



Iron Brother Relations under The Belt and Road Initiative

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Abstract: In 1951, China established diplomatic relations with its neighbouring country Pakistan. Over the past 71 years, the two sides developed good-neighboring friendship and mutually beneficial cooperative relations on the basis of the Five Principles of Peaceful Coexistence. Under the background of The Belt and Road Initiative, the two sides enhanced the relations to all-weather strategic partnership, which is known as Iron Brother relations as well. CPEC is a model project of the Belt and Road Initiative, since it will boost economic development and create new business and job opportunities, helping to reduce poverty in Pakistan. CPEC will improve trade and linkage between China and Pakistan and the rest of the world by opening new opportunities, optimizing business, and enhancing cooperation in accordance with the win-win model. By reviewing the Belt and Road Initiative and CPEC, this paper is to explore how the friendship of the two sides developed and what lessons can be learned from this model international friendship. The paper discusses the national interests, fundamental diplomatic principles, and the blueprint of building a community of shared human destiny respectively.

Keywords: CPEC, BRI, cooperation, iron brother, relation

The Belt and Road Initiative

The Belt and Road Initiative (BRI) is short for Silk Road Economic Belt and the 21st Century Maritime Silk Road. Also known as “one belt, one road”, it is a transnational economic zone initiated and led by People's Republic of China in 2013. It covers the countries and regions along the Silk Road and Maritime Silk Road that historically passed through China, Central Asia, West Asia, the Indian Ocean coast and the Mediterranean coast.



Figure 1: map of BRI (source: The State Council Information Office of the People's Republic of China)

BRI is a way for win-win cooperation that promotes common development and prosperity and a road towards peace and friendship by enhancing mutual understanding and trust, and strengthening all-round exchanges. BRI run through

the continents of Asia, Europe and Africa, connecting the vibrant East Asia economic circle at one end and developed European economic circle at the other, and encompassing countries with huge potential for economic development. Initiated by China, BRI is serving the people of the globe, who are different in historical traditions, cultures and beliefs, and social systems and lifestyles. Despite many challenges, it aims to promote peaceful development and economic cooperation, instead of forming a geopolitical or military alliance.



Figure 2: Five major areas for BRI Cooperation (source: The State Council Information Office of the People's Republic of China)

The concept and ideas of BRI cooperation have been written into the outcome documents of the United Nations, G20, APEC and other important international organizations, and have become a development platform for all parties to actively dovetail. By the end of March 2022, China has signed more than 200 cooperation documents with 149 countries and 32 international organizations, covering a wide range of fields such as connectivity, investment, trade, finance, science and technology, society, humanities, people's livelihood, and the sea, and the number of members of BRI family is increasing. According to a World Bank study, BRI will lift 7.6 million people out of extreme poverty and 32 million out of moderate poverty in related countries, and will increase trade in participating countries by 2.8% to 9.7%, global trade by 1.7% to 6.2%, and global income by 0.7% to 2.9%.^[1]

CPEC and China-Pakistan Relations

Since the establishment of China-Pakistan diplomatic relations in 1951, the governments and peoples of the two countries have developed a profound friendship and win-win cooperation through mutual understanding, mutual support, and mutual respect. The two sides shared glory and hardship in the past 71 years. With the official visit of Chairman Xi Jinping to Pakistan in 2015, the two countries upgraded China-Pakistan relations to an all-weather strategic partnership, marking a new era of journey of all-round strategic cooperation^[2].

China-Pakistan Economic Corridor (CPEC) is a major and pilot project of BRI, to which the leaders of our two countries have attached great importance and rendered active promotion. It has also won the across-board support from the two peoples as it aims to provide new opportunities to the citizens as well as bring new impetus and vision to China-Pakistan friendship. While the initial investment was \$46 billion, its present value has increased to \$62 billion. From Pakistan's perspective, the CPEC holds significant potential for the country's prosperity and development and represents a journey toward economic realization in the globalized world. The corridor will boost economic development and create new business and job opportunities, helping to reduce poverty in Pakistan. The CPEC will

improve trade and linkage between China and Pakistan and the rest of the world by opening new opportunities, optimizing business, and enhancing cooperation in accordance with the win-win model.

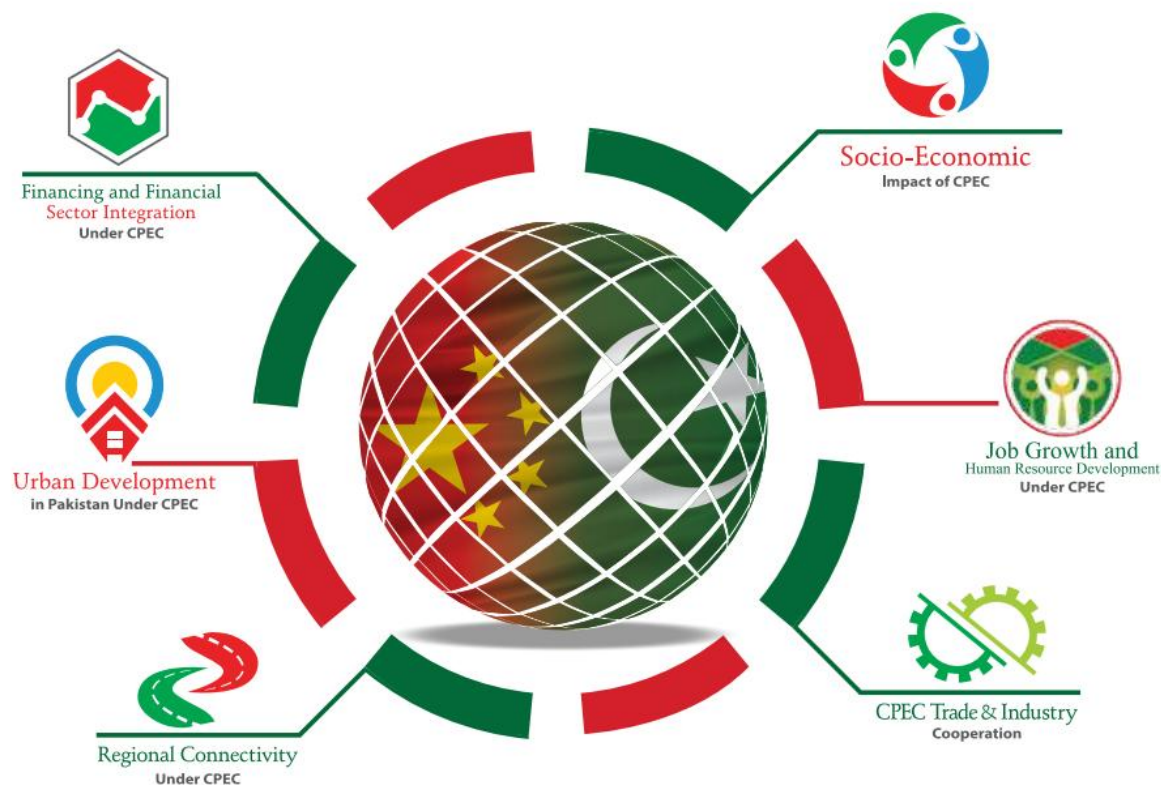


Figure 3: Benefits of CPEC (Source: CPEC Quarterly, Volume 3, 2019)

The two governments agreed to build a "1+4" economic cooperation layout with the construction of CPEC as the center, focusing on collaboration on Gwadar port, energy, transportation infrastructure and industrial cooperation. CPEC is hope of better region of the future with peace, development and growth of economy^[3].

Economic Cooperation between the two sides

CPEC is of great strategic importance to both countries. In the joint statement issued by China and Pakistan on 7 February 2022, the two countries agreed that CPEC has significantly contributed to Pakistan's economic and social development, in line with its shift to geo-economics and the economic security agenda of promoting trade, investments, and connectivity^[4]. Under the construction of CPEC, the economic and trade cooperation between China and Pakistan has been on the rise. China has become Pakistan's largest trading partner for six consecutive years, the largest source of imports and the second largest destination of exports, and the largest source of foreign direct investment in Pakistan for seven consecutive years, and Pakistan is also one of the important markets for China's overseas construction contracts. The employees of Chinese enterprises have been working hard and serving the overall situation in Pakistan, making great contributions to the economic and social development of Pakistan and making good friends with the Pakistani people, which has also promoted the steady development of China-Pakistan all-weather strategic partnership between the two countries.

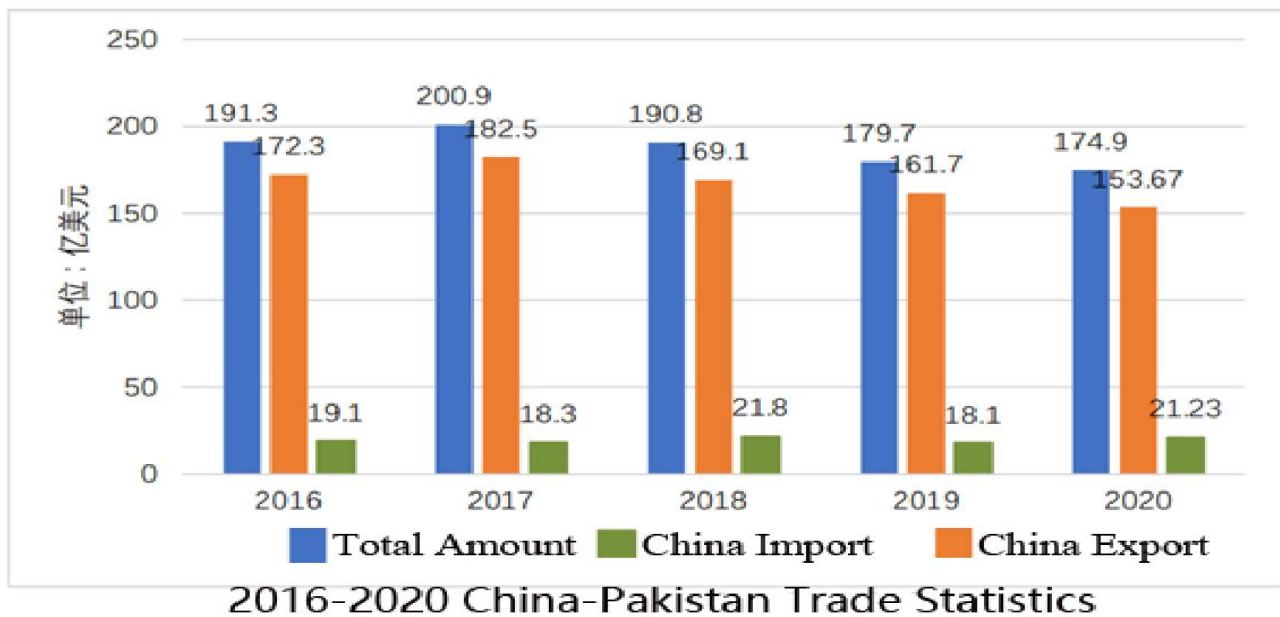


Figure 3: 2016-2020 China-Pakistan Trade Statistics (Source: Ministry of Commerce, China)

In 2021, Bilateral trade between China and Pakistan set a new record. Data from the Ministry of Commerce of the People's Republic of China show that from January to December 2021, China-Pakistan trade volume was \$27.82 billion, a rise of 59.1 percent over the last year. Among them, China's exports to Pakistan were \$24.23 billion, a rise of 57.8% over last year; imports from Pakistan were \$3.59 billion, a rise of 68.9%. Among them, Chinese enterprises to Pakistan's non-financial direct investment amounted to \$590 million, an increase of 1127.2%. Despite the pandemic, the trade relations between two sides improved fast^[5].

Pakistan attaches great importance to digital technology and green economy. In 2018, Pakistan introduced 'Digital Pakistan policy, which aimed to bolster the IT industry by building a digital ecosystem. Taking a step forward PM Imran Khan launched a 'Digital Pakistan Vision' in December 2019 with an aim of enhancing connectivity, improving digital infrastructure, increasing investment in digital skills, promoting innovation, and tech. entrepreneurship^[6]. On August 6, 2020, the Council of Common Interests (CCI), Government of Pakistan, , approved the Alternative and Renewable Energy (ARE) Policy 2020 that offers generous tax facilities to investors and promises induction of power plants on open competitive bidding for lowest tariff and technology transfer. This policy is to expanded scope to all alternative and renewable energy sources, competitive procurement and addresses areas like distributed generation systems, off-grid solutions, B2B methodologies and rural energy services^[7]. CPEC has solved the energy crises in Pakistan and the basic infrastructure of the nation has been improved greatly. There is no doubt that the two countries will seek new collaborative opportunities for development in these areas.



Figure 4: Minister for Energy Omar Ayub Khan said the policy is to increase the share of renewable energy to 60 percent by 2030.(Source: Dawn)

Friendship despite changes

In April 2022, Pakistan received its new government. Shahbaz Sharif was elected as the 23rd Prime Minister of Pakistan after receiving 174 votes in the prime ministerial election in the parliament. The newly elected Prime Minister is a strong supporter to China-Pakistan relations. In a interview with

Global Times, Sharif said, "The Pakistan-China all-weather strategic partnership is deeply rooted and covers all areas

of bilateral cooperation between the two countries. Nurtured by generations of leaders from both countries, there is a full consensus across the political spectrum in Pakistan to further deepen the strategic partnership. In recent years, relations between the two countries have seen great development, and cooperation between the two countries in various fields such as politics, economy and diplomacy has been carried out comprehensively and deeply, opening a new chapter in the construction of CPEC^[8]. Despite the political changes in Pakistan, Chinese stood with Pakistan to keep the friendship moving forward^[9]. Mr. Zhao li Jian, the spokesperson of Ministry of Foreign Affairs of China, expressed officially that “no matter how the political situation in Pakistan changes, China will unswervingly adhere to its friendly policy towards Pakistan. We believe that political changes in Pakistan will not affect the overall situation of China-Pakistan relations. Whether it is international changes or domestic changes, China-Pakistan relations remained, remains and will remain unchanged.”

Lessons from Iron Brother Relations

The stability of inter-state relations and the way in which great powers relate to other countries is an important factor for a country to handle international relations. The partnership between China and Pakistan is based on the national interests. It is an all-weather strategic partnership based on equality and mutual benefit^[10]. Through the growth of iron-brother partnership, China and Pakistan have achieved remarkable results in political, economic, cultural and economic and trade development, which provided lessons and inspiration for China to develop a new type of major international partnership.

National interests is the of the top priority among international relations. Regardless of the changes in the international environment or the domestic situation of the two countries, China and Pakistan have always stood together on issues involving each other's core interests, and have trusted and supported each other. The core interests of the country relate to international exchanges and cooperation. China adhere to the principles of peaceful development and not interfering with the political system or policies of the other country. Therefore, while developing international partnership, China always respects the choices made by other countries and does not interfere their the political decisions .On the basis of mutual respect, China has been willing to develop close international relations with the partner countries in the world with a positive and open attitude. This is the fundamental rule for China to invite countries to join in BRI.

China makes friends all over the world under the principle of being open and inclusive. The partnership between China and Pakistan set an example of international partnerships. BRI has received the support from many countries and regions around the world, especially those in Central Asia, West Asia, Africa and some developing countries in Europe. China is implementing BRI under the basis of mutual benefit and peaceful coexist, and a large number of infrastructure projects are under construction with the help of Chinese government and enterprises, attracting more and more countries to join in BRI. Pakistan, a country that benefited most from CPEC in terms of infrastructure, energy, economy and Gwadar port, is a live example to show the world the potential of BRI. By building CPEC, China offers the world a platform for the world to realize regional connectivity and global prosperity.

While developing partnerships, China strives to build a community of shared human destiny. Entering in 21 century, the international situation is not stable and peaceful, with natural disasters, regional conflicts and global challenges happening from time to time. Covid-19 pandemic brought the world into a ear of corona virus that threatens lives of all from 2020. The pandemic changed world ever since. A large number of the unemployed slowed down the economic growth of all countries. In this context, China undertook strict prevention and management policies and it was well recognized that China was the only country to put the pandemic under control. On the other hand, China shared its experience in handling the epidemic with the international community and provided the international community with material assistance. During the worst period of Wuhan Pandemic at the beginning of 2021, Pakistan took the initiative to provide timely assistance to China. Pakistan’s generosity was returned by China for offering 13 tonnes of medical supplies when Pakistan was suffering from corona virus. In this global epidemic war, China has demonstrated the responsibility and mission of a great power through mutual help and support with Pakistan. By building a community of shared human destiny, countries can unite as a family to face global risks and challenges.

Summary

CPEC has become a model for promoting high-quality international cooperation and development. The two countries have pushed CPEC into a new phase focusing on production energy cooperation, agriculture, social and livelihood areas. Significant progress has been made in the joint construction of Gwadar Port, which is moving towards the strategic goal of being a logistics hub and industrial base.

Over the past 71 years, the cooperation between the two countries has touched every aspect and is still growing. In face of the COVID-19 pandemic and global and regional challenges, it is important for the two countries to strengthen strategic communication and coordination. Pakistan-China friendship will continue to flourish in the future, serving the

people of both countries, global peace and stability. China is willing to engage in friendly partnership exchanges and cooperation with countries around the world, and work together to write a new chapter of win-win cooperation in the world.

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