

Pakistan-China Relations: Beyond CPEC

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Abstract

In recent years between 2013-18, Pakistan-China relations witnessed a qualitative transformation as the bilateral ties expanded from defence to the economic sphere. The cooperation under the framework of China-Pakistan Economic Corridor (CPEC) is increasing Chinese investments in Pakistan's energy and infrastructure sectors. Expanding avenues of bilateral cooperation has led to emergence of new dynamics in the bilateral relations. With increased inter-dependence, both countries are also navigating major power international politics. Beijing and Islamabad have increased their coordination for peace and stability in Afghanistan as well as at the multilateral forums including the United Nations (UN) and Nuclear Suppliers Group (NSG). Traditional strategic cooperation is deepening to meet new geo-strategic challenges. Beyond CPEC, closer strategic engagement will determine the future direction of bilateral relations. Thus, it is crucial to take stock of the evolving geo-political dynamics and their impact on strategic dimensions of the bilateral relations. This paper aims to move forward from this standpoint and seeks to explore what developments have taken place in bilateral relations beyond CPEC during past five years (2013-2018). Most crucially, it explores how Pakistan-China relations have evolved in an era of geo-political tensions. It analyses how CPEC dynamics have influenced the course of broader relationship. Similarly, the growing coordination of two countries at the multilateral forums is also explored as they attempt to navigate the major power politics.

Keywords: Pakistan-China Relations, Geopolitics, China-Pakistan Economic Corridor (CPEC), Defence.

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Introduction

Pakistan-China relations have been resilient for decades despite monumental shifts and transformations in the geo-strategic landscape of South Asia. Islamabad-Beijing ties have maintained their strategic direction and stability due to the convergence of interests and mutual trust. With commencement of development work under China-Pakistan Economic Corridor (CPEC), a flagship project of Belt and Road Initiative (BRI), both countries also increased their strategic coordination and converged on emerging issues in the regional security environments and at multilateral forums. Similarly, in the recent years CPEC-centric cooperation has been the focus of scholarly debate and analysis. Various dimensions of CPEC i.e., from a transit corridor to industrial development initiative have been discussed. Similarly, the analysts have explored how CPEC will influence domestic and regional politics particularly in South Asia. As China's interests and influence have expanded to South Asia so has the analysis been focused more on CPEC. In a way, focus on CPEC meant that CPEC is central to Pakistan-China relations.

In recent years, few notable works have emerged on the evolving Pakistan-China relations. Andrew Small taking stock of the historical evolution of the bilateral relationship argued that both countries are pursuing a strategic partnership which is expanding to economic domain with the goal to influence emerging geo-political environment.¹ Javid Hussain evaluates expanding Pakistan-China ties and situates them in the broader global politics, particularly transforming the world order. He argues that the rising China is an opportunity for Pakistan to expand its strategic space in the region and undertake economic development to bridge the gap with neighbouring India.²

Khan and Kasi review the bilateral relationship with the focus on developments in economic and security domains since the year 2000. They contend that during past two decades, the focus of bilateral engagement has been on finding avenues to expanding the economic component. Further, rise of China inevitably impacts global politics as focus of great power

¹ Andrew Small, *The China-Pakistan Axis: Asia's New Geopolitic*, (London: Hurst & Company, 2015).

² Javid Husain, "China's Rise and the Global Order," in *Pakistan and a World in Disorder* (Palgrave Macmillan US, 2016).

competition gradually shifted from the West to East.³ Rakisits analysed China's Pakistan strategy through the prism of geo-strategic objectives of CPEC. He contends that the CPEC gives China the operational control of the Gwadar port, a highly crucial strategic location. It will make Pakistan a key linkage in China's larger geo-strategy of accessing Indian Ocean by constructing a network of ports through Silk Road Economic Belt and Maritime Silk Road. Access of Gwadar will enable China to directly link with Middle East and beyond, particularly, through a country with which Beijing has a special relationship.⁴

In a comprehensive report, Zahid Hussain analysed the emerging Pakistan-China relationship, its economic dimension and intersection with regional politics. He argued that as bilateral relationship has deepened, it has been caught in the vortex of conflictual regional dynamics.⁵ Pakistan-China relations have been studied by scholars in recent years. Much attention, however, has not been paid to growing coordination of Islamabad and Beijing on multilateral diplomacy issues and major power competition in the region. Beyond CPEC, strategic dimension of ties has gained a new meaning. It is here that this study will be an addition to the growing body of literature on bilateral relations.

With this background, present study critically analyses state of bilateral relationship, coordination on geo-strategic issues and deepening strategic and military cooperation in recent years. On the basis of this analysis, the paper suggests policy recommendations for Pakistan. This study is a qualitative analysis of the emerging dynamics and trends in the bilateral relationship and its likely evolution in near future. Therefore, this study is based on secondary resources, government documents and statements of officials in both countries.

³ Minhas Majeed Khan and Mirwais Kasi, "Pakistan-China Relations: Developments in Economic and Security Areas in the 21st Century," *Strategic Studies* 37, no. 3 (2017):55-75

⁴ Claude Rakisits, "A Path to the Sea: China's Pakistan Plan," *World Affairs*, Fall 2015:67-74.

⁵ Zahid Hussain, "The China-Pakistan Economic Corridor and the New Regional Geopolitics," *Asie. Visions*, no. 94, Ifri, June, 2017, https://www.ifri.org/sites/default/files/atoms/files/hussain_china_pakistan_economic_corridor_2017.pdf

This study is divided into four sections. First section elaborates theoretical framework to analyse inter-state relations i.e., Neorealism. Second section situates the bilateral relations in geo-strategic landscape of the region. Third section focuses on Pakistan-China cooperation in strategic and defence sector and explores the bilateral engagement at multilateral forums as they attempt to navigate major power competition. Lastly, policy recommendations for Pakistan are suggested.

Theoretical Framework for Inter-State Relations: Neorealism

Of all the paradigms that have been developed to understand international and state-to-state relations, realism and its variants place a state at the centre of war and peace. Neorealism or Structural Realism assumes that the states operate in an anarchical international environment. Cooperation, thus, is sought from fellow states on the basis of common and shared threats. While responding to a major power, other states tend to balance against it which is essential for maintaining stability in the region. The goal of such balancing is to prevent the emergence of a hegemon in the region or at international level. This is “a situation in which one state amasses so much power that it is able to dominate the rest of the states in the system which would put an end to the multistate system.”

In Neorealism, the structure of international system is the driving force behind the state’s quest to seek power and security. As per Realist scholar, John Mearsheimer, five assumptions form the core of Realist framework:

- a) International system is anarchic in nature.
- b) States are capable of militarily attacking one another.
- c) Intentions of other states are uncertain.
- d) Survival is driving force behind state behaviour.
- e) States continue to look for ways to ensure their own survival.⁶

Additionally, in the anarchic world, a superior authoritative power that dominates all great powers is absent and similarly, the assurances of security are non-existent. In such a world, the sole legitimate interest of every state is to ensure self-preservation by all means at its disposal

⁶ John J. Mearsheimer, “The False Promise of International Institutions,” *International Security* 19, no. 3 (1994):10.

including building alliances and amassing power. The states, thus, define their interests in terms of power and security.

Neorealism explains Pakistan's quest for security while being locked in a protracted conflict with India. Pakistan's decision to build a defence-oriented relationship with China has been the face of Pakistan-China relationship for decades. To put simply, the pursuit of survival and security is the core of Sino-Pak ties. Moreover, Neorealists do not link the type of regime and cultural outlook of a nation with its quest for security and survival. It is that the types of government do not address the underlining structural causes that determine nature of relations between states. To Neorealists, it is the relative power which influences the relations between states. In case of Pakistan and China, both are seeking to protect and project their interests in South Asia vis-à-vis India and the US.

Current Developments in Sino-Pakistan Relations: Strategic Context

The strategic context of recent developments in Pakistan-China relations is rooted in gradual emergence of two dyads in South Asia over the last decade: India and the US on one hand, and Pakistan and China on the other. Over the past 15 years, the Asian geopolitical environment has undergone a huge transformation. India and the US have engaged in political, military, and economic cooperation to deepen their strategic partnership.⁷ It commenced in 2005, when Bush administration publicly stated that the strategic goal of helping India is to become a "major world power" in the coming decades. In July 2005, India and the US concluded a civil nuclear deal and signed a 10-year military cooperation agreement.⁸ The Obama administration continued America's engagement with India. In January 2015, President Obama renewed the 10-year military cooperation agreement. Six months later, a new

⁷ "Background Briefing by Administration Officials on US-South Asia Relations," Department of State Archive, March 25, 2005, <https://2001-2009.state.gov/r/pa/prs/ps/2005/43853.htm>

⁸ For an Overview of Indo-US relations under Bush Administration, please see: Rajeswari Pillai Rajagopalan, "Indo-US Relations in the Bush White House," *Strategic Analysis* 25, no. 4 (2008):545-556; and for a background on India-US Civil Nuclear Cooperation, please see: "The US-India Nuclear Deal," *Council on Foreign Relations*, November 5, 2010, <https://www.cfr.org/backgrounder/us-india-nuclear-deal>

defence framework agreement was concluded between them,⁹ which paved the way for synchronising American and Indian militaries while developing protocols to grant each other the use of their respective logistical facilities.

Similarly, in India, Narendra Modi after becoming Prime Minister in 2014, also accelerated the pace of newly found engagement with the US. His national security team quickly removed bureaucratic obstacles in finalising several defence cooperation and technology transfer related agreements.¹⁰ With Defence Trade and Technology Initiative (DTTI), New Delhi and Washington are moving towards joint development and production of weapon systems. Meanwhile, Indo-US ‘Joint Strategic Vision for the Asia-Pacific and Indian Region’ underscores the need for “safeguarding maritime security ensuring freedom of navigation and over flight throughout the region especially in the South China Sea.”¹¹ This has led to building consensus on collaborating in maritime domain including undertaking joint military exercises. Washington has been pursuing enhanced defence engagement with India as part of rebalance to Asia-Pacific strategy to check the rise of China and its growing military presence in the South China Sea and Indian Ocean Region (IOR).

Meanwhile, the unresolved border dispute between India and China and tensions on the issue of Tibet have further perpetuated trust deficit. Linked with this is the expanding political, defence and economic engagement of both countries in the neighbourhood i.e., India’s growing ties with the Southeast Asian and East Asian nations, and, China’s expanding cooperation with the South Asian nations and increasing presence in IOR. Sino-Indian tensions reached their peak during the Doklam border crisis when the Indian and Chinese troops faced off against each other in the summer of 2017.¹² Similarly, the apparent bonhomie between Indian Prime Minister Narendra Modi and Chinese President Xi Jinping during Wuhan Summit has not yet

⁹ “US, India Sign 10-Year Defense Framework Agreement,” Department of Defence, June 4, 2015, <https://dod.defense.gov/News/Article/Article/604775/>

¹⁰ Harsh V. Pant, “How India-US Ties Were Modi-fied,” *The Diplomat*, January 8, 2017, <https://thediplomat.com/2017/01/how-india-us-ties-were-modi-fied/>

¹¹ “US-India Joint Strategic Vision for the Asia-Pacific and Indian Ocean Region,” Ministry of External Affairs (India), January 25, 2015, https://mea.gov.in/bilateral-documents.htm?dtl/24728/USIndia_Joint_Strategic_Vision_for_the_AsiaPacific_and_Indian_Ocean_Region

¹² Ankit Panda, “The Doklam Standoff Between India and China is Far from Over,” *The Diplomat*, October 22, 2017, <https://thediplomat.com/2017/10/the-doklam-standoff-between-india-and-china-is-far-from-over/>

yielded a resolution of contentious issues. Held in April 2018, the summit was an attempt to reset Sino-Indian relations by leadership of both countries but the mutual mistrust still prevails.¹³

Taken together, the build-up of Indian military capabilities and the growing US military footprint in the region undermines strategic balance of power in South Asia and poses a geopolitical challenge to China and Pakistan. The policymakers in Beijing fear that Washington is pursuing the ‘containment of rising China’ strategy in concert with its allies in the region. The goal, China has assessed, is to exploit its strategic vulnerability in the maritime arena. In May, 2015, China issued a Military Strategy White Paper reflecting these concerns.¹⁴ The Paper outlined a new maritime policy of ‘active defence’ to project naval power to protect “maritime rights and interests” along with securing “national security and development interests.” It also emphasised ensuring protection of Sea Lines of Communication (SLOCs) across the Indian Ocean.”¹⁵

It is this evolving geo-strategic context that has led to reinvigoration of Pakistan-China relationship in the recent years. Both, in South Asia and Indian Ocean Region, geo-strategic significance of Pakistan seems to have been reinforced for China, yet again. Beijing has repeatedly emphasised that Pakistan-China relationship is a ‘model inter-state relationship’ to be emulated by other states. Meanwhile for Pakistan, the rising China presents an opportunity to leverage the growing economic and military prowess of China and advance its interests in South Asia and IOR.

For decades, Pakistan-China relationship has been underpinned by mutual interest to balance India. This has been led by multifaceted defence and security cooperation to ensure peace and stability in South Asia by providing support for Pakistan’s defence capabilities, reinforced in recent years with extensive military and technological cooperation. In parallel, China’s relationship with India has deteriorated in recent years — Doklam crisis, Indian opposition to CPEC and BRI projects — while China-Pakistan

¹³ Chun Han Wong, “Indian and Chinese Leaders Vow Better Communication, More Trade,” *Wall Street Journal*, April 28, 2018, <https://www.wsj.com/articles/indian-and-chinese-leaders-vow-better-communication-more-trade-1524916628>

¹⁴ “China’s Military Strategy,” Ministry of National Defence of the People’s Republic of China, May 26, 2015, http://eng.mod.gov.cn/Press/2015-05/26/content_4586805.htm

¹⁵ Ibid.

ties experienced a broad-based shift. Meanwhile, in Afghanistan, the unique position of China — being close to Pakistan — has been employed by all sides (the US, Afghan government and Taliban) to pursue their respective interests during the peace process. However, Islamabad has focused on expanding its strategic space in Afghanistan through close coordination with China as peace process progressed during period 2015-16.

Regional Security and Bilateral Engagement

China and Pakistan have closely coordinated in maintaining a stable regional environment. Both sides extend all-out support to safeguard each other's sovereignty, territorial integrity and refrain from interfering in domestic affairs. The bilateral coordination has been most prominent on the issues related to conflict and instability in Afghanistan, where China's interests, influence and role have increased manifold in recent years.

As the US began drawdown of its troops from Afghanistan in 2014, China's concerns about looming instability in Afghanistan and its fallout on its restive western region of Xinjiang deepened. Beijing decided to increase its engagement with Islamabad and Kabul. The Chinese objective was to initiate peace and reconciliation by involvement of major regional countries. Just as Washington does, Beijing also recognises that Pakistan is a key stakeholder for peace and reconciliation in Afghanistan. In early 2015, China offered 'facilitation' to reconcile Afghan government and 'political factions,' while emphasising that Pakistan was ready for a 'constructive' role in peace process.¹⁶ In 2016, China along with Pakistan, Afghanistan and the US joined a Quadrilateral Coordination Group (QCG) to commence talks between the Afghan government and the Taliban.¹⁷ This came after back-channels talks hosted by Beijing between representatives of Afghan government

¹⁶ Maria Golovkina, "China Offers to Mediate Installed Afghan Taliban Peace Talks," *Reuters*, February 12, 2015, <http://www.reuters.com/article/us-pakistan-china-idUSKBN0LG1UP20150212>.

¹⁷ "Joint Press Release: Quadrilateral Coordination Group Meeting of Afghanistan, China, Pakistan and the United States," US Embassy in Afghanistan, January 11, 2016, <https://af.usembassy.gov/joint-press-release-quadrilateral-coordination-group-afghan-peace-reconciliation-january-11-2016/>

and Taliban.¹⁸ It showcased China's willingness to commit additional political capital for a result-oriented peace process in Afghanistan. Unfortunately, these efforts fell apart as Taliban refused to take part in the talks after a US drone strike killed group's leader Mullah Akthar Mansour and also the fact that, Taliban refused to hold direct negotiations with the Afghan government.

In June 2017, the Chinese Foreign Minister undertook shuttle diplomacy to address the mistrust between Islamabad and Kabul. To this end, China instituted a trilateral dialogue at the Foreign Ministers level on the issues of security, counterterrorism and development. These efforts showcase that as China has increased its engagement with Afghanistan and Pakistan so has Islamabad closely coordinated with Beijing to foster regional stability and ensure a peaceful environment for economic development.

India-Pakistan conflict is a big element of instability in the South Asia region which affects China. Beijing has been active at the diplomatic front to manage India-Pakistan tensions in a bid to ensure stability in the region.¹⁹ When tensions spiked between Islamabad and New Delhi in September 2016, China urged both sides to 'exercise restraint, avoid escalation' and address tensions through bilateral 'dialogue.'²⁰ Similarly, despite reservations from India on the CPEC route which transverses through Gilgit-Baltistan (GB) region that is part of Kashmir territory under administration of Pakistan, Beijing has maintained that its formal position on Kashmir dispute remains unchanged while de-linking economic development initiative like CPEC from Kashmir issue.²¹ China has maintained that Kashmir dispute is a

¹⁸ Edward Wong and Mujib Mashal, "Taliban and Afghan Peace Officials Have Secret Talks in China," *New York Times*, May 25, 2015, https://www.nytimes.com/2015/05/26/world/asia/taliban-and-afghan-peace-officials-have-secret-talks-in-china.html?_r=0.

¹⁹ Syed Fazl-e-Haider, "China's Premier Li Keqiang in Pakistan," *Asia Times Online*, May 23, 2013, http://www.atimes.com/atimes/South_Asia/SOU-03-230513.html.

²⁰ Foreign Ministry Spokesperson Geng Shuang's Regular Press Conference," September 30, 2016, http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1402904.shtml

²¹ "Foreign Ministry Spokesperson Hua Chunying's Regular Press Conference," January 18, 2017, http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/t1431615.shtml

“leftover from history” and it needs to be resolved peacefully through “dialogue based on UN Charter, the UN Security Council (UNSC) resolutions and bilateral agreements.”²² Chinese non-confrontational approach was on display during February 2019 crisis. After an attack on Indian forces in Kashmir region, India and Pakistan tensions escalated to the point that first dogfight between air forces of both countries took place and Pakistan downed Indian jet while capturing the pilot. At the peak of crisis, Beijing called on both sides to “exercise restraint and take actions...to stabilise situation.”²³ After Pakistan had retaliated, China publicly stated that “all countries’ sovereignty and territorial integrity shall be respected.”²⁴

In August 2019, New Delhi withdrew special autonomous status of Kashmir region under its control and bifurcating the region into two territories of Ladakh and Jammu and Kashmir. Through changes in the legal framework, India for practical purposes has amalgamated the Kashmir region into Indian Union and now intends to directly rule them from New Delhi. These changes were accompanied by a security and communications lockdown imposed in Kashmir. Pakistan vehemently criticised the Indian actions, recalling its High Commissioner from New Delhi and suspending bilateral trade. Beijing criticised India’s “unilateral actions” to change status quo, specifically, it opposed change of administrative status of Ladakh region. China vowed that India’s actions are “unacceptable and will not come into force.”²⁵ The initial pushback was followed up by high-level engagement with Pakistan on Kashmir

²² “Pakistan-China Joint Press Release,” October 9, 2019,

https://www.fmprc.gov.cn/mfa_eng/wjdt_665385/2649_665393/t1706535.shtml

²³ “Foreign Ministry Spokesperson Lu Kang’s Regular Press Conference,” February 28, 2019,

https://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1641180.shtml

²⁴ “Foreign Ministry Spokesperson Lu Kang’s Regular Press Conference,” February 28, 2019,

https://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2511_665403/t1641847.shtml

²⁵ “Foreign Ministry Spokesperson Hua Chunying’s Remarks on the Indian Government’s Announcement of the Establishment of the Ladakh Union Territory Which Involves Chinese Territory,” August 6, 2019, Ministry of Foreign Affairs of the People’s Republic of China, https://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_665401/2535_665405/t1686549.shtml

issue. In an unprecedented move, Beijing raised the development related to Kashmir at the UNSC session, and Security Council held a closed-door meeting to discuss peace and security in Kashmir.

Aside from India factor, Pakistan's disillusionment with the US progressively pushed it to seek support from China. During 1950s, Pakistan joined the US-led Central Treaty Organisation (CEATO) and South East Asia Treaty Organisation (SENTO). It led to extensive American support for building-up Pakistan's military capabilities while Islamabad expected Washington to support its position on Kashmir. Both India and Pakistan engaged in a general war over Kashmir in 1965. To Pakistan's surprise, during the war, Washington imposed an arms embargo, halting supplies of defence equipment and spares. This led to erosion of the mutual trust. Soon after the war, Pakistan deepened relationship with China leading to extensive defence cooperation. This trend has continued for decades now leading to high-degree of mutual trust between China and Pakistan. In contrast, Islamabad-Washington ties are transactional in nature, while mutual trust remains absent. Pakistan seeks to maintain a working relationship with the US as it is a great power with extensive presence in Pakistan's neighbourhood.

Growing Coordination at Multilateral Forums

Bilateral trust and support between Pakistan and China is most evident at multilateral forums, particularly, in the various bodies of the UN such as Conference on Disarmament (CD). China has spent political capital in supporting Pakistan's interests at the UN. At the same time, it is not a blank cheque rather the support has had its limits. Before limitations, however, comes the special kind of support both countries extend to each other. Since 1971, when the People's Republic of China (PRC) assumed the seat in the UNSC, China rarely used its veto. In 1972, Beijing used its first veto to support Pakistan when it opposed a resolution to admit the new state of Bangladesh as a UN member.²⁶ Such support has been a constant. A look at voting record of countries at the UN General Assembly

²⁶ "Official Record of 1660th Meeting of United Nations Security Council," August 25, 1972, United Nations, [http://www.un.org/en/ga/search/view_doc.asp?symbol=S/PV.1660\(OR\)](http://www.un.org/en/ga/search/view_doc.asp?symbol=S/PV.1660(OR)).

resolutions, from 1971-2017, shows that Pakistan has voted 90 per cent of the time similar to China.²⁷

In recent years, Chinese support at the UN has been most evident at the UNSC 1267 Sanctions Committee. In 1999, the UNSC had adopted a Resolution-1267 and constituted an al-Qaeda-Taliban Sanctions Committee to its freeze financial assets and impose travel restrictions on the individuals and entities linked to al-Qaeda and Taliban. After the November 2008 terrorist attacks in Mumbai, India accused Lashkar-i-Tayyaba (LeT), a Pakistan-based militant group, of orchestrating the attacks. Since then, India has been consistently referring selective individuals linked with LeT to the 1267 Sanctions Committee seeking to list them as terrorists.²⁸ Gradually, the Indian list has expanded to include founder of Jaish-e-Muhammad (JeM), Maulana Masood Azhar.²⁹ Pakistan contends that India has been attempting to ‘politicise’ the workings of the 1267 Sanctions Committee. For years, thus, Pakistan has relied on China’s support. Beijing has repeatedly placed technical hold on Indian proposals citing procedural grounds i.e. asking for more information before it could make final determination.³⁰ In a visible push back, China blocked the US-led effort to sanction Maulana Masood Azhar in February, 2017.³¹ It was a high-stake political commitment shown by China when it turned down a proposal by Trump administration to put pressure on Pakistan. Later in 2019, however, after Pulwama crisis, China lifted its technical hold and Masood Azhar has been put on the list of sanctioned individuals by the UNSC 1267 Sanctions Committee.

²⁷ Yiqin Fu, “Data Analysis: Who Votes with China and Who Votes with the US and Europe at the UN?,” Data Analysis: Regional Inequalities in Chinese College Admissions · Yiqin Fu, July 10, 2018, <https://yiqinfu.github.io/posts/united-nations-general-assembly/>.

²⁸ US Diplomatic Cable Released by Wiki Leaks, “2009: China Wanted More Information from India Before Placing LeT, JeM Operatives on Terrorist List,” *Dawn*, June 07, 2011, <https://www.dawn.com/news/634778/>.

²⁹ “India to Move UN for Ban on JeM Chief,” *Dawn*, February 26, 2016, <https://www.dawn.com/news/1241949>.

³⁰ “India Failed to Provide Information for Listing Militants as Terrorist,” *Dawn*, June 06, 2011, <https://www.dawn.com/news/634545>.

³¹ The Newspaper’s Correspondent, “China Blocks Another Move in UN to Ban Azhar,” *DAWN*, February 08, 2017, <https://www.dawn.com/news/1313490>

Deepening Traditional Defence Cooperation

Wide-ranging defence cooperation between Pakistan and China has been at the core of bilateral relationship for decades. Defence cooperation has deepened to complement CPEC, particularly, in maritime and counter-terrorism domain. While, in other areas, it is balancing expanding India-US defence cooperation and restoring a strategic balance between Islamabad and New Delhi. The bilateral defence relationship can be gauged from the fact that at present China is the source of more than 70 per cent of Pakistan's cumulative arms import. Arms import from China peaked in 2016 when it reached almost 83 per cent. This shows Pakistan's deepening dependence on China as a reliable source of defence procurement. Meanwhile, data also shows that Pakistan is the major recipient (around 35 per cent) of China arms exports.³²

³² Pieter D. Wezeman et al., "Trends in International Arms Transfers, 2017," *SIPRI Fact Sheet*, March 2018, https://www.sipri.org/sites/default/files/2018-03/fssipri_at2017_0.pdf.

Table No. 1**Indicator Values of Arms Exports to Pakistan
(2013-2018)**

	2013	2014	2015	2016	2017	2018	Total
Brazil	4	5	6	5	5		25
Canada			18				18
China	719	413	620	751	559	448	3510
France	23	4					27
Germany	5						5
Italy	91		12	12	81	103	299
Jordan	24	114	7				146
Malta			5				5
Russia	31	23	44	49	44	81	272
Spain	10						10
Sweden	4	4	4	8	4	14	38
Switzerland				20	20		39
Turkey	22		24		8	104	158
Ukraine	5	5	1	4	5	5	24
United Kingdom	1				5	10	16
United States	137	201	107	15	21	12	493
Total	1075	770	849	864	752	777	5087

*Source: SIPRI Trend Indicator Values of arms exports to Pakistan, 2013-2018. Expressed in Millions
Generated from SIPRI Trade register,
<http://armstrade.sipri.org/armstrade/page/values.php>*

Defence Procurements from China Since 2014

Historically, Pakistan has relied on extensive assistance in defence production to meet its requirements of defence equipment. As Pakistan is undertaking a modernisation of its Army, Navy and Air Force, its dependence on China has increased. The bilateral collaboration has expanded to transfer of technology, joint production and regular sharing of emerging Chinese advances in military technologies. An example of successful collaboration is JF-17 combat aircraft, jointly produced by both countries. JF-17 is becoming the mainstay of Pakistan Air Force (PAF) that is now being manufactured in Pakistan. Collaboration is continuing on

designing and producing an advance version with improved avionics capability of the aircraft.³³

Similarly, Pakistan Navy (PN) has collaborated with People's Liberation Army Navy (PLAN) and its associated partners as part of its fleet modernisation and expansion plans. Since 2013, PN has taken delivery of three Azmat Class Fast Attack Craft (Missile Boats).³⁴ These speed boats have been constructed on transfer of technology basis.³⁵ Meanwhile, in April 2015, Pakistan concluded an agreement for procuring eight Yuan-class diesel-electric submarines,³⁶ with four to be built in China and remaining four in Karachi.³⁷ Purchase of these submarines will enhance Pakistan's ability to deploy a nuclear triad and naval power projection capabilities. Next, in 2017 and 2018, Pakistan signed contracts for construction of four T054A frigates to be delivered by 2021. These guided-missile frigates are capable of conducting variety of anti-surface and anti-air warfare missions.³⁸ Such acquisitions will significantly boost Pakistan's naval capabilities as PN seeks to protect the ensure maritime security, safeguard commercial shipping and project its naval power in the Arabian Sea while undertaking nuclear missions.

Meanwhile, the Pakistan Army has also augmented its air defence capabilities by inducting LY-80 Low-to-Medium Altitude Air Defence System.³⁹ It enables Pakistan to track and destroy incoming missiles aimed at counter-force targets at low and medium altitude. In a related

³³ Franz-Stefan Gady, "Pakistan's JF-17 Fighter Jet to Be Upgraded with Chinese Radar," *The Diplomat*, April 02, 2018, <https://thediplomat.com/2018/04/pakistans-jf-17-fighter-jet-to-be-upgraded-with-chinese-radar/>

³⁴ "Pakistan Navy Launches Third Azmat-class Fast Attack Craft," *Dawn*, September 17, 2016, <https://www.dawn.com/news/1284347>

³⁵ "Azmat Class Fast Attack Craft (Missile)," *Naval Technology*, <https://www.naval-technology.com/projects/azmat-class-fast-attack-craft-missile/>.

³⁶ "Pakistan PM Approves Deal to Buy Eight Chinese Submarines: Official," *Reuters*, April 02, 2015, <https://www.reuters.com/article/us-china-pakistan-idUSKBN0MT05M20150402>.

³⁷ Baqir Sajjad Syed, "China to Build Four Submarines in Karachi," *Dawn*, October 07, 2015, <https://www.dawn.com/news/1211363>.

³⁸ "Analysis: Pakistan's Type 054A Frigate Acquisition," *Quwa*, June 03, 2018, <https://quwa.org/2018/06/03/analysis-pakistans-type-054a-frigate-acquisition-2/>.

³⁹ "Pakistan Army Inducts Chinese-Made Mobile Air Defence System," *Express Tribune*, March 12, 2017, <https://tribune.com.pk/story/1353387/pakistan-army-inducts-chinese-mobile-air-defence-system/>.

development, Pakistan army also conducted extensive trials of Chinese VT-4 Main Battle Tank to complement Al-Khalid series tanks during 2018.⁴⁰ The negotiations are in process and a deal has yet to be concluded.

Aside from conventional military equipment, Pakistani and Chinese militaries have also been collaborating in jointly manufacturing armed drones. In October 2018, Pakistan Aeronautical Complex (PAC) and Chengdu Aircraft Industrial Group concluded a transfer of technology agreement under which Pakistan will procure 48 armed drones called Wing Loong-II. Also, in future, both countries will also jointly manufacture the drones.⁴¹

Revamped Military Exercises

As a testimony of close defence ties, both countries regularly hold military exercises. A new system of exercises commenced in 2012. It included annual exercises of special forces, naval forces and air forces. Joint training enables the armed forces of both countries to hone their operational preparedness and foster closer coordination when operating together. The goal is to foster inter-operability between armed forces of both countries. Recently, the PAF and the People's Liberation Army Air Force (PLAAF) held Shaheen-VII joint air exercise concluded in Karachi.⁴² Their objective is to boost interoperability between two aerial forces and attain highest combat readiness in various aerial combat scenarios. Similarly, Special Services Group (SSG) of Pakistan Army and Special Forces People's Liberation Army (PLA) has been jointly undertaking counter-terrorism trainings since 2013. These exercises have been named as *Warrior* series. Warrior-VI commenced in December, 2018 in Pakistan with the goal to share experience in counter-terrorism operations.⁴³

⁴⁰ Samuel Cranny-Evans, "Images Suggest Pakistan Army May Be Testing Norinco VT4 MBT," *Jane's Defence Weekly*, January 8, 2018, <https://www.janes.com/article/76877/images-suggest-pakistan-army-may-be-testing-norinco-vt4-mbt>.

⁴¹ "China to Sell 48 High-end Drones to Pakistan," *Nation*, October 09, 2018, <https://nation.com.pk/09-Oct-2018/china-to-sell-48-high-end-drones-to-pakistan>

⁴² "Air Exercise with China Concludes in Karachi," *Dawn*, December 22, 2018, <https://www.dawn.com/news/1452911/air-exercise-with-china-concludes-in-karachi>

⁴³ "Pakistan, China Special Forces to Conduct Sixth Joint Exercise," *News International*, December 08, 2018, <https://www.thenews.com.pk/latest/403422-pakistan-china-special-forces-to-conduct-sixth-joint-exercise>

As noted earlier, maritime collaboration has also increased between PN and PLAN after the emergence of CPEC. In 2014, annual bilateral exercises were instituted. So far, five rounds of exercises have been held. Three such exercises were held in North Arabian Sea while two were conducted in East China Sea in waters off Shanghai. Both navies have been undertaking extensive maritime and naval operations to improve interoperability and maintain a secure maritime environment for economic development.⁴⁴

Global Nuclear Politics and Bilateral Cooperation

In the recent years, Pakistan and China have deepened their historically close nuclear and strategic cooperation. Since 2013, Islamabad and Beijing have undertaken extensive cooperation in the field of nuclear energy. Expanding nuclear cooperation emerged as a counterpoint to the Indo-US nuclear cooperation. For Pakistan, American civil nuclear cooperation with India had given the latter an edge over it in terms of its status as a nuclear state. Meanwhile, the Chinese civil nuclear cooperation with Pakistan provided Chinese nuclear industry an opportunity to present its emerging advances in nuclear reactor technology to the wider world through Pakistani platform.

Consequently, both countries concluded agreements on construction of two nuclear power plants based on ACP-1000 design each with generation capacity of 1100 MWs in Pakistan in 2013.⁴⁵ China National Nuclear Corporation (CNNC) is providing extensive assistance in construction and finance (US\$6.5 billion out of US\$9.59 billion)⁴⁶ of two power plants being built in Karachi.⁴⁷ Construction of K-2 and K-3 will be completed in 2020 and 2021 respectively. Next in November 2017, both countries concluded agreements to construct

⁴⁴ “4th Pak-China Bilateral Naval Exercise Begins,” *Pakistan Observer*, November 18, 2016, <https://pakobserver.net/4th-pak-china-bilateral-naval-exercise-begins/>.

⁴⁵ “Contracts for New Pakistan Reactors,” *World Nuclear News*, September 10, 2013, http://www.world-nuclear-news.org/NN-Contracts_for_new_Pakistan_reactors-1009134.html.

⁴⁶ Mehreen Zahra Malik, “Exclusive: China Commits US\$6.5 Billion for Pakistani Nuclear Project,” *Reuters*, December 24, 2013, <https://www.reuters.com/article/us-pakistan-china-nuclear-idUSBRE9BN06220131224>

⁴⁷ “First HPR1000 Regulator Completes Factory Hydraulic Pressure Test in Pakistan,” China National Nuclear Corporation, October 16, 2018.

another large nuclear power reactor in Chashma.⁴⁸ It will also have the capacity of 1100MWs, based on same ACP-1000 design. This will be the fifth nuclear power plant in Chashma already site of existing four small nuclear power reactors built with Chinese cooperation. Once these power reactors are completed and made operational, Pakistan will have installed nuclear power generation capacity of around 5000MWs.⁴⁹

A second major development is deepening Sino-Pakistani coordination on the issue of India and Pakistan's entry into the 48-nation Nuclear Suppliers Group (NSG).⁵⁰ Pakistan and India have been seeking membership of NSG which is an inter-government body and sets rules for trade in nuclear energy technology. In 2015-16, the US pledged open support to India's membership into the NSG. Pakistan also sought the same, but Washington refused to support. NSG operates by consensus and typically signing the Non-Proliferation Treaty (NPT) is a requirement for entry into the group. India and Pakistan, however, are not signatories to NPT which governs the use of nuclear weapons and technology for peaceful purposes. India and Pakistan developed nuclear weapons outside the non-proliferation regime. However, now both countries are seeking entry into export control regimes and become part of global civil nuclear market.

During the NSG plenary meetings, Beijing made the case that, before deciding on the applications of India and Pakistan, NSG member should reach a consensus on the manner and criteria of admission of non-NPT signatories into the club. India and its supporters, on the other hand, posited that first India's application should be decided on its own merit and Pakistan's application could be taken up later.⁵¹ Islamabad, however, fears that once India gets into the NSG it will not vote in favour of Pakistan's application. It is in Pakistan's interest to

⁴⁸ "Pakistan, China Agree to Build Chashma 5," *World Nuclear News*, November 23, 2017, <http://www.world-nuclear-news.org/NN-Pakistan-China-agree-to-build-Chashma-5-2311177.html>.

⁴⁹ "Nuclear Power in Pakistan," *World Nuclear Association*, May 2018, <http://www.world-nuclear.org/information-library/country-profiles/countries-o-s/pakistan.aspx>.

⁵⁰ For background of NSG and Its Entry Criteria, please see: "Nuclear Suppliers Group," *Nuclear Threat Initiative*, July 30, 2018, <https://www.nti.org/learn/treaties-and-regimes/nuclear-suppliers-group-nsg/>

⁵¹ Shadia Nasralla and Francois Murphy, "China Leads Resistance to India Joining Nuclear Export Club," *Reuters*, June 9, 2016, <https://www.reuters.com/article/india-nuclear/china-leads-resistance-to-india-joining-nuclear-export-club-idUKL8N1911TB>

seek simultaneous entry into the NSG. China also argues that, if an exemption is being made for India, it should apply to Pakistan as well. Islamabad and Beijing have maintained close dialogue on NSG issue and other non-proliferation matters in recent years. It was unusual for Beijing to come out openly in support of Pakistan at the NSG and defend its position. China has staked its reputation on backing Pakistan, and it will not back down easily. At the moment, a deadlock persists at the NSG over this issue.⁵²

Science and Technology Cooperation

The bilateral cooperation in science and technology arena has been expanded, particularly, in space sector. For decades, Pakistan's space programme has lagged behind regional countries. In 2012, Pakistan's Space and Upper Atmosphere Research Commission (SUPARCO) and China National Space Administration (CNSA) agreed to a 2012-2020 programme for joint cooperation. Under this programme in 2013, Pakistan adopted *Beidou*, China's indigenous satellite navigation system, for military applications. These included access to satellite imagery, precision-guided targeting, tracking of enemy forces, deployments and equipment.⁵³ A base station has been constructed at Karachi with the goal to ensure coverage of whole territory of Pakistan.⁵⁴ In November 2018, China launched new satellites *Beidou-3*, an enhanced version with the goal to rival America's Global Positioning System (GPS).⁵⁵

In 2016, Pakistan and China inked an agreement to develop and launch Pakistan Remote Sensing Satellite (PRSS-1) system aimed at civilian and defence applications.⁵⁶ Two years later in July 2018, PRSS-1 and a domestically

⁵² Baqir Sajjad Syed, "Setback for India as Consensus Eludes NSG Meeting,"

Dawn, November 17, 2016, <https://www.dawn.com/news/1296891>

⁵³ AFP, "Pakistan Adopts Chinese GPS Satellite System," *Dawn*, May 18, 2013, <https://www.dawn.com/news/1012104>

⁵⁴ Sabena Siddiqui, "Pakistan Benefits from China's Sat-Nav System," *China.org.cn*, May 23, 2017, http://www.china.org.cn/business/2017-05/23/content_40873203.htm.

⁵⁵ Alice Shen, "China a Step Closer to Navigation System That Could Take on GPS," *South China Morning Post*, November 19, 2018, <https://www.scmp.com/news/china/science/article/2174025/china-one-step-closer-satellite-navigation-system-could-threaten>

⁵⁶ "Pakistan and China Sign Historic PRSS-1 Agreement, Takes Sino-Pak Friendship Higher than Stars, Says Ahsan Iqbal," Ministry of Planning, Development & Reform, April 21, 2016, https://www.pc.gov.pk/web/press/get_press/24

developed Pakistan Technology Evaluation Satellite-1A (PakTES-1A) were launched into the orbit with assistance from China.⁵⁷ Similarly, in March, 2018, SUPARCO concluded an agreement with China Great Wall Industry Corporation (CGWIC) to jointly manufacture and launch a communication satellite (Paksat-MM1). In the interim, a satellite has been put into the orbit to serve as a stopgap measure.⁵⁸ These satellites are contributing to socio-economic development; meeting national security requirements of the country and opening new vistas in space technology development in Pakistan.

Visible Trends and Likely Future Course

Pakistan-China bilateral relations have expanded to economic realm while cooperation has been deepened in traditional strategic and defence sectors. This has been guided by converge of geo-strategic interests, while tactfully navigating major power competition in Asia and IOR. CPEC has been beneficial to both countries. It has enabled Beijing and Islamabad to shift the focus on bilateral relationship away from strategic and defence collaboration to economic engagement, trade, connectivity and Afghanistan-centric issues. On the other hand, in relationship with India, CPEC emerged as an additional irritant for both Pakistan and China due to different reasons.

Despite this, Chinese analysts have argued that Pakistan is China's "one real ally,"⁵⁹ and policy-makers see the bilateral relationship as a 'model of state-to-state relations,' particularly, of 'good neighbourly friendship.'⁶⁰ An alliance treaty does not underpin the bilateral relationship, yet there is convergence of interests on the issues of regional peace and stability. As CPEC and other economic cooperation has been the focus of bilateral relationship in the recent years, a quiet and substantive cooperation has taken place in defence and

⁵⁷ "Launch of Pakistan Remote Sensing Satellite-1 (PRSS)-1 and Pakistan Technology Evaluation Satellite-1A (PakTES-1A)," Ministry of Foreign Affairs, July 9, 2018, <http://www.mofa.gov.pk/pr-details.php?mm=NjQ0MA>

⁵⁸ "Pakistan Successfully Acquires Another Communication Satellite," *Associated Press of Pakistan*, March 22, 2018, <http://www.app.com.pk/pakistan-successfully-acquires-another-communication-satellite/>

⁵⁹ Yufan Huang, "Q. and A.: Yan Xuetong Urges China to Adopt a More Assertive Foreign Policy," *New York Times*, December 21, 2017, https://www.nytimes.com/2016/02/10/world/asia/china-foreign-policy-yan-xuetong.html?_r=0.

⁶⁰ Yao Jing, "A Community of Shared Future with Pakistan," *China Daily*, August 28, 2018, <http://www.chinadaily.com.cn/a/201808/28/WS5b8487b1a310add14f3880c5.html>

strategic sectors. It enhances Pakistan's military capabilities, by giving it access to high-tech weapons and new Chinese technologies. This trend is likely to continue and will enable Pakistan to match India's growing military prowess in the region. It will also keep India tied down in the region, and enable China to focus on balancing the US in its core regions. This is China's way to rebalance strategic competition in South Asia.

Increasingly, Pakistani policy-makers are prioritising geo-political objectives over economic goals in the bilateral relationship. Amid increased Indo-US pressure over its national security policies, Pakistan views Islamabad-Beijing ties as a strategic counter-balancer in the region. Pakistan's goal is to deflect the US pressure while defying India. For Islamabad, the question emerges that will Beijing go an extra mile for Pakistan and exert pressure on India? Given its own security and economic relationship with India, the Chinese support to Pakistan will have limitations. China's interests are more global than Pakistan's, and it often requires support from the US and India at the UN bodies and other international forums. If forced to choose between protecting Pakistani interests or its national and strategic interests at international bodies, China will prioritise its own interests as a rising power.

In its own way, China has also gained geo-political advantages through deepening cooperation with Pakistan. As a rising great power, China is competing with the US. In this competition, China needs friends in its neighbourhood and other regions of the world. Strategic cooperation has been at the heart of Pakistan-China relations for decades and now Beijing is capitalising on it. It is also a testament to commitment of rising power to its friends that it is a trustworthy partner.

Conclusion

Pakistan-China relations have evolved in recent years. New dynamics are influencing the course of bilateral ties. Pakistan-China relations have been employed in regional geo-strategic issues, most notably, in Afghan peace process and India-centric issues. In Afghanistan, China agreed to play a larger role in Afghanistan conflict, bringing additional geo-strategic clout and economic resources to incentivise regional stakeholders. Islamabad and Kabul supported engagement by Beijing to advance their own respective interests. Meanwhile, on the issues related to India, Pakistan and China have maintained close coordination.

Beijing has attempted to manage tensions with India through high-level diplomacy, yet, mistrust has not been addressed. New Delhi remains opposed to Chinese initiatives and presence in South Asia, particularly, decades old Pakistan-China security cooperation. As the regional security environment has evolved, Pakistan's relationship with the US, the preeminent great power, has soured due to differences over on-going conflict in Afghanistan and US regional policy in South Asia. In contrast, Pakistan's relationship with China has deepened in recent years. However, this broadening of cooperation does not make China a substitute of the US for Pakistan. Islamabad needs to pursue engagement with the US while expanding relations with China.

Meanwhile, Pakistan-China relationship has progressed from diplomatic and defence centric cooperation to development and trade focused engagement. Present cooperation is much more comprehensive and wide-ranging than before. But it also brings with it new set of complications. It requires realistic assessment from both sides. In this context, it is important for Islamabad to identify foreign policy goals which are its paramount national interest and only seek support for those from China at the multilateral forums. It will demonstrate that Pakistan is cognizant of Chinese limitations and interests and seeks to avoid putting unnecessary pressure on Beijing. This will give more depth to the relationship while rationalising expectations on both sides.