

A Geo-Political And Geo-Economic Assessment Of Gwadar Port In The Context Of The China-Pakistan Economic Corridor (CPEC)

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Abstract

The significance of Gwadar to China and Pakistan is addressed in depth, taking into account geopolitical and economic aspects from a geo-economic vantage point. The authors used the geo-economic method, historical perspective, geographical and geopolitical factors, and worldwide development trends to analyse Gwadar port. The authors examined its role in China's and Pakistan's development and its favourable impact on their economies. Because geo-economics looks at how geographical, political, and economic factors in international relations affect each other, a geo-economic study is done to get a deeper and more complete look at the economic relationship between China and Pakistan. As a result, progress at Gwadar Port has the potential to boost China's and Pakistan's economic stability. Now that Gwadar Port is operational, Pakistan's oil pipeline can bring energy and oil from the Middle East directly to China. Through the CPEC, not only oil but also goods from Central Asia, Europe, and the United States will arrive in China via Gwadar Port. Gwadar port development under the CPEC programme has the potential to greatly expand Pakistan's maritime trade capacity while decreasing the country's reliance on Karachi, its current largest port, which is located near the India border. Geo-economics is utilised to undertake a more thorough and comprehensive examination of the economic connection between China and Pakistan since it incorporates the interrelationships of geographical, locational, geopolitical, and economic aspects in international relations. The purpose of this study is to look at how the Gwadar port is growing and what that means for China and Pakistan from a geo-economic point of view.

Keywords: Pakistan, China, BRI, CPEC, Gwadar, trade, geo-political and geo-economic.

Introduction

Pakistan's coastline is approximately 1046 kilometres long, and it has two vital ports, Gwadar Port and Karachi Port. Karachi may be

found close to the Indian border on the eastern coast (Bhatti 2020). Gwadar may be found on the coast of the western section of Pakistan, not far from the Iranian portion of the Middle East. Gwadar Port is situated in a very advantageous

geostrategic position in the area as a result of its proximity to a number of important marine trade routes. These include the Persian Gulf, the Strait of Hormuz, the Red Sea, and the East Asian and Pacific Oceans. Located in the Pakistani province of Baluchistan, in the Markland district of Baluchistan, Gwadar was formerly a sleepy fishing hamlet when it was first settled. Despite the fact that China places a high strategic value on Balochistan, the economic and social circumstances in the province are dismal. According to the latest available statistics, the gross domestic product (GDP) of Balochistan is the lowest of any province or region in Pakistan. Although the province is only responsible for 4.3% of the national economy, its per capita income of around 400 US dollars is comparable to over two-thirds of the average income for all of Pakistan (Gholizadeh and Madani 2020). In spite of the fact that it accounts for roughly half of Pakistan's total geographical area, Baluchistan has the lowest population density of any province in the nation. But the country of Baluchistan more than makes up for this with its oil and gas, minerals, and beaches. This is because investors can now get to the province's raw minerals more easily, which has made them more interested.

Putting these ideas into reality in Pakistan is not without its challenges, despite the fact that doing so might result in a great many potential advantages. Scholars have highlighted internal and external difficulties that pose a risk to the growth of the CPEC and threaten to derail its forward momentum. In recent years, the province of Balochistan has emerged as one of the most volatile regions in Pakistan as a direct result of the growing security worries in the region, which have become a significant impediment for local entrepreneurs. Pakistan has seen one of the highest rates of terrorist attacks globally in 2018, ranking among the highest of any nation. Afghanistan, Iraq, Nigeria, Somalia, and Pakistan are responsible for 75% of all terrorist-related fatalities that have occurred around the globe in

2018. In 2017, the Pakistani Taliban's branch organisation, known as Tehrik-i-Taliban Pakistan (TTP), was responsible for 56 assaults, resulting in 233 fatalities. In the year 2019, gunmen attacked a luxury hotel in Gwadar that was packed with tourists (Gholizadeh and Madani 2020). The Balochistan Liberation Army, which wants independence, took credit for the horrible attack and told the Chinese and other foreigners to leave.

As public and foreign debts rose dramatically in recent years, the Pakistani government has struggled to control its total indebtedness. In 2018, Pakistan's liabilities reached Rs 29.8 trillion, or 86% of its GDP (Haider 2018). Its debt-to-GDP ratio exceeds the Fiscal Responsibility and Debt Limitation Act of 2005's 60% limit. In 2018, the IMF predicted Pakistan's external debt would rise to \$103.4 billion by 2019 (Rana 2018). This estimate predicts a 10% external debt by 2022. Pakistan's economy is threatened by its high external debt, according to the IMF. Pakistan's bureaucracy, rules, and policies make doing business there difficult for international enterprises. The World Bank's 2019 "Ease of Doing Business" report ranks Pakistan 136th among 190 countries for regulatory performance (Lakhan and Mumtaz 2021). Pakistan does poorly in four areas: acquiring power, enforcing contracts, taxes system, and construction permits.

Literature Review and Discussion:

There have been a few studies that have looked at the challenges and risks that BRI poses in Pakistan, but very few studies have looked at China's extensive influence on Pakistan's economy. However, very few studies have gone into further depth about the geopolitical repercussions of CPEC projects; instead, the research has concentrated on the economic benefits for China and Pakistan. However, while considering the economic corridor between China and Pakistan, it is essential to conduct an

inter-structural study that takes into consideration the roles played by all relevant components.

As a result, this research makes use of an organised assessment of the relevant prior research in order to facilitate the formulation of novel hypotheses and the localization of prospective new research frontiers requiring further examination. The China–Pakistan economic relations are investigated through the lens of geoeconomic theory, which takes into account geographical, locational, geopolitical, and economic factors. The use of economic instruments to attain political aims is what is known as geoeconomics, and it is used as a tool in foreign policy. The "strategic use of economic power" around the globe is what this term refers to. In the age that followed the end of the Cold War, geopolitical and political factors alone are not sufficient to describe the global arena of competition. The economic situation affects the regional powers' diplomatic stances. This study examines the building of the Gwadar port and its implications for China and Pakistan from a geoeconomic standpoint, incorporating both geopolitical and geoeconomic elements of the situation. It is more probable that challenges to regional superpowers will be of an economic nature than a military one in the current day. Because of the intricacy of the global economy, economic security may also have an effect on the aims of national security. Given the strategic and geopolitical significance of their economic corridor, the development project at Gwadar should be considered part of China and Pakistan's attempts to defend their respective economies. This is because of the importance of their economic corridor. It is important to note, however, that the political and geopolitical significance of the economic corridor that runs between the two nations must not be ignored.

Belt and Road Initiative and China-Pakistan Economic Corridor:

The Belt and Road Initiative of China was in place before any plans were made for a Pakistan-China economic corridor. The first public statement on the project was made during the meeting between the then-Prime Minister Nawaz Sharif and the current Prime Minister of China, Li Keqiang, which took place in Beijing in the summer of 2013. The construction of infrastructure connecting China and the Pakistani port of Gwadar, in which China has invested, was the primary focus of attention. This included things like roads, railroads, and pipelines. The plans for the project had an implementation timeline of five years, and the amounts involved, which varied between ten and twenty billion USD, were relatively tiny when compared to China's current aims in Pakistan. In addition, the designs for the project stipulated a five-year time frame for execution (Mardell 2020).

After then, these activities were reframed as a component of the so-called CPEC, which did not officially begin operations until April 2015, during Chinese President Xi Jinping's visit to Pakistan. CPEC stands for the China-Pakistan Economic Corridor. The China-Pakistan Economic Corridor is referred to by its initialism, CPEC. There has been a change in emphasis in Pakistan toward the production of power, which has resulted in a projected rise in costs of 46 billion USD. After this, the two governments worked together to construct what they call a "long-term plan," which would start in 2017 and greatly extend the anticipated timetable for implementation all the way up to the year 2030. The expenses that were anticipated increased to 62 billion United States dollars, and since then, Pakistani authorities have come up with estimations that are far greater than that (Sacks 2021).

The bulk of activities pertaining to the BRI are now being carried out in Pakistan as part of the CPEC, and the proclaimed goals of CPEC are compatible with those specified in China's

principal BRI policy documents. On the other hand, the CPEC does not include all Sino-Pakistani infrastructure operations that may be seen as attaining BRI purposes. These activities could be considered to be part of the BRI. In addition, there is no guarantee that China will have a direct role in all of the efforts connected to the CPEC. Through the CPEC, the Pakistani government intends to modernise the country's infrastructure and establish a "mechanism for sustained economic development." This will be accomplished by utilising the financial resources, industrial capacity, and technological know-how of China. In return, Beijing will obtain a connection to the Arabian Sea, which would provide a secondary economic route to the potentially dangerous Malacca Strait in Southeast Asia. On the other hand, comparable to the BRI as a whole, there are a variety of distinct drivers, and one should not overstate the relevance of large-scale geostrategic initiatives (Mahmood and Ali 2022).

It is well known in China that financial investments made by the state in physical infrastructure result in improved economic activity, the preservation of social order, and enhanced personal safety. Beijing has a significant interest in ensuring the safety of its "all-weather" partner since that country has the potential to act as a balance to India in South Asia and as a prospective training ground for terrorists of Uyghur origin from Xinjiang. As a direct consequence of this, the CPEC was seen as an essential strategic commitment and was given the go-ahead. In order to contribute to the development of China's western heartland in a manner that is more stable, establishing commercial channels in Pakistan and meeting the needs of local consumers are both necessary steps. On the ground, the excess capacity that already exists inside the nation's boundaries is helping to move the country's commercial enterprises ahead (Standish 2021). They are also lured by the fact that low-cost financing is accessible to them, in

addition to the fact that the bidding process in Pakistan is conducted behind closed doors. While Chinese enterprises are coping with a diminishing market for the same technology inside their own borders, Pakistan has been trying hard to make up for its lack of energy by growing its coal output coping with a diminishing market for the same technology inside their own borders, Pakistan has been trying hard to make up for its lack of energy by growing its coal output. Pakistan's efforts come at a time when China is experiencing a shortage of energy.

There are times when it looks as though the financial drive behind CPEC is at odds with its primary aim, which is to bring prosperity to Pakistan. This is because CPEC is a commercial initiative. When attempting to gain long-term contractual rights to operate roads and energy infrastructure as well as collect electricity or toll fees at fixed prices that are far higher than market rates, Chinese firms have often been successful in their attempts. It's possible that Pakistan's present high prices will put it at a competitive disadvantage when compared to other nations in the region, including Bangladesh. The CPEC was and still is an intriguing gamble, but time is running out, and the project only has ten years remaining to realise its purported goal of transforming Pakistan into a booming regional commercial hub (Nurmuhammedov 2017). The anticipation of future growth and profits at CPEC is the basis for the company's ability to provide loans to its customers. It takes more optimism to think of CPEC's intentions to convert insurgency-torn Balochistan into a haven for coastal tourism at a time when a recession is coming about due to the coronavirus.

The significance of Gwadar port for Pakistan:

Do away with Pakistan's energy crisis altogether. It is estimated that Pakistan loses between 4,000 and 7,000 megawatts (MW) of electricity annually due to its inadequate infrastructure,

energy needs, and power generation (Gholizadeh and Madani 2020). There is a direct impact on economic growth, the betterment of people's livelihoods, and even the development of national security since energy shortages and chronic power interruptions cost as much as 7% of GDP. As 76% of CPEC-related projects are in the energy sector, it would solve Pakistan's energy issue and make up for the country's fundamental lack of energy and power. China plans to invest about \$34 billion into Pakistan's energy industry to build an additional 17,000 MW of electricity-producing capacity. It is anticipated that CPEC would offer up to 10,400 MW of electricity for Pakistan once the initial projects are finished (Gholizadeh and Madani 2020).

Bolstering Pakistan's economic growth:

The transportation, agriculture, energy, marine, media, health, finance, trade research, and education sectors are only some of the 51 areas of collaboration between China and Pakistan. Infrastructure projects in Pakistan are now being developed and implemented at a cost of \$46 billion. This amounts to almost 20% of Pakistan's GDP. This sum of money represents the entirety of foreign investment in Pakistan since 1970 (Gholizadeh and Madani 2020). The Asian Development Bank (ADB) has promised Pakistan \$8 billion in financing for the sole purpose of modernising the Karachi to Peshawar railway, making it one of the country's highest priority projects (Javaid 2016). 75% of Pakistan's freight and passenger traffic is carried by rail. Once the train upgrade project is finished, the typical travel time for passengers will go from 65 to 160 kilometres per hour. It will also double its existing transit capacity to 8 percent (Tribune 2019).

This research's conceptual framework applies geoeconomics to examine the Gwadar Port development project and the Sino-Pakistani economic corridor. Despite the abundance of literature on China's BRI motivations, most

analyses have narrowly focused on one facet at the expense of considering others. Further, the majority of research has approached the analysis of the Chinese initiative's motivating factors through the lens of hegemonic theory or from a political and geopolitical vantage point. However, in the years after the Cold War, the economic security worries of the big nations trumped their military and political worries. Geo-economics is an important part of the study of international relations because it looks at how geography and economics affect the foreign policy of a regional power (Rafiq 2020).

In addition, CPEC would help provide development to many rural parts of Pakistan. With the opening of the economic corridor, Pakistan and the surrounding area will undergo a dramatic transformation. Most of the growth and improvement will occur in the regions directly next to the Corridor. The province of Baluchistan is expected to see the largest increase in social welfare index growth, at 6.4%. The rate of improvement in social welfare is highest in Baluchistan, then in Sindh (6.31%), KP (5.19%), and Punjab (3.5%) (Shang and Pitafi 2022).

In one sense, the economic corridor's completion will facilitate more entrepot trade between China and Pakistan and facilitate greater import and export of commodities and persons between the two countries. One positive outcome is that Pakistan will become a focal point for trade and industry in the Middle East. Pakistan stands to gain enormously in tax revenue and as a hub for the convergence and diffusion of people, logistics, and information if and when South Asia, Africa, the Middle East, West Asia, Central Asia, and East Asia are linked. Following the completion of infrastructure projects in 2019, the World Bank predicts that Pakistan's merchandise exports to its neighbours alone will climb to \$58 billion annually, a threefold increase over the present level of exports (Gholizadeh and Madani 2020).

Strategic space and geostrategic location:

The United States of America and Pakistan used to be anti-terrorism friends and benefactors, but today they disagree on a wide range of subjects. In particular, Pakistan is unhappy with the United States' imposition of sanctions and an arms embargo on Pakistan's nuclear programme, both of which led to India's entry into the Nuclear Suppliers Group (NSG) and associated transactions. Pakistan feels that the United States has treated Pakistan and India unfairly when it comes to the issue of nuclear proliferation. Pakistan asserts that the United States treats Pakistan and India differently with regard to the issue of nuclear proliferation. On the other hand, the assassination of Osama bin Laden and the use of drones in Pakistan have both contributed to a rise in anti-American sentiment in the United States and put Pakistan on high alert (Iqbal 2016).

After shifting its attention away from South Asia, the United States is encouraging India to become more integrated into what it refers to as the "Asia-Pacific rebalancing" in the hopes that it will serve as a new source of regional security. Since Modi took office, India has been working much harder to consolidate its status as the preeminent power in the Indian Ocean and across South Asia. There is now a deal in place for Afghanistan, Iran, and India to construct a contemporary port that is located away from the Persian Gulf. This would be beneficial to the growth of trade links between India and Afghanistan in the region of South and Central Asia that surrounds Pakistan. Pakistan's regional significance has decreased as a result of the strengthening of linkages between the United States, India, and Arab countries, which has also raised the probability that Pakistan would be boxed in from both the east and the west. By making Pakistan's geographical advantages even better, the CPEC could help ease some of the strategic tension that comes from the fact that Pakistan is close to both the US and India (Hussain and Hussain 2022). Pakistan has the opportunity to create bilateral and multilateral connections with additional nations based on the

corridor project, which will allow it to realise both the sustainability of geopolitical space and the deep extension of its strategy. This will enable Pakistan to realise both of these goals simultaneously.

Economic security depends on Gwadar port development:

Two of Pakistan's ports benefit from favourable geographical qualities, and the country has a total of six ports. Karachi Port and Gwadar Port are the two ports that are situated on the eastern and western sides of the country, respectively. Karachi Port is located on the eastern side of the country. The length of the coastline that runs along the southern part of Pakistan is around 1046 kilometres (Salman and Habib 2020). Karachi Port may be located near the border with India, while Gwadar Port can be found on the western side, close to Iran. The groundwork for what would later become Pakistan's most important commercial and military port was laid during the colonial era of the country's history. As a result, Karachi Port is now Pakistan's biggest port overall. Karachi is the most populous city in Pakistan and serves as the country's principal centre for industry, commerce, trade, and finance. It is also the site of the Pakistani Naval Command, which is located in the city of Karachi, which is where the port can be found. Karachi Port, on the other hand, is located a little more than 200 kilometres from the border between India and Pakistan. Due to the lack of security depth at this location, the Indian Navy was able to effectively block it during the third India–Pakistan War in 1964. During the conflict that took place in 1971, India made another attempt to seize control of the port city of Karachi. Thanks to the two naval raids that the Indian army conducted, they were able to accomplish their goal of destroying a considerable amount of the port's infrastructure, in addition to a large number of commercial ships and fuel supplies. Since 1964, Pakistan has been making efforts to improve the functionality of the

port of Gwadar and provide residents with an additional access point to the sea.

The establishment of a port at Gwadar has the potential to reduce Pakistan's dependency on Karachi, which is now the most significant commercial port in the country. At this very moment, the Karachi Port is responsible for handling over sixty percent of all of Pakistan's maritime trade with the rest of the world. It is possible that an escalation in tensions with India, or perhaps a new military conflict, might be harmful to Pakistan's economy and create disruptions in Karachi's business sector. Both of these outcomes are possible. The recent military war that took place in 2019 between Pakistan and India made it abundantly evident that Pakistan needs to construct the Gwadar port in order to provide the country with improved economic security. This fight took place in the year 2019. In a stern warning, the Indian Minister of Defense remembered the events that took place in 1964 and 1971, and he warned Pakistan about the danger of being demolished on its own soil. He made this statement with reference to the wars that took place between India and Pakistan in 1964 and 1971. Taking into account the continuous problems that exist in relations between Pakistan and India, reducing Pakistan's dependency on the Karachi port might offer the nation better access to free water as well as strengthen its economic security.

The significance of Gwadar port for China:

In this regard, both Beijing and Islamabad acknowledge the importance of Gwadar Port from a military and geopolitical point of view. In addition, the Gwadar Port in the Balochistan Province of Pakistan has a significant role in the region. This area has the potential to serve as a geostrategic centre for China's economic, political, and military actions in the North Indian Ocean. China's interest in acquiring Gwadar is based on a number of factors, not the least of

which is the potential to build a commercial port there. The port is of the highest significance due to the overall security policy that China employs both internally and externally. In addition to this, the port may be situated on the shore of the Arabian Sea, in close proximity to the Persian Gulf, and in close proximity to the entrance of the Strait of Hormuz. It is also a significant location since it is the third-largest port in the whole globe. This contributes to its overall significance. Because China wants to broaden its access to the Indian Ocean, Gwadar Port is gaining importance in Beijing. This is because of the Chinese government's goal. In addition, the expansion of this port appears to be of particular significance for the warehousing of oil that originates from the Middle East. This is because the port is situated in close proximity to a number of significant maritime routes, which are the pathways that are utilised by the overwhelming majority of oil shipments all over the world. For instance, the Strait of Hormuz is situated less than five hundred kilometres away from the port of Gwadar, and it is estimated that around forty percent of China's imported oil is delivered via this strait (Kardon 2020).

The potential of the port to traverse confined waterways in South Asia, cut the amount of time required for shipments, and diversify oil supply channels are further benefits for Beijing. In addition, the port may significantly reduce the amount of time needed for shipping. The landmass and harbour of Kashgar operate as a route for the shipment of products created in the interior of China to other parts of the world. In this specific scenario, Pakistan is also in a position to get a significant number of benefits. The administration in Islamabad acknowledges the importance of the Gwadar Port in terms of the role it plays in guaranteeing the expansion of the economy on both a national and international scale. On the other hand, Pakistan stands to gain from the port not just in terms of strengthening its connections with China but also in terms of

garnering China's goodwill with India. This is because the port is located in Gwadar. The Chinese government regards Gwadar Port not only as a port of entry but also as an observation point for marine activity in both the Arabian Sea and the Indian Ocean (Ebrahim 2021).

In spite of the fact that CPEC is connected to a variety of other infrastructure projects, the government in Beijing seems to be primarily reliant on the Gwadar Port project. As proof of how important this link is, consider the fact that China turned a 230 million dollar loan into a grant in 2015 as part of the process of building Gwadar Airport (Caliskan 2022). In addition, China has agreed to provide a loan in the amount of one hundred and forty million dollars for the purpose of constructing a highway that would connect Gwadar to the route that runs down the coast of Pakistan (News 2015). There will be no interest charged on the loan. On the other hand, Beijing has implemented a unique policy with respect to the remaining projects that are part of the CPEC. In light of the facts that have been presented here, it is not unreasonable to draw the conclusion that China places a high value on the Gwadar port being part of the CPEC. In light of the facts that have been presented here, it is not unreasonable to draw the conclusion that China places a high value on the Gwadar port. If the corridor in question is built as part of the Belt-Road Project, then Gwadar Port will also become an important commercial centre for China's economic linkages with North Africa, Sub-Saharan Africa, and the Middle East. This is because the corridor in question will connect China to these regions.

In August of 2017, China turned its only overseas military installation, the Djibouti Installation, into a fully functional military outpost. The artwork was produced as a reaction to the economic growth that was taking place in the region at the time it was conceived. Gwadar Port stands apart from Djibouti in a number of important respects compared to that city. To

provide one concrete example, the port serves as a departure point for China. However, building a direct link between China and the Indian Ocean is not its main role at all. Its primary duty is to serve other purposes as well, mostly as a result of the fact that an increase in the size of the Xinjiang Uyghur Autonomous Region is also being contemplated at this time. Despite the fact that Djibouti is an essential destination in China's Belt and Road Initiative, Gwadar is located in a far more strategically advantageous location than it is. Because it is expected that China would offer access to the aforementioned seas via Gwadar, the Gwadar Port is equipped to accommodate three ships with a combined capacity of 50,000 tons, and the maximum length for each ship is 200 m (Kanwal 2018). According to reports from the administration of the Port of Islamabad, China Overseas Ports Holding Company would be entitled to collect 91% of the revenue generated by the port. In addition to that, the China Overseas Ports Holding Company will be in charge of the port's commercial operations. It is anticipated that the port would have the capacity to manage 137 thousand container loads and 868 thousand general goods each and every year (Shahzad 2019).

Gwadar is a significant crossroads in China and Pakistan's relationship for a number of reasons, including those that have been discussed so far as well as the port's position from a geostrategic perspective. In addition to this, there is the prospect that China may set up its next overseas military outpost there. Because of its location, the port is not only near China but also the Indian Ocean, the Strait of Hormuz, and the Persian Gulf. Physically, the port is in close proximity to China (Malik 2012). Additionally, it plays a vital role in the provision of military security for China's economic interests, which is an important obligation. This duty is necessary because of the role that it plays. In addition, Gwadar presents China with a fantastic opportunity to strengthen its ties with Pakistan while also contributing to

greater stability in the area. This is in contrast to India's expanding connections with the United States, which are in opposition to India's closeness to China. In addition, India's growing ties with China are in contrast to India's developing relations with the United States. As a direct result of this, the government of the United States of America anticipates that China will construct a new military installation in the city of Gwadar (Salim and Sultana 2019).

According to the findings of a study that was commissioned by the United States Department of Defense and titled *Military and Security Developments Including the People's Republic of China*, "a more robust military basis would enable China to extend its military might and capabilities to farther areas." This study was titled "Military and Security Developments Including the People's Republic of China." As a direct result of this, the People's Liberation Army (PLA) is only permitted a limited number of supply facilities at commercial ports. This allows China to fulfil its military logistical needs through access to commercial ports situated all over the world, which is advantageous for China. It is quite possible that China would construct a base in Gwadar in addition to constructing a base in Djibouti due to the fact that China has positive ties with Pakistan and the two countries share similar strategic aims. Based on this information, it seems that this will most likely occur (Report 2020).

The relevance of Gwadar Port is growing on a daily basis as a direct result of this, which is a direct consequence of the growing importance of Gwadar Port. As a direct result of the events that were outlined above, China aims to create a number of military outposts in the region, and Gwadar will play a leading role in their establishment. Gwadar has the potential to become a useful site for the replenishment and transportation of both PLA equipment and troops if the required infrastructure enhancements are

carried out. This is the case only if the necessary modifications are carried out. In this regard, the geographical advantage that Gwadar has is of great significance for Beijing in terms of lessening its reliance on the Malacca Strait (Desk 2021). The same port can also be used as a key spot to keep an eye on the activities of the Quadruple Security Dialogue (QUAD), which is made up of representatives from Australia, Japan, the United States of America, and India (Smith 2021). As a direct result of China's efforts to lessen the influence that India and the United States have in the region and to increase its accessibility to the Middle East, Africa, and the Western world, the port's significance is going to grow in the years to come. This will be evidenced by an increase in the port's importance. As a direct result of this, it is possible that China may ultimately establish a new military facility at the Gwadar Port.

Conclusion

In recent years, as a direct response to various threats and concerns relating to the economic security of the country, Beijing's emphasis on the protection of its sea lanes and land routes has increased. This is the case even though the focus has not changed. The building of the Gwadar port as one of the important ports in MSRI is part of Beijing's strategy to deal with the external economic and geographical hazards that surround China in West and South Asia. These threats can be found in both Western and South Asian countries. The objective of Beijing includes the implementation of this strategy. Another aspect that contributes to Pakistan's increasing economic security is the building of the Gwadar port, which may give Pakistan better access to free seas. The location that is considered to be the most southern point of the CPEC is Gwadar Port in Pakistan. The location that is considered to be the most northern point is Kashgar in China. At the point where the economic belt of the Silk Route and the maritime Silk Road of the 21st century intersect,

one may find the port of Gwadar. The prominent geopolitical location of the port of Gwadar will be of major significance in terms of future cooperation between Pakistan and China. From an energy point of view, the Gwadar port will change the primary routes that China uses to acquire oil, and it is possible that the port will even alter the general pattern that China uses to import oil. Middle Eastern nations and Russia are China's principal sources of imported crude oil. China also imports crude oil from other countries. The United Arab Emirates, Kuwait, Kazakhstan, Venezuela, Iraq, Oman, Iran, Russia, and Angola were the top ten countries that supplied crude oil to China in 2018, according to data provided by the General Administration of Customs. Saudi Arabia rounded out the list of top crude oil suppliers to China. Oil is transported to Xinjiang from Russia through pipelines. Through the South China Sea, the Strait of Malacca, the Indian Ocean, and the Strait of Hormuz, oil is shipped to China from Saudi Arabia, Iran, and Iraq. These three nations are the ones that provide China with its supply of oil. When seen through this prism, the significance of the Malacca Strait as a strategic location simply cannot be stressed enough. The Strait of Malacca is governed by Indonesia, Malaysia, and Singapore, which are the three nations that share this responsibility. On the other hand, the United States and Japan have shown an interest in assuming command of the Strait of Malacca as well. It is possible to change the path of the oil pipeline that goes from the Middle East to China so that it goes via Gwadar rather than Malacca. In the not-too-distant future, Gwadar, which is situated in close proximity to the Strait of Hormuz, is likely to develop into an essential transportation hub for the oil imports that arrive from China. Gwadar will become more important than Malacca. The attempt to develop the Gwadar port would bring about changes to China's oil reserves, which have attracted a lot of interest. CPEC is essential to the "China-Pakistan relationship" if there is to be any economic

development. The CPEC would transform Kashgar, the most northern component of the corridor, into another "Shanghai" in China. Politically speaking, the CPEC and the Gwadar Port Development Project both provide protection to western China and Pakistan. After fleeing Afghanistan, the Taliban contributed to an already precarious political situation in Pakistan. If the situation in Pakistan continues to deteriorate, it is not inconceivable that terrorists may acquire nuclear weapons and technology, as stated in an article published in a publication that focuses on international issues. In addition, considering that China and Pakistan are neighbouring countries physically, the problem of national security is of the utmost significance to both of these countries. The government of Pakistan will no longer be able to guarantee the complete safety of western China as soon as extremists in that nation establish a foothold in the society of that country. It's possible that a term like "if Pakistan catches fire, it will damage China" will originate from this. The port of Gwadar, which is the most southern point of the CPEC, serves as the focal point for the BRI. The so-called "corridor effect" will also make a beneficial contribution to Pakistan's overall economic growth. As a direct consequence of Pakistan's progress toward economic modernization, it will be far more difficult for radicals on the surface to acquire nuclear weapons and nuclear technology. The threat posed by outside actors to China's western security has been mitigated. This is done so that we may have a voice in economic politics in order to ensure the security of the western region of our nation.

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