

## Gilgit-Baltistan:

### Essential link of the Pakistan-China strategic axis \*

By André Burstin

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## **I. Introduction to Gilgit-Baltistan**

### **A. Physical and Human geography**

Formerly known as the “Northern Areas”, Gilgit-Baltistan is the northernmost part of Pakistan-controlled Kashmir. The region covers an area of seventy-three thousand square kilometers nestled in the western Himalaya range, between Afghanistan's Wakhan Corridor to the North, China's Xinjiang Uygur Autonomous Region to the East and North-east, India's Jammu and Kashmir to the South-east, Pakistan's Khyber Pakhtunkhwa province to the west and Pakistan-controlled Azad Kashmir to the South-west. This geographical position at the meeting place of the 3 Great Mountain Ranges, the Karakoram, Himalayas and Hindu Kush represents a strong strategic importance for both Central Asia and South Asia's balance of power. On the other hand, the extreme environmental conditions that prevail in these mountains are also hindering the region's potential for human and economic development.

From an administrative point of view, Gilgit-Baltistan is organized into two main divisions: Gilgit and Baltistan. They are further subdivided, respectively, into five and two districts: Gilgit, Ghizer, Diamer, Astore, and Hunza Nagar; and Skardu and Ghanchi. The population is estimated at around two million people, comprising of various ethnic and religious backgrounds (most of the people belong to the Balti, Shin, Burushu, Khowar and Wakhi ethnic groups). Members of Shiite-affiliated groups make up the majority of the population, but the region also an important Sunni minority. As we'll discuss later, ethnic and religious animosities have become a worrying factor of instability in the recent past.

Gilgit-Baltistan was ruled directly from Islamabad under a special constitutional and administrative status from 1974 until 2009. At that time, President Ali Asif Zardari announced the Gilgit-Baltistan Empowerment and Self-Governance order, which aimed at providing “greater political empowerment and better governance to the people of Gilgit-Baltistan”. Hence, the reform has created the functions of “governor” and “chief minister”. The incumbent of these positions are Karam Ali Shah and Syed Mehdi Shah, who are both members of the president's Pakistan People Party. One has to note that the process has thus far failed to realize a real empowering of Gilgit-Baltistan's authorities, which remain unable to confront important issues such as the social and economic consequences of dramatic snowfalls and endemic unemployment.

### **B. Turning towards China to address economic challenges**

Despite these political progresses and statement of intentions, there has been a growing feeling of abandonment and despair among the population over the past few years. The region's economy indeed suffers from geographical isolation and lack of industrial and infrastructures investment, such as energy, transportation or water supply. The rising unemployment level and the skyrocketing inflation rates have fuelled a wave of civil unrest in the past few months. Moreover, there has been an

increase in Sunni/Shiite sectarian violence throughout the year 2012. Calm has been restored in the region in what has been labeled as a “great achievement of the autonomous government and of the Pakistan People Party.” The feeling of insecurity however remains very strong among all the region’s religious communities.

It is also worth mentioning that an inflation price control committee, which was established to fight inflation, failed to stop the rising prices of essential products such as staple food and winter garments. In this context, Prime Minister Raja Pervez Ashraf reaffirmed that the development of Gilgit Baltistan was among the top priorities of the government. Authorities in Islamabad and regional authorities have therefore been trying to build stronger links with China, especially with China's Xinjiang Uygur Autonomous Region. On July 2, 2012, Gilgit-Baltistan’s Governor Pir Syed Karam Ali Shah met his counterpart from Xinjiang Nur Bekri in the Chinese city of Urumqi in order to promote bilateral trade and tourism.

In this way, Pakistan hopes to enjoy financial spinoffs generated by the latest Chinese five-year investment plan in Xinjiang. Moreover, several sources have mentioned in February 2012 the existence of a proposal to lease the region to China for the next 50 years as part of a new Pakistan-China strategic program. The fact hasn’t been confirmed from officials, but one has to recall that the 6,000 square kilometers Trans-Karakoram Tract, which borders Gilgit-Baltistan to the East, was already ceded by Pakistan to the People’s Republic of China in 1963.

## **II. Affirmation of a long lasting “All-weather” friendship**

On May 21, 2011, Chinese President Hu Jintao and Pakistani President Asif Ali Zardari, exchanged congratulatory messages to mark the 60th anniversary of diplomatic ties between their countries. Pakistani Prime Minister Yousef Raza Gilani also met his Chinese counterpart Wen Jiabao during a four day visit in Beijing. On this occasion, Pakistani ambassador Mohammad Masood Khan stated that the friendship between the two allies was “higher than the mountains, deeper than the oceans, stronger than steel, dearer than eyesight, sweeter than honey, and so on.” In answer, the Chinese leader praised the “huge sacrifices” and the “important contribution to the fight against terrorism” made by Pakistan, emphasizing on the imperative to “respect the country’s independence, sovereignty and territorial integrity”.

In time of troubles for the United States-Pakistan alliance after U.S. navy seals killed Osama bin Laden in Abbottabad on May 1<sup>st</sup> 2011, the demonstration of friendship appeared as a clear message addressed to the United States and the European Union. For Pakistan, the objective was to prove to the Obama administration that China could replace the United States as the country’s main financial patron and military ally. It is worth noting that Former Pakistani President Pervez Musharraf had already shown his strong determination to strengthen Pakistan’s position as China’s closest regional ally. At the time, this stance had already been considered as an attempt to

get more independence for his country within the “special relationship” with the United States, especially in the framework of the war against terrorism.

However, the importance of this relationship, as well as the prospect of seeing China taking the United States’ Place in South Asia, have to be tempered by several regional and global developments.

- First, the traditional importance of the Pakistani alliance has declined in recent years due to the improving diplomatic and commercial relations between China and India. Moreover, the increase of the Chinese military, political and economic strength made the country less reliant on allies in case of a very unlikely military conflict with India.
- Secondly, the stabilization of Pakistan is an objective shared by China, the United States and the European Union, especially within the framework of the Western withdrawal from Afghanistan. One has to note that several Chinese-run infrastructure projects were targeted over the past few years by Jihadi terrorists across the Pakistani territory. Moreover, China has blamed Pakistan-based terrorist groups for a series of deadly attacks and violent unrest carried out in Xinjiang.
- Thirdly, although Beijing has appeared as a far less demanding ally than the United States, it has not replaced Washington as an aid-provider. Despite the fact that China has become Pakistan’s main military supplier it has indeed refused to give a bail-out package expected by Pakistan to overcome the economic crisis in 2008, hence highlighting the enduring role of the United States and of the international financial institution as guarantors of Pakistan’s survival in the short-term.

As one can see, emphatic declarations of friendship cannot hide the fact that many hurdles remain in the establishment of an exclusive strategic partnership between Pakistan and China, at least in the medium-term. However, the space of cooperation between the two countries should widen in the future, as shown by the specific case of Gilgit-Baltistan.

### **III. Practical aspects and prospects of the China-Pakistan alliance**

#### **A. Historical background**

For decades, the Himalayan range has demonstrated the importance of an alliance between China and Pakistan. To recall, China has maintained a military presence in the region since the takeover of Aksai Chin after the war with India in 1962. Moreover, as we have mentioned earlier, Pakistan ceded the Trans-Karakoram Tract to China in 1963, although the agreement was never recognized by India.

Although China never intervened directly in the Pakistani-Indian conflict over Kashmir, this situation gave a significant advantage to Beijing, as it forced India to be prepared for a two front war in case of a potential confrontation with India in Kashmir over the control of the contested territory of Arunachal Pradesh.

This situation may be less important given the improving relationship between China and India. However, it explains why the Indian military has warned about the increasing military presence of the People's liberation army in Gilgit Baltistan, where "an estimated 7,000 to 11,000 soldiers" have been deployed according to The New York Times.

### **B. Valuable asset for Xinjiang's development objectives**

Behind the military aspect, an increased Chinese presence in Gilgit Baltistan might be essential to ensure the realization of its development plans for the Xinjiang autonomous region. Although the local economy has badly suffered from the Pakistani bureaucratic inflexibility over the last few decades, it is said to be rich in many natural resources, including uranium, copper, gems and gold that might be used for implementing Chinese economic objectives in its Far West.

Moreover, the building of road and railway infrastructures in Gilgit Baltistan seems indispensable to connect Xinjiang to the port of Gwadar, in the Pakistani province of Balochistan, at the mouth of the Karakorum highway. China confirmed in September 2012 that it was willing to invest 10 billion dollars to take over Gwadar facilities, and to turn the sea port into an oil hub. The project will face tremendous challenges due to the hostile environment and the poor security conditions, but it lends a strong coherence to the Chinese presence in Pakistan, even leaving aside the opportunity to turn Gwadar into an outpost of the People's Liberation Army Navy in the Arabian Sea.

### **C. Fight against terrorism**

A final point to discuss in this intervention is the importance for China to enhance its presence in Pakistan to fight against the terrorism threat in Xinjiang. China has indeed repeatedly pointed towards foreign organizations trained in Pakistan for incidents in the autonomous region, which has become in past years a hot spot for ethnic tensions. It has also become a battle field for the Al-Qaeda-linked East Turkestan Islamic Movement (ETIM) terrorist group that has launched numerous attacks against police or government officials.

It should be noted that China warned India of a potential risk of an infiltration of terrorists in 2009. It also expressed concerns that ETIM, who is internationally recognized as a terrorist organization, has indeed established operating bases in Pakistan-controlled Kashmir. In this context, the recent outbreaks of sectarian violence in Gilgit Baltistan is extremely worrying as attempts by radical organizations and terrorist groups to settle and to take a firm hold over the territory.

#### **IV. Conclusion**

As discussed in the present paper, Gilgit-Baltistan is today presently an impoverished region suffering from its physical isolation and from the harsh Himalayan environmental conditions.

However, its geographical position has increased its strategic importance, mainly for China, who could use it as an asset in its balance of power regarding South and Central Asia. Moreover, the withdrawal of the western armies from Afghanistan could offer China the opportunity to exploit the vacuum of power to affirm its position as the main actor in the region.

Therefore, it seems to us essential for the European Union and for the United States to look carefully towards Gilgit-Baltistan and to address its difficulties, in order to maintain a foothold in a region that will gain an increasing strategic dimension in the near future.

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