



CHINA-PAKISTAN ECONOMIC CORRIDOR: IMPORTANCE AND CHALLENGES FOR INDIA

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Abstract- *China-Pakistan Economic Corridor (CPEC), massive bilateral project to improve infrastructure within Pakistan for better trade with China and to further integrate the countries of the region. The project was launched on April 20, 2015 when Chinese President Xi Jinping and Pakistani Prime Minister Nawaz Sharif signed 51 agreements and Memorandums of Understanding valued at \$46 billion. The goal of CPEC is both to transform Pakistan's economy-by modernizing its road, rail, air, and energy transportation systems-and to connect the deep-sea Pakistani ports of Gwadar and Karachi to China's Xinjiang province and beyond by overland routes. (Xinjiang borders the countries of Mongolia, Russia, Kazakhstan, Kyrgyzstan, Tajikistan, Afghanistan, Pakistan, and India, and the ancient Silk Road ran through its territory.) This would reduce the time and cost of transporting goods and energy such as natural gas to China by circumventing the Straits of Malacca and the South China Sea. The announcement of joint space and satellite initiatives between Pakistan and China, spurred by CPEC, followed in 2016. CPEC is part of the larger Belt and Road Initiative-to improve connectivity, trade, communication, and cooperation between the countries of Eurasia-announced by China in 2013. CPEC has been compared to the Marshall Plan for the rebuilding of post-World War II Europe in its potential impact on the region, and numerous countries have shown interest in participating in the initiative.*

Though china is the new emerging power in world yet India and United States have left no stone unturned to detract Pakistan from joining to this new venture of china. It is obvious thing India does not want to see strong Sino-power in Asia as like USA. Therefore both of these countries are using their utmost efforts to restrain the project because the success of this venture will undermine the power of India besides Japan which is the prime ally and partner of USA to many folds.

Due to this reason importance of CPEC is beyond the imagination, Gawader to kashgar route will not only decrease the distance between china and Middle East but will also provide safe and secure way of oil to china. As Gawadar is locating at the fore front of Strait of Hormuz which is the passage way of \$40 trillion trade in a year, moreover it will decrease the shipping cost of china to Middle East and African countries to great extent. For that reason, Chinese government is investing \$46 billion in this

project. Basically CPEC is the name of multiple roads of one corridor: in Pakistan there are three major alignments having multiple roads are the part of this project, western alignment, eastern and central alignment all of these three alignments will be connected through highways and motor ways. However, western alignment is more important rather than others because it will open the door of prosperity and development in Baluchistan and KPK, because Chinese investors will establish their manufacturing units on this route, which will increase the opportunity of employment in these remote areas.

This is the reason that why foes of Pakistan and china are conspiring against the project; ongoing deficit of the trust about CPEC in Pakistan is also the result of these conspiracies. All over the world big powers have keen eye on this project, and for that Chinese president Xi Jing ping wants to complete this project as fast as possible. According to Andrew small, the author of the China-Pakistan axis: CPEC will be test case for one belt one road, it is pretty much the most advance set of project within the whole initiative. "If china can transform a basket case like Pakistan, a place where United States has spent billions in vain, Beijing standing in the developing world will be massively enhanced. As some American diplomats have said, this could be Beijing's Marshall Fund movement". The major reality is that china is going to invest in Pakistan's history's ever biggest FDI in Pakistan, the country which is facing economic uncertainty since 1970's. Therefore Fabian tactics are required to carry on the project and to counter with the Machiavellian strategy of competitors. Therefore it is high time to join the hand of government for the sake of country's development and for the sake of nation's

prosperity.

CPEC would be a game changer for Pakistan and for the region as well. The CPEC would play pivotal role through economic incentives and regional integration in the form of networks, connectivity and partnerships. It is a mega project that has the potential to transform the lives of the people in the region by opening common vistas of co-operation and development in the field of economics. CPEC is the broader part of the Chinese leadership and ambitious vision of reconstruction of ancient Silk Road under the new 'One Belt, One Road' (OBOR) initiative.

This would incorporate countries such as Egypt in the Middle East and European countries and important global points in Eurasia. The network expanding in the form of Land Silk route and Maritime Silk route would link the regional countries through trade leading to an economic boom in the region. Gwadar Port has the rare distinction of being one the few points where 'One Belt, One Road' would intersect. Therefore, Pakistan should deal optimistically with all the challenges in building of CPEC and convert this golden opportunity into an economic reality.

Pakistani approach must be forward looking towards CPEC. CPEC would also address the grievances of the Province of Balochistan. The sense of deprivation, discrimination and lack of proper management and allocation of resources would be tackled under CPEC. The people would have economic progress and would get opportunities to trade and invest. The oil and mineral resources of the Province would be explored and the establishment of Gwadar Port, Gwadar International Airport and Special Economic Zones (SEZ) would further enhance the significance of the strategic and economic

location of Balochistan. CPEC would open job opportunities for the Balochi youth that would acquire modern innovative skills in the future - being part of CPEC.

The symbolic and strategic role of Karakoram Highway (KKH) is another side of CPEC strategy. The CPEC is not only passing through developed areas of Pakistan but it would cover underdeveloped parts of Pakistan as well. Hence, it has greater economic benefits for Pakistan. CPEC has opened job opportunities for locals in Azad Kashmir and Gilgit-Baltistan as some routes of CPEC would pass through GB. The CPEC project would not just integrate the commercial class or the business class of the society but the role of youth and local masses would be central in all development plans and projects. The CPEC would not only attract the tourism and direct foreign investment in Pakistan but would also help Pakistan to overcome its prevailing energy crisis.

The challenges pertaining to the building of the CPEC must be identified by the government of Pakistan and tackled in time to address the problems in the implementation of the project. The security concerns by the Chinese side has already been addressed by setting up a Special Security Division (SSD) for the security of Chinese personnel working on China-Pakistan Economic Corridor. Similarly, issues such as the CPEC routes controversies and tensions between various political parties and leaders related to CPEC project must be kept aside and completion of CPEC should be given top priority by the government of Pakistan.

What are the major concerns for Pakistan? Despite the fact that CPEC provides Pakistan huge economic potential, there are apprehensions regarding the success of this

project.

The presence of Chinese army in Pakistan- The Pakistani Army had set up a special division to provide security for Chinese workers in Pakistan involved in CPEC-related projects. In addition to this, thousands of Chinese security personnel are deployed in Pakistan to provide security to Chinese workers in Pakistan. This can create a threat to the sovereignty of Pakistan.

Internal Conflicts- The insurgent groups in Baluchistan are opposing CPEC as it disturbs the ethnic distribution of the region. This poses a threat to CPEC as Gwadar port which is situated in Baluchistan holds the key to the success of the corridor. Any further unrest in the area could completely destabilise Pakistan and its geopolitical interests.

Terrorism- The banned terrorist organisations in Pakistan poses a serious threat to the project. It may also hamper the relations with China in the long run.

The role of India- Pakistan believes that India is keen on sabotaging CPEC by funding and training insurgency elements in Baluchistan.

Hambantota Project Experience- The SriLankan Govt has taken billions of Dollars in loans from China for Hambantota projects which are also part of OBOR initiative. Now as we see, Sri Lanka is left at the mercy of IMF to pay back China's hefty loans. In the same way, lack of transparency regarding the interest rates and other terms may leave Pakistan in the same situations.

CPEC and its Significance to India- The planned CPEC route passes through POK and Gilgit-Baltistan, which India claims to be its own integral and indispensable territory,

illegally held by CPEC also somewhat legitimises Pakistan's ownership over disputed PoK and it may lead to the internationalisation of Kashmir Issue which India doesn't want. Apart from this India feels that the high economic stakes in the project will push China to ally with Pakistan on the Kashmir dispute.

With the complete realisation of CPEC, China will get a free corridor to move its armour and mechanised weapons which are a threat to India in the plains of Punjab and Rajasthan. In the guise of securing CPEC, China can permanently position troops on Pakistan soil not too far from the Indian.

Despite clarifications from China and Pakistan that the port at Gwadar will be used only for economic purposes, India fears that China may establish a naval base at Gwadar to ensure Chinese maritime hegemony in the Indian Ocean. India considers Gwadar Port as part of China's String of Pearls" bases, that extends from its eastern coast to the Arabian Sea.

Conclusion- China-Pakistan Economic Corridor (CPEC) can act as a catalyst for economic connectivity and integration in Central Asia, South Asia, and West Asia. It should not jeopardise the India's sovereignty through any channel. India should highlight its concerns via diplomatic initiatives to address its fears.

India should be cautious while explicitly opposing the project as it would strain the relationship with China.

Last but not the least a prosperous South Asia is possible only if India and Pakistan leave their political clout and work closely with each other to find an amicable solution to the bilateral Issues.

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