

Associate Paper

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The Future of China-Pakistan Relations after Osama bin Laden

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Key Points

Despite its high profile, the killing of Osama bin Laden is unlikely to dramatically alter China-Pakistan relations, because:

- China continues to be concerned at the possible spread of Islamist extremism into Xinjiang province from Pakistan
- After the US drawdown, significant Chinese investments in Afghanistan may be increasingly threatened by Pakistani instability
- The value of China's bilateral trade with India far outstrips that with Pakistan
- It may come to be in China's interests to co-operate, at least to some degree, with the United States in stabilising Pakistan

Summary

Osama bin Laden's death and the circumstances of his killing continue to provoke plenty of comment and analyses as to what it means for the future of US-Pakistan relations. By contrast, there has been considerably less attention paid to the implications for Sino-Pakistani relations. This paper argues that the killing of bin Laden, while increasing frictions in the US-Pak relationship, does not necessarily also mean a warming of Sino-Pak ties. The latter relationship is, in fact, bound up in a number of issues over and beyond the US-Pak equation. These include Chinese concerns over ethnic separatism in its Xinjiang province and the post-US drawdown stability of Afghanistan, the Sino-Indian equation, the Sino-US relationship and Chinese economic interests in Pakistan.

Analysis

The argument has been made that China will continue to perform its traditional role of backing Pakistan in times of trouble. Attention has also been drawn to how, following initial praise for the killing of bin Laden, Beijing has switched its focus to highlighting Pakistan's vital role in countering terrorism and to the supposed American propensity to violate national sovereignty and international law. The impression that Pakistan and China will draw closer together because of the successful American operation ignores both China's security concerns vis-à-vis Pakistan, that have been increasing over time, as well as China's other regional and global security considerations.

Trusting Pakistan: A Chinese Dilemma

While it seems natural to observe that the Americans (and the Indians) are concerned about whether or not the Pakistan military and intelligence services have been playing a double game all along, that the Chinese might be similarly concerned has not been openly considered. Even if the strike against bin Laden had been a joint US-Pak operation, the question would still have remained of a pro-jihadist camp within the Pakistani military establishment supporting and shielding radical Islamist and terrorist elements within Pakistan. Here, Beijing too has cause to be worried about whether these elements will target Xinjiang or Chinese citizens in Pakistan. Indeed, this is not a new concern and Beijing has, in the past, come down heavily on Islamabad – as in the Lal Masjid siege in 2007 – even if it has tried to brush aside such concerns in the immediate aftermath of bin Laden's killing.¹

If tales of Pakistan's duplicity can be dismissed, then the Pakistani incompetence in detecting the presence of bin Laden in the country, or the news that Islamabad did not detect and could not stop the American intrusion, should certainly worry China. How can Beijing really expect its "all-weather friend" to serve as a reliable counter to either India or the US under such circumstances?

Thus, behind all the furious rhetoric that has emerged from Beijing about the international criticism of Pakistan being 'not only unfair, but also dangerous,'² Beijing faces the same dilemma that it does with respect to North Korea: can't live with it; can't abandon it, either. This dilemma also takes the form of a strange Chinese hope expressed by one Chinese analyst, who noted that US-Pak relations were 'too complicated and close'³ to be substantially altered by the contretemps over bin Laden hiding in Pakistan.

Meanwhile, the biggest Chinese concern is actually of the US using bin Laden's death to hurry its withdrawal from Afghanistan and thus rediscover the energy and resources to target China once again. Even if not directly connected to the bin Laden killing, the third round of the US-China Strategic and Economic Dialogue that started in Beijing soon afterwards was another instance of the many sharp differences and seemingly intractable problems between the two sides.

¹ 'Criticism of Pakistan intelligence is unfair', *Global Times*, 7 May 2011.

² *Ibid.*

³ Krishnan, A., 'China focuses on stability in Pakistan,' *Hindu*, 3 May 2011.

Afghanistan Post-2014: Which Condominium?

The stability of Afghanistan is another Chinese concern. US-led military intervention in Afghanistan has, in recent years, stabilised the country enough for Chinese companies to make investments in that country, such as, for example, in the Ayanak mines and in the country's telecom sector. With an American drawdown in Afghanistan looming, such investments are at stake and more so, if Pakistan too, destabilises. There have thus been views expressed in the US that Washington and Beijing could co-operate – despite the strains in the bilateral relationship – in stabilising Pakistan in the post-bin Laden phase.⁴ In other words, co-operating on Pakistan and Afghanistan could serve as a Sino-US confidence-building measure.

Further, it could well be that it is not only the Americans that will refocus attention on China, but also al Qaida. Beijing is well aware of this. While the US can cut and run from Afghanistan, declaring that the “war on terror” need no longer be fought in foreign lands, the Chinese cannot just as easily walk away from their own “war on terror” in Xinjiang. One Chinese commentator was, in fact, willing to forgive the US its violation of Pakistani sovereignty, saying ‘[t]he US should assist Pakistan in stabilising its society and reviving its economy’ and that, ‘[u]tterly uprooting terrorists and extremists in the region is the duty of a global power.’⁵ In other words, China is in no hurry to claim the mantle of a global power if it means dealing with Pakistan on its own.

That said, there is also speculation of a Sino-Pak condominium to manage Afghanistan once US-led forces have withdrawn, with the Chinese providing economic aid and investments and Pakistan taking on the security duties. More importantly, from the Chinese perspective, Pakistani co-operation would be essential to keeping lines of communication open with the Taliban – which could possibly return in force to power in Afghanistan – as well as to controlling the spread of Islamic radicalism from Pakistan into Xinjiang. This is probably the worst-case scenario for New Delhi. For now, however, it is also an unlikely scenario. For one, the Americans have probably learned their lessons from the post-Soviet era in Afghanistan when they washed their hands of it completely, only to have to return in strength, post-9/11. For another, Washington will be unwilling to give away the hard-won fruits of its sacrifices in the region so easily to Beijing.

A reasonably robust American diplomatic and military presence is, therefore, likely to continue in Afghanistan in some form. In addition, both Islamabad and Rawalpindi will remain dependant on American aid for the foreseeable future. Despite their economic clout, the Chinese seem unwilling, as of now, to provide the same sort of economic aid and support to Pakistan. Thus, it could well be that it is Washington and Islamabad that will jointly create an arrangement for a post-NATO Afghanistan.

From India's point of view, any arrangement in Afghanistan that it is left out of is unacceptable, but a US-Pak arrangement will probably be something it can live with given

⁴ See, for example, Patrick C. Doherty, ‘Dear China: Help Us Fix Pakistan,’ *Foreign Policy*, 9 May 2011.

⁵ Fu Xiaoqiang, ‘Pakistan's sacrifices in war on terror deserve respect,’ *Global Times*, 10 May 2011.

the alternatives. New Delhi will expect Washington to keep a close watch on Pakistani actions and to have greater ability to keep the pressure on Islamabad and Rawalpindi than in a comparable arrangement with China. The Pakistanis, meanwhile, will hope that no matter which of the above arrangements takes shape following the US drawdown in Afghanistan, there will be a reduction in what they perceive as an inordinate amount of Indian influence in Afghanistan.

Economic Stakes: Keeping China Interested in Pakistan

On his visit to China in May, to commemorate 60 years of Sino-Pak relations, Pakistani Prime Minister Yousuf Raza Gilani also intended to convey to both the US and India that Pakistan was not short of options, despite the dire straits it finds itself in. Gilani, however, came away with little to show from his trip except an embarrassing Chinese refusal to consider Gwadar in Pakistan's Baluchistan province as a possible naval base.

Nevertheless, China has several economic interests in Pakistan, with bilateral trade growing post-9/11.⁶ Further, Pakistani co-operation is essential if China is to remain engaged economically in Afghanistan. Involvement in Pakistan forms part of the "going out" strategy of Chinese commercial entities while, politically, this involvement also hews closely to Beijing's line that economic development can address problems of political instability. Given the American pressure and presence in Pakistan at the moment, it might be argued that China is making a virtue out of necessity, in that it has few options other than economic ones, by which to exercise its influence in Pakistan. Still, such economic involvement is important for Pakistan. Chinese companies are involved in the construction of roads, dams and telecommunications infrastructure across the country from Gwadar in Baluchistan to Khyber-Pakhtunkhwa (formerly the North-West Frontier Province).

Similarly, Sino-Pak co-operation in the nuclear field, apart from its military-strategic overtones, in the Asian context also has an economic angle to it. Thus, though the latest agreement on the supply of Chinese nuclear reactors to Pakistan clearly falls short of Beijing's commitments under the Nuclear Non-Proliferation Treaty, it needs to be viewed primarily in the light of a US-China dynamic, as a Sino-Pak counter to the Indo-US civilian nuclear deal of 2008. However, as even the Americans were willing to admit – even if less out of conviction than out of a desire not to complicate relations with China still further – the reactors are also necessary for an energy-starved Pakistan. Similarly, trade in missiles and other conventional weaponry with Pakistan follows a pattern of Chinese arms sales that satisfies both geopolitical and economic motives. Meanwhile, such Sino-Pak co-operation – including the development of Gwadar port and the construction of road and communications infrastructure in Pakistani-occupied Kashmir – also has the convenient effect of keeping India on tenterhooks in the region.

⁶ Embassy of the Islamic Republic of Pakistan, Beijing, China, 'Pakistan-China Relations: A Strategic Perspective,' Statement by HE Masood Khan, Ambassador of Pakistan to China, at the Centre for American Studies, Fudan University, 2009.

Nevertheless, even a policy predicated on economic interests has its limits for China. For one, China will weigh annual Sino-Indian trade of about US\$60 billion presently against the approximately US\$7 billion trade with Pakistan in 2010. Further, Chinese investments in Pakistan have not always been well-thought out or received adequate returns. Part of the so-called “string of pearls”, Gwadar is a case in point. While the Chinese have invested in the port over several years now, Pakistan’s failure to maintain peace and stability in Baluchistan has been a major problem. This has meant lack of supporting infrastructure and ancillary industries around the port. The lack is such that the Port of Singapore Authority, which had taken over the running of the port, is said to be keen to cut its losses and hand it back to Pakistan before the end of the term of its contract. Further, Gwadar also faces competition from the much older and better developed port of Karachi in neighbouring Sind province that has also received Chinese investments and could possibly serve Beijing’s purposes just as well.

For another, as already mentioned, with China’s growing economic involvement in Pakistan, has come increased targeting of Chinese civilians by religious radicals and secessionist elements in the country. Beijing might consider these attacks as the cost of doing business and trying to maintain influence in Pakistan. But, given rising Chinese economic stakes in Pakistan and Afghanistan, and the fact that many Chinese companies are often state-owned and possess close links to the Chinese leadership, Beijing might also start losing patience with its ally. China could well start behaving like the United States has in weaker countries around the world where its economic interests have been threatened: to demand stability or to ensure stability by facilitating a change of regime or of key political actors.

Conclusion

Beijing has already been engaged for some time now in a process of fine-tuning its relationship with Pakistan, given China’s rise in global stature, and the pressure on it to be a “responsible stakeholder”, not to mention the dynamics of its relations with the United States and India. The death of Osama bin Laden does not change this reality. If anything, domestic instability in Pakistan, the continuing spread of religious radicalism from Pakistan into China, and threats to Chinese economic interests are conditions that would amplify the need for Beijing to take a sterner line with its “all-weather friend”. Such a situation could see China seeking co-operation, however limited, with the Americans, or even acting on its own.⁷ This could well be a serious dilemma confronting the Chinese leadership at some point in the near future. What is also clear in the meantime is that a solution to problems in Pakistan and Afghanistan will not be possible without Chinese co-operation and involvement.

⁷ ‘China should act as regional stabilizer,’ *Global Times*, 20 October 2009.

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