



CHATHAM HOUSE

Chatham House, 10 St James's Square, London SW1Y 4LE  
T: +44 (0)20 7957 5700 E: [contact@chathamhouse.org](mailto:contact@chathamhouse.org)  
F: +44 (0)20 7957 5710 [www.chathamhouse.org](http://www.chathamhouse.org)

Charity Registration Number: 208223

Asia Programme Paper ASP PP 2012/01

# The China-Pakistan Alliance: Rhetoric and Limitations

Rosheen Kabraji

Chatham House

December 2012

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## SUMMARY POINTS

- China has been, and is likely to remain, a different type of partner to Pakistan than the United States. At its core the bond between the two countries is strategic and grounded in military-to-military ties. The agenda will continue to be driven by China, although many areas of cooperation have been established at the behest of Pakistan.
- China does not emphasize an explicit 'value' correlation in its relationship with Pakistan, unlike the United States regarding democracy or pluralism, but rather focuses on a shared sense of being misunderstood victims of western press coverage, which plays well to both their domestic audiences.
- Counter-terrorism is a pivotal area of cooperation. Closer cooperation is aimed at containing threats to China's internal stability in Xinjiang and securing the safety of Chinese investments and personnel in Pakistan. Pakistan may continue to stress the economic dimension of the relationship but it is not one of its central drivers.
- The media in both countries have recently assumed an important role in promoting the rhetoric and the image of a strong partnership. Despite what some of this rhetoric claims, the relationship between the two countries does not rest on a meeting of ideology, values or cultures.
- There are key limitations for the alliance. First, the tangible financial support Pakistan needs from China is not as readily available as it used to be. Second, as Pakistan becomes more unstable China is finding it more difficult to balance support for its ally with the criticism Pakistan receives from the international community on counter-terrorism and nuclear proliferation. Finally, there are clear indications that Pakistan is seeking to build a more diverse base of partners to avoid heavy reliance on one ally, whether it is the United States or China.
- The impact of Chinese investments on existing domestic tensions in Pakistan is increasingly visible. Underestimating or dismissing how Chinese actions are perceived on the ground by ethno-nationalist and militant non-state actors could be deleterious for Pakistan's internal security in the coming years and lead to a further increase in violence directed at Chinese interests in the country.
- China is playing the long game in Pakistan, strategizing and investing in its neighbour accordingly. It has provided Pakistan with the political, economic and military support it has needed to balance its relations with the United States and India, if and when it aligns with Beijing's geo-strategic priorities. China would like to be the predominant influence in Pakistan, but it also recognizes America's current role in stabilizing the country's border regions with Afghanistan.
- While China and Pakistan have shared regional interests and rivals, the crux of the bond is based on a reciprocal policy of non-interference in domestic issues, and avoiding a clash with each other's core national interests, at least in the public arena. Further instability in Xinjiang that can be traced back to Pakistan could turn out to be the real chink in the rhetorical armour of the relationship with China.

## INTRODUCTION

Over the course of 2011 the relationship between China and Pakistan came under greater scrutiny, primarily owing to Pakistan's faltering relations with the United States. The US-Pakistani relationship went from being troubling right to the brink with a spate of incidents beginning with the arrest of a CIA contractor followed by the killing of Osama bin Laden on Pakistani soil, a NATO strike that killed two dozen Pakistani soldiers and the Memogate scandal, which exposed the persistent internal tensions between the civilian government and military in Pakistan. Concurrently, China and Pakistan celebrated 'Friendship Year' and marked 60 years of diplomatic ties with high-profile state visits, multi-billion-dollar economic deals, the announcement of joint infrastructure projects and joint military exercises.

As Pakistan and China strengthen their relations, questions have arisen around the changing nature of this alliance, the rhetoric that sustains it and the implications of greater Chinese influence in Pakistan for the region. On the one hand, more hardline elements in Washington and New Delhi argue that souring US relations have pushed Pakistan closer to China, giving the latter influence and access in a pivotal region where both US and Indian interests are at stake. Recent reports that Pakistan is likely to hand over the operations of Gwadar Port to China have only aroused further suspicions. Meanwhile, the official Chinese and Pakistani rhetoric promotes the relationship as an 'all-weather' alliance that will endure the test of time.

This paper examines the image that China and Pakistan have tried to create through a combined approach of multi-dimensional cooperation bolstered by an effective media strategy for their alliance. It argues for a measured interpretation that recognizes the obvious strengths of the Sino-Pakistani relationship but also the less understood parameters of the alliance. The first section reviews how this 'all-weather' narrative has been built to illustrate why China's engagement with its neighbour is contingent upon the drivers of its own national security, regional ambitions and view of the changing world order, and not on unequivocal support of Pakistan. It analyses the challenges and contradictions of the relationship because the official rhetoric highlights similarities but often glosses over the challenges of the relationship. The role of the media is considered here as it seems set to become increasingly important in how the alliance is perceived both by the two countries' domestic audiences and externally, particularly by India and the United States. The paper concludes with an examination of the regional implications of Pakistan's relationship with China.

The flurry of commentary on Sino-Pakistani relations, particularly after the killing of Osama bin Laden, has only underscored why China has been, and is likely to remain, a different type of partner to Pakistan than the United States. Using economic and defence cooperation as indicators to juxtapose the Chinese-Pakistani and US-Pakistani partnerships is instructive. It illustrates how the United States and China are managing their relations with Pakistan as they both try to secure their national interests while facing similar challenges in the region. However, there are salient differences between the goals and strategies of US and Chinese military, economic and civilian cooperation with Pakistan.

Despite the flowery and saccharine words used to describe the depth and strength of their relationship, the level of people-to-people contact and cultural links between China and Pakistan is woefully low. Looking beyond the rhetoric, there is a mismatch between the importance placed on the alliance by the public in Pakistan and China. What is often less appreciated in the discussion of Sino-Pakistani relations is how heavily dependent they are on the ties between government and military officials. Playing down the effects of Chinese assistance on existing domestic tensions and how they are perceived on the ground by ethno-nationalist and militant non-state actors in Pakistan could lead to a further increase in violence directed at Chinese interests in the country. Pakistan knows it has more to gain from the relationship via Chinese investments and political support, and reacts swiftly to any attacks on Chinese interests. But its chronic instability has prompted China to reassess its 'all-weather' ties with Pakistan behind the scenes, while it publicly remains a staunch ally.

## BUILDING THE ALL-WEATHER NARRATIVE

The rhetoric between the two countries is based on emphasizing their historical ties, Pakistan's loyalty to China and China's memory of that loyalty, 'mutual trust' and 'mutual areas of cooperation'. In reality, examining the rhetoric over the past decade shows that much of it consists of neutral statements that are often aimed at keeping US and Indian regional ambitions in check. These include 'all-weather friend', 'ties that are deeper than the Arabian Sea', 'mutual respect' and 'multi-dimensional cooperation'.

The historical memory of loyalty that is stressed is often subject to the shifting economic and political environment of the day, illustrated by China's changing stance on Indian–Pakistani conflicts and its own relations with the United States and India. The economic and trade links, investments and aid are significant but, given China's capacity and compared with what Pakistan receives from other countries, are still fairly limited. The foundation of the alliance is built on defence cooperation which is constantly deepened by bilateral visits from high-level military personnel.

This section examines the areas of cooperation in which this 'sweeter than honey' rhetoric continues to strengthen the veneer of a deep friendship. In addition to public official statements, the print and broadcast media in both countries are playing a more prominent role in shaping and influencing the image of the relationship.

### Pakistani loyalty and Chinese historical memory

Understanding why the rhetoric between China and Pakistan is so strong lies in the historical origins of the relationship and the value the Chinese place on Pakistan's loyalty, which is a cornerstone of the alliance. However, the relationship has, like most alliances, had its ups and downs and been influenced by each country's bilateral relationship with India and the United States.

After diplomatic ties were established in 1951, the early years until the 1960s were characterized by inconsistent policies between China and Pakistan. After the Sino-Indian war in 1962 over Aksai-Chin and Arunachal Pradesh, the dynamics of the relationship altered as this marked the first instance when China took advantage of souring relations between Pakistan and the United States, as Islamabad saw US support for India in the war as a sign of betrayal. For example, although Pakistan had voted against the People's Republic of China's admission to the United Nations in 1960, its sympathies shifted as it became clear that the Kennedy administration would be prepared to intervene on the side of India if China became aggressive, as well as doubling military aid to India. China and Pakistan signed two landmark agreements on trade and territory, and agreed to jointly construct the Karakoram Highway linking northern Pakistan to western China.

The 1965 Indo-Pakistani war gave depth and meaning to this new alliance. The United States placed the blame for the skirmishes in Kashmir largely on Pakistan – thereby reneging on the 1959 Agreement of Cooperation, which stipulated that the United States would come to the military aid of Pakistan at its request – and issued a statement of neutrality.<sup>1</sup> China, along with Iran and Indonesia, provided significant support to Pakistan. While the United States cut off arms sales to India and Pakistan, China gave Pakistan the political support it desired, backing its position and threatening to intervene if necessary. After the 1965 US embargo on weapons to Pakistan, China also became a strategic supplier of conventional weaponry. China's role in building Pakistan's defence industry grew as the United States imposed severe nuclear-related sanctions in the 1970s. The Chinese offer of military assistance and economic aid to Pakistan as the United States suspended economic assistance only served to reinforce 'a new friendship that came into being on account of American neglect and a powerful shared antagonism with India'.<sup>2</sup>

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<sup>1</sup> Library of Congress, 'Pakistan: the Indo-Pakistan War', [http://memory.loc.gov/cgi-bin/query/r?frd/cstdy:@field\(DOCLID+pk0152\)](http://memory.loc.gov/cgi-bin/query/r?frd/cstdy:@field(DOCLID+pk0152)).

<sup>2</sup> Isaac Kardon, 'China and Pakistan: Emerging Strains in the Entente Cordiale', Project 2049 Institute, 2011, p. 5, [http://www.project2049.net/documents/china\\_pakistan\\_emerging\\_strains\\_in\\_the\\_entente\\_cordiale\\_kardon.pdf](http://www.project2049.net/documents/china_pakistan_emerging_strains_in_the_entente_cordiale_kardon.pdf).

### **Box 1: Types of official rhetoric**

#### *Celebrating long-standing diplomatic ties*

'China has proved to be our unwavering and reliable friend, partner and neighbour throughout these sixty long years. Our people share the ideals of freedom, dignity, harmony and enjoy the fruits of mutually rewarding cooperation. Our relationship is a role model for countries all over the world. Despite our differences in size, economy and society, we share a deep bond which has transcended the passage of time and changing leadership in both countries.'

President Asif Ali Zardari greeting President Hu Jintao on the 60th anniversary of diplomatic ties, 5 May 2011. <http://pk.chineseembassy.org/eng/zbyhn/t824346.htm>

#### *Historical memory*

'China and Pakistan are good brothers sharing weal and woe. The Chinese people will never forget the valuable help from Pakistan, at those key moments when the New China sought to break the external blockade, restore its lawful seat at the United Nations and normalize relations with the United States.'

Wang Chen, Special Envoy of the Chinese Government and Minister of the State Council Information Office, 8 June 2011. <http://pk.chineseembassy.org/eng/zbyhn/t829276.htm>

'When China was in difficulty caused by Western blockade in the 1950s and 60s, it was Pakistan which opened an air corridor linking China to the outside world. In the early 1970s, it was Pakistan which served as a bridge for the normalization of China-US relations. On issues affecting China's core interests – Taiwan, Tibet, human rights, and the fight against "East Turkestan" terrorist forces – it is Pakistan that has over the years extended valuable support to China. These are something we in China will never forget. On our part, the Chinese Government and people have always sided with Pakistan in its struggle to uphold sovereignty and independence and promote economic and social development.'

President Hu Jintao, Islamabad, 24 November 2006.  
<http://pk.chineseembassy.org/eng/svhjt/t282196.htm>

#### *Mutual trust*

'All Pakistani governments have given China firm support on Taiwan, and Tibet and Xinjiang related issues, which concern China's core interests. China has all along supported Pakistan in its efforts to safeguard independence, sovereignty and territorial integrity, and to advance economic and social development. The all-weather friendship between China and Pakistan has stood the test of time and changes in the international environment, and has become an exemplary model of friendly relations between countries with different social systems and cultures.'

Wang Chen, Special Envoy of the Chinese Government and Minister of the State Council Information Office at the reception on the 60th Anniversary of the establishment of diplomatic relations, 6 June 2011. <http://pk.chineseembassy.org/eng/zbyhn/t829276.htm>

#### *Neutral empty rhetoric*

Q: The US has reportedly announced its holding back of part of its military assistance to Pakistan. It is said that China may fill up the void. What is China's comment?

A: Pakistan is a major country in South Asia, whose stability and development has a close bearing on peace and stability of South Asia. As a friendly neighbour, China has all along been providing assistance to Pakistan within its capacity, helping Pakistan improve people's well-being and realize sustainable economic and social development. China will continue doing so in the future.

Hong Lei, Foreign Ministry Spokesperson, press conference after the killing of Osama bin Laden, 12 July 2011. <http://pk.chineseembassy.org/eng/fyrth/t839456.htm>

As President Richard Nixon sought an opening with the Chinese against the Soviet Union, and then as China began its programme of economic reforms in the 1970s, Pakistan became one conduit by which US–Chinese relations began to normalize.<sup>3</sup> The 1971 India–Pakistan war over Bangladesh marked another significant juncture in Sino-Pakistani relations. Again China supported Pakistan, albeit in a more restrained manner than in 1965, and vetoed Bangladesh’s application for recognition as an independent country at the UN General Assembly as it considered it to be a province of Pakistan. China used its first veto as a permanent member of the UN Security Council over Bangladesh.

Meanwhile, China also sought a rapprochement of its own with India. With economic development becoming a top post-Mao priority in the 1970s, Beijing saw the potential of India, and Chinese policy prioritized development in a peaceful neighbourhood. The impact of this rapprochement with India was limited as Sino-Pakistani relations again took centre stage with the Soviet invasion of Afghanistan in 1979. As the Sino-Soviet split intensified, China and Pakistan again found common interests against a mutual enemy as Islamabad feared the Soviet Union would want to move into Pakistan next to gain access to a warm-water port. Concurrently, Pakistan became a closer ally of the United States to fight the Soviet Union as both countries trained and aided the mujahedeen.

The significant moment in Sino-Indian relations came when Prime Minister Rajiv Gandhi visited Beijing in 1988. With the re-escalation of conflict in Kashmir a year later, China diluted its previously pro-Pakistani rhetoric and subsequently withdrew its support for a plebiscite on the Kashmir dispute.

China’s strategic relationship with Pakistan and its approach to Indo-Pakistani disputes in the first decade after the Cold War reflected its desire for better relations with India to advance its economic agenda, to counter the US–Indian alliance<sup>4</sup> and to respond effectively to the changes in a fluid geopolitical environment. Whereas Sino-Pakistani relations had a strong foundation in anti-Indian sentiment, they were gradually recalibrated to reflect India’s changing role as a global actor and as a market for Chinese goods. Pakistan no longer benefited from the kind of support, at least in tangible terms, that it had once received in disputes against India in the early years, notably on the issue of Kashmir. China’s changing policy towards the two countries was in evidence in 1998 when India and Pakistan tested nuclear weapons, during the Kargil war in 1999 and after the terrorist attack on the Indian parliament in 2001; in all three cases China held its position of neutrality.

After the terrorist attacks of 9/11 and the invasion of Afghanistan, the Sino-Pakistani relationship entered a new phase in which Pakistan once again became strategically vital to the United States, now as an ally in the ‘War on Terror’. Pakistan’s relations with the United States have always been marred by mutual suspicion and mistrust, yet the countries remain inextricably tied to each other. In February 2009, a cable from the United States embassy in Pakistan stated: ‘The relationship is one of co-dependency we grudgingly admit – Pakistan knows the US cannot afford to walk away; the US knows Pakistan cannot survive without our support.’<sup>5</sup> American actions in the aftermath of the Soviet war in Afghanistan and 9/11 have left enduring legacies in Pakistan, not least the scourge of Islamic militancy that continues to afflict the country today.

## Multidimensional cooperation

In January 2012, the Chinese Ambassador to Pakistan underscored the country’s strategic importance by declaring it ‘the fulcrum of Asia’.<sup>6</sup> In the last decade the areas of cooperation between China and Pakistan have evolved and been re-prioritized. Significantly, China only began taking more of an interest in Pakistan’s internal security after 9/11 and has since deepened security

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3 Then Pakistan President Yahya Khan arranged for Kissinger to take a secret 4 am flight from Islamabad to Beijing to begin the normalization of relations. National Security Archive, ‘The Beijing-Washington Back Channel and Henry Kissinger’s Secret Trip to China’ 27 February 2002, <http://www.gwu.edu/~nsarchiv/NSAEBB/NSAEBB66/>.

4 China would have been concerned with the implications of the United States’ ‘India First’ policy on its ties with Pakistan.

5 Declan Walsh, ‘America, Pakistan and the \$26m barbed wire bill’, *The Guardian*, 30 November 2010.

<http://www.guardian.co.uk/world/2010/nov/30/america-pakistan-barbed-wire-bill?intcmp=239>

6 Aroosa Shaukat, ‘Chinese Ambassador Liu Jian shares his “dream of Pakistan”’, *The Express Tribune*, 24 January 2012, <http://tribune.com.pk/story/326448/chinese-ambassador-liu-jian-shares-his-dream-of-pakistan/>.



cooperation. Its specific concerns about China's Xinjiang autonomous region, where the government confronts what it has described as an Uighur separatist movement, has become a critical arena of cooperation since 2001. China also continues to sell Pakistan nuclear reactors for its civilian nuclear energy projects, military aircraft and inexpensive conventional hardware. In return, Pakistan does not directly oppose or challenge any of China's 'core' interests, including Xinjiang, Taiwan, Tibet and the South China Sea, and it is routinely thanked by the Chinese leadership for this loyalty.

In a speech delivered during his visit to Pakistan in 2006 President Hu Jintao outlined five main drivers of China's 'multi-dimensional' relationship with Pakistan:

- deepening strategic cooperation and consolidating traditional friendship,
- expanding 'win-win' business ties,
- expanding cultural and social exchanges and strengthening the basis of friendship,
- strengthening cooperation in international affairs and upholding common interests, and
- promoting exchanges among civilizations to enhance world harmony.<sup>7</sup>

The 2005 'Pakistan–China Treaty for Friendship and Cooperation and Good Neighbourly Relations' is promoted as a fundamental instrument to strengthen strategic, economic and cultural relations. Of these, strategic cooperation, especially around counter-terrorism, and enhancing economic cooperation are the core drivers of the Sino-Pakistani alliance.

#### *Counter-terrorism in Xinjiang*

*'Pakistan is at the important forefront in the international counter-terrorism campaign and has made outstanding contributions in combating terrorism. China and Pakistan are friendly neighbours and have conducted sound cooperation in the field of counter-terrorism.'*<sup>8</sup>

*Chinese Foreign Ministry Spokesperson Ma Zhaoxu, Remarks on China-Pakistan Counter-terrorism Cooperation, 3 August 2011*

Xinjiang is the largest political subdivision of China, accounting for more than one-sixth of its territory and a quarter of its boundary length. It is also China's largest gas-producing and second largest oil-producing region, with one of the largest networks of pipelines in the country.<sup>9</sup> The region is home to nine million Uighurs, a Muslim population of Turkic origin, among which separatist sentiment has historically run high. In the western part of Xinjiang, which borders northern Pakistan, ethnic tensions have grown between the Uighur population and the Han, China's ethnic majority, as increasing numbers of them move into the region in response to the promotion of economic development by the government. During the Soviet war in Afghanistan in the 1980s, hundreds of Uighur militants were trained in Pakistani madrassas and returned to Xinjiang to join violent ultra-nationalist groups. Many madrassas continue to be hubs of radical ideology.<sup>10</sup> Uighurs travelling via Pakistan on their way to Saudi Arabia for religious pilgrimages are given accommodation at madrassas where they are often exposed to radical Islam. Although there

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<sup>7</sup> Speech by Ambassador Liu Jian at the 2011 'China-Pakistan Friendship Year' and New Year Reception, 3 January 2011, <http://pk.chineseembassy.org/eng/zbqx/t783198.htm>.

<sup>8</sup> Chinese Foreign Ministry Spokesperson Ma Zhaoxu's Remarks on China-Pakistan Counter-terrorism Cooperation, 3 August 2011, <http://pk.chineseembassy.org/eng/zbqx/t845496.htm>. The 'three evils' refers to terrorism, separatism and religious extremism.

<sup>9</sup> Information Office of the State Council of the People's Republic of China, 'White Paper on Development and Progress in Xinjiang', 21 September 2009, [http://www.chinadaily.com.cn/ethnic/2009-09/21/content\\_8717461.htm](http://www.chinadaily.com.cn/ethnic/2009-09/21/content_8717461.htm).

<sup>10</sup> Preeti Bhattacharji, 'Uighurs and China's Xinjiang Region', Council of Foreign Relations, 29 May 2012, <http://www.cfr.org/china/uighurs-chinas-xinjiang-region/p16870>; Ziad Haider, 'Sino-Pakistan Relations and Xinjiang's Uighurs: Politics, Trade, and Islam along the Karakoram Highway', *Asian Survey*, Vol. XLV, No. 4, July/August 2005, <http://www.stimson.org/images/uploads/research-pdfs/XINJIANG.pdf>.

is no evidence for Islamabad supporting these groups, Beijing has in the past reacted to militant attacks by closing the Karakoram Highway and suspending land-based trade agreements.<sup>11</sup>

China has aimed at maintaining a positive image in the Muslim world to avoid attacks on its soil and its interests abroad, and it has sought more support from Pakistan on its policies towards Xinjiang after 9/11. In 2002, Pakistani forces captured 22 Uighurs crossing the border, suspecting them of preparing to carry out a terrorist attack in China. This was followed by the assassination by Pakistani forces of Hasan Mahsum, head of the East Turkestan Islamic Movement, which China has classified as a terrorist organization for its activities in Xinjiang and is based in Waziristan. In the regional capital of Xinjiang, Urumqi, almost 200 people were killed in ethnic riots in 2009, according to official numbers. This was followed in 2011 by further violence which led the Chinese government to step up security measures. Statements from security officials in Xinjiang's Kashgar directly linked the 2011 attacks to militants based or trained in Pakistan, the first time China has publicly pointed the finger at Pakistan. This signalled the Chinese government's increasing frustration over Pakistan's ability to check cross-border militancy, a linchpin of Chinese support.<sup>12</sup>

### *Military-to-military cooperation*

The role of military-to-military ties and cooperation is often used as a highly symbolic tool to signal the strength of the relationship: China expedited the delivery of 50 additional JF-17 fighter jets to Pakistan after the death of Osama bin Laden, assisted Pakistan in building its first indigenously built frigate a month later and in August 2011 launched a communications satellite for Pakistan. This was followed by Pakistan's keen expression of interest in sending an astronaut on a Chinese spacecraft. Finally, reports that the Pakistani military had given China access to the US helicopter that crashed and had to be abandoned during the raid on bin Laden's compound in Abbottabad caused alarm in Washington, although China and Pakistan both vehemently denied the accusations. All these events made headlines during 2011 and only served to further fuel the suspicion that shrouds the relationship.

For China the purpose of enhancing military-to-military cooperation is to ensure Pakistan facilitates, not hinders, domestic stability within China's borders. Cooperation pivots around supply of weapons, intelligence-sharing, counter-terrorism and joint exercises. Pakistan and China carry out military exercises every two years and have tested their capacity to conduct operations from a joint-command centre, including simulation of large-scale intelligence gathering by Chinese and Pakistani troops, and search-and-destroy missions. In November 2011 the two armies held their joint exercises, Youyi-IV (translating into 'friendship'), which was aimed at building capacity and intelligence-sharing for counter-terrorism. According to one analyst, 'joint-military exercises send a message of support for Pakistan's approach to counterterrorism and exemplify the generally satisfactory state of the military-to-military relationship, as illustrated by the attention paid to the closing ceremonies.'<sup>13</sup>

Stronger military-to-military ties also help China maintain continuity and withstand the instability that ensues when Pakistan lurches between democratic governments. Pakistan may not be able to provide China with equipment or technology but the capacity for joint production, like with the Sino-Pakistani JF-17/FC1 fighter means China can skirt the European Union embargo on weapon sales to China imposed after the 1989 protests in Tiananmen Square.<sup>14</sup> The scope for joint production

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11 Ziad Haider, 'The China Factor in Pakistan,' *Far Eastern Economic Review*, 2 October 2009.

12 'Xinjiang attacks masterminded by overseas-trained terrorists: government', Xinhua, 1 August 2011, [http://news.xinhuanet.com/english2010/china/2011-08/01/c\\_131022491.htm](http://news.xinhuanet.com/english2010/china/2011-08/01/c_131022491.htm); Michael Wines, 'China Blames Foreign-Trained Separatists for Attacks in Xinjiang', *New York Times*, 1 August 2011, [http://www.nytimes.com/2011/08/02/world/asia/02china.html?\\_r=0](http://www.nytimes.com/2011/08/02/world/asia/02china.html?_r=0).

13 Mathieu Duchatel. 'The Terrorist Risk and China's Policy toward Pakistan: strategic reassurance and the "United Front"', *Journal of Contemporary China*, Vol. 20, No. 71, September 2011, p. 555.

14 Bruce Riedel & Pavneet Singh, 'U.S.-China Relations: Seeking Strategic Convergence in Pakistan', Brookings Institution, January 2010, p. 5. [http://www.brookings.edu/~media/research/files/papers/2010/1/12%20us%20china%20relations%20riedel/0112\\_us\\_china\\_relations\\_riedel](http://www.brookings.edu/~media/research/files/papers/2010/1/12%20us%20china%20relations%20riedel/0112_us_china_relations_riedel).



has also created unease in India's security establishment as it is a cost-effective means of enhancing Pakistan's military capacity and capabilities.

China assisted in building Pakistan's nuclear weapon capability and civilian energy programme. China signed a civil-nuclear agreement with Pakistan in 1986 and has subsequently supplied it with two nuclear power plants. China claims to have ended support for Pakistan's nuclear weapons programme after signing the Non-Proliferation Treaty in 1992, although assistance is widely believed to have continued.

While it appears cooperation heavily favours Chinese interests, official statements by China supporting Pakistan's fight against terrorism gives the latter the kind of political support it desires and that is largely lacking from the international community. This was most clearly illustrated by Chinese support for Pakistan after the US raid in May 2011 that killed bin Laden. Foreign Ministry spokeswoman Jiang Yu stated: 'China will continue staunchly supporting Pakistan developing and implementing its own anti-terror strategy based on its own national conditions.'<sup>15</sup>

### *Economic asymmetry*

Sino-Pakistani economic relations are based, first, on economic development aimed at keeping Pakistan stable to avoid any fallout spilling into Xinjiang; and, second, on access to crucial maritime routes to secure China's energy supplies through the Strait of Hormuz and the Persian Gulf. The latter would also allow China to diversify its energy routes by bypassing Indian and US influence in the Indian Ocean and the South China Sea. A third consideration is that investing in Pakistan also keeps perceived Indian ambitions in check, as Indian and US observers become more concerned about Chinese maritime ambitions regarding the 'String of Pearls' – a reference to ports in Pakistan, Sri Lanka, Bangladesh and Burma (Myanmar) that are available for China to use.<sup>16</sup>

### *Strategic investments*

The bulk of Chinese investment in Pakistan is aimed at the public sector and is estimated to be worth billions of dollars. From 2012 China and Pakistan are planning to implement 36 projects worth \$14 billion over the next five years under the Five Year Development Programme for Trade and Economic Cooperation.<sup>17</sup> But many of these investments are not direct cash transfers, which leaves a question mark over the actual amount of Chinese investment, which has thus far focused on public-sector financing and assistance in engineering and scientific research and development. In 2011 Chinese direct investments to Pakistan reached \$1.36 billion.<sup>18</sup> They are concentrated on strategic sectors where state involvement is important: defence, nuclear energy, transportation, space programmes, telecommunications, electronic products and energy.

The Karakoram Highway, completed in 1986, has served as a vital artery connecting China's western regions to Pakistan. An agreement to upgrade the highway, which needs perennial maintenance owing to landslides, heavy snow and earthquakes, has been delayed as a result of the devastating floods in 2010 and 2011. The upgrade is meant to ease commercial exchanges to further integrate Pakistan's economy with northwestern China.

China played a leading role in the finance and construction of the port at Gwadar in Balochistan, investing \$1.6 billion in the project.<sup>19</sup> However, since opening in 2008 Gwadar has yet to see significant commercial activity. It was operated by the Port Authority of Singapore until 2011. Its attractiveness derives from its location as a deep, warm-water port, 250 miles from the Strait of

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15 Chris Buckley, 'China hails death of bin Laden, defends partner Pakistan', Reuters, 3 May 2011, <http://www.reuters.com/article/2011/05/03/us-binladen-china-idUSTRE7421O020110503>.

16 Gwadar in Pakistan, Hambantota in Sri Lanka, Chittagong in Bangladesh and Sittwe in Burma (Myanmar).

17 'Pak-China projects worth \$14bn on cards', *The News*, 15 April 2012, [http://www.thenews.com.pk/article-44559-Pakistan-China-projects-worth-\\$14bn-in-pipeline:-envoy](http://www.thenews.com.pk/article-44559-Pakistan-China-projects-worth-$14bn-in-pipeline:-envoy).

18 'Pakistani PM: Pak-China trade to hit US\$15 billion in 2 years', Xinhua, 20 May 2011, [http://news.xinhuanet.com/english2010/china/2011-05/20/c\\_13885809.htm](http://news.xinhuanet.com/english2010/china/2011-05/20/c_13885809.htm).

19 Kardon, 'China and Pakistan: Emerging Strains in the Entente Cordiale', p. 17.

Hormuz through which 40% of the world's oil supplies are transported.<sup>20</sup> China's hesitation on committing to running the port is indicative of its reservations about the precarious security environment in Pakistan, and particularly Balochistan, where a local Balochi insurgency has regularly targeted infrastructure projects such as gas pipelines in the province.<sup>21</sup> The media reports around the handing over of the running of Gwadar port from the Singapore Port Authority to the Chinese that emerged in September 2012 will only amplify the existing concerns over Chinese maritime ambitions.

In Balochistan, in addition to Gwadar, there are two major joint mining ventures, a copper-gold mine at Saindak and the Duddar zinc-led mine project. Pakistan's marble and granite sector doubled its exports to China from \$29.1 million in 2010 to \$63.5 million in 2011.<sup>22</sup> The extraction of these minerals, the fruits of which are seen to benefit the federal government rather than the local Baloch population, is a point of serious contention between Baloch nationalists and Islamabad.<sup>23</sup>

In early 2007 Pakistan and China began a joint venture developing the Haier-Rub Economic Zone near Lahore, the capital of Punjab province. It is the first overseas Chinese special economic zone and is aimed at building Pakistan's capacity to become a regional industrial hub.<sup>24</sup> Pakistan's chronic energy crisis has created the need to develop its hydroelectric power sector. In 2009 and 2012 memoranda of understanding were signed for the construction of 12 small- and middle-capacity dams in Pakistan as well as for Chinese financial and technical support for the Bunji dam in Pakistan's northern areas and enhancing the country's water supply.<sup>25</sup>

### Trade

While the United States outranks China in private investment as the latter focuses its investments on the public sector, Sino-Pakistani trade is currently 20% higher than US–Pakistani trade. It was only in the late 1990s that the total value of Sino-Pakistani two-way commerce began to shoot upward, expanding from less than \$1 billion in 1998 to \$2.4 billion in 2002, then to nearly \$7 billion in 2007. This growth was spurred by the 2006 visit of Hu Jintao to Pakistan, when a bilateral free trade agreement (FTA) was signed, directed at raising the value of trade between the two countries and facilitating exports of Pakistani agricultural produce to China.<sup>26</sup> Bilateral trade registered an overall growth of 22%, rising to \$10.6 billion in 2011 from \$8.7 billion in 2010.<sup>27</sup> However, the level of bilateral trade is still fairly low for a number of reasons, including Pakistan's limited range of commodities for export. China focuses on exporting cheap goods to Pakistan.

On the whole, the FTA has benefited China more than Pakistan as the latter's exports are unable to compete in the Chinese market.<sup>28</sup> Pakistan principally exports textiles and cotton to China but the relative advantage it had in producing finished textiles has now been usurped by the ability of Chinese factories to produce finished goods at a lower unit price.

China's economic interest in Pakistan is based on having significant enough influence to secure the 'energy-trade' corridor through Pakistan from Xinjiang to Gwadar port. Realizing the full potential of Gwadar depends on the Pakistani government being able to provide security in Balochistan, and as described below, Pakistan's internal security issues pose serious challenges to the relationship. This dampens the prospect of the energy-trade corridor becoming a reality in the near future.

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20 Ziad Haider, 'Balochis, Beijing, and Pakistan's Gwadar Port', *Georgetown Journal of International Affairs* (2005), 6: 1.

21 Declan Walsh, 'Pakistan's secret dirty war', *The Guardian*, 29 March 2011, <http://www.guardian.co.uk/world/2011/mar/29/balochistan-pakistans-secret-dirty-war>.

22 'Pak Exports of Stones, Marble, Granites to China Doubled in 2011', Chinese Embassy in Pakistan, 20 April 2012, <http://pk.chineseembassy.org/eng/zbqx/t924771.htm>.

23 Haider, 'Balochis, Beijing, and Pakistan's Gwadar Port', p. 95.

24 Haier Pakistan, <http://www.haier.com.pk/haierpk.php>.

25 Mathias Hartpence, 'The Economic Dimension of Sino-Pakistani Relations: An Overview', *Journal of Contemporary China*, Volume 20, Number 71, 1 September 2011, p. 593.

26 *Ibid.*, p. 594.

27 'Pakistan-China trade reaches \$10.6 billion', *Business Recorder*, 1 February 2012, <http://www.brecorder.com/business-a-economy/single/672/189/1149486/>.

28 Aftab Maken, 'FTA benefiting China more than Pakistan', *The News*, 12 August 2011, <http://www.thenews.com.pk/TodaysPrintDetail.aspx?ID=62419&Cat=3>.

## SUSTAINING THE NARRATIVE

Over the decades China and Pakistan's respective governments and military establishments have learned how to manage their relationship and its image effectively for the purposes of this strategic alliance. The media in both countries have assumed a pivotal role in promoting the rhetoric and the image of a strong alliance but have also sometimes presented a skewed depiction of the relationship. The influence of Chinese soft power in Pakistan is curtailed by the limited people-to-people contacts, and its heavy reliance on official, elite, military and governmental links. Finally, while China and Pakistan may support each other against the West when convenient, they have few shared cultural values.

### The role of the media

*'The media in Pakistan and China read the pulse of the people of the two countries. Frequent contact and communication among them will help us strengthen broader people-to-people contact and deepen our friendship. The media in Pakistan and China are vibrant. As their ties grow, they will help us negotiate a better transition to a fast globalizing and shrinking world.'*

*Ambassador Masood Khan, Remarks of at the Press Briefing on 'China-Pakistan Media River Civilization Tour' at China Radio International, Beijing, 13 July 2011*

Official statements have declared the Pakistani and Chinese media to be a reflection of the 'aspirations for deeper ties' between the two countries.<sup>29</sup> The rhetoric surrounding the Sino-Pakistani relationship based on an 'all-weather' friendship is regularly contrasted by both foreign and domestic media with Pakistan's 'fair-weather' relationship with the United States. Officials highlight that they have an alliance based on mutual trust and as 'good brothers sharing weal and woe',<sup>30</sup> whereas the United States and Pakistan face a chronic trust deficit, a view that is largely reinforced by the media in Pakistan and China.

Both governments have employed the media to play a more significant role in building and maintaining a positive image of Sino-Pakistani relations. In addition to the *Beijing Review* running a special webpage to celebrate their anniversary relations,<sup>31</sup> discussions around setting up a media university in Pakistan with Chinese support are touted as an example of the type of closer cooperation to jointly tackle 'Western media propaganda'.<sup>32</sup> This is reflective of the commonly held notion in both countries that they are misunderstood victims of Western press coverage.

The Chinese press frequently toes the official Communist Party line to challenge international press coverage of the relationship. As *China Daily* puts it,

*It's not unusual for some media outlets to try to drive a wedge between China and Pakistan. On the other hand, others try to prove that Beijing and Islamabad are forming an alliance against Washington to take advantage of the financial and other crises that the US is facing. But such speculations are unfounded, even ridiculous, because China has reiterated that it will never join an alliance against another country or group.*<sup>33</sup>

The state-controlled Chinese media have crafted a careful narrative for the relationship, and if there are any critiques they tend to come from the English language papers in Pakistan, which cover the stories about the less desirable effects of Chinese investment in Balochistan, Gilgit-Baltistan and

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29 Ambassador Masood Khan, Remarks at the Press Briefing on 'China-Pakistan Media River Civilization Tour' at China Radio International, Beijing, 13 July 2011.

30 'Remarks by H.E. Wang Chen, Special Envoy of the Chinese Government and Minister of the State Council Information Office at the Reception of the 60th Anniversary of the Establishment of Diplomatic Relations Between the People's Republic of China and the Islamic Republic of Pakistan', Chinese Embassy in Pakistan, 8 June 2011, <http://pk.chineseembassy.org/eng/zbyhn/t829276.htm>.

31 '60 Years of China-Pakistan Diplomatic Ties', *The Beijing Review*, [http://www.bjreview.com.cn/special/node\\_53715.htm](http://www.bjreview.com.cn/special/node_53715.htm)

32 'China to extend support for setting up media university: Dr Firdous', Associated Press of Pakistan, 18 May 2012, [http://app.com.pk/en/\\_index.php?option=com\\_content&task=view&id=139606&Itemid=2](http://app.com.pk/en/_index.php?option=com_content&task=view&id=139606&Itemid=2); Websites, such as Nihao-Salaam and the Pak China Media Alliance all serve to use the media to jointly reinforce the rhetoric.

33 'Fight Terrorism with Pakistan', *China Daily*, 12 August 2011, [http://www.chinadaily.com.cn/cndy/2011-08/12/content\\_13097293.htm](http://www.chinadaily.com.cn/cndy/2011-08/12/content_13097293.htm).

Sindh.<sup>34</sup> There is growing discontent among the parts of the local population in these areas who contend that they rarely see the benefits of Chinese investments because Chinese companies bring their own equipment and personnel, which does not lead to much-needed job and skills creation.

Chinese investments, joint military exercises, intelligence-sharing and supply of weapons are most commonly used by the international media as a barometer of Sino-Pakistani relations. For example, after the death of Osama bin Laden, China decided to expedite the November 2009 deal to sell Pakistan 50 more J-10 advanced fighter jets.<sup>35</sup> This was contrasted with the United States, which had 'repeatedly delayed delivery of F-16s to Pakistan, and has insisted that they not be used against India'.<sup>36</sup> Soon after, the media went into overdrive over reports from US officials that Pakistan had given China access to the crashed Blackhawk helicopter abandoned after the Abbottabad raid, which Pakistan and China vehemently denied.<sup>37</sup> Nevertheless, this only strengthened the image of an ever closer strategic relationship between the two countries.

The scope and reach of think tanks such as the Pakistan-China Institute in Islamabad and its in-house publications, *Nihao-Salam* and *Youlin*, help sustain the rhetoric and image of a solid relationship, at least in official circles. The establishment of a China-Pakistan Media Centre, the Pak China Media Alliance, a Confucius Institute in Pakistan, and China Radio International's hosting of a daily Urdu service, as well as various other blogs, educational and cultural exchanges, are examples of recent initiatives taken to help build people-to-people links.<sup>38</sup>

## People-to-people links

Efforts to strengthen such links have yielded mixed results, however. For example, attempts at offering Mandarin as a second language to schoolchildren in the province of Sindh have been poorly received by the local population, especially given that the capital of Sindh, Karachi, has been labelled the world's 'worst educated megacity'.<sup>39</sup> People are sceptical of the value of paying the higher costs of hiring Chinese teachers when even basic education is so poorly provided, with over a quarter of teachers not showing up to work every day across the country.<sup>40</sup> On the other hand, schemes such as those provided by the China Foundation for Peace Development, which has doubled its existing quota of 200 scholarships for Pakistani students from underprivileged backgrounds for technical and vocational training, could have much better prospects if the scale were gradually increased.<sup>41</sup> Given that current policies to facilitate desperately needed vocational and technical training in Pakistan lack implementation mechanisms, this type of assistance provided by China could help young people and would also assist Pakistan in shifting away from a low-skills economy.<sup>42</sup>

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34 Lauren Frayer, 'China's Increased Investment Upsets Some Pakistanis', 90.9 WBUR, 21 August 2012.

<http://www.wbur.org/npr/159531740/chinas-increased-investment-upsets-some-pakistanis>

35 Jeremy Page, 'China to Fast-Track Jets for Pakistan', *Wall Street Journal*, 20 May 2011,

<http://online.wsj.com/article/SB10001424052748704083904576333192239624926.html>.

36 Ibid.

37 Chris McGreal and Saeed Shah, 'Pakistan let China examine helicopter used in Bin Laden raid, says US', *The Guardian*, 15 August 2011, <http://www.guardian.co.uk/world/2011/aug/15/us-helicopter-pakistan-china-wreckage>.

38 China Radio International (Urdu), <http://urdu.cri.cn/>; Andy Sennitt, 'China Radio International to expand Urdu Service', *Radio Netherlands Worldwide*, 23 February 2004, <http://blogs.mw.nl/medianetwork/china-radio-international-to-expand-urdu-service:PakistanChinaFriendship> <http://pakistanchinafriendship.wordpress.com/about/>.

39 Sir Michael Barber, 'Education Reform In Pakistan: This Time It's Going To Be Different', *Pakistan Education Task Force*, p.2 <http://pakistaneducationtaskforce.com/erp.pdf>.

40 Ibid.

41 'Schools in Pakistan's Sindh province to teach Chinese', *BBC*, 5 September 2011, <http://www.bbc.co.uk/news/world-south-asia-14787216>; Saad Khan, 'Pakistan's Mandarin Love Affair', *Huffington Post*, 8 September 2011, [http://www.huffingtonpost.com/saad-khan/pakistans-mandarin-love-a\\_b\\_953883.html](http://www.huffingtonpost.com/saad-khan/pakistans-mandarin-love-a_b_953883.html); 'PEW terms tourism as poverty reduction key driver', *Dawn*, 13 April 2011, <http://dawn.com/2011/04/13/pakistan-economy-watch-terms-tourism-as-poverty-reduction-key-driver/>; Parvez Jabri, 'Micro blogging effective tool for deepening Pak, China friendship: Masood Khan', *Business Recorder*, 30 August 2012, <http://www.brecorder.com/top-news/108-pakistan-top-news/76132-micro-blogging-effective-tool-for-deepening-pak-china-friendship-masood-khan.html>.

42 Syeda Wadiat Kazmi, 'Vocational Education and Skills Development: A Case of Pakistan', *SAARC Journal of Human Resource Development*, 2007, <http://www.shrdc.org/doc/sjhrd/2007/8.%20Syeda%20Wadiat%20Kazmi.pdf>.

Despite all the anti-American sentiment in Pakistan that is whipped up by local and foreign media, people-to-people contacts and educational and cultural exchanges between the two countries tend to be qualitatively more attractive, particularly for the elites and middle-class Pakistanis for whom the United Kingdom, the United States, Canada and Australia are typically first choices for university attendance.<sup>43</sup> The majority of Pakistani students who go to China do so for medical training, which is often considered to be far below acceptable international training standards.<sup>44</sup> The diaspora links between Pakistan and the United Kingdom and the United States account for a large portion of visitors (210,000 and 108,786 respectively in 2012). According to the Pakistan Tourism Development Cooperation, approximately 28,000 Chinese visited Pakistan in 2010, the majority for business or official purposes.<sup>45</sup> China has so far been reluctant to let in Pakistani immigrants in significant numbers for business, tourism or educational purposes to limit any threats to internal stability. But it has, reportedly, agreed to promote Pakistan as a destination for its own population.<sup>46</sup> These efforts are unlikely to lead to a significant change in numbers, however. In a bid to keep out China's 'three evils',<sup>47</sup> China has restricted the access of Pakistanis to Xinjiang, apart from those from Gilgit-Baltistan who need visas for trade and business purposes and who are largely from the minority Shia community. In 2004, over 700 Pakistani traders were expelled from Xinjiang for violating the border agreement.<sup>48</sup> The majority of people-to-people contacts are between Gilgit-Baltistan and Xinjiang through businessmen, traders, engineers and students. It is illustrative of the disconnect in the relationship, but also the strategic nature of cooperation, as Pakistanis have come to see China as a partner that they need and depend upon, whereas the Chinese perceive Pakistan differently as its assistance to China is concentrated on Xinjiang.

Pakistanis overwhelmingly view China as a reliable partner but that does not translate into the next generation regarding it as the best venue for their future prospects. Despite attempts by both governments to bolster language and cultural links Pakistanis do not see learning Mandarin as a substitute for learning English, especially in provinces such as Sindh and Balochistan, which are furthest away from China and completely disconnected from it both socially and culturally. While educational exchanges are often touted as examples of the strength of the relationship, there have been cases of Pakistani students sent to China on scholarships and then facing financial hardship because the funding they were meant to receive never materialized.<sup>49</sup>

Despite the mismatch in perception and intentions between Chinese and Pakistani citizens, the mechanisms to exercise power and influence a regional agenda remain firmly in the hands of their respective elites, governments and military establishments.

## Influencing Pakistan: the Chinese approach

As Pakistan seeks to diversify its patrons and move away from its heavy reliance on the United States, the space for influence in the country, predominantly occupied by the United States since 9/11, has now expanded for long-standing partners of Pakistan such as China, Saudi Arabia, Iran and the UAE as well as new partners like Russia and the Central Asian Republics.

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43 In September 2012, the United States launched a new multi-year Pakistan Private investment initiative worth \$80 million to encourage public-private partnerships. Recognizing the water crisis facing the country, it has also provided \$12 million for the reconstruction of a key irrigation system in Khyber-Pakhtunkhwa. Other initiatives include sponsoring energy sector official visits, sports and educational exchanges. 'Pakistan Private Investment Initiative', USAID Pakistan, [http://transition.usaid.gov/pk/opportunities/PPII/PPII\\_index.html](http://transition.usaid.gov/pk/opportunities/PPII/PPII_index.html); [http://islamabad.usembassy.gov/pr\\_091212.html](http://islamabad.usembassy.gov/pr_091212.html).

44 Manzoor Qadir, 'PMDC likely to derecognise 7 Chinese medical institutions', *Daily Times*, 10 September 2012, [http://www.dailytimes.com.pk/default.asp?page=2012%5C09%5C10%5Cstory\\_10-9-2012\\_pg7\\_27](http://www.dailytimes.com.pk/default.asp?page=2012%5C09%5C10%5Cstory_10-9-2012_pg7_27).

45 Ironically this is less than the number of visitors from India to Pakistan. 'About 0.9m tourists visited Pakistan in 10 months', *Dawn*, 10 September 2010, <http://dawn.com/2010/09/10/about-0-9m-tourists-visited-pakistan-in-10-months/>.

46 'Pakistan to facilitate Chinese tourists', *Dawn*, 28 September 2012, <http://dawn.com/2012/09/28/pakistan-to-facilitate-chinese-tourists/>.

47 The 'three evils' refers to terrorism, separatism and religious extremism.

48 'China expels 700 Pakistani traders from Xinjiang: Violation of border accord', *Dawn*, 1 January 2004, <http://archives.dawn.com/2004/01/02/nat27.htm>.

49 'Pakistani students in China in financial distress', *Dawn*, 19 April 2012, <http://dawn.com/2012/04/19/pakistani-students-in-china-in-financial-distress/>.



Beijing's influence on Islamabad is rooted in history, areas of mutual cooperation, verbal political support, engaging with multiple state and non-state actors, and a shared sense of being misunderstood. Pakistan and China have nurtured their diplomatic ties and the media in both countries are continuing to promote the image of a strong alliance. China's Ambassador to Pakistan Liu Jian has described Pakistan's development as a shared burden: 'our [China] progress and difficulties of Islamabad are our problem which we will mutually overcome soon.'<sup>50</sup>

Polling data in 2012 show that nine out of ten Pakistanis believe China is a partner, underscoring how, despite the limited visibility and interaction between Pakistanis and Chinese at unofficial levels, there is still a strong domestic perception that the Chinese presence in Pakistan is beneficial. However, even though roughly half of the Chinese population has negative perceptions of Pakistan, there is little public debate in the country about China's role there.<sup>51</sup> This is largely because China, unlike the United States, is perceived as not interfering in its internal affairs. The latter is not only viewed as a 'fair-weather' ally but even more negatively as 'more of an enemy'. This is regularly contrasted in the media to China, which is seen as an 'all-weather friend' and enjoys a 90% approval rate in Pakistan, according to a Pew Global Poll taken in June 2012.<sup>52</sup> As one might expect, the jointly approved official statements display more characteristics of posturing than reflecting the existing divergence in perceptions.

Understanding and engaging with the power of the narrative in Pakistan has become vital for its allies and rivals alike, given its ability to influence public opinion. This is especially the case with regard to the way in which Pakistanis gauge the intentions of the United States and India. With a population that is prone to believing the conspiracy theories that are rampant in the Pakistani media, the battle for control over the narrative has become extremely contentious. The leverage of US aid has its limitations, especially in terms of influencing the narrative and Pakistan's policy on counter-terrorism. Even though the United States has funded over \$18 billion dollars in economic aid and military assistance since 2002, it has been unable to secure the kind of influence it desires over Pakistan and is continually seen as demanding and interfering, and consequently it is viewed with great suspicion and animosity, and as a fickle ally. The amount of aid is not a large sum given Pakistan's population size or compared with the estimated \$14 billion that Pakistanis abroad are set to send home in remittances for 2012.<sup>53</sup>

Although Sino-Pakistani relations have gone through stormy waters and are not free from misunderstandings, they are typically resolved swiftly and behind closed doors.<sup>54</sup> This is in contrast to the public admonishments Pakistan receives from the United States. For example, during the Lal Masjid siege in 2007, when Chinese citizens were kidnapped by militants, Islamabad swiftly responded to back-door diplomatic pressure from Beijing to secure their release. The lessons in crisis management from this incident seem to suggest that even though China's preferred method is discreet influence, not public statements, it remains to be seen whether it can continue to operate in this way given the unrest in Xinjiang. The attacks in July 2011 marked the first time Chinese officials had publicly linked Pakistani-trained militants to an attack in Xinjiang. In another incident, when the Pakistani defence minister reportedly expressed a desire for the Chinese to build a military base at Gwadar port, Beijing promptly denied any knowledge of the request, revealing the scope for Pakistan and China to misconstrue each other's policy and what each is willing and able to do for the other.<sup>55</sup>

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50 'Sino-Pak relations: Pakistan, China to solve issues mutually', *Express Tribune*, 30 October 2012, <http://tribune.com.pk/story/457790/sino-pak-relations-pakistan-china-to-solve-issues-mutually/>.

51 'Pakistani Public Opinion Ever More Critical of U.S.', Pew Research Centre, 27 June 2012, <http://www.pewglobal.org/files/2012/06/Pew-Global-Attitudes-Project-Pakistan-Report-FINAL-Wednesday-June-27-2012.pdf>.

52 Ibid.

53 'Remittances seen at \$14bn in 2012', *Dawn*, 22 November 2012, <http://dawn.com/2012/11/22/remittances-seen-at-14bn-in-2012/>.

54 Zhang Li, 'To Manage Conflict in South Asia: China's Stakes, Perceptions and Inputs', Asia Paper, Institute for Security and Development Policy, October 2009, [http://www.isdp.eu/images/stories/isdp-main-pdf/2009\\_li\\_to-manage-conflict-in-south-asia.pdf](http://www.isdp.eu/images/stories/isdp-main-pdf/2009_li_to-manage-conflict-in-south-asia.pdf).

55 'Friendly but out of loop: China unaware of Gwadar proposal', *Express Tribune*, 25 May 2011, <http://tribune.com.pk/story/174913/china-says-it-is-unaware-of-gwadar-port-proposal/>.



China also has continuously engaged with multiple political players in Pakistan to ensure its interests are secure, regardless of whether Pakistan is under civilian or military rule.<sup>56</sup> When Pakistan has a democratic government, China hedges its interests by maintaining links with opposition political parties, including leaders connected with militant groups. For example, in 2010 the Chinese Communist Party Liaison Department granted an invitation to Maulana Fazl-ur-Rahman, head of the Jamiat Ulema-e-Islam-(Fazl-ur-Rahman) (JUI-F), who visited China in April 2010.<sup>57</sup> The JUI emanates from the Deobandi movement<sup>58</sup> and has now split into three separate groups in Pakistan. The Communist Party also invited Imran Khan, the leader of Pakistan Tehreek-e-Insaf (PTI) to Beijing after his party gained more attention in the domestic political arena. Although this may be viewed in some quarters as an unusual invitation, given that Khan has not been in government since his party was founded in 1996, it is an indication that China recognizes the need to keep lines of communication open with a diverse range of political actors, owing to the unpredictable nature of the Pakistani political establishment, whose members are often at loggerheads. So while China may be willing to deal with non-state actors, questions remain over the extent to which it can depend on these actors to help secure its interests.

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56 For an analysis of Pakistan's mainstream political and religious parties policies towards China see Nida Naz, 'Prospects for Pak-China Relations in 2011: Political, Militant and Public Views', Pakistan Institute for Peace Studies, 2011, [snpips.com/download.php?f=166.pdf](http://snpips.com/download.php?f=166.pdf).

57 'Senior Chinese political advisor meets Pakistani JUI delegation', *People's Daily*, 6 April 2010, <http://english.people.com.cn/90001/90776/90883/6942179.html>.

58 The Deobandi movement is a revivalist movement in Sunni Islam practised by the Taliban and religious parties in Pakistan like JUI.

## CHALLENGES

As China's ties with Pakistan are reinforced by the rhetoric, it is clear that there are also multiple challenges for the alliance. First, the tangible financial support Pakistan needs from China is not as forthcoming as it used to be. Second, as Pakistan becomes more unstable China is finding it more difficult to balance support for its ally with the criticism Pakistan receives from the international community, mainly related to efforts to tackle the spread of Islamic militancy and to ensure its nuclear weapons are secure. Finally, the regional dynamics of South Asia and the bilateral alliance structures mean both Pakistan and China have to carefully balance the narrative of their relationship with their strategic interests and rivalries.

### China: a different kind of investor

Pakistan has relied on bail-outs by its allies during and after the Cold War; these were primarily based on their calculation that it was too important geo-strategically to become a 'failed' or 'failing' state. After joining the nuclear club in 1998, and in view of the threat of terrorism that spiked after 9/11, Pakistan again assumed an important strategic role, this time as a major non-NATO ally.

Toward the end of the Pervez Musharraf era, there were clear signs that the bail-outs were no longer going to be as easy to secure, at least from China. According to tradition, in 2008 President Zardari's first official state visit after assuming office was to China. At this time Pakistan was about to default, and it eventually had to turn to the IMF for a line of credit as China did not bail it out.<sup>59</sup> According to former Pakistani finance minister Javed Burki, who negotiated support from China in 1996, 'those days are over because China is no longer inclined to grant cash outright without structural reforms from the receiving government'.<sup>60</sup> Organizations such as the PakChina Investment Company, supported by the Ministry of Finance in Pakistan and the China Development Bank, were established to facilitate economic relations but are seen to have had a limited impact on matching the hype around the economic relationship.<sup>61</sup> Despite the various economic deals and organizations that have been set up to help facilitate the economic partnership, at present it is not an accurate reflection of the stated strategic depth of relations.

Between 1950 and 2009, China's global foreign aid stood at \$39 billion.<sup>62</sup> Of this, 40% of the total was made through grants, with the remainder divided evenly between interest-free and low-interest loans. China has made a strategic decision to focus primarily on public-sector financing, including telecoms, shipping and energy projects, as well as assistance in engineering and scientific research and development. China's stated policy on foreign aid also refrains from imposing political conditions and stresses non-interference in a country's internal affairs, which resonates with Pakistan.

Investment patterns show that the flow of Chinese private investment in Pakistan is dwarfed by that from the United States. Between 2001 and 2008, Chinese stock totalled \$950 million whereas the United States invested \$5.5 billion. In 2007–08 even Japan invested more into Pakistan's private sector (\$141.1 million as opposed to China's \$108 million).<sup>63</sup> Since 9/11 the United States has given Pakistan more than \$2 billion on average per year in economic and military aid.<sup>64</sup> China's cumulative bilateral assistance to Pakistan between 2004 and 2009 totalled just \$217 million (an

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59 Following the 2008 economic crisis, the IMF extended a line of credit that now amounts to over \$11.3 billion.

60 Jane Perlez, 'Rebuffed by China, Pakistan May Seek I.M.F. Aid', *New York Times*, 18 October 2008, <http://www.nytimes.com/2008/10/19/world/asia/19zardari.html>.

61 Lisa Curtis & David Scissors, *The Limits of the Pakistan-China Alliance*, *The Heritage Foundation*, 19 January 2012, [http://www.heritage.org/research/reports/2012/01/the-limits-of-the-pakistan-china-alliance#\\_ftn38](http://www.heritage.org/research/reports/2012/01/the-limits-of-the-pakistan-china-alliance#_ftn38).

62 'China's Foreign Aid', Information Office of the State Council, People's Republic of China, April 2011, [http://news.xinhuanet.com/english2010/china/2011-04/21/c\\_13839683.htm](http://news.xinhuanet.com/english2010/china/2011-04/21/c_13839683.htm); Claire Provost, 'China publishes first report on foreign aid policy', *The Guardian*, 28 April 2011, <http://www.guardian.co.uk/global-development/2011/apr/28/china-foreign-aid-policy-report>.

63 Hartpence, 'The Economic Dimension of Sino-Pakistani Relations', p.590.

64 Akbar Zaidi, 'Who Benefits From U.S. Aid to Pakistan?', *Carnegie Endowment for International Peace*, 21 September 2011, [http://carnegieendowment.org/files/pakistan\\_aid2011.pdf](http://carnegieendowment.org/files/pakistan_aid2011.pdf).

average of \$36 million per year), and was often driven by disaster relief.<sup>65</sup> As of 2011, China provides financing to Pakistan in the form of grants, concessional loans, preferential buyer's credit, and export and buyer's credit, amounting to \$1.75 billion.<sup>66</sup> As a result, China has not yet shown a willingness to match the United States and other countries in lending money to the Pakistani government, instead maintaining its position as a different type of investor.

The existing model of Chinese assistance is beginning to meet the kind of support Pakistan needs in the form of large direct cash infusions and emergency funds. Although China's contribution for the floods that wreaked havoc across the country in 2010 was marginal when compared to the total amount pledged, it was the highest level of Chinese disaster relief to a foreign country.<sup>67</sup> At a press briefing, Pakistan's Ambassador, Masood Khan, underscored why China's support was so valuable: it provided Pakistan with 'generous, timely, and unconditional relief assistance.'<sup>68</sup> In addition to financial assistance, for both the 2010 and the 2011 floods, China sent search-and-rescue teams, delivered aid quickly through land routes and pledged reconstruction assistance, especially for transport links and agricultural and irrigation networks, which were badly damaged. The 2010 floods also marked the first time Chinese military helicopters carried out an overseas humanitarian mission.<sup>69</sup>

Some observers believe that the signing of an agreement to allow the State Bank of Pakistan to invest in China's domestic interbank bond market, building on a 2011 currency swap agreement, will enable Pakistan to more effectively manage its foreign exchange reserves.<sup>70</sup> But China will continue to focus on public-sector investments and loans, and on limited private investments along the lines of its strategic priorities in Pakistan. China may not set terms and conditions to its assistance as the United States does, but it will not be writing a blank cheque to Pakistan either.

As such, Pakistan should not expect to receive from China the kind of aid in cash it has received from the United States and other countries. But it can expect to receive continued assistance in the form of tangible, long-term investments and loans for major infrastructure projects and transport modernization initiatives, as outlined in the next Five Year Development Programme for Trade and Economic Cooperation,<sup>71</sup> since these provide China with visibility and depth of influence in Pakistan. In 2011 the two countries established a Joint Energy Working Group to oversee development and implementation of hydro, thermal, geo-thermal, coal-fired, solar, wind, biomass and civil nuclear power. China's impetus for maintaining economic support to Pakistan also stems from the recognition that a weak economy increases the security risks. Statements from Chinese officials will continue to stress the need for stability and economic development to go hand in hand.

## Pakistan: a risky ally for China?

Pakistan's geographical position is of key strategic importance to China. However, the areas of economic and security cooperation demonstrate the limitations of political goodwill between the two countries. A stable Pakistan benefits China in securing its national security interests in Xinjiang but Pakistan's deteriorating domestic traditional and non-traditional security conditions have tested Islamabad's own capacity to protect Beijing's interests and to contain the fallout of the volatility within its borders. The current situation has exposed Islamabad's limitations in terms of helping deliver stability in Xinjiang and protecting Chinese investments and assets in Pakistan. As of 2012,

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65 'Aid to Pakistan by the Numbers', Centre for Global Development, <http://www.cgdev.org/section/initiatives/active/pakistan/numbers>.

66 'Private sector cooperation with China stressed', *Dawn*, 13 September 2011, <http://www.dawn.com/2011/09/13/private-sector-cooperation-with-china-stressed.html>.

67 It may have reportedly been China's largest contribution for disaster relief assistance to a foreign country but it was not the largest to Pakistan; the highest amount of aid was pledged by the United States (28 per cent of total aid), while China ranked below Japan, Norway, Saudi Arabia and the United Kingdom.

68 'Pakistanis appreciate China's timely assistance', *Xinhua*, 25 August 2010, [http://www.chinadaily.com.cn/china/2010-08/25/content\\_11203176.htm](http://www.chinadaily.com.cn/china/2010-08/25/content_11203176.htm).

69 'China pledges \$250m flood aid to Pakistan', *China Daily*, 18 December 2010-  
[http://www.chinadaily.com.cn/china/2010wenindia/2010-12/18/content\\_11721909.htm](http://www.chinadaily.com.cn/china/2010wenindia/2010-12/18/content_11721909.htm).

70 Erum Haider, 'State Bank of Pakistan enters Chinese bond market', *The News*, 23 October 2012, <http://www.thenews.com.pk/Todays-News-3-138946-State-Bank-of-Pakistan-enters-Chinese-bond-market>.

71 Chinese Ministry of Commerce. <http://tradeinservices.mofcom.gov.cn/en/e/2010-11-28/87103.shtml>.

there were 15,000 Chinese workers in Pakistan contributing to over 130 major development projects.<sup>72</sup> Chinese workers have been targeted and even killed in Gwadar port in 2004, at the Gomal Zam Dam in South Waziristan in 2006 and in the Swat Valley in 2007. Following these attacks a joint task force was setup in 2007 to ensure the safety of Chinese citizens in Pakistan.<sup>73</sup>

As the security risks grow, Beijing has become more reluctant to invest in Pakistan despite Islamabad's efforts to convince it otherwise. It has thus far held back on a clear commitment to run Gwadar port because of the precarious security environment in Balochistan. As noted above, the extraction of minerals, the fruits of which are rarely seen by the local Baloch population, is a point of contention between Baloch nationalists and the central government in Islamabad. As a result, this conflict often manifests itself in attacks on Chinese personnel working on projects in the province. For example, in May 2004 three Chinese engineers were killed and nine wounded in a suicide attack on their vehicle as they travelled to Gwadar. The Pakistani government reacted swiftly by deploying the Frontier Corps, a paramilitary force commanded by army officers, to escort the engineers and six days later it had detained 18 suspects. This was followed by an attack on Chinese engineers travelling in Balochistan in November 2011, although none were killed.<sup>74</sup> Ultimately, realizing the full potential of Gwadar will depend upon the Pakistani government stabilizing Balochistan.<sup>75</sup>

In September 2011, the privately owned China Kingho Group pulled out of a mining project in Sindh worth \$19 billion, reportedly amidst concerns over the security of its personnel following bombings in major cities. In July 2012, a bomb exploded outside the Chinese Consulate in Karachi, which some observers linked to the discontent felt by local nationalist Sindhi groups. In November 2012, a group of Chinese experts were reportedly being harassed by local 'unscrupulous elements' and their equipment badly damaged while carrying out seismic surveys in Sindh to assist with Pakistan's crippling energy crisis.<sup>76</sup> Nationalist groups in Sindh and Balochistan, as well as the Tehreek-e-Taliban Pakistan, see targeting Chinese investments as an effective means of attracting the immediate attention of the Pakistani provincial and federal government. Having observed how sensitive the government is in terms of responding to an attack on Chinese interests or to any event that would destabilize relations, these non-state actors are employing the tactic of attacking your enemy's friend. However, these attacks remain small-scale and sporadic, and they have therefore not had a discernible impact on current government policies towards the stated grievances of these groups.

China depends greatly on the Pakistani military, rather than the civilian government, to deliver on security issues. Nevertheless, the Pakistani military would not want to rely solely on technology, hardware and counter-terrorism intelligence from Beijing while the US military dominates that market. Over 2011- 2012, there were over a dozen Pakistani Air Force plane crashes which included the Chengdu F-7 fighter jet bought from China and the jointly produced JF-17 Thunder fighter jet. The most advanced fleet of fighter jets in the Pakistani Air Force is the F-16 Fighting Falcon, which was purchased from the United States.<sup>77</sup> The Pakistani military has benefited greatly from its relationship with the Pentagon for the provision of hardware, intelligence and reciprocal training programmes, and it is unlikely to deliberately cause irreparable damage to that relationship. Sending Chinese troops abroad would go against the Chinese policy of non-interference in a

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72 Mushahid Hussain, 'What does transition in China mean for Pakistan?' *Express Tribune*, 14 November, 2012, <http://tribune.com.pk/story/465406/analysis-what-does-transition-in-china-mean-for-pakistan/>; Mathieu Duchatel, 'The Terrorist Risk and China's Policy toward Pakistan: strategic reassurance and the "United Front"', *Journal of Contemporary China*, Vol. 20, No. 71, September 2011, p. 543.

73 'Pact with Pakistan to protect Chinese', *China Daily*, 8 August 2007, [http://www.chinadaily.com.cn/china/2007-08/08/content\\_5449151.htm](http://www.chinadaily.com.cn/china/2007-08/08/content_5449151.htm).

74 Alok Bansal, 'Why Pakistan's rebels are attacking Chinese projects', *Rediff*, 17 July 2012, <http://www.rediff.com/news/column/why-pakistans-rebels-are-attacking-chinese-projects/20120717.htm>.

75 For more on Balochistan, see Robert Wirsing, 'Baloch Nationalism and the Geopolitics of Energy Resources', 2008; Ali Dayan Hasan, 'Testimony to US House Committee on Foreign Affairs' Human Rights Watch, 2012 [http://www.hrw.org/sites/default/files/related\\_material/2012\\_Pakistan\\_AliHasanTestimony.pdf](http://www.hrw.org/sites/default/files/related_material/2012_Pakistan_AliHasanTestimony.pdf).

76 'Chinese experts being 'harassed' in Badin', *Dawn*, 30 November 2012, <http://dawn.com/2012/11/30/chinese-experts-being-harassed-in-badin/>.

77 'Crashes Raise Concern about Pakistan Air Force', *Dawn*, <http://dawn.com/2012/12/11/crashes-raise-concern-about-pakistani-air-force/>.

nation's internal matters (although there are reviews under way regarding the strategy on interference when terrorism is an issue<sup>78</sup>), and the Chinese armed forces still have only fairly limited effective capacity on counter-insurgency and police training.

Pakistan will continue to need China's support in international organizations, given the growing power and influence of the latter. The flux in Pakistan has led China to be more cautious regarding the country's civilian nuclear programme and the scrutiny it has come under to guard against nuclear terrorism, which was stressed by the international community during the Nuclear Suppliers Group (NSG) meeting in Seattle in June 2012.<sup>79</sup> China too has been questioned regarding the viability of the nuclear reactors it has sold to Pakistan, which analysts claim are 'outdated'.<sup>80</sup>

While China supports Pakistan in international multilateral organizations such as the United Nations, when it comes to the Shanghai Cooperation Organization (SCO) it is not a tale of 'brothers sharing weal and woe'.<sup>81</sup> Pakistan currently has observer status at the SCO and in June 2012 made further overtures to be admitted as a permanent member. Even though China currently holds the presidency, and Russia has voiced no objection to Pakistan and India joining as permanent members, their membership is still pending. China's apparent reluctance to admit its long-term ally to the SCO is another example of Pakistan's domestic terrorism and militancy problems hindering its ability to position itself strategically in regional organizations. A key concern for the SCO includes non-proliferation, on which Pakistan has a poor record following the discovery of the illicit procurement network that was set up by its leading nuclear scientist A.Q. Khan.<sup>82</sup>

In addition to traditional security threats, the high rate of drug-trafficking in the border areas and the associated health risks posed by an increase in HIV has created a health security threat to populations on both sides of the Sino-Pakistani border. Migration and movement of people for business and trade bring wider health risks, as in October 2011 when ten polio cases were reported in Xinjiang, the first in China since 1999. Pakistan has still not successfully eradicated polio. In August 2011 a large stash of heroin was seized by authorities as drug-smugglers attempted to cross the border, and a month later in a separate incident a Pakistani national was executed in China for drug-trafficking. The problem is not only limited to Pakistan's border with China; there is a threat to India as well. The illegal trade in drugs and narcotics has seriously affected Punjab, India's wealthiest state, which is currently in the grip of a debilitating drug epidemic where roughly 60% of households have at least one drug addict. Punjab has historically been home to the trade because of its location in a drug-producing region on the illicit drug route from Afghanistan via Pakistan.<sup>83</sup>

Pakistan is acutely aware of the need to take care of and manage Chinese interests. This is reflected in the value it places on the relationship through rhetoric and high-profile trips by government and army personnel. However, according to analysts China has privately begun to question Pakistan's ability to deliver on China's narrowly defined strategic interests in the country. China does not want to become a target for militants, especially in Xinjiang, because it would compromise its wider goals of domestic stability, energy security and economic growth.

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78 'China draft bill defines terrorism amid "real threat"', BBC News, 25 October 2011, <http://www.bbc.co.uk/news/world-asia-pacific-15444081>.

79 Fredrik Dahl, 'West worried by China-Pakistan atomic ties: sources', Reuters, 27 June 2012, <http://www.reuters.com/article/2012/06/27/us-nuclear-china-pakistan-idUSBRE85Q0YL20120627>.

80 'China to Sell Outdated Nuclear Reactors to Pakistan', Voice of America, 23 March 2011, <http://www.voanews.com/content/china-to-sell-outdated-nuclear-reactors-to-pakistan-118572049/136981.html>; The scepticism around the deal is only compounded by reports such as a Chinese American woman being found guilty of attempting to ship material for a Pakistani nuclear reactor in November 2011. See Nedra Pickler, 'Woman pleads guilty in illegal export to Pakistan', *Boston Globe*, 15 November 2011, [http://www.boston.com/news/nation/articles/2011/11/15/woman\\_pleads\\_guilty\\_in\\_illegal\\_export\\_to\\_pakistan/](http://www.boston.com/news/nation/articles/2011/11/15/woman_pleads_guilty_in_illegal_export_to_pakistan/).

81 Richard Weitz, 'China-Russia's Anti-NATO?', *The Diplomat*, 4 July 2012, <http://thediplomat.com/2012/07/04/is-the-shanghai-cooperation-org-stuck-in-neutral/2/>.

82 For further information about Pakistan's nuclear proliferation and security issues see Paul Kerr & Mary Beth Nikitin, 'Pakistan's Nuclear Weapons: Proliferation and Security Issues', Congressional Research Service, 26 June 2012, <http://www.fas.org/spp/crs/nuke/RL34248.pdf>.

83 When examining the regional situation post-2014, a serious cause of concern voiced by the Indian delegation at IISS-MEA International Dialogue in October 2012 was the impact of the drugs trade emanating from Afghanistan and Pakistan on India. Jim Yardley, 'Indian State Finds Itself in Tight Grip of Addiction', *New York Times*, 18 April 2012, <http://www.nytimes.com/2012/04/19/world/asia/drug-addiction-is-a-growing-problem-in-punjab.html?pagewanted=all>.

The impetus for Pakistan's government and military to firmly tackle and root out home-grown and external militant groups could lie in the shifting power dynamics of regional alliances in South Asia. Instability in Pakistan impedes it from benefiting from any potential regional economic integration with its neighbours, for example with regard to energy pipelines. It is also counter-productive for its relationship with China and other long-standing allies, and hampers it from improving its relations with the United States and India.



## THE SINO-PAKISTANI ALLIANCE AND REGIONAL SECURITY

Pakistan and China have managed to create an effective illusion, with the inadvertent assistance of hardline elements in New Delhi and Washington, that China is a real replacement for the United States, and thereby a threat to both US and Indian interests in the region.<sup>84</sup> Abating the spread of militancy and the threat from terrorist networks in South Asia, securing energy supplies and opening up trade and transport routes are sources of competition and cooperation for all four countries. If Pakistan's relations with China are set to strengthen, despite the challenges it faces, what are the implications for regional security dynamics?

Pakistan's foreign policy is underpinned by the ongoing hostility with India and its security-dominated relations with the United States. As far as China's foreign policy is concerned, Pakistan is central in securing one of its core national interests: stability in Xinjiang. During a trip to Islamabad in October 2012, Li Changchun, a leading member of the Standing Committee of the Political Bureau of the Chinese Communist Party, emphasized how China would 'always prioritize its relations with Pakistan when dealing with foreign affairs'.<sup>85</sup> Historical factors play a very significant role in the relationship, which is why they are often cited by Chinese officials when describing why relations with Pakistan are valued. Over the past decade China has provided Pakistan with the political support it has needed in its tug-of-war relations with the United States. Chinese foreign policy in South Asia, favouring bilateral and informal ties, has been geared towards keeping US influence at bay and ensuring Indian ambitions do not threaten its regional economic and security interests.<sup>86</sup>

There are also country-specific security issues that influence the regional dynamic. Pakistan is tackling an insurgency in Balochistan, a country-wide Islamic militant threat, the Kashmir issue, resource scarcity and a military operation in the tribal areas. Ethnic and sectarian violence has also seen a large increase over the past two years, particularly in Karachi. China is managing the threats to internal political stability and economic opportunity in Xinjiang. India is managing its border disputes with Pakistan and China including the threat of militancy emanating from Pakistani-administered Kashmir. The United States is still embroiled in the conflict in Afghanistan and dealing with its capricious relationship with Pakistan.

Chinese influence on the running and management of Gwadar port is significant to all regional players. First, the location of the port allows it to connect Central Asia and China to Middle Eastern energy sources and to global markets; second, China could use it to facilitate trade (although some analysts point out that this would only be of real benefit for goods produced and exported from China's western regions as at present most are exported from the east);<sup>87</sup> and third, to leverage Chinese maritime ambitions in the Indian Ocean. Consequently, for example, India's maritime strategy takes into account the expansion of Chinese influence in the Indian Ocean and seeks to mitigate China's ambitions.<sup>88</sup>

Gilgit-Baltistan is also of increasing importance to the Pakistan–China–India nexus as the 1984 occupation of the Siachen Glacier by the Indian army injected a militarized element into the area, which was reinvigorated by the Kargil conflict in 1999. The Karakoram Highway, which connects Pakistan through Gilgit-Baltistan to Xinjiang, is a corridor of economic opportunity, but multiple risks also exist, including giving passage to Sunni militants who could further fuel sectarian conflict in Gilgit-Baltistan (home to the largest proportion of Shias in Pakistan).

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84 See Anna Mahjar-Barducci, 'New War Ahead: China-Pakistan vs. U.S.A', Gatestone Institute, 2 March 2011, <http://www.gatestoneinstitute.org/1918/china-pakistan-usa-war>; Amitai Etzioni, 'Throwing Pakistan into the Arms of China', *The National Interest*, 19 July 2011, <http://nationalinterest.org/commentary/throwing-pakistan-the-arms-china-5626>.

85 'Senior Chinese leader arrives in Pakistan for official visit', *People's Daily*, 18 October 2012, <http://english.peopledaily.com.cn/90883/7981292.html>.

86 Sylvia Hui, 'Engaging an Emerging Superpower: Understanding China as a Foreign Policy Actor', Chatham House, July 2011, <http://www.chathamhouse.org/publications/papers/view/176811>.

87 Riaz Mohammad Khan 'Pakistan-China Relations: an Overview', *Pakistan Horizon*, Volume 64, Number 4, October 2011.

88 'to retain a strong maritime capability in order to maintain a balance of maritime power in the Indian Ocean, as well as the larger Asia-Pacific region.' Admiral Arun Prakash, 'Shaping India's Maritime Strategy', Indian Navy, November 2005, [http://indiannavy.nic.in/cns\\_add2.htm](http://indiannavy.nic.in/cns_add2.htm).

On the periphery are potential push and pull factors that could impact the nexus in the medium to long term. These include the shape of the political settlement in Afghanistan; Chinese, Russian and American influence in Central Asia; Iran's economic and nuclear ambitions in the region; closer US–Indian nuclear, economic and defence ties; changing Indian Ocean dynamics on maritime security relations; and the United States' renewed interest and focus on the Asia-Pacific region.

The visit by the head of Pakistan's army, General Ashraf Kayani, to Moscow in September 2012 was reported in the Pakistani press as heralding a new phase of Russo-Pakistani relations. If the rapprochement between these two long-term foes progresses,<sup>89</sup> how would this affect Pakistan's relations with China, given that the latter's historically tense relations with Russia are now ambiguous at best? Increased trade, energy and security cooperation with Russia over the last decade could open up further opportunities for Pakistan but, as with China, this is going to depend upon Pakistan being able to deliver on security and stability in the region. It will also be subject to how China and Russia manage their own regional agendas and alliances in South Asia. In 2010, Vladimir Putin opposed forming military and strategic ties with Pakistan as he did not want to destabilize Russia's ties with India. A year later, as US–Pakistani relations nose-dived, this policy was reversed and Russia agreed to expand the nature of its relationship with Pakistan to include economic and trade relations.<sup>90</sup> However, upon the indefinite postponement of Putin's scheduled trip at the end of 2012 to both Pakistan and India, it is unclear whether these visits are any more than posturing or whether Russia's turn to the East actually translates into tangible policy shifts with Pakistan.

The biggest challenge for all regional players is to move beyond the very narrow and bilateral set of relations currently dominating foreign policy in South Asia to focus on joint collaboration on counter-terrorism issues.

## Security cooperation

*'The Chinese side will continue to strengthen cooperation with Pakistan in jointly cracking down on the "three evil forces", so as to safeguard security and stability in both countries as well as in the region.'*<sup>91</sup>

As the internal and external demands continue to grow for Pakistan to do more on regional counter-terrorism and domestic security, can China use its influence to pressure it to deliver on security issues on which the United States has made limited headway?

Understanding intentions and perceptions in this highly charged region is a continuous challenge. As outlined above, Beijing knows it has a unique relationship with and influence over Islamabad, but has so far employed this strength selectively with its core interests dictating the agenda and approach. At present, there are no signs that there will be a dramatic shift in that position, unless attacks in Xinjiang become more frequent and deadly and destabilize the region. Even then China is more likely to maintain its use of admonishment behind closed doors while publicly maintaining the image of a solid partnership as it plays the long game in Pakistan.

Analysts have argued the importance of the China–India–Pakistan triangle, where the rivalry has been referred to by Ashok Kapur as 'the inner core of the Himalayan-South Asian-Indian Ocean region'.<sup>92</sup> China's policy towards South Asia evolved in the 1990s as it adjusted to post-Cold War scenarios, particularly Pakistan's changing dynamics with the United States and India's economic growth story. In Zhang Li's discussion of Chinese interests in South Asia, he posits that Beijing's stakes in this matrix include the prevention of any major armed conflict, maintaining friendly

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89 Taking place as part of the Quadrilateral Summit with Pakistan, Afghanistan, Russia and Tajikistan 'Regional cooperation: Zardari, Putin to hold talks on October 2', *Express Tribune*, 2 September 2012, <http://tribune.com.pk/story/430069/regional-cooperation-zardari-putin-to-hold-talks-on-october-2/>.

90 'Pakistan, Russia agree to broaden scope of existing ties', *Express Tribune*, 3 September 2011, <http://tribune.com.pk/story/244101/pakistan-russia-agree-to-broaden-scope-of-existing-ties/>.

91 'Chinese Foreign Ministry Spokesperson Ma Zhaoxu's Remarks on China-Pakistan Counter-terrorism Cooperation', Chinese Embassy in Pakistan, 3 August 2011, <http://pk.chineseembassy.org/eng/zbqx/t845496.htm>.

92 For further analysis, see Ashok Kapur, *India and the South Asian Strategic Triangle*, (Routledge, 2011), p. 31.

relations with both India and Pakistan and thereby avoiding 'side-taking', stemming any regional strategic alignments or coalitions that harm China, promoting China as a 'credible partner' and securing its strategic and economic goals in the Indian Ocean by building strong bilateral relations with India, Pakistan, Bangladesh, Burma and Sri Lanka.<sup>93</sup>

### *The India factor*

Historically, India has had tense political relations with Pakistan and China. It has fought wars with both countries. It also faces similar problems with both: disputed borders, competition over natural resources, and the threat of Islamic militancy. India is still regarded as the biggest threat to their country by a majority of Pakistani citizens – a perception reflected in Pakistan's foreign policy.

Closer cooperation between Islamabad and Beijing is often motivated by their relations with New Delhi and, in turn, India remains wary of the Sino-Pakistani alliance. First, India is concerned about the sharing of intelligence, military technology and defence cooperation between its nuclear-armed neighbours, and about reports of China wanting to set up military bases in Pakistan's tribal areas.<sup>94</sup> Second, India is worried about China's drive to secure energy and trade supply routes in Central Asia and the Indian Ocean; Indian security strategists see the latter building a 'string of pearls' that would encircle their country. Finally, India is also watching how the endgame in the war in Afghanistan develops as it would want to mitigate heavy Pakistani influence in the country, potentially backed by China, once Western troops begin to withdraw.

India is concerned specifically about China's assistance in building Pakistan's civilian nuclear capabilities and supply of conventional weaponry, ships and aircrafts.<sup>95</sup> In June 2011 the Nuclear Suppliers Group approved the supply of two additional nuclear reactors to Pakistan by China, which was viewed in some Indian quarters as 'a blow to our security interests'.<sup>96</sup> The Pakistani army was the first foreign army to conduct exercises on Chinese soil and, predictably, these joint military exercises have also attracted the attention of security circles in New Delhi and been reported in the Indian media as a mechanism to intimidate India.<sup>97</sup> General Kayani released statements emphasizing that the exercises were not aimed at a specific country and not meant to be viewed as a threat, which would have done little to assuage the military establishment in India.

Consequently, India remains cautious of both its neighbours and of Chinese intentions in South Asia, as reflected in a statement made by Indian Prime Minister Manmohan Singh in 2010 that stressed the need for India to be 'prepared'.<sup>98</sup> Indian External Affairs Minister, Salman Khurshid, highlighted why India needed to improve relations with China and Pakistan but noted that the approach it would be taking towards each would be different.<sup>99</sup> At the other end of the Indian political spectrum, the leader of the right-wing Hindu nationalist party Rashtriya Swayamsevak Sangh, Mohan Bhagwat, has described the alliance in hyperbolic terms, claiming India would get 'no sleep' because of China's and Pakistan's regional intentions.<sup>100</sup> Some Indian commentators have argued for a more balanced understanding of closer relations between Pakistan and China and the need for them to be put into the context of the post-Cold War landscape in South Asia. They argue that as ties between India and China have 'matured into pragmatic stability combined

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93 Zhang Li, 'To Manage Conflict in South Asia', p. 9.

94 Amir Mir, 'Chinese Foreign Ministry Spokesperson Ma Zhaoxu's Remarks on China-Pakistan Counter-terrorism Cooperation', *Asia Times*, 26 October 2011, [http://www.atimes.com/atimes/South\\_Asia/MJ26Df03.html](http://www.atimes.com/atimes/South_Asia/MJ26Df03.html).

95 'China delivers warship to Pakistan army', IBN, 31 July 2009, <http://ibnlive.in.com/news/brothers-in-arms-china-gives-warship-to-pak/98275-2.html>.

96 Kanwal Sibal, 'NSG stamp for Sino-Pak pact a blow to India', *India Today*, 12 July 2011, <http://indiatoday.intoday.in/story/nsg-stamp-for-sino-pak-pact-a-blow-to-india/1/144445.html>.

97 'China-Pakistan to hold joint military drill', Xinhua, 15 November 2011, [http://news.xinhuanet.com/english2010/video/2011-11/15/c\\_131248008.htm](http://news.xinhuanet.com/english2010/video/2011-11/15/c_131248008.htm).

98 Alistair Scrutton, 'India PM warns China wants foothold in South Asia', Reuters, 7 September 2010, <http://www.reuters.com/article/2010/09/07/us-india-china-idUSTRE6860NU20100907>.

99 Sandeep Dikshit, 'Khurshid hits the ground running after swearing-in', *The Hindu*, 28 October 2012, <http://www.thehindu.com/news/national/khurshid-underlines-difference-in-approaches-towards-china-pakistan/article4040865.ece>.

100 Pavan Dahat, 'China, Pakistan pose a threat: Bhagwat', *The Hindu*, 24 October 2012, <http://www.thehindu.com/news/china-pakistan-pose-a-threat-bhagwat/article4028586.ece>.

with a healthy envy,' India needs to recognize that China is pursuing its national 'self-serving' agenda in its policy towards Pakistan and is not necessarily 'India-centric'.<sup>101</sup>

Still, India's current position as the world's largest arms importer<sup>102</sup> has provided the rationale for legitimizing Sino-Pakistani defence cooperation, which has gathered pace in order to counter India's perceived regional ambitions and stronger US–Indian defence cooperation. For example, India's offer to the United States of its military bases for regional operations after 9/11 left the Chinese concerned that the strengthening of US–Indian relations would disadvantage both Pakistani and Chinese interests in the region. India has also upgraded its military, most likely with competition with China in mind, buying 156 fighter jets from France, taking delivery of a nuclear-powered submarine from Russia and preparing to build its first aircraft carrier. After the 2011 attacks in Xinjiang, reports suggested that China was looking to establish military bases in Pakistan's tribal areas, but many analysts view this as an unlikely outcome.<sup>103</sup>

China and India are both trying to contain militants trained in Pakistan who carry out attacks on their soil or on their interests. The scars from the Mumbai attacks in 2008 and from Xinjiang in July 2011 are still poignant. Xinjiang is now the locus where both Pakistan and Chinese interests are converging around economic development and security.<sup>104</sup> For example, China has decided to rehabilitate the border town of Kashgar in an effort to encourage young people who may be tempted to join militant groups to engage and benefit from potential economic growth in the area. But unless the benefits of this growth are more equitably distributed between the local Uighur population and the Han Chinese population, which has migrated into the province, its effects on curbing militancy will be limited.

Since the Sino-Indian entente began in the 1970s, China has taken a more neutral stance on Kashmir, for example by not backing up Pakistan's call to settle the dispute through a UN-run plebiscite, and has sought to build up economic cooperation with India. Where possible, Beijing's policy towards managing disputes between India and Pakistan has been 'low-key'.<sup>105</sup> The resumption in 2012 of joint military exercises between India and China after a four-year hiatus<sup>106</sup> is a positive sign, but the possibility of low-intensity clashes on their border remains. Similarly as confidence-building measures between India and Pakistan are established in the form of the granting of Most-Favoured Nation status, this incremental change is likely to be held hostage to a future Mumbai-style terrorist attack unless the leadership on both sides of the border continue to push forward peace talks and avoid any moves to stall progress. Fundamentally, as argued by Ahmed Rashid, China will not risk economic relations with India for its 'sweeter than honey' ally.<sup>107</sup>

### *Regional counter-terrorism cooperation*

On counter-terrorism, it is highly improbable that Pakistan's security establishment will heed US demands to expel and dismantle militant networks such as the Haqqani network and Lashkar-e-Taiba (LeT) (although the LeT is officially a banned terrorist organization in Pakistan) in the near

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101 Sambuddha Mitra Mustafi, 'Salman Khurshid: Internal tasks for external impact', Gateway House, 30 October 2012, [http://www.gatewayhouse.in/publication/gateway-house/features/salman-khurshid-internal-tasks-external-impact?utm\\_source=MadMimi&utm\\_medium=email&utm\\_content=Weekly+Briefing&utm\\_campaign=20121102\\_m11417093\\_5\\_Weekly+Briefing&utm\\_term=Read+more](http://www.gatewayhouse.in/publication/gateway-house/features/salman-khurshid-internal-tasks-external-impact?utm_source=MadMimi&utm_medium=email&utm_content=Weekly+Briefing&utm_campaign=20121102_m11417093_5_Weekly+Briefing&utm_term=Read+more); M.K. Bhadrakumar, 'Don't lose sleep over Sino-Pak bonhomie', *India Today*, 1 June 2011, <http://indiatoday.intoday.in/story/chinas-relationship-with-pakistan-is-a-matter-of-concern-for-india/1/139963.html>.

102 'Rise in international arms transfers is driven by Asian demand, says SIPRI', SIPRI, 19 March 2012, <http://www.sipri.org/media/pressreleases/rise-in-international-arms-transfers-is-driven-by-asian-demand-says-sipri>.

103 Saurabh Shukla, 'China plans military base in Northern Pakistan, says report', *India Today*, 4 January 2012, <http://indiatoday.intoday.in/story/china-military-base-in-pakistan-naval-base-at-gwadar/1/167084.html>; Amir Mir, 'China seeks military bases in Pakistan', *Asia Times*, 26 October 2011, [http://www.atimes.com/atimes/South\\_Asia/MJ26Df03.html](http://www.atimes.com/atimes/South_Asia/MJ26Df03.html).

104 Sun Shangwu, Cui Jia and Li Xiaokun, 'Xinjiang aids strong ties with neighbors', *China Daily*, 2 September 2011, [http://www.chinadaily.com.cn/usa/china/2011-09/02/content\\_13602706.htm](http://www.chinadaily.com.cn/usa/china/2011-09/02/content_13602706.htm).

105 Zhang Li, 'To Manage Conflict in South Asia', p. 16.

106 'India and China to hold joint military exercises', BBC News, 4 September 2012, <http://www.bbc.co.uk/news/world-asia-india-19473365>.

107 Ahmed Rashid, *Descent into Chaos: The United States and the Failure of Nation Building in Pakistan, Afghanistan, and Central Asia*, Viking, 2008; 'China will not risk economic ties with India for Pakistan: Ahmed Rashid', *Economic Times*, 12 February 2012, [http://articles.economicstimes.indiatimes.com/2012-02-12/news/31052205\\_1\\_china-pakistan-relationship-countries-trade-and-business-relationship](http://articles.economicstimes.indiatimes.com/2012-02-12/news/31052205_1_china-pakistan-relationship-countries-trade-and-business-relationship).



future, as the security establishment continues to have a vested interest in these groups to keep Indian ambitions at bay in the east and secure Pakistani interests along the Durand Line in the west. The United States has repeatedly asked for militant strikes against the Haqqani network in North Waziristan, and India has pushed for a crackdown on LeT, which is accused of organizing the 2008 Mumbai attacks. Neither has happened as these requests fundamentally go against Pakistan's military interests. Following the 2008 Mumbai attacks, Beijing did not condemn LeT or criticize the alleged responsibility of Pakistan Inter-Services Intelligence (ISI) in supporting the group. Eventually China voted for sanctions against Jammāt-Ud-Dawa (JuD), the political wing of LeT, at the UN Security Council after having opposed this on three previous occasions.<sup>108</sup>

Pakistan has adopted this approach because it finds that Chinese interests are easier to support, as they are often either shared or of no real significance to Pakistan.<sup>109</sup> This is illustrated especially in the arena of security cooperation. For example, it is in both countries' interests to suppress the Baloch insurgency as Pakistan would be likely to use any attacks against Chinese personnel working on investments projects in Balochistan to crack down harder on suspected Baloch nationalists. Similarly, Pakistan has no interest in supporting an Uighur separatist movement and can therefore move with great speed and purpose against Uighur groups or individuals that threaten the Sino-Pakistani alliance.

According to Paul Miller, who was Director for Afghanistan and Pakistan in the US National Security Council in 2007–09, if the United States wants to secure more leverage over Pakistan, it 'must make cooperation with militants more costly than cooperation with the United States'.<sup>110</sup> He argues that if the Pakistani army really wanted to eliminate the Pakistani Taliban, it would have both the will and capacity to do so, and that whether or not US aid and support exist is immaterial to resolution of the conflict. American aid to Pakistan, both military and civilian, has conditions attached, as illustrated by the Kerry-Lugar Act. The way in which that law was presented in Pakistan has, according to Miller, not had its 'intended effect' and the Obama administration's policy to encourage Pakistan to behave more responsibly has 'backfired'.

Unlike the United States, China does not emphasize an explicit 'value'<sup>111</sup> correlation in its relationship with Pakistan regarding democracy or pluralism, but rather focuses on a shared sense of being misunderstood victims, which plays well to both their domestic audiences. For example, in 2012, Pakistan and China, along with Russia and Azerbaijan, abstained from a UN Security Council Resolution stating readiness to impose sanctions on armed groups persistently violating the rights of children.<sup>112</sup> The reason for abstaining, their representatives argued, was precisely this sense of being misunderstood. Pakistan and China claimed that the Security Council went beyond its mandate by naming all those countries where children are used in armed conflict, rather than just the conflicts that the Security Council was dealing with, and that it was 'misleading' to list countries such as Pakistan. China backed Pakistan's position, stating the need for more international support for the latter to tackle terrorism instead of trying to create 'difficulties and obstacles'.<sup>113</sup>

Even though China has the ability to put pressure on Pakistan, for example during the Lal Masjid crisis, on counter-terrorism the statements of support remain vague. They are only specific regarding the militant networks connected to the Uighur separatist groups in Xinjiang. Yet Chinese officials have refrained from publicly admonishing Pakistan for attacks in Xinjiang being planned on Pakistani soil. Instead, in line with the rhetoric, they have acknowledged all the sacrifices and

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108 Duchatel, 'The Terrorist Risk', p.561; 'Security Council Al-Qaida and Taliban Sanctions Committee adds names of four individuals to consolidated list, amends entries of three entities', United Nations, 10 December 2008. <http://www.un.org/News/Press/docs//2008/sc9527.doc.htm>; Narayan Lakshman, 'China blocked U.N. sanctions against terror group at Pakistan's behest', *The Hindu*, 7 December 2010, <http://www.thehindu.com/news/international/article936090.ece>

109 See further Zhang Li, 'To Manage Conflict in South Asia', for a discussion on the basis of relations being 'shared strategic perceptions and geopolitical interests'.

110 Paul D. Miller 'How to Exercise US Leverage Over Pakistan', *The Washington Quarterly*, 35:4, (2012) pp. 37-39, <http://csis.org/files/publication/twq12FallMiller.pdf>.

111 Ibid.

112 'Security Council adopts resolution stating readiness to impose sanctions on armed groups persistently violating rights of children', United Nations, 19 September 2012, <http://www.un.org/News/Press/docs//2012/sc10769.doc.htm>.

113 'Pakistan protests UN listing in 'children and armed conflict' report', *Dawn*, 20 September 2012, <http://dawn.com/2012/09/20/pakistan-protests-un-listing-in-children-and-armed-conflict-report/>.

efforts Pakistan has made to combat terrorism and called for support in this from the international community instead of the repeated calls by the United States for Pakistan to 'do more'.<sup>114</sup>

China will continue to engage non-state actors, including militant groups such as the Afghan Taliban and Hezb-e-Islami Gulbuddin to elicit assurances that they will not attack Chinese interests. As Andrew Small observes, China is not pressuring Pakistan to cut its ties with these extremists as it sees them as vital to Chinese security interests.<sup>115</sup> However, if, as Stephen Tankel has argued, LeT remains divided over whether to lose further ground to other jihadi groups in Pakistan that are pursuing a wider agenda by limiting its focus on India, this potentially leaves China exposed on Pakistan's eastern border with China and India. Where would this leave Sino-Pakistani relations if LeT decided to pursue its global Islamist agenda by fuelling the flames of discontent among the Uighur in Xinjiang? It is beyond the scope of this paper to address this question in-depth, but given Pakistan's India-centric foreign policy, which is largely determined by the military, if LeT does turn its gaze to a more global agenda that includes Xinjiang, this would certainly put further pressures on the Sino-Pakistani relationship and potentially cause irreversible damage should Pakistan's security establishment be unable to rein in the fallout of any LeT attacks on China.

China will continue its narrow approach to Afghanistan and Pakistan and stay focused on two areas: keeping its citizens in Pakistan secure as they work on infrastructure projects and investments; and ensuring the threat from militants trained in Pakistan's tribal areas, Gilgit-Baltistan and Pakistani-administered Kashmir, do not destabilize Xinjiang. As a result, China has avoided confrontation with the United States on its role in Afghanistan. It has actively avoided getting directly involved in Afghanistan to stem retaliation from terrorist groups such as al-Qaeda, and it has refrained from openly criticizing Pakistan's ties with Washington.

China has repeatedly backed Pakistan's position and territorial sovereignty; most recently it supported Pakistan's demand for an apology from the United States for the soldiers killed in November 2011 before reopening the NATO supply route to Afghanistan. Pakistan eventually received its apology in July 2012 and the route was reopened. China also knows Pakistan's future role as a major non-NATO ally will be important for peace-building in Afghanistan. For now, the aim of China's policy towards Pakistan remains the bilateral pursuit of its own agenda in Afghanistan and Pakistan, but even then it has been on a scale some regard as 'considerably below Beijing's capacity to act as a contributor and stabilizing force, and ... rarely coordinated with other international actors'.<sup>116</sup>

The potential implications for the Sino-Pakistani alliance of this continued reluctance to tackle the spillover of militancy from Pakistan to neighbouring countries were underscored by the 2011 attacks in Xinjiang. This suggests that the simple public distinction made by China between Uighur militants who pose a threat to China and other militant groups in Pakistan is proving far more complicated than expected. For China to be able to exercise real influence over Pakistan on regional security issues, it needs to be accepted as a neutral mediator for the region, but this is unlikely given the potential clash with India's strategic regional interests.

China's seemingly contradictory policies in South Asia are, according to some analysts, reflective of Beijing's 'lack of strategic reassurance'.<sup>117</sup> With the uncertainty looming over the withdrawal of troops in Afghanistan and India's strengthening alliance with the United States, China's policy towards South Asia will need to strike a balance between its traditional alliance with Pakistan and its emerging regional interests, where joint cooperation on counter-terrorism between China, the United States and India would help stabilize a tumultuous nuclear-armed region.

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114 'Clinton urges Pakistan to do more in fighting terrorists', CNN, 8 May 2012, [http://articles.cnn.com/2012-05-08/politics/politics\\_clinton-pakistan\\_1\\_mumbai-attacks-zawahiri-pad-for-terrorist-attacks?s=PM:POLITICS](http://articles.cnn.com/2012-05-08/politics/politics_clinton-pakistan_1_mumbai-attacks-zawahiri-pad-for-terrorist-attacks?s=PM:POLITICS).

115 Andrew Small, 'China's Caution on Afghanistan and Pakistan', *The Washington Quarterly*, Vol. 33, No. 3, July 2010.

116 For further reading on China's role in Afghanistan see Small, 'China's Caution'.

117 Zhang Li, 'To Manage Conflict in South Asia', p. 94. .



## CONCLUSION

There is nothing novel about Pakistan and China getting closer when relations with the United States sour. The year 2011 witnessed the strengthening of cooperation between them, the celebration of their 60 years of friendship coinciding with one of the most volatile years for US–Pakistani relations, at least in the last decade. A historical analysis of the United States–Pakistan–China–India nexus, China’s evolving policy towards Pakistan, Pakistan’s limitations in delivering on Chinese regional interests and China’s reluctance to jeopardize its bilateral ties with the United States and India in the region illustrates why the assertion that China is not only able but willing to act for Pakistan as a ‘replacement’ for the United States is both a deeply problematic and a highly unlikely proposition.

As Pakistan’s relationship with China is bolstered on the political, economic and military front, it is also becoming better defined. The alliance has been described by officials as a mutually beneficial relationship based on respect and ‘multi-dimensional’ cooperation, and it is often justified in the two countries’ security circles by the perceived regional ambitions of other countries, namely the United States and India.

China’s interest in supporting counter-terrorism initiatives in Pakistan is aimed at containing any threats to its internal stability in Xinjiang and securing the safety of Chinese investments and personnel in Pakistan. Although Pakistan continues to stress the economic dimension of the relationship, this is not a central driver of the relationship for it. Chinese investments concentrate on strategic sectors where state involvement is important. China is not investing in Pakistan’s private sector in the same way as the United States, the EU and the United Arab Emirates are doing.

Pakistan hoped that Chinese backing would cause America to re-evaluate its policies and cuts in financial assistance by demonstrating how Chinese support for Pakistan could threaten American regional interests by acting as a viable ‘substitute’ patron. While China has supplied verbal and limited tangible financial support to bolster this illusion to secure its specific strategic ‘core’ interests, it has been careful not to act in a way that would tip the scales in favour of a US–Indian alliance, or further complicate its relationship with the United States.<sup>118</sup> As a driver of the relationship, China has demonstrated, via its policy on Kashmir and Afghanistan, its reluctance to gravely endanger its political and economic ties with the United States and India for the sake of Pakistan.

It is clear that the Sino-Pakistani relationship is not one of equals; China will continue to dominate and drive the agenda. While Pakistan’s relations with the United States will still influence the Sino-Pakistani dynamic, Pakistan does not want to find itself isolated and without any financial support from its other allies. The limitations to this all-weather friendship have also been tested as China witnessed more violence in Xinjiang. Pakistan’s inability to stem the tide of extremism emanating from within its borders threatens the ‘mutual trust’ that is often emphasized. China may find Pakistan is a partner that might not be able to deliver on its core interests. But China’s concern is that Pakistan should not be weakened so badly because of its unstable internal security situation that it can no longer act as a counter-balance to India when needed. Pakistan often receives support from China; for example, the latter praised Pakistan’s counter-terrorism efforts after Osama bin Laden’s death. But sometimes it does not, as President Zardari found to his dismay when China did not give Pakistan the loan it needed in 2008 to prevent it from defaulting.

The Sino-Pakistani alliance presents both opportunities and challenges for the two countries and the broader region. How these push and pull factors affect the alliance and China’s ability to influence Pakistan on specific regional security issues depends upon Pakistan delivering on China’s core interests and acting as a balance for its relations with the United States and India, not a hindrance. The US announcement of its renewed focus as an ‘Asia-Pacific power’ was followed by Chinese warmth towards India at the Asia-Europe Meeting in Bali in November 2011 – no doubt a sign to Washington that Beijing was not going to be sidelined in its own neighbourhood and that a recalibration of traditional intra-Asian alliances could be expected. Although the next generation of

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118 Joseph R. Biden Jr., ‘China’s Rise Isn’t Our Demise’, *New York Times*, 7 September 2011, <http://www.nytimes.com/2011/09/08/opinion/chinas-rise-isnt-our-demise.html>.

Chinese leaders are still wedded to stability and continuity with Pakistan, their patience and tolerance for Pakistan's shortcomings, namely on security issues, will continue to test the relationship.

In the long term, China would wish to be the predominant influence in Pakistan, but recognizes America's current role in stabilizing the country's border regions with Afghanistan. China has provided Pakistan with the political, economic and military support it has needed to balance its relations with the United States and India, if and when it aligns with Beijing's geo-strategic priorities. The bond is strategic, grounded in military ties, and the agenda will continue to be driven by China, although many areas of cooperation have been established at the behest of Pakistan.

Unless Pakistan is able to stabilize its internal security situation, it will find it increasingly difficult to deliver on Chinese interests in Pakistan and the region, and this will only exacerbate existing strains in the relationship and widen the scope for misinterpreting intentions. Further instability in Xinjiang that can be traced back to Pakistan could turn out to be the real chink in the rhetorical armour of the relationship with China. For now, China seems content to let the United States deliver on the security and resources it is willing to for the conflict in Afghanistan and Pakistan while it pursues its more narrowly defined interests bilaterally with Pakistan.

Despite the rhetoric, the relationship between Pakistan and China does not rest on a meeting of ideology, values, history or cultures. At its core it is a strategic relationship of mutual convenience whose parameters are largely determined by China. For it to evolve, particularly in the direction Pakistan desires, the relationship will need to move beyond its heavy reliance on military-to-military and elite contacts and include a more diverse range of private-sector investments and people-to-people contacts.

While China and Pakistan have shared regional interests, what really provides the relationship with strength is that they both pursue a policy of non-interference in domestic issues and are careful not to conflict with each other's core national interests, at least in the public arena. This enables both countries to close ranks under the banner of being misunderstood when it suits them. If China and Pakistan want to maintain the image of a relationship that can stand the test of time, they will need to tackle their domestic security constraints while being more adept in managing the ever-changing undercurrent of geo-political machinations in South Asia and its immediate neighbourhood.

## **ABOUT THE AUTHOR**

Rosheen Kabraji is Manager of the Asia Programme at Chatham House. Her research focuses on politics and society in South Asia.