



H.E. Masood Khalid (Former Ambassador of Pakistan to China)

By PIVOT Team

PIVOT: You have served as Pakistan's Ambassador to China for almost 7 years. How was your experience?

MK: I went to China in January 2013 and returned in July this year – a stint of total six and a half years. It was a memorable experience indeed. I witnessed first-hand the dynamism which drives the Chinese society. During my tenure, two sides maintained the tradition of highest level exchanges. President Xi Jinping paid his historic visit to Pakistan in 2015, and Premier Li Keqiang in 2013, besides several other high level Chinese dignitaries who visited Pakistan. Twelve visits at the Head of State and Prime Minister level took place from Pakistan in six and a half years. China-Pakistan Economic Corridor or CPEC laid the foundation of a new dynamic in Pakistan-China relations. I travelled far and wide in China. Wherever I went, I saw exemplary commitment

of the Chinese people to nation building and the strides the country is making in all spheres of human life. Most heartwarming for me were their friendly sentiments towards Pakistan. Chinese describe their relation with Pakistan as 'Iron Brother'. This is a unique title reserved only for Pakistan.

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PIVOT: What in your opinion are the strengths of Chinese culture, values and Chinese lifestyle?

MK: The Chinese represent an ancient civilization

which is 5,000 years old. Contrary to general impressions, China is a society comprising 56 ethnicities, who take great pride in being 'Chinese'. Confucian teachings play a great part in Chinese family life, characterized by traditions that emphasize education and learning, filial piety, respect for elders and self-sacrifice for the greater good. Co-existence, harmony and balance is emphasized to keep the order in the society. Chinese people are highly disciplined, hardworking and meticulous. Chinese art and craftsmanship are admired the world over for their elegance and exquisite workmanship. What struck me most is their perfection for details, which is their great strength. Chinese people celebrate their festivals with great enthusiasm. They visit their ancestral homes to pay homage to departed ones. They travel quite a bit. Every year about 150 million Chinese travel overseas. Nearly six hundred thousand Chinese students are abroad. China has an excellent public transportation system and government is promoting e-commerce and e-finance. Although China calls itself a developing country Chinese people now enjoy modern services and facilities.

PIVOT: What do you think has played a central role in making China a successful nation in a couple of decades? What lessons can Pakistan learn from China?

MK: Since the foundation of the People's Republic of China in 1949, the Communist Party of China (CPC) has played a central role in steering the country's path to development. China has passed through difficult times and faced numerous internal and external challenges. However, it is the leadership of the party and its vision, combined with hard work of the Chinese people which has made this success possible. While retaining its own unique system of governance, China has not hesitated in adopting the best practices of other countries for improving its model of economic development. Foreign investment and infusion of foreign technology has played an important role in making China into a factory of the world and the largest trading nation. Their success can be attributed to sound planning of projects, their vigorous implementation and close monitoring and oversight. China has succeeded in establishing a nexus between academia and industry to apply research for national plans. There are specialized research bodies which give their input to government on technical aspects of plans. China has invested in its

human resource by spending about 4% of its GDP on education and about 2 % on R&D. It is quickly becoming a knowledge economy.

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China has succeeded in developing a work force which is highly skilled and productive, and follows a strict code of work ethics. A system of rewards and punishment exists where high performers are acknowledged while those defaulting punished. The party also hosts regular training programmes for policy makers and designers of national policy. The training modules are geared towards national goals of development and ideological imperatives. China has set national targets to become a fully modern and prosperous society by 2049 when it completes 100 years of modern China. China has done a modern day miracle by lifting nearly 800 million people out of poverty. Our policy makers and planners need to study Chinese model of development with particular focus on project planning on scientific lines and their seamless implementation. At the national level we need to pay more attention to education and on science + technology.

PIVOT: In the current scenario, how do you see Pakistan-China relations?

MK: Pakistan and China are close friends and reliable partners. Our 'all weather strategic cooperative partnership' is a unique account of mutual trust and respect. Our relationship is

based on shared principles and interests, and forms the foundation of cooperation in diverse fields. This relationship has over time transformed into a model of inter-state relationship. In the past seventy years, this relationship has been strengthened in political, defense, economic, cultural and several other fields.

China has extended support to Pakistan on crucial issues such as NSG and FATF. We also coordinate on UNSC reform issue, listings under security council sanctions regime and development related issues within the ambit of G77

People to people contacts have also increased in recent years. China is Pakistan's largest trading partner. Since the launch of CPEC, this relationship has been elevated to an even higher level. In the backdrop of evolving regional

dynamics, this relationship has become even more important. Both sides value this relationship and are determined to take it to new heights.

PIVOT: How do you foresee the future of Pakistan-China relations given your long diplomatic experience in China?

MK: An important hallmark of Pakistan-China relationship has been its resilience and unique nature. This partnership has weathered all storms and has stood the test of time. It has remained unshaken and unaffected by domestic or international changes. Both countries have helped each other even when they were under pressure not to do so. The graph of Pakistan-China relations has confidently moved upwards in all these decades, and today, this is truly a multi-dimensional partnership. Over the decades, the leadership of each country has invested in this relationship and it is now etched in the hearts and minds of our two people. This relationship has a natural propellant to grow, and it will.

PIVOT: How significant has been China's support to Pakistan at international fora?

MK: China and Pakistan cooperate closely with each other at international fora. Pakistan



values China's principled stance on the Jammu & Kashmir dispute. China has extended support to Pakistan on crucial issues as NSG and FATF. We also coordinate on UNSC reform issue, listings under security council sanctions regime and development related issues within the ambit of G77. Pakistan and China have established several institutional mechanisms to coordinate on multilateral matters. Similarly, Pakistan supports China on core issues of its national interest like Taiwan, Hong Kong, etc.

PIVOT: How can Pakistan capitalize its relations with China as China positions itself to be a major regional and global power?

MK: Pakistan regards its relationship with China as a cornerstone of its foreign policy. This relationship serves the cause of peace and stability in our region. China is the second largest economy and a major global and regional power, playing an important role in international affairs. China is our neighbour, with which we have enjoyed a close relationship. China is opening up its westward region and its proximity with Pakistan presents new opportunities for mutually beneficial collaboration in economic sphere. Both are SCO members and endeavouring to forge closer economic cooperation with Central Asian countries.

New alignments and re-alignments are shaping the geopolitical landscape of our region and in that context Pakistan remains highly relevant, whether it is South Asia, Afghanistan, Central Asia, or Middle East

Pakistan has the unique geographical advantage of being a bridgehead between China, Central Asia and South-west Asia. New alignments and re-alignments are shaping the geopolitical landscape of our region and in that context Pakistan remains highly relevant, whether it is South Asia, Afghanistan, Central Asia, or Middle East. I see Pakistan's role as a 'balancer' and a 'peacemaker' in the evolving

scenario. China and Pakistan can mutually complement each other's efforts for peace and development in the region, and promote intra-regional economic cooperation within the ambit of BRI.

PIVOT: What are your assessments on BRI as a model for economic growth? Do you think it can become an inclusive model?

MK: Since its launch, BRI has become the most popular public good and the biggest cooperation platform of the 21st century. After six years of groundwork and development of comprehensive framework, the BRI has entered into the phase of solid progress and sustained growth.

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More than a hundred countries are now partners in this venture. BRI has been incorporated in the outcome documents of the international organizations including the United Nations, SCO and the China-Africa cooperation Forum. China has made its intention known that it seeks to work with the international community to play its role for an open, cooperative and mutually beneficial world. As a responsible major power, China hopes to play a comprehensive role in the resolution of issues of global importance, enhance investment cooperation with other countries under BRI. The initiative has already brought tangible benefits for partner nations, including Pakistan, and I am certain that it will continue to push forward the process of global growth and enhanced connectivity between various regions and economies.

PIVOT: In your opinion, how significant is CPEC for Pakistan?

MK: I view CPEC as a window of opportunity for Pakistan to improve its infrastructure, enhance its growth, trade and investments and become a hub for regional connectivity and



economic cooperation. CPEC is helping Pakistan to improve its economic standing in the region. In the first phase of early harvest projects, Pakistan has been able to overcome its energy shortfall and reduce incrementally its deficit of transport infrastructure. Cooperation under CPEC in the next phase will improve Pakistan's agriculture sector, port infrastructure, oil and gas sector and create opportunities for livelihood through socio-economic projects. Special Economic Zones will help industrialization of Pakistan. Transformation of our railways sector, neglected in the past, will improve logistics, cut cost of internal and external trade and enable connectivity with our regional partners. Pakistan will earn revenue through transit trade rights.

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The development of Gwadar Port, Gwadar Smart City and its allied infrastructure, will help address poverty in Balochistan. Already, exports of seafood has started for China and other countries from

Gwadar Port. The development of Gwadar Fisheries sector will give a major boost to local economy. National economy can be transformed if we invite foreign capital and technology to explore our mineral resources. I am confident that the Chinese companies have the capacity to help us optimize our potential in this sector. All in all, CPEC serves the interests of both Pakistan and China. It will help Pakistan attain a level of economic takeoff.

PIVOT: Do you think in future CPEC will be able to meet the expectations of the common man in Pakistan?

MK: Reportedly, CPEC has generated about 75,000 local jobs. In the next phase of CPEC, more projects are expected to be launched which will boost this figure. Moreover, setting up of manufacturing units in envisaged special economic zones (SEZs) will further help in employment generation and boost Pakistan's exports. CPEC provides our workforce an opportunity to take full advantage of the learning curve and put the country on the road of self-reliance. Pakistan needs investment and transfer of technology in order to be part of the global supply chain. China is willing to do investment and transfer technology through training and skill development programs. If we achieve the targets set by CPEC, people will feel the real change in their life in terms of higher GDP, higher per capita income etc. While CPEC can significantly improve Pakistan's economy, it is imperative that both sides work earnestly to achieve its targets and jointly deal with any impediments on the way.

PIVOT: What do you think are the pressing challenges in achieving the CPEC dream?

MK: CPEC is an economic partnership project with a potential to transform Pakistan into a geo-economic hub. Upon completion, the CPEC will optimize Pakistan's geographical position at the crossroads of Central Asia, Middle East and South Asia. In the first phase of CPEC, significant progress has been made in energy and infrastructure sectors. As we move on to the next phase, expanding on the existing progress, there will be need to inject more synergy in the planning and implementation process on both sides.

Coordination and regular interaction between the concerned ministries and departments of the two countries could guarantee the success of the project. Due diligence, transparency and mitigation of environmental concerns should be accorded due consideration. Pakistani side will also need to prioritize projects to be financed under CPEC as arranging finances will pose some challenge. A major challenge on the external front is to counter the machinations of our detractors who are raising doubts about CPEC. Both governments need to forcefully dispel the propaganda regarding the so called debt trap, transparency and alleged colonization of Pakistan's economic resources by China through effective media management. In the energy sector, while we have been able to increase our energy production capacity, distribution and transmission remains a bottleneck which will require attention. In the context of industrial cooperation, Pakistan will have to create an enabling environment through preferential policies to attract relocation of Chinese manufacturing capacity in our Special Economic Zones. The countries which have succeeded in attracting foreign investment have given such special incentives. Even China offered such incentives for its economic zones. Success of the SEZs will be a litmus test for CPEC. Security will require our continuous attention and close coordination between the security agencies of two sides.

PIVOT: Culture generally and language specifically seem to be barriers between the two nations. What would you suggest to overcome these pressing concerns?

MK: I agree that language is a barrier, but countries do business with each other and transact trade despite such barriers. Pakistan and China are not unique in that sense. Lately, there has been great effort on both sides to overcome this barrier. Chinese language is becoming quite popular and

many leading universities and colleges in Pakistan are giving courses in Chinese language. Confucius Institutes in Pakistan are also engaged in promoting Chinese culture and language. In China too, several universities have established Pakistan Study Centres and Urdu departments. There are 28,000 Pakistani students in China, who are not only engaged in respective academic pursuits but are also acting as Ambassadors of friendship between the two countries. They are an asset for Pakistan since their knowledge and expertise could be utilized for CPEC-related projects, overcoming the language barrier to a greater extent. But I agree we need to invest more in knowing about each other through language and cultural interaction.

Pakistan needs investment and transfer of technology in order to be part of the global supply chain. China is willing to do investment and transfer technology through training and skill development programs

PIVOT: How people to people contacts can be enriched to deepen the relationship between Pakistan and China?

MK: CPEC is playing a significant role in enriching people to people contacts as it has resulted in an increase of cross flow of nationals. Frequency of visits on both sides is on the rise. Various platforms have been established to promote collaboration in cultural, educational and media fields. Apart from official interactions, there is regular flow of entrepreneurs, scholars, academics and media persons between the two countries. We have a number of sister city linkages between the two sides, which need to be substantially enhanced as they will help in promoting business and trade as well as educational and cultural links. Here I must say that we are not taking full advantage of these twinning arrangements. Media plays an important role in forming public opinion. Both sides should actively promote exchange of films, TV dramas and joint production of films and documentaries to create cultural awareness about each other. A separate mechanism under CPEC to promote cooperation in arts and films could be established. I strongly believe that in today's world of

globalization, countries like Pakistan need to follow cultural cum commercial diplomacy to promote tourism and business links with outside world.

PIVOT: Do you think Gwadar Port can play a pivotal role in improving regional integration?

MK: The development of a port takes time. Activity is now picking up in Gwadar. The Free Zone has completed its first phase. Work has started on Gwadar Airport. Other significant projects include Gwadar Eastbay expressway, power plant, schools, hospitals. Good news is that export of sea products has already started from Gwadar to third countries highlighting its potential. Gwadar is an important port in terms of its location. It is very close to the Persian Gulf and the Middle East, and it will link up with China through Kashgar. We already have the Karakoram Highway (KKH) which is being upgraded so as to serve as the main artery for trade between Pakistan and China, as well as with regional countries.

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The idea is that exports from China pass along this road, reach Gwadar and then transshipped to Africa and Europe. In terms of distance and cost, Gwadar will be very competitive. The whole of Central Asia is landlocked and these countries need access to the seas for their commerce and trade. We have an ideal location to serve as a conduit. Pakistan and China are mutual neighbors of Central Asian countries, so Gwadar Port will give a big impetus to the economic development of the entire region. We are confident that the port will play an important role in promoting China's

commerce and business through Pakistan with the outside world and vice-versa. In the long run, we hope Gwadar and Kashgar will be linked through energy pipelines and communication infrastructure. Gwadar Master Plan is to develop it as a smart city. We hope this to happen in coming years.

PIVOT: Do you think CPEC can act as a catalyst for peace and stability in the South Asian region?

MK: Both Pakistan and China have made it clear that CPEC is not against any country. Rather it is a venture of bilateral economic cooperation between two sovereign states. It will help meet Pakistan's development needs and infrastructure deficit. Both sides have already agreed to sponsor some projects under CPEC in Afghanistan, which manifests its regional dimension. Special Economic Zones will be open to third countries on project need basis. South Asia is mired in poverty and underdevelopment. It is the least connected region in terms of inter-regional trade and business. I think CPEC offers an opportunity to Pakistan to not only accelerate the pace of its economic development but also to regional countries to develop win-win partnerships, which will help promote peace and stability in South Asia. CPEC has the potential to introduce a new development paradigm in the region.

PIVOT: What areas in your opinion need to be addressed with a view to make CPEC a success?

MK: CPEC is a flagship project of Belt & Road initiative. It has the support of the leadership and people of two countries. Both governments have a stake in its success and are committed to it. However, in order to ensure that both sides will need to maintain effective coordination and harmony in planning and execution of agreed projects. Lessons learnt from the first phase of CPEC should be applied so as to avoid problems in the next phase. Threadbare discussions from the standpoint of technical and financial viability of projects is necessary before JCC approves them. Pakistani side also needs to streamline its licensing and approval processes and create a truly one window operation to attract Chinese SMEs in our industrial parks and economic zones. A continuous vigil is required for the security of Chinese personnel and projects to thwart the evil designs of our adversaries who wish to see CPEC derailed. More robust media campaign is required to counter disinformation.

PIVOT: What is China's vision of future Pakistan?



MK: China regards Pakistan as an important Muslim country, a key player in the region and a trusted friend. China appreciates that Pakistan stands shoulder to shoulder with her on issues of its core concern. China also lauds Pakistan's developmental efforts to improve the livelihood of its people. It supports Pakistan's counter-terrorism efforts and its key role in facilitating peace in Afghanistan. China supports peaceful means to resolve disputes between Pakistan and India, including the Kashmir issue. It would like to see peace and stability in South Asia and recognizes Pakistan's vital role in this regard. China wishes Pakistan political and social stability, and is prepared to help Pakistan to improve its economy. As a long standing friend, China wishes Pakistan peace and progress, and envisages her making a constructive contribution towards peace and stability in the region. China would like Pakistan to continue to play its key role in promoting BRI and mutually accomplish the vision of CPEC. China attaches great importance to its strategic ties with Pakistan and would like to further consolidate them.

PIVOT: What should be Pakistan's vision of China?

MK: I do not think there is any confusion in our minds about the importance and the rationale of relationship with China. Both countries have demonstrated their time-tested friendship, exemplified by such clichés as 'friendship higher

than the mountains and deeper than the deepest oceans'. China has stood by Pakistan, be it 1965 or 1971 wars, Kashmir issue, and Pakistan's core interests e.g., NSG, FATF. China assisted Pakistan in its socio-economic development even preceding CPEC. Several mega projects like Karakoram Highway, Heavy Mechanical Complex (HMC) at Taxila, Kamra Aeronautical Complex, Chashma Nuclear Power Plants are some prominent examples. China is our biggest trading partner and has been the largest source of FDI. Both countries have just concluded the second phase of FTA, whereby market access of more than 300 tariff lines would be available to Pakistani exporters at par with ASEAN countries in a vast market of 1.4 billion people. Our cooperation in defense and space fields is a strong pillar of our bilateral relationship. China is also providing a large number of scholarships to Pakistan to help build a solid knowledge base. It is imparting training to our experts and professionals in various fields for capacity building. Our technicians and workers are benefitting from Chinese skills and technology in Chinese assisted projects. China is now the second largest economy of the world, which is embarked on breaking new grounds in the fields of technology and innovation. It is a major player in international affairs. No global narrative is complete without China. Pakistan's partnership with China is a source of strength for us. It is a strategic imperative for both as we share a mutual vision for peace and prosperity of the region. We have full confidence in our traditional friendship which started decades ago and is unbreakable. The destinies of our two countries are tied together. Pakistanis should regard China as their true friend.

PIVOT: What is the future of Pakistan-China relations?

MK: As the past testifies, our relationship is rock-solid and has withstood all pressures. People of two countries are the guardians of this relationship. China and Pakistan share convergence of views on global and regional issues. CPEC has added an entirely new dimension to our strategic ties. Our partnership is resilient and capable of facing all challenges. We need to invest all our energies in solidifying this unique relationship. I am confident that this relationship will continue to forge ahead, serve the interests of our two nations, and will be an anchor for peace and stability in the region ■