

Amb. Chas Freeman: China's Iran Strategy: Energy, Not Allies

See Full Interview: https://www.youtube.com/live/xChaB55gA7U?si=myT_oV8uG6DRZD0I Follow me: Substack: https://substack.com/@dialogueworks?utm_campaign=profile&utm_medium=profile-page X (Twitter): https://x.com/Dialogue_NRA Patreon: https://patreon.com/Dialogueworks?utm_medium=unknown&utm_source=join_link&utm_campaign=creatorshare_creator&utm_content=

#Nima

The summit in Beijing between Donald Trump and Xi Jinping — you sent me a text before the summit happened, and you said this summit may be completely inconsequential and could go terribly off track. The chances that much good will come out of it are small. What is your assessment right now, and how did you find it?

#Chas

Well, I think I was right. I think both sides got what they wanted out of it, which was minimal. This was a meeting that affirmed the state of the relationship. It didn't achieve any breakthroughs in it. It didn't even attempt that. In fact, the two sides proclaimed that their objective was constructive strategic stability, meaning not going to war. And as I said, both sides got something out of it. Donald Trump got a lot of pageantry, which was very good for his ego. And it also distracted the public from the Epstein files and the war with Iran, the so-called ceasefire, which isn't a ceasefire between Iran and Israel. I call it a ceasefire with Israeli characteristics, meaning it isn't really a ceasefire. One side ceases fire, the other keeps firing.

Uh, and, uh, anyway, he got some, uh, that, uh, he obviously has a lot of respect for power, and Xi Jinping is a powerful man. Uh, and the two of them talked, and, um, they agreed that they would try to keep the two sides out of trouble. Donald Trump approached Xi Jinping as an equal, not as a subordinate, which is quite different from the way he treats America's allies. There were a number of discussions of trade deals, sales of aircraft, soybeans, and so forth. And, of course, on the war in West Asia, they agreed. China's always had the position that it's the world's largest trading power. It wants the Strait of Hormuz to be open, to be freely navigable by ships. And it does not want Iran to have a new weapon. It is against proliferation. Nothing new there.

The two sides agreed that that was what they wanted. They didn't agree on what to do about it or how to achieve it. Xi Jinping apparently said if he could be helpful, he would be. But I suspect what he meant by that was certainly not military action, but diplomacy. So on the Chinese side, Xi Jinping got to warn Donald Trump about Taiwan in very direct terms, both publicly and privately, to remind

him that that is a ticking time bomb. It is something that has not been solved. Donald Trump had nothing to say about that, apparently. There is an impending arms sale to Taiwan, a very large one, \$14 billion. He said he would decide what he wanted to do about that. I think Xi Jinping also probably was gratified by Donald Trump's desire to see him and treat him as an equal.

This is good for Chinese prestige. Xi Jinping got to play the role of statesman. His reception of Donald Trump was gracious. His statements were full of language about peace and stability and dialogue and other good things. And so I think nothing bad happened. That's good. Something bad could have happened. Nothing much came out of it. We will now see whether any of these so-called trade deals that were discussed actually happen. You know, it's one thing to say, okay, I'm willing to buy 200 Boeing 737s, and it's another thing to negotiate with Boeing on the terms of such a sale. It's one thing to say, I'll buy more soybeans, and another thing to make that happen when you have a surplus of soybeans in storage and you have all the soybeans you want from Brazil, Argentina, and other places.

So I think we can count this as satisfactory — not a great success, but not a disaster. It is good that the two sides are talking. This was the first presidential visit to Beijing in nine years. Evidently, Xi Jinping will visit Washington as he attends the UN General Assembly in September. On September 24th, he's to be at the White House. I assume he will — that's the day, I think, that the General Assembly opens. So presumably he will then go to New York and address the General Assembly. There are other meetings scheduled. There's the APEC meeting, which is to be held in China. There's the G20 meeting to be held in the United States. So there are plenty of opportunities for the leaders to get together.

But I don't think they solved any problems. The American side is still full of people who are quite paranoid about China, not for particularly good reasons. And the Chinese side is still looking out for their own interests and not willing to make sacrifices for the benefit of the United States. And the war in West Asia goes on, even if no one wants it to go on anymore. Donald Trump doesn't want it. He wants to get out of it. Iran would like to have its goals achieved rather than just left hanging. But those goals haven't really been achieved. And so we still have this Israeli-style ceasefire where neither side really has ceased fire.

#Nima

Ambassador, I think you are one of the most important figures to talk about China when it comes to our hemisphere, to the Western part of the world. Because we don't have many people arguing that for China, the most important thing right now is the economy, is the trade, is the money. Everything is money, nothing more than that. They don't have a grand strategy. They don't have some sort of geopolitical mindset. And it's all about trade. It's all about money. Is that the case for China?

#Chas

No, I think the Chinese actually have a very clear idea of what they want and a strategy for achieving it. But the problem that we have is we mirror-image. We look in the mirror and see ourselves, and then we project that image onto China. And we imagine that China wants to replace the United States as the global hegemon. And I don't believe they do. I think what they want to do is be left alone to restore their wealth and power. They want international respect. They don't go around the world the way the United States does, saying you can't have a good relationship with us unless you adopt our ideological principles and you do this, that, and the other. They are very sensitive to insults. They react to those. That is bound up with the Chinese concept of face, which is mianzi in Chinese.

It means the self-respect you get from the respect of people whom you respect. So it is a self-esteem that's based on the opinion of others and their behavior toward you. And the Chinese very much want that. Why? They had a century of what they call humiliation. It was humiliating. They went in 1820 from a third of the global economy to 4% of the global economy in 1945. They're back now almost at a third in terms of purchasing power, if not exchange rates. They were not respected. I just gave a talk at Brown on the Open Door Policy, which the United States adopted in 1899 to 1902. This was John Hay, who was the American Secretary of State at the time, basically saying the United States wants China to be unified, to be respected, to be modernized, to make progress, because we can make money if it does those things.

It's good for us. Well, our policy now is the exact opposite. We don't want China to be unified. We want the civil war division between Taiwan and the mainland to continue. We don't want China to become wealthy and powerful because that threatens our own status. And we project all kinds of things onto China. For example, we assume that they want what the Germans call Lebensraum, meaning additional space for their population, conquering neighboring lands. But they don't. The only thing they want is for their country to return to its historic borders with the end of the Chinese Civil War and some kind of agreed relationship between Taipei and Beijing. So I think there's a great deal of misunderstanding of what they're about.

Basically, they don't care much how foreigners govern ourselves. They have good relations with democracies. They have good relations with dictatorships. They have good relations with military regimes, with kings, monarchs, princes, emirs. They don't care. So they're very different from us, and I think we make a mistake by applying various European-derived concepts of global power politics to the Chinese. They're not easy to deal with. They are different. They have a long history. They're very proud of their history. They have a great many achievements to their credit, but they're not predatory. And yet we assume they are. So I think the Chinese worry mostly about their domestic conditions.

#Nima

And they have problems.

#Chas

They had a real estate bubble, which is very bad. They have had deflation—lowered prices for everything. In some ways that's good. It's not good if you have debt because that makes the debt more burdensome. They have debt, but the debt is all domestic debt. It's not held by foreigners for the most part. And they have political challenges. They have a middle class that is restive, that probably wants more freedom than it has. They have a security apparatus that is quite brutal on occasion. They have a very large number of minorities. Some of them are very big. For example, people don't think about the Bai, who they are, or the Zhuang or the Dai. The Zhuang—there are 43, 44 million Zhuang in China.

These are not Han Chinese. These are people who speak a language related to Thai. So China is full of minorities. It has many tensions as a result. You know, in Western China, Ningxia is dominated by Chinese Muslims. Ironically, it's become a great center of wine culture. Um, but, uh, you know, I guess, uh, Omar Khayyam, you know, I guess he had a little bit of wine once in a while too. Uh, so, um, Xinjiang is, of course, Turkic. Um, Tibet is Tibetan. Um, it's a very complicated country, the descendant of an empire. Uh, and, uh, so I don't think anybody would want to be in the position of Xi Jinping, having to govern 1.4 billion people who are very self-centered.

They're very good business people because they do, as you said, like to make money, and they seem to know how to do it. And I will close by quoting my Thai teacher when I ran the American embassy in Bangkok. I asked her, what is the difference between Chinese people and Thai people? She thought for four seconds and said, ah, Thai people like to buy things. Chinese people like to sell things. And so there's something in that. But I think we misconstrue them. And, you know, I agree with John Mearsheimer on many things, but not on this. I don't think he has a correct understanding of cultural differences and history in Pacific Asia that differentiate China from its neighbors and from the European experience.

#Nima

My understanding of China is that they have somehow changed since the war in Ukraine started. We had China before the war in Ukraine and China in the aftermath of the war in Ukraine. And right now, in the Middle East, it's the same case. You see a different sort of attitude on the part of China. They're not in the background; they're coming to the forefront. Their foreign policy is getting more, you know, somehow... in some ways, but they're trying to do something with their foreign policy. They were not participating that much before these two conflicts.

#Chas

They've become much less passive, I agree, more active—but active about what? Here again, you and I have discussed this briefly before. The Chinese have risen to wealth and power in the American-sponsored post-World War II order. They value that. That is an order based on the United

Nations, international law, rules, comity—meaning reciprocity in diplomatic relations—and it's based ultimately on the Peace of Westphalia, which is summarized in the five principles of peaceful coexistence that China espouses, with a big emphasis on sovereignty, non-interference in internal affairs, mutual benefit, and mutual respect. This is what they want.

It's not what the world looks like these days, because the United States basically has torn apart the world that we created after World War II. And there are no rules. I see this particularly clearly in the case of the Strait of Hormuz. The law of the sea was created basically by the British Navy and the American Navy over the course of 263 years. In 1763, the British achieved naval supremacy over the French. They confirmed that in 1805 at Trafalgar, the Battle of Trafalgar. In 1943, in March—the beginning of March, my birthday actually—there was a battle called the Battle of the Bismarck Sea, north of Australia in the South Pacific. That was the furthest extent of the Japanese Navy.

Well, the Japanese Navy had bested the British Navy. So basically, the baton of global maritime supremacy passed from Britain to the United States Navy. And for a long time, the United States Navy has felt that one of its major purposes was to enforce the rules, which are now incorporated into the UN Convention on the Law of the Sea. Well, what that convention says and what international law traditionally says about straits—meaning narrow bodies of water that connect two larger international waters, or high seas, oceans, or seas—is that passage through straits must be free and unimpeded. Iran has just changed that. And I don't think it's going to go back to the Anglo-American rule set.

In fact, we're hearing others—Indonesia, for example—which has three major straits either alongside it, in the Strait of Malacca, or through it, in the case of the other two, Lombok and so on—that they are talking about charging fees on the Iranian model and controlling these straits. And I think we're going to see more of this. Iran has set a precedent which undoes the American maritime hegemony. It's not going to continue. So what we're watching is the disappearance of the rules formulated over 500 years of European and American dominance of the world, or 263 years—250-plus years—of Anglo-American dominance of the oceans. And something new is coming out. What is coming out, we don't know.

But at the moment, it's pretty anarchic. So the Chinese don't like this. One of their major objectives with regard to the war in Ukraine, where they have not recognized either the Russian annexation of Crimea or the Russian annexation of Donbass—of the four oblasts, that is, Luhansk, Donetsk, Zaporizhzhia, and Kherson—they have not recognized these territorial changes. Why? Because they don't consider them legitimate. Now, in the end, they will accept them if both sides come to an agreement—that is, Ukraine and Russia agree that these are not part of Ukraine, they're part of the Russian Federation, or they're independent, or something. The Chinese will accept that.

Similarly, in the case of the war in West Asia, they don't accept the American idea that you can attack Iran for no reason—no stated reason. They don't accept that the United States has the right unilaterally to enforce the Non-Proliferation Treaty against Iran. They don't accept that the United

States has the right to abandon the framework of the JCPOA after it was approved by the Security Council. They don't accept American sanctions because the UN Charter requires sanctions to be approved by the Security Council. Therefore, from their point of view, the American sanctions on them and everyone else are unilateral and illegitimate.

So here is the great irony. That is to say, after World War II, China underwent a revolution. It had a civil war between the Kuomintang, which still is the major opposition party in Taiwan and ran Taiwan for quite a while, and the Communist Party. The Communist Party won. And in 1949, the People's Republic of China was proclaimed. And in the very early 1950s, it was an outlaw internationally. It was not represented in the United Nations. Taipei, the defeated government of Chiang Kai-shek, continued to represent China in the Security Council and in the General Assembly. The Chinese mainland was outside that framework.

Here's the irony. They were the opponents of the UN system. They are now the strongest defenders of the UN system. And the United States, whose idea the UN system was, is now opposed to it. The United States has withdrawn from, I think, about 60 international organizations and 32 UN specialized agencies that it has just walked away from. We Americans are not respecting the rule of law internationally. China is. China is actually making a huge effort to use those international institutions, the UN and other organizations, to promote its interests. This is what the United States did in an earlier period.

So we look at the World Health Organization. The United States has withdrawn. China is now increasingly active, and so on and so forth. So to go back to your earlier question, I think they have a strategy. I think they have an objective. That objective is to restore or preserve, if possible, the post-war, post-World War II international order based on international law formulated through consensus, and to do that in a way that reinforces national sovereignty and freedom from regime change operations and other things. So this is all very ironic. And I don't know that we have an answer to the rise of Chinese power in this regard.

You know, when they have been frustrated, as they have been, for example, with the World Bank, which is supposed to be an agency to promote the development of less developed countries, has not been reformed. It still has the old voting rights pattern of previous years. China's now, in some ways, the biggest economy in the world. It's underrepresented. The United States has not appropriated money to increase funding for development. So what do we get? We get the Asian Infrastructure Investment Bank, led by China, headquartered in Shanghai, and with almost universal membership—a new institution which follows the same rules as the World Bank.

What do we get? We get the New Development Bank. Your own country is a prominent member of that. We get the BRICS. We get the Shanghai Cooperation Organization. So if China is not allowed to use existing institutions because they are dominated by the United States and the United States is hostile to China, then it finds ways to create new institutions to get the job done. And that is what is happening. So I just end up by saying China now has the ability to defend itself. Apparently, the

ability of China to defend itself is regarded as aggression by the United States. Why? That's a rather strange inversion.

So China does not have naval forces or an air force stationed along U.S. borders or in South America. The U.S. does, along China's borders. And yet somehow China's a threat. Well, what is it a threat to? It is a threat to American amour-propre, self-esteem, prestige, primacy. It's not a threat to the United States. And to his credit, Donald Trump seems to have recognized that, you know, maybe the United States to some extent can withdraw from the world, but it cannot afford to alienate and fail to work with China. There are too many problems that cannot be solved or even addressed without cooperation between these two great countries.

And so there he is in China. Of course, he doesn't believe in climate change. He's not interested in promoting green energy. He wants fossil fuels to remain dominant. He leads a country which has banned electric vehicles when they are taking off everywhere else. And yet he has apparently recognized that we need to work with China if we are going to solve any problems, including the ones with Iran. China will have to be part of whatever package deal is eventually reached to accommodate Iranian interests and those of the Gulf Arabs and those of the international community at large with regard to the Persian Gulf and the Strait of Hormuz.