# SINO-PAK RELATIONS IN THE POST-COLD WAR ERA

Dissertation submitted to the Jawaharlal Nehru University in partial fulfillment of the requirements for the award of the Degree of

#### MASTER OF PHILOSOPHY

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#### **CERTIFICATE**

Certified that the dissertation entitled "SINO-PAK RELATIONS IN THE POST-COLD WAR ERA" submitted by VALTE in partial fulfilment of the requirements for the award of the degree of MASTER OF PHILOSOPHY, of this university. This dissertation has not been submitted for any other degree in this University or any other University. This is his own work.

We recommend that this dissertation be placed before the examiners for evaluation.

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To my dear loving
Sister
RACHEL

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Valte

## <u>Preface</u>

The present discourse attempts at analyzing the Sino-Pak relations in the post-Cold War era, taking into account its objectives and interest in various dimensions like Political, Economic and Defense related issues.

Literature on Pakistan's Foreign Policy as well as China's foreign policy is available in plenty. However, the material dealing directly with Sino-Pak relations is limited and scarce; which limits to articles and journals.

The main focus of the study is to find out the Sino-Pak relations in the post- Cold War era. An attempt has been made in the present study to analyze the relationship between the two countries, with special emphasis on the convergence and divergence in their relationship.

The objectives of the study includes: To examine critically and in detail the development that took place in the relationship between China and Pakistan in the post-Cold War era. To fulfill the objective the study is divided into six chapters:

Chapter-1: It deals with the historical background of the Sino-Pak relations especially during the Cold War period- how their relationship nurtured due to convergence of interest.

Chapter-2: It summarizes the objectives and interests- like dealing with some of the basic strategic shifts as China slowly emerged as a super power. It also highlights factors like Beijing's ties with New Delhi, Pakistan harboring Islamic Fundamentalist in Pakistan Occupied Kashmir (POK), which has also created problems in China's own Muslim dominated province, and also pressure from the US in their relationship.

Chapter-3: It deals with Sino-Pak Political Relations. It attempts to trace the development of Political development, their rapprochement as well as the problems underlying in their relationship.

Chapter-4: It deals with the economic relations between the two countries, taking into account the various joint ventures and the cooperation undertaken by China and Pakistan. The chapter also attempts to highlight as to how China contributed in mending Pakistan's economy in spite of limited economic intercourse between China and Pakistan.

Chapter-5: It highlights on the military relationship between China and Pakistan, from the conventional to the most complex nuclear related issue. This Chapter also evaluates the military collaboration between China and Pakistan and their convergence of interest.

Chapter-6: This concluding chapter highlights the overall view of Sino- Pakistan relations, with an analytical discourse; whether the relationship between China and Pakistan has been fostering or there was a decline in their relationship in the post-cold war era. Overall the study is based on historical, descriptive and analytical method.

## CHAPTER- 1

INTRODUCTION

Sino-Pak relations during the Cold War

#### Chapter: I

## INTRODUCTION

## Sino-Pak relations during the Cold War

#### Conceptual Background:

At the backdrop of Sino-Pak relations in the post-Cold War era, it becomes necessary rather mandatory to trace back their relationship right from the Cold War period, how the geopolitical situation moulded their relationship, their restraint and also their compulsion. The introductory chapter will deal with the Sino-Pak relations, focusing their relationships during the cold war period, with special emphasis on their divergence as well as their convergence.

Before dealing with the origin of cold war a brief outlook about how the Cold War originated; the cold war that mounted right after the Second World War (1945) was instrumental in shaping both global and regional alliances. The tough realities of economic facts after the war; like the economic disparity with the devastation of the USSR economy, while on the other hand the United States with colossus economy and American ambitious plan to bring about a new world order facilitated disequilibrium. The failure to settle judiciously with regarding to war preparations and aid led the USSR to distance from United States.

This feeling of animosity and distrust led to the ideological confrontation. The liberal Capitalism headed by United States and communism by USSR. In 1946 Stalin categorically rejected the participation in the US grand capitalist design. The situation got exacerated as the ideological division became more prominent. It was George F. Kennen's long telegrams, which alerts Washington to Soviet Threat. The Soviet regime, wrote George F. Kennan "was seemingly

inaccessible to considerations of reality. For it, the vast fund of objective fact about human society is met, as with us, the measure against which outlook is constantly being individual items are selected arbitrarily and tendentiously to bolster an outlook already preconceived."

Therefore Cold War emanated from ideological factor between the East and the West. John, W. Mason rightly remarks, "The cold war was not the product of one event or decision it was the result of a fundamental clash of ideologies and interest between the Soviet Union and the west". Similarly Charles Reynolds puts, "The cold war was a number of different forms of military, economic and political competition between the United States and Soviet Union, the formers associated with a number of allies not wholly sharing its concerns and the latter with a number of a satellite states lacking independent foreign and defence policies"

Many developments were responsible for the hostilities, which developed between the United States and Soviet Union. "The Truman Doctrine (1947) - providing aid to Greece and Turkey, and after a few months later more ambitious Marshall plan (1947) was announced to help European reconstruction in economic. The East and West Germany division with the introduction of Deutschmark, proved provocative to the Soviet Union. To this, "the Soviet replied with the Berlin Blockade June 1948 to May 1949 and a clamp down in Eastern Europe which removed most notably in Prague, the last vestiges of pro-Western elements from Government". Thus, to gain superiority over the other led to constant quest for alliances as well as military modernization during this period. As tension build up between the two with growing distrust and doubt,

<sup>&</sup>lt;sup>1</sup> Telegram, the change in the Soviet Union to the Secretary of State, Moscow, Feb 22, 1946, in Foreign Relations of the United States 1946, Vol. VI (Washington DC: US Government Printing office, 1969), P-706-707, Taken from, Dana H. Allin, *Cold War Illusions, America, Europe and Soviet Power, 1969-1989*, (London: Mac Millan Press, 1995), P.9-10.

<sup>&</sup>lt;sup>2</sup>John W. Mason, *The cold war 1945-1991*, (London: Routledge, 1996), p. 5.

<sup>&</sup>lt;sup>3</sup> Charles Reynolds, Explaining The Cold War, in Alan P.Dobson (ed.), Deconstructing and Reconstructing the Cold War, (England: Ashgate Publishing Ltd, 1999), p.48

<sup>&</sup>lt;sup>4</sup> Paul Rogers, Learning from the Cold War Nuclear Confrontation, in Alan P. Dobson (ed.), Deconstructing the Cold War, (England: Ashgate Publishing Ltd, 1999), p. 6.

<sup>&</sup>lt;sup>5</sup> Ibid, p. 6.

incompatibilities in their relationship widened. Likewise in 1949, after considerable pressure from the West Europeans the USA agreed to a peacetime security commitment to Europe, towards the end Northern Alliance Treaty Organization (NATO) was signed, the Soviets responded with the WARSAW Pact.<sup>6</sup>

The cold war tangle came to an open conflict when, on June 25<sup>th</sup> 1950 Communist North Korea attacked South Korea by crossing 38<sup>th</sup> parallel.<sup>7</sup> This Korean War (1950) forced the super power to get involved in the conflict. The US not only supported South Korea but also involved in the conflict by sending 7<sup>th</sup> fleet to the Taiwan Strait. The most important move between the two communist giant at this time was the signing of Sino-Soviet Treaty of Friendship (1950).

The period between (1952-55) witnesses major development in the field of alliances. In 1954 SEATO (South East Asian Treaty Organization) was established under the handiwork of United States. Likewise, again in 1955 Warsaw Pact was established under the guidance of Soviet Union. Not only this, the United States exploded Hydrogen Bomb in 1952, to which the Soviet replied by doing the same in 1953. Therefore the cold war inextricably resulted into unabated arms race between the two super powers, the United States and the Soviet Union.

#### Sino-Pakistan Relations in the Cold War Era:

To begin with, Sino-Pakistan relation represents a unique characteristic. When we look from historical perspective we find that there is nothing in common in between them with regarding language, culture or ethnicity, then ideologically apart with different models of political development and governability. China

<sup>&</sup>lt;sup>6</sup> Ibid, p. 6.

<sup>&</sup>lt;sup>7</sup> Alan P. Dobson, (ed.), *Deconstructing and Reconstructing the Cold War*, (England: Ashgate Publishing Ltd, 1999), p. 164.

<sup>&</sup>lt;sup>8</sup> Joan Hoff, "How the United States sold its Soul to win the Cold War", *International Journal*, Vol. LVI, No. 3, summer 2001, p. 376.

<sup>&</sup>lt;sup>9</sup> Paul Rogers, n. 4, p. 205.

with strong Marxist and Communist inclination, while on the other hand Pakistan with ardent Islamic adherence. However, despite the fact of these differences their relationship got nurtured slowly and gradually with the changing geo-strategic environment.

#### Geographical Overview:

Geographically Pakistan is a part of a larger landmass whose northern limit is fixed by the ranges of the Himalayas, the southern by the seas, the western by the offshoots of the Hindukush Mountains. 10 Not only this, Pakistan is surrounded by four neighbours; in the extreme South West is Iran which has always been on the side of Pakistan, across the notorious North-West frontier province lies Afghanistan which has continuously disputed the very legality of this frontier and has intermittently demanded the demarcation of the boundary, beyond the northern section of the eastern boundary and across the southern boundaries lies India. The former is separated from the West. 11

The other countries of considerable importance and concern are the Soviet Union and the People's Republic of China; the Soviet Union is separated from West Pakistan by a narrow salient of Afghan territory in the North of West Pakistan. In 1947, Gilgit and the Northern part of Kashmir interven between West Pakistan and the Chinese province of Sinkiang; however the inclusion of Gilgit and the portion of Kashmir in the Pakistan orbit after the ceasefire agreement of 1949 made China as an immediate neighbour of Pakistan. 12

Significantly on the Western side, the Central high massif of Afghanistan divided the routes into two main groups; Like the Northern and the Southern. The Northern groups connect the Oxus valley with the Indus by several routes all lying north of the river Kabul. The route also led to the Northern part of Iran an along the "Old Silk Road" (so called because Silk was carried by it) to

<sup>&</sup>lt;sup>10</sup> I.H. Qureshi, A Short history of Pakistan, (University of Karachi, 1992), p. 4.

<sup>11</sup> S.S Bindra, Determinants of Pakistan's Foreign Policy, (New Delhi: Deep and Deep Publications, 1988), p. 77. <sup>12</sup> Ibid, p. 77.

Asia Minor and beyond the Europe. <sup>13</sup>Since time immemorial this Silk Road provided access to eastward for China. As well as it acted as a main line of communication for many Chinese travelers which made this way to Pakistan through this road.

While on the other hand, China unlike Pakistan shares a very long boundary with India. China and India have a 4,000 Kilometer long common border. <sup>14</sup> The irony is that while China still claims that Sikkim and Arunachal Pradesh are disputed territory, India lays claim to Aksai Chin. The Kashmir disputes between India and Pakistan remains to be the major contentious issues between the two. Not only this; the situation was worsened when Pakistan gifted, '13,000 square miles of Indian territory to China'. <sup>15</sup>Following the border settlement between Pakistan and China; which mean demarcation of the frontiers between Azad Kashmir and Xinjiang.

#### Wakhan Corridor:

Wakhan corridor is strategically important and holds a very significant role in the Sino-Pakistan relations; As the Northern tip of the Wakhan corridor becomes a converging point of imperial frontiers and even today it draws together the long and jealously guarded boundaries of the Soviet Union, People's Republic of China, Afghanistan and Pakistan.<sup>16</sup>

Why Wakhan corridor becomes important to mention is because;

- 1. In the vicinity of Wakhan, the Pamir mountain region remains a disputed area between the Soviet Union and China.
- 2. The valley of Kashmir in its closer proximity is still a bone of contention between Pakistan and India.

<sup>&</sup>lt;sup>13</sup> I.H.Oureshi, n.10, p. 9.

<sup>&</sup>lt;sup>14</sup> Maqsudul Hasan Nuri, "China and South Asia in the 21<sup>st</sup> Century", special issue on "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol. V, Nos.III-VI, May –December 1999, p. 198. <sup>15</sup> Ibid. p.207.

<sup>&</sup>lt;sup>16</sup> Zulfiqar Khalid, Pakistan in the Pamir Knot, Geostrategic Imperaives, (Lahore: Vanguard, 1987), p. ii.

3. The Wakhan corridor has virtually cut of the common Sino-Afghan frontiers and adds military pressures on northern Pakistan by Moscow and its South Asian neighbour India.<sup>17</sup>

The most important thing to be noted with regarding to Sino-Pak is that; China and Pakistan do not have a common border as such, but after the construction of the most popular Karakoram Highway between the Xinjiang province and Pakistan occupied Kashmir. Thereafter, the interaction increase both, strategically as well as economically and the social commingling and cultural exchanges to gain momentum. Mr. Wan Li (Vice-Premier) commenting on the two countries, stated; Friendly contacts between the two people have improved. In the social common states of the social common of the two people have improved.

#### Tracing the Genesis:

Pakistan emerged as an independent-nation state on 14<sup>th</sup> August 1947, on the basis of two-nation theory as demanded by M.A.Jinah. China, on the other hand, dominated as it was by the Communist Party of China (CPC) proclaimed the emergence of the peoples Republic of China in 1949.

When Pakistan emerges as an independent new nation, China was uncertain with a ferocious struggle between Mao's Red Army and Chiang Kai-Shek's progress. The fact neither is that nor did Pakistan shows any important emphasis when the People's Republic of China was proclaimed on 1<sup>st</sup> October 1949.

Later on Pakistan sensing the growing possibility of China's importance, at a luncheon meeting of the National Press Club in Washington D.C, on 4<sup>th</sup> May 1950, Prime Minister Liaquat Ali Khan explained that Pakistan had recognized

19 Ibid

<sup>&</sup>lt;sup>17</sup> Ibid, p. iii-iv.

<sup>18 &</sup>quot;China's assurance to Pakistan delegation", Stateman (New Delhi), 24th August 1986.

the People's Republic of China.<sup>20</sup> This change in the policy was due to the following reasons;

- 1. India would soon extend recognition to the People's Republic of China and Britain would follow suit.
- 2. It was expected that Communist China would occupy seat in the United Nations and would partake in the discussions on Kashmir, as a permanent member of the Security Council.
- 3. Another reason was trade. Pakistan trade with India had come to a virtual halt in the wake of the devaluation of the Indian Rupee, and Pakistan was anxiously looking round for customer for her raw jute and cotton and for suppliers of coal.<sup>21</sup>

#### The Non-Aligned Years:

However even after the emergence of Pakistan as a compromise solution for maintaining communal harmony between the two major communities-the Hindus and the Muslims. Pakistan's failure to reconcile with the status quo and distrust towards India had been the major drawbacks to foster a cordial relationships between the two neighbors.

The calculation of Pakistan's foreign policy- makers revolves around India factor. Pakistan adopted a 'wait and watch' foreign policy form 1947-1953', Pakistan's overriding concern vis-à-vis India's was fear, fear of sheer size and the size of its army (nevertheless India was two times larger than Pakistan).<sup>22</sup>

The rift between India and Pakistan continued and even though through out the crisis of 1950 and 1951, there was no outbreak of war between India and Pakistan;

<sup>&</sup>lt;sup>20</sup> S.M. Burke, *Pakistan's Foreign Policy; an Historical Analysis*, (London: Oxford University Press, 1973), p. 102.

<sup>&</sup>lt;sup>21</sup>See S.M. Burke, n. 20, p. 102.

<sup>&</sup>lt;sup>22</sup> S.S Bindra, n. 11, p. 225.

It was Prime Minister Liaquat Ali Khan who told commander in chief Ayub Khan in 1951 that, he was tired of the constant threat and was prepared to accept India's challenge to war, Ayub warned him that Pakistan had only thirteen tanks with about forty to fifty hour's engine life in them to face the Indian army.<sup>23</sup>

This clearly shows the constant fear, which generated in the psyche of the Pakistani's foreign policy makers. Thus sensing this danger Pakistan had seriously started looking for protection; the main point during this time is that, "Pakistan overture towards Communist States like China and Russia does not arise due to ideological as well as Russia with war-ravaged was not in a position to fulfill this demand, obviously the best option remain to be USA". Pakistan started to show great interest towards USA got nurtured, in order to fulfill its ambition of acquiring arms.

One important thing during this period includes the elusive foreign policy followed by Pakistan; On 12 April 1950 Prime Minister Liaquat Ali Khan proposed that the United States should encourage the idea of territorial guarantees to India and Pakistan to allow them to spend more on economic improvement, which would keep out the potential menace communism. 25 Therefore during this time Pakistan showed a dislike about communism and moreover a constant threat. However, it was only in 1962, their relationship cooled off, as a result of the latter's arms aid to India in 1962.<sup>26</sup>

In spite of these differences one major development between Pakistan and China during this time is that; ostensibly Pakistan's exports to China in 1952 shot up to \$83.8 million or 15.7 per cent of the total and the balance of trade

<sup>&</sup>lt;sup>23</sup> Ibid, p. 61.

<sup>&</sup>lt;sup>24</sup> Ibid, p. 61.

<sup>&</sup>lt;sup>25</sup> Ibid, p. 92.

<sup>&</sup>lt;sup>26</sup> Ibid, p. 92.

heavily favored Pakistan because her imports form China that year totaled only \$ 2.2 million or 0.4 per cent.<sup>27</sup>

This move was welcome by Pakistan as its economic was at very low ebb, and this trade relation with China was considered as a Good Samaritan. Where it benefited Pakistan at this most crucial time of economic crisis, in the mean time;

China too joined hand with the Soviet Union and agreed that the division of India into Pakistan was an imperialist trick. About Kashmir too, China believed that the United States, through her manipulation of the Security Council wished to send her own troops turn that principality into a military base.<sup>28</sup>

China expressed satisfaction at the talks, which Muhammad Ali Bogra and Nehru conducted in August 1953 out the ambit of the Security Council and declared that, 'this friendly approach to the settlement of the disputes through consultation is indispensable to the peaceful settlement of all international issues'.<sup>29</sup>

#### The Aligned Years:

However, even after the emergence of Pakistan as an independent nation; as a compromise solution for maintaining communal harmony between the two major communities- the Hindus and the Muslims after the partisan of India in 1947. Pakistan's failure to reconcile with the status quo and distrust towards India compelled Pakistan to constantly focus in terms of security. The helplessness of the situation drove Pakistan to join the Western sponsored military alliances. Where in February 14<sup>th</sup> 1955 Pakistan entered and ratified the Manila Pact- South East Asian Treaty Organization (SEATO) and was

<sup>&</sup>lt;sup>27</sup> Ibid, p. 103.

<sup>&</sup>lt;sup>28</sup> Cited in S.M. Burke, n. 20, p. 104.

<sup>&</sup>lt;sup>29</sup> Ibid, p. 104.

followed by joining the Baghdad Pact-CENTO (Central Treaty Organization) on  $23^{\rm rd}$  Sept. 1955. 30

Not only this in 1954, Pakistan signed the Mutual Defense Assistance Agreement with the United States to qualify as a recipient of non-reimbursable military aid, undertaking to cooperate with the US in the defense of the area in which Pakistan was situated.<sup>31</sup> This agreement reinforced Washington's ability to persuade Karachi to do things considered important by the US policy makers. However, there is no denying the fact, that the move made by US is basically design to protect the Middle Eastern oil field from the possible Soviet moves. This became clear when the Soviet invaded Afghanistan in 1979.

On the other hand China forwarded 'Taiwan Resolution' Congress to protect Taiwan and it's off Shore Island Quemoy and Matsu. As Taiwan became a major military base for the US right from the start of Korean War (1950), where the US not only supported the Nationalist Regime of Chiang Kai-Shek in Taiwan, but also in 1954, 'the formalization of the US-Kuomintang alliance against China in late 1954, allowed the US to provide Taiwan with greater access to US materials and intelligence resources in the Kuomintang's ongoing struggle with Beijing's communist rulers'. 32

Again in 1955, the US and Pakistan signed a Defence Support Assistance Agreement. This agreement benefits Pakistan in a number of ways: like economic aid, military modernization, so also Pakistan will receive \$ 60 million in six months of the year. During this time, the US policy got diverted from Korean War to Tibet, which forced New Delhi to make peace with Beijing. Meanwhile, a group of countries comprising India, Egypt, Indonesia and Yugoslavia came together at Bandung Summit in 1955, where five Panchsheel principles enunciated a year ago in the preamble to the Sino-Indian Agreement over Tibet, became the corner stone of what came to be the Non-

Zulfiqar Khalid, Pakistan in the Pamir Knot, Geostrategic Imperatives, (Lahore: Vanguard, 1987), p.113.
 Sajjad Hyder, Foreign Policy of Pakistan, (Pakistan: Progressive Publishers, 1987), p. 120.

<sup>&</sup>lt;sup>32</sup> S.Mahmud Ali, *Cold War in the High Himalayas, the USA, China and South Asia in the 1950s*, (Great Britain: Curzon Press, 1999), p. 67.

Aligned Movement (NAM).<sup>33</sup> During this time Nehru tired maximum to occupy space in US strategy, but failed which compelled Nehru to look towards Moscow.

There is no doubt that the decision of the Pakistan government to formally join the military Pacts in 1954 was the most crucial step taken by Pakistan. Where it not only affected the relationship with India, but at the same time it deteriorated the relationship with China. Apart from this Pakistan's alliance with the Western alliances have drawn Pakistan closure to the power politics of the Cold War. As S.S Bindra rightly remarked, "By accepting the US military aid from 1956 onwards she (Pakistan) weakened the area of peace brought Cold War to the sub-continent and opened the gates to the return of empire". 34

#### Turning Point in Sino-Pak Relations - The Bandung Conference:

The turning point in Sino-Pakistan relations started during the Bandung Conference of African and Asian Countries including newly decolonized states; which was held in Indonesia on April 18<sup>th</sup>1955 and concluded with a Joint Communiqué on 25<sup>th</sup> April 1955.<sup>35</sup>.

The objective of the conference were mainly to consider problems of special interest to Asian and African people's; like for example racialism and colonialism and to view the position of Asians and Africans in the world and their contribution to world peace and co-operation.

While addressing the Political Committee at Bandung, Chou En-lai said that;

Although Pakistan was a party to a military treaty Pakistan was not against China. Pakistan had no fear that China would commit aggression against her. As a result of that we achieved a mutual understanding...the Prime Minister of Pakistan further assured that if the US should take aggressive action under the military treaty or if the US launched a global

<sup>&</sup>lt;sup>33</sup> Ibid, p.67.

<sup>&</sup>lt;sup>34</sup> S.S Bindra, n.11, p. 243.

<sup>&</sup>lt;sup>35</sup> S.M.Burke, n. 20, p. 176.

war Pakistan would not be involved in it, he further stated that, I am grateful to him for his explanation because through these explanations we achieve a mutual understanding. This creates agreement and harmony amongst us in understanding each other on collective peace and cooperation.<sup>36</sup>

Therefore it was in this Bandung Conference that, Prime Minister Mohammad Ali Bogra of Pakistan met face-to-face with Premier Zhou En-lai. This encounter between the two helped mend their relationship. It was their meetings at Bandung that made these two leaders realize that:

- 1. China and Pakistan could evolve a working relationship despite differences in their ideologies and political system.
- 2. China and India were emerging as rivals for leadership amongst Afro-Asian Countries.
- 3. China and Pakistan could cooperate to increase their leverage against India and the Soviet Union.<sup>37</sup>

No doubt China was the biggest beneficiary of Bandung Conference. As China's long isolation was ended and more over China was able to dramatically demonstrate her superior power over her Asian rival. Apart from this the major significance of this Bandung Conference in Sino-Pak relations is that;

- 1. The chief significance of Bandung lay in the fact that the top leaders of Pakistan and China in their very first personal encounter had achieved a better understanding of each other's point of view.
- 2. Pakistan could convince Chou En-lai that, even though Pakistan was a party to a military treaty, Pakistan was not against China.
- 3. Bandung Conference opened the way to a greater exchange of visits between them. Chou En-lai had invited Bogra to China and Prime Minister Suhrawardy took advantage of the offer in 1956.<sup>38</sup>

<sup>&</sup>lt;sup>36</sup> Cited in S.S Bindra, n.11, p.252.

<sup>&</sup>lt;sup>37</sup> P.L. Bhola, Pakistan-China Relations: Search for Politico-Strategic Relations, (Jaipur: 1986), p.89.

There after this personal contacts, which were initiated at Bandung, became the corner stone of fostering their relationship. In Oct. 1956, H.S. Suhrawardy after assuming the office of Pakistan as Prime Minister and although he was considered not to be pro-Chinese; paid a visit to China only to show that alignment with the Western countries did not mean to total ban of friendly relations with the communist countries.<sup>39</sup>

Likewise to strengthen relations with Pakistan Chinese Prime Minister Chou En-lai also paid a visit to Pakistan in December 1956, it was during this visit that their views were embodied in a Joint Communiqué where;

The two Prime Ministers are of the view that the difference between the political systems of Pakistan and China and the divergence of views on many problems should not prevent the strengthening of friendship between the two countries...they are happy to place on record that there is no real conflict of interests between the two countries.<sup>40</sup>

There after it was during this time China constantly tried to acquire membership in the United Nation Security Council. But the irony is that in September 1957, with regarding to China's entry into the UN; the Pakistan delegation at the UN behaved in a bizarre fashion on the question of considering China's admission to the UN. It first abstained from voting but then changed its position and asked to be counted among the opponents of the resolution.<sup>41</sup>

#### Chinese seizure of Tibet - Its Implication:

Another important aspect, which is worth mentioning, includes the Chinese seizures of Tibet in 1959 and the flight of Dalai Lama to India. 42 This capture of

<sup>&</sup>lt;sup>38</sup> S.M. Burke, n.20, p. 215.

<sup>&</sup>lt;sup>39</sup> S.S Bindra, n. 11, p. 254.

<sup>&</sup>lt;sup>40</sup>Cited in S.M.Burke, n. 20, p.215.

<sup>&</sup>lt;sup>41</sup> Khalid Mahmud, "Sino-Pakistan Relations, An All-Weather Friendship", *Regional Studies*, Vol. XIX, No. 3, summer 2001, p. 5.

<sup>&</sup>lt;sup>42</sup> B.L Sharma, *The Pakistan-China Axis*, (New Delhi: Asia Publishing House, 1968), p. 71.

Tibet created a fear that threat from the communist countries in the North particularly China became a major concern. Pakistan tried maximum to normalize the situation with China, "where Chou En-lai was given assurances by Mohammed Ali Bogra, then Prime Minister of Pakistan by telling that Pakistan's partnership with SEATO was not against China's cost, but the former could not be convince.<sup>43</sup>

At this time followed by the euphoria of 'Hindi Chini Bhai Bhai, that Indian leadership had surrounded India's entire military and administrative presence in the Tibet under the Panchsheela agreement of April 29th 1954.44

It was during this time taking advantage of the situation; Pakistan President Ayub Khan said on 24<sup>th</sup> April 1959, both Pakistan and India should come together to defend the sub-continent, adding that following the Chinese take over of Tibet, India should change the attitude towards Pakistan. Taking his stand on his knowledge of military science and strategy, Ayub Khan began to unfold his proposal for joint defense. 45 To this Nehru said, that following the policy of non-alignment, India could not participate in joint defence with a country, which was a member of CENTO and SEATO. 46 Therefore it was during this time that a strong desire arouse for Pakistan to come closure in terms of joint military defense. It was also a time when the relationship, which got nurtured during the Bandung Conference and the subsequent diplomatic exchanges between the two countries, seems fruitless.

#### Fostering a new Relationship:

During the 1960s Sino-Pak relationship witnesses a tremendous improvement in terms of bilateral relationship.

<sup>43</sup> Ibid,p.71

<sup>44</sup> Swaran Singh, "Sino-South Asian Ties: Problems and Prospects", Strategic Analysis, Vol. XXIV, No.1, April 2000, p. 35. <sup>45</sup> Ibid, p.71.

#### **Border Settlement:**

In March 1962 China and Pakistan proposed negotiations on demarcating the border issues, the two governments exchanged maps and discussed procedural methods on demarcating the Sino- Pakistan border. Beijing intimated its willingness to set the process in motion; On May 3<sup>rd</sup> 1962 with a view to ensuring tranquility on the border and developing good-neighbourly relations between them, Pakistan and China announced that they had agreed to negotiate a provisional demarcation line between Xinjiang and the contiguous area the defence of which is under the actual control of Pakistan.<sup>47</sup>

Meanwhile the Sino-Indian border dispute erupted; it was in marked constrast to the mess up of the Sino-Indian border dispute which has remained unresolved despite the initial warmth in their relations and despite the two countries going to war in 1962. The humiliating defeat of India by China let to a feeling that India is no match for China. However, in this crisis, "the American and the British have therefore been accused of raising false hopes about talks on Kashmir in order to neutralize Pakistan during the Sino-Indian conflict". <sup>48</sup>

The brief Sino-Indian conflict expedited this initiative of Sino-Pakistan border agreement as;

Foreign Minister Manzur Qadir announced that China had agreed to the demarcation of her border with Pakistan and the Pakistan had very cordial relations with China; gradually, a Joint Communiqué, issued on 26<sup>th</sup> December 1962, stated that a complete agreement in principle had been reached on the location and alignment of the boundary and, on 22<sup>nd</sup> February 1963, it was declared that the parties had agreed upon a text describing the boundary alignment in detail. The final agreement was signed in Peking on 2<sup>nd</sup> March 1963.<sup>49</sup>

<sup>&</sup>lt;sup>47</sup> Khalid Mahmud, n. 41, p. 7.

<sup>&</sup>lt;sup>48</sup> Ibid, p. 8.

<sup>&</sup>lt;sup>49</sup> See S.M.Burke, n. 20, p. 291.

The virtual consensus with regarding to this border agreement was immense. The Chinese were generous enough to cede 750 square miles of territory under their actual control to Pakistan. 50

#### Air Transport Agreement:

Another important initiative, which brought the two countries closure, includes the Air Transport Agreement. An Air Transport Agreement signed in Karachi on 29<sup>th</sup> August 1963 provided for Pakistani and Chinese airlines to operate in each other's territory. 51

The outcome was tremendous; it made the Pakistan International Airlines the first international carrier to operate through Canton and Shanghai and greatly facilitated intercourse between the two countries.

There after, the Sino-Pakistan relations began to improve. An Air Travel Agreement Signed in August 1963 was perhaps the most talked about accord, as Pakistan was the first non-communist country to secure landing rights in China for its commercial airlines.<sup>52</sup>

#### Karakoram Highway - A new Milestone:

In spite of the rugged nature and terrain, the construction of the Karakoram highway (commonly term as Chinese Window) shows the sincerity and interest between the two. The year 1967 saw another landmark in Sino-Pakistan relations. The Karakoram highway established at a height of 16,000 feet via the Khunjerab pass shows their relationships both in terms of economic as well as military strategy. Economically this route is viable because through this route China can enter into West Asia and satisfy its imports and exports needs; like exporting cotton and textiles and importing coal, cement, glass ware, cutlery, Chemicals etc. In

Khalid, Mahmud, n. 41, p. 17.
 S.M. Burke, n. 20, p. 293.
 Khalid Mahmud, n. 41, p.8.

terms of military and strategic purposes this highway holds significance as this Karakoram ranges share the boundaries of Central Asia, China and India.

Zulfikar Ali Bhutto wrote in 1967 that it was India's hostility towards these two countries that gave them a "Fundamental common interest" and it was in Pakistan's national interest to seek China's friendship and in China's national interest to support Pakistan.<sup>53</sup>

The Karakoram highway has been the main focus both in terms of economic as well as strategic implications. 'The highway starts at Havelian, 90 Km, North of Islamabad, and propels itself through Abbotabad, Mansehra, Thakot, Chilas, Gilgit, Hunza valley and crosses the Karakoram range through the 16,000 ft. Khunjerab Pass into the Chinese province of Xinjiang.' This major milestone undertaken between China and Pakistan created more durability in their relationships, as it increases not only the economic and military cooperation between the two but also led to the commingling of the social stratum. The foremost thing is that, 'the distance between various cities in and around Xinjiang has been reduced tremendously, with interconnectivity of subsidiary tracts – like linking the Tibet – Xinjiang road and the Gilgit – Xinjiang road. The Tibet- Xinjiang road through the Aksai Chin has also been linked with the Karakoram Highway.' <sup>55</sup>

Not only this, the two countries have fully supported and assisted in matters relating to sovereignty, territorial integrity and also economic development. Shri Prakesh has rightly enumerated the multi dimensional co-operation between China and Pakistan for their continuance between the 1950s and 1990s, it includes;

- 1. Pakistan's relation with China has kept alive Pakistani pretension to a status of equality with India, and helped it pose a strategic challenge to the much larger country.
- 2. It has enabled China, as also the USA, the former Soviet Union and to a much lesser extent, the European powers, to play a larger than life role in South Asian affairs as aid givers, advisors, military suppliers and would be mediators.

Zulfikar Ali Bhutto, *The myth of Independence*, (London: Oxford University, 1969), p.48.
 Zulfikar Khallid, n.30, p.115.

<sup>&</sup>lt;sup>55</sup>Virender Sahai Verma, "Geo- strategy and the Karakoram Highway", as given in "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol.V, Nos.III-V1, May –December 1999, p.116.

3. Strategic co-operation with Pakistan has enabled China to develop relation with the Muslim world and make friends with the USA. <sup>56</sup>

#### The Indo-Pak War of 1965:

The 1965 Indo-Pak war prove the sincerely of their friendship between China and Pakistan. In this war China whole-heartedly supported Pakistan. Like in spite of the position adopted by the USA and the USSR, "On 16<sup>th</sup> September 1965, China gave India the Ultimatum; not only this China also supported by supplying war materials to Pakistan- including T-59 Tanks and MIG-19 fighter planes. These were displayed in the National Day military parade at Rawalpindi on 23<sup>rd</sup> March 1966". <sup>57</sup>

Apart from this China even charge the US and Soviet Union with collusion, Chinese warns India not to spread the war In East Pakistan. As Prof. Khalid Mahmud puts, "The 17-day Pak-India war in September 1965 proved to be the acid test of China's commitment to friendship with Pakistan," As a result during the 1965 Indo-Pak war, China not only supplied Pakistan with military equipment but also provided indications of intervening in case India extended the war to East Pakistan, but the Chinese media clearly condemned India as the aggressor. 59

In spite of all the alliances and pact which Pakistan had undertaken to become a party to the US design, the US failed to fulfill the expectation of Pakistan during this crucial time; rather ironically President Johnson imposed an arms embargo against Pakistan which effectively deprived it of military aid.<sup>60</sup>

<sup>&</sup>lt;sup>56</sup> Shri Prakash, "Sino-Pakistani Relations Comparing Changes over Three Decades", as given in "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol.V, Nos.111-V1, May –December 1999, p.125. <sup>57</sup> S.M. Burke, n. 20, p.349.

<sup>58</sup> Khalid Mahmud, n. 41, p.9.

<sup>59</sup> R.K.Jain, China South Asian Relations 1947-1980, (Delhi: 1981) pp-31-97.

<sup>&</sup>lt;sup>60</sup> Sajjad Hyder, Foreign Policy of Pakistan, (Pakistan: Progressive Publishers, 1987), p.121.

This imposing of arms embargo is done in order to, 'add weight to the Security Council's call for a cease-fire'. 61 The major shift in the US policy during this is that; the US also showed neutrality stand in the Indo-Pak war, this neutrality stand from the part of the US ended the Pakistan's ties with the US. While on the contrary the relationship with China improved tremendously.

#### Sino-Soviet rift - Its Implication:

In the early 1950s good relationships persisted between Soviet Union and China, where the former supported the latter with economic and technological assistance. But, by the end of 1950s there emerged controversies and created great intricacies between the two. The main reason was that, the Soviet Union refused to part with its technology know how concerning the nuclear capability to China in 1958. To this the Chinese malign with doubt in their relations. However, Lu Shulin presents a different aspect, which is worth stating;

In addition to disputes concerning the main difference is due to the great-power chauvinism and hegemonism pursued by the Soviet Union.<sup>62</sup>

The outcome of this deterioration in their relationship proved futile, as the Soviet Union in 1960 unilaterally tear up all the economic as well as technological cooperation with China. To be precise the alliance between the two ended. "The Sino-Soviet Split ended any possibility of communism constituting an alternative world system that could compete with the capitalist West."63

Not only this in 1956, Sino-Soviet Dispute originated from Nikita Khrushchev's secret speech denunciation of Stalin in the twentieth Congress of the communist party of the Soviet Union. This secret speech of Khrushev's made a kind of détene with the West. During this period the Sino-Pakistan relation

<sup>&</sup>lt;sup>61</sup> S.M.Burke, n.20. p. 341.

<sup>62</sup> Lu Shulin, "Five Decades of New China's Foreign Policy", *Pakistan Horizon*, vol. 52, No.4, Oct-1999, p.10.

Bavid S. Painter, *The Cold War*; *An International History*, (London: Routledge, 1999), p.113.

remains hostage to the US biddings, as Pakistan quest to find any possible means to fulfill its military requirement still continued. Thereafter in 1969;

Sino-Soviet relations deteriorated into border conflicts in the Usuri River. For the first time it brought the two communist to come openly in terms of conflict. Peking realized that the primary threat to China's security was from the Soviet Union while contradiction with the United States became secondary, and that it was necessary to improve Sino-American relations.<sup>64</sup>

It was President Nixon who saw in Pakistan and China close relations the possibility of using Pakistan as a bridge in his policy of rapprochement with China, so as to gain leverage with Soviet Union and to use both this communist powers in ending the Vietnam War. Meanwhile, during this same year, Peking made two major moves, Premier Zhao Ziyang paid a friendly visit to Pakistan, Nepal and Bangladesh and Vice Premier and Foreign Minister Huang Hua's visited India to discuss the border issues, reflecting China's intention to improve relations.

Therefore the Sino-Soviet rift that surfaced in 1960s added a new dimension to the Sino-Pakistan relationship, as the Chinese during this conflict started to think on new lines and showed interest in cementing their relationship with Pakistan.

#### Pakistan as a conduit between the US and China - The 1971 Indo-Pak War:

Behind the scene of the Sino-Soviet rift, the process to bridge the gulf between the US and China was in progress with the active help and support from Pakistan leadership. The Americans approached Pakistan as early as July 1969, when President Nixon on a visit to Pakistan requested president Yahya Khan's assistance to facilitate establishment of a Sino-US channel. 65 Not only this, "The

<sup>&</sup>lt;sup>64</sup> Chiin-Tu Hsueh, China's Foreign Relations: New Perspectives, (Praeger Publishers; 1982), p.3.

<sup>65</sup> Khalid Mahmud, n. 41, p.13.

Nixon administration considered it as the right time and God send opportunity to normalize relations with China". 66

In July 1971, Henry Kissinger under took his new well-known secret mission to Beijing via Rawalpindi and opened the Sino-US dialogue."<sup>67</sup> Thus, Pakistan played a crucial role in bringing China closer to the US. There is no doubt that the US wants China to be strong enough to serve as a check on Soviet Power and influence. But the major obstacle is how the US is going to tacitly tackle the Taiwan issues. As Akira Iriye puts;

They will also have to decide how rigid or how flexible - to be in insisting that the 'one China' formula be the basis of their formal dealings with Washington, insisting on American recognition of Peking as the government of all China, including Taiwan". 68

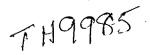
The 1971, Indo-Pak war had come at a time when China was obliged to Pakistan for its role in arranging Henry Kissinger's secret trip to Beijing. However, the outcome was fruitful for China and the US, where this trip facilitated the historic Sino-US détente. On the other hand, the Soviet proposed for an Asian Collective Security System, and in 1971, "Indo-Soviet-Treaty of Peace, Friendship and Co-operation were signed. Friendship and Co-operation were signed. Are role-played by Pakistan as a conduit between the US and China no doubt helped the US and China to come closure, but at the same time the relations between India and Soviet Russia developed. As Bhutto himself pointed out, "The time had passed when the Americans were suspicious of Pakistan's friendship with China."

Another point to be noted during this period is that Pakistan supported China's admission to the U.N. Thus, one-China Policy became firm and clear. Apart from this a solid US policies towards China could be visible during this time

67 Khalid Mahmud, n. 41, p.13.

<sup>69</sup> M.S.Rajan, "The goals of India's Foreign Policy", *International Studies*, 35, 1 (1998), p.81. <sup>70</sup> Khalid Mahmud, n. 41, p.15.





<sup>&</sup>lt;sup>66</sup> S.S Bindra, n.11, p. 272.

<sup>&</sup>lt;sup>68</sup> Akira Iriya, *The United States in Chinese Foreign Policy*, in William J. Barnds, (ed.), China and *America*, (New York: New York University Press, 1977), p.18.

as; on October 24<sup>th</sup> 1971, China was admitted in the United Nation and significantly permanent berth was also provided to her in the UN. <sup>71</sup>

However, the defeat of Pakistan and the emergence of Bangladesh in 1971 was something, which Pakistan finds difficult to reconcile with. Like after the emergence of Bangladesh as an independent Nation and thereafter its ambition to become a member in UN became a major irritant for the Pakistan as they failed to accept the emergence of Bangladesh as a result of the 1971 Indo-Pak war.

As Agha Shahi, (Pakistan's newly appointed ambassador to China) was able to convince Premier Chou En-lai to veto against Bangladesh. To this Chou En-lai gave a patient hearing and informed "Go tell Bhutto China will support Pakistan up to even vetoing against Bangladesh". 72 Dramatically, in August 1972 to the utter surprise, 'China Vetoed against Bangladesh entry into the U.N'. 73 Even after China being the new member in the UN. Thus, China once again proved the continuity and durability of their friendships.

The Simla pact of July 1972, laid down the framework for peaceful Indo-Pak relations in the future. But India's nuclear explosion of May 18, 1974, compelled Beijing to review the situation as well as the Pakistan ambitious nuclear program. Pakistan proposed to India the establishment of a nuclear weapons free zone in South Asia, at the same time the United States cut off aid to Pakistan under Section 669 of the Foreign Assistance Act of 1961 FAA after it was learned that Pakistan had secretly begun construction of a uranium enrichment facility.<sup>74</sup>

The Sino-Pakistan relations remain somewhat in a firm footing during this time, as the degree of hostility towards India or disturbed by the American factor to a larger extent begin to balance, as Pakistan was no longer required to

<sup>&</sup>lt;sup>71</sup> S.S Bindra, n. 11, p. 273.

<sup>&</sup>lt;sup>72</sup> POT, "Chinese veto that foiled India's Design on Kashmir", no. 129, March 31, 2001, p-2177.

<sup>&#</sup>x27;' Ibid, p. 2177.

<sup>&</sup>lt;sup>74</sup>http://www.pakistanidefence.com/nuclearand missile/nuclear program chronology.html.

performed a balancing role between the US and China, as the diplomatic ties between the US and China establish with "Sino-US détente in 1971". 75

The Bhutto government sensing the importance of relationship with China so also to secure its strategic imperative vowed to transform the relationship of mutual interests and needs. "In May 1974 Prime Minister Z.A Bhutto paid another official visit to China and told his hosts that he had come to China at the behest of the people of Pakistan to personally thank the leaders and the people of this great country for their unwavering solidarity with Pakistan in the darkest days of its history". <sup>76</sup>

#### Bhutto's Bid - Nuclear Issue:

At this time there was no doubt that the Bhutto's government was under the constant pressure from the US with regarding to the Pakistan's nuclear programme. However the nuclear device test by India at Pokhran in 1974 created serious threat to Pakistan for their strategic calculation. Bhutto was obviously in a hurry to go ahead with the nuclear programme, but the Chinese were under going severe domestic problems, as the Chinese were:

Then embroiled in a war of succession and Hua-Guofeng, the intervening leader, was hardly in a position to consider taking a major diplomatic initiative on the world scene. It wasn't therefore surprising that the Chinese were not enthusiastic in their response to Bhutto's suggestion for a Third World summit.<sup>77</sup>

But later the Chinese response to development in Pakistan provided yet another proof that Sino-Pakistan relations had matured into 'all-weather friendship' not affected by shift in policies or change of personalities. RLike other predecessors, Zia-ul-Hag after assuming to power in the 1977 military coup against Bhutto reaffirms that friendship with China is at the top agenda;

<sup>&</sup>lt;sup>75</sup> Khalid Mahmud, n. 41, p. 15.

<sup>&</sup>lt;sup>76</sup> Ibid, p. 15.

<sup>&</sup>lt;sup>77</sup> Ibid, p. 16.

<sup>&</sup>lt;sup>78</sup> Ibid, p. 16.

In December 1977 he completed the ritual of a state visit to China and was assured by his hosts that China's Pakistan policy as conceived by Mao would continue unchanged. Deng Xiaoping reaffirmed China's unswerving support to Pakistan in its struggle to safeguard it national independence and state sovereignty and the efforts for the exercise of self-determination by the people of Jammu and Kashmir.<sup>79</sup>

#### Afghan war - The New Cold War:

The Soviet invasion of Afghanistan on December 27, 1979 opened a new chapter of consultation and collaboration between China and Pakistan. <sup>80</sup> This new Cold War Started, when the superpower Soviet Union invaded Afghanistan in 1979, amid all the formalities laid down for the SALT II, which was supposed to be signed in Vienna on June 1979, caused a wave of shock around the world. This drastic and unprecedented move taken by Soviet Union put an end to the détente between the US and the Soviet Union. This development was not welcome by China, as China's support to Pakistan's security was the major feature of China's Afghan policy;

China condemned the Soviet military intervention in Afghanistan as a hegemonic action that violated the sovereignty and independence of Afghanistan and posed a grave threat to peace and security in Asia and the whole world. A formal protest was lodged with the Soviet Ambassador in Beijing with a demand that he Soviet armed invasions oft that country posed a threat to China's security. China seriously felt that the Soviet move threatened the security and internal stability of their long-term ally, Pakistan.<sup>81</sup>

During this crisis Pakistan became a frontline state, where the US as well as China came close to contain the Soviet Union expansionism. Thus it was during

<sup>&</sup>lt;sup>79</sup> Ibid. p.16.

<sup>80</sup> Ibid.

<sup>&</sup>lt;sup>81</sup> Fazul-ur-Rahman, "Pakistan's Relation with china", special issue on "Sino-Pakistani Strategic Cooperation", *Peace Initiatives*, Vol. V, Nos. III-VI, May –December 1999, p. 180.

this period that the US too supported Pakistan. In the 1980s the Chinese were deeply committed to assisting the Afghan Mujahideen and generously contributed arms to the resistance against Soviet occupation. Meanwhile, "the Americans declared a holy war against the 'evil empire', and the Reagan administration spared no effort to rally anti-Soviet forces and ensure a constant flow of weapons to the Afghan resistance". 82

Thus it was during this period that Pakistan was supported both by the US as well as the Chinese, which provided good opportunity for Pakistan to acquire weapons and also to carry on the nuclear programme clandestinely. The US provided Pakistan with substantial military and economic assistance. Likewise;

China provided covertly through Pakistan, military supplies of US \$ 200 million annually to the Afghan resistance, China also agreed to provide the US with listening posts to monitor Soviet Central Asia through secret stations established in the western Chinese province of Xinjiang. 83

Thus during the Afghan crisis, the US as well as the Chinese collude with each other to contain the Soviet expansionism, which on the contrary benefited Pakistan.

#### The 1980s:

Thus in the 1980s during the Afghan crises the Chinese were deeply committed to assisting the Afghans and at the same time Sino-Pakistan relations reach a new height. Not only this; during this period there occur a grave change between China and the US. The Taiwan issues still remained the major obstacles. The Reagan administration shows biasness in its attitudes towards this very sensitive issue of China's policy.

With regarding to China's Independent foreign Policy, speaking at the U.N general Assembly on Oct. 4, 1982, foreign minister Huang Hua gave clear

<sup>82</sup> Khalid Mahmud, n.41, p-19.

<sup>&</sup>lt;sup>83</sup> Fazul-ur-Rahman, n.80, p. 180.

evidence of China's independent line when be blamed both the superpowers. He said;

The quest for hegemony by the two superpowers and the resultant global rivalry between them are the main source of unrest and turmoil in the world-while the focus of their global strategies remains in Europe-the development in recent years indicate that the main sphere of contention between the super powers is in the third world.<sup>84</sup>

In 1989 the Soviet Union started withdrawing from Afghanistan. The US benevolence towards Pakistan came to an end, as the main objective of containing the Soviet expansionism now does not hold any threat. AT this time the US focus more on the proliferation issue. Ostensibly, the supply of M-11 surface-to-surface missile to Pakistan by China in 1990, 85 created another major irritant between the US and China, Where the later as an excuse for imposing sanction against China; Pressler amendment which stipulated that the US president must certify that Pakistan does not possess a nuclear explosive device was invoke against Pakistan in 1990. This Pressler Amendment was invoked to Pakistan as a punitive measure against Pakistan's nuclear programme.

It was only when Gorbachev succeeded Chernenko in 1985, things started to changed in global policies. Gorbachev policy of perestroika (restructuring) and Glasnost (openness) led to the collapse of the Soviet Union in December 1991.

Thus, these were the few developments that got nurtured between China and Pakistan in the Cold War period, the relationship there after, i.e. in the post-Cold War era will be dealt in detail in the subsequent chapters.

 <sup>&</sup>lt;sup>84</sup> K. Subrahmanyam, (ed.), *The second Cold War*, (New Delhi: ABC Publishing House, 1983", p.185.
 <sup>85</sup> "US to take up China's M-11 deal with Pakistan", *The Pioneer*, (New Delhi), 14<sup>th</sup> July 1995.

CHAPTER: II
Objectives And Interests

#### CHAPTER: II

### OBJECTIVES AND INTERESTS

#### An Overview:

Sino-Pak friendship is the guarantee of peace and tranquility in South Asia. In future these relations will provide more strength to the peace in the region. The "New World Order" emanating after the collapse of the former Soviet Union projected an environment of regional tensions, Nationalist movement, militancy and terrorism, proliferation of weapons of mass destruction etc. In this new ground realities Pakistan has once again after 11<sup>th</sup> September 2001 developments became the front line state for the U.S fight against global terrorism based in Afghanistan.

Pakistan's Democratic Government was largely overshadowed by the military dictatorships. Where non-professional military rule has been the order of the governance with poor political stability. Mr.Agha Shahi (former foreign minister and eminent scholar) said Pakistan's foreign policy and the strategic challenges faced by the country especially after the Cold War era had changed tremendously; he further stated "the US policy shift of taking India as its strategic partner is largely due to India's vast market". <sup>1</sup>

There is no doubt that "Pakistan's foreign policy with military regimes poses a great threat regarding its survival as a nation state. So a poser, which does not at all imply a Sino-Pakistan bid to trouble India on the terror issue, but the question, is whether Islamabad can now play a US card as also a China card to confront New Delhi.<sup>2</sup>

China with its growing economic strength no longer depends on few friends; this led to apparent change in its foreign policy. Broadly speaking, these last 50 years have been "People's Republic of China transition from being a revolutionary state to what

<sup>&</sup>lt;sup>1</sup> POT, Pakistan Series, "Pakistan under Internal, external Pressures: Agha Shahi", Vol.XXIX, No.42,Feb

<sup>&</sup>lt;sup>2</sup> P.S.Suryanarayana, "Pakistan's China Card", *The Hindu*, 2<sup>nd</sup> feb.2002.

increasingly appears to becoming a 'status quo' power showing signs of supporting the dominant models and patterns of behavior".

The Chinese definition of security concepts thus accepts the exogenous and the endogenous determination of its security interests and behavior creating a potential for rethinking some security concerns along less, "state –centric lines". Thus, China's perception of the post-Cold War was an epoch of change and New World order allows it to play a crucial and vital role in the international milieu. Besides this, China pursue an independent foreign policy of peace; its basic goals have been rightly classified into three aspects by Mei Zhaorong. The three aspects includes-

*Firstly*, China's foremost priority is to safeguard state sovereignty, independence and territorial integrity, and to vigorously advance the great cause of its national reunification.

Secondly, to serve the central task of the whole country, that is to foster a lasting, stable and peaceful international environment for reform and opening up and modernization drives, as well as to strive for conditions favorable to international cooperation so as to facilitate the rapid development of China.

Finally, China's main focus is to contribute China's own part to the regional and world peace and stability and common development.<sup>5</sup>

As economic competition has emerged as the core of international politics after the end of the Cold War, China's foreign policy got sharpened with economic interest and security. This led China to foster relations with different countries; apart from this China's significance also increases, China and U.K brought about the smooth transfer of power/territory in Hong Kong and its stable transition, which marked a new beginning in Sino-British relations.<sup>6</sup>

Not only this, China's accession to global security regime and the quest for a stable international environment can be understood by the following:

<sup>&</sup>lt;sup>3</sup> Swaran Singh, "China's Internal Defense Strategy: Problems and Prospects", *Strategic Analysis*, vol.xxiv, No.12, March 2001, p.2131

<sup>&</sup>lt;sup>4</sup> Madhu Bhalla, "China's Security Perspectives", International Studies, 35, 2(1998), p.197.

<sup>&</sup>lt;sup>5</sup> Mei Zhaorong, "The Foreign Policy of China", *Foreign Affairs Journal*, No.59, March 2001, p.1. <sup>6</sup> Tang Jiaxuan, "New China's Diplomacy over the Past Fifty Years", *Foreign Affairs Journal*, No.53, September 1999, p. 27.

- 1. In 1993, China promised to abide by the Missile Technology Control Regime (MTCR) and acceded to the Nuclear Non-Proliferation Treaty (NPT).
- 2. In 1993, China signed the Chemical Weapons Convention (CWC).
- 3. In 1996, China signed the Comprehensive Test Ban Treaty (CTBT) and
- 4. In 1997, China joined the Zangger Committee of NPT exporters.

The distinctive feature between Pakistan and China is that Pakistan considers China as a big neighbor who stands by its side without any interference and friction. Even though, China's assistance to Pakistan is without any reservation and expectation in return their relationship fostered; take the case of 1965 Indo-Pak war and also the 1971 war between India and Pakistan, China wholeheartedly supported Pakistan. China's sincerity, firmness and reiteration of support for the Pakistan in the face of US pressure are yet another reminder of the strength and depth of Pak- China relations.<sup>8</sup>

Sino-Pakistan relations have reached a new level of friendship, where many termed it as "all-weather friendship" in the history of bilateral relationships. The relationship, which got natured in 1956, became a permanent feature in their relationships. In terms of objectives and interest the two countries have demonstrated a viable relation proving its time-tested friendship. In September 1995, Sardar Assef Ahmed Ali, then foreign minister of Pakistan was told by Li Peng that, 'relations between China and Pakistan had entered a new phase of sustained development. The new phase of Sino-Pakistan relations was based on efficient co-operation in various fields.' <sup>9</sup>

### The end of Cold War - Its repercussion on Sino-Pak relations:

The end of Cold War has produced a transitional phase, as the world order has to adjust to new situation. A multiplicity of trends has emerged. The foremost thing is that China is all set to become a world power, but on the other hand Pakistan still continues to be stigmatized with its domestic problems like economic and political instability. This

<sup>&</sup>lt;sup>7</sup> Md. Abdul Mannan, "The U.S. Comprehensive Engagement Policy towards China: Key Issues", *Bliss Journal*, vol.21, no.1, January 2000, p.80.

Journal, vol.21, no.1, January 2000, p.80.

8 Fazal-ur-Rahman, "Pakistan's Relation with China", special issue on "Sino-Pakistani Strategic Cooperation", Peace Initiatives, Vol.v, nos.iii-vi, May –December 1999, p.184.

<sup>&</sup>lt;sup>9</sup> Frontier Post, (Pakistan), September 2<sup>nd</sup> 1995, Fazal-ur-Rahman, Pakistan's Relation with China, as given in "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol.v, nos.iii-vi, May –December 1999, p.182.

qualitative change in international context compelled China to pursue different foreign policy, as Maqsudul Hasan Nuri puts;

- 1. Post-Mao China since the late 70s is vigorously pursuing the path of 'Four Modernization' that includes economic, military, political and social.
- 2. Although a developing third world country, China consider itself in the league of big nations and its growth rate in the past two decades has been phenomenal.<sup>10</sup>

Therefore the end of the Cold War has wider repercussion in their relationships, the realities is that Pakistan does not hold as important as it was during the Cold War period. With regarding to Pakistan Robert Wirsing writes, "its strategic importance has diminished and its ties with major powers have grown perilously thin."

Typifying the new situation, former chief of Pakistan army, Gen. Aslam Beg's states, "Through out the Cold War, Pakistan had tried to be helpful, consider the case of Sino-America normalization, the Afghanistan crisis, the Persian Gulf war and so, with the end of the Cold War the U.S has been hasty in down grading its relations with Pakistan". Inappropriately, the dynamic of Sino-Pak relations underwent a drastic change thereafter, as M.H Askari rightly puts regarding the changing situation between the two, Pakistan's expectation of China as a friend and ally should take into account the realities of today and not remain rooted in whatever had been the experience at the outset.

## Rationale or Continuity for Special Relations:

Even though ideologically different from each other like China being a communist country while on the other hand Pakistan being an Islamic state, their relationship which got tailored from the Cold-War period continued in spite of some irritants. The recent furor in global politics due to the constant conciliating situation depletes the environment but this did not deter their relationship.

<sup>&</sup>lt;sup>10</sup> Maqsudul Hasan Nuri, "China and south Asia in 21<sup>st</sup> Century", special issue on Sino-Pakistani Strategic Co-operation, *Peace Initiatives*, Vol.V, Nos.iii-vi, May –December 1999, p.194.

Robert Wirsing, "Pakistan's in the New World Order; Going from Bad to Worse", In Dianne L.Smith ,(ed.), Asian Security in the year 2000 (Carlisle Barracks, Pakistan Strategic studies Institute, 1996), pp. 65-103, Hasan Askari Rizvi, "Pakistan and the post- Cold War Environment", in Craig Baxter and Charles Kennedy, (ed.), Pakistan 1997, (India: Harper Collins publishers, 1998), p.37.

As quoted in Shirin, "India, Pakistan and the U.S- breaking with the past", (New York: Council on Foreign Relations Press, 1997), p.64.

<sup>&</sup>lt;sup>13</sup> M.H Askari, Old Friendship, New Realities, as given in "Sino-Pakistani Strategic Co-operation" *Peace Initiatives*, Vol.V, Nos.111-V1, May –December 1999, p.211.

Intrinsically the Sino-Pak relationship represents a unique example of interstate relationships, which have no comparison in terms of culture, government and even ideology. The rationality of Sino-Pakistan 'special relationship' has been unique in more than one ways, As Swaran Singh rightly puts;

Firstly; Pakistan constitutes the only exception where China has managed to have stable ties throughout these last five decades.

Secondly; Sino-Pakistan defense co-operation, especially China's assistance and supplies of nuclear and missiles technologies are the only example where one nuclear weapons power has not only created another nuclear power but had continued to enjoy stable ties even after the latter formally declared itself as a nuclear weapons state.

Finally; Sino-Pakistan ties, despite their being primarily dominated by their one-sided military co-operation and supplies have not flowered into a full-fledged military alliance. All this has confounded experts about China's motivations for such unstinted commitment to ensuring the security of Pakistan.<sup>14</sup>

A close look into this shows that Pakistan and China's relationship was not abstract in principles, as it shows significantly that the calculus of mutual benefits either in terms of economic, military etc. does not balance between the two. With Pakistan as a recipient of China's export items like both military hardware as well as commercial commodities while on the contrary China fulfilling its futuristic ambition in the region as well as importing coal, cotton etc from Pakistan.

#### **Convergence of Interest:**

A country has no permanent allies or enemies, only permanent interests. <sup>15</sup> This is true with regarding to Sino-Pakistan relations, where both consider India as an adversary. Pakistan right from emerging as an independent state, has been balancing its military capability by acquiring arms and military technology know how, either from the USA, or China, to seek parity with India. So also China with 4000 km long common border with India pursues the same attitude towards India. With regard to boundary dispute between

<sup>&</sup>lt;sup>14</sup> Swaran Singh, n. 3, p. 37.

<sup>15</sup> Sajjad Hyder, Foreign Policy of Pakistan, (Pakistan: Progressive Publishers, 1987), p.116

India and China, China claimed 90,000 sq kms in the Eastern Himalayan sector that was under Indian occupation, while India laid claim to 3800 sq km in Aksai Chin. 16

Pakistan's policy of military rivalry with India, has become the major focus for Pakistan, where Pakistan succinctly followed India's design by going nuclear on May 1998. With regarding to the question of nuclear issues, Pakistan has not followed India neither China with regarding to 'no-first-use' pledge, but pledged to refrain from targeting each other's nuclear installations. Besides this, Pakistan with regarding to India's strategic planning is prominent and culculative; therefore with its China connection- Pakistan fulfill its stands against India by acquiring nuclear as well as missile technology.

Apart from this, Beijing's attempts to control the Persian Gulf become clearer as: 'China's decision to help develop Gwadar Port to project power throughout South Asia through a greatly expanded naval presence.' This project if completed would give Beijing credence in many ways, like potential staging ground to exert influence along one of the world's busiest shipping lanes flowing in the Persian Gulf and also would led Beijing use the port for strategic calculation.

Pakistan becoming a nuclear capable state has become a major threat for India, as the conventional capability of Pakistan prove to be incomparable. This deteriorated the balance of power to what "India perceives as unfavorable intensions into the existing military balance of power in the region". Under such situation, India was well motivated to develop its security and to balance the power structure in the region, 'one to ensure its security against a nuclear armed China and later, to deter a nuclear capable Pakistan. Pherefore, it becomes more repugnant to India to handle the fact of this insecurity;

Indian nuclear doctrine has to handle the central fact that, unlike deterrence relationship elsewhere in the world, India has simultaneously to deter two closely linked nuclear adversaries, China and Pakistan, one of these states could act as a proxy of the other against New Delhi or, at the very minimum, the two could

<sup>&</sup>lt;sup>16</sup> Maqsudul Hasan Nuri, n. 10, p.197.

<sup>&</sup>lt;sup>17</sup>Public Opinion Trends, Pakistan Series, "China Eying Persian Gulf through Gwadar", vol. xxix, no.150, June 23, 2001, pp.2546-47.

<sup>&</sup>lt;sup>18</sup> Madhu Bhalla, n. 4, p.205.

<sup>&</sup>lt;sup>19</sup> Virginia Foran, "The case for Indo-US High –Technology Cooperation", Survival, vol.40, no.2, summer 1998, p.83.

closely cooperate and provide material or intelligence assistance to one another if Beijing's or Islamabad sought to take India on militarily.<sup>20</sup>

The danger of nuclear catastrophe between India and Pakistan becomes more vulnerable and risky, as the two countries are geographically located in close proximity. The danger of miscalculation, first strike uncertainty and also possible nuclear accident projects a very dangerous situation. Even though, India's national security lies either in global disarmament or in exercise of the principle of equal and legitimate security for all.<sup>21</sup>

The Beijing – Pyongyang – Islamabad nuclear missile collaboration has undoubtedly degraded the India's security and thereby leading to a new arms race in the region. Commenting with regarding to the deployment of the Agni Missile by India, report from Jang says editorially that;

India wants to play as a guard to US interests in South Asia. It wants also want to dominate the region. However Pakistan and China is main hurdles in the path of its objectives. In such a scenario Chinese resentment towards India's desire to become a mini superpower of the region is quite justified and the world should take note of it.<sup>22</sup>

Therefore it becomes clear that, both Pakistan and China focuses India as their common foe in their defense calculation.

#### Obstacles in Sino - Pak Relationship:

In spite of the much acclaim cordial and friendly relationship between Pakistan and China, the end of the Cold War presents a different dimensional shift in their policies. With rampant regional tensions and the growing menace of global terrorism, proliferation of weapons of mass destruction many irritants began to cropped up in their relationship. Therefore, it shall be desirable to highlight some of the development in the post- Cold War era which led to the deterioration in their relationships becomes essential to analyze in order to understand what led to the declining in their relationship and also how the new changing environment in the global politics influences in their relation.

<sup>&</sup>lt;sup>20</sup> Brahma Chellaney, "After the Test; India's Option", Survival, VOL.40, NO.4, Winter 1998-99, p-106.

Jaswant Singh, "Against Nuclear Apartheid", Foreign Affairs, 77, sept/oct, 1998, pp. 41-52.

Public Opinion Trends, Pakistan Series, "Comments: Chinese Concern at Agni Missile", VOL. XXIX, No. 91, April 17, 2001, p.1527.

## Beijing's Ties with India:

The first and foremost thing which acted as a gulf in Sino-Pakistan relationship includes the shift in Beijing's attitude towards India, Which the Pakistani look at it as with doubt and something difficult to accept. However, there is no denying the fact that the nurturing of good and friendly relations between India and China originated during the 1950s, when an agreement concluded on April 29, 1954, with India on Trade.

Not only this in the Tibet region of China and India normalization assumed to a larger extent, as the two countries reached an understanding on what came to be know as the Five Principles of Peaceful co-existence or 'Panchsheel', which includes; Mutual respect for each other's territorial integrity and sovereignty; Mutual non-aggression; Mutual non-interference in each other's internal affairs; Equality and mutual benefit and Peaceful co-existence.<sup>23</sup>

After Prime Minister Rajiv Gandhi visited China in December 1988, a turning point came in their relationship. The Tibet issue, which has become the major irritant in their relationship after India's granting asylum to Dalai Lama got reduced to a large extent. This was due to the fact that India gave assurance to China that; "New Delhi treated Tibet as an autonomous region of China and would not permit any hostile activity against China on its soil".<sup>24</sup>

Another point, which can be noted with regarding to this, is that; Chinese Prime Minister Li Peng visited Pakistan in November 1989, and told his Pakistani friend that India was a great country in South Asia and had an important geographic location and the maintenance of good neighborly relations between India and its neighbors was vital to this region.<sup>25</sup>

As a member of the United Nations Security Council and also with its political stability and rapid economic growth, China pursues an open policy in dealing with its foreign policy. Some of the positive move that led to the normalization of relationship between the two includes;

<sup>&</sup>lt;sup>23</sup> R.K. Jain, (ed.), *China, South Asian Relations 1947-80*, VOL.I, India 1947-80 Relation, (New Delhi: Published New Delhi 1981), p. 61.

<sup>&</sup>lt;sup>24</sup> Maqbool Ahmad Bhatty, "China's Emerging Role in the World", as given in "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol. V, Nos. III-VI, May –December 1999, p.163.
<sup>25</sup> Fazal-ur-Rahman, n. 8, p.181.

- 1. In 1981 when Deng Xiaoping agreed to re-open the long-closed Kailash-Mansarovar pilgrim route- a move that was welcome by India.<sup>26</sup>
- 2. China and India signed both the 'agreement on maintaining peace and tranquility in the China-India border areas along the Line of Actual Control and the Agreement on Confidence –Building Measures in the military fields along the Line of Actual Control in the China India border areas.<sup>27</sup>

The main factor which brings the two countries to come closer in their ties include the economic interest, as China knows clearly that unlike Pakistan, India has great scope in the economic arena. Prof. Zhang Yunling rightly remarks that, "after the end of the Cold War, every country wants to go for partnership relations. There are no ideological enemies, only neighbors, close neighbors, and distant partners, who can use the opportunity to develop economic relation".<sup>28</sup>

Likewise, K.Subrahmanyam puts, 'any border agreement a nuclear India arrives at with a nuclear China will not look like an unequal agreement. Once the nuclear asymmetry is rectified, the two countries can afford to negotiate and work out a border settlement in a relax manner.'<sup>29</sup>

Since 1991, the Sino- Indian relationship took a major shift; the strong anti-India attitude from China towards India has gone out of its foreign policy. Not only this, China now advocates non-use of force between India and Pakistan, this move by China itself shows clearly the change in its approach regarding Indo-Pakistan relation. Now, China relies on peaceful means of negotiations. In the words of Mr. Zhou Gang;

There is no change in China's stated objective of forging a long-term neighborly, constructive and economic partnership based on mutually beneficial foundation and potential with India in the 21<sup>st</sup> century. Besides, both countries share similar or common views on such issues as peace and development, human rights, environmental protection and population control.<sup>30</sup>

<sup>28</sup>Zhang Yunling, "Nobody here Treats India as an enemy", Frontline, 25th sept.1998, p.20.

<sup>&</sup>lt;sup>26</sup> Maqsudul Hasan Nuri, n. 10, p. 197-198.

<sup>&</sup>lt;sup>27</sup> Tang Jiaxuan, n. 6, p.20.

<sup>&</sup>lt;sup>29</sup> K.Subrahmanyam, "India's Security Challenges and Responses: Evolving a Security Doctrine", *Strategic Analysis*, VOL.II, NO.1, (April 1987), p.8.

<sup>&</sup>lt;sup>30</sup> R.Maitra, "China- India Relations on the Mend", *Executive Intelligence Review*, Washington, 26<sup>th</sup> March 1999, VOL.26, NO.13, p.47, cited from Maqsudul Hasan Nuri, op. cit., p. 204, as given in "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol. V, Nos. III-VI, May –December 1999.

After a decade of normalization of relation between China and India, the situation got worsened due to the nuclear explosion conducted by India on May 1998, and the aptly remark made by George Fernandes (the Defence Minister of India) that, "China as a number one threat" deteriorated the relationship between India and China. China is the first country to propose a no-first-use of nuclear weapons immediately after exploding its first atomic bomb in 1964. There after China and India both committed to 'no-first-use' of nuclear weapons, but China has opposed any deal with India over 'minimum deterrence' in return to joining the CTBT.<sup>31</sup>

#### Kashmir Tangle:

Kashmir has been a trouble legacy between India and Pakistan right from the beginning when Pakistan emerges as an independent nation state. Since then Kashmir has been the major focus for both India and Pakistan, where turbulent and disturbance dominated in the region due to terrorist activities followed by Pakistan, by supporting the insurgency promoted unabated 'low intensity conflict'.<sup>32</sup>

This low intensity conflict followed by Pakistan, were of major concern for the Chinese; especially after the growing separatist movement emanating in its own soil i.e. the Xinjiang province. The Chinese were sure that there is a clear leverage between the Islamic fundamentalist operating in Kashmir and also the growing uprising in its own province. Even though Pakistan to a level pointed out that it would take action by containing its movement; "like taking action on its soil to block movement of Uighurs into China, Beijing continues to remain concerned about the cross-border terrorism from some of the neighboring Central Asian republics".<sup>33</sup>

### China's shift in Kashmir Policy:

The Kashmir issue has been the major irritant, which dominated the Sino-Pak relations, as Pakistan always consider the Kashmir issue as its guiding foreign policy. No other

<sup>&</sup>lt;sup>31</sup> See "China opposes minimum Nuclear-Deterrence to India", *The Hindu*, Delhi, 28<sup>th</sup> Jan 1999.

<sup>&</sup>lt;sup>32</sup> P.M. Kamat, "The End of the Cold War: Implications for Indian- American Relations" *India Quarterly*, 1993, p. 63.

<sup>33</sup> Atul Aneja, "India China for closer Economic Ties", The Hindu, 16th Jan, 2002.

issue has there been so much misinformation and motivated propaganda as on South Asia being 'Flashpoint' of possible nuclear conflagration.<sup>34</sup>

Under such chaotic situation, China with its own concerns about the terrorism activities spreading to its soil. Concretely, China has refrained from supporting Pakistan's line on Kashmir after 1990, calling instead for a peaceful settlement of the dispute through calm and self-restrained bilateral negotiation between India and Pakistan. Even though China plays an important role in the South–Asian power balance, this move by China especially in the post- Cold War era clearly indicates the divergence in the foreign policy of China and Pakistan. The major concern to Pakistan is that, China has now adopted a position of careful neutrality on Kashmir. 35

This new development is not that China adopted a new policy of rapprochement with India, but due to the concerns emanating in its own Muslims majority province. Chen Ruisheng, former Chinese ambassador to India and now senior advisor at China's Institute of International Studies, commented that, "China has traditional friendship with Pakistan but will not take sides with Pakistan in the Kashmir dispute and that it does not believe in strategic alliances, Pacts or blocs but only strategic partnership". 36

The Kargil conflict is the result of this predicament, where the Pakistan has used the nuclear weapons as its deterrence strategy. As Sumit Ganguly writes, 'India and Pakistan are still in the early stages of learning to have a mature balance of nuclear deterrence while managing raw sores of conventional conflicts, such as Kashmir'. 37

It was during the tenure of Chinese President Jiang Zemin that the relations between China and Pakistan began to slow down. During his visit to India and Pakistan in late1996, he advocated a direct dialogue between the two countries on Kashmir as well as progress towards better bilateral relations.<sup>38</sup>

Besides this, during the meeting of Pakistani Foreign Minister Sartaz Aziz with former Chinese Prime Minister and Chairman of the National People's Congress Li Peng, on

Inder Malhotra, "Security Issues in Southern Asia", Strategic Analysis, Vol. 20, No. 2, May 1997, p. 224.
 Sandy Gordon, "South Asia after the Cold War: Winners and Losers", Asian Survey, Vol. 35, No. 10, Oct. 1995, p. 881.

<sup>&</sup>lt;sup>36</sup> Maqsudal Hasan Nuri, n. 10.

<sup>&</sup>lt;sup>37</sup> Sumit Ganguly, "Stalemate in the valley", *Harvard International Review*, Vol.18, no. 3, summer 1996, taken from James Manor and Gerald Segal, "Taking India Seriously", *Survival*, Vol. 40, No.2, summer 1998, p.63.

<sup>&</sup>lt;sup>38</sup> Maqbool Ahmad Bhatty, n. 24, p. 163.

June 1999, in Beijing; Pakistan was advised that it should remain cool headed and exercise self control and solve conflicts through peaceful means and avoid worsening the situation.<sup>39</sup> Not only had this, speaking at a press conference, Mr. Zhu, said 'China had neither any intention nor will it play any mediatory role between the two countries'.<sup>40</sup> This clearly indicates the losing credibility of Pakistan in China's foreign policy, not only this the Pakistan President, Pervez Musharraf had not succeeded, during his recent visit to Beijing, in securing assurance of the type he was keen on in relation to the India-Pak stand – off.<sup>41</sup> Left with no option, in the course of his hour- long speech in January 12, 2002, General Musharraf had made a specific reference to the subject regarding Kashmir;

I would like to address the international community, particularly the United States on this occasion...now you much play an active role in solving the Kashmir dispute for the sake of lasting peace and harmony in the region. We should not be under any illusion that the legitimate demand of the people of Kashmir can ever be suppressed without their just resolution. Kashmiris also expect you to ask India to bring an end to state terrorism and human rights violations. <sup>42</sup>

This indicate Pakistan's quest for international community interference with regarding to the Kashmir issue, especially after China's neutrality stand. It becomes crystal clear that the post- Cold War scenario presents a divergence in China's foreign policy toward Pakistan, the increasing Islamic Fundamentalism in and around the region pose a great threat, which the Chinese consider unpalatable and followed a cautious policies as a punitive measures.

#### Flawed Policies of Terrorism:

Terrorism of any kind is detrimental to the society and also the government. Pakistan with its ideology of Islamic fundamentalism attitudes with the history of military rule was the major concern, which acts as an irritant in Sino-Pakistan relations. Anato Lieven

<sup>&</sup>lt;sup>39</sup> Maqsudal Hasan Nuri, no. 10, p. 206.

Atul Aneja, "We have no plan to broker Indo-Pak Peace says Zhu", The *Hindu*, 14<sup>th</sup> Jan, 2002.

<sup>41</sup> K.K.Katyal, "The Zhu visit", *The Hindu*, 28<sup>th</sup> Jan, 2002.

<sup>&</sup>lt;sup>42</sup> B. Muralidhar Reddy, "Powell Arriving in Pakistan today on Thanksgiving Mission", *The Hindu*, 16<sup>th</sup> Jan, 2002.

rightly remarked that, "It remain unclear how far the Islamisation of the military has translated into support for the Taliban, terrorism, or radical anti-Americanism". 43

China's fear is that Islamic fundamentalism in the Xinjiang – Uijgur Autonomous Area (XUAA) directly adjoining to Central Asia may resort to the same demand for a separate autonomous area from the mainland. The fact is that, this Muslims Uighurs campaigning for independence out rightly rejected the Beijing's charges of terming them as terrorist. The group also accused China for persecuting the ethnic minorities; their claim is that they were not terrorists, which China claims. A report released by Chinese cabinet on Jan 21<sup>st</sup> blamed 'East Turkistan forces for more than 200 incidents between 1990- 2001 in Xinjiang and said Osama's Al- Qaeda network had provided financial and material aid to them.<sup>44</sup>

China perceives that the neighboring countries bordering the Xinjiang province are either used or involved in creating instability and disturbances in the province, but on the other hand Pakistan's perception is totally different, they consider this view made by China as totally baseless and consider that this attempt made by China is just to malign Pakistan for its alleged involvement. A Pakistani scholar, Khalid Mahmud who recently visited China writes about his discourse with the Chinese officials;

Though it was put across in a low-key friendly complaint, some eminent opinion leaders in Beijing's did not hesitate to express their displeasure over what they saw as export of Islamic Fundamentalism to the Muslim majority Chinese province of Xinjiang. The upshot of their contention was that 'separatist's elements' in Xinjiang had linkages with Pakistani Fundamentalist religious groups who were training and arming them for subversive activities. Some militants trained in Pakistan, they have been caught, and the Chinese authorities have enough evidence of their Pakistani connection. Their real cause of concern, however, was that the government of Pakistan had done nothing to stop it. Nevertheless, we were wondering how the Pakistan could hope to promote friendship with China, and expect the friend- in-need to stand by Pakistan in adversity, when its government was unmindful of the urgent need to act

<sup>&</sup>lt;sup>43</sup> Anato Lieven, "The Pressure on Pakistan", *Foreign Affairs*, Jan/Feb 2002, Vol. 81, No. 1, pp- 106-118 <sup>44</sup> "Uighurs Reject Terror Charge", *The Hindu*, 31<sup>st</sup> Jan 2002.

decisively against the misguided fanatics out to subvert the all -weather relationship.'45

This clearly justifies how the relationship between the two had been foiled due Pakistan's role in terrorist activities.

This terrorist activity of Pakistan had been the major irritant in fostering relationship either with China or India. The constant efforts made by New Delhi to normalize the relation with Pakistan remains under the shadow of doubt, as Pakistan failed to adhere in principle both the Simla Agreement as well as the Lahore Declaration. Not only this, 'Pakistan continued to pursue its sponsorship of cross-border terrorism and its vicious-anti-India propaganda.'

## The Shanghai Five (Now Six):

To counter act this menace of terrorism, China joined the Shanghai Five which was formed in 1996, as a security measures to deal with border disputes and confront Islamic militancy and extremism in the region, this Shanghai Five comprises of Russia, China, Kazakhstan, Tajikistan, Kyrgyzstan and Uzbekistan. There is no doubt the Shanghai Five came as a natural and preventive reaction to the threat causing by the instability and havoc of international terrorism, religious and fundamentalist extremism and also the national separatism. Unlike any other organization the basic agenda of the Shanghai Five includes the following, to maintain regional security, to contain international terrorism, illicit drug trafficking, illegal arms running etc. China's President Jiang Zemin, at the summit in Dushanbe, called for 'deeper security cooperation'.<sup>47</sup>

This move taken by China clearly indicates the danger of the terrorist activities growing in its own province of Xinjiang. A major interest has been shown by Iran, India, and Pakistan, 'India with its 100 million Muslims is working with concern the development of the situation in the region.'48

<sup>&</sup>lt;sup>45</sup> Khalid Mahmud, "China Revisited (Part-2) Old Friends Learning New Ways", *The News*, (Islamabad) June 21<sup>st</sup>, 1998, as cited in Fazal-ur-Rahman, n. 8, p.186.

<sup>46</sup> Ministry of External Affairs Government of India, Annual Report, 2000-2001, p.3.

<sup>&</sup>lt;sup>47</sup> Yevgeny Kozhokin, "Shanghai Five: Present Realities and Future Prospect", *Strategic Digest*, Vol. XXXI, No. 7, July 2001, p. 883.

<sup>&</sup>lt;sup>48</sup> Ibid. p. 886.

But, on the other hand, Pakistan has moved further than these countries- in Jan 2001 it asked to be admitted to the Shanghai Five. The reason for Pakistan to join this Shanghai Five is quite doubtful, as due to the international isolation; Pakistan wants to projects itself as a member fighting terrorism, and also for Pakistan's Central Asian interest, especially after the military coup, by Gen. Pervez Musharraf. However, to this the Chinese were very cautious and even restrained in their response.

The main reason for which China shows reservation for Pakistan to join the Shanghai group is due to the active role-played by Pakistan in terrorist activities. Not only this, Russia has expressed its opposition to granting membership to the Shanghai Five group of Nations to Pakistan, owing to Islamabad's support to the Taliban regime in Afghanistan as cited in Reports Dawn from Moscow.<sup>50</sup>

Pakistan turning blind eye to the United Nations Security Council (UNSC) 1333, paras 2 and 4 of the resolution which call upon all states to prevent use of their territory for the supply of weapons, equipments, vehicles, technical advice, assistance or training related to the military activities of the armed personnel under the control of the Taliban.<sup>51</sup> Not only had this in sept.28, 2001, the United Nations Security Council passed a Resolution 1378, saying that all countries should, among other things, freeze the assets of the terrorist groups.<sup>52</sup>

## Pakistan's Move - Policy of Containment:

After the terrorist attacked on World Trade Center in USA, on September 11, 2001, and the ultimatum received by Pakistan from US to stop all forms of terrorism forced Pakistan to follow a drastic step. No doubt Pakistan once again became the frontline state to fight against terrorism. Not only had this Pakistan become a crucial ally to hunt the suspected Osama bin Laden. Pressure from the U.S, forced Musharraf government, to formally notified the ban on five outlawed militant groups they are the Lashkar–e-Taiba,

<sup>&</sup>lt;sup>49</sup> Ibid. p. 886.

<sup>&</sup>lt;sup>50</sup> Public Opinion Trends, Pakistan series, "Russia opposes Pakistan membership of Shanghai Five", Vol. XXIX, No. 113, May 12, 2001, p. 1904.

<sup>&</sup>lt;sup>51</sup> X. Comment: UN Resolution 1333 and Pakistan, *Public Opinion Trends*, Pakistan Series, Vol. xxix, no. 127, May 29, 2001, p. 2138.

<sup>&</sup>lt;sup>52</sup> Ambassador Mansingh's Interview with the Fox News, Sunday, Washington DC, December 30<sup>th</sup> 2001, Strategic Digest, Vol. 32, No. 1, January 2002, pp- 6-8.

the Jaish –e-Mohammad, the Sipah-e-Sahaba Pakistan (SSP), the Tehreek-e-Jafferia Pakistan (TJP) and the Tehreek-e-Nifaz-e-Muhammadi (TNSM).<sup>53</sup> The assault on the Indian Parliament on December 13, 2001, demonstrated more eloquently the terror of terrorism; the dramatic episode is that soon after the attack, Pakistan President, Pervez Musharraf visits to China reflects Islamabad's strategic dependence on Beijing's. <sup>54</sup>

President Musharraf's 'speech of life time' (Jan.12. 2002) stated, "militant jihad is no longer acceptable to his government and he would no longer allow Pakistan territory to be used for perpetrating terrorist acts". There is no doubt that as long as terrorism continues, Sino-Pakistan relations will remain to be at the low ebb.

This fundamental recessment in Pakistan by making inevitable strategic shift towards India remains a controversial thing to reconcile. Think- Tank like the Rand Corporation is advising Bush to forge a special relationship with India independent of the Asian policy. According to Rand advice, 'Pakistan is in serious crisis and is pursuing policies counter to important US interest.'55

The war against terrorism has brought the US with whom China's long term interest may clash, for instance; 'the US has already established an air base in the tiny mountainous Central Asia Republic of Kyrgyzstan, which shares a common border with China, the American have also moved closer to Uzbekistan.'56

This move made by America poses a great threat to China, as it challenges the long futuristic interest of China in the region, not only this, ostensibly the US presents in Pakistan and also in Afghanistan presents great concern for the Chinese. Even though the environment between the US and China has been improve, there always lies the major issues like the Taiwan and also the Tibet unsettled and the Chinese fear of the US walking away from the Anti Ballistic Missile Treaty (ABM) and moving towards the National Missile Defense programmed and the question like whether this National Missile Defense system will cover the Taiwan as well as Japan.

<sup>54</sup> P.S Suryanarayana, "Pakistan China Card", *The Hindu*, 2<sup>nd</sup> Feb, 2002.

<sup>53</sup> B. Muralidhar reddy, "It is for India to act, says Musharraf", The Hindu, Jan, 16, 2002, Delhi.

<sup>&</sup>lt;sup>55</sup>Public Opinion Trends, Pakistan series, "Comments: Pakistan's Strategic Shift", Vol. XXIX, No. 139, June, 12, 2001, p. 2348.

<sup>&</sup>lt;sup>56</sup>B. Muralidhar Reddy, "Powell Arriving in Pakistan Today on Thanksgiving Mission", *The Hindu*, 16<sup>th</sup> Jan, 2002.

#### The U.S Role:

For the U.S. the guiding foreign policy rest on viable interest and objectives. In the post-Cold War era, China's growing power status both militarily as well as economically challenges the basic interest of the US. The irony in US foreign policy with regarding to China is that, the United States could not directly punished China by imposing sanction, as China has huge economic market which the United States can not neglect. Not only this, a primary reason for the US- China co-operation in defense is due to the fact that, 'today China has an annual surplus in its trade with the US of more than 40 billion dollars.' Thomas J. Christensen puts, 'if the United States treat China as an enemy, it would lead to the messianic versions of Chinese nationalism that would harm the US interests.'

This US-China relationships occupies a very significant role in Sino-Pakistan relations, As China in spite of the pressure from the US still continues to support Pakistan in defense related issues.

Therefore, with regarding to China the US were cautious and at the same time do not want to miss out its economic partner. China's acceptance of US conditions for support for China entry to the World Trade Organization (WTO) is an important development of their fostering relationship. However, major hurdles between Sino- American relation, still remains; like the Taiwan issues, Human rights issue and also some practical encounters like – during the US led NATO strikes on Kosovo and the brazenly attacked on the Chinese Embassy in Yugoslavia on 8<sup>th</sup> May 1999, Aircraft row between China and US and the clandestine surveillance fight by the US.

But the overriding strategic interest for the US and its allies mitigate all this hurdles and looks towards fostering good relationship with China. One of the key results of the 1998 Beijing summit between the United States and China was, 'the agreement on de-targeting at each other. Both the side agreed that their missiles targeted at each other would be detargeted.' Another point to be noted is that the US senses that China has the potentiality to destabilize the unipolar world, as the Chinese progress in the defense sector has

<sup>&</sup>lt;sup>57</sup> Shri Prakash, "Sino- Pakistani Relations Comparing Changes Over Three Decades", as given in "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol. V, Nos. III-VI, May –December 1999, p. 129.

<sup>58</sup> Thomas J. Christensen, "Chinese Realpolitik", Foreign Affairs, Sept/ Oct, 1996, p. 52.
59 Md. Abdul Mannan, "The U.S. Comprehensive Engagement Policy towards China: Key Issues", Bliss Journal, Vol. 21, No. 1, Jan 2000, p. 79.

astonished even the US, 'and that is why the USA wants to contain China through India.'60

At the same time the relationship between Pakistan and US plays a crucial role, where it relates to not only the bilateral relations between the two, but also how the Chinese looks into it. In the post- Cold War era with the US war against terrorism, Pakistan once again became the frontline state in the US fight against terrorism. The US also knows very clearly that the survival of the Pakistan is very crucial in its fight against the terrorism. As Anato Lieven puts, 'a collapse of Pakistan into anarchy or an Islamist revolution- would cripple the global campaign against Islamist terrorism.' The US administration has also informed that it is likely that the US may increase additional military and border security to Pakistan. The Bush administration is considering a possible new military relationship with Pakistan; that could include transfer of new arms but does not anticipate a more formal military alliance with the frontline ally in the US anti- terror war.<sup>62</sup>

Pakistan also knows that the presence of the US army in their soil does not welcome its friend and ally of time tested friend China. With regarding to this close presence of the US in the region. As reported in The News 1<sup>st</sup> December 2001, "if Pakistan is to turn into a US proxy, it would adversely affect all our other relationship, particularly that with China". Granting, the US to use Pakistan's soil to hunt down the terrorist camps in Afghanistan damage Pakistan's relationship with China. Not only this the covert as well as overt role played by Pakistan with regarding the terrorist activities acts as a major hurdles in the bilateral relationship between China and Pakistan. Forced under such pressure from the international community Pakistan left with no option but to welcome the US move.

Ayaz Amir, in an article rightly remarked by terming the whole move by Pakistan as "strangest in this dance of death over the skies of Afghanistan, observes; even if the doubtful proposition is accepted that we had no choice except to bow to the US wishes,

<sup>&</sup>lt;sup>60</sup>POT, Pakistan Series Pakistan, "China Committed to Partnership for Peace: CE", Vol. xxix, No. 138, June 11, 2001, p. 2329.

<sup>&</sup>lt;sup>61</sup>Anato Lieven, n. 43,p. 106.

<sup>&</sup>lt;sup>62</sup>POT, Pakistan Series, "US Move for New Military ties with Islamabad", Vol. XXIX, No. 248, 20th Oct 2001, p. 4470.

<sup>&</sup>lt;sup>63</sup>POT, Pakistan Series, "Whither Pakistan's Sovereignty", Vol. XXIX, No. 285, 4<sup>th</sup> Dec, 2001, p. 5273.

what necessity of circumstance or loss of shame drives us to be more royal than the King".<sup>64</sup>

The outcome of this proves futile for the Pakistan, once again the huge migration of the refugee from the Afghanistan. However the main point to be noted with regarding to this is that in the post-Cold War era with the US moving towards a unipolar power, while on the other hand China moving towards the Multi-polar world order. Apart from this many claim that there was a strong possibility of a triangular relationship between India, Russia and China. If ever this situation of triangular relationships between India, Russia and China arises then question remains where does Pakistan stand?

Therefore, in the post- Cold War era, the regional tensions dominating the situation with the growing menace of terrorism, the relationship between China and Pakistan remains in a very critical situation. Pakistan's main objective is to secure status quo with India, but the changing attitudes from the Chinese towards India concerning the bilateral relationship between India and Pakistan on any issues, shows clearly how the time tested friendship between Pakistan and China were declining in the changing world politics.

<sup>&</sup>lt;sup>64</sup>POT, Pakistan Series, "War on Terror- My Cow", Vol. XXIX, No. 308, 31st Dec, 2001, p. 5724.

CHAPIER: III
Sino – Pak Political Relations

# Chapter: III

# Sino - Pak Political Relations

#### Introduction:

Sino- Pak relations (despite the inherent asymmetry in the ideological and socio-political aspects, like one being a communist country and the other i.e. Pakistan a failed democratic state) have endured its relationship. As mention earlier in the first chapter that Sino-Pak relations that got nurtured after the Bandung Conference, when Pakistan and China had their first direct contact at the highest level when their Prime Ministers, Mohammad Ali Bogra and Chou En- Lai, met during the Bandung Conference in 1955 and reached an understanding on matters of 'collective peace and co-operation'.<sup>1</sup>

Although Pakistan recognized the People's Republic of China in January 1950, formal diplomatic relations were established in May 1951, thereafter over the years, Pakistan and China friendship has become a shining example of "time tested and all—weather friendship". According to the Chinese state councilor and defense minister General Qin's Jiwie, 'frequent exchanges of visits between leaders of China and Pakistan and their armed forces indicate a special relationship".

Since 1965, nearly all-Pakistani heads of state and government have visited China. Besides, there have been numerous exchanges of different delegations to keep this 'historic friendship' in place, both countries agree on most of the world issues and their friendship remains unaffected by change of governments and vagaries of international politics. Nothing more needs to be added about the incapacity for self-evaluation in the Pakistani political milieu. The Pakistani

<sup>&</sup>lt;sup>1</sup> S.D Muni, South Asia, M. Ayoob, (ed.), Conflicts and Intervention in the Third World, (Croom Helm, 1980). p. 62.

<sup>&</sup>lt;sup>2</sup> Maqsudul Hasan Nuri, "China and South Asia in the 21<sup>st</sup> Century", *Regional Studies*, Vol. XVII, No. 4, Autumn 1999, p. 4.

<sup>&</sup>lt;sup>3</sup> Maj. Gen. Ragendra Nath, "Threat of China- Pak Nexus", *Tribune* (Chandigarh), 6<sup>th</sup> Feb, 1993.

power structure has become increasingly more irrationally obstinate than ever before about consolidating the theocratic basis of the Pakistani state.4

Where military rule had been the order of the day with frequent coup. One of the important things to be noted with regarding to Sino-Pak relations is that, there is no denying the fact that, Sino-Pak strategic cooperation started soon after the 1962 Sino-Indian war. But, 'Pakistan had discovered the strategic relevance of China even before the war. The recently declassified documents in the John F. Kennedy library at Boston reveals how Pakistani president Ayub Khan saw in the Chinese war preparations against India an opportunity to get what he wanted most, 'Kashmir', it is a different issue that he failed to realize his dreams'.<sup>5</sup>

This clearly shows how Pakistan depends fully on China regarding the core issue i.e. Kashmir. Chinese defense minister Oin Jiwei assured Pakistan of Beijing's continued support in all fields, a Pakistani statement said, 'He gave the assurance in talks with president Ghulam Ishaq Khan, whom the statement quoted as saying the two long-time allies would stand by each other through thick and thin, the Sino-Pak friendship had grown so strong that it would be impossible for any third country to damage it'. 6

Evidence shows that even the domestic political affairs of Pakistan to a larger extent centered on the Chinese support vis-à-vis its decision-making. Like Nawai Waqt editorial excerpts reported on 17<sup>th</sup> Jan 2001:

Jamaat Islami, Amir Husain Ahmad, in a meeting with a Chinese delegation to Pakistan, has assured that 'the party is in favour of strong relations with China as Sino-Pak friendship is a key to the regional peace and progress. China is the only country in this region which believes in a live and let live policy, Pakistan and China has complete faith in each other'.

Some of the major agreement concluded between the two during the 1960s – 70s includes:

1. A Cultural Agreement was signed in 1965 stipulating exchanges in the fields of art, performing arts, education, sports, media and religious and youth affairs.

<sup>&</sup>lt;sup>4</sup> J.N. Dixit, "Pakistan's India Policies: Role of Domestic Political Factors", International Studies

<sup>,</sup> Vol. 32, No.3, July/ September 1995, p.230.

<sup>5</sup> Chintamani Mahapatra, "Beware of Sino-Pak cooperation", *National Herald* (N.D), 5<sup>th</sup> September 1996.

<sup>&</sup>lt;sup>6</sup> "China Assures Pindi Support in all fields", Bangladesh Observer, 21st February 1990.

<sup>&</sup>lt;sup>7</sup>POT, Pakistan Series, "Comments: Sino-Pak Friendship", Vol. xxix, No. 35, 10<sup>th</sup> February 2001, p.587.

- 2. An agreement signed in 1965, envisages co-operation in journalism and radio and television. Also help build a sport complex in Islamabad.
- 3. A Scientific and Cultural Agreement was signed in 1976, since then the Sino-Pak, Joint Committee on science and cultural co-operation has met four times to discuss and formulate a programme of cooperation in these fields.<sup>8</sup>

The Cold War between the US and the Soviet Union may have ended, but the regional tensions between India and Pakistan goes on. Like the continuous terrorist activities pursue by Pakistan and also unabated arms acquisition continues between the two creating more imbalances in the region as China continues to help Pakistan to modernize its military by supplying arms. There is no doubt in bilateral terms Pakistan and China champion the example of Excellencies. The cooperation between the two, despite all political changes in either country, has remained steady and growing. Ever since 1963, when Pakistan and China signed the border pact, and also where Pakistan played a crucial role in 1971 in bringing China and US closer by acting as a conduit between them. 'It is already known that there is an agreement that co-operation in the military field is to be increased, similarly, in the scientific, technological and nuclear fields too co-operation is desired to be enhanced.<sup>9</sup>

However even today, the Pakistani democracy remains circumscribed by the power and influence of the army and the permanent establishment. With the government under the strict adherence of Islamic rules, as Bidanda M. Chengappa rightly puts, 'the primary features of Pakistani polity are; religion, praetorianism and the influence of the United States'.<sup>10</sup>

Since the inception of Pakistan, military coup has been the regular features. The military's omnipresence in national life hinders growth of democratic traditions and institutions in the political process are no better under such governability, 'since the two nation theory was repudiated in 1971, Pakistan is yet to find a suitable platform for nationhood'. <sup>11</sup>Under such situation the only gravitational force between the two which

<sup>&</sup>lt;sup>8</sup> Rafique Ahmed Dahar, "Time-Tested Friendship", The News, 9th April, 1999, p.6.

<sup>&</sup>lt;sup>9</sup> M.B. Naqvi, "Sino – Pak ties on Firmer Ground", *Deccan Herald*, 25<sup>th</sup> September 1990.

<sup>&</sup>lt;sup>10</sup> Bidanda M. Chengappa, "Pakistan: Impact of Islamic Socialism", *Strategic Analysis*, Vol. 26, No.1, Jan-March 2002, p.27

<sup>&</sup>lt;sup>11</sup> Ishfaq Ilahi Choudhury, "Security Challenges of South Asian Countries in the coming decade: An Overview", *Bliss Journal*, Vol. 21, No. 1, Jan 2000, p.45.

brought them closer, is the 'shared misgivings about the Soviet Union and India have sustained the goodwill that has existed between Pakistan and China over the years. To judge by Chinese statements made in the course of Ms. Bhutto's visit, Beijing seems to have reverted to its pre-1962 stand that Kashmir is a matter that India and Pakistan have to settle for themselves. The Chinese president Mr. Li Peng significantly chose to emphasize the need for peace and cooperation in South Asia'. 12

In spite of the much acclaim cordial and friendly relationship between China and Pakistan, there still remains hurdles and obstacles, which impinge in their relationship due to differences in their policies. The main differences in their policies can be enumerated as follows:

- 1. Pakistan still toying with bombs, where as on the contrary for China economic matters as the primary drivers of global politics.
- 2. Pakistan moving towards isolationist, where as China more on integrating.
- 3. Pakistan still stuck to domestic problems and battlefield, where as China preparing for trade wars and economic races.
- 4. Pakistan refuses to accept New World Order (NWO), where as China towards globalization.
- 5. Pakistan ideas 2000 'aims for peace' where as China is already the second largest recipient of foreign investment.
- 6. Pakistan lone defender of the Taliban, where as China forming alliances to counter the Taliban threat.<sup>13</sup>

Tanvir Ahmad Khan, former foreign secretary, in an article in DAWN dated 17<sup>th</sup> December 2001, rightly opines with regarding to the readjustment amongst the major power and its repercussion in their relationship that;

It is not a small challenge and the time available to the present government, or its immediate successor to bring about a reorientation in its conduct of foreign policy and substantially overhaul the decision making structures for foreign and security policy issues is correspondingly very limited'.<sup>14</sup>

<sup>13</sup> POT, Pakistan series, Vol.xxix, No.4, 4<sup>th</sup> January 2001.

<sup>&</sup>lt;sup>12</sup> "Mrs. Bhutto in Beijing", *The Times of India*, 15<sup>th</sup> Feb.1989.

<sup>&</sup>lt;sup>14</sup> POT, Pakistan Series, "Comments: India's Defence Deal and Pakistan Economic crisis", Vol.xxix, No.66, 19<sup>th</sup> March 2001, p.1091.

This clearly shows how the restrain created by the new environment compels their relationship to deteriorate. Like, due to the growing economy China follows open policy; where as on the other hand Pakistan's involvement in the terrorist activities and also its stagnant economy further loses its significance.

In the 1980s, the leadership of China and Pakistan exchanged visits frequently; some of the diplomatic visits between the two includes;

- 1. In May 1980, president Zia visited China.
- 2. In June 1981, Chinese premier Zhao Ziyang visited Pakistan.
- 3. In August 1982, the protocol between China and Pakistan on opening the Khunjerab Pass was signed. In October 1982, Zia made a second visit to China.
- 4. In March 1984, Chinese president Li Xiannian came to Pakistan.
- 5. In November 1985, Prime Minister Mohammad Khan Junejo visited China.
- 6. In June 1987, Premier Zhao Ziyan visited Pakistan for the second time.
- 7. In February 1988, Junejo went to China for the second time.
- 8. In February 1989, Prime Minister Benazir Bhutto visited China and in November the same year Premier Li Peng visited Pakistan.
- 9. In the 1990s, notwithstanding great changes in the international situation, the tempo of friendly exchanges was maintained and two- way traffic of VIPS continued as before.<sup>15</sup>

With regarding to the post- Cold War scenario, former Prime Minister Benazir Bhutto said, 'Pakistan is in danger of becoming a failed state unless the military returns to the barracks and markets replaces missiles at the top of the national agenda, as reported in News dated 24<sup>th</sup> Jan. 2002. <sup>16</sup>

She (Ms Bhutto) said she is planning to 'build a post- Cold War identity for Pakistan. Given the challenges Pakistan faces, it's important for me to build a post- Cold War identity for Pakistan. It's a world of markets and the era of missiles has faded into the past'. Thus, Benazir Bhutto tried to improve the relationship with the Chinese focusing

<sup>&</sup>lt;sup>15</sup> Khalid Mahmud, "Sino-Pakistan Relations: An 'All-weather' Friendship", *Regional Studies*, Vol.xix, No. 3, summer 2001, p. 20.

<sup>&</sup>lt;sup>16</sup> POT, Pakistan Series, "Pakistan may become a failed state, feels Benazir", Vol.xxix, No.32, 7<sup>th</sup> Feb2001, p.539.

<sup>17</sup>Ibid.

more in the economic issues apart from the defence spectrum. She further proceeds by stating;

Pakistani- China friendship is a model of inter-state relations.... and has stood the test of time and changing global trends; Bhutto vowed to renew and cement ties, which range from military exchanges to close trade links, including construction of a Chinese nuclear power plant near Islamabad. I shall ... avail myself of this chance to study the Chinese economic development model which has been widely acclaimed'. 18

In the event during her discussions with her Chinese counterpart Li Peng, Mrs. Bhutto was left in no doubt that the days of it's backing for Pakistan vis-à-vis India are now over. By affirming that India and Pakistan must resolve the Kashmir dispute themselves through patient dialogue, Mr. Li made it clear that, 'Pakistani's desire to internationalized the issue, either through United Nations actions or third-party mediation or even pressure on the parties to negotiate as is being applied by the United States, does not enthuse his government'. Why Benazir Bhutto fail is clear...as there was no Chinese military representation at the talks and Premier Li Peng placed the dispute firmly in the framework of the Simla Agreement. Page 20

However, the key allies, China and Pakistan were all set to further their political ties with high level exchange of visits apart from all this diplomatic exchanges, there also persisted the deep rooted and highly publicized visits between the Chinese senior leader (Li Peng) and Pakistan's Prime Minister Nawaz Sharif. Meanwhile, Li Peng, Pakistani President Rafiq Tarar and Prime Minister Nawaz Sharif and Foreign Minister Sartaz Aziz holds talks with the speaker of the National Assembly Elahi Bakhsh Soomro and Chairman of the senate Wasim Sajjad on host of international, regional and bilateral issues; the talks focus on ways and means to further enhance coordination between parliament of the two friendly countries.<sup>21</sup>

The 1990s were a particularly depressing period for Pakistan in political terms. During this decade; 'Benazir Bhutto's Pakistan People's Party alternative turns in office with Nawaz Sharif's Muslim League, each forming a government twice. And both Bhutto and

<sup>&</sup>lt;sup>18</sup> "Benazir in Beijing to renew ties, study economic progress", *New Strait Times* (Kaula Lampur), 28<sup>th</sup> December 1993.

<sup>&</sup>lt;sup>19</sup>"Benazir in Beijing", *Deccan Herald*, 30<sup>th</sup> December 1993.

<sup>&</sup>lt;sup>20</sup> "Ms. Bhutto in Beijing", *The Times of India* (New Delhi), 31<sup>st</sup> December 1993.

<sup>&</sup>lt;sup>21</sup> "Islamabad, Beijing to improve ties", News Time (Hyderabad) 29<sup>th</sup> March 1999.

Sharif were ultimately ousted after their regimes fell into a welter of corruption, incompetence, oppression, and infighting.' 22

In spite of this entire predicament which persisted in Pakistan's domestic milieu; in 1990, China and Pakistan signed a 10 years Memorandum of Understanding on defence matters, including weapons procurement, military production and Research and Development and transfer of military related technology.<sup>23</sup> This signing of the bilateral agreement between the two once again boasted the relationship to flourish.

Likewise, Chinese President Yang Shanghan arrived in Islamabad for a state visit, the visit, aims to promote mutual understanding, enhance friendship and develop cooperation between the two countries, sources from Chinese Ministry said.<sup>24</sup> In May 1996, the then leader of opposition Nawaz Sharif and his delegation was welcomed in Beijing, 'this was the first ever such visit by a leader of the opposition to China, where he was received warmly, virtually as a head of government with meetings right up to the level of Premier Li Peng.<sup>25</sup>

In spite of all this, it was a disappointing time as, when President Jiang Zemin, 'while addressing Pakistan's Senate in December 1996, made no reference to the Kashmir issue in his 45 minutes speech and advised Pakistan to put the thorny issues aside and developed cooperative relations with India in less contentious sectors like trade and economic cooperation'.<sup>26</sup>

Pakistan even today is struggling both politically and economically. The recent military coup, which seized power in October 1999, General Pervez Musharraf;

Promised to introduce real democracy in the country, however it was left grappling with the problem of dealing with Nawaz Sharif, culminating in his controversial exile to Saudi Arabia, and when the government did initiate local elections, it showed signs of lack of electoral enthusiasm and discriminated against religious minorities. Also it

<sup>&</sup>lt;sup>22</sup> Anato Lieven, "The Pressures on Pakistan", *Foreign Affairs*, Jan/ Feb 2002, Vol. 81, No. 1, p.110. <sup>23</sup> J.N. Dixit, n.4.

<sup>&</sup>lt;sup>24</sup> "Pak-China ties to improve with Yang's visit", News Time (Hyderabad) Oct.27.1991.

Mushaled Hussain, "The China Factor in World Politics", *The Nation* (Lahore), May. 12, 1996.
 Fazal-ur-Rahman, "Pakistan's Relations with China", in *Peace Initiatives* Vol.v, Nos. III-VI, May-December 1999, special issue on Sino-Pakistani Strategic Co-operation. P.188.

did not succeeded in its purported goal of keeping established political parties out and building a new, clean breed of politician.<sup>27</sup>

Even though, Musharraf came to power, many irritants persisted, as Anato Lieven rightly remark; 'Musharraf's power depends very much on the will of the military, and if faced with its disapproval it is unlikely he would stay in office very long'. They remain deeply divided by;

Personal allegiances, political opportunism, regional origins and doctrinal differences. Still, the Islamists have managed to exert a political and ideological influence in excess of their numbers, largely because; absent Islam, Pakistan has little else in ideological terms to keep the country together.<sup>29</sup>

In spite of this, the adherence of cordial friendship still persisted like, 'Chinese ambassador to Pakistan Lu Shulin has said; that his country is looking forward to the forthcoming visit of President Pervez Musharraf to China, and hope that the visit will open new avenues of cooperation and friendship between the two countries'. <sup>30</sup> It was his first foreign visit outside the Islamic world after grabbling power in the October 12 coup. <sup>31</sup>General Pervez Musharraf China visit has been a fruitful one, 'an accord on economic and technological cooperation between the two neighbors has been signed'. <sup>32</sup>

The point to be noted here is that, 'unlike other countries, China did not condemn the October 12 military coup that brought General Pervez Musharraf to power. Neither has it been pressing for a return to civilian rule. The Chinese government describes the coup as an internal matters'. This shows the compromise which China pursue in spite of the fact that the military coup may be lenient to the Islamic fundamentalism where China is also victimize in its own province of Xinjiang. General Musharraf 'described China as a

<sup>&</sup>lt;sup>27</sup>Shalini Chawla, "Recent Development in Pakistan", Strategic Analysis, May 2001. p.285.

<sup>&</sup>lt;sup>28</sup> Anato Lieven, n. 22, p.106.

<sup>&</sup>lt;sup>29</sup> Ibid, p.108.

<sup>&</sup>lt;sup>30</sup> *POT*, Pakistan Series, "Musharraf's visit to China vital, Says Envoy", Vol.XXIX, N0.277, November, 24,2001, p.5096.

<sup>31.</sup> Musharraf's Beijing Visit", Tribune, (Chandigarh) Jan 20, 2000.

<sup>32 &</sup>quot;Musharraf's in China", Deccan Herald, Jan.21, 2000.

<sup>33</sup> Ibid.

country which Pakistan holds dear as it's most reliable and trusted friend; and added my visit to China is a reaffirmation of our close and fraternal ties'.<sup>34</sup>

Pakistan with its unrest in socio-political factor impinges upon the policy formulation, which further leads to political imbalances. Like the unrest created by Islamic fundamentalist group dominate the scene. 'The Jamaat- é- Islami, staged protests across Pakistan on December 17, 2000, demanding Musharrafs resignation. Zamaat chief Qazi Hussain Ahmad urged other generals to replaced Musharraf, telling reporters that Musharraf had failed on all fronts and jeopardized the country's security and honour'. <sup>35</sup> Zhu Feng, a security specialist at Peking University said, 'if the Pakistani economy continues in poor condition, I think it will be a source of instability in South Asia and it will finally damage the stability of China's boundary areas'. <sup>36</sup> Likewise, Dr. Farrukh Saleem, in an article in NEWS dated 17<sup>th</sup> December 2001 observes:

Pakistan and China are now following tread marks that have little or no commonality of interest. China has become convinced that economic matters are now primary drivers of global politics while we are still toying with bombs.... China is forming alliances to counter the Taliban threat while Pakistan is the Taliban's lone defender.<sup>37</sup>

Sino-Pak relations even though got nurtured and flourish, the growing Islamic Fundamentalism created a gulf in their relations. Analysts say; 'General Pervez Musharraf returned home from Beijing with strange baggage – Chinese intelligence operatives who would help identify Al- Qaida terrorists of Uighur, ethnic origin from China's Muslim minority in its extreme western Xinjiang province, who have found refuge in Pakistan's North West Frontiers Province, and in Pakistan occupied Kashmir'. But, Pakistan's deep adherence with China remain intake, as analysts say; 'Musharraf's visit, at a time when he is being wooed by Washington and other influential government a

35 Shalini Chawla, n. 27, p.290.

<sup>37</sup> POT, Pakistan series, Vol.XXIX, No.4, Jan.4, 2001, p.67.

<sup>&</sup>lt;sup>34</sup> Musharraf Confident of ties with China", News Time, (Hyderabad), Jan, 18, 2000.

<sup>&</sup>lt;sup>36</sup> John Ruwitch, "Future Tense, Musharraf goes to China for cementing ties", *Indian Express*, (New Delhi), Dec.19, 1991.

<sup>&</sup>lt;sup>38</sup> Cicil Victor, "Back From Beijing with Strange Baggage", *The Pioneer* (New Delhi), Dec. 29, 2001.

major player in Afghanistan, has powerful symbolic value, signaling to the outside world that China remains Pakistan's key ally'.<sup>39</sup>

In order to strengthened security and also as a preventive measure against the growing politico- religious group, 'China increases security measures on the border issues'. <sup>40</sup>Before their relationship deteriorates, 'Pakistan must recognize and adjust to this phenomenal change in order to maintain the pace of continuity in Sino–Pak relations'. <sup>41</sup>The major development regarding this is that, 'Pakistan in May 1997 arrested and handed over to the Chinese authorities twelve Chinese students studying in the religious schools of the northern areas, their names were given by the Chinese authorities and they were reportedly involved in the February. 1997 uprising in Xinjiang. Later they were reportedly executed after a short trail by the authorities, as per law of the land'. <sup>42</sup>

## Sino-Pak Political Engagement - An Assessment:

Sino-Pak relations which wes popularly termed as all weather friendship survived many vicissitudes, although their relationship focuses around formal discussions, which lack in the contacts of higher level. Their relationship proves its durability and continuity in many ways. One important thing to be noted here is that, 'Chinese diplomacy focuses on maximizing economic and technological co-operation with the great powers which not only include the P-5, but also the two economic superpowers, namely Japan and Germany'. 43

Many factors coalesce to validate the relationship between China and Pakistan, as Maqbool Ahmad Bhatty rightly categorized four factors. They includes:

- 1. It is friction-free, based on respect for each other's Sovereignty and not dependent on the type of regime in either country.
- 2. China has still unresolved problem with India (border and the Tibet issues).

<sup>42</sup> Ibid, p.187.

<sup>&</sup>lt;sup>39</sup> "Pak, China reaffirm close ties", *The Time of India*, (New Delhi), Dec.21, 2001.

<sup>&</sup>lt;sup>40</sup> Fazal-ul-Rahman, n. 26, p. 185.

<sup>&</sup>lt;sup>41</sup> Ibid, p.185.

<sup>&</sup>lt;sup>43</sup> Maqbool Ahmad Bhatty, "China's Emerging Role in The World", as given in "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol.V, Nos.III-VI, May-December, 1999, p.161.

- 3. India's inordinate urge for a global role, that manifested itself, among other things, through its unilateral nuclear and missiles tests since May 1998, has aroused Chinese apprehensions and
- 4. China's need for support from Pakistan in its problems with bordering Muslim Xinjiang autonomous region with its desire to have South Asia free from great power influences argue for a harmonious relation. 44

Stressing that it is necessary for opinion leaders in Pakistan to outgrow their fixation with the India factor in Sino-Pak relations, Khalid Mahmud, in an article in DAWN dated 14th April 2001 observes; 'there should be no cause for concern in Pakistan if the Chinese were seeking to normalize ties with India. Nonetheless, what is required of us is to reorient our approach to friendship and redefine the parameters of cooperation'. 45China has been a steady friend of Pakistan and Islamabad was possibly apprehensive whether China's traditional warmth would diminish after its recent exercises in confidence building with India.46

General Qin's Jiwei invocation of 'special relationship' reported prominently in the official media that;

China has in recent years tended to downplay talks of alliances and special ties with other countries; his remarks came amidst a flurry of high level exchanges including visits of top military leaders of the two countries, meanwhile, President Yang, reiterated backing for a 'nuclear- free zone' in South Asia, a concept that ignores China's own nuclear arsenal targeted on India. China has always supported the view of establishing such a zone, he said, he further proceeds by stating that 'China appreciates the proposal mooted by Prime Minister Nawaz Sharif in June this year on holding consultations among the US, Russia, China, India and Pakistan on nuclear non-proliferation in South Asia.<sup>47</sup>

Likewise, with regarding to the concept of regional security and Indo- Pak question on Comprehensive Test Ban Treaty (CTBT) as proposed by Gen. Pervez Musharraf in

<sup>&</sup>lt;sup>44</sup> Maqsudul Hasan Nuri, n. 2, p.7.

<sup>&</sup>lt;sup>45</sup> POT, Pakistan Series, "Comments: Sino-Pak Ties: India Factor", Vol.XXIX, no.120, May 21, 2001, p.2012.

46 "Lesson in Pragmatism", *The Hindustan Times*, Feb.15, 1989.

<sup>&</sup>lt;sup>47</sup> National Herald (New Delhi), Oct.27. 1991.

proper perspective and response to check nuclear proliferation in South Asia. Pakistan Observer says editorially; 'India should respond positively to this proposal, for a change, in the interest of regional stability'. Gen. Musharraf has said proposed an Indo- Pak CTBT and said that Pakistan is ready to sign a bilateral agreement with India for regional nuclear test ban. As the fact is that, arguing that 'if Pakistan signs the CTBT would still not come into force because of the entry into force clause if India does not sign'. Ejaz Haider, in an article in Friday Times dated 23 March 2001 observes; 'the policy makers should not be worried about tactical withdrawals. They should be concerned about strategic retreats. The first is an operation of war, the second defeat. The issues of the CTBT need to be seen in this perspective'. St

Taking this into consideration, the facts remain the same that, China continues to be the resort for Pakistan to fulfill its desire to accumulate arms. Looking from this dimension the situation becomes worse as, 'China's deep involvement in the arming of the Pakistan armed forces as well as helping in the development of weapons system, including nuclear weapons poses serious security problems for India'.<sup>52</sup>

Diplomatic efforts continued, 'the Pakistan foreign minister, Mr. Assef Ali has claimed in Beijing that the Chinese Prime Minister Mr. Li Peng, and the foreign minister Mr. Qian Qichen have supported the Benazir government's stand that India should enter into meaningful negotiations with Islamabad over the Kashmir dispute'. <sup>53</sup> Pakistan Prime Minister Nawaz Sharif has pruned six day visit to China to just two days and has returned home, this is not the only inexplicable thing about the much hyped visit, the abrupt shortening of the visit has raised three questions;

- 1. Has Mr. Sharif got what he wanted and returned home to build on the new concession?
- 2. Is his action a signal to his dissatisfaction with his failure to get host strive an anti- Indian stance? Or

<sup>&</sup>lt;sup>48</sup> *POT*, Pakistan Series, "Comments: Musharraf's Proposal for Indo-Pak CTBT", Vol.XXIX, No.110, May, 9, 2001, p.1848.

<sup>&</sup>lt;sup>49</sup> Ibid, p. 1848.

<sup>&</sup>lt;sup>50</sup> POT, Pakistan Series, "Comments: CTBT Revisited: Pakistan's Choices", Vol.XXIX, N0.99, April, 26, 2001, p.1668.

<sup>&</sup>lt;sup>51</sup> Ibid, p.1668.

Maj. Gen.Rajendra Nath, "Threat of China-Pak Nexus" *Tribune* (Chandigarh), 6 Feb.1993.

P.S Suryanarayana, "Pakistan Claims Chinese support on Kashmir", *The Hindu*, 3<sup>rd</sup> Sept. 1995.

3. Has there been some major development in Islamabad warranting his presence?<sup>54</sup> The irony is that, 'in spite of Pakistani foreign minister Sartaj Aziz's sudden dash to Beijing shortly before his visit to India, far from supporting Islamabad strongly, it has emphasized the need for peace and for both India and Pakistan to concentrate on economic development'.<sup>55</sup>

General Pervez Musharraf, speaking at the Institute of Strategic Studies in Islamabad on November 15<sup>th</sup> 1998, 'he proclaimed to an audience that included Indian High Commissioner Vijay Nambiar; Pakistan security interests lie in maintaining a regional balance and in this it would desire an active Chinese role. This role will remain vital especially in the changing geo-strategic realities. He further proceeds and proclaim to the English speaking Union in Karachi in April 1998, that India is a hegemonic power and that low intensity conflict with India would continue even if the Kashmir issue were resolved to Pakistan satisfaction'. <sup>56</sup>

China has also helped Pakistan to undermine New Delhi's attempts to create a strategic consensus in South Asia. As evidence shows that, 'it has lent political and military support to Pakistan at crucial moments in Islamabad's confrontation with India, particularly at times, when the American willingness to support Pakistan was sagging (most notably, from 1962-1968), by challenging India on its northern borders and by inflicting a humiliating military defeat in 1962'. Former Foreign Security Akram Zaki rightly said, 'it would not in the interest of Pakistan to give up the status of the primary party nor should it allow itself to be used to rubberstamp the agreement reached between India and the Kashmiris, he said public opinion should be given due importance. However, he regretted that under the military rule, all policies were carried out in a hush manner. He apprehended that the present rulers might take some decision on Kashmir for which the country may have to repent subsequently'. 58

The major focus between China and Pakistan political relations also includes the diplomatic negotiation concerning the arms transfers to Pakistan. Zhou Gang Chinese

<sup>54 &</sup>quot;Sharif's Short visit", Tribune, (Chandigarh), 30 June, 1999.

<sup>55 &</sup>quot;The Dash to China", *The Pioneer* (New Delhi) 11 June, 1999.

John Ruwitch, "Future Tense, Musharraf goes to China for Cementing ties", *Indian Express*, (New Delhi), 19, Dec. 1991.

Mohammed Ayoob, "India in South Asia: The Quest for Regional Predominance," World Policy Journal, Vol.VIII, No.1, winter 1989-90, p.128.

<sup>&</sup>lt;sup>58</sup> POT, Pakistan series, Vol.XXIX, N0.3, Jan. 3, 2001, p.41.

Ambassador to Pakistan, while speaking at Lahore Press Club's 'meet the press' programme said; that China has three principles on which it extends defence production to a country;

First: to help the recipient country.

Second: to enhance its self- defence capability and

Third: to ensure peace and stability in the region. He continued that, China would continue to assist Pakistan in the field of defence production under these three principles'. 59

In spite of this, China's policies of arms transfers to India's neighbor continue and would be a source of security concern for India. Air Commodore Jasjit Singh (retd) Director of the Indian Institute for Defence Studies and Analysis (IDSA) said, 'greater display of responsiveness to India's security concerns by China would, however, help move towards better bilateral relations. He further proceed that 'it would be unrealistic to expect China to curtail its arms transfer policies to ally Indian apprehensions, unless it perceives definitive gains in a greater cooperative relationship with India' he said Pakistan which has nearly 70% of its military assets supplied by China, has entered into a 10 year memorandum of understanding for cooperation with Beijing in the field of military procurement, research and development, technology transfer and cooperation'. 60

China has, "enabled Pakistan to reach a stage where it can manufacture its own ballistic missiles capable carrying nuclear warheads to Indian cities, Pakistan's programme is Chinese driven and Beijing has never been looking for commercial gains in such transactions made at special friendship prices". <sup>61</sup>

Pakistan Prime Minister Nawaz Sharif's 'five- day visit to China was essentially 'to correct a misunderstanding in the traditional friendship and cooperation between the two nations, to ensure special cooperation, including a notable amount of military aid and Chinese investments in Pakistan. The Chinese president Jiang Zemin has already said that China will ignore US pressures to discontinue technical cooperation with Pakistan in

<sup>&</sup>lt;sup>59</sup> "China Firm on aid to Pakistan in arms production", *Patriot*, 2<sup>nd</sup> Feb. 1993.

Also see 'Sino-Pak cooperation in Defence production to continue', *The Frontier Post* (Peshawar), 2<sup>nd</sup> Feb. 1993.

<sup>60 &#</sup>x27;Sino-Pak Pact worries India', *Tribune* (Chandigarh) 16<sup>th</sup> December, 1991.

<sup>61 &#</sup>x27;Collaborating in issues denial', *The Pioneer*, (New Delhi) 7<sup>th</sup> Dec. 2000.

nuclear technology'. 62 However, there are two irritants that have distracted the Chinese, They are;

- 1. Some overzealous Pakistani religious party workers who went to the Chinese Muslim Xinjiang (Sinkiang) province sometime ago where they have probably preached militant Islam and Pan- Islamism. The Chinese had to put down some local Muslim groups suspected of separatist tendencies and there came certain coolness into Sino- Pak relations.
- 2. Pakistan's Afghanistan policy. China actually disapproves of it quite as much as Russia and Iran do. Although fears had been expressed that the Chinese have perceptibly cooled down towards Pakistan, such statements are in the opinion of both officials and many analysts overstated.<sup>63</sup>

As Ishfaq Ilahi Choudhury puts, 'the command and control of nuclear weapons is going to be problematic for Pakistan; *first*, Pakistan's nuclear threshold is going to be lower because of her conventional inferiority vis-à-vis India. Pakistan is therefore, unwilling to declare a no-first use policy. *Second*- Democratic institutions in Pakistan are fragile. The political control of the military is tenuous at best. There is a big question mark on who controls and authorizes the release of the nuclear weapons. Since the October 1999 coup, Pakistan has become the first county in the world where the nuclear button is in the hand of military commander who is also the executive head. The world has to contend with this unique and dangerous situation. *Lastly*, the Islamic militants play an uncertain role in the Pakistani policies. During the recent Kargil crisis, the Pakistan government in effect, admitted that the militants operate outside the control of the government.<sup>64</sup>

Bilateral relationship over the last five decades between China and Pakistan has often been described as 'time-tested and all-weather friendship'. 65 Not only this, there is evidence that China's top priority has changed. The new one is to seek a more prosperous future for its 1.2 billion citizens, as an integral part of its overall strategy of economic

<sup>&</sup>lt;sup>62</sup> M. B. Naqvi, 'Nawaz Sharif's China visit backed by high hopes', *The Times of India*, 17<sup>th</sup> Feb.1998.

<sup>&</sup>lt;sup>64</sup> Ishfaq Ilahi Choudhury, n. 11, p.51.

<sup>&</sup>lt;sup>65</sup> POT, Påkistan Series, "Is China Drifting away from Pakistan?", Vol. XXIX, No.4, 4<sup>th</sup> Jan, 2001, p.67.

integration with the wealthiest industrial democracies; China is in the process of restructuring its political as well as security relationship with Pakistan.<sup>66</sup>

Likewise Mr. Li Peng has categorically said that, 'Sino- Pak relations are very strong and it will continue so. Mr. Li has given a timely message to Indian leaders that in the present age a war weapons is not possible instead of war or rivalry of economies is prevailing throughout the world. China wants to strengthen its relations with all the countries of the region on the basis of economic development'. <sup>67</sup>The Chinese delegation participating in a conference to discuss the future of Sino- Pak friendship organized by the institute of policy studies; Qazi Husain Ahmad (Jasarat) editorial excerpts assured the Chinese delegation that Pakistan is neither supporting nor will support any internal movement in China which goes against Chinese interests. The speaker expressed their views that in the 21<sup>st</sup> century China and Pakistan are strategic partners. <sup>68</sup>

President Jiang Zemin's 1996 visit to Pakistan was a landmark in bilateral relations. In a speech in Islamabad 'he spoke on what was called carrying forward generations of friendly and good neighborly relations and endeavoring towards a better tomorrow for all.<sup>69</sup> Jiang Zemin duly acknowledged the great achievements of understanding and cooperation between the two countries in the past, but his accent was on developing the relations in the future in line with the emerging economic realities and evolving global political scenario.<sup>70</sup> He further stated 'we are ready to join hands with South Asian countries in building a friendly and good neighborly relationship that is long term and oriented towards the 21<sup>st</sup> century; to this he made several proposals such as;

- 1. Broadening exchanges, including direct contacts and dialogues between top leaders.
- 2. Handing down the friendly and good- neighborly relations from generation to generation.
- 3. Promoting mutual benefit and common development.
- 4. Properly handling existing disputes in the spirit of seeking common ground while setting aside differences and

<sup>66</sup> Ibid.

<sup>&</sup>lt;sup>67</sup> POT, Pakistan Series, "Comments: Sino-Pak Friendship", Vol. XXIX, No.35, 10<sup>th</sup> Feb. 2001, p.587.

<sup>69</sup> IL:4

5. Working together towards a better future through unity and cooperation.<sup>71</sup> The then Foreign Minister Sartaj Aziz assured the Chinese leader of Pakistan's support to Beijing's efforts for the establishment of a multi polar world, while Prime Minister Nawaz Sharif told him that Pakistan was looking forward to building a strategic partnership with China for the 21<sup>st</sup> century.<sup>72</sup>

## China's 50<sup>th</sup> Anniversary Celebration:

In September – October 1999, Pakistan joined the Chinese in celebrating the golden jubilee of the founding of the People's Republic of China with a week–long programme. The programme included a seminar; exchange of youth and media delegations, cultural shows and art exhibitions. The programme included a seminar; exchange of youth and media delegations, cultural shows and art exhibitions. Information Minister Mushahid Hussain led the Pakistani delegation to the 50th anniversary celebrations in Beijing and conveyed to the Chinese leadership the good wishes of the people and the government of Pakistan. The main focus of his message was what he had told a Pakistani audience earlier in Islamabad, on China, there is a complete national consensus in Pakistan, he said 'our relationship with China is pivotal to peace, security and stability in South Asia, and it is also vital to the security of Pakistan'. General Pervez Musharraf, during a meeting with Jiang Zemin, reaffirmed they are strong allies, 'the cornerstone of Pakistan's foreign policy is its close association and relationship with China; the visit which marks the 50th anniversary of diplomatic relations between the two neighbors, is expected to focus on the situation in Afghanistan'.

## **Changing Views:**

China's ambassador Lu Shulin while addressing the Pakistan Institute of International Relations in Karachi recounted his country's major achievements in the field of foreign policy. He stressed that, 'in the coming years his country would direct its efforts towards strengthening the opening up policy and on the basis of the five principles of peaceful

<sup>71</sup> Ibid.

<sup>&</sup>lt;sup>72</sup> *The Nation*, 10<sup>th</sup> April, 1999.

<sup>&</sup>lt;sup>73</sup> Maqsudul Hasan Nuri, n.2, p. 5.

<sup>&</sup>lt;sup>74</sup> As cited in Khalid Mahmud, n. 15, p.28.

<sup>&</sup>lt;sup>75</sup> The Nation, 1<sup>st</sup> Oct. 1999.

<sup>&</sup>lt;sup>76</sup> "Pak, China reaffirm close ties", *The Time of India*, (New Delhi) 21<sup>st</sup> Dec. 2001.

coexistence, develop economic relations and cultural ties with all countries'. The regarding to Kashmir issue, Lu Shulin responded by saying that Kashmir was an issue left over by history and should be resolved in accordance with the United Nations resolutions and the Simla Agreement. He continued nonetheless that 'wars cannot solve problems and that negotiation between Pakistan and India under the Lahore declaration must continue, adding that; we are supportive of negotiations. No reference made about the Kargil issue, nor any rhetoric to condemn India's role'.

The fact is that, Pakistan still remains under the clout of economic stagnancy, and also the support to the Islamic fundamentalism continues. Given the dire economic situation, 'the alienation in the smaller provinces and the muscle demonstrated by armed religious group, (Musharraf) might need to review his options'. 80 Thus, Pakistan should recognize the changing perception of China, i.e. China's open policy with economic as the core foreign policy, the failure to accept this pragmatic move of China by Pakistan may hinder their relationship.

Agha Shahi (veteran diplomat) in a comprehensive review of Sino-Pak relations in July 2000, reaffirmed the belief that no matter what charges took place in the world, Sino-Pak relations would be maintained. There have of late been some irritants in these relations, particularly the Taliban factor and the question of religious extremism in Pakistan.<sup>81</sup> According to Agha Shahi the areas of concern for China were found to be the following:

- 1. The situation in South Asia and the threat of limited war.
- 2. The Taliban and their role vis-à-vis neighbouring countries.
- 3. Terrorism.
- 4. Evolution of the domestic situation in Pakistan.

On the issue of 'International terrorism' the Chinese were unequivocal in condemning it as a threat, but were also keen to distance themselves from the US, as a high Chinese official told Agha Shahi's team that; no one should have a monopoly over fighting it. Little wonder the Chinese had not agreed to take a joint stand with India while the

<sup>&</sup>lt;sup>77</sup> M.H Askari, "Old Friendship, New Realities", special issue on "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol.V, Nos.III-VI, May-December 1999. p.211.

<sup>79</sup> Ibid.

<sup>&</sup>lt;sup>80</sup> POT, Pakistan Series, "Pakistan may become a failed state, feels Benazir", Vol. XXIX, No.32, 7<sup>th</sup> Feb. 2001, p.539.

<sup>81</sup> Khalid Mahmud, n. 15, p.29.

Indian's wanted to enlist China's cooperation against the threat of 'terrorism' in the region. The Agha Shahi mission made the following recommendations;

- 1. A forceful plea to the Taliban government to strictly follow a policy of non-interference in Xinjiang.
- 2. All possible measures to match India's bid to cultivate China.
- 3. Maintenance of the tempo of exchanges with China at the academic and research level.
- 4. Serious effort at the highest level to promote cooperation for economic joint ventures with China.
- 5. Rectifying the practice of giving low priority to repaying our loans and outstanding dues of Chinese corporations. The Council of World Affairs (CWA), Islamabad, report on visit to China".<sup>82</sup>

After the September 11, terrorist attack on World Trade Centre (WTO) and the subsequent US fight against the terrorist in Afghanistan, led Pakistan to follow the policies frame by the US. To this the Chinese were not comfortable, for instance the US presence in Pakistan. However, with regarding to the sanction; President Bush signed into law a bill that authorizes him to waive sanctions against Pakistan through fiscal year 2003, it is the final stage in easing sanctions imposed on Islamabad after the 1999 military coup led by Gen.Pervez Musharraf, President Bush has already exercise his authority and prohibition imposed under the Glenn Amendment (nuclear testing), the Pressler Amendment (possession of a nuclear device) and the Symington Amendment (Uranium enrichment), As reports from Nation dated 31st October 2001 from Washington. 83 This move of the US as a result of the Bombing raids on Afghanistan and also the air space opened to the US warplanes in Pakistan.

The political engagement between China and Pakistan remains to be friendly in spite of the recent developments in the region, 'that the Chinese are concerned about the health of Pakistan's economy is no secret. They have been telling Pakistan to divert resources from guns to development. To put the Kashmir question on the back-burner and seek

<sup>82</sup> Ibid, p.30.

<sup>&</sup>lt;sup>83</sup> POT, Pakistan Series, "Bush Waives all Sanctions on Pakistan", Vol. xxix, no. 260, 3<sup>rd</sup> Nov. 2001, p.4737.

normalization of ties with India is something hard to digest for any government in Islamabad, but there is some merit in the Chinese prescription for peace and stability in South Asia'. 84

With regarding to the on going US fight against Terrorism in Afghanistan and the tension mounted between India and Pakistan after the December 13<sup>th</sup> Terrorist attack on the Indian parliament and the deployment of the forces by both in the border forced Pakistan to look towards China; As Amir Mateen in a news analysis in News (5/1), writes, Whether President Musharraf's 'China Card' –his stop over in Beijing en route to Katmandu was a masterstroke to scale India back from its aggressive war designs or a failed attempt to garner a favorable Chinese support at a crucial junctures. Not only this President Pervez Musharraf told China on 3<sup>rd</sup> Jan; that he was willing to work to ease tensions with nuclear rival India through dialogue, amid concern their crisis could boil over upset global stability, as reports from DAWN dated 4<sup>th</sup> Jan. 2002 from Beijing. To this Mr. Zhu praised Pakistan's insistence on pursuing dialogue and peace under tense circumstances, but called upon both sides to exercise the utmost restraint to preserve peace in the region. <sup>87</sup>

Concerning the relationships between the two, President Rafiq Tarar said;

Friendship between the two countries spanned over years when the silk route served as a highway of commercial and cultural exchange and linked together our ancient civilization; in modern times the president said, 'our two countries have developed a model friendship based on respect for the principles of peaceful coexistence.<sup>88</sup>

Pakistan even after 55 years of its inception as a separate independent state could not adhere to the principle of democracy. Instead of national integration there is rampant national strife, sectarian violence and conflict and also social unrest. Apart from this, the Pakistani considers China as their reliable friend. 'the reason why China is widely seen in Pakistan as a reliable friend and ally is the popular perception that the Chinese do not

<sup>&</sup>lt;sup>84</sup> POT, Pakistan Series, "Comments: Sino-Pak Ties: India Factor", Vol. xxix, no.120, 21<sup>st</sup> May, 2001, n 2031

<sup>&</sup>lt;sup>85</sup> POT, Pakistan Series, "Did China help Musharraf? Analysis", Vol. XXX, No. 8, 9<sup>th</sup> Jan, 2002, p.136. <sup>86</sup> Ibid, p.137.

<sup>&</sup>lt;sup>87</sup> Ibid, p.137.

<sup>&</sup>lt;sup>88</sup> POT, Pakistan Series, "Pak, China committed to Partnership for Peace: CE", Vol. XXIX, No. 138, June 11, 2001, p. 2328

interfere in Pakistan internal matters and that there are no strings attached to the Chinese aid and assistance'. 89In addition to this it is appropriate to mention the remark made by J.N. Dixit, that 'although Pakistan has been in existence for several decades now and received international recognition and acknowledgement as well as support of every kind, it suffers from a deep sense of emotional and political insecurity. To compound matters, democracy disappeared from that country from 1952 to 1998'. 90

<sup>&</sup>lt;sup>89</sup> XIII: Pakistan, China to set up Rs1.5 billion Joint stock company, POT, Pakistan Series, Vol. XXIX, No.114, 14<sup>th</sup> May 2001, p. 2013.

90 J.N. Dixit, n. 4, 232.

CHAPTER; IV

Sino-Pak Economic Relations

## Chapter IV

# Sino-Pak Economic Relations

#### **Sino-Pak Forging Trade Ties:**

Economic relations between China and Pakistan got nurtured during the 1960s. It was in Jan 1963, when the two countries signed the first trade agreement and thereafter their relations regarding economic took a definite shape even though nominal in treatment.

During this time, 'Pakistan developed multi-mode trade relationship with China, i.e. 'barter trade, border trade and cash trade, at present, however, trade with China is conducted almost entirely on cash basis in convertible currency, besides nominal border trade'.

The trade relations between the two nations have emerged and developed over a period of time. This can be illustrated with the help of the following time line.

Year	Developments in relations to Trade.		
Early 1950s	Pakistan started forging economic and trade ties with China		
1958	China offered to supply machinery and capital equipment		
	exchange for Pakistani cotton and other raw materials.		
	In the same year Pakistan signed a barter trade agreement with		
	China.		
1963	In January 1963, the two countries signed the first Trade		
	Agreement, which was based on the 'most favored nation'		
	treatment in trade, commerce and shipping.		
;	In September 1963, the two sides signed a barter trade		
	agreement for exchange of Pakistani raw jute with coal and		
	cement from China.		
1966	The two countries signed a barter trade agreement for Pakistan		
	to import 100000 tons of Chinese Rice.		

<sup>&</sup>lt;sup>1</sup> Shaheen Akhtar, "Pak- China Economic Relations forging strategic partnership in the 21<sup>st</sup> century", *Regional Studies*, Vol.XIX, No.3, summer 2001, Islamabad, p.41

	to import 100000 tons of Chinese Rice.		
1967	In January 1967, China agreed to supply 150000 tons of food		
	grains to Pakistan over the next 5 months.		
	In October 1967, both the countries signed an agreement to		
	facilitate overland trade between Pakistani Gilgit and Chinese		
	Xinjiang, the purpose of which was to develop and promote co-		
	operations between the bordering regions of the 2 countries.		
1968	In April 1968, the two countries signed a barter trade agreement		
	for exchanging goods worth 11 million rupees.		
1970	In the month of May, the two countries signed the Third		
	General Barter Trade Agreement which provided for exchange		
	of goods worth Rs.116 million on a self-balancing basis.		
1971	In July, the two countries signed a new trade agreement for		
	exchange of goods between Gilgit and Xinjiang via the ancient		
	Silk Route.		
1972	In May, the two countries signed another border trade		
	agreement.		
1983	In December, the last exchange of letters for conducting border		
	trade took place, between the two countries, whereby the ceiling		
	was enhanced from 100 million to 200 million rupees.		
End of 1998	The utilization was Rs. 99.40 million.		

**Source**: Summarized from, Shaheen Akhtar's Pakistan China Economic Relations Forging Strategic Partnership in the 21<sup>st</sup> Century, Regional Studies, Vol. XIX, No. 3, summer 2001.

From the above time line it is quite obvious that Pakistan and China have developed multi-mode trade relationship, in form of barter trade, border trade and cash trade. The trade relations which was initially, starting from the late 50's, based on the barter system, gradually declined in the late 60's, when in October 1967 the two nation's signed an agreement to facilitate overland trade. Thus in the 70s and 80s, the barter trade gave way to cash trade, which fully developed by 1990s. The Agreement on trade, which was signed in 1983, was valid up to 31<sup>st</sup> December 2000. Pakistan's Ministry of Commerce

has however conveyed its consent to extend the agreement up to the year 2003, the final reply to which from the Chinese side was still awaited.<sup>2</sup>

However, despite all the trade agreements one can find that the trade relation between China and Pakistan has been modest.

Table-1 below illustrates the Pakistan-China bilateral trade since 1973-74. Though the present study is concerned with the post-Cold War scenario the figure for years prior to the 90s is taken into account to develop an understanding of the direction of Trade between the two countries.

Table 1: Pakistan-China Bilateral Trade 1973-94

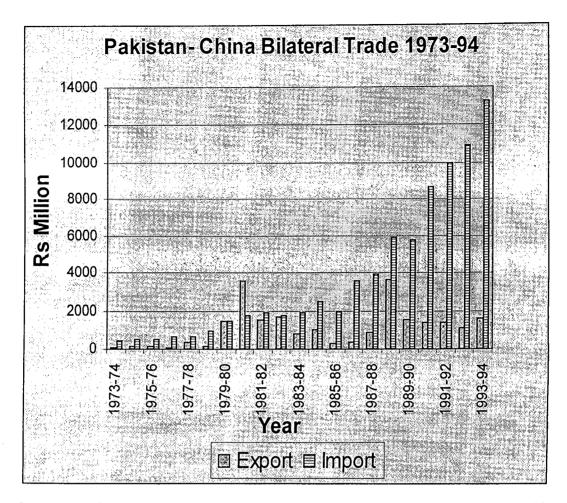
Rs. millions

	Mainland China		Hong Ko	ong	
Year	Exports	Imports	Exports	Imports	
1973-74	39	472	1116	55	
1974-75	151	535	787	105	
1975-76	176	549	1240	135	
1976-77	96	634	711	175	
1977-78	368	629	794	261	
1978-79	143	981	1394	239	
1979-80	1442	1464	1841	228	
1980-81	3571	1765	1141	259	
1981-82	1559	1891 .	1210	254	
1982-83	1680	1791	1502	234	
1983-84	770	1906	500	233	
1984-85	1032	2465	1073	377	
1985-86	275	1954	1294	335	
1986-87	330	3623	1777	308	
1987-88	877	3942	2738	417	
1988-89	3671	5944	5052	658	
1989-90	1541	5816	4516	667	
1990-91	1364	8658	8285	780	
1991-92	1378	9932	12503	1058	
1992-93	1080	10928	11679	1358	
1993-94	1619	13242	14930	1163	

Source: Economic Survey of Pakistan, 1999-2000, GOP, as cited in Shaheen Akhtar's Pakistan China's Economic Relations Forging Strategic Partnership in the 21<sup>st</sup> Century. Regional Studies, Vol. XIX, No. 3, summer, 2001, p. 42.

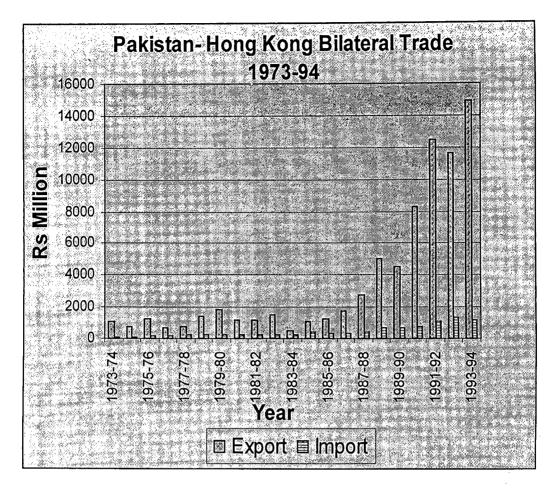
The exports –imports figures of Pakistan-China Bilateral Trade are illustrated by two graphs shown in the following page.

<sup>&</sup>lt;sup>2</sup> Ministry of Commerce, Government of Pakistan, as cited in Ahaheen Akhtar, op.cit, n. 1, p. 41.



Source: Develop from Table-1, Economic Survey of Pakistan, 1999-2000, GOP, as cited in Shaheen Akhtar's, "Pakistan China's Economic Relations Forging Strategic Partnership in the 21<sup>st</sup> Century". Regional Studies, Vol. XIX, No. 3, summer, 2001, p. 42.

The Graph above reflects that export from Pakistan to China has been on the decline except for the periods 1980-81 and 1988-89, when it showed some rise. However the figure for 1983-84 is better than the low point it had reached during 1986-86. Overall the Balance of Trade was unfavorable.



Source: Derived from Table-1, Economic Survey of Pakistan, 1999-2000, GOP, as cited in Shaheen Akhtar's, "Pakistan China's Economic Relations Forging Strategic Partnership in the 21<sup>st</sup> Century". Regional Studies, Vol. XIX, No. 3, summer, 2001, p. 42.

The graph above shows that Pakistan's export to Hong Kong has been more or less on rise except for the period 1983-84, when there was a sharp decline compared to the previous years. The import on the other hand was almost negligible, except between 1989-1990 and 1993-94 when it showed a rise, compared to the previous years, which indicates a favorable Balance of Trade for Pakistan.

#### Sino- Pakistan economic relations - A unique characteristic:

Sino-Pak economic relations, represents a unique characteristic as far as their economic relation is concern, 'China has always been bighearted in mending Pakistan's needs'.<sup>3</sup> Gen. Pervez Musharraf said, 'there is no question of expectations from friends and

<sup>&</sup>lt;sup>3</sup> POT, Pakistan Series, "Pakistan's Economic Ties with China", Vol.XXX, No.39, Feb.21, 2002,p. 705.

brothers. We are looking to an era of further strengthening of relations in the economic field'.<sup>4</sup> He further stated that, 'Pakistan-China relations are higher than Himalayas, deeper than oceans and sweeter than honey'.<sup>5</sup>

Realizing the Chinese growing economy, 'Pakistan has already identified priorities in four critical areas, i.e. agriculture, oil and gas, small and medium enterprises and information technology, modernization of these sectors can prove a 'four modernization' programme for Pakistan, which can help the country in liberalizing its economy on sound footings'.<sup>6</sup>

This move taken by Pakistan i.e. identifying the four critical areas may thrive to a durable economic cooperation with China. As vice Chairman Ma Yue of the Chinese Council of International Trade (CCIT) underscored the point that, 'the Chinese economy provided openings for other countries for promoting their products in Chinese markets and added that Pakistan must also take advantage of the prospects specially in view of the excellent relations between the two countries'.<sup>7</sup>

Ever since the Joint Economic Commission (JEC) met in Beijing in May 2000, the two sides have been trying to work out a strategy to strengthen economic relations. The meeting took a number of decisions to increase Sino-Pak cooperation in different fields of economic activity, including commerce, trade and industry, the two sides agreed to explore the possibility of expanding cooperation in such fields as telecommunications, agriculture, information technology, urban planning and transportation, oil and gas other infrastructure development projects. Not only this, the JEC also constituted three working groups to explore possibilities of Chinese investment in railways, rehabilitation project, construction of Gwadar seaport and expansion of Pakistan steel. Chinese companies also examined the possibility of reinvesting in Saindak copper refinery. Thereafter the Joint Commission meets alternatively in Islamabad and Beijing.

<sup>&</sup>lt;sup>4</sup> POT, Pakistan Series, "Pakistan to seek \$ 1.5 BN Chinese Aid for PS expansion", Vol.XXIX, No.158, July 4, 2001, p.2156.

<sup>&</sup>lt;sup>5</sup> Ibid, p. 2154.

<sup>&</sup>lt;sup>6</sup> Shaheen Akhtar, n. 1, p.40.

<sup>&</sup>lt;sup>7</sup> 'Chinese investment in textile sector offered', The News, 5<sup>th</sup> April, 2000, cited in Shaheen Akhtar, n.1, p.36.

<sup>&</sup>lt;sup>8</sup> 'China considers Rs 40 bn investment', *The News*, Islamabad, 22<sup>nd</sup> May ,2000, cited in Shaheen Akhtar, p.35.
<sup>9</sup> Ibid.

There are no doubt the economic relations between China and Pakistan represents a unique characteristic where the economic intercourse is also deeply rooted with the strategic implications. President Musharraf said, 'that Pakistan and China would open a new chapter in their bilateral relations, laying maximum emphasis on strengthening economic partnership between the two countries, as reported in the NEWS dated 24<sup>th</sup> December 2001 from Guangzhou.<sup>10</sup>

China's economic policy with Pakistan was specific and well calculative. 'It's economic relations with Pakistan covers three broad and specific areas, economic aid, trade in arms and military equipment, and trade in goods and commodities, including Chinese investments in Sino-Pakistani joint ventures'. 11

Pakistan's major imports items from China include raw cotton, wool/cotton fabrics, cotton yarn, petroleum products, leather, vegetables, synthetic textile fabrics, and wool/cotton fabrics which have a sizeable potential to thrive there after the WTO rules apply to China. Pakistan can also export polyester to china, at competitive rate. The trade volume between the two countries also increase manifold, recently Mr. Yuan Hanmin, the senior official from Khunjerab Dry Port of China's Xinjiang Uygur autonomous region, that the trade volume across the border had risen from the initial Rs. 240,000 (US \$ 5500) to about Rs. 200 million (US \$ 4.5 million) per annum. He expressed satisfaction with the sound development of bilateral economic cooperation between Pakistan and China, especially between Xinjiang and the northern areas. Is

Unlike before the 1980s, where the major economic activity between China and Pakistan basically focus on aid and also project contracts, cooperative production and ventures. However, in the 1990-91 Pakistan export to China were as 1.36 billion, which increased to Rs. 1.80 billion in 1992-93 while imports also increased from Rs. 9.9 billion to 10.92 billion in the same year. <sup>14</sup> In 1997, Pakistan's export to China amounted to US \$ 338

<sup>&</sup>lt;sup>10</sup> POT, Pakistan Series, "Musharraf for enchanched economic ties with China", Vol.XXIX, No.305, 27<sup>th</sup> Dec., 2001, p. 5670.

<sup>&</sup>lt;sup>11</sup> Madhu Bhalla, "Sino- Pakistani Trade and Economic Relations", as given in "Sino-Pakistani Strategic Co-operation", Vol. V, Nos. III-VI, May- December 1999, p.138.

<sup>12</sup> POT, n. 3, p.705.

<sup>&</sup>lt;sup>13</sup> China daily, Hong Kong edition, 4th May, 1998.

<sup>&</sup>lt;sup>14</sup> Maqsudul Hasan Nuri, "China and South Asia in the 21st century", *Regional Studies*, Vol.XVII, No.4, Autumn, 1999, p.4.

million, 5.3 percent of its total exports. <sup>15</sup>The bilateral trade presently stands at more than one billion dollars annually. <sup>16</sup>

#### Sino-Pakistan economic relations - A sustaining relations:

After the end of the Cold War, even though their relationship sustain due to the convergence of interest vis-à-vis security issues, Sino-Pak relations in the new environment started to focus more on economic perspective. China's main interest was to explore the rich and vast resources in the Central Asia, to this China knows very nicely that Pakistan would provide a viable transit. There by both countries may benefit from this access to Arabian Sea and Central Asia energy resources.

However, in spite of this cordial economic relationship Pakistan has to follow concrete step to improve its economy and should get rid of the economic stagnancy. To over come this economic stagnancy B.M. Bhatia rightly suggested three types:

First, there must be a national consensus among the politicians, military/civil bureaucracy and the people that credibility and viability of Pakistan as a nation is at stake and that concerted action is to be taken to put economic house in order which required some basic structural adjustments in the economy and taxation system.

Second, Pakistan economy has got to be diversified. A strong industrial base has to be laid so that exports can move from agriculture an agro based products to industrial and manufactured goods.

Lastly, Pakistan has to readjust its trade and other economic relations with India. SAPTA must be given a meaningful content.<sup>17</sup>

Addressing a gathering of Pakistani community, Chief Executive General Pervez Musharraf called for an economic system that should be self-sustaining and should not be based on pleasing the people for short term gains at the cost of the nation, General

<sup>15</sup> Ibid.

<sup>&</sup>lt;sup>16</sup> Rafique Ahmed Dahar, "Time-Tested friendship", *The News*, cited in Maqsudal Hasan Nuri, "China and South Asia in the 21<sup>st</sup> century", as given in "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol.V, Nos.III-VI, May- December 1999, p.192.

<sup>&</sup>lt;sup>17</sup> B.M Bhatia, "Making of Pakistan's Current economic crisis" Ramakant, S.N Kaushik, Shashi Upadhyaya, (ed.), *Contemporary Pakistan, Trends and Issues*, Vol.1, Kalinga Publications, Jaipur 2001, p. 122.

Musharraf called for strategic long -term planning in this region. 18 In addition to this Pakistan's Finance Minister Mr.Shaukat Aziz recommended certain rules which the government formulated to improve its economy. The four request made by Mr. Shaukat Aziz, includes; provision of new loans on short term basis, technical assistance as grants, rather than loan, speedy processing of the new programme loans, and support only for the home-grown projects and programme to maximize ownership.<sup>19</sup>

Another point to be noted with Pakistan includes the deficit balance of trade with China. There is no doubt that China simultaneously increased its exports to Pakistan resulting in trade imbalances thereby leading to deficit. Not only this Pakistan's local industry suffered due to the inconsistent flood of dumped imports of China's stuff with label 'made in China'.

Finance Minister Shaukat Aziz further stated that, 'the relations between China and Pakistan are long standing, historic and very strategic in nature. We have covered every facet of relations, including political, cultural, defence, but on economic side a lot needs to be done'. 20 However, debt trap has become an obstacle for Pakistan's economy to improve.

#### Pakistan's Trade Deficit with China:

Welcoming China's assurance that Pakistan trade deficit would be rectified and a balance would be restored through increases in imports of grey cloth, garments, leather goods and polyester, As a report from DAWN on 26th November 2001 says editorially 'with the liberalization of the economies of the two countries, came the realization that the efforts to enhance bilateral ties in the field of trade and investment need to be accelerated and taken to the level of matching friendship.<sup>21</sup>

Apart from this, the total trade between the two, though substantial at \$ 1.2 billion in the year 2000 with a heavy surplus in favor of China far below its potential.<sup>22</sup> Not only this,

<sup>19</sup> POT, Pakistan Series, "Pakistan seeks \$ 10 B package on soft terms", Vol.XXIX, No.76, 30<sup>th</sup> March,

<sup>&</sup>lt;sup>18</sup> POT, Pakistan Series, "Pakistan not to increase defense budget, says INAM", Vol.XXIX, No.67, March 20, 2001,p. 1102.

<sup>&</sup>lt;sup>20</sup> POT, Pakistan Series, "Pakistan China to solidify economic ties; Shaukat", Vol.XXX, No.1, Jan.1, 2002. <sup>21</sup> POT, Pakistan Series, "Comments: Economic ties with China", Vol.XXX, No.20, 23<sup>rd</sup> January, 2002, p.408. <sup>22</sup> Ibid.

Pakistan trade deficit ballooned to \$ 1.318 billion with exports touching \$ 6.715 billion during the first nine months of the current fiscal, As reported in Nation on 8th April 2001. 23 Exports achieved 83.8 percent at \$727 million in March 2001 against the target of \$ 868 million.<sup>24</sup>

At least in the short rum Islamabad would like to see this trade deficit of Rs \$220 million fully covered through additional exports from Pakistan.<sup>25</sup>

#### Pakistan's Debt Servicing:

There is no denying the fact that foreign capital in the form of grants and loans is necessary for every developing country in the initial stages of development because of the shortage of capital from domestic sources. But the fact is that, these borrowing would be justified if only the funds are invested in productive manner. In the case of Pakistan, 'most of the foreign aid received by it went into building its military machine and not in industrialization of the country, this made the debt a continuing and growing liability and in course of time its servicing came to constitute a big strain on balance of payments of the country.'26 With regarding to defence expenditure Smita Mehrota also remark, 'Pakistan's heavy expenditure on defence and debt servicing are proving too costly for the country. If the stabilization programme to correct macro-economic imbalances are not carried out efficiently in Pakistan, the prospects for long-term development are also endangered'. <sup>27</sup>So also Prof. Khurshid Ahmad, as quoted in an article on DAWN 25<sup>th</sup> May 2001 rightly remarks with regarding Pakistan's economy, he stated 'ours is not a problem where IMF conditionality were concerned with, our problem is economic slump, decline in investment, stagnant industrial production, and poverty and underemployment. The present government too has done nothing worthwhile to restore business confidence or to boast the production processes.<sup>28</sup>

<sup>&</sup>lt;sup>23</sup> POT, Pakistan Series, "China seeks guarantee for white oil pipeline project", Vol.XXIX, No.98, 25<sup>th</sup> April, 2001, p. 1658.

Ibid.

<sup>25</sup> Ibid.

<sup>&</sup>lt;sup>26</sup> Ibid, p.117.

<sup>&</sup>lt;sup>27</sup> Smita Mehrota, "Economic Development in Pakistan: Scenerio and Future Prospects", n.6, p.132. <sup>28</sup> POT, Pakistan Series, "Comments: Economic Challenges and way out", Vol.XXIX, No.158, July 4, 2001,p.2687.

Not only this, Pakistan's economy is characterized by an informal economy. Dr .Rubina Bhatti says, 'Pakistan has an informal economy of about 70 percent and there is nothing derogatory in admitting the fact'.<sup>29</sup>

Lamenting that the history of Pakistan's economic development is the history of debt accumulation, Aqdas Ali Kazmi, in an article as quoted in News on 4<sup>th</sup> July 2001 rightly stated that, 'the accumulation wisdom, however suggests that Pakistan cannot get out of debt trap unless it raises the Saving/GDP ratio as well as Tax/GDP ratio from the present levels of 13 percent to 18 percent the average for the developing countries'. <sup>30</sup>How ever such efforts would be forth coming in the near future remains uncertain.

Pakistan's major weaknesses for the stagnancy of it economy growth was due to 'debt servicing'. According to the latest report of the International Monetary Fund Staff, 'Pakistan's debt servicing on external debt stick of \$ 35.5 billion touched a staggering level of \$ 8.2 billion, including principal amount of \$ 6.529 billion and interest of \$ 1.68 million, which is almost 64.9 percent of the total foreign exchange receipts of year 2000. The IMF report estimated that the total debt relief during 1999-2000 amounted to \$ 7.3 billion for Pakistan, including official bilateral, commercial and private debts (rollovers of foreign currency deposits). However, despite this massive relief, 30 percent of the country's current foreign exchange was consumed in debt servicing alone.<sup>31</sup>

Pakistan's external debt, including foreign exchange obligation and residents' accounts, till December 31<sup>st</sup> 2000, amounted to \$ 37 billion, As reported in Business Recorder on 17<sup>th</sup> March 2001.<sup>32</sup>

<sup>&</sup>lt;sup>29</sup> POT, Pakistan Series, "Pakistan Has 70 percent informal economy, expert", Vol.XXIX, No.158, July 4, 2001, p.2871.

<sup>&</sup>lt;sup>30</sup> POT, Pakistan Series, "Comments: Pakistan's borrowed economic growth", Vol.XXIX, No.195, 17<sup>th</sup> August, 2001, p.3341.

<sup>&</sup>lt;sup>31</sup> POT, Pakistan Series, "Pakistan's debt trap wider than of very poor state", Vol.XXIX, No.45, 19<sup>th</sup> Feb, 2001.p. 739

<sup>&</sup>lt;sup>32</sup>POT, Pakistan Series, "External debt amounts to \$ 37 billion in 2000", Vol.XXIX, No.78, 2<sup>nd</sup> April, 2001,p. 1314.

#### Sino-Pakistan Total Bilateral Trade:

It has been pointed out that China has already imported textile items form Pakistan in 1999-2000 such as cotton, Yuan amounting to \$ 72.971 million, cotton fabrics \$ 49.678 million, raw cotton \$ 1.071 million and miscellaneous textile material \$ 1.387 million.<sup>33</sup> Sattar Abdul (Foreign Minister of Pakistan) sensing the deteriorating condition of Pakistan economy emphatically visualizes the need for Pakistan's to develop a high-technology business to promote conducive trade partnership with China. Sattar proceeded by saying that, in order to secure a more balanced bilateral trade with China, Pakistan should not restrict but expand the areas of trade which in the long term will help balance trade development and strengthen business ties with China.<sup>34</sup>

"In May 1997, Pakistan was to pay back US \$ 250 million, and nearly US \$ 600 million in June, it had already borrowed Rs. 270 billion (Pakistan) against a target of Rs. 330 billion from domestic banks. In February 1998, Pakistan P.M Nawaz Sharif's visit to China and Hong Kong got Pakistan additional soft loans of US \$ 150, along with a US \$ 6 million grant under the Chinese technical support programme.<sup>35</sup>

Table 2: Total Bilateral Trade - Pak-China, excluding Hong Kong

(million US \$)

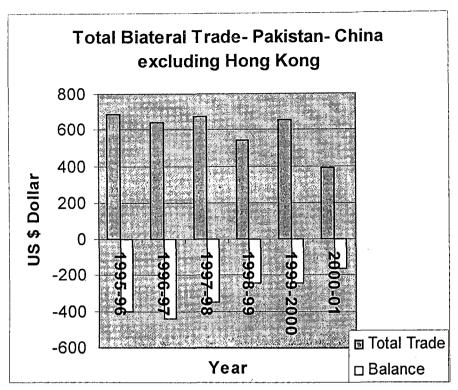
Year	Exports	Imports	Total	Balance
1995-96	144.60	544.37	688.97	(-)399.77
1996-97	103.11	541.56	644.67	(-)438.45
1997-98	160.782	511.266	672.048	(-)350.484
1998-99	148.920	394.432	543.352	(-)245.512
1999-2000	180.326	471.527	651.853	(-)245.512
2000-2001 (July-Nov.)	115.754	277.039	392.793	(-)161.285

Source: Ministry of Commerce, GOP, as cited in Akhtar's Pakistan China's Economic Relations Forging Strategic Partnership in the 21<sup>st</sup> Century. Regional Studies, Vol. XIX, No. 3, summer, 2001, p. 43.

<sup>&</sup>lt;sup>33</sup> POT, Pakistan Series, "Pakistan asks China to correct trade imbalance", Vol.XXIX, No.108, 7<sup>th</sup> May, 2001, p. 1853.

<sup>&</sup>lt;sup>34</sup> POT, Pakistan Series, "Sino-Pak trade relations to grow: Sattar", Vol.XXIX, No. 110, 9<sup>th</sup> May, 2001,p. 1853.

<sup>35</sup> FEER, May 29, 1997, p.12, "Pakistan and Gulf Economist", Feb.23-March, 1998 p.36, cited in Madhu Bhalla, n. 11, p.140.



Source: Derived from table 2. Ministry of Commerce, GOP, as cited in Akhtar's Pakistan China's Economic Relations Forging Strategic Partnership in the 21<sup>st</sup> Century. Regional Studies, Vol. XIX, No. 3, summer, 2001, p. 43.

The Graph above shows that, in general, the total Bilateral Trade between Pakistan and China has been on decline during the period 1997-98 to 2000-2001. This added to a negative Balance of Trade for Pakistan, though the gap in the Balance of Trade during the period 2000-01 was lesser than 1996-97.

Table 3: Total Bilateral Trade: Pak-China & Hong Kong

(Million US\$)

Year	Exports	Imports	Total	Balance
1995-96	939.484	594.22	1533.704	345.264+
1996-97	882.389	582.892	1465.281	299.497+
1997-98	771.205	556.201	1327.406	215.004+
1998-99	698.162	449.086	1147.248	240.076+
1999-00	705.234	521.377	1226.611	183.857+
2000-01	332.113	304.608	636.721	27.565+
(July-November)				

Source: Ministry of Commerce, GOP. As cited in, Akhtar's Pakistan China's Economic Relations Forging Strategic Partnership in the 21<sup>st</sup> Century. Regional Studies, Vol. XIX, No. 3, summer, 2001, p. 44.

Source: Derived from table 3. Ministry of Commerce, GOP. As cited in, Akhtar's Pakistan

China's Economic Relations Forging Strategic Partnership in the 21<sup>st</sup> Century. *Regional Studies*, Vol. XIX, No. 3, summer, 2001, p. 44.

The Graph above indicates that the Total Bilateral Trade between Pakistan-China when Hong Kong is included has been declining. However the Balance of Trade has been favourable, though over the year the gap has been reducing.

Pakistan has been discontent with the trade imbalances in favour of China. Taking this issue with the Chinese Ministry of Foreign Trade and Economic Cooperation (MOFTEC), As reports on News on 17<sup>th</sup> April 2001 from Islamabad stated that 'imbalances in favour of China continues to grow despite the fact that Pakistan's exports to China have increased from \$ 148.920 million in 1998-99 to \$180.326 million in 1999-2000, manifesting an increase of 21 percent. <sup>36</sup>

Pakistan is also seeking \$ 2 billion to 2.5 billion Poverty Reduction Growth Facility (PRGF) from IMF, to replace the current \$ 596 million Standby Arrangement (SBA).<sup>37</sup>Anwar Ahmad in an article in NEWS dated 19<sup>th</sup> Feb. 2001 emphasizing the linkages among debt, distribution and defence and how it encapsulates Pakistan's economic crisis, categorically remark's that, 'the first two under cut the third, and reduce national sovereignty to a farce. It will need more sagacity and steadfastness than we have displayed to break out of this terrible triangle.<sup>38</sup>

The total trade between China and Pakistan is about \$827.7 million; this includes \$ 303.5 million exports from Pakistan and \$ 524.2 million imports

#### Economic Assistance to Pakistan by China:

Apart from this, at the economic level too, Sino-Pakistan relations during this period showed uniformly smooth course. "In addition to the loan of \$60 million advanced in 1969, China gave \$6.90 million to Pakistan for the purchase of

<sup>&</sup>lt;sup>36</sup> POT, Pakistan Series, "Pakistan asks China to correct trade imbalance", Vol.XXIX, No.108, 7<sup>th</sup> May, 2001, p. 1853.

<sup>&</sup>lt;sup>37</sup> POT, Pakistan Series, "Pakistan seeking 4 2.5 billion from IMF", Vol.XXIX, No.35, 10<sup>th</sup> Feb, 2001,p. 590.

<sup>&</sup>lt;sup>38</sup> POT, Pakistan Series, "Comments: India's Defense deal and Pakistan economic crisis", Vol.XXIX, No.66, 19<sup>th</sup> March, 2001,p. 1089.

food. During President Yahya Khan's visits to Peking, China pledged a further 500 million Yuan's (over \$ 200 million) for Pakistan's fourth year plan, thus doubling the amount of assistance given towards the previous plan".<sup>39</sup>

To further Sino-Pak economic relations, some concrete steps should be work out to expand economic cooperation co-operation basically with regarding to trade, the two countries must boost co-operation in agriculture, infrastructure, information technology and other fields; chief executive General Pervez Musharraf, during his meeting with visiting Chinese vice Minister for Foreign Trade An Min, 'expressed the desire for enhanced bilateral co-operation, he further stated that Pakistan appreciates Chinese collaboration in all areas and emphasized vast scope for co-operation in information technology, small and medium industries, oil and gas and agriculture.<sup>40</sup>

The current economic aid to Pakistan comes basically in the form of soft loans; take the case of the recent economic aid, which China assisted to enable Pakistan to tide over its foreign debt repayment crisis. 'Between 1996 and 1997, China has given Pakistan US \$ 350 million to enable it to boost its foreign exchange reserves to US \$ 1 billion and tide over its debt payment for the quarter. However, Pakistan's foreign debt repayment problem is rarely solved by these loans'. <sup>41</sup>

To participate in Pakistan's development efforts and to provide assistance to ease the balance of payments which Pakistan faces. 'China has assembled a package of around \$ 1.5 billion assistance; it includes a rollover for three years of \$ 500 million deposits with the National Bank of Pakistan beyond February 200, a line of credit of \$ 50 - 100 million is earmarked for the import of textile machinery from China, and \$ 33 million for a joint venture holding company to be set up with a capital of Rs 2 billion, with each country subscribing one billion rupees. 42

There is no doubt that China gives more economic assistance to Pakistan to help Pakistan recover from its deficit and debt trap; like China has agreed to rollover \$ 500 million

<sup>&</sup>lt;sup>39</sup> S.M.Burke, *Pakistan's Foreign Policy, An Historical Analysis*, (London: Oxford University Press, 1973), p. 363.

p. 363. <sup>40</sup> *POT*, Pakistan Series, "China seeks guarantee for white oil pipeline project", Vol.XXIX, No.98, 25<sup>th</sup> April, 2001, p. 1658.

<sup>&</sup>lt;sup>41</sup> Ibid, n.11, p.140.

<sup>&</sup>lt;sup>42</sup> POT, Pakistan Series, "Comments: Economic ties with China", Vol.XXX, No.20, 23<sup>rd</sup> January, 2002, p.408.

National Bank of Pakistan loan facility for the next three years on competitive terms. This loan was being rolled over on yearly basis since 1998 to facilitate the balance of payments requirements of the country.<sup>43</sup>

The table in the following page shows the period-wise economic assistance given by China to Pakistan:

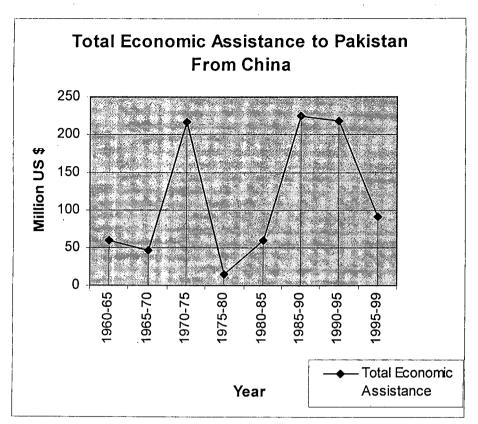
Table 4: Economic Assistance from China

(Million US\$)

Period	Grants	Loans/Credits	Total
1960-65	60.00	-	60.00
1965-70	46.40	-	46.40
1970-75	-	217.40	217.40
1975-80	-	15.40	15.40
1980-85	-	60.50	60.50
1985-90	-	224.60	224.60
1990-95	-	218.50	218.50
1995-99	12.00	80.00	92.00
Total	118.40	816.40	934.80

Source: Federation of Pakistan Chambers of Commerce and Industry (FPCCI). As cited in Akhtar's Pakistan China's Economic Relations Forging Strategic Partnership in the 21<sup>st</sup> Century. Regional Studies, Vol. XIX, No. 3, summer, 2001, p. 46.

<sup>&</sup>lt;sup>43</sup> POT, Pakistan Series, "Pakistan China to solidify economic ties; Shaukat", Vol.XXX, No.1, Jan.1, 2002, p. 17.



Source: Derived from Table 4, Ministry of Commerce, GOP. As cited in, Akhtar's Pakistan China's Economic Relations Forging Strategic Partnership in the 21<sup>st</sup> Century. Regional Studies, Vol. XIX, No. 3, summer, 2001, p. 44.

From the Graph above it is clear that while the Total Economic Assistance from China to Pakistan has been continuing, it has been on the decline, in particular after 1990-95.

#### China's economic relation with South Asia - A brief outline:

Even though Pakistan being a close ally of China, when we have a comparative analysis the over all economic relations of China with regarding to South Asian countries, we find that; 'Pakistan is the second largest trading partner of China in South Asia with bilateral trade amounting to about one billion dollars a year'.<sup>44</sup>

<sup>&</sup>lt;sup>44</sup> "Li Peng arrives on five -day visit today; Beijing to ink two agreements", *The News*, 8<sup>th</sup> April, 1999,p.1, cited in Maqsudul Hasan Nuri, n.14, p. 192.

On the failure of economic cooperation in South Asia, Robert A. Scalpino rightly remark that, 'the relations with South Asia have been mostly state to state relations rather than people-to-people or comrade-to-comrade in seeking to forward its interests'. 45

#### **Technical Assistance and Cooperation:**

Technical cooperation between China and Pakistan covers many diverse areas; to name the few, it includes; heavy engineering, power generation, cement production, underground high pressure oil exploration, mining and high wall construction, small irrigation dams, highway construction, peaceful uses of nuclear energy etc.

The foremost thing to be noted is that, China contributed assistance with cheap and favourable price. Another thing to be noted include heavy wind technology sector, as it could substantially provide appropriate technologies, mechanical and electrical product of good qualities more over at a cheaper price.

Some of the notable examples of Chinese collaboration include:

"Establishment of the Heavy Industries Taxila (HIT); Aeronautical Complex at Kamra, upgrading and expansion of the facilities at the Pakistan Ordance Factories (POF), Wah; Collaboration in Shipbuilding; Power plants at Guddu, Jamshoro and Ghazi Barotha; Agreement in 1995 with the National Highway Authority to construct two sections of the Indus Highway at a cost of \$ 91 million; building a railway line between Peshawar and Lodhram; assiting in mineral and water exploration in the North West Frontier Province (NWFP) and Baluchistan; The Saindak project in Baluchistan; establishing Pakistan's space programme in 1990; launching of an experimental satellite with a rocket made in China, and especially, the 790 Km Karakoram Highway (KKH), the 'eight wonder of the world' completed in 1978, built with financial and technical assistance". 46

China has not only provided assistance in infrastructure development but also provided assistance in development of health, education, sports and culture. 'Recently China has promised to reschedule Pakistan's over \$ 120 million loans for a period of 20 years and that two without charging any interest'.<sup>47</sup>

<sup>&</sup>lt;sup>45</sup> Robert A. Scalpino, "US-PRC Relations and South Asia", in Zillur R.Khan,(ed.), SAARC and the Superpowers, (Dhaka 1991), p.23.

<sup>&</sup>lt;sup>46</sup> Maqsudul Hasan Nuri, n. 14, p.3.

<sup>&</sup>lt;sup>47</sup> Ihtesham ul Hague, "China assures substantial investment", *DAWN*, Karachi, 21<sup>st</sup> Jan. 2000.

Notably during the recently concluded visit of President Musharraf, several agreements were signed between Chinese companies and the private sector operators in Pakistan, It includes;

- 1. Pakistani company Euro-Guard and Qingqi of China signed an agreement for assembling of vehicles (pick-ups) in Pakistan.
- 2. An agreement was signed between Dewan Salman Fibres (Pakistan) and World Best Group (China) for trading of polyester, chips and fibres.
- 3. Morgan Technologies (Pakistan) and Guangdong Huadi Group (China) signed a deal for manufacturing/assembling of gas appliances in Pakistan.<sup>48</sup>

The first and foremost thing which Pakistan has to pursue in order to benefit from this Chinese assistance and cooperation is that, without any hesitant Pakistan should streamline and diversify its trade with China. As Shaheen Akhtar rightly enumerated the different point which can further their relationship, it includes; moving away from traditional to non-traditional sectors, Enhancing competitiveness of Pakistani products, Encouraging private sector, Enhancing border trade, Quadrilateral agreement on 'traffic in transit', Promoting e-commerce, regional and sub-regional partnerships. Sino-Pak economic relations basically take place in the form of aid, cooperation, and also in terms of joint venture. The fact is that commercial relations have not grown up to the expected level and there remains much more room to explore. Not only this China's direct investments in Pakistan are also minimal and limited. But in terms of cooperative ventures and joint venture the interaction covers wider dimension. Joint venture especially in the private sector has great potential and should be given more emphasis.

The major development with regarding to economic venture is that, 'Pakistan and China have agreed to set up a Rs. 1.5 billion joint stock company to be headquartered at Islamabad to promote Industrial and agro based industrial growth in Pakistan. According to the draft agreement made available exclusively to the daily, 'China will contribute its 50 percent equity shares in the Pakistan-China Investment Company Limited (PCICL) in dollars (\$ 15 million) while Pakistan will pool a similar amount in the local currency'. 49

 <sup>&</sup>lt;sup>48</sup> POT, Pakistan Series, "Pakistan China to solidify economic ties". Vol.XXX, No.1, 1<sup>st</sup> Jan, 2002,
 <sup>49</sup> POT, Pakistan Series, "Pakistan to set up Rs 1.5 B Joint Stock Company", Vol.XXIX, No.114, 14<sup>th</sup> May, 2001.

The positive thing regarding to economic venture between Pakistan and China is that, 'Chinese have completed some 100 project contracts in Pakistan and have entered into scientific and technological cooperation in nearly 250 projects'. 50

In order to avoid double taxation, 'China and Pakistan have signed agreements on protocols of investment, avoiding double taxation, cooperation in astronautical science and contracts for export to Pakistan of a 300,000 KW nuclear power station. <sup>51</sup> Apart from this presently, 'Chinese projects worth about US \$ 3 billion are under way in Pakistan'. 52 And also finance Minister Shaukat Aziz in an interview with Nadeem Malik in News dated 28th December 2001 from Islamabad said, 'Pakistan and defence relations, and now the main focus would be on solidifying bilateral economic cooperation. He further detailed several new investment projects, setting up of two joint venture electronic companies, construction of Gwadar port and \$ 500 million balance of payments support for three years as some of the significant initiatives between the two countries'.53

Likewise, Pakistan and China signed Memorandum Of Understanding (MoU) on 24th May 2001, the agreements signed includes the following aspects like; on economic, technical and tourism cooperation, lease agreement on Saindak copper-gold project, supply of locomotives to the Pakistan railway, supply of passenger coaches to the Pakistan railway and the White oil, the MoU was signed between ZTE, a Chinese telecom firm and Pakistan telecommunications company'. 54

<sup>50</sup> Maqsudul Hasan Nuri, n. 14, p.192.

<sup>51</sup> Wang Hongwie, Relations between China and the South Asian Countries following the conclusion of Cold War; Asia Africa Development Research Institute of Development Research Centre of the State council, PRC Working Papers, No.56, July 1995, Beijing, China, p.4, cited in Maqsudul Hasan Nuri, n. 14, p.192
<sup>52</sup> The News, 9<sup>th</sup> April, 1999, p.6, as cited in Maqsudul Hasan Nuri, n. 14, 192.

<sup>&</sup>lt;sup>53</sup> POT. Pakistan Series, Vol. XXX, No.1, 1st Jan, 2002.

<sup>&</sup>lt;sup>54</sup> POT, Pakistan Series, "Pakistan to seek \$ 1.5 BN Chinese Aid for PS expansion", Vol.XXIX, No.158, July 4, 2001, p.2156.

Some of the major Joint venture between China and Pakistan includes the following:

### White Oil Pipeline Project:

This Chinese investment for the construction of PARCO White Oil Pipeline project is also part of the private sector cooperation between China and Pakistan. 'An estimated 400 \$ million project, the white oil pipeline project is being laid down from Karachi to Mehmood Kot near Multan, which was finally sign on 14<sup>th</sup> May 2001'. <sup>55</sup>This agreement will be between Pakistan- Arab Pipeline Company and China Petroleum Engineering Construction Cooperation (CPECC), the latter will supply equipment and materials for the construction of a pipeline to transfer petroleum products from Karachi to Mahmood Kt near Multan. The president of China Petroleum Engineering and Construction Corporation Zhang Weijiu and Managing Director PARCO Shahid K. Hak signed the agreement. <sup>56</sup>The Chinese EXIM Bank will finance this white oil pipeline project.

#### Saindak Contract:

As reported in DAWN on 15<sup>th</sup> May 2001, Pakistan has decided to award to lease contract for Rs 16 billion Saindak Copper-Gold project to a Chinese firm during the visit of Mr. Zhu. Even though the project has been close since 1995 due to shortage of working capital, official sources said the Metallurgical Cooperation of China (MCC) will pay \$ 500,000 per month to Pakistan as lease rental for 10 years in addition to 50% of the total production from the project. <sup>57</sup>China was so keen with the project keeping focus of the future copper price in the international market, this move from the Chinese side becomes clear as, 'they even agreed to withdraw sovereign guarantee for \$ 500 million for the White Oil Pipeline project. <sup>58</sup>

Not only this, the Chinese had already agreed to finance the Saindak and Railways, and also provided cash grants of \$ 12 million, a \$ 24 million concessional loan facility, and

<sup>&</sup>lt;sup>55</sup> POT, Pakistan Series, "Pakistan, China to sign 7 Pacts during Zhu's visit", Vol.XXIX, No.125, 26<sup>th</sup> May, 2001, p.2155.

<sup>&</sup>lt;sup>56</sup> Ibid, n.54, p.2156.

<sup>&</sup>lt;sup>57</sup> POT, Pakistan Series, "Zhu visit will open new vistas in Sino-Pak ties: CE", Vol.XXIX, No. 127, 29<sup>th</sup> May, 2001, p.2142.

S8 Ibid.

established \$ 0.5 million joint research fund, most of the agreements were signed at the conclusion of President Musharraf visit at Guanzzhou.<sup>59</sup>

#### Railway Sector:

Joint venture in railway sector, 'Chinese firm Donfang Electric Corporation will provide 69 locomotives to the Pakistan railway under supplies credit. President of China DEC Li Zongeen and secretary railway Lt. Gen (retd) Saeed Uz Zafar signed the agreement. Where both countries cooperate to build 90 locomotive engines and 100 passengers coaches for Pakistan railway. 61

#### **Gwadar Project:**

The decision to construct a highly strategically important Gwadar Project in Pakistan would be a symbol of long lasting friendship between the two shows their durability of their time tested friendship. This project initiated with Chinese financial and technical help is expected to boost Pakistan economy. The feasibility and design of the Gwadar project have been finalized. President Pervez Musharraf, said on 22<sup>nd</sup> 2002, that 'the future port city of Gwadar would play a key role in the speedy economic development of the whole region; as reported in DAWN dated 23<sup>rd</sup> March 2002 from Gwadar.

Speaking at the ground- breaking ceremony of Gwadar deep-sea port, 'he announced that an industrial zone will be set up in Gwadar to lure investment, create job opportunities and open up new vistas of economic development in the surrounding human settlements of the Mekran region. He expressed his special gratitude to the Chinese P.M who, he said, took personal interest in providing finance and technical expertise for the project. A 32 member Chinese delegation led by Vice-Premier Wu Bangguo watched Gen. Musharraf laying the foundation stone of the \$ 248 million Gwadar Port Project'. 62 This Gwadar project would provide facilities for trade with many countries, like it would serve as a regional hub; it would also provide new vistas for transshipment.

<sup>&</sup>lt;sup>59</sup> POT, Pakistan Series, Vol.XXX, No.1, 1<sup>st</sup> Jan, 2002, p. 18.

<sup>&</sup>lt;sup>60</sup> Ibid, n.55, p.2155.

<sup>61</sup> Ibid, n.55, p. 2037.

<sup>&</sup>lt;sup>62</sup>, *POT*, Pakistan Series, "Gwadar Project Launched; Chinese Aid Landed", Vol.XXX, No. 68, 27<sup>th</sup> March, 2002, p.1318.

#### **Soust Dry Port:**

The Chinese government has approved the setting up of a 'Silk Route' Dry Port at the Pakistan –China border at Soust, the President of the Chinese State-Owned Corporation, Sino-Trams group, Yuan Jian Min, told the Secretary board of investment Shuja Shah in Islamabad on July 6, 2001. Reports from Business Recorder dated 7<sup>th</sup> August 2001. This undertaking would be a joint venture, estimated cost \$ 3 million. He Soust dry port, bordering Afghanistan, Pakistan, Tajikistan and China, will boost trade and also tourism.

#### Energy/ Electricity:

The Chinese government asked Islamabad to prioritize the projects and remain focused, China has also made it clear that, 'It will be prepared to examine and assist in projects that benefit the common man'. This joint venture becomes more crucial and rather necessity as both countries faces energy shortage. However, in energy sector alone, 'China is facing a shortage of 200,000 MW of electricity; Pakistan Heavy Mechanical Complex (HMC) can help a great deal in this'.

Pakistan's need for energy also far outstrip its production of coal, petroleum and electricity. The fact is that increasing gap between production and consumption means, higher level of imports each year. To this the Pakistan finds totally difficult to fulfill the demand due to shortage of natural gas supply.

Pakistan and China have a cooperative rather than competitive attitude in the field of energy. Over the years, China has actually assisted Pakistan's fledging energy industry to become self-sufficient. 'The People's Republic of China (PRC) assistance in setting up nuclear energy and hydel plants in Chasma, near Islamabad and in the northern areas, respectively may enable Pakistan to become part of an energy grid in the area. Pakistan

<sup>&</sup>lt;sup>63</sup>, *POT*, Pakistan Series, "China Approves Silk Route Dry Port Project", Vol.XXIX, No. 186, 6<sup>th</sup> August, 2001, p.3200.

<sup>&</sup>lt;sup>64</sup> Ibid.

<sup>&</sup>lt;sup>65</sup> POT, Pakistan Series, "China rejects many Pakistan Projects for investment", Vol.XXIX, No.140, 13<sup>th</sup> June, 2001, p.2361.

<sup>&</sup>lt;sup>66</sup> POT, Pakistan Series, "Zhu visit: An opportunity to show strategic vision 2223", Vol.XXIX, No.132, 4<sup>th</sup> June, 2001, p. 42.

could export excess hydel and nuclear powered energy in exchange for scarce oil and natural gas'. 67

China's predicted shortage of energy by the year 2000, amounted to; 1.36 to 1.58 billion tons of standard coal, with the bill for import of oil and natural gas accounting for a large part of import expenditures.<sup>68</sup>

In the power sector, 'Chuan Electric Power of China sign an agreement with the WAPDA for construction of five 220 KV transmission lines at a cost of Rs 835 million. China also agreed to finance in several hydropower projects, including Golen GOI hydropower projects at a cost of \$ 110 million, Keyal Khawan hydro power project at a cost of \$ 140 million, small hydropower projects at a cost of \$ 130 million, and an agreement was also signed between Don fang Electric Corporation of China and WAPDA for \$ 170 million hydropower project. In addition Chinese company North-East Electric Import and Export Corporation would invest in fifth STG project (\$ 50 million) and EXIM bank would extend \$ 18 million facility for 18 MV hydro electric power substations in Neltar, Gilgit'. 69

#### Steel:

Another important field with regarding to Chinese financial and technological aid to Pakistan includes steel mill. This cooperation in the engineering and industrial sectors could help China market its products in lucrative Middle Eastern markets.

"Pakistan will seek close to \$ 1.5 billion in financial and technological aid from China for the expansion of the Pakistan Steel Mills (PS) in Karachi, sources said on May 11, Report News dated 12<sup>th</sup> May 2002, An official sources said a Chinese firm MCC, has also expressed its willingness to arrange a loan of \$ 850 million and equity participation up to \$100 million and the government is seriously considering this offer on top priority basis to make Pakistan steel economically viable". 70

<sup>67</sup> Madhu Bhalla, n. 11, p.149.

<sup>&</sup>lt;sup>68</sup> Ibid, p.147.

<sup>&</sup>lt;sup>69</sup> POT, Pakistan Series, Vol.XXX, No.1, 1<sup>st</sup> Jan, 2002, p.17-18.

<sup>&</sup>lt;sup>70</sup> Ibid, n. 55, p.2156.

#### Information Technology and Telecommunication:

With regarding to Information and Telecommunication, the Chinese shows ardent interest. Pakistan with a large number of programmers, software and other IT technicians and most significantly with the fluent English – the language of the Worldwide Web and the global e-commerce can be a major source for China, while on the contrary China has the connectivity and also the most important thing the funds to invest in this mega projects.

"Chinese companies are already in the telecom sector and two exchanges of over 16,000 new telephones have recently been installed in Karachi and Rawalpindi". 71

Not only this, 'some Chinese companies, particularly telecommunication equipment producers, have entered Pakistani market with a degree of success, ZTE Corporation has established a \$ 95 million production facility for producing digital telephones near Islamabad, the Corporation would be investing \$ 300 in Pakistan in the field of communication'.<sup>72</sup>

#### Others:

Notably with regarding to consumer items, and other necessity like garments etc. Sino-Pak had very nominal intercourse. To name a few with regarding to consumer items it includes; Milk and dairy products and livestock's. China has also proposed to set up a garment industry in Pakistan, for which Islamabad would be benefited, "this industry would use Pakistani cloth, which is not a new product for China. It already imports 65 million square meters of grey cloth, which is expected to increase by 15 percent next year, Beijing has agreed to buy 100,000 tones of polyesters next year, and Islamabad on its part has indicated it could raise the quantity up to 200,000 tones". 73

Although Sino-Pak economic relations cover multitude areas, the trade imbalance in favour of China increases Pakistan's trade deficit. This evidence is clear, as "Pakistan's

<sup>71 &</sup>quot;Chinese investors show interest in telecom, oil", The News, 9th July 1999, cited in Shaheen Akhtar, n. 1,

p.59. <sup>72</sup> Shaheen Akhtar, n. 1, p.60. "Com

<sup>&</sup>lt;sup>73</sup> POT, Pakistan Series, "Comments: Economic Ties with China", Vol.XXX, No. 20, 23<sup>rd</sup> Jan, 2002, p. 408.

share in China's external trade of \$ 350 billion is only 0.05 per cent". 74 Not only this China also indicated a major shift in its economic policies towards Pakistan, unlike the old friendship price in bilateral economic relations, started demanding surety and guarantee. Like China asked, "Islamabad to furnish \$ 45 million sovereign guarantee for financing the White Oil Pipeline projects", report News (9/4) from Islamabad.<sup>75</sup> The Chinese government has specially demanded that the guarantee, which the Pakistan provides, should be backed up by additional commercial bank guarantee as well. In addition to this, the major shift is that; "apart from 'concessional state loans' to the 'supplies credits' largely due to Beijing's policy of modernization and economic expansion". 76

The major hurdles and difficulties to enhance a viable economic cooperation between China and Pakistan were rightly enumerated by Shaheen Akhtar includes; Lack of information, Inconsistent investment policy, Lack of interest of private sector, dispute resolution, problems of smuggling, visa restrictions and travel difficulties, lack of banking facilities, problem of import licenses, inadequate feasibility planning and coordination.<sup>77</sup>

Therefore the Sino-Pakistan economic relations remain modest in spite of the decline in trade relationship over the years. China's growing economy was due to Deng's visionary plans, 'dubbed by some as China's New Deal, began in 1979 with the 'four modernization' in the domains of agriculture, industry, science and technology, and the military. 78 Not only this, with regarding to post- Cold War era, Yan Xuetong recalls 'economic security has become the major part of China's security policy, Chinese leaders have learnt a lesson from the disintegration of the Soviet Union that national security

74 "Need for strengthening Pakistan China trade ties stressed", The News, 21st Jan, 2001, Shaheen Akhtar, n.

<sup>75</sup> POT, Pakistan Series, "China seeks guarantee for white oil pipeline project", Vol.XXIX, No.98, 25<sup>th</sup>

<sup>&</sup>lt;sup>76</sup> POT, Pakistan Series, "No more soft Chinese loans to Pakistan," Vol.XXIX, No. 105, 3<sup>rd</sup> May 2001, p.1777.

77 Shaheen Akhtar, n.1, p.69-70.

<sup>&</sup>lt;sup>78</sup> Raphael Israeli, "Will China Follow in the Soviet Footsteps?", Strategic Analysis, vol. XXV, No.8, Nov.2001, p.922.

depends on overall national strength , especially on a sound economy as well as military might'. $^{79}$ 

For China in order to fulfill its modernization process, it becomes necessary to explore favorable conditions with open policy. To this China's entry into the World Trade Organization (WTO) is a major milestone, as for the Chinese; the WTO accession would mean easier trade with the rest of the world. Yan Qixian puts that, 'China's economic restructuring seems to have two inseparable and basic parts: bolstering the domestic economy and liberalizing it for the external world, the two are also important for China's socialist market economy.<sup>80</sup>

China has a voluminous trade of \$474.3 billion with export at \$249.2 billion and imports of \$225.1 billion. Major Chinese trade partners in terms of imports are Germany, Japan, South Korea the Russian Federation, France and Canada, and major trading partner in terms of exports are Japan, U.S.A. South Korea Germany the Netherlands and U.K. Major Chinese export items include garments, textile yarn and fabrics, footwear petroleum related products vegetables, fish, oilseeds, recording equipments and major imports are steel products, oil and oil products, fertilizers, textile machinery, motor vehicles, cereals and preparations, and aircraft. 81

Where as for Pakistan, the economic situation is just the reverse the current account and fiscal deficits in Pakistan have assumed a crisis proportion. The country, as its president, Farooq Leghri, said in a speech in Multan on Nov. 3<sup>rd</sup> 2000, 'Is faced with a severe economic crisis', he further elaborate that 'inflation is rising, the budget and trade deficits are widening, foreign exchange reserves are falling, unrest among traders and industrial workers is growing, and Karachi, the country's main port remain mired in sectarian violence.<sup>82</sup>

<sup>&</sup>lt;sup>79</sup> Yan Xuetong, "China's Security after the Cold War", Contemporary International Relations, Vol.3, No.5, May 1993, p.6.

<sup>&</sup>lt;sup>80</sup> Yan Qixian, "China's Economic Reform and opening-up in the 1990s", Contemporary Intenatioanl Relations, vol.3, No.4, April, 1993, p.11.

<sup>81</sup> Shaheen Akhtar, n. 1, p.37.

<sup>82</sup> B.M Bhatia, n.17, p.115.

# CHAPTER: V Sino-Pak Defense or Military Relationship

## Chapter: V

# Sino-Pak Defense or Military Relationship

Sino-Pak military relationship covers the whole gamut of military modernization of Pakistan. Like it covers; from the conventional to the complex nuclear related collaboration. Without any reservation and conditionalities China's contribution has been considerable and consistent in modernizing Pakistan in defense production and capabilities.

Especially following the US arms embargo after the 1965 Indo-Pak war, China has extended military supplies, equipment and technology to Pakistan. China's assistance include from development of various tanks, anti-tank artillery, aircraft weapon system and small arms ammunition propellants, missiles and the complex nuclear issue.

As mention earlier, Pakistan's foreign policy since its inception as an independent nation, (which emerge in 1947), was guided with constant quest for alliances. Likewise, in the early 1950s Pakistan supported the West against anti-Communist alliance and in return benefited by receiving substantial military equipment. During the 1960s US- China-Pakistan axis emerged due to Sino-Soviet rift. Another important thing to be noted here include the Afghanistan crisis, it was during this period that Pakistan benefited from both China and the USA.

Therefore, it was China's assistance to Pakistan, which made the later acquire military hardware. "Crucially since 1965-66, China has constructed long-term security cooperation with Pakistan it includes transfer of nuclear and missile technology and systems".

<sup>&</sup>lt;sup>1</sup> Sujit Dutta,, "China's Emerging Power and Military Role: Implications for South Asia", Jonathan D Pollock and Richard Young, (ed.), In "China's Shadow: Regional Perspectives on Chinese Foreign Policy and Military Development", (Rand, 1998), p-100.

#### China's Security Perspective:

Before dealing with Sino-Pak defense relationship a brief note about how china perceives its National Security perspective. China foresees three key challenges after the cold war ended:

- 1. It must build a military force structure and capabilities that will enable it to use force if necessary to pursue its sovereignty and territorial claims on Taiwan, the South China Sea islands, and if necessarily elsewhere- for example against India, Vietnam, and Japan.
- 2. Its military power must provide it with adequate deterrence against the United States the remaining superpower and defeat all call for a neo-containment strategy against China.
- 3. In the longer run its power must ensure that china will be an integral part of a new security structure in Asia and the Pacific, and that its interests and concerns not be undermined.<sup>2</sup>

This clearly shows the dynamic and strategic calculation of China in the post-Cold War scenario with long-term security perspectives. To this the Chinese foresee Pakistan as a viable transit to the Middle East As mention earlier the construction of the Karakarom highway as well as the project, which China finalized with Pakistan regarding the Gwadar project clearly shows its interest in the region.

Towards late 1970s and early 1980s China helped Pakistan in phases to establish an Aeronautical Complex at Kamra in Attock district. The Mirage Rebuilds Factory and the F-6 (MIG-19) Rebuild Factory make up the complex. In addition China also provided naval vessels to Pakistan to strengthen her sea force following the 1971 Indo-Pak war.<sup>3</sup>

The Sino-Pak military cooperation represents a unique characteristic, where both converge with each other in spite of ideologically apart. Politically it was Pakistan President Ayub Khan who earlier initiated the process, when Zulfikar Ali Bhutto was his foreign minister, began border talks with China, when Sino-India border conflicts mounted in 1962:

<sup>&</sup>lt;sup>2</sup> Ibid, p-94.

<sup>&</sup>lt;sup>3</sup> B.M Chengappa, "India- China Relations: Issues and Implications", *Strategic Analysis*, Vol. 16, No. 1, April 1993, p-45.

To locate and align their common border in the Sinkiang Pakistan occupied Kashmir sector. The 1962 war only accelerated this border settlement process, in which Pakistan ceded 10,000 sq. km of POK (Pakistan Occupied Kashmir) territory to China in return for assurance of military cooperation and political support vis-à-vis New Delhi.<sup>4</sup>

Another reason for Pakistan intensified efforts to woo Beijing was the, "Outcome of US sympathy and material support for India during the Sino-Indian war, the distrust and discontentment originated as it was not long time, when in 1959 security pact between Washington and Islamabad had been signed".<sup>5</sup>

The origin of the Sino-Pakistan defense cooperation can be trace back to 1963, "when General Ayub Khan was quoted by the Washington post as saying that if India grew menacingly strong, Pakistan might feel compelled to enter into a military pact with China".<sup>6</sup> It was then in 1974, right after India's nuclear test Zulfikar Ali Bhutto nuclear ambition was totally entrenching with the conventional weapons too. In terms of establishing formal and cordial channels of Sino-Pak defence cooperation, "in May 1974, Bhutto signed a protocol on collaboration in defence production. This was, followed by the setting up of a joint Sino-Pakistani military committee in 1976".<sup>7</sup>

Thereafter, the manufacture of recoilless gun ammunition at Pakistan's Wah industrial complex, which has been coming up near Karachi since the mid-1950s, "this industrial base later emerged as the backbone of Pakistan's armed forces as three new ordnance factories were set up at Gadwal, Sanjwal and Havalian, all in the vicinity of Wah". 8

As mention earlier in the previous chapter it was during the Afghan crisis that the Chinese Prime Minister Mr. Zhao Zinyang pledged his country's support and to help Pakistan in meeting the serious military threat arising in Afghanistan, reports UNI quoting radio Pakistan, he told a news conference in Rawalpindi that;

<sup>&</sup>lt;sup>4</sup> Aabha Dixit, "Sino-Pakistan military cooperation enters new phase", *Telegraph* (Calcutta) 27<sup>th</sup> June 1991. <sup>5</sup> Ibid

<sup>&</sup>lt;sup>6</sup> Swaran Singh, "Sino-Pak Defence Co-operation Joint Ventures and Weapons Procurement", special issue on, "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol.V, nos. III-VI, May-December 1999, p-4.

<sup>&</sup>lt;sup>7</sup> Ibid, p-5.

<sup>&</sup>lt;sup>8</sup> Hasan Askari Rizvi, *The military and Politics in Pakistan; 1947-86,* (Lahore: Progressive Publishers, 1986), p-205.

Pakistan's military preparations were meant for defence against Soviet aggression and expansionism. He further stated that, a fair and reasonable political settlement of the Afghan problem would mainly depend on the progress of the Afghan people's 'resistance against Soviet aggression.<sup>9</sup>

It was during this situation, that "Chinese Prime Minister Zhao Ziyang and the counterpart Prime Minister of Pakistan Mohammad Khan Junejo on a comprehensive exchange of perspective of the global and regional environment; Mr. Junejo reviewed ways and means of strengthening bilateral cooperation for further development of relations in political and economic fields. Mr. Zhao also announced a 100 million Yuan (27 million dollars) interest free loan to Pakistan for development". <sup>10</sup>

Another important development during this time is that, "China also expressed its willingness to buy two Pakistani cargo ships to be built at the Karachi shipyard and agreed to collaborate in the upgrading and modernization of the Chinese aided Heavy Mechanical Complex at Taxilla near Islamabad, and the expansion of another Chinese assisted foundry and forge unit nearby".<sup>11</sup>

Similarly, many joint ventures were undertaken; the foremost and most viable includes the Karakoram Highway, which fulfills both in terms of economic as well as defence related terms. China's Deputy Prime Minister Mr.Li Xiannian told the New York Times that, "the highway helped trade but he added that the highway allows us to give military aid to Pakistan". <sup>12</sup>

Thus, during this period 1960-70, gradual relationship between the two countries started to develop. Even though during the 1965 and the 1971 Indo-Pak war, where the Chinese were much guided with the national interest and Pakistan was disappointed with Beijing's lukewarm support, it was however overcome when China stepped in to fill the vacuum created by the US arms embargo; "aid worth \$ 106.4 million was advanced and in the midst of the Bangladesh war another \$ 217.4 million was advanced as emergency aid. The quantum of aid represented only a small part of the growing Sino-Pak military

<sup>&</sup>lt;sup>9</sup> "Zhaos pledges support to Pakistan against Russia", *The Times of India*, (New Delhi) 4<sup>th</sup> June 1981.

<sup>10 &</sup>quot;China, Pakistan for Soviet Pull out from Afghanistan", Bangladesh Observer (Dacca), 23<sup>rd</sup> June, 1987.

<sup>&</sup>lt;sup>12</sup> "Peking on significance of Karakoram road", *Indian Express* (New Delhi) 6<sup>th</sup> December 1978.

nexus". 13 To this General Zia-ul-Haq revealed that his country fought the 1971 war against India with military hardware mainly supplied by China". 14

Pakistan's failure to achieve its objectives in the wars of 1947-48, 1965, 1971 and the breaking away of its eastern half into Bangladesh after 1971 war resulted in a kind of psychological fear in Pakistani leaders regarding India's capability. It was during this time the nuclear programmed was given more impetus as the conventional means prove unsuccessful. Nuclear aspiration started a little earlier;

When the American Atom's for peace exhibition toured Pakistan in 1954 generating considerable enthusiasm among the Pakistani public. In 1955, Pakistan appointed a twelve member Atomic Energy Committee under the chairmanship of Dr. Nazir Ahmad. Until the 1970s, Pakistan's nuclear thinking was focused on the potential for the generation of electricity from Atomic Power Plants and the use of nuclear arms control negotiations as instrument of foreign policy. 15

It was however after the military catastrophe of 1971 Indo-Pak war that after a year, under Zulfikar Ali Bhutto that Pakistan's nuclear policy actually underwent a dramatic shift. "Pakistani's would be prepared to eat grass if they had to, if this becomes necessary for Pakistan to build its own nuclear deterrent". 16

Apart from its own nuclear policy, Bhutto even "explore the possibilities of obtaining a nuclear umbrella, either form a member of the nuclear five or its other military allies in the Central Treaty Organization (CENTO)". 17

In the 1990s the Chinese have added a significant dimension to their military cooperation with Islamabad. In this second phase of Sino-Pak military collaboration, in addition to creating a military infrastructure in Pakistan for weapons production, "state-of-the art technology in all areas of conventional and non-conventional is being transferred to bolster Islamabad defense preparedness". 18

<sup>&</sup>lt;sup>13</sup> Aabha Dixit, n.4.

<sup>&</sup>lt;sup>14</sup> "Pakistan got arms from China for 1971 War: Zia", *The Times of India* (New Delhi) 21<sup>st</sup> October 1982

<sup>&</sup>lt;sup>15</sup> Karan R.Sawhny, "The Sino-Pakistani Nuclear Alliance Prospect and Retrospect", given in "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol.V, nos. III-VI, May-December 1999, p- 20. 16 Swaran Singh, n. 6, p.19.

<sup>&</sup>lt;sup>17</sup> Karan R.Sawhny, n. 15, p.20.

<sup>18</sup> Aabha Dixit, n. 4.

The flurry of highly publicized visits by Pakistani leaders and Dr. Abdul Qadeer Khan to China at a time when the US-Pakistan relations have reached a new low produced stunning new evidence that the Beijing-Islamabad axis has assumed a qualitatively new dimension in Sino-Pak relationship;

The recent disclosures that have been confirmed in the face of mounting evidence of Beijing selling Islamabad the M-11 nuclear capable missile assume great significance for the geopolitical balance in the subcontinent and for President Bush's New World Order.<sup>19</sup>

Some of the major development between China and Pakistan in defense related issues in the post-Cold War period includes:

- 1. Pakistan and China have signed a ten years Memorandum of Understanding (MoU) on bilateral defense cooperation, according to Jane's Defence weekly, this memorandum was signed in Rawalpindi by Pakistan Prime Minister of State for defence Colonel Sarwar Cheema and the Chinese minister for the Commission of the Science Technology Industry for National Defence, Lt. Gen Ding Hinggao.<sup>20</sup>
- 2. China and Pakistan renewed their commitment on January 15, 2002, to continue cooperation in the defence sector, reports from DAWN dated 16<sup>th</sup> Jan., 2002 from Beijing. Pakistan side was led by Gen. Muhammad Aziz, Chairman, Joint Chiefs of Staff Committee (CJCSC), while Gen. Fu Quanyou, Chief of General Staff, represented the Chinese side.<sup>21</sup>
- 3. A high level delegation of the People's Liberation Army (PLA), headed by Deputy Chief of General Staff Gen. Xiong Guangkai held a meeting on Sino-Pak defence and security related issues at the joint staff headquarters in Rawalpindi on March 8, 2002. Reports from DAWN dated 9<sup>th</sup> March 2002 from Rawalpindi quoting APP. Besides discussing matters of mutual interest, the delegation

<sup>&</sup>lt;sup>19</sup> Ibid.

<sup>&</sup>lt;sup>20</sup>"China, Pakistan sign defence pact", *The Hisdustan Times*, 12<sup>th</sup> January 1990.

<sup>&</sup>lt;sup>21</sup> POT, Pakistan Series, "Pakistan, China to continue defence cooperation", Vol.XXX, No.17, 19<sup>th</sup> January 2002, p.336.

- expressed hope for enhancement of mutual assistance in various fields and defence cooperation.<sup>22</sup>
- 4. Pakistan and China inked on March 11/2002 a Memorandum of Understanding (MoU) on military cooperation and collaboration in the defence production sectors. The signing took place at the Defence Ministry when a Chinese delegation headed by Deputy Chief of General Staff, General Xiong Guangkai visited the ministry; reports from News dated 12<sup>th</sup> March 2002 from Islamabad. Chinese ambassador to Pakistan Lu Shu Lin accompanied the delegation. The Chinese dignitary appreciated Pakistan's support in international efforts towards elimination of terrorism and peace in Afghanistan and the stand taken by President Pervez Musharraf.<sup>23</sup>

### Joint venture in defence production:

Sino-Pak military cooperation basically is in the form of Joint Venture and collaboration. Joint venture between these two countries started with the setting up of a factory, "for the production of assault rifles at Ghazipur in East Pakistan in 1970". As mention earlier it was only after the US arms embargo during the 1965 Indo-Pakistan war that China became the main contributors of arms and defence related production to Pakistan. However, the main thing to be noted here is that, China's assistance to Pakistan covers without any strict adherence to conditionality, not only this the assistance comes mostly in the form of friendship price. The main focus of China towards Pakistan includes, "Development of tanks, anti-tanks artillery, aircraft weapon systems and small arms ammunition propellants; considerable assistance were provided to make it a self-reliant in some critical and strategic field". 25

Some of the notable collaboration which are worth mentioning as it relates to a greater extend to the defence related issues includes; Heavy Industries, Taxilla (HIT);

<sup>&</sup>lt;sup>22</sup>POT, Pakistan Series, "Pakistan, China Finalize Design, Lay out of Gwadar Port", Vol.XXX, No.58, March 15<sup>th</sup> 2002, p.1117.

<sup>&</sup>lt;sup>23</sup>POT, Pakistan Series, "Pakistan, China sign MoU on Defence Cooperation", Vol.XXX, No.60, March 18<sup>th</sup> 2002, p.1158.

<sup>&</sup>lt;sup>24</sup> Swaran Singh, n.6, p.4-5.

<sup>&</sup>lt;sup>25</sup> Maqsudul Hasan Nuri, "China and South Asia in the 21<sup>st</sup> Century", as given in "Sino-Pakistani Strategic Co-operation" *Peace Initiatives*, Vol.V, nos. III-VI, May-December 1999, p-193.

Aeronautical Complex at Kamra; Upgrading and expansion of the facilities at the Pakistan Ordnance Factories (POF); Wah collaboration in shipbuilding; Power Plants at Guddu, Jamshoro and Ghazi Barotha; Agreement in 1985 with the National Highway Authority to construct two sections of the Indus Highway at a cost of \$ 91 million; Building a railway line between Peshawar and Lodhran; Assisting in mineral and water exploration in the North West Frontier Province (NWFP) and Baluchistan; The Saindak project in Baluchistan; established Pakistan's Space Programme 1990; Launching of an experimental satellite with a rocket made in China; and especially the 790 Km Karakoram Highway (KKH), the eight wonder of the world, completed in 1978.<sup>26</sup> This includes few examples of the Sino-Pak collaboration.

Heavy Rebuild Factory (HRF) at Taxilla; This Heavy Rebuild Factory became operational by 1979-80 and has since been out only overhauling, but also producing approximately 100T-59 MBTs and 250 T-59 Tank engines every year. In fact by the 1980s, the HRF had begun to license-produce China's more advanced type- 69 MBTs, a protocol has also since been signed to set up facilities for the license production of Chinese type 69 IIMPS. <sup>27</sup>However, this HRF has recently been named the Heavy Defence Industry (HDI). China was thus been able to strengthen the Pakistan army by helping set up production lines at the Heavy Rebuild Factory.

On the Chinese side, Norinco has since emerged as the main force in Sino-Pakistani joint ventures. Among other things, it has begun to collaborate with Pakistan in the manufacture of the whole range of Chinese MBTs, form T-69 to T-85 II and P-90 MBTs as well as the M-113 Armoured Personnel Carriers.<sup>28</sup>

<sup>&</sup>lt;sup>26</sup> Sohail Mahmood, "China and South Asia: Current Foreign Policy Dynamics", *Friends Perspectiv*, a monthly publication, Vol.VII, May-June 1998, No.9-10, p.26, as given in Maqsudul Hasan Nuri, n. 25, p. 193.

<sup>&</sup>lt;sup>27</sup>Sujit Dutta, n.1,p.5-6

<sup>&</sup>lt;sup>28</sup> Ibid, p.6.

F-6 Rebuild Factory: Likewise, for the Pakistan's Air Force, the F-6 Rebuild Factory was established as a turnkey project by China, it became operational in November 1980.<sup>29</sup>

Heavy Mechanical Complex: Similarly the Heavy Mechanical Complex (HMC), which is the biggest undertaking of its type in Pakistan, was set up at Taxilla in 1979 with the help of Chinese expertise.<sup>30</sup>

The current joint military ventures between China and Pakistan operate under the provisions of the June 1990 Sino-Pak Memorandum of Understanding (MoU) for ten years of Co-operation in Procurement, R & D, Technology Transfer and Co-production.<sup>31</sup> China's assistance to Pakistan includes the whole process of Pakistan's military modernization.

### People's Republic of China weapons assistance to Pakistan:

Table 5: Major supplies of Pakistan's Defense procurement as of 1997.

(Share in percentage terms)

Name of the Supplier	Main Battle Tank	Combat Aircraft	Principal Combatants	Petrol Boat Missile Craft	
Total Imports	2,120	429	20	13	
China	1,650 (78%)	269 (63%)	-	10(77%)	
U.S.A	360 (17%)	51 (12%)	3 (15%)	-	
France	-	98 (23%)	6 (30%)	-	
Britain	-	-	3 (15%)	2 (15%)	
Italy	-	-	8 (40%)	1 (8%)	

Source: Swaran Singh, Sino-Pak Defence Co-operation Joint Venture & Weapons Procurement, Sino-Pak Strategic Co-operation, *Peace Initiatives*, V01.V, Nos. III-VI, Devember 1999, p. 7 This table clearly shows china's assistance to Pakistan as the major supplier of defence procurement to Pakistan. Like 78% Main Battle Tank, 63% Combat Aircraft and 77% Petrol Boat Missile Craft were acquired from China.

<sup>&</sup>lt;sup>29</sup> Ibid.

<sup>30</sup> Ibid.

<sup>&</sup>lt;sup>31</sup> Ibid, p.7.

Pakistan has been receiving military assistance form China since 1963, Light weapons like, "MIG-19 fighters, T-59 medium tanks, K-28 Light Bombers, Artillery pieces, Petrol Boats and Submarines have come to Pakistan from China".<sup>32</sup>

Table 6: People's Republic of China Major Conventional Weapons transfers to Pakistan:

Year	Aircraft	Aircraft Armour/Artillery			Naval Vessels		
1965	4 MiG-15 Trainers	8	80 T-59 MBTs		not known		
1966	4 IL-28 40 F-6 Fighters	Bombers	not known		not known		
1970-73	80 F-6 Fighters		10 3 T-6	T- 3 LTs	59	MBTs	12 SHANGHAI PBs 4 HUCHUAN FACs
1973-76	15 F-6 Fighters	1-	59 00 T-	T- 531 AI		MBTs	2 HAINAN PBs
1977-79	24 F-4 Fighters	2	50 00 0 122	T- 130 MM S	59 MM SPHs	MBTs TGs	not known
1980-82	20 F-6 Fighters	5	50 0 0 122	T- T- MM N	-60	MBTs LTs	2 HAINAN PBs 4 HEGU FACs
1983-85	42 Q-5 Fighters	1.	50 T-	59 MB	Ts		4 HUANGFEN FACs
1986-88	98 Q-5 Fighters	2	00 T-	59 MB	Ts		not known
1988-89	60 F-7 Fighters	2	200 T-59 MBTs		2 ROMEO CLASS		
1990-92	not known	1:	125 T-59 MBTs		not known		
1992-93	not known	9.	97 MBTs		not known		
1993-94	40 Fighters	3:	35 MBTs		not known		
1994-95	not known	82	82 T-85 II MBTs 1		not known		

Source: http://www.subcontinent.com/sapra/bulletin/96apr-may/si 960506.html.

When we analyse in terms of arms transfers to Pakistan from China as well the United States, which is so often in the news; we find that it was China that has been the most significant supplier arms and related military equipment to Pakistan since the early

<sup>32 &</sup>quot;Chinese military aid", National Herald (New Delhi) 29th March 1981.

1960s. China, for instance had accounted for over 1/3rd of Pakistan's arms imports during 1966-1980, which was far ahead of its other major suppliers.

Even following the end of the Cold War era when arms transfers has seen a declining trend; the Pressler amendment of 1992 has ensured China's pre-eminence in Pakistan's arms imports. As the table also shows that, China by now has supplied Pakistan with over 1,600 main battle tanks, 400 combat aircraft and about 40 naval vessels. China, in fact, has developed such a stake in supplying arms to Pakistan that it has often flouted its commitment to both the Nuclear Non-Proliferation treaty (NPT) as also the Missile Technology Control Regime (MTCR). Given these realities there is no reason to presume that the China-Pakistan military nexus will not deepen over time.

#### Tanks:

In August 1990, General Aslam Beg unveiled its biggest and clearly the most ambitious defence production projects that would involve expenditure of Rs. 25,000 crores for the production of the P-90 Khalid Tanks, Heavy Artillery and Armoured Personnel Carriers, all with Chinese collaboration. The centerpiece of General Beg's quest for self-reliance, the indigenous main battle tank, Al- Khalid (T69 IIMP) is being manufactured with Chinese help at Taxilla. Although the HMC has claimed 80 percent indinisation, several experts have pointed that most of the tank is merely an 'assembly' of Chinese components.<sup>33</sup>

The later generation T-85 tank with a 125mm gun has also been planned for phased production. Similarly, Chinese help in improving the 106mm Anti-Tank weapon and developing an entire range of missiles has been taken. The project of Dr.Qadeer Khan; The Green Arrow Anti-Tank missile with a range of 3,000 meters, the Anza I and Anza II, Anti-Aircraft shoulder fired missile systems have all been developed through Qadeer's unique method of 'marrying western technology with the existing Chinese technical assistance.<sup>34</sup>

<sup>33</sup> Aabha Dixit, n. 4.

<sup>34</sup> Ibid.

It was on October 1, 1988 that Pakistan formally announced its Al-Khalid project for the manufacture of a new MBT-2000 with Chinese assistance. It was to be carried out by Pakistan's HRF at Taxilla and China's Norinco Industries. Sostensibly in March 1994 China made an agreement to give Pakistan, "the capability to manufacture modern tanks like the MBT-2000 and 125 mm Smoothbore Tank gun". This MBT-2000 the Al-Khalid, a Sino-Pak joint venture is superior to the T-90 Tanks which India plans to purchase. "Its major systems comprise 125mm Smoothbore gun, and auto loader, image stabilized dual magnification gunner's light, and panoramic sight for commander, thermal and tracker system".

President Musharraf called. "Al-Khalid a stallion or the king of the army, he further proceeded by stating, it will reign supreme in the battle field; Al- Khalid an agility which can be matched only by the German Leopard". <sup>38</sup>

#### Aircrafts:

Accordingly during the early 1980's, the F-6 gradually replaced the American F-86 Sabres and came to be the mainstay of the Pakistan Air Force(PAF). Later, China also built overhauling facilities for the F-6 Shenyang fighter in Pakistan and a plant for the manufacture of the Tumansky RD- 9B- 811 Turbjet engines with over 7,000 other spare parts, soon; it expanded this facility to undertake overhauling of FT-5, FT-6 and FT-7s with the phasing out of the F-6s, this facility has been diverted towards the maintenance and overhaul of the F-7Ps.<sup>39</sup>

Not only this during the 1980s, 'the Light Aircraft Manufacturing Factory (LAMF) was another turkey project undertaken by China in June 1981 and by September 1983, this facility started License production of the SAAB Scania MF-1-17 (Locally known as Mushshak), which later became the first step for Pakistan's collaboration on the Jet

<sup>35</sup> Sujit Dutta, n.1, p.7.

<sup>&</sup>lt;sup>36</sup> Ross H. Munro, "The Asian Interior, China's Waxing Spheres of Influence", *Orbis*, Vol.38, No.4, Fall 1994, p-597.

<sup>&</sup>lt;sup>37</sup> POT, Pakistan Series, "First 14 Al-Khalid tanks to roll out in 3<sup>rd</sup> week of July", Vol. XXIX, No.149, June 23<sup>rd</sup> 2001, p.2529.

<sup>&</sup>lt;sup>38</sup> POT, Pakistan Series, "First Batch of 15 A-Khalid Tanks Handed Over to Army", Vol. XXIX, No.178, July 27<sup>th</sup> 2001, p.3055.

<sup>&</sup>lt;sup>39</sup> Sujit Dutta, n.1, p.6.

Trainer Karakoram-8 with the Chinese. It also let to the collaboration in the Super-7 fighter project.<sup>40</sup>

This Super-7 a current joint venture of Pakistan and China already emphasize its negotiations for the development and manufacture of this modern class fighter aircraft. "Super-7 which would be equivalent in capabilities with the US F-16 combat jets".<sup>41</sup>

Therefore, there is no doubt, the Pakistan Air force too has been benefited form Chinese military collaboration, like the establishment of Aeronautical Complex at Kamra Rebuilds, the Chinese supplied F-6 fighter planes. Beijing's help in the 1980s has been to set up the Light Aircraft manufacturing factory that has begun producing the Mushaak Trainer Fighters, which are being exported to an unnamed 'friendly' country. "Also the futuristic K-8 Karakoram project is the symbol of their bilateral Air Force cooperation, at the top of the line Chinese aircraft, the A-6 and F7 Xian fighters, have been inducted into the Pakistani Air Force and became its mainstay. The Kamra facilities have beefed up to

Undertake their overhaul and rebuild too. Similarly, Chinese help in the Pakistani claim of converting its old version French made navy Aircraft 'Atlantic' into naval AWACS, which is useful for naval air surveillance and mine detection cannot be entirely ruled out".<sup>42</sup>

Another important thing to be noted is that, "with the Khunjerab Pass opened to foreigners Sino-Pak collusion has entered a new phase; evidence of this is perhaps apparent in joint attempts by Islamabad and Beijing to rope Washington into an arrangement which goes beyond tactical doctrine sharing to up gradation of several thousand fighter interceptor aircraft of 1962 vintage available with both Pakistan and China". <sup>43</sup>Similarly, China has developed a new variant of its F-7 aircraft for Pakistan. The new variant, name F-7P 'Sky bolt' has been derived from the earlier F-7M 'Air guard'. <sup>44</sup>

<sup>40</sup> Ibid.

<sup>&</sup>lt;sup>41</sup> "China, Pakistan to Develop New Aircraft", *The Times of India* (New Delhi), 6<sup>th</sup> June 1995. <sup>42</sup> Abha Dixit, n.4.

 <sup>43 &</sup>quot;Escalating US-China- Pakistan Gang –Up?" Patriot (New Delhi) 13 June 1986.
 44 "China Develops Plane for Pakistan", Tribune (Chandigarh), 24th December 1988.

Apart from China Pakistan also collude with other countries to acquire arms, even though it was not that much successful like the one it maintain with China. Like Pakistan tried to make a bid with the Russian Federation to obtain Su 27 aircraft, the outcome was not that much successful; however, "it succeeded in obtaining some M1-17 helicopters from Russia in 1996 and finalized a deal with Ukraine for the supply of over 300 Russian made tanks in the same year". <sup>45</sup> Pakistan's efforts to obtain aircrafts and other military equipment from Russia did not reach to the same optimum level of expectation, as the later gave more impetus to India's objections to conclude such a deal.

So also, Pakistan and Italy are going to roll out the first Grifo Airborne Radar. A co production of Pulse Doppler Frequency Agility Radar Technology, partly manufactured at the Avionics and Radar factory of Kamra Aeronautical Complex, the Grifo radar will not only equip Chinese made F-7P aircraft, but will also enable mirage fighters of the PAF to outmatch India's best fighter bombers. Grifo radars will also be installed in 46F-7PG aircraft, which Pakistan is purchasing from China. Reports from News dated 16<sup>th</sup> May,2001, from Islamabad.<sup>46</sup>

However, Pakistan relations with other countries with regarding to defence related cooperation were very minimal and can no where match with the Chinese collaboration. Likewise, in 2001, "Chief of Air Chief Marshall Musharraf Ali Mir had flown to China to accelerate the process of F-7 MG's induction into the PAF". <sup>47</sup>

Apart from all this the government gives the highest priority to self-reliance and indigenization of defence production. Chief Executive Gen. Pervez Musharraf said on March 10, 2001 from Kamra, while addressing the rolling out of 500<sup>th</sup> Rebuild Aircraft by F-6 Rebuild Factory of Pakistan Aeronautical Complex (PAC); "we shall strive to achieve greater autonomy in these two areas", he further stated there can be no denying the fact that self-reliance is the key to national security".<sup>48</sup>

<sup>46</sup> POT, Pakistan Series, "Pakistan Gets Latest Radar Technology from Italy", Vol. XXIX, No. 133, 5<sup>th</sup> June, 2001, p. 2247.

<sup>&</sup>lt;sup>45</sup> Hasan-Askari Rizvi, *Pakistan and the post-Cold War Environment*, Craig Baxter and Charles Kennedy (ed.), *Pakistan 1997*, (India: Harper Collins Publishers, 1998), p. 39.

<sup>&</sup>lt;sup>47</sup>POT, Pakistan Series, "PAF to Induct Chinese-Made Fighters in a Few Months", Vol. XXIX, No. 56, 7<sup>th</sup> March, 2001.

<sup>&</sup>lt;sup>48</sup> POT, Pakistan Series, "Self-Reliance in Defence Production Top Priority, says CE", Vol. XXIX, No. 72, 26<sup>th</sup> March, 2001, p.1193.

## Navy:

Unlike other wings of the Pakistan's arm forces, like the army and the air force; Pakistan's navy lack behind in its capability when we compare with the other two wing; some of the major procurement from China during the period 1970-91 includes:

Table 7: Pakistan's Naval Procurements from China (1970-1991)

SI No.	Name of the Weapon system (Remarks in Parentheses)	Time of Transfer	Nos
1	Whiskey-class Submarines (given as grant aid. China's first export of subs0.	1970	2-3
2	Shanghai-II class: Fast Attack Craft 4 (Converted into missile boat, currently with Pakistan's Maritime Security Agency. 5 kept by NSA for spares).	1972-76	9
3	Huchuan Hydrofoil (39-ton)	1974	4-6
4	Romeo-Class Submarines	1976	2
5	Luda-class Destroyers(China's first exports of destroyers)	1976	2
6	Hainan-class Fast Attack Craft-gun	1978	3
7	Romeo-Class Submarines	1980	2
8	Hegu-class: Fast Attack Craft-Missile (Equipped with 2 SY-1 missiles)	1980-83	4
9	Huangfen-class; Fast Attack Craft-Missile (Equipped with 4 Hai Ying-2 missiles)	1984	4
10	Shanghai-II class: Fast Attack Craft-Gun (with Maritime Security Agency)	1986	2
11	Fuqing- class AOR (Carried on a SA319 B Alouette II helicopter)	1987	1
12	Type P58A Petrol Craft (With National Security Agency)	1990	4
13	Type 312 Drone Minesweepers (Can operate up to 5 Kms with remote control)	1991	5

Sources: Military Balance (London: IISS), SIPRI Yearbook (Stockholm: SIPRI), both over the years; Anne Gilks & Gerald Segal, China and the Arms Trade, (London: Croom Helm, 1985) and IDSA Files. As cited in Swaran Singh, Sino-Pak Defence Co-operation Joint Ventures & Weapons Procurement, Sino-Pakistani Strategic Co-operation, Peace Initiatives, Vol. V, Nos. III-VI, May-December 1999. p.11.

### Missile programme:

There is no doubt China has been the most reliable and important source of foreign technology transfer and support to the Pakistan's missile development programmed. To be precise the history of the Pakistani missile development can be traced back to the formation of the "Space and Upper Atmosphere Research Commission (SUPARCO), in 1961".

It was during the period of Zulfikar Ali Bhutto Prime Minister ship that missile program gain impetus. Like; Hatf-I a ballistic missile with a range of 80 Km based on French technology",<sup>50</sup> was forwarded by Bhutto. Likewise, Hatf-II believed to be 5,500 kg at launch, and the payload capacity of around 500kg and so also Haft-III believes to have a range of 600-800 kms was developed, so also a report in 1992 suggest that the Hatf-IA, with a range of 100 kms was also being developed.<sup>51</sup>

It was in Feb. 1989, "Pakistan showed of the first batch of the shoulder-fired surface-to-air missile called ANZA, so also the Pakistani officials informally acknowledge that 30 percent of the components for the ANZA system were being fabricated with Chinese help.<sup>52</sup>

As mentioned above Beijing also assisted Islamabad in the development of Pakistan's first nuclear capable missiles; the Hatf-I and Hatf-II which were tested in February 1989. Thus, during the late 1980s China began the testing and development of the more advanced and sophisticated missiles, the M-9 and M-11, "the M-9 is estimated to have a range of 600km and can carry a nuclear or conventional warhead. The M-11 has a shorter range of 290km and can carry an 800kg warhead; the M-11 is also fully mobile, single-stage solid propellant missile". <sup>53</sup>

Despite its protestation of innocence, the fact remains the same, that there is no doubt that China has consistently provided Pakistan to developed nuclear weapon and a wide variety of missiles; "ranging from Short range M-11 to Medium range M-9 and Intermediate

<sup>&</sup>lt;sup>49</sup> Rajiv Nayan, "Sino-Pakistani Missile Collaboration", as given in "Sino-Pakistani Strategic Cooperation", *Peace Initiatives*, Vol.V, nos. III-VI, May-December 1999, p-73.

<sup>&</sup>lt;sup>50</sup> Ibid, p.75. <sup>51</sup> Ibid, p. 75.

<sup>&</sup>lt;sup>52</sup> Jane's Defence Weekly, March 11, 1989, p.386, op.cit., n. 49, p.76-77

range M-18. It is significant that within two years of the path-breaking visit of Rajiv Gandhi to China in December 1988, China supplied M-11 missiles to Pakistan".54

China's selling of arms continues not only to Pakistan alone, some of the benefactors of China's arms sale includes, Iran, Syria, Pakistan, North Korea, Saudi Arabia etc, likewise in 1988, "one of the firms signed a contract to sell medium -rangeM-9 missiles to Syria and has received some proceeds, but has not deliver any missiles, on the contrary it sent a very small number of shorter-range M-11 missiles to Pakistan".55 To substantiate the matter, it becomes clear that the relationship between Pakistan and China in the defence related issues can not be match with other countries in terms of arms sale from China to Pakistan.

#### M-11 Missile Transfer to Pakistan:

China's M-11 transfer of missile to Pakistan has been the most controversial issue. This argument becomes more viable as in 1989;

Premier Li Peng agreed to provide Pakistan a 300 MW nuclear power plant in Chashma. In 1990 and 1992, China is believed to have provided Pakistan with nuclear capable M-11 missiles that have a range of 186 miles.<sup>56</sup>

China's M-11 missiles which were provided to Pakistan was the most crucial issues with regarding to missiles issues between China and Pakistan, as the former adheres to the Non-Proliferation Treaty. To this the US shows stern concern about this latest development, as this clearly violates the very principles of the proliferation treaty as such:

In May 1991, China confessed to the US undersecretary of State, Robert M.Kimmit, that it had sold ballistic missiles to Pakistan. On June 20, Wu Jianmin, a spokesman for the Chinese Foreign Ministry, disclosed that a small number of short range missiles had been transferred to Pakistan, also Zhu Oizen, China's then ambassador to the US, stated that China had dispatched a tiny number of

 <sup>&</sup>lt;sup>54</sup> G.Parthasarathy, "The Growing Sino-Pakistan Nexus, Military Dimensions are Alarming", *Tribune* (Chandigarh) 23<sup>rd</sup> May, 2001.
 <sup>55</sup> "To Curb Chinese Arms", *International Herald Tribune*, 8<sup>th</sup> July 1991.

short-range tactical missiles to Pakistan. Again, on July 5, 1991, the press counselor of the Chinese embassy, Chen Guoquing, said; in an open letter to the editors of the Washington Times that it had sent very small quantities of short-range tactical missiles to Pakistan.<sup>57</sup>

In June 1991, the Bush administration determines that China had transferred missile technology to Pakistan and imposed sanctions on Beijing. However, latter these sanctions were lifted in March 1992, as China gave an assurance that it would adhere with the principles of Missile Technology Control Regime (MTCR). However, Sino-Pak collaboration remains as usual, which forced the United States to 'banned certain high-technology sales to China after American intelligence concluded that China had sent M-11 missile components to Pakistan in violation of an international missile accord'. <sup>58</sup>

The Transfer of M-11 missiles technology by China to Pakistan created high uproar, virtually the entire US intelligence community and to decide whether Beijing had violated the law governing such transactions relating to missiles technology. To this, "the US intelligence community agreed that storage crates at Pakistan's Sargodha air force based contained more than 30 Chinese M-11 missiles which Pakistan could deploy with nuclear warheads to threaten India". <sup>59</sup>

The facts remain that the Chinese provided a tremendous variety of assistance to both Iran's and Pakistan's ballistic missile programs. Like in the 1990s apart from the M-11 missiles; Ghauri missile (also known as Hatf-5) a new medium range surface-to-surface missile with a range of 1,500kms, test fired in 1998. <sup>60</sup>Likewise, "China had exported short range DF-11(M-11) missiles to Pakistan, having a striking range of 280 kilometers (175 miles) and is capable of carrying nuclear weapons". <sup>61</sup>

Not only has this, as reports from Washington Times, quoted;

<sup>&</sup>lt;sup>57</sup> Rajiv Nayan, n.49, p.77.

<sup>&</sup>lt;sup>58</sup> Man Mohan, "China Helps Pakistan get over F-16 setback", *The Hindustan Times*, 27<sup>th</sup> June 1995; also see "CIA Confirms Chinese Supply of Nuke-Tech to Pakistan", *News Time* (Hyderabad) 30<sup>th</sup> Jan. 1998 <sup>59</sup> "US to Take up China's M-11 deal with Pakistan", *The Pioneer* (New Delhi) 14<sup>th</sup> July 1995, also see "Sino-Pak LCA project far ahead of India's", *News Time* (Hyderabad) 16<sup>th</sup> September 1998. <sup>60</sup> Francois Heisbourg, "The Prospects for Nuclear Stability between India and Pakistan", *Survival*, Vol.40, no.4, winter, 1998-99, p.81-82.

<sup>&</sup>lt;sup>61</sup> Ming Zhang, "China's Changing Nuclear Posture", Monograph, March 1999, p.3.

US intelligence sources saying that the China National Machinery and Equipment import and export corporation known as CMEC supplied the missile components for Pakistan's Shaheen-1 and Shaheen-2 missile programme.<sup>62</sup>

As evidence shows that, "An American spy satellite detected as late s May 2001, one of the dozen transfers of the Chinese missile components to Pakistan, according to knowledgeable sources, the missile components are being used by Pakistan for production of the Shaheen-1 which has an estimated range of 465 miles and the Shaheen-II with a range of 1240 miles". 63

The Sino-Pak missiles collaborations cover the whole range of technology transfer. Like from the basic components to the whole technological know-how. "The 1500 Km Ghauri is nothing more than a repainted Nodong-2 of North Korea, the 2000 Km Gahznavi is the reincarnation of Taepo Dong, Hatf-2 of China's M-11 and Hatf-3 of M-9". <sup>64</sup>

Detailed Chronology of Pakistani Missile Program As of 2002 is given as an Annexture for references in the Annexture page.

A brief outlook about China's long-range and Intermediate Range Ballistic Missile (IRBM), which are perhaps more relevant as a point to be included, as China's security calculation covers a wider perception unlike Pakistan. The table below shows China's missiles capability, their bases and also the targets;

<sup>&</sup>lt;sup>62</sup> POT, Pakistan Series, "US Intelligence Leaks China's Missile Export to Pakistan", Vol.XXIX, no.191, 11<sup>th</sup> August 2001, n.3281.

<sup>&</sup>lt;sup>63</sup> "Sino-Pakistan Missile ties-up a cause for concern", *National Herald* (New Delhi), 11<sup>th</sup> August 2001, and also see, Aziz Haniffa, "CIA Can't rule out secret China-Pak nuke deals?", *The Observer* (New Delhi) 12<sup>th</sup> feb.2000.

<sup>&</sup>lt;sup>64</sup> Anil Narendra, "Unholy Alliance, China-Pakistan", Organizer (New Delhi) 23<sup>rd</sup> July 2000.

Table 8: China's Ballistic Missile Bases

Location	Brigades	Missiles	Targets
Shenyang, Liaoning	3	Df-3/DF-21	Northeast Asia
Province			\
Huangshan Anhui	2-3	DF – 15	Taiwan
Province		·	·
Kunming	2	DF-3/DF-21	Southeast Asia
Yunnan Province			India
Luoning	3	DF-4/DF-5	Russia
Henan Province			United States
Huaihua	2	DF-4	Russia
Hunan Province			5
Xining, Qinghai	3	DF-3/DF-4	Russia, India
Province			
Other possible sites: T	Conghua,Jilin;		
Xuanhua, Hebei; Yidu	ı, Shandong; Wuzhai,		
Shanxi,; Tongdao,	Hunan; Jianshui,		
Yunnan; and various s	sites in Gansu.		

Sources: 'Nuclear Weapons and Sino-Indian Relations,' Southern Asia Policy Brief (Washington, D.C; Henry L. Stimson Center, June 15, 1998); Rodney W.Jones and Mark G.Mc Donough, Tracking Nuclear Proliferation: A Guide in Maps and Charts, 1998 (Washington, D.C: Carnegie Endowment for International Peace, 1998).

Taken from: Ming Zhang, China's Changing Nuclear Posture, *Monograph*, March 1999, Page-4.

China has: At least 10 DF-4 land based missiles with a striking range of 4,700 kilometers (3,000 miles); 38 DF-3 and DF-3A missiles with striking ranges of 2,650 and 2,800

kilometers (1,650 and 1,750 miles); 30 DF-21 and DF-21A missiles with striking ranges of 1,700 and 1,800 kilometers (1,080 and 1,120 miles) respectively.<sup>65</sup>

#### **Nuclear Issue:**

Sino- Pakistani nuclear agreement seemed to lay the foundation for the Sino-Pakistan cooperation in the nuclear weapons technologies too. The need for a viable nuclear power generation was nothing new for Pakistan. Through out the tenure ship of Ayub Khan as president of Pakistan was no doubt the author of the Pakistan's nuclear generation program as such reactor was specially sanctioned by him.

But perhaps the most disturbing aspect of Sino-Pak military collaboration has been the development of a very close relationship in nuclear related issues. "Three protocols under Ayub, Bhutto and Zia in 1966, 1976, and 1986 respectively were signed that have given their nuclear relationship great intimacy. The 1966 agreement was to lay the foundations of a nuclear industry in Pakistan and it sought to build a 300 MW power station at Rupur in Panna district of East Pakistan. The 1976 agreement further strengthened this intimacy in the nuclear field and as a result of the 1976 protocol it was believed that transference of technology in the field of plutonium reprocessing and enrichment of uranium through the centrifuge method took place. The 1986 accord took their relationship to new high and since this accord; several stories of the quiet transfer of sensitive Chinese nuclear technology have surfaced".<sup>66</sup>

As mentioned above it was Ayub Khan who made the effort during the early 1960s to explore the possibilities of nuclear cooperation with China. However, Zulfikar Ali Bhutto was no doubt the person behind the nuclear policy of Pakistan. Zulfikar Ali Bhutto conceptualized the nuclear policy of Pakistan. Bhutto's relentless efforts with regarding to nuclear policy can be best understood as during his tenure he paid three visits to Beijing's in February 1972, September 1974 and April 1976. Not only will this, in his autobiography 'If I am assassinated', Bhutto wrote, in the present context, the agreement of mine, conducted in June 1976, perhaps be my greatest achievement and contribution to

<sup>65</sup> Ming Zhang, n. 61, p.3.

<sup>66</sup> Abha Dixit, n. 4.

the survival of our people and our nation.<sup>67</sup> This clearly explains the clandestine policy followed by Bhutto to acquire the nuclear related technology in the early 1970s.

This nuclear policy of Pakistan towards China gave more impetus during the 1970s. As during this time the Afghan crisis mounted up and the US as well as the Chinese in order to check the Soviet Union expansionism showed no emphasis to the Non-Proliferation question, specially the US, since China overtly or covertly supports Pakistan even before the Afghan crisis. More so over, China ties with Pakistan remains static, "As a consequence, Islamabad obtained special consideration from both the US and China in building up its nuclear facilities".<sup>68</sup>

Report from the US defence intelligence dated May 14, 1975, which recorded that; 'Sometimes before October 1974 the PRC (China) assigned 12 scientists to assist Pakistan in developing its nuclear science". Apart from this encouraged by the Chinese response, "President Zia visited China in 1980 and 1982, while Chinese Premier Zhao Ziyang went to Islamabad in June 1981. This was followed by a report in the New Scientist, than an agreement had been reached on exploding a Pakistani nuclear device on China's soil. According to studies, by scholars like Leonard Spector, Leslie Gelb, Simon Henderson and Hedrick Smith, 'China not only supplied Pakistan with a nuclear weapon designed, but also supplied Pakistan enough highly enriched uranium to build a modest arsenal in the early eighties'. To

Interestingly, Leslie Gelb, who held an important position in the Carter administration as also in the US intelligence services, is on the record saying that, 'China had provided Pakistan with the design of its fourth nuclear weapon test, which weighted less than a ton and could easily be carried by an aircraft like the mirage III/V, F-16 or any of Pakistan's modern missiles, similarly, in the Moscow World Service Report (English) of August 26,

1984, it was stated that China had made a direct contribution to the development of Pakistan's nuclear potential'.<sup>71</sup>

<sup>&</sup>lt;sup>67</sup> Zulfikar Ali Bhutto, *If I am Assassinated*, (New Delhi 1979), p. 223.

R.G. Sawhney, Zia's Pakistan, (New Delhi, 1985), as cited in Karan R. Sawhny, n. 15, p. 136.

<sup>&</sup>lt;sup>69</sup> "China-Pakistan Axis", *The Hindu*, (Madras) 16<sup>th</sup> May 1993. <sup>70</sup> Karan R. Sawhney, n. 15, p. 22.

Nilofar Suharwardy, "The Sino-Pak Nuclear Axis", *The Pioneer* (New Delhi) Feb.12<sup>th</sup>, 1996.

China had supplied Pakistan with enough weapons grade uranium to produce nuclear devices. During the 1980s, "Pakistan imported piece by piece and assembled another plutonium plant based on French and Belgian technologies, called the 'New Labs'.<sup>72</sup> Sources also confirmed that the Chinese had supplied Pakistan;

The original design of their fourth nuclear bomb model, which was tested at Lop Nor in 1986, it was also reported that Pakistan had later carried out one cold test in September 1986 in the hills West of Chagai in order to verify the Chinese design.<sup>73</sup>

Pakistan still continued its nuclear weapon program, in almost all the key areas of weapons manufacture, its critical dependence on clandestine efforts to procure nuclear equipment. China with its close ties with Pakistan remained Pakistan's best option to fulfill its weapon procurement. The unique characteristics of Sino-Pak strategic thinking may be due to the India factor, as mention in the earlier chapter. The fact is that in spite of the persistent reservation from the western pressure, China continued to help Pakistan develop the nuclear weapons.

Nuclear Program Chronology of Pakistan was given as an Appendix-III, for references and clarity of the Pakistan's nuclear programme and also how China acts as its main contributor.

Some of the major joint venture in the defence sector between China and Pakistan includes the following:

#### **KANUPP:**

Pakistan launched its nuclear generation program by placing an order for the 137 Mega Watt of electric generation capacity (MWE) Karachi Nuclear Power Plant (KANUPP) from Canada in 1965. The KANUPP was a heavy-water moderated heavy water cooled reactor using only slightly enriched natural uranium as fuel.<sup>74</sup>

<sup>&</sup>lt;sup>72</sup> Karan R.Sawhny, n. 15, p.24.

<sup>&</sup>lt;sup>73</sup> Harold Hough, "Pakistan's Nuclear Status-Confusion or Strategy?" *Jane's Intelligence Review* (London), Vol.7, No.6 (June 1995), p.270, n. 17, p.23.

<sup>&</sup>lt;sup>74</sup> Shirin Tahir-Kheli, *The Unite States and Pakistan*, (New York: Praegar Publsihers, 1982), p.117.

#### Kahuta:

Even though the 1979 economic and military aid cut off which was made on the basis of the 1977, Glenn-Symington Amendment (This Amendment mandate the termination of assistance to any state that imported uranium-enrichment equipment or technology after 1977 and refused to place it under IAEA inspection. However, "Pakistan contravened these provisions in 1979, by importing equipment for its secret uranium enrichment plant at Kahuta".<sup>75</sup>

Similarly, "On February 5, 1996, the Washington Times first disclosed intelligence reports that the China National Nuclear Corporation, a State-owned corporation, transferred to the A.Q. Khan Research Laboratory in Karachi, Pakistan, 5,000 ring magnets, which can be used in gas centrifuges to enrich uranium. According to the report intelligence experts believed that the magnets provided to Pakistan are to be used in special suspension bearings at the top of rotating cylinders in the centrifuges". <sup>76</sup>

#### Chashma:

In December 1991, a commercial contract between Pakistan Atomic Energy Commission and China National Nuclear Corporation was signed for the construction of a 300 MW reactor at Chashma. Not only this, "China remains determined to supply nuclear power technologies to Pakistan, as also to build a second 300-megawatt nuclear power plant at Chashma". This plant is a unique example of Sino-Pak nuclear collaboration, ostensibly; China considers it a model of cooperation in the peaceful application of nuclear technology. Since 1993, China National Nuclear Corporation has been working on a 300 MW power plant at Chashma. When completed it would be the first example in the world of a non-western and developing country exporting a power reactor. The opening up of the Chashma Nuclear Power Plant on March 28 (2001), "China's Prime Minister Zhu Rongji congratulated the government and the people of Pakistan on the

<sup>&</sup>lt;sup>75</sup> Karan R. Sawhney, n.15, p.21.

<sup>&</sup>lt;sup>76</sup> Wayne M. Morrison, Appendix I: Excerpts from Cogrsssional Research Service Report on China's Proliferation of Weapons of Mass Destruction, as given in Swaran Singh, n.6, p.32.

<sup>&</sup>lt;sup>77</sup> Kathy Gannon, "Sino-Pakistan nuclear ties to continue: Jiang", *The Times of India* (New Delhi) 29<sup>th</sup> May

<sup>&</sup>lt;sup>78</sup> The Nation, (Lahore) 30<sup>th</sup> May, 1998.

inauguration of Chashma nuclear power plant describing it as an emblem of traditional bilateral friendship, an official statement said on March 3, report News (29/3).<sup>79</sup>

#### Khushab:

Reports surface during 1995 about China's supply of a 40 MW heavy water research reactor for Pakistan's secret enrichment facility at Khushab.<sup>80</sup>

This new collaboration between China and Pakistan is expected to take Pakistan from the stage of conventional uranium bomb to the production of plutonium and tritium, this if fulfill will help Pakistan develop more advanced and compact nuclear warheads for their missiles. Not only this, "China has supplied to Pakistan a 300,000-KW stabilizer and 300,000-KW streamers, as also large quantities of heavy water which have been suspected of being diverted to other unsafe guarded facilities, like the Khushab plutonium production reactor". 81

#### The Chagai test:

Pakistan crossed the nuclear threshold to become a declared nuclear state on 28<sup>th</sup> May 1998 after it detonated five nuclear devices in the Ras Koh Hills in Chagai Baluchistan. <sup>82</sup>As a tit-for-tat against the India's nuclear test of Pokhran on 11 May and 13 May 1998.

The Chagai test showed Pakistan's close ties with China regarding to nuclear issues, moreover, after Pakistan nuclear tests on May 1998, "Prime Minister Nawaz Sharif lauded his country's time-tested relations with Beijing and said that, our friendship has been further strengthened".<sup>83</sup>

<sup>&</sup>lt;sup>79</sup> POT, Pakistan Series, "Chinese Premier to visit Pakistan in May", Vol. XXIX, NO. 88, 13<sup>th</sup> April 2001, p. 1470

<sup>&</sup>lt;sup>80</sup> Barhma Chellany, "Pak Fuel, Chinese Bomb", The Hindustan Times (New Delhi) 1st May1995.

<sup>81 &</sup>quot;Chin to export nuclear power equipment to Pakistan", *The Hindu* (New Delhi) 21st September 1997.
82 Anand K. Verma, *Reassessing Pakistan, Role of Two Nation Theory,* (New Delhi: Lancer Publishers and Distributors, 2001), p.245.

<sup>&</sup>lt;sup>83</sup> Amit Baruah, "Pakistan also detonates five nuclear devices", *The Hindu*, (New Delhi) 29<sup>th</sup> May 1998.

On May 18, 1998, prior to Pakistan's coming out of the nuclear closet, "Shamshad Ahmed met his Chinese counterpart Tang Jiaxuan, the Chinese agreed not to imposed economic sanctions should Pakistan conduct a nuclear test but refused to provide nuclear umbrella protection".<sup>84</sup>

Despite this reports, China has continued to insist that it does not appreciate nuclear proliferation and claim that its nuclear cooperation with Pakistan is purely for peaceful purposes. "In 1993 China and the International Atomic Energy Agency (IAEA) signed an agreement to apply IAEA safeguards to a Chinese nuclear power station sold to Pakistan". 85

#### Assessment:

There is no doubt that China remains the sole supplier and assistance to Pakistan's nuclear weapon program and conventional weapons. There is considerable evidence to support allegations of Chinese assistance to Pakistan's nuclear weapon program;

In 1983, for example US intelligence reported that China had transferred a complete nuclear-weapon blueprint to Pakistan, along with weapons-grade uranium for two nuclear weapons; In 1986, China signed a nuclear cooperation agreement with Pakistan, after which a number of Chinese scientists began assisting that country in the enrichment of weapon-grade uranium; China also provided Pakistan with nuclear products and technology such as research and power reactors and information for uranium enrichment; in 1995, the China Nuclear Energy Industry Cooperation exported about, 5,000 ring magnets to a Pakistani nuclear laboratory that was not subject to IAEA inspections (and a suspected nuclear-weapons laboratory); in 1996 China reportedly sold to a Pakistani nuclear site a special industrial furnace and high-technology diagnostic equipment that could be used to construct nuclear bombs. 86

<sup>&</sup>lt;sup>84</sup> POT, Pakistan Series, Vol.XXIX, No.4, 4<sup>th</sup> Jan, 2001.

American Views on China's Nuclear Exports and Assistance to Pakistan, Special issue on "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol.V, nos. III-VI, May-December 1999, p-29. Ming Zhang, "China's Changing Nuclear Posture", *Monograph*, March 1999, p.7.

## China's ring magnet transfer:

Early in February, 1996, the US intelligence sources reported that China had supplied 5,000 ring magnets to Pakistan, which were said to have been sold to the A.Q.Khan Research Laboratories in Kahuta in 1995. Interestingly, representatives of the China National Nuclear Corporation (CNNC) told US diplomats in Beijing that they could not confirm the allegation that Chinese firms were assisting Pakistan's fissile material production. <sup>87</sup>This transfer of the ring magnets that occurred in three shipments between December 1994 and mid-1995. <sup>88</sup>

This transfer of ring magnet to Pakistan by China created the most serious question with regarding to the Chinese transfer of nuclear related components to Pakistan. Since then numerous press reports regarding the Beijing-Islamabad nuclear collaboration heightened the danger of the nuclear proliferation. To this controversial issue, barely after two months later, vice-president of the CNNC admitted with regard to the transfer of 5,000 ring magnets that, "this was probably right, however, at the same time he said this sale did not violate any domestic or international laws as the magnets sold to Islamabad were not magnetized". 89

As mentioned earlier, China's military relationship with Pakistan includes the ventures and projects deeply rooted with strategic calculation. Initially it started with buying arms and ammunition from China at what is commonly known as the friendship price. However, in spite of the cordial relationship between the two the new environment after the collapse of the former Soviet Union and the growing menace of the terrorist activities, there seems to have reduced a bit in their ties. But the irony in their relationship still remains intake, as China's constant assistance to Pakistan still continue.

China even after becoming a signatory member to the Nuclear Non-Proliferation Treaty and had agreed to adhere to the provision of MTCR, the fact remain the same, as China

<sup>&</sup>lt;sup>87</sup> Harvey Stockwin, "Appeasing China increases its Bellicosity", *The Times of India* (New Delhi),9<sup>th</sup> Feb. 1996, also see, "Ring Magnets Ten years Efforts by Beijing to help Pakistan", *The Times of India* (New Delhi),10<sup>th</sup> Feb. 1996.

<sup>&</sup>lt;sup>88</sup> Ramesh Chandran, "US had learnt of China-Pakistan Nuclear- ties in 1980s, Blueprint for seized:report", *The Times of India* (New Delhi), 2<sup>nd</sup> April 1996.

<sup>89&</sup>quot;China Admits selling ring magnets to Pak, report", The Times of India (New Delhi), 16th April 1996.

continues to follow its policy of transferring nuclear technology to Pakistan. Like both in the dimension of civilian as well as the strategic nuclear related field.

One explanation for China's continuing role in Pakistan's nuclear programme is that it acts as a two way benefactors;

Like Pakistan's constant quest from all possible means to acquire weapons also helps China to access its technology, Chinese have been given access to Pakistan's imported CANDU reactor technology, transferred to it by Canada, as well as access to the blueprints stolen by Dr. A.Q.Khan from URENCO in the Netherlands.<sup>90</sup>

Thus, this vast range of equipments and technology which Pakistan clandestinely or otherwise acquires through negotiation from different sources, also become available to China, to which China may have difficulty in tapping or access, particularly during the seventies and eighties.

Apart from all this, the security incentive ranked foremost in Pakistani's foreign policy, sensing India's advantage in conventional warfare nuclear option seems the most viable decision to deter its superior rival. Anand K. Verma rightly illustrated three occasions;

- 1. In the mid 1980s when Islamabad received reports that India was contemplating, by itself or in collusion with another state then inimical to Pakistan, an air attack aimed at the destruction of the uranium enrichment plant at Kahuta.
- 2. The crisis with nuclear undertone was triggered by the largest combined military exercise in India since independence, in the Rajasthan salient on Pakistan's border in the winter of 1986-87, code named-Brasstacks.
- 3. The third crisis during which the spectre of a nuclear war arose was in April-May 1990. It was precipitated by reports that, unnerved by the mass uprising for freedom in Occupied Kashmir, Indian GHQ had recommended air raids on training camps allegedly established in Azad Kashmir. 91

<sup>&</sup>lt;sup>90</sup> Cited in Karan R. Sawhney, no. 15, p.26.

<sup>&</sup>lt;sup>91</sup> American Views on China's Nuclear Exports and Assistance to Pakistan, Special issue on "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol.V, nos. III-VI, May-December 1999, p.234-235.

Considering this situation, the relationship which Pakistan maintains with China remains the best option, as its assistance continues unabated inspite of all the hindrances. General Musharraf said, "The dynamic of the post-Cold War era has forced Pakistan to readjust its maritime perceptions. He said, that the Agosta 90-B submarine, PNS /M Khalid, Midget submarine, missile boats, mine hunters, Al-Khalid tanks, Hataf, Anza and Shaheen missiles and Mashaaq and Karakoram aircraft are vital additions to the inventories of the armed forces enhancing their effectiveness and expertise". 92

Pakistan remains the major country buying arms from China. According to the Congressional reports News dated 21<sup>st</sup> August 2001 from Washington, "saw its arms sales dropping from a peak of \$ 207 billion in 1999 to \$ 400 million last year". <sup>93</sup>But still Pakistan continues to be the major recipient of arms from China. Likewise, altogether, "China's total military aid to Pakistan till 1996 has been at least worth \$1.5 billion". <sup>94</sup>

Apart from all this Sino-Pak defence relations is always reciprocated with military exchanges of delegations in their bilateral relations.

<sup>&</sup>lt;sup>92</sup> POT, Pakistan Series, "Musharraf: Pak for Peace with Honour and dignity", POT, Vol. XXIX, No. 34, 9<sup>th</sup> Feb 2001, p.564.

<sup>&</sup>lt;sup>93</sup>POT, Pakistan Series, "Pakistan major buyer of Chinese arms: US report", Vol.XXIX, no.203, 28<sup>th</sup> August 2001, p.3493-94.

<sup>94</sup> I.V Zumida, "Pak-Chinese Economic Relations", *Pakistan Review*, Vol. 8, No.2, winter 1996, pp.139-140.

CHAPTER: VI

Conclusion

# Chapter- VI Conclusion

Sino-Pak relations as discussed in Chapter one started with slow pace during the period of Cold War. The Sino-Pakistan relations started improving as they came closer during the Bandung Conference in 1955.

Thereafter Pakistan was sincerely appreciative of China's benevolence but at the same time cautious about depending entirely on one country. Thus during this time while welcoming China's friendship, Pakistan at the same time strove not to damage her ties with the United States.

This evidence becomes clear as Pakistan joined the western sponsored alliances like the Central Treaty Organization (CENTO), and South East Asian Treaty Organization (SEATO), but this did not deter her relationships with China.

The Sino-Indian border war of 1962 facilitated Sino-Pak relations to come closer. Likewise the relationship between China and Pakistan got crystallized during the 1965 Indo-Pak war, where China supported Pakistan.

After the Sino-Soviet border conflict, the difference between China and Soviet Union came out in open and the United States started making overtures towards China using Pakistan as an intercession, because Pakistan was one of the few countries that had cordial relations with China at that time. Ostensibly the United States tilted towards Pakistan, during the 1971 Indo-Pak war, in order to send signals to China that it will always stand by its allies. India's Peaceful Nuclear explosion in 1974 gave impetus to Sino-Pak nuclear relationship, as Pakistan sought to counter India's conventional and nuclear superiority by acquiring nuclear weapons.

The second cold war started with the Soviet invasion of Afghanistan in 1979, which made Pakistan a frontline state to fight the Soviets with arms supplied by China and the United States. The point to be noted here is that, during this crisis it benefited both China and Pakistan like:

Which served as the intermediary in supplying American-made stinger missiles to the Afghan Mujahiddens during their war against the Soviet backed government has secretly made the sophisticated hardware available to China, says the Los Angeles Times, quoting US intelligence officials.<sup>1</sup>

Thereafter through out the Cold War period, China played an important role, even though it alternatively shift its ally from the cordial relations with the Soviet Union until the rift which occurred between them in the 1960s and latter on with Pakistan. In the word of Odd Arne Westad:

The history of China during the cold war is one of a secondary power maintaining its autonomy through out the conflict by alternatively aligning with and defecting from Soviet and US spheres of influence.<sup>2</sup>

#### Post -Cold war Scenario:

The changed strategic realities after the collapse of the former Soviet Union led China to Rethink its policies in the post-Cold War era, due to fear of its own disintegration or end of communist regime.

China's growing political, economic and military influence in the South Asian region and its relations with Pakistan got sharpened as both considered India as their common foe. The collapse of the former Soviet Union, led to more regional tensions and instability in the various parts of the world, especially in Central Asia.

Post- Cold War era, witnessed a drastic changed in their relationship; rather it provided less comfort in their relationship. Some of the few reasons include:

Firstly, Collapse of Pakistan's alliance and sources of military and economic support in the west and secondly the erosion of its strategic significance for the US, due to the end of anti-Soviet war in Afghanistan.

Thereafter unlike the heyday of the Cold War era, where Sino-Pakistan relations showed its continuity and durability started to show its divergence. The gulf of differences between the two is due to many factors like: China's changing view towards India;

<sup>&</sup>lt;sup>1</sup> "Pakistan supplied US missiles to China", *Indian Express* (New Delhi), May 10, 1992.

<sup>&</sup>lt;sup>2</sup> Odd Arne Westad, (ed.), Reviewing the Cold War, Approaches, Interpretation, Theory, (Great Britain: Frank Cars Publishers, 2000, p.32.

Growing Islamic Fundamentalism; and the Kashmir issue and also the nuclear related issues and the subsequent repercussion of tension mounting between India and Pakistan.

#### **India Factor:**

The end of the Cold War showed a shift in China's foreign policy towards India. China showed keenness to strengthen its ties with India not only in economic aspects but also political matters.

Politically, India and China agreed that they had a common enemy i.e. terrorism. Earlier the Sino-Indian relation remained bitter on account of China's fear that secure and stable relations between India and Pakistan will make India focus on China, so in order to contain India, China uses Pakistan as a proxy against India. While on the other hand Pakistan needs China to acquire military equipments and technology to seek parity with India. However, this India factor which dominated between China and Pakistan's foreign policy drastically changed. As the Chinese policy now focus on economic interest with military modernization as their prime objective.

The 1990s saw an improvement in China's relationship with India and also the strong anti-Indian attitude, that existed, seem to have reduced. Evidence of this shift, can be traced from the Agreement on maintaining Peace and Tranquility in the China-India border areas along the line of actual control, signed by the two nations. However there hasn't been a complete change in China's attitude towards India. Brahma Challaney Quotes

"The Sino-Pakistan umbilical cord will snap only if New Delhi stands up to Beijing".<sup>3</sup>

Thus even though China pursue a policy of cordiality towards India, doubts still persist with India's emerging importance in South Asia.

<sup>&</sup>lt;sup>3</sup> Brahma Chellaney, "After the Tests: India's Options", Survival, Vol.40, no.4, winter 1998-99, p.96.

#### Kashmir Issue: China's Changing View

Another point to be noted between China and Pakistan relations in the post-Cold War era includes the Kashmir issue. China instead of interfering into the matters now called for a peaceful settlement of the dispute between India and Pakistan through bilateral talks.

Not only this, the Chinese leaders avoided pointing references to the right of Self-determination and emphasized the value of a negotiation of the settlement between India and Pakistan on the basis of the Simla Agreement and the UN resolutions.

Unlike during the Cold War period where China showed displeasure when the Tashkent agreement (10th Jan 1966) was initiated between India and Pakistan. Therefore from the early 1990s, a clear shift was discernible in the China's stand on Kashmir. Speaking at a Joint Press Conference with Chief Executive General Pervez Musharraf, Chinese Prime Minister Zhu Rongji termed;

Kashmir a left over of history; adding that China supports and agrees with Pakistan's position for a peaceful settlement of the Kashmir issue.<sup>4</sup>

This perspective becomes clear when we look at the recent fourth Indo-Pak war in Kargil, where China pursued a policy of neutrality. This neutrality approach on Kashmir issue by China might be due to the fear that a successful breakaway movement in Kashmir with growing Islamic Fundamentalism, may escalate into its own Muslim dominated province like the Xinjiang, where Pakistani based Jehadi outfits have been directly and through Afghanistan active.

#### Assessment:

The relationship between China and Pakistan should take into account the tough realities of today. The first and foremost thing is that the relationship has to be structured around more substantial issues. Like Pakistan should take into account the China's growing economic and tries to benefit from it.

There is no doubt the evolution of special ties between People's Republic of China and Pakistan is best analyze in a conceptual framework, as mentioned earlier ideological consideration are replaced by security interests and real politic as prime determinants of the relationship between the two countries.

<sup>&</sup>lt;sup>4</sup> POT, Pakistan Series, "China supports Pakistan's Stand on Kashmir", Vol.XXIX, No.129, May 30, 2001, p.2154.

However, the fact is that there is no strong link between the national capability and the military capability of Pakistan. As far as the production of arms and ammunition is concerned, Pakistan's performance in this sector is neglible. So far Pakistan is not able to produce heavy armaments and is dependent on the US, China and other Western countries for its requirement. This is why no link can be established between the national and military capability. Thus, it would be of great lost for Pakistan if China ever distances itself from Pakistan.

Likewise, on the contrary China emerging as super power constraints its strategic relationship with Pakistan as well as Iran, as tremendous pressure has been put under China with regarding to the transfer of sensitive military technology. As Swaran Singh stated the following factors which limits Sino-Pakistan cooperation;

Firstly, both side not necessary in congruence in terms of their anti-India sentiments. So also Beijing ties with New Delhi are gradually becoming warmer.

Secondly, China is going through a rapid modernization process, in which factors like ideology and good relations, that once determined 'Friendship Prices' are gradually being discarded in favour of pure commercial interests.

Thirdly, the emerging China may not continue to appreciate the liberties being taken by Pakistan.

Finally, constant pressure from the US, on China not to supply certain sensitive technologies to Pakistan.<sup>5</sup>

Summarizing this entire factor we find that the Sino- Pakistan relations in the post-Cold War era witness a unique shift in their relationships. As it is rightly remark that the gravest nuclear danger since the end of the Cold War is not war between Russia and the U.S, but the spread of the nuclear weapons technology and its related materials to other's beyond the five nuclear weapon states. To which Pakistan nuclear explosion in May 1998, clearly indicates the proliferation danger and China's role.

<sup>&</sup>lt;sup>5</sup> Swaran Singh, "Sino-Pak Defence Co-operation Joint Ventures and Weapons Procurement", special issue on, "Sino-Pakistani Strategic Co-operation", *Peace Initiatives*, Vol.V, nos. III-VI, May-December 1999, p-13.

This Sino- Pakistan nuclear axis not only made the later possess nuclear arsenal but on the contrary created tremendous tensions and danger of nuclear fallout. As mention in the earlier chapter many term it as a 'Nuclear flashpoint'.

Apart from this China will be greatly pleased if General Musharraf can control the Muslim radicals who do not respect the national frontiers and practices terrorist activities, as mention earlier to which China fear that it may escalate in its own province of Muslim dominated region of Xinjiang.

Therefore, Sino-Pakistan relations in the post-Cold War represent a divergence rather than convergence in their interests and objectives. Where China with its growing economy pursues open policy, on the contrary Pakistan continues to remain stigmatized with the military rule.

# Appendix- I

# Exchange of visits between China and Pakistan during the 1990s:

- 1. In September 1990, President Ghulam Ishaq Khan was chief guest at the opening ceremony of the 11<sup>th</sup> Asian Games in Beijing.
- 2. In February 1991, Prime Minister Nawaz Sharif visited China and in October the same year, President Yang Shangkum came to Pakistan.
- 3. In October 1992, Nawaz Sharif visited China again.
- 4. In December 1993, Chairman of the Chinese People's Political Consultative Conference (CPPCC) Li Ruihuan visited Pakistan and in the same month Benazir Bhutto went to China for the second time.
- 5. In December 1994, President Farooq Leghari was in China.
- 6. In September 1995, Prime Minister Benazir Bhutto was invited by the Chinese government as a special quest to attend the fourth World Women's Conference in Beijing. In November the same year, Qiao Shi, Chairman of the NPC, visited Pakistan.
- 7. In December 1996, President Jiang Zemin paid a state visit on Pakistan's invitation.
- 8. In April 1997, President Faroog Legari went to China for the second time.
- 9. In February 1998, Prime Minister Nawaz Sharif was in China again.
- 10. In April 1999, Li Peng, Chairman, NPC, visited Pakistan. In June the same year Nawaz Sharif paid a working visit to China and
- 11. In September 1999, Pakistan government celebrated the 'week of friendship' with China to mark the 50<sup>th</sup> anniversary of the People's Republic of China.<sup>1</sup>

<sup>&</sup>lt;sup>1</sup> Khalid Mahmud, Sino-Pakistan Relations: An 'All-Weather' Friendship, *Regional Studies*, Vol.XIX, No.3, summer 2001, p.2o.

# Appendix: II

# **Pakistan's Missile Program Chronology**

## **Detailed Chronology of Pakistani Missile Program As of 2002:**

1961: Pakistan's Space and Upper Atmosphere Research Commission (SUPARCO) is created to oversee all space research and development programs

1962: SUPARCO begins launching imported sounding rockets from a test range near the Indian Ocean.

1970: SUPARCO develops the capability to fabricate rocket motors from raw materials. It has a solid-fuel manufacturing plant and maintains an instrument development facility and a rocket testing range.

1980: Pakistan's surface-to-surface ballistic missile program begins in the early 1980s with development of the Hatf-1 and Hatf-2. The Hatf-1 has an estimated range of 80km and 500kg payload. The Hatf-2 has an estimated range of 300km and a 500kg payload.

1982: SUPARCO's chairman, Dr. Salim Mehmud, says that his organization lacks skilled technical specialists, and that space technology-related training facilities are non-existent. He also complains about financial limitations on the space program and that development is stymied by a limited industrial infrastructure.

1987: Pakistan opens a rocket propellant factory.

1989: In April, tests of the Hatf-1 and Hatf-2 are announced. Pakistan says it produced both missiles indigenously but Western sources suspect it received technical assistance from China.

The Hatf-2 is displayed publicly for the first time during a Pakistan Day Joint Services Parade. The missile was mounted on a mobile launcher converted from a British anti-aircraft gun carriage.

1992: An improved variant, the Hatf-1A, with a 100km range has reportedly been developed.

China may have sold more than 30 ballistic missiles to Pakistan, including the M-11, with 300km range and 800kg payload.

1996: The Hatf-2 is declared operational.

1997: Pakistan announces a test of the 800km Hatf-3 in July.

In January, Pakistan announces development of the 1,500km-range, 700kg payload, Ghauri ballistic missile.

1998: In April, a test-launch of the indigenously produced Ghauri is announced.

1999: Pakistan test fires Ghauri II & Shaheen missiles with 1700-2200km & 800km rang. Both can carry payload of in access of 850kg. Pakistan fired improved version of Hataf-2. Also called Hataf-2A

2002: Pakistan conducts series of missile tests, Hatf-5 (Ghauri) was tested with dummy nuclear payload, followed by testing of Hatf-3 (Ghaznavi) with a range of 290km and Hatf-2 (Abdali) with a range of 180km.

Source: http://www.pakistanidefence.com/nuclear and missile/ nuclear\_program\_chronology.html.

# Appendix: III

## **Nuclear Program Chronology:**

Detailed Chronology Of Pakistani Nuclear Program As of Nuclear Tests:

1965: Pakistani nuclear research reactor at Parr, Rawalpindi, starts functioning.

1968: Nonproliferation Treaty completed. Pakistan refuses to sign.

1972: Pakistan takes a firm decision to acquire nuclear weapons.

1974: India tests a device of up to 15 kilotons and calls the test a "peaceful nuclear explosion." Pakistani Prime minister Zulfikar Ali Bhutto tells meeting of Pakistan's top scientists of intention to develop nuclear arms.

1974 -- Pakistan proposed to India the establishment of a nuclear weapons free zone in south Asia

1978 -- Pakistan proposed to India a joint Indo-Pakistan declaration renouncing the acquisition and manufacture of nuclear weapons

1979 -- The United States cut off aid to Pakistan under section 669 of the Foreign Assistance Act of 1961 FAA) after it was learned that Pakistan had secretly begun construction of a uranium enrichment facility.

1979 -- Pakistan proposed to India mutual inspections by India and Pakistan of nuclear facilities

1979 -- Pakistan proposed to India simultaneous adherence to the NPT by India and Pakistan

1979 -- Pakistan proposed to India simultaneous acceptance of full-scope IAEA safeguards

Early 1980's--Multiple reports that Pakistan obtained a pre-tested, atomic bomb design from China.

Early 1980's--Multiple reports that Pakistan obtained bomb-grade enriched uranium from China.

1980--U.S. Nuclear Export Control Violation: Re-export via Canada (components of inverters used in gas centrifuge enrichment activities).

1981--U.S. Nuclear Export Control Violation: New York, zirconium (nuclear fuel cladding material).

1981--AP story cites contents of reported US State Department cable stating 'We have strong reason to believe that Pakistan is seeking to develop a nuclear explosives capability \* \* \* Pakistan is conducting a program for the design and development of a triggering package for nuclear explosive devices.'

1981--Publication of book, Islamic Bomb, citing recent Pakistani efforts to construct a nuclear test site.

1982/3--Several European press reports indicate that Pakistan was using Middle Eastern intermediaries to acquire bomb parts (13-inch 'steel spheres' and 'steel petal shapes').

1983--Declassified US government assessment concludes that 'There is unambiguous evidence that Pakistan is actively pursuing a nuclear weapons development program \* \* \* We believe the ultimate application of the enriched uranium produced at Kahuta, which is unsafe guarded, is clearly nuclear weapons.'

- 1984--President Zia states that Pakistan has acquired a 'very modest' uranium enrichment capability for 'nothing but peaceful purposes.'
- 1984--President Reagan reportedly warns Pakistan of 'grave consequences' if it enriches uranium above 5%.
- 1985--ABC News reports that US believes Pakistan has 'successfully tested' a 'firing mechanism' of an atomic bomb by means of a non-nuclear explosion, and that US krytrons 'have been acquired' by Pakistan.
- 1985--U.S. Nuclear Export Control Violation: Texas, krytrons (nuclear weapon triggers).
- 1985--U.S. Nuclear Export Control Violation: US cancelled license for export of flash x-ray camera to Pakistan (nuclear weapon diagnostic uses) because of proliferation concerns.
- 1985/6--Media cites production of highly enriched, bomb-grade uranium in violation of a commitment to the US.
- 1985 -- Pressler Amendment [section 620E(e) of the Foreign Assistance Act] requires a total cut-off of U.S. aid to Islamabad unless the president can certify that Pakistan does not possess a nuclear weapon, and that continued US aid will significantly decrease the probability of its developing one in the future.
- 1986--Bob Woodward article in Washington Post cites alleged DIA report saying Pakistan 'detonated a high explosive test device between Sept. 18 and Sept. 21 as part of its continuing efforts to build an implosion-type nuclear weapon;' says Pakistan has produced uranium enriched to a 93.5% level.
- 1986--Press reports cite U.S. 'Special National Intelligence Estimate' concluding that Pakistan had produced weapons-grade material.
- 1986--Commenting on Pakistan's nuclear capability, General Zia tells interviewer, 'It is our right to obtain the technology. And when we acquire this technology, the Islamic world will possess it with us.'
- 1986--Declassified memo to then-Secretary of State Henry Kissinger states, 'Despite strong U.S. concern, Pakistan continues to pursue a nuclear explosive capability \* \* \* If operated at its nominal capacity, the Kahuta uranium enrichment plant could produce enough weapons-grade material to build several nuclear devices per year.'
- 1987 -- Pakistan proposed to India an agreement on a bilateral or regional nuclear test ban treaty
- 1987--U.S. Nuclear Export Control Violation: Pennsylvania, maraging steel & beryllium (used in centrifuge manufacture and bomb components).
- 1987--London Financial Times reports US spy satellites have observed construction of second uranium enrichment plant in Pakistan.
- 1987--Pakistan's leading nuclear scientist Abdul Qadeer Khan states in published interview that 'what the CIA has been saying about our possessing the bomb is correct.'
- 1987--West German official confirms that nuclear equipment recently seized on way to Pakistan was suitable for 'at least 93% enrichment' of uranium; blueprints of uranium enrichment plant also seized in Switzerland.
- 1987--U.S. Nuclear Export Control Violation: California, oscilloscopes, computer equipment (useful in nuclear weapon R&D).
- 1987--According to photocopy of a reported German foreign ministry memo published in Paris in 1990, UK government official tells German counterpart on European

nonproliferation working group that he was 'convinced that Pakistan had 'a few small' nuclear weapons.'

1987 -- China concluded a deal with Pakistan to sell M-11 missiles and launchers.

1988--President Reagan waives an aid cutoff for Pakistan due to an export control violation; in his formal certification, he confirmed that 'material, equipment, or technology covered by that provision was to be used by Pakistan in the manufacture of a nuclear explosive device.'

1988--Hedrick Smith article in New York Times reports US government sources believe Pakistan has produced enough highly enriched uranium for 4-6 bombs.

1988--President Zia tells Carnegie Endowment delegation in interview that Pakistan has attained a nuclear capability 'that is good enough to create an impression of deterrence.'

1989--Multiple reports of Pakistan modifying US-supplied F-16 aircraft for nuclear delivery purposes; wind tunnel tests cited in document reportedly from West German intelligence service.

1989--Test launch of Hatf-2 missile: Payload (500 kilograms) and range (300 kilometers) meets `nuclear-capable' standard under Missile Technology Control Regime.

1989--CIA Director Webster tells Senate Governmental Affairs Committee hearing that 'Clearly Pakistan is engaged in developing a nuclear capability.'

1989--Media claims that Pakistan acquired tritium gas and tritium facility from West Germany in mid-1980.

1989--ACDA unclassified report cites Chinese assistance to missile program in Pakistan.

1989--UK press cites nuclear cooperation between Pakistan and Iraq.

1989--Article in Nuclear Fuel states that the United States has issued 'about 100 specific communiqués to the West German Government related to planned exports to the Pakistan Atomic Energy Commission and its affiliated organizations;' exports reportedly included tritium and a tritium recovery facility.

1989--Article in Defense & Foreign Affairs Weekly states 'sources close to the Pakistani nuclear program have revealed that Pakistani scientists have now perfected detonation mechanisms for a nuclear device.'

1989--Reporting on a recent customs investigation, West German magazine Stern reports, 'since the beginning of the eighties over 70 [West German] enterprises have supplied sensitive goods to enterprises which for years have been buying equipment for Pakistan's ambitious nuclear weapons program.'

1989--Gerard Smith, former US diplomat and senior arms control authority, claims US has turned a 'blind eye' to proliferation developments Pakistan in and Israel.

1989--Senator Glenn delivers two lengthy statements addressing Pakistan's violations of its uranium enrichment commitment to the United States and the lack of progress on nonproliferation issues from Prime Minister Bhutto's democratically elected government after a year in office; Glenn concluded, 'There simply must be a cost to non-compliance-when a solemn nuclear pledge is violated, the solution surely does not lie in voiding the pledge.'

1989-1990--reports of secret construction of unsafe guard nuclear research reactor; components from Europe.

Spring 1990 -- Pakistan reportedly reacted to Indian Army war game maneuvers near its border by preparing to drop one of seven weapons from a specially configured C-130 cargo plane. [02 December 1992 NBC News report]

1990--US News cites 'western intelligence sources' claiming Pakistan recently 'cold-tested' a nuclear device and is now building a plutonium production reactor; article says Pakistan is engaged in nuclear cooperation with Iran.

1990--French magazine publishes photo of West German government document citing claim by UK official that British government believes Pakistan already possesses `a few small' nuclear weapons; cites Ambassador Richard Kennedy claim to UK diplomat that Pakistan has broken its pledge to the US not to enrich uranium over 5%.

1990--London Sunday Times cites growing U.S. and Soviet concerns about Pakistani nuclear program; paper claims F-16 aircraft are being modified for nuclear delivery purposes; claims US spy satellites have observed 'heavily armed convoys' leaving Pakistan uranium enrichment complex at Kahuta and heading for military airfields.

1990--Pakistani biography of top nuclear scientist (Dr. Abdul Qadeer Khan and the Islamic Bomb), claims US showed 'model' of Pakistani bomb to visiting Pakistani diplomat as part of unsuccessful nonproliferation effort.

1990--Defense & Foreign Affairs Weekly reports 'US officials now believe that Pakistan has quite sufficient computing power in country to run all the modeling necessary to adequately verify the viability of the country's nuclear weapons technology.'

1990--Dr. A.O. Khan, father of Pakistan's bomb, receives 'Man of the Nation Award.'

1990--Washington Post documents 3 recent efforts by Pakistan to acquire special arcmelting furnaces with nuclear and missile applications.

October 1990 -- President Bush announced that he could no longer provide Congress with Pressler Amendment certification that Pakistan does not possess a nuclear weapon. Economic and military aid was duly terminated, though the Bush administration continued to permit a limited number of commercial military sales to Pakistan. Pakistan handled the cutoff with little public rancor and committed itself to freezing the nuclear program in an attempt to placate the United States.

1991 -- Pakistan proposed to India commencement of a multilateral conference on the nuclear proliferation in south Asia

1991--Wall Street Journal says Pakistan is buying nuclear-capable M-11 missile from China.

1991--Sen. Moynihan says in television interview, 'Last July [1990] the Pakistanis machined 6 nuclear Pakistan warheads. And they've still got them.'

1991--Time quotes businessman, 'BCCI is functioning as the owners' representative for Pakistan's nuclear-bomb project.'

1991--India and Pakistan enter agreement prohibiting attacks on each other's nuclear installations.

July 1991 - Reliable reports from Islamabad confirm that Pakistan had frozen production of HEU and halted the manufacturing of nuclear weapons components.

1992--Pakistani foreign secretary publicly discusses Pakistan's possession of 'cores' of nuclear devices.

Late 1992 -- The US Government determines that China had transferred items controlled under the international Missile Technology Control Regime to Pakistan.

December 1992 -- The US Government asked Pakistan to return eight US Navy frigates and a supply ship that had been leased to the Pakistan Navy, which accounted for more than half of Pakistan's major surface combatants.

01 December 1992 -- Senator Larry Pressler reportedly stated in a press interview that he had been told by the Central Intelligence Agency (CIA) that Pakistan had assembled seven weapons and could air drop one in a matter of hours [Dec. 1, 1992 NBC News broadcast].

1993 -- Pakistan proposed to India creation of a missile-free zone in south Asia

25 August 1993 -- The United States imposed "Category Two" sanctions against certain Chinese and Pakistani entities that were involved in an M-11 missile-related transfer, which is prohibited under US law.

Late 1993 -- The Clinton Administration, citing what it considered to be asymmetrical treatment accorded to Pakistan and India over their respective nuclear programs, proposed revising the Pressler Amendment and certain "country-specific" sections of the Foreign Assistance Act. The administration argued that by the time nuclear nonproliferation provisions had been added to the Foreign Assistance Act, India had already acquired the capability to build nuclear weapons and thus Pakistan had borne the brunt of most United States sanctions.

Early 1994 -- The Clinton Administration withdrew its proposal to revise the amendment because of strong criticism from a number of influential members of Congress, including Senator Pressler himself.

April 1994 - Deputy Secretary of State Strobe Talbott visits Islamabad to propose a one-time sale of F-16 fighter aircraft to Pakistan. Delivery of the planes would be contingent on specific commitments from Pakistan regarding its nuclear program, including a verifiable cap on the production of fissile materials. Talbott states that there is "broad agreement" between the United States and Pakistan on the goal of "first capping, then reducing, and eventually eliminating weapons of mass destruction and ballistic missiles from South Asia."

April 1995 -- Prime Minister Bhutto visits Washington.

September 1995 -- The Clinton Administration proposes revisions to the Pressler Amendment, citing the Amendment's roadblocks to cooperation with Pakistan's Government in areas such as combating terrorism and furthering US commercial interests in Pakistan. Under the Brown Amendment, the US would not deliver the controversial F-16 aircraft or resume an official military supply relationship with Pakistan, but the President decided to sell the F-16 aircraft to other countries and return the proceeds to Pakistan.

01 January 1996 -- India and Pakistan exchange lists of atomic installations which each side has pledged not to attack under an over seven-year-old confidence-building agreement.

January 1996 -- The Brown amendment was signed into law to relieve some of the pressures created by the Pressler sanctions, which had crippled parts of the Pakistani military, particularly the Air Force. The Brown amendment allowed nearly \$370 million of previously embargoed arms and spare parts to be delivered to Pakistan. It also permitted limited military assistance for the purposes of counter-terrorism, peacekeeping, anti-narcotics efforts, and some military training.

March 1996 -- Pakistan commissioned an unsafe guarded nuclear reactor, expected to become fully operational in the late 1990s, that will provide it with a capability to produce weapons-grade plutonium.

- Late 1996 -- Pakistan's main nuclear weapons laboratory, the A.Q. Khan Laboratory in Kahuta, purchased 5,000 ring magnets from China. The ring magnets would allow Pakistan to effectively double its capacity to enrich uranium for nuclear weapons production.
- 03 October 1996 -- Pakistani Prime Minister Benazir Bhutto called for the convening of a South Asia security conference that would deal with, among other things, Kashmir and the nuclear arms issue.
- 04 July 1997 -- Pakistan confirms test-firing of new indigenous Hatf missile.
- 06 September 1997 -- Pakistani Prime Minister Nawaz Sharif claims Pakistan possesses nuclear weapons, saying that: "Pakistan's nuclear capability is now an established fact. Whatever we have, we have a right to keep it...."
- 28 May 1998: Pakistan detonates five nuclear devices. Pakistan claimed that the five nuclear tests measured up to 5.0 on the Richter scale, with a reported yield of up to 40 KT (equivalent TNT).
- 30 May 1998 Pakistan tested one more nuclear warhead, with a yield of 12 kilotons, bringing the total number of claimed tests to six.
- Source: http://www.pakistanidefence.com/nuclear and missile/ nuclear\_program chronology.html.

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