

# The China-Pakistan Economic Corridor – Its Maritime Dimension and Pakistan Navy

Aiysha Safdar \*

## Abstract

*China-Pakistan Economic Corridor (CPEC), part of China's "One Belt, One Road" initiative, is an ambitious undertaking. It epitomises Beijing's desire for connectivity with other regions and its efforts to make certain that its economy stays the course by diversifying energy import pathways. CPEC has an embedded strategic undertone as well. It is an answer to the United States' Asia pivot and its growing support for New Delhi. The Indian Ocean will be a crucial battleground for the contest between opposing strategic partnerships, with the US and India on one side and China and Pakistan on the other. Sitting astride the all-important Strait of Hormuz, the port of Gwadar underpins CPEC. All four navies - the United States Navy (USN), Indian Navy (IN), Peoples Liberation Army (PLA) Navy and Pakistan Navy (PN) - will have vital roles to play in the unraveling maritime security environment in the region.*

**Keywords:** Indian Ocean (IO), China Pakistan Economic Corridor (CPEC), Peoples Liberation Army Navy (PLA Navy), Indian Navy (IN), Pakistan Navy (PN), Gwadar

“Pakistan is a central part of China's transition from a regional power to a global one. The country lies at the heart of Beijing's plans for a network of ports, pipelines, roads and railways connecting the oil and gas fields of the Middle East to the mega-cities of East Asia. Its coastline is becoming a crucial staging post for China's take-off as a naval power, extending its reach from the Indian Ocean to the Persian Gulf and the Mediterranean Sea.” - Andrew Small<sup>1</sup>

---

\* The author is Research Fellow at Pakistan Navy War College, Lahore. She is currently pursuing her PhD on "Power Politics in Indian Ocean" from University of the Punjab.

## Reaffirming an Old Bond

During his visit to China in December 2015, Pakistan's Prime Minister, Nawaz Sharif, said that Pakistan considered friendship with China as the central pillar of its foreign policy. He also hoped that China-Pakistan Economic Corridor (CPEC) would prove a "game changer" in the region.<sup>2</sup> Earlier, in a historic address to Pakistani parliament on April 21, 2015, Chinese President, Xi Jinping, hailed Pakistan-China relations, saying that Islamabad stood by Beijing at a time when it stood isolated on the world stage.<sup>3</sup>

On July 31, 2015, while speaking in Rawalpindi on the occasion of the Chinese Army's 88<sup>th</sup> anniversary, Pakistan's Chief of Army Staff, General Raheel Sharif, unequivocally reaffirmed the significance of China-Pakistan relations. He stated:

"the recent strides in our relationship, especially regarding holistic concept of China-Pakistan Economic Corridor, speak volumes about the constructive engagement that we seek with each other. There is no doubt that actualisation of this concept will see both the nations progressing even further and maximizing the dividend of our geostrategic relations as well as our time tested friendship."<sup>4</sup>

The China-Pakistan friendship now transcends customary state to state relations. It has transitioned into a strong strategic realm. A rising China with its ever growing economic clout in international affairs and military prowess, particularly a rapidly growing PLA Navy, presents a major challenge to the combined might of the United States and India. The institution of a multilateral development bank - the Asian Infrastructure and Investment Bank (AIIB) - by China in June 2015, which drew over 57 members despite opposition from the United States, validates Beijing's lengthening economic shadows. Likewise, PLA Navy's growing footprint in the Indian Ocean albeit as part of the UN-mandated anti-piracy missions, exhibits China's strategic aspirations for building a "blue-water navy." This corresponds with Beijing's economic rise, which necessitates uninterrupted flow of sea-based commerce, particularly energy products. Such a navy will allow China to conduct sustained operations away from its shores. It could then also dominate the

maritime domain in Pacific and Indian Oceans against the US and India, in addition to facilitating safe flow of energy goods from the Middle East, Africa and elsewhere.

The political and military leadership in Islamabad is fully abreast of evolving geopolitics in Asia Pacific. There is growing realisation that the CPEC will be an economic “game changer” for both countries, and will help advance the cause of regional stability. Also, there is a clear evidence that Pakistan’s foreign policy is undergoing a major shift towards East after six decades of “on” now, “off again” relationship and military dependence on Washington. Both China and Pakistan profoundly desire regional stability. This particularly holds true in the context of Afghanistan, a country whose stability both sides deem is indispensable for lasting peace in the region. The recent Chinese-backed peace talks on Afghanistan demonstrate this resolve.<sup>5</sup> “Our efforts are likely to squeeze the space for the state and non-state actors who intend seeing a destabilised and inimical Afghanistan,”<sup>6</sup> said Pakistan’s Chief of Army Staff during the aforesaid anniversary of the Chinese Army.

## **The Architecture**

China’s “One Belt, One Road” initiative marks an unprecedented shift in the country’s economic diplomacy from a low key approach to an ambitious China circle.<sup>7</sup> The initiative has two main components, namely Silk Road Economic Belt and the 21<sup>st</sup> Century Maritime Silk Road. The concept, gigantic on the geographical scale, was introduced by Chinese President Xi Jinping in late 2013. In less than two years, China has produced a comprehensive action plan with continued support from nearly 60 countries in Eurasia and beyond. The belt on land runs through the continents of Asia, Europe and Africa connecting China, Central Asia, Russia and Europe in the North, and linking China with the Persian Gulf and the Mediterranean Sea through Central Asia and the Indian Ocean in the South. The maritime route starts from China’s coast and terminates in West Europe passing through the South China Sea and the Indian Ocean on one side and to the South Pacific on the other.<sup>8</sup> The entire network covers an estimated 4.4 billion people with US\$2.1 trillion gross domestic production (GDP), representing 63 percent of the world population and 29 percent of its GDP.<sup>9</sup>

A part of “One Belt, One Road,” the mega-project of CPEC involves development of a deep sea port at Gwadar and a network of oil pipelines, highways, railways and power generation projects.<sup>10</sup> It also includes several special economic zones and dry ports. A 1,800 kilometre railway line will link Gwadar with Kashgar. The overall cost of the project is expected to reach around US\$75 billion. Of this outlay, roughly US\$ 46 billion will ensure that the corridor becomes operational by 2020. The remaining investment will be spent on energy generation and infrastructure development.<sup>11</sup> Most of these projects are likely to reach completion in the next three to five years, although some infrastructure projects could take from 10 to 15 years.<sup>12</sup> The memorandums of understanding of most of these projects were signed during the Chinese President’s visit to Pakistan in April 2015.<sup>13</sup>

### **A Foresight Realised**

The Chinese are accomplished visionaries, historically known for their foresight. They often think in terms of 50 and 100 years ahead. An example of this is the world’s highest paved Karakoram Highway (KKH) built in 1979. KKH links China’s Urumchi and Kashgar in the Xinjiang province to Pakistan’s Gilgit-Baltistan. The construction of the Highway, known as the “eighth wonder of the world,” demonstrates Chinese prescience and forethought. More than a thousand Chinese and Pakistanis died in the construction process, a stunning feat of engineering that took 27 years to complete.<sup>14</sup> Almost four decades later, the geopolitics underlying KKH has been synchronised with the economic realities of today. From Xinjiang province, across the Karakoram and into the plains of Pakistan to Gwadar at the mouth of the Persian Gulf, the vision of the road is slowly but surely coming to fruition.<sup>15</sup>

The resources China is planning to invest in Pakistan are more than twice the amount of all foreign direct investment (FDI) Pakistan has received since 2008, and considerably more than the entire assistance from the United States since 2002. The CPEC will fulfil Beijing’s long cherished dream of having direct access to the Indian Ocean and beyond.<sup>16</sup>

## **CPEC – The Strategic Overtones**

China's Belt project is expected to open up new vistas of opportunity for trade, infrastructure, investment, capital and people. Pakistan will serve as a bridge in the development of closer relations and cooperation between China and countries in southern, central and western Asia and in the regional economic integration process.<sup>17</sup> The CPEC is a crucial part in China's "String of Pearls" policy. It is one of the most significant mega-projects planned by China that aims at expanding its, and countering the US, influence in Central, South and South East Asia.<sup>18</sup> Pakistan's ports overlooking some of the world's busiest oil shipping lanes have been a key element in China's implementation of its "String of Pearls" strategy, linking the South China Sea, South Pacific Ocean and the Indian Ocean.<sup>19</sup>

Over and above, the CPEC is anticipated to act as an effective counter-balance against the growing strategic ties between the United States and India as well as their interests in the Indian Ocean. The corridor, at least in part, is driven by President Obama's Pivot to Asia announced in 2011. The policy includes two components: military and economic. The first envisages redeploying 60 percent of US marine, naval and air force assets from the Atlantic to the Pacific by 2020, while the second is meant to pursue the Trans-Pacific Partnership Agreement without China. The *de facto* containment effects of this policy are meant to prevent China from expanding its influence to East and South.<sup>20</sup> The Asia pivot also assigns India a role as a strategic partner of the United States and a "regional anchor" for the broader Indian Ocean.<sup>21</sup> The United States' desire to conjoin US and Indian navies for serving mutual strategic interests in the Indian Ocean and South China Sea in the Pacific has never been as conspicuous as it is now.

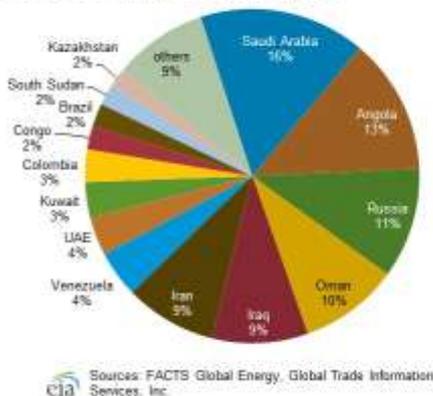
## **The Anxiety: Energy Security**

Since the early 1980s when the Chinese economy started taking off, Beijing's chief concern has been its energy security. This involves diversifying both import sources and shipment channels. The focus of this anxiety is the vulnerability of seaborne energy goods. The

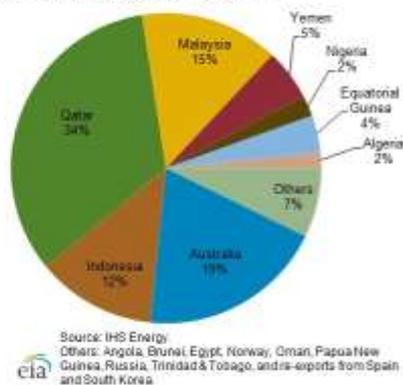
International Energy Agency (IEA) has reported that seaborne coal, oil, and gas imports into China account for 15 percent of the world’s seaborne trade. China imported 25.19 million metric tons — 5.96 million barrels per day — of crude oil in August 2014. This was an increase of 17.5 percent from the 21.43 million metric tons imported in August 2013.<sup>22</sup> Beijing fears that during an international security crisis ships carrying energy resources could be interdicted by hostile naval forces i.e. US Navy or Indian Navy. A disruption of these products could easily derail the economic growth on which the Chinese government pursues its great power ambitions.<sup>23</sup>

China was a net oil exporter until the early 1990s, but it became the world’s second-largest net importer of crude oil and petroleum products in 2009.<sup>24</sup> Today, Beijing is the world’s largest net importer of petroleum and other liquid fuels. In September 2013, China’s net imports of petroleum and other liquid fuels exceeded those of the United States on a monthly basis, making it the largest net importer of crude oil and other liquid fuels in the world.<sup>25</sup> China now buys more crude from the Middle East than the US. Almost half of China’s imported oil is sourced from the Gulf.<sup>26</sup> Saudi Arabia continues to be the largest supplier of crude oil and in 2013 provided 19 percent of China’s 5.6 million barrels per day of energy imports.<sup>27</sup>

China's crude oil imports by source, 2014



China LNG import sources, 2014



The lifeblood of China's economy is thus energy products shipped via sea. Without access to energy resources, China's economy will slow down, and its prosperity could wane. The country could become vulnerable to internal social and political disorder.<sup>28</sup> This brings us to what China has increasingly termed as the "Malacca Dilemma."

### **The Malacca Dilemma**

About 63 percent of the world's oil production moves on maritime routes. In 2013, total world petroleum and other liquid fuel production was about 90.1 million barrels per day. The US Energy Information Administration (EIA) estimates that about 56.5 million barrels per day (63 percent) travelled via seaborne trade. Of the seven chokepoints that are part of major trade routes for global seaborne oil transportation, the Strait of Hormuz and the Strait of Malacca are the world's most important by volume of oil transit.<sup>29</sup> International energy markets depend on reliable transport routes. Blocking a chokepoint, even temporarily, can lead to substantial increase in world energy prices. Chokepoints also leave oil tankers vulnerable to theft from pirates, terrorist attacks, shipping accidents that can lead to disastrous oil spills, and political unrest, wars and hostilities.<sup>30</sup>

As the pie charts and the Indian Ocean map above indicate, major sources of China's energy imports lie on the shores of the western Indian Ocean. These imports have to transit through the Strait of Malacca. The funnel shaped Strait connecting Indian Ocean and the South China Sea (Pacific Ocean) is 800 kilometres long and 65 kilometres wide in the South. The water depth rarely exceeds 120 feet (37 metres) and is usually around 90 feet (27 metres) in the South. As the link between the Indian Ocean and the South China Sea, the Strait of Malacca is the shortest sea route between India and China and is one of the most heavily travelled shipping channels in the world.<sup>31</sup> Given its narrow width and shallow depth, large cargo vessels are constrained while navigating through the Strait.

### **Gwadar – The Linchpin of CPEC**

The lynchpin of CPEC is the strategically located port of Gwadar, on the western fringes of Pakistan's coast of Makran (Balochistan).

Geographically, it is close to the international maritime energy chokepoint, the Strait of Hormuz. Nearly thirty percent of the world's seaborne oil shipments pass through this 21 miles wide waterway. Of the total world oil supply of 90.1 million barrels per day, 17 million barrels per day of oil shipments passed through the Strait of Hormuz during 2013.<sup>32</sup>

Once functional, Gwadar port will be used for transshipment, embarking and disembarking cargo to and from China, Pakistan, Africa, Middle East, Central Asia and Europe. Pakistan's Army Chief, during a visit to the under construction roads at Panjgur (Balochistan) in July 2015, said: "Gwadar Port and China Pakistan Economic Corridor (CPEC) will be built as the most strategic deep sea port in the region at all costs."<sup>33</sup> The Frontier Works Organisation (FWO) is working at five locations to provide road link to the port, and has already completed nearly 502 kilometres of the 870 kilometres roads. .

Pakistan had purchased Gwadar from the Sultanate of Oman for US\$3 million in 1958 during the Premiership of Malik Feroz Khan Noon. Gwadar formally became part of Pakistan on December 8, 1958, following 174 years of Omani rule. Soon after its accession to Pakistan, the Government of Pakistan made Gwadar into a Tehsil (sub-district) of Makran District. On July 1, 1977, Makran was declared a division and Gwadar one of its three districts.<sup>34</sup> When Prime Minister Zulfikar Ali Bhutto paid an official visit to the United States in September 1973, he sought US help to construct a port at Gwadar and said that the US Navy could use the facility. However, the Nixon administration did not show much interest, fearing that it could unnecessarily stir up the Soviets, Indians and the Afghans.<sup>35</sup> China, on the other hand, had strongly favoured the proposal when Kissinger visited China in November 1973.<sup>36</sup> Nearly 42 years later, in a changed world, China is likely to take a definite strategic advantage from Gwadar.

### **The Military Dimension**

The CPEC and its linchpin Gwadar are economic and commercial ventures. However, in 2005, Pakistan's Chief of Naval Staff stated that Gwadar would be "the country's third naval base," and would "improve

the country's defence in deep sea waters.”<sup>37</sup> For Pakistan, there is adequate rationale for using Gwadar as a naval facility. Karachi, the principal operating base for Pakistan Navy was subjected to an Indian blockade during the 1971 war, and there were similar prospects in 1999. Blockading Gwadar, 645 kilometres further along the coast, would be a difficult proposition for Indian Navy. The Gwadar port is sufficiently deep to accommodate submarines and major surface combatants.

From China's perspective, Gwadar's proximity to the Persian Gulf may provide a potential location for oil transshipment, and a permanent, reliable facility for PLA Navy ships needing support points close to the Middle East, North Africa or East Africa. Although China denies having any such intentions, Gwadar could still be used by PLA Navy. As one expert put it: “It would not be a naval base. It would just be a facility to which we had access when we needed it.”<sup>38</sup> In a more unambiguous manner, the former Chinese ambassador to India, Pei Yuanying, in an interview with *People's Daily* in February 2013, said: “Gwadar port will become a logistics support base for supplies and maintenance along the route of large fleet when the Chinese naval fleet goes to the Suez Canal, the Mediterranean, and the Gulf of Aden.”<sup>39</sup> India has repeatedly raised concerns that presence of China in Gwadar effectively amounts to India's strategic encirclement. China has already established a listening post and other naval facilities at Myanmar; has made commercial investments in Sri-Lanka, and is inching closer to Bangladesh on the Eastern seaboard of India.

## **The Build Up**

China is building a modern and regionally powerful navy with a limited but growing capability for conducting operations beyond China's near-seas region. China's naval modernisation effort encompasses a broad array of platform and weapon acquisition programmes, including anti-ship ballistic missiles (ASBMs), anti-ship cruise missiles (ASCMs), submarines, surface ships, aircraft, and supporting C4ISR (command and control, communications, computers, intelligence, surveillance, and reconnaissance) systems. China's naval modernisation effort also includes improvements in maintenance and logistics, doctrine, personnel quality, education and training, and exercises.<sup>40</sup>

Over the past decade or so, PLA Navy has paid several visits to the Indian Ocean, including the most extensive set of long distance operations in its history. While its anti-piracy deployments in the Gulf of Aden provided the most significant ongoing test of the navy's needs for overseas support locations, they were also clearly in evidence during the evacuation of 35,000 Chinese workers from Libya in 2011. It was for the first time that PLA Navy had been deployed for non-combatant evacuation operation to protect Chinese citizens.<sup>41</sup> The military modernisation and economic advancement embody the Chinese historical awareness that weakness and disorder at home would invite foreign aggression and result in the loss of Chinese identity.<sup>42</sup> Fuelled by a booming economy, Chinese naval power is on the rise. It is aspiring to become a blue-water navy. According to a December 2010 Congressional Research Service report on Chinese naval modernisation, PLA Navy comprises 275 vessels: 75 warships, 60 submarines, 55 amphibious ships and 85 small missile boats.<sup>43</sup>

The naval collaboration between Pakistan Navy and PLA Navy has meanwhile seen a significant increase over the past decade. In October 2005, Pakistan's Ministry of Defence Production signed a US\$600 million contract with China Shipbuilding and Trading Company (CSTC) for construction of four F22P frigates for PN with Transfer of Technology (TOT). These frigates, three of which were constructed in China and one in Pakistan (Karachi Shipyard and Engineering Works) have since joined PN fleet. In November 2012, it was reported that CSTC had secured an order from PN for four additional improved variants of the F-22P Zulfikar class frigates. These ships with 2,500 tonne displacement are equipped with LY 60 SAM, C802 SSM, 630M CIWS and carry a Z9C helicopter.<sup>44</sup> However, the most notable development in strategic defence collaboration between the two sides was the recent multi-billion dollar deal that would see Beijing provide eight submarines to Pakistan. The deal is being termed as the largest ever China has concluded with any country.<sup>45</sup>

The Indian Navy too is aiming to have a 200 ship-fleet by 2027. This ambitious plan includes adding three aircraft carriers and local construction of six nuclear submarines in addition to the existing INS

Arihant, SSBN. The contemplated move of the Indian Navy will double the size of its fleet from existing 137 ships.<sup>46</sup>

### **The Economic Stimulus**

China's western region consists of six provinces, with five autonomous regions - Guangxi, Kashgar province, Ningxia and Xinjiang, and Uighur autonomous region - and one municipality, Chongqing. The region covers 6.57 million sq kilometres, that is 68 percent of Chinese territory, and is home to 357 million people, that is 27 percent of the country's total population. The western region of China, considered as relatively poor, shares border with fourteen countries. Pakistan's largest province Balochistan covers 347,190 sq kilometres but is sparsely populated. Bordered by Iran in the West, Afghanistan in Northwest and Arabian Sea in the South, Balochistan remains underdeveloped.

Once completed, the 3000 kilometre-long corridor will serve as the central gateway for trade between China, the Middle East, Africa, Afghanistan and Central Asia. China's increasing oil imports from the Middle East could be offloaded at Gwadar and transported through Balochistan in Pakistan. Apart from shortening the distance for the Chinese trade, the Corridor will facilitate the development of underdeveloped provinces of Xinjiang in China and Balochistan in Pakistan. The construction of a deep sea port at Gwadar, road links, industrial parks, power projects, the rail links and fiber optics running all along the length from Balochistan to Xinjiang shall be a big economic stimulus for both regions.<sup>47</sup> Once fully developed, Gwadar port and allied facilities can provide Pakistan with an estimated annual revenue of US \$40 billion, besides generating two million jobs.<sup>48</sup> The corridor through Gwadar will give China shortest access to the Middle East and Africa, where thousands of Chinese firms, employing tens of thousands of Chinese workers, are involved in development work. The corridor also promises to open up remote, landlocked Xinjiang and create incentives for both state and private enterprises to expand economic activity and create jobs in this underdeveloped region.

## **Post 9/11 Developments in the Indian Ocean and Pakistan Navy**

Since the turn of the 21<sup>st</sup> century, some of the major events that shaped the global security environment have occurred from within or on the shores of the Indian Ocean. The United States launched its famous operation “Enduring Freedom” off Makran coast in the Arabian Sea on October 7, 2001. The operation is described as the largest naval operation in size, duration and depth the US Marine Corps have conducted since the Korean War.<sup>49</sup> Some 57,800 sorties were flown by US Central Command (CENTCOM) out of Pakistani airbases. The launch of the operation that commenced from North Arabian Sea led to the ouster of Taliban government in Kabul, alleged to have harboured al-Qaeda’s chief Osama bin Laden. Later on, a maritime component of the Operation was also set up. Named Coalition Maritime Campaign Plan (CMCP) and instituted under United Nations Security Council Resolution 1373 adopted in September 2001, CMCP aimed at marshalling efforts to nab fleeing al-Qaeda operatives from Afghanistan and combat terrorism and narcotics and human trafficking. As a committed partner in the Coalition, Pakistan Navy has been contributing to this mission on regular basis since 2004.

In 2002, and soon after “Operation Enduring Freedom,” Iraq was in the US spotlight. Accusing Iraq of pursuing a clandestine Weapons of Mass Destruction (WMD) programme, the US launched “Operation Iraqi Freedom” on March 19, 2002. The Operation commenced with firing of 40 Land Attack Cruise Missiles from four US warships including two submarines stationed in the Persian Gulf. Five US Carrier Groups took part in the operation which led to the overthrow of Saddam Hussain regime and total occupation of Iraq by US-led forces.

In late 2008, the United Nations mandated an international response to Somali piracy. The European Union (EU) was the first to launch EU Naval Force (EU NAVFOR) Operation Atlanta on December 8, 2008, only six days following the United Nations sanction.<sup>50</sup> The US and North Atlantic Treaty Organisation (NATO) quickly followed and established their own counter piracy task groups. The US set up Coalition Task Force 151 while NATO established NATO Maritime Group 2 and subsequently Operation Ocean Shield as a permanent counter-piracy task group.

Pakistan Navy has been consistently functioning as part of Task Force 151.

In the period following 9/11, despite budgetary and hardware constraints, Pakistan Navy has emerged as a potent stabilising force in the region. Its initiatives have included biennial AMAN series of multinational exercises, regularly held international symposiums at Karachi and Pakistan Navy War College Lahore, establishment of a Joint Maritime Information Coordination Centre and a think tank, National Centre for Maritime Policy Research, adjunct to Bahria University's Karachi campus. These steps are aimed at expanding regional maritime security and improving national awareness of maritime matters. Over and above, Pakistan Navy, in collaboration with PLA Navy, has largely indigenised its hardware. In this regard, local construction of 2,500-tonne Zulfiqar class F-22P guided missile frigates and other missile corvettes have considerably enhanced Pakistan Navy's combat potential.

Cataclysmic geo-political shifts have since continued to occur at regular intervals in the Indian Ocean region. Today, the Middle East, the world's principal energy reservoir, is reeling from the consequences of chaos and upheaval. Civil wars and insurgencies are raging across much of the region. India, under Modi, is pursuing an aggressive foreign policy to dominate the Indian Ocean region and its island states. In March 2015, Modi took a whirlwind tour of Indian Ocean islands including Mauritius, Seychelles, and Sri Lanka to further India's longstanding desire to convert Indian Ocean into its sphere of influence.<sup>51</sup> The visit came on the heels of President Obama's visit to New Delhi. A base in these islands effectively means India will have enormous strategic and military leverage against China and Pakistan.<sup>52</sup> Amidst this gloom, however, new signs of hope too are emerging. The gradual thaw in the US-Iran relations and the phased lifting of sanctions against Tehran following 6+1 nuclear deal<sup>53</sup> reached in Vienna in July 2015 provide Pakistan an opportunity to have multiple partners at the regional level.

## **The Challenges**

### *Gwadar and Chabahar*

The port of Chabahar in southeast Iran is central to India's efforts to circumvent Pakistan and open up a route to landlocked Afghanistan where it has developed close security ties and economic interests.<sup>54</sup> India and Iran have concluded a long-awaited port deal in Tehran on May 6, 2015. The Chabahar port near the Iranian border with Balochistan reflects Prime Minister Narendra Modi's keen interest in forging robust trade links with Central Asia, including the landlocked Afghanistan. New Delhi has already spent US\$ 100 million on building a 220-kilometre road in the Nimroz province of Afghanistan. The road will be extended to Chabahar. Modi's sense of urgency in concluding trade pacts with Iran is apparently driven by the CPEC.<sup>55</sup>

### *Research and Analysis Wing (RAW) and the US*

India was never unaware of the significance of Gwadar in the global power play and therefore came up with a two-pronged strategy: construction of a major naval base at Karwar south of Goa on the western springboard of the Indian Ocean and investment in Chabahar to gain access to Afghanistan via the Indian Ocean.<sup>56</sup>

Since the signing of CPEC-related projects, India has been taking keen interest in sabotaging the prospects of CPEC through its intelligence agencies.<sup>57</sup> According to media reports, a special desk has been created in RAW to undermine and thwart the implementation of CPEC. The intelligence agencies of Pakistan have gathered authentic information to this effect. The RAW chief who reports directly to the Indian Prime Minister is personally supervising the venture.<sup>58</sup> For India, CPEC means that China shall have the upper hand in the Arabian Sea as it will have dominant monitoring and, if need be, potential control over the chokepoint of the Strait of Hormuz. This has prompted India to expedite work on the Iranian port of Chabahar.<sup>59</sup>

The CPEC has come at a time of growing antagonism and schism between China and the United States. The United States is believed to be closely monitoring the corridor project. This will require Pakistan's careful and cautious response to Sino-US tension. Since the late 1950s, Pakistan has resisted US pressure to rethink its relations with Beijing, Islamabad's role as a bridge between the United States and communist China in the 1970s notwithstanding.<sup>60</sup>

### **Pakistan Navy – Added responsibilities?**

In the wake of events of September 2001, Pakistan Navy played a central role in ensuring stability and security in the western Indian Ocean. Some of the most critical international sea lines of communications traverse just next to the coast of Pakistan. A sustained participation in international coalitions, multinational collaborative exercises and setting up of various structures by Pakistan Navy has ensured unimpeded flow of indispensable sea-based commerce, including energy goods to international and regional markets. Vigorously backed by the United States, the Indian Navy has meanwhile continued to add new platforms including nuclear submarines. This is gradually introducing strategic instability in the Indian Ocean. The CPEC is going to result in manifold increase in the maritime commercial activity in the region. This will expand responsibilities of Pakistan Navy in several dimensions, from protecting sea lines to shielding port activities and coastal infrastructure against terrorism and sabotage. Pakistan Navy's existing capacity will be stretched, and therefore needs to be built rapidly and modernised.

### **Conclusion**

China is now the world's second largest economy and a growing military power. Over the past three decades, Beijing has made some profound investments in PLA Navy in furtherance and protection of its widespread maritime interests. The growing capabilities of PLA Navy are now a major potential challenge to the US Navy's blue water ocean capability.<sup>61</sup> A senior Chinese military general once said: "Pakistan is China's Israel."<sup>62</sup> Whether or not this is true, in the coming decade, the US-India strategic nexus as opposed to China-Pakistan ties will be played out in the Asia Pacific as much as in the Indian Ocean. The four navies -

USN, IN, PLA Navy and PN - will be at the heart of the unraveling security environment in the Pacific and the Indian Oceans.

There are several outside forces inimical to CPEC. These forces will make a determined effort to stall Pakistan's economic rise and collaboration with China. A small but robust and resilient Pakistan Navy has continued to serve as a strong arm of the country's diplomacy and foreign policy. It has played a crucial role in the regional maritime security and stability in the past decade. The CPEC will enhance Pakistan Navy's responsibilities. However, the ever surging collaboration between Pakistan Navy and PLA Navy can ensure continued stability and security in the region from the tactical to the strategic realms.

### Notes and References

---

1. Andrew Small, *The China-Pakistan Axis - Asia's New Geopolitics*, (London: Hurst and Company Publishers, 2015), 1.
2. "Pakistan, China PMs agree to further strengthen ties in diverse fields," December 15, 2015, <http://www.dnd.com.pk/pakistan-china-pms-agree-to-further-strengthen-ties-in-diverse-fields/102644>.
3. "Pakistan was with us when China stood isolated: Xi Jinping," *Dawn*, April 21, 2015.
4. "Attempts to impede CPEC will be crushed: COAS," *Nation*, August 1, 2015.
5. Tahir Khan, "China commends Pakistan brokered Afghan peace process," *Express Tribune*, August 15, 2015.
6. Press Release by ISPR, "COAS Speech at 88th Anniversary of the Founding of PLA", July 31, 2015, [https://www.ispr.gov.pk/front/main.asp?o=t-press\\_release&id=2964](https://www.ispr.gov.pk/front/main.asp?o=t-press_release&id=2964). Also see "Attempts to impede CPEC will be crushed: COAS," op.cit.
7. Shuaihua Wallace Cheng, "China's New Silk Road: Implications for the US," *Yale Global*, May 28, 2015, <http://yaleglobal.yale.edu/content/china%E2%80%99s-new-silk-road-implications-us>
8. S. M. Hali, "Xinjiang: Pivot of the Silk Road," *Daily Times*, July 28, 2015.
9. Shuaihua Wallace Cheng, op. cit.
10. Faysal Namver, "Pak-China: Friends for Mutual Benefit," *Pakistan Today*, May 2, 2015.
11. Zofeen T. Ebrahim, "China's new Silk Road: What's in it for Pakistan?," *Dawn*, April 20, 2015.

12. M Ilyas Khan, “Is China-Pakistan ‘silk road’ a game-changer?,” April 22, 2015, <http://www.bbc.com/news/world-asia-32400091>. Also, Shuaihua Wallace Cheng, op. cit.
13. See, *Friday Times*, August 7-13, 2015.
14. Andrew Small, op. cit., 99.
15. Ikram Sehgal, “One Belt, One Road,” *Daily Times*, July 30, 2015.
16. M Ilyas Khan, op. cit.
17. Asif Ezdi, “From Kashgar to Gwadar,” *News*, July 15, 2013.
18. Hassan Khan, “Is China Pakistan Economic Corridor really a game changer?,” *Pakistan Today*, June 13, 2015.
19. Dilip Hiro, “Beijing’s Maritime Silk Road passes through Islamabad,” *Yale Global*, July 23, 2015, <http://yaleglobal.yale.edu/content/beijing%E2%80%99s-maritime-silk-road-passes-through-islamabad>
20. Shuaihua Wallace Cheng, op. cit.
21. “Sustaining U.S. Global Leadership: Priorities for 21st Century Defense,” Department of Defence, United States of America, January 3, 2012 [http://archive.defense.gov/news/Defense\\_Strategic\\_Guidance.pdf](http://archive.defense.gov/news/Defense_Strategic_Guidance.pdf)
22. Katie Dale, “Why the Baltic Dirty Tanker Index Going South,” *Market Realist*, September 22, 2014, <http://marketrealist.com/2014/09/why-baltic-dirty-tanker-index-going-south>
23. Darshana M. Baruah, “The Small Islands Holding the Key to the Indian Ocean,” *The Diplomat*, February 24, 2015.
24. “China,” International Energy Data and Analysis, May 14, 2015, <http://www.eia.gov/beta/international/analysis.cfm?i>
25. “Today in Energy,” US Energy Information Administration, March 24, 2014, <http://www.eia.gov/todayinenergy/detail.cfm?id=>
26. Katie Dale, op. cit.
27. “Today in Energy,” op. cit.
28. Malcolm Davis, “China’s Malacca dilemma and the future of PLA,” China Policy Institute blog, November 21, 2014, <https://blogs.nottingham.ac.uk/chinapolicyinstitut>
29. The U.S. Energy Information Administration (EIA) defines world oil chokepoints as narrow channels along widely-used global sea routes, some so narrow that restrictions are placed on the size of the vessel that can navigate through them. Chokepoints are a critical part of global energy security because of the high volume of petroleum and other liquids transported through their narrow straits.
30. “World Oil Transit Chokepoints,” EIA, November 10, 2014, <http://www.eia.gov/beta/international/regions-topics.cfm>
31. “Strait of Malacca,” <http://www.britannica.com/place/Strait-of-Malacca>

32. "World Oil Transit Chokepoints," op. cit.
33. "Gwadar Port and CPEC will be built at all cost: COAS," *Geo TV*, July 25, 2015, <http://www.geo.tv/latest/4747-gwadar-port-and-cpec-will-be-built-at-all-cost-coas>
34. "Gwadar Port: History-making Milestones," *Dawn*, April 14, 2008.
35. Dennix Kux, *The United States and Pakistan 1947-2000: Disenchanted Allies*, (Karachi: Oxford University Press, 2002), 209.
36. Ibid.
37. Andrew Small, op. cit., 103.
38. Ibid., 105.
39. "Suspicious on China's taking over Gwadar port are groundless," *People's Daily*, February 20, 2013, <http://en.people.cn/90883/8137013.html>
40. Ronald O 'Rourke, "China naval modernization-Implications for US Navy capabilities-Background and Issues for Congress," Congressional Research Service Paper, July 28, 2015, [www.fas.org/sgp/crs/row/RL33153.pdf](http://www.fas.org/sgp/crs/row/RL33153.pdf)
41. Andrew Small, op. cit., 104.
42. S.P Singh, *China: Rise as Global Power* ( Delhi: Sumit Enterprises, 2011), 53.
43. Seth Robson, "China's Naval Aspirations: A blue-water force," *Stars and Stripes*, June 25, 2013, <http://www.stripes.com/china-s-naval-aspirations-a-blue-water-force-1.226669>
44. "F-22P PNS Zulfiqar / Type 053H2 Jiangwei-II," <http://www.globalsecurity.org/military/world/pakistan/f-zulfiqar.htm>.
45. Shahbaz Rana, "Defence Cooperation: Pakistan to buy eight submarines from China," *Express Tribune*, July 24, 2015. Also, Akbar Ahmad, "As China Awakens, America-and Pakistan-should take note," *Huffington Post*, August 18, 2015, [http://www.huffingtonpost.com/akbar-ahmed/china-awakens-america-pakistan\\_b\\_7907758.html](http://www.huffingtonpost.com/akbar-ahmed/china-awakens-america-pakistan_b_7907758.html)
46. "Navy aiming at 200 ship fleet by 2027," *ZEE News*, July 14, 2015.
47. M Nawaz Khan, "CPEC- A game Changer," *Frontier Post*, June 24, 2015.
48. "Gwadar: An emerging paradigm for Pakistan and the Region," *Daily Times*, March 19, 2013.
49. Ahmed Rashid, *Descent into Chaos* (Allen Lane, 2008), 89.
50. Lee Willet, "Pirates and Power Politics," *The RUSI Journal*, December 2011, 156:6, 20-25.
51. Asif Ezdi, "India's string of pearls," *News*, March 23, 2015.
52. Deepal Jayasekera, "Modi bears strategic "gifts" to Seychelles and Mauritius," *World Socialist Website*, March 14, 2015, [www.wsws.org](http://www.wsws.org)

- 
53. Moonis Ahmar, “Vision for a New Foreign Policy,” *Dawn*, August 14, 2015.
  54. <http://www.iran-daily.com/News/13796.html>
  55. Syed Mudassir Ali Shah, “Chabahar vs Gwadar,” *Dawn*, May 10, 2015.
  56. Taj M. Khattak, “Gwadar and ‘the great game,’” *News*, April 3, 2013.
  57. Hassan Khan, op. cit.
  58. Malik Muhammad Ashraf, “India and CPEC,” *Pakistan Today*, May 30, 2015.
  59. Hassan Khan, op. cit.
  60. Moonis Ahmar, op. cit.
  61. Ronald O’ Rourke, op. cit.
  62. Andrew Small, op. cit. 1.