



China-Pakistan Economic Corridor: Pakistan's Development Policy and Chinese Intentions

Speaker: Dr. Mitsuhiro Mimura

Chair: Col. Virendra. S. Verma

Date: 16 May 2018

Seminar Room, ICS, New Delhi

Belt and Road Initiative (BRI) or One Belt One Road (OBOR) is a project initiated by Xi Jinping. It is a network of roads, railways, oil pipelines, power grids, ports and other infrastructural projects meant to connect China to the world. China - Pakistan Economic Corridor (CPEC) is a collection of infrastructure projects being undertaken by China in Pakistan. In the presentation, Dr. Mitsuhiro Mimura gave us some of his preliminary observations following his travel experiences to CPEC and highlighted the implications of the projects in Pakistan and China. He began by recounting the journey he took along the Kashgar Karakoram Highway (KKH) from Kashgar in Xinjiang Province in China to Gwadar Port in Karachi in Pakistan. Travelling the 1330 km highway, an important component of CPEC, the speaker gave a field report of the state of infrastructure development in the project.

Dr. Mimura began his journey from Japan on 27 April to Shanghai, China. From Shanghai, he flew to Urumqi, capital of the Xinjiang Province and then his onward journey from Urumqi to Kashgar and then to Tashkurgan. On 3 May, he began from Tashkurgan to Susta, then to Gilgit and finally to the Pakistani capital, Islamabad. He mentions that due to good railway network between Urumqi and Kashgar, Xinjiang has attracted many Han Chinese from Eastern China who has settled there. He is of the impression that Kashgar is a popular destination among domestic Chinese and foreign tourists. He also noticed that during his stay at Tashkurgan at the China-Pakistan border, prolonged due to the closing down of the Customs, he could hardly see any tourist on the Chinese side of the border while a very few tourists could be seen on the

Pakistani side of the border. He opined that it could be because the Chinese people are wary of Pakistani Muslims and choose to keep their interaction with them to the bare minimum.

One of the interesting observations made by the speaker was on the status of the automobile sector in Pakistan. He stated that Pakistan has a booming second-hand automobile industry and noticed that many cars running on the streets were from made in Japan. He also noted that Chinese oil transportation trucks were common in streets of Pakistan. Further, he talked about Hunza, a mountainous valley in the Gilgit-Baltistan region of the Pakistan. Hunza, according to the author is very famous among the Japanese tourists. Unlike in other places, the speaker noticed the widespread presence of Chinese police cars running on the streets of Hunza. Talking about the Hunza- Kashgar Karakoram Highway (KKH), the author could see that the upper part of the highway is highly developed because of massive investments from China.

The author made it a point to go to the Gwadar port. He described in detail his struggle on getting the permission from Japanese authority to visit the port. He could get permission only after three months long wait. On landing in Gwadar, he realised that he could not get an entry into the port, as only the Chinese had access to the port. Undaunted by the setback, the speaker decided to stay in a high-rise hotel near the port. From his hotel room, he could see that the port is surrounded by barbed wire from all the sides and is still under construction. He even showed some pictures to the audience. Regarding road connectivity, the speaker thinks that the road between Gwadar and Karachi will take another 4 to 5 years to complete. He also brought into notice that China is helping Pakistani authorities in renovating and modernizing hospitals and schools for local population in the Gwadar city with an aim of improving the socio-economic condition of the Pakistani people and also improving the access of the same for the Chinese workers in Gwadar.

The speaker then moved on to talk about the projected Gilgit – Islamabad Corridor that will include railways, gas and oil pipelines that would be completed by 2030. The reason for the delay, according to the speaker is the difficult mountainous terrain of about 4733 metres high, due to which carrying out construction in such a high altitude is difficult. Hence, the technologies and investments from Chinese companies would play a fundamental role. Dr.Mimura also pointed that both Lahore and Karachi motorways funded by China will be beneficial for Pakistani economy. It will not only strengthen the Pakistani infrastructural development but will also provide ample employment opportunities.

Dr. Mimura ended his presentation by sharing his experiences at the Flag lowering ceremony at Wagah Border. He attended the ceremony from both the Pakistani and Indian side and was delighted to meet people from both the sides. However, he also pointed few stark differences in terms of security, but on the whole it was a worthwhile experience for him. He believes that there is some hope between India and Pakistan in terms of engagement at borders that he found was absent in case of Pakistan- China.

During the Q&A session, questions were asked regarding what is Pakistani scholar's, academician's and economist's stance on the CPEC Project and do they see any future for Pakistan. To this, the speaker answered that Pakistani authorities distinguish CPEC and other investments by China as a valuable opportunity and are looking forward to seize more opportunities to work with China. He was also asked whether Japan is willing to make any investment in the BRI if given an opportunity to do so. The speaker responded to this by saying that Japan is still in process of improving their relations with China and investment to the BRI project is something that is yet to be achieved.

About the Speaker

Dr. Mitsuhiro Mimura is a Senior Research Fellow, Research Division at ERINA, Niigata, Japan. His research focuses on the economy of the Democratic People's Republic of Korea (DPRK); economic related laws and foreign direct investment related laws of the DPRK; economic cooperation between DPRK and the Republic of Korea (ROK). He has been associated with ERINA since 2001. Since 2013, he has also been a Visiting Professor at the Northeast Asian Studies College at Jilin University, Changchun, China. Dr. Mimura has a PhD in Jurisprudence from Osaka University in Japan as well as from the DPRK.

Report prepared by Shristi Singh, Research Intern, ICS.

Disclaimer

The Wednesday Seminar at the ICS is a forum for presentations and discussions on current affairs as well as ongoing research by scholars, experts, diplomats and journalists, among others. This report is a summary produced for purposes of dissemination and for generating wider discussion. All views expressed here should be understood to be those of the speaker(s) and individual participants, and not necessarily of the Institute of Chinese Studies.