



## Gwadar and Chahbahar Port: Opportunities and Challenges for Pakistan

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### Abstract

The topic highlights the competition between two rival ports, e.g., Gwadar and Chabahar. States interact with each other to maximize their benefits by minimizing complexities in any way. To achieve this, the best way to become dominant in the contemporary era is to gain economic prosperity. Therefore, achieving economic sufficiency enables a nation to exert greater political influence, given the interdependence of economics and politics. Keeping these aspects in mind, Gwadar and Chabahar are two prominent ports in terms of strategic competition. Pakistan owns the Gwadar Port. Oman sold it to Pakistan in 1958. Since then, Gwadar has attracted China in a variety of ways. China is in a race to become the number one economic power in the world. For this purpose, she has initiated many policies or projects to prosper in economic terms. In this regard, China started the One Belt, One Road initiative. The China-Pakistan economic corridor is its flagship project. China has taken the Gwadar port on lease, and it will invest heavily in its development. Furthermore, China had previously used the Malacca Strait for trading purposes. Thus, ties between Afghanistan and India will become better. The goal of this study is to determine the opportunities Pakistan will have in both of these ports. It will also highlight the challenges associated with Pakistan's port development. As a result, increased Indian involvement will deteriorate relations between Afghanistan and Pakistan. Similarly, there is a need to rethink the relationship between Pakistan and Iran. This research adopts Neo-realism as its theoretical framework, focusing on two key factors: national interest and balance of power, both externally and internally.

**Keywords:** Gwader, Chahbahar, Malacca strait, China-Pakistan, Iran

### Introduction

In the globalized world, carrying out trade has become an easy task, either through land routes or sea routes. Sea routes carry almost 80% of the world's trade. In this regard, ports always play an important role in providing a stimulus network platform that helps in engaging with regional businesses, innovation, and economic integration. In a globalized world, ports have the capability to connect regional geographies by promoting business hubs and prosperity. Ports support international trade and the shipping industry. China and India are the two competing powers in the region, and they are both in a race to pursue their national interests. Both states have demarcated borders, different political setups, and territorial disputes. China and India are concerned about their safe and cheap trade routes and energy security.

Kenneth Waltz has chosen Neo-realism as the theoretical framework for the given topic. Kenneth Waltz typically makes six main assumptions. It includes structure, anarchy, distribution of power, national interest, capability, and polarity. In this study, we are making assumptions about national interest, power distribution, and capability. We will analyze these assumptions within



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the context of the topic "Gwadar and Chabahar: Opportunities and Challenges for Pakistan." The forums of Gwadar and Chabahar serve as platforms for Pakistan and Iran to pursue their national interests. Similarly, the power struggle between Pakistan and Iran directly, and India and China indirectly, will reveal the distribution of power structure and state capability.

In the post-9/11 environment, China is doing its best to enhance its relations with Pakistan by developing the Gwadar port for its energy security. It wants to access global markets. It would ultimately increase its presence in the IOR. Moreover, India is strengthening its ties with Afghanistan, Iran, and the US to counterbalance the China-Pakistan strategic partnership and advance its own strategic interests. The South Asian region is leading the development of these two important ports. The distinguished actors that are playing a significant role in this regard are China, Pakistan, India, and Iran. Gwadar Port is a warm-water, deep-sea port that provides access to the Indian Ocean. 70% of global trade passes through the Indian Ocean. Furthermore, Gwadar's port provides access to the Central Asian region, the oil-rich Gulf States, and the Middle East. Because of its geostrategic significance, China is keen on investing in the port of Gwadar and having access to the Indian Ocean. It's part of the Chinese string of pearls strategy. The aim of this strategy is to encircle the Indian Ocean. On the other hand, Chabahar is 72 kilometers away from Gwadar port. For India, the former port is important because it provides access to the landlocked regions of Central Asia and Afghanistan.

The capability of Gwadar is far greater than that of Chabahar. In the first phase of Gwadar's development, there are three multipurpose berths. China has assisted in completing this first phase, which came at a total cost of \$298 million. The private sector would operate the second phase, with a capacity of 88 berths. Therefore, we can estimate that Gwadar's annual cargo capacity ranges from 300 to 400 million tons. It is, however, equal to the annual volume of all ports in India. On the other hand, Chabahar's capacity in this regard is only about 10 to 12 million tons of cargo per year. Furthermore, maintenance costs at Gwadar port are lower than at Chabahar port. Apart from this, Pakistan will benefit from both ports, but it will also have to face some challenges. For instance, improvements in infrastructure at Gwadar port will enhance Pakistan's economic outlook. But the challenge it will be facing is that Pakistan has to tackle the Indian insurgency in the Baluchistan region. In Chabahar, Pakistan will have the opportunity to enhance its relations with Iran, but the challenge lies in India's need to find a way into the CARs and Afghanistan, thereby reducing Pakistan's involvement in these regions. So, it will be a challenge for Pakistan. That is why it is the need of the hour to address the importance of these ports, concluding with the remarks that China will be competing with India in terms of economy and also that Pakistan will be in better conditions with China through the development of Gwadar port.

### Significance of study

The study attempts to highlight the significance of Chabahar and Gwadar ports from a comparative perspective. The port of Gwadar holds importance for China's own interests, while Chabahar is important for India because it is in a better strategic position. India and China are emerging economies, and for this reason, they are expanding their influence around the world.



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So, the study will highlight India's investment interests in Chabahar Port and China's investment interests in Gwadar. The study will focus on the geopolitical and geostrategic importance of Gwadar and Chabahar ports. Moreover, the study will highlight the opportunities and challenges for Pakistan in both ports. The study will emphasize how Gwadar can boost Pakistan's economy and foster stronger ties between Pakistan and China. Pakistan will need to consider the challenges associated with the development of the Gwadar port, including the primary issue of the Baluchistan insurgency. Apart from this, the security of Chinese workers is also at stake. In the case of Chabahar, Pakistan will have better opportunities to make its relations good with Iran; it was the first country after independence to recognize Pakistan. Furthermore, Pakistan will have to address the challenges associated with Chabahar Port's development. India will try to reduce Pakistan's involvement in the CAR and Afghanistan. So, Pakistan needs to rethink its engagement in the above-mentioned regions after the operationalization of Chabahar Port.

### **Purpose and design of study**

The purpose and design of study are as follows:

#### **Aims and Objectives**

- To analyze Chabahar and Gwadar in theoretical framework of Neo realism
- To evaluate the significance of Chabahar port
- To assess the significance of Gwadar port
- To analyze the Challenges and opportunities for regional actor Pakistan in both ports

#### **Research questions**

- How can Gwadar and Chabahar be analyzed in theoretical framework of Neo realism?
- Why Chabahar port is important for Iranian and Indian interest in the region, why India is investing for the development of this port?
- How Gwadar port is fulfilling the geostrategic interests of Pakistan and why China is investing for development of this port?
- What are the opportunities and challenges available for Pakistan in this scenario?

#### **Research Methodology**

This study employs a qualitative research method. We have adopted a case study approach, using Pakistan as a case study. We will analyze the descriptive data from a theoretical perspective known as neo-realism. This research collects data from secondary sources such as e-books, scholarly articles, journals, news articles, and published papers, utilizing historical, descriptive, and analytical methods of analysis.

#### **Literature review**

According to Bhatnagar and John's (2014) observer research foundation, India is concerned about Pakistan's presence in Central Asia, particularly Afghanistan. India fears that Pakistan might get involved in furthering instability in Afghanistan. With such an interest in mind, India has decided to counter Pakistan's presence through Iran's Chabahar port. The Chabahar port has gained significant economic and strategic importance. One striking feature of the Chabahar port



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is that it provides direct access to Iran via the Indian Ocean. Bandar Abbas, another significant part of Iran, currently bears all the load. When Chabahar operationalizes, it will decrease its dependence on the sole Bandar Abbas port. India is interested in investing in the port of Chabahar for upgrades and proper functionality. This port has already been used by India to trade with Afghanistan. The author then highlights India's challenges in the case of Chabahar Port operationalization. In this context, the author highlights two main factors that could pose challenges for India. One such factor is Afghanistan. Under the Afghanistan-Pakistan trade and transit agreement, Pakistan has provided Afghan trucks with the facility to cargo transit to Pakistani ports, or Wagah, but for Indian goods, Pakistan has not extended this facility, thus acting as a hurdle in the smooth functioning of trade-related activities. That's why, for India, the development of Chabahar will provide India with an alternative route to Afghanistan as well as Central Asian republics. Regarding the China factor, India is deeply concerned about China's rising influence. India feared that China's investment in Gwadar could ultimately harm India by countering it, so as a result, India decided to invest in this port.

The author, Sidhu. S.P.W. (2016), has highlighted a delicate balance between India, Iran, and the US. The author primarily focuses on the relationship between India and Iran, particularly considering the significance of Chabahar Port. Iran has excessive reserves of oil and gas, and India is eager to maintain healthy relations with Iran because it will provide India with a better trade route for accessing Afghanistan and Central Asia. India has multiple geo-economic and geostrategic interests, especially after the Cold War. Chabahar's attraction to India is due to two main reasons. First, it provides access to markets in Afghanistan and central Asia. Secondly, it is located near Gwadar port, in which China is investing heavily. As a result, Chabahar Port holds a significant position in India.

Tanoli has discussed a comparative analysis of Chabahar and Gwadar in the CSCR policy brief. Latter Port is located in the Gulf States' oil-rich and gas-producing corridor. China has taken responsibility for the port's development. It comprises many subprojects that include different transit routes and economic corridors. The key difference is that Gwadar is a deep-sea port with twelve berths, whereas Chabahar only has four. Gwadar will function as a trade hub. It will uplift Pakistan's economic outlook. It will also redress Pakistan's unemployment grievances by providing more job opportunities. China's assistance in developing Gwadar port has enhanced both land and sea trade. New markets and routes will attract large foreign investments, and at the end of the day, it will be a good opportunity for Pakistan. India is consistently striving to counteract Pakistan's influence in this region. Her tactic involves investing in Chabahar, which will ultimately pave the way for India's entry into Afghanistan and the Central Asian Republics (CARs). Chabahar is considered a rival port to Gwadar. The port's development will automatically benefit India and Iran. India will be able to maintain and expand its influence in the region while keeping up with its energy requirements. Also, Chabahar will open up ways to build healthy relations with India, particularly after the cold war.

The authors Ali and Rahim have discussed the Sino-Indian geostrategic rivalry by comparing two ports, Gwadar and Chabahar. The authors have highlighted China and India's concerns, and



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they believe both countries are worried about cheap and safe trade and energy routes. China and India are competing with each other, and in this race, both countries are trying their best to find some new trade and energy routes. So, keeping in mind this concern, both countries are investing in Chabahar and Gwadar. In this regard, the only thing that remains constant is their interest. The relations between China and India were not so warming in the Cold War era, despite the Pansheel Agreement. But soon this agreement collapsed, and both were on the verge of war. Following this, in the post-Cold War era, China is making every effort to safeguard its energy routes. This is why China has shown interest in investing in Gwadar, as it offers quick access to China's global market. India, on the other hand, is focusing more on extending its relations with the US, Iran, and Afghanistan as a countermove to Sino-Pakistan relations. So, India's investment in Chabahar is a countermove. This way, she can get access to Afghanistan and CARs. Moreover, by doing this, India can make an imprint in Afghanistan and Central Asia.

The author, Khetran (2018), has talked about Gwadar and Chabahar from a competition or cooperation perspective. According to the author, the two ports have leverage because they are in a better geo-strategic location, especially for two rising powers such as China and India. Gwadar and Chabahar are located on the international energy trading route, which basically provides connectivity to Central Asian republics, the Middle Eastern region, Europe, and the African region. Owing to the nature of the capitalist system and its basic economic cost, both ports are in competition with each other. But Pakistan and Iran deny this fact. Instead, Pakistan and Iran are building more linkages for cooperation. On the other hand, China is a rising economic giant. Thus, the US is trying its best to counter the influence of China in the region. The author concludes his argument by saying that both ports will compete with each other. Because the development of both ports will result in competition in the region, India will always try to counter Gwadar port by developing Chabahar. Furthermore, India will limit Pakistan's influence in Afghanistan to a minimum. In this regard, Pakistan will face a challenge.

Ahmad (2017) has discussed the comparative perspective of Chabahar and Gwadar ports. The author has highlighted the fact that sea politics has always been a significant tool for preeminence and dominance in world politics. Especially in this global world, this tool has become more important because of the world's commercial activities. China and India were looking for sea routes that would be cheaper than their own land routes. That is why China became interested in the development of Gwadar's port under CPEC. Competition for geographic control of resources and access to markets motivates India's concern for the advancement of Chabahar Port. It also encompasses the apprehension of a strategic impasse. Both ports are important from two perspectives. The first perspective is regarding money, and the other perspective is regarding geography. The author then discusses the challenges that come with the development of these ports. In geopolitical terms, Chabahar port will need a little more than embroil India.

The authors Ali.F. and Naz.A. (2018) have talked about the Gwadar port, which is acting as an economic hub for carrying out maritime trade in the CPEC. Pakistan's harbors use Gwadar to meet their import and supply needs. The port is located in the Arabian Sea. The primary benefit



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of the Gawadar port is the operationalization of CPEC. The authors' main emphasis is on Gawadar's importance as an economic hub and maritime trade around the world. Gawadar's prominence stems from its role in global trade between Pakistan and China. China is involved in this port as part of its Chinese strings of pearls strategy, and the main purpose behind it is to make Gawadar port a center of maritime trade for Chinese products. Gawadar Port's development has become a major plan for both countries. It will also serve as a way for major investors, and thus, ultimately, it will produce more employment avenues. It will work to open up new economic development trends. Gawadar port development will also result in other projects such as the Makran Coastal Highway, the Saindak Project, and an industrial zone. In this regard, Gawadar will have the capacity to handle a huge flow of trade, but side by side, it will face a lot of challenges until it becomes operational. The development of this project will bring prosperity to the Baluchistan region, as well as a lot of employment opportunities for the people living there. Furthermore, as time passes, Pakistan's international trade will benefit the region. The CSIS brief by Pant (2018) discussed India and Iran's cooperation at Chahbahar port. India, through the development of this port, wants to improve regional connectivity, especially with Afghanistan. In this regard, Chahbahar Port will serve as a means for a multi-modal transportation network. It will facilitate the smooth flow of goods and passengers between Afghanistan, Iran, and India. Furthermore, once Chahbahar Port is completed, it will be able to handle twenty million tons of trade annually. China is currently developing and investing in Gawadar Port, just seventy-two kilometers away from the port. India, on the other hand, has some reservations with Iran about her openness to Pakistan and China's participation in the Chahbahar Port's development process. Another factor complicating the development of Chahbahar is the uncertainty and instability in Afghanistan between the United States and Iran. According to the author, Gawadar port has the potential to revitalize the old Silk Route. It will also encourage regional commerce. Once the development of the Gawadar and Kashghar economic zones becomes operational, it will serve the interests of Pakistan and China in a better and more comprehensive way. Given its strategic location at the intersection of significant consumer and supply markets, Pakistan is poised to play a significant role in regional economic integration in the future.

Ifthikhar (2016) has talked about maritime security governance from a Pakistani perspective. The author starts his discussion by saying that the development of Gawadar Port will make Pakistan an economic powerhouse in the region and the global world. China's maritime Silk Road initiative is strengthening regional connectivity. Under this initiative, China will be investing in the development of Gawadar port.

The above literature largely lacks information about Pakistan's options with Iran, particularly after the operationalization of Chahbahar port. Furthermore, once India successfully develops Chahbahar port, Pakistan's involvement in Central Asian republics and Afghanistan will decrease. The literature has also failed to address the challenges that Pakistan will face following the operationalization of Gawadar port. This is due to the potential for direct competition between India and Pakistan in the region, as well as indirect competition between China and



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Iran. The Gwadar port development poses a threat to the United States. So, the literature has failed to highlight the ways the US can create problems for Pakistan. In this context, there is a need to reconsider US-Pakistan relations.

### **Limitations of the study**

One of the main limitations that I came across was relying on secondary sources like official documents, articles by scholars, journals, books, newspapers, etc. Some restrictions on websites and regions have prevented me from consulting primary sources.

### **Opportunities and Challenges for Pakistan**

India's access to Chabahar port has raised many strategic and economic concerns for Pakistan. India signed agreements with Oman and Bangladesh to use their ports. All these developments have taken Pakistan by surprise. Chabahar port gives India an opportunity to sideline Pakistan in order to reach Central Asian Republics and Afghanistan. Iran is also interested in inviting Pakistan to invest in Chabahar and link Gwadar with it. There are certain opportunities for Pakistan in Gwadar and Chabahar. While there are some challenges associated with both of these ports.

### **Opportunities for Pakistan in Gwadar port**

#### **Role of seaports in economic development**

Sea ports always play a significant role in developing economies. Currently, Karachi port and port Qasim handle the major trade, which is why they have become congested. Almost \$62 billion worth of investment is benefiting Pakistan in terms of infrastructure projects. The Gwadar Free Zone can bring in substantial investment opportunities. Pakistan's economy is heavily reliant on Chinese imports. In this regard, the port of Gwadar serves as the closest port through which Chinese imports can enter the mainland. This will also boost Pakistan's economy (Global, 2019)

#### **Gwadar city development**

Prior to this port development, the city had remained unexplored and unconstructed. Now, construction is being done at a rapid pace. The infrastructure development of Gwadar city, the airport, and Gwadar plants for power generation are included in the proposed projects. In 2019, certain projects were inaugurated. The governments of China and Pakistan started the Faqeer colony middle school expansion project, the Gwadar port authority commercial complex project, and the 300 megawatt coal-based power project. The completion of these three projects marks a significant milestone, and we still have more projects to complete. The 4000 solar energy facilities by China would prove to be beneficial for Gwadar and thus it would be helpful in meeting the energy requirements of the country. (Express Tribune, 2019)

#### **Revival for Pakistan's economy**

The port has the capability to turn Pakistan into a regional hub of economic activity and trade. At present, Pakistan's economy is experiencing significant growth, and thanks to Gwadar, it appears to be reviving.

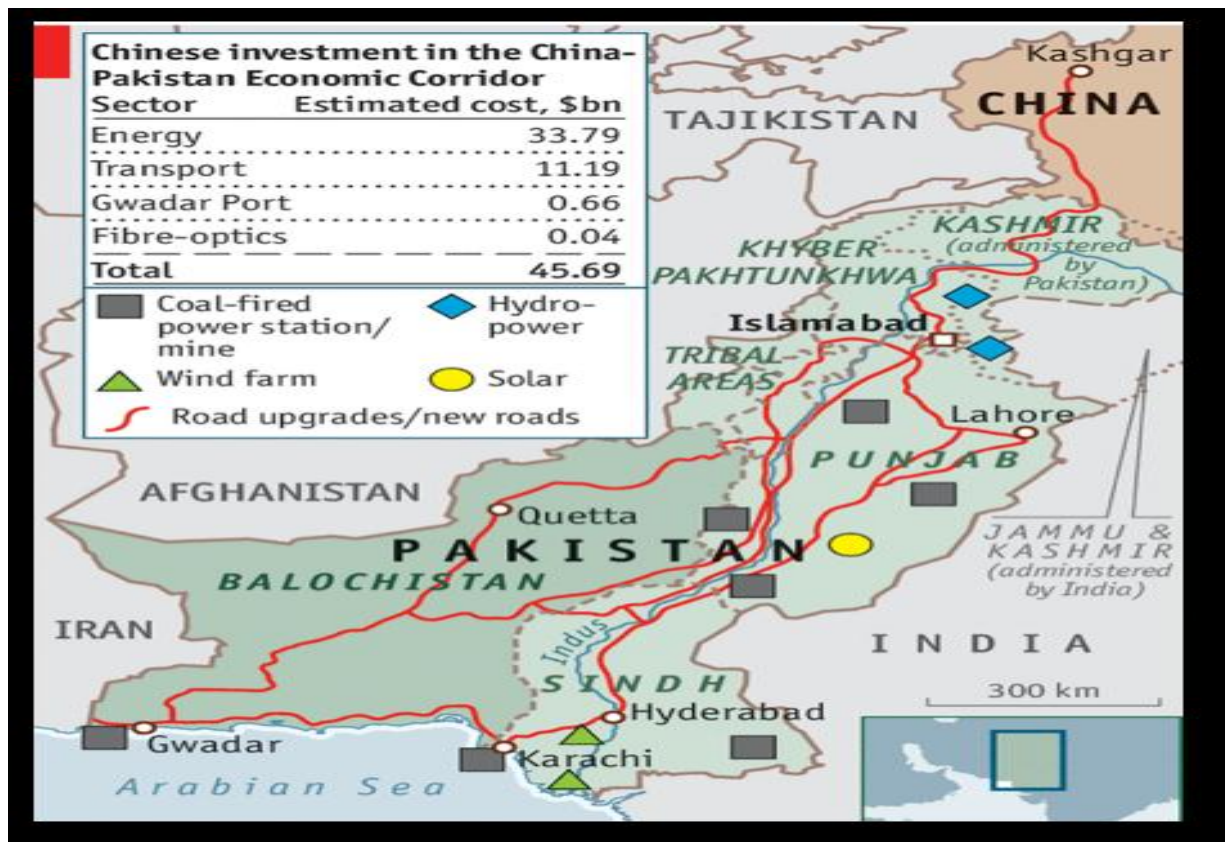


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## CPEC

It is a significant bilateral agreement between Pakistan and China, and it has the capability to reconfigure the geopolitics of South Asia. China plans to invest \$46 billion. It starts from Gwadar in Pakistan to Kashgar in China with railways, pipelines, and roads.



**Figure 1. CPEC**

It will be a win-win situation for both Islamabad and Beijing. It would boost Pakistan's economic prospects and activity. In essence, the pre-existing ports, such as Karachi and Qasim, cannot handle more traffic. So, Gwadar will be helping to accommodate the increasing domestic demand. Moreover, the interaction of Pakistan will also increase with Central Asian countries and Afghanistan, as in the case of China. (Talwar, 2015) The 2700-kilometer link will connect Gwadar to China and then to India, Afghanistan, and Iran. Moreover, the highway links Xinjiang to Gilgit-Baltistan and KPK. Apart from these connections, various other projects like free zones, power generation, and economic zones are also added to CPEC.



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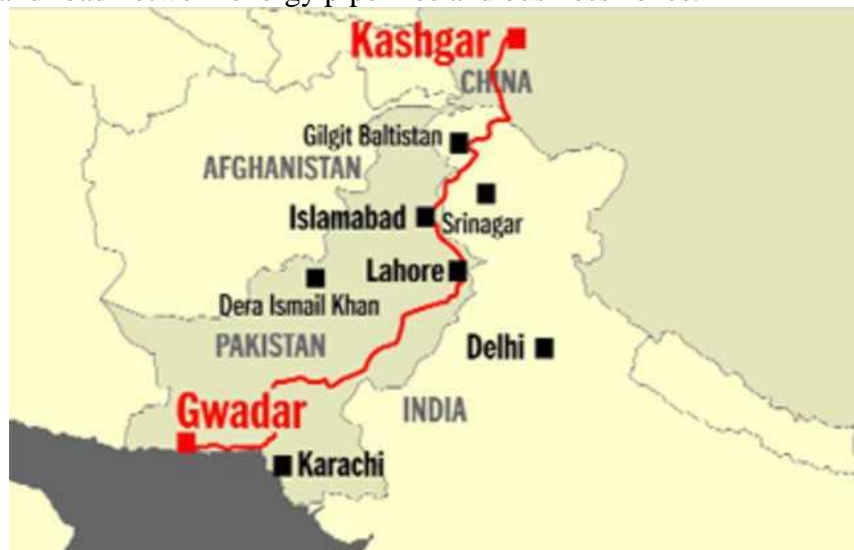




**Figure 2.** *Gwadar to Gilgit*

The eastern route is from Gwadar to Kashgar via the highway of coastal and then interior Sindh to northern and central Punjab, Islamabad, Haripur, Abbotabad, Mansehra, Diamer, Gilgit, and Khunjab. A few portions will go to Kashmir.

Then there is the western route. In this plan, the corridor will have to start from Gwadar and run through Khuzdar, Dera Bugti, D.G. Khan, D.I. Khan, Peshawar, Islamabad, and then the rest of the eastern route. Moreover, the Quetta-kho-e-Taftan link would connect Afghanistan to the corridor via Quetta and Iran. The economic corridor will cut off the road distance by 12000 kilometers from the Middle Eastern region to western China via Gwadar, Pakistan, and thus host enormous rail and road network energy pipelines and business zones.



**Figure 3.** *Gwadar to Kashgar*



## Phases of CPEC

There are three phases of CPEC. That is, the short term (2015–2020), the medium term (2021–2025), and lastly, the long term (2026–2030). The first phase aimed at removing key economic bottlenecks, namely energy and infrastructure. The second phase focuses on industrialization, socio-economic and agricultural cooperation, business promotion, and development consolidation. In the first phase, we have constructed a total of 1544 kilometers and are currently working on another 1456 km. The energy sector has added 5320 megawatts of electricity to the national grid and is nearing completion on seven projects with 4170 megawatts of power. We have already completed the cross-border optical fiber project, spanning over 820 kilometers and linking Khunjab to Rawalpindi. About completed projects, then Gwadar Port is functional. The master plan for Port City received approval and is now prepared for implementation. The increased economic activity has resolved the tax concessions and investment incentive issues. The Prime Minister of Pakistan, Imran Khan, inaugurated the country's largest airport, the new Gwadar international airport, on March 29, 2019. Pakistan observer, (Ministry of Planning, Development, and Special Initiatives) Now Pakistan has entered phase two. This phase, which emphasizes industrial cooperation, has planned twenty-seven projects. This phase will also involve the expansion of the tourism sector. Initiatives will help expand employment opportunities for local inhabitants. Because industries such as agriculture and tourism are considered the backbone of future growth, (Iqbal, 2020)

## Regional hub

The port has the capacity to transform Pakistan into a regional trade hub as it would connect the three regions, e.g., Central Asia, the Middle East, and South Asia. New employment opportunities would open up, and it would also help the development of Baluchistan. Moreover, Pakistan would have the opportunity to discover the mineral, hydrocarbon, oil, and gas resources of Central Asian countries. The port has the capacity to attract heavy foreign investment and tourism. It has the ability to provide foreign reserves, free trade zones, and special economic zones that would ultimately help Pakistan's economy progress. Moreover, there would be commercial activities in the province of Baluchistan. (Helling Shipping News, 2019)

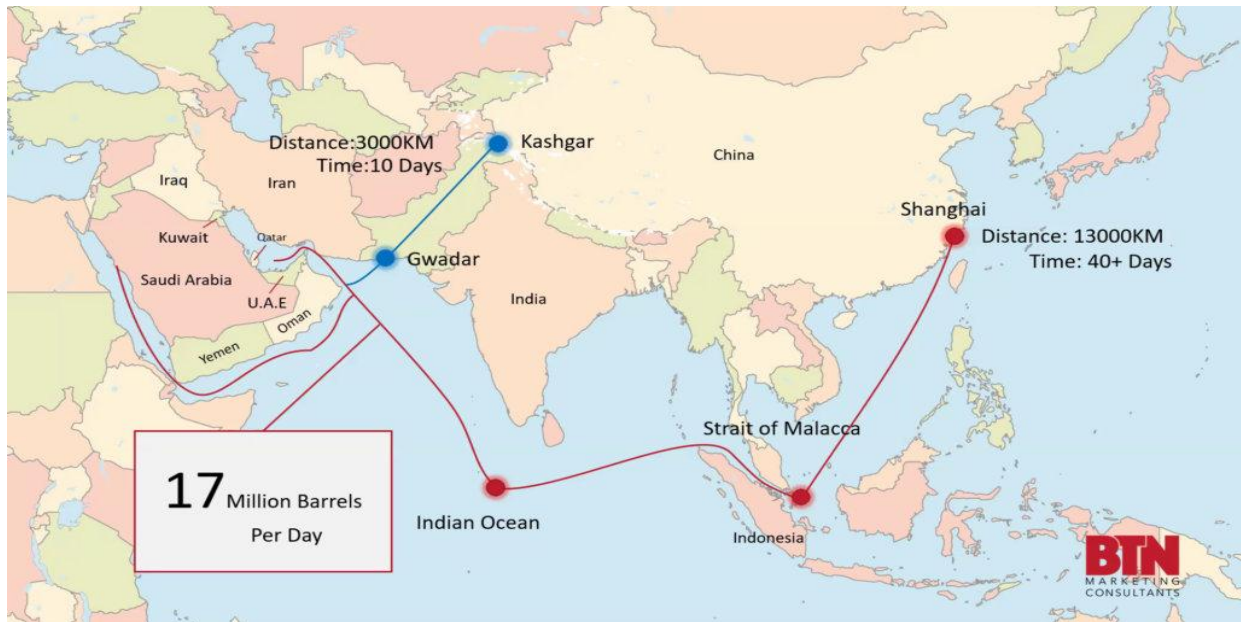
We have considered that the road from Gwadar to Saindak would be the shortest route between Central Asia and the sea. It is under construction. Global markets could receive the oil and gas reserves and goods from these countries.

## Gwadar: An answer to Malacca dilemma

The Malacca Strait is a stretch of water that is located between the Pacific and Indian Oceans. It has been one of the world's most significant maritime trade routes. The historical Malaccan Sultanate in Malaysia inspired its name. However, various challenges, including piracy, have forced nations to seek alternative routes. In this regard, China is one such country.



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**Figure 4.** *Malacca route*

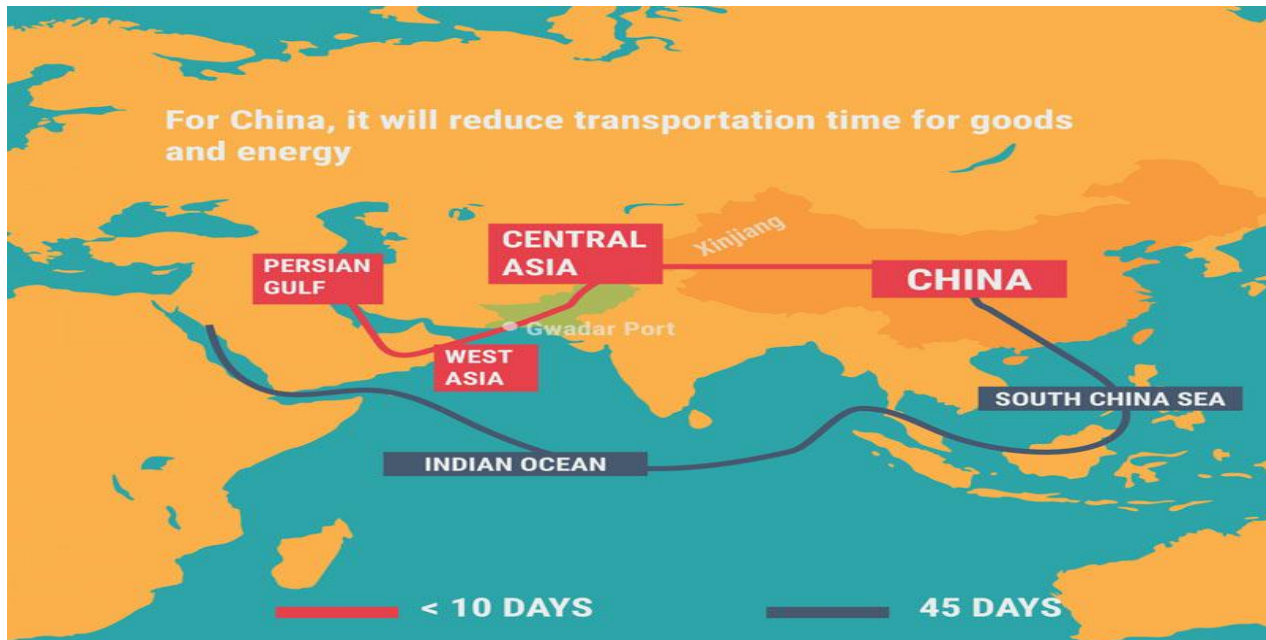
China relies on other countries to meet its energy needs. This route facilitates 85% of China's trade. Currently, China is using the Strait of Malacca to import the extracted oil from the Persian Gulf, which accounts for sixty percent of its oil and eighty percent of its energy requirements. Although there are other options for China, such as in Myanmar, internal communal uprisings and political instability limit Chinese involvement. Moreover, Indian naval fleets have a strong foothold in the Bay of Bengal.

#### **Why choosing Gwadar?**

Kashgar Port is located in western China. Gwadar is located between the Gulf and Kashgar city. Therefore, the CPEC will link Gwadar and Kashgar, reducing the total distance to 3000 kilometers in ten days. provides a safe route, unlike Malacca and the Bay of Bengal. (Nadeem, 2018)



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**Figure 5.** China route through Indian Ocean and South China sea

## Challenges for Pakistan in Gwadar port

### Gwadar: A Chinese military base

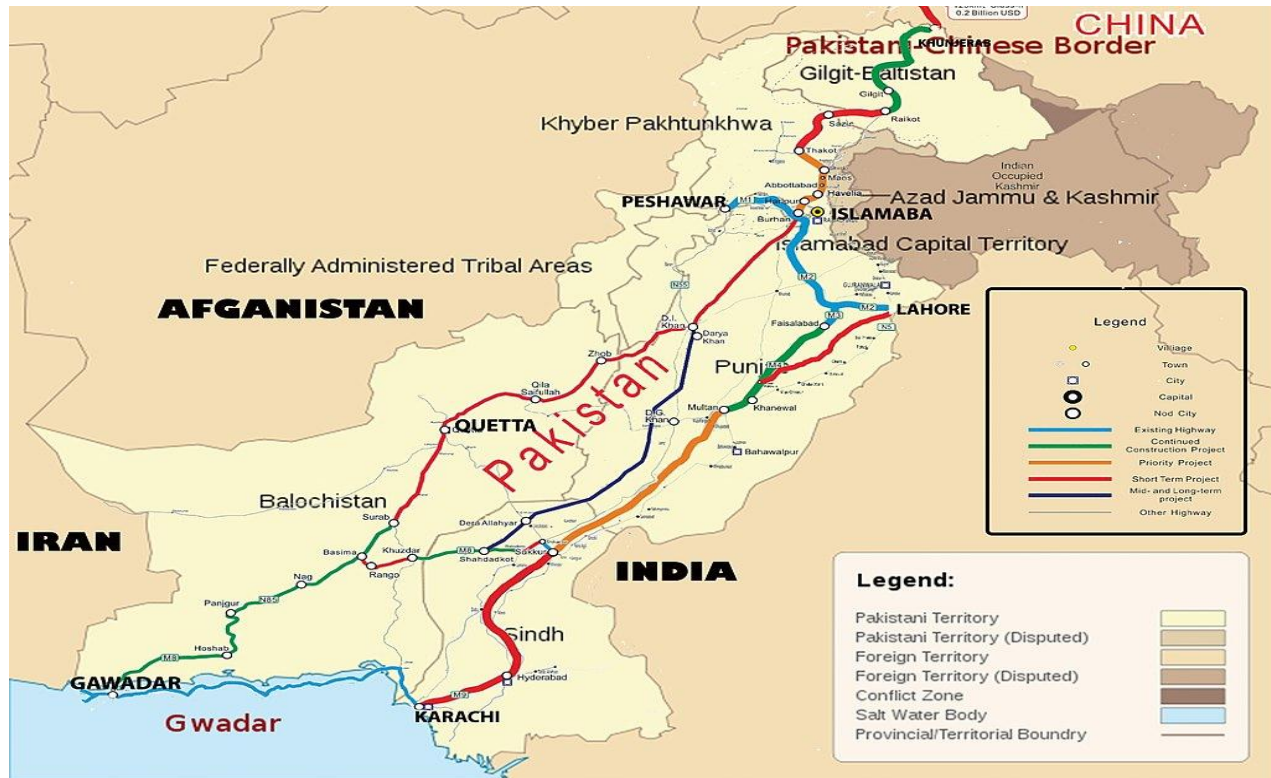
The port has great economic and strategic potential and is located close to the Strait of Hormuz. As previously mentioned, the port would be a gateway for the planned economic corridor, and it would also provide infrastructure, investment, and industry to Pakistan. But there are certain problems associated with it. Gwadar and its surroundings lack any significant infrastructure. Pakistan's national road network does not even connect to Gwadar. Thus, importing and exporting through Gwadar would be costly and difficult, and it could also cause the port to fall into significant financial difficulty.

India has expressed concern over the People's Liberation Army Navy of China using Gwadar. It is part of the "string of pearls." The strategy consists primarily of ports funded by China that surround India. By taking control of Gwadar, China can disrupt trade with India. In order to counter this threat from China, India is enhancing its relations within the Middle East. This is the reason India is focusing on developing the port of Chabahar in Iran.

### India factor: Baloch insurgency

Terrorists in Baluchistan are continuously targeting the port. The Baluchistan Liberation Army poses the biggest threat. The group has condemned the construction of Gwadar's port. They believe that this port development is intended to rob the Baluchi people.





**Figure 6.** *Gwadar in Balochistan to China*

The Baloch insurgency has been in place since 1948. In 1948, the princely state of Kalat joined Baluchistan. The first phase of insurgency ended in 1948, the second phase lasted from 1958 to 1959, and lastly, the third phase lasted from 1963 to 1969. The fourth phase was more intense, spanning 1973 to 1977, and resulted in a full-scale military operation. The last three insurgencies fought for provincial autonomy. Now, the fifth insurgency is striving for independence from Pakistan. It dates back to 2005, when the conflict began in 2005 when tribal leader Nawab Akbar Bugti and the government clashed over the theft of natural gas from Bugti's territory. In 2006, a military operation led to Bugti's assassination, an urgency that exists to date.

Baluchi insurgents view Chinese projects such as Saindak mines and Gwadar port as an attempt to loot Baloch's resources. By this way, the Chinese population will increase in Baluchistan, which will ultimately be a threat to the ethnicity of Balochis in their own land.

In this regard, India has openly opposed the CPEC because it sees it as a threat to its sovereignty. It passes through Pakistan's Gilgit Baltistan region; which India considers its own part of the disputed Kashmir region. On March 3, 2016, Baluchistan captured Indian spy Kulbhushan Jadhav. The spy then confessed in a video statement that he has been on a top secret mission in Baluchistan with the aim of carrying out attacks in Pakistan. His primary goal was to disrupt the CPEC by using Baloch insurgents. However, India has said that Jadhav was on a sabotage mission.



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An unstable political situation is the biggest threat to any project in the world. In this regard, CPEC is no exception. In 2014, the Chinese President cancelled his visit because he was in Pakistan at the time.

## **Opportunities and Challenges for Pakistan in Chabahar port**

### **Chabahar—A challenge**

India is investing in the port that lies a few miles from Gwadar. It aims to bypass Pakistan in order to gain access to landlocked Afghanistan and Central Asia. In this regard, Chabahar would serve as a way station for importing energy from the Gulf region to Afghanistan and Central Asia. Once the port of Chabahr is operational, it will reduce Central Asian countries' and Afghanistan's dependence on Pakistan.



**Figure 7.** Chabahar to Afghanistan

### **Security**

It has always remained the primary challenge for CPEC. Certain military groups are present in Xinjiang, such as the East Islamic Movement, Tehreek-e-Talibaan Pakistan, Lashkar-e-Jhangvi, Deash, the Baluchistan Liberation Army, and the Balochistan Liberation Front. These all intend to use attacks on China's interests, such as the CPEC, as a means to deal with the Pakistani state, though they have no enmity with China.

Moreover, the Xingjian Uyghur autonomous region has emerged as a major hurdle for China. Violent riots and terrorist attacks are dominating the region. In this regard, the central government unleashed a harsh crackdown on terrorist activities that resulted in mass arrests and trials. The major drivers of discontent in this region are poverty and unemployment.



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Because of Pakistan's deteriorating security conditions, the CPEC project is at stake because of the deteriorating security conditions in Pakistan. There have been several incidents, like the kidnapping and murder of Chinese personnel, bombings, etc. (Falak, 2016)

## **US factor**

America sees the OBOR initiative of China as a threat to its hegemony and superpower status. Because US has replaced Pakistan with India as its primary ally because of the CPEC factor in South Asia. In this regard, the first thing the US did was suspend \$2 billion in military aid to Pakistan in 2018. In 2016, the US added Jamaat-ul-Ahrar to the terror list. This development is concerning for both Pakistan and China, as the US's targeting of terrorist organizations along the border between Afghanistan and Pakistan has resulted in an increase in terror outbreaks within Pakistan. Following this, group attacks in Baluchistan escalated. (Ishfaq, 2019)

## **Chabahar will open a route to Afghanistan and CAR**

Opening up a route to Afghanistan and Central Asian republics will decrease the dependence of these countries on Pakistan. As a result, India will be a major player in the region. The said port will basically facilitate landlocked Afghanistan by opening up a trade route for Indian goods and products to Central Asia and Afghanistan.

## **Opportunities**

### **Connecting Gwadar to Chabahar**

Iran is willing to link Pakistan's Gwadar port to its own port in order to promote trade-related activities. The Iranian foreign minister, Javād Zarif, stated that Iran can connect Chabahar and Gwadar and then, through that, connect Gwadar to our rail road system.

### **Relations between Pakistan and Iran have improved since the Chabahar port**

By cooperating with Iran, Pakistan can revive its broken relations with Iran. In this regard, Pakistan invited Iran to participate in a maritime security exercise in December 2019.

We should not view both ports as rivals. To counter India's isolating strategy, there is a need to engage Iran constructively. (Jaspal, 2018)





**Figure 8.** *Iran and Baluchistan*

Due to the porous nature of the border, Pakistan has always faced border issues with Iran. That is why Iran's rulers were able to influence the people of Pakistan with their Persian language. The security situation across the border always destabilizes the region. Pakistan. In May 2020, there was an attack on Pakistani military personnel that killed six soldiers. Pakistan expressed its concern to Iranian army chief General Mohammad Hossein Bagheri about taking action against militants operating inside Iran. Both sides have vowed to look into their security conditions. Both countries can act as mediators in certain conflicts. As such, Iran shares good relations with Russia and Armenia, and Pakistan has good ties with Turkey and Azerbaijan, so it means that both countries are well placed to mediate between Baku and Yerevan over the long-standing Nagorno-Karabakh issue. Moreover, both countries can play an important role in ensuring peace and stability in Afghanistan. (Hussain, 2020)





**Figure 9.** *Iran's province and Baluchistan*

The trade relations between Pakistan and Iran got better after the removal of the Taliban in 2002. In 2005, both countries clinched a deal worth US \$500 million for trade purposes. In this regard, the border town of Taftaan has become a center for trade in oil and electricity. Iran has become the second-largest market for basmati rice in Pakistan. They have initiated several joint ventures to strengthen their trade ties. Techno-entrepreneurship is one such venture. In sum, both countries are trying their best to maximize opportunities with each other.

### **Is India pulling out of Chabahar?**

The news regarding India's withdrawal from the Iranian deal is certainly not based on solid facts. The news can be true only to the extent that India might sit out of the Chabahar rail project, not the port development project as a whole. The plan was to build a railway track from Chabahar to Zahedan, an Iranian town near the Afghan border. This railway line aims to enhance the connectivity of Afghanistan with Iran. The project's exclusion is undoubtedly due to India's slow response to its development. However, if India withdraws, China could potentially replace India in the development of the Chabahar port, although these concerns remain unproven. Due to the uncertainty in international relations, they remain unproven. (Arab news, 2020)

### **Conclusion and Discussion**

In terms of the national interest parameter of the neorealist theoretical framework, states are maximizing benefits, especially economic opportunities. The most common national interest in every state—Pakistan, India, China, and Iran—is to become economically sufficient and prosperous. China is using Gwadar as leverage for this purpose, which will ultimately aid



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Pakistan's economic growth. It will also make China able to compete with the superpower United States of America. Only economic sufficiency qualifies a country as powerful. Iran, in this regard, will become more economically sufficient once its Chabahar port becomes operational. Currently, Iran is facing significant challenges in meeting its economic requirements. Therefore, once the Chabahar becomes operational, it will enable Iran to achieve economic prosperity.

The other chosen theoretical framework parameter is the balance of power, a Neorealism tenet further understood in terms of internal and external balancing. In terms of economic cooperation, states are inclined to internally balance each other. Chinese involvement in Gwadar port poses a threat to India. So, in order to normalize this threat, India has chosen Chabahar Port as a rival to Pakistan. Furthermore, it will enable India to closely monitor any Chinese activities in the region that could potentially pose a threat to its security. Further, the investments in Chabahar will make Iran economically self-sufficient. Similarly, Gwadar will make Pakistan economically empowered to counter threats from India or any other enemy in the long run.

Recent border tensions between India and China raise the possibility that they may eventually sever diplomatic ties. They will become more adventurous in nature, and thus the competition in the region will increase. China will increase its presence in the Indian Ocean, which will ultimately threaten India. Thus, the Chinese presence will intensify rivalry with India, which views the Indian Ocean as a strategic polity.

In the case of Gwadar port, the major loophole that exists is China's imperialistic designs in terms of getting access to Gwadar port. Pakistan will become dependent on China for its economic prosperity. As a result, Pakistan has to deal with Chinese imprints on its culture. The culture here will lose its original identity as more and more Chinese will soon start settling in Pakistan. Also, Pakistan has to rethink its relations with China after seeing the condition of Muslims in the Uyghur region of China. Higher authorities are mistreating them and preventing them from freely professing their religion, Islam.

The world is in a transition phase now. The most uncertain period of international relations is about to begin, following India's apprehensions about withdrawing from the Chabahar port. Because the game's actors will change in Chabahar, China's involvement in the region will increase. China has already planned to enter into an agreement with Iran, as mentioned in Chapter 3. The US factor is one of the reasons India wants to pull out. Nobody can predict the US's behavior. The outcome now hinges on the 2020 USA elections, as a Trump victory would give India a significant advantage and ultimately support India in all aspects. In this case, pulling out of Chabahar will not make any difference to India. But in that case, the situation will depend on whether the new government wants to keep pace with India or not. In such a case, India will not withdraw from Chabahar port.

Given the current state of Iran-China relations, it is clear that increased Chinese involvement will present Pakistan with greater opportunities. Iran-Pakistan relations will improve if Pakistan supports Iran in developing Chabahar. Moreover, China is already Pakistan's time-tested ally, so another big project under China in the region means better relations between China, Pakistan,



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and Iran. In the long run, the three countries might enter into some other trilateral trade agreements.

Understanding that only the stakeholders in the Chabahar game will experience change if India withdraws is crucial amidst the ongoing global transformation. In international relations, the only thing that is permanent is interest. So, in the presence of a new stakeholder, which would most probably be China, the Chabahar can flourish more.

### Recommendations

- First and foremost, there is a dire need to address the issue of the Baluchistan insurgency in Gwadar. They are obstructing the smooth operation of Gwadar Port. In this regard, the government authorities should make a deal with them to pacify their demands. This will ensure the successful development of Gwadar port.
- As discussed in the previous chapter, the major motive behind India's interest in Chabahar is to counter Pakistan's presence in Afghanistan. Keeping in mind this fact, Pakistan should take steps to build healthy relations with Central Asia and Afghanistan. Pakistan has already played a very good role in the peace process in Afghanistan, but it still needs to stir up new economic ventures by countering India's mission.
- In the case of Chabahar, anticipations are arising that India might leave Chabahar, but it will not impact the progress of Chabahar as a new stakeholder will take over the project. But if India carries on with the project, then Pakistan must seek warm relations with Iran. In this regard, Iran must become a partner in Gwadar.
- CPEC is a major project for the OBOR initiative. Pakistan must ensure the security of Chinese personnel in the region, as it will change the future great game. Moreover, Pakistan must invite more partners in this project once it gets operational, as it will help in making more good allies such as Saudi Arabia. There should be no delays in CPEC implementation due to external or internal pressure.
- Iran and Pakistan can work on a variety of mutual issues, such as terrorism in Baluchistan and trade expansion. Implementing the Iran-Pakistan gas pipeline should be a priority. We must name the new corridor the Gwadar-Chabahar economic corridor.
- India gets access to Afghanistan and Central Asia through Chabahar, but the shortest route is bypassing Pakistan. So, keeping aside rivalries such as the Kashmir issue, India can get access to Afghanistan with the shortest route.

In conclusion, port politics have emerged as a new form of global governance. It helps to become economically strong by opening up multiple opportunities. When I began this research, I believed that India's engineering of Chabahar would make it a rival to Pakistan. But now I have come to the conclusion that world politics is truly uncertain. Chabahar might perform much better under a new stakeholder. But these are only rumors that India will leave Chabahar. In this scenario, Pakistan should fortify its ties with Iran to prevent any potential disputes stemming from India. There will now be more new issues between Pakistan and India, such as water issues, energy problems, and so on. No country can compromise its national interest, especially the maintenance of economic prosperity in the region. Therefore, considering the current trends and transformations in international relations, we can conclude that Chabahar and Gwadar will function as competitors, not rivals.



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