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*Report – IN-HOUSE MEETING
with*
**Delegation from Shanghai Academy of
Social Sciences**
April 17, 2019



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PICTURES OF THE EVENT



The Institute of Strategic Studies Islamabad (ISSI) hosted an In-House meeting with a delegation from Shanghai Academy of Social Sciences (SAAS) on April 17, 2019. Members of the delegation included: Prof. Li Kaisheng, Director International Cooperation; Prof. Zhang Yifeng, Deputy Director International Relations, Dr. Liu Jinqian, Dr. Hao Qunhuan; and Dr. Luo Hui. Ambassador Khalid Mahmood, Chairman Board of Governors (BOG) led the ISSI team.

Ambassador Khalid Mahmood welcomed the delegation and said that Pakistan and China enjoy a close relationship based on deep-rooted trust and mutuality of interests. He noted that bilateral cooperation is on upward trajectory. For decades, relationship was focused on strategic and defense cooperation. Now, broader economic dimensions and people-to-people ties are being added to this cooperation for a comprehensive strategic relationship. ISSI is focused on promoting and deepening this bilateral relationship through its China-Pakistan Study Centre (CPSC) which is engaged in research and out-reach on all aspects of Pakistan-China relations.

Ms. Uroosa Khan, Associate Editor CPSC followed with an introduction to ISSI and the work being done by CPSC.

Dr. Li Kaisheng thanked ISSI for hosting the delegation. He informed that every Chinese province has an Academy of Social Sciences, and SAAS is the second largest. It comprises of 16 institutes working on history, sociology, transport planning and international relations among others. He underlined that South Asia is important for China, especially Pakistan. For this delegation, he noted, focus is on investigating the evolution and impact of China-Pakistan Economic Corridor (CPEC), as well as regional issues.

Dr. Talat Shabbir, Director CPSC, briefed the delegation on CPEC highlighting its vision, details, and future potentials. He praised the Chinese vision for promoting economic and social development through its Belt and Road Initiative (BRI). He said Pakistan wants to fully harness the demographic and natural endowment of the country by enhancing its industrial capacity through creation of new industrial clusters, while balancing the regional socioeconomic development, enhancing people's well-being, and promoting domestic peace and stability. He said China has agreed to share its advantage of funds, technology, production, engineering and operational capability with Pakistan for mutual development. CPEC is attracting Foreign Direct

Investment (FDI) into Pakistan's infrastructure, energy and construction sectors. Gwadar Port, he elaborated, has the potential to surpass neighboring ports in terms of trading activity. He briefed the delegation on detailed components of CPEC and its implementation framework spread over a 15-year period agreed to by both countries.

Dr. Li Kaisheng raised a query on the main challenges for the CPEC in near future?

Ambassador Khalid Mahmood, responded that CPEC is a mega-project, thus, challenges are a natural consequence. He pointed out two types of challenges: domestic and external. On the domestic front, the biggest challenge was to develop a national consensus. Each province had different level of economic development and there were different perceptions that had to be reconciled. Following the Joint Cooperation Committee meeting, all provinces are now on board and believe in the importance of CPEC. Second challenge was that of ensuring internal security. Pakistan has dealt with terrorism in a decisive manner, and has raised a Special Security Division (SSD) to provide protection to CPEC project sites and Chinese personnel working on those sites. Third challenge was regarding propaganda spread by countries who may wish to undermine strengthening of ties between Islamabad and Beijing. This is a long-term challenge and requires developing of a counter-narrative to address such propaganda.

On the external front, the major challenge emanates from India and Western countries. US and India have openly opposed CPEC and Belt and Road Initiative (BRI). India does not even attend Belt and Road Forum summits. This is a challenge we still face, because India is trying to subvert CPEC by fomenting trouble inside Pakistan. A clear example is that of Kulbhushan Jadhav, an Indian spy, who has been apprehended and who has admitted that he was entrusted with the job of creating disaffection in Baluchistan.

Western countries, meanwhile, speak double-language. Few countries support the BRI. Many others raise questions that CPEC and BRI is a tool of China to colonize and advance its strategic interests. Pakistan and China, through joint efforts, can address this perception. Europeans have seen the benefits of CPEC projects in Pakistan, and we are glad to note that Italy is joining the BRI.

Dr. Talat Shabbir said that Pakistan and China have not been able to brand CPEC well. When China says it is win-win cooperation, detractors point towards strategic goals of China. Critics also talk of cultural invasion, lack of job creation, trade imbalance between Pakistan and China, and lack of industrial development. We can address propaganda by creating more jobs, focusing on socio-economic development and bringing transparency regarding debt issues.

Prof. Zhang Yifeng asked if Saudi Arabia's participation as third-party would create any potential challenges? Secondly, he inquired, about Pakistan's view on present state of US-Pakistan relations and changing situation in Afghanistan, and its inclusion in the CPEC.

Ambassador Khalid Mahmood said that CPEC is a bilateral project. Third parties can be involved after mutual consultations between Pakistan and China. The terms of third party participation should be such that they are acceptable to both Pakistan and China.

Mr. Najam Rafique, Director Research, responding to the query about Saudi Arabia, stated that the oil refinery project in Gwadar is a bilateral agreement and is not linked with CPEC. Concerns, however, are natural as geopolitics and geo-economics are at play particularly, with regard to Saudi-US alliance. Presently, Saudi Arabia is not part of CPEC as a third party, and any inclusion will be after bilateral consultation with China. On the question related to Afghanistan, Mr. Rafique noted that while negotiations are underway between US and the Taliban, two sticking points remain: withdrawal of US troops and a ceasefire by Taliban. Other concerns are related to an intra-Afghan dialogue i.e. talks between Taliban and the Afghan government as the latter is not directly participating in negotiations. He said that an understanding between Taliban and the Afghan government is essential for peace in that country. He said that China has already invested in some projects in Afghanistan, including mining, and is also involved in proving a forum for talks between Taliban and the Afghan government. However, because of many diverse interests involved, peace in Afghanistan will be a long drawn process.

Dr. Liu Jinqian, stated that India-Pakistan relations are very sensitive due to security reasons and they also has an impact on China-India relations. He inquired views on the issue of Masood Azhar, as India has tried to persuade China to support India's position at UNSC 1267 Committee. Second, he asked, if more information could be provided about India's involvement

in Baluchistan. Third, he also raised a query on US-Pakistan relations, specifically on how Pakistan view's Trump administration pressuring Pakistan on issue of international terrorism?

Responding to these questions, Chairman ISSI underscored that India and US are trying to put pressure on Pakistan. They are using every international forum like UNSC 1267 Committee for the purpose. He informed the delegation that Pakistan has made huge scarifies in fighting terrorism. Pakistan has lost 70000 lives in trying to root out this scourge, and has paid a heavy economic cost. This effort is still ongoing. No country can claim it has defeated terrorism fully. Problem arises when countries indiscriminately term every act of violence as terrorism. Before emergence of terrorism phenomena, law and order issues were there. Today, the label of terrorism is given to every act of violence to malign countries. On violence in Kashmir, the problem lies in not resolving the problem. There should be a United Nations mandated plebiscite to resolve the issue. The current crisis is about indigenous resistance of Kashmiris against India. India claims it is because of Pakistan. Islamabad, however, only provides moral and diplomatic support, as we do not support acts of violence. Pakistan demands that India share evidence on involvement of Pakistani nationals in acts of violence and it shall take legal actions. Pakistan has even offered joint investigation; however, no development has taken place so far. Pakistan seeks to address issues with India through bilateral dialogue. New Delhi, however, refuses to negotiate. Military force cannot be used because both countries are nuclear powers. We remain committed to resolving issues peacefully.

On Pakistan-US relations, Ambassador Khalid Mahmood said there have been many ups and downs. We have been close allies, but our experience has been that when US needs Pakistan, Washington gets close. After Pakistan delivers, US changes its position. Present situation is not only about Pakistan-US relations, it is part of global US strategy. US considers China and Russia as strategic rivals and has plans to counter them. To pursue its policy, US has chosen India to contain China in our region. This affects Pakistan. India might consider China as a rival, but Pakistan remains its arch enemy. US believes it is building Indian capabilities against China, but India can use US supplied weapons to attack Pakistan. India has been emboldened by its close relations with US to dominate this region.

Dr. Luo Hui inquired if religion affects security of CPEC? Chairman ISSI responded that religion is an important part of Pakistan's daily life. Pakistan was created for protection of the rights of Muslims of Indian Subcontinent. Islam, in its essence is a religion of peace. It does not encourage aggression against other people, and mandates adequate protections to minorities. There is a misperception that Pakistan is an extreme religious state. Some people have indulged in activities that are not part of Islam, but the government is trying to curb such activities. On the actions of some people, one cannot blame the whole society. Even in Europe, xenophobia is on the rise these days. He thanked the delegation for a constructive exchange of views.