International Relations and Diplomacy, January 2018, Vol. 6, No. 01, 1-15  $\,$ 

doi: 10.17265/2328-2134/2018.01.001



# Historical Exchanges and Future Cooperation Between China and Oman Under the "Belt & Road" Initiative\*

Zhibin HAN

Xiaoqian CHEN

Northwest University, Xian, China

Northwest University, Xian, China

Oman, located at the southeastern corner of the Arabian Peninsula, enjoys a geological advantage in history so that it has been the irreplaceable path to maritime routes since the ancient time. Oman and China have started large-scale communications in maritime civilizations through the vast Indian Ocean in Han Dynasty, and the exchanges reached the peak in Tang Dynasty. These exchanges gradually declined with the rise of Western navigation industry. Since the founding of the modern nation-state system, the People's Republic of China (PRC) and Muscat regime in Oman have some conflicts in diplomacy. The relations between two nations, however, began to improve after the mid-1970s, and the formal diplomatic relations was established in 1978. Since then, both countries have enjoyed rapid development in the fields of politics, culture and particularly in economics. China and Oman became important regional economic and trade partners. Whether seen from the perspective of historical contacts or the trend of present economic development, the One Belt and One Road Initiative (OBOR) has providing a golden opportunity for cooperation between China and Oman, at the same time, this initiative has received active response from Oman. In general, China and Oman's cooperation is a typical model in the Middle East, and two countries have made many cooperation achievements under OBOR, such as the China-Oman Industrial Park in Duqm. There are also some investment risks either on micro level or macro level, which require more attention from both government and enterprises of China.

Keywords: Chinese diplomacy, China-Oman relations, One Belt and One Road Initiative, Omani economic development, Chinese Experience

#### Introduction

Oman is the third largest country in Arabian Peninsula. It is the traffic hub of three continents (South Asian Sub-Continent, West Asia, and East Africa) and three seas (Arabian Sea, Red Sea, and Indian Ocean). It occupies the "Gulf Throat" the Strait of Hormuz, which makes Oman strategically important in location (Bernek, 2010, pp. 51-52). Being different from other Persian Gulf countries, Oman is at the southern corner of the Arabian Peninsula so that it's not restricted by the geographical constraints of the Strait of Hormuz. At the same time, it stands on the meeting-point of the Maritime Silk Road and land Silk Road. In addition, in possession of many fine natural harbors, Oman becomes the golden trade route linking Europe with Asia,

<sup>\*</sup> Acknowledgements: This work was supported by the Chang Jiang Scholars Program of Ministry of Education in China (Q2016228), the Humanties and Social Science Talent Plan of Shan Xi Province (HSSTP).

Zhibin HAN, Professor and Deputy Director, Institute of Middle Eastern Studies of Northwest University in China.

Xiaoqian CHEN, Ph.D. Student, Institute of Middle Eastern Studies of Northwest University in China; International Visiting Scholar of Ferdowsi University of Mashhad in Iran.

through which more than 40 percent of the world's exported oil shipments currently pass (Oxford Business Group, 2010). China and Oman have a long history of communication since ancient time. A large number of ships from both countries traversed the Indian Ocean in order to exchange goods. After the founding of the People's Republic of China (PRC) and establishment of the modern Oman, two nations, though, experienced twists and turns in relationship, bilateral relation was rapidly improved after mid-1970s. China and Oman have made fruitful achievements in the terms of politics, economics, and culture after the establishment of diplomatic relations in 1978. Especially after the One Belt and One Road Initiative (OBOR) has been put forward by China, Omani government highly supported and positively responded so that the economic and trade cooperation are deepened.

The 40th anniversary (25 May 2018) of the establishment of diplomatic relationship between China and Oman, will put new drive and power in the new page of cooperation between two nations, especially with the historic opportunity and the background of OBOR.

## The Friendly Historical Exchanges Between China and Oman

The history of friendly communication between China and Oman can be roughly divided into two stages: the communication in ancient time and the communication after the establishment of formal diplomatic relations that has been established in 1978. Whether in ancient or in contemporary time, China-Oman exchanges have yielded great achievement along the sailing path of the Maritime Silk Road. Not only the history of communication between China and Oman is the manifestation of mutual trust and respect in politics and culture, but also the close economic contacts has provided endless force for further communication.

# **A Long History of Ancient Contacts**

Oman's ship building and navigation were quite famous in ancient time, because it benefited from the superior geographical location. Oman was located roughly in the Sohar area that was called *Magan*, meaning "the skeleton of the ship" (Lawton, 1983, pp. 18-19). Some scholars pointed out that Omani were navigators, travelers, and businessmen of the Arabs. They were unique for being able to dash about the Indian Ocean (Bhacker, 2009, pp. 167-168). Ancient Omani stitched all parts of the ship with fibers of coconut trees instead of nails, and stuffed the crevices on the ship decks with natural oils and animal fats. In addition, Omani can make 120-foot-long ship which can carry more than 500 tons without any drawings but only by memory. Shipbuilding centers used to be very flourishing in Sohar, Sur, and Dhofar in history. In Oman's golden age of the maritime industry from eighth to 15th centuries, vessels built in Muscat's could carry loads of 300-600 tons. Besides, Omani navigators also sailed across the Indian Ocean and bypassed the Straits of Malacca and finally arrived in southern of China. This route set up maritime bridge with the ancient civilizations between China and Oman. Sohar is called "the gateway to China" at that time (Wilkinson, 1977, p. 887). In 1980, the ship of "Sohar" was built in Sohar and it traveled along the footsteps of ancient Omani and finally arrived in Guangzhou, China. Then, the "Sohar" was brought back to Oman to commemorate this trip and the friendly relations between two countries<sup>2</sup>.

The earliest records of contacts between China and Oman can be traced back to Han Dynasty when Chinese goods were sold to Sohar. The goods traded to Oman were generally agricultural products and the

<sup>&</sup>lt;sup>1</sup> Oman maritime history. Retrieved December 17, 2017, from http://www.pscoman.com/tabid/352/Default.aspx

<sup>&</sup>lt;sup>2</sup> See http://www.fmprc.gov.cn/web/gjhdq\_676201/gj\_676203/yz\_676205/1206\_676259/sbgx\_676263/

goods to China usually were mastic-frank incense, dates, pearls, and horses. The mastic-frank incense was shipped from Dhofar in southern Oman to China, because of which, China and Oman were closely linked by business of products represented by balsam. The route from Sohar to Guangzhou was also called "Spice Road". In the third and fourth century, date palms had been planted in the Indochina Peninsula, and in Tang Dynasty, the Omani and Persian people transplanted date palms to Guangzhou, which was called Persian dates. The spread of date palms in *Lingnan* (referring to south area of the five hills in China) is the historical testimony of exchanges of economic and horticultural science-technology between China and Oman (Nicolini, 2016, p. 149).

China and Oman have been maintaining direct trade relations since 507 A.D. In the early time of Tang Dynasty in China when the Arab Empire had not yet been established, Oman was regarded one part of Persia due to its traditional political relations. Oman and China had frequent maritime exchanges at that time, and Guangzhou became the largest residential area of Omani when Omani businessmen came to the southern coast of China continuously. The commercial exchanges between Guangzhou and Sohar and Dhofar reached its peak in 878 A.D, and then declined because of the peasant uprising led by HUANG Chao. The uprising troops broke into the city of Guangzhou in September, and attacked residents of Moslem, Jews, Christians, and Zoroastrians in Guangzhou. It caused 120,000 casualties (Saadi, 2012, p. 91). The commercial intercourse between China and Oman gradually decreased following Omani businessmen escaped. In Song Dynasty, trade with overseas were encouraged and awarded by government. As a result, the friendly relations between China and Oman reached another peak from the mid-10th century to the first half of the 12th century. In this period of time, Chinese sailing ships frequently visited Dhofar port. Sohar and Guangzhou restored direct trade (Saadi, 2012, pp. 94-95).

In the early Ming Dynasty, ZHENG He and his fleets sailed to the Indian Ocean seven times which caused great influence in the area. China conducted large-scale trade and diplomatic activities with countries around the Indian Ocean countries. A new phase of friendly communication between China and Oman arrived (TONG, HAN, & CHEN, 2017, p. 246). ZHENG He crossed the Arabian Sea and arrived in places such as Dhofar and Hormuz in the first voyage (December 1405 to September 1407). Thereafter, ZHENG He's fleets arrived in Dhofar and Hormuz during the third voyage (December 1409 to June 1411), the sixth voyage (December 1421 to August 1422), and the seventh voyage (January 1431 to July 1433) (Tamura, Mention, Lush, Tsui, & Cohen, 1997, p. 70). In this period, Dhofar region repeatedly sent envoys to China. The envoys of Dhofar arrived in Beijing in 1421 with a delegation of 16 nations including Hormuz and Aden. In 1423, another delegation of 16 nations, more than 1200 members, visited China again. The King of Dhofar, Ali, sent envoys to Beijing again in 1433. They did not return until 1436 with envoys of Aden, Hormuz, and other regions (Olimat, 2016, p. 129). Since then, the direct contacts between two countries have gradually fell into standstill for various reasons, such as the Portuguese colonial army destroyed Muscat, Sohar, and other Oman's harbor cities (Saadi, 2012, p. 104).

## The Relations Between China and Oman After Establishment of Diplomatic Ties

In more than one decade after the founding of PRC in 1949, there was no obvious progress in the diplomacy between China and nations in the Gulf area and Arabian Peninsula including Oman. In 1950s and 1960s, when China has alliance with Soviet Union, Oman was regarded "follower of West" by China. In addition, China also viewed the Persian Gulf and the Arabian Peninsula as a potential battle field for launching

<sup>&</sup>lt;sup>3</sup> See https://en.unesco.org/silkroad/countries-alongside-silk-road-routes/oman

revolution against Western imperialism (Calabrese, 1990, pp. 862-876). Therefore, Chinese government gave some support to the Dhofar Liberation Front (DLF) and Popular Front for the Liberation of the Occupied Arabian Persian Gulf (PFLOAG) (Bin Huwaidin, 2002, pp. 102-104). In April 1972, Sultanate of Oman announced due to Chinese government's relations with Omani anti-government organizations, Oman kept on dissociating with China regardless of China having established formal diplomatic relations with Kuwait and Iran (Abidi, 1982, p. 252). In the mid-1970s, the Chinese government's foreign policy was gradually pragmatic. It brought opportunities to improvement of diplomatic relations between two nations. China began to adopt a softer approach toward monarchies in the Persian Gulf. By the late 1970s, for example, China was less enthusiastic about opposing crackdowns in the region on anti-monarchist forces in Oman (Wakefield & Levenstein, 2011, p. 3).

After the Dhofar war in 1976, the biggest obstacle of the diplomatic relations between two countries was removed. In May of 1978, the Sultanate of Oman and PRC signed the agreement on the establishment of diplomatic relations in London (Lansford, 2012, p. 1084). The Joint communique of China-Oman pointed out:

The Government of the People's Republic of China and the Government of the Sultanate of Oman have decided to establish diplomatic relations at ambassadorial level as from 25th May, 1978 and to exchange ambassadors. The Government of the People's Republic of China firmly supports the Government of the Sultanate of Oman in its just cause of safeguarding national independence and developing the national economy. The Government of the Sultanate of Oman recognizes the Government of the People's Republic of China as the sole legal government representing the entire Chinese people. The two Governments have agreed to develop friendly relations and cooperation between the two countries on the basis of the principles of mutual respect for state sovereignty and territorial integrity, mutual non-aggression, non-interference in each other's internal affairs, equality and mutual benefit, and peaceful coexistence.<sup>4</sup>

YUAN Lulin, the China's first ambassador to Oman, arrived at his office in Muscat, in April 1978, and Subayhi as the Omani ambassador to China was appointed by Sultanate Qaboos in the same year. Zawawi, the Oman's Foreign Minister, visited China in June of that year. Oman has maintained the similar foreign policy like China, i.e. neutrality, non-alignment, good neighborliness, friendship, and non-interference in the internal affairs of other countries (TONG, HAN, & CHEN, 2017, p. 211), which is conducive to the steady development of diplomatic relations between China and Oman. In the past four decades, the diplomacy between China and Oman in politics, economy, and culture have shown that the relationship between two nations is ties between gentlemen, ties beneficial to both sides, and ties of harmony. It set up an example for exchanges between China and other Arab countries.

The political exchanges are the guarantee of friendly ties between China and Oman. Since the establishment of diplomatic relations, both sides insist on firm support to each other on core interest and major concerns. Both nations maintained high-level exchange mechanism and strategic dialogue. In recent years, both sides tighten links on high-level, for example, JIA Qinglin, chairman of the Chinese People's Political Consultative Conference (CPPCC), ZHANG Gaoli, the member of politburo standing committee of the Communist Party of China (CPC), HAN Qide, vice chairman of the National People's Congress (NPC), WANG Yong, the state councilor visited Oman successively. Monzeri, chairman of the State Council (Majlis A' Dawla), Sayyid, vice chairman of Majlis A' Dawla, Allawi, Minister of Foreign Affairs, Mawali, chairman of the Consultative Assembly (Majilis Al Shura) also visited China<sup>5</sup>.

-

<sup>&</sup>lt;sup>4</sup> Retrieved December 14, 2017, from http://www.fmprc.gov.cn/mfa\_eng/wjdt\_665385/2649\_665393/t15820.shtml

<sup>&</sup>lt;sup>5</sup> See http://www.fmprc.gov.cn/chn//gxh/cgb/zcgmzysx/yz/1206\_1/1206x1/t6217.htm

In addition, China and Oman have stated annual strategic meetings since 2005 to discuss mutually-related international and regional security issues. This dialogue mechanism effectively set up a platform for both sides to reach consensus on the political issues (The Diplomat, 2017). After 2009, when Chinese naval fleets conducted convoying missions against pirates in the Gulf of Aden, they visited the port of Salalah in Oman many times. Oman provided great convenience for Chinese naval fleets and their logistic support. China and Oman have strengthened cooperation in regional affairs and made joint efforts to maintain regional security and stability (China News, 2013).

Cultural communications are the foundation of friendly ties between China and Oman. Both nations are engaged in the improvement of cultural communication and cooperation on the basis of history. On the one hand, Oman actively builds cultural memorial facilities such as the monuments of "Sohar" boat in Guangzhou and the ZHENG He Memorial Park in Oman to display the lofty history maritime exchanges between two nations (WU, 2015, p. 10). On the other hand, China and Oman are enhancing the mechanisms of cultural communication such as the exhibition of Chinese culture in Muscat Art Festival (China Culture, 2015), the establishment of Arabic and Islamic Cultural Studies Centre in Peking University and opened Chinese classes in Sultan Qaboos University. It is worth mentioning that Oman was the only stop in the Gulf and the Middle East for the Olympic torch traveling from Greece toward China in 2008. Muscat was its ninth stop. Two important considerations in reference to hosting the torch and China's organizing the Olympic Games: Firstly, the selection of Muscat as the ninth stop in the region is an indication to importance of Oman as a center of world culture, world civilization, and the distinguished ties between Oman and China; Secondly, very few countries matched the Omani enthusiasm for China's hosting the games at a time: it was under a systematic campaign from the international human rights community (Olimat, 2016, p. 143). In addition, after the founding of Oman-China Friendship Association in 2010, the friendly cooperation was strengthened in the fields of culture, economy, and society, which also promoted a series of vigorous exchanges of scholars (Oman Observer, 2017).

The economic cooperation is the drive of sustainable development of friendly ties between China and Oman. Following the establishment of diplomatic ties in 1978, the volume of trade has been continuously increasing. The exports volume from China to Oman increased from \$5.85 million in 1976 to \$9.06 million in 1983 and to \$10 million in 1986. Oman is the first country to sell oil to China among Arab countries when China became oil import country in 1993. Currently, it is one of the major energy partners of China in the West Asia and North Africa (United States Congress, 2013, p. 300). After 1995, for China's crude oil imports from Oman continued to increase, both nations signed agreement that the volumes of oil trade from 20,000 barrels per day in 1995 to 100,000 barrels per day in 1996. In the same year, Oman became China's third largest oil export country and started to export liquefied natural gas to China. The volume of trade that Oman import goods from China is worth 50 million in 1997, having increased nearly 30% compared with 1996.

With the improvement of China's national strength in the 21st century, economy and trade between two nations are growing rapidly. China became the largest petroleum importer of Oman since 2003 (Olimat, 2014, p. 165). In 2004, the trade of the two countries reached \$4.39 billion in which Oman exported \$4.28 billion and import \$110 million. In 2005, the trade volume was \$4.33 billion, and China imported mainly crude oil what worth \$4.13 billion, as well as exported mainly including mechanical, electrical products, steel and textiles that

<sup>&</sup>lt;sup>6</sup> See http://www.mofcom.gov.cn/article/bi/200211/20021100049251.shtml

worth \$191 million. The bilateral trade rose to \$6.47 billion in 2006, and China imported \$6.13 billion and exported \$340 million.

In 2013, Oman exported a total of 304.2 million barrels of crude oil of which 180.8 million barrels to China. In the same year, bilateral trade between China and Oman reached \$25.87 billion that increased 12.9 percent over the last year, among this bilateral trade that China exports \$2.06 billion and imported \$23.81 billion (respectively year-on-year growth of 8.6 percent and 13.3 percent). In 2015, the trade volume declined to \$17.19 billion due to the reason for the drop in world crude oil prices<sup>7</sup>. The China-Oman Joint Committee of Economics and Trade held the 8th meeting in Muscat on March 22, 2016. QIAN Keming, the Vice Minister of Commerce of China, and Vice Minister of Commerce and Industry of Oman Did co-chaired this meeting, as well as signed the minutes of meeting which involve fields of trade, investment and financing, infrastructure, staff training, industrial parks, logistics, and fisheries (The Minister of Commerce of PRC, 2016). Oman and China also signed the Double Taxation Agreements (DTAs) in order to expand the cooperation of economic and trade. In 2017, China retained its position as the leading importer of Oman crude, constituting 84 per cent of the total exports (Times of Oman, 2017 November 27; Times of Oman, 2017 December 20), as well as China ranked only second to United Arab Emirates—trade volume of OMR 4.75 billion and the trade surplus for the Sultanate was worth OMR 3.84 billion (Times of Oman, 2017 December 30).

# One Belt and One Road Initiative and China-Oman Cooperation

The scope of OBOR, is quite large, covering more than 60 countries, thus, this great ambition will require significant resources like technological, human, financial, and political that will need to be garnered globally to realise the vision as the Belt and the Road will run through Asia Africa and Europe, it will directly link the East Asian economies to the West Asian and further to the European economies. The OBOR talks about two different routes. A land route called as "The Silk Road Economic Belt"—a series of land-based infrastructure projects including roads, railways, and pipelines—focuses on strengthening links between China, Central Asia, Russia, and Europe. A sea route, known as the "Maritime Silk Road" or simply the "Road," made up of ports and coastal development, begins from China's eastern ports and goes on to Southeast Asia, South Asia, East Africa and then on to West Asia and the Mediterranean, embracing Greece and Venice and ending at Rotterdam. Both routes, again recalling the old Silk Road, will have a series of loops and branches, with the two main routes also meeting at important junctions, such as Gwadar, Sohar, Istanbul, Rotterdam, and Hamburg (China Daily, 2017).

## **OBOR Reflects Common Interests of China and Oman in Cooperation**

Oman has an extremely important role in the OBOR, and "Oman is in the middle of China's Silk Road, which passes through the Straits of Malacca to India and Sri Lanka, passes through Oman, and then goes on to Europe", says YU Fulong, China's ambassador to Oman. Since the 21st century, the economic exchanges of China-Oman cooperation have gone beyond the scope of oil trade and developed toward deeper level, especially after the OBOR has been proposed (The Diplomat, 2014). China-Oman cooperation is a win-win model because the investment and trade fits in the fields of infrastructure construction, finance, and capacity, so that China can provide strong support for Oman's economic restructure (TONG, HAN, & CHEN, 2017, pp. 247-249).

<sup>&</sup>lt;sup>7</sup> See http://www.scio.gov.cn/ztk/wh/slxy/31208/Document/1458475/1458475.htm

First of all, the cooperation between two countries can help Oman achieving the goal of economic diversification plan. Oman is part of "rentier state" with its economic structure dominated by oil and natural gas that Oman's oil industry accounted for 33.9% of GDP in 2015 (Sultanate of Oman Ministry of Information, 2017, pp. 269-271), as well as its economy more affected by price fluctuation of international market (Beblawi & Luciani, 2015, p. 57). Oman's government has formulated such programs as the "Ninth Five-Year Development Plan" (2016-2020) and "Oman 2040 Vision", in order to pursuing the goal of economic diversification, which aims to upgrading the contribution to GDP with the sectors of agriculture, industry, tourism, fisheries and mining, and promoting the construction of airports, ports, industrial parks and so on (Sultanate of Oman Ministry of Information, 2016, pp. 254-257). These sectors what are the advantage of China can support the important technical, workforce training, and experience for Oman.

Furthermore, the related financial mechanism of OBOR will provide much-needed financial support for the economic restructure and in the infrastructure construction of Oman. Unlike other Gulf countries such as Saudi Arabia, Oman has such limited fiscal reserves as to lack funds for infrastructure construction (Guastella & Menghi, 2016, pp. 12-13). Asian Infrastructure Investment Bank (AIIB) has made financial mechanism to close the funding gap in Oman just in time. In fact, Oman enthusiastically supported to found AIIB. It is the founding member of AIIB. The AIIB and the government of Oman signed an agreement on January, 2017 to provide a loan of 265 million dollars for the construction of infrastructures such as ports. This is the first loan of AIIB for ports project and for the Arabian Peninsula countries (AIIB, 2016). On December 11, 2017, the AIIB Board of Directors approved that it will loan 239 million dollars to Oman for building up the national fiber broadband network.

Last but not least, Oman has great potential in cooperation which may in turn repay the investment of China. Oman, due to the membership of the World Trade Organization (WTO), Gulf Cooperation Council (GCC) Custom Tariff, Presence of Grand Arab Free Trade Zone, successfully avoid the disadvantage of narrow internal market, meanwhile, it provides a channel for Chinese goods (made in China or in Oman) to enter the market of Middle East countries, particularly GCC countries. In addition, Oman has risen to the 66th in the ranking of business conveniences from the Doing Business 2017 of World Bank (2016a, p. 7). The improvement of ranking was attributed to the new measures such as introduction of one-stop service windows online for investment; cancellation of fees paid for merging enterprises within three months; raising efficiency of registration of employees and etc.

### The Scope of Cooperation Between China and Oman Under OBOR

"China is ready to further strengthen coordination with Oman on the existing cooperation", QIAN Keming said, "China and Oman will further strengthen coordination and cooperation, and expand the cooperation to areas of building free trade zone, energy and clean energy utilization, and services. Both nations will jointly make contributions to prosperity and stability of the region". In fact, there is a growing market in Oman of infrastructure, steel, mining, automobile, manufacturing, air conditioners, new energy, and desalination which provide great space for Chinese enterprises.

In terms of transportation, Oman's government has continuously been promoting infrastructure construction since the "Eighth Five-Year Development Plan" (2011-2015). For the highway, the 265 km long Al Batinah expressway was also under construction from 2015 (Sultanate of Oman Ministry of Information,

<sup>&</sup>lt;sup>8</sup> Retrieved July 14, 2017, from http://world.huanqiu.com/hot/2016-03/8770218.html

2016, pp. 309-310). Railway project is aimed to create new industries and services that support the expansion of local capacity and jobs, as well as transforms Oman into a country that exports of skilled workforce (Sultanate of Oman Ministry of Information, 2016, pp. 309-310). Since 2015, Oman has started a plan for the project of national high-speed railway network, the total budget of which is about \$15 billion, designed to passenger trains running at 350 km/h and freight trains running at 200 km/h. In order to facilitate construction, the railway network was divided into nine sections and the first paragraph length of 207 km. It's reported that the China State Construction Engineering Corporation (CSCEC) and the China Tiesiju Civil Engineering Group (CTCE) had short-listed for the bid of first paragraph<sup>9</sup>. For the maritime transport, Oman's government plans to expand the Salalah port into modernized seaport which includes goods, services, commerce, and tourism, and to increase container handling capacity to seven million (Sultanate of Oman Ministry of Information, 2016, pp. 307). The Electric Power Construction Third Engineering Company of Shandong affiliated by Power Construction Corporation of China has contracted the first and second projects of Salalah port that working way of EPC<sup>10</sup>. In addition, China also has invested more than \$15 billion in the Sohar port so far (JOC, 2015).

In terms of capacity cooperation between China and Oman, it is mainly in the fields of manufacturing and communications. One of more representative of the manufacturing sector is air-condition, automobile, heavy machinery and so on. Oman's air-condition industry will rapidly expand because it is led by the increasing rapidly construction. The development trend of air condition market is mainly outstanding performance, energy-saving and eco-friendly which technologies are fairly mature and formed industry standards in Chinese enterprises, so that it has solid technical foundation for entering Oman market. In the automobile industry, Oman belong to medium and high purchasing power, GDP per capita was \$43700 in 2016 (CIA, 2016), commercial vehicles slowly recover, and the annual growth rate of total car sales will exceed one per cent in 2017-2020, shown by Oman automobile market report<sup>11</sup>. Therefore, it is not only expected that Chinese automobile enterprises entry into the Omani market and even to co-production of automobiles with Oman. In fact, Chery automobile, the Great Wall, BYD, Yutong and other enterprises from China had hit the market of Oman, as well as these enterprises achieved more satisfactory sales performance and brand value in Oman (Muscat Daily, 2013). The Great Wall automobile, for example, picked up sales more 300% in Oman<sup>12</sup>.

The steel and machinery industry of Oman needs more advanced industrial technologies from China. MCC Huatian team built 300,000 ton steel production project of Al Jazeera Group on September 2009, which was highly praised by the owners for its high quality of rolled section steel. In July 2013, the Al Jazeera Group took initiative to contact MCC that signed contract for EP (design and equipment supply) for the steel-making reconstruction project<sup>13</sup>. Hebei Iron and Steel Group from China exported 35,00 ton extremely thin-gauge coils to Oman in 2014, and the thinnest gauge steel plate is advanced level in world that only reached 1.4 mm. China is also leading position in the field of machinery manufacturing in the world, so that exported machinery and equipment to Oman. Zhenhua Port Machinery Company (ZPMC) exported two cranes to Oman and installed in port of Sultan Qaboos; cranes from ZPMC are so advanced in the world that they can lift 40 ton containers of 20 and 40 feet.

<sup>&</sup>lt;sup>9</sup> See http://chinacem.com.cn/tzjs/2015-1/181781.html

<sup>&</sup>lt;sup>10</sup> See http://www.powerchina.cn/art/2017/12/18/art\_22\_264914.html

<sup>11</sup> See http://om.mofcom.gov.cn/article/ztdy/201612/20161202410089.shtml

<sup>12</sup> See http://www.gwm.com.cn/media\_detail-5039.html

<sup>&</sup>lt;sup>13</sup> See http://www.csteelnews.com/xwzx/zbyj/201408/t20140804\_251614.html

In terms of industrial park and economic zone construction, important strategy of economic diversification is proposed in Oman. The most important technology that led industrial park is Knowledge Oasis Muscat which opened in 2003. Oman government hopes to attract world-class IT companies by building Knowledge Oasis Muscat which has best strategic advantage that located in the international transport hub as the important connecting point as the Middle East, the Indian subcontinent, and emerging markets in Africa<sup>14</sup>. At present, Huawei, ZTE and other Chinese science and technology enterprises have settled in the district.

The representative cooperation between China and Oman is the China-Oman Industrial Park in the Duqm Special Economic Zone (Duam SEZ) during the process of OBOR. Duqm is located on the Arabian coast in southeastern Oman and the important connecting point of Maritime Silk Road with trade route between the Arabian Peninsula, Europe, East Africa, and East Asia (Shepard, 2017). Duqm SEZ plans to establish a large number of industrial enterprises, tourist resorts, central business district, residential areas, recreational areas, and other projects in 2020, as well as attract investment about \$15 billion and create 20,000 direct or indirect jobs<sup>15</sup>. Oman promulgated the "Commercial Institutions Law" in 2013 that investment companies can enjoy preferential policies within 30 years and foreign investment ratio can reach 100%, in order to attract more investment and provide better environment for construction cooperation (Sultanate of Oman Ministry of Information, 2016, p. 85).

In fact, the construction of economic industrial park has been regarded as the major experiences in China's economic growth since the reform and open process. In 2016, the report on the work of the Chinese government pointed out that economic and trade cooperation in overseas is significant to advancing the OBOR (The State Council of the People's Republic of China, 2016). The 19th National Congress of CPC put forward that China should speed up the process of maritime power<sup>16</sup>. Therefore, it is particularly important at strategic level to build China-Oman Industrial Park in the major crossroad of Maritime Silk Road. In addition, China-Oman Industrial Park is the largest project by single country that settled in the Duqm SEZ, as well as, this industrial park was listed as key international production capacity demonstration zone by the National Development and Reform Commission and key industrial park by Ministry of Commerce in China<sup>17</sup>. At the same time, Yahya Al Jabri, chairman of the Duqm SEZ, said "projects at the industrial park deepen the political and trade relations between the two countries" (Belt and Road Portal, 2017).

On May 23, 2016, China and Oman's government signed the investment agreement for China-Oman Industrial Park—China will invest over \$10 billion to 2022. Wanfang L.L.C is the main investor in the project that spreads over a total area of about 1172 hectares divided into three main categories. The first area about 870 hectares shall be indivisible and allocated to heavy industries and areas of medium, light, and mixed use. The second category will be on an area about indivisible 10 hectares allocated to implementation of tourism project. The third category will be on an area of 292 hectares allocated for the establishment of an oil refinery and petrochemical industries complex, and the production capacity of the refinery will be about 230 thousand barrels per day (Duqm SEZ Authority, 2016). China-Oman Industrial Park held the groundbreaking ceremony on April 19, 2017. The first 10 enterprises settled in the park with an investment of RMB 22 billion (People's Daily, 2017).

<sup>&</sup>lt;sup>14</sup> See https://www.kom.om/About-KOM

<sup>15</sup> See http://www.duqm.gov.om/sezad/about-us/mission-and-vision

<sup>&</sup>lt;sup>16</sup> See http://www.chinanews.com/gn/2017/10-23/8358779.shtml

<sup>17</sup> See http://m.silkroad.news.cn/article/41731

Bagamoyo project is another key project of China-Oman cooperation and the total investment is about \$10 billion (Construction Review Online, 2017). This major integrated project is to develop a port and adjoin industrial zone in Tanzania by the Sultanate's State General Reserve Fund (SGRF) along with China Merchants Ports (CMPorts). The proposal included dredging of navigational channel, construction of a port and logistics park, and the development of the port-side industrial free zone. The whole project is called the Bagamoyo Special Economic Zone Project. In addition, Bagamoyo project is one of the largest strategic projects of the SGRF. It includes the construction of a maritime port having international standards, which will be developed in phases. The first phase will include four marine berths, two of which will be allocated to containers—one for multiple uses and another for support services. "This project as a strong testimony to the successful relations with the China Merchant Group", stated Abdulsalam Al Murshidi, Executive President of SGRF (Times of Oman, 2017).

# Risks of China-Oman Cooperation Under the OBOR: Chinese Perspective

The first goal of China-Oman cooperation is to promote the development of economy and strengthen economic ties between two nations. Either China or Oman needs peaceful progress in investment and construction projects. For China, obtaining economic benefits is also an important consideration. So in Chinese perspective, the risks of China-Oman cooperation can be divided into macro and micro aspects. The macro risks refer to the problems on national level that can't be solved by individuals such as political turbulence and economic collapses and so on. The micro risks are related to the specific issues for companies from China. Overall, macro risks have greater impact on the China-Oman cooperation but outbreak probability is comparatively lower. The micro risks persistently exist, which root in the special investment environment of Oman.

The macro risks can be summarized as the following four points:

Firstly, Oman's succession of power may trigger political turmoil, which is a big threat to the continuity and stability of national governance of Oman. The article 6 of basic law of the Sultanate of Oman set up the succession system that the Royal Family Council shall, within three days of the throne falling vacant, determine the successor to the throne. If the Royal Family Council does not agree on a choice of a Sultan for the country, the Defence Council together with the chairman of Majlis Al Dawla, the chairman of Majlis Al Shura, and the chairman of the Supreme Court along with two of its most senior deputies, shall instate the person designated by His Majesty the Sultan in his testament to the Royal Family Council (Sultanate of Oman Ministry of Information, 2011). The succession designed by Sultan Qaboos has three defects: (1) There are cases in which the Royal Family Council deliberately does not choose successors with the excuse of waiting to open letters of Sultan Qaboos. This practice may miss the most popular successors and result in political instability; (2) The letters written by Sultan Qaboos are two instead of one (CHEN & HAN, 2017, p. 102), and it is still unknown whether the names in the two letters are the same or not. If there are two successors, it will increase the risk of the nation; and (3) The succession of Sultan Qaboos is much special (he is the only son and he has no child), which means the so-called succession system is imperfectly institutionalized (Quilliam, 2003, p. 46). It is bound to face with institutional changes with the increasing number of successors in the future. There may be possibility of power struggle.

Secondly, the situation in the border areas typically in Dhofar is very complicated. Risks of investment and construction are much higher. There is a 187 mile of boundary line between Dhofar and Yemen which has

been closely linked in history (Cafiero & Karasik, 2016, p. 6). Some Dhofar's Arab nationalists and displaced people formed the Dhofar Liberation Front (DLF) and launched large-scale and prolonged armed rebellions beginning in the early 1960s. The Muscat regime successfully suppressed the rebellion with the foreign aid in 1975 (CHEN & HAN, 2017, p. 85). For more than 40 years, there has been a strong sense of alienation among the residents in Dhofar and the surrounding areas so that people still call "Dhofar" for "Omani" as respective national groups (Peterson, 2013, p. 271). If the separatist forces rise up or massive political turmoil breaks out in Dhofar, the investment and construction projects will be affected greatly in this region.

Thirdly, economy in Oman is not stable. The fiscal deficit is serious. The international oil prices plunged by 60 percentage from June 2014 to the end of 2016 (All Africa, 2015; World Bank, 2016b). Oman's GDP also dropped 14 percentage, from OMR 31.4 billion in 2014 to OMR 27 billion in 2015 (Sultanate of Oman Ministry of Information, 2017, p. 271). In the same year, Oman's deficit was about OMR 2.5 billion, accounting for 9.3% of the GDP. International Monetary Fund (IMF) predicts that Oman's deficit will reach 11.4% in 2019 (Bertelsmann Stiftung's Transformation Index, 2016, p. 24). Standard & Poor announced to downgrade Oman's sovereign credit rating from BBB+ to BBB-, and Moody also reduce two grades for Oman's credit rating in 2016, which symbolizes the increased financial pressure on Oman (Cafiero & Karasik, 2016, p. 7). In order to make up for the fiscal deficit, Oman borrowed OMR 2.1 billion from international society and 400 million from domestic society and activated OMR 0.5 billion government reserve fund (Saadi, 2017). The poor fiscal deficit may lead to the break of money chain and suspense of construction and low efficiency in the balance of account for the projects invested by government. The national railway network project, for example, was announced to be postponed by Oman government in May 2016 although China Railway Group had successfully got the bid for the project.

Fourthly, geopolitical turmoil may affect the investment security of Chinese enterprises. Oman is located between two geopolitical powers in the Gulf: Saudi Arabia and Iran. It, together with Iran, shares the exit of the Strait of Hormuz, which is the key to oil channel. Strategic location brought more geopolitical risks to Oman. The situation of Gulf has not been peaceful and stable in recent years. Not only, Iran has frequent conflicts with Saudi, but also Trump demonstrated his tough policy against Iran. In particular, the civil war in Yemen lasted for several years. There are risks of sudden outbreak of hot war in the entire Gulf region, which may influence Oman and hinder the normal economic development and production in the Gulf region. After the outbreak of civil war in Yemen, smuggling of weapons and infiltration of religious extremists have brought instability to the neighboring countries such as Oman.

As far as the micro risks of China-Oman cooperation, there are three aspects concerned:

The first and foremost, Oman is facing severe human resource problems which place a lot of restrictions on Chinese enterprises to employ local labors. In Oman, the domestic workforce and labor skills are low, but the standard of wages is high. It is difficult to meet the demand of Chinese companies (Ismael, Ismael, & Perry, 2016, p. 509). Particularly, Oman's government implements a policy called "Omanization" so that the percentage of foreign labors is limited within 33% of the total population<sup>18</sup>. Even in such important project as China-Oman Industrial Park, the proportion of Omani employees should be maintained no less than 10%. In addition, the process of handling visas for foreign workers is very slow. Enterprises have difficulty in arranging large number of labors for temporary needs. The wage of labors is probably mandatorily increased by Oman's

<sup>&</sup>lt;sup>18</sup> See http://www.manpower.gov.om/Portal/ServicesDirectory.aspx

government in the event of more complaints and more social unrest against the government. For example, the Oman's government announced twice to increase the minimum wage in 2011 and 2013, eventually set the national minimum wage levels to OMR 320 per month (\$845) in the private sector (Vaidya, 2013). According to the relevant agreement in China-Oman Industrial Park, the salary scale of Omani employees is above \$1200 per month.

Besides, Oman's climate and religious festivals have an impact on the progress of investment and construction. On the one hand, Oman is into a hot season from April to September when the average temperature will be as high as 40 degrees Celsius, and especially in the mid-day, the staff of construction enterprises could not work long hours at the project site. In order to protect the rights and interests of workers, Oman government promulgated the labor law which forbids employees for working long time. As a result, the construction projects with a large number of Omani workers will be likely to standstill and delay the construction period during the hot season. On the other hand, there are many holidays, either the Islamic traditional festivals or the national holidays or the public holidays in Oman. During the Ramadan, Oman government shortens its working hours from 9 am to 14 pm. Consequently, Omani staff will shorten their work time to 6 hours a day and no more than 36 hours a week. In addition, the Ramadan coincides with the hot season. According to the Islamic tradition in the Ramadan, people can only eat after sunset. Such religious practice should be followed by all people in Oman, which greatly affected the labor productivity of foreign workers.

Last but not least, Oman's infrastructure related to economic development is quite dated and cannot be fully updated and upgraded in the short term. The progress of investment and construction projects may be affected. Firstly, Oman's transportation mainly relies on highways, but the number and length of highways in Oman are quite limited. It is not conducive to transport raw materials, construction equipment and industrial commodities. Secondly, electricity power is in severe shortage and old conditions. In very hot season, there will be power stops interrupting production and construction projects. Thirdly, Oman's water resources are rare. There are no long-term rivers or big lakes, as well as the sea water desalination capacity is not enough. Although the price of industrial water is not very high, sometimes it may be off supply temporarily.

#### Conclusion

No matter whether it was in the history of maritime communication or in the past 40 years multi-fields cooperation after the establishment of diplomatic relations, the significance of China-Oman cooperation is not inferior to any other major Middle East countries. In fact, Oman is a unique country in the Arabian Peninsula and even the Middle East among the countries along the OBOR, not only because of its important geographical location but also its political and economic transformation. According to the experience of China since the reform and open to the world, the implementation of the major strategies has to start from one point and then gradually spread to large scales. Finally the experience of the implementation will be summarized and completed. The cooperation between China and Oman has just provided an important reference value for promoting the OBOR in the Middle East.

The reasons are as follows: Firstly, there is a strong desire to cooperate a wide range of construction areas and many achievements in Oman, which can be considered as pilot countries along the OBOR. Secondly, the benefits of cooperation are likely to be reflected in the near future because there is urgent demand for development in Oman. This is also why China launches the OBOR to seek common interest in development

and to spread Chinese experience of governance. Thirdly, the risks of investment and construction faced by China-Oman cooperation are representative. They are involved in the political, social, and cultural issues which also exist in the cooperation with other Middle East countries.

In essence, the OBOR is the driving force for the development of China-Oman cooperation to deeper levels. It will lay a good foundation or even find important opportunities for the long-term development of friendly communication between China and Oman if these problems and potential risks in the cooperation could be solved well. In fact, China-Oman cooperation has produced some good experiences since OBOR. Firstly, China's priority is to help Oman build infrastructure to set up power plants and sea water desalination plants in major construction projects. Then China supplies the surplus capacity to the local civilians. Secondly, Oman has signed a five-year unsecured loan agreement for a total amount of \$3.55 billion with Chinese-funded financial institution such as China Development Bank (CDB) and Industrial and Commercial Bank of China (ICBC). This loan fills up the gap of Oman's fiscal deficit and meets the repayment needs for some of loans in 2017. It has played an important role in protecting the risks of investment from China and safeguarding the smooth operation of Oman's fiscal funds. Thirdly, China not only serves as a project builder in the construction of the Sohar port and other projects, but also provides systematic planning advice for Oman. China's experience has helped Oman to face the issues that they have never met and to avoid the related construction troubles.

### References

- Abidi, A. H. H. (1982). China, Iran, and the Persian Gulf. New Delhi: Radiant Publishers.
- AIIB. (2016). Asian Infrastructure Investment Bank breaks new ground approving two projects in Oman. Retrieved October 04, 2017, from https://www.aiib.org/en/news-events/news/2016/20161209\_001.html
- AIIB. (2017). AIIB invests in nationwide fiber broadband network in Oman. Retrieved October 04, 2017, from https://www.aiib.org/en/news-events/news/2017/20171211\_002.html
- All Africa. (2016). Tanzania: Why world oil price has fallen in the recent past. Retrieved July 22, 2017, from http://allafrica.com/stories/201502160053.html
- Beblawi, H., & Luciani, G. (2015). The rentier state. London: Rouledge.
- Belt and Road Portal. (2017). China-Oman Industrial Park boosts China-Oman cooperation. Retrieved December 12, 2017, from http://eng.yidaidilu.gov.cn/home/rolling/11647.htm
- Bernek, A. (2010). Geopolitics in the 21st century. Budapest: King Sigismund College and Paris: L'Harmattan Publishing.
- Bhacker, M. R. (2009). The cultural unity of the Gulf and the Indian Ocean: A Longue Duree historical perspective. In L. G. Potter (Ed.), *The Persian Gulf in history* (pp. 167-168). New York: Palgrave Macmillan.
- Bin Huwaidin, M. (2002). China's relations with Arabia and the Gulf: 1949-1999. New York: Routledge Curzon.
- Cafiero, G., & Karasik, T. (2016). Can Oman's stability outlive Sultan Qaboos? Middle East Institute. Retrieved from http://www.mei.edu/sites/default/files/publications/PF10\_CafieroKarasik\_OmanPostQaboos\_0.pdf
- Calabrese, J. (1990). From flyswatters of silkworms: The evolution of China's role in the West Asia. Asian Survey, 30, 862-876.
- CHEN, X. Q., & HAN, Z. B. (2017). An assessment on transition of Oman state governance since Middle East upheaval. *West Asia and Africa*, 255(4), 102.
- China Culture. (2015). Chinese New Year brings cheer to Muscat Art Festival. Retrieved September 27, 2017, from http://en.chinaculture.org/2015-01/29/content\_597143.htm
- China Daily. (2017). China's One Belt One Road Initiative and the Gulf Pearl chan. Retrieved December 24, 2017, from http://www.chinadaily.com.cn/opinion/2017beltandroad/2017-06/05/content\_29618549.htm
- China News. (2013). Retrieved October 19, 2017, from http://www.chinanews.com/mil/2013/03-28/4685820.shtml
- CIA. (2016). The World Factbook of Oman. Retrieved April 19, 2017, from http://om.mofcom.gov.cn/article/ztdy/201612/20161202410089.shtml

- Construction Review Online. (2017). Construction of US \$10bn Bagamoyo port in good progress. Retrieved November 27, 2017, from https://constructionreviewonline.com/2017/11/construction-us-10bn-bagamoyo-port-good-progress/
- Duqm SEZ Authority. (2016). Built on a total area of about 1172 hectares usufruct agreement for China-Oman industrial park in Duqm signed. Retrieved November 22, 2017, from http://www.duqm.gov.om/sezad/media/news/archive-2016/built-on-a-total-area-of-about-1172-hectares-usufruct-agreement-for-china-omani-industrial-park-in-duqm-signed
- Guastella, A., & Menghi, A. (2016). GCC market overview and economic outlook 2017: A challenging transformation ahead to achieve desirable growth. Publisher: Value Partners Management Consulting.
- HAN, Z. B., & CHEN, X. Q. (2017). The research of the political transformation of Oman from the perspective of political transformation of Oman from the perspective of political development theory. *International Forum*, 19(4), 85.
- Ismael, T. Y., Ismael, J. S., & Perry, G. E. (2016). Government and politics of the contemporary Middle East: Continuity and change. New York: Routledge.
- JOC. (2015, January 26). China focuses attention on Omani port of Sohar. Retrieved December 13, 2017, from https://www.joc.com/port-news/china-fouses-altention-omani-port-sohar\_20150126.html
- Lansford, T. (2012). Political handbook of the world. Los Angeles: CQ Press.
- Lawton, J. (1983). Oman: The lost land. Saudi Aramco World, 18-19.
- Muscat Daily. (2013, August 24). Chinese car brands report Oman sales growth. Retrieved December 23, 2017, from http://www.muscatdaily.com/Archive/Business/Chinese-car-brands-report-Oman-sales-growth-2i52
- Nicolini, B. (2016). Oman's maritime activities throughout the Indian Ocean 1650-1856 CE. In A. A. Salimi, & E. Staples (Eds.), *A maritime history: Studies on Ibadism and Oman* (p. 149). London: Georg Olms Verlag AG.
- Olimat, M. S. (2014). China and the Middle East since World War II. LexingtonBooks.
- Olimat, M. S. (2016). China and the Gulf Cooperation Council Countries: Strategic partnership in a changing world. London: Lexington.
- Oman Observer. (2017). Oman-China friendship group signs MoU. Retrieved December 29, 2017, from http://www.omanobserver.om/oman-china-friendship-group-signs-mou/
- People's Daily. (2017. April 20). The foundation ceremony of China-Oman Industrial Park was held. People's Daily, A21.
- Peterson, J. E. (2013). The solitary sultan and the construction of the new Oman. In A. Kadhim (Ed.), *Governance in the Middle East and North Africa* (p. 271). New York: Routledge.
- Quilliam, N. (2003). The state of the Gulf Co-operation Council. In T. P. Najem, & M. Hetherington (Eds.), *Good governance in the Middle East oil monarchies* (p. 46). London: Routledge.
- Saadi, A. S. A. (2012). The origins of Omani-China friendship: A historical review. *Journal of Middle Eastern and Islamic Studies*, 6(2), 104.
- Saadi, D. (2017). Oman 2017 state budget to plug its deficit through borrowing. Retrieved September 23, 2017, from http://www.thenational.ae/business/economy/oman-2017-state-budget-to-plug-its-deficit-through-borrowing
- Shepard, W. (2017, September 08). Why China is building a new city out in the desert of Oman. *Forbes*. Retrieved November 22, 2017, from https://www.forbes.com/sites/wadeshepard/2017/09/08/why-china-is-building-a-new-city-out-in-the-desert-of-oman/#3785fbaf6b2f
- Sultanate of Oman Ministry of Information. (2011). Basic law of the Sultanate of Oman (as last amended by Royal DecreeNo.99/2011). Retrieved April 13, 2017, from https://www.omaninfo.om/english/files/The%20Basic%20Statute%20of%20the%20State.pdf
- Sultanate of Oman Ministry of Information. (2016). Oman 2015. Muscat: Ministry of Information.
- Sultanate of Oman Ministry of Information. (2017). Oman 2016. Muscat: Ministry of Information.
- Tamura, E. H., Mention, L. K., Lush, N. W., Tsui, F. K. C., & Cohen, W. (1997). *China: Understanding its past.* Honolulu: University of Hawaii Press.
- The Diplomat. (2014). Exploring the China and Oman relationship. Retrieved November 21, 2017, from https://thediplomat.com/2014/05/exploring-the-china-and-oman-relationship/
- The Minister of Commerce of PRC, (2016). 8th Meeting of China-Oman Joint Committee of Economics and Trade held in Muscat. Retrieved from http://qiankeming2.mofcom.gov.cn/article/activity/201603/20160301285909.shtml
- The State Council of the People's Republic of China. (2016). *The Report on the Work of the Government 2016*. Retrieved July 07, 2017, from http://www.gov.cn/guowuyuan/2016-03/05/content\_5049372.htm

- Times of Oman. (2017, November 27). Oman fund get nod for Tanzanian port project. Retrieved from <a href="http://timesofoman.com/article/122814/Business/Economy/Oman-fund-gets-green-signal-for-mega-port-project-in-Tanzania">http://timesofoman.com/article/122814/Business/Economy/Oman-fund-gets-green-signal-for-mega-port-project-in-Tanzania</a>
- Times of Oman. (2017, December 20). Oman's oil production touches 29m barrels. Retrieved from http://timesofoman.com/article/124316/Business/Energy/Omans-oil-production-touches-29m-barrels-in-November
- Times of Oman, (2017, December 30). Total volume of trade stands at OMR15 billion. Retrieved from http://timesofoman.com/article/124897/Business/Economy/Omans-total-volume-of-trade-stands-at-over-OMR15-billion
- TONG, F., HAN, Z. B., & CHEN, X. Q. (2017). Guide to the world nations: Oman. Beijing: Social Sciences Academic Press.
- United States Congress. (2013). *The U.S.-China Economic and Security Review Commission 2013*. Washington D.C.: United States Congress.
- Vaidya, S. K. (2013). Minimum wage in private sector for Omanis raised. Retrieved October 13, 2017, from http://gulfnews.com/news/gulf/oman/minimum-wage-in-private-sector-for-omanis-raised-1.1141735
- Wakefield, B., & Levenstein, S. L. (2011). *China and the Persian Gulf: Implications for the United States*. Washington D. C: Woodrow Wilson International Center for Scholars.
- Wilkinson, J. C. (1977). Sohar in the early Islamic period: The written evidence. South Asian Archaeology, 2, 887.
- World Bank. (2016a). Doing business 2017: Equal opportunity for all. Washington D. C: The World Bank.
- World Bank. (2016b). World Bank raises 2017 oil price forecast. Retrieved July 22, 2017, from http://www.worldbank.org/en/news/press-release/2016/10/20/world-bank-raises-2017-oil-price-forecast
- WU, S. K. (2015). The strategic docking between China and Middle East countries under the "Belt and Road" framework. *Journal of Middle Eastern and Islamic Studies* (in Asia), 9(4), 10.