



The Role of China's Belt and Road Initiative in Promoting Regional Peace and Security China – Pakistan Economic Corridor (CPEC) Issue

Muhammad Akmal Aziz, Ahmad Naufaldi

Darussalam Gontor University

Email: muhammadakmalaziz88@student.hi.unida.gontor.ac.id

ABSTRACT

This study investigates the extent to which the China-Pakistan Economic Corridor (CPEC) project can strengthen peace and security in the South Asian region, referring to Barry Buzan's concept of economic security which assumes that to achieve national security requires a stable and prosperous economy to be able to generate resources needed for defense, infrastructure development, and social welfare. CPEC, as part of China's Belt and Road Initiative, aims to improve connectivity between the two countries through the construction of various infrastructure such as roads, railways, and ports. The methodology used is descriptive qualitative research with an in-depth analysis of the literature related to CPEC and BRI, including economic security theory. Although this project promises economic growth and poverty alleviation, its implementation is not free from various obstacles, including the risk of high debt, excessive economic dependence, potential corruption, and negative impacts on the environment and local communities. At the end of this study emphasizes that collaboration between the governments of Pakistan, China, and international institutions is needed to improve transparency, governance, and sustainable investment, in order to realize stability and prosperity in the region.

Keywords : *China-Pakistan Economic Corridor (CPEC), Economic Security, Belt and Road Initiative (BRI), Peace, connectivity, Regional Security.*

INTRODUCTION

Belt and Road Initiative (BRI), which was launched by President Xi Jinping in 2013, is the main project to promote regional peace and security through economic cooperation and development. This project is a massive infrastructure Development project that aims to revive the ancient silk route that connected Central Asia, Europe and the rest of Asia through a network of roads, railways, ports and sea routes. With an estimated investment of more than 1 trillion USD, BRI has the potential to change the regional economic landscape, driving economic growth, creating jobs and reducing poverty (Korwa, 2019).

One of China's priority zones regarding this project is South Asia. Due to its strategic geographical location, it is at the crossing point of China's proposed Silk Road Economic Belt. China's Belt and Road Initiative in Asia has four sub-projects, namely: China-



Pakistan Economic Corridor (CPEC), Bangladesh-China-India-Myanmar Economic Corridor (BCIM), Trans-Himalayan Corridor and China's Cooperation with Bangladesh, Sri Lanka and the Maldives (Singh, 2019).

The country that is the biggest part of this Chinese project is Pakistan. This can be seen from the comparison of BRI budget allocations in each country. China is willing to spend large amounts of money to build giant projects which have become known as the China-Pakistan Economic Corridor (CPEC). The BRI sub-project is a series of giant infrastructure developments in Pakistan which include road construction, energy production, storage facilities, ports, transportation and various other elements.

METHODS

This study uses descriptive qualitative methods to examine the role of China's Belt and Road Initiative in promoting regional peace and security: a case study of the China-Pakistan Economic Corridor (CPEC). The qualitative method is a descriptive research study method in accordance with the empirical reality of phenomena. This method uses an approach that includes in-depth analysis of various existing literature sources regarding the Belt and Road Initiative (BRI), China-Pakistan Economic Corridor (CPEC). The data collection techniques used use library research and internet based research, whether sourced from books, scientific articles, the web, news and so on as sources of information related to the Belt and Road Initiative issue.

In this article the author uses economic security theory from the concept of human security which was coined by Barry Buzan, Waever, and de Wilde, emphasizing that to achieve national security a country requires a stable and prosperous economy, because a strong economy produces the resources needed for defense, Infrastructure development, and social welfare programs. In recent years, China has become an important actor in the global economy of the Belt and Road Initiative (BRI), which is said to be a flagship project to promote regional peace and security through economic cooperation and development.

RESULTS AND DISCUSSION

Establishment of the China-Pakistan Economic Corridor (CPEC)

The rise of China has been a factor in the success of many other Asian countries, especially in the South Asia region, in the last few years in developing their countries (Monaghan, 2017). China's economy is immersed in international trade, and sees South Asia as one of the promising market prospects for the country. South Asia is recognized as a region that will be integrated in the world, so an important step taken is to build an economic corridor connected to this region. China is one of the countries that has an interest in expanding its economic power by integrating China's territory, especially with Pakistan. The China-Pakistan economic corridor connecting Kashgar in China's Xinjiang Province with Gwadar Port was proposed by Chinese Premier Li Keqiang.



On In 2015, China and Pakistan finally agreed on bilateral cooperation in the China-Pakistan Economic Corridor (CPEC). Which is the development of cooperation between the two countries. This project is the beginning of building connectivity between the two countries through a network of toll roads, railways, and oil and gas pipelines connecting China's autonomous region, Kashgar, and Gwadar Port, Pakistan. CPEC is a gateway to great economic opportunities for Pakistan and connects China to markets in Asia, Europe and other regions.

Infrastructure Development and Regional Connectivity

The South Asian region is often described as an area characterized by various challenges, including political chaos, obstacles to economic development, and disputes between countries. In 1950, plans began to build a corridor stretching from the Chinese border to Pakistani ports on the Arabian Sea, this also motivated the construction of the Karakoram Highway which began in 1959 (Ispahani, 1989). This has increased connectivity between China and Pakistan, and regional connectivity. In 1998, Chinese interest in Gwadar Port was revived and in 2002 Construction of this Port began and was completed in 2006.

In its implementation, CPEC oversees three stages consisting of: short-term, part-time and long-term projects which are expected to be completed in 2017, 2025, 2030. These projects consist of energy, transportation networks/infrastructure, and economic zones within Pakistan (Shah, 2015). This investment falls under China's OBOR section which includes the Silk Road Economic Belt and the 21st Century Maritime Silk Road. The aim of this investment is to improve Pakistan's transportation infrastructure and power generation capacity. The cities connected by CPEC are quite strategic, such as Kashgar in Xinjiang Province, China to Gwadar Port in Balochistan Province, Pakistan. This route allows the delivery of goods or services between China-Pakistan and provides access for China to the Middle East because Gwadar Port is close to the Arabian Sea and reduces dependence on the Strait of Malacca, and reduces the risk of conflict with neighboring countries.

Investment in Pakistan's transport network is the second largest component of CPEC as improving infrastructure also creates job opportunities for economic cooperation. Funds provided specifically to improve this infrastructure include road and rail networks amounting to US\$11 billion or around 24 percent of the proposed US\$46 billion. The construction of a 1,100 km highway connecting the coastal city of Karachi, Sindh with Lahore, Punjab is expected to facilitate economic growth and internal connectivity. The CPEC infrastructure development project is expected to make the transfer of goods between Pakistan, China and other regions in the region more efficient.

As part of OBOR, CPEC is of great importance for the promotion of regional connectivity on the Eurasian continent. The establishment of Special Economic Zones (KEK) is an effort to promote regional connectivity aimed at facilitating industrial growth in



significant strategic locations in Pakistan. An example of this facility is the Gwadar Port in Balochistan, whose geographical proximity to the Arabian Sea allows China to gain access to the Middle East. Market-oriented policies and government measures that facilitate trade will complement the establishment of SEZs under the corridor. Planned policies for implementation The involvement of the National Development and Reform Commission, China's best economic planner, in discussions to transform Gwadar into a market-oriented growth center again highlights the importance China places on CPEC on the economic aspect.

Gwadar itself will function as the main transit and transshipment port for China's trade with the Middle East and Africa. This is also what attracts a lot of direct investment from Arab countries, such as oil and petrochemical investment zones which attract investment from oil exporting countries which in the future produce refined oil products for the Pakistani and Chinese markets. The UAE itself plans to establish an oil refinery worth 5-6 billion USD and Saudi Arabia has even signed an agreement to establish an oil refinery worth 10 billion USD in Gwadar.

Economic Growth through the Belt and Road Initiative in Pakistan

China, in an effort to achieve regional hegemony, is trying to maximize its economic power by formulating strategic policies in Pakistan. This is because military, political and other power will be maximized if it is driven by a good or strong economy. It can be concluded that with the support of economic prosperity we can have power and fulfill other strengths. CPEC itself has driven economic growth in Pakistan, with growth from 3.7% in 2013 to 5.5% in 2018. This has led to increased economic interdependence between China and Pakistan, as well as collaboration in several sectors, such as energy, agriculture, and manufacturing, thereby reducing the risk of conflict and creating new jobs and increasing Pakistan's exports.

Energy is one of the economic factors under BRI that has the greatest and greatest influence on China's interests in Pakistan. Previously, China's energy imports came from the Middle East and Sub-Saharan Islands. However, due to several problems such as the unstable political situation in the two regions and maritime routes which were targets for piracy, China had to think of other ways to avoid dependence on these two regions. Therefore, the BRI project itself provides an alternative for China if there is a cut off in supply from its old partners in the Middle East or Africa (Brugier, 2014).

The proposed funds for developing energy resources are 33 billion US dollars or around 75 percent of the investment worth 46 billion US dollars. Includes electricity and natural gas generation through natural resources such as coal(Malik, 2015). There are also funds dedicated to the construction of a pipeline network amounting to 2.5 billion US dollars to transport liquefied natural gas (LNG) from Iran to the cities of Nawabshah (Sindh) and Gwadar (Balochistan). Decades of war and strife left Pakistan with a serious shortfall in power generation capacity and a 2-2.5 percent shortfall in GDP growth.



Pakistan's situation, which is rich in energy resources, is certainly attractive to large industrial countries like China. In 2020, China's industrial export results reported by CEIC data (2021) amounted to 281.9 million USD. The sustainability of industries like this must continue to run optimally in order to maintain economic stability. The availability of sufficient energy is needed to run an industry. As the largest manufacturing industrial country in the world (Ritcher, 2021), energy needs are increasing in China along with rapid economic growth, so that this country has become the second highest energy consumer in the world. In fact, it is a crucial issue today. One of the factors in establishing this collaboration is also the problem of energy imports with the Middle East and Africa (Simosir & Pahlawan, 2017). China is using the opportunity from the Belt and Road Initiative Project to export energy resources in Pakistan.

The connection between China and the Middle East through Pakistan provides a safer and faster way to distribute resources from the Middle East to China and merchandise from China to the Middle East and Europe. China's pipeline network through Pakistan is a new route for energy imports from the Middle East without passing through the Strait of Malacca and the South China Sea. This can also shorten the distance and travel time compared to the old route through the Strait of Malacca. Because the Strait of Malacca has weaknesses such as bad weather and high waves, this causes shipping to be delayed. This is why these imports cannot last long.

The implementation of BRI in Pakistan requires enormous funds to realize its projects. But, basically it was planned by China to carry out expansion which in the end would gain greater profits than what was sacrificed initially. This policy is a manifestation of China's economic power which is used for investment, providing economic assistance, and even deliberately lending money to developing countries like Pakistan at high interest rates to gain more profits.

Economic Security as a Component of Regional Security

Economic security initiated by Barry Buzan is an important component of regional security. He believes that economic security is very important for the sustainability and prosperity of a country, and this is related to regional security. The security paradigm itself has experienced a shift from initially only focusing on the state and its boundaries to using military force as a strategy to maintain state stability, then expanding to individual actors and involving aspects of the economy, health, education and political freedom. This happens because of the failure of traditional security concepts which are considered unable to provide guarantees to the people of a country. This was the beginning of the change in direction from the state to the individual and an indicator of threats not only to the military but also non-military (Chotimah, Sande, & Yusvarini).

In CPEC itself, economic security is obtained from infrastructure development, promotion of trade and investment, and increased regional connectivity. This enhances Pakistan's economic security which ultimately contributes to regional security. Pakistan's increased access to Chinese capital and reduced dependence on Western



financial institutions, as well as increased trade between the two are the results of CPEC which can then promote economic growth and reduce trade risks.

Using Barry Buzan's analytical framework, we can analyze the impact of CPEC on Pakistan's economic security in various sectors. From the energy sector, CPEC has met Pakistan's energy supply needs and increased Pakistan's energy security and reduced dependence on imported energy needs. If seen from the infrastructure sector, CPEC's development of roads, railways and ports increases connectivity and reduces transportation costs. It could be said that overall, CPEC has had a positive impact on Pakistan's economic security, contributing to regional stability and security(Lakhani, 2017)

Challenges to Economic Security

The China-Pakistan Economic Corridor (CPEC) project has great potential to encourage economic growth in Pakistan, but to achieve this, CPEC faces several significant challenges that threaten its economic stability. The main challenges in this project include large debts to China, very high economic dependence on one partner, and the potential threat of corruption. In addition, high geopolitical risks due to regional tensions and changes in the global geopolitical landscape also add to the complexity of the situation.

The negative environmental impacts of this project as well as potential social conflicts that may arise must also be considered. To meet these challenges, cooperation between the governments of Pakistan, China and international institutions is needed to increase transparency, strengthen governance and encourage sustainable investment. The success of CPEC depends not only on the size of the infrastructure projects built, but also on Pakistan's ability to manage risks and ensure that project benefits can be felt by all levels of society.(Marta, 2022)

CONCLUSION

The China-Pakistan Economic Corridor (CPEC) is an important initiative with great potential to boost economic growth and reduce poverty in Pakistan. The project plays a strategic role in enhancing regional connectivity and facilitating economic integration under China's Belt and Road Initiative (BRI). However, the project also faces significant challenges. Among the main challenges identified are Pakistan's high debt to China, high economic dependence on one economic partner, possible corruption due to poor transparency and governance, negative impact on the environment and potential social conflict if Pakistan benefits from the project. are not openly perceived in the same way by society.

Addressing these challenges requires collaborative efforts from the governments of Pakistan, China, and international organizations to increase transparency, strengthen governance, and encourage sustainable investment. According to economic security



theory, the success of CPEC is highly dependent on Pakistan's ability to manage emerging economic risks and ensure that the project can improve economic stability and general societal welfare. Therefore, the success of CPEC depends not only on large-scale infrastructure development but also on effective and comprehensive strategies to address economic, social and environmental challenges. Overall, CPEC has the potential to make a significant contribution to regional stability and prosperity, provided that current challenges can be overcome with the right approach, in accordance with the principles of international economic security.

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