The China-Pakistan Economic Corridor: Security Challenges at a Geopolitical Crossroads

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On Monday, October 31, the China-Pakistan Economic Corridor (CPEC) was officially inaugurated, with the heavily guarded arrival of over 100 import tax-exempt Chinese containers in Hunza, Pakistan. According to China’s Foreign Minister Wang Yi, ‘if ‘One Belt, One Road’ [OBOR] is like a symphony involving and benefiting every country, then construction of the China-Pakistan Economic Corridor is the sweet melody of the symphony’s first movement.’ Indeed, the sheer scale and crucial geostrategic location of the CPEC—arguably the most important link between OBOR’s land and maritime components—make it a lynchpin of Beijing’s grand initiative.

The CPEC, linking China’s westernmost province of Xinjiang with the Pakistani port of Gwadar, is a collection of projects aimed at upgrading Pakistan’s infrastructure and, consequently, at enhancing the economic links between Islamabad and Beijing. Current estimates situate the overall value of CPEC projects around $51 billion, making it very hard to downplay the impact that the realisation of this initiative would have on the Pakistani economy. Officials predict that the CPEC will result in the creation of approximately 700,000 direct jobs by 2030, and boost the country’s annual growth by around 2-2.5 percentage points. As for China, completing the CPEC would yield at least three key benefits. First, it would provide Beijing with a much-needed alternative energy supply route, reducing its currently very high reliance on the volatile and US-influenced route via the Straits of Malacca and the South China Sea. Second, it would improve access to the restive regions of Western China (notably Xinjiang), bolstering their economic performance and therefore fostering the all-important ‘stability-via-development’ agenda pursued by the Communist Party. Third, it would create a new link between Central Asia and the Arabian Sea, thereby furthering China’s image as a responsible promoter of win-win economic opportunities across the Eurasian region.

Thus, it should not come as a surprise that both experts and policymakers see the CPEC as a potential strategic game-changer in regional and even global geopolitics, considering how its development takes place in an area where the often conflicting interests of several key actors—beyond Pakistan and China—converge (India, US, Russia, and Iran among others).

Security challenges are often a good indicator of the geostrategic relevance of an initiative, and the huge ones faced by the CPEC seem to confirm its sensitive importance. The rising levels of tension and violence in the regions crossed by the Corridor, notably Kashmir and even more so Balochistan (where Gwadar is located) have already forced the Pakistani government to deploy over 8,000 security personnel to protect Chinese workers, and the issue of security along the CPEC’s path was again brought to the attention of Pakistan’s Prime Minister Nawaz Sharif by his Chinese counterpart Li Keqiang during a meeting on the sidelines of the UN General Assembly in September.

In the specific case of Balochistan, Pakistan’s most impoverished province, insurgency, separatism and terrorism are not new phenomena. However, in the wake of the recent upsurge in violence, which

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climaxed with the August 8 attack in Quetta which killed over 95 people, not only Pakistani but also independent observers have started to highlight how it would be naïve to consider said dynamics exclusively endogenous.

India has been observing CPEC-related developments with considerable wariness, seeing it as a magnifier of both Pakistan’s material clout and of China’s overall influence in and around the Indian subcontinent. Moreover, relations between New Delhi and Beijing have been quite tense since the election of Narendra Modi, with China’s ‘all-weather’ support for Pakistan ranking very high among the bilateral stumbling blocks. In this light, Pakistani officials have been accusing India (and its ally Afghanistan) of fomenting violence on its territory in order to disrupt the implementation of projects which would marginalise New Delhi.

Looking further afield, it is also important to stress the concerns raised by the US towards China’s Belt and Road initiative in general, and the CPEC in particular. Washington’s skittish attitude with regard to the overall impact that Beijing’s ‘master plan’ might have on its global stature could be seen as one of the factors behind the new trends in American policy towards Pakistan. Over the past few months, the US has been significantly toughening its stance towards Islamabad, ratcheting up its actions against a number of Pakistani Taliban (TTP) factions operating on the border with Afghanistan (notably TTP-JA) and, on September 20, passing a bill officially designating Pakistan as a state sponsor of terrorism. Among the main consequences (the unintentionality of which is up for discussion) of the US’ increased activism has been a tangible deterioration of security in Balochistan. Unlike the ‘traditional’ tribal regions where the Taliban operate, Balochistan does not have comprehensive security arrangements, and this vacuum makes it an easy target for retaliatory violence. Unsurprisingly, infrastructure ranks very high on the target list, and this has been causing significant headaches in Islamabad and Beijing, both severely worried about the impact that such trends can have on Pakistan’s overall stability and, consequently, on CPEC’s implementation.

In conclusion, the CPEC has the potential to deeply reshape Pakistan’s economic standing and overall regional role, as well as to provide a substantial boost to China’s Belt and Road initiative. Accordingly, its relevance goes beyond the –admittedly sizable- face value of its infrastructure projects, and straddles the economic and geopolitical interests of several key actors, some of which see the CPEC under a threatening light. The more or less veiled hostility of giants like India and the US, combined with an already dangerously volatile security situation in many regions along the corridor, is bound to pose a very difficult challenge to the eventual implementation of the Corridor.