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IV. CPEC: End to End

A. *Strains on the Federation*

The earliest tussle between the federation and federal units is related to CPEC's route from Kashgar in Xinjiang to Gwadar port in Balochistan. CPEC was originally meant to pass through and thus help develop impoverished areas of Balochistan as well as southern Punjab and Khyber Pakhtunkhwa. Activists and politicians in all three smaller provinces, Balochistan, Sindh and Khyber Pakhtunkhwa, including the Pashtun nationalist Awami National Party (ANP) and the Islamist Jamiat Ulema-e-Islam [Fazlur Rehman (JUI-F)] alleged that Sharif's PML-N government had changed the route to benefit its constituents in wealthier parts of central Punjab, the party's political bastion.⁵⁹

A compromise between the federal and provincial governments yielded three planned routes: western, central and eastern. The western route would pass from the Karakoram highway's Khunjerab pass on the Gilgit-Baltistan-Xinjiang border, through Islamabad, Khyber Pakhtunkhwa's Dera Ismail Khan district, Balochistan's Zhob, Qilla Saifullah, Quetta, Panjgur and Turbat districts, before reaching Gwadar. A central route would pass through Dera Ismail Khan and reach Balochistan's Khuzdar district and Basima town via interior Sindh and southern Punjab. The eastern route would cover southern and central Punjab districts, including Lahore, Faisalabad, Rahimyar Khan, Bahawalpur and Multan.⁶⁰

The controversy continues, however. With renegotiations and new Chinese conditions on the western corridor, CPEC's immediate focus is on using and upgrading the existing eastern route before eventually turning to new western routes.⁶¹ A Baloch member of parliament said Chinese officials were wary of developing the western route because of security concerns: "The federal government has created this impression in their mind". Afrasiab Khattak, a former senator and senior ANP leader from Khyber Pakhtunkhwa, a major jihadist sanctuary, was also critical of the current focus on further developing the eastern route. "We feel cheated", he said, "Punjab gets the industrial zones and trade; Khyber Pakhtunkhwa gets [militant] training grounds and madrasas".⁶² Yet addressing the adverse impact of CPEC on local communities, both in remote regions and the heartland, is arguably more urgent than settling the controversy about routes.

⁵⁹ In 2015, when the military reportedly requested additional expenses to secure CPEC projects, the provinces refused to provide them their share of the federal budget, asking, according to a senior official, how much of CPEC "would pass through their territory". Umer Farooq, "The federation question", *The News on Sunday*, 1 April 2018. See also "Altering reality", *The News*, 16 May 2015; Rafiullah Kakar, "Making sense of the CPEC controversy", *The Express Tribune*, 21 January 2016.

⁶⁰ For an overview of the route controversy, see Rafiq, "The China-Pakistan Economic Corridor", op. cit.

⁶¹ According to a senator from Balochistan, during a visit to China, the delegation learned that the western route did not even exist in the Chinese record. "Senators in shock: CPEC western route doesn't even exist in Chinese record", *The News*, 10 March 2018.

⁶² Crisis Group interviews, Islamabad, February 2018. A Khyber Pakhtunkhwa official alleged that none of his government's proposed projects were included in CPEC. "No KP-proposed projects land among CPEC", *The Express Tribune*, 17 November 2017. See also "The Baloch concerns", *The News*, 31 December 2017.

B. CPEC's Exit Point: Gilgit-Baltistan

All three prospective CPEC routes cross from Pakistan into China from Gilgit-Baltistan, which Pakistan considers part of disputed Kashmir. Its constitutional status within Pakistan is undetermined and political autonomy a façade, given the circumscribed powers of its elected legislative assembly. Nevertheless, because the Khunjerab pass via the Karakoram highway marks CPEC's border for both Pakistan and China, there were high expectations among residents that CPEC would offer Gilgit-Baltistan major development dividends. Indeed, Beijing's ambassador to Pakistan has promised major CPEC-related benefits to the region, including enhanced cross-border trade, upgraded infrastructure and hydropower projects.⁶³

Residents' hopes thus far appear to have been misplaced. Given the mountainous terrain, the single-lane highway in Gilgit-Baltistan can only be upgraded and not significantly widened. "Overland trade", said a CPEC expert, "is in any case very expensive and would remain so even if the route is developed further".⁶⁴

Locals in Gilgit-Baltistan are already resentful of what they see as their region's political and economic isolation. Adding insult to injury is that CPEC projects, designed and implemented without their input, will be of little benefit to them.⁶⁵ The ecological costs of infrastructure projects in a mountainous region prone to landslides, and carbon emissions from the expected increase of truck traffic, have also angered environmental and local activists. Locals are also sceptical of government claims that CPEC will reduce high rates of unemployment, suspecting that most jobs will go to outsiders from Punjab and Khyber Pakhtunkhwa, which could also affect Gilgit-Baltistan's delicate Sunni-Shia demographic balance.⁶⁶

Instead of addressing such concerns, authorities have regularly invoked the 1997 Anti-Terrorism Act and the 2016 cybercrimes law against political party and human rights activists. Intelligence officials have warned local journalists in Gilgit-Baltistan against criticising CPEC.⁶⁷ Officials accuse Indian intelligence agencies of trying to stir up anti-state sentiment in the region, implying that dissidents and protesters are Indian spies, contributing to a generally restrictive environment where criticism of CPEC is especially fraught. Replicating familiar conspiracy theories about Indian sabotage, in February 2018, the federal Interior Ministry notified Gilgit-Baltistan's Home Department of alleged Indian plans to use Muslim recruits trained in Afghan-

⁶³ "CPEC to benefit Gilgit-Baltistan the most: Chinese envoy", *Dawn*, 1 April 2018.

⁶⁴ Crisis Group interview, Karachi, December 2017.

⁶⁵ "CPEC in Gilgit-Baltistan", *The News*, 22 August 2017; "'Thousands' protest govt's negligence of Gilgit-Baltistan under CPEC", *Dawn*, 15 May 2017. See also Crisis Group Report, *Discord in Pakistan's Northern Areas*, op. cit.

⁶⁶ The region, which has a major Shia population, has witnessed violent sectarian conflict in the past. On Gilgit-Baltistan's sectarian dynamics, see Crisis Group Report, *Discord in Pakistan's Northern Areas*, op. cit. Also, "Scepticism in Gilgit-Baltistan over China-Pakistan Economic Corridor", *Deutsche Welle*, 3 January 2018.

⁶⁷ Crisis Group interviews, journalists reporting on CPEC in Gilgit-Baltistan, Islamabad, June 2018. "Gilgit-Baltistan protests", *Dawn*, 29 December 2017; "Pervasive militarisation undermining democratic system, rights", Human Rights Commission of Pakistan (HRCP), 3 April 2016; "Five BNF activists arrested in Gilgit Baltistan", *The Nation*, 10 September 2016; "GB police arrest two people for 'anti-state' activities", *Dawn*, 12 February 2017; "HRCP reports rights abuse in Gilgit Baltistan by agencies", *The Nation*, 3 March 2017; Ammar Rashid, "Gilgit-Baltistan's prisoner of conscience", *The Daily Times*, 15 May 2017.

istan to attack CPEC installations on the Karakoram highway and other routes. This allegation provoked heightened security measures and stricter monitoring of foreigners and visiting Pakistanis, including searches in hotels and guesthouses, and more patrolling of the route and exit and entry points.⁶⁸

Tensions with Islamabad have also risen as the result of the May 2018 promulgation of the Gilgit-Baltistan Order 2018, with the Pakistani prime minister retaining significant authority, with only some powers delegated to a council headed by an appointed governor to the elected Gilgit-Baltistan legislative assembly. In ongoing protests throughout the region, thousands of its inhabitants are demanding full democratic rights and representation. Protesters have regularly clashed with police, who have used tear gas and shot in the air to disperse crowds.⁶⁹ According to a former senator, locals ask why CPEC passes through their region when Islamabad denies them fundamental rights.⁷⁰

While the last government's hasty, flawed reforms, with limited local buy-in, have aggravated longstanding grievances in Gilgit-Baltistan, anti-Chinese sentiment also is on the rise. In 2016, China detained around 50 Chinese Uighur women married to Gilgit-Baltistan residents, reportedly on suspicions of links to Islamist militants in Xinjiang; the Gilgit-Baltistan legislative assembly has urged the federal government to work for their release, though as yet to no apparent avail. Asked about their detention, Chinese Ambassador Yao Jing said, "the women are being interrogated as Chinese citizens".⁷¹ These actions will likely further fuel local alienation from both Islamabad and Beijing, with inevitable implications for CPEC.

CPEC's Gilgit-Baltistan component also has geopolitical implications. India claims the region as part of its Jammu and Kashmir territory, rejecting Pakistan's cession of part of the region to China under the 1963 border agreement.⁷² Former Indian Foreign Secretary S. Jaishankar argued, "China is very sensitive about its sovereignty. The economic corridor passes through an illegal territory". Indian Prime Minister Narendra Modi contended, "connectivity in itself cannot override or undermine the sovereignty of other nations".⁷³ Beijing seems sensitive to these concerns, but equivocates. Briefing a visiting Pakistani media delegation, a Chinese

⁶⁸ "India may target CPEC installations, interior ministry tells GB", *Dawn*, 5 February 2018.

⁶⁹ "Many injured during protest against new Gilgit-Baltistan law", *Dawn*, 27 May 2018; "Protests held across GB against new order", *Dawn*, 26 May 2018.

⁷⁰ Former Senator Farhatullah Babar said, "the people of GB have been fed on false hopes, broken promises and utter lies". "Farhatullah warns of emergence of GB Tahafuz (Protection) Movement", *The News*, 17 May 2018.

⁷¹ Quoted in "CPEC to benefit Gilgit-Baltistan the most: Chinese envoy", *Dawn*, 1 April 2018. See also "Women victims of cross-border marriages", *The News*, 25 March 2018; "Call for release of Chinese wives of GB men in Xinjiang", *Dawn*, 4 March 2018.

⁷² Article 6 of the treaty acknowledged a need for Pakistan and China to formally renegotiate their boundary after the "settlement of the Kashmir dispute between Pakistan and India". "The boundary agreement between China and Pakistan, 1963", signed by Marshal Chen Yi, plenipotentiary of the government of People's Republic of China and Zulfikar Ali Bhutto, plenipotentiary of the government of Pakistan. See also Crisis Group Report, *Discord in Pakistan's Northern Areas*, op. cit. New Delhi protested the Gilgit-Baltistan Order 2018.

⁷³ Harsh V. Pant, "Responding to the China-Pakistan Economic Corridor", *Live Mint*, 1 December 2017. That China neglected to negotiate with India over the launch and branding of CPEC meant it got off to a rough start from Delhi's perspective. Crisis Group discussion, Chinese scholar, Shanghai, April 2018.

foreign ministry official said, "India's accusation of Chinese occupation of any part of Kashmir is baseless". Yet in a pointed reference to tense relations between Pakistan and India, he also said, "the CPEC is neither the way to achieve political aims nor to be used in regional conflicts".⁷⁴

C. CPEC's Entry Point: Gwadar

1. Developing Gwadar

Purchased by Pakistan from Oman in 1958, Gwadar is a fishing town on the Arabian Sea not far from the Iranian border. General Pervez Musharraf's military regime (1999-2008) sought assistance from China and other countries to develop the town into a modern deep-sea port, along with a master plan for refineries, power plants and industrial estates. The Port of Singapore Authority assumed control over Gwadar port in January 2007, and inaugurated it in March that year. Yet because of a mix of insecurity in Balochistan, nationwide political instability and economic crises – all largely the result of the regime's policies – none of the elements of the master plan materialised.⁷⁵

In February 2013, Pakistan transferred leasing rights from the Port of Singapore Authority to the China Overseas Port Holding Company-Pakistan.⁷⁶ Gwadar subsequently became integral to CPEC, with proposed energy pipelines, and road and rail links connecting it to China's Xinjiang province through Gilgit-Baltistan via the Karakoram highway, aimed at turning it into a bustling commercial hub.⁷⁷

In a November 2017 briefing to the Senate, Hasil Bizenjo, then federal minister for ports and fisheries, confirmed that China would receive 91 per cent of Gwadar port-generated profits over 40 years and the Gwadar Port Authority, controlled by the federal government, the remaining 9 per cent; Balochistan's provincial government would get nothing.⁷⁸ The Port of Singapore Authority, the previous Gwadar port operator, had the same lopsided terms but many local officials and business community representatives believed that Islamabad should have renegotiated them with the Chinese operator. "As details emerge, there is more alarm about how much CPEC actually offers Balochistan", said an expert with deep knowledge of Gwadar.⁷⁹

⁷⁴ "China trying to convince India CPEC is for prosperity", *The Express Tribune*, 16 November 2017.

⁷⁵ For Crisis Group's analysis of Balochistan's security dynamics, see Asia Briefing N°69, *Pakistan: The Forgotten Conflict in Balochistan*, 22 October 2007; and Report N°119, *Pakistan: The Worsening Conflict in Balochistan*, 14 September 2016.

⁷⁶ See website at <http://cophcgwadar.com>. Gwadar Port became formally operational in November 2016 and can now berth 50,000-tonne oil tankers. Fu Mengzi and Xu Gang, "New Silk Roads: Progress, Challenges and Countermeasures", *China International Studies*, July/August 2017.

⁷⁷ "Chinese-Pakistan project tries to overcome jihadists, droughts and doubts", *Wall Street Journal*, 16 April 2016.

⁷⁸ Unveiling his National Party's election manifesto, Senator Bizenjo called for consultations with Baloch leaders before signing any CPEC project in Balochistan, and to give the provincial government control over Gwadar port. The National Party is a Baloch nationalist party. "NP vows to struggle for empowerment of federating units", *Dawn*, 25 June 2018; "China to get 91pc Gwadar income, minister tells Senate", *Dawn*, 25 November 2017; "The Baloch concerns", *The News*, 31 December 2017.

⁷⁹ Crisis Group interviews, Karachi, December 2017.

In November 2015, the China Overseas Ports Holding Company-Pakistan assumed control over Gwadar's free trade zone. A prominent Karachi-based financial sector representative said this change would disadvantage Pakistani businesses: "If I want to set up a factory there, I would have to approach a Chinese manager".⁸⁰ In November 2017, Beijing asked for its currency, the renminbi, be given legal tender in Gwadar's free trade zone, which Pakistan rejected.⁸¹

Gwadar suffers from acute water and electricity shortages, major challenges to transforming it into a commercial hub. Iran exports electricity to Gwadar, but outages can extend up to ten hours a day.⁸² With pipelines running dry, privately owned tankers supply water at high prices.⁸³ The Mirani dam in Kech/Turbat to Gwadar's north, inaugurated in 2008, is meant to irrigate some 30,000 acres but instead is being used to channel water to Gwadar, provoking resentment in Turbat, already a hub of Baloch dissent, with regular clashes between Baloch insurgents and the military.⁸⁴ Attacks on tankers carrying water from the dam to Gwadar have provoked strikes by owners and drivers and strikes in thirsty Gwadar's markets and businesses.⁸⁵ Two desalination plants have been built with Chinese support in Gwadar, and the military intends to build another. Yet several local officials complained that the existing plants benefit the port, not the city's residents. A resident said: "They say that Gwadar will be a major hub of industry; for the people who live here, it is Karbala".⁸⁶

Gwadar's apparently limited commercial potential is raising suspicions about China's real intentions. Some Pakistani security analysts believe that China is less interested in developing a road and logistical network that would enable access to the Arabian Sea and Persian Gulf from Xinjiang via Gwadar than in using the port for military purposes.⁸⁷ One analyst wrote, "Gwadar will be a critical addition to Bei-

⁸⁰ Crisis Group interview, Karachi, December 2017.

⁸¹ Pakistan's State Bank has approved the yuan for bilateral imports, exports and financial transactions with China. A bilateral currency swap agreement (10 billion yuan) from the Chinese side and Rs. 140 billion from Pakistan (\$1.6 billion) was signed in December 2011 by exporters and importers but was seldom used by traders. Since the private sector is playing a major role in both CPEC bilateral trade and SEZ industrialisation, there are concerns that Pakistani businesses might still be resistant to trading in Chinese currency. Pakistani businesses do not want to trade in Chinese currency. They would much rather continue to use currencies such as the U.S. dollar. "Doors open to yuan-based trade with China: SBP", *Dawn*, 31 January 2018.

⁸² Crisis Group interviews, officials, business representatives and residents, Gwadar, January 2018.

⁸³ A Baloch analyst wrote: "The situation as it stands is in stark contrast to the images of a pulsating sea and a bustling port that are often used to describe Gwadar. Truth be told, Gwadar's water emergency puts any gains to be made out of CPEC projects in jeopardy – after all, how can an industrial city survive without potable water? Are we being set up for a fall?" Muhammad Akbar Notezai, "Thirsty in Gwadar", *Dawn*, 10 September 2017.

⁸⁴ Crisis Group interview, former senior Balochistan government official, December 2017. See also "Mirani Dam termed a big disaster", *Dawn*, 13 June 2011; Crisis Group Briefing, *The Forgotten Conflict in Balochistan*, op. cit.

⁸⁵ "Attack on water tankers prompts protest in Gwadar, Turbat", *Dawn*, 12 November 2017.

⁸⁶ Crisis Group interviews, government officials, Gwadar, January 2018. In the battle of Karbala (680 AD), the Umayyad commander blocked access to the Euphrates so that Imam Hussain and his followers would have nothing to drink. See also "Thirsty to thriving? Parched Pakistani port aims to become a new Dubai", Thomson Reuters Foundation, 25 April 2018.

⁸⁷ Crisis Group interviews, Islamabad, Lahore and Karachi, November 2017-January 2018. When a June 2017 Pentagon report implied that Gwadar could become a Chinese military base, a Chinese

China's so-called string of pearls: a ring of ports around the Indian Ocean, including in Sri Lanka, Djibouti and the Seychelles, which are intended to outflank China's nuclear-armed rival for supremacy in Asia: India".⁸⁸ As it is, the ongoing militarisation of Balochistan's coastal belt by the Pakistani army and navy, justified in part on the grounds of safeguarding CPEC assets, is holding back commercial activity in the district.⁸⁹ "The cost of securing CPEC projects in Gwadar", said a political economist, "could far exceed economic gains".⁹⁰

2. Leaving Gwadar's Communities Behind

Alienation is fast increasing as locals in Gwadar's inner city fear their homes could become the first casualty of the CPEC port and free (trade) zone project. While the Gwadar city master plan has yet to be finalised, according to several Gwadar officials, the federal government plans to expropriate land, bulldoze the old city and resettle residents; it is already prohibiting the Gwadar Development Authority from allocating any funds for the inner city's development. A senior Gwadar official said, "right now, the idea that residents will be forced out is not a myth".⁹¹

A federal government directive to the development authority to stop approving new housing and commercial developments until the master plan is finalised came after 103 housing schemes had already been approved, with some 100 private firms acquiring 14,500 acres of land.⁹² The navy has launched its housing scheme on some of the most attractive land overlooking Gwadar's east and west bays, and speculators and developers are pushing property prices out of reach for locals.

A state-led land expropriation is now underway in and around Gwadar under the 1894 Land Acquisition Act, including over 2,200 acres for CPEC's free trade zone, with an estimated 290,000 acres of land required for Gwadar city and 160,000 acres for residential purposes. An urban planner and expert on Balochistan said: "No consultation on land use has been held, even with local officials, not even a cosmetic consultation".⁹³ Landowners say properties have been expropriated without advance notice as required under the Land Acquisition Act.⁹⁴

defence ministry spokesman said such talk was "pure guesswork". "China lavishes aid on Pakistan's Gwadar", Reuters, 17 December 2017.

⁸⁸ Saim Saeed, "China's plans to rule the seas hit trouble in Pakistan", *Politico*, 17 August 2017.

⁸⁹ Crisis Group observations, interviews, officials, Gwadar, January 2018.

⁹⁰ Crisis Group interview, Karachi, December 2017.

⁹¹ Crisis Group interviews, Gwadar, January 2018. See also "Short-term consultancy required for study and preparation of PC1 document for expropriation and resettlement of old town Gwadar", Gwadar Development Authority, September 2016.

⁹² "Plea to launch Gwadar housing, commercial societies rejected", *Dawn*, 29 January 2018. According to one report, "Pakistani real estate giant Rafi Group made a ten-fold profit last year from its sale of hundreds of acres of land in the remote fishing town of Gwadar, acquired soon after the government announced plans for a deep-sea port there". Maqbool Ahmed, "Unreal estate: The boom in Gwadar's property market", *Herald*, June 2017.

⁹³ Crisis Group interview, Karachi, December 2017.

⁹⁴ The urban planner said that the government and contractors are likely to adopt a "take it or leave it" approach to acquiring land from locals. They will make offers, but if locals refuse to sell, they will simply seize the land. Crisis Group interview, Karachi, December 2017; Crisis Group interviews, Gwadar officials and businesses, Gwadar, January 2018. See also "Violation of land acquisition act", *Dawn*, 5 September 2010.

As local alienation increases, so does security surveillance and control. Several intelligence agencies monitor movement within and around the city. Residents, even local officials, are subjected to frequent and demeaning questioning by soldiers at checkpoints. Even children are not exempt. A schoolgirl said: "CPEC has given us nothing; we can't even walk freely in our own city". A Gwadar official added, "the plan seems to be to make life so miserable for the residents that they leave on their own".⁹⁵

Instead of improving the lives of locals, CPEC's presence is depriving them of their livelihoods. According to a Baloch analyst: "Around 70-80 per cent of the locals there are dependent on fishing, and at the moment they fear being crushed under the weight of the CPEC flagship".⁹⁶ Local fisher folk and other stakeholders say the project will close Gwadar's jetty. Fisher folk, whose daily catch provides them just enough to feed their families, already have been denied access to the sea for days on end on security grounds. During the Gwadar Expo in the free trade zone in January 2018, boats were beached for three days during a critical season of calm waters.⁹⁷ Fishing communities are also being relocated to nearby fishing areas along the coast, such as Sur Bandar, with some resisting pressure to move.⁹⁸ In the long run, such resistance is unlikely to halt the development of the port, but the cost of ignoring it would be further local alienation.

Locals also resent exclusion from employment in the port and in construction. Many criticise the military-run Frontier Works Organization, which dominates construction contracts in Balochistan and elsewhere, for using labour from central and northern Punjab. A former senior Balochistan official said, "everyone sees the Baloch as uneducated so they won't invest in them".⁹⁹ Although some programs are underway to train and employ locals, the backlash against CPEC in Balochistan is already apparent.¹⁰⁰ If Baloch unskilled and semi-skilled workers are deprived of the benefits of the planned mega-development in Gwadar, Baloch insurgents potentially could expand their outreach and appeal by recruiting such workers.

3. Gwadar and the Baloch Insurgency

Over the past two decades, Baloch alienation has reached new heights. During Musharraf's regime (1999-2008), the military and paramilitary Frontier Corps attempted to suppress Baloch dissent, abducting, torturing and killing hundreds, if not thousands, of Baloch nationalists and sympathisers. Even after the restoration of democracy, torture, enforced disappearances and extrajudicial killings continue

⁹⁵ Crisis Group interviews, Gwadar, January 2018.

⁹⁶ Shah Meer, "The plight of the Gwadar fishermen", *The Diplomat*, 8 August 2016.

⁹⁷ Crisis Group interviews, Gwadar-based officials, business representatives, civil society activists, Gwadar, January 2018.

⁹⁸ A representative of the fisher folk said, "we will not leave This is the spot where we can fish all the year round; at Sur, there are three months – June, July and August – when fisher folk cannot go to the sea due to high waves". Quoted in Zofeen T. Ebrahim, "Gwadar fisherfolk worry about One Belt, One Road", *Dawn*, 8 December 2017.

⁹⁹ Crisis Group interviews, Gwadar, Karachi, December-January 2017.

¹⁰⁰ Gwadar's Pak-China Technical and Vocational Training Institute is reportedly training 5,000 locals, who will complete their courses in mid-2018. "Will CPEC alter Balochistan?", *The News*, 22 February 2018; "Blossoming Gwadar", *Dawn*, 29 January 2018.

unabated.¹⁰¹ In mid-2017, a major monthly commented that the “security forces’ scorched-earth tactics” seem to have pushed more youth “to take up arms against the state”, joining the ranks of insurgents fighting for Baloch rights.¹⁰²

The state has made few attempts to address Baloch calls for greater political and economic autonomy, which underpin the insurgency. It has also failed to prevent various jihadist groups, including Lashkar-e-Jhangvi and Lashkar-e-Tayyaba/Jamaat-ud-Dawa, from expanding their presence in Balochistan. As such groups expand their presence, Chinese nationals could soon become high-value targets, as demonstrated by the 2017 abduction and killing of two Chinese Christian missionaries in Quetta.¹⁰³

A prominent political economist said: “The military’s response to discontent in Balochistan is extremely heavy-handed”.¹⁰⁴ Balochistan’s militarisation – the army’s southern command is de facto the supreme authority in the province, sidelining an already dysfunctional civilian administration – has imposed enormous pressures on local populations. Those populations are also threatened by Baloch militants. “If anyone cooperates with the military, if anyone shares information with them, the militants interrogate them and attack them. Many have ended up fleeing to Karachi”, said an informed observer.¹⁰⁵

With animosity toward Islamabad heightening, Baloch insurgent groups such as the Baloch Liberation Army have condemned CPEC projects as another attempt by the state to exploit Balochistan’s resources while giving little back to the province and its citizens. “Anywhere the Chinese are working will be perceived as a CPEC project and could hence be subject to attack”, said Kaiser Bengali, a prominent economist and former senior adviser to the Balochistan government.¹⁰⁶

Baloch militants have killed scores of Pakistani workers employed on CPEC projects, including three labourers in Turbat district working for the military-run Frontier Works Organization on the Gwadar-Quetta highway in May 2017, and ten construction workers in Gwadar earlier the same month, also working on CPEC road

¹⁰¹ “Pakistan: End enforced disappearances now”, Amnesty International, 6 November 2017; “No More ‘Missing Persons’: The Criminalisation of Enforced Disappearances in South Asia”, International Commission of Jurists, August 2017; “Balochistan war: Pakistan accused over 1000 dumped bodies”, BBC, 28 December 2018. See also Crisis Group Briefing, *The Forgotten Conflict in Balochistan*; Crisis Group Report, *The Worsening Conflict in Balochistan*, both op. cit.

¹⁰² “The simmering conflict in Balochistan”, *The Herald*, June 2017. See also Siraj Akbar, “Beijing to Balochistan”, *The News*, 4 March 2018.

¹⁰³ The Islamic State claimed credit for the killings, claiming that the Chinese were proselytising. “Murder of Christians”, *Dawn*, 4 April 2018; “Risky road: China’s missionaries follow Beijing west”, BBC, 4 September 2017; “Crackdown on Christians in China after killing of two missionaries in Balochistan”, *Dawn*, 5 September 2017; “Two Chinese nationals kidnapped from Quetta”, *Dawn*, 24 May 2017; “Abducted Chinese nationals killed, claims IS”, *Dawn*, 9 June 2017.

¹⁰⁴ Crisis Group interview, Karachi, January 2018. Between November 2017 and early January 2018, at least nine Baloch students at Karachi University were illegally abducted, allegedly by security officials. Five online activists, including critics of enforced disappearances in Balochistan, had been abducted a year earlier, in January 2017, again allegedly by security officials. Four were subsequently released. “Two KU students among three picked up from their houses by ‘masked men’”, *The News*, 5 January 2018; “Fifth activist reported missing in Pakistan, alarming rights groups”, Reuters, 11 January 2017.

¹⁰⁵ Crisis Group interview, Karachi, December 2017.

¹⁰⁶ Crisis Group interview, Karachi, December 2017.

projects. “Though the Baloch insurgents are not strong enough to counter an overwhelming military presence”, an analyst said, “these attacks are a message to the Chinese that the state will not always be able to protect them”.¹⁰⁷

Frequent killings of police and paramilitary personnel – by both Baloch insurgents and jihadist groups – including in normally safe areas such as the provincial capital Quetta, have raised questions about whether the state, even with a heavy military and paramilitary presence, can maintain security. Even if such attacks do not deter Chinese enterprises, they could be used to justify an even greater security presence, which, in turn, would risk feeding Baloch dissent and fuelling the insurgency.¹⁰⁸

¹⁰⁷ Crisis Group interview, Karachi, December 2017.

¹⁰⁸ An analyst who works on Balochistan warned: “If the Chinese conclude that the military is not effective [in providing security], they’ll increase pressure [on Pakistan] to either provide better security or come up with an alternative plan to maintain their own security. It will start with calls to ‘do more’, then joint surveillance and patrols. That would be even more disastrous”. Crisis Group interview, Karachi, December 2017.