U.S.-China Relations: Seeking Strategic Convergence in Pakistan

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Pakistan is under the influence of a dangerous cocktail. It at once faces a growing insurgency led by Taliban and al Qaeda militants, a domestic political system characterized by interminable infighting, and an economic meltdown. Inside the U.S. government, preventing against a Pakistani collapse has become the clarion call for inter-agency coordination. The antidote, however, is unclear. Pakistani officials have long considered the United States a fickle and unreliable partner. For the last sixty years U.S. policy toward Pakistan has oscillated wildly between two extremes: entrancement with Islamabad and an unquestioning embrace of its policies, or chastisement of the country for provoking wars or developing nuclear weapons. Today, Pakistani discontent with Washington stands at a record high. According to recent polls, only 16% of Pakistanis have a favorable view of the U.S., while 68% look upon the United States unfavorably. From 2000 to 2008, America's unfavorable ratings in Pakistan consistently exceeded 50%. Pakistanis believe the United States treats them as a disposable ally—a convenient friend when fighting communism or al Qaeda, but one just as easily thrown away when core American interests are no longer at stake.

In the same surveys of Pakistani attitudes, meanwhile, the People’s Republic of China (PRC) consistently receives high marks (84% favorability in 2009). More importantly, Islamabad considers Beijing to be the cornerstone of its foreign policy. Since the early 1960s, when Islamabad and Beijing solidified their friendship based on mutual antagonisms towards India, Beijing has wielded significant political, economic, and military influence in Islamabad. Leaders from both countries describe the relationship in lofty prose—from “higher than the Himalayas” to “deeper than the Indian Ocean.” For Pakistan, China has been everything the U.S. has not, while the PRC has leveraged Pakistan’s volatile relationship with India to maintain a strategic hedge against a close competitor in the region. In the past, Beijing has not wanted to engage with the United States on the subject of the Sino-Pakistani relationship. From suspicions of an outright American encirclement strategy, to general skepticism of American commitment in the region, Beijing has been unwilling to accept joint approaches on Pakistan and South Asia.

The facts on the ground, however, are slowly changing. As China rises—whether with peaceful or revisionist intentions—it has a strong interest to develop internally and to protect its human and physical interests throughout the world. With this mindset, Pakistan sits at the nexus of many of its most pressing concerns. Beijing has invested billions of dollars in highways, naval ports and energy conduits within Pakistan, all of which serve China’s strategic or economic security needs. Further, in the wake of Uighur Chinese discontent in the Xinjiang province, concern in Beijing that militant Islamic ideology in Pakistan might actuate further domestic rioting in the mainland has intensified. And finally, while China’s border disputes with India remain unresolved, the two giant neighbors have established a mature framework for discussion that supplements a more robust interaction characterized by rapidly increasing trade and people-to-people exchanges. This rapprochement is indicative of China’s broadening agenda in South and Central Asia.
In light of those factors, the time is ripe for the United States and the PRC to add the stability of Pakistan to the top of their bilateral agenda. As it stands, the agenda is already replete with important challenges. These include cooperating to realize balanced global economic growth, working towards an enduring peace in the Taiwan Straits, achieving denuclearization in North Korea and Iran, and mitigating or reversing the negative affects of climate change. And while officials in the U.S. and China have taken care to prevent the spillover of challenges in one issue area from impeding progress in another, a government takeover by al Qaeda and the Taliban would serve as an endogenous shock to many—if not all—of the other issues on the table.

The United States and China can preempt this shock by beginning a serious dialogue with each other and with the Pakistanis about how to stabilize the beleaguered country. In order to do so, policy makers will first have to understand the matrix of independent and shared links each country has with Pakistan.

This paper focuses on the parallel development of the political, economic and security relationships between China and Pakistan, and the United States and Pakistan. It reviews the origins of those relationships and explains why Beijing, Islamabad and Washington have proved unable to cooperate in the past to achieve measurable security gains. It then analyzes the deteriorating situation in Pakistan today and highlights both the American and the Chinese interest in sustaining a stable Pakistan. This assessment is followed by recommendations on how the three countries can come together to achieve short-term security goals in Pakistan. Finally, it examines the prospects for achieving structural changes that can bring enduring peace to South Asia.

**History of the China-Pakistan Relationship**

China and Pakistan have shared an “all-weather friendship” for the last five decades. Beijing and Islamabad have forged civilian and military contacts, traded nuclear secrets, exchanged intelligence, and, importantly, cooperated against common Indian and Soviet adversaries. The relationship started in 1950, when Pakistan became one of the first countries to recognize the PRC. Their partnership did not gather real momentum until 1962 when China and India engaged in a war over the disputed territory of Ak- sai Chin and the territory then known as the North East Frontier Agency (today, India considers the land to constitute the state of Arunachal Pradesh, while China considers it part of the Tibet Autonomous Region). China quickly and thoroughly defeated an unprepared and overmatched Indian military, and, in a last ditch effort, Indian Prime Minister Jawahar- lal Nehru sent a request to U.S. President John F. Kennedy for military support. Kennedy saw Nehru’s plea as an opportunity to gain a foothold in South Asia against the spread of Soviet and Chinese communism, and began providing armaments such as automatic rifles, heavy mortars and recoilless guns to India.

America’s other partner in the region, Pakistan, did not look favorably on Washington’s support to its existential enemy. Pakistan had eagerly joined the Southeast Asian Treaty Organization (SEATO) and the Central Treaty Organization (CENTO) in 1954 as part of U.S. Secretary of State John Foster Dulles’ efforts to erect a barrier around Soviet and Chinese communist power. Pakistan even gave the U.S. use of a top secret air base near Peshawar to fly U2 reconnaissance missions over the Soviet Union. In return, the U.S. equipped and trained the Pakistani military. The Pakistani military used this equipment and training to bolster its negotiating position with India in talks over Kashmir and to prepare for a conventional war with India. Islamabad therefore considered American support to India in the Sino-Indian war as a betrayal—the first of many to come.

Meanwhile, China took advantage of this schism by reaching out to Pakistan. In the early 1960s, Beijing and Islamabad concluded two landmark agreements and jointly began construction of a major roadway, which added significant ballast to their relationship. The first was a bilateral trade agreement in 1963. The second was the 1963 Sino-Pakistan Frontier Agreement, whereby China ceded over 1,942 square kilometers to Pakistan and Pakistan recognized
Chinese sovereignty over 5,180 square kilometers of land in Northern Kashmir and Ladakh. Lastly, the two countries collaborated on the Trans-Karakoram highway, which is often referred to as either the ninth wonder of the world or “Friendship Highway.” The highway connects the northern areas of Pakistan to the Xinjiang province in China and traverses one of the old Silk Road trading routes. The construction began in 1966, and nearly 1,000 Pakistanis and 100 Chinese workers died during the twenty years it took to complete. The road today is considered vital for commercial and strategic purposes.

The subsequent decades were characterized by a deepening and strengthening of ties between the two neighbors. China relinquished its neutral stance on the Kashmir dispute between India and Pakistan and tilted towards the latter. In the 1965 India-Pakistan war, Chinese Premier Zhou Enlai is reported to have assured the Pakistanis that “China was prepared to put pressure on India in the Himalayas ‘for as long as necessary.’”\(^4\) Further, Beijing served as a key ally for Pakistan in the United Nations where it provided diplomatic support to Pakistan’s position on Kashmir. In the aftermath of the 1971 Pakistani civil war and eventual war with India, China also vetoed Bangladesh’s application for recognition as an independent country in the U.N. General Assembly because it considered Bangladesh to be a rebellious province of Pakistan. This was a remarkable testament to the Chinese regard for its friendship with Pakistan. To date, as a member of the permanent five in the U.N. Security Council, Beijing has only used its veto on six occasions—voting against Bangladesh was the People’s Republic of China’s first-ever use of this power.\(^5\)

The early seventies were also significant in the history of Sino-Pakistani ties because of the critical role that Islamabad played in providing the backchannel for negotiations between the United States and China. President Richard Nixon, looking to take advantage of the Sino-Soviet split, wanted to reach out to Beijing in order to alleviate America’s flailing position in Southeast Asia and enhance its position against the Soviet Union. Nixon and his National Security Adviser, Henry Kissinger, were enamored with Pakistan’s President Yahya Khan and believed that “Pakistan was our only channel to China.”\(^6\) Khan ultimately arranged for Kissinger to take a stealth flight from Islamabad to Beijing, thus beginning the normalization of the U.S.-China relationship.

**Motivations for the China-Pakistan Relationship**

For China, the motivations for pursuing a relationship with Pakistan have evolved over time. In the early 1960s, Beijing was driven to obtain a hedge in South Asia against what it perceived as India’s hegemonic ambitions. Islamabad’s support in the Sino-Indian boundary dispute validated China’s period of outreach to its neighbors, and China’s anti-India policy provided the foundation of the Sino-Pakistani relationship moving forward.

In late 1979, Beijing and Islamabad added a new layer of converging interests to their friendship when the Soviet Union invaded Afghanistan. Beijing and Moscow were in the thick of the Sino-Soviet split, and the Soviets, in accordance with the 1968 Brezhnev doctrine, believed that Moscow had the right to intervene in Communist countries threatened by domestic upheaval. Chinese officials saw this as a veiled attempt at expansionism—the first step in a broader Soviet plan to achieve complete domination in Europe and to extend its hegemony into South and Southeast Asia. China feared that if the Soviets were able to gain control of routes to the Indian Ocean, its own lack of an early warning system and sufficient naval forces would not be able to match up with Soviet naval supremacy, and therefore China would be at the Soviets’ mercy from all sides.\(^7\)

Beijing assumed that Moscow’s newfound control over Afghanistan would enable the Soviets to locate nuclear weapons just outside the Xinjiang province along the border that Afghanistan and China shared. Further, the Soviets had already stationed 1,000,000 troops on the Sino-Soviet border. Beijing therefore felt that a direct military response in Afghanistan would ignite the Soviet forces along its northern border. Meanwhile, Pakistan was in crisis mode. Islamabad felt that the Soviets would next march into Pakistan, and Beijing concurred. The mutual concern with the Soviets led Beijing to start providing strategic and military
support to mujihadeen fighters already being funded and trained by Islamabad in order to avoid direct military engagement with the superior Soviet forces. In order to assure Pakistan, Chinese Foreign Minister Huang Hua also gave a security guarantee that if the Soviets invaded, China would come to its defense.8

The intensification of Sino-Pakistani relations in warding off the Soviets presaged another important Chinese motivation for befriending Pakistan—the Islamic Republic served as a gateway to forging relations with the Muslim world, as well as a physical channel to the rest of Southwest Asia, Central Asia and the Indian Ocean. In response to the Soviet invasion, China became very public in its concern for Soviet aggression against Muslim countries. At the 1980 meeting of the Organization of the Islamic Conference held in Islamabad, Beijing addressed the forty-two foreign ministers of Muslim nations and made the case that if “Islamic countries did not oppose the Soviet Union, then other Muslim countries might fall victim to the Soviet expansionism.”9 China’s support for Pakistan and the broader Muslim umma comported with its effort to be an advocate for the rights of the third world in the face of great power imperialism. Importantly, Beijing wanted to demonstrate that states could coexist peacefully despite having different social, political and ideological systems. Beijing placed particular emphasis on the principle of non-interference in the internal affairs of other nations—a principle that would guide its foreign policy for years to come.

**Dimensions of the China-Pakistan Relationship**

Given the history and Beijing’s motivations for cultivating ties with Islamabad, the relationship has flourished along three core dimensions: security cooperation, financial support and political support.

In the security sector, China historically was the disproportionate benefactor, but has slowly leveraged Pakistan’s foreign relations and geographic location in order to amplify its own military capabilities. Most notably, the two cooperated in the development of Pakistan’s nuclear weapons program. After its own acquisition of nuclear technology, Beijing championed the rights of all nations to obtain this weapon of mass destruction as it felt the restriction of ownership was a Western imposition on the third world. This sentiment guided Beijing to provide intelligence on nuclear weapons technology to Pakistan’s chief nuclear scientist, A.Q. Khan, starting as early as 1976 but gathering momentum throughout the 1980s.10

In 1992, China began to build Pakistan’s Chashma nuclear power plant and was suspected in 1994 of helping Pakistan to build an unsafeguarded, plutonium-producing reactor at Khushab. Further, in 1996, China was reportedly the principal supplier of technology to Pakistan’s nuclear weapons program, in direct contravention of the Nuclear Non-Proliferation Treaty.11 In 2009, the Shanghai Nuclear Engineering Research and Design Institute signed agreements to build the Chashma nuclear power plants III and IV. Controversy surrounds these agreements as China, a member of the Nuclear Suppliers Group, is restricted from building a nuclear facility in a country such as Pakistan that does not allow for full-scope International Atomic Energy Agency safeguards.

In addition to nuclear cooperation, Beijing is also the principal arms supplier to Islamabad. Between 1978 and 2008, China sold roughly $7 billion in equipment to Pakistan.12 Weaponry included short-and-medium range ballistic missiles, small arms and conventional war-fighting weapons systems.13 The transfer of M-11 short-range missiles may exceed the Missile Technology Control Regime guidelines because the M-11 has the inherent capability to deliver a 500-kilogram warhead up to 300 kilometers—a fact disputed by the Chinese. Further, China helped Pakistan achieve an indigenous missile capability by providing blueprints on how to build a missile production plant. Last, China has greatly enhanced Pakistan’s conventional war-fighting ability by co-producing the Main Battle Tank-2000, upgrading Pakistani submarines and jointly producing the Joint Strike Fighter-17 aircraft. In November 2009, Beijing agreed to sell J-10 advanced fighter jets to Islamabad in a deal worth $1.4 billion.14

Similarly, Beijing benefits from the co-production of equipment with Islamabad. Following the 1989
Chinese government crackdown on pro-democracy protests in Tiananmen Square, the European Union embargoed weapons sales to China. Pakistan, however, retains ties with European defense companies. As recently as 2008, French company MBDA has been in negotiations with Pakistan to sell Islamabad MICA (Missile d’Interception, de Combat et d’Autodéfense) air-to-air missiles (AAM) while another French conglomerate, Thales, intends to sell the RC400 radar to Islamabad. The missiles and radars would equip the joint Sino-Pakistan JF-17/FC1 fighter. Defense industry analysts suspect that if the sales goes through, Chinese officials will have almost certain access to weapons technology that was previously included under the arms embargo.15 And, in the event of a confrontation with Taiwan, Beijing can use this technology to neutralize Taiwan’s Air Force, which utilizes fighter jets that are equipped with the same MICA air-to-air missiles.16

More recently, the benefits of the security relationship are beginning to be more manifest for China as it pursues a greater naval presence in the Indian Ocean. Some analysts have asserted that Beijing is constructing a “String of Pearls” in the Indian Ocean. While China has not embraced the moniker, it has developed strong maritime relationships with friendly countries—countries that also happen to be strategically positioned geographically—in the Indian Ocean. The bellwether of this strategy is the Gwadar port on the western coast of Pakistan. Gwadar is a deep-sea naval port that some analysts claim China is using as a “listening post” where it can monitor ship traffic through the Arabian Sea.17 Other key components include China’s contribution to the construction of a port in the Pakistani city of Pasni, a fueling station in Sri Lanka, naval bases in Myanmar and a container facility in Chittagong, Bangladesh.18

Politically, the alliance between China and Pakistan is best represented by the frequency of high-level visits of civilian and military officials to each other’s capitals. On the Chinese side, senior leaders from the first through fourth generation of the Chinese Communist Party leadership have been to Islamabad—a record that few other countries having relations with China can claim. In Pakistan this honor is reciprocated; with each transition of power, the newly installed leader—whether military or civilian—has always made his or her first foreign trip to Beijing. The rhetoric that emerges from these meetings sends a message to the world and especially to India and the United States that Sino-Pakistani relations are sacred. In terms of practical results, the evidence is most visible in the proceedings at the United Nations, where Beijing has used its prerogative as a permanent member of the Security Council to prevent international condemnation of Pakistani support for terrorist incursions across the Line of Control in Kashmir.

On the economic front, Beijing and Islamabad point to a “complementarity” in their relationship. However, China has often pledged and provided Pakistan with hundreds of millions of dollars in loans, grants, and other forms of capital aid.19 In one instance in the 1990s, China served as Pakistan’s lender of last resort. Pakistan was particularly vulnerable to economic collapse owing to a combination of severe economic mismanagement and a halt in U.S. economic assistance following the imposition of the Pressler Amendment sanctions. In addition to receiving IMF funds, Pakistani finance minister Javed Burki in 1996 turned to China for assistance, and Beijing obliged by providing enough financing to ensure the solvency of the State Bank of Pakistan.20 Moreover, in 2006, bilateral trade between China and Pakistan surpassed that of U.S.-Pakistan trade, and in 2009, China became Pakistan’s second largest trading partner.21 Beijing in turn has achieved the bulk of its gains through military equipment sales and indirectly through investment in infrastructure as well as targeted investment in the telecommunications, banking and power sectors.

**U.S.-Pakistan Relationship**

Whereas the PRC and the Islamic Republic exemplify a consistent relationship, American policy towards Pakistan has been guided by political expediency. In the love-affair years, Washington would build secret relationships (the U-2 base in Peshawar and the mujahideen war in the 1980s) and throw billions of dollars at Pakistan with little or no accountability. In the scorned years, Pakistan would
be démarched to death and Washington would cut off all military and economic aid. Both approaches have failed dismally.

Moreover, the United States has endorsed every Pakistani military dictator, even those that started wars with India and moved the country ever further away from democracy and into the jihadist embrace. John F. Kennedy entertained the first Pakistani dictator, Ayub Khan, at Mount Vernon, the only time George Washington’s home was host to a state dinner. Richard Nixon turned a blind eye to Pakistan’s murder of hundreds of thousands of Bangladeshis during the Pakistani Civil War because he had good relations with Yahya Khan and wanted to keep his back-channel to China open. Yet despite Nixon’s support of Islamabad, India still scored an overwhelming victory against Pakistan in the 1971 Indo-Pakistani War. Ronald Reagan entertained Mohammad Zia ul-Haq as he encouraged the Arab jihadists that would eventually mutate into al Qaeda. George W. Bush let General Pervez Musharraf, who came to power in a military coup, give the Afghan Taliban a sanctuary to kill American and NATO soldiers in Afghanistan.

In contrast, Lyndon Johnson cut off military aid when Pakistan started the 1965 war with India, and George H. W. Bush sanctioned Islamabad for building a bomb that Reagan had tacitly approved. Bill Clinton sanctioned the country again for testing the bomb after India goaded it into doing so (he had little choice, as the U.S. Congress mandated automatic sanctions for testing).

**Dire Straits in Pakistan**

Today Pakistan is in the midst of a complex and difficult transition from the military dictatorship of President Musharraf to an elected civilian government. The army is reluctant to surrender real power; it is the largest landholder in the country and has created a massive military-industrial complex that benefits the officer corps. And it controls the Inter Services Intelligence agency (ISI), Pakistan’s powerful intelligence service. For most of 2004 to 2007—when the jihadists regrouped—the director of ISI was General Ashfaq Parvez Kayani, now the army’s commander. This shows not only the critical role of the ISI but also the pervasiveness and unity of the military-industrial complex. In contrast, the civilian political leaders are divided by party and region; they arguably spend more time infighting than governing.

The economy is dominated by almost-feudal landlords. The education system has been in decline for decades, starved of funds by the military’s requirements. The judiciary has been systematically attacked by the army and the political parties and is only now trying, with some success, to achieve independence and credibility.

Pakistan is both a patron and victim of terror. The Frankenstein created by the army and the ISI is now increasingly out of control and threatening the freedoms of all Pakistanis. Incidents of terrorist violence in Pakistan doubled from almost nine hundred in 2007 to more than 1,800 in 2008, according to the National Counterterrorism Center. Many remain in denial, however, especially in the army. Others blame it all on the Americans and the CIA. As the mayor of Karachi, the largest megacity in the Islamic world, recently told us, Pakistan today is a country in the intensive-care ward of the global state system. Many expect it will fail to recover. All too easily it could fail completely.

**PRC Interest in a Stable Pakistan**

The effects of a failed Pakistan would not be confined within its borders. The potential collapse and the subsequent instability generated throughout the Middle East, Central Asia and South Asia could seriously jeopardize Chinese economic and security interests.

Since China’s initiation of the Four Modernizations in 1979, the country has sought to become a great economic power in the twenty-first century. Under Deng Xiaoping, China reoriented its economic policies, pursuing export-led growth, increasing the permissible levels of foreign direct investment, and accessing advanced technology and management experience from abroad. In order to implement such a robust economic development policy, China needed and continues to search for routes by which commercial
goods and energy can arrive at and leave the mainland. Pakistan, with its strategic location, is an integral channel through which these inputs can reach cities throughout Western China.

On the energy front, China traditionally fueled itself, and for a long while it provided energy exports to other countries. It was only in 1993 that it became a net oil importer. Since then, its main suppliers of oil and natural gas have been countries in the Middle East and Central Asia. Currently, China imports 50% of its crude oil from the Middle East, with 20% of its supply coming from Saudi Arabia. In March of 2009, Beijing signed a $3.2 billion natural gas deal with Iran. This dependence on imported energy causes great concern in China for its energy security because more than 85% of its energy products cross the Indian Ocean and pass through the Straits of Malacca. The sea lanes through the straits are patrolled by Singapore, Malaysia, Indonesia and the United States; President Hu Jintao reportedly intimated that for China this presents the “Malacca dilemma” because “certain powers have all along encroached on and tried to control the navigation through the straits.” Analysts in Beijing believe that China would face an energy crisis if its energy supply lines through the Indian Ocean were disrupted.

With Pakistan’s prime location on the Indian Ocean, China has been able to contemplate numerous energy delivery options, including building overland pipelines and roads, and establishing naval ports that connect to overland routes that will allow it to reduce its dependence on the Straits of Malacca. The first option is for China to join the Iran-Pakistan-India pipeline (IPI). The pipeline would traverse more than 2,775 kilometers (1,724 miles) from Iran’s South Pars gas field in the Persian Gulf through the Pakistani city of Khuzdar, with one branch going on to Karachi and a second branch extending to Multan and then on to India. It could potentially export 150 million metric standard cubic meters per day and is estimated to cost $7.5 billion to construct. The pipeline has been under discussion since 1990, and it has been held up several times along the way owing to disagreements over cost and security concerns in Pakistan’s Baluchistan province. The second option is for Beijing to build an underwater pipeline from Oman to Pakistan and then transport the energy supplies overland to the mainland. Last, China is exploring land routes that will connect the mainland with Central Asia. NATO troops have provided a key example for this last option as they currently use roads connecting Chaman, a town in Baluchistan province, with Qandahar in Afghanistan to transport supplies. Pending the successful outcome of the current military operations in Afghanistan, China could use the existing roads to recreate historic trade routes from Central Asia to the mainland.

The much discussed Gwadar port on the southwestern coast of Pakistan also serves a distinct economic purpose. Since it is bounded by the Persian Gulf in the west and the Gulf of Oman in the southwest, it serves as a vital portal for energy shipments arriving from the oil producing Gulf States, and oil arriving from African states. Wu Bangguo, then vice premier of the State Council and now the National People’s Congress chairman, laid the foundation in March of 2002, and China has contributed close to $200 million of the initial investment for the total $1.16 billion project. Nine more terminals are to be built in the second phase of construction, and China is expected to contribute $500 million to cover the costs. Beijing has also invested in building a coastal highway that will connect the port with Karachi. Chinese goods will eventually be able to travel overland between Gwadar and the Karakoram Highway.

U.S. INTEREST IN A STABLE PAKISTAN

The United States has a vital national security interest in a stable Pakistan that ceases to be a patron and sanctuary for terrorists. Pakistan has the fastest-growing nuclear arsenal in the world. It has been the world’s preeminent proliferator of nuclear technology. It has fought three major wars and several minor skirmishes with India. The next has the potential to go nuclear.

Pakistan is home to more terrorists than any other country in the world, including Usama bin Laden. Al Qaeda has found a home in Pakistan and is plotting the next “raid” in America from there. America’s
enemies in Afghanistan—al Qaeda and the Taliban—have their headquarters and safe haven in Pakistan.

If the Jihadists take over Pakistan—probably in a military coup—the United States would face a global game-changer. Washington must stabilize Pakistan.

**AN OPENING WINDOW FOR DISCUSSIONS BETWEEN THE UNITED STATES AND CHINA**

The paramount importance Beijing attaches to protecting its domestic and international interests has given way to subtle changes in Chinese policies towards other powers, and particularly towards Pakistan.

Significantly, China’s export-led growth model, combined with an aggressive resource import strategy, has seen Beijing branch out and engage in commerce with countries in every continent. Politically, it has enmeshed itself in multilateral organizations involved in peacekeeping, trade and regional security. President Hu Jintao and Premier Wen Jiabao have called this China’s period of harmonious development and Chinese leaders across the board are promoting China’s peaceful development. Moreover, during the tail end of the second generation, through the fourth generation of China’s leaders, there has been a concerted shift to develop internally.

The stability that China seeks with its neighbors has significantly influenced its disposition towards New Delhi. In 1988, India and China consummated a breakthrough agreement when Indian Prime Minister Rajiv Gandhi made a trip to Beijing and met with Premier Li Peng and Military Commission Chair Deng Xiaoping. The leaders decided to resolve the outstanding border issues according to Panch Sheel (five principles of peaceful coexistence). They created a Joint Working Group (JWG) on the boundary issue and stressed that the initiative would be part of a broader effort to improve bilateral relations in areas such as science, technology, culture and trade. As of 2009, the JWG has met formally and informally nearly twenty times, and bilateral trade between India and China has exceeded $50 billion annually. Further, China and India are now strategic partners; while this title does not imply binding commitments, the fact that top leaders from both New Delhi and Beijing consummated this relationship is a significant step forward in their bilateral relations.

There is no doubt that mutual suspicions remain—headlined by Beijing’s opposition to the U.S.-India nuclear deal and New Delhi’s wariness about Chinese activity in the Indian Ocean. But these hesitations notwithstanding, Chinese and Indian interests are converging more frequently now as both countries are assuming a greater role on the world stage. This convergence is particularly evident in their complementary positions on securing affordable energy supplies, negotiating equitable standards for a new global climate change agreement,31 reviving the World Trade Organization’s Doha round of trade talks, and reforming the power structures within multilateral organizations.

For Pakistan, the shift in China’s policy towards India hit home in 1996 when President Jiang Zemin gave a speech to the Pakistani senate and called for Pakistan and India to find a peaceful resolution to the Kashmir dispute. It became even more pronounced in the 1999 Kargil conflict, when then Prime Minister Nawaz Sharif went to Beijing seeking support against India, and was turned away. Analysts contend that Beijing no longer considers it in China’s best interest to get entangled in a conflict with two nuclear-armed neighbors.32

Additionally, there are now waves of concern within the Chinese political elite about the role of Islamic militancy in Pakistan and its spread to China’s Xinjiang province. China has experienced its own form of blowback for its support of mujihadeen fighters in the Cold War. Significant numbers of Uighurs (Muslims of Central Asian descent in Xinjiang) ended up in training camps and Madrassas in Pakistan. While many ended up fighting alongside the mujahdeen in Afghanistan against the Soviet forces, those that returned to China after the Soviet retreat ended up taking up arms against the Chinese government. In the 1990s there was a dramatic uptick in violence within Xinjiang. Some Uighurs followed the lead of their Central Asian brethren, formed the East Turkestan Islamic Movement (ETIM) and began calling for an
In response, Beijing cracked down on the Uighurs and lodged complaints with Pakistan, reprimanding Islamabad to control its terrorist groups and arrest Uighurs who sought training in Pakistan. The issue’s profile was elevated even higher in July of 2009 when rioting broke out between the minority Uighur population and the majority Han Chinese in Urumqi. Pakistani leaders have been quick to condemn the Uighur protests and to assure Beijing that any support for Uighur opposition emerging from Pakistan’s Tribal Areas would be immediately halted. Moreover, Islamabad has agreed to extradite any Uighurs captured in Pakistan back to China.

Further, Beijing has also publicly called on Islamabad to provide better protection for the almost 8,000 Chinese citizens working throughout Pakistan. Over the last four years, Chinese citizens have been attacked, some fatally. The most high-profile cases include Pakistani militants attacking Chinese engineers at the Gwadar port and at other infrastructure projects in Peshawar. Another notable case involved the Pakistani siege of the Red Mosque in Islamabad in 2007, when a group of Chinese women were abducted by female students from a seminary linked to the Red Mosque. Leaders of the mosque purportedly were inspired by the Taliban and accused the six Chinese women of working as prostitutes in a massage parlor.

Observers in both the United States and India noted the reorientation in Sino-Pakistani relations in the aftermath of the terrorist attacks of September 11, 2001, and the November 2008 terrorist attacks on Mumbai. Americans were surprised by Beijing’s willingness to include Pakistan in discussions about President Bush’s Global War on Terror. Previously, China would voice strong concerns over U.S. activity in Pakistan, but post-9/11, Chinese leaders persuaded the United States not to overlook Pakistan as it tilted towards India because of Pakistan’s importance in reining in terrorism. Similarly, following the Mumbai attacks, China engaged in its own version of shuttle diplomacy. China sent its Vice Foreign Minister to both New Delhi and Islamabad in order to cool the tensions between India and Pakistan.

Last, China sent a clear message to Pakistan that it is no longer willing to be Islamabad’s lender of last resort. At the end of 2008, Pakistan was on the verge of default and wanted to avoid taking a $7.5 billion loan from the International Monetary Fund. President Zardari went to Beijing expecting that Pakistan would be able to turn to its time-tested friend for support. President Hu Jintao provided Zardari a token commitment of $500 million while urging the Pakistani leader to go instead to the multilateral body. For Beijing, the risk of Pakistan’s default was simply too high. China did not want to be the only country financially obligated to Islamabad.

**Potential False Starts in the Dialogue**

The case for stabilizing Pakistan is not a hard sell in Beijing, and it clearly is a priority in Washington. The difficult task, however, will be for these two countries to work together as the anchor in a trilateral or multilateral effort to strengthen governance in Islamabad. In order to make progress, the United States must first overcome some key obstacles.

First, the Chinese have long viewed regional politics as zero-sum. Alarmists in Beijing have always regarded Washington’s “hub and spoke” model of security alliances throughout East Asia and Southeast Asia with a wary eye. Since 2001, their suspicions were heightened by Washington’s strategic positioning of bases in Kazakhstan, Tajikistan and Uzbekistan. From China’s perspective, the U.S. moves figured as added evidence that America was using the global war on terror as a guise to tighten its “chain of containment” against China as well as to gain access to Central Asia’s as-yet untapped energy resources. Granting the United States a bigger role in dealing with Pakistan will magnify Beijing’s claims.
Second, Washington will have to demonstrate an enduring commitment to Pakistan’s stability. This will prove increasingly difficult given the waning domestic political support for the current war in Afghanistan. The Chinese have already expressed skepticism that the U.S. will stay in Afghanistan for an extended period of time. Moreover, the Chinese elite has admonished its American counterparts on many occasions that what America perceives as a crisis is often simply an internal matter to be worked out by the sovereign involved.

As a rule, the United States does not seek the advice of the Chinese when pursuing military interventions or international mediations. This lack of consultation irks Beijing. If Washington is to make any headway with Beijing on Pakistan, it is critical that leaders from China be included from the beginning in comprehensive planning sessions. The Chinese need to understand Washington’s long-term interests and not be presented with final decisions without their consultation.

This proposed collaboration is not such a neat fit for the Americans either. Owing to the global financial crisis, America’s dependence on China to maintain its exposure to U.S. treasury bonds and agency debt has deepened. This has led some analysts to criticize the administration for shying away from challenging leaders in Beijing on key issues. In particular, analysts say U.S. diplomats have remained silent on bedrock American ideals of democracy and human rights at a time when political repression and human rights abuses are still rampant in mainland China.38 These concerns were amplified by the President’s decision to postpone a meeting with the Dalai Lama while other heads of state embraced the exiled leader.39 If, on an issue as critical as Pakistan (and by extension, Afghanistan), Washington is seen to be taking direction from the Chinese, there will very likely be a domestic outcry in the United States.

Picking the Low Hanging Fruit

Despite the actual and potential stumbling blocks to engagement on this issue, senior leaders on both sides must recognize that the pro forma discussions on Pakistan are insufficient for stabilizing the country and the region. This fact is highlighted by President Zardari’s ability to conduct negotiations about similar issues with Beijing and Washington in complete isolation from each other. Since taking office in September 2008, Zardari has made four official visits to China. In his last trip in August, Pakistan and China signed eight MOU’s on issues as diverse as energy production and agriculture. Further, President Zardari has been very public about the fact that he intends to make quarterly visits to China in order to “learn from China’s wisdom and experience” in boosting development.

Simultaneously, and on a parallel track, Pakistan is participating in the U.S.-sponsored Afghanistan-Pakistan review process, which resulted in a standing trilateral dialogue between the United States, Afghanistan and Pakistan. The purpose is to enhance intelligence sharing and military cooperation along the border, while addressing issues of common concern, including trade, energy and economic development.41 In the May 2009 meetings, the U.S. committed to, among other things, increased support for agricultural development assistance to Pakistan through the creation of the Borlaug Fellows Training Program. Additionally, the U.S. committed to providing technical assistance in building Pakistan’s energy capacity.

Moving forward, Washington and Beijing must finally come to the table and have a frank exchange of views about Pakistan. This could be a defined agenda item at the next Strategic and Economic Dialogue (S&ED) meeting, or it could merit its own bilateral exchange. Regardless, it should be conducted at all levels of government and include personnel from each country’s respective intelligence agencies, defense departments, diplomatic corps and leaders from the National People’s Congress as well as the U.S. Congress. First and foremost, the U.S. can use this opportunity to explain the motivations behind the Afghanistan-Pakistan reviews. Likewise, the Chinese can discuss the motivations and outcomes of the China-Pakistan Strategic Review process.

More likely than not, as we have learned from our colleagues in the Chinese strategic community, the two sides will disagree on the root cause of instability.
in Pakistan. Beijing attributes Pakistan's current woes to the war in Afghanistan, while officials from Washington point to the disruptions caused by the “blowback” of militants cultivated by the Pakistani ISI.

These differing views can and should be discussed; however, it is clear that in the meantime the United States and China can coordinate efforts to assist Pakistan in securing and generating energy supplies, liberalizing certain sectors to trade and restoring confidence in its fiscal position. President Zardari, Finance Minister Shaukat Tarin and Pakistanis of all stripes would agree that Pakistan needs enduring financial and technical commitments to restore domestic and international confidence in the nation.

Moreover, there is still space for American and Chinese officials to discuss tactical security initiatives. Perhaps the most pressing security issue that the two sides can discuss is the safety of Pakistan's nuclear weapons. This issue is not free from its share of political and legal difficulties—both Pakistan and China might see this as an American ploy to provide India with strategic information on the location of nuclear weapons, or even as an American effort to prepare for an invasion of Pakistan. Further, the international community has long suspected—and A.Q. Khan recently confirmed—that the Chinese actively provided nuclear technology to Pakistan, in contravention of international norms. The Chinese could view discussion of this topic as an attempt to raise international condemnation of China. Valid or not, these concerns should be taken into consideration. The discussion thus should focus on what is known about the safeguards around the Pakistani nuclear program. American and Chinese intelligence should cooperate to ensure that safeguards around strategic and civilian nuclear facilities are at current IAEA standards. The Chinese can serve as the liaison with the Pakistanis to assuage any fears.

**Thinking in Time**

While the gains from the bilateral (U.S.-China) and trilateral (U.S.-China-Pakistan) dialogues will be immediately felt in the short term, particularly in Pakistan, the ultimate goal is to achieve lasting peace in South Asia. In order to do that, the authors believe that officials from Washington, Beijing and Islamabad should give serious consideration over time to including New Delhi in conversations about relevant security issues in South Asia.

This recommendation is admittedly easier said than done. India has long registered strong reservations about the internationalization of the Kashmir dispute. More recently, the Indian government is reported to have intensely lobbied the Obama administration to exclude India from Ambassador Holbrooke’s portfolio (his title is officially “Special Representative for Pakistan and Afghanistan”) because India did not want its position on Kashmir to be equated with Pakistan’s relationship with Afghanistan.

Despite these reservations, the United States can play an integral role in reassuring India in public and private that its participation in international negotiations will not compromise its core positions. In this respect, the Obama administration benefits from the momentum built up in the last ten years of the U.S.-India relationship. Indians are now starting to view America as a strategic partner and trusted friend. If New Delhi joins the discussion, this affords all parties the ability to think creatively about repairing the fractured borders in South Asia.

The first area where China, India and Pakistan have strategic convergence is in settling the longstanding dispute in Kashmir. Beijing is the often overlooked participant in this discussion, and these negotiations could be the catalyst for resolving the outstanding Sino-Indian border dispute over Arunachal Pradesh. Alternatively, a resolution in Arunachal Pradesh can be the bridge to peace in Kashmir. Needless to say, any resolution of either of these longstanding disagreements will go a long way in freeing up Pakistani military and financial resources so they can be redirected towards pressing domestic imperatives and eventually to be used towards resolving and strengthening the Pakistan-Afghanistan border.

Historically, China’s role in Kashmir became public after India discovered a Chinese highway traversing Aksai Chin, connecting Xinjiang and Tibet. Indian
officials confronted the Chinese for illegally building on its territory without consulting the Indian government.

The row over Arunachal Pradesh dates back to the British control over India and involves an agreement signed between the British and Tibetans in 1914 to create a border between British India and Tibet known as the McMahon Line. This agreement was signed against the wishes of the Chinese government, which still does not recognize the accord.

After China’s victory in the 1962 Sino-Indian War, Chinese Premier Zhou Enlai offered a compromise to Prime Minister Nehru: India could keep the disputed territory north to the McMahon Line in Arunachal, but China would keep the disputed territory in Aksai Chin. Of the 47,000 square miles of disputed border-land, Zhou's ceasefire gave 68% (the 32,000 square miles of the North East Frontier Agency) to India and kept 32% (the 15,000 miles of Aksai Chin) for China. Nehru refused to acknowledge the offer, but the informal “Line of Actual Control” which delineates these terms remains the status quo solution.

Meanwhile, the dialogue between India and Pakistan over Kashmir has been at a virtual standstill since the ouster of President Musharraf and the subsequent Mumbai attacks in November of 2008. The “back-channel” has been well reported, but the reality is that any genuine solution in Kashmir must include Chinese participation. The current logic guiding Indian strategic thought, however, is that if India is to formally cede Aksai Chin to the Chinese, it would weaken their claims to all of Jammu and Kashmir in their negotiations with Pakistan.

One proposal to break this impasse would be to separate the territorial claims between India and China, and to then tie the Aksai Chin territorial dispute to the current dispute between India and Pakistan over Kashmir. As it stands, many Indian officials recognize that the land within Aksai Chin is inhospitable and lacking any economic value. Others consider the territory to be a strategic military outpost in the event that China seeks to invade India—a situation that is increasingly improbable given the unfriendly terrain and evolution of both countries’ combat capabilities. However, Indian officials across the board hold firmly that Aksai Chin is a part of the kingdom of Jammu and Kashmir that was signed over to India in 1947 by the Maharaja.

Beijing, on the other hand, is firmly committed to the Line of Actual Control created in 1962. The Chinese have built a key roadway, highway G219, that connects the Xinjiang Province with Tibet by traversing Aksai Chin. This route is open year-round, throughout both the winter and the monsoon season. For China, which sends troops, officials and supplies to consolidate control over Tibet, Aksai Chin is a vital lifeline.

In this scenario, it is critical that all three parties are simultaneously involved in the negotiations. If Washington can bring Beijing—and its interest in formalizing control over Aksai Chin—to the table with the Indians and Pakistanis, and Beijing is willing (if necessary) to lean on Islamabad to accept the Line of Control, New Delhi will no longer have a reason to object to Beijing's hold over Aksai Chin because Pakistan will not be able to use it as a leverage point to get more territory in Kashmir. If Pakistan accepts the Line of Control, then New Delhi and Beijing can formalize the Line of Actual Control in Kashmir. The resulting dispute between India and China will be over Arunachal Pradesh—a dispute Beijing has previously been more willing to compromise over since its genesis.

**CONCLUDING THOUGHTS**

Ensuring that Pakistan resists a takeover by the Taliban or its al Qaeda affiliates holds importance not merely for the United States and China, but also for the safety of the broader global community. In the past, the world frequently looked to the United States to resolve intractable geopolitical problems. However, with a protracted engagement in Iraq and a substantial investment of troops in Afghanistan, the United States cannot solve the woes of Pakistan unilaterally.

The Sino-Pakistani relationship, meanwhile, has evolved significantly since the creation of both
countries. Once, the two were inseparable in their foreign policies and support for each other vis-à-vis India. Today, China has started to exhibit a more balanced view regarding its relations with New Delhi and with countries in South Asia generally. China is pursuing new priorities as a result of its tremendous economic growth. India as well as other previous adversaries such as Russia figure prominently in China’s future. In particular, the Chinese relationship with the United States will likely define the political and economic contours of the twenty-first century.

Despite those emerging trends, Pakistan remains indispensable to China on several grounds: Pakistan can provide alternative energy supplies and transportation routes, and it can help to protect China’s interests at home and abroad from terrorist attacks. As the Sino-American dialogues increase in depth and breadth, both countries must dedicate senior-level attention to Pakistan’s economic and political stability. This is a necessary first step to bringing normalcy to broader South Asia.

**Figure 1: Kashmir Region**

![Kashmir Region Map](source:Washington:Central Intelligence Agency, 2003; 763537AI (R00744) 5-03)
Figure 2: Kashmir Region

Figure 3: Arunachal Pradesh

Source: The New York Times
ENDNOTES

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