

China's Convergence with Indo-Pak Peace

What is the issue?

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- China has been actively pursuing India's participation in its BRI project.
- In this context, if things go smoothly, the opening up of Indo-Pak cross border trade is also likely as a consequence.

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How is the BRI influencing Indo-Pak dynamics?

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- India has always seen China as an irritant in Indo-Pak relationship.
- But currently a number of factors might be at work in the north western region, to usher in a more positive "Indo-China-Pakistan" axis.
- **Context** - Beijing is seeking to extend "China-Pakistan Economic Corridor" (CPEC) projects to India, in order to make it more remunerative for all.
- Significantly, CPEC is part of Chinese President Xi Jinping's ambitious and expansive "Belt and Road Initiative" (BRI).
- Other countries in the region "Afghanistan, Iran, and the Central Asian Republics" have already responded very positively to the BRI.
- **Problem** - Delhi has voiced against CPEC as a matter of policy as it passes through Gilgit-Baltistan (PoK), which is a territory claimed by India.
- Further, India's long standing view that projects under BRI are economically unsustainable is another major impediment for any compromise.

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How can these issues be addressed?

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- Beijing led diplomacy to improve Indo-Pak ties may aid in addressing India's political concerns with CPEC.

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- If China portrayed genuine neutrality on the Kashmir question, it could make it a lot easier for Delhi to become part of CPEC.

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- The differences on economics of the BRI project can easily be overcome by negotiating terms on specific projects alone on a case by case basis.

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- Further, despite strategic and historical reasons, Pakistan too has a lot to gain by admitting India into its infrastructural mesh.

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What are the benefits for Pakistan from all this?

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- Pakistan is currently undergoing a period of extreme macro-economic stress and is on the verge of seeking foreign loans to support its budgets.

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- The incoming PM Imran Khan has stated that instead of borrowing international, he wants to revive the economy through indigenous means.

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- Letting India export its goods to Afghanistan and Central Asia through Pakistan's territory is one of the ways to boost Pakistan's economy.

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- Apart from helping Pakistan earn a handsome transit fee, it will also open up more business opportunity for truckers and other industries in Pakistan.

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- Pakistan had been refusing to facilitate such trade with India for long, but the current situation seems conducive for opening up.

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What is the way ahead?

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- Any such sub-regional economic integration will involve cross the Indo-Pak

border (or Radcliff line) that divided the erstwhile Punjab on both sides.

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- Notably, Punjab was historically at the heart of trans-regional trade routes, but with partition in 1947, it has in effect become a complete dead end.

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- Over the last two decades, multiple governments had been making efforts to overcome the border to facilitate trade but with little success.

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- With China emerging as a major player in the region, there is indeed an enhanced thrust towards enhancing cross border businesses.

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Quick Facts:

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What is CPEC?

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- “China-Pakistan Economic Corridor” (CPEC) is a series of infrastructure projects that are being planned in Pakistan.

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- The projects are predominantly funded by Chinese loan and is primarily to establish connectivity between China’s rural northwest and the Arabian Sea.

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- Further, CPEC is just one arm of China’s larger program called “Belt and

Road Initiative” (BRI) that seeks to build multiple infrastructure and connectivity projects worldwide.

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- Notably, BRI has been criticised for its top-down approach and its economic imprudence which might trap host nations in debt.

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Source: Indian Express

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