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DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

PAKISTANI - CHINESE COMMUNIST RELATIONS

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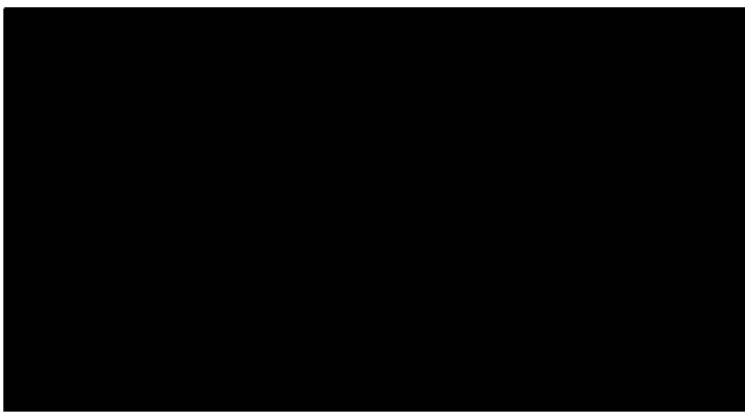
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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
14 July 1969

INTELLIGENCE MEMORANDUM

Pakistani - Chinese Communist RelationsSummary

Since the early 1960s relations between Pakistan and Communist China have been quite close, but their "alliance" has never been more than one of convenience. A coincidence of interests in several important areas has fostered extensive cooperation in spite of major ideological differences. The degree of cordiality has fluctuated within tolerances governed by a cold appraisal in each capital of the concrete benefits to be derived from their relationship.

The balmiest days were those following Pakistan's war with India in 1965, when Pakistanis contrasted China's willingness to help against India with Western suspension of military aid. Since then, Pakistan's relations with the West have been put in better order, its relations with the USSR have improved, and those with China have somewhat cooled. There will probably be further fluctuations in response to changing circumstances, but no fundamental shifts appear likely.

Although other factors have been involved, the present relationship is rooted in mutual enmity toward India. Pakistan, long frustrated at its inability to resolve its bitter quarrels with

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New Delhi--particularly the Kashmir dispute--sees China as an important counterweight to India. The former Ayub government valued China's unqualified support of the Pakistani position on Kashmir and its willingness to provide substantial amounts of military equipment after the suspension of Western arms aid in 1965. In the early- to mid-1960s, at a time when Pakistan was beginning to cultivate support in the nonaligned world, improved relations with Peking had helped to offset Pakistan's pro-Western image among the Afro-Asian countries. The Ayub government also attempted to exploit the relationship tactically in its dealings with the US and the USSR.

The martial law administration of President Yahya Khan will probably try to retain friendly ties with China, yet work out nuances in its policy that would make the relationship with Peking less offensive to the USSR and the West.

For the Chinese, a close relationship with Pakistan has provided an opportunity to drive a wedge into the SEATO and CENTO alliances, to disrupt harmony on the subcontinent and keep the Indian enemy off balance, and to counter the USSR's growing commitment to India. Its ties with Pakistan have also furthered Peking's own attempt to cultivate support in the nonaligned world. Peking made support for Pakistan a significant feature of its effort during the mid-sixties to create and lead an anti-imperialist "third world bloc" of Afro-Asian states. China, at first unsure of what to expect from the recent change of government in Pakistan, hesitated before accepting the Yahya regime, but it now appears eager to maintain the pragmatic friendship established with the second largest power on the subcontinent.

Background

1. In the dozen years following Pakistan's recognition of Communist China in 1950, relations between the two countries were correct and at times friendly. During the Korean war, Pakistan generally supported Communist China during UN

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deliberations. Even after Pakistan joined the SEATO and CENTO pacts in 1954 and 1955, it made a considerable effort to stay on good terms with Peking.

2. Despite this, relations between the two countries gradually cooled in the late 1950s as military alliances strengthened Pakistan's ties with the West, particularly with the US. The nadir was reached in 1959 when Peking's suppression of the Tibetan revolt prompted Ayub, who had seized control in Pakistan the previous year, to seek joint defense arrangements with India. When this overture was rejected by Nehru, the Ayub government began to consider greater accommodation with Communist China. Ayub's sensitivity over what he regarded as ominous indications of a growing US interest in India also figured prominently in his government's reappraisal of its foreign policy.

3. The Chinese border war with India in 1962 and the events which followed hardened Pakistan's determination to develop a sound working relationship with the Chinese. Ayub was not at all displeased at the drubbing administered to the Indian forces. Although mindful of a possible long-term threat from China, he dismissed the possibility of any real danger in the foreseeable future. He recognized the value of China as an effective counterweight to India's preponderant strength, and he may have hoped briefly that his bargaining position on major Indo-Pakistani issues would be strengthened.

4. He soon realized, however, that the rapid influx of Soviet and Western military aid would enable the Indians to arm themselves against the Chinese without reducing the strength of the military units oriented toward Pakistan's borders. Indeed, Ayub calculated that Indian forces arrayed against Pakistan would soon be more formidable than before. He resented Western involvement in this buildup, and his dealings with the Chinese were influenced at least in part by a desire to drive home his discontent with his allies' aid to India.

5. The ensuing years saw a series of well-publicized moves toward closer Sino-Pakistani relations. The first trade agreement between the

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two countries was signed in January 1963. Two months later an agreement was signed governing the alignment of Pakistan's border with China, which lies along the rugged and unpopulated northern rim of Kashmir. Both countries could take particular satisfaction in this bilateral delineation, which involved territory claimed by India. A civil air agreement signed in September 1963 permitted Pakistan International Airlines to inaugurate regular service to China the following April. In February 1965 Peking extended a \$60-million loan to Pakistan, half of which was to be used for commodity imports and the rest devoted to industrial projects. The 20-year loan carried no interest charges.

6. Meanwhile, closer political consultations had culminated in a state visit to Pakistan by Chou En-lai in February 1964. Although Pakistan handled the visit with restraint, it did endorse Peking's claim to membership in the UN and, by implication, the Chinese position on negotiations with India on the Sino-Indian border. The Chinese, in turn, supported Pakistan on Kashmir.

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8. Communist China's response to the Indo-Pakistani fighting in the late summer of 1965 tends to support such an assessment. The evidence is somewhat conflicting and subject to varying interpretations, but the over-all picture that emerges is one of ad hoc consultation and an effort--not always successful--to keep in step as events unfolded. There is certainly little indication of detailed preplanning.

9. In the initial stages of the 1965 crisis, Peking's response was limited to propaganda of a reportorial nature slanted to point up Indian culpability. Following discussions in Karachi on 3 and 4 September between Bhutto and Chinese Foreign Minister Chen Yi, the Chinese increased their propaganda support of Pakistan, pledging that they would "firmly support" Pakistan against India's "armed provocations." There are reports of uncertain reliability that Chen offered more concrete support--arms aid and/or a "second front"--but that Pakistan declined for the time being. In any event, Ayub told the US ambassador on 6 September, just after India had launched its major attack in the Punjab, that "we have not approached the Chinese. We do not want them..."

10. Ten days later, when battlefield reverses and the suspension of US military aid had made the Pakistani position more desperate, Peking issued an ultimatum to New Delhi to dismantle certain "military structures of aggression" on the Chinese side of the Sikkim-Tibet border within three days or face "grave consequences." This threat, implicitly committing China to some form of military action within a specific time limit in support of a non-Communist neighbor, was unprecedented. The area of confrontation, however, was well chosen for a low-risk encounter. The Indians could not ignore the potential threat to the nearby Siliguri corridor, their only supply route to Assam, and the ultimatum could be expected to discourage the transfer to the Punjab of units stationed in eastern India. Terrain and logistical problems, moreover, would prevent effective Indian countermeasures if shooting began.

11. Peking's calculations were badly upset when on 18 September, before the Chinese ultimatum expired, Ayub began to seek a way out of the war. China was forced into a humiliating backdown, which it accomplished first by extending the ultimatum for three additional days and then by announcing lamely that India had met Peking's demands. The annoyance of the Chinese at having to suffer this embarrassment was reflected in the subsequent comment by a senior Chinese official that Sino-Pakistani friendship "can stand all tests," a formulation which has usually indicated the existence of differences.

12. These strains were quickly put aside, however, as China moved to supply tanks, aircraft, artillery, and infantry equipment to replace items lost during the war and to aid Pakistan in a general expansion of its army and air force. Among the Pakistanis, who deeply appreciated China's support during the crisis, Peking's popularity soared.

13. The high point in this upsurge of good feeling came when Chinese chief of state Liu Shao-chi made a triumphal visit to Pakistan in April 1966. The Ayub government went all-out to accord him a warm welcome and, in West Pakistan at least, the populace was wildly enthusiastic. Despite this display of public esteem, private talks apparently broke no new ground, and some of the limits within which the Sino-Pakistani relationship operates became apparent. Ayub, for example, did not permit any anti-US references--particularly on Vietnam--to appear in the communiqué.

The Benefits of "Friendship"

14. After the Liu visit, the two countries continued to recognize and respond to a broad range of complementary interests, but the closeness that had earlier characterized their relations lessened. Pakistan sought gradually to improve its relations with the US--its major source of economic aid--and with the USSR. It looked for alternate sources of military supply, and although some of its shopping

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trips were frustrating and disappointing, Pakistan became less heavily dependent on China for arms. China did not welcome these moves; but, nevertheless, continued to place a high value on its relationship with Pakistan.

15. The most tangible benefit Pakistan has received from China has been military support. Since large-scale Chinese military aid began in 1965, Pakistan has received at least 78 MIG-19 fighters and 12 IL-28 light bombers. Its armored forces have received at least 160 T-59 medium tanks and a small number of T-34s. In addition, China has reportedly delivered enough mortars and recoilless rifles to equip two infantry divisions and a number of 122-mm. howitzers, antiaircraft guns, and trucks. Most of the Chinese military assistance was delivered by the end of 1966. No less important than the receipt of this equipment is the fact that India must keep two thirds of its forces available for defense against the Chinese.

16. Chinese economic aid has been less important but nevertheless significant. Peking's \$60-million loan in 1964 was followed by a \$7-million loan in January 1967 for the purchase of foodgrains and a credit of \$42 million in December 1967. Two thirds of the last loan is slated for capital investment projects and the remainder for import of commodities. By mid-1969, however, the amount drawn from the total of \$109 million was only about \$38.5 million, mostly in commodity assistance. The largest project agreed upon thus far is a heavy machinery complex at Taxila, near Rawalpindi to which the Chinese will contribute \$9 million under the credit. Complete production is scheduled to begin by the end of 1972. The Pakistanis are also constructing a large ordnance plant in East Pakistan with Chinese assistance. The plant is being furnished with some machinery and possibly an initial supply of raw materials from China.

17. Trade between the two countries has been modest. In 1968 trade with China constituted 3.0 percent of Pakistan's total foreign trade (3.4 percent of Pakistan's exports and 2.1 percent of its

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imports). Until 1968, Pakistan's trade with China had been characterized by a considerable export surplus for Pakistan.

18. One facet of Chinese aid to Pakistan that has recently received special attention in India is the help provided in constructing roads in northern Pakistani-occupied Kashmir. Since mid-1968, Chinese engineers have been assisting the Pakistanis in building a road link running from Gilgit through the 16,000-foot-high Khunjerab Pass and connecting with a Sinkiang-Tibet highway within China. At least one thousand Chinese reportedly are in Kashmir working on the project. The road, which probably will not be completed until 1972, will apparently be gravel-surfaced and is intended for use by three-ton vehicles. The Chinese are also reportedly assisting in improving an old "silk route," which also begins in Gilgit and runs to Sinkiang via the 15,000-foot Mintaka Pass. This road, which is supposed to be open this month, appears to be nothing more than a pack route for mule caravans. Construction of the Mintaka route, which also began in 1968, has been given heavy coverage in the Pakistani press, probably to draw attention from the potentially more important Khunjerab route. Although the military significance of the Khunjerab road is questionable--particularly in view of the usual long periods of severe weather in that mountainous area--it could pose an increased problem for Indian forces in Kashmir.

19. Close links with Pakistan are still useful to China, particularly in view of Peking's loss of friends abroad during the past few years. Although many Pakistani leaders have been privately concerned at the excesses of China's Cultural Revolution, the Ayub regime took pains to prevent adverse comment within Pakistan. The government issued press guidelines cautioning journalists against criticism of China, and official statements stressed appreciation for Chinese aid to Pakistan. The services of Pakistan International Airways continue to provide Chinese delegations with an easy route westward and a means of avoiding travel through the USSR. Pakistan's support for Communist China in international debate has been strong.

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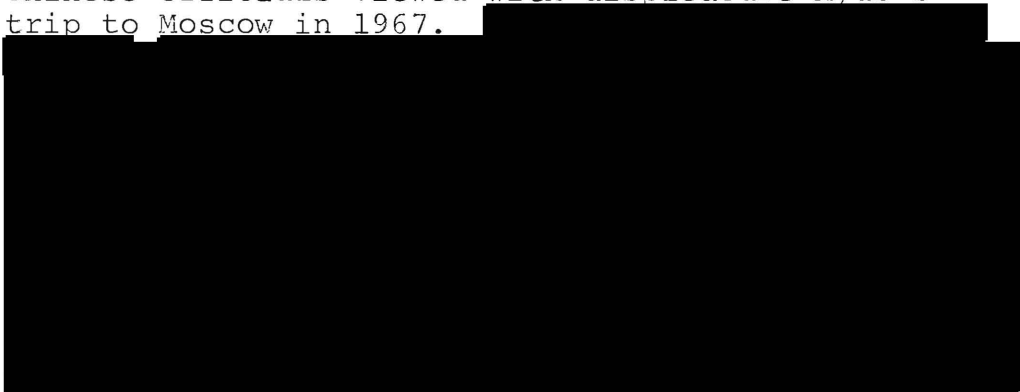
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For a number of years Pakistan has advocated seating Communist China in the UN and ejecting the Republic of China. In the 1968 Non-Nuclear Conference and other recent meetings of international organizations, Pakistan has seized opportunities to stress the importance of China and the impossibility of resolving major international problems while China is excluded.

20. The Cultural Revolution, which disrupted China's foreign relations elsewhere in the world, did not greatly disturb Chinese efforts in Pakistan. Periodic military, economic, and cultural delegations--usually given prominent and favorable press coverage in Pakistan--promoted China's popularity among the Pakistanis. The Chinese have enjoyed considerable latitude in their propaganda ventures, although the Ayub government intervened occasionally to discourage too flagrant attacks on the US or the USSR. The Chinese, however, have avoided running the risk of alienating Pakistan by eschewing activities that might be construed as disruptive of Pakistan's domestic scene. Although some Chinese officials have had contact with certain opposition elements in Pakistan, they have at no time promised anything more than moral support.

Current Relations

21. Since the fall of 1967, there have been fragmentary indications of a strain in relations. Chinese officials viewed with displeasure Ayub's trip to Moscow in 1967.



22. Nevertheless, the basic Sino-Pakistani relationship has remained intact. The Pakistani

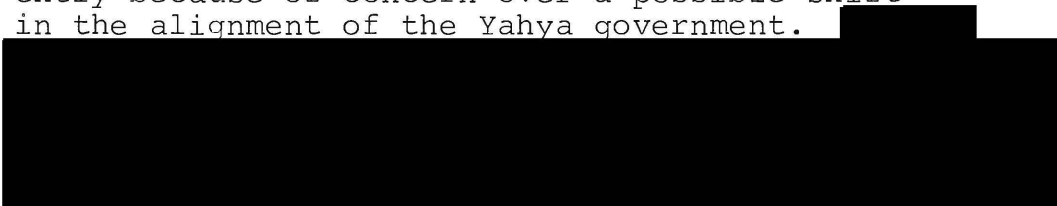
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delegation to the Chinese National Day celebrations at Peking was given red carpet treatment as one of Peking's foremost foreign friends. Military cooperation between the two countries has continued, although there is some evidence that the Pakistanis at one time were irritated by China's slowness in forwarding spare parts for previously supplied military goods, particularly parts for the MIG-19s. Several Pakistani military delegations visited China in 1968, most notably one led by General Yahya Khan, then Commander-in-Chief of the Army and now President of Pakistan. It is likely that Pakistan has provided China with some military intelligence on other nations.

The Chinese and the New Pakistani Leadership

23. Peking wanted to continue its well-established ties with the Ayub government and reacted cautiously to the political crisis in Pakistan last winter. At that time, Chinese diplomats reportedly attempted to dissuade opposition politicians from challenging Ayub's rule. After the transfer of power to Yahya Khan on 25 March, the Chinese withheld formal recognition of the new government for six weeks, apparently because of concern over a possible shift in the alignment of the Yahya government.



24. The Chinese nevertheless, privately reassured the Pakistanis of their continued full support. When the Pakistani ambassador called on Chou En-lai in late March to explain the transfer of power, Chou told him that the new government was entirely an internal affair of Pakistan and that China looked forward to continued cooperation between the two nations. Meanwhile, however, the new Pakistani Government had received written messages from other major powers in reply to its diplomatic notes; the absence of a written Chinese response had begun to worry the Pakistanis. On 1 May, the Pakistani press announced a verbal message

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of support for the new Pakistan Government from Chou En-lai, and on 5 May Chou sent a cordial written greeting to the new President. In June, Peking underscored its desire for continuing close ties with Pakistan by including it in the first group of nations to receive a returning ambassador.

25. The Pakistani Government probably intends to maintain cordial relations with Peking. Pakistani diplomats in Tokyo have, however, recently stated that President Yahya Khan believes Pakistan's China policy has created difficulties with other governments. According to these diplomats, Yahya is looking for ways to move Pakistan closer to the center of world opinion on China policy without causing difficulties in relations with Peking. Admitting that the idea is still vague, they nevertheless maintain that "something is going on in Islamabad" regarding policy toward China.

26. Any change in policy by the Pakistani Government, however, will probably be relatively slight. The rulers of Pakistan are unlikely to offend the Chinese as long as India remains an enemy of both. Yahya Khan may believe that there is a potential Chinese threat in East Pakistan should elements among the Bengalis launch widespread revolts there against domination from the West wing. His sensitivity to that improbable "threat" will probably prompt Pakistan to try to maintain good relations with Peking. One indication of Pakistan's desire to continue these relations can be seen in remarks made by Pakistan's Foreign Secretary to a US Embassy official in June. Speaking of the recent Soviet proposal for an Asian security arrangement, the Foreign Secretary said that the arrangement was evidently in response to what the Soviets considered to be a Chinese threat and that Pakistan could not participate in such an agreement.

Prospects

27. Although the Sino-Pakistani relationship is not as close as it once was, the interests of the two countries mesh often enough to make continued cooperation mutually beneficial. There

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are, nevertheless, many potential sources of friction. The Pakistani Government is strongly anti-Communist, and a basic wariness underlies its dealings with the Chinese. Peking, for its part, cannot but feel occasional discomfort in its association with a bourgeois and largely Westernized regime over which it has only marginal influence.

28. Soon after his assumption of power, President Yahya Khan indicated that Pakistan's foreign policy of stressing bilateral relations with the US, the USSR, and Communist China would continue. To the extent that Yahya can maintain the rather successful balance achieved by Ayub Khan in relations with these three nations, Peking's influence may register a further modest decline. US economic assistance now dwarfs that provided by China, and the USSR appears to be stepping up its economic assistance to Pakistan. The Soviets have also concluded an arms agreement with Pakistan, and although complete details are not available, it appears certain that Moscow has agreed to provide some armored equipment. Soviet technicians are also reported assisting in the construction of an air defense radar system in East Pakistan. The Chinese undoubtedly resent this encroachment by the Soviets upon what had been almost exclusively their domain for three years.

29. Another variable is the political future of Pakistan. At present, Yahya Khan appears sincere in his frequently expressed intention to return the country to civilian government as soon as possible. No date has yet been set for elections, but it is doubtful if they will be held before mid-1970. The current foreign policy of Pakistan, however, has found general acceptance among the people, and it is unlikely that any of the probable contenders for the presidency would consider making radical changes in foreign policy, although a few prominent political leaders might be a little more pro-Chinese than Yahya appears to be. In addition, East Pakistan is pressing hard for more autonomy, and if the Bengalis' demands are not met, it is conceivable that they will launch an insurrectionary effort aimed at complete independence for their

province. Although some observers have speculated about the possibility of Chinese assistance to the potential rebels, it is improbable that the Chinese would take steps that would now obviously prejudice their relations with Pakistan.

30. A multitude of other factors, many of them difficult to assess, will help set the pattern of future Sino-Pakistani relations. Pakistan's relations with India, which have improved only slightly since the 1965 fighting and are likely to remain strained in the foreseeable future, will be an important determinant. If India should decide in the next few years to go nuclear, even to the extent of testing a "plowshare" device, Pakistan may be driven closer to the Chinese in search of a deterrent. The degree of China's own hostility toward India will, of course, continue to be a key element.

31. In the future no fundamental shifts in the alliance of convenience seem likely. Pakistan will still look to China for substantial military support, including ammunition, spares, and possibly additional weapons. Yahya will keep Chinese sensitivities very much in mind as he moves gradually to strengthen Pakistan's ties with China's major enemies. China seems willing to continue its investment of military equipment and economic aid, although the amount of support Peking provides in the future will probably not be increased.

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