

469A Bukit Timah Road
#07-01, Tower Block, Singapore 259770
Tel: 6516 6179 / 6516 4239
Fax: 6776 7505 / 6314 5447
Email: isassecc@nus.edu.sg
Website: www.isas.nus.edu.sg

China's 'Look West' policy

Shahid Javed Burki¹
and
Iftekhhar Ahmed Chowdhury²

Abstract

China is moving aggressively to bring development and modernisation to Xinjiang, its western most provinces. The Autonomous Region, as the Chinese call it, covers one-sixth of China's landmass but has only one-eightieth of its population. It borders six Central and South Asian countries. More than one-half of its population of 20 million people is made up of the people Beijing refers to as the 'minorities'. More than 90 per cent of Xinjiang's minorities are Uyghurs. These are Muslims, speak classical Turkish and have become restive. They have several grievances, among them, the perception that their presence in the region is being diluted by the arrival of Han Chinese who now make up 41 per cent of the population. The region was the scene of a major uprising in 2009 staged by a segment of the Uyghur population. Hundreds of people were killed when Beijing used force to bring the rebels under control. This led the Chinese central government to rethink its strategy by focusing on the opening of the Autonomous Region to the countries in its neighbourhood. One part of this initiative was the China-Eurasia Expo held in Urumqi, Xingjian's capital, for five days from 1 to 5 September 2011. It attracted some 50,000 officials from China and 30 other countries. As China looks west to developing and modernising its own territories, as a natural

¹ Shahid Javed Burki is Visiting Senior Research Fellow at the Institute of South Asian Studies (ISAS), an autonomous research institute at the National University of Singapore. He was former Finance Minister of Pakistan, and former Vice-President of the World Bank. He can be contacted at isassjb@nus.edu.sg. The views expressed are those of the author and do not necessarily reflect those of the institute.

² Dr Iftekhhar Ahmed Chowdhury is Senior Research Fellow at ISAS. He was the (Foreign Advisor) Foreign Minister of Bangladesh from 2007-2009. He can be contacted at isasiac@nus.edu.sg. The views expressed are those of the author and do not necessarily reflect those of the institute.

corollary, it also seeks to create a friendly external environment, particularly its Muslim-majority close neighbours like Pakistan, Afghanistan and Bangladesh to facilitate the achievement of its domestic agenda.

Introduction

China has begun a major effort to develop its border areas, the provinces and regions that are home to what the Chinese call the 'minorities'. They constitute about five per cent of the total population or about 75 million people. Of these about 10 million live in the Autonomous Region of Xinjiang, the western-most part of the country. The region's population is almost equally divided between the Uyghurs, who make up 45 per cent of the region's 20 million people and the Han Chinese, who constitute 41 per cent of the population. Slightly more than one million of the region's population are Kazakhs.

As a part of the reform process initiated by Deng Xiaoping in 1979, China opened its eastern seaboard to the West and Japan. The result was the rapid industrialisation and modernisation of the east coast – a narrow band that runs from the city of Dalian in the northeast to Shenzhen near Hong Kong in the southeast. However, the border regions did not benefit from this spurt in growth. Resentment built up in these areas and the reaction in Xinjiang took a violent turn in 2009, when hundreds of people died in riots in Urumqi, the Region's capital. The resentment was not only at the slower pace of development in the areas. There was resentment against what the local population believed was a deliberate effort to 'Hanise' the area's population by allowing the migration of large number of people of Han origin - the vast majority of the Chinese population. It did not escape Beijing that the explosion on the streets of Urumqi was tinged by Islamic fervour which, in its extremist form, was affecting many parts of the Muslim world. It wanted to prevent its Muslim minorities from moving in that direction. The Chinese leadership concluded that it might be prudent to add a bit of religion to its economic and political approach to solve the problem posed by some of the restive minorities. Looking west meant looking essentially at the Muslim Central Asia. But the practical Chinese added to this approach a glance at the east was well, including in their calculations, improved relations with the predominantly Muslim Bangladesh.

Beijing believed that the time had come to act and begin to redress the grievances that had built up over the years. The approach adopted, was part of the effort to get the Autonomous Region's population economically and culturally engaged with its six Central and South Asian neighbours – Kazakhstan, Kyrgyzstan, Turkmenistan, Tajikistan, Afghanistan, Pakistan and India.

Elements of the New Strategy

Given the fact that almost all the provinces and autonomous provinces that have large 'minority' populations – Xinjiang in the west, Yunnan, in the south and Inner Mongolia in the north, Beijing has had to craft a development approach that is based on using the land rather than the sea to make commercial contacts with the outside world. At this time some 90 per cent of China's trade is by sea and by 2015 two-thirds of its energy needs will also be met by using the sea.³ Among the provinces and regions with sizeable minority populations, Xinjiang has an additional problem: it is poorly connected by land with the main population and economic centres of eastern and central China. Between it and the rest of the country lies the Tarim Basin, some of it below the level of the sea, most of it extremely hot in the summers, and large parts of it desert or mountainous. Opening it to the west is more practical and for that to happen, China must ensure that it has good working relations with Xinjiang's neighbours.

Developing communications with the neighbours also makes good sense for several other reasons. China is starved for energy while the Central Asian 'stans' have large surpluses of gas and oil. Both can be bought by pipelines, albeit over high mountains. However that is not seen as a serious obstacle by a country that has been able to connect by a high-altitude train the plateau of Tibet with the plains of Sichuan and other parts of central China. The Chinese have built an all weather road, the Karakoram Highway (KKH) that connects Pakistan's northern areas with Xinjiang. Hugging the Pakistani mountains it crosses the Khunjerab Pass at a height of 16,000 feet before entering the Pamir Plateau on the Chinese side. It then descends quickly to Kashghar, an ancient city once celebrated as one of the more important commercial centres of Central Asia. The Pakistanis have announced that they are requesting Chinese assistance to build a railway line that will run, parallel to KKH and at later stage, gas and oil pipelines.

China is also concerned about Russia's energy policy and how it might impact on its own growing need for all kinds of fuels. Russia has the world's largest reserves of natural gas which it uses not only to earn foreign exchange but to influence relations with the countries in its neighbourhood, in particular those in Europe and Central Asia. It does this by using what is sometimes called the 'pipeline diplomacy'. It would like to tie to its gas fields with the major economic centres of Europe. With this end in view it would like to route most of Central Asia's ample gas reserves if not through its pipelines then at least from those that run through its territory. Such a policy runs counter to the one the Chinese would like to pursue. They want unhindered access to the energy resources of both Central Asia and the Middle East. This is where countries arrayed along Xinjiang's border enter the picture. Kazakhstan

³ How the focus on the sea is affecting China's military build-up is discussed by Iftekhar Ahmed Chowdhury in his ISAS Insight. See Iftekhar Ahmed Chowdhury, 'China and Its Aircraft Carrier: The Dragon's Deft Dealings with a Nervous Neptune', ISAS Insight No. 133, (7 September 2011).

and Kyrgyzstan in Central Asia and Pakistan become important parts of the Chinese solution to its growing energy problem.⁴

The Kazakh Connection

Before any major shift in their policies, the Chinese leadership deliberates, prepares and ponders. The Urumqi conclave was preceded by President Hu Jintao's June 2011 visit to Astana in Kazakhstan to meet with President Nursultan Nazarbayev. A joint declaration issued after the meeting said that two countries discuss issues 'in the political, economic, energy and transportation sectors...covering all key aspects in bilateral ties thus broadening the scope of cooperation and future development.'⁵ The declaration updated the existing strategic partnership established in 2005. It was decided that the two countries will meet at the heads of state level once every year. During Hu's June visit there was special emphasis on relations between the two countries in fields of energy and trade. China would like to see the trade between the two countries to increase to US\$ 40 billion by 2015. Beijing also tied Kazakhstan closer to itself by signing currency swap agreement amounting to 7.5 billion *yuan* (US\$ 1.15 billion) thus bringing the Chinese *renmenbi* one step closer to becoming a reserve currency. The agreement would run for a period of three years but could be extended by mutual consent. It was agreed to speed up the construction of the second phase of the China-Kazakhstan oil pipeline, the second phase of the China-Kazakhstan natural gas pipeline, and the third phase of the China-Central Asia natural gas pipeline.

The China-Eurasian Expo, September 2011

Two years after the riots in Urumqi that shook the officialdom in Beijing, China hosted a major economic event in the city. The China-Eurasian expo held for five days in the beginning of September 2011, was upgraded from the 19-year old China Urumqi Foreign Economic Relations and Trade Fair into a summit to which the senior leaders from the neighbourhood were invited. A new, 1.3 billion *yuan* (US\$ 201.5 million) exhibition centre was built near Urumqi. Organizers of the event said that 50,000 officials and businessmen from China and about 30 countries attended the event. Among those who came were Asif Ali Zardari, Pakistan's president, on his eighth visit to China since taking office in September 2011. He brought his daughter with him who, he told Vice Premier Li Keqiang, was learning Chinese. 'The China-Eurasia Expo has established a platform for collaboration between

⁴ See Shanthie Mariet D'Souza, 'The TAPI Pipeline: A Recipe for Peace and Instability' ISAS Brief No. 194, 1 April, 2011 for a discussion of the Turkmenistan-Afghanistan-Pakistan-India pipeline being supported by the Asian Development Bank. The Chinese, to the consternation of India, are showing interest in the implementation of the project. They would like to see the involvement of their construction companies in building the proposed pipeline thus taking from the Indian companies some of the business the latter were hoping to get.

⁵ Wu Jiao, 'China, Kazakhstan agree to closer ties', *China Daily* (14 June, 2011), p. 1.

China, including western China and Xinjiang Uygur autonomous region, and Asian and European countries', Li told Zardari when the two met on the sidelines of the trade fair. Zardari told Li that 'his country wants to strengthen in-depth cooperation with China in political and economic areas as well as on international and regional affairs'.⁶

Also attending were Kyrgyz President Roza Otunbayeva, Azerbaijan vice Premier Abid Sarifov and Kazakhstan Deputy Prime Minister Aset Isekeshev. Speaking at the exposition, Chen Deming, China's Minister of Commerce, said that Xinjiang is at the 'frontier of China's opening-up policy with regard to neighbouring countries to its west. With a solid industrial base and abundant resources, Xinjiang holds huge business opportunities'.⁷ He encouraged the visitors to take advantage of the opportunities for investment and trade offered by the region, a theme that was picked up Li Keqiang in his address.

The Plot Thickens

If mere visits could cement friendships, that of Pakistan with China would be more than rock-solid. In all probability, they already are. But President Asif Zardari of Pakistan is not one to take any chances in this regard. Since he has assumed office he has undertaken as many as eight journeys to this 'all-weather' friend. In terms of sheer number of visits by a Head of State to another country, however friendly, this must surely establish a record of sorts! Not only that. He has spoken of this relationship with such ardour that would be the envy of any Central Asian romantic persona. He has even expressed it in terms of recent dreams! One of these is that borders between the two countries would evaporate, and the citizens of one would be able to travel to another without passports! The idea appears to be one palling the Schengen Treaty between the States of the European Union! He already has his experts examining the lexicon of diplomacy to look for a jargon that would take the expression 'all weather friendship' to a yet higher level of amity. 'Eternal', perhaps! So Pakistan must really want and need China. Pakistan is among the many countries that have realized that China may soon eclipse the United States as the globe's most important super-power, a theme recently explored by Arvind Subramaniam, in his *Foreign Affairs* article.⁸

Indeed it does. Time was when China was needed as a countervailing force to address the power imbalance with only India. Now, the United States has also entered the calculations. This has been particularly true since the lows that hit in bilateral relations following the US operation that killed Osama bin Laden. The Americans are now seen as a greater threat to Pakistan, both by the Pakistani population and the Army, than India, however incredible this

⁶ 'Urumqi expo offers 'platform for cooperation' *China.org.cn, Xinhua* (1 September 2011).

⁷ '1st China-Eurasian Expo opens in Urumqi', *China.org.cn, Xinhua* (1 September 2011).

⁸ Arvind Subramaniam, 'The Inevitable Superpower: Why China's Dominance is a Sure Thing', *Foreign Affairs* (September/October 2011), pp. 66-78.

might have seemed even as recently as a year ago! Ironically this may have actually eased Indo-Pak relations somewhat, leading to a rather successful visit, at least by historical standards, of Pakistan's young woman Foreign Minister Hina Rabbani Khar, the sartorial snipes and fuss over fashion notwithstanding. Islamabad was severely irked, however, by what it sensed as a Washington-Delhi connivance to drive a wedge between it and Beijing by referring to a possible Sino-Pak chasm over the alleged support from some Pakistani quarters to the extremists in Xinjiang! The slightest hint of any such development was utterly and absolutely unacceptable to Pakistan. To dispel any such possibility with the greatest possible force, President Zardari spent the holiest Muslim festival of Eid at Urumqi recently, and dispatched Khar posthaste to Beijing to reiterate and renew reassurances!

Khar's first visit to Beijing was time well spent. This was, however, as is well known not her first foreign trip. It may be noteworthy that it is rare for a Pakistani Foreign Minister to have gone to Delhi before Beijing. It would be somewhat naïve though, to read too much into this detail. Khar held meetings with Premier Wen Jiabao, Foreign Minister Yang Jiechi, and other senior officials, in the two days she spent in the Chinese capital. To the delight of her boss, who this time stayed in Urumqi only and left the field in Beijing free for her, to give her a break and free reins perhaps, she extracted high praise from China's leaders for Pakistan's anti-terrorist credentials. She pledged full cooperation to the Chinese for counter-terrorism initiatives against the East Turkestan Islamic Movement (ETIM), Xinjiang's Uighur separatists. While already these were music to Chinese ears, Zardari himself added to the sweetness of the refrain by announcing in Urumqi his other dream of Pakistan being a conduit for China's energy from abroad, much like how once upon a time, in the days of happier relationship with the US, Islamabad was a bridge between Washington and Beijing during the Nixon-Kissinger years!

This idea of a conduit was reemphasized in the 'Eurasian corridor' concept that Zardari gave a huge boost to immediately thereafter, in the Tajik capital of Dushanbe, where he went straight from Urumqi, without as much as even a detour through Pakistan. This was to attend a quadrilateral meeting of the heads of state of Afghanistan, Pakistan, Tajikistan and Russia. This was the third such meeting, and obviously a new group of four is emerging in Central Asia, signalling an important thrust in Pakistan's foreign policy. Indeed, Zardari obtained the approval of others that the fourth meeting of the group would be held in Islamabad next year. At Dushanbe the leaders adopted a Joint statement. It focused on strengthening regional trade, improving connectivity and fighting terrorism. Projects are to be implemented in energy, transport, communications and infrastructural development. Two would be of enormous interest to Pakistan. One, a road connecting Dushanbe to Chitral in Pakistan, through Iskatul Gulkhana in Afghanistan, in effect linking the Gwadar port, where the Chinese have a stake, and Karachi to Dushanbe and then to Russia itself. The second would be the expansion of Afghanistan Pakistan Transit trade agreement to include other countries in the region.

China is not a member of this group, but is most certainly an interested party. It appears that Chinese interests would be in good and protective hands. This mechanism is also allowing Pakistan to close past gaps with Russia. In this regard the Chinese could be of considerable assistance to Pakistan. All these actors are most certainly looking to playing a role in Afghanistan after a possible eventual American withdrawal. President Hamed Karzai is also being willy-nilly drawn into this, not necessarily reluctantly it seems. But there are other interested actors that will simply refuse to remain purely on-lookers. India and Iran for instance. It will naturally be critical how they will react to these developments. Diplomats in the region will need to sharpen and hone their skills in the years to come, as the next stages in the ‘Great Central Asian Games’ unfold.

Conclusion

So, as China ‘looks west’ with a view to developing its own territories, it also seeks to create an enabling friendly external environment by seeking to maintain the best of relations with its neighbours in the region, particularly Muslim majority countries, understandably given Xinjiang’s demographic make-up. Apart from Pakistan and Afghanistan, cited above, China has also made huge investments in its relationship with Bangladesh, a large country of 160 million people, overwhelmingly Muslim. Friendship with Bangladesh has also been raised to ‘all weather level’, like that with Pakistan. For Bangladesh also China remains, as it has through most of its past, a close partner in trade and diplomacy. Many mutual visits between the leaderships of the two countries underscore this.

With painstaking consistency, therefore, China aims at ‘managing’ its neighbourhood to the west, and create a positive external regional environment as a matrix to obtain its domestic goals in its western regions. For a long time to come, this is likely to remain the hallmark of Chinese policy in this area.

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