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## Strategic and socio economic importance of Gwadar and Chabahar port

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Gwadar and Chabahar are two opposing projects in the South Asia. They equally have socio-political and economic repercussion for Pakistan, India, Iran and Afghanistan. It can affect the relationship amongst these states. (Positively/Negatively). Further important thing is the relation between Pakistan and India. Since the inception both have been trying to put pressure on each other. The current study is an effort to know about the socioeconomic and strategic repercussion of Gwadar and Chabahar in this region. Gwadar is the third deep sea port of Pakistan which has a major role in buy and sells between CARs, UAE, Africa and Gulf states. Pak-China wants to establish highway and different railway tracks for the prosperity and great economy of Pak-China region in the global market. On the other side India, Iran and Afghanistan have started a port having same strategy of Gwadar named Chabahar port. This port is called rivalry port. As in the future there will be great relative challenges for States who have aggressive approach towards each other's. India, Iran and Afghanistan all have the similar kind of plan of railway highways from Chabahar port to Afghanistan and other countries which are land locked. Gwadar is very important for the financial health of Pakistan. Moreover, it will increase Pakistan's farming output. It is recommended that government of Pakistan should propagate at global level to project Gwadar.

**Keywords:** Gwadar, Chabahar, port, Pakistan, China

**Introduction**

The word Gwadar means in local language "The gate of air". At first it was the part of sultanate of Omania. Pakistan realized the need of Gwadar and buys it £3 million dollars. In the years of September 1958. Pakistan identifies Gwadar as a Port in 1964. In this regard the key step was taken by General Perez Musharraf in 2001 to develop the draft of the Gwadar Port suggestion. The Port growth scheme had commenced on 22 March 2002 with the first phase, which was finished in December 2005 with the support of China. (Anwar)



**Fig 1:** Gwadar port, route of trading

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**Map of Gwadar port**

After Karachi and Port Qasim the Port of Gwadar is 3rd deep sea Port in Pakistan. Gwadar's area is 1.52 million hectares square km. It is one of outstanding coastal area of the Pakistan. The coastline of Gwadar is about 600 km in area. In July 1977 Gwadar declare as a district and it's headquartering at Gwadar metropolis. In the past it was Makran district. Gwadar is

sited on the South West of Pakistan, on the Arabian Sea. It is tactically located between three increasingly more important regions: the oil-rich Middle East, heavily busy population South Asia and the cost-effectively talented and resource-laden region of Central Asia and Coastal belt with the different regions. ECO highway, Coastal road and others different projects of roads, railway line and other sectors will connect Gwadar free Port zone with Gulf States, Central Asian States and China (Gerard, 1994) [6]. Gwadar Port the living pictogram of Pak-Sino relations. physical location of Gwadar has a notable magnitude in the worldwide trade through Gwadar Port located in Pakistan province Baluchistan at the top of Arabian Sea about 460 KMW east of Karachi, the land of Baluchistan has 3 parts, northern Baluchistan, Western Baluchistan and Eastern Baluchistan and its spread over three nexuses that are Afghanistan, Iran and Pakistan. (Umbreen Javaid, 2015) [15]. {In 1992, Gwadar fishing port got completion. In that pace of time the Gwadar deep sea Port scheme started in June 2002 with the helping of China. In the period of two successive years its first phases had completed. (Alamgir, 2011) [19]. Baluchistan has not only vital due to its precious recourses and minerals but it is also important due to the building of Gwadar Port in Arabian Sea. Gwadar Port has the ability to bring unexpected prosperity in the regional affairs of Pakistan as well as China (Ismail, 2014) [7].

### Chabahar port

Chabahar port is one of the most valuable Iranian Port along the Makran coast. Further it proposals for Iran an easy right of access to the Indian Ocean. In history, it had attended as a marine entry way and the Portuguese and British government had banned Chabahar till 1616. Now a day's port Chabahar is reasonably new and was stated a town only about 40 years ago after which the developmental steps of port projects were start. During Iran-Iraq war in the 1980s Chabahar port had got its strategic importance, (Sakhuja, 2012) [16]. The sign of the Chabahar Port solid between India, Iran and Afghanistan is truthfully living up to its name, Chabahar which means four springs in Persian (Char-four and Bahar-springs). It has led to gifted of new expect of regional economic and political wealth, wellbeing, peace and greater friendship and cultural growth among the allies. The Chabahar Port in South Eastern Iran would open a gateway (Saleem, 2016) [17].



Fig 2: Chabahar port way to Indian Ocean sources: AIS live

### Map of Chabahar port

Chabahar is located in Sistan and Baluchistan province of Iran preceding the South-Eastern part of the Sea of Oman. Chabahar seaport is located at the distance of 72 kilometers from Pakistan's Port Gwadar (Baloch\*, 2009). Chabahar Port has 10 berths and handle 2.1million ton of cargo in 2015 and 8.5 is expecting in 2016. Port project is rising with the help of India and Afghanistan for the trade, commerce, business, transportation, oil and gas reservation purposes to Central Asian Republics (CARs) and Afghanistan. The accord of the Chabahar Port is in the physically powerful interest of the both countries but later on Afghanistan also take part in this agreement and the two-sided project become trilateral, because it is linked to Central Asian landlocked countries, which have rich in mineral, oil and gas resources (Tanoli, Comparative Analysis of Gwadar and Chabahar: 2016) [14].

### Socioeconomic & Strategic Comparison of Gwadar and Chabahar Port

Port Gwadar is the deep-sea Port of Pakistan positioned in the Baluchistan province (Pakistan). On the top of Arabian Sea, West of Karachi 460KM away, East of Pakistan's border with Iran about 75 KM and Strait of Hurmoz about 400KM. it was under the Government of Oman in 1783. On 8 December 1958 Gwadar authoritatively became the part of Pakistan. Gwadar was a small and immature fish harbor with a number of few thousands population. On 1 July 1977 Government of Pakistan declared Gwadar the part of Baluchistan province. In 1993, the Government planned to make Gwadar a major marketable city with a deep-sea Port and to bond it with the other parts of the country through the different ways of buildings of roads and railway networks. On 22nd March, 2002, with the help of field marshal General Pervez Musharraf government had started working on the structure of port Gwadar. The overall budget of Gwadar port schemes had been expected at \$2.2 billion. China invests \$12 billion in Gwadar plus in multiple projects, and Port construct inauguration was started in Pakistan's province Baluchistan at the top of Indian Ocean (Khan ZA. 2013) [9].

The Port of Chabahar is a scheme with unmentioned economic importance and strategic implication at present time period. It is placed on the Makran Coast off South East Iran, port Chabahar providing Iran shortest access to the Arabian Sea and Indian Ocean. It is near to India and Karachi than Port Bandar Abbas and other Port in Iran. The growth of the Port at Chabahar would reduce the Burdon force on port Bandar Abbas furthermore possibly responsibilities of carrying transport of Iran, Central Asian states and Afghanistan. According to India planning they want to build a 900 KM railway line track between Iran and Bamyan province of Afghanistan. Furthermore, port Chabahar unlike Bandar Abbas is situated away from the Straits of Hormuz enhances its implication. Where the Straits of Hormuz are close the trade/transportation and market able happenings goes-on at port Chabahar resolve continue unchanged. (John, 2013) [8]. The smallest amount dual ways in which port Chabahar can award with entrance to the Central Asian Republics.

1. Port Chabahar-Melak-Zaranj-Delaram-Mazar-e-Sharif-Termez (Uzbekistan)
2. Port Chabahar Mashad Sarakhs Askabad (Turkmenistan).
3. Chabahar-Bamyan province of Afghanistan

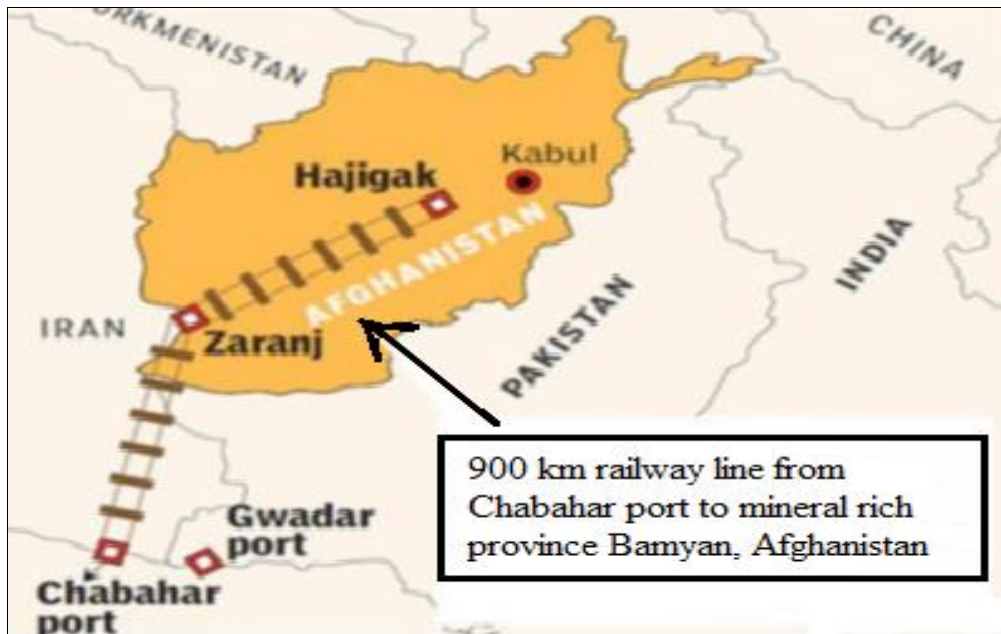


Fig 3: Railway line from Chabahar to Bamiyan Source:

In that background, the India External Administrator has empirically pragmatic; “The Iranians have also planned for developing the rail lines which will go from Chabahar not only towards the Afghan border but further to the Turkmen border through Mashhad. All these lift ups the number of

very interesting possibilities in terms of the rebuilding at the industrial developments in Afghanistan in which we have a very large stake”<sup>21</sup> Thus port Chabahar is tactically situated toward proposal better entrance to Central Asian republics (CAR). (Sakhuja, 2012) <sup>[16]</sup>.

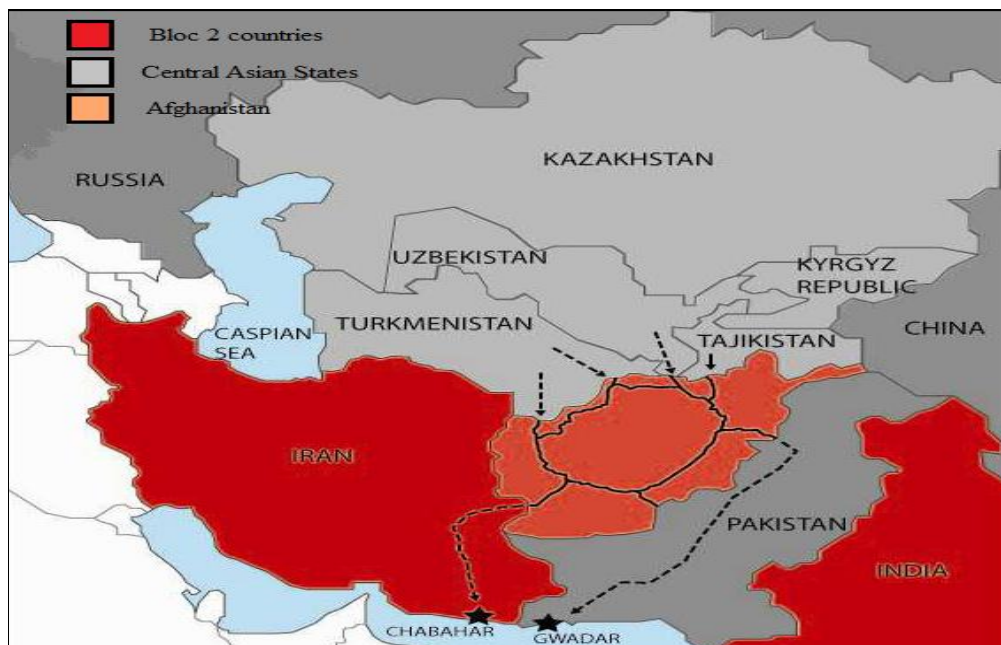


Fig 4: Location of "Bloc 2" countries and Chabahar Port (Source: Alexandra Miller)

**Gwadar Port’s Strategic importance**

The tactical location of Port Gwadar is positioned in the province of Pakistan Baluchistan sea coast, 72 km away from Iranian Port Chabahar and 320 km from Cape al-Had in Oman as well as its near to Strait of Hormuz. About 40% world tankers passes and it’s far away from Karachi about 460km (Anwar Z) <sup>[1]</sup>. The deep sea Port has great economic and strategic importance for Pakistan and China; want to connect Gwadar through road and rail link network. China has grand plans for Gwadar Port in future, they will strengthen the friendship and involved to try Gwadar Port hooked on an dynamism and conveyance center and want to

build an oil pipeline from Gwadar to Chinese province Xinjiang and will provide millions of jobs and create billion if dollars of revenues (Khan, 2013) <sup>[9, 10]</sup> Baluchistan is a land of global strategic importance due to the political problem of Baluchistan where the Baloch people are stressed for autonomy independence, good governance, and possibly even independence from Pakistan. There are great impacts of this great effort on the defense and security of not only Baluchistan but also the whole regions. The present Baloch insurgency has high lightened the geo strategic implication of this region to the regional and international players and Baluchistan has got the status of an ordinary

denominator to them. 'In fact there is no strategy of any of the country opposing for power and authority in the region could be call complete and practical if not it considers Baluchistan in its security and defense strategy. The contradictory attention of the Great Powers in the region-ranging from marginal to middle, come together in Baluchistan, in a means that they subject matter to political pressure of unreliable degree at a variety of points of time and breathing space and liberty. (Umbreen, Javaid, 2015) [21]. China's overpowering consider very important in the Indian Ocean remains the defense and security of its (SLOCs)Sea lines of communication crossways the Indian Ocean, mainly the trade and conveyance of energy. The Beijing is enthusiastically awake that its Sea lines of communication in the Indian Ocean remain extremely defenseless to insecurity and pressures from state and non-state actors, particularly from side to side. The 40% of China's unpolished lubricant ingresses shipment the Strait of Hormuz at the entry way of the Persian Gulf and about 82% of Chinese lubricant ingresses shipment the Malacca Strait in the course of South East Asia. Rendering to Chinese President Hu Jintao this most recent chokepoint represents China's 'Malacca Dilemma'. Chinas strategists are disturbed that a possible adversary may be tempt to prohibition Chinese trade through the Malacca Strait or in another place in the Indian Ocean as a bargain break off on the situation of a broader heated discussion. China presently absolutely admits the part of the US in provided that the marine protection and security in the Arabian Sea and Indian Ocean, it takes fairly dissimilar opinion of India tactical ambitions (Brewster, 2014) [5].

### Strategic importance of Chabahar Port

The strategic location of Iran providing a great opportunity to India in many sectors like transit facilities in region, trade, commerce, energy and countries who are concerns to Iran, India and Afghanistan as well as want to establish cordial relations and counter terrorism, and want to boost the regional sector, the energy sector, and trade sectors, all these want to stable it so for that India has policy to maintain friendly relationships with all the major countries in the region and also with Western countries; it can be an important factor in resolving the nuclear crisis between Tehran and the West. Same like that Iran is also one of the main groups of actors in the region and it's too much important for India strategically (Rizvi M, M, 2015) [18].

### Economics aspects of Gwadar Port

The yearly capacity of Gwadar cargo is 300-400 million tons. Gwadar is connected the world as a huge economy figuring \$20 trillion. The capacity of Gwadar is much more than Chabahar. (Tanoli, 2016) [14] Pakistan use Gwadar Port forenergy transportation and trade to Afghanistan, China and Central Asian republics. A rail line between Gwadar and Kashghar has been planned by both the countries for future benefits. Gwadar Port construction is the holy symbol for the financial system of Pakistan. Port Gwadar cans how a major character in Pak-China economy. The Chinese curiosity is to develop Kashghar and Gwadar Port as SEZ (special economic zone); Pak-China trade much needed FDI (foreign direct investments) from China as well as energy transit corridor, trade, transportation, infrastructure, economic development and employment opportunities (Khan,2013) [9, 10].



Fig 5: Gwadar container ship

Gwadar Port would develop agricultural output it donates 20.9% to Gross domestic products and financial records 43.5% of employ. The Pakistan Sea trade improved to 36.3% of the Gross Domestic Product and marine spreads stocks 10% to the nationwide revenue of highest 30 frugalities of world. The amount of ampules contract in domain's Ports greater than before fast speed of 9%. It is said that the scope of naval trade is the scope of nation's economy. Gwadar port has flow level of asset from \$ 26 billion to \$ 46 Billion. In 2000, Pakistan's twelve-monthly trade done through seaports were 42 million tons and nowadays uplifted to 78 million tons in 2015.Gwadar will produce amazingrevenue for Pakistan and will create inducements and advantage Pakistan economy in terms of FDI, transit revenue, trade improvement, infrastructural developments, employment opportunities, boost in foreign exchange reserves, new economic, strengthening economy-and-coming new industries and markets and wealthy the obtainable ones (Tanoli, 2016) [14].

### Chabahar port economics

India sees both political and economic repayment in developing the Chabahar Sea Port. On the monetary front, the Port will allow India to in a directly line strike into Afghan and Central Asian markets by circumventing the uneven balance of Pakistani land territory. Pakistan has deprived of India overland trading and business rights with Afghanistan through its land territory. (Rizvi B.a, 2015) [20]. by restricting the association of Indian goods to Afghanistan. The Afghan-Pak Trade and Transit accord allow Afghan trucks to take cargo loading to Pakistani Ports but the trucks are not allowed to Transport Indian goods via Pakistan to Afghanistan. Therefore, Chabahar' growth is expected to reduce expenses by almost a third and increase the likely business deal value of trade flanked by India, Afghanistan and Central Asia. (Saleem, 2016) [17]. India and Iran singed MOUE to complete the Chabahar Port. India invests \$ 500 on Chabahar Port to get entrée to Iran and landlocked countries and middleEast.85.21million allocated for the structure of a container and multi-use cargo terminal as well as India access to oil and gas preservers of Central Asian states and the state of Iran. Indian manufacturing subdivision donates 24.2% of Gross Domestic Products and energy resources by the particular sector in 35%. India has need Chabahar Port cheaply to govern Iran 1187.3trillion cubic base tanks and 157.8 billion barrel of lubricant assets,

it will development the economy of India and Iran in future. (Tanoli, Comparative Analysis of Gwadar and Chabahar: 2016) <sup>[14]</sup>. Chabahar a heart for Indian trade with Afghanistan and Central Asia outfight other route lines by means of Bandar Abbas and Pakistan. Delaram, in the Western Afghan province of Nimruz, is almost central form of Chabahar Port and Port Bandar Abbas, as Bandar Abbas is nearer to the Central Asian republics than Chabahar. In equally cases, Cahaba's contact to India more than offsets any recompense that already overfull Bandar Abbas may offer. The kindness of Pakistan for trade and transit sandwiched among Afghanistan, India and Central Asian states depends on position of the related terminus. For case in point, if the station (last stop) is based in South India, India's developed and services sector hub, and the Caspian region, the Pakistan way does not hold any advantage. Chabahar will also come out as the key bump in Iran's gas exports to India moreover in a straight line in the form of LNG or through pipeline via Pakistan or Oman. (Kumar, 2015) <sup>[12]</sup>. India had assured to construct a railway line from Chabahar to Zahedan at cost of \$400 million which would not only feed Indian Steel industrialization but also produce work opportunities in both nations. The Chabahar Port yearly cargo handling potential is 10-12million tons and Chabahar joins the world economy of \$8 trillion in PPP (purchasing power parity) (Tanoli, 2016) <sup>[14]</sup>.

Afghanistan and Central Asia through the West-Chawar international border between Afghanistan and Pakistan India remains critical of the agreement between China and Pakistan as CPEC traverses through an area in Pakistan Occupied Kashmir on which India lays its territorial claim and China has not bothered to consult India before inking the project and implementing it. Also, China and Pakistan were accomplice to human rights and security issues during the implementation of the project. The corridor became operational with the first convoy of trucks laden with Chinese goods traversing about 3000kms from Kashgar in China arriving at Gwadar, which was further seen off in a Chinese ship to West Asia and Africa. China has, under the CPEC project, handed over two ships equipped with state-of-the-art guns to Pakistan Navy to protect Gwadar port and also to protect sea lanes in the Arabian Sea. China has promised to provide two more ships to Pakistan for maritime security. Pakistan perceives the entire CPEC project to be a game changer. The \$46 billion investment by China is three times the total FDI it has got in the last decade. The project is likely to create some 700,000 jobs by 2030, and speed up GDP growth significantly. Investors would be backed by Chinese banks (especially Beijing based) and Pakistan will not pick up any more debt in the process. The bulk of the investment will be in Energy. By 2017, \$15.5 Billion worth of coal, wind, solar and hydro energy projects will come up and 10,400 megawatts (MW) to the national grid. In all, Pakistan expects to add 16000 MW by 2021 in order to reduce its power shortage a huge issue in Pakistan. The CPEC project also includes \$5.9 billion for road projects and \$3.7 billion for railway projects. A \$44 million optical fibre cable will also be laid between China and Pakistan.

## Conclusion

These two mega projects can play a discriminable role in strengthening the bilateral relationship of Pakistan, Iran and with neighboring Islamic states. Chabahar is highly

important from India's geo-economic perspective and it could be a possible passage of the Indo-Iran gas pipeline project. Iran has the second biggest natural gas treasury in the world with proven natural gas treasury of 1187 Tcf. Out of this; more than 60 per cent of Iran's natural gas reserves are located in the offshore fields. With the lifting of sanctions, India is balanced for deeper energy collaboration with Iran to meet its growing energy needs and is geared up to import around 400,000 barrels per day in 2016-2017.15 New Delhi is exploring several possible options for the extraction of gas from Iran. There are two possible routes: one is an overland gas pipeline and the other is an offshore gas pipeline. It is pertinent to mention here that the overland gas pipeline (Iran-Pakistan-India) called the IPI is now a past episode, almost left abandoned. The idea of the IPI gas pipeline, termed as the 'peace pipeline', was broached in 1993. The proposed gas pipeline, covering around 2275 kilometer's, would have started from the South Pars gas field of Iran in the Persian Gulf and after passing through the Khuzdar city of Pakistan, one of its branches would have reached Karachi and the other India by Multan.16 But Pakistan's obstinate approach largely marred the prospects of the IPI. Moreover, India had additionally true issues over the protection and protection of the gasoline pipeline given the nature of the latest spate of terrorism in Pakistan. In this circumstance, the handiest alternative lies in having an Iran-India offshore gas pipeline. It is being viewed that the underwater fuel pipeline, if it starts from the Chabahar port in Iran, could cowl round 684 miles across the mattress of the Arabian Sea to deliver fuel on the Gujarat coast.17 In this context, Chabahar would show immensely beneficial to fulfill India's growing energy needs bridging the gap in the call for-supply mechanism among India and Iran. In the larger geopolitical context, the Chabahar port deal isn't any doubt a strategic victory for India. However, Chabahar for India is handiest a small section of the larger strategic configuration. Similar to the Chinese String of Pearls, India does have a lager imaginative and prescient of port and maritime collaborations in as many as twenty-four places. However, India does no longer match with China in terms of actual time investment like US \$ 40 billion Silk Route Fund or the massive and multi-layout investments/assistance in the ASEAN location. What is going in favor of India, but, is that a strategic opportunity to China is slowly however visibly taking form inside the area and New Delhi for all sensible functions is not alone. This study argues that focusing issues and areas like Gwadar Port and Chabahar Port, MFN status to Iran and regional politics can help in emergence of good bilateral trade relations between Pakistan and Iran. Gwadar Port and Chabahar Port also reduce misunderstandings that some issues have polluted the environment of politics and economy of the region and remain one of the significant hurdles in the way of peace. It may be concluded that Gwadar Port and Chabahar Port can enhance change and will help to sell peace within the region. Thus the rival state of affairs can be friendly one. This take a look at conclusively indicates that Pakistan, China, Iran, Afghanistan and India shall consciousness monetary improvement extra than Security. The flow of change professionals relies upon on visa moderation, Businesspersons and Academia a number of the neighboring nations. It can be said that Strategic depths of both the Ports should be converted to Economic depths and it will promote greater trade opportunities. Pakistan, China, Iran,

Afghanistan and India shall exploit the sources and resources of the Arabian Sea and the trade benefits with Central Asian states peacefully.

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