

# Regional Railway Hub in Pakistan and China's Role

*Chen Jidong\**

## **Abstract**

[Considering the gifted geographical position that Pakistan assumes, the development of a regional railway hub in the country will enhance overland connectivity between Central, West, South Asia and Western China to a great extent. It may help China's Western regions particularly Xinjiang trade more conveniently with the Middle East and beyond. Such a railway hub in Pakistan and particularly the linkage with China will actually ensure the realization of a very significant segment of the trans-Asian railways. China should join hands with Pakistan, both in terms of financial and technical cooperation, in this respect to reap immense bilateral as well regional gains in the years ahead. – *Editors.*]

## **Introduction**

With its geographical advantages, Pakistan's desire to build trade and transport corridors connecting South Asia, West Asia, Central Asia and Western China will help to turn its geo-economic advantages into real economic benefits, enhance Pakistan's importance in the regional economy, and enable it to gain sustained momentum for economic development of its own.

## **Advantages of building a regional railway hub**

The construction of a regional railway hub in Pakistan has many advantages, some of which are stated below:

### **1. Stimulating a good momentum of development of the regional economy and increasing mutual transportation**

- In recent years, emerging Asian economies, especially China, have maintained a good momentum of economic development. Particularly the continued economic growth of China promotes economic growth in East Asia. Furthermore the countries in Central Asia help to promote global integration; whereby at a global level this area has seen quite rapid economic development. Hence the increasing trade between South Asia and Central Asia also satisfies a precondition for the expansion of developing regional transport.
- The promotion of the second round of national policies of China's Western Development, and its Xinjiang Uygur Autonomous Region is accelerating the development, and the opening up to Central Asian and South Asian countries, thus

---

\*Prof. Chen Jidong is Executive Director of Pakistan Study Centre, Sichuan University, Chengdu-China.

enabling economic and trade exchanges between them to become more and more frequent. Additionally Xinjiang Region is gradually increasing traffic with Pakistan.

## **2. Reaping the benefits of geo-economics**

- Located in the northwest of the subcontinent of South Asia, Pakistan is bordered by Afghanistan and Iran in the west, India in the east, Xinjiang Region of China in the north, and the Arabian Sea in the south. In addition, it shares a maritime border with Saudi Arabia, Oman, and other oil-producing and gas-producing countries of the Middle East. Strategically, Pakistan is located between the important regions of South Asia, Central Asia and West Asia, and hence its advantages of geo-economics are clearly obvious.
- Pakistan can be opened up to the overland trade and transport channels with the Central and Western Asian countries, even with the European countries because of the transit requirements of India, Nepal and other South Asian countries. Furthermore, Afghanistan and other Central Asian countries that are completely landlocked can import and export goods through the ports in Pakistan. China's western regions, especially Xinjiang Region can trade with the countries in the Middle East, Persian Gulf and other areas through Pakistan; this being a much closer route than others.

## **3. Completing the railway network infrastructure**

The first railway was opened in Pakistan (then British India) on May 13, 1861. The railway network across Pakistan was of a certain size when Pakistan declared independence in August 1947. In this regard:

- Firstly, the big cities of every province in Pakistan are connected by train service. There are rail links from Karachi in the southern province of Sindh to Lahore in (the eastern province of) Punjab, to Peshawar ( in the north western province of Khyber Pakhtunkhwa), and from Karachi to Quetta in Balochistan province. The rail network is denser in Punjab in which the economy is more developed.
- Secondly, Pakistan has rail links with neighboring countries. During the early period of British India, British colonial authorities introduced the railway system to the subcontinent, and built the rail network connecting today's Pakistan, India and Iran. This will greatly facilitate the construction of a regional rail hub in Pakistan.
- Thirdly, the railways in Pakistan extend from Chaman in Balochistan and the Khyber Pass of Khyber-Pakhtunkhwa to the Pakistan-Afghanistan border. Hence railway construction projects that are being implemented will connect with Afghanistan, and further be linked to the railway networks of all

countries of Central Asia through Afghanistan.

#### **4. Active promotion of the railway construction with China**

- Pakistan has not been satisfied with the fact that there is only one highway, the Karakoram Highway, connecting Pakistan with China by land. Pakistan had planned for the construction of the railway project, and had talks with the Chinese side during the period when Musharraf was Pakistan's President. Yet there has been no progress because the project is technically difficult, extremely expensive, and of long duration, and thus needs to be researched and studied comprehensively. However, Pakistan has not given up this project and is committed to promoting it actively. Opening up the rail link with China can substantially improve the conditions of transport between Pakistan and China, and mitigate the adverse effects on the transport of the two countries by land, as a result of the interruption of traffic on the Karakoram highway in the winter season. This will build closer economic and trade exchanges with China, and more convenient trade and transport links between Western China and the Middle East, West Asia, and even North Africa. The goods of Western China will be able to reach their destination much faster and more conveniently through the railway network in Pakistan.
- The implementation of several railway construction projects will also enable the goods of Afghanistan, and the Central Asian countries to reach the Indian Ocean through railways in Pakistan, making trade and transport among countries in the region more convenient. Therefore, the railway system of Pakistan will become a Trans-Asian railway, as well as the hub connecting South Asia, Central Asia and West Asia.

#### **Challenges in the construction of a regional rail hub**

The railways in Pakistan are aging, and the task of upgrading them is arduous. Furthermore the investment for construction of the new railway is more expensive, and its construction period is rather longer. There are also other issues to be resolved in connecting the railways in Pakistan to ones of the neighboring countries. Therefore, the challenges that the construction of a regional rail hub pose can be divided into twokinds; the internal ones, and those connected with the railways of neighboring countries.

If Pakistan plans to build a regional rail hub there are various problems it will need to address regarding its own railways. Firstly, obsolete infrastructure and deficient vehicles and equipment. Secondly, sluggish construction of the railway network and lagging a signal system for command. Thirdly, poor operations, resulting in losses every year, will have to be addressed.

Only if the existing problems are solved can the railway system of Pakistan achieve smooth operations, and become a regional rail hub. Also, its running smoothly is contingent to its connection to the railways of neighboring countries being successful. Otherwise, there will be a "bottleneck" of the Trans-Asian Railway rather than a hub.

The State Council of China issued a statement in support of the construction of "Kashgar, Horgos Economic Development Zone" on September 30 2011, which included the active promotion of the railway construction with Pakistan. It suggested that the two countries had reached an agreement. However, the task is not easy as the Karakoram Mountains lie in the border areas, in which complex geological structure, frequent natural disasters, and adverse weather conditions exist. Actually, the railway project will take a long time to start.

### **The role of China**

As mentioned the construction of a regional railway hub in Pakistan faces many problems and challenges. It will be difficult to complete without outside help. China cooperated with Pakistan in railway projects many years ago; whereby Pakistan had purchased 69 sets of Chinese locomotives and the two countries had also discussed the project. Furthermore with China's help Pakistan upgraded the railway signal system. Therefore, China can play an important role in helping Pakistan build a railway hub in the region.

**Active involvement in the project:** China has made remarkable progress in the development of its railways in recent years. China's railway companies have obvious advantages regarding design, construction, management, etc. These companies may be motivated and asked to submit bids to undertake the projects of railway construction and also support the construction of infrastructure in Pakistan.

**Financial support:** External financing is inevitable as implementation of railway projects in Pakistan requires a large amount of funds. As an all-weather friend of Pakistan, China has the ability to provide the necessary financial help for its railway projects.

**Technical Support:** With their technical advantage, Chinese companies can provide technical advice for railway projects in Pakistan. For example, according to reports from Pakistan, the Chinese government supported Pakistan in the reinforcement, replacement, and modernization of its existing railway. The Ministry of Railways of China has appointed three experts to help Pakistan to complete technical feasibility studies on the project of modernization of the railway.

**Supporting the project of construction of a cross-border railway:** China can play a role in the construction of the rail link between

### *Regional Railway Hub in Pakistan and China's Role*

Afghanistan and Pakistan. For example, according to the news in Afghanistan, as a part of the project on 'Aynak Copper Mine of Afghanistan' for which China won the bid, China will help Afghanistan to build railways from the Amu Darya, which is the border river of Afghanistan and Tajikistan, to Torkham lying in the border of Afghanistan and Pakistan.

The assistance for construction of a section of the railway in Afghanistan is a part of China's participation in the reconstruction of Afghanistan. If the railway can be completed, the railways of Pakistan will connect with ones in Central Asia.

Additionally, there have been reports suggesting that China would support Pakistan to improve the border railway of Pakistan and Afghanistan, and it is hoped that Pakistan could build a railway from Torkham to Jalalabad in Afghanistan as soon as possible, so that China could transport copper in Afghanistan and other related material and equipment required for other projects by Pakistan's railways.

### **Conclusion**

The history of the development of the world economy shows how rail transport has played a pivotal role in the economic development of various countries. The development of railways is critically important for Pakistan in order to try to build a regional trade channel, and promote development of the domestic economy. It has a lot of potential, but in view of the current situation of rail transport in Pakistan, a lot of improvements need to be carried out at the same time.

In recent years, a number of planned infrastructure projects have not been completed on time because of a rather unstable political situation and increasingly serious security situation in Pakistan, as well as the negative impact of the global financial crisis which has adversely impacted government expenditure creating a shortage of funds for construction and development. Hence in the near future, railway transport in Pakistan may further experience a lower ebb.

In the long run however, rail transport in Pakistan will rapidly be developed if it aims - the stabilized security situation, an economic recovery, and consequently smooth connection of railways to ones of neighboring countries, can be achieved. If so, the dream of building a regional rail hub for Pakistan will come true. It will also provide favorable conditions for a lasting and stable development of the economy in Pakistan.

As the all-weather friend of Pakistan, China can help Pakistan develop railway projects in many ways, and play an important role in carrying out economic and technical cooperation.

*Policy Perspectives*

The active promotion of the construction of the railway project connecting Pakistan with Xinjiang Region in China will not only enhances the capacity of the transportation of the two countries by land, but would also add a new outbound transportation line for western China.