

Geostrategic Importance of Gwadar and Chabahar: A Comparative Study

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Abstract

The neighboring Gwadar and Chabahar warm-water ports are located on the Makoran Coast of Pakistani Province of Balochistan and Iranian Province of Sistan-Baluchestan respectively. Owing to their strategic location at the mouth of the Strait of Hormuz where an estimated 17-18 million barrels of crude oil passes daily, their commercially vital sea ports and the presence of India and China (two strategic-cum-economic regional competitors), it is extremely vital to undertake a scientific but comparative study the two strategic port cities of the Indian Ocean. At the mouth of the mouth of the Strait of Hormuz, Persian Gulf meets the Arabian Sea of the Indian Ocean. Since low-level insurgencies active in both provinces—ethno-nationalist insurgency in Balochistan and sectarian insurgency in Sistan-Baluchestan—it is therefore more pertinent to undertake an academic discourse to identify the strategic pros a and cons of this substantial region for the policy makers. The presence of the world’s fastest growing economies along with largest armies amid historic enmities has made this small strip of coastline as the jewel of the Indian Ocean’s crown. China has world’s largest armed forces followed by the USA and India. The existence of the US Fifth Fleet in the offshore waters of Bahrain in the Persian Gulf add more importance to this region

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where both Gwadar and Chabahar envisage to be the future gateways of the oil-rich but landlocked region of Central Asia besides the convergence and divergence of the national interests of many great powers. The geostrategic importance of the two neighboring port cities is constantly sending strategic waves across the regional waters and beyond. This important region straddled across Pakistan and Iran's frontier (Balochistan and Sistan-Baluchestan) bridges three sub-regions of Asia: South Asia, Central Asia and Southwest Asia. The implication of the geopolitical proximity of these neighboring sea ports is part of the academic as well as policy-making discourses of the major capitals around the world. The shifting dynamics of regional and extra-regional politics and enhanced sea trade have maximized the unique geopolitical and geostrategic significance of Iran's Chabahar Port and Pakistan's Gwadar Port.

Key Words: CPEC, North-South Transport Corridor, Geostrategic Importance, Insurgency, Sino-Indian Rivalry, Central Asian Gateway, India-Iran-Russia Strategic Triangle

Introduction:

Gwadar is the peninsular port city of Pakistan's largest but least populated province of Balochistan located in the southwest of the country near the Strait of Hormuz in the Arabian Sea. Similarly, Chabahar is the free port city of Iran's largest province of Sistan-Baluchestan located in the southernmost region on the coast of the Gulf of Oman at a distance of around 76 nautical miles from Gwadar. Both port cities have been declared as Free Trade and Industrial Zones by their respective governments. This geostrategic region encompassing Gwadar and Chabahar on the Makoran coastline and Gulf of Oman across Pakistan and Iran's international border on the northern lip of the Strait of Hormuz where 60% of the world's crude oil passes daily is the most suitable gateway to the hydrocarbon rich Central Asian region and highly industrialized

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Asia Pacific region. The strategic significance of the both port cities is highly demanding as their sea routes connected to the international oil trade centers and other vital shipping sea lanes connecting South Asia and Central Asia with the oil-rich Middle East. Likewise, this region provides uninterrupted and uninterruptable access to the Indian Ocean, world's third largest ocean with all-weather commercial activities where more than one hundred thousand ships navigate a year, accommodating 65-70% of global oil trade. Interestingly, the world's fastest growing economies with largest armed forces control these two strategic ports of the Arabian Sea. India has been financing and constructing Chabahar Port since 2003 a year later when the Chinese starting the construction of the Gwadar deep sea the Chinese Overseas Port Holding Company (COPHC) is in the command of the strategic and commercially lucrative Port of Gwadar under a lease agreement of 40 years. China has been eyeing for this port quite long since it imports 80% of its crude oil from Middle East through the lengthy, costly and insecure Indian Ocean.

The Chinese ships have to navigate around 13000 Km (6500 nautical miles) from the Persian Gulf to Chinese ports in the East China Sea and South China Sea including the Port of Shanghai which is world's busiest container port whereas the land distance between Gwadar and ethnically-diversed Xinjiang, Chinese northwestern and largest administrative region, is around 3000 kilometers. China has already signed multiple energy and infrastructure deal with Pakistan worth US\$46 billion known as China Pakistan Economic Corridor (CPEC) to link Gwadar Port to its backward northwestern region of Xinjiang through Indus Highway and mountainous Karakoram Highway, one of the highest international paved roads. Likewise, China would be able to save much of its containerized traffic costs given that half of the exports hail from its landlocked western region. Besides the economic

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opportunities, China could easily serve its strategic interests by holding the control of the Gwadar Port where the presence of the strategically-allied, India and USA (US Fifth Fleet in Bahrain) in the adjacent waters can outmaneuver its geostrategic interest.

Strategically located next to the narrow Strait of Hormuz, the Port of Chabahar holds tactical importance to India since it gives it direct access to the resource-rich Central Asian Republics (CARs) and war-torn Afghanistan, bypassing its sworn-enemy Pakistan, with which India enjoys historic relations bypassing Pakistan. Besides developing this strategic port in southeastern Iran, India is also involved in several developmental and infrastructure projects in Afghanistan to facilitate its long-running strategic and economic ambitions to reach beyond Afghanistan to circumvent its regional arch-rival Pakistan that has been courting the highly oil-rich Muslim republics on the basis of religious fraternity to expand its strategic depth besides having an access to world's 3% confirmed oil reserves and 7% natural gas deposits. It has been learned from different online sources that India would complete the construction work of Chabahar Port by December 2016 which has the ability to anchor cargo ships of 100,000 tons. Through this port, India is also interested to extend its trade to Europe through International North-South Transport Corridor (INSTC).

The INSTC is the Indian version of Silk Route to compete with the Chinese One Belt One Road Initiative. Since the fall of Taliban in Afghanistan, India has massively contributed in the nation and state building process of Afghanistan. India is Afghanistan's sixth largest aid donor and according to a conservative estimate, Afghanistan has received around US\$2 billion from India since 2001 including the building of the Afghan Parliament, Salma Dam in Herat and Zaranj-Delaram Highway. It connects the Afghan-Iranian border with Kandahar-Heart Highway in Delaram which ultimately gives India direct access to Central Asian region as from Zaranj this strategic highway connects to the Iranian border city of Zabol in Sistan-Baluchestan which is directly connected to the Port of Chabahar. This highway from Chabahar to Zabol and then from Zaranj to Delaram gives an alternative way to non-coastal Afghanistan to access Arabian Sea since it has solely relied on Afghanistan-Pakistan Transit Trade Agreement (APTTA)

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since 1965. Interestingly, the Chinese-initiated CPEC and the Indian-led INSTC pass through the heart of the historic Balch-majority provinces in Pakistan, Iran and Afghanistan. The ethnic Baloch are also in majority in Afghanistan's Nimruz Province, which has been derived from a Balochi word *numerous* that means half-day. The decades-old low-level insurgency in Pakistani Balochistan, sectarian war in Sistan-Baluchestan and Taliban-led low-level insurgency in Nimruz make it difficult if not impossible for the regional players to pursue all these strategic-cum-economic mega projects through this highly unpredictable region due to the presence of the conflicting interests of the regional and extra-regional powers that converge and diverge simultaneously. This research paper will take on an empirically based comparative study of the two port cities of this strategic region, Gwadar and Chabahar, to carve out the possibilities of cooperation and collaboration rather than competition and confrontation.

Geo-Strategic Importance of Gwadar:

Gwadar is a littoral district of Balochistan on Makoran coast that holds the peninsular port city on the northern lip of the Strait of the Hormuz where the Arabian Sea joins the oil-rich Persian Gulf. Gwadar is assumed to be derived from two Balochi words, *Gwát* (air) and *Dar* (door). The existence of an historic site called *Gwát-e-Dar* near a rainwater harvesting arable field on *Koh-e-Batil* verifies the genesis of the name to a great extent. Many historians believe that Gwadar was part of the Persian Empire (550-330BC) founded by Cyrus the Great. Historically, Gwadar has remained a pathway for the remarkable military and naval expeditions from Europe and Middle East towards the Indus Valley in India. Earlier than the invasion of the first-ever foreign invaders "Portuguese colonists" on the Makoran coast, the legendary Greek commander, Alexander the Great and Muslim conqueror of Sindh, Muhammad bin Qasim also made inroads to Gwadar. Muhammad bin Qasim moved to Sindh via Makoran coastal region while the Macedonian King Alexander the Great passed through this water-scarce barren coast during the

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homeward march from India. The maiden expedition of Portuguese voyager Vasco-DI-Gama from South African city of Cape Town to India, Goa opened the Indian Ocean for Western trade and military sailors followed by the Portuguese colonizers to reach the waters of Gwadar (Sabir Badalkhan, 2009). But they faced off stiff resistance from a warrior group of the daring Kalmati tribe near Gwadar under the military leadership of Mir Ismaile Kalmati, grandfather of the heroic Mir Hamal Kalmati (Aziz Faiz, 2013). A few centuries back, Gwadar was part of Mir Naseer Khan's Kalat Confederation until 1783 when it was gifted to Taimur Sultan, a disgruntled prince of the ruling dynasty of Muscat (Oman). Gwadar remained a fishing coastal enclave of Oman until 1958 when it was made part of West Pakistan's Balochistan region by paying around \$3 million to Muscat.

Located on the doorstep of the oil-rich Middle East, Gwadar is assumed to be the strategic heart for the energy jugular from the energy-laden Central Asia especially for the energy-starved countries. Neighboring Strait of Hormuz is the world's most significant chokepoint with an estimated oil flow of seventeen million barrels oil per day in 2013, accounting around 30 per cent of all seaborne-oil trade, whereas 85 percent of the crude oil to China, India, Japan and South Korea move through this bottleneck waterway (US Energy Information Administration, 2014). In the 1960s, Pakistan's government realized the importance of Gwadar and started brainstorming for the construction of a seaport but it could not materialize until 1991 when the first government of Nawaz Sharif decided to build a port in letter and in spirit (Azhar Ahmad, 2015). Due to political instability during the 1990s, no any self-styled democratic regime could turn its eyes towards this strategic pearl until 2001 when the military potentate General Pervez Musharraf tendered China Harbour Engineering Company (CHEC) to develop a deep sea port onshore Makoran coast.

Chinese assistance to develop Gwadar Port was a strategic move to sit astride the sea lines of communication starting off from the

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Hormuz Strait, which tick several boxes of the Chinese grand naval strategy, the String of Pearls (Dennis, Sanjay, 2015, pp.63-65). China paid 75% of the initial cost of US\$250 million for the construction of the port. The first phase completed in 2005 and inaugurated in 2007 remained dysfunctional due to the emergence of an armed conflict when the dynamics of regional politics changed after the tragic incident of 9/11 terrorist attacks and the US arrival in Afghanistan. In 2007 the Port of Singapore Authority (PSA) leased Gwadar Port for 40-years but due to its paltry performance, the control of the port was handed over to China Overseas Port Holding Company (COPHC), a state-owned firm of China, the all-weather strategic comrade of Pakistan which received prompt reaction from then Indian Defense Minister A. K. Antony that China has strategic interests in a string of Indian Ocean ports to encircle India (Aymen Ajaz).

Gwadar is strategically as well as economically important for China due to various reasons to expand its maritime and economic clout in the region. The Chinese maritime route from the Persian Gulf to the disputed South China Sea through the Strait of Malacca – located between Indonesia, Malaysia and Singapore and connects eastern Indian Ocean to South China Sea and the western Pacific Ocean – is around 12900 kilometers while Khunjerab mountain pass between Pakistan's Gilgit-Baltistan and Chinese Xinxiang region is only 3000 km away from Gwadar. After a hiatus of around 7 years, Gwadar Port seems to be simmering again after the ambitious initiative of the Chinese flagship project China-Pakistan Economic Corridor (CPEC) of US\$46 billion worth signed in April 2015 during an historic visit of the Chinese President Xi Jinping to Pakistan, which is the main jugular of the much talked-about Chinese One Belt One Road Initiative to revive its ancient commercial Silk Route (Zofeen T. Ebrahim, 2015). One Belt, One Road was unveiled by President Xi during his visits to Indonesia

and Kazakhstan in 2013 to create an economic land belt by reviving the original Silk Road throughout Central Asia, West Asia, Middle East and Europe, and a maritime road to connect Chinese port facilities in Indian Ocean and on African Coast. This Chinese long-term initiative includes a series of road networks, railway lines, energy pipelines funded by Asian Infrastructure Investment Bank (AIIB) and New Silk Road Fund (Scott, David, 2015).

According to World Economic Forum, the New Silk Road mega-project covers an area which is home to around 70 percent of the global population, 75 percent of the estimated energy reserves and 55 percent of world GDP. The game-changer CPEC is a joint, but Chinese-funded energy and infrastructure venture to connect China to the lucrative markets of Asia, Europe and beyond. The CPEC is a joint road-railway-pipeline project under the much talked-about the Chinese ambitious initiative of One Belt One Road to revive its old famous Silk Route to connect it to Central Asia, Middle East, Africa and Europe through maritime and territorial routes. Through the CPEC, energy-starved China will be able to reduce around one-third of its oil shipments which it imports from the Middle East through the Straits of Malacca.

During the last decade, China has massively industrialized its backward and neglected northwestern region, which is far from its seaport facilities in the South and East China Sea. The under-construction M-8 motorway connects the port city of Gwadar to the Kashgar via Turbat-Hoshap-Panjúr-Kuzdar to Indus Highway in eastern Pakistan while another route originating from Kuzdar-Quetta to Dera Ismail Khan in KPK is the western alignment of the CPEC. The M-8 motorway from Gwadar-Turbat to Hoshap zero pointed has been completed early this year. Besides providing the shortest route to the Chinese imports-exports, the CPEC gives an alternative to the conflict-prone maritime lanes of the Indian Ocean, South China Sea and East China Sea. China claims exclusive sovereignty over the oil-gas-rich South China Sea (11 billion barrels untapped oil and 190 trillion cubic feet of gas deposits) and East China Sea but faces competing claimants like Vietnam, Malaysia, Brunei, Taiwan, Indonesia, Japan and the Philippines (Richard, 2014). According to an estimate, around \$5 trillion ship-borne trade passes through the waters of the resource-rich South China Sea. By

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all accounts, Pakistan also intends to kill two birds with one stone with the Chinese presence in the region. On one side CPEC will be a blessing for its mostly unpaved and poor road infrastructure while on the other hand Pakistan could attempt for regional strategic rebalancing which is somehow in India's favor for the moment. The CPEC is also destined to boost up tourism in the mountainous region of Northern Pakistan, which is home to world's five highest summits including the world's second highest K2.

Tellingly, USA is not naïve to the Chinese strategic and economic maneuverings in this region. Among the Pakistani policy-making circles, academia and media it is widely believed that besides India, the USA is also cajoling regional insurgents against China to counter the Chinese strategic calculation in this highly important region. The decade-old insurgency in Pakistan's largest but least developed province of Balochistan, the US failure to annihilate the festering Taliban insurgency in Afghanistan, the mushrooming role of Shanghai Cooperation Organization (SCO), strategic pursuit for energy security, oil politics and the Chinese escalating influence in Gwadar and adjacent areas are creating too much strategic uneasiness among the regional and extra-regional actors including the USA that solemnly wants to contain the emerging Chinese-led-Russian-backed strategic triangle with Pakistan in South and Central Asia (Sayed, 2007). Woodrow Wilson Center's senior fellow, Michael Kugelman is of the opinion that US has planned its own Silk Route initiative which includes Turkey, Georgia, Azerbaijan, Turkmenistan, Uzbekistan, India and its Southeast Asian allies connecting to its main economic initiative in Asia-Pacific region, called Trans-Pacific Partnership (TPP).

Comparatively, China lacks vigorous maritime power and now it has realized the significance of the maritime power which is warranted for great power to be a superpower likewise the USA which controls the two largest oceans (Pacific and Atlantic) of the world with a strong military-cum-commercial presence in the Indian Ocean. Therefore, China has longtime intentions to invest in the maritime sector to comprehend its Indian Ocean naval doctrine by expanding it to the deep sea port of Gwadar. The Indian Ocean through which 80 percent of world's trade passes, is both

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strategically and commercially vital for both actors of the New Great Game as the well-known naval strategist, Alfred Mahan had said, “whosoever controls the Indian Ocean will dominate Asia”, and the promising global market is Asia and Asia Pacific regions. The US strategic coalition with the India is judged to be the most imperative element in Pakistan’s diplomatic maneuvering towards Sino-Russia bloc as India is austerely wary of the Chinese military maneuvering in the Indian Ocean especially its military bases in Seychelles and surroundings (Guardian, 22 March, 2012).

The complicated international politics and far-reaching politico-economic maneuvering in this region have pushed Pakistan into a precarious security dilemma. On one hand, Pakistan is fighting US-led war against terrorism as a non-NATO ally, but on the other hand, China is dragging Pakistan under the radar of its sphere of influence that also takes in Russia, against which Pakistan fought in the Cold War. The official visits of Russian Foreign Minister Sergey Lavrov in 2012 followed by Russian Defence Minister Sergei Shoigu in 2014 are substantial signals that Pakistan is struggling to branch out its foreign policy options vis-à-vis the unfolding security and economic dynamics of the region. Last year, Pakistan and Russia signed an agreement to construct \$2 billion worth of North-South gas pipeline from Karachi to Lahore besides inking a landmark defence deal to purchase 4 Mi-35 Russian helicopters (Dawn. Oct. 16, 2015).

Geo Strategic Importance of Chabahar:

Chabahar is a coastal county of Sistan-Baluchestan and the southeastern port-city of Iran on the Gulf of Oman which gives Iran the direct access to the Indian Ocean. Situated on the Makoran Coast, this strategic port has been declared as a Free Trade and Industrial Zone by Iran. The majority inhabitants of this port city speak Balochi and the word Chabahar has been derived from two Balochi word, *char and Bahar* (four spring) that mean all four seasons of the year are spring here. Back in the early 1970s, the Shah of Iran, Mohammad Reza Pahlavi intended to establish a modern maritime and air base to enhance the regional dominance of

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Iran, but owing to the Islamic Revolution of the late 1970s, this grand project was delayed until 2003 when India and Iran agreed to expand the port near Pakistan's border but it made little progress due to the US and European sanctions on Iran (Reuters, May 5, 2015). After the diplomatic resolution of the contested Iranian nuclear program in June last year and the huge Chinese investment in Pakistan, India has accelerated to wind up the construction work of the port sooner than later which evidently manifest the Indian strategic aspirations too. The nuclear-related economic sanctions on Iran has cost around US\$160 billion in oil revenue since 2012 alone, but the sanctions have been lifted after the successful nuclear deal between Iran and P5+1 (USA, Britain, Russia, China, France + Germany) in mid-2015 that allowed Iran to get its more than US\$100 billion frozen overseas (Kasra, 2016).

Indo-Iranian bilateral relations date back to 1990s when the two countries sought to expand their relationship in energy sector, commercial cooperation and infrastructure development. In 1993, Narasimha Rao was the first Indian premier to visit post-revolutionary Iran followed by President Ali Akbar Rafsanjani's visit to India in 1995. In 2001, Prime Minister Atal Bihari Vajpayee visited Tehran, which laid down the foundation of the Indo-Iranian Strategic Dialogue while in 2003, President Mohammad Khatami visited New Delhi, where an agreement on Chabahar Port was signed in addition to the Marine Oil Tanking Terminal and Chabahar-Fahranj-Bam railway track (C. Raja, 2003). India and Iran enjoy vibrant maritime relations since many joint naval exercises have been conducted in the Arabian Sea. India signed a Memorandum of Understanding (MoU) with Iran on May 6, 2015 to complete the construction of Chabahar Port by December this year by installing a multi-purpose cargo terminal and a container terminal. However, there is no any formal agreement yet between Iran and India. Since the diplomatic resolution of Iran's disputed nuclear program in June last year, negotiations on the Agreement on India-Iran-Afghanistan Trilateral Transit Corridor are under way to bypass Pakistan to connect South Asia with Central Asia (Economic Time, March 2, 2016). The Bangladesh-Bhutan-India-Nepal (BBIN) corridor signed in June 2015 is another shot in Delhi's arm for its

long-term plan to boost the sub-regional connectivity known as India's Act East policy (Hindustan Times, June 23, 2015).

There is a strategic as well as an economic reason behind the Indo-Iranian intimacy. Indian has strategic designs by constructing Chabahar Port to turn the strategic environment of the Indian Ocean in its favor for the purposing of befitting the paramount regional power, especially in the South Asian proximity and further seeks to be a global power (George, 2003-04, p. 129). On the other side India is the fastest growing economy along with China and world's sixth largest energy consumer and by 2020 it is prophesied to be the 4th largest consumer after the USA, China and Japan. Iran has world's third largest oil deposits estimated to be 132 billion barrels besides second largest proven gas reserves of 971 trillion cubic feet.

The ambitious North-South Trade Corridor seems to be a win-win situation for the both countries as India has remained instrumental for shouldering Iran's strangulated economy during its international isolation and unrelenting economic sanctions. Throughout the hard times, India has voiced diplomatic support to Iran and its Foreign Minister visited Iran in early 2007 when sanctions were imposed in December 2006 (T. P, 2007). During these blooming years of bilateral relations, the bilateral trade volume increased to US\$1.6 billion in 2004-2005 from US\$913 million in 2002-2003 (Sudha, 2005). Over the past two years, Indian exports to Iran have doubled to around US\$ 4 billion (Michael Kugelman, 2015). However, the Indo-Iranian ties reached to the lowest ebb after the USA offered a nuclear deal to stay away from Iran in 2006 as two Indian nuclear scientists, Y.S.R Prasad and C. Surendar (US imposed sanctions on them) had provided assistance to Iran's nuclear program. India also attempted to sell a 10-megawatt research reactor and a 220-megawatt nuclear power reactor to Iran in 1991 (Christina, 2007).

The International North-South Trade Corridor (INSTC) agreed between India, Iran and Russia is another milestone of the burgeoning Indian interests in Chabahar and its immediate proximity which was brainstormed in a trilateral meeting in Russian city of St. Petersburg in 2000 which was later on inked in 2002 allowing India to export its industrial goods to Central Asia and other former Soviet Republics of Eurasia. In the following years,

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work on North-South Trade Corridor slowed down due to nuclear-related sanctions on Iran. The INSTC multi-modal route which includes railways, roads and maritime routes connecting India with Iran, Central Asia, Russia and Europe via Chabahar Port. Currently 12 regional states are directly or indirectly part of it. The INSTC includes Kazakhstan-Turkmenistan-Iran railway link, Armenia-Iran Railway Concession and Azerbaijan Route. This project is mainly being financed by the Indian Export Import Bank. With a length of only 6,245 km it is shortest and easiest land-sea route from India to Europe as compared to 16,129 km long route through the Egyptian Suez Canal the Mediterranean Sea (Christina, 2007). India carries enduring intentions to connect Chabahar Port to its nearest Mandra Port in the Gulf of Kutch, some 550 nautical miles away, in Gujarat state which is the largest private-owned port of India.

India has already spent one hundred million dollar on 220 kilometer Zaranj-Delaram Highway, completed in 2009, which connects Afghanistan's Nimroz Province with Farah and Herat and with Iranian frontier city of Zabol. Afghanistan lacks railway system, but there is effective railway connectivity in Iran and CARs. India has also promised US\$100 million for laying a railway line linking Afghanistan to Central Asia. In May 2015, India and Iran agreed on an MoU worth around US\$200 million for the development of Chabahar Port. India is also eyeing investing some additional 85 million dollars to fully operationalize cargo-container facilities at port that cost India around US\$23 million per annum (S. Mudassir, 2015). This connects the Chabahar Port on Makoran Coast to the Afghanistan's Ring Road connecting major cities of 16 out of 34 Afghan provinces like Kabul, Kandahar, Farah, Herat, Ghazni and Mazar-i-Asharif clockwise. This infrastructure development project was agreed in a trilateral meeting in January 2003. The Indian-funded communication infrastructure enables Afghanistan to access to the Arabian Sea via Iran by circumventing Pakistan (Ruhollah, 2016). According to Michael Kugelman, South Asian expert at the prestigious Woodrow Wilson Center, Afghanistan would benefit the most from this trilateral project as it gets access to other Middle Eastern and European markets. It would be an economic bonanza for war-ravaged economy of Afghanistan.

The Iranian Chabahar port would be the effective gateway to the Middle East and possibly Europe for the Central Asian and Afghanistan's exports. Poor infrastructure and limited connectivity has retarded the growth of the Afghan's war economy. Currently its exports only \$570 million a year, while it imports \$7.6 billion. Afghanistan's Chief Executive Officer Dr. Abdullah Abdullah visited Iran in January 2016 to finalize the Chabahar Transit and Transport Agreement. Consequently, it will result in devaluation of Pakistan's centrality as the Central Asian gateway and the only sea access to the landlocked Afghanistan, which could increase the existing 700-800 million bilateral trade with Iran to 3 billion a year (Sitwat, 2015). In Iran's north, a six hundred km long highway is already operational that link Chabahar to Zahiden, Sistan-Baluchestan capital, and from Zahiden to Milak near Afghan border it connects to the Zaranj border cross. A railway line from Chabahar to Zahiden is already under construction where it joins the Iranian network to Central Asia (Ayaz, 2015). Currently Chabahar Port is handling some 2-3 million tons of cargos per year, but by 2020, the port is designed to have the capacity to handle 80-82 million tons of cargos each year. India has also signed a US\$233 million contract to supply railway tracks to Iran besides investing \$100 million in Iran's Farzad B gas field in 2008 (BBC, July 16, 2015).

India has considerable military and intelligence presence in Iran's coastal areas, especially the frontier regions along Pakistan. Indian consulates have been established in Zahiden and Bandar Abbas where India can easily conduct reconnaissance of the ship movements in the Persian Gulf and Gulf of Oman (Donald, 2004). This ultimately enhances the Indian strategic ability to monitor Pakistan and clandestinely bolsters the low-level insurgency in the neighboring Balochistan inside Pakistan's border besides countering Pakistan's strategic interests in Afghanistan since Chabahar is considered to be the econo-strategic competitor of Pakistan's Gwadar Port. Despite of the US and Israeli (one of Indian largest arms suppliers) continued diplomatic pressure, India has never severed its economic and strategic relations with Iran even after securing a civilian nuclear deal with the US.

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Comparative Study:

The Chabahar Port and Gwadar Port in Pak-Iran's Balochistan region reflects India and Chinese keen interests in building vibrant trade links with landlocked Afghanistan, Central Asia Republics and beyond. Many strategic experts see Chabahar Port to be more significant to India than Iran because India can strategically access Afghanistan, Central Asia, Eurasia, Russia, Turkey and up to Northern Europe in addition to digging its foothold at the mouth of the strategic Strait of Hormuz at a distance of 76 nautical miles from the Chinese-controlled Gwadar Port. The Indian Ocean has world's busiest waterways and chokepoints from Southeast Asia to East Africa like the Strait of Malacca, Strait of Hormuz, Bab al-Mandeb and Suez Canal, connecting Europe (Qamar, Asma, 2015, p. 73). Pakistan has remained profoundly skeptical about the Indian ballooning influence across its western border, which has theoretically been considered as part of Pakistan's so-called strategic depth by some of its cynical but powerful policy-makers and strategists. The Afghanistan-Pakistan Transit Trade Agreement (APTTA) which gives coastal access to Afghanistan is often mired with political and military skirmishes due to the historically conflicting relations between Afghanistan and Pakistan. Pakistan provided Afghanistan free access to its port until 1965 under the General Agreement on Trade and Tariffs (GATT), predecessor of the World Trade Organization (WTO), when APTTA was signed which allows Afghanistan to use Karachi Port and Port Qasim through two border crossings, Torkham (KPK) and Chaman (Balochistan). In 2011, Pakistan revised the APTTA, raising the transportation costs in the range of fifty thousand rupees to eighty thousand rupees for Afghanistan, which resulted into the decline of the bilateral trade activities between the two neighboring countries, shifting Afghanistan's attention towards the Iranian Chabahar Port.

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In 2010-11, the Pak-Afghan bilateral trade ratcheted up to US\$2.5 billion, with a positive balance of trade of \$2.164 billion in Pakistan's favor from US\$170 million in 2000-01 but it ratchet down to less than one billion US dollar during 2011-12 (Pildat, December 2011). In 2011-2012, the Afghan Transit Trade dropped by 54% due to a revised trade agreement, poor infrastructure, highway robberies, poor law and order situation, rampant corruption and extortion money especially from tribal leaders and Taliban fighters (Dawn, April 29, 2013). For 2013-14, the commercial trade between Pakistan and Afghanistan was estimated to be \$2.202 billion and non-commercial trade worth \$688 million, but despite of the thorny transit obstacles, Indo-Afghan trade stood at US\$680 million during 2013-14.

Apart from economic relations, India is also involved in the training of the Afghan armed forces under the Strategic Partnership Agreement signed in 2011 (M. Ashraf, 2015). According to US Congressional Report, India's ultimate goal in Afghanistan is to negate Pakistan's historic strategic depth and block its access to Central Asia (Dawn, Nov. 4, 2015). On the other hand the flow of the Afghan cargo containers en route Iranian port has increased to 80,000 in 2013-2014 from some 30,000 in 2008-09 (M. Ashraf, 2015). Afghanistan has been demanding trade access to India via Wagah border, but Pakistan is quite reluctant and intransigent to this Afghan demand owing to its chronic rivalry with India and its strategic interests in Afghanistan despite declaring de facto Most Favored Nation (MFN) to India.

Simultaneously, Pakistan refuses to allow India to access Afghanistan, therefore Iran ticks all the boxes for Indo-Afghan connectivity. The geopolitical ramifications of a fully-functional Chabahar Port are overwhelming. It allows world's fourth largest energy-consumer, India, to access Iran's over 150 billion barrels crude oil and more or less 1,187 trillion cubic feet of gas deposits. Furthermore, the energy-starved India could access energy-rich Central Asia Republics' hydrocarbon resources, including Kazakhstan's 30 billion barrels of oil, 679,300 tons of uranium, and 37000 million tons of coal reserves and Turkmenistan's 265 trillion cubic feet gas reserves. The Chabahar Port facility would increase the India's currently meager trade with CARs.

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At present Kazakhstan is the largest Central Asian trading partner of India, having a bilateral trade volume of \$952 million in 2014-15. Its trade with Uzbekistan was worth \$315 million in 2014. On the contrary the Chinese bilateral trade turnover with Kazakhstan was recorded \$22.53 billion in 2013 and China-Uzbekistan trade reached at \$4.75 billion two years ago. According to some convincing estimates, India could reap up to around \$450-500 billion in multilateral trade in this region including Afghanistan (Ruhollah, 2016). Besides economic and strategic relations, India is also enhancing cultural ties with Afghanistan by establishing sister-city relations between Kabul and Delhi, Kandahar and Mumbai, Herat and Ajmer Sharif, Jalalabad and Hyderabad, Asadabad and Ahmadabad, as well as the Province of Helmand and the State of Assam. There are around 25000 Afghani students enrolled in the India universities (M. Ashraf, 2015). Resultantly, the Chabahar Port could emerge as a distinguished competitive dynamic with Pakistan's Gwadar Port despite of the meager US\$85 million India investment as compared to a huge \$US46 billion Chinese investment under the most talked-about CPEC.

The US invasions against Taliban in Afghanistan and Saddam Hussein in Iraq have been strategic blessings for Iran since Iran had very hostile relations with its both eastern and western neighbors. With Iraq, Iran has fought an eight-year war from 1980 to 1988 which attempted to retard the growth of the embryonic Islamic Revolution in while its relations with Afghanistan had remained at the lowest ebb, occasionally violent, on the sectarian grounds. Iran is purely a Shiite Islamic State while Taliban's ideology was purely based on Salafism, ultra-conservative movement of Sunni Islam that believes on offensive jihad. Iran and Afghanistan have moved closer post-Taliban strategic environment as the Iran-backed Northern Alliance has more say in Afghanistan's security establishment where the Indo-Iranian strategic interests converge against those of Pakistan. That's why among Pakistan's policy-making establishment it is widely believed that India is financing and supporting the sub-national conflict in Balochistan, anti-Pakistan Taliban elements and instigating saboteurs in Karachi through Afghanistan and Iran since both share mismanaged porous

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borders with Balochistan (Ilyas, 2015). Iran share 909km stretched border with Pakistan while Pak-Afghan share 2430km long frontier.

The recent arrest of an Iranian-based RAW strategist Kulbhushan Jadhav is the most important substantiation of the above-mention theory of the Indian involvement in subversive activities against Pakistan. K. Jadhav is said to be a serving Indian naval officer, but involved in espionage activities against Pakistan. The Research and Analysis Wing (RAW) is Indian premier offshore intelligence agency allegedly active in this under-discussion region. On the other hand, Iran and Afghanistan both are apprehensive of the alleged Pakistani support to the Afghan Taliban and Jundallah in the Iranian Baluchestan.

Besides India, China is also engaging Iran, mostly on the economic front, because after the sanction-lifting, Iran is enormously enthusiastic to ponder new cash avenues to breathe its long-running some strangulated economy by increasing its 2 million barrels oil export to 4 million barrels per day. Chinese companies are investing in the Iranian oil sector since the bilateral trade between the two anti-US countries has hit the target of US\$53 billion in 2013 from \$4 billion in 2003. During the latest visit of the Chinese President in January this year, the two sides pledged to achieve a trade-target of around US\$600 billion over the next decade in addition to signing 17 agreements worth of billions and forging a 25-year strategic relation (Huileng, 2016).

Surprisingly, Iran has the privilege to receive the maiden train of the revived New Silk Route from China in January 2016. With 32 cargo-containers, the train left the Chinese eastern province of Zhejiang on 2nd January zigzagging through Central Asian heartland Kazakhstan and Turkmenistan prior to ending its historic 14-day 10,399 long journey to Tehran whereas in comparison ferrying cargo via sea from Shanghai port to Iranian Hormuz-Strait Bander Abbas Port takes 45-day (Sudha, 2016). Owing to the provincial controversy over the eastern and western alignments of the CPEC, Taliban-carried terrorist activities, engineering-impediment in the rough and tough mountainous Karakoram region and ethnic insurgency in Balochistan, the Chinese consider this Yiwu-Tehran 13,000 km-long rail-link, world's largest, as

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alternative to CPEC for the reason that Iran is less prone to political instability as compared to Pakistan where a months-long anti-government sit-in in Islamabad against the alleged poll-rigging in 2013 elections even delayed the visit of the Chinese president to signed the CPEC-related agreements.

The lifting of the Western-imposed strangulating economic sanctions has paved new avenues of cooperation between world's second largest economy and energy-resource-rich Iran which is quite worrying for India that wants Iran to be under its sphere of influence but China is intensely courting Iran to be one of its favorite regional children.

Conclusion:

Pakistan is quite uneasy over Indo-Iranian burgeoning strategic and economic partnership and the Indian presence at the entrance of the Strait of Hormuz near its Gwadar Port. It looks as if India along with Iran and Afghanistan is strategically encircling Pakistan in the region based on the ancient Indian proverb that the enemy of my enemy is my friend. In such competing strategic circumstances, Pakistan needs to fence-mending charm offensive to normalize its often-conflicting relations with its western and southwestern Muslim neighbors besides being cognizant of the Indian strategic engagement with Iran and Afghanistan. Despite of being immediate neighbors and having railroad infrastructure connectivity, the Pak-Iran bilateral trade was recorded \$893 million in 2014 that reached to a peak of US\$1.32 billion during 2008-09 while according to BBC regardless of crippling sanctions, Indo-Iranian bilateral trade was \$14 billion in 2014 with the balance of trade heavily in Iranian favor.

Intriguingly, Pak-Iran bilateral trade turnover accounted for \$302 million in 1996. Pakistan's energy-deficit economy should eagerly benefit from the rich energy resources of Iran, which can supply 750 million cubic feet gas per day under the pending Iran-Pakistan gas pipeline besides exporting capacity of 3000 MW electricity through five bordering districts of Balochistan (Gwadar,

Turbat, Panjúr, Washuk and Chaghi). The recent visit of Iranian President to Pakistan and his desire to focus on Gwadar-Chabahar ports connectivity is an early sign of a positive-sum game otherwise it could be a negative-sum game for the both countries if any neighbor intend to involve in the zero-sum game against the other.

Despite of the strategic divergence between Pak-Chinese and Indo-Iranian regional blocs, these trade corridors could result into multiplication of regional trade and economic connectivity. The India-led INSTC, Chinese-led CPEC would further boost up intra-regional and inter-regional connectivity among East Asia, South Asia, Middle East, Central Asia and possibly Eurasia besides the proposed lucrative Iran-Pakistan-India Gas-pipeline, Turkmenistan-Afghanistan-Pakistan-India Gas-pipeline (TAPI) and the Central Asia-South Asia Electricity Transmission and Trade Project (CASA-1000). For this purpose the already existing but dormant multi-national regional forums like Economic Cooperation Organization (ECO) and Tehran-based Asian Clearing Union (ACU), linking central banks of the member states, could provide organizational infrastructure for the economic coordination and cooperation. Both China and India are the fastest-growing economies of the world since the former is the second largest global economy while the latter is third largest Asian economy and their presence in Gwadar and Chabahar respectively should be based on economic cooperation and collaboration rather than strategic competition and confrontation. The Chinese and Indian flagship infrastructure projects could also bring greater economic cohesion to world's resource-rich but least economically integrated region of South Asia.

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