

# The Red Shadow in Pakistan Occupied Kashmir

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South Asia is passing through a volatile period. The Chinese presence in Pakistan Occupied Kashmir (POK) has added a new dimension to the long festering India-Pakistan dispute over the state of Jammu and Kashmir. The growing Chinese presence in POK has brought international focus on the hitherto remote and neglected region.

Pakistan and China have for long enjoyed an “all weather” friendship and continue to strengthen their relations through a strong strategic cooperation. Pakistan’s relations with the Peoples’ Republic of China (PRC) have been largely influenced by its security needs and her geopolitical position in the sub-continent. Pakistan continues to see China as a guarantor against India. Its current strain in relations with the US has added more importance to the need for further cementing ties with China.

China and Pakistan’s strategic bond against India can be traced throughout the history of their friendship; however the Chinese presence in POK has the potential to pose a serious threat to Indian security. It has been asserted by numerous commentators that Kashmir is the region where Pakistan and China can bog down India. Kashmir lies at the converging point of three nuclear weapon powers: China, India and Pakistan. While the general perception about Kashmir is related to India and Pakistan, one cannot ignore that China is equally a part of the problem. China cannot be disregarded at any cost considering that 42,685 sq kms of J&K continues to remain under Chinese occupation.

Pakistan offers the land-locked western part of China a route to the Arabian

Sea and the Indian Ocean which would also provide China an access to Iran and the Gulf. To meet its ever increasing demand for energy, China would require an uninterrupted supply route for oil and natural gas. . The overarching presence of the United States in the Gulf and the Malacca Straits, adds to China's fears of its supply route being interdicted in the event of a conflict. It may be noted that at present bulk of China's oil imports pass through this region.

China is also jostling to dominate strategic space in the Indian Ocean Region where it is faced with Indian and US presence. In order to ensure this, China deftly tapped the strategic importance of Pakistan's geography and built the Gwadar and Ormara Port on Pakistan's coastal line. Owing to China's insecurity and fear of US blocking its oil supply, it sought to diversify its SLOC. Pakistan and China are working towards a road link that connects the Gwadar port to China's western border. POK also acts as a link for China's interests in Afghanistan. Pakistan has a common border with the Chinese province of Xinjiang and is linked to Afghanistan and Central Asia through the Wakhan Corridor — a land strip with a width of only 10 miles.

Pakistan is an important player for the fulfillment of China's plan of developing its western peripheral region of Xinjiang Province and transforming it into a Special Economic Zone (SEZ). Reports aver that Pakistani officials proposed the construction of a cross-border railway link to connect POK with Kashgar, a major city of Southern Xinjiang.<sup>1</sup>

POK's abundant water resources are of prime importance to China and it is aggressively investing in hydropower generation projects in the region. Although the primary reason for China's involvement in large scale projects in POK appear to be economic in nature, it can have strategic implications for India. The table on the opposite page details the Hydro-Power and Dam projects commissioned to Chinese companies in POK.

## **Road Networks**

The upgradation of the Karakoram Highway (KKH) from 10 to 30 meters would greatly enhance its carriage capacity. The China Road and Bridge Corporation (CBRC) and Pakistan's National Highway Authority are jointly working on this project. Additional MOUs were signed between the countries to build a 165 km Jaglot-Skardu and 135 km Thakot-Sazin roads in Gilgit-Baltistan. In late August 2011, the Pakistan government announced its plan to establish an advanced road network across AJK. Though not many details are available in the public domain, it is known that the project entails a highway network connecting Keil to

Bhimber, which would include both Pakistani and Chinese companies.<sup>2</sup>

Project	Location	Capacity	Chinese Company Involved
<b>Hydro-Power Project</b>			
Neelam-Jhelum Hydro-Power Project	Muzaffarabad district, Pakistan Occupied Kashmir (POK)	969 MW	Gezhouba Water and Power Corporation <sup>1</sup>
Korarak Hydropower Project	Border area between Punjab and POK	720 MW	China International Water and Electric Corp (CWE) <sup>1</sup> in agreement with Pak Co.
Kohala Hydropower Project <sup>3</sup>	Muzaffarabad district, POK	1,100MW	China International Water and Electric Corporation (CWE) <sup>1</sup>
Bunji Hydropower Project	Indus River near Gilgit, POK	7100 MW	Three Gorges Project Corporation (CTGPC)
<b>Dams</b>			
Diamer-Bhasha Dam	River Indus in Gilgit-Baltistan, POK	4500 MW	CTGPC
Mangla Dam Raising Project <sup>4</sup>	Mangla District, Mirpur, POK	1000 MW	Joint venture - China International Water and Electric Corporation & Pak Co.
Satpara Dam	Satpara nallah, approx. 7 kms south of Skardu town, POK	17.36 MW	China Machine Building International Co and Central China Power Group Pvt Ltd

## Rail Network



Route of the railway track in the Gilgit-Baltistan Sector

In 2009, Pakistan Railways and China's Dong Fang Electric Supply Corp finalised an agreement to build a rail link between Havelian in Khyber Pakhtunkhwa and Khunjerab Pass over Mansehra district and the Karakoram Highway. The venture involves a freight train service initially which is likely to be upgraded to a passenger train service.<sup>5</sup> An international consortium was awarded the contract of undertaking a feasibility study of the rail service. The project would involve China laying a 350 km track from Kashgar, to the Khunjerab Pass, which would get linked to the Pakistan rail network.<sup>6</sup>

More interestingly, China has expressed its interest in an early laying of the rail track between Torkhan in Pakistan and Jalalabad in Afghanistan. This would facilitate the transportation of goods and equipment for development of copper mines and other Chinese projects in Afghanistan.<sup>7</sup>

## **Mining**

The Gilgit Baltistan region is rich in both metallic and non-metallic minerals, energy minerals, precious/dimension stones and different rocks of industrial use. The alluvial deposits in the area possess vast deposits of gold, copper and other precious metals. Chinese mining companies have been keen to undertake operations in the region also because of Pakistan's relaxed procedures in obtaining mining licenses and exemption from paying taxes. The Chinese activities have failed to benefit the local populace who do not receive any usage compensation from the Chinese companies.<sup>8</sup>

According to Senge Hasnan Sering, the director of the Gilgit Baltistan National Congress, Chinese miners and their affiliates are dominating the area especially the uranium rich district of Hunza-Nagar. Also, areas in districts like Chapursan valley are no-go areas, when Chinese companies are building tunnels and undertaking mineral operations. There have been reports of military surveillance in Nagar.<sup>9</sup> Shahzad International is coordinating with Chinese investors for digging uranium and gold in Gilgit Baltistan. Chinese miners have also obtained lease in Astore district for the extraction of high quality copper.<sup>10</sup> Reports state that a \$6 million investment proposal was submitted by Pakistan Surpass Mining Company, a subsidiary of China's Xinjiang Surpass Mining Company Ltd, for mining in POK. It is also working towards setting up a hydropower station and Molybdenum processing plant in Chupurshan Valley.<sup>11</sup>

## **Airstrips**

There are a total of four airports in POK. The two major airports are at Gilgit and Skardu. Skardu Airport is a public cum military base used as a regional base by the Pakistan Air Force. Other airports in POK are Mangla Airport (purely for military airport), Muzaffarabad Airport and Rawalakot Airport. Apart from these airstrips, China has constructed 16 airstrips on the Karakoram Highway, primarily for military purposes.<sup>12</sup> This would be important for enhancing Pakistan and China's strategic airlift capabilities and ensure smoother logistical support.

Apart from the above mentioned projects, Chinese telecom companies like ZTE, Zong and Huawei are involved in the management of the telecommunications sector of Gilgit-Baltistan. Another ambitious collaborated project by China and Pakistan is the laying of cross border Optical Fibre Cable (OFC) system at a cost of PKR 10 million between Pakistan and China for secure communications. The project would be funded out of a Chinese soft loan and consists of laying 820 km of OFC along the Karakoram Highway, from Rawalpindi to Khunjerab Pass (Chinese border via Mansehra, Chilas, Danyore (Gilgit), Karimabad and Sust).

The current scenario in POK is a testament to Pakistan and China's changing Kashmir policy. With China's rapidly expanding economy and modernising military, it has sought to expand its influence both globally and at the regional level. Pakistan offers a strategic edge to China that would act as a catalyst to the dragon's future ambitions.

An IDSA report titled, "POK: Changing the discourse," stated that, "If the current pace of Chinese penetration is sustained then China may completely take over Gilgit-Baltistan by the year 2020." Though Pakistan has always played a pivotal role in China's foreign policy calculus, especially in South Asia, its importance in China's grand strategy is likely to increase further. As the Indo-US relations gain further strength, China is strengthening its strategic cooperation with Pakistan to counter this strategic relationship. It will continue to use Pakistan as a proxy against India to keep the latter boxed in South Asia.

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## **Notes**

1. PRI, "Pak-China discuss rail line to connect PoK with Xinjiang," *Times of India*, 4 September 2011, available at [http://articles.timesofindia.indiatimes.com/2011-09-04/china/30112339\\_1\\_xinjiang-east-turkistan-islamic-movement-etim](http://articles.timesofindia.indiatimes.com/2011-09-04/china/30112339_1_xinjiang-east-turkistan-islamic-movement-etim) (accessed on 4 September 2011).

2. 'AJK to have grand highways network soon,' *The News*, 23 August 2011, available at 3, (accessed on 25 August 2011).  
\* These companies are either a part or a subsidiary of Three Gorges Corporation. It has been reported that the Pakistan government has given the contract for 1,100 MW Kohala Hydropower Project to a Chinese firm, setting aside the Pakistan Procurement Regulatory Authority (PPRA) rules and without holding International Competitive Bidding (ICB).
5. It has been reported that the Pakistan government has given the contract for 1,100 MW Kohala Hydropower Project to a Chinese firm, setting aside the Pakistan Procurement Regulatory Authority (PPRA) rules and without holding International Competitive Bidding (ICB).
7. The project involves raising of already constructed Mangla Dam (1967) by 30ft according to provision in the design of the dam.
8. Rs 72 mln contract awarded for feasibility of Pak-China rail service, *Pakistan Times* available at <http://pakistanimes.net/pt/detail.php?newsId=3712> (accessed on 10 August 2011).
9. Ibid.
10. Syed Fazl-e-Haider, Chinese shun Pakistan exodus , *Asian Times Online* available at [http://www.atimes.com/atimes/South\\_Asia/KI11Df01.html](http://www.atimes.com/atimes/South_Asia/KI11Df01.html) (accessed on 11 August 2011).
11. A Reflection on China's Resource and Infrastructural Development in Gilgit-Baltistan, *Institute for Gilgit-Baltistan Studies* available at <http://www.gilgitbaltistan.us/Interventions/a-reflection-on-chinas-resource-and-infrastructural-development-in-gilgit-baltistan.html> (accessed on 10 July 2011).
12. Report Examines Chinese Mining Companies' Inroads into Pakistan-Controlled Mineral-Rich Gilgit Baltistan Region, and Protests by Locals, *The Middle East Media Research Institute*, Special Dispatch No. 3970, 06 July 2011 available at <http://www.memri.org/report/en/print5433.htm> (accessed on 9 July 2011).
13. Ibid.
14. Pranab Dhal Samanta, "More than troops, Chinese projects in PoK worry India," *Indian Express*, 05 Sep 2010, available at <http://www.indianexpress.com/news/more-than-troops-chinese-projects-in-pok-worry-india/677450/0> (accessed on 10 July 2011).
15. Gilgit Baltistan Package Protects Pakistan and China's Interest- 13th Oct. 2009, *Balwaristan National Front*, available at <http://www.balawaristan.net/index.php/Latest-news/gilgit-baltistan-package-protects-pakistan-and-chinas-interest.html> (accessed on 9 July 2011).