

Impact of China Pakistan Economic Corridor (CPEC) on dynamics of the Kashmir Conflict between India and Pakistan.

Ibrar Shehzad¹, Muhammad Haris², Faiza Jamal³, Mairaj ul Hamid⁴

^{1,2} Student of BS Political Science, University of Malakand, Chakdara.

³ Department of Political Science University of Malakand Chakdara Lower Dir Pakistan.

⁴ Lecturer in Political Science, University of Malakand, Chakdara. (Corresponding Author).

mairajulhamid717@gmail.com

DOI:<https://doi.org/10.70670/sra.v3i1.496>

Abstract

The China-Pakistan Economic Corridor (CPEC) is an umbrella project under China's Belt and Road Initiative (BRI). It has immense importance and strategic impacts on regional geopolitics, most importantly the outstanding issue of Jammu and Kashmir between India and Pakistan. This study articulates and examines different dimensions of the Kashmir conflict. The improving economic and strategic capabilities of Pakistan through CPEC has altered the regional power equilibrium and are impacting both the diplomatic and military relations between Pakistan and India. Gilgit-Baltistan; a region claimed by India is in Pakistan control due to the infrastructural and economic investments under CPEC, which further complicates the territorial dispute. Moreover, CPEC's integration into broader Sino-Pakistani relations has introduced a new dimension to the conflict, with China emerging as a critical stakeholder. This article analyzes these developments through a comprehensive review of geopolitical strategies, economic data, and regional security reports, offering insights into how CPEC impacts the Kashmir conflict and its implications for future regional stability.

Key Words: CPEC, Kashmir conflict, India-Pakistan relations, Gilgit –Baltistan, Regional power dynamics.

Introduction

Jammu and Kashmir; the conflict zone and bone of contention between Pakistan and India is the key point along the multibillion-dollar project One Belt One Road (OBOR) project or Belt and Road Initiative (BRI) as it passes from Gilgit Baltistan which is part of Azad Kashmir but faces very little resistance from the locals. India's opposition to the China-Pakistan Economic Corridor (CPEC) stems mostly from its position in the Gilgit-Baltistan area. Beijing, on the other hand, has taken a neutral stance on the issue up to now, although India has simultaneously sought to join CPEC and settled the conflict in Kashmir via talks with Pakistan. Before it, "China has always upheld the non-interference principle in the domestic matters of other nations, but Beijing shouldn't ignore them. It suits the requirements of Chinese businesses seeking to safeguard their foreign assets. Considering the significant investments China has made in nations along the OBOR. China now has a stake in assisting in the settlement of regional disputes, such as the India-Pakistan conflict over Kashmir, through the Belt and One Road initiative.¹ By acting as a go-between for Bangladesh and Myanmar, China can acquire knowledge,

¹ Sania M. Ammara R. Asif I. "CPEC: Crafting a Rational Way towards Kashmir Dispute,"

which can act as a basis for further initiatives by China which will participate in South and Southeast Asian regional issues. China is collectively occupying Indian-claimed territories in Jammu & Kashmir. Even yet, its regulated stance is wholly dependent on its necessity, for example, treating it as a bilateral conflict or maintaining her pro-Pakistan stance. The similar situation is being presented by the Iron Brothers' joint venture, CPEC. In this article we will further explain how CPEC is affecting the dynamics of Kashmir conflict and what laurels it can bring in the future prospect. China and Pakistan invites third country to join CPEC but India believes that participation by any third country would be illegitimate. Simply because CPEC passes through territory of Jammu and Kashmir and Laddakh region which is always a bone of contention between the two nation Pakistan and India.² But despite of all this CPEC will have a regulating impact on Pakistan china and India relationships because it is considered as game changer for Pakistan specifically and India and Afghanistan generally.

Historical Context of Kashmir Conflict

Jammu and Kashmir, a princely state in the Indian subcontinent, had a predominantly Muslim population but was ruled by a Hindu leader. In 1947, Maharaja Hari Singh, the ruler of the state, had the option to join either India or Pakistan after their independence. Initially hesitant to make a decision, he postponed it until Britain's withdrawal from the subcontinent. However, when Pashtoon tribes from Pakistan's northwestern regions invaded Kashmir, he was unable to repel the invasion and eventually sought military assistance from the Indian Government.³

India ensured that no military assistance would be provided until the princely state formally acceded to India. Maharaja Hari Singh signed the Instrument of Accession on 26th October 1947, after which India provided military assistance and managed to recapture two-thirds of the princely Jammu and Kashmir state from the invading Pakistani tribesmen. The remaining portion came under the control of Pakistan. India then brought the matter to the United Nations (UN), which subsequently mediated the issue and facilitated a ceasefire agreement between the two countries on 1st January 1949.⁴

Furthermore, besides the UN's efforts to facilitate a plebiscite and mediate, India and Pakistan have engaged in a series of bilateral discussions and peace initiatives in an attempt to resolve the Kashmir conflict. Nevertheless, due to their unwillingness to reconsider their stances, the two nations have been unable to resolve. India's stance is that the areas of Jammu and Kashmir currently under its control cannot be separated from the Republic of India. The stance of India remains unwavering that the accession of Kashmir is conclusive and cannot be negotiated (Dixit, 2002). Likewise, Pakistan maintains that its claim to Kashmir is firmly rooted in the two-nation theory, considering it an unresolved issue from the partition of the sub-continent, whose ultimate status should be determined by the people of Kashmir through a plebiscite (Dixit, 2002). Consequently, there has been minimal progress in the resolution of the Kashmir conflict. The Kashmir issue has become even more challenging because both India and Pakistan have developed nuclear weapons. Their nuclear capabilities were publicly demonstrated through weapon tests in May 1998. While both countries developed nuclear arsenals with the primary goal of countering each other, India's nuclear program is also partly aimed at China. India

Journal of the Punjab University Historical Society Vol 31, No. 1, Jan-June 2018.

² Rashid Ahmad. Impact of the China Pakistan Economic Corridor on the People-to-People Contacts

³ Javaid, U. (2016). Assessing CPEC: Potential Threats and Prospects. JRSP, 53(2), 254-269. 20. Jian, C. (2017). New Trends of US Policy toward South Asia: Challenges to CPEC. IPRI Journal, XVII (1), 95- 121

⁴ Iqbal, D. (2018). CPEC: A Corridor for Minimizing Political Fault lines in South Asia. Changing Security Situation in South Asia and Development of CPEC (pp. 91-111). Islamabad: Islamabad Policy Research Institute (IPRI).

holds a significant advantage over Pakistan in terms of physical size, GDP, and conventional military strength. Given this power imbalance, it would be difficult for Pakistan to effectively compete with India. As a result, Pakistan initially sought support from external powers to balance its stronger neighbor. In the early 1950s, Pakistan became a member of the U.S.-backed SEATO (Southeast Asia Treaty Organization) and CENTO (Central Treaty Organization) pacts and developed closer ties with the United States and China. Throughout the 1950s and early 1960s, Pakistan received substantial military and economic assistance from the United States.⁵ However, Pakistan's efforts to enhance its capacity and security through external balancing did not yield the expected results, leading Pakistan to pursue nuclear capability as the only means of countering its much stronger rival, India. Following the humiliating loss of East Pakistan in the third Indo-Pak war in 1971 and India's peaceful nuclear explosion in 1974, Pakistan felt compelled to accelerate its nuclear program, eventually conducting nuclear tests in 1998. Similarly, the 1962 defeat in the Sino-India war and the Chinese nuclear test in 1964 served as significant factors that encouraged India to carry out an underground nuclear test in 1974.⁶ Additionally, the transfer of nuclear and missile technologies from China to Pakistan aided India's pursuit of nuclear arms. Initially, India sought a security guarantee from nuclear powers to protect against external nuclear threats, but the response was ambiguous. Consequently, these circumstances required the development of nuclear weapons to deter China and Pakistan.

Economic and Strategic Capabilities of Pakistan under CPEC

China and Pakistan have both referred to their relationship as being "higher than the Himalayas, deeper than the ocean, and sweeter than honey." Up until now, this alliance has been founded on strong link in the domains of security and defense. In the previous ten years, the two nations have changed their approach by relocating to the in the path of fostering and growing bilateral trade, investment as well as cooperative economic efforts. The most recent development in the process of bolstering the China-Pakistan Economic Corridor (CPEC) agreement strategic alliance through financial contributions, expanded commerce, and financial collaboration. The emphasis on growing economic Calls for fostering collaboration have also been made in tandem with interactions between individuals in the two nations as a crucial element in cooperative strategy. Strategically china Pakistan economic corridor is a win, win situation for Pakistan.⁷ Developmental projects of CPEC can attract a lot of foreign investors, will create lot of job opportunities and ultimately will improve infrastructure. The development of infrastructure will improve Pakistan chronic energy shortages and will improve its transportation network. Pakistan is always short of energy, numerous energy projects which are part of the CPEC will enhance energy capabilities by providing energy to different sectors consequently boosting the energy security. Furthermore, CPEC will bolster regional connectivity. CPEC will enhance Pakistan connectivity with china central Asian countries and further to Europe. It also provides a china an easy way bypassing the strata of Malacca which is cost worthy for them thus increasing the strategic depth of Pakistan. Gwadar

⁵ Mairaj ul Hamid, Dr Saira Aquil, Salman Khan Mubarakzeb, and Hamza Faisal Zaman. "Pakistan's Foreign Policy: An Abridgement of Internal And External Determinants." *Journal of Positive School Psychology* (2023): 1089-1098.

⁶ Javaid, U. (2016). Assessing CPEC: Potential Threats and Prospects. *JRSP*, 53(2), 254-269. 20. Jian, C. (2017). New Trends of US Policy toward South Asia: Challenges to CPEC. *IPRI Journal*, XVII (1), 95- 121

⁷ Ibid.

port which is an eye opener in future in term of strategic importance will help Pakistan enhance its naval base and check on regional maritime security.⁸

China Pakistan economic corridor also impacts the Kashmir conflict and it has various strategic dimensions. Bolstering of economy through CPEC will enhance Pakistan strategic position against India in Kashmir conflict. Furthermore, the infrastructure development specifically in Gilgit Baltistan which is a disputed territory has a lot of strategic military implications. CPEC can improve Pakistan economy which can benefit in building a strong military which can be proved as important factor in Kashmir conflict.



Source: https://www.drishtiiias.com/daily-news-analysis/second-phase-of-cpec/print_manually

Note; A map showing CPEC route passing through disputed territory of Gilgit Baltistan.

Gilgit Baltistan factor territorial disputes and CPEC Investments.

India's opposition to the China-Pakistan Economic Corridor (CPEC) stems mostly from its position about the Gilgit-Baltistan area. Beijing, on the other hand, has taken a neutral stance on the issue up to now, although India has simultaneously sought to join CPEC and settled the conflict in Kashmir via talks with Pakistan. Prior to it, Beijing could not ignore the requests of Chinese businesses to safeguard their foreign investments, even though "China has always adhered to the principle of non-interference in the internal affairs of other countries." Considering the significant investments China has made in nations along the One belt one road China now has a stake in assisting in the resolution of regional disputes, such as the Indian-Pakistani struggle over Kashmir.⁹

⁸ F Hussain, MI Khan, S Hussain, S Nawaz, Chinese Political Science Review, 2019•Springer CPEC- An Economic Engine for Peace and its Impact on Kashmir Disagreement

⁹ M Hussain, AB Jamali Geo-political dynamics of the China–Pakistan economic corridor: a new great game in South Asia

Gilgit-Baltistan, a historically distinct political entity near the disputed region of Jammu and Kashmir, is located at the junction of China, Central and South Asia, and Afghanistan. Ideally situated for trade and commerce, its geography also makes it vulnerable to spillover of conflicts from active militant movements in surrounding areas but the main bone of contention is between India and Pakistan. The State of Jammu and Kashmir is situated in a triangle formed by nuclear power states, possessing a complicated and strategically important geographic position.¹⁰ It is regarded as disabled, both militarily and economically; with its location at the convergence of the South Asian gateway, China, and Central Asia. It is notable as it is connected to Central Asia by the well-known Silk Road routes that cross the area. China has done a lot of investment in Gilgit Baltistan under CPEC project. Overall the condition of infrastructure was not better enough. But the extensive road networks, including upgradation of Karakorum highway boosted the connectivity. Different energy projects in shape of Diamer-Basha and Bunji dams, aim to address energy shortages of Gilgit Baltistan. China has also brought the project of special economic zones under CPEC.¹¹ The region of Gilgit Baltistan also serves strategic importance for China and Pakistan because it links China Xinjiang province to Gwadar port of Pakistan which have a vast trade capability. These investments aim to boost economic growth but drive geopolitical concerns with India.

Chinese stance on Kashmir conflict

Kashmir issue has a long history when it started back in 1948 China at that time was not an independent country. But despite this China always had concerns on Kashmir issue. The main reason China is concerned over Kashmir issue is the geographical proximity of Kashmir to China as an international and regional power and China also has occupied some regions of the disputed territory such as Aksai Chin [territory ceded by Pakistan to China in 1963]. China's stance fluctuates through different periods of time and can be divided into three major phases.¹²

The first phase is also called as era of neutrality. From 1950 to 1960 China was neutral on Kashmir issue and had kept no interest in it at all there were different reasons of China's neutrality such that China was badly struck by civil war. China's infrastructure was badly damaged in that war which was fought between communist forces of Mao Zedong and Nationalist forces of Chiang Kai-shek. Alongside it there was a friendly relation between China and India in those times. China at that time was involved in Korean war against US and its allies. The second phase is also called the support for self-determination. China's stance ultimately changes when in 1962 Sino-Indian war on Aksai Chin took place. India was claiming the area because they consider it the part of the territory of Ladakh which India's believe was part of them. The war started with skirmishes but ends with unilateral decision of ceasefire with Beijing. In these times China came in the support of Kashmiris and raised their voice for the support of their self-determination of Kashmiris. From the seventies onward China's stance on Kashmir issues changed again and this time China was in favor of resolving the issue by bilateral means. There were different causes but the main cause was Shimla agreement in 1972 and Lahore declaration in 1999 in which both India and Pakistan agreed to resolve the issue by bilateral means and would not involve any other party in the

¹⁰ Nasri, Mairaj ul Hamid. "US Post 9/11 Objectives and Policy in Afghanistan: A Tale of Persistent Failures." In *The Uncertain Future of Afghanistan: Terrorism, Reconstruction, and Great-Power Rivalry*, pp. 81-99. Singapore: Springer Nature Singapore, 2024.

¹¹ Summar Iqbal Babar* & Najeeb Alam* CPEC AND GILGIT-BALTISTAN: A SOCIO-ECONOMIC PERSPECTIVE

¹² Ibid.

issue.¹³ Thus China which became all weather friend of Pakistan also took the stance to resolve the issue by bilateral means.

CPEC as Regional Stabilizer and Future Prospect

The relationship between Pakistan and India as well as the war in Kashmir would be influenced by CPEC. Geographically speaking, the CPEC project is situated next to the Jammu and Kashmir valley. In order for China, Pakistan, and India to benefit from the China-Pakistan Economic Corridor (CPEC), they will need to put geo-economics aside. A peacemaker who may mediate the Kashmir problem and other ongoing disputes between Pakistan and India. The geographical location of Azad Jammu and Kashmir would be transformed by CPEC into an asset to be a driver of the economy that promotes regional peace. The technological and socioeconomic cooperation of mutual interests between the hostile nations across the border can serve as the foundation for conflicts and wars, and it can be fostered if accompanied by associated sectors of the political, military, and civilian elites. The general public concurs that trade aid may provide noticeable advantages both inside and beyond regional borders. China's conflict resolution paradigm considers "low-politics" as one of the most thorough methods for managing conflicts and fostering relationships amongst people.¹⁴ The ongoing participation in business transactions, interpersonal communication, environmental protection, and food drives to create a setting that is favorable for the start of serious conversations using a positive attitude to the concerns of high-level politics. Through the cultivation of a methodically upgraded and needs-centered partnership for commerce and industrial development as well as socio-economic progress based on connectivity, CPEC recognizes the unique regional and global inevitabilities of politics. In order to move away from zero-sum approaches to regional disputes and help Pakistan and India resolve their Kashmir issue, the China-Pakistan Economic Corridor (CPEC) can encourage economic cooperation and interdependence in the area. The settlement of the Kashmir issue and China's economic cooperation via the China-Pakistan Economic Corridor (CPEC) are critical to the emerging dynamics of South Asia and have the potential to destabilize the environment of regional peace and security. China places a strong emphasis on finding a peaceful settlement to the Kashmir dispute because of its ties to India, Pakistan, and the Azad Kashmir area.¹⁵

Conclusion

The Kashmir dispute has been greatly impacted by the China-Pakistan Economic Corridor (CPEC), which has also changed the regional dynamics between China, Pakistan, and India. The China-Pakistan Economic Corridor (CPEC) has changed the balance of power, affecting military and diplomatic connections while strengthening Pakistan's economic and strategic capacities. Development initiatives in Gilgit-Baltistan, an area at the center of the territorial issue, exacerbate tensions and entice China to become involved as a stakeholder. China's position on Kashmir has changed over time, reflecting its wider geopolitical interests: it started out as neutral, then supported self-determination, and now it is in favor of bilateral resolution. By promoting economic cooperation and dependency, the integration of CPEC into Sino-Pakistani ties adds new dimensions to the conflict and may even serve as a stabilizer in the area. Projects in the corridor, such as energy and infrastructure development, not only strengthen

¹³ Nasri, Mairaj ul Hamid. "US Post 9/11 Objectives and Policy in Afghanistan: A Tale of Persistent Failures." In *The Uncertain Future of Afghanistan: Terrorism, Reconstruction, and Great-Power Rivalry*, pp. 81-99. Singapore: Springer Nature Singapore, 2024.

¹⁴ M Hussain, AB Jamali *Geo-political dynamics of the China-Pakistan economic corridor: a new great game in South Asia*

¹⁵ Ibid.

Pakistan's strategic position but also offer chances for stability and connection throughout the region. CPEC has the ability to change the geopolitical environment by fostering economic expansion and regional cooperation, providing a means of settling long-standing conflicts and advancing peace. To ensure a more peaceful and prosperous South Asia.