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## New Economic Asian Initiatives (China - Pak and Kabul Chabahar Corridors)

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### **Introduction**

The long awaited China - Pakistan Economic Corridor (CPEC) with \$46 billion of Chinese investment has finally opened (mid-November 2016), according to reports from Pakistan, with the first motorized cargo caravan traversing a nearly 3,000 km journey from Kashgar in western China to Gwadar port in southern Pakistan.

The corridor, which is being described as a game changer for Pakistan, promises to create 700,000 new jobs besides providing 10,400 MW of electricity, a much needed resource on which hangs the fate of Prime minister Nawaz Sharif and his party at the next general elections barely 18 months away scheduled to be held around May 2018. The federal government is reported to have planned to establish 29 special economic zones (SEZs) which could prove to be a turning point for the industrial sector of the country.

The corridor which enters Kashmir (J&K State) at Khunjerab, passes through Gilgit and Baltistan onwards to Pakistan skirting Abbotabad, Islamabad, Lahore, Karachi and finally to Gwadar Port in south Balochistan.

### **Excluding the Locals**

Secrecy, of course, surrounds its long passage through mountainous territory along Karakoram highway and the plains of Punjab and Sindh before making to Gwadar. Security of the mainly Chinese workforce under the watchful eye of a 15,000-strong specially raised Pakistani paramilitary force adds to that mystery wrapped under military cover all along its route. The route from Gilgit and Baltistan in the north down to Gwadar is virtually a military corridor with little participation of local communities along the passage. Near total lack of participation by local populations has occasionally sparked clashes between the locals and the authorities, especially in

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Gilgit region. Balochistan is a virtual no-go employment area for local work force.

Instead of redressing local grievances, unrest is routinely blamed by Pakistan on Indian agencies. Earlier, former Pakistan's Army Chief, General Raheel Sharif, who retired on 29 November last, went into overdrive in naming India for attempts to sabotage Pakistan's development efforts. In a televised address from Gwadar, the General pointedly said: "I would like to make a special reference to Indian intelligence agency RAW that it is blatantly involved in destabilising Pakistan." Such bellicosity is clearly at odds with the outside world view and continues to destabilise Indo-Pak peace efforts. As a direct result, the past few months have seen the loss of scores of lives in regular military gunfire across the Line of Control in Kashmir. India has raised legal objections over parts of the territory in Kashmir through which the corridor passes. Nothing more than that. The very fact that the corridor has come up is proof of virtual absence of any action on India's part. There have been no explosions or the world would have heard them.

### **Expanding the scope**

Harping on Indophobia some

Pakistani law makers have voiced their fears over the possibility of the China-Pak corridor benefiting India one day. Within a couple of days of the arrival of the first Chinese cargo caravan at Gwadar, the chairman of Pakistan National Assembly's standing committee on planning and development, Tahir Hussain Mashhadi, expressed fears that China was building the corridor to expand its trade with other Asian countries, including India.

"With improved rail and road links with India... China would expand its trade not only with Central Asian states and European countries but also with India to economically strengthen its (China's) eight underdeveloped provinces. Irrespective of sour India-Pakistan relations, China will definitely use CPEC to expand its trade with India because one who invests always watches one's interest first." Mashhadi also reminded his fellow legislators that China's trade with India was far bigger than with Pakistan, as it had inked \$100 billion trade agreements with India just over a year ago.

### **Sino – Indian Trade**

China undoubtedly is a pragmatic country and has not allowed its border disputes with India to stand in the way of Sino-Indian trade ties.

Trade between the two countries has been increasing by leaps and bounds in recent years and shows no sign of slowing down, notwithstanding the unease expressed even by the USA. Who knows China might one day emerge as a peace maker between India and Pakistan for its own interests! A remote possibility, almost unthinkable at the moment, but may not be ruled out. Like wars, peace is also driven by trade and profit. And no better pragmatist than China. Nor could India afford to be averse to such thoughts, notwithstanding India's objections to China-Pak corridor passing through Indian territory in Kashmir.

Instead of expressing fear and concern at such a possibility, Pakistan should welcome it with both hands and open the flood gates of trade and peace not only with India but also with Afghanistan and other countries.

### **Chabahar Port**

Rather than disrupt or sabotage China-Pak corridor, India is participating in a new corridor from Kabul to the Iranian port of Chabahar, barely 100 km away from Gwadar on the same Arabian coast, but keeping a good distance away from Pakistani territory along its route. The fly in the ointment, at least for the moment, is the frequent

vulnerability of Kabul and Kandahar to Taliban attacks. The rest of the corridor along the Afghan Garland highway towards Delaram and south to Zaranj, Zahidan, Iranshar and Chabahar is in pretty good hands.

India is investing a modest sum of \$500 million for the development of Chabahar port compared with the massive investment of \$46 billion by China for the Gwadar port and the corridor. When operational the Chabahar corridor will only add to the combined capacity of Asian ports to handle more imports and exports.

The trilateral pact between India, Iran and Afghanistan during the visit of India's Prime Minister Narendra Modi visit to Iran last May is simply aimed at expanding avenues of trade for India with Iran, Afghanistan, Central Asia and Russia through the International North-South Transportation Corridor (INSTC).

Chabahar is Iran's only ocean port and consists of two separate ports named 'Shahid Kalantari' and 'Shahid Beheshti', each of which has five berths.

Under last May's Indo-Iranian agreement, India would refurbish one of the berths at 'Shahid Beheshti', and reconstruct a 600-meter long container handling facility at the port.

The bilateral agreement between India and Iran gives India the right to develop two berths of the Chabahar port, allowing them to be operated for 10 years by India Ports Global in partnership with Iran's Aria Bander.

Along with the development of Chahabar port, India is also to construct a railway line linking Chahabar with Zahedan on the Iran-Afghanistan border, which beyond Zahedan will be linked to the Iranian Railway running west and then north close to the Iran-Afghanistan border, avoiding the volatile Helmand Province of Afghanistan.

The Chabahar-Kabul corridor, when completed, would be of immense strategic, security and trade advantage to landlocked Afghanistan. It would break Pakistan-Taliban stranglehold on goods supply route to Afghanistan. More specifically, it could provide the safest route for American military and civil supplies to Kabul.

The Chabahar corridor could have come up much earlier but for the long

standing American distrust of Iran propelled by the Israeli lobby in the US in the pre-Obama administrations. That distrust could erupt yet again with the arrival of Donald Trump presidency. But if cool heads prevail in the new US regime America's help to Afghanistan can be best guaranteed by routes like Chabahar corridor. After all peace in Afghanistan and the region can be best served by a common fight against Taliban, who are no friends of Pakistan either. In the wider context, everybody, including both China and Pakistan, needs a stable Afghanistan which is truly the 'Heart of Asia' for trade and energy rich vast hinterlands of Central Asia.

A second trade route, like Chabahar-Kabul corridor, would not only relieve pressure on any single route but also become a new prosperity corridor in hitherto neglected regions of Asia.

The Chabahar corridor, therefore, should not be seen as a rival to CPEC but as a complementary development. More corridors the merrier! ■