

Deniz İpek Yolu: Umman'ın Dış Politikası Üzerindeki Etkileri

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Öz: Bu çalışma; 2013 yılında Çin Halk Cumhuriyeti Başkanı Xi Jinping tarafından duyurulan Bir Kuşak, Bir Yol Projesi'nin deniz ayağı olan Deniz İpek Yolu'na Umman'ın katılımının sonuçlarını analiz etme amacındadır. Sultan Kâbus Umman'ı izole ve geri kalmış bir ülkeden aktif bir arabulucu ülkeye dönüştürmüştür. Umman'ın tarafsızlığı ve her politik aktörle olan diplomatik teması bu ülkeyi diğer Körfez ülkelerinden ayıran özellikleridir. Coğrafi olarak Umman; Basra Körfezi, Arap Denizi ve Hint Okyanusu'nun kesişim noktasındadır. Tarihsel olarak Umman; Güney Asya ve Doğu Afrika'nın kıyı kesimini yönetmiş ve etkisini yaymıştır. Coğrafi pozisyon ve tarihsel miras Umman'ı Deniz İpek Yolu'nun anahtar ülkesi yapmıştır. Böylece, Umman'ın Bir Kuşak, Bir Yol Projesi'ne katılması Çinli politika yapımcıların gözünde paha biçilmezdir. Umman'ın ekonomisini çeşitlendirmek isteyen Ummanlı politika yapımcıları Çin yatırımını kabul etmişlerdir. Fakat, Çin'in borçları borç alan ülkelerin egemenliği üzerinde baskı aracı olarak kullanma uygulamaları Çin'in Umman'ın ekonomisindeki artan etkisi Umman'ın egemenliğine zarar verebilir. Ayrıca Hint Okyanusu'ndaki artan ABD-Çin rekabeti Umman'ın tarafsız pozisyonunu tehlikeye düşürebilir. Yine de Sultan Kâbus'un mirası Umman'ın politika yapımcıları tarafından takip edilmektedir. Çin'in ekonomik yatırımlarından yararlanırken Umman, Çin'i dengeleme davranışlarına girişmektedir.

Anahtar Kelimeler: Umman, Çin, Deniz İpek Yolu, Sultan Kâbus, Dış Politika

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The Maritime Silk Road: Implications for Oman's Foreign Policy

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Abstract: This study seeks to analyze the implications of Oman's participation in the Maritime Silk Road, which is the maritime component of the Belt and Road Initiative, announced in 2013 by the President of the People's Republic of China, Xi Jinping. Sultan Qaboos has transformed Oman from an isolated and backward country to an active political mediator in the region. Oman's neutral stance and diplomatic connections with every political actor in the region differentiate Oman from the rest of the Gulf countries. Geographically, Oman is situated at the intersection of the Persian Gulf, the Arabian Sea, and the Indian Ocean. Historically, Oman ruled the South Asian and East African coasts, extending its influence. The geographical position and historical legacy make Oman a key country for the Maritime Silk Road. Thus, the participation of Oman in the Belt and Road Initiative is invaluable in the eyes of Chinese policymakers. Omani policymakers, who want to diversify Oman's economy, welcome Chinese investments. However, increasing Chinese involvement in Oman's economy might harm Oman's sovereignty because of the Chinese practice of using debts to exert pressure on the lending states' sovereignty. Moreover, the intensified competition between the USA and China in the Indian Ocean could compromise Oman's neutral stance. Yet, Sultan Qaboos' legacy is followed by Omani policymakers. While benefiting from Chinese economic investments, Oman performs balancing acts against China.

Keywords: Oman, China, Maritime Silk Road, Sultan Qaboos, foreign policy

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طريق الحرير البحري: نتائجه على السياسة الخارجية لعمان

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الملخص

تهدف هذه الدراسة إلى تحليل نتائج انضمام سلطنة عمان إلى طريق الحرير البحري الذي يعتبر الجزء البحري من مبادرة الحزام والطريق التي أعلنتها شي جين بينغ رئيس جمهورية الصين الشعبية في عام ٢٠١٣. لقد حول السلطان قابوس بلده عمان من دولة معزولة ومتأخرة إلى دولة وسيطة نشطة. ومن السمات التي تميز عمان عن دول الخليج الأخرى، حيادها وعلاقاتها الدبلوماسية مع جميع الفاعلين السياسيين. ومن حيث الموقع الجغرافي، تقع عمان على مفترق طرق خليج البصرة (الخليج العربي) وبحر العرب والمحيط الهندي. أما تاريخياً، فإن عمان حكمت ووسّعت نفوذها على الجزء الساحلي من جنوب آسيا وشرق إفريقيا. حيث جعل الموقع الجغرافي والتراث التاريخي عمان بلداً رئيساً ومحورياً لطريق الحرير البحري. وبذلك، فإن انضمام عمان إلى مبادرة الحزام والطريق تعتبر مسألة لا تقدر بثمن بالنسبة لصانعي السياسة الصينيين. حيث قام صناع السياسة العمانيون الذين يرغبون في تنويع الاقتصاد العماني، بقبول الاستثمار الصيني. إلا أن ممارسات الصين المتمثلة في استخدام الديون كوسيلة ضغط على سيادة الدول المقترضة وتزايد تأثير النفوذ الصيني في الاقتصاد العماني قد يؤدي إلى الإضرار بسيادة عمان. كما أن التنافس المتصاعد بين الولايات المتحدة الأمريكية والصين في المحيط الهندي يمكن أن يعرّض موقف عمان المحايد للخطر. ورغم ذلك فإن صناع السياسة في هذا البلد يتابعون عن كثب أوضاع عمان التي تعتبر إرث السلطان قابوس. وفي الوقت الذي تستفيد فيه عمان من الاستثمارات الاقتصادية الصينية، فإنها تبادر للانخراط في السياسات المتزنة للصين.

الكلمات المفتاحية: عمان، الصين، طريق الحرير البحري، السلطان قابوس، السياسة الخارجية.

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Introduction

Since 1970, Oman has skillfully pursued strategic neutrality in the Middle East, where ideological, sectarian, and ethnic rivalries have wrecked nations. During his 50-year-old rule, Sultan Qaboos bin Said al-Said positioned Oman as a country that has strong working relations with countries, especially with Iran, which has isolated itself in the Gulf region after the Shia Revolution in 1979. Maintaining strong relations with other nations in the region enabled Oman to play a mediator's role in the midst of deep-seated rivalries and conflicts.

Since the end of the Cold War, the escalated competition between the United States of America (USA) and China has been the main systemic feature of world politics. This competition has a reflection on the formulation of foreign policies of the countries. One of the most important current factors that affect Oman's foreign policy is the initiation of the Belt and Road Initiative, which is the flagship project of China's assertive foreign policy under President Xi Jinping. The Belt and Road Initiative is composed of two parts: The Silk Road Economic Belt provides a land connection between China, Central Asia, Europe, West Asia, South Asia, and Southeast Asia. The Maritime Silk Road aims to link China's coasts in Europe, the Persian Gulf, South Asia, and Africa.

The vision for Maritime Cooperation under the Belt and Road Initiative, the official document prepared by the Chinese state, unveils the multi-dimensional priorities of the Maritime Silk Road. The Maritime Silk Road addresses green development, maritime security, ocean-based prosperity, economic growth, and the development of high-level mechanisms for political and economic maritime affairs. It entails the construction of ports, industrial parks, free trade zones, power grids, utility stations, and submarine cables. This hard infrastructure component of the Maritime Silk Road is complemented by soft infrastructure such as trade agreements, investment treaties, and policy coordination mechanisms along the route.

Due to its strategic location between South Asia and East Africa, Oman is an important country for maritime connections between the East and the West. Historically, the Omani administration was present in South Asian and East African ports in the 19th century. Being aware of these geographical and historical factors, Chinese policymakers set their sights on engaging with Oman to make the Maritime Silk Road functional. Within the Belt and Road Initiative framework, Oman could be a regional maritime hub between Gulf, East African and South Asian countries. Especially, Oman's closeness to Pakistan's Gwadar port, which is the critical point of the China-

Pakistan Economic Corridor, increased Oman's value in the eyes of Chinese policymakers. Through the projects within the Maritime Silk Road, China is shaking the balance of power in the Gulf Region, challenging the dominance of the USA.

On the other hand, being heavily dependent on resource-based industries, Oman envisaged diversification in its economy by formulating Oman Vision 2040. It sets goals for the Omani state to develop sectors such as agriculture, tourism, and industry by improving infrastructures such as sustainable cities, ports, railroads, roads, and industrial parks. These diversification plans in the economy encouraged Oman to capitalize on Chinese investments. Therefore, Oman welcomed Chinese participation in its economy.

Infrastructure projects also involve the construction of special economic zones and digital components. The initiation of the Al Duqm Special Economic Zone, the largest zone in the Middle East North Africa (MENA) region, is the most important example of the materialization of the cooperation between Oman and China. The establishment of special economic zones allows Oman to attract foreign investments and businesses, contributing to its attempts to diversify its economy. In the digital section, China's stated aim of developing digital infrastructure of the countries that need inexpensive and high-quality technology could enhance Oman's geographical status by making Oman a digital logistic center between the Gulf region and African countries.

Despite the economic and political gains of Omani participation in the Belt and Road Initiative, there is a danger that China could translate its economic investments to gain dominance over Oman, which has huge geopolitical importance. The seizure of Hambantota port in Sri Lanka by China in exchange for writing off debts demonstrates the level of threat posed by debt-trap diplomacy. Furthermore, dependency on Chinese capital, labor, and products could pose another threat to Oman. The possibility of China's use of Gwadar port for military purposes raises the threat level not just for Oman but also for the entire Gulf region.

Fortunately, Sultan Qaboos left an enduring legacy for Oman. Despite facing pressure from China and the USA to choose sides, the neutral orientation bequeathed by Sultan Qaboos could provide guidance for Omani policymakers to avoid being compressed by two main sides. Being extremely experienced at implementing pragmatic foreign policies, Omani policymakers can balance rising Chinese influence. The presence of the USA in the Gulf region is, therefore, critical for Oman. Oman has already adopted a pro-USA foreign policy since the 1980s. It has supported the USA's military operations in the Gulf region. It has acted on Washington's behalf as a facilitator in the

region when the traditional diplomatic negotiations failed. China's economic investments are not likely to change Oman's pro-USA stance. Oman's decision to grant access to the U.S. Navy to Omani port Duqm and Salalah in 2019 reflects this balancing act. Furthermore, Oman could use India, which also seeks to develop its relations with African and Gulf countries, as another leverage. Omani policymakers focus on formulating a foreign policy that ensures their economic and territorial security while benefiting from China's economic investments.

I. Historical Roots of Omani Foreign Policy

The invasion of foreign forces throughout the history of Oman has led to insecurity feelings by the rulers. Oman's advantageous position has attracted many foreign powers. Omani territory is "located in the southeast of the Arabian Peninsula, with three land borders— with the United Arab Emirates to the north and west, Saudi Arabia to the west, and Yemen to the south and west. To the east of Oman's long coastline is the Indian Ocean. From the coastal capital of Oman, Muscat, to Karachi on the other side of the Indian Ocean is a voyage of about 900 kilometers'."¹ It is situated at the intersection of east and west, serving as a gatekeeper for the Strait of Hormuz.² Therefore, controlling Omani territory became significant for empires. The Portuguese invasion lasted from 1508 to 1648. Then, Oman experienced a Persian invasion from 1743 to 1749. Finally, British influence over Oman started in 1798 with the Treaty of Friendship and lasted until the first half of the 20th century.³

Foreign invasions into Oman were not solely the result of Geography. It also influenced internal divisions, which in turn, contributed to the lack of unity in the Omani state until Sultan Qaboos rule. The interior of Oman is characterized by desert. When Ahmed bin Said Al Bu Said, the first ruler of the current ruling dynasty, the tribes living in the interior, which followed the conservative form of Ibadism, which is a movement within the Kharijite sect in Islam, did not accept his authority. On the other hand, the coastal population followed the moderate form of Ibadism. In the 19th century, Oman witnessed constant political conflict between the interior and coastal Oman.⁴ The British

1 Jeremy Jones and Nicholas Ridout, *A History of Modern Oman* (New York: Cambridge University Press, 2015), 3.

2 Linda Pappas Funch, *Oman Reborn Balancing Tradition and Modernization* (New York: Palgrave Macmillan, 2015), 11.

3 Leah Sherwood, "Understanding Oman's Foreign Policy", *Oxford Gulf & Arabian Peninsula Studies Forum*, 2017, https://www.oxgaps.org/files/analysis_-_sherwood.pdf, (accessed 1 January 2022).

4 Robert Geran Landen, *Oman Since 1856 Disruptive Modernization in a Traditional Arab Society* (New Jersey: Princeton University Press, 1967), 50–52.

presence in Oman further exacerbated the conflict between the two areas. In 1819, Britain separated the Trucial Coast territory from Oman. The Sultans of Muscat depended on British support against an imamate challenge from the interior. This created a dual Oman, which was further institutionalized by the Treaty of Al-Sib, which ensured a greater autonomy to the inland Imamate by dividing Oman into two parts.⁵ Regional forces also took part in this division. Oman has been under Wahhabi challenge emanating from the Arabian Peninsula since the 1800s.⁶

While the interior of Oman has been inward-looking and conservative, the coast of Oman has adopted cosmopolitanism. In 1652, the Arabs living in Mombasa (modern day Kenya) requested Omani assistance against Portuguese invaders. After defeating the Portuguese, Imam Sultan bin Sayf acquired control of the East African coast, including Zanzibar (Tanzania) and Pemba (Mozambique), appointing a governor to oversee these territories. Then, Oman turned to South Asia, gaining control of Gwadar, located in modern day Balochistan province in Pakistan. With a strong fleet, Oman controlled the vital sea routes in the Indian Ocean.⁷ Through Oman, the East African coast was connected with India. When the wind was favorable, a ship could sail from Zanzibar to Muscat within two weeks and from Muscat to India within 12 days.⁸ This translated into trade relations. By the end of the 18th century, Oman managed to capture half of all commerce between India and the Gulf region.⁹ Thus, this period could be considered the era of the Oman *imperium*.

Yet, Britain separated Zanzibar from Muscat in the Canning Award.¹⁰ Until the beginning of the 20th century, Oman entered into an economic stagnation period due to the loss of Zanzibar and the internal conflict erupted over the succession among the deceased Sultan Sayed Saif's heirs.¹¹ British interference in this internal conflict solidified its influence over Oman. Controlling Oman was important for Britain to counter French ambitions to gain a foothold in the Indian Ocean.¹² The economic stagnation and reliance on a foreign power for the continuation of the Sultan's authority have been characteristics of the Omani state.

The religio-tribal opposition that existed in the interior of Oman turned into an ideological challenge for the Omani rulers. Oman experienced domestic

5 Sherwood, "Understanding Oman's Foreign Policy".

6 Jones and Ridout, A History of Modern Oman, 45.

7 Funch, Oman Reborn, 40.

8 Landen, Oman Since 1856 Disruptive Modernization in a Traditional Arab Society, 111.

9 Jones and Ridout, A History of Modern Oman, 40.

10 Sherwood, "Understanding Oman's Foreign Policy".

11 Landen, Oman Since 1856 Disruptive Modernization in a Traditional Arab Society, 113.

12 Funch, Oman Reborn, 48.

insurgencies in the 1950s, 1960s, and 1970s that threatened the unity of the Omani state.¹³ These rebellions were manifestations of historical divisions between the interior and the coastal areas of Oman. The involvement of regional and global powers complicated the disturbances. Egypt, Iraq, and Saudi Arabia supported the rebellions. The ideological reasons for the Union of Soviet Socialist Republics (USSR) and China were also involved. The lesson for Oman is that internal divisions attract foreign powers. Thus, Omani independence is integral to stability.¹⁴ Drawing from these historical lessons, when Sultan Qaboos came to power, he tried to formulate his foreign policy focused on establishing independence and stability for Oman.

2. Foreign Policy Under Sultan Qaboos

In 1970, Sultan Qaboos overthrew his father, Said bin Teymur. He engineered a new era for Oman in domestic and foreign spheres. He initiated a major development program to improve education, health, and administrative systems in Oman, benefiting from the income generated by the discovery of oil. He constructed schools, hospitals, and roads, upgrading the infrastructure in Oman.¹⁵

Another quantum leap occurred during Sultan Qaboos' rule of Oman occurred in its foreign relations with other countries. Sultan Said's rule had been characterized by inwardness and political isolation.¹⁶ Oman had conducted its foreign relations via London since there had been no Omani diplomatic missions in the world. Only the British and Indian consular representatives existed in Oman. An American consular representative in Saudi Arabia had made yearly visits to Oman. As Sultan Said had not considered Oman as an Arab state, diplomatic contacts with Arab countries had not existed.¹⁷

As soon as he came to power, Sultan Qaboos applied for membership in the Arab League. Following its admission to the Arab League, Oman joined the International Monetary Fund (IMF), the International Bank for Reconstruction and Development (IBRD), the World Health Organization (WHO), the United Nations Educational, Scientific and Cultural Organization (UNESCO) and other international organizations. He traveled to various Arab

13 J. E. Peterson, *Oman in the Twentieth Century Political Foundations of an Emerging State* (New York: Routledge, 2016), 187–94.

14 Sherwood, "Understanding Oman's Foreign Policy".

15 Uzi Rabi, "Oman and the Arab–Israeli Conflict: The Reflection of a Pragmatic Foreign Policy," *Israel Affairs* 11, no. 3 (2005): 536.

16 Jones and Ridout, *A History of Modern Oman*, 100.

17 Rabi, "Oman and the Arab–Israeli Conflict," 536.

states, meeting with the heads of the states of Arab countries. He met with King Faisal in Riyad and managed to resolve many issues between Oman and Saudi Arabia.¹⁸ While breaking Oman's isolation in the world and establishing relations with Arab states, Oman also sought good relations with Iran. Besides good relations between Oman and Iran, Sultan Qaboos and Shah Reza Pahlavi had very warm relations at a personal level. With paratroopers and ground forces, Iran contributed to Oman's success in suppressing Dhofar rebellion.¹⁹ Thus, Sultan Qaboos, in his early years of rule, managed to overcome the country's isolation and set up unity in the country.

Although Sultan Qaboos received British help in toppling his father, he was not a British puppet. He quickly assembled an independent team of advisors to counter British influence. Starting in the mid-1970s, a group of American advisors were also recruited by Sultan Qaboos, reducing British pressure. As a result of this careful balancing strategy, Sultan Qaboos acquired the capability to make independent decisions.²⁰ This emphasis on sovereignty has become one of the most important tenets of Omani foreign policy. Oman has repeatedly objected to the evolution of the Gulf Cooperation Council (GCC) into a closer union like the European Union (EU). It also opposed the proposal of the United Arab Emirates (UAE), which supposes a monetary union.²¹

When Britain left the Gulf region, the USA emerged as a security provider for the region. Recognizing this phenomenon, Sultan Qaboos emphasized good relations with the USA. The US embassy of Muscat opened in 1972. Oman opened its embassy in Washington in 1973. In 1973, Sultan Qaboos visited the USA. The President of the USA, Gerald Ford, visited Oman in 1974 and Ronald Reagan visited Oman in 1983.²² In his State of the Union address in January 1980, President Jimmy Carter declared that any interference that disrupted oil supplies in the Gulf region would prompt the USA's military response. Oman preferred the United States as a friend.²³ In June 1980, Oman and the USA signed a bilateral security agreement which granted the USA access to various Omani facilities such as Sib, Thumrait, al-Khasab, and Masira airbases. In return, the USA upgraded the capacity of these bases.²⁴

18 Peterson, *Oman in the Twentieth Century*, 204.

19 Funch, *Oman Reborn*, 69.

20 Nikolas Gardner, "The Limits of the Sandhurst Connection: The Evolution of Oman's Foreign and Defense Policy, 1970–1977," *Journal of the Middle East and Africa* 6, (2015): 53–55.

21 Funch, *Oman Reborn*, 170.

22 Kenneth Katzman, *Oman: Politics, Security, and U.S. Policy* (Washington D.C.: Congressional Research Service, 2021), 1.

23 Jeremy Jones, "Oman's Quiet Diplomacy", Norwegian Institute of International Affairs, 2014, <https://nupi.brage.unit.no/nupi-xmlui/handle/11250/284734>, (accessed 2 January 2022).

24 Rabi, "Oman and the Arab–Israeli Conflict," 538.

These access agreements were renewed in 1985, 1990, 2000, and 2010.²⁵ Washington also promised to provide Oman with \$100 million annually.²⁶ Establishing a strong alliance with the USA in the Gulf region is consistent with Oman's search for a strong patron for its survival. The USA has become a powerful patron of Oman.

Nevertheless, for Oman, being a regional ally of the USA does not mean alienating Iran, which has been the biggest regional rival of the USA. It has refused to isolate Iran in the region. After the formation of the GCC, Oman consistently warned members not to shape the GCC as an anti-Iran platform.²⁷ Hasan Rouhani, the former President of the Islamic Republic of Iran praised Sultan Qaboos as "the only Gulf leader to maintain good relations with Tehran."²⁸ This foreign stance is formulated by Sultan Qaboos as "enemy of my friend may still be my friend."²⁹ This middle stance offers Oman a mediating role, especially when the crisis escalates in the region. He mediated hostage crises on various occasions. In 2007, Sultan Qaboos engineered the release of 15 British naval personnel apprehended by Iran. In 2009, Sultan Qaboos mediated the release of three American citizens detained at the Iraq-Iran border. Furthermore, the low tension between Oman and Iran secures the flow of oil through the Strait of Hormuz, contributing to global energy security.³⁰ Thus, the good relations between Oman-Iran enhance Oman's role as a regional mediator.

Another implication of this pragmatic foreign policy can be observed in Oman's position regarding the Arab-Israel conflict. Oman was one of three states, besides Morocco and Sudan, which did not break relations with Egypt after Egypt signed a peace treaty with Israel. Oman shied away direct confrontation with Israel, instead advocating dialogue and peace process with Israel. It did not provide a safe haven for the members of the Palestine Liberation Organization (PLO).³¹ It supported the Madrid negotiations in 1994 and hosted Israeli Prime Minister Yitzhak Rabin in 1994, becoming the first Gulf country to host an Israeli Prime Minister. Oman maintained its position by suggesting dialogue to resolve the conflict between Israel and Palestine.³²

25 Funch, *Oman Reborn*, 167.

26 Jeffrey A. Lefebvre, "Oman's Foreign Policy in the Twenty-First Century," *Middle East Policy* XVII, no. 1 (2010): 103.

27 Sherwood, "Understanding Oman's Foreign Policy".

28 Funch, *Oman Reborn*, 173.

29 Sherwood, "Understanding Oman's Foreign Policy".

30 Funch, *Oman Reborn*, 171–72.

31 Rabi, "Oman and the Arab-Israeli Conflict," 537–40.

32 Lefebvre, "Oman's Foreign Policy in the Twenty-First Century," 102–3.

These foreign policy behaviors of Oman offer a general idea concerning Oman's foreign policy under Sultan Qaboos. Firstly, Oman is keen on preserving its sovereignty in its foreign policy decisions. Secondly, Oman engages with the rest of the world. Thirdly, Oman searches for a great power patron in the region. Fourthly, Oman does not want to make enemies in the region by offending its neighbors. Finally, Oman positions itself as a mediating party in the Middle East, where conflicts and wars are prevalent. The general principles stated on the website of the Foreign Ministry of Oman are consistent with these conclusions. These principles are: Good Neighbor, Tolerance, Dialogue, Outward Looking, Pragmatism.³³

Due to Oman's neutral stance and endeavors to promote mediation in the region, the country is often referred to as 'Switzerland of the Middle East' or 'Switzerland of Arabia'.³⁴ Yet, there are foreign and domestic factors that might have destabilizing effects on Omani foreign policy. The initiation of the Belt and Road Initiative by rising power China includes Oman. Domestically, the decreasing level of oil exports compels Oman to embrace Chinese investment into the country. These factors could compromise Oman's relations with the USA, making Oman a hotspot for the competition between China and the USA.

3. The Maritime Silk Road

In 2013, the President of the People's Republic of China, Xi Jinping, unveiled China's plan to revive the ancient Silk Road route. The Belt and Road Initiative consists of two parts: Silk Road Economic Belt focuses on linking China with Russia, Central Asia, West Asia, Europe, and South Asia through land connections. The Maritime Silk Road aims to connect China's coast to the ports of Europe, Africa, Indian Ocean, and the South China Sea.³⁵ It is the most ambitious project in the world. Over 140 countries have joined the Belt and Road Initiative.³⁶ In total China spent \$200 billion. Morgan Stanley estimates that the expenses would reach \$1.2 trillion.³⁷ Many developing

33 Foreign Ministry of Oman, "Principles," <https://fm.gov.om/policy/principles/>, (accessed 12 December 2021).

34 James Worrall, "'Switzerland of Arabia': Omani Foreign Policy and Mediation Efforts in the Middle East," *The International Spectator* 56, no. 4 (2021): 134.

35 Belt and Road Forum for International Cooperation, "Full Text: Vision and Actions on Jointly Building Belt and Road (2)," 2017, <http://2017.beltandroadforum.org/english/n100/2017/0410/c22-45-2.html>, (accessed 4 January 2022).

36 Green Belt and Road Initiative Center, "Countries of the Belt and Road Initiative (BRI)," 2021, <https://green-bri.org/countries-of-the-belt-and-road-initiative-bri/>, (accessed 1 June 2021).

37 Andrew Chatzky and James McBride, "China's Massive Belt and Road Initiative," *Council on Foreign Relations*, 2020, <https://www.cfr.org/background/chinas-massive-belt-and-road-initiative>, (accessed 1 June 2021).

countries need infrastructure investments. Until 2030, developing Asian countries will need \$1.7 trillion for their infrastructure deficits.³⁸ Through developing infrastructure, China aims to expand its influence.³⁹ The Belt and Road Initiative is the expression of China's challenge to the existing hegemon, the USA.

The Maritime Silk Road envisioned building the China-Indian Ocean-Africa-Mediterranean Sea Blue Economic Passage. It tasked Chinese enterprises with building and operating new ports along the route. In addition to ports, the construction of railways, roads, and highways that provide land connection to ports and the market is also emphasized. It entails building industrial parks, power generation grids, industrial complexes, special economic zones, and free trade areas.⁴⁰ The Chinese leadership realized that a global power must possess maritime strength. It is expressed as “weak maritime power leads to a declining nation; strong maritime power leads to a strong nation” (海殇则国衰，海强则国兴).⁴¹ The Maritime Silk Road is a big step for the Chinese state to achieve this newly developed state goal.

The Maritime Silk Road also aims to secure China's energy supply chains that pass through the Indian Ocean region. China's increasing dependency on oil and gas necessitates reliable transport routes from the energy rich Middle East.⁴² Indeed, according to data gathered in 2018, China's energy imports from Middle East countries correspond to 43.6 percent of its total energy imports.⁴³ Being aware of the importance of the region, China created the Gulf Pearl Chain project within the Maritime Silk Road that covers Gulf region countries, which constitute the core of the Middle East. Moreover, the success of the flagship corridor of the Belt and Road Initiative, the China-Pakistan Economic Corridor (CPEC), depends on the Gulf Pearl Chain, which will link Pakistan's Gwadar port to the ports of these countries.⁴⁴

38 *Asian Development Bank*, “Meeting Asia's Infrastructure Needs,” 2017, <https://www.adb.org/publications/asia-infrastructure-needs>, (accessed 4 January 2022).

39 Jane Perlez and Yufan Huang, “Behind China's \$1 Trillion Plan to Shake Up the Economic Order”, *The New York Times*, 13 May 2017, <https://www.nytimes.com/2017/05/13/business/china-railway-one-belt-one-road-1-trillion-plan.html>.

40 The State Council The People's Republic of China, “Full Text of the Vision for Maritime Cooperation under the Belt and Road Initiative,” http://english.www.gov.cn/archive/publications/2017/06/20/content_281475691873460.htm, (accessed 4 January 2022).

41 Richard Ghiasy, Fei Su, and Lora Saalman, *The 21st Century Maritime Silk Road Security Implication and Ways Forward for the European Union* (SIPRI, 2018), 4.

42 Mordechai Chaziza, “The Significant Role of Oman in China's Maritime Silk Road Initiative,” *Contemporary Review of the Middle East* 6, no. 1, (2019): 46.

43 Tingting Zhang, “Introduction,” in *China-Gulf Oil Cooperation Under the Belt and Road Initiative*, ed. Tingting Zhang and Dehua Wang (Shanghai: Shanghai Jiao Tong University Press, 2021), 3.

44 Sumedh Anil Lokhande, “China's One Belt One Road Initiative and the Gulf Pearl Chain,” *China Daily*, 2017, 6 May 2017, https://www.chinadaily.com.cn/opinion/2017beltandroad/2017-06/05/content_29618549.htm.

As a result of China's global and regional policies, Oman is also among countries that have attracted China's interest. However, before analyzing Oman's inclusion into the Maritime Silk Road, it is important to briefly discuss Oman's geographical position to understand the factors that differentiate it from other Gulf countries.

4. Oman's Geopolitical Position

Although American interest in Oman emanated from its position in the Strait of Hormuz, rather than the Indian Ocean, Oman is located closer to Pakistan and India than it is to other Gulf states. The eastern and southern coasts of Oman lie on the Gulf of Oman and the Arabian Sea in the Indian Ocean.⁴⁵ It is an important place that lies at the center of commerce between the Indian Ocean and Africa. It also stands at the intersection point of the Maritime Silk Road.⁴⁶

In addition to its geographical proximity, Oman ruled an *imperium* that spanned from the modern-day Gwadar region to Zanzibar. It served as a link point between South Asian and Eastern African trade. China would want to take advantage of Oman's geographical position and historical experience in the region while trying to connect the ports along the route of the Maritime Silk Road.

On the other hand, Oman wants to be a part of the Indian Ocean trade chain. Oman is among the 14 founding members of Indian Ocean Rim Association for Regional Cooperation (IORARC), which was established in 1997. Currently, IORARC has 20 members. It aims at promoting cooperation in economic, technical, trade, and investment fields.⁴⁷ Oman also maintained contact with Zanzibar, currently located in Tanzania. The tourist industry constitutes the main commercial activity between the two countries. Moreover, Zanzibaris, who are descendants of Omanis, are granted automatic citizenship if they request it. Oman has assisted Tanzania financially in building schools, hospitals, and mosques. It has restored historical landmarks, which date back to the Omani period. Oman also established good trade relations with Eastern African countries such as Kenya and Somalia.⁴⁸ These endeavors demonstrate

45 Lefebvre, "Oman's Foreign Policy in the Twenty-First Century," 105–6.

46 Henry Tillman, Yang Jian, and Ye Qing, BRI in Oman as an Example : The Synergy of Infrastructure, Digitisation and SEZs (Shanghai: The Shanghai Institutes for International Studies and China Investment Research, 2019), 1.

47 Ministry of External Affairs Government of India, "Indian Ocean Rim Association for Regional Cooperation (IORARC)," 2013, <https://www.mea.gov.in/Portal/ForeignRelation/IORARC.pdf>, (accessed 5 January 2022).

48 Michael B. Bishku, "Oman and the Indian Ocean Rim," *Journal of South Asian and Middle Eastern Studies* XXXVII, no: 4 (2014): 57.

that Oman is increasingly involved in trade activities in the Indian Ocean. The development of ports along the Maritime Silk Road would further these endeavors. While its oil sources are depleting, increasing trade would contribute to its aim of diversification of its economy.

5. Oman's Efforts to Diversify Its Economy

Although Oman has consistently demonstrated stable growth rates, the economy is predominantly oil dependent. Thus, oil prices largely affect Oman's economic activities. The recent fall in oil prices has led to stagnation in the economy. It exposed Oman's vulnerability to the fluctuations in oil prices.⁴⁹ If trends in Oman's GDP growth in the last decade were examined, the fluctuations in its growth could be seen.

Oman's GDP between 2010-2020⁵⁰

In addition to fluctuations in oil prices, unlike other Gulf countries Oman has a limited availability of oil sources.⁵¹ Oman's proven oil reserves are estimated at approximately 5.5 billion barrels. Oman's current rate of production is 740,000 barrels per day, of which 733,000 are exported. According to the data, Oman will run off oil in about 20 years.⁵² Therefore, Oman's Ministry of Commerce and Industry is preparing a plan to reduce the reliance of Oman on oil and to enhance the share of industry and trade, making these sectors the engine of growth in Oman.⁵³ The Oman Vision 40 paper also aims at "reinforcing upstream and downstream integration among economic sectors to expand the production and export base, diversify trading partners, deepen investment in high-value added sectors, and enhance the contribution of non-oil sectors to the GDP."⁵⁴ Thus, Oman needs foreign investment in its industrial and financial complexes. Yet, with a small population of 3 million

49 Ahmed Nawaz Hakro and Bilal Ahmad Pandow, "Development and Diversification: A Case Study of the Sultanate of Oman," in *Oman in the 21st Century: Issues and Challenges*, ed. Ahmed Nawaz Hakro (New York: Nova Science Publisher, 2019), 6.

50 The World Bank, "GDP (Current US\$) - Oman," 2021 <https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?end=2020&locations=OM&start=2010>, (accessed 6 January 2022).

51 Hakro and Pandow, "Development and Diversification...", 5.

52 Lefebvre, "Oman's Foreign Policy in the Twenty-First Century," 107.

53 'Manufacturing for Wellbeing': The Sultanate of Oman's Manufacturing Strategy 2040, (Muscat: Ministry of Commerce and Industry of the Sultanate of Oman and the United Nations Industrial Development Organization, 2019), xiv.

54 *National Day of Oman*, "Preliminary Vision Document," 2020, <https://www.national-day-of-oman.info/wp-content/uploads/2020/11/OmanVision2040-Preliminary-Vision-Document.pdf>, (accessed 6 January 2022).

population, it may fail to attract foreign investment. Rather, it promotes itself as a getaway to consumer markets in South Asia and Iran.⁵⁵ Both the Oman Vision 40 paper and the document prepared by the Ministry of Commerce and Industry emphasize Oman's geographic position in attracting foreign capital.⁵⁶ Thus, Oman is enthusiastic about joining the Belt and Road Initiative. Chinese investments in the context of the Belt and Road Initiative are very much appreciated by Oman.

6. Oman's Participation in the Belt and Road Initiative and Chinese Investments

The cooperation in energy constitutes the main area of relations between Oman and China. In 2017, Oman's 77 percent of oil exports were directed to China, making China Oman's largest energy export market. Besides importing oil, China is also interested in natural gas extracted in Oman.⁵⁷

Oman announced it was planning to spend \$14.8 billion on infrastructure in 2011 and in the coming years. China has played an important role in infrastructure projects such as ports, railways, and roads through either direct or indirect investments.⁵⁸ The Belt and Road Initiative has opened new possibilities for Oman to capture Chinese investments. Chinese State Councilor Wang Yong visited Oman in 2016. He stated that Oman is a key partner for China to advance the Belt and Road Initiative due to its geographical position, which links East Africa and the Gulf region. He also praised Oman's political stability, which makes it a reliable and significant actor in the region.⁵⁹ The participation of Oman in the Belt and Road Initiative fueled Chinese investments. Oman and China signed a Memorandum of Understanding in 2018. In the initial stage, China set aside \$540 million for infrastructure development in Oman.⁶⁰

In the transportation area, in 2016, China State Construction Engineering (CSCE) and China Railways were involved in the construction of railways that extended 1200 km. Asian Infrastructure Investment Bank (AIIB),

55 Lefebvre, "Oman's Foreign Policy in the Twenty-First Century," 108–9.

56 'Manufacturing for Wellbeing': The Sultanate of Oman's Manufacturing Strategy 2040.; 'Preliminary Vision Document'.

57 Chaziza, "The Significant Role of Oman," 49.

58 Tillman, Jian, and Qing, BRI in Oman as an Example, 2.

59 Callum Printsmith, "China-Oman Cooperation in the Age of the Belt and Road Initiative: Opportunities for the Sultanate," Manara Magazine, 2019, <https://manaramagazine.org/2019/05/12/china-oman-cooperation-in-the-age-of-the-belt-and-road-initiative-opportunities-for-the-sultanate/> (accessed 8 January 2022).

60 IOL, "Oman Joins the Belt and Road Initiative," 2019, <https://www.iol.co.za/business-report/belt-and-road/watch-oman-joins-the-belt-and-road-initiative-25483275>, (accessed 6 January 2022).

created to finance Belt and Road related projects, financed 60 percent of the cost of ‘Railway System Preparation Project’, which is designed to connect Oman to the UAE and Sohar Port, and oil and gas sites with ports of Duqm and Salalah.⁶¹ Improving transportation networks contributes to Oman’s commercial activities by strengthening linkages with other Gulf countries. Engr Redha Al-Saleh, the Chairman of Oman Chamber of Commerce and Industry (OCCI) comments that through transportation connections Oman will increase commercial links with regional countries.⁶²

The landmark project, which signifies Chinese involvement in the development projects in Oman, is the port of Duqm. Duqm promotes its location. It is situated between the Gulf of Oman and the Gulf of Aden. Therefore, it is an important part of the Maritime Silk Road.⁶³ The project in Duqm assumes the construction of a \$10.7 billion industrial park with a China-Oman partnership. The AIIB separately financed the laying out of the railway and developing the port which would be worth \$300 million in investment.⁶⁴ The Chinese consortium plans to develop 30 percent of the industrial park around the port, and 10 Chinese companies are involved in various projects, totaling an investment of \$3.06 billion.⁶⁵ The industrial park covers 11.72 square kilometers. It is presumed to generate employment for 12,000 people. It will handle 22 million tons of cargo per year. The industrial park project in the port of Duqm aims to link China’s Ningxia region, located in northwestern China, which is less developed than Eastern China. The government of Ningxia established China-Arab Wanfang Investment Management Co. This company created a subsidiary company called Oman Wanfang. The Ningxia region is composed of Xui people, who have Islamic and Central Asian origins. This cultural link also facilitates the success of the projects.⁶⁶ Jonathan Fulton, who is an academician specialized in China’s relations with the Gulf countries, comments that: “(Duqm) is a great project for Oman at a time when it’s economy has been pretty shaky. Oman and Duqm, are a key part of a new economic strategy that China is putting together for MENA.”⁶⁷

61 Tillman, Jian, and Qing, BRI in Oman as an Example, 3.

62 Business Recorder, “FPCCI Chief Explains How Pakistan-Oman Trade Can Be Increased,” 2021, <https://www.brecorder.com/news/40145584/fpcci-chief-explains-how-pakistan-oman-trade-can-be-increased> (accessed 10 January 2022).

63 Chaziza, “The Significant Role of Oman,” 50.

64 Nikkei Asia, “China’s Silk Road Initiative Makes Prey of Oman, Maldives,” 2018 <https://asia.nikkei.com/Spotlight/Belt-and-Road/China-s-Silk-Road-initiative-makes-prey-of-Oman-Maldives>, (accessed 8 January 2022).

65 Chaziza, “The Significant Role of Oman,” 50.

66 Hamdan Al-Fazari and Jimmy Teng, “Adoption of One Belt and One Road Initiative by Oman: Lessons from the East,” *J. Global Business Advancement* 12, no. 1 (2019): 154.

67 Grady McGregor, “The Remote Omani Fishing Village of Duqm Is ‘Rising From the Desert’ as China Strategically Invests,” *Albawaba*, 2018, <https://www.albawaba.com/news/remote-omani-fishing-village-duqm-rising-desert-china-strategically-invests-1203064>, (accessed 8 January 2022).

The establishment of an industrial park would contribute to the attempts of an Omani state to diversify Oman's economy while enabling China to develop its economically less developed regions by linking these regions to the Gulf of Oman.

Besides railway and port construction, Chinese companies have invested in building power grids in Oman. Oman's electricity is growing by 15 percent annually and its water by 10 percent due to increasing population and infrastructure development.⁶⁸ Thus, upgrading power grids is critical for Oman. SEPCO III Electric Power Construction Corporation, which is a subsidiary company of Power China, was granted permission in Al Taweelah, which is the largest desalination facility which supplies 200 million gallons per day. The Silk Road Fund, one of the financial institutions to finance Belt and Road related projects, acquired the stakes of ACWA Renewables. China Power and ACWA jointly invested in power plant production, which can produce 1516.5 mw. Another power plant project will be capable of producing 1714.9 mw.⁶⁹

Chinese investments in railways, ports, and power grids demonstrate that Chinese economic presence in Oman has increased. The projects that Chinese companies were involved in boomed after Oman's formal participation in the Belt and Road Initiative. The infrastructure projects of the Belt and Road Initiative are compatible with Oman's own developmental plans to upgrade its infrastructure and diversify its economy. For China, Oman's geographical position makes it an attractive partner. Its investments, therefore, have not remained in ports and railways. Chinese companies are also involved in developing the digital infrastructure of Oman.

7. China's Digital Silk Road and Upgrading Oman's Digital Infrastructure

Announced in 2015, The Digital Silk Road has become a part of the Belt and Road Initiative. Under the Digital Silk Road framework, China promises to improve the recipient countries' fiber optic, telecommunications, cloud computing, e-commerce, surveillance technologies, and other technology infrastructures. One third of the Belt and Road participant countries also joined the Digital Silk Road.⁷⁰ China has been involved in many fiber-optic cable projects, increasing its ownership of the flow of global data traffic. Laying out terrestrial and under-sea cables would reduce data latency and data travel

68 Lefebvre, "Oman's Foreign Policy in the Twenty-First Century," 107.

69 Tillman, Jian, and Qing, BRI in Oman as an Example, 4.

70 Council on Foreign Relations, "Assessing China's Digital Silk Road Initiative," 2020, <https://www.cfr.org/china-digital-silk-road/>, (accessed 29 April 2021).

times. Moreover, Chinese companies such as China Telecom Global, China Mobile International, and Alibaba Cloud upgrade data centers for mobile networks in the developing world. Chinese company Huawei dominates 5G technology development in Belt and Road countries. Smart city projects are also prioritized along Belt and Road routes.⁷¹ The Digital Silk Road offers opportunities for developing countries to develop their digital infrastructure through Chinese technology transfer and investments.

Oman is one of the countries which received Chinese assistance in developing its digital infrastructure. In April 2016, the Bay of Bengal Getaway, which extends 8,100 kilometers, links Malaysia and Singapore to Oman. This cable network is part of the global cable network which connects India, the Middle East and Europe. In December 2017, the AIIB loaned \$239 million to Oman to build fiber optic cables. This line extends 4,000 kilometers with drop cables that extend 9,500 kilometers. In July 2019, Huawei started to build 5G networks in Oman.⁷² In 2020, Oman signed a deal with Huawei to develop the Omani communication technology ecosystem.⁷³ In December 2021, Oman and Huawei furthered their cooperation by signing a Memorandum of Understanding, which assumes the development of 5G technology and the building of an innovation center.⁷⁴ Through the investments within Digital Silk Road Oman also has the opportunity to upgrade its cable networks and introduce 5G networks, which would increase Oman's digital connectivity. Despite its beneficial sides of the Belt and Road project mentioned above, China's potential use of the Belt and Road Initiative as a strategy tool has the danger of compromising Oman's active neutrality in the region.

8. The Effect of the Maritime Silk Road on Oman's Foreign Policy

Before the 18th Party Congress in 2013, President Xi convened a Peripheral Diplomacy Work Conference, where he redirected China's foreign policy. According to President Xi, the time for China to assert leadership in the world

71 Andrew Kitson and Kenny Liew, "China Doubles Down on Its Digital Silk Road," Reconnecting Asia CSIS, 2019 <https://reconnectingasia.csis.org/analysis/entries/china-doubles-down-its-digital-silk-road/>, (accessed 20 May 2020).

72 Tillman, Jian, and Qing, BRI in Oman as an Example, 5–6.

73 Belt and Road Studies Network, "China's Huawei, Oman Sign Deal to Develop Oman's ICT Ecosystem," 2020, http://www.brsn.net/NEWS/zhiku_en/detail/20200506/1005000000032801588751775288530080_1.html accessed 10 January 2022.

74 Huawei, "Huawei Signed a Memorandum of Understanding with Omani Ministry of Culture, Sports and Youth and Omantel," 2021, <https://www.huawei.com/en/news/2021/12/huawei-oman-omantel-mou> (accessed 10 January 2022).

has come. For this goal, Chinese economic resources would be mobilized. It was a departure from Deng Xiaoping's 'hide your strength, bide your time' foreign policy doctrine. After this conference, the announcement of the Belt and Road Initiative has reinforced the perception that the Belt and Road Initiative is an expression of China's bid for global supremacy.⁷⁵ An increasing Chinese presence in the MENA region contributes to suspicious views concerning China's goals with the Belt and Road Initiative. The U.S. Department of Defense contends that China's rising footprint in the region will eventually drive the People's Liberation Army (PLA) to protect these investments.⁷⁶ Setting up a naval base in Djibouti strengthened this perception. China is heavily invested in Djibouti's infrastructure such as railways and ports. In order to protect these investments against attacks and piracy, China established a naval base in Djibouti. Pradeep Mehta, the Secretary General of CUTS International, commented that: "Increasing naval bases of China in Africa is a part of their long-term strategic plan to dominate the Indo-Pacific region."⁷⁷ Located in a strategic position, China would also want to expand its military influence in Oman, threatening its sovereignty.

Another tool that China employs along the Belt and Road route, which infringes on the sovereignty of participant countries, is debt-trap diplomacy. This term has been coined by Brahma Chellaney. He suggests that Chinese financial grants to Belt and Road countries for infrastructure projects overwhelm recipient countries, forcing them to sell the stakes or hand over the management to Chinese companies. For example, China's Three Gorges Corporation took over 75 percent of the stakes of the dam built in Nepal to construct a new dam. In Cambodia, in exchange for a new contract, China canceled off \$90 million in debt.⁷⁸ However, the most conspicuous example that demonstrates China's use of debt as a geopolitical weapon occurred in Sri Lanka. The Sri Lankan government failed to pay \$1.2 billion debt. In exchange for writing off this debt, China Merchants Port Holdings (CMPort) has been granted a 99-year lease of Sri Lanka's Hambantota International Port. This port is close to international shipping routes that pass through the Suez Canal and the Strait of Malacca. These routes combined with Hambantota are used

75 Peter Cai, *Understanding China's Belt and Road Initiative* (Sydney: Lowy Institute, 2017), 3–4.

76 *Military and Security Developments Involving the People's Republic of China 2021* (Washington D.C.: Office of the Secretary of Defense, 2021), 126.

77 Dipanjan Roy Chaudhury, "China Widens Presence in Indian Ocean through Massive Inroads in Djibouti," *The Economic Times*, 01 October 2021, <https://economictimes.indiatimes.com/news/defence/china-widens-presence-in-indian-ocean-through-massive-inroads-in-djibouti/articleshow/86676234.cms?from=mdr>.

78 Brahma Chellaney, "China's Debt-Trap Diplomacy," *Aspi Strategist*, 2017 <https://www.aspistrategist.org.au/chinas-debt-trap-diplomacy/>.

by 36,000 ships. Therefore, controlling this port offers strategic leverage to China in the Indian Ocean.⁷⁹

These developments have been met with criticism in the USA. In 2018, the then- Secretary of State of the USA, Rex Tillerson, stated that China “encourages dependency using opaque contracts, predatory loan practices, and corrupt deals that mire nations in debt and undercut their sovereignty.”⁸⁰ In 2019, Tillerson’s predecessor, Mike Pompeo, also described China’s lending activities as “predatory economic activity.”⁸¹ The U.S. Military is equally disturbed by China’s increasing presence in the Indian Ocean. The then-Commander of the United States Central Command (CENTCOM), Joseph Votel, argued that China aims at increasing its military presence through infrastructure investments between Gwadar and Djibouti⁸² This area corresponds to Oman’s territories and coasts.

Therefore, Oman’s ports built with Chinese capital will be potential prey for China, which wants to increase its presence on the coasts of the Indian Ocean. Mitsugi Saito, the Japanese Ambassador to Oman, expressed that the construction of a separate park, which would have the capacity of repairing large vessels, around the port of Duqm raises the possibility of China’s desire to use this area for military purposes.⁸³ U.S. Defense Contractor Allen Hamilton argued that China has a long-term strategy to expand its military presence in the Indian Ocean through turning civilian ports into military ports.⁸⁴ A possible Chinese use of debts and investments to gain leverage to gain control of Oman’s ports and turning them into military ports would both harm Oman’s sovereignty and compromise Oman’s neutral foreign policy, which distinguished Oman from the rest of the Gulf countries.

Another area which would violate Oman’s security is the digital sphere. The cybersecurity law enacted in 2017 in China requires Chinese technological companies to share their data with the state.⁸⁵ This allows the Chinese state

79 Saikiran Kannan, “Exclusive: Revival of Hambantota Port in Sri Lanka May Strengthen China’s Position in Indian Ocean,” *India Today*, 19 March 2021, <https://www.indiatoday.in/world/story/revival-hambantota-port-sri-lanka-strengthen-china-position-indian-ocean-1781171-2021-03-19>.

80 Kari Lindberg and Tripti Lahiri, “From Asia to Africa, China’s “Debt-Trap Diplomacy” Was under Siege in 2018,” *Quartz*, 2018, <https://qz.com/1497584/how-chinas-debt-trap-diplomacy-came-under-siege-in-2018/>, (accessed 10 January 2022).

81 Matt Ferchen and Anarkalee Perera, “Why Unsustainable Chinese Infrastructure Deals Are a Two-Way Street,” *Carnegie-Tsinghua Center for Global Policy*, 2019, https://carnegieendowment.org/files/7-15-19_Ferchen_Debt_Trap.pdf, (accessed 10 January 2022).

82 Camille Lons, “Onshore Balancing: The Threat to Oman’s Neutrality,” *European Council on Foreign Relations (ECFR)*, 2019, https://ecfr.eu/article/commentary_onshore_balancing_the_threat_to_omans_neutrality/, (accessed 10 January 2022).

83 Nikkei Asia, “China’s Silk Road Initiative,”

84 McGregor, “The Remote Omani Fishing Village.”

85 Lauren Maranto, “Who Benefits from China’s Cybersecurity Laws?,” *CSIS*, 2020, <https://www.csis.org/blogs/new-perspectives-asia/who-benefits-chinas-cybersecurity-laws>, (accessed 14 January 2022).

to collect and monitor data collected by Chinese technological companies. Considering that Chinese technological companies have extended their activities along the Belt and Road route, this article of the cybersecurity law enables the Chinese state to reach the data of the citizens of other countries. Concerns about cyberespionage concerning Chinese technological companies have been justified in the case of African Union. The French newspaper *Le Monde* reported that data collected every night between 2012 and 2017 from the Chinese constructed African Union headquarter building in Ethiopia.⁸⁶ Oman's close cooperation with Huawei has a danger of violating its digital security. Furthermore, it could attract the harsh reaction of the USA, which banned Huawei in its domestic markets and pressured other countries to exclude Huawei from developing 5G networks. Oman-China digital cooperation could become a more serious issue than the USA's implicit recognition of Oman-Iran ties because China's challenge to American hegemony at the global level is perceived by policymakers in the USA as a more serious threat than Iran related disturbances, most likely to remain at the regional level. Thus, Omani policymakers must balance their needs for Chinese investments and the interests of the USA in a careful way by drawing out lessons from the Sultan Qaboos era.

9. Oman's Balancing Moves

For Oman, state sovereignty and independent decision-making are key foreign policy objectives. A report prepared by the British officers in 1978 states that: "The Omanis wish to be masters in their own house. But they also wish to continue the expertise of loaned service officers ... To continue with loaned service officers, they are required to have loaned service commanders, which militates against complete independence."⁸⁷ This statement could still illuminate Oman's current foreign policy goals. While needing Chinese investments to diversify its economy, Oman wants to balance Chinese influence. In light of this foreign policy goal, Oman engages in balancing against China.

In 2019, the USA and Oman signed a deal which grants permission to the U.S. Navy to call at the ports of Duqm and Salalah. For the USA, this deal offers an opportunity to conduct operations in the Gulf region against Iran if a crisis erupts with Iran. More importantly, through this deal, the USA could

86 Maily Fidler, "African Union Bugged by China: Cyber Espionage as Evidence of Strategic Shifts," Council on Foreign Relations, 2018, <https://www.cfr.org/blog/african-union-bugged-china-cyber-espionage-evidence-strategic-shifts>, (accessed 4 May 2021).

87 Gardner, "The Limits of the Sandhurst Connection," 57.

monitor and check China's presence in the region.⁸⁸ For Oman, U.S. navy presence at ports of Duqm and Salalah would deter China from using these ports for military purposes. This concession to the USA would also reduce its objections concerning Oman-China cooperation in the framework of the Belt and Road Initiative. Thus, while benefiting from Chinese investments, Oman could secure itself with the assistance of the USA.

Besides the USA, Oman is deepening its ties with India, which has been wary of China's Belt and Road Initiative. In 2017, Indian officials did not attend the Belt and Road Initiative Forum, where 29 heads of states were present, although they have received several invitations. The Indian officials' main criticism is that the Belt and Road Initiative violates the participant states' sovereignty while laying out infrastructure projects.⁸⁹ Thus, cooperation with India is a smart balancing move for Oman against China. In 2018, Oman and India signed the Maritime Pact. According to this pact, the Indian Navy could use Omani ports for logistics and support purposes. For India, it is an opportunity to check Chinese expansion in the coasts of East Africa and the Indian Ocean.⁹⁰ In December 2019, Oman and India signed a maritime transport agreement, enabling India to extend its footprint in the southern Indian Ocean. In May 2021, Oman and India signed military pacts, which covered military and maritime security cooperation. Indian air forces conducted joint exercises with the Omani air forces. India is also considering establishing defense facilities in Oman.⁹¹ This extensive Oman-Indian cooperation could be considered as part of Oman's policy of balancing major powers with each other.

To reduce its dependency on China, in the digital sphere, Oman engages in regional cooperation for developing technology and training personnel. In November 2021, Oman and Saudi Arabia signed two agreements. One agreement assumes cooperation in developing a digital economy. The other is about digital training and digital education for citizens of Oman and Saudi Arabia. It involves training programs on Artificial Intelligence (AI), data

88 Lons, "Onshore Balancing,".

89 Nafees Ahmad, "India Should Reconsider Its Decision Not to Participate in the Belt and Road Initiative," LSE, 2017, <https://blogs.lse.ac.uk/southasia/2017/06/22/india-should-reconsider-its-decision-not-to-participate-in-the-belt-and-road-initiative/> (accessed 12 January 2022).

90 Vishakh Krishnan Valiathan, "Oman's Strategic Duqm Port and India's Opportunities," CLAWS Center for Land Warfare Studies, 2020, <https://www.claws.in/omans-strategic-duqm-port-and-indias-opportunities/>, (accessed 11 January 2022).

91 Dipanjan Roy Chaudhury, "India, Oman Renew Key Defence Pacts as New Delhi Seeks to Play Wider Role in Region, The Economic Times, 24 May 2021, <https://economictimes.indiatimes.com/news/defence/india-oman-renew-key-defence-pacts-as-new-delhi-seeks-to-play-wider-role-in-region/article-show/82912235.cms?from=mdr>.

computing, software design, financial technology, cyber security, and digital marketing.⁹² Regional cooperation in the digital area could prevent Oman from being too dependent on China in developing digital infrastructure.

Conclusion

This article aims to analyze how Oman's foreign policy will be affected by the Maritime Silk Road, which is one of two main components of the Belt and Road Initiative besides the Silk Road Economic Belt. Strategically located in the Persian Gulf, Oman governed an *imperium* that covered the South Asian port city of Gwadar and the East African region of Zanzibar. Today, it continues to link South Asia, the Middle East, and East Africa. This historical legacy and geographical location make Oman an attractive partner for China, which wants to increase its influence in these regions. Oman, which wants to diversify its economy due to depleted oil resources, embraced Chinese investments by participating in the Belt and Road Initiative in 2018. Given the increasing competition between the USA and China, this has the danger of compromising Oman's neutral stance in the region.

The main tenets of Oman's foreign policy have been determined by Sultan Qaboos, who came to power in 1970 by overthrowing his father, Said bin Teymur. Breaking away from his father's foreign policy of isolationism, Sultan Qaboos made Oman a member of international organizations. However, he strictly observed Oman's sovereignty while following an active foreign policy. In a highly volatile environment, Oman managed to maintain its neutral stance, highlighting its mediator role in the conflicts in the region. After his death in 2020, Sultan Qaboos' legacy still affects Oman's foreign policy in managing its position between the USA and China.

Increasing Chinese involvement in Belt and Road participant countries has created opportunities for the Chinese companies to acquire stakes in infrastructures, such as ports and railways, extending Chinese influence. There are also suspicions that China might turn the built and developed ports into military bases. Moreover, the requirement imposed on Chinese companies to share their data with the Chinese state raises questions of cyber espionage. These concerns would both upset the regional balance of power and harm Oman's sovereignty. Following Sultan Qaboos' footsteps, Oman engages in balancing acts such as granting access to the U.S. navy to the ports of

92 EGov Review, "Saudi Arabia And Oman To Launch Joint Digital Initiatives," 2021, <https://www.egovreview.com/article/news/94/saudi-arabia-and-oman-launch-joint-digital-initiatives> (accessed 14 January 2022).

Duqm and Salalah and improving economic and military cooperation with India. In the digital sphere, Oman is trying to develop regional cooperation in establishing the digital economy and training personnel in digital sectors. These endeavors demonstrate that while benefiting from Chinese financial contributions to its economy, Oman is keen on not falling into China's sphere of influence.

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