

New paradigm of Pak-China relations —Dr Rashid Ahmad Khan

Daily Times
Friday, July 23, 2010



China-Pakistan trade has registered a substantial increase but it is largely in the form of Chinese exports. Both China and Pakistan are keen to correct this imbalance of trade by encouraging the Pakistani business community to explore the Chinese market

The Pakistan-China relationship has been described by both sides as time-tested, enduring, and a model of good neighborly relations for other countries. During the last four decades, this relationship has continued growing in strength and has embraced new areas for bilateral cooperation. President Asif Ali Zardari, who recently paid his fifth visit to China in less than two years, described the Pakistan-China relationship in the following words: "Perhaps no relationship between two sovereign states is as unique and as durable as that between Pakistan and China."

Pakistan and China are taking measures to promote economic cooperation and trade, which unfortunately has not been able to keep pace with its political relationship. Trade involves not only the movement of goods across borders; it is also accompanied by the exchange of ideas, cultural values, beliefs and information through people-to-people contacts. Trade, thus, is an important means for the people belonging to different cultures and value systems to know each other and become familiar with each other's cultural environments.

The two countries share a very strong desire to expand bilateral trade and have planned to enhance it from its present level of \$ 7 billion to \$ 15 billion by 2011. In order to achieve this target, the two countries will have to increase interaction between their business executives. A close interaction between the private sectors of Pakistan and China will not only increase bilateral trade, it will help Pakistan increase its exports to China.

The process of re-orientation of priorities in favour of economic cooperation, investment, joint ventures and trade is, in fact, more than a decade old. But it has picked up momentum since the establishment of the PPP-led coalition government following the 2008 elections. The outcome of the five visits by President Zardari reflects a full range of areas the two countries intend to cover under about 60 agreements and MoUs signed in less than two years.

President Zardari's fifth visit to China produced an agreement on economic and technical cooperation and four MoUs relating to health, geological survey and the agricultural sector. From the details released, it is clear that five areas, namely energy, regional connectivity, trade, people-to-people contacts and security are the main focus of the two countries in their endeavors to push forward the process of strengthening the strategic partnership. The choice of these areas is dictated by strong imperatives operating at national, regional and global levels.

Over the last decade, China has developed expanded trade and economic cooperation linkages with the countries of South Asia, particularly India with whom the volume of bilateral trade is projected to touch \$ 60 billion. As the development process accelerates in its western regions, the Chinese search for markets in south and southwestern Asian countries is bound to intensify.

China-Pakistan trade has registered a substantial increase in the last five years but it is largely in the form of Chinese exports of electronics, plastic, textiles, leather goods and garments that have flooded Pakistani markets. Both China and Pakistan are keen to correct this imbalance of trade by encouraging the Pakistani business community to explore the Chinese market, familiarize itself with the Chinese business environment and win the confidence of Chinese businessmen, importers and investors through increased contacts.

The decision to build two highways with the help of China in Gilgit-Baltistan indicates that the Gilgit-Baltistan region is going to play a key role in promoting regional connectivity and tourism between Pakistan and China due to its geo-strategic location. The region has a common border with the Chinese province of Xinjiang and is linked to Central Asia through Wakhan — a land strip with a width of only 10 miles. The Karakoram Highway, the main commercial highway between China and Pakistan, passes through Gilgit-Baltistan and is being upgraded at a cost of \$ 500 million. On his visit to Gilgit-Baltistan last year, Prime Minister Yousaf Raza Gilani announced a plan to start a direct PIA flight between Gilgit and Kathmandu. Once materialised, foreign tourists will be able to come directly from Nepal to Gilgit. It has the potential to make Gilgit-Baltistan a hub of business and tourist activities in a region constituting Gilgit-Baltistan, Central Asia, Kashmir, Ladakh and Nepal.

All this depends on satisfactory security and the law and order situation, not only in Pakistan but also in the adjoining regions. Already, there are reports of Chinese reluctance to allow larger cross-border movement of people between Gilgit-Baltistan and Xinjiang due to trouble fomented by extremists and separatists in Xinjiang. In Pakistan, Chinese investors are deterred by growing incidents of terrorism and other criminal activities of militants, particularly the kidnapping and murder of Chinese engineers in Balochistan and the tribal areas of Pakistan. Despite these difficulties, China has maintained close collaboration with Pakistan in development activities involving the construction of roads, dams, powerhouses and infrastructure. Recognizing extremism and terrorism as a common threat, Pakistan and China have set up a bilateral mechanism at the interior minister's level to promote cooperation in counter-terrorism. The two countries have held a number of joint military exercises to promote coordination between the armed forces of the two countries in countering terrorism. However, Pakistan-China relations are fast moving towards a new paradigm where economic considerations are most likely to take precedence over military considerations for sustaining their traditional friendship.

The writer is a professor of International Relations at Sargodha University. He can be reached at rashid_khan192@yahoo.com