

## **China-Pakistan Economic Corridor: A Road to Development and its Challenges**

**Mubeen Adnan**

*University of the Punjab, Lahore, Pakistan.*

**Bushra Fatima**

*University of the Punjab, Lahore, Pakistan.*

### **ABSTRACT**

On the world map, Pakistan and China being the neighboring states are inclined to develop and strengthen their relations with each other. These two states can be called as the good neighbors who can assist each other during the time of crisis. Both countries have had always a welcoming attitude towards each other in different situations due to which right from their independence till today in the 21st century, they are cooperative, supportive, encouraging, and friendly states among the other states of the world. This article is based on the fact that apart from the diplomatic, cultural relations, Pakistan and China are making great attempts and efforts for building viable economic relations with each other. It is also to see that how much these two would be beneficial in their economic interests by making the Gawadar project in their journey of making progress in economic capabilities. What challenges are being faced by these states in terms of the economic corridor. It is assumed that However, through this macro-level economic project both Pakistan and China would lead up to reach their destinations along with the attainment of their national interests.

**Key Words:** Pakistan, China, Economic relations, Economic Corridor, Gawadar Port, trade, Challenges.

### **Introduction**

In International relations, the national interests of the multiple states that might be economic, military, political or diplomatic, interest's engrossment is the most substantial. States make relations with other states for different purposes. Pakistan and China relations are said to be as friendly and they are economic and political partners also. Pakistan and China being the two prominent states in terms of geostrategic location and due to their economic power capabilities respectively both are attempting their performance from the different scenarios however that is either in terms of trade, economic fields or by means of the political, cultural, social, military as well as diplomatic level concerns. By means of international bounding line, where Pakistan shares its marches with tetra neighboring countries namely Afghanistan towards the north-western side, Iran to the west portion, on

## South Asian Studies 31 (2)

the northern part lies China and India is located towards the east. On the other hand, China bounds in the eastern part by the East China Sea. Pakistan contemplates China as all-time, in every season, the most benevolent and encouraging, friendly strategic state. In actual, Pakistan and China precede with in terms to develop more closed alliance in order to parry and ward off the role of other powers mainly United States of America, Russia and India. The walk-on part of Gawadar port, which is situated at the seaboard of the Arabian Sea, in the western zone of Baluchistan, is advantageous for both the actors co-partnership. However, by viewing that over the past so many years considering the inception of diplomatic or ambassadorial relations, the contribution of the Chinese leaders Mao Zedong, Zhou Enlai and Pakistani politician Zulfikar Ali Bhutto and other premiers greatly contributed in building the closer connections between both the actors. On the part of Pakistan, first Muslim state is said to be at the top to identify and recognized China. In comparing the relationship between Pakistan and China from the very initial era up till in the twenty-first century, both has had good, friendly and quite worthy relations to say that both states relationship is titled as the eccentric or distinctive coalition. Both these states are the nuclear power. As according to International Monetary Fund (IMF), USA lost the title of largest economy whereas China is the largest economy in the world.(Carter,2014:1)In the coming years, China seems to be appeared to have embryonic as superior power on the global stage. China is the individual major power that has the capability to bolster potentiality, security and peace in Asia. As such the American role is quite influential in Asian region. The economic and military ascend of China and powerbroker with extending political smack is a great challenging as well as onerous situation in terms of American dominance. The relationship between USA and India are getting much stronger day by day and they also made certain deals which fulfilled their concerns in their foreign policy making, which has become a challenging matter for South Asian land. In the present scenario, it is considered by of the several states of the world that, China would come to play a dynamic and high-powered role for the improvement and enhancement of the economic ties of other states residing in South Asia. At some or the other side, it is vital to note that although China has an active role in South Asian region but it has some limitations due to the fact of Pakistan-India conflict, secondly in terms of the global powers there are some past and present struggle specially with USA and Russia, inadequacy and insufficiency of fostering regionalism in South Asia and unwillingness showed by India for China by means of a part of South Asian Association for Regional Cooperation (SAARC).The foreign policy of China in Asia involves quadrilateral strategy focused at increasing its role at the regional and international level. Interestingly, China has some basic concerns in South Asian region such as China wishes to have bilateral relationship individually with all the South Asian states namely, Pakistan, Bangladesh, India, Nepal, Sri Lanka, Bhutan, Sri Lanka, and Maldives. While China is interested in systematized China-South Asia crises-cross. Also China wants to have dealings with cooperative measures in terms of infrastructure as well as in energy areas. China is a country

which follows the principal of non-interference in other state's inter-regional matters, mutual trust, understanding and respect for the jurisdiction of independent states. Pakistan is said to be the most supportive country for China in every field. China never interferes in Pakistan's internal matters and more crucial is that she never showed and used violent and hegemonic attitudes towards Pakistan. Both the states always showed serious attempts to preserve each other's security, peace, regional stability and progressive actions for further development in different circumstances. For the elimination of terrorism which has now become a global issue is being determined to fight against it, also to remove the separatism and extremism from the region is a great concern of China in the region.



**Source**

[https://www.google.com.pk/search?q=economic+corridor+images&biw=1303&bih=635&source=lnms&tbm=isch&sa=X&ved=0ahUKEwjawfSr583PAhWGvBoKHWDSAooQ\\_AUIBigB&dpr=1#tbn=isch&q=pak-chinaeconomic+corridor+images&imgsrc=CSXbqDcroIREIM%3A](https://www.google.com.pk/search?q=economic+corridor+images&biw=1303&bih=635&source=lnms&tbm=isch&sa=X&ved=0ahUKEwjawfSr583PAhWGvBoKHWDSAooQ_AUIBigB&dpr=1#tbn=isch&q=pak-chinaeconomic+corridor+images&imgsrc=CSXbqDcroIREIM%3A)

**China-Pakistan Economic Relations**

Pakistan and China not only enjoy strategic, military, cultural and diplomatic bilateral relations but also have strong economic ties. Pakistan recognized China in 1950. In 1951 Pakistan and China were engaged in diplomatic relations. "The relationship is deeper than the oceans and higher than the mountains. Viewing Pakistan-China relations since the initial settings till in the twenty-first century, both the states cooperate with each other in order to attain their objectives and China played a vital role in the development of Pakistan from different perspectives Pakistan's role is also effective in assisting and supporting China from various dimensions.

Both of the countries are striving together for promoting peace, stability and economic prosperity in Asia (Kayani, 2013: 454) The economic ties between both the countries began to strength in 2007 after the culmination of Free Trade Agreement (FTA). In order to observe some says that there is no doubt that with the arrival of the Nawaz government, China has been making running head in

## **South Asian Studies 31 (2)**

more regularly than before. Some analysts believed that Nawaz's business interpretation combined with China's dynamic role in the economic perspective has the capacity to turn over Pakistan's depressing economic condition to a progressive and emerging economy. Energy is defined as the jugular vein of the economic sector of any state. There is no vital way to the issue that has not been viewed and it is used to disturb the citizens as power supply is the necessary requirement in the modern phase of technology. Power electricity and load shedding is very common in different cities of Pakistan. The electric supply companies have failed to handle the issues that reveal the collapse of the administration of the country. China-Pakistan Economic Corridor is the ideal project that would assist in getting rid of the energy crisis. The availability of the energy in the country would bring back existing industries like textile to full production and approximately two percent to Gross Domestic Growth to Pakistan. Shahbaz Sharif, the current Chief Minister Punjab of Pakistan believes China is enhancing relations with Pakistan for large economic collaboration and the governmental sector is making vital efforts in order to resolve the issue regarding energy resources towards economic sector and different other projects with China's concurrence that will generate creating electricity. It is also observed that CPEC project would cover energy zone. In terms of the energy area, project sum of 10,400 megawatts had been included in the first option plan, which can be accomplished by 2018. Interesting fact is that this project is based on multiple sectors such as solar system, coal, wind, hydropower generation of 16,400 megawatts inclusive to that of the transferral system and will be discovered in different provinces as well as Azad Kashmir. However, China will buildup 10 scheme or programmes of 6,600 megawatts in terms of the Desert which would alter it far and those areas which are underdeveloped into Pakistan's energy finances and permit money facilities for the citizenry. (Abid & Ashfaq, 2015:161) Moreover, from the looking glass of the economic development, China Pakistan Economic Corridor would appeared as a helping arm in order to build a strong as well as a viable economy in Pakistan and would inaugurate a vital chance to bring round its industrial sector and moved ahead its mercantile engrossment. It would assist and encouraged to control the psychological obstacles to circulate of foreign investment by other ways. Apart from the antagonistic economic authorities over 150 private fair-play funds, foreign as well as domestic are quite energetic in India. It is assessed that if this project would move ahead with proper systematic ways, it would go above the regional extension for big improvements not only from perspectives of economies in terms of nations, that is of the advantageous countries but also to the economics and people at the working class status.

### **Economic Corridor Development between China and Pakistan**

There is no other corridor between the states like this, that brings a source of more viable not only economic cooperation but also cultural affection, among the two nations. As according to Xi Jinping, the current President of People Republic of

China, “The China-Pakistan Economic Corridor is located where the Silk Road Economic Belt and the 21st Century Maritime Silk Road meet. It is, therefore, a major project of the “Belt and Road” initiative.” (Panda, 2015:1) This trade route is anticipated to conduct both peaceful and progressive situations in South Asia. This corridor would engulf 2,000 kilometer shipping network between Kashgar in northwestern part of China towards Gwadar port on the Arabian Sea closer to the border with Iran through pipelines, roads, railways. Perhaps it is a project that would alter new developments for Pakistan in terms of encouraging Pakistan to modernize. Also this would bring quite positive changes in economic financial sector and trade, that escalates regional connectivity, for the improvement of energy sector, establish infrastructure and maintained a sense of people to people contacts in both the states. As the analyst Andrew Small, invent a term “Cooperation in Shadows” in order to describe the relation. For long years, both the states established strong relation of trust. There is no doubt that the element of trust is the most crucial in terms of developing strong ties. Based on the previous facts, the foreign policy of China presents much attention to Pakistan in futuristic outlook of China, here comes the best example of this trade route.

It is a rational and a skillfully constructed project for having determined collaboration among the near border states also to have the well-being of China, West and South Asia. By means of the win-win situation, the strategic notion of this economic arcade that basically described from few stance i.e. geopolitical, economic, cultural as well as historical. Although this passageway, being a source of vast establishment in multiple areas around the globe, would flourished in Pakistan due to the construction of a networks from Khunjerab, the border of Pakistan and China, towards the Gawadar, one of the largest port of Pakistan. The China-Pakistan Economic Corridor is planned for the regional cooperation, for better economic growth, for participating in trade multifariousness, contributing in transportation, extracting and energy sectors as well as constructing political cooperation. It is a perception in accordance with globe-changing implications, a vast project which would crises-cross a large portion of Europe, Asia, Africa, Oceanic, Middle Eastern side nearly along with mixed bag of new infrastructure, diplomacy, and free trade zones. However, to see the geographical location this economic project which basically consists of three routes. The southern corridor initiates from Guangzhou in South Central China, as third largest city. By moving through the western part of China that connects Kashgar with Pakistan at Kunjarab, an area where China is keenly interested for making linkage with Gawadar port in the Arabian Sea. It is considered as the shortest possible option for China. Secondly, the Central Corridor that originates from Shanghai and connects country towards Tehran, Tashkent, and moved to Bandar Imam Khomeini Port of Iran located on the Persian Gulf. Another arm makes connection towards Europe. This is perhaps a longer path but could be a choice in case when Pakistan not focusing at the agenda of making its road web for donor or receiver in terms of the New Silk Road Economic Belt. Northern Corridor that initiates from Beijing, makes one’s way through Russia, connects it to European

## South Asian Studies 31 (2)

cities. In fact this economic gallery identify the reality of regional integration is an unavoidable estimated to have the demands of monetary universal map.

Pakistan being an essential companion for China as it makes connection towards Central Asia, Southern Asian region also Middle East and its major port Gawadar that put forward easy reach towards the Indian Ocean and far off. Both the states have been making efforts in order to strengthen strategic communication to protect the mutual interests. CPEC represents a new model of Pakistan and China collaboration that would be helpful and viable for changing regional and international circumstances. As such China has moderately appeared as one of the major trading partner of Pakistan from the both perspectives exports and imports. In 1963 when Pakistan and China both signed the trade accord, bilateral trade along with commercial network was developed. Free Trade Agreement (FTA) that was signed on 24 November, 2006 between two states and put into practice from 1<sup>st</sup> July 2007. Afterwards, FTA was signed by both in terms of trade services on 21 February, 2009 that appeared viable from 10<sup>th</sup> October the same year. (Abid & Ashfaq, 2015: 146) CPEC is in a process of construction of mega-project that would be beneficial from both the political and economic goals via trade and development. In South Asia, this corridor would also be a supporting factor in building regional stability. Once this project is completed, it would function like a main gateway for trade among China and Africa as well as Middle East. Also it is anticipated that this corridor would assist cut the 12,00 km path that Middle East oil supplies should must now take to reach the ports of China. This plan surmise for many years, acquired grip in 2013, when Li Keqiang the Chinese Premier focused on the building of the economic arcade while he made visit to Pakistan. He singed leading light this economic gallery accord at that time. In the same year, also Pakistan's Nawaz Sharif made an official Beijing and signed eight accords that costs \$18 billion inclusive constructing around 200 km underpasses for the economic gallery.

However, in 2014, current President of Pakistan Mamnoon Hussain made an official visit to China for the progressive discussion of the economic corridor. Same year Nawaz Sharif made another visit and 19 agreements were signed with China. The phase when banks and organizations of China were pledged over US \$ 45.6 billion in terms of infrastructure and energy projects with the passageway. Such accords gave quite clear evidence of a deepening strategic connection between the two states. Similarly in 2015, President of China Xi Jinping made an official visit to Pakistan. This was in fact the second time the visit of Chinese leader in Pakistan in 21<sup>st</sup> century. When Xi Jinping made an official visit to Pakistan, total 51 accords were signed between both states, worth of \$46 billion inclusive to the establishment of CPEC. Since 9/11 era, Pakistan has received a large mass of US aid. Moreover, by means of the infrastructure of CPEC, the construction era specifically from 2014 to 2030, has unified connections with the China's One Belt, One Road as well as the augmentation of China's proposed 21<sup>st</sup> century Silk Route dynamism.

The performance of the project under the CPEC basically divided into three phases, i.e. the short-term projects are estimated that it would complete by 2017, mid-term and long-term by 2025 and by 2030 respectively. In fact total construction costs are roughly evaluated at \$46 billion. Here comes the network of pipelines, railways, highways to transfer oil and gas. In terms of the short-term that consists of the establishment at Gawadar port and the building of the international airport. It would be completed in 2017. (Abid& Ashfaq, 2015: 147-148)In terms of the fiber-optic communication network, the two states have plan to make progressive efforts.



Economist.com

**Source**

<http://www.economist.com/news/asia/21653657-conflict-balochistan-must-be-resolved-trade-corridor-between-pakistan-and-china-bring>

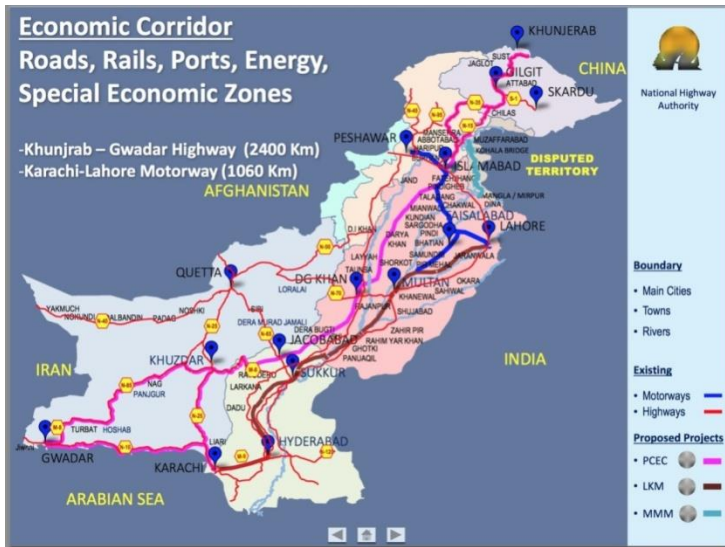
**Gwadar Port**

## South Asian Studies 31 (2)

Gawadar deep sea port is considered as the jugular vein between Pakistan and China for enhancing their trade and economic activities, and to have an international prestige on world political stage. Gawadar port is said to be the main central point of making socio-economic development between Pakistan and the international relations.

“Gawadar is located ideally in the Arabian Sea near the entrance of the Persian Gulf through the Straits of Hormuz.”(Khan, 2014:1)In fact, Gawadar port is the appendage of silk belt that would linked Kashgar through different communication networks. Gawadar hold the main central area in this project due the fact that without building the Gawadar port completely practical and serviceable although quite tough to see the predictable economic gallery in terms of the energy corridor, emerged as main aim in terms of the fabrication of the project. However, it is interesting to know that closer to the Strait of Hormus, that channels almost one third of the world’s oil trade, Gawadar could presents a major role in protecting energy security of China as it come up with shorter route than the current route of 12,900 km from the Persian Gulf via Strait of Malacca towards eastern seaboard of China. It is being observed that Gawadar would also place China and Pakistan in a strategically beneficial status along with the Arabian Sea amalgamating the existing Indian interests that twig from China’s participation in neighboring ports like Hambantota in Sri Lanka, Chittagong in Bangladesh and Sittwe in Myanmar. Perhaps, as far as India is concerned, she is also being considered as the energy hungry it stepped forward to establishing Chabahar Port in southeastern Iran. Moreover, the port has the capability to serve as a secure channel and storage along with trans-shipment pivot for Central Asia and Middle East oil and gas suppliers by means of the well-defined and distinct corridor passing via Pakistan. The functional control of the port would enabled China’s access towards Indian Ocean, that is strategically vital for China as it strengthen its impact across the region. Gawadar port would be connected with China’s western province Xinjiang by means of the rail and road connections. Gawadar port has the potentiality from economic, strategic as well as military scenario that would bring both states in maritime collaboration such as shipping, navigation, international law of sea and coastal defense. (Kalim, 2016:218)





Source:[https://www.google.com.pk/search?q=Gwadar+port+images+pdf&biw=1291&bih=635&tbm=isch&tbo=u&source=univ&sa=X&ved=0ahUKEwi\\_9ntp3YTQAhWLCcAKHAdACzcQsAQIGw#imgcr=Z4Z8omWtCLJ3OM%3A](https://www.google.com.pk/search?q=Gwadar+port+images+pdf&biw=1291&bih=635&tbm=isch&tbo=u&source=univ&sa=X&ved=0ahUKEwi_9ntp3YTQAhWLCcAKHAdACzcQsAQIGw#imgcr=Z4Z8omWtCLJ3OM%3A)

## Challenges in China-Pakistan Economic Corridor

By focusing on the interior and exterior challenges for Pakistan and China's leadership in order to appliance this multi-dollars project. Most of the challenges are faced by Pakistan in the performance of the economic project .Political troubles, security matter and administrative issues are considered as the basic issues in the implementation of the progressive completion of the project. The building of the trade route is described being the strategic time that Pakistan has presupposed the status being economic hub for the region as a whole. The pattern of shifting in situations is the reason of big tension for Pakistan internally as well as externally. As such India, USA and Israel are not happy with it. On the part of India, CPEC is a prickle on its foot. They with the joint contributions have made efforts in order to block ways in terms of the new policies and strategies of the project to move ahead. In Delhi, RAW has initiated a particular office and has been allocated \$300 million to disarrange CPEC.(Abid& Ashfaq,2015:151) In Pakistan some political souls made issues like Awami National Party, Baloch nationalists and some others raised quite serious protestation to the CPEC project. There are some challenges for Pakistan and China in terms of the CPEC, which are as follows.

- One of the major issue is that of the Baluchistan, a viable location where analysts believed that it would be world's largest trade pathway, connecting the deepest port of Gawadar alongwith Kashgar. However, Baloch's insurgents who are against Balochistan specifically the establishment of Gawadar destroyed several pipelines and trains also attacked engineers of China. They are

against that Baluchistan should not prosper economic and trade pivot but it is raised as an independent status. They are afraid that if Baluchistan establishes Gawadar port it appeared as a growing port, then the external forces would come in. Ethno-sectarian is another main reason of insurgency in Balochistan which has made this province quite tense, disagreement over project that has added more energy to the firestorm. It is observed that this project being the main interest for China, Pakistan and the whole globe, as they all perceive it in terms of the economic and strategic benefits and disadvantages, but whatever significance it has for others, most important is for the lives of Baloch, that would create destruction in the name of its establishment. Several Balochi separatists are also against the development of this project. Due to the large number of power projects performing their duties under the CPEC in Punjab, with a significant impact on raising the socio-economic aspects mainly the central and northern Punjab. No such step has been initiated in Balochistan, and coal-powered projects delegated in the CPEC have already been placed at one side, apparently because of the lack of interest by Chinese organizations. (Baloch,2016:3) Balochistan is not giving their proper rights being the rich resource province of Pakistan; they want equality as other provinces are getting benefit from this economic corridor. They want logical ways for having benefited from this CPEC not only the statements by the government. The people of Balochistan want progress and development from this economic program. "The projects included the foundation stone laying of the Free Zone Port"(Zuberi,20161) "The entire provincial government has no convincing data to prove what the CPEC has for Balochistan. We need to be honest with ourselves – that China needed Gwadar and in return we got a multibillion dollar infrastructure, metro line, eastern route and motorways and energy projects that will be focused in particular part of Pakistan."(Baloch,2016:2)

- Security concerns are another challenging factor for Pakistan and China. There are curve of military extension from Xinjiang to Gawadar as well as military related political parties. These groups might not have any adversary with China itself but they have intention to create destruction for the interests of China like the CPEC. The security of the whole arcade and Gawadar is a true matter for China and Pakistan.
- In terms of the economic perspective, for the CPEC the major challenge appears from the competitors. Here comes the most vital Chabahar port of Iran. India has intention to invest \$85 million in the establishment of Chabahar, that is at a short distances from Gawadar and India want to have an access to landlocked Afghanistan and Central Asia, while passing opponent Pakistan.(Abid& Ashfaq,2015:156)Although Chabahar plan is not yet originated due to the ongoing discussion on the nuclear issue of Iran, on the other hand Gawadar deep sea port is already been operational. Iran has a great interest to take part in CPEC due to the fact that makes linkage between Iran-Pakistan gas pipeline with China, which is narrated as the common interests among the three states. On the other hand, India's interests in Chabahar are connected to Pakistan's

rejection to permit Indian reach of transport to and from Afghanistan that is why India views Iran to be the next good option. Pakistan must improve her relations with Iran in order to counter Indian interests. Recently, Iranian President Hassan Rouhani while meeting with Pakistan PM Nawaz Sharif where he desired to become a part of the CPEC, and both leaders showed a positive response in terms of the Pakistan-Iran ties. As Iran considers Pakistan's economic development as its own development, also both the states discussed opportunities in terms of the bilateral cooperation in different matters like energy, oil, gas and electricity. It was observed that the progressive attitude in terms of the Iran-Pakistan gas pipeline and electricity import from Iran would assist Pakistan in order to overcome its energy shortages in the future perspective. Iranian President also focused on the security perspective that Pakistan's security is the security of Iran.(Abbas,2016:1)On the other hand PM Nawaz Sharif informed Iranian President Rouhani about the Indian cruelty and barbarity in Kashmir. It was also highlighted by Pakistan that there was a great need to build a unity and cohesion platform within the Muslim world, specifically at the time of conflicting situation. All such things if to be practically implemented between both the Muslim nations that would counter the Indian interests in the region. If Pakistan has good relations with Iran then many of our domestic issues would be resolved.

- Tax and Power Tariff are said to be the main issues in the procedure of the China Pakistan Economic Corridor. As far as China is concerned, highlighted serious issues also with the implementation procedure of the CPEC energy projects in Pakistan. The authoritative parties of China have noticed that the decrease in tariff for sustainable energy would adversely impact the cost-effectiveness of the project performance, reduce investment eagerness and affect the tasks execution that is based on China-Pakistan Intergovernmental Agreement. However, Pakistan presented the view that renewable energy tariff would not be the same in the future scenario and the tariff lowering range is nearly linked to the cost of the task at the moment of application for tariff.
- The bones of network filled by China have made India not sure and perplex. India is concerned about China's large amount of investment in Pakistan, specifically its latest commitment to fund for CPEC. China assisting Pakistan for manufacturing plutonium at the China's constructed Kyushu reactor. (Abid & Ashfaq, 2015:158) Afterwards, once the CPEC gets completed, Pakistan might become a trade pivot in the region after Gawadar Port initiates working completely and duty-free economic sectors are set up. However, most of the Central Asian states also showed great interests in becoming part of this economic corridor. India is upset due to the strategic partnership between Pakistan and China, that loudly showed its opposition and even the current Prime Minister Nerandra Modi decalared the president of China while his visit to Beijing in order to let fall the strategy of establishing the corridor. But China did not came into the pressure and affirmed to move ahead with efforts and

## South Asian Studies 31 (2)

attempts over this project. India is also not happy with the Gwadar Port development and its operations to China. (Ashfaq & Abid, 2015: 159)

- Due to the growing development of fundamental or innate issues as well as social matters in China are widely misunderstood in Pakistan, where as China is considered as a vitally a communist state at some or the other level of progression. In Western part also even in China perhaps the system is recognized as improved model of capitalism i.e. a combination of communism and capitalists images. Interpreting this is quite all important for operating bilateral relations ahead. However, strategic ties are in series while trade relations fall behind, and are not commensurate to other parts of the relationship.
- Due to the less conviction and certainty specifically in terms of Chinese goods or manufactured items in Pakistan is one of the major issues in this aspect, whereas many raised questions about the quality of the Chinese products. This is also one of the hurdles in Pakistan- China trade relations.
- Execution apparatus or mechanisms are also one of the challenges. Although there are 358 Joint consensus, on various matters like economic, cultural, diplomatic concerns. Memorandum of Understandings, Joint announcements and ordering that covers almost every part of civil society, distrust of political contribution and due to the failed implementations there is no proper outcomes. (Hussain, 2014: 7)
- Another challenge is the security situation in Pakistan which is a main obstacle in trade relations between the two countries. However this is specifically taken in the ambience of the Pakistan-China Economic Corridor, Baluchistan and Gilgit-Baltistan are the two major areas due to swear security problems.
- There are structural problems between the two countries particularly in the way of agreed national preferences. Also lack of communication between several compartments which results in uncertainty and put a stop to efficacious and well-timed performance.
- Bounded and insubstantial people to people contact, apart from this due to the restricted Chinese art and literature are having the relationship a bit one sided.
- By means of the economic gem which is perceived by some analysts that Pakistan want economic well-being from the markets of China, nevertheless this aspect is ignored by the Chinese reach in terms of the relationship. However, in case if international relations proceed to be directed by actual and existent politic and not economics, then the strategic ties must be given much more priority.
- From the perspective of Pakistan's near edge towards China must be a bit more remote in that context the national interest of Pakistan should come at first site and be forecast and predicted as such. This is in fact no way to be contemptuous in terms of the influence of Pakistan-China relations.
- Baluchistan and KPK provinces are not happy with the route/passage given to them for CPEC communication, political parties of Pakistan are also not truly supportive. Balochistan being the essential part of Pakistan, and the rich-

resource province of Pakistan and some of the regional and authoritative powers tried to strengthen their hold in the region in order to get control of minerals and economic resources. The fact that cannot be denied that Balochistan was neglected in the British Raj, also by some of the governmental bodies of Pakistan since 1947, that shows that this rich-resource province lacks technological powers as well as economic resources to utilize its untapped reserves. Due to this context, Pakistan seeks China's support in establishing Gawadar port into global port in terms of the future project that links it with Kashgar (China). Balochistan and KPK has some reservations on this CPEC, and they are against this project from its neighbor India, that has objection to this corridor as it would pass via Pakistan occupied Kashmir, a territory with destroyed status as this is said to be groundless allegation as India would be frightened by the building-up of Gawadar port. Thus it is quite clear that various states and India specifically is not happy with CPEC that has the power to transform Pakistan into an essential country of the region, reason being that India desires to be the only regional hegemonic state in South Asia and she leaves no chance to weaken the region. No doubt, the Gawadar port has great capability to boost Pakistan's economic sector, along with the mineral resources of Baluchistan that could come up with progress not only to the citizens of Baluchistan but also for the population of other provinces of Pakistan. The citizens of Baluchistan are suffering from poverty, illiteracy, lawlessness, sectarianism, separatist insurgency as well as military interventions.

Hence it is necessary that all the political parties should present a great supportive attitude in terms of the implementation of the China Pakistan Economic Corridor. The political parties must have the unity in order to resolve their political matters and act in terms of their correlative benefits.

### **Inauguration of CPEC: A Milestone for Development**

The inauguration of CPEC on 12<sup>th</sup> November, 2016, when China Pakistan Economic Corridor emerged as a reality of the shipment of trade cargo from the Gawadar port towards the global landing place.

Prime Minister, Nawaz Sharif was of the view that this project has emerged as a dawn of macro-level trade opportunities for the whole region. It has been declared by the Prime minister that Pakistan is getting benefit in terms of the unique geo-strategic location, of South Asia, China as well as Central Asia and the changing destiny of large number of people of the region and in future scenario would serve as an economic hub by means of the trade zone.

On 11<sup>th</sup> November, 2016 the first trade marketing carrying goods for export via western route of China Pakistan Economic Corridor along with Chinese ship arrived at Gawadar sea port. That convoy consisting 60 containers, initiated its journey towards Pakistan from Kashgar via western route and reached in Quetta in the first phase and then later moved for Gawadar. Similarly the second caravan consists over 100 containers arrived in Gawadar on 12<sup>th</sup> November, 2016.

(Zafar,2016:1)However, from the security perspective, Pakistan's military is showing a cooperative attitude and is trying to secure corridor from Pakistan to China. On 26<sup>th</sup> November, 2016 the PM of Pakistan presented the view that CPEC which is a multiple infrastructure project, also peace and development are inter-linked that creates the regional peace stability between the two nations.

## **Conclusion**

From the above discussion, it is come up with the concluding remarks that as in the 21<sup>st</sup> century, the most prominent economic corridor i.e. China Pakistan Economic Corridor, by which the two amicable states are trying their best attempts to fulfill their economic activities at larger scale. This economic corridor or the economic gallery between the two states is said to be another way of moving ahead in trade and macro-level economic development. The trained human resources from the country to safeguard China's plan and workers might be an effective way to the issues specifically from the Gawadar to the CPEC. One of the hurdles in terms of Pakistan-China relation is that of the extended bureaucratic authority. However, Pakistan is playing a dominant role in South Asian region. Once this economic project is completed, economic, strategic and commercial atmosphere would improve and bring positive changes in Pakistan. It would help Pakistan in dealing with the issues of unemployment, poverty and injustice of undeveloped provinces. By every means, CPEC is said to be appeared as a game changer and would be beneficial in terms of the stability and security concerns regarding Pakistan. This project is analyzed as a winning situation for both states. On the larger scale extend the range for the viable and well-constructed development of the economic growth of China. China's backing and funding would assist Pakistan in order to get avoid of the so long yearly stamp as main center of terrorism, most threatening state, and a failing country. As it is quite clear that if the economic sector of any country at the global stage is highly raised or it is on the road to progressive measures, it would not only lead that country more dominant and influential in order to emerged as a competitor state but also to win the race from the economic strategy. Also the Gawadar port is the hub of the future economic prosperity of both the sates. In short, Pakistan and China being the neighboring states and by proper implementation of this economic corridor hoping that both would run a much more stronger and viable states, reaching their goals amicably and make their economy and trade more stable and potential.

## **References**

- Abbas,S.S. (2016), "Iran wants to be a part of CPEC,saysRouhani" Retrieved from <http://www.dawn.com/news/1285404>
- Ahmar, M. (2015), "Strategic Meaning of the China-Pakistan Economic Corridor" Retrieved from [http://issi.org.pk/wp-content/uploads/2015/12/Moonis-Ahmar\\_3435\\_SS\\_41\\_20142015.pdf](http://issi.org.pk/wp-content/uploads/2015/12/Moonis-Ahmar_3435_SS_41_20142015.pdf)

- Ali, G. (2016), "Forecast 2016: On China-Pakistan Relations" Retrieved from <http://www.ipcs.org/article/pakistan/forecast-2016-on-china-pakistan-relations-4958.html>
- Ashfaq, A. & Abid, M. (2015), "CPEC: Challenges and Opportunities for Pakistan" Retrieved from [http://pu.edu.pk/images/journal/studies/PDF-FILES/Artical-7\\_v16\\_2\\_2015.pdf](http://pu.edu.pk/images/journal/studies/PDF-FILES/Artical-7_v16_2_2015.pdf)
- Balouch, S. (2016), "CPEC: a Baloch perspective" Retrieved from <https://www.thenews.com.pk/print/154685-CPEC-a-Baloch-perspective>
- Carter, B. (2014), "Is China's economy really the largest in the world?" Retrieved from <http://www.bbc.com/news/magazine-30483762>
- Hussain, M. (2014), "Pakistan-China Relations: Prospects and Challenges" Retrieved from <http://cpakgulf.org/wp-content/uploads/2014/02/Pak-China-Report.pdf>
- Kakar, N. (2016), "Balochistan Conundrum in Backdrop of CPEC" Retrieved from <http://thebalochistanpoint.com/balochistan-conundrum-in-backdrop-of-cpec/>
- Kalim, I. (2016), "Gawadar Port: Serving Strategic Interests of Pakistan" Retrieved from [http://pu.edu.pk/images/journal/csas/PDF/14%20Inayat%20Kaleem\\_v31\\_no1\\_jan-jun2016.pdf](http://pu.edu.pk/images/journal/csas/PDF/14%20Inayat%20Kaleem_v31_no1_jan-jun2016.pdf)
- Kataria, R.J. & Naveed, A. (2014), "Pakistan-China Social and Economic Relations" Retrieved from <http://pu.edu.pk/images/journal/csas/PDF/3. Jafar Riaz v29 no2 2014.pdf>
- Kayani, N. F. (2013), "China-Pakistan Economic Relations: Lessons for Pakistan" Retrieved from <http://www.jespk.net/publications/137.pdf>
- Khan, U. A. (2014), "Gwadar could be the key to Pakistan's economic turnaround" Retrieved from [http://www.irs.org.pk/reports/Report\\_012114.pdf](http://www.irs.org.pk/reports/Report_012114.pdf)
- Mahar, A. (2014), "China's relations with South Asian Countries" Retrieved from <http://www.ipripak.org/chinas-relations-with-south-asian-countries/#sthash.LCQFdnwL.dpbs>
- Nasr, Y. (2014), "Pakistan China Relations: The Nawaz Government" Retrieved from <http://www.pakistan-china.com/article-detail.php?id=MTY=&pageid=news>
- Panda, A. (2015), "Xi Jinping on Pakistan: 'I Feel As If I Am Going to Visit the Home of My Own Brother'" Retrieved from <http://thediplomat.com/2015/04/xi-jinping-on-pakistan-i-feel-as-if-i-am-going-to-visit-the-home-of-my-own-brother/>
- Ramay, A.S. "China Pakistan Economic Corridor : A Chinese Dream Being Materialized Through Pakistan" Retrieved from [https://sdpi.org/publications/files/China-Pakistan-Economic-Corridor-\(Shakeel-Ahmad-Ramay\).pdf](https://sdpi.org/publications/files/China-Pakistan-Economic-Corridor-(Shakeel-Ahmad-Ramay).pdf)
- Razzaq, A. (2015), "CPEC for Balochistan" Retrieved from <http://issi.org.pk/wp-content/uploads/2015/04/Doc-66.pdf>
- Shah, H. A. & Choudhry, A. I. (2013), "Pak-China Diplomatic and Military Relations: An Analysis" Retrieved from <http://www.berkeleyjournalofsocialsciences.com/spring2.pdf>
- Siddique, Q. (2014), "Deeper than the Indian Ocean? An Analysis of Pakistan-China Relations" Retrieved from [http://strategiskanalyse.no/Publikasjoner%202014/2014-02-27\\_SISA16\\_Sino-Pak\\_OS.pdf](http://strategiskanalyse.no/Publikasjoner%202014/2014-02-27_SISA16_Sino-Pak_OS.pdf)
- Zafar, M. (2016), "First Chinese trade convoy arrives in Gawadar through CPEC" Retrieved from <http://tribune.com.pk/story/1228780/first-chinese-trade-convoy-arrives-gwadar-cpec/>
- Zuberi, A.M. (2016), "Baloch people want development as they favour CPEC: Bizenjo" Retrieved from <http://www.brecorder.com/business-and-economy/189:pakistan/81827:baloch-people-want-development-as-they-favour-cpec--bizenjo?date=2016-09-02>
- <http://karachi.china-consulate.org/eng/whjy/t264642.htm>
- <https://timesofislamabad.com/pm-nawaz-sharif-address-gwadar-port-inauguration-cpec/2016/11/13/>

**Biographical Note**

**Mubeen Adnan** is Assistant Professor at the Department of Political Science, University of the Punjab, Lahore, Pakistan.

**Bushra Fatimas** M.Phil scholar at the Department of Political Science, University of the Punjab, Lahore, Pakistan.

---