

Pakistan-China Economic Corridor (CPEC): Opportunities, Threats and Challenges

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Abstract

The China-Pakistan Economic Corridor (CPEC) is the centerpiece of China Pakistan relations. Between the two, it is a full package of economic cooperation and geo-strategic partnership which will transform Pakistan into a transportation hub via Gawader port and link China with Asia, Europe, Middle East and Africa. Along with hopes and interests CPEC has also become the victim of the political tensions and controversies. However, on the local level, this mega project faces certain challenges with respect to the impacts, route feasibility, implementation and Indian concerns in the region. Therefore, this research paper intends to highlight first, OBOR "One Belt One road" CPEC features, diplomatic, military and economic relations between the two neighbors, Opportunities threats and challenges and regional politics afterwards.

Keywords: Pak-China relations, Energy, Economic Corridor, Gawader Port, terrorism, Threats and Challenges.

Introduction to One Belt One Road Initiative:

In Sept 2013, President Xi Visited Kazakhstan, where he announced that China will take an initiative of building a network of connectivity across Eurasia and Indian Ocean, jointly known as OBOR. Actually OBOR are two types of routes, one SERB Silk Road Economic Belt overland, OBOR having two routes, beginning from the City of Xian. One from Xian via Kazakhstan to Moscow. The other route through Mongolia to southern Part of Russia. The other route is MSR 21st century Maritime Silk road which is on shore, starting from South China Sea, through Strait of Malacca, Bay of Bengal, Indian Ocean, Africa, red sea to Europe and Eurasia. Both are called "Road and Belt" initiative. The Objective behind this announcement is, the revival of Old "Silk Road" (200-113) BC with central Asian civilization. Since the announcement, OBOR holds a central Place in China's Political and Economic diplomacy. The think tanks, leaders corporate are on board and optimistic, that this initiative has the potential to transform, the Global communication, economy and Politics. Foreign and Domestic Considerations, derive China to promote the initiative of OBOR. The urge to make development, all provinces of China actively participated, in various aspect of the project. The western Qinghai province is building rail, highway and aviation networks to connect the OBOR countries. Oil refinery and power plant projects in Vietnam Myanmar respectively, will be executed, by the province of Guangdong. Similarly the western province of Xinjiang is playing the same role as most the routes of OBOR routes will pass through its cities of Kashghar and Urumqi. (Ahmad, 2016)

After the end of Cold war, in Asia the Influence of Western politics and economic dominance began to reduce. After 1990, Two Asian Giants India and China emerged as two economic powers, as result of high growth rate, substantially increase the demand for energy resources i.e. oil and gas. The availability of energy resources mostly lies in West Asia. Leading to shift energy supplies from west to East. Due to surge in energy demands, west Asian countries got extra ordinary inflow of financial resources for the development of infrastructure, welfare and investment in world economy. (Ibid)

CPEC a mega project of "One road one Belt Initiative". The Idea of China Pakistan economic corridor (CPEC) was visualized by Premier Li Keqiang in 2013, during his visit to Pakistan. Then it got, a proper shape in the Chinese president XI's visit in 2015 to Pakistan. Beijing objective is to see it as a 'game-changer'. CPEC will change the destiny and lives of over 3billion people in the whole region (Iqbal quoted In Planning Commission 2015). CPEC is a network comprises of projects of railways lines; roads, energy and pipelines schemes will link the west of China with the deep sea port of Gawader in Pakistan. CPEC as a project is worth of \$45.6 billion. This amount will be used and allocated in parts for various projects: energy sector will get a total of \$ 33.8 billion, \$11.8 billion for infrastructure, \$ 622 million for the Gawader port and \$15.5 billion for different projects in energy sector. The above support to Pakistan in the energy sector will fulfill the country electricity shortage by adding 10400 MW to the energy sector in Pakistan. All the above projects will reach into completion in 2017 (Reuters, 2014, November 21). Recently, the ongoing power generation projects under the early harvest program slash down from 10,000 MW to 5, 000 MW till 2018. While few projects including Rahimyar Khan and Muzaffargarh Coal Fired power project are delayed. Federal Minister for Planning Ahsan Iqbal Stated that Basha Dam will be considered for the adjustment to make it the part of CPEC framework and furthermore the Chinese Expert will visit Pakistan February 2017, for the adjustment in energy

project.(Hiader,2017)

Diplomatic and economic background leading towards CPEC cooperation:

The Sino-Pakistan relations were established soon after the emergence of China in 1949. Pakistan was the first among the Muslim countries who recognized China and established close friendly, durable and long standing diplomatic relations with China (Blood In Wolf 2016). Time and again China has provided support and cooperation to Pakistan in various fields. Foreign policies of both countries also support each other stances on political issues. China supports Pakistan stance on Kashmir issue, while Pakistan provides China full diplomatic, political and moral support on Xinjiang, Tibet, and Taiwan issues (ibid). Mutual interests and understanding on political issues are the main features of the Sino-Pak foreign relations. China and Pakistan support each other on different political issues. For example, in early 70's Pakistan helped China in order to develop a mutual understanding and establish friendly relationship with the West (Ladley in Wolf 2016). In this regard, Pakistan made all the arrangements of the American President Nixon first visit to China in 1972. The gap was bridged and a new era of mutual understanding and trust was started between the two regions (ibid).

Similarly China support Pakistan stance on Afghanistan issue. China believes in the policy of peaceful co-existence. China does not support the policy of interference in other internal affairs. China sees that the intervention in other states internal affairs will disturb peace and stability and pose threats to the region. China believes in the policy to live with peace and let the others live peacefully, and therefore, support Pakistan stance on Afghanistan's peace process after withdrawal of International assistance forces (ISAF). China stress Pakistan to bring peace in the region and show respect to the existence and sovereignty of other states (Wolf, 2012).

Sino-Indian war in 1962 further strengthened China -Pakistan diplomatic relations. They aligned together and supported each other to counter Indian hegemony on the border issues (VandevallIn Wolf, 2016). A year after China -India war, Pakistan also resolved the border disputes peacefully with China to cede the Trans- Karakorum tract to China.

Since the borders issues resolved peacefully, both countries entered into a new bond of relationship and benefited each other in defense, economics and diplomatic relations. China does not believe in the policy of one's country difficulty is the other opportunity. China keeps friendly relationship with all neighbor states in the region. China extends full support to Pakistan on all occasions. China helped Pakistan, for example, in 1990, when the Pressler amendment was initiated against Pakistan that suspended all the economic and military support and assistance to Pakistan

Nations in both countries also support each other view on the 'War on terror'. They have developed a general consensus to establish a close alliance to counter the interventions in the region. There is a general sentiment in Pakistan which favors relationship with China instead with America. Both countries have also got a kind of geo strategic locations which favor their relations to form a geo-political alliance. Since 1990 China and Pakistan have entered into a strong bond of economic and military cooperation (Wolf, 2016).

Military Relations

Both countries also support each other in defense. The China military support to Pakistan is mainly about to counter the Indian and America influence in the region. Since the Soviet intervention in Afghanistan and the incidence of 9/11 both countries have entered into different defense and trade agreements. China is the sole provider of military support and assistance and helped Pakistan for military equipment and establishment of ammunitions factories with the modern facilities. China and Pakistan also initiated joint military projects. They collaborate with each other in the development of technology of a modern aircraft and space system to fulfill their defense needs. The ongoing projects are: assembling and maintenance of the JF-17 Thunder aircraft, K-8 Karakorum advance training aircraft, AWACS system, Khalid tanks, and the developing of the Babur cruise missiles (DAWN News, 2015, April 20).

China is also providing military assistance to Pakistan in order to fight with the menace of terrorism. To fight with the militancy Pakistan's military assistance mainly come from China. China also support Pakistan Civil nuclear program. Pakistan has energy shortage. To fulfill the electricity shortage China has assisted Pakistan in building of the Khushab Nuclear Reactor. In order to facilitate the Pakistan nuclear program with the modern technical assistance 'China National Nuclear Corporation has also provided assistance to the nuclear centrifuges in Pakistan.

Economic relations

Though political relations hold a prime importance between the two countries relations, but the economic relations are also noteworthy, and most significant in state foreign policy. Economic relations are based on two planks one is trade while the other is aid. During Musharraf's regime, economic aspect was the major factor in Pakistan china relations. During his visit to china, in January 2000, he laid too much emphasis on economic cooperation, gradual development took place afterwards. Free trade agreement (FTA) was signed in 2006, gives

boost to the economic relations between the two countries. The volume of trade recorded \$4.1 billion in 2006-07 which increased with 124 percent to \$ 9.2 billion in 2012-2013. March 2011, in a meeting held on FTA, the two countries finalized the modalities for concessions on tariffs and free trade agreements (Dawn News, 2015 April 20). The Chairman of the 'National Committee of the Chinese People's Political Consultative Conference (CPPCC)' also pledged in a meeting with the Pakistan Senate Chairman that 'China will maximize the efforts to offer a maximum support and cooperation for the development of culture, transportation, infrastructure, and will also take measures to curb terrorism in Pakistan (Xinhua News 20 April 2015). China efforts for providing services in various fields, such as medicines, sports, traveling socio-economic and infrastructure Development are highly commendable (Dawn, 20 April 2015). On the other hand Pakistan also gives China a tariffs free trade zones and arrange for open markets to strengthen and increase the trade relations. Hence, with the Chinese investment the cross borders trade and various projects in the region on the rapid increase (ibid). Besides, since 2000, the economic cooperation is further on the rise between the two countries. They have in this regard developed an institutional framework to the advance level for further strengthening the economic co-operation. Both countries have signed an agreement of China Pakistan Economic Corridor (CPEC), which will further take the strategic and economic relations to a new bond of relationship. As President Xi Jinping has explained the benefits of the CPEC he said, "The China- Pakistan is a focal point of our joint efforts to achieve Common development , and we should use this economic corridor to drive our practical cooperation with focus on Gawader Port, energy, infrastructure development and industrial cooperation"(President XI Jinping, 2015).

Prospects of China and Pakistan from CPEC

Ahsan Iqbal, Pakistan minister for Development and Planning also highlighted importance of CPEC by saying that 'CPEC is a reality which will change and transform the brotherhood relationship between the two nations' (Iqbal quoted in Planning Commission 2015). CPEC will increase economic growth and reduce poverty by bringing peace and prosperity in the backward areas of Pakistan. PM Nawaz Sharif Said that this project will benefit all parts of Pakistan Including ,Baluchistan, Gilgit Baltistan and remote areas of Khyber Pakhtunkhwa Province. (App, 2016)

Prime Minister Nawaz Sharif addressed during a meeting that "this corridor will benefit all province and areas in Pakistan, and transform our country into a regional hub and pivot for commerce and investment. It will also enable China to create a short and cheaper route for trade and investment in south, central and west Asia, Middle East and Africa This corridor will become a symbol of peace and prosperity" 'He Further stated that President Xi Visit to Pakistan was a watershed in the history of Pak-China relations.

President Xi further highlighted that "these project span across the province and the two sides also made it clear that they will include the central and western lines of the corridor in the long and midterm plans, and believed this will help the comprehensive balance and steady growth of the corridor building and two sides agreed to strengthen communication and coordination on Afghanistan in order to jointly push ahead the Afghan reconciliation process and can play a constructive role in the restoration of peace and stability in Afghanistan and in the region." (Haider, 2015) CPEC will increase economic growth and reduce poverty by bringing peace and prosperity in the backward areas of Pakistan (Xinhua News, 2015 April 20).

CPEC from all counts will prove a game changer and will make China a real stakeholder in Pakistan's stability and security. It is a win-win situation for both. It will greatly expand the scope for the sustainable and stable development of China's economic development. Investments by China will boost Pakistan's \$274 billion GDP by over 15 %. Corresponding progress and prosperity in Pakistan and China's patronage will help Pakistan in getting rid of the decade old labels of 'epicenter of terrorism' and a 'failing state'. Pakistan enjoys a more favorable fiscal situation compared to India by reducing its budget deficit to 4.7% of GDP in 2014 (as against India's 7%) and Pakistan is both competitive and cheaper as an emerging market. China's economic and military assistance will help Pakistan a great deal in narrowing its ever widening gap in economic-military-nuclear fields with India and in bettering its defense potential.

Ambassador of China to Pakistan Sun Weidong while talking about the corridor said that the setting up of energy, transport, infrastructure and industrial projects under China Pakistan Economic Corridor (CPEC) would benefit all the provinces of Pakistan. He said that the CPEC was not limited to just a road but it will connect the country with a number of motorways and infrastructure projects. He explained that infrastructure projects included Gwadar port, the second phase of the upgrading project of Karakoram Highway, motorway project between Karachi and Lahore, Thakot-Havelian motorway, Gwadar port expressway, Gwadar international airport and Karachi Sukkur motorway, adding further that the project will increase collaboration in areas of energy, finance, commerce, banking, industry and education (Jabri, P 2015). Planning Development and Reforms Minister Ahsan Iqbal said CPEC framework will cover four major areas and energy zone is one of them. In the energy sector, project totaling 10,400 megawatts had been included in the early harvest program, which could be completed by 2018. In all, Chinese firms will put up \$35 to \$37bn in the foreign direct investment for independent power production (IPP) under an investment policy that was available to all

investors.(Khaleeq,2015)These projects would be based on wind, solar, coal and hydropower generation of 16,400 MW as well as the transmission system and would be located in all the provinces and Azad Kashmir. He further said: by setting up 10 projects of 6,600MW in the Thar Desert that would transform this remote and underdeveloped region into Pakistan's energy capital and open up economic opportunities for the people. Infrastructure connection with all sub regions in Asia, and between Europe Asia and Africa, will remove all investment and trade barriers for the creation of a sound business environment within the region and in all related countries. After the complementation of this Project, Pakistan will become modernize and then by spreading out markets for manufactured goods. The areas adjacent to the corridor would become attractive locations for manufacturing, agricultural and services industries, Small and medium enterprises would be special beneficiaries. Employment and economic growth expand significantly. It will also attract whole world for economic and trade assistances. under which the Karakoram Highway had been identified for the first phase and Khunjerab-Havelian Islamabad section of the road was expected to be completed in three years, moreover, CPEC route would be utilized for the creation of economic and industrial free zones, for which a fresh economic zone working group would be created soon after the upcoming visit to link all the four provinces, AJK, Fata and Gilgit-Baltistan to expand benefits of the initiative across the country (Ibid)

China Pakistan Economic Corridor will help build a robust and stable economy in Pakistan and will provide a significant opportunity for Pakistan to revive its industry and to enhance its economic development. It will also help in overcoming the barriers foreign Direct investment (FDI).Despite its restrictive economic regime, CPEC is a game changer project which will lift millions of Pakistanis out of poverty and miserable condition. The project embraces the construction of textile garment, industrial park projects, construction of dams, the installation of nuclear reactors and creating networks of road, railway line which will generate employment opportunities and eventually people will also take ownership of these projects. Fully equipped hospitals, technical and vocational training institutes, water supply and distribution in undeveloped areas will also improve the quality of life of people.(Hali,2015)

China will also benefit from CPEC by finding a shortest possible route for oil imports from the Middle East. Instead of the Eastern long route bypassing the 'Strait of Malacca' for the oil imports. CPEC will give an easy access and connect western parts, especially Xinjiang province which is relatively less developed via Gawader port to the Middle East and Africa. This objective can fulfill the 'dual policy' of China, one peace and stability through economic development in Xinjiang the other to use it as trade and energy transaction with Central Asian republics which are rich in energy resources to fulfill its soaring energy needs because China is the largest energy consumer Surpassing USA China has also built an oil refinery at Gawader to benefit from the shortest possible route for oil transport from the Persian Gulf and African oil by reducing thousand Km distance only to 2500 km. Transportation of oil via Gawader is not only cost effective but also secure from that maritime route which passes through strait of Malacca. China primary focus for the construction of CPEC is to strengthen its trade and economic connectivity with the countries in the region and to fulfill its energy demands and to enhance export, Pakistan can play an important role and could emerge as a hub of commerce and trade.

Prime Minister Nawaz Sharif in meeting with President Xi commented on CPEC saying, 'our provinces will benefit from the economic corridor which will bring peace, stability and prosperity in Pakistan. Moreover, Pakistan will become a pivot of trade and commerce and a regional transformation hub to attract investors for investment and commerce in this part of the world. The corridor will also benefit China in providing easy and possibly shortest trade linkages to Asia Middle East, Africa and Europe. President Xi Jinping also in his address commented upon the corridor benefits that CPEC will help Pakistan to fight terrorism. The two leaders pledged that the projects should also take into count the interests of both the countries so that benefit from their resources. As Pakistan is rich in mineral resources, beside this by strengthening communication and coordination on Afghanistan and the reconciliation process, can play a constructive role to bring peace and stability not only in Afghanistan but in the whole region. (Dawn News 20th April 2015). CPEC is also important for economic growth in Pakistan. An Indian Agency 'Modi's Investors Service' termed CPEC for Pakistan as a "Credit Positive". The Agency stated further the benefits of corridor will come in the region but in a slow speed and with gradual process (The Express Tribune, 2015 May 22).

China Pakistan Economic Corridor (CPEC): The dream and future of both the Countries have challenges and threats

Asia has never been reconciled from insecurity and instability in history. Western colonialism, cold war and manipulations of two big powers have deteriorated the security situation in the region. Along with some economic uplift, the threats of extremism, terrorism, separatists' movements and natural disasters are also on the rise in the region. Chinese concept of peace model i.e. cooperation, peaceful coexistence and sustainable development will help support to the moth-eaten security in the region. So for the CPEC, it has both short and long-term impacts on both the local and regional levels. There are some challenges and threats of terrorism but the long-standing economic corridor impacts are also visible in the region.

Political volatility within Pakistan is main challenge. Pakistan regards China as “All-weather friend” and their bilateral relations has never hampered over the course of history .yet Political stability as well as Policy consistency is required for the implementation of mega Projects, like CPEC. The history of Pakistan is full of political instability and turmoil, which hampered development and weakened the economy from time to time. But there is positive consensus among all the political parties, favoring to keep and enhance bilateral ties with China as well as hold positive views to complete of China-Pakistan Economic corridor.(Sial, S.)

Another challenge to CPEC is the issue of eastern and western route alignment of the corridor, which route it should go through. At first consensus was developed among the CPEC architects that it will originally go from Kashghar to Gawader through western Baluchistan and Khyber-Pakhtunkhwa (Western alignment). However, a conflict arises when the Punjab dominated central establishment maneuvered the Western route to the Eastern route and refused to take into confidence other provinces about alignment issues. Each province wants to change the route to the best of their people needs. The tensions between the center and the provinces further deepened when the center refused to fulfill the provinces demands of changes in the CPEC route (Pillalamarri in Wolf 2015). Mainly there are two reasons for the construction of eastern alignment; first, this route is more secure comparatively than western alignment due to the volatile security situation in KP FATA and Baluchistan the second reason Chinese constructions companies are building eastern alignment on the condition BOT (build-operate-transfer).While the unwillingness of Chinese constructions companies to build western route on (build-operate-transfer) basis (The News, 2014).

The security problem in Baluchistan is another biggest challenge to the implementation of CPEC Process. With the exception of few nationalists’ political parties in Baluchistan and KP, are having some reservation over their due share in CPEC project. There also exist a tension between the center and Baloch government for Baloch rights. Baluchis people always feel marginalized and deprived of their social, political and economic rights. Despite being rich in resources, they have no access to clean drinking water and basic health facilities, and therefore, oppose the CPEC and Gawader Port projects. Baloch people always feel deprived of the basic needs. Therefore they think that, CPEC will marginalize Baluchis and will turn their status from majority into minority (The Diplomat 15 April 2015). They also fear and oppose the Gawader Port project because it will take control of the royalty rights and deprive them from local resources. Jan Mohammad Bluedai, Spokesperson of the Baluchistan Government further opposing the mega project by saying that it will take control of the local resources and marginalize the local people in region. However, the success of the CPEC mega project mainly depends on the support of the local people, and the CPEC can have success only the needs of the local people will be addressed (The Diplomat,2015 April 15).

Indian Concerns

India has also concerns about the CPEC Implementation process. First; it has a concern about the CPEC rout that it passes through Azad Kashmir and Gilgit Baltistan. India claims that Azad Kashmir and Gilgit-Baltistan still a disputed territory and part of the Indian occupied Kashmir, and therefore, denies Pakistan control over it (Wolf, 2016). Beijing has taken a shift from being neutral to side and support Pakistan on disputed issues. The linking of the Gilgit Baltistan via Karakoram high way with Xinjiang is the clear indication that China has taken a shift and support Pakistan on the disputed territories (Xinhua News, 2015 March 25).

Secondly, India also fears that China wants access to the hot water of Indian Ocean to take control of the trade routes and South Asia and Central Asia energy resources. Accordingly, China will also use the Gawader Port as a naval base to contain Indian influence in the region. Chinese investment in Pakistan, Sri Lanka, Bangladesh, Myanmar and Nepal increase Indian concerns. China’s “string of pearl” policy, India is alarmed about the Chinese objective to encircle India, and also China’s investments in Pakistan, Sri Lanka, Bangladesh, Myanmar, and Nepal, with concern. Together, China’s proceedings and objectives in this regard are seen as, a deliberate attempt to encircle India. India. Therefore, to contain the Chinese influence in the region the Indian influence in Baluchistan is also on the rise. Indian intelligence Agency RAW is involved in the Baluchistan’s unrest and providing training to the militants which promotes terrorism in Baluchistan (The Express Tribune, 2015 May). India also provides financial support to Baloch insurgents to launch terrorist attacks. Some Indian backed militants groups have attack the construction crew and Chinese engineers during the construction work (BBC, April 2015).In this regard, Pakistan has raised the issue of Indian involvement on all the forums. Pakistan shares information with The US Government on the Indian involvement in Baluchistan instability and insecurity (Dawn News, 2015 January 13)

US Concerns

USA, Russia, China, Iran and India are players in the global energy game. Since 1973 the strategic planners in Washington have their eyes on Balouchistan.Pakistan owes its geo-political importance due to Balouchistan,the province through which mutli-billion dollars gas pipeline would route for the transportation of oil to the world-wide.US not only use Baluchistan as its strategic base but also to keep control on Chinese presence in, the

Indian Ocean and Persian Gulf. Gawader port was first given to the Port Authority of Singapore (PSA) on US behest during Musharraf's regime.

Secretary Clinton stated that US is helping Pakistan to find alternative means and for the energy needs. she further said : "The proposed Pakistan-Iran pipeline, however, if built, could raise serious concerns under the Iran Sanctions Act. We have made that absolutely clear. We have raised this issue with the government of Pakistan."(Iqbal, Haider, 2012)

To counter the CPEC project India has also made a nexus in the Middle East. To promote bilateral ties Indian Prime minister Narendra Modi visited UAE, and won a promise support of \$75 billion investment to India for the developmental of next generation infrastructure, after Pakistan's refusal to send troops to Yemen to fight against Houthi rebels. This financial support is to create hurdles in the developmental works of Gawader Port and exploration of mineral resources in Baluchistan. (The Express Tribune, 2015 May 22).

The construction of the Chabahar Port in Iran further envisages the Indian designs to fail the CPEC and Gawader Port projects. Chabahar which is located at distance of 70 KM from the Gawader Port in the Iran's Sistan-Baluchistan province, where on India has invested \$100 million. It can be a second choice for China to use it as a transit hub, if CPEC fails, and will connect China with Iran, Afghanistan, Russia and Central Asia through International North South Transport Corridor (Sakhuja , Yousaf, 2013).The Indian investment of 100 million \$ in the construction of Iranian Chabahar port and wheat support to Afghanistan another Indian effort to decrease Pakistan's influence in Afghanistan. Non-aligned movement summit held at Tehran, where India, Iran and Afghanistan have pledged co-operation to develop a network of roads to the southern part of Afghan border (The Diplomat,2013).

The militants on both sides also pose threats to CPEC constructions activities. Uighur militant in Xinjiang province, Eastern Turkic speaking people, favoring separation from China. The insurgents East Turkistan Islamic Movement Organized in Umbrella Group called (ETIM), their aim is mainly focused on to attacks Chinese people inside and outside China specifically in Af-Pak region. They are alleging Beijing mistreatment of Uighur people.ETIM considers their terrorist activities can pose threats to mega Project like CPEC.

Similarly, Tehrik-Taliban Pakistan (TTP) is also involved in the sabotaging activities within Pakistan, affiliating with ETIM and Al-Qaida, Lashkar-e-Jhangy, Baluchistan Liberation Army (BLA), Baluchistan Liberation Front (BLF) and the militant wings of some political parties. Most of these groups may not have an enmity with China itself but rather intend to attacks the Chinese interests like the CPEC as a means to deal with the Pakistani state. They have kidnapped and attacked Chinese engineers to obstruct the construction process of CPEC. Therefore, both countries shares information to fight terrorism and make sure the construction of the mega projects smooth fully (Reuters, 2015 November 21).

Conclusion and suggestions

China Pakistan Economic Corridor (CPEC) is a vital part of One Belt, One road initiative, a "game changing" project, which aims to connect three continent (Asia, Europe and Africa). Analysts are of the views that this corridor would provide much needed jobs to least developed parts of Pakistan specially Baluchistan and Western part of China xinjiang province. Both the provinces lie at the end of Corridor, which have been rattled by waves of insurgencies from time to time.

Gawader district, located at the south western coast of Arabian Sea, Both the city and district are the heart of the project. Logistically the main arterial link, connecting the Maritime silk route, through rail and road links to the western China. The deep-Sea port of Gawader, airport infrastructure, energy and transportation projects along the route, these developmental projects can alleviate some of the problems, which need immediate attention in the backward provinces of Pakistan.

In this regard Pakistan needs to take measures for the participation of all stakeholders in the CPEC related issues. First, it should give attention to the grievances of Baluchistan and KPK provinces, whose people have long been marginalized and deprived in the developmental process. Islamabad should 'keep in mind that it is peace always brings development; it is not development which brings peace' (Wolf, 2016). The CPEC benefits will remain elusive unless peace is restored in the region. Consensus and understanding among the Center and political parties about CPEC implementation process is also required. Consensus and harmony can only be achieved when the Center stop side-lining the interests of stakeholders. Pakistan should set up good relations with neighbors. India on the other hand should also develop a balance approach both towards its neighbors and CPEC. It should think free of emotions that CPEC will benefit each and every one instead imbalance in the region.

Pakistan should also bring a balance approach in its foreign policy towards both China and the west, and shift the only focus on the big powers to others states in the region for co-operation. Pakistan should also develop a good and friendly relationship with eastern neighbors. Friendly relationship with the neighbors will not only bring investment, but Pakistan strategic importance and value will also be enhanced in the region.

Pakistan should also resolve their internal issues and focus on the benefits from CPEC project. In this regard, Pakistan relationship with china should carefully be built up for the future prospects. To reap the benefits from CPEC project Pakistan should also bring industrial development in the country so that the corridor will turn out to be a success.

China's role in South Asia is important. To counter threats to CPEC from India and US, China should investment more in the region. A stable South Asia can only benefit China if it with Pakistan expands its influence and investment in the undeveloped countries. A stable and peaceful Afghanistan is also in both the interest of Pakistan and region as a whole. Both countries should join hands and resolve differences over the issues of terrorism and lead towards economic cooperation. India should end blame game towards Pakistan and take benefit from CPEC. CPEC can turn the unstable situation into peace in the region linking both countries through subsidiary links emanating from Punjab and Kashmir. US need to support the CPEC project as it can brings economic prosperity in Pakistan and even in the whole region, which ultimately reduce terrorism and extremism and can bring peace & stability in the whole region. In such a historic movement, it would be unjust and unfair to entangle ourselves in political rivalries when the country on the rise for economic development. The china's example who has transformed the traditional Chinese economic system into the modern economic power. Like China, if we have to gain development and Pakistan 2025 vision of one of the best 25 economies comes true, we will have to bring political stability both in the country and the region.

Iran can also benefits from the recently changing regional environment, where it has resumed its status in the world economy, with Indian involvement in Iranian Chabahar port, if Iran is involved in this project, will ultimately benefits the position of Pakistan and China. For Iran it would provide openness to the East Asian countries. For the development of Sistan Baluchistan province through enhancement of trade for Pakistan, China and Iran. Pakistan needs to take into account the Iranian concerns, can fulfill the Completion of Iran-Pakistan Gas Pipeline.

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