



POLICY BRIEF

Afghanistan Beyond 2021: Inroads for China's Regional Ambitions or Security Spillover?

Timor Sharan, Andrew Watkins

This brief explores China's engagement with Afghanistan after a U.S. military withdrawal from Afghanistan. It outlines how increasing uncertainty surrounding the nature of the U.S. exit and its shift in policy impacts China's national and regional security and economic ambitions. Both China and the European Union have increased their efforts to support intra-Afghan reconciliation. Beyond 2021, which conditions for development and security cooperation are anticipated in Kabul, Beijing, and European capitals? What are China's expectations of Afghanistan's international partners, and those partners' "concerns" or "doubts" about China's intentions? In which areas is trilateral coordination most critical and likely to be successful in achieving common goals?

China and Afghanistan signed the bilateral Friendship and Mutual Non-Aggression Treaty in 1960, outlining a Cold War-era relationship centred on economic engagement.¹ Since then, China's ambitions in Afghanistan have remained anchored in the economic sphere; the burgeoning superpower has so far limited its engagement in Afghan political and security affairs. In 2006, both countries reaffirmed their 1960 Treaty founded on principles of "good neighbourly" relations in which China would engage Afghanistan and its neighbours to support stabilisation. In large part, China has deferred to Pakistan, its closest and most important regional ally in South Asia since the 1960s, to guarantee its security and economic interests in Afghanistan. But since 2014, with the prospect of the U.S.-led military drawdown and the potential for a security vacuum to ensue, Beijing increasingly appears to register Afghanistan as a priority on its western borders. If the U.S./NATO withdraw fully, China might well seek to bring Afghanistan closer under its economic and political scope of influence, having alluded for years to including the country under its multi-billion-dollar Belt and Road Initiative.

China's Increasing Economic and Diplomatic Leverage

China has sizeable economic and diplomatic leverage over Afghanistan and the region yet has exerted little for immediate political aims in Kabul. Instead, Beijing has been positioning itself as the up-and-coming dominant economic power in

South and Central Asia, posturing prudently so long as the U.S. remains anchored in the region militarily. China's Belt and Road Initiative (BRI), a planned network of land and maritime trade routes meant to span across the Eurasian landmass, has injected massive investment in Pakistan and Central Asian states. This has also created imbalances, even dependencies, in their bilateral relations. In Pakistan, China has committed to invest \$62 billion in the so-called Chinese-Pakistan Economic Corridor alone, one of the Belt and Road Initiative's six corridors.² In August 2020, China signed a strategic partnership agreement with Iran on trade, politics, and security, giving Beijing a strategic foothold in the Persian Gulf.³ In Afghanistan, a consortium of Chinese state-owned enterprises secured the concession to the country's biggest copper mine in 2008.

These deals and China's close relations with Pakistan are likely to reshape the region's political landscape in favour of China, to a degree that is difficult to forecast if the U.S. and its Western partners continue to disengage from Afghanistan. These huge mega-projects could give Beijing the necessary leverage to compel others, including Afghanistan, to help contain or even eliminate potential threats to its security and stability. It is worth noting that Pakistan, and the Taliban which it holds influence over, has taken little visible action against groups China considers a threat – leaving it an open question as to what extent Beijing has pressed the issue with them, and how effective it might be.

¹ The project "From Uncertainty to Strategy: What are the odds for future win-win scenarios in Afghanistan's Neighborhood?" is an independent effort of the Friedrich-Ebert-Stiftung (FES) to develop and discuss likely scenarios for Afghanistan's neighbors, policy adjustments, and the need for a comprehensive strategy among European foreign policymakers. This brief is part of a series authored by Andrew Watkins and Dr. Timor Sharan to discuss the implications of the US withdrawal and the ongoing Afghan Peace Negotiations on existing policy tools, strategic interests, and challenges for key stakeholders in- and outside of Afghanistan. The complete list of policy briefs may be accessed here: <https://afghanistan.fes.de/publications>

² Mariam Safi and Bismillah Alizada, 2020, "Integrating Afghanistan into the Belt and Road Initiative: Review, Analysis and Prospects," *Friedrich Ebert Stiftung*, August 2018.

³ Alam Saleh and Zakiyeh Yazdandshenas, 2020, "Iran's Pact with China is Bad News for the West", *Foreign Policy*, 9 August 2020.

Beijing's Security Concerns and Position on Afghan Peace

Should Western military engagement in Afghanistan end in 2021, China's approach may be guided more than anything by concerns about security threats emanating from Afghanistan, including transnational terrorism and violent religious extremism.⁴ Beijing's most targeted fears are threats that might instigate unrest in its northwest Xinjiang province; specifically, it shows great interest in tracking the presence and activity of ethnic Uyghur jihadists, a small but distinct demographic of foreign fighters hosted by the Taliban.⁵

Ideally, for Beijing, a stable buffer zone could ensure that groups such as the East Turkistan Independence Movement (ETIM) do not use the territory of Afghanistan and Central Asian countries as "forward positions" to infiltrate and launch secessionist activities in Xinjiang.⁶ A worst-case scenario outcome of a failed peace process and hasty Western withdrawal – the collapse of the state and subsequent civil war– could turn Afghanistan once again into a safe haven for international terrorist organisations, and risk lawlessness along the country's borders with neighbouring states – including restive western China. Beijing seems to have anticipated the potential for such negative scenarios to unfold over the longer term for some time; it began making overtures of security assistance, though on a very small scale and via initiatives which have largely failed to materialize, to Kabul as early as 2013. By 2019, reports broke that the Chinese military had established a rare base at the far

western edge of its territorial reach, perched in the mountains adjacent to Tajikistan, Afghanistan and its own frontier.⁷ Such gestures are both unprecedented but also remain quite passive and purely defensive in nature for now, especially in comparison to the engagement of Afghanistan's other neighbouring states.

Beijing's public position on the ongoing peace process in Afghanistan has been subtly supportive of U.S.-led efforts. In line with Pakistan, China has conspicuously not joined a number of European states, other nations and international bodies to press the Taliban into an immediate ceasefire. To the extent it has raised issues, China prefers an "orderly" and "responsible" exit from Afghanistan and has warned NATO and the U.S. against a hasty withdrawal. It has also voiced concerns about the U.S. approach to peace talks concerning its neglect of a more formal regional dimension. For now, China might even look favourably on the presence of U.S. counterterrorism forces in Afghanistan.

That said, the country has sought, like most other regional powers, to establish an increasingly firm dialogue with the Taliban's political office. It had opened relations with the insurgent group years earlier, but these have grown more open since the U.S. has engaged the Taliban in high-level negotiations. Its stance toward the peace process effectively reflects the strategic assessment Beijing undertook during the U.S./NATO military drawdown of 2014, when it judged the potential for Taliban ascendancy and/or political disorder.⁸



⁴ See AAN paper on China for previous Chatham House discussion of China's policy towards Afghanistan. Climbing on China's Priority List: Views on Afghanistan from Beijing - Afghanistan Analysts Network - English (afghanistan-analysts.org)

⁵ See for instance F. Brinley Bruton and Tony Brown, "U.S. targets Chinese Uighur militants as well as Taliban fighters in Afghanistan," NBC News, 8 February 2018.

⁶ Paul Stronski and Nicole Ng, (2018), "Cooperation and Competition: Russia and China in Central Asia, the Russian Far East, and the Arctic", Carnegie Endowment for International Peace, 28 February 2018. See also CICIR article.

⁷ See Gerry Shih, "In Central Asia's forbidding highlands, a quiet newcomer: Chinese troops," Washington Post, 18 February 2019.

⁸ See Yun Sun, "China's Strategic Assessment of Afghanistan," War on the Rocks website, 8 April 2020.

China's position in Afghanistan, given its emphasis on trade, regional connectivity and long-term investment and counterterrorism, has not been subject to dramatic fluctuations on account of current events, not even the U.S. efforts to withdraw from the region. Furthermore, China's engagement with Afghanistan is not likely to be seriously impacted by any future tensions in U.S.-China relations, even if these relations worsen. While the potential for collaboration is made difficult, both countries have refrained from bringing Afghanistan's conflict into the fray of other competition and contentious issues elsewhere in Asia.⁹

China's recent engagement has been defined by restraint and unfulfilled expectations, especially harboured by some Afghan political leaders, hoping China might enable some diversification of Kabul's dependency on foreign support and perhaps even influence Pakistan positively.¹⁰ But China's diplomatic reach is expanding in the region, and a more assertive China seems likely in the near future. In one small signal of what may lie in store, China has, in the past several years, begun to play diplomatic hardball with the U.S. in the UN Security Council, including annual extensions of the UN mission in Afghanistan.¹¹

As the U.S. military withdraws - on whatever timeline that may be - and a great deal of Western funding and support likely reduces as well, Kabul will have to review its relations with China from top to bottom, especially in light of close China-Iran and China-Pakistan ties. These ties are likely indicative of which regional players and positions China will support in the event of a political, economic or security vacuum in the future.¹² China's "non-interference" approach, when it comes to investments around the world, suggests that engagement in Afghanistan would largely adhere to its historical track record of supporting Pakistan and other regional partners.¹³

Working Together on Converging Interests

The EU and China both have economic incentives to promote regional trade and connectivity. Although Afghanistan has not yet been inducted into the list of Belt and Road Initiative participants, Chinese officials have strongly hinted at the possibility of including Afghanistan by extending the China-Pakistan Economic Corridor to Afghanistan.¹⁴

At present Afghanistan's inclusion in the BRI appears likely to happen; this will be particularly important in the event that a peace settlement is reached and Pakistan has newfound influence in Kabul. The BRI route could also connect China to Europe, cut shipping time and costs, and challenge Russia's geographic advantage in moving commodities. Beijing has already set up the Tajikistan-Afghanistan-Turkmenistan railway line. As the

land route into Kyrgyzstan and Uzbekistan, Afghanistan also provides several trade routes. China is expected to continue aiding Afghanistan through grand infrastructure projects, as well as more mundane budget and logistical support. Chinese-led financial institutions such as the Asian Infrastructure Investment Bank are likely to play a more active role if NATO leaves - as the likely reduction in financial support from Western-backed institutions will leave space to expand influence. Such efforts would likely become complimentary with (or even begin to overshadow) EU connectivity plans across Central Asia, such as the European Investment Bank's €70 million commitment to the Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000), which enables electricity transmission between Kyrgyzstan, Tajikistan with Afghanistan and Pakistan.¹⁵

Both the EU and China would like to see a stable Afghanistan and avoid a worst-case scenario in which Afghanistan falls into civil war and becomes a safe haven for international terrorism. The EU might have greater space than the current U.S. administration to approach China and urge it to influence Pakistan to pressure the Taliban's leadership into accepting substantive compromises in the peace process. China has had direct contacts with the Taliban and has maintained open diplomatic relations for some years, but this seems to have taken place in consultation with Islamabad - in line with deference to Pakistan's interests in the region. Whether the EU will have more success in indirectly pressuring Pakistan via China than the U.S. remains to be seen. But recent inroads between Europe and China, as evidenced in a trade deal inked in December 2020, provide an opportunity at the very least.

The Afghan peace process has been missing an integrated regional mechanism. Since the process was kickstarted in late 2018, the U.S. has alienated critical regional players, Iran, India, Russia and China and relations are souring on several different fronts. The new U.S. proposed "Afghan Peace Agreement" plan has envisioned a regional framework, which is welcomed by Afghanistan's neighbours including China. The Quadrilateral Coordination Group between Afghanistan, Pakistan, China and the U.S. as a platform has failed to make inroads of any substance. Given the intractability of some issues between the above powers and the U.S. facing multiple crises, the EU and China could step in and play key roles filling the regional dialogue gap, especially given Beijing's close relations with Pakistan and Iran. Beijing's leverage in the Chinese-initiated Shanghai Cooperation Organisation might even prove useful enough to engage Russia and the five Central Asian Republics meaningfully. However, it would be challenging for the EU to bring China's engagement with the Afghanistan peace process in sync with its own priorities on human rights and governance values. This effort would require quite creative diplomacy.

⁹ U.S. Institute of Peace China-South Asia Senior Study Group, "China's Influence on Conflict Dynamics in South Asia," December 2020.

¹⁰ See Vanda Felbab-Brown, "A BRI(dge) too far: The unfulfilled promise and limitations of China's involvement in Afghanistan," Brookings Institution, June 2020.

¹¹ For the past several years, the Chinese delegation on the UN Security Council has attempted to include explicit language endorsing its Belt and Road initiative in the annual renewal of the UN mission in Afghanistan's mandate. See Michelle Nichols, "U.N. Security Council overcomes Chinese veto threat to renew Afghanistan mission," Reuters, 17 September 2019.

¹² China's approach to regional issues already aligns in protection of local partner interests, especially Pakistan's, according to a number of American experts. Ibid.

¹³ Jason Li, "Conflict Mediation with Chinese Characteristics: How China Justifies Its Non-Interference Policy," Stimson Center, 27 August 2019.

¹⁴ Mariam Safi and Bismillah Alizada, 2020, "Integrating Afghanistan into the Belt and Road Initiative: Review, Analysis and Prospects," Friedrich Ebert Stiftung, August 2018.

¹⁵ European Commission, Joint Communication, "Connecting Europe and Asia - Building blocks for an EU Strategy," 19 September 2018.

Recommendations

- The EU and China should play a more active role in utilising their convening power and positive relations with Pakistan to influence the Taliban's approach to the peace process and immediately get the Taliban to commit to the reduction of violence, if not a full ceasefire. Furthermore, they should convince Islamabad to close Taliban sanctuaries on its soil.
- Both the EU and China should explore the possibility of cooperating on a new formalised and inclusive regional mechanism—including, critically, Iran and India, which would be vital to include in any regional forum, in spite of its recently worsening tensions with China. The forum could focus in the near term on the ongoing peace process and stabilisation, and transition when appropriate to longer-term economic and security cooperation.
- The EU and China should jointly facilitate trust-building efforts between Afghanistan and Pakistan by encouraging the resolution of other long-boiling quarrels between the two countries, including border disputes, trade disagreements, and repatriation and management of Afghan refugees.
- The EU should employ its existing diplomatic channels with Chinese policy makers to advocate for a sustainable and comprehensive development and stabilization approach in Afghanistan beyond limited counterterrorism and economic aims.
- Any expansion of EU-China coordination on development in Afghanistan will require navigating stark differences between their two foreign policy stances on human rights. Yet that has not prevented the two from deepening cooperation elsewhere, as recently as late 2020. Creativity and leveraging diplomatic “momentum” could lead to fruitful exchange, perhaps even feeding into discussion of mandates and future assistance efforts in the UN.

About the authors

Dr Timor Sharan is the Director of the Afghanistan Policy Lab, an Adjunct Professor of Public Policy at the American University of Afghanistan, and was formerly the International Crisis Group's senior analyst for Afghanistan.

Andrew Watkins is a researcher and analyst of Afghanistan's conflict and prospects for peace, and is deeply engaged in conflict prevention. He has previously worked in Afghanistan for the United Nations, the humanitarian community, the U.S. government and as an independent researcher.

About the cover photo

China's President Xi Jinping (3rd from R) and Afghan Chief Executive Officer Abdullah Abdullah (4th from L) attend their meeting at the Great Hall of the People in Beijing, China, May 17, 2016. REUTERS/Kim Kyung-Hoon

Imprint © 2021 Friedrich Ebert-Stiftung (FES) Afghanistan

Website: www.afghanistan.fes.de

Commercial use of all media published by the Friedrich Ebert-Stiftung (FES) is not permitted without the written consent of the FES.

The views expressed in this publication are not necessarily those of Friedrich-Ebert-Stiftung.