

Chinese Growing Diplomatic, Strategic and Economic Interest in Afghanistan

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Abstract

Afghanistan, a southwest Asian country, has been in a state of war and turmoil for more than 30 years. It borders China's autonomous province of Xinjiang in the northwestern corner. China has emerged as an economic and political superpower in the 21st century. Although Afghanistan's undeveloped economy is not attractive to any of the regional and non-regional powers for economic purposes but many geo-political factors have created stakes for certain regional and non-regional powers in Afghanistan.

This article deals with Chinese diplomatic, strategic and economic interests in Afghanistan. While international media and the world at large knows much about the US, ISAF and NATO's role in Afghanistan since 2001 to combat terrorism, quite less is known about China's peaceful, quiet and continuous involvement there. China is busy in reconstruction activities, signing heavy aid packages and investing generously in Afghanistan's economy to bring stability in the war torn country. The article traces Sino-Afghan relations since the period of cold war, discuss different phases of their relations, and highlight China's economic and strategic interest in south and Central Asian region in the post-cold war period. It also deals with China's diplomacy with Taliban, its reaction to 9/11 incident, apprehensions about the US forces in Afghanistan and reasons of Chinese increased economic aid for Afghanistan followed by the policy of heavy investment over there.

Afghanistan is a southwest Asian country located in the south of Central Asia. It is considered one of the least developed countries in the world, is landlocked, and has to rely for imports and exports on neighbouring countries. Furthermore, the country has been in a state of war and turmoil for the past 30 years. Although the war torn country with a rudimentary economy is not attractive to any of the regional and non-regional powers for economic purposes but stability in Afghanistan is

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regarded as the key to social and economic development and growth of the region as a whole.¹

After the end of the cold war, Afghanistan for a very brief period lost its strategic importance in international politics. The break up of the Soviet Union and the emergence of Central Asian states, discovery of large quantities of oil and gas in the Caspian Sea area, the US policy of containment of Iran, Iran's determination to be an influential power in Central Asia, and the possibility that Afghanistan can be an alternative gateway to Central Asia, all have revived Kabul's importance in global politics.² Between 1996-2001 Afghanistan became the epicentre of a complex regional rivalry among leading powers for influence in Central Asia.³ International politics took another turn after 11 September 2001⁴ when the US accused the Saudi dissident Osama bin Laden and his Al-Qaeda network of being behind the terrorist attacks in New York and Washington⁵ and demanded the Taliban government to hand him over.⁶ The event made Afghanistan the focal point of the global fight against terrorism.⁷

One of Afghanistan's neighbour is China. After the civil war (1945-1949) Chinese Communist Party gained control over China and Mao Zedong remained in power for twenty-seven years. An early protégé, but often outcast pragmatic leader, Deng Xiaoping gained power in 1978. Almost immediately, he began China's transition from centrally planned to a market-oriented economy, coupled with a new policy of opening to the world. Since 1978, China's gross domestic product has increased over 9 per cent annually.⁸ After a quarter of a century of

¹ Meredith L. Runion, *The History of Afghanistan* (Westport: Greenwood Press, 2007), p.5.

² Dr. Uttara Sahasrabuddhe, 'The role of Global Civil Society Organization', in Jagmohan Meher (ed.), *Afghanistan, Dynamics of Survival* (Delhi: Kalpaz Publications, 2008), p.125.

³ Rizwan Hussain, *Pakistan and the Emergence of Islamic Militancy in Afghanistan* (Burlington: Ashgate Publishing Limited, 2005), p.201.

⁴ *Keesing's Record of World Events*, News Digest for September 2001, Vol. 47, No.9, p.443333.

⁵ *Dawn* (Karachi), 24 September 2001.

⁶ Richard H. Shultz, Andrea J. Dew (ed.), *Insurgents, Terrorist, and Militias: The Warriors of Contemporary Combat* (New York: Columbia University Press, 2006), p.183.

⁷ Jagmohan Meher (ed.), *op.cit.*, pp.125-26.

⁸ Michael Pecht, *China's Electronics Industry: The Definitive Guide for Companies and Policy Makers with Interest in China* (New York: William Andrew Publishing, 2007), pp.9, 11.

international modernization, as well as integration into the world economy, China now is poised to emerge as an economic and political superpower. In the opening years of the 21st century, china's future affects world's future.⁹ People's Republic of China having world's largest population, a rapidly growing economy and a modern nuclear arsenal, can challenge the hegemony of the US. However, China's social, economic, political, and military programs are said to be purely state-based and defensive in nature.¹⁰

This article focuses on China's diplomatic, strategic and economic interests in Afghanistan from the period of cold war to war on terror. It also analyzes China's growing importance in regional and global affairs. For the past three decades Afghanistan has been passing through a chaotic situation and for the last ten years it has not been functioning as a proper state. The US, NATO and ISAF forces have failed to bring stability over there despite their avowed objectives to do so.¹¹ On the other hand Afghanistan's neighbor, China, is encouraging responsible technology transfers, peaceful settlements to regional disagreements, and multilateral assistance.

An overview of Sino-Afghan diplomatic relations during the cold war

China's border meets Afghanistan at the tip of Wakhan Corridor in the northwestern corner to the autonomous Chinese province of Xinjiang. The Xinjiang population, dominated by Turks and Tajiks, have common language, history, and culture with those on the Afghan side of the border.¹² The same province of China also borders with Russia. China's main stake in Afghanistan during the cold war was its potential to become a source of threat for the stability and national security of China in two major ways: First, Afghanistan could turn into a hostile territory and second, its political development could have a negative effect on China's stability.¹³ In this context, China began to take an interest in

⁹ Raphael Shen, *China's Economic Reforms: An Experiment in Pragmatic Socialism* (Westport: Praeger Publisher, 2000), p.1.

¹⁰ <http://www.au.af.mil/au/awc/awcgate/acsc/97-0198.pdf>.

¹¹ M.I. Claausson, *NATO: Status, Relations, and Decision-making* (New York: Novinka Books, 2007), p.10.

¹² Neamatollah Nojumi., *The Rise of the Taliban in Afghanistan: Mass Mobilization, Civil War, and the Future of the Region* (New York: Palgrave, 2002), p.191.

¹³ Hooman Peimani, *Falling Terrorism and Rising Conflicts: the Afghan Contribution to Polarization and Confrontation in West and South Asia* (Westport: Greenwood Publishing Group, 2003), p.17.

Afghanistan especially after its split with the Soviet Union in the sixties.¹⁴ China's mounting interest in South Asia led it to establish a diplomatic presence in Kabul in 1955. Deterioration of Beijing's relations with Moscow increased its concerns over Soviet presence in Afghanistan.¹⁵

China and Afghanistan settled their boundary disputes in 1963 and signed an agreement that demarcated 47 miles area between them, known as the Wakhan Corridor.¹⁶ Chinese economic aid and trade soon followed, although neither ever reached high levels. During 1956-79 Chinese aid totaled only \$75 million, compared to \$1.3 billion of Soviet aid between 1954 -1979.¹⁷

The Saur (April) Revolution in 1978 in Afghanistan and subsequent Soviet invasion of Afghanistan in 1979 raised alarm bells in Beijing over the sudden increase in Soviet influence and presence in Afghanistan. China strongly condemned the action and dismissed Soviet claim that it had been invited by the Afghanistan government. Beijing saw the Soviet action as a part of its 'southward policy'. China did not recognize the Babrak Karmal regime and worked with the US to support the Afghan *mujahideen* resistance, and provided weapons to them.¹⁸ By 1980, Washington had started to supply China with a variety of weapons, and an agreement was reached on the establishment of two joint tracking and listening installations in Xinjiang. As soon as the Soviets arrived in Afghanistan, Xinjiang became a base for Chinese operations against the Soviets. The Peoples Liberation Army (PLA) personnel provided training, arms, organization, financial support and military advisers to the *mujahideen* resistance during the period of Soviet military occupation of Afghanistan with active assistance of the CIA. Until the mid-1980s, most of China's training centers for the Afghan resistance were located in Peshawar and along its border with Pakistan. China trained several thousand *mujahideen* in camps near Kashgar and Khotan inside Xinjiang, and provided them with machine guns, rocket launchers, and

¹⁴ Carolyn Bartholomew, *2009 Report to Congress of the US China Economic and Security Review Commission* (Washington: Diane Publishing, 2010), p.212.

¹⁵ J. Bruce Amstutz, *Afghanistan: The First Five Years of Soviet Occupation*, (Washington D.C: Diane Publishing 1994), p.363.

¹⁶ Jagmohan Meher, *op.cit.*, p.19.

¹⁷ J. Bruce Amstutz, *Afghanistan: The First Five Years of Soviet Occupation* (Washington D.C: National Defense University, 1986), p.362.

¹⁸ Carolyn Bartholomew, *op.cit.*, p.212.

surface-to-air missiles valued at an estimated \$200 million to \$400 million.¹⁹

China's strategic and economic interest in South and Central Asian region in the post-cold war era

The withdrawal of Soviet forces from Afghanistan and the emergence of the Islamic state there in 1992 led to the normalization of Sino-Afghan relations.²⁰ China had become more of a status quo power and had started to engage more deeply and constructively in world affairs. It became more active in the United Nations, repaired its ties with Russia (after Soviet Union's disintegration),²¹ and established ties with newly independent Central Asian States (CAS) of Kazakhstan, Tajikistan, Kyrgyzstan, Uzbekistan and Turkmenistan in 1992. Three of the five CAS share more than 3,000 kilometers of border with China's Xinjiang province. Securing good relations with these countries was important for stability along China's borders and to ensure energy supplies.²² China also fears ethnic and religious unrest in the Muslim minority population of Xinjiang.²³

Afghanistan had held Central Asia in a tight embrace for centuries. In the late nineteenth century the British in India and Tsarist Russia fought an undeclared war of competition and influence to contain each other in Central Asia and Afghanistan.²⁴ Afghanistan's contiguity with Central Asia came to an end after the 1917 Russian Revolution, when the former Soviet Union sealed its borders with its southern Muslim neighbours. The reopening of these borders in 1991 heralded the start of the new great game.²⁵ During the cold war the external world was literally sealed off from access to the Soviet Republics, after 1991, they inevitably developed new economic, political, cultural, and even limited

¹⁹ S. Frederick Starr, *Xinjiang: China's Muslim Borderland* (New York: M. E. Sharp, 2004), p.158.

²⁰ *Ibid.*, p.158.

²¹ David Shambaugh, *Modernizing China's Military: Progress, Problems, and Prospects* (Berkeley and Los Angeles: University of California Press, 2004), pp.286.

²² Suisheng Zhao, *Chinese Foreign Policy: Pragmatism and Strategic Behaviour* (New York: M.E. Sharpe, 2004), p.262.

²³ *Ibid.*, p.290.

²⁴ Ahmed Rashid, *Taliban: Islam, Oil and the New Great Game in Central Asia* (London: I.B. Tauris, 2002), pp.145, 146.

²⁵ *Ibid.*, p.147.

military relationships.²⁶ Central Asia was uniquely important because of its position at the heart of Eurasia – the economic, political, and strategic centre of gravity in the world.²⁷ It has been a strategic backyard of major powers of Europe and Asia--- China, India, Russia, Iran, Turkey and Pakistan – all either share borders with the region or have strong interests there.²⁸ China's role in Central Asia has taken on a new dimension because of several factors:

- China's overall growing role in Asia and international prominence;
- the expansion of its commercial ties with the region, which have grown steadily over the years,
- progress on oil pipelines from Kazakhstan to China and
- Chinese investment in oil exploration and development projects in Kazakhstan.²⁹

The international community had no political strategy for Afghanistan from 1992-1994. At that time, Taliban was at the stage of emergence.³⁰ China broke off diplomatic relations with Afghanistan in 1993 as latter fell into factional fighting and civil war. The US also preferred to keep a low profile in Afghanistan during the civil war. Moreover, as the sole super power, the United States had little time for developments in Afghanistan.³¹ It then faced the task of promoting free market economy through its policy of globalization and the formation of WTO.

When major US oil companies signed contracts with the governments of Kazakhstan and Azerbaijan, in 1993-1994, the region started to emerge on the radar screens of the American business interest. It was the commercial interest of US oil companies in exploiting new energy reserves that gave US policy makers a specific interest in Central

²⁶ Graham E. Fuller, 'Central Asia and Transcaspasia after the cold war conflict unleashed', in William Hale, Eberhard Kienle (ed.), *After the Cold War: Security and Democracy in Africa and Asia* (London: Tauris Academic Studies, 1997), p.89.

²⁷ Eugene B. Rumer, 'The United States and Central Asia: In Search of a Strategy', in Eugene B. Rumer, Dimitri Trenin, Huashengzhao (eds.), *Central Asia: Views from Washington, Moscow, and Beijing* (New York: M. E. Sharpe, 2007), p.61.

²⁸ *Ibid.*

²⁹ *Ibid.*, p.56.

³⁰ Richard Mackenzie, 'The United States and the Taliban', William Maley (ed.), *Fundamentalism Reborn?: Afghanistan and the Taliban* (London: C. Hurst & Co., 2001), pp.95.

³¹ Gautam Maitra, *For Whom the Bell Tolls: America or the Jihadists?* (Canada: Trafford Publishing, 2009), p.67.

Asian security.³² When Pakistan established relations with Taliban the US was content to follow the lead of Pakistan and Saudi Arabia in backing this militia. The US gave its support to the Taliban because of its discipline, incorruptibility, anti-communist ideology, and commitment to eliminate poppy cultivation. In October 1995,³³ Unocal, the California-based Oil and Gas Company, had signed an agreement with Turkmenistan, Afghanistan and Pakistan for the construction of two pipelines which will carry Turkmenistan's gas and oil from Turkmenistan through Afghanistan to Pakistan³⁴ and to international markets beyond the region. Delta, the Saudi oil and Gas Company, was also Unocal's partner in the pipeline's project.³⁵ It was then decided that the construction of pipeline would start in 1998.³⁶ The American oil company was, however, unable to start the pipeline project because of US missile strikes on supposed terrorist bases in Afghanistan.³⁷

It may be mentioned here that in September 1997, the Chinese and Kazakh governments had signed a general agreement on the project of oil deposits development and pipeline construction.³⁸ China through this agreement could directly approach the Central Asian states, the proposed pipeline was intended to pass through western Kazakhstan to reach China.³⁹

Afghanistan's potential to cause instability remained a concern for the region. Taliban surge in Afghanistan in the mid-1990s affected the internal security of Xinjiang. Since 1986 Uyghur militants in Xinjiang were reportedly trained by, and fought alongside Afghan

³² Ian Rutledge, *Addicted to Oil: America's Relentless Drive for Energy Security*, p.104.

³³ Hamid Wahed Alikuzai, *From Aryana-Khorasan to Afghanistan: Afghanistan History*, Trafford Publishing, 2011, p.349.

³⁴ Martin Ewans, *Afghanistan A New History* (London: Routledge Curzon, 2001), p.202.

³⁵ Anwar-ul-Haq Ahady, 'Saudi Arabia, Iran and the Conflict in Afghanistan', in William Maley (ed.), *Fundamentalism Reborn?: Afghanistan and the Taliban* (London: C. Hurst & Co. 2001), p.129.

³⁶ Martin Ewans, *op.cit.*, p.202.

³⁷ *Ibid.*

³⁸ Andrew S. Erickson and Gabriel B. Collins, 'Pipelines versus Sea Lanes: Challenges and Opportunities for Securing Energy Resources', in Carrie Liu Currier, Manochehr Dorra, *China's Energy Relations with the Developing World* (New York: The Continuum International Publishing group, 2011), p.181.

³⁹ Birgit Brauer, 'Central Asia: the Great Game Revisited', in Erich Reiter, Peter Hazdra (eds.), *op.cit.*, p.48.

mujahideen. Chinese officials alleged that the arms and explosives used against the Chinese in Xinjiang originated from Afghanistan.⁴⁰

After the dissolution of the former Soviet Union, Xinjiang became the only Chinese province to have borders with eight countries, five of which were Muslims.⁴¹ Beijing quickly proposed an anti-Islamic-fundamentalist alliance to the Central Asian states to isolate the Islamic revolt in Xinjiang and prevent movement of Muslim rebels and arms across the region's borders.⁴² To secure their border and control religious forces, among other things, a regional confidence-building organization was formed in 1996 by Russia, China, Kazakhstan, Kyrgyzstan and Tajikistan named as Shanghai Five. In June 2001 when Uzbekistan joined Shanghai Five, 'Shanghai Six' turned into Shanghai Cooperation Organization, a full-fledged international organization.⁴³ China played a leading role in its formation. It was originally aimed at defusing tension on the former Sino-Soviet border, inherited by successor Soviet states.⁴⁴ In the same year Kabul fell to the Taliban. The imposition of strict *Sharia* law in the Taliban-controlled land and the execution of Najibullah, the former head of state, sent shock waves through the Central Asian capitals.⁴⁵

China's diplomatic relations with Taliban

China adopted diplomacy of engagement with the Taliban in order to ensure the safety of its borders and engaged in low-level economic and technical cooperation.⁴⁶ Following American cruise missile attack on militant bases in Afghanistan, Beijing got in touch with the Taliban to allow Chinese scientists access to the missile computer guidance system. Beijing had hopes that improved relations with the Taliban would help to cut off support for the Uyghur rebels and control drug trafficking. Although China largely ignored the civil war in Afghanistan and the Taliban took over in September 1996, however, from 1998 Beijing began

⁴⁰ S. Frederick. Starr, *op.cit.*, p.158.

⁴¹ Thrassy N. Marketos, *China's Energy Geopolitics: The Shanghai Cooperation Organization and Central Asia* (New York: Routledge, 2009), p.12.

⁴² Eric S. Margolis, *War at the Top of the World: The Struggle for Afghanistan, Kashmir, and Tibet* (New York: Routledge, 2001), p.220.

⁴³ Bertil Nygren, *The Rebuilding of Greater Russia: Putin's Foreign Policy Towards the CIS Countries* (New York: Routledge, 2008), p.42.

⁴⁴ Shahram Akbarzadeh, *Uzbekistan and the United States: Authoritarianism, Islamism and Washington* (London: Zed Books, 2005), pp.42, 49.

⁴⁵ *Ibid.*, p.42.

⁴⁶ Carolyn Bartholomew, *op.cit.*, p.212.

to show signs of accommodation with the Taliban. On 10 December 1998, China signed a military accord for the training of Afghan pilots.⁴⁷ The Taliban also sent a delegation to China to open economic and security relations. In February 1999, China and the Taliban signed an agreement on economic cooperation and for training of military forces in Afghanistan. China also agreed to start direct flights between Kabul and Urumqi, the capital of Xinjiang.⁴⁸

After the opening of Chinese embassy in Kabul, the Taliban handed over thirteen Uyghur rebels to China who had taken 'political asylum' in Afghanistan.⁴⁹ However, emboldened and encouraged by the Islamic victory in Afghanistan, Uyghur resistance groups started demonstrations and riots.⁵⁰ In December 2000, official Chinese delegation met with the Afghan head of state, Mullah Umar, at Taliban's invitation.⁵¹ The Chinese diplomat sought assurance that the Taliban would not train Xinjiang Uyghurs, whereas the Afghan leaders wanted China to block United Nations sanctions against Afghanistan.⁵² On 11 September 2001, the day of the terrorist attack on the United States, the Chinese reportedly signed a deal with Taliban officials to expand economic and technical cooperation.⁵³

China's reaction to 9/ 11 attack

China's reacted very quickly to the attack on Twin Towers on 11 September 2001. President Jiang Zemin was among the first world leaders to send a condolence message to President George W. Bush. Although Beijing had concerns about terrorism, especially because Muslim separatist in Xinjiang were believed to be supported by Afghan-based groups, like those of Osama bin Laden, but it was reluctant to offer unreserved support for America's anti-terrorist campaign. Chinese officials urged the US to discuss anti-terrorist proposals at the United Nations Security Council. It also insisted that any action should be based on international law and the UN Charter and demanded concrete

⁴⁷ Hamid Wahed Alikuzai, *op.cit.*, p.345.

⁴⁸ Neamathollah Nojumi, *op.cit.*, p.191.

⁴⁹ S. Frederick Starr, *op.cit.*, p.158.

⁵⁰ Eric S. Margolis, *op.cit.*, p.220.

⁵¹ Carey Gladstone, *Afghanistan Revisited* (New York: Nova Science Publishers, 2001), p.16.

⁵² Andrew Scobell, 'Terrorism and Chinese Foreign Policy', in Yong Deng, Fei-Ling Wang, *China Rising: Power and Motivation in Chinese Foreign Policy* (Maryland: The Rowman & Littlefield Publishing Group, 2005), p.317.

⁵³ S. Frederick Starr, *op.cit.*, p.158.

evidence before military strikes were launched against suspected terrorist groups.⁵⁴

Cautious about US and coalition operations in Afghanistan, China did not actively oppose efforts from the United Nations or elsewhere. Chinese forces did not intervene in Afghanistan, but China did seal its common border.⁵⁵ The defeat of the Taliban by the U.S led western offensive, however, helped to solve China's Afghan problem, but it created a new problem of US military presence in Xinjiang's backyard.⁵⁶ The collective security agreement of the Shanghai Cooperation Organization (SCO) proved effective after 9/11.⁵⁷

Chinese apprehension about the US presence in Afghanistan

Sino-Afghan relations were very limited when the war on terror entered Afghanistan in 2001, but the presence of US forces in Afghanistan was a matter of concern in neighbouring China. After the Bonn Agreement in December 2001 China attempted to develop good ties with post-Taliban Afghanistan. Beijing promised US \$150 million in aid to President Hamid Karzai's government during his visit to China in January 2002. China also moved promptly to reopen its embassy in Kabul and Chinese foreign minister paid a visit to the Afghan capital in 2002.⁵⁸

The US brought its forces in Afghanistan in the name of war on terror. It was suspected that the western countries, especially the US, had a hidden agenda and through Afghanistan it wished to control the natural resources of Central Asia and also encircle the emerging giant, China. The war on terror gave the US an opportunity to build military bases in Central Asia and Afghanistan. The presence of the US military at Ganci airbase near Manas airport in Kyrgyzstan, just 200 kilo meters from the Chinese border, further strengthened these apprehensions.⁵⁹ Chinese strategists expressed apprehensions that the expansion of the US military presence in Afghanistan and Central Asia, along with enhanced US-

⁵⁴ Rex Li, 'A rising power with global aspirations: China', in Mary E.A. Buckley, Rick Fawn (ed.), *Global responses to terrorism: 9/11, Afghanistan and beyond*, New York, 2003, p.210.

⁵⁵ Andrew Scobell, 'Terrorism and Chinese Foreign Policy', in Yong Deng, Fei-Ling Wang, *op.cit.*, p.312.

⁵⁶ S. Frederick Starr, *op.cit.*

⁵⁷ Birgit Brauer, 'Central Asia: the Great Game Revisited', in Erich Reiter, Peter Hazdra (eds.), *The Impact of Asian Powers on Global Developments* (New York: Physica-Verlag Heidelberg, 2004), p.48.

⁵⁸ Andrew Scobell, *op.cit.*, p.312.

⁵⁹ http://www.silkroadstudies.org/new/docs/CEF/Quarterly/November_2006/Dwivedi.pdf.

Indian strategic understanding since 9/11, would once again shape a fearsome strategic encirclement of China.⁶⁰ China thus renewed its interests in Afghanistan and Central Asia to contain the US influence as well as to fulfil its own energy and security requirements.

China's economic aid and investment policy in Afghanistan

When the ISAF and the US troops started their operations in Afghanistan, China initiated a policy of investment there. Thus Sino-Afghan relations entered a new phase. China took an early action in pledging aid for eventual Afghan reconstruction efforts at an international conference in Tokyo, Japan, in January 2002.⁶¹ The two countries signed a number of agreements for the establishment of bilateral business councils and other similar institutions. China gave more than 900 million yuan (130 million U.S. dollars) in aid in the year 2002 for the rehabilitation of Afghanistan and started applying zero tariffs on 278 items of export products from Afghanistan from July 2006.⁶² It provided around \$300 million for official development assistance to Afghanistan in the next seven years and has now become one of Afghanistan's largest trading partners.⁶³

China got a great opportunity of investment in Afghanistan when in 2007 President Hamid Karzai opened Afghanistan's energy, mineral and raw materials sectors for foreign investors. China's Metallurgical Construction Corporation (MCC), a multinational enterprise under direct control of the central government, won the right to develop a large copper deposit in Afghanistan. MCC agreed to invest \$3.5 billion to develop Afghanistan's Aynak copper field in Logar Province, located in the south of Kabul. The agreement includes a construction of a coal-fired electrical power plant and a freight railway. The MCC also agreed to construct schools, clinics, markets, and mosques in exchange for a deal⁶⁴ in the project. The MCC offer was accepted against proposals by four

⁶⁰ <http://irchina.org/en/xueren/china/view.asp?id=706>.

⁶¹ Manuel Manriquez, 'China and Japan: Approaches to Domestic and Transnational Terrorism', in Martin Alperen, *Foundations of Homeland Security: Law and Policy* (New Jersey: John Wiley & Sons, 2011), p.344.

⁶² China Vows to Continue Support to Afghanistan's Reconstruction, *China*, 27 January, 2010. <http://news.xinhuanet.com/english2010/china/2010-01/27/c13152015.htm>.

⁶³ Report From The Foreign Affairs Committee, Great Britain, House of Common, Session 2008-2009, *Global Security: Afghanistan and Pakistan*, <http://www.official-documents.gov.uk/document/cm77/7702/7702.pdf>.

⁶⁴ Carolyn Bartholomew, *op.cit.*, p.216.

other firms which belonged to Russia, Britain, Canada and the US.⁶⁵ Beijing moreover, enjoys a good repute in completing projects in time and for training and employing local workers as well as bringing in their own labor.⁶⁶ The project provided an opportunity to China to take an interest in Afghanistan's stability.⁶⁷ This deal is the largest foreign direct investment in Afghanistan's history and will give the Chinese company the right to extract high-quality copper from the Aynak copper field.⁶⁸ It is estimated that the field contains up to \$88 billion worth of ore.⁶⁹

Afghanistan's mining minister hailed China's growing influence in the Afghan economy. He revealed that projects will triple government revenues within five years. Afghanistan has the potential to emerge as one of Central Asia's biggest sources of raw materials for manufacturers.⁷⁰ The development of Aynak copper deposits in Afghanistan, and the Chinese-financed expansion of the port of Gwadar in Balochistan, Pakistan, are the most obvious examples of Chinese efforts in its southern tier. Pakistan and China share a free trade agreement (FTA). Their bilateral trade reached \$6 billion in year 2008.⁷¹ The awarding of the bid to China also shows Afghanistan's desire to diversify its international friendships and specifically to engage with a partner that arguably has the most influence with the Government of Pakistan. Pakistan values its relationship with China to the highest degree and perhaps, speculation goes, China may bring in significant transportation, industrial and resource extraction infrastructure that will not be attacked by the Taliban.⁷²

Before production gets underway, the infrastructure would include the construction of a power plant (at US \$500 million) and a railway. Additionally, once the mine is fully operational, it would reportedly provide some \$400 million a year in tax revenue to the

⁶⁵ <http://www.rferl.org/content/article/1079190.html>.

⁶⁶ http://www.rferl.org/content/China_EU_Wait_In_The_Wings_For_Access_To_Central_Asia/1790745.html.

⁶⁷ http://www.nps.edu/programs/CCS/Journal/Dec07/Metz_Anyak.pdf.

⁶⁸ Jon Boone and Geoff Dyer, 'China group wins Afghan copper rights', *Financial Times*, 20 November 2007. http://www.ft.com/cms/s/0/6a84aa06-9790-11dc-9e08-0000779fd2ac.html?ncllick_check=1.

⁶⁹ <http://www.rferl.org/content/article/1144514.html>.

⁷⁰ *The Telegraph*, 15 November 2010 <http://www.telegraph.co.uk/news/worldnews/asia/afghanistan/6630574/China-pumping-millions-into-Afghanistan.html>.

⁷¹ *The News*, 14 December 2008.

⁷² <http://easterncampaign.wordpress.com/2008/07/16/chinas-entry-into-afghanistan/>.

Afghan government, more than the Afghan government receives now in total. Finally, the mine is estimated to provide somewhere between 5,000 and 10,000 Afghans with meaningful employment. China's large investment in the Aynak copper mine symbolizes the positive evolution of stability, development and employment creation in Afghanistan.⁷³ There are plenty of factors suggesting that China is setting to increase its investments in Afghanistan in the near future. Because of the constant political disorder, social and economic instability, 90 per cent of Afghan territory has not been systematically studied, although mining sector has potential to boost up Afghanistan's economy.⁷⁴

Two ways trade between the two countries reached US \$155 million in 2008. China announced in 2009 that it would provide an additional aid of 75 million U.S. dollars to Afghanistan over the next five years. It also turned all its previously committed loans into grant assistance to be provided over a five-year. The first tranche of funds was delivered in 2009, and the remaining U.S. \$60 million was to made available in the next four years.⁷⁵

Afghanistan's President Hamid Karzai paid a three-day visit to China in March 2010. China announced more investment in Afghanistan and pledged to continue aiding construction efforts in the war torn Afghanistan. It was Karzai's fourth visit to China as Afghan President. A high-ranking delegation accompanied him including leading ministers and 20 businessmen. Hamid Karzai signed three deals there which covered economic cooperation, technical training and the granting of special tariffs for some of Afghanistan's exports to China.⁷⁶ The two sides agreed to expand economic cooperation and trade, increase mutual investment and technology transfer, and deepen cooperation in areas of transportation, agriculture and irrigation, energy, mining and infrastructure.⁷⁷

Besides economic links, the two countries also expanded cooperation in other areas in recent years, including the fight against the three evil forces of terrorism, extremism and separatism.⁷⁸ More than ten

⁷³ <http://www.mfa.gov.af/detail.asp?Lang=e&Cat=1&ContID=1175>.

⁷⁴ http://www.ands.gov.af/ands/final_ands/src/final/Afghanistan%20National%20Development%20Strate%20gy_eng.pdf.

⁷⁵ *Ibid.*

⁷⁶ Karzai visit yields major pacts, in *China Daily*, 25 March 2010.

⁷⁷ *Afghanistan forge closer economic ties as new agreements were signed in China on 24 March 2010*. <http://news.xinhuanet.com/english2010/china/2010/china/2010-03/24/c13223397.htm>.

⁷⁸ *Ibid.*

years after the Taliban regime was toppled by the US-led forces, China is being seen as a key player in maintaining stability in Afghanistan, particularly in the future when the US troops pull out.⁷⁹

Conclusion

China's move towards Afghanistan is shaped by its long-standing foreign policy of non-interference, in view of its strategic rivalries with the United States, Russia, and India, and concerns about Xinjiang, China has long-term interest in Afghan security.⁸⁰

Many experts believe that accelerating economic development would do more to improve the security situation and eliminate narcotics trafficking than intensified anti-Taliban combat.⁸¹ Although the American and Chinese goals have come together in Afghanistan, their approach to achieve them is certainly different. China by exploiting Afghanistan's metal and mineral reserves can provide jobs to thousands of Afghans, thus generating tax revenues to help stabilize a tottering Kabul government. China sees Afghanistan as a secure conduit for roads and energy pipelines that will bring natural resources from the Indian Ocean and elsewhere. At present the whole direction of America's military and diplomatic effort is toward an exit strategy, whereas the Chinese hopes to stay and profit.⁸²

⁷⁹ *China Daily*, *op.cit.*, 25 March 2010.

⁸⁰ Northeast Asia in Afghanistan: Whose silk road? *A U.S-Korea Institute at SAIS and Centre for the National Interest Joint Report*, March 2011.

⁸¹ Kenneth Katzman, *op.cit.*, p.53.

⁸² Robert D. Kaplan, 'Beijing's Afghan Gamble', *The New York Times*, 6 October 2009.