

**Pakistan – China Relations in the Post Cold War Era:
An Analysis**



Submitted By

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A Thesis submitted in partial fulfillment of the requirement of the degree of MS in Politics and International Relations.

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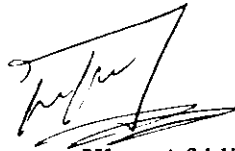
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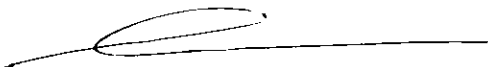
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Abstract

Pakistan and China have been enjoying cordial relations for last six decades. Soon after independence they established their diplomatic relations. Pakistan's entrance in Western alliances in mid 1950s affected their relations but 1962 war between India and China became cause of new start of Pak-China friendly relations. From early 1960s to late 1980s till the end of Cold War relations between two countries were exemplary. The end of Cold War affected the international political environment and relations between different nations. The world changed from bipolarity to unipolarity, which affected the Pak-China relations, in such a way that China once again resumed normal relations with India and the US in the absence of USSR focused on India.

The main thrust of this thesis is to analyze the Pak-China relations during the Post Cold War era. In changing international political scenario, different factors affected the nature of Pak-China bilateral relations during the Post Cold War period. Indian and the US factors always remain in vital position in Pak-China relations. At the end of Cold War, both China and India revisited their bilateral relations for their own interests, the process of improving relations has been started, which negatively affected Pak-China relations. This study analyzes that why China changed its previous pro-Pakistan stance on Kashmir issue and other Indo-Pak disputes.

This research highlights United States' long-standing economic and strategic interests in this region because American forces are fighting in Afghanistan, US mostly

depend on Middle East energy resources for its energy requirement and she also considers China as threat in future for its hegemonic position on international and regional level. To contain China, for its economic and strategic interests and to make safe its oil and fuel supply route through Arabian Sea, United States has been increasing its relations with India after the Cold War. Missile Defence Initiative and Indo-US Civil Nuclear deal has been signed. This study discusses the impacts of Indo-US present improving ties on Pakistan and China, and how these relations can affects the balance of power in the region. The research analyzes the Pak-China relations in context of regional organizations and explored the role and status of Pakistan and China in regional organizations and how they can be useful for each other on different regional platforms. The study also discusses the factors which are contributing to maintain their relations.

Dedicated to:

My dear mother (Late), who was source of encouragement and motivation to me, all of my achievements in life are due to her prayers.

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Abbreviations

- | | | |
|-----|-------|--|
| 1. | APT | ASEAN Plus Three |
| 2. | APEC | Asia Pacific Economic Cooperation |
| 3. | ARF | ASEAN Regional Forum |
| 4. | ASEAN | Association of Southeast Asian Nations |
| 5. | CENTO | Central Treaty Organization |
| 6. | FATA | Federally Administered Tribal Areas |
| 7. | IMU | Islamic Movement of Uzbekistan |
| 8. | JWP | Joint Working Group |
| 9. | MOU | Memorandum of Understanding |
| 10. | MTCR | Missile Technology Control Regime |
| 11. | NATO | North Atlantic Treaty Organization |
| 12. | NPT | Nuclear Non-Proliferation Treaty |
| 13. | NSG | Nuclear Suppliers Group |
| 14. | SAARC | South Asian Association for Regional Cooperation |
| 15. | SCO | Shanghai Cooperation Organization |
| 16. | SEATO | Southeast Asia Treaty Organization |
| 17. | UN | United Nations |
| 18. | USA | United States of America |

CHAPTER 1

INTRODUCTION

Pakistan and China are the states with the adjacent borders and convergence of interests. Both of the states emerged at the modern international scenario as independent states in the same period with the difference of just two years. Soon after their emergence both states started to maintain friendly and cohesive relations with each other based on mutual respect, harmony and bilateral cooperation. China emerged as a major state of the region and the most reliable partner of Pakistan in South Asia. China and Pakistan started to enhance their ties with each other and gradually constructed a very firm and strong base of an unprecedented set up of international engagement. Both states protected each other's interest at every forum. People of both states were also in good bond based on mutual respect and synchronization. Historical background of Pakistan-China relations is based on mutual interest and the relations between these two countries are enhancing day by day.

Pakistan is first Muslim and third non-communist country which recognized China after its independence on 5th January 1950. Pakistan established its diplomatic relations with China in 1951, on different issues Pakistan always supported China's

stance, particularly on the issues of Tibet, Taiwan and Xinjiang, seat in United Nations, 1962 Sino-India. In 1963 Pakistan and China peacefully demarcated their borders. After the 1965 Pak-India war Pakistan's relations with China became stronger, because during and after war China provided military and financial support to Pakistan and proved herself a time-tested friend of Pakistan. This warmth in relations and China's efforts to facilitate Pakistan won the hearts of Pakistani people. After the war of 1971 the economic and political conditions of Pakistan were not sound. In this critical juncture Zulfikar Ali Bhutto took the charge as Prime Minister of Pakistan. He visited China to consolidate the economic and political conditions of Pakistan. He succeeded in his efforts to rebuild a relatively weaker Pakistan on smooth footing and China provided economic and strategic support at that crucial time. China has been strongly favouring Pakistan's stance over Kashmir. In 1986 under an agreement on nuclear cooperation for peaceful purposes, China provided a 300-MW nuclear power plant to Pakistan at Chashma. During Chinese president Jiang Zemin visit to United States in November 1997, he withstood American pressure and stated that China would not compromise on its commitments to Pakistan regarding the transfer of nuclear technology for peaceful purposes.¹ After 1998 nuclear tests and in 2008 during Pak-India tensions China stood firm with Pakistan.

Pakistan also established its relationships with United States of America soon after its independence. But there are many ups and downs in Pak-US relations.

¹ *The Nation*, November 2, 1997.

Security concerns due to Indian quest for hegemony, exploitation of its military and economic dominance and recurrent threat were the main factors that compelled Pakistan for foreign defence cooperation. Pakistan could make its security strong with the active supports of powerful states. To fulfill this objective Pakistan signed several treaties and agreements with United States and other states. But the US has always used Pakistan for its own interests and Pakistan constantly paid bigger cost for small gains. The US has been increasing her relations with India to take advantage of the large consumer market there, especially after the end of Cold War. One cannot deny the relations between Pakistan and the US in the past and future as well, if these relations would be compared then we will find that Pakistan's relations with China as compared to the US have been increasing in present era.

Geographical proximity and certain other strategic factors once again compelled the US to reinvigorate its relations with Pakistan. After 9/11 the US has to re-establish its relations with Pakistan which were deteriorated earlier and Pakistan was facing several restrictions. Situation was bad soon after the end of Cold War and demise of USSR but it got even worse after the nuclear explosions of Pakistan in 1998. After 9/11 attacks on World Trade Centre and Pentagon the US initiated a war against Afghanistan's Taliban regime and hence Pakistan's support was inevitable for her once again. Pakistan has been facing consistent threat from an adventurous enemy at its border that is none other than India. India has been engaged with the numerous regional and extra regional actors in order to enhance its capability in terms of military

and economy. While considering China and the US as major partners of Pakistan, India started to enhance its relations with both these states since Cold War era. After Cold War Indian relations with both states started to improve and the US is major actor in this context. Indian ties are remarkable with the US at present. Indo-US nuclear deal is the major achievement by India in this regard and is a major threat to Pakistan as well.

China initially adopted very strong pro-Pakistan stance as far as Pakistan's outstanding issues with India are concerned. China supported Pakistan over Kashmir issue and other Indo-Pak disputes at every front whether on international or regional front. Pakistan enjoyed moral as well as diplomatic support of China in the UN and other forums. This warmth in relations remained unchanged during 1965 and 1971 wars. Increasing Pak-US relations and Sino-US rift has paved the way for Indo-China engagements particularly in the Post Cold War era. Earlier China was supporting Pakistan's stance over Kashmir but now it has changed it. China's posture on Kargil issue was also different from 1965 and 1971 conflicts, China kept herself neutral in 1999 Kargil adventure of the Pakistan military and put emphasis on Pakistan and India that they had to settle the issue through negotiation. China is now of the view that both Pakistan and India should resolve their bilateral issues mutually through peaceful means. This shift in Chinese stance is due to two basic reasons at first it is Indian quest to be at ease with China and secondly continuous Pakistani coalition with the US in

Global War on Terror.² China perceives increasing American involvement in the region as a threat for its vested interest in South Asia. India is also trying to isolate Pakistan in international arena.

1.2. Statement of Problem

Pakistan-China relations had been strong enough in the Cold-War Era, especially since 1963. But the end of the Cold War has affected their bilateral relationships. China has changed its pro-Pakistan stance over Kashmir issue and other matters with India due to the increasing Sino-Indian engagement. Relations between both the states declined due to the Pakistan's alliance with the US as well. But the two countries also need each other to address their respective internal security problems and boost up their economies. There is a need to answer the questions related to this study.

1.3. Research Methodology

The researcher during his research has applied historical and descriptive method. Data collected through secondary sources mainly while using scientific research techniques. To carry on the research, the researcher tried his level best to make the research credible and authentic by conducting interviews with Pakistan's officials. The findings and facts according to the attached chapter wise structure have carried out under the guidance of my supervisor.

² Subhash Kaplia, "US-PAK Strategic Partnership: Strategic Implications for China," *South Asian Analysis Group*, Paper no. 3755, (April 2010).

1.4. Hypothesis

Since the end of the Cold War, Pakistan-China relations have changed in the context of Kashmir issue and other Indo-Pak problems, but the internal and external factors also contributing to maintain their intimate bond.

1.5. Research Questions

The study will address the following questions:

1. What is the significance of Pakistan – China relations in South Asia?
2. Why China has changed its pro-Pakistan stance on Kashmir issue and other Indo-Pak matters?
3. The two countries also want to maintain their strategic relations. In what context?
4. How the two states can enhance their mutual cooperation through the platform of regional organizations?

1.6. Literature Review

A number of books and articles are available on Pakistan – China relations and the influence of superpowers regarding their interests in South Asia. Although all the available literature discuss the Pakistan's relations with China and South Asian countries but no one tried to unmask the nature and interests behind the China's relations with Pakistan and why these relations are not on required level especially after the Cold War.

Anwar H. Syed in *China and Pakistan: Diplomacy of an Entente Cordiale* (1974) highlighted nature of Pakistan – China relations. He discussed and all

important events from their independence to Bhutto era, in this book he focused on ups and downs in initial relations between Pakistan and China and factors which made them close friends. He also tried to explore the Pakistan's western allies at the time of need. However it did not discuss the nature of Pakistan's relations with other countries and what type of difficulties Pakistan faced to maintain balanced relations with China and America.

In *Pakistan – China Relations: Search for Politico – Strategic Relationships* (1986) the study of P.L Bhola focused on the political and strategic dimensions of Pakistan – China relations. The writer tried to portray the Chinese involvement in South Asia regarding relations with Pakistan a new element in between two neighbors. The writer Zulfikar A Khalid in *Pakistan – China Security Relations* (1987) raised the security dimension of the relations of Pakistan and China. The main focus of this study is on the security dimension of the relations. He discussed that the mutual relations of Pakistan and China are purely defence oriented and combined efforts to counter the emerging challenges due to Soviet-Afghan war and involvement of great powers in the region. However the both works discussed only security and political relations between Pakistan and China but did not explore the China's economic interests in the region and Pakistan's economic needs.

One of the experienced and well known former Foreign Minister and Ambassador Abdul Sattar in his book *Pakistan's Foreign Policy 1947-2005 A Concise History* (2005) looks at the major foreign policy phases and development perspectives

in the foreign policy of Pakistan. He talked about Pakistan's desires of good relations with its neighbours and search of friends for its security needs. He highlighted the different alliances and treatise of Pakistan, their cost and benefits for Pakistan and impact of these alliances on regional politics. He discussed only Pakistani perspective on Pak-China relations, he also ignored the Sino-Indian improving ties and Chinese changing attitude on different Indo-Pak disputes in the post Cold War era.

The study of Shivaji Ganguly *Pakistan – China Relations: A Study of interaction (1971)* has focused on the interests behind both countries while having mutual relations it also discussed the main factors that have strong impact on relationship. Ganguly tried to highlight the impact of Pak – China relations on others countries of south Asia.

In *The Fulcrum of Asia: Relations among China, India, Pakistan (1970)* Sen Gupta throw light on the nature of relations among India, China and Pakistan. He discussed the mutual interest of three countries behind their relations. He underestimated the national interests of the three countries especially he did not explain how Pakistan and India can compromise on Kashmir dispute.

Pakistan's Foreign Policy: An Historical Analysis (1990) by S.M. Burke, Lawrence Ziring is also a good book on Pakistan's foreign policy. In this book they explained to the reader the rationale for Pakistan's foreign policy and examined the international relations of the country during different phases. They also enlightened the Pakistan's stance on Kashmir, relations with India and China and reaction on

Soviet intervention in Afghanistan. Although he discussed the Pakistan's alliances politics but he did not explore importance of regional organizations and role of these organizations in Pak-China relations.

Another important work in this regard which is exploring the nature of Sino-India relations is *Rapprochement across the Himalayas: emerging India-China relations Post Cold War* by Keshav Mishra. He elaborated the different changes India-China relationship in the Cold War, and also discussed the China's relations with Pakistan, Bangladesh and other South Asian Countries. However the work did not unmask that what are the implications for Pakistan due to these Sino-Indian relations.

The India-China relationship: what the United States needs to know by Francine R. Frankel, Harry Harding is also very important book which elaborated the issue in following words and hence proved useful for this research. India and China are two important countries. Due to their contested border, competition for influence in the region, emerging economic powers, their nuclear rivalry and many other common needs and interests, the relations with India and China can affect the regional security and American interests in the region.

Different articles have also been studied and reviewed like "Pakistan's Evolving Relations with China, Russia, and Central Asia" by Fazal-ur-Rahman, "Future of relations with China" by Javid Husain, "U.S. Hegemony in South Asia: Exploring the Limits of Neo-Realism" by Sunil Sondhi, "Pakistan-US Relations" by K. Alan Kronstadt, "United States' Attempt to Balance the Rise of China in Asia" by

Shehzad H. Qazi, “The Indo-US nuclear deal: An impact analysis” by Moeed Yusuf, China’s Peaceful Rise and South Asia” by Dr. Maqbool Ahmad Bhatti etc. these articles talk about history, rivalry, economics, the perceptions of the two countries towards each other, their security concerns, responses to each other’s actions and its implications, etc.

There is a great contribution from the authors in the above mentioned books and article on the topic of Pak-China relations. They discussed Pak-China relations from beginning to present era. But in the above literature most of them talked about phases of Pak-China relations, how they established their relations. Some discussed the Chinese and American involvement in South Asia and her interest in the region, Pakistan’s alliances politics and its impact on Pak-China relations and some discussed Kashmir issue and Indo-Pak rivalry. But they did not discuss the significance of Pak-China relations in South Asia, why China changed its pro-Pakistan stance on Kashmir issue and which factors are involved behind the changing nature of relations and what are the factors contributing in maintaining their relations.

1.7. Division of Study

The study is divided into five chapters. The first chapter deals with the introduction, it defines the problem statement, objective of the study, research methodology and hypothesis of the study. It discusses the research questions regarding the study. The review of the existing literature on the topic is also part of this chapter.

The chapter has been covering the historical overview of Pak-China relations from early 1950s to recent period and theoretical framework.

The second chapter explores how Indian factor has been effecting the Pak-China relations in the Post Cold War era. Due to which convergence of interests Indo-China relations are becoming strengthening, and why China changed its pervious stance on Kashmir and other stand-off issues between Pakistan and India and which factors are maintaining cordial Pak-China relations.

The third chapter attempts to highlight the US position in Pak-China relations, whether it is benign or malign. The chapter discusses the convergence and divergence of interests in Post Cold War era between Pak-China, Pak-US, China-US, Indo-China and Indo-US and how US factor negatively and positively effects the Pak-China relations.

The fourth chapter presents the role of regional organizations in Pak-China relations. The chapter explores how these organizations can become helpful in strengthening relations between Pakistan and China, and how both countries can get economic, strategic and political advantages through regional organizations.

At the end, the last chapter concludes the study and focus on the whole result of study. This chapter discusses the findings of study about the Pak-China relations in the Post Cold War era.

1.8. Historical Background

“Time tested and all weather” friendship between China and Pakistan is an example in the history of bilateral relations between the countries across the globe. These relations are based on mutual trust and understanding. Although the two countries belong to different cultures, history and ideologies but these differences never affect their relations. Till the end of Cold War, different events in world politics could not affect relations between two countries on the contrary, they have even strengthened the friendship bond between two nations. On different international forums both countries always protected the interests of each other. From Kashmir issue to economic and military cooperation, China supported Pakistan at every crucial time. These forethoughts made China a corner stone of Pakistan’s foreign policy.³

1.8.I. Establishment of Relations

Pakistan is first Muslim and third non-communist country which recognized China after its independence. In the early years, Pakistan-China relations were not vigorous, Pakistani leadership tried to enhance relations but response from Chinese counterparts were not up to the mark.⁴ In April 1955, Pakistan took initiatives to establish friendly relations with China during Afro-Asian Summit conference in Bandung. The meeting between Pakistani Prime Minister, Mohammad Ali Bogra, and

³ Geoffrey Kemp, *The East Moves West: India, China and Asia's Growing Presence in the Middle East* (Washington: Brookings Institution Press, 2010), 118.

⁴ Anwar H. Syed, *China and Pakistan: Diplomacy of an Entente Cordiale* (Karachi: Oxford University Press, 1974), 53.

Chinese Prime Minister, Zhou Enlai in Bandung gave a new turn to bilateral relations of two countries.⁵ From 1953 onward Pakistan was not in favour of China's permanent seating in United Nation. But in 1961 Pakistan changed its stance and voted for China's permanent seat in United Nation.⁶ Pakistan denounced North Korean attack on South Korea and supported UN general Assembly resolutions, but did not send its troops to fight against North Korea, because Chinese forces were going to join North Korean forces.⁷

1.8.II. Negative effects on Pak-China Relations

The rising security concerns from India and assertion of its military and economic dominance in the region and recurrent threat to Pakistan were the main factors that compelled Pakistan for foreign defence cooperation with developed countries. Pakistan could make its security strong with the active support of some developed states. To fulfill this objective Pakistan signed several treaties and agreements with the US and other states. Amongst those pacts CENTO (Baghdad Pact) SEATO and mutual defence agreement with United States were most important. China had some reservations about these pacts and censured the alliances.⁸ Under the American pressure from 1953 to 1960 Pakistan voted against China's permanent representation in United Nations. Gen. Muhammad Ayub Khan was anti-communist,

⁵ Abdul Sattar, *Pakistan's Foreign Policy 1947-2005* (Karachi: Oxford University Press, 2007), 68.

⁶ Anwar H. Syed, *China and Pakistan: Diplomacy of an Entente Cordiale*, op. cit., p.55.

⁷ Abdul Sattar, *Pakistan's Foreign Policy 1947-2005*, op. cit., 38.

⁸ Ibid., p. 68.

only one year after he came in power, he forwarded a suggestion to India for joint defence against communist powers both China and Soviet Union. India did not accept this proposal because of a condition from Pakistan regarding settlement of Kashmir issue. China again showed serious concerns about this proposal and denounce Pakistani proposal of joint defence with India. All these events were negatively effecting the relations between Pakistan and China.

1.8.III. Growing Relationship

In 1961, an offer from China to start dialogue for peaceful settlement of China and Pakistan border dispute was a positive start of their friendly relations.⁹ The negotiations were continued for two years, in 1963 the two countries had agreed on a border agreement, which was in Pakistan's favour, even after the border agreement was finalized, Pakistan appealed to China that some part of grazing land along with Murtagh River was historically used by inhabitants of Hunza and to solve the problem of these poor people this land should be in Pakistani boundary. China accepted the request and gave 750 square miles to Pakistan.¹⁰ It was the start of new relations between two countries.

The war of 1962 between China and India was the end of their warm relations and the start of new era of bilateral relations between Pakistan and China ensued

⁹ Shahid M. Amin, *Pakistan's Foreign Policy A Reappraisal* (Karachi: Oxford University Press, 2000), 159.

¹⁰ Abdul Sattar, *Pakistan's Foreign Policy 1947-2005*, op. cit., 38.

thereafter. Pakistan condemned India as an invader. During the war western countries, America and Soviet Union started to provide military aid to India. Pakistan criticized the arms supply to India and complained to its western allies and America that these arms can be used against Pakistan. But America and other western allies did not stop arms supply to India and they only tried to convince Pakistan that these weapons would not be used against Pakistan. These acts disappointed Pakistan and foreign policy makers of Pakistan started to think about reviewing Pakistan's foreign policy under new circumstances. China also realized the Pakistan's significance and its geopolitical importance in the region. Because of sore relations with India, by both countries, there was a need of time that both countries develop their strategic and economic relations. In January 1963, first trade agreement was signed by Pakistan and China and both countries had given the MFN status to each other. The air services agreement was also signed after few months. Chinese Prime Minister Zho En-lai visited Pakistan in 1964 and won the appreciation of Pakistanis. In March 1965, President Gen. Muhammad Ayub Khan visited China, and received biggest-ever public reception in China to any foreign visitor. It was the great success of Pakistani diplomacy.¹¹

¹¹ Shahid M. Amin, *Pakistan's Foreign Policy A Reappraisal*, op. cit., 161.

1.8.IV. Support on important issues

From thereafter Pakistan and China always protected the interests of one another and supported on important issues on regional as well as international forums. After independence, Kashmir issue has been main cause of conflict between Pakistan and India. First war was fought soon after independence because of this issue which followed by two more wars. During the Chinese Prime Minister Zho En-Lai's visit to Pakistan in 1964, he confirmed open support to Pakistan on the Kashmir issue. It was the first time when China openly supported Pakistan's stance on Kashmir.¹² Chinese Prime Minister, articulated that Kashmir dispute would be resolved in accordance with the UN resolution and wishes of the People of Kashmir. The 1965 Indo-Pak war was a test case for Pakistan foreign policy and its friends. America which was the most important ally of Pakistan having mutual defence agreement with Pakistan, first suspended arms supplies and later announced it's neutral stance in the conflict and refused Pakistani request to use its influence to stop the war. On the other hand China helped Pakistan and gave an ultimatum to India through its embassy in Beijing and demanded to stop all its military related activities on the Chinese side of the Sikkim border and return the captive Chinese border inhabitants and seized livestock within three days other wise face the full responsibility for grave consequences.¹³ China also condemned Indian aggression against Pakistan in 1971 and demanded to India to stop

¹² Ibid.

¹³ Ghulam Ali, "Fifty-Fifth Anniversary of Sino-Pakistan Relations: An Appraisal," See <http://www.cfcc.nthu.edu.tw/~chinastudies/.../Ali's%20Paper%20CfCC.doc>

interference in internal affairs of Pakistan. During and after war China provided it's moral, economic and political support to Pakistan.

Pakistan also took firm stand on different occasions in favour of China. In 1964, during the Commonwealth Prime Ministers' Conference, Malaysia put up a proposal that Commonwealth should decide its joint opposition to the "Chinese threat", Pakistani President Gen. Muhammad Ayub Khan not only opposed the demand but also criticized the double standard of Britain and America to encourage Russia and trying to segregate China and Chinese government praised it.¹⁴ After 1960, Pakistan fully supported China's claim for the permanent seat in the Security Council of United Nations. Great struggle of China with diplomatic support from its friends especially Pakistan, Beijing gained permanent seat at the UN in 1971. During Cold War, especially after Korean War relations between America and China were not good enough, at that time Pakistan played a vital role to defuse tension and reduce distance between West and China. Pakistan's role as bridge between China and America broke the ice in their relations. Due to Pakistan's efforts Henry Kissinger first time secretly visited China via Pakistan and after his visit, American president Nixon paid a visit to China in 1972. Pakistan also played its role as bridge between China and Islamic world to establish their bilateral relations. Pakistan always supported Chinese stance on Taiwan, Xinjiang and Tibet issues.

¹⁴ Maqbool Ahmad Bhatti, *Great Powers and South Asia POST-COLD WAR TRENDS* (Islamabad: PanGraphic Ltd., 1996), 171.

1.8.V. Intensifying Bond

From beginning of their relations, China provided assistance to Pakistan in different fields to improve capabilities and fulfill its needs particularly for defence requirements. Pakistan built good infrastructure to meet its defence needs. Because India was producing and assembling advance weapons with Soviet help. Pakistan completed many projects with the help of China. After 1965 and 1971 wars Pakistan's economic condition was not good. At that crucial time China provided economic and military support. In 1966, China provided MIG aircraft, other military equipments and assistance of 60 million dollars¹⁵. China gave 40 million dollars in 1969 and 200 million dollars interest free loan third five years plan.¹⁶ In 1967, Pakistan and China signed agreement for construction of Karakoram Highway from Gilgit to Sinkiang, which was officially inaugurated in 1978, which later became main trade route between Pakistan and China. China also transferred different types of technologies to Pakistan. Kamra Aeronautical Complex, the Heavy Mechanical Complex and the Heavy Rebuild Factory are the examples of transfer of technology. For development in agriculture field, health and fulfillment of energy needs Pakistan started its nuclear programme in 1950s. For development of its nuclear programme Pakistan signed agreement with different countries including Canada, France and other western

¹⁵ Keshav Mishra, *Rapprochement across the Himalayas: emerging India-China relations Post Cold War period (1947-2003)*, (India: Kalpaz Publications, 2004), 89.

¹⁶ Fakhar Zaman and Akhtar Aman, "Z. A. Bhutto: The Political Thinker," 63. See http://www.bhutto.org/Acrobat/ZA_Bhutto_A_Political_Thinker.pdf

countries but after Indian nuclear explosion in 1974, these countries revoked of the contracts under American pressure¹⁷. On this occasion, China stood with Pakistan and provided her assistance for development of its nuclear programme for peaceful purposes.

1.8.VI. Afghan War Factor

Soviet intervention in Afghanistan was also a threat for both Pakistan and China which made their relations warm. In December 1979, Soviet forces entered into Afghanistan, Pakistan was likely to be affected by this intervention and it was alarming situation for its security. The security strategists believed that Soviet forces if allowed to consolidate their hold in Afghanistan would later take its leap down the Bolan and Khyber Pass to fulfill the historical Czarist ambition for access to warm waters of the Arabian Sea.* That was the main reason Pakistan openly supported Afghan Mujahideens.¹⁸ In May 1980, Zia ul Haq visited China and discussed with Chinese leaders, different issues especially Afghan war, its impact over both countries and future strategies. China provided 200 million US dollars for Afghan Mujahideens through Pakistan¹⁹.

¹⁷ Dr. Shireen M Mazari “ Pak-US Relations: Pakistan’s Nuclear Programme & the Pak-US Relationship,” *The Brookings Institution (US) and the IPRI (Pakistan)* jointly arranged a dialogue between the Pakistani and the American scholars on 29th and 30th January 2002.)

¹⁸ Abdul Sattar, *Pakistan’s Foreign Policy 1947-2005*, op. cit., 157.

¹⁹ Shehzad Akhtar, “Sino-Pakistani Relations: An Assessment,” *IPRI Journal IX*, no. 2 (Summer 2009), 52.

* While the Soviet Union stated that Red Army had entered Afghanistan due to the obligation of Soviet-Afghan Agreement (signed in 1978) that on the request from Kabul, Moscow would be bound to defend the Afghan regime.

Soviet invasion in Afghanistan was deliberate move to “heating up” of the Cold War and also threat for China. Both countries did not want Soviet presence in Afghanistan. For the purpose, China provided great support to Pakistan on every front. At that time, friendship and cooperation between Pakistan and China reached new heights.²⁰ On every front Pakistan and China condemned Soviet aggression. On the other hand, India did not condemn Soviet attack on Afghanistan.

1.9. Theoretical Framework

Pakistan-China relations are time tested and based on mutual interests. The object of the study is to find out the basis of China's changed attitude towards Pakistan on Kashmir and other Indo-Pakistan issues. It is also intended to explore the factors which have shared in their time-tested friendship. With the intention to analyze both internal and external causes of the bilateral relations between two countries, it is necessary to approach the problem with the help of a theoretical framework.

1.9.I. Neo-realism

Realism has its roots in history has long been used to describe the concepts of anarchy, self help and the balance of power in the international system. Since World War II, it is most dominant theory in International Relations. However, it is not a single combined theory, other approaches and concepts have been supporting it to

²⁰ Maqbool Ahmad Bhatti, *Great Powers and South Asia POST-COLD WAR*, op. cit., 171.

explain the international system better. These approaches and concepts have a common conviction that instead of ideals and ethics, the states have desires to seek economic and military power or security.

Neo-realism is the modified form of realism; it emerged as a theory of International Relations in the late 1970s as response to the challenges posed by the interdependency theory and also as a corrective to traditional realism's neglect of many aspects.²¹ In the late 1970s, there was a redefinition of realism, which was initiated by Kenneth N. Waltz. In his famous approach "Theory of International Politics" he stressed on the nature and distribution of capabilities in international system. Before that realism defined a state's intentions and International Relations as based on selfish human nature. Since then realism has become popular and dominated international relations. On the other hand, Waltz's theory emphasizes international system particularly and not international relations in general. In IR discipline Kenneth Waltz's theory of international politics is an important review of realist theory and it is a good critic to traditional realism. He recognized the international system as a system. And further explained that realism was constrained to explaining the behaviorist tendency and thus, the idea of interest defined in terms of power, while ignoring systemic restrictions.²²

Waltz considers that international system has accurately defined structure with three important characteristics: first ordering principle of the system, next the

²¹ Scott Burchill, Andrew Linklater, Richard Devetak, Mathew Paterson and Jacqui True, *Theories of international Relations* (New York: St. Martin's Press, 1996), 83.

²² Ibid., 84.

character of the units in the system and last is the distribution of the capabilities of the units in the system.²³

According to the neo-realists, there is anarchy in international system, there is no sovereign body or authority which can have check and balance on the states actions and governs nations/states. The states' motivations are derived from the international system. International system affects a state's actions/foreign policy. The end of Cold War affected dynamics of bilateral relations, different countries modified their foreign policy under the changing international scenario, and this new situation compelled both Pakistan and China to re-visit their foreign policies, it has also affected the nature of Pakistan-US relations, India-Soviet and US-India relations those had already played a power-play in the Cold War period. On the other hand temperament of China-US relations has also changed. This realignment of relations has created complex situation.

In accordance with neo-realist theory, when there is shift from one polarity to another polarity, it leaves an impact on the states strategies and due to change in polarity status, the re-distribution of power also be happened which directly affects the states policies. During the Cold War era, there was bipolar system in the world, the world was divided between two blocs, and different countries joined these blocs according to their own interests. Due to the clash of their interests, the nature of relations between China-USSR, China-India, Pakistan-India and US-USSR were

²³ Ibid., 86.

antagonistic in Cold War era. On the other hand there were cordial relations between Pak-US, Pak-China and India-Soviet Union during this whole period. At the end of Cold War and disintegration of Soviet Union, the world changed from bipolar to unipolar. In line with the neo-realist theory, state is the principal, central and unitary actor in international system and states will cooperate with each other when their mutual interests coincide. But they will differ from each other when their mutual interests are in conflict with each other. After Cold War under the new emerging political international scenario, the interests of different countries have been changed and the enemies of yesterday became the friends of today for their mutual interests. The process of Indo-China improving relations was started after Indian Prime Minister Rajiv Gandhi visit to China in 1988; this was deliberate move to normalize relations with China. For its economic and strategic interests China was willing to improve relations with India. China and Soviet Union took steps to improve their relations, the formations of Shanghai Cooperation Organization (SCO) is an example of positive measures toward the good relations. After the Cold War and collapse of communism in USSR, the importance of Pakistan had dropped off for the US and she changed its policy toward Pakistan and started to observe distance from Pakistan and to improve its relations with India due to economic considerations. The policy has been floated for formation of a China-India-Russia triangle.

The theory of neo-realism discusses that states form alliances for strengthening their own security. A rising power will be halted by strengthening its security by

different means, such as, self-military build up, alliance formation, (bandwagoning, balancing). There are two types of balancing, a. Balance of Power and b. Balance of terror.

To contain China, India and the US are improving their ties in the fields of military cooperation and economic development. Both Pakistan and China consider the Indian emerging military power as a threat for their security, because of their earlier hostile relations with India. Both China and Pakistan are feeling the need of strengthening relations to maintain the balance of power in the region. Due to these facts the theory of neo-realism is applied to analyze the Pak-China relations in the Post Cold War era.

Analyzing the change in capabilities of states and status of superpowers, various scholars are of the opinion that international system is changing from unipolar to multipolar as some of the states are emerging vigorously in different regions. Some of them are in the position to challenge sole superpower “the US”, in near future if not currently and by collective action, if not single-handedly. The proposition is also evident from the fact that the rise of regionalism and regional organizations has enhanced, the sense of regional identity is increasing day by day. Now the close cooperation between China and India, Sino-Russian joint strategy within the SCO and Pakistan’s disillusionment from the US in nineties and uneasy alliance in post 9/11, illustrate the concept. After the collapse of the USSR which was a main supplier of weapons and political supporter to India, the later switched off too much dependence

on former and instead drafted a new strategy of closeness with China. India also did not totally sidelined Russia but cleverly devised a working formula by getting the status of observer in SCO. Pakistan is no exception in this regard, wants not to lose the favor of the US on hand but also, not to be so much dependent like the Cold War era. So, Pakistan is looking now eastward by getting more support of China and removing the Cold War dust with Russia. Its attainment of observer status in SCO and working relationship with ASEAN in ARF (ASEAN Regional Forum) clearly demonstrate a changed tendency of states' foreign policies, affected by the change in international system. And so is the case of China's observer status and Russian interest in SAARC.

CHAPTER 2

INDIAN FACTOR IN PAK-CHINA RELATIONS

Indian factor always played a vital role in Pak-China relations. There is no doubt that Pak-China relations are all weather, time-tested and friendly most of the time, after their independence. The two countries have been enjoying friendly relations apart from few early years. Soon after independence, India adjudged its diplomatic relations with China, their friendship was very warm which can be understood by the slogan “Hindi Chini bhai bhai”.²⁴ In the early years due to Sino-Indian cordial relations, ideological differences and some other internal affairs, relations between Pakistan and China were not at desired level. When Pakistan started dialogues with China regarding demarcation of the borders, China showed some reluctance because there were some areas of Kashmir which required consideration during the demarcation and China did not want to have another argument with India.²⁵

On the other hand Pakistan did not support China in United Nations for its permanent seat of Security Council during these years. When Pakistan joined SEATO and CENTO for its security needs, India strongly criticized Pakistan's entrance into

²⁴ Richard Sisson and Rose Leo E., *War and Secession: Pakistan, India and the Creation of Bangladesh* (California: California University Press, 1990), 247.

²⁵ *Ibid.*, 248.

these alliances and also tried to exasperate China against Pakistan.²⁶ On 23rd of September 1954, during his address to First National People's Congress, of the People's Republic of China's, Prime Minister Zhou En-lai expressed his feelings in these words that "he personally hurt at the time Pakistan joined SEATO because he regarded Pakistan as friend".²⁷

Due to changes in Indian policy towards Tibet and support to Dalai Lama (the spiritual leader) and boarder conflict in 1962, Sino-Indian warm relations were changed into worst relations.²⁸ 1962 India-China war was in fact a turning point in Pak-China relations. Pakistan condemned Indian aggression. During 1950s China constantly emphasized on both Pakistan and India to resolve Kashmir issue through peaceful negotiations, but after boarder conflict with India and start of growing relations with Pakistan. China changed its stance on Kashmir issue and supported Pakistan's stance on every forum. In 1964, during Zhou En-lai's visit to Pakistan, first time China expressed that Kashmir problem should be resolved according to the wishes of Kashmiri people and they should be free to decide whether they would join Pakistan or India.²⁹ China emphasized that right of self determination should be given to Kashmiries according to Security Council resolutions.

²⁶ S.M. Burke and Lawrence Ziring, *Pakistan's Foreign Policy An Historical Analysis* (Karachi: Oxford University Press, 1990), 214.

²⁷ Ibid.

²⁸ Tan Chung and Paricia Uberoi, *Rise of the Asian Giants: the Dragon-Elephant Tango* (New Dheli: Anthem Press, 2008), 251.

²⁹ James David Armstrong, *Revolutionary diplomacy: Chinese foreign policy and the united front doctrine* (California: University of California Press, 1977), 162.

2.1. Improvement in Sino-Indian Relations

New era of improving relations between China and India started two years before the end of Cold War when Indian Prime Minister, Rajiv Gandhi, visited China in 1988. It was the first visit of an Indian high level leader after 34 years and deliberate move to normalize relations with China.³⁰ During this visit China and India signed several agreements including cultural exchanges, science and technology accord and resumption of direct air service. Both countries agreed to start dialogues on border issues, for the purpose they agreed to make a Joint Working Group (JWP). The agreement was signed and JWP played a vital role in improving cultural and economic relations and to reduce Sino-Indian border tensions but it did not become a useful forum to solve the border issues.³¹ When Chinese leaders expressed their concern about Indian policy regarding Tibet and anti-China activities by some Tibetan in India the Prime Minister Rajiv Gandhi gave assurance to the Chinese leadership that India considered the Tibet as an autonomous region of China and any political activity against China would not be permitted on Indian soil.³² This showed an important shift in Indian policy toward Tibet.

In response with Rajiv's 1988 visit to China, Chinese Prime Minister, Li Peng, visited India in 1991 and Indian President, Venkataraman, visited China in 1992, these

³⁰ William J. Long and Peter Brecke, *War and reconciliation: reason and emotion in conflict resolution* (Massachusetts: Massachusetts Institute of Technology, 2003), 83.

³¹ Surjit Mansingh, "India-China Relations in the Post-Cold War Era," *Asian Survey*, vol. xxxiv, no.3, (March, 1994), 289-290.

³² Maqbool Ahmad Bhatti, *Great Powers and South Asia POST-COLD WAR*, op. cit., 181.

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frequent visits played vital role in developing relations between the two neighboring countries. During this period Joint Working Group (JWG) also held its meetings and discussed possible measures to reduce the border tensions. In 1993 Prime Minister Narashimha Rao, visited China and during his visit “peace and tranquility agreement” was signed. According to this agreement both countries would ensure that no tension or clash would occur along the un-demarcated border over the Line of Actual Control between China and India and both countries would resolve border issues through peaceful efforts.³³ In the history of China-India relations Chinese President, Jiang Zemin, was first head of state who visited India in 1996. This visit further improved their relations especially India and China signed an agreement regarding Confidence Building Measures in border region. Several other agreements were also signed, those became helpful for future in improving relations and due to these agreements tension between two countries was also reduced.³⁴ In the same year, President Jiang Zemin also visited Pakistan, the noticeable shift in Chinese policy regarding Kashmir and other disputed issues between Pakistan and India were also observed. The Chinese shift was clear that Jiang Zemin did not support Pakistan on Kashmir issue as was in the Cold War era but instead insisted on solution of Indo-Pak disputes by bilateral negotiations. After Indian nuclear explosion in May 1998, relations between China and India again became harsh and grew as source of tension. But the efforts from both sides started to decrease tension. In October 1998, Principal Secretary to Indian Prime

³³ Ibid.

³⁴ C.V. Ranganthan, *Sino-Indian Relations in the New Millennium: Challenges and Prospects* (New Delhi: Sage Publications, 2001), 133.

Minister Barjesh Mishra stated that India did not see China as an enemy, nor did it desire an arms race with Beijing.³⁵

2.1.1. Disintegration of USSR

The end of Cold War is an important event in world politics, which affected the relations among the different states and the great changes have been observed in the strategic, political and economic scene of the world politics. Power structure of world politics changed from bipolar to unipolar after disintegration of Soviet Union and due to this change balance of power of the world also changed. Most of the states re-examined their bilateral relations and tried to change their relations at international and regional level according to new political scenario.

During the whole period of Cold War, Indo-Russian relations were good enough. In 1979 when Soviet armed forces invaded Afghanistan, the Cold War went to its highest level and both Soviet and US blocs tried to include the regional countries in their blocs. Pakistan immediately condemned the Soviet attack on Afghanistan and China supported Pakistan's stance because she also considered the Soviet presence in Afghanistan as a threat for its security and cause of insecurity in the region. On the other hand policy makers of Indian foreign policy considered the Soviet attack as an opportunity to improve its cordial relations with USSR and got many advantages especially for improvement of its military and economic capabilities. During the entire

³⁵ Ibid.

period of Cold War, these cordial relations were continued and both countries protected each other interests. To build up pressure on China, Russia provided help to India.³⁶

2.1.II. China's Open Door Policy (1978)

Deng Xiaoping was the man who introduced the economic reforms in China through the Open Door Policy. This policy pushed China toward the economically developed world and it played the major role in present Chinese development. The main characteristics of the policy are self-reliance mentality, recognition of China's needs for foreign trade, foreign investment in modern technology. After independence, during whole Mao era, China adopted the isolation policy from the outer world. Chinese relations including economic relations were not good enough with other world especially neighboring countries due to its inward-looking policy. But because of its size and population there were so many needs of Chinese government and its people and it was the need of time that China should develop its industry, improve its agricultural productions and foreign trade. For fulfillment of those needs it was necessary that China should shun its inward-looking policy.

In 1978 under the Deng Xiaoping's economic reforms, China adopted open-door policy regarding trade and foreign investment and first time China allowed its

³⁶ Jerome M. Conley, *Indo-Russian military and nuclear cooperation: lessons and option for U.S. policy in South Asia* (USA: Lexington Books, 2001), 17.

firms to deal with import and export activities with some kind of freedom. Before this only state-owned corporations were allowed for foreign business.³⁷ After these reforms Chinese economic development rapidly increased and only in twelve years from 1978 to 1990, its total exports grew to 18 percent per year, from \$ 8.8 billion to \$ 60.9 billion and total import from \$ 9.8 billion to \$ 52.3 billion and China became major exporting country in region and its economy grew in world as well. The special economic zones were established in different provinces and many initiatives were taken to give the incentives for foreign direct investment and exports.³⁸ In the coming years these economic reforms and the policy left great impact on Chinese economy. After introducing the open-door policy China's economic growth, foreign direct investment and production increased rapidly.

To continue its development and for further improvement it was essential for China to improve its bilateral and political relations with other world especially with its neighbors. India is a big populated country and an enormous consumer market, due to this big size of market India always remained in vital position for industrial countries.

“The economists tell us that neighbors tend to trade more than other nations do”. According to the gravity models the size of nations, physical distance between them, language, border and membership of free-trade zone etc. are some important

³⁷ Rollie Lal, *Understanding China and India: security implications for the United States* (USA: Greenwood Publication Group, 2006), 21.

³⁸ Ibid., 19-20.

factors which play vital role in bilateral trade.³⁹ In the changing scenario China re-evaluated its policy towards India and tried to normalize the relations. On the other hand, India also realized the importance of China as great emerging economic power especially after the disintegration of Soviet Union. India felt the need of a strong ally in the region for its development and trade. After Rajiv Gandhi's visit to China leaders of both sides paid several visit to each other countries to promote economic development and bilateral trade. India also introduced its economic reforms in 1991, which also increased the trade between both countries upto \$265 million US dollars and in 2001 it reached \$ 3.6 billion US dollars.⁴⁰ In 2006 after 44 years both countries agreed to re-open the Nathu La Pass which also became helpful in rapid increase in bilateral trade and it reached at \$ 25 billion US dollars in 2006. In 1994, India became largest trading partner of China instead of Pakistan in South Asia and China became a largest trading partner of India instead of Japan in 2003.⁴¹

It is a fact that for economic development, the peace and stability is necessary in that region, where the developing country is situated. So, for the success of its Open-Door Policy and economic reforms China changed the stances on different issues. After 1962 border clash, it was first occasion when China changed its stance on Kashmir and emphasized that the Kashmir issue should be resolved through peaceful

³⁹ Tarun Khanna, "China+India: The Power of Two," *Harvard Business Review*, (December 2007), 152.

⁴⁰ Mona Lisa D. Tucker, "China and India Friends or Foes?," *Air & Space Power Journal*, (fall 2003). <http://www.airpower.maxwell.af.mil/airchronicles/apje.html>.

⁴¹ Robert G. Sutter, *China's rise in Asia: promises and perils* (USA: Rowman & Littlefield Publishers Inc., 2005), 240.

negotiations, which was contradictory to its previous stance “right of self determination for the Kashmiri people”. China also showed its neutrality on other conflicting issues between Pakistan and India. It was the major set back for Pakistan.⁴²

India also showed its willingness to improve relations with China and changed its stance on Tibet issue and hospitality to the Dalai Lama. End of Cold War provided chance to both countries to achieve their economic goals. But on the other hand Pakistan could not get the advantage from China’s open door policy, especially in economic field. The balance of trade remained one sided, Pakistan imports almost all type of things from needle to heavy machinery but exports from Pakistan to China are nominal.

2.1.III. Indian Booming Economy

Economic interest always plays an important role in bilateral relations among the countries. When a country makes its foreign policy she also looks its own interests, especially economic interests. Every country tried to establish its relations with that which she consider economically useful for its economy. During Deng period, China started efforts for development of its industry and production of different items. For increase in its exports and trade China started searching large consuming markets and booming economies.

⁴² Ghulam Ali, “Fifty-Fifth Anniversary of Sino-Pakistan Relations: An Appraisal,” op. cit.

Due to large population and big consuming market India also remained at an attractive position for the big economic powers. After Cold War rapid economic growth of India also played a key role in improving relations between China and India. Because of adjunct borders and easy access to exports of Chinese goods, India became an important country for China instead of Pakistan. In 1990s Indian economic reforms the perception of the China also changed towards India. Not only on government level but also at the public level different companies of both sides established their contacts with each other to promote their business.⁴³

Bilateral trade between China and India is rising quickly in the recent years and now China became second largest partner of India after the United States, third largest customer of Indian export goods in the world and stood first in Asia. The motivational interests of two countries left good impacts on their bilateral trade. Trade activities in the Post Cold War era stated burgeoning, in 1993, the bilateral trade between the two countries was \$350 million and has increased upto \$60 billion in 2010, and according to Chinese Finance Ministry, China was smallest trading partner of India in 2000, the bilateral trade between China and India was \$.2.9 billion but it has increased 16 times more at the end of 2010. The 43 percent growth rate has been observed during the last eight year.⁴⁴

⁴³ Jalal Alamgir, , *India's open-economy policy: Globalism, rivalry, continuity* (UK: Routledge Publishers, 2009), 101.

⁴⁴ Dilip K. Das, *China and India A tale of two economics* (UK: Routledge Publishers: 2006), 136.

During the last five years from 2005 to 2010, the exports from China to India have been tripled and speedy development in I.T. sector has also its vital role in Indian booming economy, different Indian I.T. companies established their business in China and conversely the booming Indian economy is more and more attracted towards foreign investment and Chinese companies are developing their business ties with different business sectors in India⁴⁵. Due to its rapid economic growth, India is becoming emerging economic power with booming market, there is a possibility that she would become fourth or fifth largest economy by 2020.⁴⁶ In the Post Cold War era, both countries recognized the importance sociable bilateral relations for smooth economic development, trade activities and peace and stability in region.

2.2. Growing Indo-US Relations

There are many ups and down in Indo-US relations after independence. In the early years US not showed interest to improve friendly relations because of under influence of leftist thinking of Nehru and Indian warm relations with Soviet Union. It was first in 1962 Indo-China war that Western countries especially USA provided lot of help in shape of weapons and military technology to India against China. This also became the cause of the US assistance to Indian nuclear program, nuclear technology and nuclear fuel to counter nuclear China.⁴⁷ But after short span of time the decline in

⁴⁵ Ibid.p.15

⁴⁶ Shehzad H. Qazi , "United States' Attempt to Balance the Rise of China in Asia," *IPRI Journal IX*, no. 2 (Summer 2009), 43.

⁴⁷ *The Times of India*, (New Delhi) January 23, 2000, <http://timesofindia.indiatimes.com>

relations started due to attachment with different blocs in Cold War. During the whole period of Cold War India remained attached with Soviet Bloc and received huge military and economic assistance from Soviet Union. Soviet invasion in Afghanistan is also an important element in bitter relations between India and United States. India did not denounce the Soviet aggression and showed its support with USSR silently. India and Soviet Union signed an agreement of security alliance and the Indian nuclear tests in 1974 had been condemned international as well as on regional level.⁴⁸ On the other hand Pakistan openly condemned the Soviet aggression and become a frontline state in Afghan war. Pakistan provided full support to the US and also played an important role in improving relations between China and the US in early 1970s. But the end of Cold War and Soviet defeat in Afghanistan made United States as a single Super power.

At the end of Cold War, the US reviewed its policies of Cold War. After becoming a super power she changed its foreign policy towards different regions of the world especially towards the Asia and particularly South Asia and South East Asia. Pakistan which was an important ally in the region during Cold War had become less important for the US and she started keeping distance from Pakistan. Policy makers of the US were looking for new ally in South Asia because they were taking

⁴⁸ Kanishkan Sathasivam, *Uneasy neighbors: India, Pakistan, and US foreign policy* (USA: Ashgate Publishing Company, 2005), 85.

into consideration that China will be new challenger in future for the US hegemony due to emerging economic power. They considered that Pakistan was not suitable for this purpose because of its weaker military and economic conditions, its size and also its good relations with China. In this situation India was the best option for America to restraint China. India was waiting to achieve this opportunity to pursue its long term interests after disintegration of USSR, India was searching a powerful ally for its military and economic development. After the visit of the US defence delegation in 1991 and very next year Indian Army Chiefs visit to US started the new era of Indo-US relationship.

On the other hand these Indo-US growing relations became a good fortune for Pak-China relations. After India-US improving ties, Pakistan felt its isolation and it was necessary for its survival to improve relations with China. China also considered the US emerging relations with India threat for its strategic and economic interests.

2.2.I. Containment of China

In the Post Cold War scenario, the US became sole power of the world and after disintegration of Soviet Union there was no country to challenge the US hegemony. After economic reforms of 1978 China started its journey toward developed country and become emerging economic and military power. American policy makers and think tanks predicted that in what speed China is improving its military and economic abilities she would become the challenge for the US in future.

To restrain China, the US changed her hostile position of Cold War toward India and tried to improve good relations with India. After 1962 war the relations between China and India were not good enough because India claimed back its territory on which China got control during the war. On the other hand it was the start of Indo-US relations. During this war the US provided massive military assistance in the shape of fighter aircrafts, air radar system and other military equipments to India against China.

The US policy to counterweight china through India was an alarming sign for China. It was also not good sign for Pakistan because three wars had been fought between Pakistan and India and two countries were considering each other as enemy. It was the need of time that Pakistan and China must strengthen their relations for long term economic and strategic interests. Both countries signed different agreements to protect each other interests. Under these agreements, China has been providing military and economic support to Pakistan. Pakistan is developing its military potential and civil nuclear technology with the help and assistance of China. And Pakistan is helping China for easy access to the Middle East countries' oil and gas resources to meet its energy requirements. The US is continuously providing support to India in the field of nuclear and civil technology and signed Civil Nuclear Treaty deal to facilitate India in the field of nuclear technology. For its own interests America has desired that India should get a leading role in South Asia in 21st century.⁴⁹ To contain China, the

⁴⁹ *Dawn*, (Islamabad), October 17, 2005.

US provided assistance to India in the shape of Military equipments sales, signed defence agreements and arranged joint military exercises.⁵⁰

There is another reason behind to contain China that the US and other western countries are dependent on Middle East Oil and Gas resources for their energy requirements. China is also a big consumer of oil and gas resources of Middle East for its industry. To balance the growing strategic and economic relations between India and the US, China took counter measures and strengthened its relations with Pakistan, provided military assistance and also tried to improve economic relations, although economic relations between the two countries are not at required level, and there is no balance in import and export.⁵¹ But it is a fact that Indo-US growing relations became a major cause of strengthened relations between Pakistan and China after Cold War.

2.2.II. Booming Indian Market

Large Indian Market is also a driving force behind the US keen interest in improving relations with India. Economy always plays a central role in world politics. If we look in the history, all superpowers were using their military powers against competitors to facilitate their traders in different parts of the world. Big powers captured and made colonies or improved their influence on different parts of world

⁵⁰ *Dawn*, (Islamabad), October 19, 2005.

⁵¹ Ahmad Rashid Malik, "East Asia Summit and Pakistan's Quest for New Regionalism," *IPRI*, vol. VII, no. 1, (winter 2007), p. 70.

through military for sale of their products. Big consuming markets remained weakness of industrial powers.

In the modern era quest of big powers is same but now they use different tactics to influence comparatively weaker nations. Policy makers of the US always consider economic interests of the US as top priority agenda during policy making. Because of tenth largest emerging market India has great attraction for US.⁵² In the recent years, the US developed its relations with India. On the other hand India also knows the importance of its emerging market for the US.

Development in the technology sector is very impressive and the high tech centers in the India got attention of the US in the recent years, thousand of I.T. professionals are working in the US and India is also a big importer of hardware items from US. At the end of 2010 the total trade between the two countries stood at 48.8 Billion.⁵³ Massive development in Indian economy provided the great opportunities to the US for investment and trade in this country. India considered this friendly gesture a good fortune for its strategic interest in the region and started getting military advantages from United States. India got great advantages from Soviet Union during the Cold War, now after the Cold War she is continuously improving its military and economic capabilities with the help of America. Both Pakistan and China consider

⁵² S. P. Gupta and K. S. Mehra, K.S., *Indo-US trade and economic cooperation: optimizing relations* (New Delhi: Indian Council for Research on International Economic Relations, 1995), 76.

⁵³ *The Hindustan Time*, (New Delhi) March 01, 2011, <http://www.hindustantimes.com>

these advancements of relations between India and United States as threat for their strategic and economic interests in the region. To counter the increasing influence of America in the region and hegemonic thoughts of India it is also a cause of convergence of relations between Pakistan and China in the Post Cold War era. The US policy makers considered that in the emerging economic international scenario Indian growing economy would play vital role in Indo-US growing relations.⁵⁴

2.2.III. Freedom Struggle in Kashmir

Kashmir issue is major bone of contention between Pakistan and India after independence, first war between two countries was fought in 1948 on Kashmir issue, and also Kashmir was main reason behind other three wars in 1965, 1971 and Kargil war in 1999. Both countries are spending their huge budget on defence they attained nuclear capability, missile technology and have large armies which can be a cause of clash between Pakistan and India in future. Kashmir problem has central and pivotal role in the foreign relations of both countries.

New ray of freedom struggle in Kashmir was started in 1989, when different Kashmiri youth groups reemerged and started armed struggle against the brutal actions of Indian forces in the territory. Pakistan also condemned the human rights violations by Indian Army. President, Ghulam Ishaq Khan during his address to new Assembly on 8th November 1990 expressed that “Kashmir is Pakistan’s life-line and it

⁵⁴ *India Today*, (New Delhi), March 21, 2005, <http://indiatoday.intoday.in/site/>.

is Pakistan's national duty to extend to the freedom fighters moral and political support".⁵⁵ And his successor Governments of Pakistan also stood on the same stance.

Chinas stance on Kashmir issue has changed under the changing scenario of Indo-China relations on the different occasions. From its independence to end of 1960, China always showed its neutrality on different issues between Pakistan and India including Kashmir issue. But after 1962 border clash with India, China changed its stance and started supporting the Pakistan's stance and emphasized on right of self-determination of Kashmiri people. Issue of demarcation of boundaries between Pakistan and China was also settled in 1962, before that China was cautious due to involvement of some parts of Kashmir territory and China did not want to harm its relations with India. After signing this agreement India strongly condemned it and put allegation that Pakistan bequeathed a part of Kashmir territory to China which is a disputed area.⁵⁶ In the post-Mao period China reviewed its policy and took steps to improve its relations with other world and its neighbors. Under the changing policy China checked its stance on different issues. Due to Chinese initiatives to improve bilateral relations with India, it was difficult for China to continue support on Kashmir issue according to right of self-determination and China again came on its previous position of neutrality. She again emphasizes on both Pakistan and India to resolve the Kashmir issue through peaceful negotiations. In 1996 Chinese President, Jiang Zemin,

⁵⁵ Musa Khan Jalalzai, *The Foreign Policy of Pakistan- Sectarian Impacts on Diplomacy* (Lahore: Dua Publications, 2001), 110-111.

⁵⁶ Abdul Sattar, *Pakistan's Foreign Policy 1947-2005*, op. cit., 69.

visited Pakistan during his address to Senate of Pakistan gave a new suggestion that for better improvement in economic and strategic cooperation with India, Pakistan set aside the Kashmir issue, which shows its new stance of neutrality on Kashmir issue.⁵⁷

In the Post Cold War era there are some troubles for China to support Pakistan's stance on Kashmir and Kashmiri Mujahedeen because of strife in Xinjiang, Province and its stance on Tibet issue is confronted with Pakistan's stance on Kashmir. After nuclear explosion from both Pakistan and India in 1998, China stressed on peaceful settlement of Kashmir issue to avoid any nuclear conflict in region with horrifying consequences. China considers that conflict in the region due to Kashmir dispute is also not a good gesture for its economic interests. But it is also a great reality that traditional bilateral relations between the two countries still remain unchanged.

2.2.IV. Kargil Issue

In May 1999, some armed persons captured the heights of Indian held Kashmir at Kargil area on the top of Srinagar-Ladakh road, which is the main supply route for Indian forces in Siachen and Ladakh. Indian army stores the ammunition and goods in summer months for its troops deployed in Siachen and Ladakh for winter season. When it came into Indian notice, it was a great shock for her because if the situation would continue only for two or three months, it could be harmful for Indian forces in

⁵⁷ M. K. Akbar, *Pakistan today* (New Delhi: Mittal Publications, 1997), 144.

Siachen and Ladakh areas in winter. India accused Pakistan of sending its regular army troops and Islamic militants into Drass and Kargil sectors, which is a violation of Shimla agreement and Line of Control.⁵⁸ In the mid of 1999 tension between Pakistan and India reached at its peak.

During the whole Kargil conflict China remained neutral. Pakistani Prime Minister, Nawaz Sharif, visited China in June 1999 and tried to take China into confidence about the Kargil crisis. He discussed the matter with Chinese President, Prime Minister and Foreign Minister but he failed to get clear support on the issue by the Chinese side. The official statement of China was not according to Pakistan's desires, instead China urged both Pakistan and India to settle the problem through negotiations.⁵⁹ Because of this China's neutral stance, situation was encouraging for India, the Indian media and scholars started to propagate that China recognized India as big power of the region.

2.2.V. After 9\11

Terrorist attacks on World Trade Centre were the big events after end of Cold War which affected the international politics and changed international scenario. Soon after the attacks Americans declared that the Taliban of Afghanistan were involved in these attacks and Osama Bin Laden is the mastermind of these attacks. India offered

⁵⁸ Lowell Dittmer, ed., *South Asia's Nuclear Security Dilemma INDIA, PAKISTAN, AND CHINA* (New York: M. E. Sharpe, Inc., 2005), 144.

⁵⁹ Mike Dillion and Michael Dillon, *Contemporary China: an introduction* (UK: Routledge Publishers: 2009), 250.

its co-operation to the US for attack on Afghanistan, Indian experts started propaganda through their predictions that 'NATO, United States and India will be on one side and China and rogue states including Pakistan, Burma and North Korea on the other side.'⁶⁰ India entirely tried to portrait Pakistan as terrorist state and tried to link the 9/11 attacks with Kashmiri freedom fighters. India also presented herself as victim of terrorism. These were deliberate attempts to isolate Pakistan in international politics. But Pakistan which had been useless for America after Afghan war, once again became a close ally of the US and front line state in the War on Terror. In the new emerging scenario China could understand Pakistan's position and its role in war against terrorism did not effect Pak-China friendly relations.

Bomb blast in Srinagar on 30th September, 2001 and terrorist attack on India Parliament on 13 December 2001 also provided opportunity to India to establish Pakistan's links with terrorism.⁶¹ "Without any evidence, the Indian government charged Pakistan with responsibility for attacks." On the basis of these two incidents especially after attack on Indian Parliament, India moved its armed forces along with Pakistan's border in the Kashmir area and kept on high alert its Navy and Air Force. Pakistan also moved its military troops along with the Line of Control. Almost one year the two armies stood 'eyeball to eyeball' and move toward dangerously close to

⁶⁰ Ghulam Ali, "Sino-Pak Relations: The Indian Factor," *IPRI Journal*, vol. 3, (Summer 2003), p. 110.

⁶¹ Touqir Hussain, "U. S.-Pakistan Engagement: The war on terrorism and Beyond," *United States Institute of Peace*, Special Report 145, (August 2005).

the brink of war.⁶² At that crucial time Pakistani President Gen. Pervaiz Musharraf visited China on 3 January 2002, and met with Chinese Prime Minister and discussed the issue in detail and asked for support on this issue but China did not openly denounced mobilization of Indian army troops on the Line of Control against Pakistan. The Official statement from China was clearly showing the China's neutral stance on the issue. Chinese Foreign Office spokesman gave the statement that "This question must be settled through a direct dialogue between India and Pakistan and China and Pakistan have friendly relations, and China and India have friendly relations too. China has always called on these countries to exert restraint and solve their conflict through peaceful means".⁶³ In the changing international scenario especially after 9/11, a terminology was used from China 'friend of both' which shows the changing nature of Pak-China relations in the Post Cold War era.

⁶² Abdul Sattar, *Pakistan's Foreign Policy 1947-2005*, op. cit., 268.

⁶³ Ghulam Ali, "Sino-Pak Relations: The Indian Factor," op. cit., 115.

CHAPTER THREE

UNITED STATES' POSITION IN PAK-CHINA RELATIONS: BENIGN OR MALIGN?

Pakistan established its relationships with United States of America soon after its independence. But there are many ups and downs in Pak-US relations. Security concerns due to Indian quest for hegemony, exploitation of its military and economic dominance and recurrent threat were the main factors that compelled Pakistan for Foreign defence cooperation. Pakistan could make its security strong with the active supports of powerful states. To fulfill this objective Pakistan signed several treaties and agreements with USA and other states.

In May 1950 Pakistan's Prime Minister, paid his first visit of three weeks to the US. During his visit he tried to draw attention on strategic importance of Pakistan for United States in the region to counter communism and a bridge to rich resources of oil bearing states of Middle East. It was first attempt from Pakistan to demonstrate its importance for the US in the region. It was the time of Cold War and both Soviet and the US blocs were searching allies, the US was bothered about Soviet expansion and Pakistan wanted to make its security strengthen. Due to convergence of interests both countries established relations. Pakistan and the US signed defence treaty in 1954, under the US influence in the next few months Pakistan also joined two more alliances naming SEATO South East Asia Treaty Organization and CENTO Central Treaty

Organization. After establishing bilateral relations and joined the SEATO and CENTO, the US gave military and economic aid to Pakistan.⁶⁴

One cannot deny the relations between Pakistan and the US in the past and future as well, if these relations are compared, then we will find that Pakistan's relations with China as compared to the US have been increasing in present era. But it is fact that the US always remained key factor in Pak-China relations, some time malign and some time benign.

3.1. Malign Relations

Due to improving relations with the US and defence treaties with Western countries Pakistan was happy and had hoped that at the time of any kind of threat from India, United States and ally Western countries would help Pakistan. 1965 Indo-Pak war was the first test of Pak-US relations but America did not act according to Pakistan's expectations and the US suspended Pakistan's military aid. During 1971 Indo-Pak military clash once again the US stopped military assistance and Pakistan lost its Eastern wing.

In 1979, the US imposed ban on aid to Pakistan under the Foreign Assistance, due to start of its uranium enrichment project. Only few months after these sanctions in December 1979 Soviet Union attacked on Afghanistan. To stop Soviet invasion in Afghanistan, the US again felt the need of Pakistan due to its geographical proximity.

⁶⁴ S. M. Burke and Lawrence Ziring, op. cit., 168.

From 1979 to 1989 Pakistan remained frontline state in the whole Afghan War.⁶⁵ This War ended on withdrawal of Soviet forces from Afghanistan, it was the end of Cold War and also it became the cause of Soviet disintegration and changing the world from bipolar to unipolar.

United State always used Pakistan for its own interests and Pakistan constantly paid bigger cost for small gains. During the Cold War relations between Pakistan and United States were good enough, but the end of Cold War changed the nature of relations between the two countries. The United States has stated to increase her relations with India after the end of Cold War.

3.1.1. Pak-China strong Relations

U turn in the US policy toward Pakistan and improvement in cordial relations between the US and India after Cold War were the alarming signs for both Pakistan and China. Both considered that the growing Indo-US relations would affect the balance of power in the region and it can be serious threat for Pakistan and China. In this changing scenario Pakistan and China felt that more close and cordial relations were need of the time, because Pakistan has very important geostrategic location that can help China to secure its strategic and economic objectives in the region and China can be useful for Pakistan to enhance its military and economic potential. Soon after the end of Cold War the US suspended Pakistan's military aid and supply of military

⁶⁵ "Pakistan's Foreign Policy: An Overview 1947-2004", *Pakistan Institute of Legislative Development and transparency, Lahore*, (April 2004), 19.

equipments under the Pressler amendment. This amendment not only effected the military aid but also cutoff the economic aid, which became the cause of serious financial crisis in Pakistan. The main reasons behind these sanctions were Pakistan's advancement in the field of nuclear and missile technology.⁶⁶

Under the Brown Amendment, the US provided military equipment worth 368 million US dollars in 1995 but she did not supply F-16 aircrafts for which Pakistan had already paid 658 million US dollars in advance.⁶⁷ In 1998, India conducted nuclear tests, which was clear threat for Pakistan and these tests also shifted the balance of power in South Asia. There was no choice for Pakistan, but to conduct its nuclear tests. After Pakistan's nuclear tests, the US imposed economic and military sanctions on Pakistan. In 1999 Military dictator General Pervaiz Musharraf dissolved the government of Nawaz Sharif and America once again cutoff Pakistan's aid.⁶⁸

In these critical circumstances China did not leave Pakistan alone and helped Pakistan. Cold War history witnessed that there are real examples like Pak-China relations. Although after Cold War China-India relations have been improving in different fields but China has made it clear that it will not be at the cost of relations with Pakistan. On every occasion when America left Pakistan, China supported her. One cannot deny the Chinese role in development of arms and nuclear technology for peaceful purposes. Pakistan built number of arms factories with Chinese help. After

⁶⁶ "Pakistan's Foreign Policy: An Overview 1947-2004," op. cit., 20-21.

⁶⁷ Jehangir Khan, "US-Pakistan Relations: The Geo-strategi and Geopolitical Factors," *Canadian Social Science*, vol. 6, no.2, (2010), 73.

⁶⁸ *The News* (Lahore) October 26, 2009.

the Cold War, the US imposed sanctions on Pakistan and stated to improve relations with India, on the other hand relations between Pakistan and China grown warm.

During 1990s China was major arms and civil nuclear technology supplier of Pakistan, it was the time when America and India were working on civil nuclear cooperation and on the other hand the US refused the Pakistan's request for civil nuclear cooperation.⁶⁹ United States' distance from Pakistan and close relations with India is not only the reason behind strengthening relations between Pakistan and China, the wish of United States to 'encirclement of China' also played a role in Pak-China strong relations during the Post Cold War era. Under the influence of neo-realism thoughts the US policy makers considers the radical Islam and China as a threat for its hegemonic supremacy and uni-polarity in the region.⁷⁰ American economic interests are also involved in its policy toward South Asia and China.

In the changing international scenario both Pakistan and China have been realizing the importance of good relations for their mutual interests. In 1996, Chinese President, *Jiang Zemin*, visited Pakistan, during this visit both courtiers agreed to establish comprehensive friendship and cooperation. After sanctions from the US, Pakistan has been facing energy crisis as well, to over come this energy crisis, in 1999 Pakistan built a 300-megawatt nuclear power plant in Punjab province with Chinese

⁶⁹ K. Alan Kronstadt, *Pakistan-US Relations*, *Congressional Research Service*, (February 2009).

⁷⁰ Strobe Talbott, *Engaging India: Diplomacy, Democracy and the Bomb* (Washington D.C.: The Brookings Institution Press: 2004), 54.

help and assistance.⁷¹ During Chinese Prime Minister's visit to Pakistan in 2005, Pakistan and China signed 22 agreements including milestone Treaty of Friendship and Co-operation, both countries agreed that "Neither party will join any alliance or bloc which infringes upon the sovereignty, security and territorial integrity" of either nation, they also reiterated the agreement that both parties "would not conclude treaties of this nature with any third party".⁷²

Next year Pakistani President visited China and in the same year Chinese President, visited Pakistan. During these frequent visits both countries signed several agreements of bilateral trade and military assistance. In 2007, Pakistan's Prime Minister visited China and signed 27 agreements and MOUs of bilateral cooperation in the field of defence, space technology and trade. During President Zardari's visit to China in 2008, China showed its willingness to build two nuclear power reactors in Pakistan. United State, showed its reservations on this Chinese offer and declared it violations as members of the NSG.⁷³

Pakistan signed a deal with the US to purchase of F-16 aircrafts. The US provided few aircrafts but in the second phase due to sanctions, America stopped supply of F-16 aircrafts for those she had already received 658 million US dollars in advance. This was precarious situation for Pakistan because Pakistani Air forces needed aircrafts for strengthening its air defence. On this crucial time once again

⁷¹ Maqbool Ahmad Bhatti "China's Peaceful Rise and South Asia", *IPRI Journal*, Paper no.13, (August 2008), 33.

⁷² *The Nation*, (Lahore), April 6, 2005.

⁷³ *The Express Tribune*, (Islamabad), June 21, 2010.

China helped Pakistan and Pakistan started work on manufacturing the aircrafts under the joint venture programme with China. In 2008, Pakistan started production of fighter aircraft JF-17, according to arms experts it is equal to F-16 or in some contexts better than F-16. Another thing which was beneficial for Pakistan is that China transferred the aircraft manufacturing technology to Pakistan and it started making this aircraft in the country and now is able to produce more aircrafts according to its need.

In the so-called US war against terror Pakistan is playing a role of frontline state, due to this Pakistan's active participation, she is facing serious threats from terrorist, thousands of Pakistani people have been killed in bomb blasts and drone attacks and the instability in the country is affecting the economic activities and foreign investment. But America is still emphasizing on "do more".

3.1.II. Indo-US Strong Relations

In comparison to the ups-and-down Sino-U.S. relationship framework, Indo-US relationship has witnessed an upswing after the end of the Cold War. The perception that regards an 'emerging China' as a threat is beginning to dominate policy-making circles in both the US and India. This will be harmful for both Sino-US and Sino-India relations.

The US policy makers consider China as a challenger for the US hegemonic position in future. After disintegration of Soviet Union and end of Cold War, the US started to increase distance from Pakistan and considered it useless for US in new international strategic setting. To maintain its supremacy in world the US wants

presence and influence in different parts of the world. In South and South East Asia due to its big population, open market, emerging and largest democracy India became close ally for America. It is also fact that there is no country which has ability to challenge Chinese big military and economic power. From 1990 to 1998 Indo-US relations increased rapidly, in 1998 when India exploded its nuclear bombs it made their relations frosty for short span. But the relations became normal after the eight rounds of dialogues between Indian Foreign Minister and the US Deputy Secretary of State.⁷⁴ The friendly relations between India and US started at time when US-China relations have been declining, the Anti-American sentiments in China were at their height due to NATO attack on Chinese Embassy in Yugoslavia in 1999.⁷⁵ Anti-Americanism was also increasing in Pakistan, because of the US supported Indian stance in Kargil crisis.⁷⁶ Although China showed its neutrality on Kargil crisis and military stand-off between Pakistan and India but Chinese top leadership continuously remained in contacts with India and the US and used its diplomatic sources to reduce tension between Pakistan and India.

The US and India had been working on defense and nuclear cooperation agreement, on 29th June, 2005 the defense Ministers of both countries had concluded an agreement of defense cooperation, American President Bush was going to pay his

⁷⁴ Stephen P. Cohen, *India: Emerging Power* (Washington D.C.: The Brookings Institution, 2001), 285.

⁷⁵ Vladimir Shlapentokh and Joshua Woods, Eric Shiraev, ed., *America: sovereign defender or cowboy nation?* (USA: Ashgate Publishing Company, 2005), 91.

⁷⁶ Rajpal Budania, *India's national Security Dilemma: the Pakistan factor and India's Policy Response* (New Delhi: M.L. Gidwani Indus Publishing Company, 2001), 106.

visit to India for signing on this agreement. Few days before this visit, President Musharraf visited China for discussion on the consequences of the Indo-US agreement and growing strategic relations. At the end of President Musharraf visit a joint statement was issued and both countries expressed their commitments to maintaining international peace and stability.⁷⁷

3.1.III. Indo-US Nuclear Deal

On 2nd of March, 2006, the US President Bush and Indian Prime Minister Manmohan Singh, signed an agreement regarding nuclear technology transfer to India. In 2005, during the Menmohan's visit to America, a declaration from the US that India as "a responsible state with advanced nuclear technology" opened the ways for India to deal with the countries those have advance nuclear technology and nuclear related material for fulfillment of its nuclear needs and fuels for nuclear programme.⁷⁸ In the process of this nuclear deal Bush administration broke its own principles regarding nuclear non-proliferation, even America oversight the fact that India did not sign the NPT.

Both Pakistan and China showed their resentment on Indo-US nuclear deal because this deal was giving clear cut indication to contain China in the region. It is an established fact that China is an emerging economic and strategic of the world, having

⁷⁷ M. Akram Zaki, *China of Today and Tomorrow Dynamics of Relations with Pakistan* (Islamabad: Institute of Policy Studies, 2010), 49-53.

⁷⁸ Asia Times Online, (Hong Kong) October, 5, 2006. See http://www.atimes.com/atimes/Global_Economy/JJ28Djo7.html

a huge army and developed nuclear power. Indo-US nuclear deal could have negative impacts on Chinese economic and security interests in the long term. Growing Indo-US relations are also a big hurdle between Sino-US relations and also became the cause of arms race in the region. On the other hand Pakistan had reservations on American double standards because America has been creating hurdles for Pakistan's nuclear programme, even American influence affected Pakistan nuclear deals with different countries like France and Canada cancelled deals regarding supply of nuclear reactors and fuels for its peaceful nuclear programme. Indo-US nuclear deal also affected the balance of power in South Asia, because there is a conflict situation between Pakistan and India from very beginning of their independence.

Pakistan has been facing consistent threat from an adventurous adversary and enemy at its borders that is none other than India. India has been engaged with the numerous regional and extra regional activities in the region in order to enhance its capability in terms of military and economy. While considering China and the US as major partners of Pakistan, India started to enhance its relations with both these states in post Cold War era. Indian ties are remarkable with the US at present, nuclear deal with the US is a major achievement by India in this regard.

Indo-US nuclear deal affected the balance of power in the region. Pakistan and China both considered this deal as threat for their strategic interests. For counter balance of the Indo-US nuclear deal, both countries agreed to improve cooperation in the nuclear field. They also reviewed the previous nuclear deal. China showed its

willingness to provide nuclear power reactors to Pakistan costing US\$ 2.375 million. The US and India criticized this deal and declared that it is a clear violation of international protocol regarding the trade of nuclear equipment and material, guidelines of NSG and NPT. Chinese Foreign Ministry's spokesperson clarified that "the nuclear cooperation between the two countries was for peaceful purposes and are "totally consistent" with its international obligations and safeguards of the International Atomic Energy Agency".⁷⁹

Indo-US nuclear deal also set an example and made easy for those countries who want to sign such like deals, and the US has also lost the moral right to object the same deals between other countries, in particular Pak-China nuclear deal.⁸⁰

3.1.IV. Gwadar Port

Gwadar Port is also another milestone in Pak-China relations, after completion it will play great role to improve geopolitical and economic importance of Pakistan and it will also provide China direct access to the Arabian Sea.⁸¹ The US has serious concern over the Gwadar project especially Chinese involvement in the project due to its strategic location, the US has also interest in Gwadar Port because through this short route America can easily facilitate its forces in Afghanistan. Another reason behind Chinese enthusiastic interest in Gwadar is that in case of any conflict between

⁷⁹ Pakistan Observer (Islamabad), December 20, 2010.

⁸⁰ Ajai K. Rai, *India's nuclear diplomacy after Pokhran II* (India: Dorling Kindersley Pvt. Ltd., 2009) 57.

⁸¹ Amardeep Athwal, *China-India relations: contemporary dynamics* (USA: Routledge Publishers, 2008), 120.

the US and China, America could influence its oil supply ships, due to its presence in Gulf and hold on Malacca Strait.

After economic reforms and industrial development Chinese trade activities increased rapidly and she established its trade relations all over the world and for export of its goods to the Middle East and Central Asian States and import of oil and gas for its energy requirements. The Gwadar Port is a short transit route, via Gwadar Port China can save huge money and time, through Gwadar Port distance between these states can reduce about 12,000 Kilometers. Through Gwadar Port Pakistan can improve its economic conditions through trade activities and she can also earn billions of dollars in shape of transit fee.

According to Pakistan's point of view, it is not only beneficial for China but also for the International Community who can get benefits from this port. It is on the record that in 1950s first time Pakistan explored the importance of Gwadar Port and with the help of British Government Pakistan solved the matter with Sultanate of Oman and got back the control on Gwadar, after paying £ 3 million, which was given to sultan of Oman by the Khan of Kalat on the occasion of his daughters wedding.⁸² In 1988, Pakistan took initiatives to build a deep water port, from 1988 to 1999 different governments tried to construct the port but due to shortage of funds the project could not start. In 1999, China offered financial and technical assistance for the construction of Gwadar Port. In 2001, during President Musharraf's visit to China further

⁸² Abdul Sattar, *Pakistan's Foreign Policy 1947-2005*, op. cit., 72.

improvement has become visible, the groundbreaking ceremony was delayed due to the US attack on Afghanistan, and the ceremony was held in March 2002. The progress on the project is going on and it is near to completion. Some big powers particularly the US do not want that the Gwadar Port should become functional because of China's role in the project.⁸³ Due to condense Chinese involvement in Gwadar Port project these global powers continuously pressurize Pakistan, but Pakistan has hope that through Chinese cooperation she can face these pressures. In response of a question regarding American pressure on Gwadar project, President Musharraf said that "I do not care about pressure from major powers. If Pakistan suffers pressure from certain major powers, I believe China will come forward to help us apply pressure on the other side."⁸⁴

After economic revolution in China, she has become big oil and gas consumer and depends about 80 percent on Middle East oil for its consumption. American presence in Gulf Sea can be problematic for China in case of any clash. China has great interest in development of Gwadar Port to avoid any hurdle from the US, because it can be an alternative to Straits of Malacca.

3.1.V. Nuclear Proliferation

In 1974, India conducted its first nuclear test after that India is continuously developing its nuclear capability, Pakistan considered Indian nuclear programme definite threat to its sovereignty and national interests. After Indian explosion Pakistan

⁸³ *Dawn*, (Islamabad), April 6, 2008.

⁸⁴ *Dawn*, (Islamabad), April 13, 2007.

also started working on its nuclear programme. Another reason behind the start of nuclear programme is its needs of energy requirements. Although the US remained close ally of Pakistan in different eras, but she was never happy on Pakistan's nuclear programme and always tried to create hurdles for Pakistan. Pakistan always condemned the nuclear proliferation and illegal trade of nuclear material and weapons. In 1969, Pakistan voted for a treaty to prevent the nuclear proliferation and in 1996 also voted for CTBT and was agreed on signing it but after security guarantees and on the condition that India should also sign it.⁸⁵

Uncertain relations between Pakistan and America and suspension of Pakistan's aid on critical occasions especially in 1965 and 1971 Pak-India wars from Western countries particularly the US, Pakistan was left with no option but to improve its relations with China for its economic and security needs. From 1960s China became major arms and missile technology supplier of Pakistan, for strengthening Pakistan's defense and military China provided help and assistance to build arms factories. The major contributions from China in Pakistan's arm strength are provision of M-11 missiles, F-7P jet fighters, missile boats and JF17 aircrafts, Type-59 and Type-69 tanks and also provided HJ-8 antitank missile and surface to air missile, and missile technology.

In 1993, the US censured China for transfer of missile technology to Pakistan which was prohibited under the Missile Technology Control Regime (MTCR) and

⁸⁵ Daily News, (Islamabad), September 20, 1996.

imposed sanctions on Pakistan and China. But the fact was that China was not a signatory of MTCR.⁸⁶ The US has been showing reservations through out the history of Pakistan's nuclear project and on Pak-China strategic relations. In response of Indian Prithvi missile test when Pakistan tested its 1500 km Ghauri missile, the US criticized the missile test and the cooperation between Pakistan and China in the field of missile technology and declared it a clear violation of Non-Proliferation Treaty. Even America was not in favour of Pak-China deal regarding the supply of civil nuclear reactors and she was of the view that this deal is only an attempt to swathe the illegal activities.

Nuclear proliferation controversy between China and America is as old as Pakistan started its nuclear programme and improved strategic relations with China. The US did not want that Pakistan become able to get the nuclear ability. For this purpose America introduced different legislations to prevent the Pakistan to acquire nuclear potential.

3.2. Pak-US Strategic Dialogues

Pakistan and United States have a long history of strategic relations and there are also many ups and downs in their strategic relations. After establishment of diplomatic relations, Pakistan signed Mutual Defense Assistance Agreement in 1954 with the US. Under this agreement the US provided defense equipment to Pakistan.

⁸⁶ Wendy Frieman, *China, arms control, and nonproliferation* (UK: RoutledgeCurzon, 2004), 95.

This was start of their strategic relations which continued during whole Cold War period, Pakistan received a heavy chunk of military and economic aid from the US.

Soviet defeat in Afghanistan and its disintegration gave a new turn to Pak-US relations due to divergence of their interests in new emerging scenario. The US imposed sanctions under Pressler Amendments on Pakistan in early 1990s. These sanctions created problems for Pakistan. The nature of relations remained less intensive and adverse till September 1999, after the tragic event of 9/11. The US once again felt the need of Pakistan's cooperation to muster support against the Taliban and Al Qaeda in Afghanistan.⁸⁷

A new era of strategic relations between Pakistan and America has started after 9/11. Pakistan joined the US-led war against terrorism and in reward the US started to provide military and economic assistance. Pakistan was included in the category of non-NATO ally in 2004. During the President George W. Bush's visit to Pakistan in March 2006, the process of Strategic Dialogue between Pakistan and the US was initiated.⁸⁸ Four rounds of Strategic Dialogues have been undertaken between the two countries on different levels, both sides agreed that the process of dialogue should be continued.

⁸⁷ Najmuddin Shaikh, "Pak-US Strategic Dialogue: Political and Diplomatic Dimensions," *The Brookings Institution (US) and the IPRI (Pakistan)* jointly arranged a dialogue between the Pakistani and the American scholars on 29th and 30th January 2002.)

⁸⁸ Noor ul Haq and Muhammad Nawaz Khan, "Pakistan-U.S. Strategic Dialogue Fourth Round," *IPRI*, (May 2010).

On the one side, the US showed her willingness that it would provide annually millions of dollars aid and assistance to Pakistan for development of different sectors including energy, education, agriculture sector, and for exploration of its energy resources and announced aid for different projects in FATA and Baluchistan. The US also agreed to give access to Pakistani goods in the US markets. But on the other side, in the recent years attitude of the US administration toward Pakistan became more demanding and continuously emphasizing on “do more”. The United States also showed its reservations on Pak-Iran gas pipeline project and Chinese assistance on development of Gwadar Port.⁸⁹

Although the increasing relations between Pakistan and United States due to these ‘Strategic Dialogues’ are sign of success in war on terror, counter terrorism efforts, to compensate Pakistan for huge losses in the war on terror and maintain balance of power in the region. The US has desire to make sure its presence in South Asia because she has great strategic interest in South Asia. To facilitate its army in Afghanistan, Pakistan’s cooperation in the field of intelligence sharing and logistic support is essential. In March 2010, strategic dialogues America articulated the desire that Pakistan should play role to bail out the US from Afghanistan.⁹⁰ But if one look at the history of Pak-US relations, it is a fact that Pakistan remained most allied ally of America during Cold War and especially in Afghan War, however, the US used it for

⁸⁹ *The London Post*, January 03, 2011, <http://www.thelondonPost.net/DSQ03JAN20110003.html>

⁹⁰ Subhash Kaplia, “US-PAK Strategic Partnership: Strategic Implications for China,” *South Asian Analysis Group*, Paper no. 3755, (April 2010).

its own interest and never came to rescue in its crucial times. During the last few years the US has increased its interference and influence inside Pakistan.

As far as Pak-China relations are concerned, the US also wants to counterbalance the improving ties between Pakistan and China and to contain growing Chinese influence in the region. During the fourth round of Strategic dialogues, the US has showed its resentments on Gwadar Port and about the civil nuclear cooperation between Pakistan and China. It is a difficult task for Pakistan to maintain balance between present processes of Pak-US strategic ties and deep routed Pak-China strategic relations. Pakistan is on the crucial juncture of its bilateral relations history. NATO forces are present in Afghanistan, the US is continuously improving its relations with India. America is demanding do more in war no terror, Pakistan's active role in war against terror has already become the security threat for its people, hurdle for economic development and political instability in the country. In these circumstances for strengthening strategic partnership, the process of strategic dialogue should be carried out between Pakistan and United States but not on the cost of Pak-China relations.

3.3. Benign Relations

Although most of the time in the Pak-China's relations history the US position was malign and Pakistan has been facing lot of problems to maintain equal cordial relations with two big powers because of their worse relations. But due to some

important events on international scenario, the US factor played benign role in Pak-China relations.

3.2.I. War on Terror

The event of terrorist attacks on World Trade Centre in America on September 11, 2001 changed the international political scenario and left deep impacts on international relations. It was the challenge for American supremacy in the world because 9/11 attacks hurt the American pride and confidence. Soon after the attacks, the US alleged the Al-Qaida and Taliban for these attacks and they pronounced punishment and declared the war on terror.

Whole international community condemned the terrorist attacks on World Trade Centre, both Pakistan and China also strongly condemned the 9/11 attacks. These terrorist attacks became the basis of re-establishing relations between Pakistan and the US which were not cordial after the end of Cold War. Al-Qaeda leader Osama Bin Laden was in Afghanistan as a guest of Taliban government. When United States demanded Osama from Taliban, they refused to the American demand. In view of adverse cooperation from Taliban, the US declared the 'war against terror'. Some anti-Pakistan forces considered the situation an excellent chance and tried to use it against Pakistan and they portrayed Pakistan as terrorist state and also tried to isolate it from international community. In this critical situation, Pakistan decided to join the war on terror. India immediately offered its land and airspace against Al-Qaeda and Taliban in Afghanistan, when the US declared war against terror. This was an alarming situation

for both Pakistan and China because if the US and India came into an alliance in war against terror, this could have disturbed the balance of power in South Asia. In this crucial situation leadership of Pakistan and China had a series of consultations with each other. Finally Pakistan decided to join the war against terror and China ensured Pakistan that she would support Pakistan's stance and cooperation with the US-led forces. China also extended \$10 million in emergency aid to Pakistan.⁹¹

In 2001, during the Asia Pacific Economic Cooperation meeting in Shanghai, China and America decided to increase collaboration on intelligence sharing and establishment of effective mechanism against terrorism.⁹² United States, on the other hand assured China that any move towards Taiwan's independence, would not get its support.⁹³ Both countries appreciated, Pakistan's role in war against terrorism. The triangle of Pakistan, China and the US are committed for success in war against terror.

⁹¹ Keshav Mishra, *Rapprochement across the Himalayas: emerging India-China relations Post Cold War period (1947-2003)*, op. cit., 271.

⁹² B. Raman, "Counter Terrorism: India-China-Russia Co-operation," *South Asia Analysis Group*, Paper no.830, (November 2003), <http://www.southasiaanalysis.org/%5Cpapers9%5Cpaper830.htm>.

⁹³ Natalia Rigol, "A game of giants: the future of Sino-US relations," *Harvard International Review*, (spring 2005).

CHAPTER FOUR

PAK-CHINA RELATIONS IN THE CONTEXT OF REGIONAL ORGANIZATIONS

To get advantages from each other experiences and to solve the different snags between the nations, importance of international organizations cannot be ignored. The concept of regional and international organization is not new. This concept can be traced back to the history. In the ancient times different states made the alliances and signed treaties against their enemies on the basis of ideologies, religions, regions and common interest. Usually the small states entered in different alliances to protect themselves from the aggressions of big and powerful states. At that time, security of state was main concern behind the establishment of these organizations, but in the modern international scenario, economic and trade interests also had another important factor in the concept of forming these organizations.

Pakistan after its emergence as an independent state joined different alliances and forums to meet its economic and security requirements similarly China did so. Pakistan and China are two important countries of the region with convergence of several common economic and strategic interests. Though the two countries are not the member of any single regional organization but both are enjoying their presence as observer status in different regional organizations. On regional level both countries are trying to join the common regional forums. Pakistan is an active member of South

Asian Association for Regional Cooperation (SAARC) and it has wish that China should also become a member of this important forum and is also lobbying for the purpose. On the other hand China has leading position in Shanghai Cooperation Organization (SCO) and Association of Southeast Asian Nations (ASEAN). China also has desire to see Pakistan as a member of SCO and ASEAN.

Now to highlight the common strategic and economic interests of the two countries', the following three regional organizations have been taken as case studies due to the reason that China and Pakistan are closely associated and attached to the regions where these organizations are existed.

4.1. Association of Southeast Asian Nations (ASEAN)

Indonesia, Malaysia, Philippines, Singapore and Thailand are the five nations of South East Asia who established the Association of Southeast Asian Nations (ASEAN) on 8th of August 1967. Later on five other countries joined this Association, on 7th of January 1984 Brunei Darussalam, on 28 July 1995 Viet Nam, on 23 July 1997 Myanmar, Lao PDR and Cambodia on 30 April 1999 joined the Association respectively and now the members of the Association are ten.

For effective and positive role of ASEAN in political and security concerns in the region among the member countries, a new forum mainly ASEAN Regional Forum (ARF) was formed on 25 July 1994. Recently another Southeast Asian country East Timor, showed its desire to become member of ASEAN and Indonesia also want to see East Timor as eleventh member of ASEAN.

4.1.I. Aims and Purposes

The following Aims and Objectives set by the member countries in ASEAN Declaration:-

Through mutual efforts, rapidly increase the economic development, social growth and cultural development, on equal basis of mutual efforts to make South East Asian Nation's truly prosperous, developed and peaceful region of countries. By following U.N's charter and under its principals, member countries will due respect of the respective sovereignty of the countries, promoting peace, stability and mutual co-existing. Member countries will enhance co-operation among each other in field of science, technical education, economic, administration and culture. Fields of research and training should be mutually grow and assist in education, cultural, technical, administrative and scientific fields. To grow, expand and develop the industries of member countries and by utilization of agriculture, and promotion of trade, transport and raising the standard of living of common person.⁹⁴

4.1.II. China in ASEAN

Some of the member countries of ASEAN were continuously showing their enthusiasm regarding expansion of ASEAN. For the purpose, Malaysia took initiative and proposed the insertion of China, South Korea and Japan in ASEAN and creation of new forum namely East Asia Economic Caucus. This suggestion was not flourishing but after continuous efforts in 1997 ASEAN Plus Three (APT) was

⁹⁴ The ASEAN Declaration (Bangkok Declaration), 1967. See <http://www.aseansec.org/1629.htm>

created. The economic crisis in East Asian countries during 1990s played vital role in formulation of ASEAN Plus Three. Many members of the ASEAN wanted to see China as member of this organization, because these countries wanted to contain the US influence in the region and balance its involvement in Asia Pacific Economic Cooperation (APEC).⁹⁵

In 1997, during an informal meeting, ten members of ASEAN gave their consent to expand the Association of Southeast Asian Nations (ASEAN). For expansion of ASEAN a new forum with the name of ASEAN+3 was formulated and three new countries China, Japan and South Korea became the members of this organization. China has possessed the vital position in ASEAN, after joining this forum China has been playing an active role in ASEAN+3. To promote bilateral relations China has invested huge financial and human resources.⁹⁶

4.1.III. Pakistan Look-East Policy

The concept of look-East is an important factor behind Pakistan's keen interest and desire to establish the relations with ASEAN. The concept of look eastward in Pakistan's policy making process is not new, it can be traced in pre-independence. Great Muslim philosopher, thinker and poet Dr. Muhammad Iqbal, whose ideas gave the inspirations and played vital role to mobilize the Muslims of subcontinent for creation of a separate homeland for them was also of the view that instead of

⁹⁵ Michael Kelly Connors and Remy Davison, Jorn Dosch, *The new global politics of the Asia-Pacific* (UK: RoutledgeCurzon, 2004), 156.

⁹⁶ Ibid., 156-157.

dependence on west the Muslims of subcontinent should have cordial relations with the eastern countries. He was very much impressed from great economic and industrial development of Japan and he gave the idea of Look East to lay guidelines and learn from its experiences for rapid industrial development and to improve the literacy rate upto hundred percent.⁹⁷

After independence under the critical circumstances, the policy makers of newborn state could not realize the importance of this great idea and later on because of disintegration of East Pakistan and due to Afghan war the uncertain conditions in the region, Pakistan could not achieve the objectives for this policy at required level. But it is a fact that Pakistan was originator of the concept of Look East Policy and after her, other Asian nations like South Korea, Taiwan, Singapore, Malaysia and even India adopted the Look East and took big advantages from Japan's experiences⁹⁸.

4.1.IV. Pakistan in ASEAN

During the Cold War period this region remained the central point in the world politics and due to its geostrategic importance, Pakistan remained a frontline state in Afghan war. The end of Cold War considerably changed the pattern of international politics and international relations. The decade of 1990 brought new change in Pakistan's foreign policy and Pakistan reviewed its relations with East Asian

⁹⁷ Dr. Muhammad Iqbal "Quomi Zindagi, 1905. (Cited Ahmad Rashid Malik "Pakistan's Vision East Asia: Pursuing Economic Diplomacy in the Age of Globalisation in East Asia and Beyond," *IPRI Journal*, Paper no.11, (July 2006), 6.)

⁹⁸ Ibid., 12

Countries. The relations between Pakistan and China remained good enough even in Cold War era and China is an important country in ASEAN+3. Although Pakistan's status in AEASN is as Sectoral Dialogue Partner and it is not yet the member of ASEAN.

4.1.V. Pakistan and ASEAN Regional Forum (ARF)

After getting the status of Sectoral Dialogue Partner Pakistan has been trying to enter in ASEAN Regional Forum (ARF), but due to some hurdles, Pakistan is facing difficulties to join this Forum. India which was already full-fledged participant of ARF, it has continuously been resisting against Pakistan's entry in ARF. Indian lobbies created problems for Pakistan's membership in ARF because India had fear that if Pakistan would join the ARF, it would use this forum to highlight the Indo-Pak bilateral issues including Kashmir issue.⁹⁹

After constant struggle from Pakistan and instant support from the ASEAN countries Thailand, Cambodia, Myanmar, Singapore, Laos, Vietnam and Philippines, including Muslim friends Malaysia, Indonesia and Brunei, on 02 July, 2004, Pakistan became 24th full-fledged member of ASEAN Regional Forum.¹⁰⁰ Since her insertion as member in ARF, Pakistan is playing a vital role in this forum. Instability, terrorism and security problems on international level in general and on the regional level in

⁹⁹ Rodolfo C. Severino, *Southeast Asia in search of an ASEAN community: insights from the former ASEAN Secretary-General* (Singapore: ISEAS Publishing, 2006), 196.

¹⁰⁰ Fazal-ur-Rehman, "Pakistan and the ASEAN Regional Forum," *ISSI*, vol. XXIV, no.4, (winter 2004).

particular are the hurdles for economic development and trade activities of ASEAN and ARF member countries. ARF participants recognized Pakistan's active role in war against terror and cooperation for regional security.

4.1.VI. Sino-Pakistan Cooperation through ASEAN

Due to geographical proximity and historical linkages between the Pakistan and ASEAN countries, there are lots of opportunities for Pakistan to get advantages from the experiences of ASEAN countries in the field of industrialization and ASEAN countries can utilize the strategic location of Pakistan. Pakistan and China can also take advantage through this regional forum because due to its economic power China has great influence in ASEAN countries and it can use its influence for step up the economic and bilateral relations between Pakistan and ASEAN countries. Being a member of ARF, Pakistan is trying to establish more close economics and friendly relations with ASEAN countries, especially with member Muslim countries, these close relations can be helpful to contain Indian influence in ASEAN region. China has economic and strategic rivalry with some ASEAN countries like Japan, India and South Korea. In the recent years India, Japan and South Korea has increased joint military exercises in the South China Sea and Indian Ocean. India and the US had started joint patrolling in Malacca Straits.¹⁰¹ Pakistan always tried to protect the Chinese interests in ARF and if Pakistan becomes a full member of ASEAN, it can be more favourable for China.

¹⁰¹ Saw Swee Hock, Sheng Lijun and Chin Kin Wah, *ASEAN-China Relations: Realities and Prospects* (Singapore: Institute of Southeast Asian Studies, 2005), 139.

Under the changing global economic trends, it is the need of time that both Pakistan and China improve their economic relations and ASEAN can be an effective forum for this purpose. China has signed Free Trade Agreements with different ASEAN countries, Pakistan can also get advantages through concessions in different taxes and tariffs as a member of ASEAN.

At the end of Cold War especially after 9/11, threats from terrorist and terrorist organizations to entire world and particularly to Asian region emerged. The close ties between Asian countries are the need of the time. Strong pro-Indian lobbies are actively working against Pakistan in ASEAN, they are trying to stop Pakistan's membership in ASEAN and some other ASEAN countries have also reservations about Pakistan's membership in the Organization due to terrorists active in some of ASEAN countries and their links with Jahadi elements in Pakistan and internal security problems of Pakistan. On the other hand China has desire that Pakistan become the member of ASEAN and play active role in ASEAN. Through this regional forum Pakistan and China can counter different conspiracies against them and enhance the cooperation with other regional countries.

4.2. Shanghai Cooperation Organization (SCO)

Five heads of states including China, Russia, Tajikistan, Kyrgyzstan and Kazakhstan formed the 'Shanghai Five' in April 1996 during their meeting in Shanghai. After the joining of Uzbekistan, the Shanghai Five was converted into Shanghai Cooperation Organization (SCO) in June 2001.

4.2.I. Objectives and Purposes of SCO

In the Charter of Establishment of SCO on 15 June 2001 in Shanghai, the member countries set the Objectives of organization that to promote of effective collaboration in field of politics, economic trade, science, culture, technology energy, transport, environmental protection among its member countries. Work for enhancement in the friendly relations, mutual trust and friendly neighbourhood among its member countries.¹⁰²

4.2.II. China in SCO

China was the initiator of the proposal regarding formation of Shanghai Cooperation Organization and she played very active role during the formation process of initially 'Shanghai Five' in 1996 and later on SCO in 2001, its role not only in organization and internal matters but also played a very important role in political fields.¹⁰³ After the formation of SCO, China has been trying to establish effective economic and trade collaboration with its member states and strengthening its relations with these countries. After establishment of this organization, China remained the main driving force in the development and strengthening of SCO. For social and economic development of SCO, China provided special loans of \$900 million to the SCO member states of Central Asia.¹⁰⁴

¹⁰² SCO Charter and Declaration on the Establishment of the SCO. See <http://www.sectSCO.org/html/00088.html>

¹⁰³ *People's Daily Online*, (Beijing) March 23, 2007. See English.peopledaily.com.cn/200703/23/eng20070323_360426.html

¹⁰⁴ Bailes, Alyson J. K., Dunay, Pal, Pan Guang, Troitskiy, Mikhail, "The Shanghai Cooperation Organization," *SIPRI*, paper no. 17, (May 2007), 49.

China's growing energy requirements, economic and trade development, influential role in the region and some security reasons are the main factors behind the China's active involvement in the creation of SCO. Xinjiang is a Muslim majority province of China, which situated along with the borders of newly-independent Central Asian States. The people of this region have historical and traditional ties with Central Asian States. China has a stake for its internal security as there is unrest situation in Xinjiang province due to the activities of some Muslim separatist groups. To control effectively the unrest in Xinjiang province and for security of its western border, China's peaceful relations with Central Asian Republics are very important. China and Central Asian States have signed many agreements for cooperation against the separatism and insurgency in border areas. Kyrgyzstan, Tajikistan and Kazakhstan have conducted direct military operations against Xinjiang separatists on many occasions.¹⁰⁵ There were some issues of disputed islands and border disputes between China and former USSR. China has also been trying to resolve these outstanding matters peacefully on the basis of dialogue with newly independent Central Asian states through SCO.

Russia is a big power of the region and also an important country of the SCO. Although many Central Asian states got independence after the collapse of USSR but still Russia has great influence in these states. The relations between Russia and China were not good during the Cold War but after Cold War both countries felt need to

¹⁰⁵ Michael E. Clarke, *Xinjiang and China's Rise in Central Asia a History* (UK: Routledge Publishers, 2011), 144.

increase cooperation to contain the US influence in the region, to achieve their mutual strategic and economic interest and to resolve their border disputes such as disputed islands in the Amur and Argun Rivers.¹⁰⁶

4.2.III. Pakistan in SCO

Two leading nations of SCO “China and Russia” want to include their close allies from South Asia in SCO. Russia is an important member of Shanghai Cooperation Organization and due to its long cordial relations with India, she wants India to be a member of SCO. To counter the Indian presence in SCO, China also wants to see Pakistan as SCO member. After great lobbying from China and Russia, in 2005 Pakistan and India were given the observer status in SCO along with other two countries Iran and Mongolia.¹⁰⁷

Four SCO member Central Asian States Tajikistan, Kyrgyzstan, Kazakhstan and Uzbekistan got independence at the end of Cold War from Soviet Union after its collapse. These all are Muslim States, they have very rich energy resources and large consumer markets. To access the Central Asian States energy resources and increase its trade with these states, China wants Pakistan’s active participation in SCO and to become a member of SCO. On the other hand Pakistan’s Gwadar Port is a shortest route for these Central Asian States to export their goods. Through this great opportunity they can save time and money.

¹⁰⁶ Arndt Graf, ed., *Part cities in Asia and Europe* (UK: Routledge Publishers, 2009), 144.

¹⁰⁷ *The Hindu*, (New Delhi) August 12, 2005, <http://www.hindu.com>

After getting observer status in Shanghai Cooperation Organization, the then Pakistani Prime Minister, Shaukat Aziz said that Pakistan's participation in the SCO "would open new avenues of cooperation with other countries in the region" and Pakistan's involvement in different regional and international issues will increase its diplomatic activities and also strengthening its relations with China, Russia and Central Asian member countries.¹⁰⁸

In 2006, during his address in SCO Summit in Shanghai, President Musharraf, stated that:

In geopolitical, geostrategic, and geo-economic terms, Pakistan is most suitably positioned not only to promote but also to play a key role in all interests espoused in the SCO charter. Pakistan provides the natural link between the SCO states to connect the Eurasian heartland with the Arabian Sea and South Asia. We offer critical overland routes and connectivity for mutually beneficial trade and energy transactions intraregionally. We have a vision to develop Pakistan as a hub of economic activity linking the neighbouring regions through our railways, highways, and ports, thus serving as a trade and energy corridor.¹⁰⁹

Although Pakistan is struggling to get full-member status in SCO and China is also helping it for its inclusion in the SCO. But there are some hurdles in Pakistan's way to join SCO. Such as, Russia does not want to see Pakistan as a member of SCO, because during the Cold War era, Pakistan remained Western ally, especially after

¹⁰⁸ Ahmad Rashid Malik "Pakistan's Vision East Asia: Pursuing Economic Diplomacy in the Age of Globalisation in East Asia and Beyond," *IPRI Journal*, Paper no.11, (July 2006), 88.

¹⁰⁹ "President Musharraf's Address at SCO Summit," See, http://www.presidentofpakistan.gov.pk/FilesSpeeches/ForeignVisits/6152006103647PMAddress_SCOSummit.pdf

Soviet invasion in Afghanistan. Pakistan became a frontline state in Afghan war and provided full support to Afghan Mujahedeen. Russia considers that Pakistan played a big role in its defeat in Afghanistan. The Central Asian states have also some reservation on Pakistan's membership in SCO due to involvement of some militant groups from Pakistan with the Jihadi elements which are active in those states and links of Islamic Movement of Uzbekistan (IMU) and Hizb-ul-Tahrir with Pakistani groups. Some leaders of Central Asian states thought Pakistan's intelligence agency ISI has been supporting IMU and other militant groups active in these states. In 2000, a high level Russian delegation visited Pakistan and provided some evidence that the Tajiks, Uabeks, Uighurs and Chechens terrorist are getting training from terrorist training camps in Pakistan.¹¹⁰ Due to these hostile relations Pakistan could not get economic and strategic advantages from Russia. Afghan war is another factor in Pak-Russia critical relations. Terrorism, economic and political instabilities in Pakistan are also hurdles in way of Pakistan to get the permanent member statues in SCO.

Pakistan's entrance into SCO as member will strengthen Pak-China economic, trade and strategic relations. China has been taking deep interest in development of different projects in Pakistan, especially development projects in the coastal regions, Gwadar Sea Port and Karakorum Highway. When these projects will be fully operational, Pakistan will become a hub for economic activities in the region.

¹¹⁰ Meena Sigh Roy, "Pakistan's Strategies in Central Asia," *Institute of Defence Studies and Analysis*, vol. 30, (October 2006), See http://www.idsa.in/strategicanalysis/PakistansStrategiesinCentralAsia_msroy_1006

Pakistan will provide transit facilities and it will become a “corridor for trade and energy” for China and Central Asia.¹¹¹

Pakistan has also been facing serious energy crises since last few years and to overcome on these energy crises Pakistan can take advantage from Central Asian states and Russia. Although Pakistan has signed the agreement of Turkmenistan-Afghanistan-Pakistan (TAP) pipeline project regarding supply of natural gas from Turkmenistan via Afghanistan.¹¹² Pakistan also has wish to make such like agreement with Central Asian SCO member states to meet its energy requirements and China has great influence in SCO and it can play an important role to enhance cooperation between Pakistan and SCO states. Terrorism in the region and instability in Afghanistan is also a big hurdle in economic and trade activities in the region, Pakistan and China can play effective role for peace and stability in the region through SCO forum. As a member of SCO, Pakistan can enhance its trade with other members and observer countries.

4.3. South Asian Association for Regional Cooperation (SAARC)

The South Asian region has not only rich, oldest civilizations and ancient cultures but also has geographically and strategically important location with great natural resources. Almost all countries of this region remained under colonialism and

¹¹¹ Maqbool Ahmad Bhatti “China’s Peaceful Rise and South Asia”, *IPRI Journal*, Paper no.13, (August 2008), 33.

¹¹² Christopher Len, “Energy Security Cooperation in Asia: An ASEAN-SCO Partnership”, *Singapore: Institute of Southeast Asian Studies*, (2007), 164.

imperialism in recent history. After getting independence from colonialism and imperialism, these countries joined different organizations under the influence of their ex-masters and big powers. But there was not a single organization through which they could improve their bilateral relations and regional cooperation. Bangladesh with the great support of Sri Lanka and Nepal gave the proposal of regional forum in 1980. Initially the two important countries of South Asia Pakistan and India showed some apprehensions about creation of such like organization because of different reservations against each other.¹¹³

From 1981 to 1985 on the foreign secretaries and foreign ministers levels, several meetings were arranged and on the recommendations of foreign ministers meetings the South Asian Regional Cooperation Committee was formed in 1983 and on 8th December 1985 in Bangladesh the leaders of seven South Asian countries formed the South Asian Association for Regional Cooperation (SAARC).¹¹⁴

4.3.I. Aims and Purposes of SAARC

South Asian Association for Regional cooperation was founded basically to promote and bring prosperity and betterment in the quality of life of people. To inculcate, generate and to promote economic, social and cultural development among the member countries, struggle for improvement in individual living and betterment of people. To generate the self-reliance and self-dependability among the member

¹¹³ Abdul Sattar, *Pakistan's Foreign Policy 1947-2005* op. cit., 89.

¹¹⁴ Sarfaraz A. Akhund, *Interaional Political/Economic Relations Principals and Policies* (Karachi: Azad Communications, 1998), 234.

countries, out of dependency of powerful countries. Member countries aim would to assist each other in fields of social, economic cultural, scientific and technical fields. Organization and forums working on same grounds should be encouraged and would be cooperated by SAARC member countries on international forums and common issues.¹¹⁵

4.3.II. Pakistan in SAARC

Pakistan is an important country of the South Asian Association for Regional Cooperation (SAARC), she is playing active role in this Association and enjoying good relations with SAARC countries except India. From the very beginning Pakistan has one of the big concerns that India is big and powerful country in SAARC forum and she could use this forum for fulfillment of its hegemonic desires. It is a fact that India due to its size and location has influential position in South Asian region which shares common borders almost with all SAARC countries. India has conflicts with Pakistan, Bangladesh, Nepal and Sri Lanka and always tried to get the dominant position in SAARC forum. To counter the Indian influence in SAARC, Pakistan has been trying to enter China in SAARC as a member because China is a big power of the region and emerging economic and military power of the world. After Economic reforms, China paid special attention on better economic relations with its neighboring countries. In this connection, she built economic relations with South Asian neighbors. Out of the eight members of SAARC, four members including Pakistan, Sri Lanka,

¹¹⁵ Ibid.

Nepal and Bangladesh have not good relations with India. But on the other hand these SAARC countries especially Pakistan has enjoying good relations with China and they are trying to include China in South Asian Association for Regional Cooperation (SAARC). China also interested in her insertion into the SAARC due to its economic and strategic interests in this region.

Pakistan is one of the major supporters of China's inclusion in SAARC. Pakistan moved several time the proposal to accommodate the new members in SAARC, but always India was the big opponent of this proposal. The main reason behind the Indian hostile attitude is that India considered the Chinese entrance into the SAARC will challenge its hegemonic position in SAARC and if China becomes a member of this organization, it will definitely take the leadership of SAARC which will go in favour of Pakistan. Initially Pakistan and Maldives were in favour of this proposal but now Nepal and Sri Lanka also want China to be a member of SAARC.

4.3.III. China in SAARC

In 2005, China became observer in SAARC at its 13th Summit held at Dhaka. After getting the observer status, China has been increasing its relations with the South Asian countries. China took different initiatives to improve economic, trade and cultural relations with SAARC countries.

For its economic interests China is taking keen interest to improve relations with other South Asian Countries and it is also a fact that India is a big trading partner of China, even Pakistan and China consider each other 'all weathers friends' but trade

between Pakistan and China is 60 percent less from China-India trade, especially export from Pakistan to China is very low.

4.3.IV. Sino-Pakistan Cooperation through SAARC

Cooperation between Pakistan and China in SAARC affairs is not only for economic and trade interests but also there are big involvements of strategic and security interests. The Indian Ocean has big attraction for great powers to maintain their supremacy in the region and to make safe their oil and fuel supply route. In the recent years, a very big project for which China has been providing huge support to Pakistan is Gwader Port.

The end of Cold War affected the balance of power in the South Asian region. After the disintegration of the Soviet Union, the United States being a single super power reshuffled its relations with different countries. This reshuffling also affected the Pak-US relations and Indo-US relations. The Post Cold War era has diminished Pakistan importance for America in the region and the US has been improving its relations with India due to its economic and strategic interests but the main propose behind these improving relations is to contain China. Most of the SAARC countries have not friendly relations with India because of its hegemonic attitude toward these countries including Pakistan. These circumstances provide the opportunities to China to increase its influence with SAARC.

Another reason behind Chinese desire of peace and stability in South Asian region is peaceful and tension free environment for economic and trade activities. In

the recent years, China negotiated with neighbouring countries to solve the border and other disputes. For energy requirements, China depends about 80 percent on the Middle East and African energy resources and she uses the Malacca Straits for movement of its oil and gas tankers from Africa and Gulf East. American presence in Gulf Sea and due to some other threats, China can not wholly depend on these routes. For export of its manufacturing goods, China has also required secure access to Gulf and Central Asian markets.

In SAARC countries Pakistan, Bangladesh and Sri Lanka have ideal locations in Indian Ocean. China is interested to build the roads and railway tracks toward these sea ports which will ensure the Chinese presence in Indian Ocean. Although the relations between China and India have been improving in the Post Cold War era but on the other hand, it is also a fact that India is the only competitor of China in this region. China signed an economic and trade agreement with Sri Lanka, under this agreement China can access to Colombo sea port. Bangladesh also has good relations with China, for Chinese access to Indian Ocean Bangladesh's Chittagong Port is also an excellent opportunity and Bangladesh has offered China's naval access to this port.¹¹⁶ Improving ties between China and SAARC countries other than India are in favour of Pakistan because India has hegemonic position in SAARC that always affects the Pakistan's interests in the SAARC. Kashmir dispute always become an obstacle in way of effective progress of SAARC, India always avoided discuss the

¹¹⁶ Anand Kumar, "China's Expanding Strategic Footprint," *OpinionAsia*, (October 2010), <http://opinionasia.com/ChinaExpandingStrategicFootprint>

Kashmir problem in SAARC forum and it was also become a cause of postponement of SAARC summit in 1999.¹¹⁷ China as a member of SAARC can contain Indian supremacy in SAARC.

As members of SAARC, Pakistan and China can grow their bilateral economic relations because both countries have convergence of economic interests. For the development of energy resources and communication networks China can provide help and assistance to Pakistan. However on government level both countries have good contact but people to people contacts and cultural relations is not at required level, SAARC forum can be provided good opportunities to the people of both countries to improve cultural relations.¹¹⁸

Terrorism is a big threat on international as well as regional level, through SAARC forum both countries can do effective efforts against terrorism. In the emerging international and regional scenario, both countries need to take initiatives to improve their economic and trade relations, they need to enhance collaboration in the fields of education, sports, science and technology, defence, agriculture and health, SAARC can be useful forum for these purposes. These all aspects are in favour of China's permanent membership in SAARC.

¹¹⁷ *Dawn*, (Islamabad), June 19, 2003.

¹¹⁸ *The Nation*, November 2007.

CHAPTER FIVE

CONCLUSION

5.1. Findings

Pakistan and China are “time tested” and “all weather” friends. They have friendly and cohesive relations with each other based on mutual respect, harmony and bilateral cooperation. China is a major state of the region and emerging international economic and military power and Pakistan has very important strategic location. Both countries established diplomatic relations soon after their birth.

At the time of independence there were lots of security and financial problems for Pakistan. Security concerns due to Indian quest for hegemony, exploitation of its military and economic dominance and recurrent threat were the main factors that compelled Pakistan for foreign defense cooperation and Pakistan joined western alliances. Due to joining of these alliances during 1950s Pak-China relations were good enough, on the other hand during this period China-Indian relations were very cordial. But the 1962 war between China and India was the event that started new era of cordial relations between Pakistan and China.

From early 1960s to 1990 both countries enjoyed very warm relations. Pakistan started to support China’s stance on different issues, particularly on the issues of Tibet, Taiwan and Xinjiang. Pakistan voted for China’s seat in United Nations. Conversely China also supported Pakistan over Kashmir issue and other Indo-Pak

disputes. Pakistan enjoyed moral as well as diplomatic support of China in the UN and other forums.

The end of Cold War considerably changed the pattern of international politics and international relations which affected the relations among the different states. Power structure of world politics changed from bipolar to unipolar after disintegration of Soviet Union and due to this change, balance of power of the world also changed. Most of the states re-examined their bilateral relations and tried to change their relations at international and regional level according to new political scenario.

The end of Cold War brought a new change in Sino-Indian relations in the changing international situation. They realized the importance of cooperation to achieve their economic and strategic objectives. Economic interests always play an important role in bilateral relations and China is emerging economic power and India is also becoming a part of this race from last few years.

After Cold War a slight change has also been observed in Pak-China relations. China has adopted cautious attitude toward Kashmir dispute and changed its previous stance “right of self determination for the Kashmiri people”. Now she emphasizes that the Kashmir issue should be resolved through peaceful negotiations between Pakistan and India. China also kept herself neutral in Kargil crisis and 2001 military standoff between Pakistan and India. Although Pakistan and China have long history of friendly relations and China provided Pakistan undeniable support to improve its defense and fulfillment of its military requirements but economic and trade relations

between them are not at required level. The difference between export and import is very gigantic. Pakistan imports large number of different items from China but export from Pakistan to China is very low.

The US factor has important position in the history of Pak-China relations. Pakistan has been facing big problem to maintain the relations with both China and the United States at the same time due to divergence of their interests. Pakistan remained an important ally through out the Cold War and played a frontline state during the Afghan war and the US used Pakistan for its own interests.

At the end of the Cold War, America reviewed its foreign policy toward Pakistan and started to enhance distance from Pakistan and she has been increasing her relations with India to take advantage of the large consumer market and also to contain the emerging power "China" because the US has been considering China a new challenge for the US hegemony due to its rapid economic and military growth in the recent years. In South Asia, India is best option for the US to restraint China.

Indo-US improving relations in the Post Cold War era on the other side affected Pak-China relations positively. The policy of the US to counterweigh China through India was an alarming sign for China because due to its rapid economic and strategic growth India will be a competitor of China in region. The United States wants to see India as a strong military and economic power in South and South East Asia to contain China. Pakistan also considered the Indo-US nuclear deal and other defense ties as threat for its security because Pakistan and India have already fought

wars on Kashmir issue which is still major bone of contention between two countries and their relations are based on “zero-sum-game”. So any advantage of India is indirectly the disadvantage of Pakistan. Under these circumstances both Pakistan and China are realized that it is the need of time that they must strengthen their relations for long term interests.

Pakistan has full member status in South Asian Association for Regional Organization (SAARC) and China has observer status in (SAARC) and Pakistan is helping China to become a member of this organization. China is trying to improve its relations with SAARC countries especially with Pakistan, Bangladesh and Sri Lanka because they have share in Indian Ocean and China wants presence in Indian Ocean for its economic and strategic interests through their naval bases.

China is an active member of Shanghai Cooperation Organization (SCO) and Association of Southeast Asian Nations (ASEAN). Pakistan has observer status in (SCO) and dialogue partner in (ASEAN) and looking for member status. Pakistan and China have no member status in any same regional organization. According to some analysts both countries can play a positive role to protect interests of one another as member of these regional organizations.

Despite of fact that during Post Cold War era slight changes has been observed in Pak-China relations but both countries still consider good relations are need of hour to address their respective internal security threats and to deal with external factors with the help of each other.

5.2. Recommendations

To minimize this trade imbalance between Pakistan and China, both countries should take concrete steps. Pakistan must improve quality of its goods and China should give the special relaxations in tax and different tariffs for Pakistani goods. Pakistan is facing serious energy crisis from last few years. To overcome this problem, both countries should improve their cooperation in the field of civil nuclear technology.

China should help Pakistan to handle the internal security problems because externally and internally threat free Pakistan can effectively play the role of reliable friend for China.

Indo-US improving relations are worrisome for both Pakistan and China. So, Pakistan and China should strengthen their relations to contain Indo-US influence in the region. China should play its influence to resolve the Kashmir problem according to UN resolutions.

This fact can not be denied that the US is sole superpower of world. On the other hand China is neighbouring country of Pakistan and emerging major power. In this scenario it is necessary that Pakistan should maintain balanced relations between China and the US. Pakistan should establish its relations with China and America on the basis of trade instead of aid.

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