

Importance and Implications of CPEC in South Asia: The Indian Factor

Shoukat Ali

University of the Punjab, Lahore, Pakistan.

ABSTRACT

CPEC has become an important concern in South Asia with special reference to Pakistan-China relations. Pakistan and China are very close friends and history shows that both of these countries helped each other in all circumstances. Currently both of the countries are coming closer again with the development of China-Pakistan Economic Corridor. China proposed this corridor in 2013 which was accepted by Pakistan later and formally memorandums of understandings were signed between the representatives of Pakistan and China. CPEC will be beneficial for both Pakistan and China. It will develop the backward areas of Pakistan like Baluchistan and in return China will get a straight and shortest road to bring oil from the Middle East. On the other hand, India is totally against the development of CPEC and putting hurdles in different ways to halt this corridor at any way. India is speaking firmly against China-Pakistan Economic Corridor at every forum and trying to derail it politically, diplomatically and through terrorism.

Key Words: CPEC, China, Pakistan, India, Gwadar Port, Xinjiang, Baluchistan

Introduction

21st century is very important era a rapid changing process is taking place on the globe almost in all spheres of the life. Many unions and organizations are being made all over the world some of them are economic while others are cooperative. NAFTA and European Union are the examples of these changing processes. According to these organizations the member countries cooperate and interact with one another. The developed countries are already experiencing the benefits and challenges of these organizations. On the other hand, the developing and the less developed countries are new born countries in the regard of these organizational structures (Mariam, 2015).

The developing countries are not bound tightly with the chain of regional organizations. South Asia is among the less developed regions of the world. There is only one regional organization South Asian Association for Regional Cooperation (SAARC). The only organization is not giving fruitful results to the SAARC countries. There are eight member countries of SAARC Pakistan, India, Sri Lanka, Nepal, Bhutan, Maldives, Afghanistan and Bangladesh. Out of a few Nuclear Weapon States (NWS) two nuclear states exist in South Asia. Pakistan and India are two nuclear weapon states and both are enemies of each other that oppose each other in any global stage (Xie & Li, 2015).

51 MOUs were signed between Pakistan and China to construct a corridor that

will pass through the whole Pakistan from south to north. It will start from Gwadar and link it to China from Gilgit Baltistan. The corridor is known as China Pakistan Economic Corridor (CPEC). This economic corridor will connect East Asia, South Asia and Central Asia. Chinese President Xi Jinping and Pakistani Prime Minister Nawaz Sharif initiated CPEC. The initial investment of 40 billion U.S dollar was announced to construct the infrastructure and energy development of CPEC (Xie & Li, 2015)

There are five major dimensions of China Pakistan Economic Corridor. Whole of the project is encircled among these five components. These five components are following (Aqeel, 2016):

- Gwadar (Includes port, city and Gwadar region socio-economic development)
- Energy (Coal, Hydel, Wind, Solar, LNG)
- Transport Infrastructure (Road, Railway and Aviation)
- Investment and Industrial Cooperation (Gwadar Free Zone and other industrial parks)
- Any other area of mutual interest.

History of China-Pakistan Relations

Pakistan and China are enjoying cordial and friendly relation since 1950. At the start of bilateral friendship, the relations were not so close as today. The initial years of Pakistan-China relationship were not so fruitful because both of them did not know very well each other. But with the passage of time, the time changed and there was a shift of capitalism and communism in Pakistan. Now China and Pakistan are all weather friends. China-Pakistan friendship is now considered very important due to their close relations and especially due to recently launched project, China Pakistan Economic Corridor (Chaudhri, 1987). China Pakistan relation were strengthened after the devaluation of Indian currency in 1949. It impacted on Pakistan's economy. Pakistan was importing coal that time for its emerging industry in a new born country. There was no choice except to tie relations with China. So an agreement was carried out with China on barter trade of coal for cotton. Further, Pakistan also supported for the permanent seat of China in Security Council (Arif, 1984).

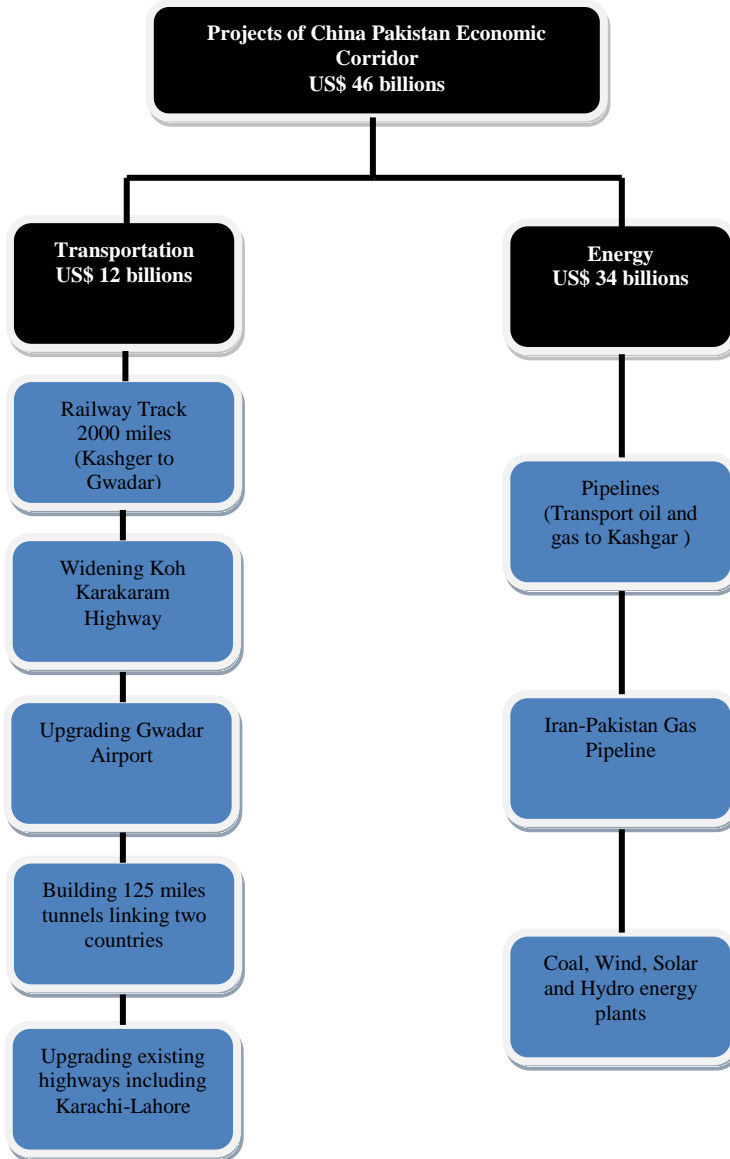
During Ayub Khan's era some tussles were created in bilateral relations but Bhutto handled this situation. Bhutto further played very active role to strengthen China-Pakistan relations. China also helped Pakistan during 1965 war. This put these relations on progressive track (Javaid & Jahangir, 2015). After 1970, the relations of Pakistan and China strengthened in all fields. China has generously favored and supported Pakistan in technology, economy and the nuclear program. Pakistan made its nuclear program with special assistance of China. During the sanction imposed on Pakistan by US, China supported Pakistan. This led both of the countries to smooth way of relationship. As the result of this long lasting and reliable friendship, a big achievement is going to be fulfilled in the form of China Pakistan Economic Corridor.

Economic History of China and Pakistan

China became trading partner of Pakistan in 1963 but these trading ties continued to grow with the passage of time. The bilateral trading cooperation continued to strengthen and today they have become very close partner as both of them provide trading opportunities to each other (MOF, 2014). Both of the countries are not involved in the internal affairs of each other and limited to the economic fields and other such opportunities for each other. The economic activities are evident that they are taking part into fiscal matters in many fields but the most important partnership is in diplomatic and political relationship. Now their economic partnership has further established very close relations between these two nations. Pak-China friendship is well known in the whole world especially for US and India. High levels of visits are executed occasionally (Muhammad & Qi, 2015). In 2006, Pakistan and China signed a bilateral Free Trade Agreement (FTA) that came into effect after a year in 2007. The agreement was in two phases; the first phase was ended in 2012. After completing the first phase of FTA, the second phase was started in 2013. The second phases targeted US\$ 20 billion of trade between Pakistan and China. China became second major importing partner of Pakistan with the rating of 16.17% imports in 2013 (Muhammad & Qi, 2015).

The journey of trade and economic activities that was initiated in 1963 between Pakistan and China continued to grow. After fifty years, this journey has entered into very progressing and strengthening way that now both of the countries have become all weather friends of each other. In 2013, further an initiative was taken between Pakistan and China to improve their economic, diplomatic and political ties in the form of China Pakistan Economic Corridor. CPEC is a proposed mega project that will connect Gwadar port (Pakistan) with Kashger (China). The proposing of CPEC is not very sudden incident rather China had been curious to improve the infrastructures between Pakistan and China since decades. In 1982, Karakorum Highway was accomplished to connect Pakistan and China by road first time. It linked Islamabad (Pakistan) to Kashger (China) through Kunjerab Pass. The highway continued to face changes with time and continued to be repaired according to necessities (Ali, 2015). Now Pak-China relationships is not just based on economic matters rather it has developed and strengthened in all important fields. Pak-China friendship is considered a counter to US-Indian friendship. The proof of this friendship is going to be shown in the form of China Pakistan Economic Corridor. This is the mega project of whole South Asia that is directly linked with Pakistan and China. CPEC continued despite all hurdles in the way. India and US put pressure and tried to halt this huge project but all in vain. This project will further improve relations between China and Pakistan.

Detail of CPEC Projects



Source: (Irshad, Xin, & Arshad, 2015)

Importance of China Pakistan Economic Corridor (CPEC)

CPEC is important not only for Pakistan but for China as well because it will physically connect Pakistan and China with trading companies and markets in Asia, Europe and Africa. China is dependent on the Middle East regarding oil demand. Almost 80% of China's oil is currently transported through the Malacca Strait and the distance of this route is almost 16,000 km. It takes 2-3 months to

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bring this oil. But on the other hand, if Gwadar Port becomes operational it will reduce this distance to 5,000 km only. After completing this project, the shortfall of energy sector of Pakistan will be controlled.

China Pakistan Economic Corridor will further strengthen the bilateral ties of Pakistan and China. It will bring closer the people of both countries. It is about to provide more opportunities for investment in Pakistan. The Gwadar Port is formally handed over to China to operate it in a progressive way.

In 2013, Chinese Premier Li Keqiang and other officials visited Pakistan and proposed an economic corridor that would pass through Pakistan and connect China. It will help both countries to set on the track of progress. During the visit of Chinese officials both countries agreed upon the proposed economic corridor to establish a joint working group between Pakistan and China. According to the proposed project, Kashgar (China) will be connected with Gwadar (Pakistan).

Later in 2015, Chinese President Xi Jinping visited Pakistan and formally signed 51 MoUs with Pakistani Prime Minister. Under this project, China is going to initially invest 46 billion USD. Mainly two spheres were underlined where the budget will be utilized; infrastructure and energy sector. Three routes will be developed eastern, central and western to connect Gwadar and Xinjiang. This project will help both Pakistan and China because China will get a new and shortest road to bring raw material or oil from Middle East (Changqian, 2015). On the other hand, Pakistan has innumerable resources but is unable to utilize these resources. In this way, China will help Pakistan to develop better infrastructure that will help to set the track of development for Pakistan. It will also help to establish a progressive way for the betterment of the less developed province of Pakistan Baluchistan. Gwadar port is situated in Baluchistan that is the largest province of Pakistan area wise but the least developed due to some factors. Now the destiny of Baluchistan is going to be changed because the main point of CPEC is Baluchistan. It will provide jobs, better infrastructure and other valuable opportunities to the people of Baluchistan that will be very beneficial for both Baluchistan and Pakistan (Changqian, 2015).

China Pakistan Economic Corridor will be totally financed by China. China has committed almost 46 billion USD. The uniqueness of this project is that whole of the project will be financed by the private Chinese companies. China Development Bank, The Export-Import Bank of China, the Industrial and Commercial Bank of China are some major financiers of CPEC. Major Chinese Companies are investing in Pakistan in energy sector because the shortage of energy has become the important issue of Pakistan ((GoP), 2014)

China Pakistan Economic Corridor is the game changer project that will change the entire shape of trade of China, Pakistan, South Asia, Central Asia, Africa and even the world. According to proposed infrastructure of CPEC, there would be built 3000 km network of highways that will link Kashgar Dry Port with Gwadar Port. The distance between Kashgar Dry Port and Shanghai Sea Port is 5153 km that is being used by China. But CPEC will provide road that is 2800 km long which is almost half of the above mentioned route (Aqeel, 2016).

Projects of CPEC

CPEC is a grand project that includes further many smaller projects. There are different projects of CPEC like the energy sector, the development of infrastructure and Gwadar Port etc. Here is a table that shows the distribution of all major components of CPEC.

Table No: 01 All Major Components of CPEC

S.N	PROJECTS	US\$ MILLIONS
1	Energy	33,793
TRANSPORT AND INFRASTRUCTURE		
2	Roads	6,100
3	Railway Networks	3,690
4	Mass transit in Lahore	1,600
5	Gwadar Port	786
6	Others	44
	Total	46,013

Source: ((BOI), 2015)

Energy Projects

Pakistan is a developing country and facing many issues. The energy crisis has become very serious issue for Pakistan. In CPEC, the major priority is given to energy sector in order to tackle the energy issue. A huge investment of 33,793 US \$ millions is reserved for energy sector. Further, the table below shows the distribution of different energy projects and its investment.

Table No: 02 Distributions of Different Energy Projects

S.NO	PROJECT	MW	US\$ MILLIONS
1	Port Qasim Electric Company Coal Fired, 2X660, Sindh	1320	1980
2	Sahiwal 2x660MW Coal-fired Power Plant, Punjab	1320	1600
3	Engro thar 2x330MW Coal-fired, Thar, Sindh Surface mine in Block II of Thar Coal field,3.8 mtpa.	660	1000,860
4	Gwadar Coal Power Project, Gwadar	300	360
5	Muzaffargarh Coal Power Project, Punjab	1320	1,600
6	Rahimyar Khan Coal Power Project, Punjab	1320	1,600
7	SSRL Thar Coal Block 6.5mpta & CPIH Mine Mouth	1320	1,300
8	Quaid-e-Azam Solar Park, Bahawalpur, Punjab	1000	1350
9	Dawood 50MW wind Farm, Bhambore, Sindh	50	125
10	UEP 100MW wind Farm, Jhimpir, Sindh	100	250
11	Sachal 50MW Wind Farm, Jhimpir, Sindh	50	134
12	Sunnec 50MW wind Farm, Jhimpir, Sindh	50	125
13	Suki Kinari Hydropower Station, KPK	870	1,802
14	Karot Hydropower Station, AJK & Punjab	720	1,420

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	Total (Priority)	10,400	15,506
CPEC Energy (actively promoted projects)			
15	Gaddani Power Park Project		
A	4×660MW	2640	7,920
B	Jetty + Infrastructure		1,200
C	Transmission Line to Lahore and Faisalabad		3,000
16	HUBCO coal power plant, Hub Baluchistan	660	970
17	Chichoki Mallian Combined-cycle Power Plant, Punjab	525	550
18	Salt Range Mine Mouth Power Project, mining, Punjab	300	800
19	Kohala Hydrel Project, AJK	1100	2,397
20	Pakistan Wind Farm II (Jhampir, Thatta, Sindh)	100	150
21	Thar mine mouth oracle, Thar Sindh	1320	1300
	TOTAL (Actively promoted projects)	6645	18,287
	TOTAL ENERGY PROJECTS	17045	33,793

Source: ((BOI), 2015)

Projects of Transport Infrastructure

The second important section of China Pakistan Economic Corridor is the development of infrastructure. Through CPEC, there are going to be built different roads in Pakistan from Gwadar Port (Pakistan) to Kashger (China). The development of infrastructure includes roads, railway lines and extension of already existing roads and railway lines. The following table reveals the explanation of infrastructure development.

Table No: 03 Projects of Transport Infrastructure

S.NO	PROJECTS	KM	US\$M
1	KKH Phase II (Raikot – Islamabad Section)	440	3,500
2	Peshawar-Karachi Motorway (Multan-Sukkur Section)	392	2,600
RAIL PROJECTS			
3	Expansion and reconstruction of existing Line ML-1	1736	3,650
4	Havelian Dry port (450 M. Twenty-Foot Equivalent Units)		40
	TOTAL		9,790

Source: ((BOD), 2015)

Projects Related to Gwadar

Gwadar Port is the main point of CPEC so it is also at the high priorities for this project. Amount of 786 US \$ millions is reserved for the development of Gwadar port and city. The table below shows the distribution of amount for Gwadar Port.

Table No: 04 Projects Related to Gwadar

S.#	B Projects	Us \$ m
1	Eastbay Expressway	140
2	Gwadar International Airport	230
3	Construction of Breakwaters	130
4	Dredging of berthing areas & channels	27
5	Infrastructure for Free Zone & EPZs port related industries	35
6	Facilities of Fresh Water Treatment and Supply	114
7	Hospital at Gwadar	100
8	Technical and Vocational Institute at Gwadar	10
	Total Gwadar Ports Projects	786

Source: ((BOI), 2015)

Infrastructure

China Pakistan Economic Corridor is directly linked with the infrastructure that is proposed to be built in Pakistan. The project started in 2014 and would complete by 2030. The infrastructure that is to be built the road in Pakistan is named “One Belt, One Road” that is the extension of China’s 21st century Silk Road. The projects of CPEC are divided into three main phases. Firstly, the short term projects are projected to complete by 2017. Secondly, the mid-term projects will be completed by 2025 and lastly, the long term and final projects are estimated to be completed by 2030. The overall project is based on the network of the construction of highways, railways and pipelines to transport oil and gas (Massarrat & Ayesha, 2015).

During the first phase, the construction will be done on Gwadar Port and the construction of international airport that will be completed by 2017. The Karakorum Highway that connects Pakistan with China will also be widened so that the transportation may be easy to pass. Further, the railway track that connects Peshawar with Karachi will also be upgraded to fulfill the needs of modern times. The two countries Pakistan and China have also planned of fiber-optic communication links.

The infrastructure projects of CPEC have worth of US\$ 11 billion. The Lahore-Karachi motorway of 1100 km will be constructed to connect two big cities of Pakistan. On the other hand, the Karakoram Highway will be totally reconstructed to link Rawalpindi and Chinese border (Zhen, 2015). The railway line of Karachi-Peshawar will also be upgraded so that the trains may travel on the speed of 160 km/hour. The overall the railway network of Pakistan will also be extended and upgraded to connect with China at Kashger. A pipeline system for LNG and oil will also be laid down to transport gas and oil from Iran (Shah, 2015).

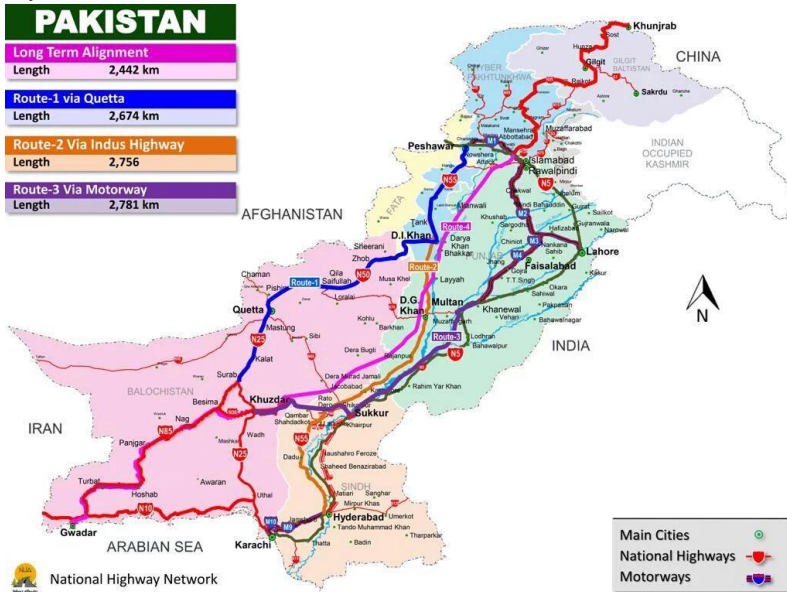
Geography of CPEC

CPEC is a mega project that includes the whole Pakistan. It will undertake almost all of the regions of Pakistan directly or indirectly. This project has proposed

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development in infrastructure and energy sectors in many parts of the country. It will include the four provinces of Pakistan; Punjab, Sindh, KPK and Baluchistan and Gilgit-Baltistan as well. There are basically two alignments of CPEC; the eastern alignment and the western alignment.

Eastern alignment is planned to be constructed first. The eastern alignment is almost 2800 km long. The Chinese companies are willing to construct eastern line first as compared to the western. There are many reasons to develop this line first as it is more secure than the western alignment. The eastern line will pass through a few areas of Baluchistan, and KPK that will give advantage because Baluchistan and KPK are more critical provinces in regard of this project. Many senators complained that many parts of Baluchistan and KPK were excluded from the proposed eastern. But Ahsan Iqbal the Minister of Planning and Development told them that the Chinese companies were unwilling to work in those parts due to security situation.



Source: National Highway Network Pakistan

The eastern alignment initially originates from Gwadar and travels parallel to Makran Coastal Highway to the east. It passes through interior Sindh and moves to southern, central and northern areas of Punjab and is connected with Islamabad. Later from Islamabad it further moves to different districts of KPK like Haripur Mansehra and Abbotabad. Lastly, it will be connected with Kunjrab passing through the areas of Gilgit and Baltistan. This corridor will also pass through Pamir Plateau and Karakoram Mountains. Further a link road from Taxila through Peshawar will connect eastern alignment to Jalalabad in Afghanistan. The eastern alignment also designed to link with India through Wahgha Border Lahore, Hyderabad, Mirpurkhas.

The western alignment is the basic line of China Pakistan Economic Corridor.

It was to be built first before the eastern alignment but due to the security issues it would be built later than the eastern alignment. The western alignment starts from Gwadar and walks to southern and eastern districts like Khuzdar and Dera Bugti of Baluchistan and further passes through D.I.Khan in KPK. From D.I.Khan, it moves to Islamabad and Abbotabad and mixes up with the eastern alignment from there. The western alignment has also link road like the eastern. It will connect Afghanistan through the way of Chaman that will later connect Iran through Quetta-koh-e-Taftan link.

Significance of CPEC for China

Middle East is an important region in the regard of oil. It is estimated that more than half of the world's proven oil is reserved in the Middle East. The developed countries like US and China have a leaning strategy to this part of the world. China is currently getting oil from the different countries of Persian Gulf. China has to travel a long distance to bring oil and it also has to pass through many disputed territories like Strait of Malacca (Cherng, 2013).

Almost 40% of the world's oil is reserved in the Gulf region and the Persian Gulf is used to transport this oil to the rest of the world. The hurdles in the progressive way of China are the involvement of Indian and American activities in Indian Ocean. China is very curious to complete CPEC as soon as possible because it would provide it an alternative route to bring raw materials from Middle East.

China wants to discover an opposite route that will enable it to contact Middle East, Africa and Europe because these parts are dominant regions in the regard of trade. CPEC will provide a shorter route for China than the long route that is currently being used by China. The infrastructure of CPEC will provide opportunities for the private sectors to participate more with other countries via Pakistan. It will provide safe and disputed free way for the investors of China (Irshad & Xin, 2014).

Significance for Pakistan

In 2014, Pakistan signed currency swap with China which made Pakistan the only South Asian country who initiated such a unique step with China. China is the second largest trade partner of Pakistan and both are all weather friends. China is the biggest investor in Pakistan. There are multiple Chinese companies working in different trading and economic fields in Pakistan. CPEC will prove a game changer for Pakistan because it will change the entire shape of Pakistan. In the regards of CPEC Pakistan will get better infrastructure facilities. It will also provide job and investment opportunities in Pakistan. China Pakistan Economic Corridor will make Pakistan a trading hub of the world (Memoona, 2014).

Although there are many social and political issues attached with CPEC but it has numerous benefits both for Pakistan and China. Currently Pakistan is facing many issues and the most important issue is energy crisis. CPEC will help to solve

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the issue of energy crisis because a huge investment is reserved for energy sector. This project will provide an opportunity for the Pakistanis to interact the people of different races and colors. CPEC will improve the infrastructure of the whole country like roads, railway lines etc.

Implications of CPCE in South Asia

The China Pakistan Economic Corridor is almost 3,000 Kilometers long transportation corridor between Pakistan and China. It will start from Gwadar (Baluchistan) and connect Kashgar (China). Both of the governments are very hopeful to complete this project despite the opposition of many other regional and global countries. Basically India and U.S.A are not happy about this bilateral agreement of Pakistan and China. India has not smooth relations with both Pakistan and China that's why putting hurdles in the smooth way of CPEC. On the other hand, US also opposing CPEC indirectly because China in ringing alarms in the ears of U.S as next super power. Both of them are blaming that this rout is going to be built for military purposes not for economic benefits only.

The strategic location of Pakistan is very important because it is situated at such important place that can connect South Asia with Middle East and Central Asia etc. That is why China is investing such huge amount in this region because due to CPEC it will get more benefits. It will provide the shortest route to China to connect with the Middle East (Aqeel, 2016).

In 2015, a historical event took place in Pakistan in the form of CPEC that will change the entire shape of South Asia as well as the global shape of the trade. South Asia is the part of third world countries whose member countries are mostly developing. The developed countries have set up industries here. They bring raw material here and take the readymade items out of the industries to the most developed countries where they earn a lot. The China Pakistan Economic Corridor will change the entire fate of this trading system because there is going to be built the best infrastructure ever in Pakistan that will connect the different continents by roads and the movement of raw materials will be more comfortable. In return, the businessmen of the whole world will be attracted to invest here. The issue of shortage of energy is going to be handled as according to BBC News report, 15.5 billion US will be invested on coal, wind, solar and hydro energy projects to control the problem of shortage of energy. It will add 10,400 megawatts energy to Pakistan's national energy sector (Massarrat & Ayesha, 2015).

China has many concerns in the return of the investment in the form of CPEC. Through CPEC China will get access to the Indian Ocean directly while crossing the territory of Pakistan only. China has already very stable relations with Pakistan from very start that is the only reason that China is investing such huge amount in the less developed areas of Pakistan. No doubt Pakistan will also get many advantages from this huge investment. China is going to invest in Pakistan 20% of country's GDP and it is three times of the total direct investment that Pakistan has received since 2008. This vast investment is much more than US has spent in Pakistan. CPEC is the part of one belt one route that is planned to connect different continents through roads. According to Planning Minister Ahsan Iqbal, CPEC is

not just a project of two countries rather it is bigger than it. This project will give benefits to all of the other South Asian and regional states (Aqeel, 2016).

CPEC and US

Pakistan is dependent on US from its inception that the first visit of Prime Minister Liaqat Ali Khan to US shows that Pakistan was interested in US from very start and United States of America continued to help and aid Pakistan from initial stages. However, the calculations of the aid that Pakistan received count \$67 billion during 1951-2011. Out of this aid only 30% is proposed on economic activities and the large share of the amount of aid was invested on security and military spheres. But on the other hand, China's investment of 46 billion USD in very short period of time is bigger than of US and the most important thing is that this huge investment is directly linked with economic concerns not only with war and security. CPEC project is directly linked with the development and infrastructure of the country (Preksha, 2015).

The role of US is neutral regarding CPEC because it has shown neutral strategy over this project. No clear opposition has been stated by US rather US State Department has delivered encouraging statements regarding to CPEC. According to an official of US State Department,

“The plan of corridor is one we very much support and is aligned with a shared vision of regional economic connectivity. Fundamentally, we hope that in the end it will not only be Pakistan and China. We hope eventually that will include other neighbors as well, particularly Afghanistan, where we and Chinese are also making common efforts” (Malik, 2015).

CPEC and Indian Factor

South Asia is at the choke point of the world attention since last a few years because a plenty of the developmental work is going to be done in this region. Two important ports are being prepared in this region. Gwadar Port is existed in Pakistan and being operational by China that is predicted to change the destiny of Pakistan and will be fruitful for China as well. On the other hand, India that has not stabled relations with Pakistan and China is going to work at Chabahar Port in Iran. The amount that is being used at this project is very short as compared to Gwadar's investment. India wants to prove herself as a competitor of Pakistan and China at any cost (Ayaz Ahmed, 2015).

India is one of the largest trading partners of China. Both of the countries have closeness and issues as well. They cooperate diplomatically with each other. But with the construction Gwadar Port India is not happy. India has many concerns over CPEC. To India, China will further dominate in South Asia and Indian Ocean as she will be able to have great influence over the waters of Indian Ocean. It will also affect the importance of India with the regard of trading route because CPEC will diminish the Indian dominance over China (www.pakistantoday.com.pk).

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Chabahar is only Iranian port that opens to the side of Indian Ocean. It is located in the south eastern side of Iran. Recently India is establishing very close relations with Iran due to its strategic importance. India is going to invest a considerable amount on this port in order to get access to the other countries of this region because it will open gates for India to interact with Afghanistan, Central Asia, Turkey and Eastern Europe. Indian Prime Minister visited Iran on 23 May, 2016. During his visit to Iran, Modi signed 12 agreements with the Iranian counterpart Rohani. On the other hand, a trilateral agreement was also signed among India, Iran and Afghanistan in which India decided to invest \$500 million on the construction of Chabahar Port (Areeba. A, 2016)

Chabahar Port is being perceived as the counterpart of Gwadar Port of Pakistan. India is very curious to complete the investment that has been decided by agreements as soon as possible. Both countries India and Iran have signed MoUs to increase their bilateral trade up \$30 billion. The numbers of flights between these both countries are also going to be increased to strengthen the air services between both countries. India and Iran are also planning to cooperate through the navies of both countries (Khalid & Anam, 2015).

During his recent visit to China, Modi spoke clearly against the construction of CPEC that is passing through Azad Jammu and Kashmir that is a disputed territory between Pakistan and India. Modi also stated firmly that India will use any strategy to halt the development of China Pakistan Economic Corridor at any cost. It clearly shows that the construction of Gwadar Port and development in whole Pakistan is not being digested by India. India wants to stop this developmental project while using any tactics (Saima. A, 2016).

Apart from the political agenda of Indian government, the special intelligence cell of India Research and Analysis Wing is also planning to put hurdles in the smooth ways of CPEC. RAW is investing a specified amount to break the chain of construction of this mega project. This amount is going to be used in terrorist activities and other miscellaneous efforts that may generate a streak of discomforts between china and Pakistan (Imtiaz Ahmad, 2016).

In the light of all above references, it is estimated that India as an enemy of Pakistan is not comfortable with the developmental projects of Pakistan. The Indian government and intelligence agencies are playing their distinct role to derail the project of CPEC because it is perceived as a game changer of this region. Through CPEC India is feeling a sense of xenocentrism because she wants to be superior in South Asia but the importance of CPEC will attract whole of the attention of world. CPEC will become the reorganization of South Asia.

Security Concerns

There are many security threats attached with CPEC. This project has become a serious issue for some countries especially India because it will further strengthen Pakistan-China ties. It will provide development and better infrastructure for both Pakistan and China. So, some hidden forces are disturbing this mega project. There cannot be any conspiracy in any part, if the enemy does not find the internal assistance. The external forces can perform terrorist act if there is the involvement

of internal factors. So both China and Pakistan are not out of this phenomenon. In both of the countries there are regions attached to this project that are least developed like Baluchistan in Pakistan and Xinjiang in China. In both of these regions there are some internal forces that give advantage to the external forces to perform some harmful activities to stop this project any way.

Since the incidence of 9/11, Pakistan is at the hit list of terrorist attacks. There are multiple outfits attached to different criminal and terrorist activities in Pakistan. Karachi and Peshawar are the two most affected cities of Pakistan targeted by the terrorist attacks. In accordance to all these incidents the security situation is very concerning about China Pakistan Economic Corridor. Both China and Pakistan are agreed to help in almost all spheres of life like infrastructure, technology and security issues. Pakistan is using military for the sake of security of CPEC (Jawad, 2014). But despite all of the surety, there are multiple terrorist groups that may harm this mega project of the South Asia. Some of these outfits are East Turkestan Islamic Movement (ETIM), Tehreek-e-Taliabn Pakistan (TTP), Laskar-e-Jhangvi (LeJ), Balochistan Liberation Army (BLA), Balochistan Liberation Front (BLF) and other militant group of some political parties. There are some militant groups created by some political parties because they use them for their own purpose. These pressure groups are used during election days importantly because they are used as a pressure group; there are some motives behind the creation of these groups because they want to fulfill some purposes (Jawad, 2014).

There are some countries in the world that strongly oppose Pak-China friendship and they are busy in some illegal activities to harm or break this friendship because these both countries are very close together. Security concerns are not only related to internal factors only but there are some external factors also. India the bitter enemy of Pakistan is busy to halt any progressive project of Pakistan at any cost (Bhutta, 2015). The intelligence agency RAW is very active in this regard. RAW continues to send its agents to destabilize the functioning process of any developmental project in Pakistan. On the other hand CIA and MOSSAD are also against both China and Pakistan. CPEC in the biggest ever project of South Asia. Pakistan will get huge benefits along with China because it will make Pakistan strategically very important in world. One belt one road is going to attract the attention of the whole world. Recently a RAW agent Kalbhoshan Yadve was arrested by Pakistan who revealed that he belongs to RAW and came for planning to perform terrorist activities in Karachi and so on. On the other hand, the agents of RAW are now directly hitting the Chinese nationals to disrupt the stable relations between these both countries (Bhutta, 2015).

Conclusion

CPEC is the game changer that will change the entire destiny of Pakistan and China and it will marvelously affect the South Asian countries. Both of the countries Pakistan and China are committed to complete it smoothly. But as it has been mentioned above that there are also many issues and problems attached to this project. Both of the governments have to show strong commitment to execute

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this project despite so many hurdles. The Pakistani Government has to initiate some strong steps to tackle different security, political, regional and provincial issues. The Government of Pakistan has to achieve the political consensus at any cost because the political collaboration only can insure the accomplishment of CPEC. On the other hand, the Chinese Government has also to take some steps to control the ethnocentric groups of Xinjinag that are also involved in terrorist activities.

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Biographical Note

Shoukat Ali is Ph.D. scholar at Centre for South Asian Studies, University of the Punjab, Lahore, Pakistan.
