

# The Gwadar Conundrum: Navigating the Concerns and Prospects of China's Presence

Mubashra Shaheen<sup>1</sup>

Article Information			Abstract
Received:	Jan	2, 2025	The Indian Ocean region has emerged as a critical geopolitical hub in the 21st century, driven by global transformations and shifting security paradigms that necessitate enhanced maritime capabilities among regional stakeholders. China's investment in Gwadar, Pakistan, has cemented its all-weather friendship, amidst geopolitical rivalries and regional challenges. Gwadar's strategic location at the mouth of the Arabian Sea and the Persian Gulf makes it a critical node for energy corridors and economic hubs. However, this development project faces opposition from regional and global actors, including the US and India, who harbour concerns about China's growing influence and potential security threats. Baloch leaders also express reservations, fearing marginalization and environmental degradation. Despite these challenges, the project presents opportunities for enhanced economic cooperation between South and Central Asia, thereby bolstering Pakistan's economy and supporting China's Belt and Road Initiative (BRI). This paper will examine the implications of China's presence in Gwadar, exploring the geopolitical dynamics, regional security concerns, and economic potential, to provide insights into the future of Pakistan-China relations and regional developments. The study has applied the exploratory, qualitative, and analytical research methodology.
Revised:	June	29, 2025	
Accepted:	June	29, 2025	
<b>Keywords</b>			
<i>China</i>			
<i>Gwadar</i>			
<i>BRI</i>			
<i>US</i>			
<i>India</i>			

## 1. Introduction

Pakistan-China's all-weather friendship is unprecedented in the world. The Chinese presence in Gwadar is poised to deepen the relationship with Pakistan further. The strategic location of Gwadar, situated at the mouth of the Persian Gulf and the Arabian Sea, makes it an ideal hub for economic and social activities. However, this friendship is facing many challenges. Regional and global actors like the US, India, and local people pose significant threats to China's presence in Gwadar. The Baloch people have faced decades of negligence, state repression, and economic marginalization, fuelling deep-rooted grievances among its residents. Despite these challenges, China's control of the Gwadar seaport is expected to enhance economic cooperation between South Asia and Central Asia. The port will likely become a critical energy corridor, connecting China with the Middle East and Africa. To address the challenges and ensure the success of the China-Pakistan Economic Corridor (CPEC), both countries must prioritize the socio-economic needs of local communities. Ultimately, the Pakistan-China friendship has the potential to drive economic growth, promote regional stability, and strengthen their strategic partnership. However, it requires careful management of the challenges and a commitment to ensure the benefits of CPEC, which should be shared equally among all stakeholders.

<sup>1</sup> Assistant Professor, Higher Education Department, Punjab Govt, Pakistan. PhD Scholar IR, at Quaid i Azam University, Islamabad. Email: [mubashra@ir.qau.edu.pk](mailto:mubashra@ir.qau.edu.pk)

## 1.1 Research Methodology

This study employs an exploratory, qualitative, and analytical research methodology to examine the regional and international implications of the China-Pakistan Economic Corridor (CPEC). The exploratory approach facilitates an in-depth investigation of CPEC's multifaceted impacts, enabling the identification of emerging themes and patterns within a complex geopolitical and economic context. Qualitative methods, including document analysis of policy papers, academic literature, and official reports, are utilized to gather nuanced insights into the perspectives of key stakeholders, such as Pakistan, China, India, and the United States. The analytical component involves a critical evaluation of these sources to assess the strategic, economic, and security dimensions of CPEC, drawing on theoretical frameworks such as realism and economic interdependence. This methodological triangulation ensures a comprehensive understanding of CPEC's implications, addressing both its opportunities and challenges within the evolving global order.

## 1.2 Research Gap

While existing literature on the China-Pakistan Economic Corridor (CPEC) extensively explores its geopolitical, economic, and security implications, there remains a significant gap in comprehensive studies specifically focusing on China's presence in Gwadar and its localized impacts. Much of the current scholarship either addresses CPEC broadly or focuses on macro-level geopolitical rivalries, such as those involving the United States and India, with limited attention to the micro-level dynamics at Gwadar Port. Specifically, there is a dearth of research that integrates qualitative insights from local stakeholders—such as Baloch communities, regional policymakers, and small-scale economic actors—with geopolitical and economic analyses to assess how China's involvement in Gwadar shapes local socio-economic conditions, security perceptions, and Pakistan-China bilateral relations. This study addresses these gaps by employing an exploratory, qualitative, and analytical methodology to provide a holistic understanding of China's role in Gwadar and its broader implications for regional dynamics.

## 1.3 Research Questions

This paper explores the answers to these questions. (1) Why do the US, India, and Baloch leaders have serious reservations about China's presence in Gwadar? (2) How will BRI/CPEC affect the regional political landscape? (3) Which Challenges and opportunities will arise in the wake of Gwadar for Pakistan, China, and the Region?

## 1.4 Organization of Study

This paper consists of four sections in addition to the introduction and conclusion: The first section outlines the strategic significance of Gwadar and Sino-Pak interests in Gwadar Port. The second section deals with literature review on BRI/CPEC, Gwadar, and regional political calculus. The third section highlights internal and external geopolitical concerns. The fourth section examines the concerns and opportunities arising from China's presence in Gwadar.

## 2. Literature Survey of Gwadar Port as a Joint Venture of Pak-China Friendship

Pakistan and China have a longstanding, robust friendship, and diplomatic ties established on May 21, 1951. Their multidimensional cooperation has significantly contributed to regional stability and global peace. Like historical tendencies, Pakistan's contemporary foreign policy is based on its strong relationship with China, built on shared interests in regional peace and stability, and adherence to the UN Charter and principles of peaceful coexistence (Asif, 2023). Pakistan and China's enduring friendship has remained resilient despite global geopolitical shifts. China has provided substantial financial and technical assistance to Pakistan, facilitating the completion of landmark projects such as

the Ghazi Barotha Hydro Power Project, Silk Route, and JF-17 Thunder Aircraft (Ishaq, Khan, & Rafeeq, 2024).

The Gwadar Port, a symbol of unprecedented friendship, was constructed with significant Chinese support. Gwadar, a strategic port city in Pakistan's Balochistan province, is a joint Pakistan-China development project situated near the Strait of Hormuz in the Persian Gulf (Iqbal et al., 2023). Constructed at a cost of around USD 248 million, the port was inaugurated by Pakistan's President in 2007 (Gupta, 2014). The operational management of the Port was formally transferred to China in 2013, marking a significant milestone in the bilateral collaboration. China played a pivotal role in designing the project and provided 80% of the port's construction costs through grants and soft loans. Over 500 Chinese engineers are engaged in the project, with China's ongoing financial and resource support. Furthermore, China's Dry Port at the Pak-China border is aimed at leveraging the shorter route to the sea via Gwadar. China has also invested approximately US\$360 million in upgrading the Silk Road, connecting Pakistan and China. Feasibility studies and engineering surveys are underway to link Gwadar with China through pipelines and railway tracks, with the latter expected to be an engineering marvel of global significance (Ahmad, 2023).

## 2.1 Strategic Importance of Gwadar

Pakistan's strategic location, natural resources, and borders with Afghanistan and Iran render it a pivotal player in regional politics. The Gwadar Port has emerged as a critical economic hub, facilitating access to the Central Asian Republics (CARs) for regional and extra-regional powers. As noted by (Boni, 2019) Gwadar Port has the potential to become a key gateway to the Strait of Hormuz in the Indian Ocean. By enhancing existing links to the Caspian Region, Gwadar Port can compete with UAE ports and provide a more efficient trade route to the landlocked Caspian Region, thereby bolstering regional connectivity and commerce (Aslan, & Rashid, 2020).

Gwadar, situated along the Balochistan coastline, is strategically located, facilitating communication and trade between South Asia, the Middle East, Central Asia, and Southeast Asia, owing to its proximity to the Persian Gulf and the Strait of Hormuz. Gwadar's strategic significance is multifaceted (Haider, 2009). It offers the shortest trade route between China and the Middle East and between India and Central Asian countries, including Afghanistan, Iran, Kazakhstan, Uzbekistan, Turkmenistan, and Tajikistan. Moreover, Gwadar provides the sole land route for Iran and Afghanistan to access India via Pakistan. This pivotal location enables Gwadar to facilitate trade between China, the Middle East, and the broader world, underscoring its critical role in regional connectivity and commerce.

## 2.2 Gwadar Port's Potentials for Pakistan

The Gwadar Port possesses significant strategic and economic potential for Pakistan, owing to its proximity to international Sea Lines of Communication (SLOCs) and suitability for trans-shipment facilities. Its location provides enhanced security against eastern threats and natural protection from adverse weather conditions. Gwadar is meant to enhance trade opportunities with the Caspian Region and energy-rich Afghanistan. Gwadar Port is offering a range of harbour services, including warehousing, trans-shipment, and manufacturing facilities, catering to regional and extra-regional stakeholders, including the United Arab Emirates and European nations (Ali, 2020).

Gwadar Port has the potential to evolve into a major trade and transshipment hub, drawing goods from various regions and facilitating trade between Pakistan, China, and neighbouring countries. This amplifies Pakistan's trade volume and revenue. CPEC will bring substantial infrastructure investments to Pakistan, including roads, railways, energy projects, and the development of Gwadar Port. These investments drive economic growth, generate jobs, and enhance the overall infrastructure in the country. Pakistan confronts energy shortages, and CPEC encompasses the development of power projects to tackle this issue. This enhances Pakistan's energy supply, diminishing blackouts and

bolstering industrial growth. CPEC improves connectivity within Pakistan, enhancing transportation networks and reducing travel times. This benefits domestic trade and regional integration. The development of industrial zones and infrastructure projects generates job opportunities for Pakistan's workforce, decreasing unemployment and poverty. CPEC promotes foreign investment in Pakistan by providing a stable and attractive environment for businesses. This has the potential to diversify the country's economy. Economic development in Balochistan, the location of Gwadar, can address longstanding grievances and decrease instability in the region.

### 2.3 China's Interests in Gwadar Port

China's growing naval expansion in the Indian Ocean is positioned to establish it as a formidable naval power, countering Indo-US dominance in the region (Pillsbury, 2015). Furthermore, China's utilization of Gwadar Port and existing land links will significantly enhance its trade with Central Asia, Africa, and the Middle East, reducing sea distances from 10,000 km to 2,500 km.

China's strategic interests in Gwadar are multifaceted (Rahman & Naeem, 2022), driven by its dependence on Gulf oil and the need for a safer, cheaper, and shorter route to western China. China's oil imports pass through the Strait of Malacca, a long and unsafe route under US influence in Gwadar. Gwadar Port offers a strategic alternative, enabling China to bypass the Strait of Malacca and access the Middle East markets more efficiently. The port's connectivity to the Karakoram Highway (KKH) makes it an attractive option for China's energy imports and exports. China's natural dependence on the Middle East for oil reserves and large markets necessitates a strong presence in the region (Saeed, 2011). It provides China with a strategic foothold, allowing it to enhance investment in Middle Eastern countries. The industrial zone in Gwadar will also enable China to set up industries close to its markets, further strengthening its economic presence in the region. Pakistan's commitment to providing a naval base to China in Gwadar underscores the strategic importance of this port city. While this development may not further strengthen Pakistan-China relations, it will undoubtedly enhance China's geopolitical presence in the area. China's products will easily reach the Middle East, boosting trade and investment. The industrial zone presents a great opportunity for Chinese companies to establish and expand their businesses (Khan, Shi, & Ali, 2024).

China's assistance in developing the Gwadar Deep Sea Port is to enhance its bilateral relationship with Pakistan and enhance its geo-strategic ties. According to Prof. Zhang Youngling, China's primary foreign policy objective is to cultivate a stable surrounding environment, recognizing that instability in neighbouring regions can have far-reaching consequences for China's security (Hussain, 2020). This perspective underscores China's commitment to fostering friendly relations with neighbouring countries, including Pakistan, to ensure regional stability and promote mutual benefit. The Gwadar project is a testament to China's strategic approach to foreign policy, which prioritizes the creation of a peaceful and stable environment conducive to economic growth and development. China aims to promote a secure and prosperous environment that benefits all parties involved by strengthening its ties with Pakistan and investing in regional infrastructure.

### 3. Literature Review: BRI/CPEC and Gwadar in Regional Calculus

This literature review examines scholarly perspectives on the Belt and Road Initiative (BRI)/CPEC's regional and international implications, highlighting its role in reshaping geopolitical dynamics, economic interdependencies, and security paradigms. The spectacle of interstate competition and conflict over strategic interests is deeply rooted in human history, often displayed through economic, geopolitical, and military rivalries (Mearsheimer, 2001). In current global politics, the China-Pakistan Economic Corridor (CPEC), a flagship project of China's BRI, has emerged as a focal point of such contestation. Described as a transformative infrastructure and economic development initiative, CPEC connects Pakistan's Gwadar Port to China's Xinjiang region through a network of roads, railways, and energy projects (Hussain, 2017). But its strategic significance extends beyond bilateral

cooperation, eliciting varied responses from regional and global actors, including the United States, India, and others.

BRI is aimed at the strategic interconnectedness of Asia, Europe, and Africa, along with regional economic integration in South, East, West, and Central Asia. Pakistan's integration into the BRI through CPEC can play a vital role in bringing multiple economic dividends for Pakistan and the South Asian Region. The CPEC connects the whole region from Kashgar in China to Gwadar in Pakistan and holds a remarkable magnitude for alternatively supporting the unstable economic conditions of Pakistan, ranging from the manifold areas of China-Pakistan partnership in the fields of infrastructure, trade, transportation, energy, and industrial cooperation (Javaid, 2016). In addition, the landlocked Afghanistan and the Central Asian states can access the shortest possible route to connect them with the international marketplace. Given the CPEC project's opportunities, the region has huge potential to get its due share of international resources and the advantage, as almost the whole region possesses enormous raw materials, natural resources, and agricultural, industrial, and household productions.

Gwadar serves as the major destination (Khan et al., 2020) throughout the CPEC. The Port enables China and Pakistan to dominate the regional economic and trade activities, whereas it has a convincing function to moderate the chances of many regional and extra-regional powers' hegemonic ambitions to dominate the regions throughout the Arabian Sea and the Indian Ocean. Such a distinguished position allows both China and Pakistan to control the strategic hubs and take over the energy sea lanes across the Persian Gulf.

Apart from its economic effectiveness, the Gwadar Port is a great source of lessening the importance of the other ports in the region, such as the Chahbahar Port of Iran. Before the development of Gwadar, the Chahbahar Port served for the Indo-Iran trade and economic activities and remained an instrumental part of exercising a noticeable level of economic influence in the region. The advent of the Gwadar Port brought rampant frustrations and strategic implications, particularly for India, which considered Chahbahar as a source of dominating the regional waterways (Small, 2015).

The foremost transitional purpose of China's view of the CPEC is through the obvious relevance of the objectives. Central Asian Republics of Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan, along with regional countries like Iran and Afghanistan, are eagerly waiting to join the CPEC project. Particularly, Iran, despite its Chahbahar Port, keenly participates in seeking free trade opportunities across the Gwadar Port. It has announced to invest in building a \$4 billion oil refinery in Gwadar to meet the fuel needs of the harbouring ships at the port (Benvenuti, et al., 2022). However, for India, such issues have enduring implications since its dreams of emerging as a regional dominant power through US support.

Gwadar has the outstanding perspective to obtain the central position as a gateway across the Straits of Hormuz and viably connects the existing links to smoothly access the energy-rich areas around the Caspian region. The coastline of Gwadar is also a decisive enactment of China's campaign to modernize and enhance its naval power to meet the challenges of the US naval fleet posture and increase its influence in the South China Sea (Kaplan, 2014), the Pacific Ocean, the Persian Gulf, and the Arabian Sea. Gwadar Port is also strategically important for China because it enables China to carry out its trade shipments swiftly and reliably. In the present scenario, a 60% ratio of China's oil transportation takes place via the Persian Gulf to its mega-city of Shanghai which costs a huge amount of resources and is a time-consuming process whereas, through Gwadar, it would become able to get all the desired means with spending much lesser than the current level of time and resources (Kaplan, 2014).

## 4. Internal and Extra-Regional Concerns

Pakistan and China launched the Gwadar Port project in 2002 to leverage natural resources and communication networks, fostering regional economic integration across Asia. However, this cooperation has sparked concerns among internal and international players, who perceive China's involvement as a strategic attempt to dominate the Indian Ocean, with Gwadar serving as a potential military outpost that threatens the geostrategic interests of other nations.

The Gwadar Port facilitates China's efforts to expand its energy supply chains and reduce dependence on vulnerable Middle Eastern routes. Furthermore, China's expanded presence in the Indian Ocean, facilitated by the Gwadar Port, enables it to monitor US naval activities, thereby enhancing its maritime security in the region.

### 4.1 Balochistan's Concerns Regarding Gwadar Port

The Gwadar Port project faces opposition from local Balochis, who perceive it as exploiting their natural resources. Despite Balochistan's Sui gas reserves fulfilling 38% of Pakistan's energy needs, the province receives minimal royalties and limited access to gas. The murder of Chinese engineers highlights the gravity of the situation, underscoring the need to address Balochi grievances and ensure fair resource distribution.

Balochistan's strategic location makes it a critical regional and global political hub. According to Kaplan (2009), the future of Balochistan is inextricably linked to Gwadar's development (Kaplan, 2009) which may either unlock Central Asia's riches or exacerbate Pakistan's civil unrest. Since the Gwadar port's construction began in 2002, Balochistan has faced widespread instability, posing a significant challenge to Pakistan.

Pakistan and China claim the Gwadar Seaport will boost Central Asian trade, but Baloch nationalists view it as a threat to their independence. Influential Baloch leader Amir Suleman Daud sees the project as an attack on his people's autonomy (Jetly, 2021).

The Baloch leadership alleges that the federal government exploits Balochistan's energy resources, treating the province as a colony. A Baloch Leader, Hasil Bizenjo, supports China's presence in Gwadar, citing potential employment opportunities. However, he expresses concern that an influx of outsiders may lead to Balochis becoming a minority group in their province (Jetly, 2021).

The Gwadar Port project has sparked concerns over China and Pakistan's true intentions, with some questioning whether the port will serve commercial or strategic purposes. China aims to utilize Gwadar as a key energy hub, connecting it to Xinjiang, with naval expansion in the Indian Ocean. However, the Baloch leadership has vehemently opposed the project, dismissing claims that Pakistan could control global energy resources or intercept Indian tankers due to Gwadar's proximity to the Strait of Hormuz. Baloch's opposition to the Gwadar port can be taken as: At first, Baloch residents of Gwadar, numbering around 200,000, fear that an influx of migrants could dilute their demographic dominance, threatening their cultural heritage and identity in their homeland. Secondly, locals demand priority in job allocations, citing the project's failure to trickle down economic benefits to the grassroots level. Lastly, Baloch people resent the Pakistan Army's presence, fearing Gwadar will become a garrison restricting civilian access (Jetly, 2021). These concerns underscore the need for addressing Baloch's grievances and ensuring inclusive development to mitigate the project's risks.

### 4.2 US Reservations over China's Presence in Gwadar

There are growing concerns among various stakeholders, particularly the United States, regarding the strategic importance of Gwadar Port. The US perceives the port as a crucial element in China's String of Pearls strategy, (Butt et al., 2020) aimed at enhancing its influence in the Indian Ocean and

securing energy supplies. The Pentagon Report, "Energy Futures in Asia," highlights US concerns regarding China's presence in Gwadar, which may enable Beijing to maintain strategic balance, monitor US ship movements, and establish electronic listening posts (Raju, 2022). Furthermore, the US fears that China's commercial port may threaten strategic chokepoints, creating insecurity for ships navigating the high seas.

The US has vested interests in the region, prioritizing freedom of seas and unhindered access to oil while containing China's growing influence (Malik, 2012). The Gwadar Port has intensified US concerns about Pakistan-China relations, sparking fears that China may utilize the port to monitor US naval activities in the Persian Gulf. Furthermore, the US has reservations about China's possible establishment of a naval base at Gwadar, which could threaten the stability and security of the Indo-Pacific and Persian Gulf region.

### **4.3 Indian Concerns about China's Control of Gwadar**

India views China's control of Gwadar as a strategic encroachment, exacerbating concerns about Beijing's String of Pearls strategy in the Arabian Sea. The increasing Chinese naval presence in the Indian Ocean may compromise India's traditional geographic advantages. Furthermore, the Gwadar port raises specific concerns regarding Pakistan, as it potentially enables Islamabad to limit Indian access to Central Asian resources, manipulate global energy routes, and prevent Indian tankers from navigating nearby.

China and India's strategic rivalry is intensifying, driven by their competing interests in the Indian Ocean. Chinese defence analysts view India's maritime security cooperation with Southeast Asian states as a bid to dominate the Indian Ocean. Equally, India's Look East policy (Butt et al., 2020) aims to counter China's growing influence. India perceives China's expanding presence in the Indian Ocean as an encirclement policy, prompting New Delhi to pursue counter-encirclement strategies through security ties with Taiwan, Japan, and Vietnam. Both nations, fuelled by rapid economic growth, assert their right to regional power status, engaging in a complex strategic game.

The Indian Navy has voiced concerns over China's String of Pearls strategy to establish a network of ports and naval bases in the Indian Ocean to expand China's maritime power (Ali, 2015). This strategy involves securing security agreements with regional countries to achieve its objectives. Arun Prakash, former Indian Naval Chief, has expressed concerns about China's growing naval presence in the Indian Ocean, which he views as a threat to India's security and dominance in the region.

### **4.4 Iran's Concerns**

Iran has expressed concerns that the Gwadar Port could undermine the importance of its Chabahar Port, which is being developed with Indian assistance as a counterbalance to Gwadar. This perceived rivalry has the potential to exacerbate Pakistan-Iran tensions, which have been strained due to Pakistan's role in the US-led war on terror and concerns over energy-related trade competition with Afghanistan and Central Asia. However, it is essential to reframe the Pakistan-Iran rivalry surrounding Gwadar Port from a security-centric perspective to one that emphasizes potential economic and trade cooperation. By doing so, both nations can capitalize on the port's strategic location to foster regional connectivity and growth. Notably, Iran's decision to provide electricity to Gwadar marks a positive endeavour towards cooperation, underscoring the potential for collaborative initiatives to prevail over competitive interests.

## **5. China in Gwadar: New Horizons of Development Opportunities**

Gwadar Port can give numerous economic benefits to Pakistan and the region. Gwadar's economy is witnessing speedy growth as it uses advanced technology and communication networks. The port area is designated as a Special Economic Zone (SEZ) at the port (Khan & Anwar, 2024) is likely to

enhance economic and industrial development. This SEZ can offer various key incentives, including elimination of Value Added Tax (VAT), general tax exemptions, and positive incentives for job creation, and promote industrial development etc. Furthermore, enhanced defence facilities and equipment are constructed to ensure security and to attract investors. This will make Gwadar Port compatible to the UAE ports, offering a strategic trade route to the landlocked Caspian Region for better trade and investment opportunities.

The Government of Balochistan is developing an industrial estate in Gwadar to meet the growing industrial investment demands. Plans are in the pipeline to extend the railway lines, which will connect Gwadar to Quetta, Karachi, Iran, and Central Asia. A dedicated industrial park will be established for Small and Medium Enterprises (SMEs) (Khan & Anwar, 2024). Gwadar Port is poised to attract businesses in various sectors, including construction, transportation, and logistics. The Gwadar Industrial Estate Development Authority (GIEDA) has been established to oversee Gwadar's development and facilitate the speedy growth (Kalim, & Syed, 2020).

Gwadar's development is expected to spur regional growth and address the economic disparities in Balochistan, a historically marginalized province. However, local people express concerns over the arrival of outsiders and potential cultural displacement. The region has experienced intermittent unrest since 1947, marked by insurgency, nationalism, and lawlessness. Port's capability aims to meet these socio-economic constraints by creating a new era of prosperity and tranquillity, ultimately changing the local people's living standard.

Gwadar's strategic location offers Afghanistan, rich in natural resources, a direct and viable route to the Indian Ocean. Pakistan can capitalize on Afghanistan's resources by providing a secure transit corridor, fostering economic cooperation, and promoting growth. This synergy can unlock new opportunities for regional development, underscoring Gwadar's potential as a vital trade hub (Kataria & Naveed, 2014). The US prefers Afghan trade to be routed through Pakistan, bypassing Iran. Gwadar's port amenities, transit services, and import opportunities will benefit Afghanistan. The port's success hinges on cooperation with Afghanistan and usage by Central Asia, South Asia, and China. Gwadar has the potential to foster cultural and economic ties among regional countries. Afghanistan's rich natural resources can be exported to the world through Gwadar's port. Regional stability, particularly in Afghanistan, is crucial for trade with Central Asian Republics (CARs), which possess an estimated 250 billion barrels of petroleum and gas reserves (Yar et al., 2023). Ongoing pipeline projects, including one connecting Afghanistan and Pakistan to Gwadar, underscore the region's growing importance in the global energy landscape.

Gwadar Port's strategic location will significantly impact the Gulf region, with Oman poised to benefit substantially from trade with China and the Central Asian Republics (CARs). Oman's government has demonstrated keen interest in the project, allocating millions of dollars in grants for development schemes, including a Rs 50 million electric powerhouse. The Gwadar Port complex will offer comprehensive trans-shipment services, creating opportunities for global export-import trade.

Gwadar Port holds strategic significance for Western nations, particularly the US-led European alliance, as it provides a secure trade route for Caspian Region energy resources to access global markets, bypassing Iranian and Russian territories (Aggarwal & Newland, 2015). This aligns with US interests, as Afghanistan's alternative route through Iran would counter US objectives. A strong Chinese presence near the Gulf and Strait of Hormuz, driven by US interests in Middle Eastern and Central Asian energy resources, highlights Gwadar's strategic importance for the US. Gwadar Port will provide strategic depth to Pakistan's marine assets, enabling the Pakistan Navy to monitor the Arabian Sea and respond to hostile activities. The port is going to bring prosperity to the entire region, leveraging its position as a prime marketplace in the world.



## 6. Conclusion

The Indian Ocean region has emerged as a critical geopolitical hub in the 21st century, with the security environment and global changes prompting stakeholders to strengthen their maritime capabilities. China's development and operational control of Gwadar Port in Pakistan has sparked both opportunities and challenges, with the port being likened to a "string of pearls" - a formulation that oversimplifies the complexities of China's presence in the region. China's primary objective in Gwadar appears to be economically driven, focusing on commercial gain rather than military expansion. Regional and extra-regional stakeholders' express apprehension regarding the development of Gwadar Port, raising concerns about China's potential establishment of a naval base and surveillance facilities to monitor maritime traffic through the Strait of Hormuz.

The development of Gwadar Port is a crucial component of the CPEC. It is a flagship project of China's Belt and Road Initiative (BRI). The port's strategic location provides China with direct access to the Indian Ocean, enabling it to bypass potential naval blockades and reduce its reliance on the Strait of Malacca. In response to China's strategic development of Gwadar Port in Pakistan, India has invested in the development of Chabahar Port in Iran, establishing a maritime gateway to facilitate trade and connectivity with Afghanistan and Central Asia via the Indian Ocean.

The Chabahar port project is seen as a counterbalance to China's BRI project. Gwadar port, as a game-changer project, will connect Southeast Asia, Central Asia, and South Asia, thereby fostering significant economic opportunities for Pakistan. The project strengthens Pakistan's bilateral relations with China, giving it leverages over the US and India in the region. The port will be a hub for friendly ties with neighbouring countries like Afghanistan, Iran, and the Central Asian Republics.

To ensure the success of the Gwadar port, Pakistan must integrate the marginalized Baloch population, provide them with economic, social, political and moral stakes, which may enable them to benefit from Gwadar's growth.

Pakistan has the potential capability to maximize its economic and strategic powers through the Gwadar Port and CPEC projects. The Gwadar Port greatly enhances China's counter-balancing ambitions to overcome the posed challenges by the United States and its allies through the Asia-Pivot strategy and traverse out of the encircled boundaries drawn by the Pacific Fleet of the American government.

Rising China is the main US concern, which is gradually challenging the US's global politics and economy. However, adopting win-win cooperative policies is the only possible way for both countries to safeguard their interests individually and globally. Thus, keep away from both the Cold War-style rivalry based upon a clear policy of mutual enmity and assured destruction. Unlike the Soviet Union, China's power and capabilities spread throughout the world, and the American economic interests is also closely linked with China; therefore, the political settlement of the issues and the peaceful coexistence are the only viable options for the progress of the region and the whole world.

Pakistan is suffering as being compelled from each side, mainly due to its partnership with China and the United States. The strategic and military interests of Pakistan are closely interlinked with the United States whereas the economic interests are greatly associated with China. The hard-to-replace rule always keeps Pakistan from interacting with these powers with ever-enhanced eagerness.

Pakistan has yet to develop a comprehensive long-term strategy that prioritizes cooperation with China over competition, leveraging the framework of the Shanghai Cooperation Organization (SCO) to address enduring regional disputes, such as the Kashmir conflict. Similarly, enhanced cooperation with Japan is poised to materialize following the successful implementation and operationalization of the China-Pakistan Economic Corridor (CPEC) project.

Having a deep trust and all-weather friend China; Pakistan must increase the ratio of Chinese trade and investment and seek Chinese support for the strongly required industrialization of its mega-cities. The infrastructural development and the means of CPEC are the tools that Pakistan can greatly employ for the attainment of economic strength. However, the factors of globalization and the regional free-trade engagements would increasingly demand better industrial production within Pakistan. Trade and investment through multilateral engagements with a special focus on the need for cooperation and peaceful coexistence are the only possible ways through which Pakistan can overcome its current economic and political issues.

## References

- Aggarwal, V. K., & Newland, S. A. (Eds.). (2015). Responding to China's rise: US and EU strategies (Vol. 15). Springer International Publishing. <https://doi.org/10.1007/978-3-319-10034-0>
- Ahmad, I. (2023). Gwadar: China's Future Gateway to the Middle East. *Strategic Studies*, 43(2).
- Ali, D. I. L. D. A. R. (2020). Gwadar Port as an Economic Zone Its Impact on Region. *Ashgabat Agreement-India's Membership in the Ashgabat Agreement, Facts for UPSC GS-II*.
- Ali, S. M. (2015). US-China strategic competition: Towards a new power equilibrium. Springer Berlin Heidelberg. <https://doi.org/10.1007/978-3-662-46660-5>
- Asif, N. M. (2023). A Historical Review of Pakistan's Ties with China Under the Framework of the 1973 Constitution. *Китай в мировой и региональной политике. История и современность*, 28(28), 117-129.
- Aslan, K., & Rashid, Y. (2020). The increasing role of geoeconomics: Competition between the Chabahar and the Gwadar ports. *Center for Iranian Studies in Ankara (IRAM)*.
- Benvenuti, A., Chung, C.-P., Khoo, N., & Tan, A. T. H. (2022). China's foreign policy: The emergence of a great power (1st ed.). Routledge. <https://doi.org/10.4324/9781003088288>
- Boni, F. (2019). Sino-Pakistani relations: Politics, military and regional dynamics (1st ed.). Routledge. <https://doi.org/10.4324/9780429431982>
- Butt, K. M., Khari, S. H., & Bhatti, K. A. (2020). String of Pearls: Politics of ports in the Indian Ocean. *South Asian Studies*, 35(1), 73–86.
- Gupta, S. (2014). The Himalayan face-off: Chinese assertion and the Indian riposte. Hachette India.
- Hussain, E. (2017). China-Pakistan Economic Corridor: Opportunities and risks. *Strategic Analysis*, 41(5), 489–503. <https://doi.org/10.1080/02566503.2017.1352642>
- Hussain, F. (2020). Geostrategic imperatives of Gwadar Port for China. *The Korean Journal of International Studies*, 18(2), 145–167. <https://doi.org/10.14731/kjis.2020.08.18.2.145>
- Iqbal, K., Salman, M., & Abbas Sial, T. (2023). Major power competition in the Indian Ocean and doctrinal development in Pakistan. *Comparative Strategy*, 42(4), 509–527. <https://doi.org/10.1080/01495933.2023.2238522>
- Ishaq, Z., Khan, A. B., & Rafeeq, R. (2024). From Shaheen-II to China-Pakistan Economic Corridor: Pakistan-China Military and Economic Relations (2013-2023) At A Glance. *Journal of Asian Development Studies*, 13(2), 1033-1044.
- Jaspal, Z. N. (2011). Af-Pak and regional peace in China's perspective: A critical appraisal. *Pakistan Horizon*, 64(4), 29–50.
- Javaid, U. (2016). Assessing CPEC: Potential threats and prospects. *Journal of the Research Society of Pakistan*, 53(2), 254–270.
- Kalim, I., & Syed, A. (2020). Maritime economy and gwadar port: A growth catalyst. *Policy Perspectives*, 17(1), 73-82.
- Kaplan, R. D. (2009, May). Pakistan's fatal shore. *The Atlantic*. <https://www.theatlantic.com/magazine/archive/2009/05/pakistans-fatal-shore/307385/>
- Kaplan, R. D. (2014). Asia's cauldron: The South China Sea and the end of a stable Pacific (1st ed.). Random House.
- Kataria, J. R., & Naveed, A. (2014). Pakistan-China social and economic relations. *South Asian Studies*, 29(2), 395–410.
- khan, A., Shi, C., & Ali, F. (2024). An integrated approach to strengthening maritime security: a case study of Gwadar Port of Pakistan. *Marine Development*, 2(1), 14.

- Khan, K., & Anwar, S. (2024). Special economic zones (SEZs) and CPEC: Background, challenges and strategies. [Publisher not specified].
- Khan, Z., Changgang, G., & Afzaal, M. (2020). China-Pakistan Economic Corridor at the cross intersection of China, Central Asia and South Asia: Opportunities for regional economic growth. *The Chinese Economy*, 53(2), 200–215. <https://doi.org/10.1080/10971475.2019.1688005>
- Malik, H. Y. (2012). Strategic importance of Gwadar Port. *Journal of Political Studies*, 19(2), 57–69.
- Mearsheimer, J. J. (2001). *The tragedy of great power politics*. W. W. Norton & Company.
- Pillsbury, M. (2015). *The hundred-year marathon: China's secret strategy to replace America as the global superpower* (1st ed.). Henry Holt and Company.
- Saeed, A. (2011). China's quest for energy and diplomacy. *Strategic Studies*, 31(3), 229–247.
- Small, A. (2015). *The China-Pakistan axis: Asia's new geopolitics*. Oxford University Press.
- Subramanyam Raju, A. (Ed.). (2022). *South Asia and China: Engagement in the twenty-first century*. Routledge.
- Yar, F. G. M., Zahid, S., & Miakhil, J. M. (2023). Afghanistan's Geopolitical and Geo-Economic Significance in Regional Connectivity and Development. *Journal of Political and Legal Sovereignty*, 1(3), 79-87.
- Zia Ur Rahman, & Muhammad Naeem. (2022). The geo-economics and geopolitical significance of Gwadar Port in the changing maritime scenario. *FWU Journal of Social Sciences*, 16(4), 121–132. <https://doi.org/10.51709/19951272/Winter2022/9>