are, why do it if the United States is committed to free navigation as one of one of its core interests? You know, if we think about what are some of the parallels to China's designation of sovereignty over islands to include some things that really don't belong in the same sentence as, you know, say, Taiwan, which is also a question of sovereignty. The United States, I think, also has a similar big expansive category of a core interest that has to do with free navigation, and China can really bank on that in a lot of respects.

Isaac B. Kardon:

We've shown a credible commitment to pay significant cost, both in terms of, lives and material, but also it's probably diplomatic cost and reputational cost of fight fighting against Houthi rebels who are interfering with free navigation and not having much, to show for it in terms of protecting that commercial flows that we're hoping to see. And so I think, again, China is quite confident that the United States is gonna remain committed to it. And so I think that's put them in a situation where they're just gonna exploit their particular, short term advantages in this situation. The fact that they're not being directly targeted. But over the long term, they're watching themselves become more and more dependent on a set of US core interests and free navigation that the United States might not be able to uphold, and certainly might not be willing over time. And I guess the last thing to say is if we tack back to this idea that China believes we are in a multipolar world, and in particular, what that means is the United States has declined relatively, will continue to decline. We hear the east is rising and the west is falling. If that's the case, this seems strategically quite unsound unless China thinks free navigation is maybe not so essential to its economic model.

Isaac B. Kardon:

But we don't. That's one of the things that could bend the curve too. But what we see, in fact, is increasing dependence on oil imported from the Middle East. Every year that ticks up, and somehow, even as China pursues these more, say, high minded economic development goals, what we see is a great intensity of its dependence on imported commodities, especially this oil and gas coming from the region. And so, yeah. I think just to to, to sum it all up, we should certainly expect it to change. And I think it's gonna be really contingency based whether or not you see a more, assertive set of actions on the part of the PLA. But I feel pretty confident in saying unless and until there is some

major acute blockage and risk to individual Chinese vessels, assets, citizens, this idea of Chinese overseas interest. I think we're just watching more of a gradual process of building capacity, building confidence, building a network of dual use commercial facilities that can sustain some level of military presence.

Isaac B. Kardon:

But nothing intended to replicate, say, the footprint of CENTCOM in the region. There's no trajectory that we're watching now by which a series of marginal changes to China's posture is gonna produce that. That's something that requires major discontinuity, some major rupture in the system. And I think, I won't speculate on that other than to say that this sort of geopolitical conflict appears more probable now than it did, say, 5 or 10 years ago, I think, from the standpoint of Chinese analysts. It's not just in your region or or, or in Washington where we're feeling that kind of disorder and instability. And so with that in mind, I think there's a lot more potential for China to revisit some of its assumptions about what is the nature of the military capability that we need to have out of the area? What do we need to do to protect our overseas interest in an environment where the United States is less capable and perhaps less interested in providing this public good of free navigation, if they can even do it, which I think has gotta be a serious question, Vijay.

Jonathan Fulton:

Yeah. You know, I keep thinking about it. I've been reading a lot of Chinese analysts, talking about what the current, you know, situation in the Middle East says about, you know, it's always framed as a response to US hegemony. And there seems to be a very triumphalist, you know, it's over, and now we're entering this new order, this new multipolarity that you're describing. And I keep thinking, okay. Well, I don't know if I will buy that yet. But even if I do, you should be careful what you wish for, you know, because it's not like it's going to be, hey. The US is out, and it's an easy march for China to just increase its capacity. Because as you just described a few minutes ago, it's been antagonizing a lot of pretty powerful Asian powers.

Jonathan Fulton:

You know, Japan, Australia, India, Korea. They're making their own neighborhood a lot more competitive too. So it's not like it's going to be an easy waltz out of the South

China Sea or the East China Sea to global domination, because they've really made their own strategic landscape a lot more complicated than I think they had to. I want to come back to what you're talking about with these commercial ports in a couple of minutes because I think this is a really interesting thing that doesn't get talked about a lot. But before I do, I just have to talk a little or I've got to ask you a little bit about this base in Djibouti because Sure. It really seems to confound a lot of people, you know, especially with the attacks on Red Sea shipping. Everybody kept saying, look. China's got warships in the Red Sea.

Jonathan Fulton:

Why aren't they doing something? And there seems to be this expectation that, you know, this is a facility that China could use to project power in a region where they have a lot of interests, a lot of assets, a lot of expat citizens, why didn't they do it? So just what's your take? How does this base feature in China's maritime strategy? Does it represent a challenge to the interests of the US and America's allies in the region?

Isaac B. Kardon:

Well, I guess, first of all, thanks for the good, focused question. I think that facility at Djibouti is really important. And going from 0 overseas basis to 1 is a really fundamental qualitative change in Chinese foreign policy. And I think we've, maybe that's been lost over the last, 7 years that that is really quite remarkable. And you have to think that going from 1 to 2 or more is a much easier political feat. It really required a major change in orientation. As to why they're standing idly by in the midst of a of a protracted crisis that does challenge Chinese, interest in the region is on the the first thing to say is the naval escort task forces that have been out in Aden from the Chinese PLA naval escort task forces have been operating in and around the Gulf of Aden and using the facility at Djibouti since 2008 are still on-site. And if you look at some of the Chinese ship owners websites, which I'm sure most people don't, you'll see they're still running the same tracks that they have done in the Gulf of Aden as a it's sort of a standardized, operational pattern where they're in communication in particular with Chinese shipping.

Isaac B. Kardon:

But they're not involved in trying to intercept any rockets or drones, of course. They're certainly not taking the fight to the Houthis in Yemen by any stretch of the imagination.

They're sitting on the sidelines and criticizing the Americans for being responsible for the Houthi aggression in some way. So the short and kinda dirty explanation for why that is, of course, Chinese shipping is not being targeted. We don't wanna miss that. I don't wanna be misconstrued saying that there's not some short term benefit for China in all of this. They are exploiting the short term benefit of other countries not being willing to push their flag shipping through a channel that now has very costly war insurance risk. And that now, the cost to, you know, the cost of your container, has quintupled, I think, as of, as of February.

Isaac B. Kardon:

We could double check. There's been a lot of flux in the system. But, basically, they don't perceive an acute threat to Chinese personnel, Chinese assets, this sort of narrowly circumscribed set of things that are Chinese overseas interests. So I think that, you know, that goes a long way towards why they have not moved to action. Another thing to say is and this gets to the history of the Djibouti base is, it took a lot of stars aligning for the decision in Beijing to be reached that they were gonna go from 0 to 1, that you're gonna radically transform this seemingly ideological stance against something like overseas bases. They certainly got a lot of mileage out of criticizing Americans and Europeans, and others for availing themselves of these overseas basing opportunities. But one of the big reasons that they were able to, sort of clear some of those blockages was that there was a UN resolution authorizing this counter piracy action in Yemen that back to this discussion of what they think of as being the core ordering institutions. It's basically a dilute UN that does very little, but the few things it does will certainly reflect at a minimum a member of the UN Security Council's view of what is necessary in the international security environment.

Isaac B. Kardon:

And so they have, I'd say, a very high threshold for what would lead them to be involved in a multinational, multilateral security effort like the United States is trying to lead in the Red Sea region. Those stars might well align, under some circumstances, you could envision this crisis in the Red Sea, protracting over weeks months and ultimately causing even more severe disruptions that would create the the, conditions under which you would have something like a UN authorized I don't know what I don't know what you would, describe the campaign as being. It's hard to imagine the UN authorizing any attacks on targets in Yemen, for example. But you could imagine China being much more involved in some sort of escort convoy operation, for example. I think I would say

actually that UN authorization might be pretty close to a necessary condition for that. I don't think under the current circumstances that, absence of radical change to Houthi's beginning to really target Chinese vessels or, Chinese infrastructure in Saudi or in the UAE or elsewhere as they have done in, in the past or the, you know, the Yanbu refinery in in in Saudi, for example. You could think of a couple of things where China would say, That's a reality that really hurts. That's an overseas interest.

Isaac B. Kardon:

We need to show why we have military capacity in this region to begin with. There'll be some demand for it, from, from back home, and I would also think from the region. And I'm actually curious about your sense of how this is perceived in the region. To me, reputationally, it can't really, redound to China's, kind of prestige in the region as a major security player or as a potential balancer of American power in the region for them to be pretty passive. But I'm also pretty naive about how regional, regional actors in the Middle East, North Africa think about anything. So I'm curious if that's a reasonable assessment from your perspective.

Jonathan Fulton:

I think that's fair. You know, everything from December 22 when Xi Jinping went to Riyadh for that series of summits, and then he welcomed president Raisi of Iran 2 months later. And then they had, of course, the rapprochement between the Saudis and the Iranians and the expansion of BRICS and Shanghai Cooperation Organization. And, you know, had the prime minister or president Abbas visit. And, you know, all of this activity created an impression of China playing a bigger role. You know? Yeah. There's always been that knock. Right? You're focused on economic stuff.

Jonathan Fulton:

We need more than that from a great power. We need political and security support. And it seemed, I think, to a lot of people here that that was that that was the signal we were getting. You know? Everybody kept contrasting Xi's visit with president Biden's visit, you know, a few months earlier and saying, you know, this is evidence of a shift. I think, and this is speculation, but just talking to people around the region, their interests, you know, everything that they were trying to do before October 7th was focusing on the escalating regional tensions to draw an FDI, to draw international companies that can

help them achieve their development agendas. And a big part of that was dealing with the war in Yemen. So when the Houthis start to destabilize again in the Red Sea, I think there's an expectation from a lot of regional actors that important ex regional partners are going to help them. And when China basically said, Well, you're not hitting us.

Jonathan Fulton:

I think that was probably disappointing. I don't know if disappointment is a word. But I think it was just this realization that, hey, maybe we shouldn't expect, maybe we're projecting what we think a great power should look like onto China. And maybe that's just not who China is. So I think I agree with you. I think it does actually speak volumes, you know, about what kind of power we can expect it to be around here.

Isaac B. Kardon:

Yeah. Well, I I I'm, I appreciate that perspective. And I think this idea that China is, if so fact, a substitute for the United States as a security player in the region has been, sort of, resoundingly defeated in reality. That's not something that China aspires to do. That's not something that they're postured to do. And I think the quicker the region can readjust their expectations about what China is likely to do, I think the happier we'll all be probably.

Jonathan Fulton:

Absolutely agree. So coming back to these commercial ports and industrial parks, this is something you know, there's this never ending rumor about what China is doing in the Abu Dhabi port here, Khalifa port, Ki Zad. I think a lot of folks have a hard time accepting that these are primarily commercial. There's an expectation they're going to be dual purpose. But I think also, you could see a few years ago, I think it was in 2018, there was a China Arab States Cooperation Forum. And Foreign Minister Wang Yi rolled out this wonderfully titled initiative called the Industrial Park Port Connectivity 2 Wheel, 2 Wing Approach. It rolls off the tongue. And it was interesting for folks here because you could see there has been a lot of investment at Qizad and Abu Dhabi.

Jonathan Fulton:

There have been investments still coming along. There's an industrial park in Saudi and the facility in Djibouti and a couple of ports and parks in Egypt and, of course, in Haifa and in Gwadar. And what you start to see was what looked like a series of unconnected projects were starting to look like kind of a connective tissue, you know, that were kind of bridging Chinese interests across the region and getting you into the med where, of course, you know, you being the biggest trading partner. You've written a really great article, I believe, with security studies last year. Right? Or was it the year before on China's ports?

Isaac B. Kardon:

I've got one in international security called peer competitor that really kinda details the whole portfolio to add another pawn into the mix, if that's okay.

Jonathan Fulton:

Nice. But yeah. So I mean so if you're sitting here in the Middle East and you look at this and you think, well, this is an unusual configuration that's used like you said, we're used to bases. We're used to Turkey, France, and the UK, and the US with military hardware, and then China comes in with ports and industrial parks. Is this consistent, you know, from your research about looking at China's, you know, portfolio, which is wonderful. You know, is that kind of approach?

Isaac B. Kardon:

Yeah. And I think, you know, it's good it's nested in the discussion we were just having about not expecting to see the, you know, traditional military forward great power to the extent that is even a traditional pattern. It's at least that's the prevailing norm from the 20th century. And what we're seeing from China 21st is 1st and foremost is that their economic motivations are the primary ones and the security ones are derivative of that. I think, again, they've put their money where their mouth is. China is the only power that is developing from soup to nuts, these industrial park type projects. Nobody does it at this scale. And as you rightly note, there's a network effect that arises from.

Isaac B. Kardon:

And that's really what that piece is about, the same. You know, the individual ports are very interesting, but what we wanna look at is what is China's position in this network for it from a security standpoint? And the basic logic of it is that China's primarily focused on its economic development, and that's why it's invested so heavily in so much of this transportation infrastructure because, of course, China is a highly trade dependent economy, the biggest trading nation in the world. And in particular, as I said, commodity imports going across the Indian Ocean, whether it's oil and gas or minerals, or ag or any number of other things that are essential, that's the strategic object. And so then the question is, what are we gonna do under this international system, not some, you know, historical one that has led other great powers to do other things? What is China meant to do under this system in which there's probably not a lot of scope for China to develop an overseas basing network that rivals the United States. The historical particularities by which that particular capacity developed are not gonna be replicated by China under the current system. And I think what we've seen is they've been arguably the biggest beneficiary of the open globalized liberal trading and monetary and investment system that's evolved over the course of the post war period, and that appears to be facing some profound strains now. And, therefore, what they need to do is continue to exploit that and then figure out, well, what's the level of security that we need to protect our discreet overseas interest? And I think that's really the framing that makes observations about what they're doing make the most sense to me. It's that these economic assets now generate significant security risk.

Isaac B. Kardon:

As you'll well know, Chinese workers are subject to attacks and kidnapping, and Chinese assets have been destroyed or, or seized at huge scale. For example, in Libya in 2011, you know, you hear a lot about the loss of life and the horrible war, and civil war that ensued. But in China, mostly, you hear about \$20,000,000,000 of investment that got flushed down the toilet. And those are the sorts of things that I think have made this portfolio of the infrastructure assets look so important to the military planners and to people in Beijing and the party state who are tasked with thinking holistically about China's national security. And I think if we take again, take seriously what they say about how they are oriented with respect to national security, Xi Jinping's holistic national security concept or comprehensive national security concept describes security as the prerequisite for development. That's sort of a new gloss on a relationship that used to be a little more balanced. It now clearly puts security in front. And I think we see exactly that movement going on in China's overseas assets where you say, yes.

Isaac B. Kardon:

The initial impulse is economic development. It's quite logical that China is willing to, you know, maybe take some quarterly losses investing in assets that don't smell so good to to US private equity firms, for example, because they have this strategic interest in having a high level of connectivity and high levels of control over their own flows of critical minerals, oil guests, etcetera. Just how militarized they can get is part of the question that we're asking. And if I haven't been clear on it, I'll try and emphasize it again. I don't anticipate that these are becoming based on the order of, you know, sort of the dedicated facilities that we're familiar with, from a US perspective. Like, Yokosuka or Manama and Bahrain. Right? This is not where those are trending. And if you're trying to look at indicators and warnings about those developing, I think you're gonna miss the boat.

Isaac B. Kardon:

It's more like, what are the missions that now exist as a result of these overseas interests being so widely distributed and growing? What is that mission set? And then what is the potential support available to them in that particular region. And I think when we start to think about cobbling together the different capacities that I can get from these many facilities, whether at Khalifa, or Gwadar if you're there in in, the gulf or further up in Kuwait and Iraq where we've also seen, a lot more construction activity and not as much operations from China. And you basically see if what they wanna do is have some naval capability on station, be able to sustain its logistics, be able to collect some intelligence, be able to do perhaps some limited escort convoy in a pinch. Those are the sorts of capabilities that you can reasonably expect to get out of commercial facilities. And those are just about the highest end of military activities that we could envision under the current circumstances. Again, I'll tack back. You were asking about, you know, what should we expect to see change? And I ended up really coming down on it's gonna be contingency based. That's weaseling out of the question.

Isaac B. Kardon:

But unless there's some major breach, you would expect them to continue to muddle through along the path we're going. Which is to say, they'll get gradually, marginally more military utility out of various commercial facilities. I think the one at Khalifa has a particularly high upside because they're trying to negotiate for actual honest to goodness PLA access. I don't think that's the case across the board, in some of these

other facilities. But what they get out of them are the same things that the US Navy or any other global Navy gets out of commercial facilities. Resupply replenishment, liberty for the sailors, board ability to swap crews, ability to do some limited repairs. And I guess I'll, I'll close by noting. We do see less limited repairs going on at some of the Chinese facilities.

Isaac B. Kardon:

The idea of conducting a technical stop is something that PLA sources reported on at least 9 occasions over the last 10 years where they said this call at a commercial port was something significantly more than just resupplying and refueling. We don't have the exquisite details of whether they did a, you know, a full overhaul on a naval vessel. It seems unlikely. But at least some maintenance, perhaps installing some specialized parts. And so what we're seeing is, again, a gradual, cautious expansion of the range of things that Chinese military forces are gonna be able to do operating out of area, But still quite modest relative to, again, the capacity and capability that Ascentcom brings to bear. There's not really a pathway towards that that I can envision.

Jonathan Fulton:

Isaac, this has been really great, man. I think a lot of people in the region who have, like I said, there's been a lot more questions than answers lately, and I think this will go a long way to helping people try to work their way through some of it because it's been a confusing period. And, you know, I think that that's probably true right across the map. But, here especially, it's been pretty tense lately and a lot of questions, and, so this is very helpful. Thanks a lot, man.

Isaac B. Kardon:

Well, consider me confused too, but I hope I've been able to at least, provide some food for thought. And, yeah, I really appreciate your insights and the opportunity to join you, Jonathan. This is really fascinating.

Jonathan Fulton:

Excellent. Thanks a lot. To our listeners, thanks for joining us again. And, we've got another great show lined up pretty soon, so, stick around. And make sure you like and rate and subscribe and all that good podcast stuff, and we'll see you in a couple of weeks. Thank you very much.