CPEC "A Game and Fate Changer Massive Project" Reviewing the Significance and Threats from the Perspective of Pakistan

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Abstract – CPEC is engineered to master mega-regional Project, which will generate colossal economic activity and open vistas of opportunity, particularly for developing countries. CPEC is expected to electrify Pakistan's economy and generate industrial Infrastructure of manufacturing and construction industries. The security situation of Pakistan in the recent past, internal sabotage actors, and international/regional powers remain an indication of their variance towards CPEC. Disagreement on the selection of routes and economic zones inside Pakistan by the provinces was also a significant concern for developing the Project enforced by those variant factors. A careful analysis of the prevailing environment suggests three-pronged threats to CPEC, including security, political, and economical. The Pakistani media and Government called the CPEC's massive investments a "game and fate changer" for the region. China's liberal investment surpasses all foreign investments in Pakistan in the past based on trust, confidence, and convergence of interests. In this paper, we analyze the nature of existential threats and challenges to the development and operationalization of CPEC in Pakistan and measures to improve the security domain.

Key Words: China-Pakistan Economic Corridor (CEPC), Massive Investments, Threats, Security Challenges, Regional development.

Introduction
CPEC is the cornerstone of China's 'One Belt One Road' global vision of infrastructure connectivity, and it is one of the most important projects ever attempted in history. CPEC's full completion will propel Pakistan into becoming the most important transit state globally. Due to its role in facilitating China's trade with the EU, the Middle East, East Africa, and the Russian Federation, besides Central Asian Republics' trade with the "Global South." In terms of the bigger picture, each crisscrossing network of economic connections in one way or another is expected to pass through Pakistan utilizing CPEC, thereby empowering Pakistan to leverage its crucial geo-strategic position in pursuit of its national interests. Once CPEC becomes fully operational, Pakistan will become China's most important gateway to the rest of the world. It will offer the most reliable, cost-effective, and fastest route for trade with other regional partners.

There is no way that the regional adversaries, i.e., the USA and India, will passively stand by and allow the dream of CPEC to happen, which is the umbilical cord of China's sustained economic integration with most of the Eastern Hemisphere. Due to substantial nuclear overhang, the US and India will resort to operating through proxies to achieve their grand strategic objective of sabotaging CPEC. It is unrealistic to think that either of them could entirely stop CPEC at this point. However, as the projects related to CPEC are crystallizing, their intentions are becoming evident. Both economies intend to raise the economic and security costs of doing business by spiking fears about the route's safety and thereby scaring away potential enterprises that might otherwise be eager to utilize this strategic shortcut to China.

To address these security concerns, the Pakistani Government has established a 'Special Security Division' of 13000 special troops to protect Chinese workers engaged in the development of CPEC projects. Pakistan and China share a complete understanding of strategic and security issues, and both the countries have always assured each other of full confidence. CPEC is the result of a win-win convergence of interests between China and Pakistan. While addressing China's significant economic and strategic needs, CPEC promises to bring enormous economic and geostrategic spin-offs for Pakistan. It is safe to conclude that CPEC when completed, will have the potential to alter South Asia's geo-economic and geo-politics landscape alike fundamentally.

The China Pakistan Economic Corridor (CPEC) aims to connect Gwadar Port in SW Pakistan to China's SW autonomous region of Xinjiang via a network of highways, rlys, and pipelines to transport oil and gas. The economic corridor is constructed central to China – Pakistan relations and will run about 3,000 kilometers
from Gwadar (Balochistan) to Kashgar (China). Overall construction costs are estimated at $46 billion, with the entire Project. The Project will also open trade routes for Western China and provide China direct access to the resource-rich Middle East region, bypassing longer log routes currently through the Strait of Malacca. The economic corridor other than transport infrastructure will provide Pakistan with telecommunication and energy infrastructure. The all-weather, time-tested friends share a shared vision and seek peace, not confrontation.

**Significance of CPEC**

“If we see this whole region, it is like a funnel. The top of the funnel is this wide area of Central Asia and also China's western region. Moreover, this funnel gets narrowed on through Afghanistan and Pakistan, and the end of this funnel is Gwadar port. So this funnel, futuristically, is the economic funnel of this whole region” (Ex-President Pervaiz Musharraf)

The geographical environment is considered as one of the essential factors influencing the development of human society. The most critical element of the environment is the sea, which occupies almost three-quarters of its surface. It may be interesting to know that approximately 70% of the world's population dwells within 100 miles of a coastline. Thus, the seas are great highways that provide vital strategic access to the centers of the populace and governments.

Pakistan is blessed with a sea frontage of 960 Kms, stretching to the West and Southeast axis. About 36,000 ships transit through our area of interest each year. Several potential port sites exist along our coast, out of which so far Karachi and Port Qasim have been developed as full-fledged commercial ports. In contrast, Ormara is being developed as the second naval base.

Trade between Pakistan and China is carried out through Karakoram Highway built between 1959 and 1979 along the present Silk Route. The highway connects Kashgar (China) with Abbottabad (Pakistan) via 15000 feet high Khunjerab Pass and has a length of 1300 km. After signing the Free Trade Agreement (FTA) in 2006, the trade volume between the two countries has reached $16 billion. To utilize the true eco potential of trade between the two countries, there was a need for a deep seaport in the country. Hence, Gwadar's work (purchased from Oman for $3 million in 1958) deep-sea port started in 2002 with a cost of $248 million. Construction on the port was completed in December 2006, and the port was inaugurated on March 20, 2007. From 2007 - 2012, the port was run by 'Port of Singapore Authority' (PSA). In 2013, due to the port's delays and slow progress, operations of Gwadar Port were transferred to 'China Overseas Port Holding Company' (COPHC).

The concept of economic corridor dates back to the construction of Gwadar port; however, the establishment of CPEC was first officially proposed by ex-Chinese Premier Li Keqiang during his visit to Pakistan in May 2013. The proposed Project of linking Kashgar in northwest China with Gwadar Port in Balochistan was approved on July 5, 2013, during the visit of Prime Minister Nawaz Sharif to Beijing in November 2014. Chinese President Xi Jinping invited PM of Pakistan Imran Khan to attend The OBOR forum on April 28, 2019, where leaders of 40 countries participated, and delegations of 100 countries also attended. Pakistan and China signed various agreements in bilateral cooperation in diverse areas especially related to CPEC.

Located at the mouth of the Arabian Gulf, Pakistan occupies a significant strategic position. "It is envisaged that oil reserves of Gulf countries will not last beyond the next 40 years. Thus the oil reserves and other resources of CARs would gradually become the focus of world attention". Our geographic location in proximity of CARs thus bestows upon us one of the region's vital export corridor. Certain essential aspects of strategic location specific to the region are; *First:* Shortest Route to the Arabian Sea. The CARs require economically viable and cost-effective transit and pipeline routes. "Pakistan is situated at the interface of Central Asia and South Asia, and provides these landlocked states with the shortest route to the Arabian Sea [1]". *Second,* the Absence of any Viable Alternate Route. "Turkey wanted to act as a cultural and economic bridge, and India's announcement to construct a railway line connecting Central and South Asia could not materialize for geographical reasons" [2]. Hence the possibility of any secured transit route gives preference to the routes leading through Pakistan. *Third,* Revival of Old Trade Route. "The Indus Basin, via Afghanistan, had been a warm water sea outlet to adjacent parts of Central Asia under various historical epochs under the Indian, Persian, Turkish, Mughal and British empires" [3]. The revival of this old route will help these countries provide the same old access to the warm waters of the Indian Ocean. *Four,* Monitoring the Sea Communication Routes. In military-strategic terms, Gwadar will help Pakistan to
monitor the sea-lanes from the Persian Gulf. "Gwadar is of strategic importance, lying astride the sea-lane originating from the strategic chokepoint of Hormuz" [4]. Strategically, from Gwadar's waters, one can control the entire Indian Ocean, including trade routes of far eastern countries and the gulf region. Alternative Naval Base for Pakistan Navy. Pakistan will be able to prevent any 'bottling' of its navy as witnessed during the Indo–Pakistan conflict in 1971 and during the Kargil crisis by developing Gwadar. "The port would provide strategic depth to Pakistani maritime assets, both commercial and military."

Prevailing environment and its effects on the Project

Weaker writ of the Government over vast expanse of tribal land, inadequate security apparatus including Sardar/Nawab oriented Levies, rampant smuggling of both narcotics and weapons, unchecked sub nationalist cadre and vulnerable foreign investors/experts are the major contributory factors towards the worsening law and order situation." These are likely to grow and get strong in the future if economic affluence of Gwadar is not shared visibly with locals" [6]. The primary concerns of locals are as under: Balochistan province suffers from socio-economic backwardness. Decades of neglect and exploitation have affected the lives of common people and their national spirit, which goes against other provinces, particularly Punjab. The unemployment in the province is on the increase. The Gwadar port project promises new jobs; the educated youth are either not skilled or do not meet the desired standards. "The people of Balochistan demand for their rightful share not only in the Gwadar project but also in other federal departments" [7]. There is a general feeling of being cast away, neglected, and deprived in Balochistan [8]. People of Balochistan feel themselves to be ignored as compared to the other provinces of the country. They believe that they do not get their due share of socio-economic and socio-political benefits, especially when rich in natural resources like gas, copper, gold etc.

There had always been rifts between the Centre and Provincial Government. Baloch leaders always blamed the Central Government for not paying due attention to the province's development and well-being. Moreover, military actions and the dissolution of the Balochistan Assembly in the past have further aggravated this rift.

"Sardari system is centuries old in this area. Even though the Sardar exploit their tribesmen, yet they are loyal to their Sardar and would resist any attempts by the Government to abolish Sardari system" [9]. Recent measures taken by the Government, like the establishment of new cantonments in Balochistan are seen as attempts to eliminate Sardar and are widely criticized by all Balochistan circles. There is a feeling among the people of Balochistan that they are not given appropriate royalty for the gas. Moreover, gas is supplied from Balochistan to the whole country, yet many areas of Balochistan are deprived of the energy which is extracted from their land. The province's nationalist parties have severe reservations about the Gwadar project and the proposed construction of cantonments. "They believe the project is aimed at turning the Baloch into a minority and usurpation of the natural resources in that area" [10]. Their primary political concerns are to stop the construction of new cantonments that they feel are meant to control Balochistan's wealth. All non-Baloch's doing business in Gwadar must not be allowed the right to vote in any elections held in Gwadar. This is to ensure that they do not become the political minority in the province.

The local populace of Balochistan should be trained and employed for the Gwadar project. Control of Gwadar being given to the Balochistan Provincial Government. The nationalists propagate that the control of the Project with the Federal Government is to benefit the Punjabi elites.

Global concerns and security implications

Despite all accruing advantages, the emergence of China-assisted port facilities may not auger well in the political, economic, and military scheme of many regional and extra-regional powers. The involvement of China in the Gwadar project is bound to have increased security concerns for Pakistan. Pakistan should expect long-term and determined resistance from both the US and especially from India in the event of allowing China's naval power to use Gwadar. It poses an economic challenge to Oman, Iran, and even Dubai.

Pakistan's political, social, economic, or military development is seen with deep concern in India. "The port project has also set off alarm bells in India, which already feels encircled by China from three sides: Myanmar, Tibet, and Pakistan. To counter Sino-Pak collaboration, India has brought Afghanistan and Iran into an economic and strategic alliance" [11]. Presently, India is in urgent need of a shorter transit route to
quickly get its trade goods to Afghanistan and Central Asia. India made strong ties with Iran and a strategic partnership with the US and posed multiple threats to our second port – Gwadar. India, with both interior and exterior maneuvers, overt and covert means, and coercive moves will sabotage the development of CPEC. Failing this, she will try to keep it simmering with law and order problems, thus undermining its economic capacity.

Iran finalized a deal with Turkey for the opening of a railway line extending from Alma-Ata (Kazakhstan) via Tashkent (Uzbekistan) and Tehran to Istanbul, which would then connect the economies of central Asia and Europe" [12]. Suppose she succeeds in establishing a route for oil, gas and other commodities with the central Asian States and further to Europe through ports like Chah Bahar. In that case, she will become a country of central importance in the region. "Gwadar being so close to Chah Bahar and with Pakistan's plan to link (road and rail) it with CARs through Afghanistan, providing an economic outlet to the landlocked Afghanistan and CARs may be taken as an economic and political setback by Iran. The Project might have to face competition from the Iranian port at Chabahar" [13]. This implies that Gwadar will not be able to monopolize on a position as the main route to the sea from Central Asia.

China is a strong regional power and has already shown keen interest in Gwadar Port and she is paying a large chunk of the expenditures on the construction of the port. "It is expected that China’s use of Gwadar port for exports originating from the western region will provide her preferred option over the ports located along her eastern coast, for which a distance of 10,000 km has to be covered" [14]. Thus it may be logically visualized that Gwadar port will be an integral part of China’s Foreign Trade route in the future.

"It is conjectured that nearly twenty countries of the Middle East, Central Asia, and South Asia could benefit from the mega-project [15]". This is primarily from Afghanistan, the CARs Persian Gulf State, UAE, Oman, Saudi Arabia, Qatar, Iraq, Iran, and other countries. Therefore, the development of Gwadar Port can be seen as an opportunity and threat by other ports in the Gulf.

"Russia is keen on forming an axis with Tehran to counter the influence of the NATO states" [16]. She would strongly oppose and influence any economic cooperation between Pakistan and the Central Asian States. However, this may not be possible as Russia no longer enjoys the status it once had in the past.

Recommendations

Although the development process of CPEC is well on its way, there is a need to remove the apprehensions prevailing in locals' minds and address genuine grievances. Continuity of on-going Projects and initiation of a few more realistic initiatives are of paramount importance. A few pertinent recommendations are proffered below for consideration at the appropriate level:

During recent years due to an unstable political situation, the pace of the Project has been retarded, which intern resulted in the change of the anticipated cost of the Project from 200 million to 240 million $US. Removal of nationalist leaders' grievances to create political harmony in the provinces is equally important for uninterrupted completion of development projects in Balochistan. Moreover, to improve the law and order situation in the province, there is a need to deploy the security agencies that are more efficient and more extensive in number.

Taking local nationalist leaders into confidence can make the locals a significant contributor to the development of the region. Although the efforts are already underway to improve the bilateral relations of provincial and federal and Government, there is still a need to improve local bodies' relations and confidence for their active participation in the province's development process.

Media is the fourth pillar of the state. It must target the local populace, domestic, and international audience by highlighting Gwadar's local economy's benefits and its importance at the national and international level. The mega Project of Gwadar must be portrayed as an essential link between many nations, which will be beneficial for all. It is commonly said that ports are land-hungry. The anticipated volume of sea trade will ask for more land adjacent to the port. Therefore, the Government should account for all the land adjacent to the port. At the same time, the Government of Balochistan should provide concessions regarding transactions and transfer of land.

As Civil Aviation Authority has made a plan to expand the airport to meet the future requirements with the help of Sultanate Oman, there is a need to build this Project on the BOT concept. Especially, the private sector of Sultanate Oman should be encouraged to undertake this Project. Ministry of Information and Ministry of Science and Technology should make a comprehensive plan to improve the PTCL services, PTV
and Radio transmissions, Internet services, and Postal services. The private sector should be encouraged to participate actively. A vast majority of the population is involved in fisheries supported by support activities like boat building and repairs. The material is being transported from Karachi and Burma, which needs a communication network and appropriate Infrastructure. A plan should be made to promote this sector to cater to unemployment in the wake of the growing population.

Pakistan has a very small merchant fleet, but when Gwadar Port starts to function, it will require a sizeable merchant fleet to meet the requirements and extract maximum benefits. For this purpose, special funds have to be allocated right from the outset to import ships or construct them within Pakistan to use the existing, improving, or upgrading facilities at Gaddani, where some infrastructure already exists.

The Federal Government has not yet decided on an institutional framework to manage Gwadar's special zone. The responsibility must be assigned to the Ministry of Communications as the two major driving forces (Port and the Airport) are within its ambit. While evolving a development plan, we must also give serious considerations to protect and preserve the areas' culture, traditions, history, heritage, and environment. Currently, the local population is dependent on fishing and boat-related activities. If adopted, any modernization like the Japanese mechanized fishing method will be of immense use and most beneficial.

**Conclusion**

CPEC project is a lifetime opportunity for Pakistan that needs to be grabbed by the nation with both hands. Pakistan is the first country to sign FTA with China and become the largest destination of Chinese investment in South Asia. It will be in the state's utmost interest to ensure its completion as early as possible by taking all provinces on board to reap the economic and strait benefits. China is the 2nd largest trading partner of Pakistan and the fourth-largest export market through we truly and indeed can become the hub of a regional corporation. The economic projects can genuinely serve as the primary tenant for an uprising of Pakistan as soft power in the region and fabricate a silent revolution in the general populace's living standard. Nevertheless, this game-changer is only possible through well-orchestrated political resolve and guarding our fault lines against adversaries with a dynamic approach.

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