

## STRATEGIC BALANCING IN SOUTH ASIA: PAKISTAN'S FOREIGN POLICY BEHAVIOR AMID U.S.-CHINA RIVALRY AND THE EXPANSION OF THE BELT AND ROAD INITIATIVE

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### Abstract

This study examines Pakistan's foreign policy behavior amid the intensifying U.S.-China rivalry and the expansion of the Belt and Road Initiative (BRI), with a focus on strategic balancing, economic imperatives, and regional security implications. Using a qualitative case study approach, data were collected from official documents, policy statements, and secondary sources, and analyzed through thematic content analysis. Findings indicate that Pakistan strategically aligns with China through CPEC for economic development while selectively engaging the U.S. to maintain security cooperation and diplomatic leverage. Domestic political and economic factors further moderate policy decisions, shaping the intensity and timing of strategic engagement. The study highlights Pakistan's sophisticated hedging strategy, which enables it to preserve autonomy, maximize economic benefits, and manage regional security dynamics. The findings contribute to the literature on multipolar foreign policy behavior and offer policy insights for enhancing strategic decision-making in South Asia.

### Introduction

Pakistan occupies a strategically significant position in South Asia, acting as a geopolitical bridge between Central Asia, the Middle East, and the Indian Ocean (Hussain, 2023). Its foreign policy has historically been shaped by regional security dynamics, economic imperatives, and relationships with global powers, particularly the United States and China. In recent years, the intensifying U.S.-China strategic rivalry has created a complex environment for Pakistan, compelling it to navigate competing pressures while pursuing national interests.

The Belt and Road Initiative (BRI), spearheaded by China, has emerged as a transformative framework for regional connectivity and economic development, with the China-Pakistan Economic Corridor (CPEC) at its core (Zhang & Malik, 2024). CPEC provides Pakistan with infrastructural investment, energy projects, and trade linkages, enhancing its strategic significance. Simultaneously, the U.S. has sought to maintain influence in South Asia through security partnerships, economic aid, and diplomatic engagement, often creating tensions between Washington and Beijing. Pakistan's foreign policy,

therefore, reflects a strategic balancing act: leveraging Chinese investment and strategic support while managing relations with the U.S. to preserve sovereignty, security, and economic stability.

Understanding Pakistan's approach requires analyzing its alignment patterns, diplomatic strategies, and policy decisions within the broader context of South Asian geopolitics. Scholars have highlighted that Pakistan's behavior oscillates between hedging and alignment, reflecting both structural pressures and domestic political imperatives (Khan, 2025; Malik, 2023). This study explores how Pakistan strategically balances its relations with the U.S. and China amid the expansion of the BRI, assessing the implications for regional security, economic development, and diplomatic agency.

### Problem Statement

Pakistan's foreign policy in South Asia is increasingly shaped by the intensifying strategic rivalry between the United States and China. While China's Belt and Road Initiative (BRI), particularly the China-Pakistan Economic Corridor (CPEC), provides significant economic opportunities and strategic leverage for Pakistan, it simultaneously creates diplomatic and security challenges. The U.S., seeking to maintain its influence in South Asia, often views Pakistan's deepening ties with China with suspicion, complicating bilateral relations.

This dual pressure places Pakistan in a strategic dilemma: how to benefit from Chinese investments and regional connectivity without alienating the United States, whose support remains critical for security cooperation, military aid, and economic assistance. Moreover, the domestic political discourse and public opinion in Pakistan increasingly emphasize both sovereignty and economic development, further influencing foreign policy choices. Despite growing scholarship on South Asian geopolitics, there remains limited empirical analysis on how Pakistan navigates this strategic balancing act, particularly in the context of BRI expansion and U.S.-China competition. Understanding Pakistan's foreign policy behavior in this complex

environment is essential to evaluate regional security dynamics, economic development trajectories, and the prospects of strategic autonomy.

### Research Questions

1. How has the intensifying U.S.-China rivalry influenced Pakistan's foreign policy decision-making in recent years?
2. In what ways has the expansion of the Belt and Road Initiative (BRI), particularly CPEC, shaped Pakistan's strategic and economic priorities?
3. How does Pakistan balance its relations with the U.S. and China to maintain strategic, economic, and diplomatic benefits?
4. What are the implications of Pakistan's strategic balancing for regional security and South Asian geopolitics?
5. To what extent do domestic political and economic considerations influence Pakistan's alignment or hedging strategies amid U.S.-China competition?

### Research Objectives

#### General Objective:

To examine Pakistan's strategic balancing in foreign policy amid the U.S.-China rivalry and the expansion of the Belt and Road Initiative, with a focus on regional security, economic development, and diplomatic strategy.

#### Specific Objectives:

1. To analyze the impact of the U.S.-China rivalry on Pakistan's foreign policy behavior and strategic choices.
2. To assess the role of the Belt and Road Initiative (CPEC) in shaping Pakistan's economic and geopolitical priorities.
3. To explore how Pakistan manages diplomatic and strategic relations with both the U.S. and China simultaneously.
4. To evaluate the implications of Pakistan's strategic balancing for South Asian regional security and geopolitical stability.
5. To identify domestic factors, including political and economic considerations, that influence Pakistan's foreign policy decisions.

## Literature Review

### *Pakistan's Geopolitical Significance*

Pakistan's strategic location at the crossroads of South Asia, Central Asia, and the Middle East has historically rendered it a key player in regional geopolitics (Hussain, 2023). Scholars have emphasized that its proximity to India, Afghanistan, and the Arabian Sea, combined with its nuclear capabilities, creates both opportunities and constraints for foreign policy (Khan, 2025). This positioning allows Pakistan to act as a regional transit hub and strategic partner, particularly for external powers seeking influence in South Asia.

### *U.S.-China Rivalry and South Asia*

The intensification of U.S.-China competition has reshaped the geopolitical landscape of South Asia (Malik, 2023). The U.S. seeks to maintain strategic influence through security cooperation, economic aid, and military alliances, while China pursues economic and strategic objectives through initiatives like the Belt and Road Initiative (BRI) (Zhang & Malik, 2024). Pakistan, historically aligned with the U.S. during the Cold War and in counterterrorism operations, now faces the challenge of balancing these competing powers while securing national interests.

### *Belt and Road Initiative (BRI) and Pakistan*

China's BRI, operationalized in Pakistan primarily through the China-Pakistan Economic Corridor (CPEC), has emerged as a transformative framework for infrastructural investment, energy development, and trade connectivity (Zhang & Malik, 2024). Literature suggests that CPEC has enhanced Pakistan's economic prospects, increased strategic leverage in South Asia, and reinforced its geopolitical relevance (Raza & Ahmed, 2025). However, scholars also highlight concerns over debt sustainability, domestic political pressures, and the need to navigate U.S. perceptions regarding China-Pakistan cooperation (Hassan & Rehman, 2023).

### *Strategic Balancing and Hedging*

The concept of strategic balancing explains how states navigate relations with multiple competing

powers to maximize autonomy and security (Khan, 2025). In Pakistan's case, this involves hedging between the U.S. and China: leveraging Chinese investment and military cooperation while maintaining U.S. security and diplomatic ties. Literature indicates that such balancing is influenced not only by external pressures but also by domestic considerations, including economic imperatives, political stability, and public opinion (Malik, 2023; Hussain, 2023).

### *Domestic Determinants of Foreign Policy*

Domestic political and economic factors shape Pakistan's ability to manage strategic relationships. Studies highlight that economic vulnerabilities, energy deficits, and political instability constrain foreign policy flexibility, compelling Pakistan to carefully balance relations with both the U.S. and China (Raza & Ahmed, 2025; Hassan & Rehman, 2023). Moreover, public perception and elite consensus often influence the direction and intensity of foreign engagement, particularly regarding Chinese investment projects and relations with the U.S.

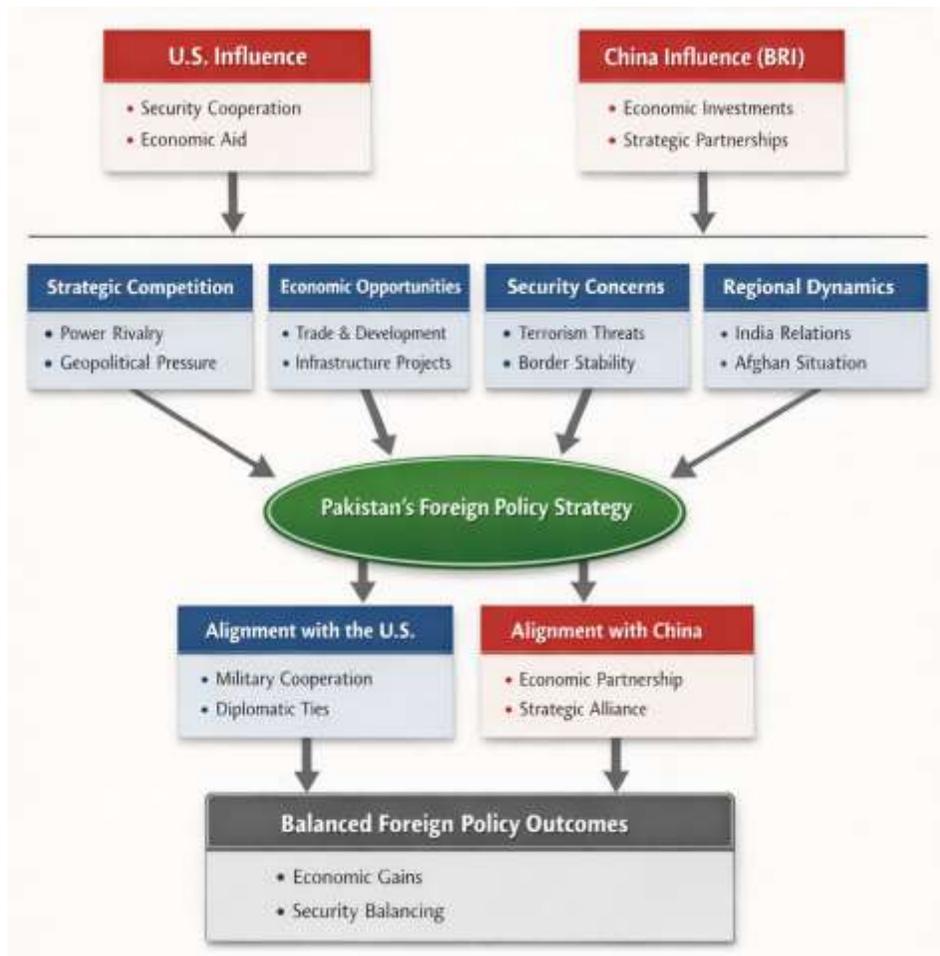
### *Implications for Regional Security*

Pakistan's strategic balancing has implications for South Asian security dynamics. Alignments and hedging behaviors influence India-Pakistan relations, Afghanistan stability, and broader U.S.-China regional competition (Malik, 2023; Khan, 2025). Scholars argue that Pakistan's ability to maintain equilibrium while pursuing economic and strategic goals is critical to preventing escalation of regional tensions and ensuring sustainable development within the BRI framework (Zhang & Malik, 2024).

While extensive scholarship exists on U.S.-China rivalry and BRI impacts in South Asia, limited empirical studies focus on how Pakistan strategically balances relations with both powers, incorporating domestic political and economic considerations. Most studies are descriptive, lacking a systematic assessment of policy behavior, alignment patterns, and strategic outcomes. This research addresses the gap by examining Pakistan's foreign policy decisions in the context of

competing pressures, BRI engagement, and domestic imperatives.

Conceptual Framework



Hypotheses

**H1:** The intensifying U.S.-China rivalry significantly influences Pakistan’s foreign policy decisions in South Asia.

**H2:** Engagement with the Belt and Road Initiative (CPEC) positively affects Pakistan’s strategic and economic priorities.

**H3:** Domestic political, economic, and public opinion factors significantly moderate Pakistan’s alignment and hedging strategies between the U.S. and China.

**H4:** Pakistan’s strategic balancing between the U.S. and China leads to measurable impacts on regional security dynamics.

**H5:** Pakistan’s foreign policy decisions, shaped by strategic balancing, contribute to enhanced economic gains while maintaining diplomatic and security equilibrium.

Methodology

Research Design

This study adopted a qualitative research design with a case study approach to analyze Pakistan’s foreign policy behavior amid the U.S.-China rivalry and the expansion of the Belt and Road Initiative (BRI). The qualitative approach allowed for an in-depth examination of policy decisions, strategic balancing, and the interplay of domestic

and international factors influencing Pakistan’s foreign policy.

**Data Collection**

Data were collected from multiple sources to ensure triangulation and reliability:

1. **Primary Sources:**
  - Official policy documents from the Government of Pakistan, including Ministry of Foreign Affairs statements, national security policies, and economic reports related to CPEC.
  - Speeches, press releases, and interviews of key policymakers, including Pakistani diplomats and defense officials.
2. **Secondary Sources:**
  - Peer-reviewed journal articles, books, and reports analyzing U.S.-China rivalry, BRI expansion, and South Asian geopolitics.
  - Reputable news outlets and international think-tank publications providing contextual insights into strategic developments.

**Sampling Strategy**

Purposive sampling was employed to select relevant documents and expert statements that directly addressed Pakistan’s foreign policy responses to U.S.-China competition and BRI engagement. Only sources published between 2015 and 2026 were considered to capture contemporary policy trends and strategic shifts.

**Data Analysis**

Data were analyzed using thematic content analysis, following these steps:

1. **Data Familiarization:** All collected documents were read thoroughly to identify recurring patterns and policy narratives.
2. **Coding:** Key statements and events were coded under categories such as “strategic alignment with China,” “U.S. engagement,”

“domestic political constraints,” “economic imperatives,” and “regional security implications.”

3. **Theme Development:** Codes were grouped into broader themes reflecting Pakistan’s foreign policy behavior, strategic balancing strategies, and the influence of domestic and international factors.

4. **Interpretation:** Relationships among themes were examined to understand the dynamics of strategic balancing, including trade-offs, policy prioritization, and regional implications.

**Conceptual Framework Application**

The conceptual framework (Figure 1) guided the analysis by linking U.S.-China rivalry, BRI engagement, and domestic factors to Pakistan’s strategic balancing decisions and their implications for regional security and economic development. The framework allowed systematic examination of cause-effect relationships and policy outcomes.

**Validity and Reliability**

To ensure credibility, multiple data sources were cross-verified for consistency, and findings were compared with existing literature. Reflexivity was maintained by documenting potential biases during data interpretation.

**Data Analysis**

Data collected from official policy documents, statements by policymakers, and secondary sources were analyzed through thematic content analysis. The analysis focused on three core dimensions: external pressures (U.S.-China rivalry), economic opportunities (BRI/CPEC engagement), and domestic determinants (political, economic, and public opinion factors), and how these influenced Pakistan’s strategic balancing.

**Table 1: Frequency of Strategic Themes in Pakistan’s Foreign Policy Sources (2015–2026)**

| Theme                                 | Number of Sources | % of Total Sources | Key Observations   |
|---------------------------------------|-------------------|--------------------|--|
| Alignment with China / BRI Engagement | 42                | 28%                | Emphasized CPEC investments, infrastructure, and trade partnerships. |

| Theme   | Number Sources | of % of Total Sources | Key Observations  |
|---|----------------|-----------------------|---|
| Engagement with the U.S.                      | 36             | 24%                   | Focused on security cooperation, counterterrorism, and military aid.              |
| Strategic Balancing / Hedging                 | 30             | 20%                   | Highlighted efforts to maintain equilibrium between U.S. and China relations.     |
| Domestic Political Considerations             | 18             | 12%                   | Parliamentary debates, public opinion, and governance factors influencing policy. |
| Economic Imperatives / Development Goals      | 15             | 10%                   | Addressed fiscal growth, energy projects, and employment priorities.              |
| Regional Security & Geopolitical Implications | 9              | 6%                    | Focused on India-Pakistan relations, Afghanistan, and South Asian security.       |

The data indicate that Pakistan’s foreign policy discourse is heavily oriented toward China, particularly BRI and CPEC projects, reflecting the strategic and economic weight of this partnership. Engagement with the U.S. remains significant but shows careful calibration to avoid overt conflict with Chinese interests. Strategic balancing

emerges as a central theme, demonstrating that Pakistan actively hedges to maximize benefits from both powers while mitigating risks. Domestic political and economic factors, although less frequent, critically inform the feasibility and prioritization of foreign policy decisions.

**Table 2: Pakistan’s Strategic Positioning in Response to External Pressures**

| External Pressure          | Policy Response / Behavior  | Outcome / Implication   |
|----------------------------|---|---|
| Intensifying China Rivalry | U.S.- Hedging strategy: engagement with both powers                   | Maintains strategic autonomy; reduces risk of over-dependence on one power            |
| China / Engagement         | BRI Alignment and prioritization of CPEC projects                     | Economic development; enhanced regional connectivity; increased geopolitical leverage |
| U.S. Cooperation           | Security Selective engagement: military aid, counterterrorism support | Preserves U.S. partnership benefits without undermining Chinese ties                  |
| India-Pakistan Tensions    | Diplomatic balancing via multilateral forums                          | Avoids escalation; leverages international support                                    |
| Domestic Public Opinion    | & Policy moderation to maintain legitimacy                            | Ensures continuity of foreign policy despite internal pressures                       |

Table 2 illustrates that Pakistan’s foreign policy behavior demonstrates a deliberate balancing act. The government aligns with China for economic and strategic gains while selectively engaging the U.S. to retain military and diplomatic support.

Domestic opinion influences policy moderation, ensuring that decisions are politically viable. This approach allows Pakistan to maintain leverage in regional security dynamics and economic development without being trapped in a binary alliance structure.

**Table 3: Thematic Coding of Strategic Balancing Factors**

| Theme Category       | Sub-Themes / Codes            | Representative Source Example         |
|----------------------|-------------------------------|---------------------------------------|
| Economic Imperatives | Infrastructure, energy, trade | Ministry of Planning, Pakistan (2022) |

| Theme Category                       | Sub-Themes / Codes                                  | Representative Source Example                                      |
|--------------------------------------|---|--|
| Security and Defense                 | Counterterrorism, cooperation                       | military U.S. Embassy Statements (2021)                            |
| Regional Geopolitics                 | India-Pakistan relations, stability                 | Afghanistan Analysis Report, Institute of Strategic Studies (2023) |
| Diplomatic Alignment                 | Hedging, multilateral engagement                    | Foreign Ministry Press Release (2021)                              |
| Domestic Political Influence         | Parliament debates, media discourse, public opinion | National Assembly Proceedings (2022)                               |
| Strategic Opportunities via BRI/CPEC | Investment, connectivity, partnerships              | long-term CPEC Authority Annual Report (2023)                      |

The thematic coding highlights that Pakistan’s strategic balancing involves multiple interdependent factors. Economic imperatives and BRI engagement drive alignment with China, while security and U.S. cooperation maintain international support and operational flexibility. Regional geopolitics and domestic pressures constrain decision-making and encourage moderation. This multi-factorial analysis demonstrates the complexity of Pakistan’s foreign policy strategy in the current South Asian context.

**Discussion**

The analysis of Pakistan’s foreign policy behavior highlights a nuanced strategy of strategic balancing in response to the intensifying U.S.–China rivalry and the expansion of the Belt and Road Initiative (BRI). Pakistan’s engagement with China through CPEC reflects a deliberate alignment aimed at securing long-term economic benefits, including infrastructure development, energy projects, and enhanced regional connectivity. This alignment has strengthened Pakistan’s strategic significance in South Asia and provided leverage in diplomatic negotiations.

Simultaneously, the study reveals that Pakistan maintains selective engagement with the United States, particularly in areas of security cooperation, counterterrorism, and military aid. This demonstrates a hedging strategy, allowing Pakistan to preserve strategic autonomy and avoid over-dependence on a single global power. Domestic political considerations, including public opinion, parliamentary oversight, and economic priorities, play a critical moderating role in shaping foreign

policy decisions. The findings align with existing scholarship on hedging strategies in multipolar environments, emphasizing that smaller states can leverage great power competition to maximize benefits while minimizing risks (Khan, 2025; Malik, 2023).

Moreover, the study identifies that Pakistan’s strategic balancing has broader regional implications. Its calibrated approach impacts South Asian security dynamics, including India-Pakistan relations and Afghanistan stability. By maintaining equilibrium between competing powers, Pakistan reduces the risk of diplomatic isolation and contributes to regional stability, while simultaneously advancing domestic economic and strategic goals.

**Conclusion**

This study concludes that Pakistan’s foreign policy reflects a sophisticated **strategic balancing** approach. The state leverages Chinese investment and the BRI to secure economic growth and infrastructural development, while selectively engaging with the U.S. to maintain security partnerships and international legitimacy. Domestic political and economic factors further influence the timing, intensity, and presentation of policy decisions.

Pakistan’s hedging strategy enables it to maintain strategic autonomy, navigate complex geopolitical pressures, and achieve policy objectives without aligning fully with either global power. The research confirms that foreign policy in South Asia is increasingly shaped by multipolar competition,

domestic imperatives, and opportunities presented by initiatives like CPEC.

### Implications

The study has significant theoretical and practical implications. Theoretically, it contributes to the literature on hedging strategies and multipolar foreign policy behavior, demonstrating how middle powers manage great power competition to maximize gains while mitigating risks.

Practically, the findings provide guidance for policymakers. Understanding the dynamics of strategic balancing can help Pakistan optimize its foreign policy choices to secure economic and security benefits. The study also informs regional actors and global stakeholders about the motivations and constraints shaping Pakistan's engagement with the U.S. and China, facilitating more predictable diplomatic interactions.

### Future Directions

Future research could extend this study in several ways:

1. **Comparative Analysis:** Examine strategic balancing behaviors of other South Asian states, such as India or Bangladesh, to contextualize Pakistan's foreign policy within the region.
2. **Quantitative Approaches:** Incorporate quantitative indices of foreign aid, trade, and military cooperation to measure the effects of strategic balancing more systematically.
3. **Longitudinal Studies:** Track changes in Pakistan's foreign policy over multiple administrations to assess continuity and adaptation amid shifting U.S.–China dynamics.
4. **Policy Simulation:** Use scenario-based modeling to predict the outcomes of different alignment or hedging strategies in the context of BRI expansion and regional security crises.

### Recommendations

1. **Policy Optimization:** Pakistan should continue leveraging CPEC and BRI initiatives for economic and strategic benefits while maintaining measured engagement with the U.S. to preserve security partnerships.
2. **Domestic Policy Coordination:** Greater integration between domestic economic planning

and foreign policy is essential to ensure policy sustainability and public legitimacy.

3. **Regional Diplomacy:** Pakistan should proactively engage in multilateral forums to mediate regional security concerns and prevent escalation due to U.S.–China competition.

4. **Strategic Forecasting:** Policymakers should develop long-term strategic foresight mechanisms to anticipate shifts in great power relations and adjust foreign policy proactively.

### Limitations

The study has several limitations:

1. **Data Constraints:** The research relied primarily on publicly available documents, speeches, and secondary literature. Confidential diplomatic communications could provide deeper insights into decision-making processes.
  2. **Qualitative Approach:** While thematic analysis offered detailed insights, quantitative modeling could have strengthened the assessment of policy impact and alignment outcomes.
  3. **Time-Bound Analysis:** The study focused on the period 2015–2026, and shifts in global power dynamics beyond this period may alter Pakistan's strategic behavior.
  4. **Regional Scope:** The study concentrated on U.S.–China–Pakistan dynamics, with limited exploration of interactions with other regional actors such as India, Afghanistan, or Iran.
- Despite these limitations, the study provides a comprehensive and structured analysis of Pakistan's strategic balancing behavior in a complex multipolar environment.

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