

Iran's Mirror for US and China

di Francesco Sisci

Iraq and Iran, barely separated by a consonant's ending, are close even in alphabetical order, bringing back many memories.

China may require a major political shift. It was impossible in the past 50 years because power was dispersed. It might now be possible since President Xi Jinping has concentrated all the power. However, they could be waiting to see the US's next moves in Iran and the Middle East. These decisions are not just about the region or Israeli local goals; they concern the long-term global order.

Still, will those Chinese changes actually happen? Will America and the rest of the world believe them if it does it?

Here, we need to pull off a tour de force.

The summit

The Iranian events should be understood in the context of the relationship between China and the United States. The March 31 summit between China and the US will be crucial in shaping the tone of their bilateral relationship, which will impact all other global diplomacy.

From the Chinese perspective, there is another factor. In 2003, when America had won in Afghanistan and overthrown Saddam Hussein's government in Iraq, everyone in China was in awe of this American power. A couple of years later, however, the awe had waned, and the idea gradually began to emerge that the American model didn't work, that America was in decline, and that, above all, it was not to be imitated.

So, while in 2002-2003 there was a significant conversation (certainly not decided) that it was necessary to adopt political reforms and that the American market freedom had to be adapted to China, the American failures in Iraq and Afghanistan, and then the

2008 financial crisis, convinced the Chinese to abandon both political and economic reforms.

Twenty-three years later, in some ways, we face a similar scenario: China sees the American action in Iran as a measure of its mental and political strength and, by extension, a benchmark for its future actions.

Blunders

Currently, China is once again looking at American actions with awe. China had bet on Russia, and after four years of war, Russia has not achieved significant results; it had bet and hoped that the Muslim world would rally around Hamas, but this did not happen; it had bet that Venezuela would resist, but this did not happen; it may have thought, rather than bet, that Iran and Khamenei would be tough to crack, but now Khamenei is dead.

The issue is this American military capability and this Chinese intelligence incapability: where will they lead?

The duration of the war is crucial. If the war turns into a quagmire, and America again gets bogged down in Iran just as it did in Afghanistan or Iraq, it sends a message to China that America lacks real strategic capabilities and is just mad. At that point, given China's limited intelligence capabilities and relatively poor military and financial resources, Beijing will not be pressured to reconsider its strategy. Instead, it may choose to chart a different course.

If, on the other hand, America manages to dominate politically, strategically, and militarily in Iran, it could shift many of China's political calculations. This has global implications. It means China could change its attitude towards America and the rest of the world.

This would affect the global economic and commercial disputes dividing the world. The Chinese trade issue is not just a bilateral concern; it affects the entire world. At the end of last year, China's trade surplus was US\$ 1.2 trillion, and it is causing instability in trade and finance.

This would also revive ideas throughout the rest of Asia. If America achieves political success in Iran, countries like India, Japan, Vietnam, and Indonesia might be more

inclined to follow America's lead. Conversely, they might decide that American leadership should perhaps be viewed with some skepticism.

Many strategic factors hinge on this choice, and there's a deadline: a solution must be reached in Washington by March 31.

Waiting games

China currently holds a strategic advantage over America. While America is acting forcefully and quickly, China can now adopt a patient approach – wait for America to stumble.

In this, China has some weaknesses. The attitude toward the possible American stumbles, whether small or large, will certainly be some. If they are small, the US will handle them easily. If they are large, however, they could cause some US tumbles. On these tumbles, China might decide to indulge in a fit of hubris, as it has in the past, which could lead it into big Chinese errors.

The second fundamental issue, as has been clearly observed in recent years, is the poor analytical ability to interpret reality—specifically, the difficulty of understanding the nuances of the world and America. This, in turn, could potentially lead China to stumble.

But if it remains prudent, China can potentially benefit from its position. America, in turn, should also be prudent.

Hell to world order

Then there is the broader US issue with the current international order. In theory, it's acceptable for the US to decide that the world order it set up 80 years ago no longer works. So, the US will push for change whenever it sees fit. But then, it's unclear whether this push is an adjustment that restores the world order or if it leads everyone to rush for nuclear weapons and consider solving problems through force. (see [here](#))

If there is no political coordination of the military response and the military consistently resolves problems on its own, then naturally the entire world will follow North Korea's example: arm itself with a strong nuclear arsenal, do what it wants, and ignore the rest.

In this way, we no longer have a global order; instead, we face medieval chaos, which is very dangerous, and the first victim is the strongest remaining power, the United States itself. The United States then risks becoming the victim of its own reckless actions, creating a fundamental problem.

Here are two US issues in the West and the East.

The Pope in the East

The world order today is defended by another great American leader, the Pope, who says, “We must try to find a political and diplomatic solution for the various issues.” Then America is somehow divided today: on one side, there is Trump; on the other, we have Pope Leo.

In this, the role of Europe, and consequently Italy, is unclear.

Throughout its history, Europe believed it was the center of the world. Before the discovery of America, since the world was divided into sectors, people only cared about their own. Communications were slow and mediated through other ‘sectors’, not direct.

After the discovery of America, Europe expanded its cultural and political influence worldwide, and the European model maintained global dominance. Europe was at the center of everything.

This gradually ended, beginning with the conclusion of World War I and ultimately with the fall of the Soviet Empire, which was an extension of the Tsarist Empire. The world shifted significantly after 2008-2010 toward Asia, which is now the true center of confrontation and the main engine of global activity. It accounts for most of the economic growth and 60% of the world’s population. Europe must move away from the idea of no longer being the center of the world and accept its peripheral geographic position (not necessarily its role). For this, it must find a new political space in Asia. If Europe loses its sense of purpose, it risks losing its place in the world.

All of this flows down to Italy. The Italian peninsula has been the center of European political change for at least 1000 years, starting with the Papal coronation of Charlemagne in 800 AD. Europe rested on an axis: the pact between the Holy Roman Empire and the Papal States. This axis broke in 1918 with the end of the Austrian Holy

Roman Empire, in 1870 with the end of the Papal States, and in 1929 with the Lateran Pacts with the Italian State.

Even after that, Italy remained significant in global dynamics because it was a borderland in the clash between communism and capitalism. However, once the conflict ended, Italy was no longer a borderland, nor was it the center of Europe's or the world's focus; instead, Italy became peripheral.

That is, while Italy used to wait for others' attention to decide its actions, today, it must develop its own ideas about its future. This is not happening because, in the meantime, the political class from the First Republic and Risorgimento Italy no longer exists, which poses significant problems for the country.

This isn't a problem by itself, but it raises new concerns about the environment where the other key American figure, the Pope, lives and operates. After all, the Papal Estates were established when the Roman emperor's power collapsed in Rome. The crisis of the Italian state could lead to similar issues.

Xi in the West

In theory, China has two options. One is to reform its domestic market, which would also liberalize its political system and enable more wealth to flow to consumers so they can spend rather than just produce. However, if workers earn higher wages, they can afford to buy a car, but this raises the price, making it less competitive with many other cars worldwide. As a result, exports may decline, which could be a mixed blessing. Then, Beijing must reconcile with the rest of the developed world because you cannot have a closed system when I have an open one. Lots of complex choices.

The other approach is to just wait for the "American world" to fall apart.

This push for reform is still on a gradient. The better America performs politically and economically, and as the developed nations around America and the liberal world sustain strong, independent economies not relying on Chinese imports, the more China is pushed to change.

Conversely, if China does not face this pressure because America stumbles, Europe stumbles, the world, Japan, and Korea stumble and need Chinese exports, it will be different. China, which is very pragmatic, might think, "Well, I don't need to change my system."

So, the calculus isn't just about China itself. It's also about how the world and America position themselves vis-à-vis China. China prioritizes its survival above all, and rightly so. If it can maintain its survival with the least amount of disruption — without reforming its financial or political systems, which are dangerous, risky, and expensive — China will choose that path.

If, however, it feels pressure, internal dynamics can start to shift in a different direction. This can't be solely about the overall global calculations regarding China. The US strategy toward China, as well as European or Asian strategies, will differ based on many other factors. However, the Chinese internal fallback within the global situation can significantly impact outcomes and shouldn't be ignored. After all, we're also here because 23 years ago, the US began to lose a series of calculations. Now, it could be corrected or become much worse.

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