



WEBINAR NOTE

China Pakistan Economic Corridor and Central Asia: Evolving Connectivity

Over a period of about 500 years, from 750 A.D. to 1250 A.D., Central Asia produced some of the world's finest minds and its workshops produced exquisite goods that were recognized and traded across Europe and Asia.

During this period, Central Asia benefitted from being at the center of the Silk Road connecting East Asia to the Middle East and Europe. But by the 18th century, Central Asia had ceased to be the "center of Asia" and was no longer astride major trade routes, as trade between Asia and Europe moved to use sea routes.

Worse, during the "Great Game," the Russian and British Empires agreed on a "buffer" along the northern border of Afghanistan further denying Central Asia linkages with the West and South Asia.

With the end of the Soviet Union in 1991, the artificial divide across Central Asia ended. With the rapid growth of the Chinese and South Asian economies, Central Asia now lies between Asian and European markets that account for two-thirds of the global population, two-thirds of world GDP, and more than two-thirds of global trade.

As the so-called 'Asian Century' unfolds, Central Asian countries are increasingly directing their foreign relations eastward. Meanwhile, Asian states are equally turning to Central Asia in their search for energy resources and new markets.

This dual dynamic is giving rise to closer and deeper ties in three key areas.

1. Infrastructures. Various Asian powers have adopted Silk Road policies that see Central Asia as a fundamental transit route for their long-haul connectivity projects.
2. Trade. Central Asia's exchanges with other Asian countries have been growing steadily since the 1990s, in some cases even coming to rival, in comparative terms, exchanges with the West.
3. Multilateralism. Central Asia is increasingly enmeshed in a web of overlapping institutions, coexisting with the region's Western institutional arrangements.

There are a number of connectivity projects competing in Central Asia. Among them, the International North–South Transport Corridor (INSTC) is a 7,200-km-long multi-

mode network of ship, rail, and road route for moving freight between South Asia, Iran, Afghanistan, Russia, Central Asia and Europe. Iran and India have their own versions of transport corridors for inter-region and intra-regional connectivity.

The Iran-China strategic partnership agreement, which surfaced recently, is aligned to the Belt and Road Initiative (BRI). It envisages, among other projects, the upgrading of Iran's transport infrastructure beginning with the 2,300-kilometre road that will link Tehran with Urumqi in China's Xinjiang province. This will be dovetailed with the Urumqi- Gwadar link developed under the China Pakistan Economic Corridor (CPEC) under the "New Silk Road". The road link when completed would have an ambitious plan to provide connectivity with Kazakhstan, Kyrgyzstan, Uzbekistan and Turkmenistan and thereafter via Turkey into Europe.

The China Pakistan Economic Corridor is indeed the project of the future, with a number of countries of South Asia and Central Asia gravitating to it. The expression on intent has been phenomenal. During coming years, all routes for access to and from markets of China, and projects like TAPI and CASA are likely to need a ride through.

This 2700 kilometers long road and economic belt is a flagship of China's One Belt One Road initiative. Originating at Gwadar port on the Western flank of Pakistan and strategically situated on the Arabian Sea, it links China's Western region at Kashgar.

It crosses the Historical Grand Trunk Road, built by the Muslim Ruler of India, Sher Shah Suri at several locations providing the linkages to the famous Khyber Pass on the Hindu Kush mountains range of Afghanistan.

The CPEC has fascinated a number of countries from the South-West and Central Asia and beyond. This connectivity venture is a potential game changer for the region as it would be, when fully developed, a catalyst for economic activity and integration amongst Central Asia, South Asia, Middle East, North Africa and Europe. It would benefit around three billion people of the region.

The Central Asian countries, which share history, culture and ancestry with the region, have always looked to access regional markets, including Pakistan, China and the countries of West Asia. The CPEC serves as a strategic opportunity to knit all the countries.

The CPEC connectivity will help in three main sectors, which are foundational for regional economic growth: trade, energy, and tourism.

Both South Asia and Central Asia have some intra-regional issues. Nevertheless, the short land route for connecting the two regions passes through Afghanistan, often included in both regions. It is envisioned that the Doha Agreement between the United States and the Taliban will end the 18 years' war and allow Afghanistan to serve as a conduit for access to Central Asia and eventually join the CPEC. Further, the CPEC infrastructure will benefit Afghanistan in its Transit Trade arrangement with Pakistan as was demonstrated early this year when a large cargo of fertilizer was received and transported from the Gwadar port.

Apart from Gwadar, the other port is Chabahar that is located next to the Gulf of Oman and at the mouth of Strait of Hormuz. Situated at mere 70 km from each other, Gwadar and Chabahar complement each other and provide dual nodal access to Central Asia.

While it is Gwadar focused, the CPEC can provide alternative land route to enter Central Asia, in addition to the Afghanistan corridor, from Khunjab via Tajikistan and from Urumqi as envisaged under the proposed China-Iran strategic agreement.

Considering this, the Lahore Center for Peace Research has organized a Webinar to open the discourse to study and examine the enablers and inhibitors to connectivity between Central and South Asia and draw qualitative conclusions with regard to extent and limits of its connectivity and integration viability. The Webinar has the twofold objectives:

- To analyze the political and geostrategic perspective of South Asia and Central Asia connectivity using the CPEC infrastructures.
- To examine the physical and economic viability of the proposal.

The people of South Asia and Central Asia romanticize with the concept of integration and draw their inspiration from various historic narratives. The two sub regions enjoyed good connectivity until the beginning of the Great Game characterized by Anglo-Russian rivalry during the 19th and 20th centuries.

The purpose is to draw them closer in the interest of peace and prosperity.

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