

Strategic Analysis Paper

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China in South Asia: The Case of Pakistan

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Key Points

- The Sino-Pakistani relationship was forged out of a common desire to limit India.
- It has since grown beyond that goal, even though it continues to underscore the relationship.
- The danger for Pakistan, however, is that it could grow over-dependent on China.
- That perception of potential danger is now in the public domain.

Summary

China's, or more accurately, Chinese President Xi Jinping's, "One Belt, One Road" project has made headlines ever since it was announced by Mr Xi in Kazakhstan and Indonesia in 2013. It is believed that the overarching objective of the initiative is to make China the source of the greater part of the world's manufactured products and to provide it with the means to transform its economy from one entirely reliant on exports to a country that is also a consumer of its own output. China would argue that that is a myopic perspective, saying that the initiative is also intended to enhance the economies of all participants in the Belt-Road Initiative (BRI).

The BRI is arguably the largest international project envisioned in the modern era. It aims to create an international trading network, with China as the major manufacturing hub, that services markets extending from China itself, through Asia and Africa, to Europe. It consists of two main routes, one crossing overland from China through Central Asia into Eastern

Europe and onwards into the wealthier markets of Western Europe. The second route is a maritime one that, again, originates in China and ends in Western Europe.

A major branch of the overland route extends from the city of Kashgar in China’s western province of Xinjiang to Pakistan, and terminates at the latter’s Chinese-financed Indian Ocean port of Gwadar. It has been speculated that, given the strong relationship between Beijing and Islamabad, this branch of the BRI acts as Beijing’s test bed for the overall initiative. A more prosaic explanation offered is that China also seeks an alternative route for its energy imports to the Malacca Strait, which could be blockaded by, for instance, India or the United States. Test bed or not, the route, known as the [China-Pakistan Economic Corridor \(CPEC\)](#), assists Beijing to achieve certain foreign policy goals in both Islamabad and Kabul that assist it in extending its influence in the region.



This paper will examine the Sino-Pakistani relationship and some of the effects of the CPEC on that relationship.

Analysis

The Sino-Pakistani relationship was born out of war, in which each country fought a war with a common antagonist: India. Pakistan was created on the basis of religious ideology: it was created to provide a “homeland” for the millions of Muslims in Hindu-dominated, colonial India. One of the demands of the Muslim leaders was to have Pakistan consist of those regions of India where Muslims were in a majority. That included Kashmir. Soon after Pakistan became independent on 14 August 1947, it sought to increase its territory by annexing the Muslim-majority state of Kashmir, which was ruled by a Hindu Maharaja, Hari Singh. Singh had been given time to decide whether he would accede to Pakistan or remain with India. In an effort to coerce him into acceding to Pakistan, the Pakistani Army used

armed tribesmen from the country's North-West Frontier Province (now known as Khyber-Pakhtunkhwa) to invade Kashmir in October 1947. Singh turned to New Delhi for help. Recognising the danger of losing Kashmir and the political opportunities that Singh's call for assistance provided – to retain Kashmir and to demonstrate to the world that Hindus and Muslims could indeed live together in a secular India – the Indian leadership sent its troops into Kashmir. Despite being aware of that, the Pakistani leadership remained convinced (and stayed that way for a long time) that India either would not resist armed force or did not, in any case, have the means to resist their fighters. That belief proved incorrect and the Pakistani tribesmen were fought to a standstill. The defeat and the subsequent terms imposed by the United Nations before a plebiscite could be held by Kashmiris on whether they wanted to accede to Pakistan or remain with India angered Islamabad.

The Sino-Indian relationship, on the other hand, began in the hope that the two countries could lead a post-colonial Asian revival. The two countries share many commonalities, both being populous Asian powers with contiguous territory, both ancient, once economically powerful civilisations. India was colonised and Chinese territory governed by foreign powers; importantly, both states were reduced to penury by their colonisers, leaving them with ambivalent perceptions of the West. Those commonalities led India's first Prime Minister, Jawaharlal Nehru, to publicly aspire to a joint leadership with China to create an Asian revival. India and China, he felt, could be leaders in Asia without impinging upon the other; China and India could accommodate each other's growth and aspirations.

Those hopes were dashed when the two countries fought a border war in 1962, a war in which the Indian Army was routed. Though it lasted only a month, the war etched itself into India's psyche, colouring all future relations with China. Hence, when China acquired nuclear weapons, India embarked upon a nuclear programme; when China began to modernise its military, India upgraded its own. The hoped-for accommodation had turned into an aggressive competition.

Given their circumstances, Pakistan and China forged a bond based on their mutual antagonism with India. Pakistan viewed China as an ally that could assist it, if required, in future wars with India and China perceived Pakistan as one that could, given the right instruments and opportunities, hold New Delhi's attention by opening a virtual second front in its continuing, albeit undeclared, fight against India.

The relationship deepened after India signed a treaty of friendship with the Soviet Union. India, which had always made clear its policy of non-alignment with either of the superpowers during the Cold War, now leaned increasingly towards its Soviet ally, provoking Pakistan to turn even more towards China. In 1971, India saw an opportunity to defeat Pakistan by inserting itself into the latter's civil war that was raging in East Pakistan. It defeated the Pakistani Army there and its Prime Minister, Indira Gandhi, could possibly have heeded calls for the war to be prosecuted in West Pakistan as well, thus ending the perceived Pakistani threat altogether. Any such thoughts were dispensed with, however, when the United States positioned a nuclear aircraft carrier in the Bay of Bengal and President Nixon suggested that China to come to Pakistan's assistance.

That incident saw India formally initiate its nuclear programme, as a consequence of which, a body of evidence would suggest, China transferred material to Pakistan that the latter needed to build an atomic weapon itself. In his book, *If I Am Assassinated*, which he partly wrote while in prison on almost certainly fabricated charges brought against him by President Zia-ul-Haq, former Prime Minister Zulfikar Ali Bhutto [wrote](#):

My single most important achievement, which I believe will dominate the portrait of my public life, is an agreement which I arrived at after an assiduous and tenacious endeavour spanning over eleven years of negotiations. In the present context, the agreement of mine concluded in June 1976, will perhaps be my greatest achievement and contribution to the survival of our people and our nation.

That obtuse comment led analysts at India's Research & Analysis Wing, its equivalent of Australia's ASIS, to examine negotiations begun by Pakistan in 1965: the same year that the US suspended its military aid to Islamabad, and in which Bhutto declared that Pakistanis would eat grass if that would enable them to obtain an atomic weapon. Also in 1965, Pakistan and China signed a trade agreement and Peking (as it was then) supported Pakistan in the Indo-Pakistan war of that year. It was then that the Indian analysts understood that his "single most important achievement" was to persuade China to assist Pakistan in its nuclear weapons programme. (See also [this](#) source.)

It was that growing relationship that led Henry Kissinger to approach Pakistan to initiate an introductory process for talks between the United States and China to open another front in the cold war between Washington and Moscow. China used that opening to become the world's second-largest economy. Although Pakistan has had its economic ups-and-downs, unlike China's seemingly unstoppable rise, it has always played an important role in China's growth plans.

Pakistan was, first of all, China's entry point to the Indian Ocean and the energy of the Middle East. The port at Gwadar on Pakistan's Makran Coast was built with Chinese funds and was intended to serve as a transit point for Chinese ships. As India's economy and its naval prowess developed, however, China came to see the Strait of Malacca as a potential choke point, one that India could seek to cut off in any conflict with China. Gwadar now assumed added importance; if China could pipe energy from Iran into Pakistan and then onwards into Xinjiang, Gwadar could act as a major staging post for that operation. With Xi Jinping's development of the Belt-Road Initiative, however, all of Pakistan has now assumed even more importance for China. Pakistan has now become China's test bed for the entire initiative. China has invested around US\$64 billion in developing an energy, rail and road network that has become the CPEC. Pakistan, craving the electricity required to power its industries, welcomed the investment as much as it did the developing ties that were effusively described as "higher than mountains and sweeter than honey".

Pakistan is now central to China's network of ports, energy pipelines and maritime routes for its exports to Europe, Africa and the Middle East. It is, as was noted, China's entry point into the Indian Ocean, enabling it to reach the oil and gas fields of the Middle East. Its co-operation with Pakistan's intelligence agencies gives it the ability to more efficiently counter

the Islamist groups that threaten its western province of Xinjiang, thus ameliorating to a large extent the Chinese Communist Party's virtual paranoia over Islamist insurgencies in Xinjiang. For Pakistan, China's investment offered it the opportunity to escape its political instabilities and economic stagnation. Although the relationship appeared to be ideal, that is not entirely the case. As was noted [elsewhere](#):

While on the face of it, the aid provided to build Pakistan's energy infrastructure will be more than welcome in Islamabad, it does not look quite as appealing under closer examination. First, the aid provided will be used by Chinese construction firms using Chinese labour for the most part to construct the power plants for Chinese energy companies to own, operate and manage. The power generated will be sold to Pakistan. In essence, Beijing has perfected the diplomatic art of camouflaging the creation of business and employment opportunities in the cloak of developmental aid. There is little doubt that some Pakistani labour will be used to construct the power plants; if, however, China's African model is a precedent, the employment opportunities available to Pakistanis will be of the menial kind. It is surprising that Islamabad did not recognise this to be a variation of the strategy that the United Arab Emirates and Saudi Arabia used to [acquire Pakistani farmland](#) in order to ensure their food security at Pakistan's expense.

There is, additionally, growing unease in Pakistan that the country has become overly-dependent and indebted to China. A [report](#) in *Dawn*, a major Pakistani newspaper, has highlighted that concern, noting that a secret agreement between the governments of the two countries would see:

... thousands of acres of agricultural land ... leased out to Chinese enterprises to set up "demonstration projects" in areas ranging from seed varieties to irrigation technology. A full system of monitoring and surveillance will be built in cities from Peshawar to Karachi, with 24-hour video recordings on roads and busy marketplaces for law and order. A national fibre-optic backbone will be built for the country not only for internet traffic, but also terrestrial distribution of broadcast TV, which will co-operate with Chinese media in the "dissemination of Chinese culture".

The report further cautioned that:

The plan envisages a deep and broad-based penetration of most sectors of Pakistan's economy, as well as its society, by Chinese enterprises and culture. Its scope has no precedent in Pakistan's history in terms of how far it opens up the domestic economy to participation by foreign enterprises.

It ended on a rather ominous note:

CPEC is only the opening of the door. What comes through once that door has been opened is difficult to forecast.

It is perhaps a sign of the Pakistani Government's unease at that prospect that led it in November 2017 to [reject](#) China's offer to invest US\$14 billion in the Diامر-Bhasha dam and to ask Beijing, to remove the dam project from the overall CPEC initiative.

Those are, however, relatively minor bumps in the overall relationship, which continues to grow. It was [reported](#) recently, for example, that China is to build its second overseas military base, this time at Jiwani in Pakistan, which is a port close to the Iranian border on the Gulf of Oman and west of Gwadar. Jiwani is located on a peninsula about 15 miles long on a stretch of land with one small airfield. The report alleges that the large naval and air base, when completed, will be able to handle large Chinese military aircraft and will occupy nearly the entire strategic peninsula. China has [denied](#) that it has any such plan.

Both Pakistan and China have their own singular reasons for ensuring that the relationship continues to thrive, just as they have, in the final analysis, a common reason – India – for desiring that outcome. Given those imperatives, the relationship can only continue to grow.

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