

Critically evaluate Pakistan's balancing strategy between US and China in 2025. Is dual alignment sustainable amid intensifying US-China rivalry?

1) Introduction :-

In the year 2025, Pakistan has successfully managed its diplomatic relations between arch-rivals USA and China. In the realm of economic and technological ties, it has worked closely with China. For counter-terrorism efforts and trade, it has relied on its relationship with USA. This dual alignment, however, comes with great risks amid intensifying US-China rivalry. Whether or not this alignment is sustainable will depend on Pakistan's strategy of balancing. If it offers tangible profits and areas of collaboration to both parties and continues its policy of non-alignment, it can turn this alignment into a sustainable strategy.

2) What Pakistan Gains Via Strategic Balancing :-

In the year 2025, Pakistan has successfully balanced its relationship with China

and USA. Here's what it gains through it.

a) Continued Investments

For Completion of CPEC

China has 43 projects under CPEC, worth \$25 bn. After years of slow progress, China and Pakistan have decided to pursue 2nd phase of CPEC and complete it till 2030.

b) Sophisticated and Advanced Arms from China

The balancing allows Pakistan to procure advanced weapons from China. The J10-C and drones used during recent clash with India were from China too. According to SIPRI (2025) Pakistan is procuring 63% of its arms from China.

c) Lucrative Market For Pakistani Textiles Within USA.

According to Finance Division (Gov. PK, 2025), USA is Pakistan's biggest export destination for its textiles. Balancing of relations is allowing Pakistan to sustain this market.

d) Trade with USA at a Reduced Tariff Rate

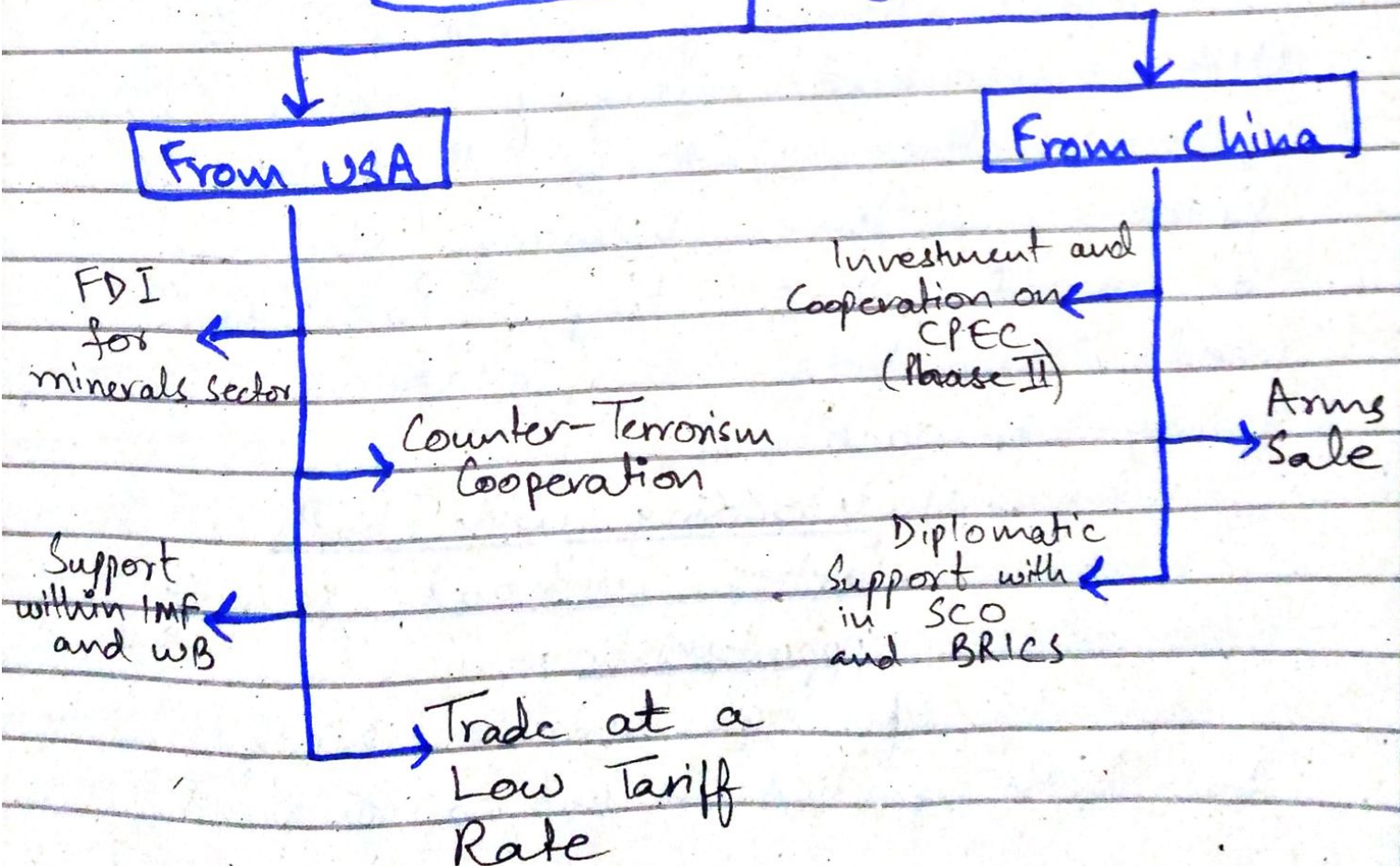
Careful balancing of relations has allowed Pakistan to get the

US tariffs, which were initially 29%, reduced to 19%.

e) FDI from USA for Exploration of Pakistan's Oil and Minerals Reserves

On 8th September, 2025, an MOU was signed between US Strategic Metals and Pakistan's FWE whereby US will spend \$500 mm on developing Pakistan critical minerals sector. US is also interested in exploring Pakistan's offshore oil reserves.

Benefits for Pakistan Through This Strategic Balancing



3) Risks and Challenges Involved:-

In this process of strategic balancing, following are the risks and challenges involved:-

a) Sustaining USA's Interest

Given the transactional history of Pakistan's relationship with USA, it is hard to predict if the current reconnection will last long. Critics also worry that Pakistani policy makers are over-promising to USA in ~~inter~~ terms of ~~the~~ mineral and oil resources that it can provide to the USA.

b) Engaging USA without Engaging China

Developing relations with USA without engaging China is yet another challenge that Pakistan faces in this balancing strategy. To avoid that trap, Pakistan needs to keep its relations fairly transactional.

c) Working with both parties without seeming opportunistic:-

Offering tangible benefits to both parties is yet another

challenge for Pakistan. Pakistan needs to devise a posture that presents it as a bridge between the two.

"Pakistan has the potential to serve as a bridge between the two." — Rizwan Saeed

4) Sustainability of Pakistan's Balancing Act Amid Intensifying Rivalry of China and USA :-

Amid intensifying China, USA rivalry, the sustainability of this balancing act is questioned; however, this sustainability can be ensured if Pakistan maintains a balanced and transactional stance.

a) Embedding Economic Stakes of Both Parties

Offering China stakes in the development of Gwadar port while also offering USA to develop a port at Pasni is a master-stroke. This way Pakistan keeps both parties engaged with allowing their interests to clash.

b) Ensuring both parties that their interests will not clash

Pakistan needs to ensure both parties (and especially China) that their interests in Pakistan will not clash.

c) Highlighting Pakistan Geoeconomic Pivot and Non-alignment Policy

Pakistan needs to highlight that it is looking for geo-economic diversification, not geo-political shifts. Clarifying these aims will help Pakistan defy the pressure of choosing sides in an event of clash in the future.

5) Conclusion:

In the year 2025, Pakistan has successfully balanced its relationship with both USA and China. However, this balancing comes with various challenges. To ensure sustainability of these relations amid rising tensions, Pakistan needs to clarify its aims ahead of time if it wants to avoid the pressure to choose in the future.