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# **Reviewing Gwadar**

International Relations

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### **Abstract**

Balochistan is the South-western province of Pakistan. The importance of Balochistan lies in its combination of location, resources and the people. In 21<sup>st</sup> century because of Gwadar the geo-strategic importance of this province has further increased not only for Pakistan but for whole region. In 2001, Pakistan announced the construction of a new deep-sea port in Gwadar region which comes in two phases. The first phase was completed in 2005, while the completion of the second phase is under consideration. Gwadar is being announced as free trade port city on the south-western warm water Arabian Sea. This Article is important in the sense because it not only highlights the historical perspective of Gwadar but it also focuses on its significance in contemporary scenario particularly after the development of Gwadar port. It also analyzes the Chinese role in development of Gwadar port and how this newly constructed port strengthened the bond of friendship between Pakistan and China. Additionally the article explores the importance of Gwadar port for China in light of string of pearls idea. This article is significant because it also highlights the future predictions and it focuses on contemporary threats, in the end it also suggest certain policy options through which all such threats can be countered.

**Keywords:** Balochistan, History of Gwadar, Gwadar port significance, China-Pakistan, String of Pearls & Gwadar port, Challenges, future and suggestions.

### Introduction

Gwadar is the District Headquarter of Makran Division in Balochistan, the largest province of Islamic Republic of Pakistan. It is situated on the coastal line of Makran. Along the coastal line, there are four Tehsils including Gwadar, Jiwani, Kulanch and Ormara. Jiwani is the only one on the western part of Gwadar, joining Iranian border on Pakistani side. Kulanch and Ormara, on its eastern side are connecting District Lasbela and to Karachi finally. The distance between Gwadar and Karachi in this way, is around 715 km. "Gwadar is just 72 kilometers from the Iranian border and about 320km from Cape al-Hadd in Oman. More important is Gwadar's proximity to the Persian Gulf. It is situated near the mouth of this strategic body of water, and about 400km from the Strait of Hormuz, through which about 40% of the world's oil tankers pass. Gwadar is located on the Gulf of Oman close to the entrance of the Persian Gulf."(Gwadar: 2014) The newly developed port of Gwadar with collaboration of China can serve as cornerstone of the Pakistan's economic development and change plight of the people of whole region if its real potential is exploited to bolster trade. Gwadar is now destined to be the most important upcoming coastal town located on the inter junction of the three most strategically and economically important regions of the world that are oil rich Middle East, South Asia where one- fifth of world population lives and the Central Asian Republics endowed with mineral wealth and an educated and highly skilled and disciplined workforce.

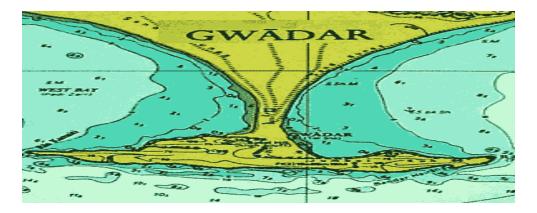


(Gwadar:  $2\overline{014}$ )

# **History of Gwadar**

"Gwadar district, with its 600 kilometers long coast line and unirrigated tracts of Kulanch and Dasht valleys, has always been an important chapter of Makran's history. The known history of Makran goes back to the time of prophet Dawood when people entombed themselves to avoid famine. The area is said to be possessed by Iranian King Kaus followed by Afrasiab of Turan and then by Kai Khusrau, again an Iranian. Then there is a long list of rulers, including Lehrasp, Gushtasp, Bahman, Huma and Darab, to the year 325 BC when Alexander the Great incidentally found the sea in this area on his way from India to Macedonia. Greek historian Arrian has mentioned the coast line as the country of Ichthyophagoi. At that time Nearchos, the admiral of Alexander, sailed along the coast and mentioned places named Kalmat, Gwadar, Pishukan and Chahbar. Afterwards, the area was ruled by Seleukos Nikator, one of Alexander's generals, who lost it to Chandragupta in 303 BC. Then the tract of history is lost in darkness for centuries. An account of this area is found in the beginning of the sixteenth century when the Portuguese found their way to India and captured several places along the Makran coast. In 1581 they burnt "the rich and beautiful city of Pasni" and Gwadar. Although many invaders conquered the land, mostly the local rulers, including Hots, Rinds, Maliks, Buledais and Gichkis, exercised authority in the area as the conquerors had no intentions to stay there." (Gwadar Development Authority: 2014)

Two regimes of local rulers, of Buledais and Gichkis, are worth mentioning here. The Buledais gained power with the rise of the Zikri sect. These rulers are said to be connected with the rulers of Maskat and were called Buledais with reference to the valley of Buleda where they resided. The Buledais ruled the area for more than a century up to the year 1740. In the last years of their regime they embraced Islam. The Zikri folk joined hands with the Gichkis who also were Zikris by faith. The family feuds and internal dissension between Gichkis resulted in nine successful expeditions (either partially or fully) by Mir Nasir Khan I. It is said, that the main motive behind all these expeditions, made by Mir Nasir Khan I, was to eliminate the Zikris as he belonged to the (anti-Zikri) Muslim faith. These expeditions resulted in a division of revenues between the Khan and Gichkis." (Gwadar Development Authority: 2014)



(Lovely Pakistan: 2014)

"In the last quarter of the eighteenth century, Gwadar and the surrounding country fell into the hands of Maskat. Saiad Said succeeded to the masnad of Muscat in 1783 and had a dispute with his brother Saiad Sultan. The latter appears to have fled to Makran and entered into communication with Nasir Khan who granted him the Kalat share of the revenues of Gwadar. Saiad Sultan lived at Gwadar for some time and eventually succeeded in usurping the Sultanate of Maskat in 1797. He died in 1804 and during his sons reign, the Buledai chief of Sarbaz, Mir Dosten, is said to have acquired temporary possession of Gwadar, but a force sent from Maskat regained it." (Gwadar Development Authority: 2014)

"The first Afghan war (1838-39) directed attention of the British to the area. Major Goldsmith visited the area in 1861 and an Assistant Political Agent was appointed in Gwadar in 1863. Both Pasni and Gwadar have been ports of call for the steamers of the British India Steam Navigation Company. The first ever telegraphic link to this area was made in 1863 when Gwadar was linked to Karachi. Telegraph offices were opened at Gwadar and Pasni. Later post offices were opened at Gwadar in 1894 and at Pasni in 1903. Ormara was linked telegraphically in 1904." (Gwadar Development Authority: 2014)

"After the division of the Indian subcontinent into two sovereign states, areas except Gwadar and its surroundings joined the Balochistan States Union, as part of Makran state. In early 1949 along with Kalat, Lasbela and Kharan In October 1955, Makran was given the status of a district of former West Pakistan province after its accession to Pakistan. In 1958, Gwadar and its surrounding area was reverted back from Maskat to Pakistan and was made a tehsil of Makran district. On 1st July 1970, when one unit was dissolved and Balochistan gained the status of a province, Makran became one of its districts. On 1st July 1977, Makran was declared a division

and was divided into three districts, named Panjgur, Turbat (renamed Kech) and Gwadar. Gwadar was notified as a district on July 1, 1977 with its headquarters at Gwadar town." (Gwadar Development Authority: 2014)

# Gwadar's Significance because of its Port

"One of the most important factors that influence the development of human society is its geographical environment and the most significant element of the environment is the sea because it occupies 73 percent of the surface of the earth. Fortunately, Pakistan has 1100 km of sea frontage. Near about 36000 ships pass through the Strait of Hormuz each year and Pakistan's 95% trade weighing approximately 40 million tons takes place through Karachi and Qasim Ports. It is expected that in year 2015, the trade can rise up to 91 million tons, hence increasing the shipping activities" (Fawad Hassan: 2014)

"After years of careful study and planning, the Pakistani government selected Gwadar as the most suitable alternative port apart from Karachi and Bin Qasim Port. The port become functional on 15th of March 2008, as the first commercial vessel named "Pos Glory" was called on the port. The port has number of potentials as it will increase the strategic depth because it is 460 km away from Indo Pak border. It will help Pakistan to check the sea lines communications passing through the strait of Homruz. The future naval base of Pakistan and China can check the US fifth naval fleet in the Indian Ocean and can also monitor the activities of Indian Navy, thus establishing Pak-China Naval nexus." (Fawad Hassan: 2014)

"If we see this whole region, it is like a funnel. The top of the funnel is this wide area of Central Asia and also China's western region. And this funnel gets narrowed on through Afghanistan and Pakistan and the end of this funnel is Gwadar port. So this funnel, futuristically, is the economic funnel of this whole region." (Hasan Yaser Malik: 2012: 57)



### **Gwadar Port-A Sordid Tale of Neglect**

"Having a population 227984, and an area of 12,367 sq km, a Gwadar port holds vital location for the regional and international powers of the world. It can compete with the existing ports of UAE by providing shortest and better route to Central Asian States. The experts are of the view that in distant future it will undervalue the ports of Chahabar and Dubai. Therefore, UAE and Iran have conflicting interests over Gwadar port, where as China and CARs can achieve their economic and military objectives through Gwadar. On the other hand, the interests of USA and China seem to be divergent in nature and scope. So Gwadar will be a reason of concern for various regional and extra regional powers. In the contemporary world, the economic and military power of a nation is dependent upon oil. The 40% of world oil transit from strait of homruz and Gwadar is located at its neckline. Therefore the strategic importance of Gwadar will be felt by the whole world. Without any doubt, the progress of Pakistan lies with the development of Gwadar as this port will boost Pakistan's economic assets and will provide strategic depth for Pak army and Navy." (Fawad Hassan: 2014)

# China Role in development of Gwadar port

"Gwadar port construction is another landmark of Pak-China friendship. With Chinese assistance" the development work started on March 22, 2002 and its first phase was completed on March 2005. Phase I covered building of three multipurpose berths and related port infrastructure and port handling equipment. In 2007, the government of Pakistan handed over port operations to PSA International for 25 years, and gave it the status of a Tax Free Port for the following 40 years. During the same year it was inaugurated by then Pakistani President General Pervez Musharraf. Gwadar Port became operational in 2008 with the first ship to dock bringing 72.000 tonnes of wheat from Canada by the vessel .M.V POS GLORY which was handled by M/S GURAB LINES Shipping Gwadar." (Great Pakistan: 2014)

On strategic warm-water a Gwadar deep-sea port was developed by the Government of Pakistan and the Government of China at a cost of USD \$248 million and inaugurated by the President of Pakistan on 20 March 2007. In May, 2013, Gwadar Port operations were officially handed over to China. According to the contract signed a full-fledged commercial port will be constructed with initial investment of \$750 million. The port is said to be strategically important for China as Sixty percent of China's oil comes from the Gulf by ships traveling over 16,000 kilometers in two to three months, confronting pirates, bad weather, political rivals and other risks up to its only commercial port, Shanghai. Gwadar will reduce the distance to a mere 2,500 kilometers and also serve round the year."(Pakistan-China Joint Chamber:

2014). Apart from China even Iran takes intrest in Gwadar port "In February, 2013 Iran announced to set up a \$4 billion oil refinery in Gwadar with an estimated capacity of about 400,000 barrels per day. According to the original plan, Tehran will also lay an oil pipeline from its territory to Gwadar to transport crude oil for processing. China's coastal refinery plan has also announced to invest \$12 billion in multiple projects in Gwadar and other parts of Pakistan including a refinery with the processing capacity of 60,000 barrels of crude oil per day." (Pakistan-China Joint Chamber: 2014)

# **China String of Pearls and Gwadar port**

"China's growing trade with the rest of the world, not to mention its increasing demand for Middle Eastern oil, means the route is now much more important to the nation than 20 or 30 years ago. Chinese naval planners are particularly keen to safeguard the route to the Middle East (China's energy lifeline), and have consequently been seeking to establish a 'string of pearls' along this route. Kyaukpyu and Sittwe in Myanmar, Chittagong in Bangladesh, Hambantota in Sri Lanka, and Gwadar in Pakistan have emerged as the main ports that China is expanding to accommodate its interests. Other Indian Ocean countries that are attracting Chinese interest include the Maldives, Mauritius and the Seychelles. China's increasing presence in the region means that the Indian Ocean is rapidly emerging as a zone of 'great power' competition, with China and India set to be the main contenders. Although this rivalry for dominance in the region is unlikely to produce a decisive winner, countries with coasts on the Indian Ocean stand to reap significant geopolitical and economic benefits. The main risk we forecast is for Sino-Indian rivalry to lead to competing alliances and a rise in tensions in the region, jeopardising regional stability. Indian officials have already expressed concern that China plans to use Gwadar as a staging post for naval operations in the Indian Ocean." (China Adds Pakistan's Gwadar to String of Pearls: 2011)

"Although China has stressed that its involvement in these ports is purely for commercial purposes, it is possible that Beijing sees an opportunity to expand its influence in Pakistan as part of a long-term plan to 'contain' India, and enable its navy to operate further afield, as well as protecting trade routes. Pakistan, too, has stressed that 'the purpose of developing this port is to stimulate economic growth in the western and northern parts of Pakistan." (China Adds Pakistan's Gwadar to String of Pearls: 2011)

### **Future Targets**

"According to The Ministry of Railways of Pakistan is planning to lay track to link Karachi with Gwadar seaport to facilitate traders and generate revenue and reduce deficit of the organization. The new track would fulfil the needs of transportation of goods to Gwadar in future, an official source in the Ministry of Railways told APP here. Moreover, the Railway was in contact with China for preparing studies for construction of Khuzdar, Baseemah, Jacobabad and Dera Ghazi Khan main line (ML-2), he added. The official source said that China would finalize the studies till the end of December 2015 and will bear all expenditures of the study of laying the new railway line." (Railways plans to lay new track between Karachi, Gwadar: 2014)

"Pakistan Railways was focusing on speeding up revenue generating activities of the department under the direction of Minister for Railways Khawaja Saad Rafique. He said that Pakistan Railways is also working on restoration of ECO train for Turkey via Taftan and Zahidan. The train will help traders to transport their goods through train to Turkey, Iran, India and Pakistan. The department is also planning to construct a dry port for container-holding at Havelian near Abbotabad for facilitating trade with China. After construction of the port, about two million tons of goods could be transported between Khunjrab and Havelian." (Railways plans to lay new track between Karachi, Gwadar: 2014)

Beside that "The tentative alignment for the Gwadar-Kashghar Motorway has been cleared subject to feasibility studies containing commercial, technical and hydraulic aspects of the project which would facilitate transit trade in the country. It would have economic zones en-route and allow reaping of full benefits of development including economic and social uplift and creation of jobs in the country. He said the corridor-from Kashgar to Khunjerab and Gwadar-would not merely a transportation link, but it would be also energy and telecommunication corridor. This project will also be a great help in regional connectivities, he said and added that passing primarily through hinterland, it was expected to affect fast track development of backward areas." (Gwadar-Kashghar Motorway to facilitate transit trade: 2014)

"Pakistan would be able to establish industrial parks and economic zones along the proposed Kashghar-Gwadar trade corridor that would connect China's western autonomous regions with Balochistan. As per the alignment Pak-China Motorway, this trade corridor will be around 2,000km long within the territory of Pakistan, crisscrossing snow-capped mountains, narrow valleys, lush green fields, sand dunes and dry hills. (Gwadar-Kashghar Motorway to facilitate transit trade: 2014)

# Challenges

- "Viability of a port depends on its hinterland. Gwadar has none. The area along the Mekran coast is barren, it comprises of desert and hilly terrain. This area is dependent on the rest of the country. Similarly Building a network of roads and railway links requires massive investment. There is a shortage of local funds. (Captain K.Raffat Zaheer: 2014)
- "Competition from Chahbahar, Bander Abbas, Dubai, Khor Forkkan, Fujairah and Salalah. Iran already has good road and railway connections from Chahbahar and Bander Abbas to Central Asia. Chahbahar in south western Iran is likely to become the strongest competitor of Gwadar to transit trade for Afghanistan, Central Asia and China. Chahbahar is considered as the economic gateway to the world due to its location on the Oman Sea shore outside the Strait of Hormuz. It shortens the inland link from the sea to CIS countries by up to 100Km. Chahbahar provides the shortest link across to Central Asia and the Middle East. Even Bandar Abbas and Busher sea ports are said to be more economically accessible to the cargo. (Captain K.Raffat Zaheer: 2014)
- "Gwadar has the potential of becoming a hub port for Pakistan's other ports of Karachi and Port Qasim. The opportunity for Gwadar to become a natural choice for major shipping lines must be exploited by providing cost effective port services. Beside that Convincing and attracting investors (local and foreign) to set up industries in EPZ: Initial high manufacturing cost and imported work force from other provinces of Pakistan. (Captain K.Raffat Zaheer: 2014)
- Turmoil in Afghanistan and Pakistan's own internal problems in Balochistan. (Captain K.Raffat Zaheer: 2014)

### Conclusion

Balochistan is located at the eastern edge of the Iranian plate and is the largest province of Pakistan in terms of landmass, it occupies 44 percent of Pakistan's total area and is least populated. This province possesses a rich variety of languages, resources, civilization and culture. With the discovery of vast fields of natural gas, along with other valuable minerals, the region is experiencing increased interest from local and international actors. The terrain of Balochistan makes it a prime location for the development of roads, railroads and pipelines to connect the Middle East, Central Asia and South

Asia. It borders Iran, Afghanistan and its Southern Boundary is with the Arabian Sea. The province's geo-strategic location and coastal resources could be enough to change the destiny of Balochistan and the country. Balochistan has been viewed as forgotten land as most of its resources are untapped, while optimists take Balochistan as land of opportunities and future of Pakistan. Good economic planning and strategy can positively exploit the province's geographical position and convert Balochistan into a land of opportunity in real for international trade and business. Merely putting emphasis on the strategic importance of the province cannot lure foreign investors. Only a development strategy that is compatible with the geography, demography, political economy, socioeconomic conditions, local needs and rapidly changing regional politics can help Pakistan exploit Balochistan's geo-strategic location and natural endowments.

One of the recent developmental projects of Pakistan is the development of Gwadar port with Chinese assistance. This made Gwadar as one of the vital cities in the region and via its newly constructed port its significance has increased and it can bring Pakistan into a position where she can alter global and regional politics. The Port of Gwadar has brought Pakistan and China closer towards each other which became an alarming sign for India & she is weary of increased dependence of CAR's, Afghanistan and China on Pakistan and making her more important player of the region. Being the commercial hub, the port is likely to increase volume of trade, bringing multiple economic and financial benefits to Pakistan like the Suez Canal which changed the destiny of Egypt. In comparison to Gulf ports, especially Dubai, it gives more facilities and will handle more cargo and trade because Gwadar is a deep sea port, and is located at the mouth of the Gulf and is a gateway to Central Asian Republics (CARs) / Western China. For Dubai, ships have to wait for days for the route clearance due to Strait of Hormuz, where only a few ships can cross at a time. As far as the Iranian Ports (ChahBahar & Bandar Abbas) are concerned, they will not be able to attract and generate business while the Iranian state remains hostile to major western powers. Moreover, these ports are in creeks and require colossal maintenance cost, which from a business point of view, is not so attractive. Although there are various challenges which can serve as barrier in way of success of Gwadar port however those challenges are not of that nature which doesn't have any solution. Taking the regional countries particularly Iran, UAE into confidence will be a significant step in this regard giving them impression that Gwadar port won't threaten their economic interest's infact it will share their burden. Similarly Pakistan role as facilitator for providing access to Afghanistan for its trade via Gwadar route will help Pakistan to discourage Afghani land being used against Pakistan. At the same time the local people

must be facilitated and be given active role in development of the port and they shall be blessed by its fruits because keeping away from progress and prosperity of the port and resources will provide nothing to the country other than instability and frustration among the local citizens. Although Gwadar port has potential to bring progressive change in the country and for the greater good the local and regional challenges must be dealt through peaceful channels of diplomacy and policies only then prosperity will become the destiny of our beloved country.

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