

# Pakistan's Role in China's One Belt One Road Initiative

Written by Grant Farr

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GRANT FARR, JUL 10 2017

In 2014, China initiated a massive economic development project called One Belt One Road (OBOR). This initiative involves China spending over \$3 trillion during the next several decades on infrastructure investments in 68 countries. The goal is to recreate the old Silk Road, which flourished during the Han Dynasty in China between 207 BCE and 220 CE. This ancient Silk Road connected China with the Middle East, Africa, and Europe using caravan routes through Central and South Asia. When completed this new Silk Road initiative will link China to Europe and Africa using roads, railways, airports, fiber-optic connections, and seaports. The initiative will also develop major industrial, agriculture, and energy centers in the participating countries, all linked to Chinese institutions (Economist, 2016).

One of the most important countries in this initiative, perhaps the most important, is Pakistan. Pakistan borders China's Xinjiang Province in the north, albeit at an elevation of over 15,000 feet. It therefore provides China with a potential corridor through the Karakoram Highway to the seaport at Gwadar in Baluchistan on the Indian Ocean. The Pakistan part of the larger project is referred to as the China-Pakistan Economic Corridor, CPEC. China plans to spend at least \$60 billion on infrastructure developments in Pakistan itself, although some of this money would be loans to Pakistan, which Pakistan will be obligated to repay (Chaudhury, 2017).

CPEC will include the construction of industrial parks, agricultural farms, railways, airports, roads, a fiber-optic network, energy-generating projects, including one of the world's largest solar farms, and a high speed train between Karachi and Peshawar that will travel over 160 km per hour. All of these projects will be built according to Chinese plans, with Chinese labor, and connected to Chinese businesses. The project will also build a new telecommunications network linking Pakistan with China, and through China to Europe. This telecommunications connection will bring Chinese and Western culture, movies, and television to Pakistan (Economist, 2016).

CPEC also includes a number of initiatives in Pakistan that are not only of an economic nature, but projects that also have cultural and civic implications. The Safe Cities initiative, for instance, is primarily designed to safeguard Chinese workers from Pakistani terrorists, but it will also transform many of Pakistan's cities. The Safe Cities project includes building new safer buildings in urban centers, training local police and military on anti-terrorist and bomb detection techniques, and the use of lighting and cameras to create safe zones in all Pakistani cities. The project has already begun in Islamabad, but the city of greater concern is Peshawar, where the Pashtun population is particularly militant and which is the center of the Taliban insurgency. Peshawar has experienced a number of terrorist attacks in the past year. While this project will no doubt create safer cities, many are concerned that much of the traditional areas of some of these historic cities will be destroyed to build newer, albeit safer, neighborhoods (Corr, 2017).

Some of the CPEC projects are already underway. Working on extending and improving the Karakoram highway has begun and Chinese workers are now working on expanding the port in Gwadar. There will soon be over 15,000 Chinese workers in Pakistan. Although the road from the Chinese border to the port of Gwadar is not yet finished, trucks are now travelling from Kashan, Xinjiang Province, China to Abbottabad in Pakistan. Other parts of the project, including the Safe Cities project, are also already under way.

### Problems?

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Pakistan's political leaders are very high on the project. Pakistan's Prime Minister Nawaz Sharif visited China in April of 2017 as part of a meeting of nations involved in OBOR. Economically CPEC may be beneficial for Pakistan, although it will create a heavy debt burden for the country. Pakistani politicians have argued that the project will "produce equal opportunities for all regions of Pakistan". (Ahmad and Mi, 2017) Pakistani leaders have also argued that CPEC will "improve Pakistan's current economic development and create new business and job opportunities." They also added "that it will have an impact on the living standard of the common people and will address grievances, sense of deprivation, discrimination and poor management of resources"(Ahmad and Mi, 2017).

CPEC will no doubt bring money to Pakistan, but it is not clear that it will "impact the standard of the common people." Given Pakistan's level of corruption and a rigid class system in which most of the nation's wealth goes to a very small upper class, it is doubtful that much of the inflow of capital will help the "common people." More likely CPEC will enrich the already rich.

In addition, it is doubtful that this investment will create jobs in Pakistan, particularly meaningful jobs. The Chinese will likely take most of the skilled and management positions. One just needs to look at other Chinese projects in Africa, or even in Afghanistan. The Chinese bring in their own workers, technicians, managers, and security personnel, and use very little local labor. More likely the jobs that will be created for the Pakistanis will be as janitors, guards, or, at best, assembly workers. In the meantime, rich Pakistanis will grow wealthier by renting or selling land and services to the project, and will expect to be compensated, read bribed, for their approval or sign-off.

Pakistan also presents has a number of social and economic problems that will create barriers for the ultimate success of the project. Whether it benefits all Pakistanis will be the key issue. Pakistan lags behind other South Asian countries in economic and social development. Except for Afghanistan, Pakistan is ranked the lowest among South Asian countries, including India, Myanmar, and Bangladesh, on issues such as women's rights, literacy, public health, and has the highest levels of social inequality (UNDP, 2016). In addition, Pakistan continues to be plagued by high levels of corruption, an extremely hierarchical rural feudal class system, poor education facilities, regional, ethnic, and tribal rivalries, and Islamic extremism.

The real question is, then, will CPEC help or hinder Pakistan moving forward. On the one hand the \$60 billion investment will bring resources to Pakistan. Pakistan can certainly use better roads and an up-dated and efficient railway system, and the project may help modernize Pakistan's traditional, outdated, and very inefficient agricultural system. However, it is now becoming clear that CPEC is hindered by the very nature of Pakistani society, particularly the provincial tensions and the lack of effective leadership in Islamabad. The Chinese governmental structure is highly centralized with the power mostly in Beijing, while the Pakistani governmental structure is decentralized with greater power and autonomy in the provinces. The two systems are struggling to work together and the Chinese are already puzzled at Islamabad's apparent inability to make and enforce decisions.

It is also likely that the project will create class anger and antagonism in Pakistan. Despite the presence of two very large cities, Karachi and Lahore, Pakistan is largely a rural society in which 66 percent of the population lives in the countryside. Most of the rural population lives in small villages as farmers or as indentured laborers on large agricultural estates. There is growing unrest among these rural villagers over what they perceive as inequitable treatment from Islamabad. This rural population is unlikely to receive much benefit from CPEC since most of the investments are directed to the cities or to the wealthier areas.

## **Regional and Ethnic Divisions**

One of the problems that is already facing CPEC is Pakistan's regional and ethnic differences and conflicts. Created in 1947 as the country for the Muslims of the Indian sub-continent, Pakistan is in fact composed of several, not always friendly, ethnic enclaves. Pakistan's four provinces and two autonomous areas generally, but not perfectly, represent these groups. These ethnic groups include the Punjabis, who make up about 45 percent of the national population and dominate the national government; the Pashtun, a tribally based group who live in the Khyber Pakhtunkhwa Province and make up about 17 percent of Pakistan's population; the Sindhis who live in large feudal estates in Sindh Province including the city of Karachi, and makes up about 14 percent of the country's population;

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the Baluch who live in the relatively poor areas of Baluchistan and make up less than 4 percent of Pakistan's population; and the Muhajirs, who are the descendants of the refugees who fled India in 1947 and who do not have a province of their own, but reside in Karachi and areas around that city and make up about 8 percent of the country's population. Other groups include the Kashmiris, the Brahuis, and the Saraikis from Multan.

Regional and ethnic rivalries and feuds have played a major role in Pakistan's short history. For instance, although the official language of Pakistan is Urdu, (and English), Urdu is only spoken as a native language by about 8 percent of the population. Urdu, in fact, was the language spoken by the Muslims in the Indian Subcontinent, but not by the people who lived in the area that is now Pakistan.

These ethnic and regional rivalries do not just represent differences in culture or language, but also represent bitter rivalries for national political and economic dominance. This clash of cultures is particularly exhibited in the tension between the military, dominated by the Pashtun, and the Punjabis who control the apparatus of the national government. The military has stepped in several times since 1947, declaring martial law and replacing incompetent and corrupt national governments.

Baluchistan, which is scheduled to play an important role in CPEC, is another province in ethnic turmoil. Baluchistan is the largest province and has many natural resources. However, the Baluch have the lowest standard of living of any ethnic group in Pakistan and feel alienated from the Pakistani power structure. Because of this, in part, a number of militant Baluch separatist groups have formed and have been causing trouble.

The fear among many Pakistanis is that CPEC will only enrich the Punjabis (some have suggested that the "P" in CPEC stands for Punjab), since the Punjabis control the national government, while leaving the rest of Pakistan relatively poor (Shah, 2015). This is especially a concern of the Baluch and the Pashtun, who have already seen many of the CPEC programs directed towards Punjab or Sindh Provinces, and away from their provinces. The obvious case is the new highway being built as part of the initiative between Kashgar and Gwader. One of the routes in the original plan, referred to as the Western Route, was to go through the Khyber Pakhtunkhwa Province. However, the route was changed by Islamabad to avoid that province. The route is now planned to run largely through the Punjab and Sindh provinces. True, a large section of the route will be through Baluchistan, but largely in the remote areas of the southern section of the province, and will therefore not benefit Baluchistan much. Both the provincial governments of the Khyber Pakhtunkhwa and Baluchistan have voted against the CPEC and have petitioned the national government in Islamabad to include more projects in provinces other than the Punjab (Shah, 2017).

The fate of the project in Baluchistan is key to the ultimate success of CPEC since the use of the Port of Gwadar is one of the project's key elements. Increasing calls in Baluchistan for the creation of a separate state and ensuing armed conflict pose an enormous challenge to the corridor. Baluch nationalists oppose the project, as it could ultimately turn the demographic balance against them as other ethnic groups move into the province. Even at this time the Baluch people only make up about 55 percent of the population of Baluchistan. This anger towards the CPEC has increased to the point that Chinese citizens have been kidnapped and killed by Baluch militant groups.

On May 13<sup>th</sup>, 2017 gunmen killed 10 laborers working on the CPEC project in Gwadar. The attack was carried out by the Baluch Liberation Army, BLA, a group reportedly fighting for an independent homeland for the Baluch. "This conspiratorial plan, CPEC, is not acceptable to the Baluch people under any circumstances", a spokesperson for the groups reported (AlJazeera, 2017).

In addition, CPEC, and with it China's cultural and economic incursion into Pakistan, is reminiscent to many of the British Raj during which the Indian subcontinent was ruled by Britain from 1858 to 1947. While India functioned as a quasi-independent country during this period, it was in fact ruled by London. British rule ended, in part, when massive demonstrations and protest made governing untenable. China's influence in Pakistan is not of the same nature – China does not official claim to govern the country – but there are similarities and many in Pakistan have noticed. While such massive demonstrations and protests are not anticipated, there will be considerable ethnic and regional pushback against the projects.

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## Militant Islam

Pakistan was created in 1947 as an avowedly Muslim country. As a result Islamic doctrines, laws, and institutions have been a part of Pakistan since the beginning. However, although Islamic political parties have always been active, in the last couple of decades, a new kind of Islamic militancy has emerged. These militant parties include homegrown groups such as the *Tehreek-e Taliban* and the *Lashkar-e Jhangvi*, which are local or regionally based organizations with specific agendas internal to Pakistan. One target of these groups is the religious minorities in Pakistan, including the small Christian minority and the Shia Muslims whom they consider heretics and idol-worshippers. These groups also strongly oppose foreign intervention, including by the Chinese, and will constitute a challenge to CPEC.

Other militant Islamic groups are connected to or supported by trans-national Islamic movements. These include the *Lashkar-e Toiba* and the *Harkat-ul Mujahideen*. Also, increasingly active in Pakistan are elements of the Islamic State, al-Qaeda, and the Afghan Taliban. These groups have carried out a number of terrorist attacks in Pakistan including the bombing of a bus carrying government employees in Peshawar on March 17, 2017, killing 17 and injuring at least 53. Of greater concern is the bomb blast outside a hospital in Quetta where lawyers had gathered to mourn the death of a prominent Shia lawyer. That bomb killed at least 70. In total, in 2016 Islamic militant groups killed 380 Pakistani citizens.

Radical Islamic movements do not occur out of thin air, but are a result of deep dissatisfaction with the present political and social malaise in Pakistan. In addition, many of these groups have the tacit support of the Pakistan military. Some have called Pakistan a "failed state" (Khalid, 2017), since the government seems unable or unwilling to curb the violence. But the disenchantment of many in Pakistan, especially young men, is a major reason for the turn towards radical Islam. The lack of educational or economic opportunity causes young men to turn their anger towards outsiders or minorities.

Militant Islamic movements can be traced back to the beginning of Pakistan, but the large increase occurred in the 1980's when the United States and Saudi Arabia, among others, poured considerable amounts of money into creating Madrassahs, Islamic schools, on the Afghan-Pakistan border. These religious schools were used largely to recruit and train Afghan Mujahideen to fight against the Soviet Occupation of Afghanistan. The Pakistani military and the secretive and powerful Inter-Services Intelligence, the military intelligence agency of Pakistan, supported and participated in this effort. However, after the withdrawal of the Soviet Union from Afghanistan in 1989, these Islamic insurgent groups turned against Pakistan itself.

The Pakistani military also finds the Islamic militant groups useful in several ways and is therefore reluctant to crack down on them. For one, some of these groups have been used in the fight against India, Pakistan's great enemy. By supporting Islamic insurgents in Kashmir, for instance, the Pakistan military is able to keep up the fight against Indian presence in Kashmir without being directly involved.

Militant Islamic groups in Pakistan are also a product of a profound and deep hatred of the West, especially, but not only, the United States. In the eyes of some of the militant Islamic groups in Pakistan not only did the United States invade Afghanistan and Iraq, but it also supports Israel, the great enemy of Islam. Also, Pakistanis have demanded American aircraft and drones halt flying over Pakistani territory. Many Pakistanis, not just the militant groups, find the incursion of drones and aircraft into their air space insulting and infuriating. In short, the Pakistani military, and to some degree the Pakistani government as a whole, find the militant Islamic groups useful and are therefore reluctant to crackdown on them.

These militant Islamic groups could be especially dangerous for the Chinese projects in Pakistan. China does not have a good reputation in the Islamic world and has not shown tolerance for Muslim groups within China, especially its treatment of the Uygur in Xinjiang province. Attacks on Chinese citizens in Pakistan have already taken place and will continue. Although the Chinese are adept at creating safe places for their workers, there will be a continual threat of violence against its citizens in Pakistan. In part the "safe cities" project is designed to keep Chinese workers safe.

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## Conclusion

Will CPEC be good for Pakistan? The Chinese initiative to invest billions of dollars in Pakistan may turn out to be a good thing. It will certainly bring jobs and money to Pakistan and it will enrich some Pakistanis. However, Pakistan has many problems that will challenge the success of the CPEC project, including regional and ethnic tensions and rivalries, and the increasing activities of Islamic militant groups. Among the various challenges mentioned, the one obstacle that may pose the greatest threat may be Pakistan's highly hierarchical and corrupt class system. If Pakistani's feel that the project is only going to enrich those in power, the cooperation and buy-in of the country will remain problematic.

However, China has done this before in other parts of the world, although not on this scale, and has worked with governments more corrupt than Pakistan's. This project's success may depend on the ability of China to convince the Pakistani people through their actions that they are neither a new version of the Raj, nor a superpower looking to exploit the resources of a poor third-world country. If the project can truly create jobs and wealth for the average Pakistani, CPEC will be a great success. China will succeed. Whether it benefits Pakistan remains a question.

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