Chinese World Order and Pakistan: Emerging Trends and Prospects

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Abstract  
Economic recession of 2009 marked the end of the US dominance in the world. The subsequent period brought transition in the global order. China stepped forward by taking “Belt and Road Initiative (BRI)”, establishing Asian Infrastructure Investment Bank (AIIB) and creating alternative forums to engage various regions by assuming a global role. Chinese World Order here is not aimed at referring to the world dominated by China but Chinese sphere of influence with its greater role. Pakistan’s profile has improved with success against terrorism, Chinese investment and interest by other countries to invest under China Pakistan Economic Corridor (CPEC). CPEC is a flagship project of BRI which enables Pakistan’s growth and extend it economic integration with China. Pakistan’s close partnership with China enables it to play a greater political role in South Asia, Central Asia, Middle East, the Islamic world and the world at large.

Key Words  
Belt and Road Initiative, Economic Recession, Chinese Sphere of Influence, Chinese World Order, New World Order, Global Governance

Introduction  
The empires used to annex the kingdoms as per their capacity to exploit resources and destroy the potential adversaries to maintain order favorable for their survival, sustainability and ultimate interests. The end of empires led to the period of colonialism and then imperialism. Demise of colonial powers led to Cold War culminating in disintegration of USSR and gave space to the US for its global ambitions under “New World Order” aimed to establish an order favorable for its interest and supporting its globalized ambitions. The term global order has been coined in recently but the practices persisted since antiquity as hierarchy. Under the New World Order, the US strengthened its partnerships with the regional powers like European Union (EU) Japan, India, Australia and ASEAN to maintain its supremacy over the world. The US invaded Afghanistan on the pretext of 9/11 citing it a step for ensuring security under operation “Enduring Peace”. The US took a step forward by introducing the concept of preemptive attack on potential threats and started war in Iraq also. The US campaign of Global War on Terror and invasion of Iraq and Afghanistan landed its globalized economy and power in trouble and relative decline despite GDP growth while in the meantime China emerged. The US economic and political decline accelerated since the economic recession of 2009 while as per IMF and World Bank data, China became number one global economy in terms of purchasing power parity (PPP) in 2014 (Willige, 2018). The decreasing US global competitive edge and relative decline in economy was realized by the US foreign policy advocates and they called for the US to abandon its costly primacy policy which could not be pursued anymore. The US forces’ drawdown from Afghanistan, recognition of Taliban as the legitimate stakeholders, exit from Iraq amid turmoil, acceptance of Russia as a stakeholder in Syrian crisis and withdrawal from Trans Pacific Partnership (TPP) were not all coincidences but recognition and the clear change in the US foreign policies and attitude hinting at the end of the US dominated world as the US became unable to continue with its dictating behavior in the world. Accepting Russia, China and Pakistan in peace process of Afghanistan also hint at decreasing power of the US in this part of the world.
Global war on terror was a campaign against Muslims to secure economic and political instead of security interests while religion was used as a mask only. Around two decades long campaign of the US against terrorism to strengthen the US power led to its relative decline economically and politically while resurgence of Russia and emergence China have changed the dynamics of its security. President Obama rightly acknowledged that “every great power has succumbed to over extension” (Goldberg, 2016). He said in the context of overextension the US recognizing its relative decline in global economic, political and security spheres.

The US policy of “Asia Pivot” was also a shift of the US foreign policy to concentrate in Asia Pacific owing to its inability to continue with its previous policies to dominate the world. The US policy got strength from Chinese conflicts with ASEAN countries especially in South China Sea but engagement of ASEAN by China failed the US in fulfilling its designs in the region which led to end of TPP.

**The US Policy to Contain China**

The US National defence strategy of the US unveiled in January 2018 declared that prime concerns for the US as containment of the revisionist powers i.e. Russia and China instead of global campaign against war on terrorism (Mattis, 2018). The US bid to have more presence in East and South East Asia is considered as policy of containment of China. The US is trying to fan the regional issues in East Asia, South East Asia, South Asia, Middles East and Central Asia to have some reason for its presence or intervention (Teizzi, 2015).

China is well aware of the US strategy to partner with Chinese neighbors over their suspicion of Chinese rise. China is vying to abolish the Chinese enmity as excuse between the US partnerships especially with its neighbors. China has conducted military exercises with India and Thailand as Confidence Building Measure (CBM) to improve bilateral understanding and diffuse “China threat” perception hyped by the Western scholars especially the Americans (Shambaugh, 2015).

Shanghai Cooperation Organization (SCO) is a major platform for Chinese and Russian cooperation in Central Asia and South Asia and both agree to push back the US from their neighborhood and immediate sphere of influence. Chinese active role in Asia and inclusion of India and Pakistan in SCO is transforming political, economic and military landscape of the continent. SCO has not only taken more than half of Asia on board for cooperation in security and development but also fenced Asia from eastward extension of NATO (Darling, 2015).

**Elements of Global Power**

Power is the actor’s ability to exercise influence over others. Power may be coercive, attractive, cooperative and even competitive. All of the previous super powers have been using the coercive means or military powers to compel others countries for adhering their dictations, directions and commands. Those powers have been playing the zero-sum game with the world. Thanks to the Weapons of Mass Destruction (WMDs) and their proliferation which have made this practice impossible to control and dictate the whole world. Now it’s time for China and its way for luring other countries for cooperation for mutual good through win-win game referred as “charm offensive” by Western scholars. (Leaf, 2014)

Traditionally national power was derived from state geography, skilled population, economic strength, military capability, ideology and the type of government. There are 10 elements for states to have global influence which are as following:

1. Sustainable strong economy with global investments, trade and loan partnerships
2. Military technology, security cooperation alliances and military bases
3. Political, economic and diplomatic partnerships/alliances
4. Innovation leadership in agriculture, services and industrial sector
5. Elements of soft power like ideas, values and norms
6. Multinational corporations with global brands and out reach
7. Cultural attraction
8. Influential media outlets
9. Share in global and international institutions to influence the affairs worldwide
10. Educational leadership in universities and think tanks. (Great Power, 2015)

Strong economy is considered as base for these entire component. Joseph Nye said, “…the essence of power lies in the conversion of resources into influence” (Great Power, 2015). China is translating its economic strength to its global power. Chinese huge economic reserves are tool but economic power is not inevitably converted into the parallel extent of political, diplomatic, military as well as cultural power.
Economic and Military Strength of China

China has changed domestic and global economy by only manufacturing cheap goods for export to foreigner consumers. In 1990 China was producing less than 3% of total global output of production based on its value but now Chinese share in global production on the same basis is roughly a quarter. China surpassed the US as the largest manufacturing country of the world in 2010. During the foreseeable future, China is expected to enjoy advantages for manufacturing which will help Chinese economy benefit and grow further. China has also strength due to other Asian economies of South East Asia which reinforce regional supply chain connected to China as center (Global Manufacturing: Made in China, 2015).

Improvement of quality of life is raising the level of spending and increasing domestic demand which further strengthen Chinese economy and Asian markets. With the raise in wages, China is getting more central role. Many types low wage work, which is leaving China, is essentially going to South East Asia to reinforce Asia as emerging market besides China. China is the biggest exporter as the largest populous country, has planned to become the largest importer and consumer too. It would help China to lure and engage the highest number of countries worldwide. China has recently got included in top 20 most innovative nation in 2018. As per data the US debt was roughly 22 trillion at the end of 2018. On the hand Chinese foreign exchange reserves are US $ 3 trillion. China has emerged as the number one global investor with huge investment across five continents particularly in infrastructure under BRI.

Chinese ships deployment abroad has compelled Beijing to recognize and acknowledge the military component of its deployment overseas. China has announced to establish military bases in Djibouti to be capable of counter attacking enemy (Parela, 2015). Indian scholars interpret establishment of bases overseas as expected similar base in the neighborhood i.e. Pakistan. China has signed agreement with Pakistan to provide submarines and transfer technology through joint venture in Pakistan. Chinese warships have been using Colombo (Sri Lanka), Gwadar and Karachi (Pakistan), Salalah (Oman), Aden (Yemen) and the Seychelles ports. China is also looking for logistics on other ports, like Mombasa and Lamu (Kenya), Bagarmoyo (Tanzania) and Walvis Bay (Namibia). Chinese ships launched recently and under construction hint that China is aspiring to have a global Navy (Stratfor, 2015).

China is developing its defense capabilities for ground, air, sea, space but also in the cyber space. Djibouti already hosts the US and French forces base. Djibouti as a gateway is key to commercial shipping lanes and support to the governments across Africa. The US and Japan have been increasing military presence in South East Asia especially Philippine while the US recently deployed a spy aircraft in Malaysia (Stratfor, 2015).

Chinese Interaction with the World and Chinese World Order

Chinese economy was rapidly growing since last four decades. The US has gone under huge debt i.e. more than its GDP while China accumulated foreign reserves of about 4 trillion US Dollars ready for investment worldwide. Chinese reserves in June 2014 were US Dollar 4 trillion while these meltdown to 3.5 trillion in October 2015 (Chinese Reserves, 2015) and now these are $ 3 trillion.

China is investing heavily not only in Asia but also in Europe, Africa and other regions of the world. These are not only the developing countries that are getting investments but also the previous super powers like Britain. China has signed agreements with Britain for constructing nuclear energy plants and cooperation in many fields (Iman, 2015).

China has signed an agreement with Association of South East Asian Nations for increasing cooperation on bilateral trade. Bilateral trade volume has surpassed from 54.8 billion U.S. dollars in 2002 to 480.4 billion in 2014. Both sides are targeting their bilateral trade at U.S. dollars 1 trillion by 2020 (Xinhua, 2015). China has taken ASEAN on board for security cooperation also. China has recently pledged US $ 60 Billion for Africa in various forms of grant, investment and concessional credits. (Prisco, 2015) Chinese currency has been included in reserve currencies by IMF while Chinese leader have said earlier that time of the US Dollar is over (Al-Jazeera, 2015).

China’s world order does not necessarily mean the global order but parts of the world with Chinese influence. China has played its leading role in emerging super powers’ bloc of BRICS and offered more fund for establishment of their BRICS bank. China has pledged to invest around US $ 1 trillion on 900 projects in 66 countries under BRI across four continents. President Trump was elected with slogans of America First and hire American buy American and walked away from TPP. Chinese President Xi interpreted protectionist behaviour of the US as locking oneself in a dark room while China is reshaping the economic world order keeping China at its center. BRI envisages development strategies for China and participating nations to ensure “win-win” economic outcome (Yafei, 2015).

BRI has been initiated for forging “five types of partnerships” which include policy consultation, infrastructure connectivity, free trade, free circulation of local currencies, and people-to-people contact. The crux is that partnerships of BRI hint that trends of globalization of economics, free movement, revolution in information and inclusive economic development have been put into play (Yafei, 2015).
Chinese initiated Asian Infrastructure Investment Bank (AIIB) coupled with the Silk Road Fund have ushered a new era in financial system of the globe by offering a new and alternate avenue for investment and funding of infrastructure. As per estimates China’s outward investment is expected to exceed $500 billion while over 500 million Chinese tourists would visit different countries of the world during next five years. “Made-in-China, Chinese capital, China’s market, and Chinese consumers will be hallmarks in new round of worldwide economic growth” (Yafei, 2015).

In 2050, eleven countries of Asia are expected to be among top twenty-five in terms of GDP (PPP) terms. A report of Asian Development Bank (ADB) in 2010 estimated that Asian countries would need US$ 8 trillion for infrastructure development in near future while existing financial institutions i.e. World Bank and ADB have not capacity to meet the demand. China’s reserves of $4 trillion and her political role have come to play for Asia. IMF restructuring agreement is stalled in the U.S. Congress since 2010 which has made China irritate over its inability to exercise its ambition in the existing global financial order. It compelled China to bring some alternative system. The launch of AIIB on 29 June 2015 is being considered as the beginning of Chinese century. Four, out of five Security Council’ permanent members and all of ASEAN countries have joined AIIB. Joining of major European states in spite of U.S. persuasions indicate that China has marked a blow to the U.S. dominant role in the world. Germany, China, Russia and India are major contributors of the Bank with initial capital of US$50 billion out of total envision $100 billion. Chinese 26.06 voting rights will provide it space to exercise its will over Bank’s operations (Ashraf, 2015).

Following failed U.S. bid to prevent its allies to join the AIIB, the U.S. and Japan’s ability to influence Asia has been further curtailed. On joining of AIIB by Australia despite personal requests by John Kerry to remain out, former U.S. Treasury Secretary, Larry Summers said: “United States lost its role as the underwriter of global economic system.” Like China, India also believes that the Bretton woods arrangement is unfair but India has been trapped between China and the US policies. In Indian Ocean, it has announced partnership with the US but its economic compulsions are compelling her to cooperate with China in regional issues, trade and infrastructure development (Ashraf, 2015).

China versus the US Policy of Engagement with the World

The US engagement basis with most countries of the developing and under developed world are overwhelmingly security but China’s priority policy is to have economic relations. The US has always been trying to play zero-sum game even with allies while China always supported win-win game in trade and mutual cooperation instead of zero-sum game policy of the previous powers. The US has always been lecturing the sovereign states over democracy, and human rights while China commits to respects sovereignty of the other states.

Threats of war, sanctions and carrot of support in international forums besides grants have been tool for the US to exercise power as a sole super power. China has never threatened any country but offered cooperation in mutually beneficial areas and support in international forums. However, China has been demanding support for its “One China” policy in relations with other countries. The US has always been using the global institutions as tools for its foreign policy. China has always pledged to support the UN Charter and role of its institutions in tackling international issues. Chinese role in global institution have been mainly dominated by its attitude to secure its domestic and national interests.

The US has declined number of times to respect the international law when it opposed to the foreign policy goals of the US. China has been adhering and supporting the international law and charter of the UN. The US role has always been questioned as dubious in international crisis and issues while fairer policy of China can get moral victory to make her more influential. Active role of China can block the US plans to manipulate the issues in global institution. Repeated failure in bids for declaring Masood Azhar as global terrorist is a case in point.

Being the largest producer and potential consumer, China has more partners in trade comparing with any other country including the US therefore once declaration by China to conduct trade in Yuan will make it a major currency of the world beating status of the US Dollar. China has not only the highest number of population but also the Diasporas in the world. Chinese living outside China in some countries make major chunk of whole population which enables to influence policies in favour of China. China is being welcomed by most of the countries against the US coercive, dubious and zero-sum policies and it is helpful for China to cover the space for mutual benefit. The West has been terming China as free rider benefiting from global order without taking responsibility to maintain it. China was probably looking for appropriate time that should not only benefit the manipulator of the current order.
Potential of Pakistan for Prospective Greater Role

Sino-Pak relations have been mainly security centric during the last four decades while the long awaited economic cooperation has initially changed the whole economic profile of Pakistan. China has announced projects of US $ 62 billion under CPEC and its supplementary projects in first phase (Haider, 2015). Ahsan Iqbal told media that China had shown interest to shift its industries of textile, automobile and light engineering (Iqbal, 2015). The US has recently showed its interest to invest in Pakistan in various projects under CPEC although the US has been persuading Pakistan not to involve in its development process (Bhutta, 2015). Saudi Arabia has announced to invest US $ 20 billion while Japan, United Arab Emirates and Qatar have expressed desire to invest in Pakistan. First phase of CPEC projects is near completion while second phase would include the projects of social sector development.

Pakistan is the largest contributor of troops for peace missions of the United Nations. Pakistani troops have served in the Europe and Africa under the UN umbrella. Pakistan has closely worked with Sri Lanka for defeating its anti-state elements i.e. Tamil Tigers. Pakistan’s has played significant role in protecting shipping sea lanes from pirates and facilitating the global trade. Pakistani forces are training troops from various countries of the world. Pakistan has helped China to eliminate East Turkistan Islamic Movement (ETIM). Pakistan is offering to share its experiences of counter terrorism and nuclear safety.

Pakistani political parties and Pakistani people speak for the Muslims and Islam around the world. Wherever any issue arises in Muslim world, Pakistani people, political parties and state take stance to support the just cause. Pakistan is staunch supporter of Palestinian state and Palestinian people against atrocities by Israel. Pakistan’s key role in peace process in Afghanistan has reinforced its importance and power in the region.

Pakistan’s state stature has swiftly change from a security state to the state facilitating and strengthening regional economic integration. Pakistan’s stance on blasphemous caricature competition was accepted and competition was cancelled. Pakistan’s diplomatic role in Middle East over Saudi-Iran tension and Yemen crisis has brought into limelight the potential role Pakistan can play. Appointment of Pakistan’s former Army Chief as head of Islamic Military Counter Terrorism Coalition is important development. Pakistan has offered sharing counter terrorism experience to different countries through joint military exercises with Russia, China and even India. Permanent membership of Pakistan in SCO has provided it the platform for greater role in Asia for security and counter terrorism. Under CPEC, Pakistan is not only becoming a transit route for Chinese energy from Middle East and raw material from Africa but also of finished goods to these regions. Pakistan is a weapons producer and supplier that enables it to have some share in developing countries to provide arms and ammunition.

Pakistan has expressed desire to build the existing jeep track to connect to Tajikistan from Chitral via Wakhan belt for boosting economic, cultural and political cooperation. Work on Iran-Pakistan gas pipeline on Pakistani side was inaugurated in 2013 but it has been halted till the lifting of sanctions on Iran. China has shown interest to join Iran-Pakistan gas pipeline. CASA-1000 is electricity import project of 1000 megawatt from Tajikistan via Afghanistan. Pakistan wants to link Turkmenistan via Afghanistan from Chaman border. Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline has been inaugurated on December 13, 2015. Russia has recently offered Pakistan to build a gas pipeline, which will be laid parallel to TAPI. There are three entry points from Pakistan to Afghanistan that are Torkham, Angoor Adda and Chaman. Pakistan and Afghanistan have agreed to upgrade road and establish railway links for trade. Afghanistan is demanding transit route from Pakistan for trading with India. Kazakhstan has agreed to join CPEC. Thus Pakistan is becoming a hub of trade for neighbouring regions of Middle East, Central Asia, South Asia and China. These regions account more than half of the global population and soon these region would account for more than half of the global economy combined.

Pakistan’s route to India, Bangladesh and South East Asia from Middle East and Central Asia can link the resources rich region and markets but also benefit from offering the route while about half of the global population lives in these regions. A railway network stretching from Pakistan to Turkey is already operational and it could be extended to Europe and South East Asia.

Pakistan announced it eagerness to mediate between the members of Muslim countries organization, the OIC. (Tribe, 2016) Pakistan’s inclusion in 34 nations’ alliance against terrorism led and formed by Saudi Arabia also clarified Pakistan’s potential to become leader of the Muslim World. (Dawn, 2016) Pakistani is becoming energy hub with pipelines running from Middle East and Central Asia to China and India benefitting more than half of the global population. Owing to its strong military, vibrant politics and emerging economy, Pakistan has a greater role to play in neighbouring region, bloc of Islamic world under Organization of Islamic Countries (OIC) as well as SCO and the globe at large.

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Conclusion
Decline of the US global power did not give birth to the Chinese dominance over the world. Many emerging powers are vying for greater role in their perceived sphere of influence. China in this case has many edges over all other merging and developed courtiers to have leading rather than dominant role. The biggest population, the leading fast growing economy, the largest continuously modernizing military, the highest foreign exchange reserves, policy for worldwide engagement under win-win approach, policy to have more inclusive global governance system with demonstrated ability to transform it and ambitious to make China the center of the world, single out China as the leading power. Pakistan has a unique partnership with China since last five decade. Overwhelmingly security dominated and India centric relations have been transformed into all rounded bilateral partnership. Pakistan and China have agreed to align its interests in Indian Ocean, region and the world over. Pakistan's role of becoming regional energy hub and transit route for China, South Asia, Middle East, Central Asia, Africa and Europe can provide it the edge to play greater role in Asia and the world.
## References


