

China-Iran Relations Through the Prism of Sanctions

Jacopo Scita

To cite this article: Jacopo Scita (2022) China-Iran Relations Through the Prism of Sanctions, *Asian Affairs*, 53:1, 87-105, DOI: [10.1080/03068374.2022.2029060](https://doi.org/10.1080/03068374.2022.2029060)

To link to this article: <https://doi.org/10.1080/03068374.2022.2029060>



© 2022 The Author(s). Published by Informa UK Limited, trading as Taylor & Francis Group



Published online: 09 Feb 2022.



Submit your article to this journal [↗](#)



Article views: 1235



View related articles [↗](#)



View Crossmark data [↗](#)

SPECIAL SECTION: SINO-IRANIAN RELATIONS FROM
TENTATIVE DIPLOMACY TO STRATEGIC PARTNERSHIP

CHINA-IRAN RELATIONS THROUGH THE PRISM OF SANCTIONS

JACOPO SCITA 

Jacopo Scita is H.H. Sheikh Nasser al-Mohammad al-Sabah doctoral fellow at the School of Government and International Affairs, Durham University. His main research interests cover Sino-Iranian relations, Iran's foreign policy, and China's Persian Gulf strategy. Jacopo is the author of the chapter on China-Iran relations included in the *Routledge Handbook of China-Middle East Relations* edited by Jonathan Fulton (2022).

Introduction

In an April 2019 interview with Reuters, the former Iranian foreign minister Javad Zarif declared that the Islamic Republic has a “PhD in [the] area” of sanctions-busting.¹ Zarif's words encapsulated the IRI's long-lasting struggle to survive the pressure of economic sanctions, but also acted as a direct warning to the Trump administration, which was about to end the 6-month waivers that had allowed Iran's top eight buyers to keep importing limited volumes of Iranian crude without incurring US sanctions. Among them, China was Iran's largest client. Yet, in the following two years, Beijing has kept importing a small but significant quantity of Iranian oil via third countries and ship-to-ship (STS) transfers to evade sanctions.² Then, in March 2021, the two countries signed a 25-year roadmap for cooperation under the umbrella of their Comprehensive Strategic Partnership (CSP). Ultimately, from a superficial look at the evolution of Sino-Iranian relations during Trump's Maximum Pressure campaign it appears that the PRC has demonstrated the will of keeping and even expanding its economic and political relations with the IRI despite US sanctions. Yet, the broader historical picture shows a more complex and fragmented Chinese attitude towards the question of

imposing international sanctions on and/or protecting Iran from the use of unilateral negative economic statecraft.³

The present article aims to understand how China has dealt with Iran's sanctions. Despite their status as long-term partners – which culminated with the abovementioned signature of the CSP – Beijing and Tehran have historically experienced troubles in keeping their economic and political relationship safe and sound despite the negative impact of US and international sanctions on Iran. Here I argue that China's approach and reaction to the question of sanctioning Tehran and abiding by the sanctions imposed by the United States and the UNSC have been in response to a complex matrix formed by three distinct but co-existing dimensions: (1) the bilateral relationship with Iran, (2) that with Washington, (3) and its own positioning within the international community. Within them, Beijing performs roles that are specific to each relational sphere. Yet, the compatibility of roles is far from granted. In fact, conflicts between these roles sit at the fulcrum of China's approach vis-à-vis Iran's sanctions. Therefore, the conclusion that will emerge from the analysis of three case studies here presented is that, when it comes to the IRI, the PRC deals with the puzzle of sanctioning or protecting a partner according to a quite visible hierarchy of roles, in which its quest for international status and the relationship with Washington prevail over its relations with Iran. Still, the historical, strategic, and economic value of the partnership with Tehran forces China to manage the conflicts between these roles through a constant mediation effort.

The three case studies considered in this study have been selected based on the definition of historical episodes as provided by Malici and Walker. According to the two scholars, those are “time windows in which the interactions between states are so fundamental that they have the potential to (re)define the ensuing and evolving role relationships”.⁴ The 1996 Iran and Libya Sanctions Act (ILSA) imposed extraterritorial sanctions against the IRI for the first time in history, opening a new chapter of Washington's economic pressure on Tehran. Albeit indirectly, it paved the way for the historical conflagration of the US-China-Iran triangle at Iran's expense that happened one year later. The second case study encompasses the six resolutions approved by the United Nations Security Council (2006–2010) addressing the Iranian nuclear programme. As a permanent member of the UNSC, China was directly involved in the negotiations and ultimately voted in favour of the packages of multilateral sanctions imposed by the Security Council. Lastly, in 2018, after withdrawing from the JCPoA, the Trump administration launched the so-

called Maximum Pressure campaign, officially aimed at forcing Iran to pursue a new, more comprehensive deal through an unprecedentedly punitive sanctions regime. Notably, Washington's renewed pressure on Tehran came at a time in which Beijing's relations with the two were experiencing contrary trajectories: Rising tensions between China and the United States as opposed to a strengthening in the PRC-IRI partnership.

China's roles vis-à-vis Iran, the United States, and the international community

According to Walker's classical definition, international roles are "repertoires of behaviour, inferred from other's expectations and one's own conceptions, selected at least partly in response to cues and demands".⁵ Consequentially, international roles are distinct from international identities because their performance is eminently social, being the product of the interactions between the *subject* and one or more *significant others*. Roles, therefore, are dynamic rather than static and could change over time. For the purpose of this work, I will identify the roles performed by China, the *subject*, vis-à-vis three *significant others*: Iran, the United States, and the international community. These roles, as characterised here, are broad enough to encompass the adjustments and changes that occurred within the timeframe considered (1996–2020). Yet, they encapsulate the demands and expectations related to each role while making their conflictual nature apparent.

That role that Beijing performs vis-à-vis Tehran is that of *friendly stakeholder*. Such a role represents an evolution and expansion of what Holsti defined as the role of anti-imperialist agent.⁶ In fact, while the PRC offers the IRI the ideational and material support in its struggle against the United States, such support remains tightly linked to the advancement of Chinese interests. The performance of the role encompasses the construction of a narrative based on solidarity and friendship, the offer of diplomatic support and sustained political interaction, and cooperation in highly strategic areas such as energy trade, Iran's nuclear programme, and the military sector. The role fits within Iran's quest for a major partner in the face of its substantial international isolation. On the other side, the IRI's attractiveness does not only lay in its energy reserves, but its history, geography, and capabilities make it an integral part of China's Middle East strategy.

The roles performed by China vis-à-vis the United States and the international community are fundamentally related to Beijing's great power identity. Such identity, as described by Hoo, has the concept of responsibility as its cornerstone.⁷ From there, China's roles are shaped by the interaction with the *significant others*. I define the role that China performs vis-à-vis the United States as that of *responsible competitor*. Washington is Beijing's main interlocutor when it comes to defining and pursuing its great power identity. As such, the US's expectations are crucial in shaping the Chinese role, as much as its status as "the preponderant power in international society" works as an inevitable "doorkeeper" for China's great power ambitions.⁸ The request of acting as a *responsible stakeholder* was explicitly formulated in 2005 by Robert B. Zoellick, the US Deputy Secretary of State, certifying that an increased and responsible Chinese participation in global governance was an explicit US expectation. Yet, while China has accepted and keeps pursuing the *responsible great power* identity, the relationship between the two great powers remains quintessentially competitive, alternating cooperative interactions with more confrontational phases.

The concept of *responsible stakeholder* effectively describes the role performed by China in relation to the international community. As mentioned above, the element of responsibility is a defining feature of the PRC's great power identity. Albeit in the interaction with the United States responsibility is mediated by the competitive nature of the great power relationship when the significant other is the international community, the question of Chinese interests is more apparent. In fact, along its historical trajectory the PRC has developed a series of defining positions (e.g. the general rejection of the use of sanctions and the right of independent countries to build civil nuclear programmes) that reflect its own interests and vision of global affairs. The role of *responsible stakeholder* is more complex and particularly exposed to intra-role conflict given that Beijing's interlocutor – the international community – is not unitary but composite, and its subunits might have contrasting expectations regarding what acting responsibly means.

When these roles interact with each other, conflicts are likely to emerge. In particular, it is self-evident that China's role as Iran's *friendly stakeholder* has low compatibility – or a high degree of conflict – with that of *responsible competitor* vis-à-vis the United States. This is both due to the hostility between Tehran and Washington, as well as the contrasting expectations the two have regarding Beijing's role. Conversely, there is a much higher degree of compatibility between the roles performed vis-à-vis the US and

the international community, given that the element of responsibility is central to both. Also, the fact that China perceives Washington as an enabler of its ascensions to the great power status due to its predominant position within the international community makes clear that the two roles often overlap. Lastly, the compatibility between Beijing's relationship with Iran and that with the international community is more nuanced. The two roles may generate a deep conflict when Tehran's behaviour is in sharp contrast with the responsibilities of Beijing's global role. On the other side, the menu of principles and actions attached to the role of *responsible stakeholder* seems vast and diverse enough for China to manage this conflict between roles successfully.

The 1996 Iran and Libya Sanction Act (ILSA) and the 1997 disengagement: Beijing facing Washington's pressure

Even though both the Carter and Reagan administrations imposed their own primary sanctions on Iran, it was during Clinton's presidency that the United States significantly expanded its economic pressure against the Islamic Republic. Most notably, the 1996 Iran and Libya Sanctions Act (ILSA) represented the first imposition of extraterritorial sanctions by the United States, specifically designed to target the Iranian and Libyan energy sectors.⁹ ILSA followed two executive orders issued by the Clinton administration in 1995 as part of Washington's response to Tehran's nuclear programme and support for violent non-state actors in the Middle East. The Act introduced sanctions on both US and non-US businesses investing more than \$20 million in the Iranian oil sector unless exempted by the President. In 2006, ILSA was renamed the Iran Sanctions Act (ISA), while in 2010 the Obama administration passed the Comprehensive Iran Sanctions, Accountability, and Divestment Act (CISADA), further expanding sanctions on the Iranian petroleum sector. In other words, ILSA was the foundation of the subsequent 25 years of US sanctions on the Iranian regime.

Washington's European partners strongly objected to the unprecedented extraterritorial nature of the 1996 Act. As a result, the Clinton administration never enforced ILSA, letting Western oil majors sign lucrative deals with Iran: For instance, in 1999, the Dutch Royal Shell signed an agreement to redevelop the Iranian oil fields damaged during the Iraq-Iran War worth \$850 million. In June 2000, the IRI's President Khatami announced that Iran would have granted preferential rights to Japanese firms over the newly discovered Azadegan oil field.¹⁰

The Chinese oil majors were initially prudent. The consensus was that, given the prevalent anti-Chinese sentiment in the US Congress, there could have been more pressure on the Clinton administration to enforce ILSA against them despite the hesitations to do so against their European and Japanese equivalent. Nevertheless, as described by Garver, Chinese firms overcame their hesitation as soon as it was clear that the Western companies were acting freely despite ILSA. Between the end of the 1990s and the first years of the new century, Chinese companies became involved in several oil-related projects in Iran.¹¹

Yet, to understand fully the significance of the initial prudence of Chinese companies following the 1996 Act it is necessary to look at the broader context of the China-US-Iran triangle. During the first half of the 1990s, Beijing became for the first time in history a net importer of oil – a condition that heralded a new phase for the PRC's energy security strategy. Iran, a country that possesses some of the largest proven reserves of petroleum in the world, was a natural partner for energy-thirsty Beijing. At that point, the relationship between China and the Islamic Republic had already gone through the Iraq-Iran War and the post-war reconstruction was an opportunity from which Beijing would not be left out. In the mid-90s, the partnership between the two countries was mature and multi-faceted, ranging from growing economic exchanges to cooperation in more sensitive sectors such as nuclear energy and the military.

Concurrently, China was facing great pressure from the United States because of the 1989 Tiananmen Square crackdown and the 1995–1996 Third Taiwan Strait Crisis. On the Iranian front, the Clinton administration was increasing the economic pressure. It is in this context that, following a series of talks at the ministerial level, in October 1997, Chinese President Jiang met President Clinton in Washington. Following the meeting, Beijing decided to stop nuclear and missile cooperation with Tehran, marking an abrupt change to its earlier Iran policy. The reasons were two-fold. First, during the talks that preceded the Jiang-Clinton meeting, US officials presented to their Chinese counterparts strong evidence that the Iranian nuclear programme had an undisclosed military dimension.¹² Whether or not China was already aware of it, the damage caused by the eventual public revelation of Iran's nuclear military programme would have been a massive blow to Beijing's already damaged reputation. Secondly, the 1996 Taiwan Strait Crisis pushed the United States to rethink its China policy, prioritising converging strategic interests over disagreements. Non-proliferation was certainly part of this strategic common ground, as was stability in the Persian Gulf. As Garver noted,

US negotiators began using the “stability in the Persian Gulf” argument to convince China to stop its missile cooperation with Iran.¹³ For China, whose energy security was highly dependent upon the Persian Gulf, the argument was convincing.

The 1997 Chinese withdrawal from nuclear and missile cooperation with Iran reflected the predominance of the roles vis-à-vis the United States and the international community over that vis-à-vis Iran. Then, the context around the 1997 events demonstrated a high level of compatibility between Washington’s renewed China strategy and Beijing’s quest to rebuild its image: Chinese authorities recognised that Iran was a problematic partner, especially regarding non-proliferation – an integral component of the PRC’s attempt to establish itself as a responsible great power. Unsurprisingly, the Iranian reaction to China’s abrupt withdrawal from over 15 years of nuclear cooperation was resentful. Prior to finalisation of the 1997 US-China agreement, the spokesperson of the Iranian Foreign Minister declared that if Beijing capitulated to Washington’s pressure, “it would lose Iran’s trust”.¹⁴ Yet, as reported by Garver, Iran’s subsequent public accusations focused on the United States rather than China, accusing the Americans of a campaign of false propaganda against what was purely peaceful cooperation between the IRI and the PRC.¹⁵ In other words, despite the mistrust generated by Beijing’s decision, Iran was aware that it could have not simply alienated China. The PRC was one of the few powers it could expand economic cooperation with, as well as from which Iran could still have expected political support in key international fora.

Therefore, China’s prudent approach towards the 1996 ILSA is deeply embedded in the environment generated by the China-US-Iran triangular relations during the 1990s. In that context, the PRC’s clear priority was to restore its relationship with Washington, even at the partial expense of that with Tehran. The 1996 Act was designed to hit Iran’s key industry, the oil sector – incidentally the one in which oil-thirsty China was probably most interested. However, despite the strategic importance of the energy relationship with Tehran, Beijing chose to wait and assess the US response to the actions of the European and Japanese oil firms before letting its state-controlled companies return investing in the IRI’s oil sector. Therefore, China’s “wait-and-see” response to Washington’s unprecedented introduction of extraterritorial sanctions appears consistent with the hierarchy of roles that emerged during the 1990s. Acting as a *responsible competitor* vis-à-vis the United States and building the reputation of *responsible stakeholder* surpassed the importance of consolidating the role of Iran’s *friendly stakeholder*.

How did China manage the conflict of roles that inevitably emerged then? Certainly, the near impossibility for Iran of breaking off its relationship with China worked as a natural source of mitigation. Moreover, despite the profound impact of the 1997 disengagement, the Sino-Iranian relationship was already well enough articulated to offer intrinsic compensations. For instance, between 1994 and 2003, China steadily increased the imports of Iranian oil, with Tehran becoming one of Beijing's top crude suppliers in the early 2000s.¹⁶ Then, during the 2004 IAEA debates that followed the public revelation of several covert nuclear facilities in Natanz and Arak by an Iranian dissident group, China took the chance to express political support for Tehran. Bringing forward some of the arguments that re-emerged during the 2006–2010 UNSC debates, Beijing defended the absolute right of Iran to pursue a peaceful nuclear programme, while pushing the Iranian authorities to prove to the international community their intention to stick to non-proliferation and cooperating with the IAEA. Perhaps most importantly, influential figures such as Ambassador Hua Liming and FM Li Zhaoxing publicly expressed trust in Iran's peaceful intentions.¹⁷ Such an important gesture of goodwill and mutual trust was followed by action at the IAEA. China opposed and delayed the process of referring the Iran nuclear issue to the Security Council while expressing its opposition to the US call of imposing sanctions on Iran. Yet, as analysed in the following section, the issue was ultimately passed to the Security Council, where China faced a renewed conflict between its friendly relationship with Iran and its rise as responsible great power.

Managing the role of *responsible stakeholder* while minimising the impact on the relationship with Iran: China and the UNSC sanctions (2006–2010)

Between 2006 and 2010, the United Nations Security Council adopted six resolutions addressing the Iranian nuclear programme. The UNSC resolutions were part of the multilateral effort began in 2003 by the E3 (France, Germany, and the United Kingdom) to resolve the issue peacefully after the revelation of the existence of covert nuclear facilities in the country made by an Iranian dissident group, the National Council of Resistance of Iran, in August 2002. The process successfully ended in 2015 with the approval of UNSC resolution 2231, commonly known as the JCPoA or the Iran Deal. Of the six resolutions adopted between 2006 and 2010, four of them “included a series of progressive expansive

sanctions on Iran and or Iranian persons and entities". As a permanent member of the Security Council, China voted in favour of all resolutions addressing the issue.¹⁸ According to Taylor, Beijing's [and Moscow's] ultimate decision to sign the UNSC resolutions imposing sanctions on Iran "has typically only been forthcoming following a period of protracted debate and after any proposed sanctions have been watered down considerably".¹⁹ In 2010, when agreeing to discuss a fourth package of UNSC sanctions, "China made it clear that it would only agree to less wide-ranging measures than the Western powers advocated", pushing for "a diplomatic and peaceful resolution" of the issue.²⁰ In other words, the PRC showed a degree of reluctance in supporting UNSC sanctions on Iran. Yet, it ultimately decided to water down and then embrace the resolutions, but only after having positively assessed the impact of supporting them on its broader status as an emerging great power and having evaluated their potential effectiveness as a measure to prevent a disastrous military escalation.

A threefold explanation can be offered for the Chinese approach. First, the PRC has generally called for diplomacy over the use of sanctions regarding the Iranian nuclear issue. China's position, though, reflects its broader objection to the use of sanctions, which are considered a violation of sovereignty. In her study on China's approach and view of sanctions, Poh found that:

The Chinese political leadership has persistently engaged in a two-pronged counter-stigmatisation strategy, which seeks to: (1) delegitimise the approach towards sanctions adopted by the US and its allies by depicting it as an imperialist and interventionist, and (2) propose an alternative set of principles to guide inter-state relations.²¹

In this context, sanctions are only acceptable when imposed by the UNSC after other peaceful and non-coercive actions have been exhausted, and they should "act as a 'ceiling' instead of a 'floor' from which unilateral and/or regional sanctions can be further imposed".²² However, despite the traditional public calls for diplomatic engagement over coercive measures, China's direct mediation effort in the Iranian nuclear crisis remained limited up until 2009–2010 when low-level Chinese mediation between Iran and the US emerged before turning into a high-level diplomatic effort during Barack Obama's first term (2013–2015).²³

Secondly, Beijing's ultimate decision to support the UNSC sanctions on Iran can be attributed to the effort of projecting itself as a responsible great power committed to the preservation of the international non-proliferation regime. Garver tracks down this objective as the one following the urgent geopolitical motives that pushed China to scale-up its

mediation efforts after 2013.²⁴ Yet, the Security Council appears the most relevant audience for such effort. By taking a proactive role in the imposition of the four rounds of sanctions on Iran between 2006 and 2010, China successfully conjugated two discrete positions: On one side the respect and uphold of non-proliferation norms, on the other the defence of the right of non-Western nations to develop peaceful nuclear programmes. Both positions are intimately connected with what Alterman has described as China's ambitions to "articulate what it means to be a 'new type of great power.'" ²⁵ The request of acting as a "responsible stakeholder" was also made clear by the US government, making the Iran nuclear crisis a test case for China's will to define its global status. Beijing's representatives at the UNSC worked actively to water down the resolution to push Iran to the negotiations table, while making clear that the Chinese position opposed any development of the Iranian nuclear programme outside the boundaries of the NPT. Therefore, the support of the UNSC resolutions sanctioning Iran allowed China to shape its role of responsible great power vis-à-vis the other permanent members of the Security Council, with the United States as a privileged audience, while, at the same time, reiterating the message that Beijing was not against the development of civil nuclear programmes by "independent-minded non-Western countries" ²⁶.

Lastly, China had geopolitical and economic motivations for tempering the UNSC's resolutions while supporting multilateral measures limiting Iran's non-peaceful nuclear activities. Despite the periodic backlashes at that time, Tehran and Beijing had cultivated 35 years of diplomatic relations forged around mutual interests. For China, Iran is not only a potentially lucrative market and an important element of its energy security strategy, but its stability is key for Beijing's domestic and regional strategic interests. Thus, the prospect of war in Iran would have had disastrous consequences:

Disrupting China's energy supply from the Gulf; precipitating a global recession disastrous for China's exports; disrupting projected Western-oriented infrastructure links, and most important of all, exacerbation of internal security concerns regarding Xinjiang arising from refugees and extremism. ²⁷

Along with the paramount objective of avoiding a military conflict in the Persian Gulf, China had to protect its relationship with Iran, with energy cooperation as a top priority. Beijing actively ensured that UNSC sanctions would not harm Iran's ability to perform normal commercial and investment activities. As noted by Garver in a 2010 testimony before the US-China Economic and Review Commission, ²⁸

China's activity at the Security Council came along with sustained diplomatic and political support to Iran, as well as the initial signal by Chinese energy firms of "filling the vacuum" left by their European and Asian homologues.²⁹

The UNSC resolutions that sanctioned Iran placed China in a conflict over its roles. On one side, they represented an effective occasion to credibly enact the role of *responsible stakeholder* determined to uphold the current non-proliferation regime in front of a relevant audience. A subsidiary, non-conflictual message was attached to that role: Beijing supported the right of non-Western, developing countries to pursue civil nuclear programmes while opposing proliferation. On the other, the Chinese involvement in the international negotiations on the Iranian nuclear programme represented another major stress test for the Sino-Iranian friendship after the 1997 disengagement.

To deal with this inter-role conflict, Beijing adopted the effective strategy of supporting the activity of the Security Council while acting from within it to delay and water down as much as possible the resolutions imposing sanctions on Iran. Concurrently, Beijing managed to balance the demands and expectations of the international community – dominated by the United States – and those of Tehran. China's balancing act, therefore, was based on the use of several pre-existing ideational and material elements picked from the menu offered by its roles: The support for the international non-proliferation regime; the responsibility to act within the confines laid down by the Security Council; showing Washington that Beijing could be a partner in solving shared security issues; the support of the right of developing countries – including Iran – to develop peaceful nuclear programmes; the rejection of the use of force and the support of multilateral sanctions only as a last resort tool; the will to preserve its energy relations with Iran; offering an assurance that Iran could perform normal commercial activities; and keeping friendly diplomatic interactions with Tehran.

Ultimately, China was able to take advantage of the UNSC's activity over the Iranian nuclear programme as an opportunity to perform its role as a *responsible stakeholder* – a role that, because of the audience it addresses, is hierarchically located above the one performed vis-à-vis Iran. Yet, by combining the elements mentioned above, Beijing succeeded in not alienating Tehran, tempering the inherent inter-role conflict generated by the contrasting expectations of its audiences.

The maximum pressure campaign and the trade war: the China-US-Iran triangle under Trump (2017–2020)

The approval of the JCPoA – to which China actively contributed – facilitated the opening up of a new phase of Sino-Iranian relations. Such an evolution reflected a broader trajectory of China’s foreign policy brought in by Xi Jinping: The launch of the Belt and Road Initiative (BRI) in 2013 coincided with a progressive increase in Beijing’s involvement in the Middle East. In 2014, the PRC signed its first two comprehensive strategic partnerships (CSP) in the region with Egypt and Algeria, while in January 2016, in the immediate aftermath of the implementation day of the JCPoA, Xi visited Iran and Saudi Arabia to upgrade China’s bilateral relations with the two Persian Gulf countries.³⁰ The two-year period that followed the implementation of the Iran Deal saw a sharp increase in Chinese investments in Iran.³¹ Reasonably, the JCPoA not only opened up a sanctions-free window, but it also had the potential to generate a more financially and economically dynamic environment, in which the Chinese companies had to compete with their European and Asian homologues to retain space in the Iranian market. Therefore, between 2016 and the end of 2017, the positive climate following the success of the nuclear negotiations encountered China’s vibrant foreign policy under the BRI label. Yet, the election of Donald Trump as 45th President of the United States tightened the pressure on both China and Iran.

The Trump administration took an antagonistic posture towards the PRC, whose fulcrum was the so-called Trade War that began in July 2018 with the US imposing tariffs on Chinese imported goods and China retaliating as consequence. Yet, Trump’s approach towards China did not come out of the blue. In fact, it was already under the Obama administration that the United States began the re-orientation of its foreign policy priorities towards the great power competition with the People’s Republic.³² Conversely, where the newly elected Republican administration substantially reversed the policy of its Democratic predecessor was Iran.

During the election campaign, Donald Trump repeatedly made clear his opposition to the JCPoA, bringing forward the possibility of a US withdrawal from the agreement during his presidency. Consequently, on May 8, 2018, President Trump announced that the United States would exit the JCPoA, concurrently launching the “highest level” of economic sanctions on Iran. The Trump administration’s Iran strategy was

subsequently detailed by the Secretary of State Mike Pompeo in a speech at the Heritage Foundation on May 21. Pompeo presented 12 demands for Iran, claiming that, to pursue its goals, the US will first:

[A]pply unprecedented financial pressure on the Iranian regime. The leaders in Tehran will have no doubt about our seriousness. Thanks to our colleagues at the Department of Treasury, sanctions are going back in full effect and new ones are coming. [...] This sting of sanctions will be painful. [...] These will indeed end up being the strongest sanctions in history when we are complete.³³

The other members of the P5 + 1 group who negotiated the JCPoA reacted bitterly to the US decision to violate the agreement. The Chinese special envoy to the Middle East Gong Xiaosheng declared that China wanted to “ensure the integrity and sanctity” of the Iran Deal since it was regarded as an effective non-proliferation instrument and a source of stability in the Middle East. He added that Beijing would “carry on the normal and transparent pragmatic cooperation with Iran on the basis of not violating our international obligation”.³⁴ The message sent by China was first aimed at reassuring the Iranian counterpart that the PRC was prepared to protect their bilateral relationship from Washington’s Maximum Pressure campaign. The first stress test to China’s promise to protect Iran from US sanctions emerged before the end of 2018: In November, the Trump administration took back into effect the sanctions targeting Iran’s banking, oil, shipping, and shipbuilding sectors. Concurrently, Washington granted a 6-month waiver to several countries, including China, to keep importing Iranian oil without being targeted by US sanctions.³⁵

Ultimately, Beijing’s overall response to Maximum Pressure was mixed. As described by Garlick and Havlová, after peaking in 2017, China’s annual outward foreign direct investments in Iran saw a sharp decline in the following two-year period. While the reversal may partly reflect a broader change in the official guidelines issued by the PRC’s authorities regarding the overseas investments of Chinese companies, it is reasonable to assume that US withdrawal from the JCPoA had an impact on the attractiveness of the Iranian market.³⁶ In the months after the reimposition of US secondary sanctions, China-Iran trade fell significantly. Indeed, “Chinese exports to Iran [...] collapsed from about USD 1.2 billion in October 2018 to just USD 400 million in December 2018 – a fall of nearly 70 percent”.³⁷ In the following two-year period (Dec. 2018 – Dec. 2020), the average value of China’s monthly exports to Iran constantly remained under the symbolic threshold of USD 1 billion. Similarly, Iran’s exports to China, which are normally sustained by oil imports, reached two distinct peaks at over USD 2 billion in the Summer of

2018 – before Maximum Pressure reached the oil sector – and then in April 2019. Since then, the value of declared Chinese monthly imports from the IRI declined and stayed under USD 1 billion.³⁸

Given Iran's petro-state economy and the historical energy relationship between the two countries, China's imports of Iranian oil represent a key component of Beijing's policy of defying US sanctions against Iran. In April 2019, the Secretary of State Mike Pompeo announced that Washington would not issue new waivers for states to keep importing oil from the IRI. The aim of the Trump administration was "to bring Iran's oil exports to zero, denying the [Iranian] regime its principal source of revenue".³⁹ Concurrently to Pompeo's announcement, the value of Beijing's official imports of Iranian crude peaked at a monthly value of USD 1.6 billion before experiencing a sharp drop to just under USD 600 million in May 2019. All through 2020, the declared value of Chinese imports of oil from Iran stabilised in the range between USD 200 million and zero.⁴⁰ However, Beijing did not effectively stop its crude imports from the Islamic Republic. In fact, as emerged from OSINT reports and the analysis of the changes in the flux of oil from other countries, Iran has continued to sell a significant quantity of oil to China through third countries such as Malaysia.⁴¹ This uninterrupted flux of oil towards Beijing has worked as a lifeline for the Iranian economy facing Maximum Pressure. The Trump administration reacted to China's continuous imports of Iranian petroleum by sanctioning several Chinese entities. In July 2019, the Department of the Treasury sanctioned the state-owned oil trading company Zhuhai Zhenrong, prompting a reaction from the Chinese authorities. At the following regular press conference, the spokeswoman of the Chinese Foreign Ministry slammed the US sanctions as "illegal", reaffirming that:

The Chinese side has repeatedly stressed that energy cooperation between Iran and the international community, which includes China, falls within the framework of international law and is reasonable and legitimate, and must be respected and protected.⁴²

Then, in September, Secretary Pompeo announced that Washington had imposed sanctions on a unit of the Chinese shipping giant COSCO, along with other four Chinese entities, for transporting Iranian oil to China. Notably, the COSCO unit was then delisted at the end of January 2020,⁴³ two weeks after the United States and China signed the Phase 1 trade deal, the first agreed step between the two great powers to resolve the Trade War.

The sensible degradation in the value of China-Iran trade during the Maximum Pressure campaign and the relegation of oil imports to a grey zone suggest that China was not particularly keen to protect Iran from US sanctions. Nonetheless, Beijing has maintained a certain degree of political and economic cooperation with Tehran, which appears compatible with the aim of preserving its role of *friendly stakeholder*. The US decision to unilaterally abandon the JCPOA offered China the opportunity to relaunch its role as *responsible stakeholder* within the international community. In fact, the Trump administration's unilateralism was opposed by China through constant calls to the value of multilateralism, the respect and sanctity of pacts, the rejection of unilateral sanctions deemed as illegal, and the recognition of the JCPOA as an effective non-proliferation tool. Beijing's position did not only respond to the Iranian demands, but it was also substantially consistent with the position of the other members of the Security Council. A case in point was China's position vis-à-vis the expiration of the UN arms embargo on Iran in October 2020. In response to the US attempt to extend it, the spokesperson of the PRC mission at the United Nations tweeted that:

US failed to meet its obligation under Resolution 2231 by withdrawing from JCPOA. It has no right to extend an arms embargo on Iran, let alone to trigger snap-back. Maintaining JCPOA is the only right way moving forward.⁴⁴

Beyond the contingent issue of the arms embargo on Iran, it is evident that the argument advanced by the spokesperson drew a clear line between the US unilateral rejection of the Iran Deal and the consensus, embraced by China, that the JCPOA still was the perimeter within which the Iranian issue should be dealt with multilaterally. In other words, Trump's unilateralism and the unfolding of the Trade War with the United States gave China at least the rhetorical and political space to preserve its role vis-à-vis Iran while minimising the conflict with the expectations related to its role as responsible great power.

In the four-year period between 2017 and 2020, the trajectory of the relationship between the PRC and the United States differed from that of the past 20 years. In the post Tiananmen period, Beijing was keen to reconstruct its relationship with Washington while the UNSC debates on Iran tested China's international responsibility in front of the most relevant audience. Conversely, the Trade War and the emergence of the great power competition degraded the Sino-US relationship to a new low. Yet, the impact that this downward trajectory had on how China managed the conflict of roles between its friendly relationship with Iran and the competition with Washington was overall minimal. In fact,

although Beijing kept offering Iran a considerable amount of political support and a financial lifeline through oil imports, the substantial erosion of bilateral trade unequivocally suggests that China was not keen or able to fully protect Iran from the impact of US sanctions.

Conclusion

The three case studies presented in this paper show that China has developed quite consistent approaches towards both the question of using multilateral sanctions against Iran and protecting the Islamic Republic from US unilateral economic statecraft. Both have been characterised by caution and balancing attempts, perhaps the clearest sign that Iran's sanctions are a natural source of inter-role conflicts. Visibly, the three roles analysed in this study are not equal: In performing roles vis-à-vis the United States and the international community, China ultimately aspires to being recognised as a great power. The performance of the role vis-à-vis Iran pertains the sphere of great power-middle power relations, which is hierarchically located below the relationships with the other great powers. Therefore, the subsequent hierarchy of roles generates the structural perimeter within which Beijing acts to temper the inherent possibility of inter-role conflicts. To do so, China picks from the menu of rhetorical, political, and material tools that are attached to the performance of each role. I am aware that the matrix of roles here explored is not exhaustive. Especially with the increased Chinese involvement in the Middle East following the launch of the BRI, a further layer of complexity should be taken into account: Beijing's roles vis-à-vis the other regional states – which are often Iran's rivals – represent another source of conflict. Therefore, this is left for further research. Ultimately, this study should have reinforced the notion that China will not sacrifice its relationship with the United States to protect that with Iran. Vice versa, the PRC will constantly try to balance its multiple international roles.

NOTES

1. Michelle Nichols, Lesley Wroughton, and Phil Stewart, 'Exclusive: Iran's Zarif Believes Trump Does Not Want War, but Could be Lured into Conflict'. *Reuters*, April 25, 2019, <https://www.reuters.com/article/us-iran-usa-exclusive-idUSKCN1S02VK> (accessed 7 January 2022).
2. Simon Martelli, 'US Fails to Halt Flow of Iranian Oil to China'. *Energy Intelligence*, September 7, 2020, https://www.energyintel.com/pages/eig_article.aspx?DocID=1083413

3. Economic statecraft indicates “the use of economic means to pursue foreign policy goals”. It includes ‘both positive and negative sanctions’ [...], with the latter being “actual or threatened [economic] punishments”. See David A. Baldwin, ‘Economic Statecraft’. *Britannica*, February 4, 2015, <https://www.britannica.com/topic/economic-statecraft> (accessed 7 January 2022).
4. Akan Malici and Stephen G. Walker, *Role Theory and Role Conflict in U.S.-Iran Relations: Enemies of Our Own Making*. New York: Routledge, 2016, p. 4.
5. Stephen G. Walker, *Role Theory and Foreign Policy Analysis*. Durham: Duke University Press, 1987.
6. Kal J. Holsti, ‘National Role Conceptions in the Study of Foreign Policy’. *International Studies Quarterly* Vol. 14. Issue 3 (1970): 264.
7. Hoo Tiang Boon, *China’s Global Identity. Considering the Responsibilities of Great Power*. Washington, DC: Georgetown University Press, 2018.
8. *Ibid.*, p. 169.
9. Dina Esfandiary and Ariane Tabatabai, *Triple Axis. Iran’s Relations with Russia and China*. London: I.B. Tauris & Co, 2018, p. 56.
10. Garver, *China and Iran*, p. 268.
11. *Ibid.*, pp. 267–269.
12. *Ibid.*, pp. 154–155.
13. *Ibid.*, pp. 221–222.
14. *Ibid.*, p. 225.
15. *Ibid.*, p. 155.
16. See John Calabrese, ‘China and Iran: Mismatched Partners’, *The Jamestown Foundation*, August 2006; and Jin Liangxiang, ‘Energy First. China and the Middle East’. *Middle East Quarterly* Vol. 12. Issue 3 (2005).
17. Garver, *China and Iran*. p. 163.
18. Kelsey Davenport, ‘UN Security Council Resolutions on Iran’. *Arms Control Association*, August 2017. <https://www.armscontrol.org/factsheets/Security-Council-Resolutions-on-Iran> (accessed 7 January 2022).
19. Brendan Taylor, *Sanctions as Grand Strategy*. London: The International Institute for Strategic Studies, 2010, p. 83.
20. Willem van Kemenade, ‘China vs. the Western Campaign for Iran Sanctions’. *The Washington Quarterly* Vol. 33. Issue 3 (2010): 110–111.
21. Angela Poh, *Sanctions with Chinese Characteristics: Rhetoric and Restraints in China’s Diplomacy*. Amsterdam: Amsterdam University Press, 2021, pp. 126–127.
22. *Ibid.*, p. 125.
23. John W. Garver, ‘China and the Iran Nuclear Negotiations’, in James Reardon-Anderson (Ed.), *The Red Star & the Crescent. China and the Middle East*. London: C. Hurst & Co., 2018, p. 133.
24. *Ibid.*, p. 147.
25. John B. Alterman, ‘China, the United States, and the Middle East’, in James Reardon-Anderson (Ed.), *The Red Star & the Crescent. China and the Middle East*. London: C. Hurst & Co., 2018, p. 56.
26. Garver, ‘China and the Iran Nuclear Negotiations’, p. 147.
27. *Ibid.*

28. John W. Garver, 'China's Iran Policy', *Testimony before the U.S.-China Economic and Review Commission on "China's Current and Emerging Foreign Policy Priorities"*, April 13, 2011.
29. As Garver notes, China's promise of "filling the vacuum" had a substantial slowdown after 2009 with a number of deals cancelled or stalled. (See 'China and the Iran Nuclear Negotiations', p. 147).
30. The CSP between Iran and China was launched during Xi visit to Tehran in January 2016, but it was then finalised and signed only in March 2021.
31. Jeremy Garlick and Radka Havlová, 'The Dragon Dither: Assessing the Cautious Implementation of China's Belt and Road Initiative in Iran'. *Eurasian Geography and Economics* Vol. 62. Issue 4 (2021): 470–471.
32. Uri Friedman, 'The New Concept Everyone in Washington is Talking About'. *The Atlantic*, August 6, 2019, <https://www.theatlantic.com/politics/archive/2019/08/what-genesis-great-power-competition/595405/> (accessed 7 January 2022).
33. Mike Pompeo, 'After the Deal: A New Iran Strategy'. *The Heritage Foundation*, May 21, 2018, <https://www.heritage.org/defense/event/after-the-deal-new-iran-strategy> (accessed 7 January 2022).
34. 'China Reassures Tehran on Honoring Nuclear Deal, Buying Iranian Oil'. *RFE/RL*, May 10, 2018, <https://www.rferl.org/a/china-reassures-tehran-honoring-nuclear-deal-buying-iranian-oil-saudi-arabia-pledges-make-up-shortfall/29218516.html> (accessed 7 January 2022).
35. 'Timeline of Nuclear Diplomacy with Iran'. *Arms Control Association*, <https://www.armscontrol.org/factsheets/Timeline-of-Nuclear-Diplomacy-With-Iran> (accessed 7 January 2022).
36. Garlick and Havlová, 'The Dragon Dithers', pp. 470–471.
37. 'Special Report: When the Sun Sets in the East. New Dynamics in China-Iran Trade Under Sanctions', *Bourse & Bazaar*, January 2019, p. 2.
38. For a detailed analysis of China-Iran trade data see Esfandyar Batmanghelidj, 'China's Declared Imports of Iranian Oil Hit a (Deceptive) New Low'. *Bourse & Bazaar*, October 23, 2019, <https://www.bourseandbazaar.com/articles/2019/10/23/chinas-declared-imports-of-iranian-oil-hit-new-low-but-dont-believe-it?rq=China> (accessed 7 January 2022); and 'China-Iran Trade Report'. *Bourse & Bazaar*, August 2021, <https://www.bourseandbazaar.com/china-iran-trade-reports/august-2021> (accessed 7 January 2022).
39. Tom DiChristopher, 'Trump Aims to Drive Iran's Oil Exports to Zero by Ending Sanctions Waivers'. *CNBC*, April 22, 2019, <https://www.cnbc.com/2019/04/22/trump-expected-to-end-iran-oil-waivers-try-to-drive-exports-to-zero.html> (accessed 7 January 2022).
40. 'China-Iran Trade Report'.
41. Lucille Greer and Esfandyar Batmanghelidj, 'Last Among Equals: The China-Iran Partnership in a Regional Context', *Wilson Center*, September 2020, p. 6.
42. 'US Sanctions on Chinese Oil Trader 'Illegal': Beijing'. *Bourse & Bazaar*, July 23, 2019, <https://www.bourseandbazaar.com/news-1/2019/7/23/us-sanctions-on-chinese-oil-trader-illegal-beijing?rq=china> (accessed 7 January 2022).

43. Stephen Cunningham, 'U.S. Lifts Sanctions on Unit of China's Biggest Shipping Company'. *Bloomberg*, January 31, 2020, <https://www.bloomberg.com/news/articles/2020-01-31/u-s-lifts-sanctions-on-unit-of-china-s-biggest-shipping-company> (accessed 7 January 2022).
44. Jonathan Fulton, 'Will China become a Major Arms Supplier to Iran?' *Atlantic Council*, June 9, 2020, <https://www.atlanticcouncil.org/blogs/iransource/will-china-become-a-major-arms-supplier-to-iran/> (accessed 7 January 2022).

Disclosure statement

No potential conflict of interest was reported by the author.

ORCID

Jacopo Scita  <http://orcid.org/0000-0002-9387-2830>