

Hearing on China and the Middle East

Opening Statement of Senator James Talent June 6, 2013 Washington, DC

Thank you, Commissioner Fiedler, and welcome to our panelists and guests.

China's engagement with the Middle East is of particular importance to the United States given our country's multifaceted interests and investments in that part of the world. China is expanding its economic, diplomatic, political, and security presence in and around the Middle East. The better America understands China's approach to the region, the better prepared we will be able to respond in a way that promotes peace and prosperity.

In light of China's growing footprint in the Middle East, we ask the following questions: Will China contribute to political stability and economic growth in the Middle East? Will China seek to match or challenge U.S. influence in the region? What impact will China's massive appetite for Middle Eastern oil have on global energy security? Will China's continued friendship with Iran undermine U.S. national security?

The answers to these questions are complex, and so far, China's relationship with the Middle East has resulted in a range of outcomes, some of which complement U.S. interests, and some of which undermine them. For example, Chinese investments are underwriting key development projects in the Middle East, from highways and railways to power stations, irrigation systems, and housing. Chinese investments in Iraq's energy sector may enable enormous post-war growth while bringing substantial new oil supplies online. Such engagement has the potential to contribute to stability and economic productivity in the region. On the other hand, however, Beijing's support of regimes in Syria and Iran have undermined international efforts to stem violence and human rights abuses in the former, and to stop the development of nuclear weapons in the latter. In these and other cases, China's activities detract from peace and security in the region.

We have a number of highly qualified expert panelists today to help us assess these issues and suggest how the United States might appropriately respond.

I would like to remind the members of our audience that all of the written statements submitted for the record are available on our website, <u>uscc.gov</u>. A transcript of today's hearing also will be published on our website at a later date. And the testimony at this and other hearings will help to inform our Annual Report to Congress, which will be published in mid-November.

We ask that the panelists limit their opening remarks to seven minutes each in order to leave plenty of time for questions and answers.

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