China’s Military and Economic Prowess in Djibouti
A Security Challenge for the Indo-Pacific

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Djibouti is a democratic sovereign and an indivisible republic, to which its citizens solemnly proclaim the principles of democracy, as well as the Universal Declaration of the Rights of Man, as per the terms of the nation’s constitution. Islam is the state religion, and the constitution prescribes for the government to be of the people, by the people, and for the people. Djibouti is a developing country that strides toward its economic development agenda with foreign facilities from the United States of America, the European Union, and China among others to deteriorate poverty, as well as to promote the growth of domestic industries. The United States, European Union, and China consider the nation’s geographical location vital to the progression of their respective multidimensional interests. Djibouti owes a tremendous amount of funds to several competing and powerful countries that intend to hold the nation’s strategic location to safeguard military capabilities in the region and beyond its coast.

A fairly large portion of Djibouti’s debt is from bilateral economic and infrastructural agreements with China. This has placed the country in a quagmire, and some consider the debt unrealistic to defray without providing China concessions. The challenge the country must deal with is the fact that the United States and the European Union may consider such concessions to be prejudicial to diverse activities and multilateral arrangements in the sovereign that are intended to enhance global financial security based on the principles of democracy.

China’s Economic Influence

China jumped into Djibouti at the most opportune moment to shackle the country’s desire for economic prosperity with that of other nations to pave the One Belt One Road Initiative (now known as the Belt and Road Initiative [BRI]). That initiative represent China’s attempt to forge economic, political, and security
ties with Djibouti. The financial investment disbursed by China for Djibouti’s major infrastructural projects, including rail, roads, and port development, out-weighs the debt owed to the United States, as well as the European Union and others, considerably. These projects are expected to create thousands of new jobs and to elevate the volume of trade in and out of the country. Technology is another attribute of China’s plunge into Djibouti’s economy, by the introduction of an undersea fiber-optic cable to link the country with other nations aligned with China’s vision; and the project is being undertaken by Huawei Marine. China’s approach is commercially extensive and offers Djibouti long-term growth projection as economic momentum intensifies with the completion of infrastructural and technological necessities. The country’s “Vision Djibouti 2035” is an ambitious agenda to transform the nation into a viable commercial trade hub for the rest of the African continent and to progress into a middle-income economy by catering to regional transportation and logistics.

The massive debt owed to China appears to frighten the United States and other nations in tune with Djibouti’s reality of being susceptible or vulnerable to interference within its governance structures, especially when combined with the lack of transparency on the terms or conditions of the loans obtained from China. Further, there are legitimate concerns with respect to the security of data carried by Huawei undersea fiber-optic cables and that malicious cyber actors, or “red hats,” may potentially utilize smart cities to conduct espionage, as well as other nonkinetic subversive measures to compromise critical national infrastructures or corporations within countries of the BRI.

The United States or the European Union may consider it impractical to set up mechanisms to contain the pressures of economic and political migration to China within the African continent, especially in Djibouti. Therefore, it may be appropriate to accommodate and cautiously nurture China’s investments to avoid unruly confrontation, as well as to invest aggressively in the private sector. The barren landscape of Djibouti can be utilized to generate and export renewable energy to the United States or the European Union. Europe managed to persuade Morocco to adopt a renewable policy that targets its solar energy and gains value from the generation of the same.

**China’s Military Influence**

The People’s Liberation Army (PLA) constructed its first overseas military base at the mouth of the Red Sea, contrary to a long-established policy against such troops being stationed abroad, and the naval base has the conspicuous vantage point of a major strategic checkpoint in proximity to vigorous shipping sea lanes and it steps on the toes of the US naval foothold in the deep-water port complex;
14 however, it appears that the United States can counteract China’s unprecedented arrival through the US Naval Forces Europe–Africa/US 6th Fleet. 15

China’s military influence in Djibouti is problematic with respect to the United States or Europe’s immediate operational and counterintelligence capabilities since the Indo-Pacific—stretching from the United States’ West Coast to the eastern coast of Africa—is considered a hippodrome wherein China’s competitiveness will be negotiated.16 The United States should consider a multifaceted approach to confront China’s expanding presence, which means augmenting existing partnerships and maintaining supremacy as a security assistance provider.17

Stability of Djibouti is of mutual importance between foreign rival countries, and areas of cooperation can still exist—even with the decline of piracy—in peacekeeping operations; the security of global trade is of undeniable shared significance.18 Consequently, mutually beneficial prospects can set a good precedent for the future of the United States, European Union, and/or China in relation to interoperability to address insurgency and violent conflict-ridden regions within Africa. 19

With respect to Djibouti’s dilemma, the United States and the European Union must maintain transparency, cooperation with the state, efficacy of service delivery, and reliability in times of calamity. This should directly or inadvertently hinder China’s influence in the independent governance of the sovereign and heal the wounds caused by the previous colonial regime, which drowned the aspirations of Djiboutians. The past must inform the solutions of the future, and therefore defeating violent extremism requires great thought, especially in regions with citizens that profess Islam as their faith or national religion. Kinetic or nonkinetic warfare must be actualized diligently, especially under circumstances that invite the use of airstrikes or asymmetrical lethality. Consequently, extrajudicial killing of perceived insurgents must be looked at, and this may be achieved through the provision of concrete intelligence briefs, with the approval of the respective governments, and with amplified domestic public awareness. Otherwise, China will relish in any failure and embolden its efforts to subvert democratic ideology.

**US–China Strategic Competition**

Djibouti has been referred to as a “flashpoint” in the strategic competition that is emerging and expanding between the United States and China. China’s strategic strength on the continent has been primarily derived from its economic prowess, including in Djibouti, where Beijing has provided loans and investments to fund infrastructure programs as part of its Digital Silk Road.20 For its part, the United States has been focused extensively on a transition from improving defense ties to enhancing geostrategic linkages in the country. 21
Another point of contention has been the use of technology, specifically data transfer infrastructure, to gain leverage in the country. Chinese giant Huawei and its subsidiaries are constructing an undersea fiber-optic cable designed to transmit data from Djibouti to Pakistan and beyond. Furthermore, these developments have empowered the president of Djibouti, Ismail Omar Guelleh, to acquire considerable concessions and payoff from great powers operating in the region. Consequently, Djibouti has also been keenly participating in the BRI. Djibouti’s inclusion in the BRI has allowed China to expand into areas of strategic importance, such as ports in the country. China Merchants Group, China’s biggest port operator, has signed a $350 million investment deal with Great Horn Investment Holding to transform the Port of Djibouti into a global commercial hub. Other Chinese investments have concentrated on a railway, airports, and a pipeline expected to transport water to Ethiopia. Furthermore, the pursuit of Vision Djibouti 2035, an ambitious aspiration to change the country into an essential regional transport and logistical center for Africa, parallels China’s strategy to intensify investment on the continent. Notably, Djibouti foreign minister Mahamoud Ali Youssouf was reported to have remarked that “China is elbowing Americans out of the strategic East African footprint.”

**Security Challenges for the Region**

The United States and various countries from Europe and West Asia are currently engaged in the region and in the military buildup, which appears to be escalating in the region’s air and maritime domains. Bases established by various countries in the region have also been afforded access to different defense hardware for antiterror and antipiracy missions in the African continent and West Asia. Subsequently, China’s base in Djibouti was billed as highlighting China’s “military expansion beyond the Asia-Pacific region” and being instrumental in swiftly brandishing military deterrence or intervention.

**Increased Assertiveness of Regional Powers in the Horn of Africa**

Experts have promulgated the major powers to be competing and showcasing their assertiveness in the region, leading to concerns regarding the risk of increased militarization there. These powers are also focused on seeking to fulfill their security agendas, including counterterrorism and peace operations in the region. For instance, Turkey has been endeavoring to project power from the “Persian Gulf to the Horn of Africa to the Mediterranean.” According to strategic analysts, these excursions have also heightened apprehensions in Riyadh and
Abu Dhabi, which has in turn contributed to the conversion of the eastern Mediterranean and the Red Sea into a single theater of competition.

Scholars have also propounded that Turkey’s involvement in Libya under President Recep Tayyip Erdoğan could be part of a larger inclination to intensify immersion in disputes in the Horn of Africa if by doing so Turkey could achieve a competitive edge in the region. This could be accomplished through state-sponsored militias, foreign fighters, and weapons transfers. Turkey has also been focused on the modernization of its fleet; it has participated in maritime exercises with Saudi Arabia, France, and Russia. Other initiatives include Ankara’s establishment of a new base on the Red Sea shoreline, supplying the equipment to the Federal Government of Somalia to create a coast guard, and initiation of deliberations with Djibouti for a logistics zone located close to the Bab-al-Mandeb.

The region has also witnessed the emergence of the Council of Arab and African States Bordering the Red Sea and the Gulf of Aden, whose members include Egypt, Jordan, Saudi Arabia, Yemen, Sudan, Eritrea, Djibouti, and Somalia. The organization has been designed to focus on hierarchy and on security-related issues. However, Saudi Arabia was instrumental in the establishment of the Council and has purposed it to be able to counter Iranian reach in the region.

At the same time, Tehran’s influence in the region has been expanding. Iran has signed various agreements with Eritrea, which have provided the pretext for acquiring facilities from the government in Asmara for the “Iranian Navy in the Gulf of Aden near the Red Sea,” along with obtaining permission to construct a military base in Assab for naval vessels which are supposed to be an all-time presence in the region. Commentators have posited that these vessels have been used to train Houthi rebels. Iran has, additionally, secured the privilege to build and maintain the Assab Oil Refinery, which has provided Tehran with inroads in the energy infrastructure of the country.

The United Arab Emirates (UAE) has likewise been working diligently to acquire rights to ports in the region and has a base in Eritrea, which signifies long-term strategic thinking. Moreover, UAE’s armed forces have maintained their presence in Berbera in Somalia and have also purportedly been debating the expansion of Kismayo, which is in Jubbaland federal state and has been subject to opposition by the Somali federal government. Qatar has similarly been trying to gain a foothold in the region through investments and cooperation with the defense forces of the regional powers.

Meanwhile, Israel has been focused on retaining its competitive edge in the region by depending on advanced nuclear submarines. Tel Aviv has further been asking for the “internationalizing of security of the Red Sea” to prevent other nations from gaining excessive leverage, which might be detrimental to Israeli
interests in the region, such as increasing the vulnerability of the Israeli port of Umm al-Rashrash at Eilat. Additionally, Israel’s maritime strategy is dependent on preserving its strategic depth, which ensures its manifestation in the Horn of Africa. These developments have led experts to propound that “the presence of state-to-state rivalries is an enduring feature of the Red Sea space.”

**Maritime Security**

The Red Sea region has been subject to attacks on maritime vessels, which has resulted in disruption of transport and supply of hydrocarbons through the region’s chokepoints. As the Red Sea is situated in the region that is the connecting link between the Atlantic Ocean and the Mediterranean Sea through the Suez Canal, any disruptions lead to increased transit time and costs as the alternate route through the Cape of Good Hope on the Atlantic Coast of the Cape Peninsula in South Africa must be taken. Strategic analysts posit that these persistent attacks can also result in creating difficulty for the counterterrorism efforts of Saudi Arabia and the United States in Yemen. One such prominent attack has been attributed to the Houthi rebels on Singapore-headquartered shipping company Hafnia’s tanker while it was delivering its consignment in the vicinity of Jeddah port. Houthis have also previously threatened to block the Red Sea shipping lane in their attempt to receive political concessions.

Apart from terrorism and piracy, other maritime concerns include the use of advanced techniques of human and arms trafficking by regional violent nonstate actors, floating armories that are susceptible to annexation, as well as increasing threats emerging from the cyber realm, including illegal commandeering of navigation systems and hacked hydrocarbon infrastructures. Tackling these challenges has also provided powers such as China, Japan, and South Korea through their counterpiracy missions—and the UAE through its training of the Puntland Maritime Police Force—a pretext for greater involvement in the region.

**Rapid Militarization of Red Sea**

The Houthis have utilized drones, mines, and improvised explosive devices (IEDs) with IED switches and electronics originating in Iran to attack Saudi Arabia’s hydrocarbon infrastructure and to weaken Riyadh’s economic heft. The Red Sea region has been subject to the “same geographic and geopolitical threats as the Persian Gulf” due to war in Yemen and Iran’s state sponsorship. Egypt has been focusing on building a Southern Fleet Command to patrol the region. In Ethiopia, debates and deliberations commenced on the restoration of its naval force.
The UAE has likewise seen its threat perceptions heightened and has acquired “multiple military anchors” with bases in Somalia and a future military installation with an airport on Mayan Island, which is strategically situated between Yemen and Djibouti and in the middle of the Bab al-Mandeb Strait. These developments would provide the UAE and its allies (encompassing Saudi Arabia, the United States, and even China) with greater access to the Red Sea. The UAE has additionally been investing in more military hardware, such as the acquisition of multi-mission Go-wind combat-type corvettes with Raytheon Evolved Seasparrow Missiles and MBDA Exocets. Extraregional powers also consider the strengthening of Japan’s military presence near Djibouti as vital to Japan’s global role. Rapid militarization in the region can lead to a mounting regional security dilemma and ultimately result in the escalation of the US–China competition, for instance, through the emergence of China’s Djibouti–Gwadar naval axis.

## Conclusion

There is an ideological battle that the United States or European Union must conquer to leverage the democratic will of the Djiboutian electorate. Djiboutians must be able to identify with the goodwill of the free world, and this requires the Unites States, as well as the European Union, to perform continuous deep dives to address abscesses created by China’s engagement in the region—and also to redefine investment strategies that outmaneuver or complement China’s projects in Djibouti. Breaking the chain of debt would require the United States and the European Union to rain investments into Djibouti that address its socioeconomic needs, as well as to deploy innovative technologies to rejuvenate or optimize arid environments and create new avenues of well-being for the citizenry.

Sometimes African communities find it challenging to establish who the peacekeepers are and who the warmongers are. The United States, European Union, and China must carefully navigate the thin blue line to avoid being deemed as oppressors from foreign lands. Common ground can exist between competing states, and peacekeeping is a remarkable demonstration of the same. These three countries must express a commitment to actualize peace through multidimensional mandates anchored on protecting human rights and adherence to humane interpretations of distinction, proportionality, and necessity whenever mitigating armed conflicts. Africa needs peacekeepers, and thus there should be continuous incremental financial resources funneled to United Nations peacekeeping operations to address violent extremism, radicalization, and nonstate armed groups and to protect vulnerable humans encamped in acute conflicts. Additionally, the introduction of modern mechanical and technological instruments is necessary to enhance survivability, situational awareness, and lethality of peace operators. Fur-
thermore, modern multi-domain peacekeeping operations can ensure extensive reconnaissance and agile surveillance to improve the capabilities of peacekeeping operations to settle or diffuse armed conflicts.

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Notes

6. Djibouti Constitution 1992 (amended 2010) Articles 6, 7, 22, 47, 70, and 72
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41. Taneja, “West Asia’s Geopolitics Part the Red Sea.”

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