



BNU Center for Policy
Research

THE POLICYBEACON

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PAKISTAN, THE US, AND THE REGION AIZAZ AHMAD CHAUDHRY¹



Abstract: Soon after Pakistan gained independence, the global geopolitics of the time brought United States and Pakistan closer, leading to a partnership that helped Pakistan build up its statecraft and economic and military prowess. Ever since, the relationship has oscillated between engagement and estrangement, depending on the convergence or divergence of national interests of both countries. However, the people-to-people relationship has always remained steady and grown over time. In the present times of the world in disarray, the relationship is once again at a cross road, given the intensifying US-China competition, the Indo-US strategic partnership, and US's military disengagement from Afghanistan. Pakistan is inclined to make choices that best serve its interests while keeping both, China and the US, engaged for mutual benefit.

Key Words: Pakistan, United States, China, India, Afghanistan, Competition, Balance.

Despite periods of estrangement between Pakistan and the United States of America, the latter enjoys a special esteem in the hearts of Pakistanis, mainly because of the invaluable role it played in the formative years of Pakistan's independent life. In 1947, when Pakistan was born, there was no state infrastructure in place, and statecraft had to be built from the scratch. Relations with neighboring India were hostile from the start as most of the Indian leaders of the time had opposed the division of British India and wanted to undo Pakistan. For urgent military and economic requirements, there was no better source than the United States, whose generous help enabled Pakistan to rapidly climb the ladder of development and became a role model for developing countries. The tracks of cooperation initiated in the fields of education, public health, agriculture, economic growth and defense have continued to benefit Pakistan ever since.

The period of close engagement in early years generated expectations in both countries. For the US, the convergence of interests lay in the common fight against the communist world led by the erstwhile Soviet Union. For Pakistan, however, the friendship was expected to stand the test of time. The 1965 war between Pakistan and India turned out to be a reality check. The US imposed sanctions on Pakistan (and India) for using American weaponry for this war. Pakistan was disappointed that a friend has not stood by it. The two countries drifted away from each other only to come closer again during the Soviet intervention in Afghanistan in December 1979. It was feared that Pakistan might be the next stop in the expansionist

designs of the Soviet Union to reach warm waters of the Indian Ocean. A nearly decade long joint effort by Pakistan and the US forced Soviet forces out of Afghanistan. Soon thereafter, the US again imposed sanctions on Pakistan in 1990, this time under the Pressler amendment.

However, a decade later in 2001, the two countries were back together in the US-led global war on terror. The US rolled out massive economic and military assistance in the form of Kerry-Lugar-Berman bill 2 and coalition support fund. Working together, both countries succeeded in defeating the menace of Al Qaeda, a terrorist organization that the US held responsible for 2 committing terrorist attacks on the twin towers in New York on September 11, 2001 (referred to as 9/11). As the US war in Afghanistan lingered on to defeat the Taliban group, which had given refuge to Al Qaeda, differences appeared between Pakistan and the US. Pakistan wanted the US to follow a political approach by engaging the Taliban rather than relying completely on the kinetic track. The US eventually decided to engage with the Taliban, leading to an agreement in February 2020. All this while, Pakistan and the US continued to coordinate their fight against terrorism until the US troops left Afghanistan in August 2021.

This brief historical overview of Pakistan's bilateral relations with the United States illustrates how the government-to-government (G-G) relationship has not been steady. The two would come closer whenever there was a convergence of national interests and moved away from each other because of divergence of national interests. This oscillation of the G-G relationship between the highs and the lows notwithstanding, however, the people to people (P-P) relationship has nearly always remained stable. Even today, Pakistani students prefer universities in the US to acquire quality education. Pakistani physicians have earned a special place in the American society for their contribution to public health. Technology experts from Pakistan find the Silicon Valley critical to their professional growth. Pakistan's agriculture sector has also continued to benefit from American expertise. Corporate America has consistently invested in Pakistan's economy, and the US remains Pakistan's large trading partner.

No factor has affected the tenor of bilateral relationship between the US and Pakistan more than the ever-changing global geopolitics. The Cold War that lasted till the dissolution of the Soviet Union in 1991, the Global War on Terror that started in response to the 9/11 terrorist

attacks, and the war in Afghanistan that ended with the US pulling out its troops in August 2021, have all had profound implications not only for Pakistan-US bilateral relationship but also for Pakistan itself. Since December 2017, when the Trump administration announced its national security strategy³, major power strategic competition with China and Russia has emerged as America's top national security priority.

Pakistan and the US-China competition: In the past one decade, the US competition with China has witnessed momentum in diverse domains, raising concerns that the two powers could enter a Cold War, similar to the one the US had with the Soviet Union. The good news is that the leaders of both countries have maintained contact with each other and met several times to reassure the world that their competition would “not veer towards conflict”⁴. This assurance is important for South Asia, where the major power competition was creating a perception of US-India and China-Pakistan alignments, albeit both India and Pakistan had indicted their clear intent of strategic autonomy to be able to maintain relations with all major powers. Yet, there are lingering concerns that if the competition continues to intensify, the world might get divided into camps, with serious implications for a harmonious world order.

The US-China strategic competition poses a particular difficulty for Pakistan. China has been a steady friend, which has never interfered in Pakistan's internal affairs, respected Pakistan's core interests and concerns, and supported Pakistan at all international forums. Even in the times when Pakistan was formally a part of the Western defense arrangements, China could have lost patience with Pakistan, but it did not, and showed exemplary foresight⁵. Fast forward to present times, China brought in multibillion dollars mega project of China Pakistan Economic Corridor (CPEC) to Pakistan at a time when the country was still struggling with the forces of terrorism that had permeated through the borders with Afghanistan and entered Pakistani tribal areas. At the same time, Pakistan has enjoyed sustained periods of close G-G engagement with the US, and the people of the two countries continue to remain connected in multiple ways and domains.

For Pakistan, therefore, relations with the US and relations with China are not a zero sum. If Pakistan were to prefer one over the other, it would be to Pakistan's own detriment. The course of action adopted by the government of Pakistan seeks to maintain relations with both countries predicated on our national interests, with greater focus on areas where national

interests of both countries converge.

The thought circles of Pakistan are debating how would Pakistan navigate the growing US-China competition. Opinions vary.

In an interview with this writer, Masood Khalid ⁶, who had served in China for over six years as the Ambassador of Pakistan, expressed the view that “Pakistan can maintain a semblance of balance in its two relationships without compromising on our redlines impacting our security or sovereignty”. He elaborated that “each relationship has its own trajectory and its own history. There have been periods when Pakistan had maintained good relations with both countries. However, unlike relations with China, Pakistan’s relations with the United States have been bumpy and transactional. Pakistan has to keep in mind its supreme core interests and rapidly changing geopolitical environment, which includes US-India strategic partnership. China has been a steadfast friend while the US had contributed to economic development of Pakistan. Both are important in strategic terms. Pakistan needs to approach its relationship with both on the basis of the principle of bilateralism and not at the expense of one or the other. If Pakistan strikes an equilibrium in its two relationships, its position will be well understood by both China and the US”.

Naghmana Hashmi ⁷, who served as Pakistan’s ambassador to China and the European Union, also agreed that “Pakistan can maintain a balance in relations with the US and China”. She goes a step further to say that “Pakistan has always maintained a balance in its relations with the US and with China. If this were not the case, Pakistan would not have engaged the Chinese firms for mega projects, such as Karakoram highway, heavy industries complex in Taxila, Gwadar port, or more recently, CPEC. All this was accomplished while maintaining ties with the United States”. She added that “China encourages Pakistan to keep good relations with the US”. She summed it well when she said that “Pakistan is maintaining, and not creating or recreating, this balance as it did throughout its life”.

Dr. Raza Muhammad ⁹, who heads the Islamabad Policy Research Institute, too, believes that “Pakistan has maintained a balance with these two relationships though balancing may not apply here in a classic sense”. He amplified his view that “Pakistan needs to keep both relationships independent of each other, focusing on Pakistan’s own national interests

He said that “Pakistan had every right to leverage its geopolitical position being a melting pot of connectivity”. He further suggested that “in order to use these leverages, Pakistan should resolve issues with neighbors, stay away from extremism, and focus on human and economic development. An internally united Pakistan would make economic progress and would be better positioned to mitigate effects of global rivalries”. The US, he argued, “needs to understand Pakistan’s economic predicament and recognize that CPEC is the best option for Pakistan to make economic progress”.

Mushahid Hussain, a former Minister, Senator and journalist, wrote in an article ¹⁰ that was published by The Express Tribune of 24 May 2024 that “China has steadfastly stood by Pakistan like a rock on all our core interests” while the US is now a “tactical partner” whose regional goals (promoting India as a regional hegemon and containing China) are both detrimental to Pakistan’s core interests. He advised the government “to restore confidence in relations with China, which had suffered lately because of the terrorist attacks on Chinese personnel working in Pakistan”.

Dr. Talat Shabbir ¹¹, head of China-Pakistan Study Center at the Institute of Strategic Studies in Islamabad, expressed his view that as US-China competition grows, balancing between the two major powers would be a “tightrope” situation for Pakistan. He termed it as a “balancing dilemma” because “while Pakistan has entered into a comprehensive strategic partnership with China, the US is helping India to become a net security provider in the region”. This balancing act, in the view of Dr. Shabbir, would be a “test of Pakistan’s diplomatic prowess” due to the “us versus them” mindset in major power competition. Shabbir added that even though the competition, in his assessment, “would not escalate beyond dangerous levels, Pakistan would need to make “hard diplomatic options”. Should the competition escalate further, Pakistan should “avoid to be part of any camp or bloc politics”. He advised that decisions should be reached after thorough “cost and benefit analysis” with top priority given to Pakistan’s core national interests.

Sultan M Hali ¹², a noted author, who has written extensively on China and its relations with Pakistan, was of the view that given Pakistan’s constraints of a fractured economy, poor law and order, dependence on IMF loans, and political instability, it will be “difficult for Pakistan to maintain a balance” in its relations with China and with the US.

He said that if Pakistan were to choose the US as its main strategic partner, then Pakistan might be “prone to toe the US line” and would be “unable to protect the lives of Chinese personnel working in projects within Pakistan or 5 safeguard Chinese interests in the country”. He said that “the days of diplomatic tightrope walking are over”. In response to a question from this writer that if tightrope walking was not possible, what should Pakistan do, Hali said that the “best option” would be “to strengthen Pakistan so that it can maintain relations with both powers”. He added that “if Pakistan was forced to choose a side, then China will be a better option, but this would have to be done whole- heartedly”.

Dr. Qamar Cheema ¹³, a V-logger and Executive Director of an independent, non-profit think tank in Islamabad, had a different take. He was quite optimistic that Pakistan “would be able to maintain a balance as Pakistan needs assistance from global finance institutions, and for that the US has significant control over these institutions”. Dr. Cheema advised that Pakistan should “stay engaged with the US with which it had worked throughout the war against terrorism”. He added that Pakistan would also need to “stay close to China for infrastructure development needs” of Pakistan as well as armaments to defend the country. He was also appreciative of China’s support to Pakistan at multilateral institutions in the face of Indian attempts to isolate Pakistan.

In response to a question whether Pakistan could develop a meaningful relationship with the US in the face of the US-China competition, Raja Qaiser ¹⁴, author and noted academic, shared his perspective that “Pakistan can develop a meaningful relationship with the US, notwithstanding the US-China competition, though it would require a nuanced approach”. He advised that Pakistan would need to “ensure that partnership with one does not affect partnership with the other”. He said that Pakistan should explore “avenues beyond security and military cooperation”. He suggested that Pakistan should have an “extended economic cooperation” with the US, and a “high level diplomatic dialogue”. The transactional orientation of Pakistan-US relationship needs a complete revamp, he argued. Starting with cooperation on counter terrorism issues, the relationship should be expanded to people to people ties and quandaries of regional stability so that Pakistan’s interests are aligned with those of the US. He concluded that in nutshell, Pakistan US ties need a “reset”.

The US and South Asia:

Given its status as an eminent global power, the US also has significant relevance for South Asia and in turn Pakistan. Since 1947, when India and Pakistan emerged on the world stage as independent countries, the Indian government decided to form a special relationship with the Soviet Union (Russia, after 1991) while Pakistan became closer to the US and the West. With the dawn of the twenty first century, two developments, however, have changed these equations: the 9/11 and America's Asia pivot.

The 9/11 provided an opportunity to India to project itself to the US as a fellow victim of transnational terrorism. India also started characterizing the indigenous freedom struggle of the Kashmiris as a Pakistan-sponsored terrorism. With the US in the lead, the UN Security Council 6 adopted a series of resolutions - 1267 15 , 1373 16 , and 1504 17 - to obligate all nations of the world to act against Al Qaeda, Taliban, terrorists, and non-state actors involved in terrorism. The distinction between the freedom struggle of people under occupation and acts of terrorism became fuzzy. This enabled India to crush, by ruthless force, the human rights of Kashmiris living under Indian occupation, including their right to self-determination. India also adopted the mantra of Pakistan committing cross-border terrorism. Initially, the US was not influenced by India's propaganda because of the valuable help extended by Pakistan to the US in pursuit of its war against terrorism. Despite high human and financial costs, Pakistan succeeded in eliminating militants and terrorists who had built hideouts in the mountains straddling between Afghanistan and Pakistan. Over time, however, differences began to appear between Pakistan and the US on extending the war on terror to Afghan Taliban. The US sought to give to India a greater role in Afghanistan, which was used by India to create a double squeeze for Pakistan from the east and the west.

The second development of high import for South Asia was the US decision to pivot its focus towards Asia, mainly because of the economic rise of China, Japan, South Korea, India, and countries of South East Asia. This pivot morphed into a strategic competition with a rising China. This development was a boon for India as it became a preferred partner of the US to contain the further rise of China. The US began to steeply enhance its military and economic cooperation with India. The US also coopted India in its Indo-Pacific Strategy 18 and quadrilateral dialogue with Japan and Australia (QUAD). Three foundational agreements were signed between 2016 to 2020: Logistics Exchange Memorandum of Agreement (LEMOA)¹⁹

Communications, Compatibility, and Security Agreement (COMCASA) 20 , and Basic Exchange and Cooperation Agreement (BECA) ²¹.

The bonhomie with the US emboldened the Indian government to undertake two policy shifts. One, the Modi-led Bhartiya Janata Party (BJP) embarked upon building up India's economic and military strength while nursing its ambition to convert India into a Hindu nation ²² in accord with the vision of the Rashtriya-Swayamsevak-Sangh (RSS) ²³ . With space shrinking rapidly for minorities, particularly Muslims, India started moving away from its foundational moorings of secularism and pluralism. Two, India began to assert its regional hegemony, seeking to act as a net security provider in South Asia. While doing so, it continued to maintain inimical attitude towards Pakistan. Since 2016, the Modi government pursued a policy of no-contact with Pakistan, and has blocked Pakistan's entry into regional groupings such as Indian Ocean Rim Association and Expanded BRICS ²⁴ , besides making SAARC dysfunctional ²⁵ . In the election campaign for his third term, Modi extensively bashed Pakistan and even Indian Muslims to exhort Hindu voters to come out for voting. While this paper was being finalized, the results of the 2024 elections were announced. Modi's ambitious agenda received a setback as his party, BJP, could not get even simple majority, though it did retain its position as the largest party in Lok Sabha, and together with its coalition partners was in a position to form the government. For his third term, Modi announced his mission to make India a developed state (Viksit Bharat) by 7 2047. In foreign policy, the Modi government was expected to continue India's strategic partnership with the US as well as its reorientation towards Indo-Pacific, South East Asia, and the Gulf. On Pakistan, it was expected that Mr. Modi might continue his no-contact approach. In due course, however, it was felt that Indian leadership might want to change its approach because normal relations with Pakistan were imperative for building India's regional and global profile.

The Afghanistan Factor:

In Pakistan's west, Afghanistan is passing through a phase that can be best described as 'no-war, no-peace'. The Taliban government, which came to power in Kabul after the US decided to pull out its troops in August 2021, has failed to meet the expectations of the international community namely: to form an inclusive government in order not to descend into civil war yet again; to respect the right of girls to education and women to employment; and to ensure that Afghan soil was not used for terrorism against any country. The Taliban have not

made much progress on any of these three commitments. Consequently, no government in the world has officially recognized the Taliban regime though most countries are engaged with the Taliban as de facto rulers of Afghanistan.

When the Taliban first came to power in Afghanistan in 1996, after a protracted civil war, Pakistan recognized the regime in the interest and hope of bringing stability to this war-torn country. However, no other state, except Saudi Arabia and the UAE, recognized the Taliban regime until its ouster in October 2001, when the US invaded Afghanistan on the grounds of hosting Al Qaeda and other terrorist entities. A twenty-year long war ensued. The US leadership felt that it did not succeed in its war against the Taliban because of sanctuaries that Pakistan had provided to the group. Pakistan was of the view that America's over-reliance on kinetics was not a good strategy and that the US should engage in talks with the Taliban, whose main fighting cadre was inside Afghanistan and not in Pakistan. Eventually, the US did engage with the group, leading to the February 29, 2020 agreement²⁶, which envisaged the US pulling out its troops while the Taliban group would start intra-Afghan talks for the formation of an interim government. However, before the intra-Afghan talks could start, the US pulled out its troops in August 2021, leaving the Afghan Taliban in-charge of the country.

Ever since its pull out from Afghanistan, the US has not engaged with the country except for providing humanitarian assistance through the United Nations agencies or reputed non-governmental organizations. The US has also not released the frozen Afghan funds of around USD 9 billion²⁷. It appears that the US now considers Afghanistan as a regional problem which should be resolved by the regional countries. This approach requires a review because if Afghanistan became a safe haven of terrorist entities, it would not be a regional problem alone but would have global ramifications. Nevertheless, the regional countries are engaged in multiple processes to find ways of establishing a durable peace in Afghanistan.

For Pakistan, the biggest issue is the support that the Afghan Taliban provide to Tehreek e Taliban Pakistan (TTP), which is responsible for a resurgence of terrorist attacks in Pakistan. Islamabad and Kabul are engaged with each other through various channels of communication. Given the potential spread of terrorism in the region, Pakistan is also engaged with other countries, particularly China, Russia, and other neighbors of Afghanistan.

For China, Uzbekistan, and Tajikistan, the respective presence in Afghanistan of East Turkmenistan Islamic Movement, Islamic Movement of Uzbekistan, and Jamaat Ansarullah is a matter of shared concern. If Afghanistan descends into becoming a safe haven for terrorists of the world, the US cannot stand by and watch. Pakistan and the US need to boost their cooperation to counter terrorism emanating from Afghanistan. However, this cooperation should not lead to creation of American bases in Afghanistan or Pakistan, because that could throw the region into the vortex of major power competition. It is widely believed in Pakistan that the country's alignment with the US's regional goals would be "detrimental to our interests" 28 and a "recipe for disaster". 29

The US, Middle East, and Pakistan:

The US sanctions on the Islamic Republic of Iran, Pakistan's second western neighbor, have impeded gainful economic cooperation between Iran and Pakistan. Some years back, when the Iran Nuclear Deal was being negotiated and an agreement had reached, Pakistan had welcomed the news because lifting of the US sanctions on Iran would have benefited our economy. In late 2012, Pakistan had signed an agreement with Iran to import natural gas, called Iran-Pakistan gas pipeline project. However, Pakistan has not been able to implement the project because no company would like to be a victim of US sanctions. The prospects of a breakthrough in US-Iran relations are dim because of Iran's confrontation with Israel, which enjoys the complete support of the US. In the context of the recent war in Gaza, which started on October 7, 2023, the tensions between Iran and Israel have ratcheted up. An Israeli attack on Iran's embassy in Damascus evoked a kinetic response from Iran. There is an international consensus on the two-state solution in Palestine, which Israel continues to resist. The US, being a strong ally of Israel, can play an important role in this regard.

The US has a strong presence in the Middle East, particularly in the Gulf countries. Saudi Arabia is undergoing enormous economic and social transformation. It has been a strategic partner of the US, and remains so. However, it is also reaching out to other major powers, including China, Russia, and India, to diversify its investments. China has recently successfully brokered a deal between Iran and Saudi Arabia, to normalize their bilateral relations, which had been tension-ridden for a long time. This is good news for Pakistan as it has excellent relations with Saudi Arabia, home to the two

holiest shrines for Muslims, as well as with Iran, a neighbor that has deep cultural imprint on the people of Pakistan.

Impact of global geopolitics on Pak-US Bilateral Relations:

9 All four evolving theaters of global contestation – US-China competition, Russia-Ukraine war, the changing Middle East, and the militarization of Indian Ocean – are matters of grave concern for the whole world, including Pakistan. For Pakistan, it is an economic imperative to maintain positive bilateral relations with all major powers, including in particular the United States and China. Countries like Pakistan are encouraged by the 17 May 2024 joint statement³⁰ issued after the meeting of President Xi and President Putin, in which both leaders vowed to adhere to the principles of non-alliance, non-confrontation, and not targeting any third party to overcome the “outdated mindset” that major countries are “bound to differ in interests and become competitors”

The deterioration of global security environment, including in South Asia, is a matter of high concern to Pakistan. The rhetoric of Indian leaders and the tendency to test the limits of Pakistan’s nuclear deterrence are posing grave dangers to the region. The US, which has friendship with both India and Pakistan, is in a unique position to play a role to help establish strategic stability in South Asia, which means not only nuclear deterrence but also addressing the root causes of the conflict. If armed conflicts below the nuclear overhang are not stemmed, or unresolved disputes continue to fester, or even grave mutual grievances are not addressed, strategic stability of the region would remain in jeopardy. The US is well aware of Pakistan’s concerns which had been discussed in a series of Strategic Stability talks that both countries conducted for years during the time of the Obama administration. Given America’s close relations with India, it is important for the US to prevail upon its strategic partner not to destabilize the region.

Pakistan and the US are currently engaged in a large number of areas of cooperation at the P-P level and in a select few area at the G-G level. The main reasons for a slow-down in the US engagement with Pakistan at the G-G level are: US disinterest in Afghanistan and Pakistan after its pull out from Afghanistan in 2021, US-India strategic partnership aimed at preparing India as a counter weight to china, and above all,

all, discontinuity of a structured bilateral dialogue of the kind that the two countries had during the Obama years³¹. The bilateral relationship is passing through a phase of ad hoc contacts in different areas of work. It would be important for two countries to evolve a periodic engagement at the appropriate level of leadership and also hold a regular dialogue at the officials' level.

Over two years ago, in January 2022, Pakistan announced its national security policy, which sought to view national security more comprehensively, resting on the tripod of traditional defense, economic security, and human security. For traditional defense, bulk of Pakistan's defense needs had been met by the United States in the past. Even today, Pakistan's armed forces are using American platforms for defense preparedness. Pakistan's officers regularly participate in America's defense related training programs and vice versa. For two decades, Pakistan and the US worked together to counter terrorism, which has helped build Pakistan's capacities to address the resurging threat of terrorism.

The second prong of Pakistan's national security paradigm is economic security, and in this realm geoeconomics has generated considerable public interest. The term could be defined in multiple ways. For Pakistan, it means leveraging its geography to create gainful economic opportunities for Pakistan. A large potential for Pakistan's trade in the region lay with India. However, relations between India and Pakistan have hit the rock bottom, and no interaction of consequence is being undertaken. There are limited people to people contacts, except for limited religious tourism. The bilateral trade is mostly through a third country. With Afghanistan, Pakistan has had a flourishing bilateral trade and made available its ports for Afghan transit trade. Of late, there is a tendency for the successive Afghan governments to find an alternative transit point, namely through Iranian port of Chahbahar, where India is helping build some of the infrastructure. Given security issues at the border and hostile activities of the TTP, the potential of bilateral trade has not been exploited fully. With Iran, the US sanctions are a major impediment for Pakistan to build bilateral economic relations. A limited trade occurs at border markets, but bulk of economic activities revolves around smuggling.

In light of these limitations, Pakistan's regional geoeconomic pivot revolves mainly around economic relations with China, Pakistan's northern neighbor. China has made a leap

forward in economic connectivity around the world, thanks to the Belt and Road Initiative (BRI) that was announced in 2013 under the presidency of Xi Jinping. Formerly called One Belt One Road or the New Silk Road, the BRI is essentially a global connectivity project, linking Asia with Africa and Europe through land and maritime routes, for infrastructure development, trade promotion, and economic growth. Six economic corridors were initiated by China, including CPEC that connects China and Pakistan across Karakoram mountains. In its first phase, the CPEC projects focused on energy and infrastructure, envisaging an investment of nearly USD 46 billion. However, with a change of government in Pakistan and a temporary slow-down of CPEC, the investment to date has not exceeded USD 28 billion. A second phase of CPEC is slated to start soon, with focus on industrialization for which special economic zones are to be created. The port of Gwadar has also been developed, though it has not yet been fully operationalized.

There have been concerns expressed by US officials and think tank experts about implications of the CPEC project for Pakistan. On top of the list is the perception that Chinese projects are raising Pakistan's external debt levels to unsustainable proportions, which could lead to debt entrapment. The example of Hambantota port in Sri Lanka is often cited to prove the point. The ground reality does not validate this perception. The figures cited by the government indicate that Pakistan's total external debt is USD 130 billion, out of which USD 27 billion (as of January 2024) is presently owed to Chinese firms³². The projects in Gwadar port were a grant by the Chinese government.

Pakistan has signed a Free Trade Agreement with China, which has been Pakistan's largest trading partner for several years. However, the balance of trade is heavily in China's favor. This is true for most countries, and not just Pakistan, because China has emerged as a manufacturing hub of the world. The FTA signed in 2006 was revised in 2019 to redress some imbalance of 11 bilateral trade. On the other hand, Pakistan's trade with the US stands at USD 9.2 billion³³, with the balance of trade in Pakistan's favor. The European Union is also a large trading partner of Pakistan. The GSP scheme provides incentive for Pakistan's traders to trade with European countries. However, this scheme is also preventing geographical diversification of Pakistan's trade profile.

Pakistan has a strong diaspora in the US. One estimate puts the number of Pakistani

immigrants to the US as 625,570 34 as of 2021. A large component of this diaspora is physicians and those associated with the world of technology. The diaspora maintains contacts with their motherland though they all feel happily settled in their adopted homeland. The second-generation Pakistani Americans, born and bred in the US, are proud Americans, making valuable contributions in every walk of American life.

There is a widespread view in Pakistan that the US interferes in Pakistan's internal affairs. For instance, the annual reports issued by the US Commission on International Religious Freedom, take a harsher view of Pakistan's internal situation while going soft on clear cases of discrimination and human rights violations on the basis of religion and race in other countries in South Asia. However, the case of US intervention is sometimes exaggerated. For instance, the US is no longer involved in the formation or fall of any government or important appointments. Every country wants to have friends around the world. The US approach is no different. But to stretch to say that the US leverages its influence on every important decision made in Pakistan is not correct. Robert Hathaway in his book 'The Leverage Paradox' 35 argues that the ability of the US to leverage the assistance it provides to a donor country is directly proportional to willingness of the aid recipient to be leveraged. In the ultimate analysis, the dynamics for internal change in Pakistan are originated and nurtured either by the leadership, the elite, or the people of Pakistan.

Conclusion:

When Pakistan came into being, it was the United States which helped Pakistan economically to stand on its feet and militarily to defend itself against foreign aggression. While it is true that the relationship between the two has oscillated between highs and lows, the two have never disengaged completely. In the past seven decades, whenever the two countries came closer because of convergence of interests, Pakistan benefited considerably from engagement with the US, despite some adverse implications. Pakistan is a large country with young population, significant natural resources, and robust military prowess. It would always remain relevant to global geopolitics. Given that Pakistan is at the confluence of three important regions of the world – East Asia, West Asia, and Central Asia - its economic geography and the recent pivot to geoeconomics promises a prosperous future for the country. In this regard, relations with China are of special significance. China has always respected Pakistan's core interests and remains an important strategic and economic partner.

In the times of growing US-China competition, there has been a discussion about the choices that Pakistan would be called upon to make should the world get divided into camps. History suggests that Pakistan has always maintained a balance in its relations with the US and China. Even as a member of the US-led security pacts, Pakistan made sure that its relations with Peoples Republic of China remained unaffected. Likewise, when Pakistan and China were deeply engaged in economic cooperation under the rubric of CPEC, Pakistan maintained its relationship with the US, including in particular on the P-P track, which has thrived over the decades. It is important that Pakistan continues to steer the future challenges associated with the evolving global and regional geopolitics, predicated on its own national interests, particularly national economic interests.

End Notes

¹ The writer, Aizaz Ahmad Chaudhry, is a former foreign secretary of Pakistan and ambassador to the US. He is presently the chairman of Sanobar Institute, an independent, non-profit think tank in Islamabad.

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