



The Strategic Cooperation among India, Pakistan, Iran and Central Asia and its implications upon the Regional Stability

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Abstract

The close interconnectedness and intense mutual interdependence among the countries both geo-politically and geo-economically has turned the world into a kind of a global village. Today maintaining peace, security and economic development of a country either directly or indirectly depends upon its cooperation with the other countries. In these days of age it is mutual cooperation rather than confrontation which is the preferred tool by the states for securing the national interests. The cooperation has occupied the central stage at both geo-political and geo-economical levels and the mentality that wars and confrontation were regarded as the tool for furtherance and securitization of the national interests is ending. With respect to this mutual cooperation between the countries of South Asia, Middle East and Central Asia, particularly India-Pakistan-Iran and Central Asian countries has immense potential not only for providing immediate solution to their common internal problems that the countries are facing but also playing a crucial role in developing their mutual understanding, economy, establishing peace and security as well as in integrating all the three regions. There are areas like energy, trade, and facilitation of transitional routes, which are having the capacity to open a new phase in their mutual cooperation. Cooperation in these areas will not only resolve their immediate problems that these countries are facing particularly in energy sector, economic field and with respect to national security, but it would also transform them into long term strategic partners. Therefore the paper attempts to analyse the India, Pakistan and Central Asia cooperation and its impact on economic development, regional integration and peace and security.

Keywords: India, Pakistan, Iran, Central Asia, Energy, Security, Cooperation, Regional Stability.

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Hindistan, Pakistan, İnan ve Orta Asya Arasındaki Stratejik İşbirliđi ve Bunun Bölgesel İstikrar Üzerindeki Etkileri

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Öz

Ülkeler arasında hem jeopolitik hem de jeo-ekonomik açıdan bađlılık ve yakınlık, dünyayı bir tür küresel köye dönüştürmüştür. Bugün, bir ülkenin barışı, güvenliđi ve ekonomik gelişmesinin sürdürülmesi, doğrudan ya da dolaylı olarak diđer ülkelerle olan işbirliğine bađlıdır. Bu günlerde ulusal çıkarları güvence altına almak için devletlerin tercih ettiđi araç, çatışmalar yerine karşılıklı işbirliğidir. İşbirliđi, hem jeo-politik hem de jeo-ekonomik düzeylerde merkezi aşamaya ulaşmakla birlikte savaş ve çatışma yoluyla ulusal çıkarların güvenceye alınmasını mümkün sayan zihniyeti de yok etmiştir. Bu açıdan Güney Asya, Orta Dođu ve Orta Asya'da bulunan ülkeler özellikle Hindistan-Pakistan-İnan arasındaki bu karşılıklı işbirliđi, sadece bu ülkelerin karşı karşıya olduđu sorunlara acil çözüm sağlamak için deđil, aynı zamanda karşılıklı anlayışlarını, ekonomilerini geliştirmeyi ve bu üç bölgeyi bütünleştirmenin yanı sıra barış ve güvenliđi tesis etmek için de önemli bir rol oynamaktadır. Enerji, ticaret ve geçiş yollarının kolaylaştırılması bu karşılıklı işbirliğinde yeni bir aşama açma kapasitesine sahiptir. Bu alanlardaki işbirliđi sadece bu ülkelerin enerji sektöründe, ekonomik alanda ve ulusal güvenlik açısından karşı karşıya kaldığı acil sorunlarını çözmekle kalmayacak, aynı zamanda onları uzun vadeli stratejik ortaklara da dönüştürecektir. Bu nedenle, bu çalışmada Hindistan, Pakistan ve Orta Asya işbirliđi ve bunun ekonomik kalkınma, bölgesel entegrasyon, barış ve güvenlik üzerindeki etkisi analiz edilmektedir.

Anahtar Kelimeler: Hindistan, Pakistan, İnan, Orta Asya, Enerji, Güvenlik, İşbirliđi, Bölgesel İstikrar.

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1. Introduction

The World public is aware of the changing nature and dynamics of the world politics as well as of regional politics, particularly in the South Asian, Middle East and Central Asian regions. That is predominantly viewed negatively, as India, Pakistan, Iran and Central Asian countries are arch rivals and fought each other over different issues and disputes. The antagonistic relations between them has resulted in not only the loss of precious lives, destruction of property and economy of the regional countries but also suffocation of the economic growth and development of other poor countries of the region to a large extent. While contemplating on the positivity, despite the religious and cultural differences, the people of India and Pakistan have lived together for centuries in the past, shared each other's sorrows and happiness and even both fought together against the British imperialism and for their independence.

In the contemporary era, internally and externally the countries of these regions are also facing common challenges, particularly energy deficiency, poverty, lack of infrastructural development, terrorism and lack of market access and spent a large amount of their money for defence equipment. For instance the 2017-18 defence budget of India is 52.5 billion dollars and the defence budget of Pakistan for 2017-18 is 920.2 billion rupees.¹ Iran on the other hand has increased its defence budget from \$ 12263.96 to 14085.76 million during the years of 2016 and 2017.² In India there are 27 million people that constitute 21.9 percent of total population living below poverty line, that is, almost one person in every five people is living below poverty line.³ In case of Pakistan the situation is worse, there are 55 million people living below poverty line and that constitutes 29.5 percent of the

¹ TNN & Agencies, "Union Budget 2017: Defence allocation gets 6.2 percent hike", *The Times of India*, February 1, 2017, accessed July 04, 2017, <http://timesofindia.indiatimes.com/business/india-business/union-budget-2017-defence-allocation-gets-10-percent-hike/articleshow/56912761.cms>.

"Defence budget set at Rs920.2bn for FY2017-18," May 26, 2017, Dawn News, accessed July 26, 2017. <https://www.dawn.com/news/1335574>.

² "Iran Military Expenditure", *Trading Economics*, accessed June 20, 2017. <https://tradingeconomics.com/iran/military-expenditure>.

³ "World Energy Resource: Hydro," World energy council report, 2016, accessed July 05, 2017, P10. https://www.worldenergy.org/wp-content/uploads/2017/03/WEResources_Hydropower_2016.pdf.

total population.⁴ In Iran the poverty level is much lower than India and Pakistan, but Iran is facing many other problems particularly the lack of infrastructural development and unemployment. As per the latest data there are 3.322 million unemployed youth in Iran which constitutes the 12.48 percent of the total population and it's increasing very fast. From March 21 to June 21, 2018 it showed the increase of 0.5 percent in comparison with the spring of last year.⁵ In Central Asian countries the situation is not opposite to it. Turkmenistan it is 10.2 percent, in Uzbekistan and Tajikistan it is 10.36 percent of their respective population while as in Kirgizstan and Kazakhstan there are having 7.46 and 5.81 percent respectively. There are numerous other areas where the countries are facing challenges.

Contemporary World is in the age of globalisation and interconnectedness. The objective of the article is to highlight the role and areas of mutual interest between India, Pakistan, Iran and Central Asian Countries and their role in the regional integration, peace and stability.

2. Energy Deficit Issue in India and Pakistan

On the part of energy resources, they are considered as the engine of the economic development of a country. In other words, in today's World, the growth and development in economic, social, political, national security, infrastructure sectors and more importantly in eradication of unemployment, poverty and improving the healthcare facilities either directly or indirectly are inversely dependent on the availability of energy supplies and in this case as well both the countries are energy deficient countries. On the part of the Pakistan, the gap between energy demand and supply is increasing every year very rapidly. Since 1991, the primary energy supplies had shown an annual compound growth rate of 3.6 percent and increased to 66.8 million TOE in 2014, compared to 28.5 million TOE in 1991. The energy consumption has increased to 39.8 million TOE in 2014 compared to 17.0 million TOE in 1991 with annual compound growth rate of 3.6

⁴ "Poverty in Pakistan", Asian Development Bank, accessed on July 04, 2017. <https://www.adb.org/countries/pakistan/poverty>.

⁵ "Unemployment rate rises 0.5 percent in spring yr/yr," *Tehran times*, July 25, 2018, accessed <https://www.tehrantimes.com/news/425768/Unemployment-rate-rises-0-5-in-spring-yr-yr>.

percent.⁶ Pakistan's energy future is also deeply disturbing, it is estimated that within the next few years, Pakistan's peak power demand is likely to exceed current installed capacity by nearly 10,000 megawatts. Total energy demand will nearly double in the next 10 years and increase fourfold in next 60 years.⁷ Even in the present era of cheaper global oil, Pakistan faces energy deficit of 45,00 to 5,000 MW (in recent years, these shortfalls have sometimes soared to 8,500 MW—more than 40 percent of national demand). Pakistan's urban areas regularly experience several hours of daily outages, while in some rural regions residents are lucky to receive four hours of electricity per day. In the case of Pakistan's two most heavily utilized sources of energy (oil and gas), consumption levels are so high that Pakistan's national oil and gas company, Oil and Gas Development Company Limited (OGDCL), predicts that indigenous oil reserves will be exhausted by 2025, and that Pakistan will run out of domestic sources of natural gas by 2030.⁸ It has been estimated that the energy crisis has cast the Pakistani economy from 2 to 2.5 percent of its GDP annually and many industries are closed because of lack of energy supply.⁹ Due to energy crisis, investments, production and trade is badly affected in Pakistan, many businessmen closed their businesses, which led to increase in unemployment and economic loss.¹⁰ No doubt Pakistan has undertaken many steps for overcoming the energy crisis. But being a developing economy, it is imperative for Pakistan to maintain suitable and secure energy supply and it is economic development, which would play a crucial role in maintaining peace, security and countering terrorism.

In the case of India, the situation also is not different from Pakistan. On the part of India, as per BP Energy Outlook estimates that the India's energy consumption increases by 4.2 percent per year that is faster than all

⁶ "Pakistan Economic Survey," *Ministry of Finance, Government of Pakistan, 2014-2015*, p. 237.

⁷ Michael Kugelmen, "Pakistan's other national struggle: its energy crisis," *The Wall Street Journal*, July 09, 2015.

⁸ Michael Kugelmen, "Easing an Energy Crisis That Won't End" *Pakistan's Interminable Energy Crisis: Is there any way out?*, eds. Michael Kugelmen, (Woodrow Wilson International Center, 2015), 2.

⁹ Michael Kugelmen, "Easing an Energy Crisis That Won't End" *Pakistan's Interminable Energy Crisis: Is there any way out?*, 2.

¹⁰ Imran Naseem Jawad Khan, "Impact of Energy Crisis on Economic Growth of Pakistan," *International Journal of African and Asian Studies*, 7, (2015).

major global economies. The report predicts that growth of India's energy consumption among all economies by 2035 would be the fastest one and also India is expected to overtake China as the largest energy market by 2030.¹¹ Growth of energy demand of India is estimated more than double (+129%) when compared with Non-OECD countries (52%) and overtakes the BRICS countries as well in 2035.¹² India's share of global demand increases to 9 percent by 2035. Demand of gas is estimated to grow by 162 percent, demand of oil is to grow by +120 percent, coal demand expands up to +105 percent, renewable up to 699 percent, nuclear by 317 percent and hydro by 97 percent. On the other side, the production of energy in India is estimated to share only 5 percent of global energy production in 2035.¹³ The economy of India grows almost at the rate of seven percent annually. In addition to this, in 2011 India became the fourth largest consumer of energy in the world after United States, China and Russia.¹⁴

3. Geo-Political Importance of Central Asia

The Central Asian region occupies immense geo-strategic important position for both India and Pakistan. It is a meeting point for regions, like South Asia, West Asia, East Asia and Europe. Further the region is landlocked. It does not have any direct land route to access international water. It is surrounded in East by China, in West by Russia and Transcaucasian republics of Armenia, Azerbaijan and Georgia. On northern side there is snow bound Taiga of Western Siberia and on the Southern side of Central Asia there is Afghanistan and Iran.¹⁵ Secondly the nature has endowed the Central Asia with huge amount of natural resources particularly oil, natural gas, uranium and water resources. Out of five CARs (Central Asian States), three

¹¹ "B. P. Energy Outlook Country and Regional Insight-India" accessed July 25, 2017. <http://www.bp.com/content/dam/bp/pdf/energy-economics/energy-outlook-2017/bp-energy-outlook-2017-country-insight-india.pdf>

¹² "B. P. Energy Outlook Country and Regional Insight-India"

¹³ "B. P. Energy Outlook Country and Regional Insight-India"

¹⁴ *EIA Report*, "India is the fourth largest energy consumer in the world after the United States, Russia and China," 2013, accessed September 26, 2015, <http://www.eia.gov/countries/analysisbriefs/India/india.pdf>.

¹⁵ Shams Ud Din, "Central Asia: A factor in Indo-Iranian relations," in *Contemporary Iran and Emerging Indo-Iranian Relations*, ed. Pant, P.C. Jain and A.K. Pasha, (Neelkanth Publishers New Delhi, 1996), 160.

States, which are Kazakhstan, Turkmenistan and Uzbekistan, are rich in oil, natural gas, coal and uranium resources and the other two Kyrgyzstan and Tajikistan are having huge water resources.

According to B.P. Statistical Review of World Energy June 2015, the three Central Asian Republics, Kazakhstan, Turkmenistan and Uzbekistan, are having 30.0, 0.6, and 3.0 thousand million barrels proven oil reserves respectively. With respect to the natural gas resources, the above three CARs occupy 1.5, 7.5, and 1.1 trillion cubic metres of proven natural gas resources respectively. Furthermore Kazakhstan and Uzbekistan are also having 33,600 and 1,900 million tons of proven reserves of coal. As far as oil production is concerned, Kazakhstan, Turkmenistan and Uzbekistan produce 170, 239, and 67 thousand million barrels respectively of oil per day. With respect to the annual production of natural gas, Kazakhstan produces 19.3 billion cubic metres, Turkmenistan 69.3 bcm and Uzbekistan 57.3 bcm of natural gas.¹⁶

Kazakhstan also possesses a large amount of Uranium resources according to the reports of the World Nuclear Organisation (it is a London based international company, which promotes nuclear energy). Kazakhstan occupies 12 per cent of world's uranium resources and thus it has the world's second largest uranium reserves. From the year 2007 to 2014, the production of uranium in Kazakhstan increased from 6,637 to 23,127 tonnes, making Kazakhstan the largest uranium producing country from mines.¹⁷

As far as Kyrgyzstan is concerned, it is a mountainous country located between the Altai and Kyrgyz mountain ranges. It has abundant water resources as a result of various tributaries passing through Kyrgyzstan having crystal clear water. But having two main water sources, "Amu Darya and Syr Darya" rivers of Central Asia, gives an opportunity to Kyrgyzstan to enjoy a heavier influence over water management policies than all other Central Asian States.¹⁸ Most importantly Kyrgyzstan has been fulfilling

¹⁶ "B. P. Statistical Review of World energy," June, 2015, accessed September 28, 2015, <http://www.bp.com/en/global/corporate/about-bp/energy-economics/statistical-review-of-world-energy.html>.

¹⁷ World Nuclear Association, "World Uranium Mining Production", United Kingdom, 2015, accessed April 25, 2015, <http://www.world-nuclear.org/info/Nuclear-Fuel-Cycle/Mining-of-Uranium/World-Uranium-Mining-Production/>.

¹⁸ P.L. Dash, "Water Politics in Central Asia" In *India and Central Asia: two decades of transition*, ed. P.L. Dash, (Oxford university press, New Delhi, 2016), 146.

90 per cent of its energy demands from hydroelectricity. However, less than 10 per cent of its (hydro energy) potential has been developed in the country. Further Kyrgyzstan has 16 hydro power plants built in the Soviet era, which provides 79.5% of the total hydroelectric energy production of the country. But due to lack of maintenance they are in poor conditions and in need of repair.¹⁹ Tajikistan on the other hand is also rich in hydro power resources and having the highest potential for hydro electricity generation among the other Central Asian republics. The country holds 57.3% of all Central Asian hydel reserves, only five per cent of which is currently in use.²⁰ As per the report of International Energy Agency 2014, hydropower constitutes 97.13 percent of the Tajikistan's electricity generation.²¹ The feasible potential of Tajikistan is estimated at 31,700 GWh/y of which only 5 per cent has been utilised.²² Besides above mentioned natural resources, Central Asian region also has large amount of metals, like gold, copper, aluminium, chromite, chromium etc.²³

4. Areas of Regional Cooperation

Most of the energy requirements of India and Pakistan are fulfilled by import of oil and gas from volatile Middle East regions. In this condition of huge dependence on energy import and instability in the Middle East, the

¹⁹ United Nations Industrial Development Organization (UNIDO) and International Center on Small Hydro Power (ICSHP), "World Small Hydropower Development Report Kyrgyzstan" 2013, accessed July 08, 2017. http://www.smallhydroworld.org/fileadmin/user_upload/pdf/Asia_Central/WSHPDR_2013_Kyrgyzstan.pdf.

Artyom Zozulinsky, "Kyrgyzstan: Power generation and Transmission Sector overview", October, 2007, accessed August 31, 2015. http://bishkek.usembassy.gov/uploads/images/pLLqUiD1t7gY2N0dAijsA/KG_07_Retail_Market.pdf.

²⁰ Abdunabi Sattorzda, "Hydro Power Resources of Tajikistan and Trends of International cooperation," *In India and Central Asia: two decades of transition*, ed. P.L. Dash, (Oxford university press, New Delhi, 2012), 121.

²¹ "Tajikistan: Electricity and Heat for 2014", *International Energy Agency*, accessed July 10, 2017, <https://www.iea.org/statistics/statisticssearch/report/?country=Tajikistan&product=electricityandheat>.

²² World energy council report, "World Energy Resource: Hydro" 2016, p.10, accessed July 05, 2017, https://www.worldenergy.org/wpcontent/uploads/2017/03/WEResources_Hydropower_2016.pdf.

²³ Asian Development Bank, "Central Asia Atlas of natural resources" 2010, accessed August 02, 2015, <http://www.adb.org/sites/default/files/publication/27508/central-asia-atlas.pdf>

Central Asian region can help both India and Pakistan to diversify their energy sources. As mentioned above, Turkmenistan, Uzbekistan and Kazakhstan have huge amounts of oil, gas and uranium reserves while Kyrgyzstan and Tajikistan have the water resources which can be a source for electricity generation. The first step of the two countries towards securing energy resources in Central Asia is the signing of an agreement in 2006 for participating in the proposed Turkmenistan-Afghanistan-Pakistan-India gas pipeline. The proposed TAPI (Turkmenistan, Afghanistan, Pakistan and India) gas pipeline will transport gas from Yolotan Osman gas field in Turkmenistan to Afghanistan, then it would be constructed alongside to the Herat-Kandahar highway, then via Quetta and Multan in Pakistan and then the pipeline line would be connected to Fazilka in Indian Punjab. The total length of the Pipeline would be 1680 kms.²⁴ As per to the agreement signed between the countries, the pipeline will deliver 90 million cubic metres of gas per day of which 14 million cubic metres per day to Afghanistan and 38 million cubic metres per day to Pakistan and India. All the participating countries of TAPI have signed all important agreements like the intergovernmental agreement, framework agreement, gas sale and purchase agreement as well as on the transit fee agreements under the banner of ministerial level steering committee.²⁵ In November 2014 the state run gas companies of all participant countries have established TAPI Company Limited as a Special Purpose Vehicle which will be responsible for finance, construction, operation, maintenance and ownership of the TAPI gas pipeline across Turkmenistan, Afghanistan, Pakistan and India.²⁶ On 6th of August 2015 the Steering Committee held its 22nd meeting in Ashgabat which was attended by the Petroleum Ministers of Turkmenistan, Afghanistan, Pakistan and India as well as by the senior officials of Asian Development Bank which acts as a Transection Adviser. In the meeting they

²⁴ Gulshan Sachdeva, "Geo-economics and energy for India," *In Handbook of India's international relations*, ed. David Scott, (Routledge Taylor & Francis Group. New York, 2011), 54.

²⁵ Gulshan Sachdeva, "India's energy security and role of renewables possibility of cooperation with the EU," *In India's emerging energy relations: Issues and challenges*, ed. Girijesh Pant, (Springer India pvt. Ltd. New Delhi, 2015), 54-55.

²⁶ Rachita Prasad, "GAIL, partners form SPV for TAPI pipeline project," *The Economic Times*, November 13, 2014, accessed September 08, 2015, <https://economictimes.indiatimes.com/industry/energy/oil-gas/gail-partners-form-spv-for-tapi-pipeline-project/articleshow/45137274.cms>.

unanimously accepted “Turkmengaz” as the consortium leader of TAPI Pipeline Company to spearhead efforts to finance, build, operate and own the TAPI gas pipeline project.²⁷

The other important field for developing their relations with Central Asian Republics is the development of infrastructure in different areas particularly in construction of roads, railway lines, and establishing the gas pipeline, electricity transmission lines and water dams. Iran has taken many joint projects with Central Asian countries. The infrastructural development in these areas is not only important for increasing strategic significance of Iran but also as sources for connecting the CARs to other regions and countries of world. These projects would transform Tehran into inalienable access route for transportation of energy.²⁸ For this purpose, Iran has made huge investment in almost all the Central Asian Countries. The first and important step was the Mashhad-Sarakhs-Tajan railway line project between Iran and Turkmenistan. The railway line stretches on 295kms of length and starts from Mashhad and passes through Sarakhs in Iran then joins the railway network of Turkmenistan at Tajan. The work on project started in 1992 and was inaugurated in May 1996 at the total cost of \$216 million. This was the first access route for the Central Asian countries to reach the Persian Gulf.²⁹

The other important route is North-South transnational corridor which is around 926 kms railway line that connects Kazakhstan, Turkmenistan and Iran with each other. The railway line starts from Uzen in Kazakhstan goes through Gyzylgaya to Bereket to Etrek in Turkmenistan and ends at Gorgan in Iran. Almost 80 kms of the railway track lies in Iran, 700 kms in Turkmenistan and 146 kms in Kazakhstan.³⁰ The initial estimated cost for

²⁷ “TAPI Steering Committee Endorses Turkmengaz as Consortium leader for TAPI gas pipeline project,” Asian Development Bank, August, 07, 2015, accessed August 27, 2015, <http://www.adb.org/news/tapi-steering-committee-endorses-turkmengaz-consortium-leader-tapi-gas-pipeline-project>.

²⁸ Pierre Pahlavi and Afshin Hojati, “Iran and Central Asia: the smart politics of Prudent Pragmatism”, In *The New Central Asia the regional impact of international actors*, eds. Emilian Kavalski”, (World Scientific Publishing Ltd. Singapore, 2010), 229-230.

²⁹ Sarah Chowdhry, “Iran, Turkmenistan railway launched,” *United Press International*, May 13, 1996, accessed, September 24, 2015. <http://www.upi.com/Archives/1996/05/13/Iran%ADTurkmenistan%ADrailway%ADlaunched/3801831960000/>.

³⁰ “Iran, Turkmenistan-Kazakhstan railway to facilitate regional trade”, *Tehran Times*, December 04, 2014, accessed September 24, 2015, <http://www.tehrantimes.com/>

the construction of the railway line was \$620 million but it reached to \$ 1.4 billion, which is jointly funded by all the three respective countries.³¹ It was in 2007 the three countries signed the agreement to build the Kazakhstan-Turkmenistan-Iran railway line. In 2009 they started construction of the railway line and in December 2014 the railway line was inaugurated by the Presidents of the three countries. The North-South Transnational corridor not only provided Kazakhstan and Turkmenistan another access route bypassing Russia but also shortened the distance between Central Asia and Persian Gulf by 600kms. It is estimated that the North-South Transnational corridor or the Iran-Turkmenistan-Kazakhstan railway line would increase the volume of shipment of goods up to 10 million tons per year and the figure could reach 20 million tons by 2020.³² On the occasion of inauguration, the President of Kazakhstan said that

“Last year Kazakhstan supplied one million tonnes of wheat to Iran, while generally the demand in the Persian Gulf countries is for 910 million tonnes. We intend to supply steel, mineral, fertilisers and other Kazakhstan made products. Respectively we will be buying needed goods from Turkmenistan and Iran.”³³

In 2011, Uzbekistan, Turkmenistan, Iran, Oman and Qatar signed an agreement for construction of an international transport corridor in Ashgabat. However Qatar later withdrew from the project. The corridor will provide another access to the Central Asian Republics for reaching the Persian Gulf and Oman. The implementation of the project is considered as a new stage in interregional relations, which will strengthen and boost developmen-

economy-and-business/119985-iran-turkmenistan-kazakhstan-railway-to-facilitate-regional-trade.

³¹ John C.K, “Central Asia gets its first access to the sea”, Silk Road Reporter, November 18, 2014, accessed September 15, 2015, <http://www.silkroadreporters.com/2014/11/18/central-asia-gets-first-access-sea/>.

³² “Iran-Turkmenistan-Kazakhstan railway to facilitate regional trade”, *Tehran Times*, December, 04, 2015, accessed September 24, 2016, <http://www.tehrantimes.com/economy-and-business/119985-iran-turkmenistan-kazakhstan-railway-to-facilitate-regional-trade>.

³³ Azamat Kaiyr and Danna Buzpezhanova, “Nazarbayev helps launch last section of Kazakhstan- Turkmenistan-Iran railway”, *The Astana Times*, December 04, 2014, accessed September 23, 2015, <http://astanatimes.com/2014/12/nazarbayev-helps-launch-last-section-kazakhstan-turkmenistan-iran-railway/>.

tal process in the member countries.³⁴ In February 2015, another Central Asian country, Kazakhstan also formally joined the Uzbekistan, Turkmenistan, Iran and Oman transport corridor. The President of Kazakhstan in the meeting of the coordination Council of the Ashgabat Agreement said that:

“Major international North South and East West transport corridors run across Kazakhstan and that Kazakhstan sees great potential to attract additional freight traffic in the region of the Ashgabat Agreement member states.”³⁵

Further there is also a plan of building a new railway line connecting Iran-Afghanistan-Tajikistan-Kyrgyzstan-China railway line. In January 2015 the five countries have signed an agreement in this respect. It will be 22,60 kilometres long including 16 kilometres tunnel and 47 bridges passing through Afghanistan.³⁶ In energy sector also Iran has been trying to develop and deepen its relations with the Central Asian Republics. In this regard, in 1995 Iran and Turkmenistan signed an agreement for constructing a gas pipeline from Korpedzhe in Western Turkmenistan to Kordkuy of Golestan province in Iran. And in 1997 the Korpedzhe-Kordkuy gas pipeline started supplying gas from Turkmenistan to the Northern part of Iran.³⁷ Further in 2010 during the visit of Iranian President to Turkmenistan, the two countries inaugurated another 182 kms long Serahs-Hangeran gas pipeline. The pipeline is the part of 500kms Dovletabad-Serahs-Hangeran gas pipeline which would increase the export of Turkmenistan gas to Iran up to 20 bcm per year.³⁸ Besides the above mentioned initiatives taken by the countries, Iran has undertaken many other projects in different areas from time to time. The areas are like construction of water dams, constructions of tun-

³⁴ “Memorandum signed to enter into force of agreement on creation of transport corridor Uzbekistan, Turkmenistan, Iran and Oman,” *Uz Daily*, August 06, 2014, accessed September 24, 2015 <http://www.uzdaily.com/articlesid28756.htm>.

³⁵ “Kazakhstan joins Uzbekistan, Turkmenistan, Iran, Oman transport corridor,” *The Times of Central Asia*, February, 17, 2015, accessed September 24, 2015. <http://www.timesca.com/news/14989kazakhstanjoinsuzbekistanturkmenistaniranomantransportcorridor>.

³⁶ “Iran still involved in Tajik rail Project: Min”, *Mehr News Agency*, June, 09, 2015, accessed September 26, 2015, <http://en.mehrnews.com/news/107074/Iran-still-involved-in-Tajik-rail-project-Min>

³⁷ *Vladimir Mesamed*. “Iranian-Turkmen relations in an era of change,” *Central Asia and the Caucasus Journal* no.4 (2007):46 accessed February 25, 2015, <http://www.ca-c.org/journal/2007-04-eng/13.shtml>.

³⁸ “Turkmenistan, Iran launch gas pipeline,” *Pipeline & Gas journal* 238, no.1, (January, 2011), accessed September 25, 2015, <http://www.pipelineandgasjournal.com/turkmenistan-iran-launch-gas-pipeline>.

nels, roads as well as establishment of power transmission line in cooperation with other Central Asian countries for expanding and strengthening the bilateral cooperation. Therefore the cooperation between Iran and Central Asian countries in these areas not only provides insight in the mutual cooperation in the sector of infrastructural development but also gives the opportunity to utilise the vast experience of Iran in working in the Central Asian region on the different areas, particularly in the infrastructural development.

The commercial and economic sectors areas yet another important areas, that hold to bring greater outcomes, but the level of trade and investment between the countries has been much below the actual potential. The total trade volume between India and Central Asia in the period of 2016-17 was only US \$ 952.15 million, therefore, India's potential in this sector is yet to be harnessed.³⁹ In the case of Pakistan the total amount of annual trade with Europe and Central Asian regions in 2016 constituted of \$ 13,28,7521.1 thousands.⁴⁰ All the countries India and Pakistan as well as Central Asian Countries have the potential to take effective steps not only to enhance the trade in goods but also in service sectors, including training, education and information technology and healthcare. There are areas in Kazakhstan, which are yet to be evolved and are important for India and Pakistan in playing an important role. The uranium processing, nuclear reactors, space stations, refining and processing of oil and laying of pipelines are the major areas, which help India in realising her national interests. In Tajikistan there are availability of avenues for setting up of joint ventures for exploration and processing of aluminium, silver, as well as uranium. With respect to Kyrgyzstan and Uzbekistan there are sectors like IT, pharmaceuticals, textiles, fruit and food processing and so on.⁴¹

³⁹ Meena Singh Roy and Rajorshi Ray. "Placing India in the emerging regional dynamics of Central Asia", *Trvista UNISCI/UNISCI Journal*, No.45, (October-October, 2017), Institute of Defence Studies and Analysis, New Delhi.

⁴⁰ World Bank, "Pakistan Product exports and imports by Country and Region", *World Integrated Trade Solution*, 2016, accessed July 08, 2017, <https://wits.worldbank.org/CountryProfile/en/Country/PAK/Year/2016/TradeFlow/EXPIMP/Partner/All/Product/Total>.

⁴¹ K.Wanikoo, "India and Central Asia: potential implications for power rivalries in Eurasia," In *India and Central Asia: two decades of Transition*, ed. *P.L. Dash*, (Oxford University Press. New Delhi 2012), 105-106.

The other strategic area on which all the countries and regions are having common opinion is to counter the rising terrorism and extremism, which poses a serious threat to all the countries. As terrorists has added a new dimension with the formulation of transnational ideological, financial and technological networks. That has made terrorists capable of destabilising regional and extra-regional countries. The Central Asian countries have also experienced the rise of militancy, trans-border terrorism, inter-ethnic tensions and Afghan crisis. For eradicating the menace of terrorism, no doubt, India has established the Joint Working Group on combating international terrorism with Uzbekistan, a Joint Working Group with Kyrgyzstan on Counter-Terrorism and other types of crimes and a Joint Working Group with Tajikistan on Counter-Terrorism.⁴² India has been working with these Joint Working Groups on the joint action against terrorism, extremism, drug trafficking and on illegal trade of arms.⁴³ But there would be no any other much effective tool than cooperation between India-Pakistan and Central Asian countries for eliminating the menace.

For that the cooperation in different sectors or areas will increase economic interdependence and correlation among the countries and economic loss as well as growth in any of these countries will lead the economic growth in other countries as well. It is the threat of economic loss that will force the countries to shun the practices of using the non-state actors against one another.

5. Implications of Regional Cooperation upon the Regional Stability

Further looking beyond these issues, the nature and dynamics of the regional and global politics have been changing a lot and there is a complete shift of the nature of politics from geo-politics to geo-economics. The economy, by taking the front seat, has changed the fortunes, particularly

⁴² Vinod Anand, "Major Powers and evolving strategic equations in Central Asia," In *Perspectives on transforming India-Central Asia engagement: prospects and issues*, ed. Vinod Anand, (Vij Book India Pvt. Ltd. New Delhi. 2011), 42.

⁴³ K.Wanikoo, "*India and Central Asia: potential implications for power rivalries in Eurasia*," In *India and Central Asia: two decades of Transition*, ed. P.L. Dash, (Oxford University Press. New Delhi 2012), 105-106.

populace of different countries and regions. Now the trend and efforts of integrating the economies of different countries in South Asian region has also been started particularly after the unrolling of the Chinese “Belt and Road Initiative.” The initiative is comprised of two types of projects; (a) development of Silk Road Economic Belt, and (b) development of 21st Century Maritime Silk Road. The Silk Road Economic Belt is designed to interconnect China, Central Asia, Eastern and Western Europe through Mediterranean Sea, the Persian Gulf, the Middle East and South-East Asia. The route runs from China’s East coast to Europe through the South China Sea, Indian Ocean and then into the South Pacific. The blueprint of Belt and Road Initiative covers over sixty countries, which accounts for sixty percent of the World’s population and a collective GDP equivalent to thirty three percent of the World’s wealth. The Chinese initiative also includes six economic corridors namely, New Eurasian Land Bridge, China - Mongolia Russia Corridor, China - Central Asia - West Asia Corridor, China - Indochina Peninsula Corridor China – Pakistan Economic Corridor and Bangladesh - China - India - Myanmar Corridor.⁴⁴ The initiative mainly emphasises cooperation in five major areas, coordinating development policies, developing infrastructure and networks facilities, deepening investment and trade relations, increasing financial cooperation and expanding social and cultural exchanges. While Iran as mentioned in previous pages and India on the other hand also have initiated many transit agreements with the neighbouring countries like Bangladesh, Nepal and Bhutan, which have widened the area of the trade, easing the access to the markets for the traders and investors.

Cooperation between them would make the countries able to reclaim the influence and relations that they enjoyed with the Central Asian region before the start of colonial rule. Particularly at a time when everyone has realised her role in a qualitatively transformed world order needs to be revamped. The cooperation would also help the countries in securing the multipolar world order based on equality, fairness and justice and to restrict the power hegemon from imposing its perceptions on rest of the

⁴⁴ China-British Business Council, “One Belt One Road. London,” accessed July 20, 2017 http://www.cbcc.org/cbbc/media/cbbc_media/One-Belt-One-Road-main-body.pdf.

world.⁴⁵The mutual cooperation between the countries carries great strategic significance and would play a crucial role not only in developing mutual understanding, but also in developing economy as well as establishing peace and security in the regions. The areas like energy, economy, investment, people to people contacts and cooperation in defence sector would transform their mutual cooperation into long term strategic partnership. The cooperation in these areas would develop, strengthen and maintain the peace and security, economy and living standards of the people of these regions in the short run and can open a new phase in the regional peace, progress and prosperity in the long run.

6. Conclusion

In conclusion we can say that in contemporary era the economy has taken the central stage in both the regional and global politics. Nature of the cooperation between India, Pakistan, Iran and Central Asian countries would transform into intra-regional cooperation from the mutual cooperation. All the countries at individual and bilateral levels have taken different initiatives, like International North- South Transport Corridor, China-Pakistan Economic Corridor, Kazakhstan-Turkmenistan-Iran railway line, India-Bangladesh railway line so on and so forth for integrating the respective regional economies. The integration and interconnection of all these transit routes would revolutionize whole economic and political structure of all the countries and regions. This intra-regional cooperation is not only capable of resolving the current domestic problems, like energy crisis, economic development, unemployment, terrorism of the countries. But the cooperation between the countries would also develop areas, like infrastructural development, health care, tourism, education, water management and employment generation etc. It would also act as a confidence building measure or tool for resolving decade long dispute between India and Pakistan, curbing the increasing terrorism in the regions and ultimately lead to peace, stability and security in all these regions in short run and change the face of all the regions in long run.

⁴⁵ B. M. Jain, "Global Power: India's Foreign Policy 1947-2006", (Lexington Books.UK. 2008), 210.

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