

The Geo-Strategic Location of Balochistan Could Yield Economic dividends for Pakistan

International Relations

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Abstract

Balochistan is the largest and resource rich Province of Pakistan and Geo-strategic position of Balochistan can lead to economic rewards for the country. The purpose of the study is to highlight the geo-strategic significance of Balochistan and focus on important prospects for the region. The study is descriptive in nature and mostly secondary data has been collected for the conduct of the research. The study finds that Balochistan hold immense assets like the Gwadar port, natural resources and geographical position to transform the region. Foreign investment can be attracted to explore the untapped resources of the Province for the general uplift of Balochistan and Pakistan.

Key words: Rugged, Geo-strategy, Natural resources, TAPI gas pipeline, Gwadar

Introduction

To the foreigners the Province of Balochistan in Southern Pakistan wouldn't amount to any paramount importance as a good part of it is uninhabited land. Its scattered population and rugged mountains gives an impression of a primitive land. However, on closer inspection the hidden value of the land sparkles and the possibilities seem endless.

Geostrategy is a territorial based foreign policy concept associated with geographic factors such as potential alliance partners, location and terrain (Duncan, Webster, 2009). Geostrategy is also concerned with the strategic importance of a land and its waterways. Balochistan Province has a

strategically important location and its close neighbors are: Iran, Afghanistan and in the south is the Arabian Sea which is a gateway to the Gulf-States. The central Asian states could also be linked through Afghanistan via road/rail. The province shares 805 kms border with Iran and 1200 Kms long border with Afghanistan. The terrain in the bordering areas of the province is rugged and arid with very less vegetation and agriculture.

The Province has a coastline of 770 kms which makes it strategically important. Gwadar, pasni, Jewani, Ormara, Somiani and Gaddani are natural ports in the Province.

The coastline of Balochistan is 70% of Pakistan's total coastal belt. It has huge potential for development, tourism and seaports (Haider, 2004). Gwadar port is operational and is 400 Kms to Strait of Hormuz which is an important route for the oil tankers bound for Japan and Western countries. It is located on the intersection of sea lanes opening up Balochistan coast to all directions, South and West Asia and Africa. It is important for most of the countries of the region located in Central Asia, South Asia, West Asia and also China (Siddiq Baloch, 2002). Many analysts feel that US has the apprehension that Gwadar port could provide a Check Post to Chinese for monitoring Ship traffic to and from oil rich Middle east as China is the second biggest importer after the U.S. They suspect that from Gwadar China could monitor Indian Naval activity in the Arabian Sea and American Naval activity in the Gulf. Chinese investments in Gwadar will give strategic depth to China, which is considered as a concern by India and to some extent by United States (Ascher, Mirovitskaya, 2013). Some Americans have described it as the westernmost link in the "string of pearls", a line of China friendly ports stretching from mainland China to the Persian Gulf, that could ultimately ease expansion by the Chinese Navy in the region (Walsh, 2013). Therefore, America and India are not in favour of development of Gwadar Port. Gulf States, especially UAE and Iran consider Gwadar as an emerging rival port in the region. They fear that Gwadar port will share the economic and trade activities which otherwise they can exclusively enjoy (Malik, 2012). But it is the Strategic and economic interest of Pakistan that Gwadar Port should be developed. Gwadar is intended to serve the specific needs of Central Asian trade and connect through rail and road to China, Tajikistan, Turkmenistan and Uzbekistan (Daniels, 2013). China-Pakistan Economic Corridor (CPEC) is likely to link the Chinese city of Kashgar with Gwadar have promising prospects. This huge project could usher an era of socio-economic development in Balochistan/Pakistan. The economic corridor can lead to the essential development of infrastructure in Balochistan. The expansion of the Karakoram Highway and the involvement of the construction of Gwadar were also part of this economic vision (Gul, 2015).

But due to war in Afghanistan any road/rail link with Central Asian States in near future seems not possible. Therefore, good business opportunities with Central Asian States have been lost and Turkmenistan, Afghanistan, Pakistan, India ((TAPI) gas pipe-line project has not started yet. Despite the fact that both the U.S and the ADB are promoting the project, the unending turmoil in Afghanistan as well as the deteriorating political situation in Pakistan are the main concern regarding the successful implementation of the project (Dutt, Bansai, 2012)

On the other hand Pak-Iran gas pipeline project has been approved despite foreign pressure. The pipeline which would bring Iranian gas to Pakistan through its western Balochistan province, will stretch 1000 miles (1,600 km) from Iran's gas-rich Asalouyeh region into the Pakistani heartland (Draitser, 2013). The U.S pressured Pakistan not to go ahead with the Iran Pakistan Pipeline as U.S had imposed sanctions on Iran because of its nuclear program. Iran has completed its side of the pipeline and expects Pakistan to complete the other half that runs through Balochistan. The completion of the pipeline is crucial to meet the energy demands of the Pakistan and pull Iran out of international isolation.

Pakistan is also acting as a front-line State against war on terror. A good portion of supplies to NATO forces from Karachi Port to Afghanistan passed through Balochistan. Karachi-Quetta-Chaman route plays a pivotal role in Afghan transit trade and Quetta-Zahedan (Iran) road/rail link are strategically significant routes. Due to war in Afghanistan, the Taliban factor is also affecting Balochistan and there is talk of 'Quetta Shura' in Western media. It is alleged that Taliban fighters have their sanctuaries/hideouts in Khyber Pakhtoonkhwa and Balochistan province. The Strained relations between U.S and Iran are also affecting Balochistan. "Jundullah" attacks in Iran have resulted to the closure of Iranian border while trade and business of the people have suffered much in bordering areas with Iran.

The vast expanse of the province has led to the detonation of Atomic bomb in 'Ras-koh' mountain in Chaghai on 28th May, 1998 and many missile tests were carried out in Balochistan. This all signifies the strategic importance of Balochistan.

The economic resources also play a significant role in geo-politics. The tremendous mineral resources of the province both metallic and non-metallic play a key role in its importance. The province is rich in coal, gas, Baryte, Gypsum, Chromite, Iron ore, Lime Stone, Copper, gold, Zinc, lead, Granite, Onyx, fluorite, sulphur, etc. However, the full potential of the province for oil and gas have not been fully explored, neither off-shore nor inland. The huge mineral resources both tapped and untapped create attraction for investment by Multinational Corporations and foreign

governments. Examples were the concessions granted and agreements made with MCC (Saindak Gold and Copper project) and TCC (Reko diq Gold and Copper project). The agreement between the Government of Pakistan and MCC (China) had given an edge to China which received almost complete and free infrastructure facilities provided by Government of Pakistan. Further copper blocks were exported to China and no purification/refining plant had been established at Saindak. As far as ReKo Diq Project is concerned, agreement with M/S Tethyan Copper Company (TCC) and Antafagosta Minerals of Chile and Barrick Gold Corporation of Canada has been cancelled. According to the agreement 75% of shares were for the TCC and 25% is for the Government of Balochistan. Geological Survey of Pakistan estimates that there are deposits of 12.3 million ton copper and 12.3 million ounces of gold at Reko Diq.

The Sui Gas fields were discovered in Balochistan in 1952. Besides Sui, other gas fields have been discovered in Uch, Pirkoh, Loti, Zen, Save and Jandran. The Balochistan gas fields are meeting more than 30% of the country's gas requirements even today. Pakistan's proven natural gas reserves- in 2006 estimated at 28 trillion Cubic feet (tcf) – as much as 19 trillion tcf (68 percent) are located in Balochistan (Wirsing, p-7). Coal is another important mineral which is found in abundance in Balochistan. According to an estimate coal deposits in Balochistan are 617 million tons and the possibility of establishing coal based power generation could be looked into to meet energy crises.

Conclusion

The Geo-strategic location of Balochistan has the scope to change the economic landscape of the Pakistan. The Province is steeped natural resources and is a gateway to the resource rich countries of Middle East and Central Asia. The Gwadar port has the potential to transform the lives of people in the region. Any trade link between Pakistan (through Balochistan Province) and central Asia could materialize only when there is stability in Afghanistan, therefore projects like TAPI, at present, seem to be a figment of imagination. Iran is closing its borders with Balochistan (Pakistan) and is already on the path of increasing trade with India. Iran is also developing "Chahbahar" Port with the support of India and could make inroads in Central Asia through Iran. The long standing Economic Co-operation Organization (ECO) has remained dormant and there is little possibility of its re-activation.

In the existing scenario, Balochistan's strategic location can yield results only when xenophobic attitude against foreigners and foreign investors is removed. Foreign reputed companies could be attracted to

explore and drill at Balochistan coast for oil and gas-both offshore and seawater. Vast resources of mineral could be exploited which would bring royalties to Balochistan Government. Reko Diq Project (which is in limelight) was shut down after disagreement by Government of Balochistan and M/S Tehthyan Company. It would be a commendable job if power to negotiate and trade with neighboring countries is delegated to the Balochistan Province. In this way Quetta and Gwadar could be the hub of economic activities. The Province has fulfilled the demands of energy craving population for many years and invaluable minerals can usher an age of prosperity for the striving masses. Whether it is the TAPI and Iran-Pakistan pipelines or the natural resources the province of Balochistan provides a lifeline for the economy of Pakistan.

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