ISSN: 2459-425X • Website: www.ijrstms.com

# GEOSTRATEGIC CHALLENGE OF CHINA PAKISTAN ECONOMIC CORRIDOR ON INDIA

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#### **Abstract**

The China-Pakistan Economic Corridor (CPEC) results from Pakistan & China's long-standing friendship. It is an umbrella enterprise suggested as a portion of China's "One Belt, One Road" programme. CPEC is an effort to boost the China-Pakistan alliance to put pressure on India to secure a foothold in the Arabian Sea that will allow China's PLAN to project influence throughout the Indian Ocean. The Strait of Hormuz has been used to import most of Delhi's oil needs from OPEC countries in the Middle East. This oil transportation naval route from Middle Eastern countries to Indian ports is significant for India. This paper aims to examine, from an Indian viewpoint, the geostrategic obstacles that the CPEC faces. A country's involvement in world affairs is determined by its location. As a result, Pakistan occupies an important strategic position worldwide. It lies at the nexus of nations with abundant and scarce energy resources. The Persian Gulf includes Pakistan's Gawadar Port, situated on the Arabian Sea. Gawadar, being a large port, may be capable to take an active part in securing China's future energy security. Using the "One Belt, One Road" strategy, China has acquired a leading role in Asia or even beyond economic & political relations. The construction of the China-Pakistan Economic Corridor (CPEC) connects the China province of Kashgar within Xinjiang Uygur Autonomous Area with the coastline of Gawadar throughout southern Pakistan as part of a large collaborative endeavour involving China and Pakistan. The port of Gawadar, the telecommunications network, power infrastructure, as well as industrial areas are the 4 critical pillars of the CPEC project. This article discusses the geostrategic concerns of the CPEC from the perspectives of both China & Pakistan.

KEYWORDS: Geostrategic, China, Pakistan, Economic Corridor, India

#### I. INTRODUCTION

The CPEC program was initially suggested by China in May of this year. President Xi Jinping's tour to Pakistan in April 2015 resulted in Pakistan & China announcing an all-weather strategic cooperation (Lu, 2015Chinese President Xi Jinping signed 51 agreements with Pakistan during his visit (BBC, 2015). It is vital to note that the CPEC is a longterm strategy with numerous suggested projects carried out in segments through bilateral agreements where both parties would promote a win-win situation (Khan T.). The New Silk Road may be understood better by researching how Pakistan and its neighbours are affected by CPEC's growth and development (Esteban, 2016). Aside from Gawadar port, Pakistan is home to the telecommunication system, power infrastructure, and industrial regions that make up CPEC's primary components (Rizvi, 2015). The main goal of the CPEC is to improve the standard of living for people across the nation, while also ensuring long-term socioeconomic and political regional stability (Tiezzi, 2016). Several people are shocked by China's resurgent hostility towards India, as indicated by the latest clash involving Indian & Chinese troops all along the Line of Actual Control (LAC) throughout the Galwan Valley. The

ISSN: 2459-425X • Website: www.ijrstms.com

Darbuk-Shayok-Dault Beg Oldie pathway in India has just been rebuilt, and the Indian Army is the primary user of the specific path. The path is crucial for connecting the north-eastern Ladakh area with the rest of the world. In remote places like the Depsang Plains that share borders with Aksai Chin, a Chinese-controlled zone, it provides access in all weather conditions. In terms of border infrastructure, India is still lagging behind China, but it is closing the gap faster than China, creating new challenges for it. India, like China, has big ambitions. Attempts to modernize Nepal's map, which encompasses parts of India, have been made with the passage of the Constitution Amendment Bill. Nepal's "artificial enlargement" in the northwest includes areas like Limpiyuadhura, Lipulekh, & Kalapani that India has failed to acknowledge. The Chinese aim of rebuilding the historic Silk Route is a noble objective built on multifaceted collaboration. The CPEC is a US\$ 62 billion development project headed by China's Silk Road Fund, and has been hailed as a "gamechanger" in South Asia's geopolitical situation between Pakistan & China (Naseer, 2017). It is thought to become one of the world's most influential moves to improve regional cooperation and contribute to build infrastructure (Baruah, 2018). The funding in the CPEC is within of China's "One Belt, One Road (OBOR)" plan, which includes the ancient Silk Route Economic Belt and also the 21st Century Maritime Silk Route, (Caixin, 2014). It starts in the Xinjiang Uighur Autonomous Area of China, west of Kashgar, and terminates at the port of Gwadar in Pakistan's Baluchistan Region (Baruah, 2018). Khunjarab Pass, located in the Karakorum Range & spanning nearly 3,000 kilometres, connects Kashgar with Gwadar (Ali, 2015)<sup>1</sup>.

CPEC seeks to build interconnections across Pakistan via roads, highways, railway lines, electricity, dry ports, commercial zones, industrial parks, and pipeline networks (Markey and West, 2016). People in Asia are starting projects that are based on the Greater Mekong Region's progress at integrating the region's economy through the creation of a system of transnational economic routes. These initiatives will link underdeveloped areas to more advanced industrialized centres and enhance access to markets with the use of transnational manufacturing techniques (Ranjan, 2015). The idea of building big projects in Pakistan isn't new. It was put on hold in the late 1990s because of security concerns. The Central Asian Republics (CARs) would have supplied oil and gas to Pakistan's Baluchistan Province via a pipeline that passed through Afghanistan. It demonstrates Baluchistan's capability to play an essential part in the larger economy and in the promotion of Pakistan's national objectives. Pakistan is trying to enhance the security of its biggest province while keeping the changing geostrategic environment under consideration. In recent years, Russia, which previously had a hostile relationship with Pakistan, has warmed up and expressed strong interest in the economic corridor as well as the development of a natural gas pipeline connecting Karachi & Lahore (Khan T.). Mr. Xi recently visited South Asia, where he presented a series of major investment deals and trade growth initiatives aimed at mutual advantage & regional integration (Ramay).

#### 2. LITERATURE REVIEW

Ali, Akber. 2015. "China Pakistan Economic Corridor: Prospects and Challenges for Regional Integration." International Journal of Social Sciences and Humanity Studies, 7(1):1-15.

ISSN: 2459-425X • Website: www.ijrstms.com

China's foreign stated purpose is to connect infrastructure projects by making a "New Silk Road (One Belt)" that passes via South & Central Asia as well as a "Maritime Silk Road (One Belt)" that goes through Indian Ocean. The CPEC is predicted to make a huge impact in this (Wagner, 2016). In keeping with its march toward Westward Policy, China aims to open and develop its landlocked western areas (Wang J., 2015)<sup>2</sup>. President Xi initiated the "Constructive Engagement" programme, which has given China's foreign policy a new dimension.

It has been determined that economic interaction should be prioritized to accomplish the regional objective of constructive commercial collaboration (Ramay). Since its inception, Pakistan has experienced strategic challenges from its northern neighbour, India. Based on their respective regional geostrategic objectives, Pakistan & China consider India to be a common opponent. Due to the region's changing trends, the US is shifting its interests away from Pakistan and India. Similarly, Pakistan has been moving toward China due to geostrategic conditions and a common set of regional country's interests (Durrani, Bilal, and Kalim, 2017). The CPEC, the likelihood of Gwadar becoming a Chinese naval base, and China-Pak strategic coordination have emerged as India's most significant cause of security issues (Hussain, Khan, Hussain, Nawaz, and Ahmad, 2021). China has also pledged to provide Pakistan with 8 submarines, which will cost between \$4 billion and \$5 billion in military equipment. This is in conjunction with the CPEC project (Detsch, 2015). As a result of this agreement, the United States and India can express their concern regarding Gwadar port being used as a significant naval base for the expansion of the Pakistani navy's bluewater fleet in the Arabian Sea (Hussain, 2020), as well as India's efforts to construct a "North-South Corridor" via Iran's Chahbahar & Afghanistan to Central Asia. It might be able to serve as a replace trade route to India as well as an entryway to Afghanistan & Central Asian Republics, given that Pakistan (Hussain et al. 2021) has refused an Indian proposal created on the framework of the South Asian Association for Regional Cooperation (SAARC) that would have allowed Indian transporters to transit through Pakistan and travel to Afghanistan via Iran (Mahajan, 2015).

The Indian government is worried about China's growing strategic presence in South Asia as well as the Indian Ocean region, which it sees as a threat. China's PLAN in Gwadar could endanger India's security (Hussain, Khan, Hussain, Nawaz, and Ahmad, 2021). It is stated that China and Pakistan's CPEC plan must be implemented not only for commercial reasons (Hussain, Rafiq, Ahmad, Quddus, and Tien), but also for geostrategic reasons (Hussain, Rafiq, Ahmad, Quddus, and Tien) (Javaid, 2016)<sup>3</sup>. The Chinese government believes that the United States' "Pivot to Asia" strategy is incompatible with the country's fundamental interests and that the United States is seeking to limit China's development and expansion through increased cooperation with developing countries and the formation of alliances with developing countries to maintain its predominance in South Pacific. Another Chinese worry with regard to the CPEC is the need to provide an alternative route through the Malacca Strait. China and parts of Southeast Asia have been at odds over the South China Sea, which is rich in resources and a way to the Strait of Malacca. China imports

<sup>&</sup>lt;sup>1</sup> Wagner, D. H. (2016). The Effects of the China-Pakistan Economic Corridor on India-Pakistan Relations. SWP Asia Division, 1.

<sup>&</sup>lt;sup>2</sup> Wang, J. (2012). Marching Westwards": The Rebalancing of China's Geostrategy'. International and Strategic Studies, Report No. 73.

<sup>&</sup>lt;sup>3</sup> Javaid, U., & Javaid, R. (Summer 2016). Strengthening Geo-strategic Bond of Pakistan and China Through Geo-Economic Configuration. Pakistan Economic and Social Review, 129

ISSN: 2459-425X • Website: www.ijrstms.com

the vast majority of its oil through the Strait of Malacca, and as a result, it is concerned that if other Asian Nations band together against it, they will be able to impose a naval blockade on the restricted Strait, ruining China's economy (Cheema, 2015)<sup>4</sup>. The Indian navy views the CPEC as a strategic strategy of achieving superiority and preventing China from establishing a permanent maritime presence in the Indian Ocean Rim.It is expected that India's security will be threatened by the rapid expansion of Pakistani & Chinese naval ships and military activities in the Arabian Sea (Gill, 2019)<sup>5</sup>. India is concerned that China intends to gain control of the Indian Ocean's trade, shipping routes, and energy sources by gaining access to the Indian Ocean's warm waters (Ishaq, Ping and Ahmed, 2017)<sup>6</sup>. Developing trade & commercial linkages among Asia, the Middle East, as well as Europe will make Pakistan the most significant nation in the area in terms of geopolitics.

Besides reducing travel time, the Gawadar-Kashgar line will provide a reliable supply of oil for the Chinese economy. In Gawadar, China's shipping charges to Middle Eastern & African nations will be significantly reduced because of its proximity to the Strait of Hormuz, which is the route for \$40 trillion in yearly trade. The abbreviation CPEC refers to Pakistan's various road alignment networks. Highways & motorways will connect all of the important roadways in this plan, such as the western, eastern, and central alignments. The western alignment may be even more essential than other alignments since it will open the way to prosperity & development in Baluchistan and KPK. This road has now been developed by Chinese investors, enhancing the potential of work opportunities in remote areas. However, China's venture in Pakistan, which has been plagued by financial turmoil since the 1970s, will be the largest FDI ever made in that country by any foreign country (Khan T.). The Gawadar port will make it possible to export Central Asia's enormous amounts of electricity to the world's developing markets. To aid in the recovery of the war-torn country, the opening of regional & global trade via Gawadar will attract new investors.

#### 3. CPEC- AN OVERVIEW

CPEC was initially suggested in May 2013 by Chinese Premier Li Keqiang during a visit to Pakistan (Bhattacharjee, 2015). Pakistan's capital, Islamabad, was chosen as the location for the CPEC secretariat in Aug 2013 (Hussain). Pakistan's PM discussed the plan with his Chinese counterpart during his visit to China in April 2014 (Bhattacharjee, 2015; Markey and West, 2016)<sup>7</sup>. China President Xi Jinping signed this agreement during a visit to Pakistan on April 20, 2015. (Cheng and Lim, 2016)<sup>8</sup>. The political influence of a nation is primarily dictated by its geographical position. It describes the social, economic, and political advantages and disadvantages of a country to other countries. Pakistan is located strategically in a significant geostrategic area of the world. It is situated at the crossroads of countries that

<sup>&</sup>lt;sup>4</sup> Cheema, Z. N. (2015, November 25). Geostrategic importance of China-Pakistan Economic Corridor. Retrieved Feburary 8, 2017.

<sup>&</sup>lt;sup>5</sup> Gill, Don McLain. 2019. "The Geopolitics of the China-Pakistan Economic Corridor (CPEC) and its Security Implications for India." The Korean Journal of International Studies, 17(3):337-354.

<sup>&</sup>lt;sup>6</sup> Ishaq, Muhammad, Ping, Ruan Jian, and Ahmed, Bilal. 2017. "Pakistan-China Economic Corridor (CPEC): Opportunities, Threats and Challenges." International Affairs and Global Strategy International Affairs and Global Strategy. 52: 9-16.

<sup>&</sup>lt;sup>7</sup> Markey, Daniel and West, James. 2016. "Behind China's Gambit in Pakistan." http://www.cfr.org, May 12. Accessed at http://www.cfr.org/pakistan/behind-chinas-gambit-pakistan/p37855. (June 15, 2019).

<sup>&</sup>lt;sup>8</sup> Cheng, Alvin and Lim, Hin. 2016. "The China-Pakistan Economic Corridor One Year On Analysis." Eurasia Review, May 16. Accessed at http://www.eurasiareview.com/160520-the-chinapakistan-economic-corridor-one-year-on-analysis/.(August 15, 2020).

ISSN: 2459-425X • Website: www.ijrstms.com

are both energy-rich as well as energy-deficient. In terms of its geostrategic relevance, Pakistan's closeness to India & China and Iran & Afghanistan shows its proximity to the world's growing economic superpowers (Mehmood). History demonstrates the importance of a corridor that has fostered growth in numerous parts of the world. This post-World War II era saw the establishment in 1957 of what was initially called the EEC, which was then known as the European Community (EC) from Nov. 1993 until being reorganized in 2009 to become the European Union (EU). It was built on the idea that people, goods, services, and money should move freely. As part of the Greater Mekong Sub-Region Economic Cooperation Programme, Laos, Cambodia, Myanmar, and Vietnam will each have an "exclusive economic zone (EEZ)". This is similar to the idea of promoting the economic corridor to help commerce as well as individuals contact via communication (Ahmar, 2015). CPEC, as OBOR's flagship project, is critical to both China & Pakistan. It is regarded as favourable not just to China & Pakistan, but also to the whole region & trans-region. Consequently, Pakistan must make sure that it is performed effectively (Rifaat and Maini, 2016).

#### 4. GEOSTRATEGIC IMPACT OF CPEC

China intends to invest more than \$1 billion in road system in Pakistan, along with a six-lane, 1,240-kilometer expressway linking Karachi & Lahore, which will be actually finished by 2017, and also modifications to the Karakoram Highway & transportation transformation in Lahore, Karachi, Rawalpindi, as well as 3 other Pakistani urban areas outside the sphereof CPEC In the past, China & Pakistan were geostrategic allies; today, due to CPEC, which has the ability to boost commerce with Central Asian Republics (CARs) as well as Middle Eastern states (Javaid&Javaid, Summer 2016), they are on their way to become geo-economic allies. It is predicted that the involvement of Chinese marines will strengthen Pakistan's coastline defence efforts. Gawadar will also strengthen Pakistan's place in terms of stopping SLOCs from accessing the Persian Gulf and preventing the Strait of Hormuz from becoming congested with ships (Jidong, 2013)<sup>9</sup>. Gwadar port expansion is a source of concern for many countries, including India, which has expressed concerns over the project. With the existence of a naval base as well as port in such a vital location, Pakistan's strategic significance is increased even further. India is aiming to enhance the competitiveness in the Arabian Sea, and it will not allow any rivals or opponents in the process. The Indian government is aiming to expand its authority and influence in Central Asia & Afghanistan. However, once the Gawadar port is functional, each of these nations will be reliant on Pakistan and will no longer be under the influence of India.

The US& India consider Pakistan's growing strategic ties with China as a danger to their interests in the area. As India strives to contend with China for effective dominance, the United States is increasing its involvement of the Asia Pacific area, particularly the Malacca Strait. This objective has been the focus of numerous agreements on defence and strategic cooperation with neighbouring countries (Javaid& Rashid, 2015)<sup>10</sup>. A shocking 278-page probe report on Pakistan's power sector, wherein Chinese companies have a significant presence, was recently delivered to the Imran Khan government by a Pakistani committee. It revealed a dark picture of bribery, collusion, and political manoeuvring. That reveals why the Inter-Services Intelligence, or ISI, was allowed to attend in the investigation and

<sup>&</sup>lt;sup>9</sup> Jidong, C. (2013). Regional Railway hub in Pakistan and China's Role. Policy Perspectives Volume 10, No. 2, 117-122. Javaid, U., & Javaid,

<sup>&</sup>lt;sup>10</sup> R. (Summer 2016). Strengthening Geo-strategic Bond of Pakistan and China Through Geo-Economic Configuration. Pakistan Economic and Social Review, 129

ISSN: 2459-425X • Website: www.ijrstms.com

why the conclusions will not be made public if they are published. Pakistan has now become a source of 'interest' for Beijing on a variety of levels, encompassing personal benefit, corporate image, and governmental power, among others. These range from electricity companies to airport building to highways as well as safe city programs. There is money being made as well as intelligence to be gathered, both in India and even in the US wars in Iran & Afghanistan. More money belongs to China by Pakistan than it pays to the International Monetary Fund (IMF). This affects India from Handwara to Pangong.

#### 5. CONCLUSION

It is important to recognise that the CPEC is the product of a long-standing collaboration between China & Pakistan. It has been said that CPEC), a US\$ 62 billion infrastructure plan supported by China's Silk Road Fund, will "alter the game" in South Asian geopolitics. It is widely considered as one of the world's greatest initiatives focused at boosting regional connectivity while also offering financial assistance to encourage infrastructure development in developing countries. China rejects India's rise to global leader status. On a weekly basis, India has been engaging with its QUAD counterparts — Australia, Japan, as well as the United States. PM Narendra Modi has also improved India's connections with other countries. With the signing of the Comprehensive Strategic Partnership between India & Australia, the two countries' bilateral relations have reached a new level. Indian and American officials have expressed displeasure with the growing closeness of Delhi with Washington, and many other partners. They are dissatisfied with the strength. In recent times, economic corridors have emerged as a crucial instrument for regional cooperation, inclusion, as well as advancement in a globalized society built on reciprocity. The Chinese leadership's strong engagement in the region shows China's unique role in promoting constructive contacts with the neighbouring country. As a result of these considerations, it is highly improbable that the border dispute is nothing more than a diversionary strategy. To do this, it would have taken a lot of time to plan. CPEC, with its incentive structures & regional connectivity, has the potential to transform Pakistan and the entire area. Networks, connectivity, and partnerships are all ways that CPEC could make this happen. For China and Pakistan's national interests, the CPEC as a joint venture between the two countries will be tremendously essential in promoting regional integration and enhancing social, political, as well as economic activity. It's past time to make the most of the new chances presented by CPEC for the benefit of the state.

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