



How the United States Should Deal With China in Pakistan

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INTRODUCTION

By the end of 2019, the China-Pakistan Economic Corridor (CPEC), China's high-profile development initiative in Pakistan, had shifted to a [new phase](#). Whereas the first CPEC projects were mainly devoted to building new physical infrastructure, like power plants and highways, the next iteration of CPEC will tackle a wider array of projects intended to spur economic development and job creation.

Changes in CPEC were motivated by Pakistan's political and institutional realities as well as by the broader evolution of China's globe-spanning [Belt and Road Initiative](#) (BRI), of which CPEC has always been a prominent part. Yet the early stages of CPEC were themselves slowed or stymied by Pakistan's own weak institutions and domestic political cleavages. The next phase is almost certain to yield similar if not greater frustrations.

In the midst of CPEC's transition, the administration of U.S. President Donald Trump has unveiled a decidedly more critical view of China's infrastructure initiatives in Pakistan, one aligned with Washington's tougher posture in the global competition with China. Although there is much to criticize in CPEC, the administration's current fixation on commercial and economic issues threatens to distract U.S. policymakers from deeper concerns, including how Chinese political influence contributes to illiberal governance and undermines personal freedoms in Pakistan. Washington needs to keep one eye on the prize of regional stability, especially in the context of deepening hostility between India and Pakistan, and the other eye on the longer-term geopolitical challenges posed by China's increased involvement throughout the region.

U.S. policymakers should also remember that even when China's overseas policies are dangerously flawed, foreign leaders and citizens will respond better to a



United States that does less finger-wagging and more concrete problem-solving. For Pakistan as for so many other states around the world, the U.S.-China global competition is in itself of little practical concern when compared to other pressing needs, such as economic development, public health, and security. Until U.S. officials hone their messages and policies to better appeal to the interests of overseas audiences, they are likely to be greeted with lackluster, even dismissive, responses.

PLAYING CPEC POLITICS

Amid much fanfare, Chinese President Xi Jinping visited Islamabad in April 2015 to announce the launch of CPEC. [Pakistan's leaders](#) characterized the initiative as nothing less than a “fate changer,” a transformative development package that would simultaneously deliver economic growth, political stability, and security to Pakistan. By extension, CPEC would also help address China's concerns about the threat of Islamist ideology along its western border. Even if China's official statements were more circumspect about Beijing's specific funding plans, promises of [\\$40 billion–\\$60 billion](#) or more in Chinese investment, with an emphasis on Pakistan's troubled energy sector, stole the headlines in Pakistan.

Although CPEC is unlikely to live up to these early claims, the achievements of the past five years should not be dismissed. Pakistan received at least [\\$19 billion](#) in new infrastructure, including Chinese-built power plants that have [reduced, if not eliminated](#), the country's once debilitating rolling blackouts. Beijing claims that its projects have created jobs for an estimated [75,000 Pakistani workers](#), and other China-backed infrastructure improvements are literally set in concrete, such as roads, rails, and the new deep-sea port of Gwadar in Balochistan Province. These are significant accomplishments for Pakistan, which has

been challenged by a difficult business environment, contentious politics, and long-standing domestic and regional security threats.

For its part, the administration of former U.S. president Barack Obama initially voiced a cautious welcome to Chinese infrastructure investments in Pakistan as a means to advance the shared aim of developing Pakistan's economy and, over time, delivering economic opportunities to its people that, the argument went, would undercut the appeal of radical ideologies. Instead of opposing CPEC, U.S. officials even sought ways to harmonize initiatives from the United States Agency for International Development in Pakistan with new Chinese-sponsored ones.

Of late, however, the Trump administration has adopted a very different stance on CPEC. In November 2019, the most senior official in the U.S. State Department's Bureau of South and Central Asian Affairs, Ambassador Alice Wells, took the stage at the Woodrow Wilson Center in Washington, DC, and delivered a forceful critique of CPEC. Applying the Trump administration's general assessment of the BRI to Pakistan, Wells cited several U.S. concerns about CPEC: its relatively high costs, the long-term effects of its debt burden on Pakistan's economy, the lack of transparency in its bidding processes that has fueled allegations of corruption, and the paucity of new jobs it has created for Pakistani workers.

Rather than seeking to harmonize U.S. and Chinese development efforts, the Trump team now seems intent on highlighting their differences in a bid to raise Pakistani awareness and stir skepticism about China's aid offerings. In the [ambassador's words](#), “After four years of CPEC, people in Pakistan are beginning to ask tough questions about what kind of deals their prior government struck with Communist China and what Pakistan really gains.”

Washington's policy shift as articulated in the [2017 National Security Strategy](#) and the [2018 National Defense Strategy documents](#) reflects a toughened line on great power competition, especially with regard to China. Trump administration officials have expressed similar views in other instances as well. For example, U.S. Secretary of State Mike Pompeo used his February 2020 trip to Kazakhstan to [warn local audiences](#) about the dangers posed by business deals with China.

Not surprisingly, Chinese and Pakistani officials responded harshly to the tougher U.S. line. Beijing was especially keen to refute U.S. officials' arguments that China had ensnared Pakistan in debt traps. [Chinese Ambassador to Pakistan Yao Jing](#) publicly complained that Wells made use of inaccurate information and propaganda and went on to claim that China, unlike the U.S.-backed International Monetary Fund, would [never force Pakistan to repay loans](#) on a strict timeline if doing so would harm Pakistan's interests. From Beijing, Deputy Director of the Foreign Ministry Information Department and Foreign Ministry Spokesperson Geng Shuang also rejected U.S. "smears," observing that half of [Pakistan's outstanding debts](#) are from multilateral financial institutions and that "more than 80 percent of CPEC projects are funded by direct investment or grants from China."

Pakistan's response took a similar tone. Ministry of Foreign Affairs Spokesperson Aisha Farooqui also pushed back on U.S. claims, [highlighting the CPEC projects](#) that had already been built and the "enormous economic benefits for the people of Pakistan." The [Senate of Pakistan passed a resolution](#) declaring the U.S. statement "uncalled for, unwarranted and unprecedented" and claiming Washington was "promoting fiction and presenting a biased perspective."

Prominent political backers of Pakistan's close ties with China, like Senator Mushahid Hussain, explained that "[CPEC is central to Pakistan's future](#), and it's a pivot

of our strategic relationship with China and for which Pakistan has benefited already." Even Shehbaz Sharif, the opposition leader in the National Assembly and brother of former prime minister Nawaz Sharif, fell in line. In a tweet, he declared, "I believe [President Xi's Belt & Road Initiative](#), based on the idea of win-win partnerships, shows the way forward & is an incredible model of interstate relations. Pakistanis will remain grateful to their Iron Brother for not only CPEC but also being an ally & all-weather friend!"

These responses are critically important for what they reveal about the politics of CPEC. Neither Beijing nor Islamabad is eager to air any frustrations about the other in public, much less to accept Washington's criticism of initiatives that enjoy the personal backing of both Xi and Pakistani Chief of Army Staff Qamar Javed Bajwa. Moreover, each of the three successive Pakistani political parties that has held power since the end of Pervez Musharraf's military rule in 2008 bought into CPEC and supports tighter relations with Beijing. Few prominent Pakistanis are willing or able to backtrack or disavow Beijing now.

SHIFTING MOODS IN PAKISTAN

That said, just underneath the Pakistani and Chinese desire to defend CPEC for political reasons lie specific grievances and concerns. These have shifted perspectives on both sides over the past five years. German Marshall Fund fellow Andrew Small goes so far as to argue that the period from 2015 to 2020 encapsulated both the rise and fall of CPEC.¹ He explains that "the story of the last few years has been one of the two sides rediscovering their limitations" and anticipates that the future will return both countries to an earlier pattern of lower-profile ambition on the economic development front, even if "closed, secretive" cooperation on sensitive security matters continues.



Small is right to emphasize that both sides' CPEC ambitions underwent dramatic downsizing. Neither Beijing nor Islamabad is discussing new Chinese initiatives or investments in Pakistan at a scale close to the magnitude touted in 2015. However, China-Pakistan relations are also unlikely to have come entirely full circle as the two sides will more than likely build on the CPEC foundation. Their relationship has matured in ways that cannot be undone.

In Pakistan, the most readily identifiable shift on CPEC came during the 2018 national elections, when [Prime Minister Imran Khan's party defeated](#) the incumbent leadership. For years leading up to the national campaign, Khan played the outsider card and repeatedly criticized the government for cutting [unfavorable and opaque deals with Beijing](#). He called for a greater commitment to job creation and social programs rather than heavy infrastructure projects. Khan largely muted his criticism soon after assuming office, however, in large part because Pakistan's economy had fallen into crisis and his government required external bailouts to stay afloat. Lacking leverage with Beijing, Khan [failed to renegotiate](#) the CPEC deals struck by the previous government.

Khan was hardly alone as a disgruntled Pakistani critic of CPEC. As this author recently argued, the benefits of Chinese investments were unevenly distributed across Pakistani society, yielding predictable jealousies and frustrations.² For some among Pakistan's elite, from business tycoons to establishment politicians to military leaders, CPEC held the promise of business opportunities and new resources. For many others, including ethnic minorities like the Baloch, who have often found themselves marginalized from Pakistan's political and economic decisionmaking, CPEC looked like another exploitative raw deal, unlikely to offer them economic development or new social welfare benefits

commensurate with its costs, which were likely to include population displacement and environmental degradation. Lacking transparency about the terms of the Chinese deals, some [Pakistani critics began to grumble](#) about China as a new "East India Company," bent on using its economic heft to exploit Pakistan in a new version of imperialism. In short, rather than alleviating Pakistan's socioeconomic disparities or mitigating long-standing political grievances, CPEC threatened to exacerbate them. As a consequence, initial public euphoria over CPEC dimmed. Similarly, Pakistan's generals gradually shifted gears from excessive optimism in 2015 to a more careful pragmatism, though they remain firmly committed to a close strategic partnership with China.

Driving Pakistan's careful pragmatism has been a string of Chinese diplomatic moves demonstrating that China would not back Pakistan unconditionally. For instance, in September 2017, China joined India in signing a BRICS summit [antiterror declaration](#) that included specific mentions of Pakistan-based groups like Lashkar-e-Taiba. Beijing's departure from a long-standing practice of shielding Pakistan from such criticism surprised Islamabad. Similarly unwelcome were Beijing's February [2018 and 2020 votes](#) to gray-list Pakistan on the Financial Action Task Force (FATF) and its April 2019 capitulation to pressure in the United Nations for blacklisting Pakistani terrorist Masood Azhar. In each instance, Islamabad would have preferred Beijing to have more forcefully taken Pakistan's side. Moreover, the [April 2018 summit in Wuhan](#) between Xi and Indian Prime Minister Narendra Modi put Pakistan's leaders on notice that China had no immediate interest in seeing another flare-up in its own border tensions with India. That message surely disappointed Pakistan's generals, who have for decades seen China-India tensions as a means to force India to prepare for a two-front war rather than focusing only on Pakistan.

Pakistani army concerns about China have been reinforced by an abiding determination to avoid overdependence on any outside partner if it might threaten Pakistan's territorial sovereignty. Senior military officials in the Pakistani city of Rawalpindi claim to have reached the conclusion that although Beijing is a valuable friend, it is not a treaty-bound ally that would step into a military conflict on Islamabad's side. To the contrary, one senior Pakistani official noted how "every nation must be prepared to win its own battles," and Pakistan is no exception.³

Beijing's shifting stance on CPEC has been similarly understated yet significant. Some of its moves have been consistent with a global recalibration on the BRI that was discussed extensively during Beijing's [second Belt and Road Forum](#) in April 2019. At that meeting, China sought to [address widespread concerns](#) among other BRI partners about how Chinese investments could impose excessive debt burdens, contribute to corruption, exacerbate environmental degradation, and advance China's own strategic aims without necessarily contributing to local economic development.

Beijing has also recalibrated its involvement in CPEC as a consequence of Pakistan-specific frustrations. According to a 2017 [long-term plan](#), both Beijing and Islamabad have long planned to shift investment from infrastructure to industrialization, but delays on CPEC projects and concerns about the financial viability of future projects raised or reinforced doubts among Chinese companies and policymakers. At a November 2019 meeting of the Pakistan-China Joint Cooperation Committee, the Chinese side [decided not to announce](#) any new financial commitments until previous projects were completed. With [Pakistan's GDP](#) growth slowing from a high of 5.2 percent in 2018 to 3.3 percent in 2019 to an estimated 2.4 percent in 2020, the country's already difficult business environment has begun to look even less attractive to Chinese investors.

Beijing has shifted from touting CPEC as a flagship for the BRI to describing it as a [pilot project](#). This move reveals a trimming of expectations and ambitions driven mainly by Pakistan's on-the-ground realities rather than China's own strategy or plans. Such a reclassification offers the important lesson that [Beijing's overseas initiatives](#) are heavily dependent on the politics and interests of its partners, even if they are all smaller and less powerful than China.

In short, CPEC is changing, both tangibly and rhetorically. Yet the CPEC game is far from over. CPEC cannot fail—that is a political and diplomatic impossibility. For Pakistan, China remains an important partner and lifeline. For China, CPEC remains both a closely watched test case for the export of China's development model and a prestige project for Xi.

Reflecting the persistence of these close ties between China and Pakistan, leaders on both sides are quick to note that new CPEC initiatives are under way, informally dubbed "CPEC 2.0." These [efforts are expected to focus](#) on "industrialization, agriculture, and socioeconomic development, with a particular emphasis on special economic zones" in order to better address the desire of Khan's government to create more jobs for Pakistani workers. At the same time, China is ramping up its public diplomacy in Pakistan by starting an [Urdu-language news service](#), undoubtedly as a means to pump out a steady stream of positive stories about CPEC and tamp down public frustrations and suspicions.

Despite these commitments, there are many reasons to anticipate that CPEC's second phase could run into even more challenging headwinds than did the first. Building physical infrastructure was challenging, but with Chinese enterprises, engineers, and workers in the lead, it was not entirely at the mercy of Pakistan's own governing institutions and human capital. By contrast, many of the core elements of CPEC 2.0 will touch



politically sensitive and contentious issues, from land rights and education to economic and institutional reform. Even quite measured expectations could go unmet unless both sides take a patient, long-term perspective.

A SMARTER U.S. POLICY

U.S. policymakers are correct to sense that under CPEC's surface lies a degree of frustration, uncertainty, and reduced ambition in both Islamabad and Beijing. Even if Trump administration officials only aim to give voice to concerns quietly shared by many Pakistanis, however, Washington's approach has been too heavy-handed, tone deaf to the political and diplomatic exigencies facing Pakistan's civilian and military leaders.

Moving forward, Washington's policy should take two ground realities into account. First, Pakistani leaders—like those across Asia—have no particular desire to take a side in the brewing geopolitical competition between the United States and China. Self-interested more than ideological, they would prefer to extract benefits from both Beijing and Washington, even to play them off of each other. Moreover, many Pakistanis tend to question U.S. motivations, doubting Washington's noble, liberal rhetoric about freedom and assuming those words mask ulterior aims, from safeguarding commercial and security interests to practicing outright imperialism. To be sure, Chinese rhetoric about noninterference in the sovereign affairs of other states strains credulity for many Pakistanis, but in the aftermath of a terribly fraught two decades of dealing with the United States, Washington's claims of beneficence ring equally hollow.

Second, U.S. policymakers should keep in mind that CPEC is only one slice of the China-Pakistan relationship. Moreover, different infrastructure projects are likely to have different political consequences. Rather than framing the U.S. policy response as a narrow competition over the **commercial and economic**

issues of “cost, debt, transparency, and jobs,” U.S. policymakers should train their focus on three broader aspects of China's relationship with Pakistan.

The first and most immediate concern should be with respect to China's impact on regional stability, especially between India and Pakistan, but also in the context of U.S. plans for a complete military withdrawal from Afghanistan. Second, now and for the foreseeable future, Washington should come up with more effective ways to compete with Beijing's growing political influence, including its role in strengthening repressive, illiberal governance in Pakistan. Third, over the long run, the United States will want to weigh the geopolitical implications of the China-Pakistan defense partnership, including how China's presence in Pakistan will better enable it to project military power into South Asia and the Middle East.

Regional Stability

Over the past year, India and Pakistan have again reached the **brink of war**. Another India-Pakistan military crisis may be brewing this summer. Even as Trump administration officials perceive China as a global competitor, they would also be smart to appreciate Beijing's role as a potential diplomatic partner when it comes to restraining India and Pakistan from war. If tensions in China-U.S. relations inhibit cooperation in the midst of a South Asian crisis, all sides will lose.

At present, U.S. and Chinese officials appear to hold different views on how to assign responsibility (and blame) for tensions between New Delhi and Islamabad, which could lead them to work at cross-purposes in the event of a crisis. Whereas Washington tends to see Indian military strikes against Pakistan as justified responses to terrorist outrages on Indian soil, Beijing emphasizes Pakistan's strategic obligation to respond forcefully to aggression by its much larger neighbor. This mismatch is dangerous and warrants an intensive round of strategic stability talks between U.S. and

Chinese diplomats, during which the two sides could at least share their assessments and discuss processes for better choreographing future diplomatic engagements with New Delhi and Islamabad.

In Afghanistan, the United States would also benefit from improved information-sharing with Beijing as U.S. diplomats navigate the tricky dual issues of an intra-Afghan peace process and a U.S. military drawdown. Washington has long perceived Beijing's close ties with Islamabad as a point of potential leverage with Kabul, specifically as a means to encourage Pakistan to place greater pressure on its friends among the Taliban. Although China never delivered a breakthrough in support of U.S. war aims in Afghanistan, neither has it played a spoiler.

Both China and the United States fear the implications of an all-out Afghan civil war or even the return of a 1990s-style Taliban-led regime that would serve as a haven for al-Qaeda or other international terrorists. With these common interests in mind, Washington should open a regular dialogue with Beijing on Afghanistan, if only as a means to avoid unnecessary misunderstandings as the two powers deal separately with the Taliban, the government in Kabul, Pakistani officials, and representatives from other major regional players like Russia and Iran.

Competing for Influence

China's political influence is growing in Pakistan as it is elsewhere in Asia. To the extent that the United States aims to remain politically relevant on the continent, it should above all avoid the traps of competing on Beijing's terms or focusing on an explicit comparison between U.S. and Chinese development models as an "us or them" choice.

Rather than aping Chinese infrastructure investments, U.S. officials should instead think more broadly about what makes the United States an especially attractive

partner. U.S.-style education, scientific research, and technological innovation tend to land at the top of that list. All are widely valued by Pakistanis because they offer a means to address real-life needs. The United States has wisely **invested** in Fulbright scholarships for thousands of Pakistanis to study in the United States, and the Pakistani government has **reciprocated** with millions of dollars in scholarships to support Pakistani PhD students in the United States. Unfortunately, Trump administration visa and immigration policies **threaten** to restrict Pakistanis from **traveling** and **working** in the United States, and the overall number of Pakistani students in American schools already **pales** (even in per capita terms) in comparison to those in India and China.⁴ With due consideration of security issues, these policies should be reconsidered.

Similarly, Pakistanis have much to gain from trade with the United States. Washington has for decades failed to offer Pakistan's textile industry favorable access to U.S. markets, owing mainly to protectionist policies. More than Obama-era U.S. taxpayer-funded aid or even the Trump administration's federally backed financing for investment, enhanced trade in textiles would kickstart economic growth, create jobs, and improve Pakistan's trade balance. It would also **drive greater Pakistani demand** for imports of cotton and LNG from the United States to power its factories.

The United States should work to help a wider cross section of Pakistanis benefit from outside investments, even if some of those investments began with CPEC. Working bilaterally or through multilateral institutions, the United States should encourage Pakistan's government to enact market-opening reforms and offer technical assistance where possible. During his February 2020 visit to Islamabad, U.S. Commerce Secretary Wilbur Ross correctly **highlighted** the need to improve "Pakistan's business environment, including through developing a consistent tax framework, promoting regulatory transparency, and strengthening the intellectual property ecosystem." Beyond exhortations



and encouragement, the United States should share its considerable technical expertise on all of these issues with Pakistan by, for instance, expanding [aid projects](#) focused on Pakistan's business climate.

In addition to new policies on education, trade, and investment, the United States should aim to compete with Chinese influence in Pakistan in smaller ways that nonetheless show how a can-do approach can address everyday problems faced by millions of Pakistanis. An example of one such successful U.S. policy was the decision by the U.S. embassy and consulates throughout Pakistan to [publicize reliable air quality data](#) from their own monitoring equipment. In a country where roughly [128,000 people die annually](#) from air pollution and where official state sources tend to downplay the severity of the issue, the move has had a disproportionate and positive effect. The publication of U.S. data advances the cause of [Pakistani environmental activists](#) who are working to raise awareness about air pollution, promote healthier practices among children and the elderly, reduce emissions by encouraging different commuting patterns, and pressure local authorities to do more to address environmental issues. U.S. policymakers should consider whether there are other, analogous policies that would leverage and highlight U.S. technologies, data, and free access to reliable information.

Washington should also reflect on which aspects of Chinese influence in Pakistan are likely to have the most detrimental consequences for U.S. interests in the region over the long run. Certain types of infrastructure carry with them more political influence than others. Big-budget Chinese power plants or railway lines are, in this context, likely less worrisome than fiber-optic cables and telecommunications hardware. In January 2019, Chinese telecom giant [Huawei installed](#) a 510-mile fiber-optic line from the western Chinese city of Kashgar to Islamabad, just one piece in a larger network that will tie Pakistani data flows to China. [Chinese telecommunications technologies](#) bring with them the potential for Beijing to gain greater control over data, more effectively censor and surveil communications,

and erode freedoms, including Pakistan's freedom to oppose ever closer and more exclusive ties with China. In other words, the main U.S. challenge is not related to infrastructure or industrial competition between Chinese and Western firms; instead, it is a story about political influence, illiberal governance, and technological trends that undermine freedom.

U.S. officials have made their concerns about Huawei abundantly clear, but not even close allies like the United Kingdom are entirely willing or able to forego Chinese equipment. Pakistan and other cash-strapped states are even more likely to buy from China. In countries like Pakistan, the United States would be smart to develop and disseminate technological tools—both hardware and software—that enable Pakistani journalists, politicians, and academics to access reliable information and data and safely share their ideas with others. In partnerships with American technology companies, the U.S. government can benefit from efforts like [Project Shield](#), a free service developed by Jigsaw (a company owned by Google parent Alphabet) designed to protect the websites of journalists and activists from distributed denial of service attacks that would otherwise shut them down. Furthermore, U.S. support for Pakistan's defenders of human rights and liberal values need not be limited to the online world. The U.S. government should also expand its assistance to programs like [Scholars at Risk](#), an organization that partners with academic institutions to offer temporary refuge to academics threatened by harassment or incarceration.

Long-term Geopolitical Considerations

Over nearly six decades, ties between Beijing and Islamabad have centered on military and strategic cooperation far more than on economic development. As Pakistan's all-weather ally and main external balancer against India, China has supplied the Pakistani military with important components in its nuclear, missile, and conventional arsenals.

Looking to the future, a core question for U.S. policymakers will be how Chinese arms, from tanks and jets to tactical nuclear-capable missiles and drones, are likely to affect the India-Pakistan military balance. U.S. planners need to keep a close eye on the evolution of China-Pakistan defense cooperation, especially in the nuclear realm, but also in new areas like cyberwar, where Chinese assistance to Pakistan could tip the balance against India in a future conflict. China has historically been willing to circumvent arms control agreements to help its friends in Pakistan, so as tensions grow between Washington and Beijing, the obstacles to new arms transfers may diminish.

This issue assumes greater strategic relevance to Washington as policymakers are increasingly eager to bolster India as a partner and counterweight to China in Asia. U.S. policymakers will need to consider the net effect of U.S. support to India and Chinese support to Pakistan, bearing in mind that New Delhi may be inclined to train its new arms on Pakistani targets rather than on Chinese ones. A South Asian arms race could turn into a costly—and exceedingly dangerous—distraction from Washington’s competition with Beijing.

At the same time, Washington should consider the long-term potential that Pakistan offers China in terms of military power projection. There are many reasons to anticipate that China will eventually establish a [permanent naval presence](#) on Pakistan’s coast at or near Gwadar. A second military base of the sort that the People’s Liberation Army opened in 2017 in [Djibouti](#) is not something that, in itself, should inspire undue concern at the Pentagon. Still, it would offer China the strategic benefit of an overland route to the Arabian Sea, a critical point on the way to the hydrocarbon-rich Persian Gulf.

This is but one facet in the wider story of China’s expanding presence in the Middle East, a new development with uncertain consequences for the United States, whose own interest in the region appears

to be waning. Even so, American military planners will need to assess the implications of these developments for U.S. forces in the region.

CONCLUSION

It is not surprising that the Trump administration aims to sharpen the distinctions between Chinese ventures like CPEC and the United States’ own overseas initiatives. Indeed, Washington has every reason to make sure that international audiences understand that Beijing’s BRI projects often come with hefty price tags and may not deliver on promises of jobs or sustainable economic growth. U.S. diplomats are correct to sense that audiences in countries like Pakistan are now more sensitive to the limitations of partnership with China than they were in the recent past. Future phases of CPEC are likely to be more fraught with difficulty than was the first.

Yet the Pakistani case is illustrative; although Pakistan’s own enthusiasm for CPEC has waned over the past five years, Washington’s criticism of the China-Pakistan relationship is unlikely to win friends or influence in Islamabad. Too many Pakistanis are politically and financially beholden to China. Rather than publicly talk down China’s initiatives, U.S. diplomats should talk up U.S. ones. Rather than competing on Chinese terms, U.S. officials should focus on the United States’ unique advantages. Rather than being distracted by the terms of CPEC’s investments in physical infrastructure, Washington should keep an eye on strategic and political developments in China-Pakistan relations of greater long-term significance.

The United States has little to lose from new Pakistani roads, power plants, or railways. Even a new Chinese-built port at Gwadar is unlikely to deliver significant strategic advantage to China in the near term. However, where Chinese involvement in Pakistan’s telecommunications, security, and defense technologies

tilts the balance toward repressive, illiberal rule and regional instability, U.S. policymakers should take action. Along the way, they should also aim to find a balance between outcompeting China in political and strategic terms and pursuing tactical cooperation with Beijing on issues of immediate importance, such as preventing war between India and Pakistan and countering international terrorism in Afghanistan.

This will not be an easy balance to strike. But in South Asia as elsewhere around the world, U.S. policymakers would be better off grappling with the complexity of the challenge posed by China's growing influence than by merely railing against it.

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NOTES

- 1 Andrew Small, *The China-Pakistan Axis: Asia's New Politics* (London: Hurst Publishers, 183, 186, (2020, <https://www.hurstpublishers.com/book/the-china-pakistan-axis/>).
- 2 Daniel Markey, *China's Western Horizon: Beijing and the New Geopolitics of Eurasia* (Oxford: Oxford University Press, 2020), <https://global.oup.com/academic/product/chinas-western-horizon-9780190680190>.
- 3 Author's meetings with senior Pakistani military officials, October 2019, Rawalpindi, Pakistan.
- 4 Pakistan student total in 2018–2019 was 7,957, compared with 202,014 from India and 369,548 from China. See "2019 Fast Facts" from the report "Open Doors," Institute for International Education, <https://www.iie.org/-/media/Files/Corporate/Open-Doors/Fast-Facts/Open-Doors-2019-Fast-Facts.ashx?la=en&hash=1FF4995155DE3E0F186A1E880D2CB6A0C7302C42>. On new U.S. visa restrictions for Pakistan, see Ashfaq Ahmed, ed., "U.S. Drastically Reduces Visa Validity for Pakistanis in Certain Categories," *Gulf News: Pakistan*, March 6, 2019, <https://gulfnews.com/world/asia/pakistan/us-drastically-reduces-visa-validity-for-pakistanis-in-certain-categories-1.62487952>. On visa application rejection rates (Pakistan at 47.9 percent, India at 26.1 percent), see Natasha Frost and Dan Kopf, "What Are the Chances of Being Rejected For a Travel Visa to the U.S.?" Quartz, August 28, 2019, <https://qz.com/1696508/what-are-the-chances-of-being-rejected-for-a-tourist-or-business-visa/>. On the Trump administration's spike in rates of denial for work visas, see "H-1B Denial Rates: Past and Present," National Foundation for American Policy, April 2019, <https://nfap.com/wp-content/uploads/2019/04/H-1B-Denial-Rates-Past-and-Present.NFAP-Policy-Brief-April-2019.pdf>.

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