

and internal security situation in the Pakistan. As per reports, Pakistan has raised an infantry division sized force purely for security of CPEC infrastructure. The moot question is , for how long and at what cost Pakistan can afford to take care of Chinese interests disregarding own priority issues.

There is another strategically significant development in the region due to newly constructed **Chabahar port in Iran located in close proximity to Gwadar port providing similar economic advantages.** The road and rail infrastructure from Chabahar to Afghanistan and its further **connectivity with CARs as well as North-South corridor would provide a shorter and safer route to Indian Ocean as against CPEC alignment.** Hence ,Russia, CARs and Eurasian countries would have an **alternate option to access Indian Ocean** through Chabahar port. Looking at the security situation in Pakistani , **even US may, at some time, may consider using Chabahar axis for logistics sustenance of their troops in Afghanistan instead of going through Pakistan. It would need a shift in US – Iran political equations which are not on good wickets as of now.** The signs of softening of US administration in the face of continued support by other signatories to the jointly agreed Iranian nuclear deal are quite bright, though it may take some more time. If it happens, then the complexion of geo –politics would also undergo a change impacting on activities within the region impacting Chinese interests.

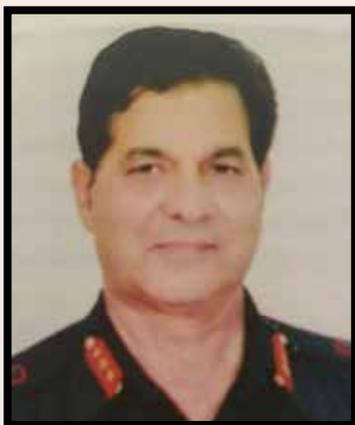
While, China has invested in CPEC in **their belief of their intellectual genius** in taking care of their economic insecurities, it surely has some political issues where they have not addressed appropriately. **The plan is reflective of unilateralism and intransigence which is an outcome of absence of political opposition, cultural hubris and conceit of economic prowess.** As a result, it may turn out to be their nemesis if they do not make a mid course correction to assuage environmental sensitivities of the regional as well as global players which , apparently, have been ignored due to Chinese haste to push through the scheme. A cooperative and accommodative approach would have served Chinese national interests better than conducting their politico-economic policies through hegemonic flavour.

Pakistan, over period of time, has mastered the art of deceit, duplicity and denial in extracting their pound of flesh even from a their long time ally US with apparent impunity. **China should not forget that they have much higher compulsions of using Pakistani territory in an emerging complex geo-political environment which can be manipulated to suit Pakistani interests at their will.** China despite their current warm relations would be no exception, if circumstances so demand. China may like to note that Xingxiang, the start point of CPEC, itself is vulnerable to politico- religious manipulation by Pakistani establishment through Jihadis to put a spoke in progress of Chinese dream project.

There are fair chances that once CPEC infrastructure is in place, **Pakistan may not even pay back the Chinese loans in its entirety on the excuse that they have no money.** After all Pakistan has been thriving on foreign aids and grants and not loans all these years, and converting their accounts from red into green would be a miracle. China, in such a situation can do nothing much politically, or otherwise except to accommodate Pakistan. If they don't, then Pakistan have leverages to create nuisance to the smooth conduct of Chinese affairs. **As long as Pakistan has well calibrated nuclear calculus and control over Jihadi elements sans**

political accountability in their strategic arsenal, they will continue to call the bluff and keep exploiting their friends and foes alike. China better be aware of this Pakistani DNA.

CPEC in essence, is a well conceived project for Chinese interests, but it happens to be at a wrong time and space as there are many fundamental negative paradigms impacting on its success which are unlikely to be resolved soon. While it has potential to turn around Pakistani economy, it may also bring about implosion of Pakistan, if their current misplaced priorities continue.



Author

Lt Gen Rameshwar Yadav, PVSM, AVSM, VSM (Retd)

Former Director General Infantry , Indian Army

Email : rameshwar.yadav@gmail.com

Mob. : +91- 8527355999

Centre for Joint Warfare Studies

Kashmir House, Rajaji Marg, New Delhi-110 001

Tel. Nos : 011-23792446, 23006535, 3306538/9, Fax : 011-23792444

Website : <http://cenjows.gov.in>, e-mail : cenjows@yahoo.com

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CPEC : FUNDAMENTAL NEGATIVE PARADIGMS

SYNODOS PAPER

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VOL - XII NO 1 / FEB 2018

The objective of OBOR concept is to promote Chinese economic agenda on a hyped up idea of old silk routes whose veracity as Chinese heritage has been questioned by the historians. The concept is being marketed as a mutually benefitting proposal for the envisaged participants all across the globe by enhancing connectivity over land and sea. China is seen to be the benevolent crusader willing to invest in impoverished countries in improving the infrastructure and industrial corridors, albeit at the time, place and structures of their choosing.

Closer home in Pakistan , China has embarked upon a grandiose scheme of CPEC , an OBOR project , **without fully aligning it with the regional strategic hydraulics** as the basic planning parameter. Moreover , **the implementation of the scheme happens to be beyond their boundaries, where**

they neither have sovereign control, nor requisite environmental synergy. China and Pakistan combined have managed to motivate large number of land locked Eurasian countries to join the scheme. Moreover, the entire scheme is based on Chinese self assessed presumption that they enjoy a high “**strategic pull**” to an extent that everyone around would fall in line to their dictates. **That obviously is not a guarantee in the dynamics of geo-political environment in the most disturbed region of the world as on date.**

The genesis of CPEC scheme lies in an idea to reduce Chinese perceived insecurities in conducting their trade through in Indo-Pacific region. **While doing that, they have ignored the political sensitivities of India which got further hyphenated into global antagonism with their defiance of international norms coupled**

with military overtures in South China Sea. As a result, they have provoked US into to a military cognitive stage on one side, and have provided India a leverage to interdict the CPEC alignment in POK which happens to be within Indian military tactical reach. Moreover, India would continue to have higher military leverages in IOR due to her dominating location in the Indian ocean despite increase in Chinese foot prints as “String of Pearls in the Ocean”. **Hence, the insecurities which china intends to avoid through CPEC land route, in military terms, have actually got further enhanced.** China has gone fundamentally wrong by following a route of confrontation with her regional as well as global rivals instead of cooperation in order to synergize their intended economic interests.

The CPEC scheme, by its **nomenclature itself, speaks of an exclusive Chinese design for her strategic over reach executed through Pakistani geographical spread.** It is certain that China intends to continue to be the centre of gravity of this scheme as the controller with all terms and conditions favouring their national interests. Therefore, **the edifice of the scheme violates the basic fundamental principle of equality of all participants.** Hence, there is a probability of friction amongst the members due to multiplicity of strategic linkages, national aspirations, economic motives. Looking at the past pattern, short changing other participants by China with their hegemonic tendencies cannot be ruled out. The chinks in the armour are already showing

looking at experiences of Sri Lanka ,Nepal and Thailand. Even Pakistan who is a iron brother of China intends to cancel Diامر Bhasha dam as China wanted ownership stakes of the project. Similarly , Nepal has also cancelled \$2.5 bn Bhudhi Gandak hydro electric project proposed to be constructed by China.

Amongst the major players in the expanded CPEC band wagon are Russia, Central Asian Republics (CARs) and land locked Eurasian countries on periphery of Russia and East Europe. **Russia has been looking at their access to warm waters of Indian Ocean, a long cherished political ambition since czarist era. In the current geo-political environment , they are keen to occupy the strategic space being vacated by US with their plans to draw down from Asian landscape.** Russia has already done this in Syria, wherein they are fully entranced and have access to Mediterranean Sea, a pivot to Europe, Africa and Asia. Therefore, **“Bear hug from Mediterranean to Indian Ocean”** is a strategically significant political agenda in Russian calculus, and not the economic dividends of the CPEC to that extent.

Another fundamental impacting success of CPEC is situation in Afghanistan as the financial buoyancy of CPEC depends on Participation of CARs and Eurasian countries to recover investment costs, both by China as well as Pakistan. In a recent meeting with foreign ministers of China and Pakistan, Afghanistan has expressed

their willingness to join the CPEC. However, the Afghanistan government is not in full command of their entire geographical spread. Any agreement without involvement of the Taliban is unlikely to achieve its objectives. Looking at the political complexity due to intransigence of Taliban coupled with meddling by regional as well as extra regional powers, Afghanistan is unlikely to get politically stabilized for quite some time.

The US, with their 15 years of politico-military investment for domination of mineral rich CARs, is unlikely to let go their hold over Af Pak region so soon. Trump administration has already put a break on the US pull out from Afghanistan as of now. US has also suspended their \$2 billion worth military aid to Pakistan blaming them for not doing enough to rein in the Taliban, who they believe have Pakistani patronage. Whereas, Pakistan has their own strategic interests in propping up Taliban in order to control Afghanistan through their proxies and thereby acquire strategic depth against India. Therefore, the complicity and duplicity of Pakistan in Afghanistan would continue to keep the region on the boil, impacting on viability of CPEC.

While US has compulsion to appease Pakistan for their logistics sustenance, China needs Pakistan even more as CPEC is the biggest strategic political investment they have made in recent times. China, accordingly, has come out in support of Pakistan, an obvious political move to showcase their solidarity against

unjustified US move in suspending security aid. **The China has also been openly blaming the US and India who seem to be putting spokes in derailing the CPEC scheme.** US, Russia and India are not supportive of Chinese OBOR initiative as they visualize a China-centered political structure that will erode their influence and economic interests. . Russia along with China is trying to get around Taliban to bring about some mechanism to facilitate negotiations for their interests. **Hence, there is a multiplicity of “conflict of interests”** in Af Pak landscape impacting on the CPEC scheme.

Within Pakistan, the army monitored political establishment **seems to be interested in enhancing politico-military deterrence in their anti India obsession,** alongside China sponsored economic opportunities. Pakistan economy, all these years, has been propped up through borrowed funds, primarily **the US aid and religion driven grants from Saudi Arab.** With the US patronage on decline, the Chinese initiative is seen as an economic bonanza for politically vulnerable Pakistan to bail them out of the economic mess. But **the devil lies in the format of financial investments as these happen to be loans by Chinese banks at high interest rates which Pakistan has to repay.** Whereas, Pakistan, with her current state of economy, is not in a position to repay these loans unless there are adequate CPEC driven transit revenues which are likely to be affected due to disturbed security situation. The parameters of the CPEC scheme are also under shroud of secrecy

as MOU between the two governments is not in public domain. Hence, there are wide spread apprehensions **and divided opinions within Pakistan as regards to political sensibility of CPEC project.**

Besides above, the tariffs from Chinese constructed CPEC power projects are expected to be very high resulting in the high cost of indigenous production as compared to cheaper Chinese goods. Such a market situation would be detrimental to survival of local industry and employment in the face of Chinese competition. Pakistan in that case would be saddled with a heavy debt burden, and China would then exploit the situation to their advantage. **There may be a Sri Lanka like situation wherein they were forced to give away land near Humbanbota port as they could not repay the Chinese loans.**

There are talks of using **Yuan as currency of transaction** as regards to CPEC related financial matters which in turn would further permeate into other sections of Pakistani fiscal mechanism. In consequence, there is a resistance to CPEC by a part of national polity which if comes to power may reverse, or put appropriate restrains on Chinese designs. If it so happens, then china is likely to be tough and push their agenda using all the available options. **It does not augur well for Pakistan politically, especially when they seem to have lost the confidence of the US on one hand, and Russia is yet to be a reckonable political entity with in this region.** Pakistan seem to

have put all their eggs in Chinese basket as of now, with fair possibility of restricting their political flexibility in times to come. As per few Pakistani think tanks, **China may well turn out to be another “East India Company” colonizing Pakistan, thereby impacting on political autonomy of Pakistan as a sovereign nation state.**

The internal security situation in Pakistan is also not conducive enough for smooth operation of the CPEC project. The civil society in Gilgit-Baltistan region of POK are opposing this project as their interests have not been taken care of. Moreover, **Indian political opposition due to transgression of their sovereignty has a significant impact with a potential of a military overtures.** The Gwadar port is located in Baluchistan where there is an on going insurgency for independence from Pakistan. There have been frequent clashes between rebels and security forces in this region. The foot prints of ISIS are also spreading in Pakistani landscape who has claimed number of terrorist strikes inside Pakistan including killing of Chinese workers.

Within Punjabi heart land, radical religious groups with terrorist affiliations have aspirations of getting into main stream politics to bring about Taliban like socio-political transformation of Pakistani society. Pakistan, therefore, is likely to be afflicted with political instability and governance deficit in future. **The fundamental issue here is that there would always be problems in smooth functioning of the project given the deteriorating political**