



RESEARCH PAPER

CPEC and Challenges for China and Pakistan

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ABSTRACT

Pakistan and China are companions from exceptionally long time. They have exchanging relations through the Ancient Silk rout. Presently both the nations need to extend the volume of their trade. This paper addresses the chronicled relations between Pakistan and China in addition pointed out the benefits that Pakistan and China are anticipating from the CPEC. The paper moreover talks about the internal as well as external challenges and opportunities for China and Pakistan. The study addresses the historical relations between Pakistan and China moreover pointed out the benefits that Pakistan and China are expecting from the project. The CPEC will open doors to immense economic opportunities not only to Pakistan but will physically connect China to its markets in Asia, Europe and beyond. China decided to create expansive speculation in Pakistan beneath its One Belt One Road vision through CPEC project.

Keywords: China, CPEC, Economic Development, One Road One Belt, Pakistan

Introduction

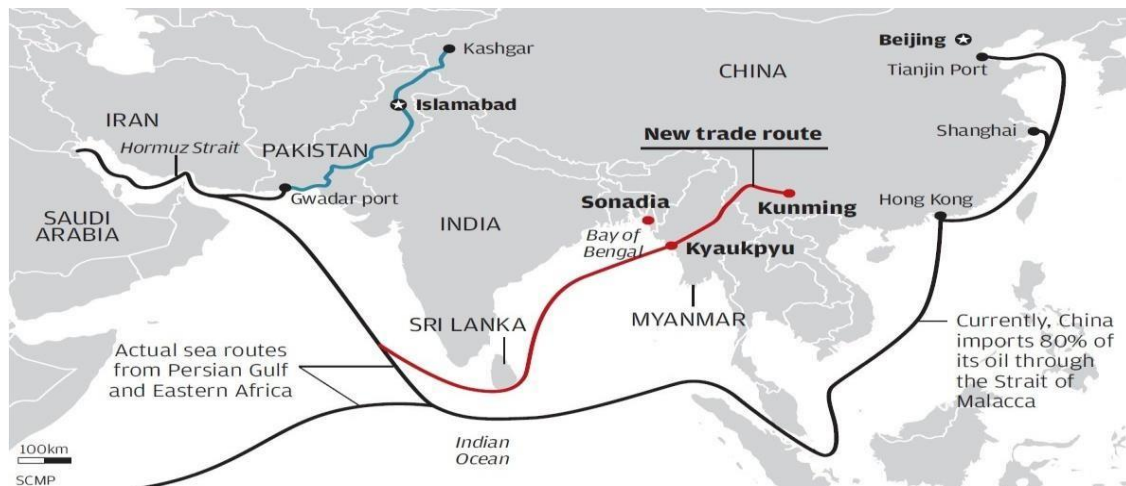
China's One Belt and One Road Initiative has been proposed in 2013 by the President Xi Jinping during his visit to the Central-Asia and the South-East Asia countries. The initiative is the renovation of Old Silk Route that had been built during the Han Dynasty in (206BC-220AD) in order to promote trade of silk and other economic commodities to other regional markets of the world. In the 21st Century, China is revitalizing the Old Silk Road to get back the old glory of splendor past when it was an economic power of the Asian region. It desires to achieve the dream that has been set by its national leader Deng Xiaoping in 1970s to establish China as one of the most developed and industrial country of the world. It wants to establish economic development to build a developed, prosperous and peaceful Chinese society. The main objective of One Belt and One Road Initiative is to expand trade and economic market of China throughout the rest of the world in order to build a peaceful prosperous Chinese society and to fulfill the growing energy needs of the country. China is promoting through this initiative the values of mutual peace, cooperation, development, trust, respect, and interdependence among the countries and regions by building connectivity through seaports, economic corridors, roads, railways, and pipelines etc. (Muzaffar, Shah, & Yaseen, 2018).

It has laid the foundation of One Belt and One Road initiative on the principles of mutual peace and cooperation, win-win benefits, mutual respect to each other sovereignty and territorial integrity and mutual non-interference on each other political and sovereign matters. The significance of China's active role through One Belt and One Road initiative in the Asian region for peace and development cannot be ignored. China is connecting the Asian region includes Brunei, Singapore, Myanmar, Cambodia, Bangladesh, Sri-Lanka, Nepal, Maldives, India, Pakistan and Sudan on One Road Initiative through seaports, economic corridors and gas and oil pipelines etc. China under the sidelines of the initiative is financing and constructing free-trade economic zones and many energy development projects in these countries. Its growing economic developments and influence in these countries of Asia, resultantly promoting mutual peace, development, cooperation and interdependence

among the countries. It is promoting economic development to the poor and developing countries of Asia and empowering them by building their economies developed. Its growing economic influence in the region is posing a great security threat for the influence and interests of U.S., Japan and India (Yaseen, Jathol, & Muzaffar, 2016). Pakistan and India Relations: A Political Analysis of Conflicts and Regional Security in South Asia, *Global Political Review*, 1 (I), 1-09 The policy makers and scholars of these countries say that China is a growing threat for their sovereignty and to the world peace. In response, China titling these claims as propaganda against its peaceful rise particularly through One Belt and One Road Initiative. The main objective of the initiative is to establish China as a developed, prosperous and peaceful society. In result, it is promoting development and prosperity to the rest of the world. It is building a peaceful world of mutual cooperation, interdependence and integration. It is establishing a multipolar world by promoting development to other countries. It is engaging the countries in mutual cooperation and interdependence. It is building new trends of harmony and peace.

CPEC- A Game Changer

The 3,000 km economic corridor under the aegis of CPEC is the leading project of China's ambitious vision for a modern reconstruction of the Silk Road. The inclusion of the project as part of China's 13th five-year development plan reflects its significance. CPEC was first proposed in 2013 by Chinese Premier Li Keqiang that has now become a route for wider connectivity. In 2013, PM Nawaz Sharif took office with the intent of reinvigorating economy and undertook a series of measures to improve Pakistan's economic prospects and signing a deal with China is its significant example. In April 2015, the visit of Chinese President Xi Jinping to Pakistan with CPEC plan after the time span of nine years has cemented Pakistan-China friendship further, opened new avenues for cooperation and made Pakistan the investment destination at national and international levels. Pakistan and China are now moving in the era of geo-economics and towards regional connectivity. The year 2015 is marked the implementation year of CPEC. Bulk of the projects are largely intra-Pakistan in nature (Smal, 2015) that calls for completion by 2030. Touching new heights of friendship; Pakistan and China have signed 51 Memorandums of Understandings (MoUs) in different areas of cooperation. The ground breaking ceremony and signing of financial agreements have shown the strong will on both sides to implement the CPEC plan. It is \$ 46 billion infrastructure project currently under construction that is equal to roughly 20 per cent of Pakistan's annual GDP (Stevens, 2015) and the Asian Development Bank (ADB) has agreed to lend \$8bn additional to upgrade the main railway line from Karachi to Peshawar. Chinese investment on CPEC is equivalent to all the foreign direct investment inflows (FDI) into Pakistan since 1970 combined (Rakisits, 2015) It is an overland route connecting Kashgar, the north-western city of China and Gwadar port in southern Pakistan through the development of a network of highways, railways, and natural gas and oil pipelines. The physiography of Pakistan makes her the direct beneficiary of ambitious economic and energy corridor. When the corridor will be operational, it will function as a doorway for trade between China, Africa and the Middle East. In particular, oil from Middle East can be deposited at Gwadar and carried to China via Baluchistan that will lessen the 12,000km route that Middle East oil supplies takes to reach Chinese ports. CPEC has been designed as the flagship project for economic rejuvenation and the region will share a "Community of Common Destiny". Hua Chunying, the Foreign Ministry spokesperson stated that the corridor will "serve as a driver for connectivity between South Asia and East Asia." (Tiezzi, 2014) (Muzaffar & Khan, 2021) In order to sup.



Source: <http://defence.pk/threads/regarding-gwadar-port.375846>

Role of Silk Road for CPEC

Pakistan and China were in trade relation before the formation of Pakistan. The historical Silk Road between Pakistan and China at the north of Pakistan was the route from where all the trade activities were carried out. So it can be said that CPEC is a transformation of Silk Road. The CPEC is not just a road for Pakistan and China, it is actually the foundation stone of economic growth of the entire region which will connect the economic regions and will bring economic prosperity. It will connect all the regions like Central Asia, South Asia, Middle East, Europe and Africa (Abid & Ashfaq, 2015). China planned to build a One Belt One Road project which consisted of three routes, the southern, the central and the northern of which CPEC is the southern route (Zimmerman, 2015). The CPEC idea is historical as discussed above but the corridor was also in plan from the first decade of the current century. But in the government of Prime Minister Nawaz Sharif, the vision turned into reality when in 2013, the CPEC agreement was signed. In 2014, the PM visited China and agreements were signed to build 200 km tunnel. In 2015, the Chinese President Xi Jinping visited Pakistan during which the final agreements worth \$46 billion were signed for the construction of CPEC. The CPEC agreement is not a short-term venture, it's a long-term plan scattered from 2014 to 2030. But the short-term projects of CPEC are planned to be completed by 2017. CPEC includes infrastructure and power development projects in Pakistan. The CPEC will start from Chinese North-Western region of Xinjiang and will end at the Gwadar Port. The Gwadar Port of Pakistan is already under the use of China. The CPEC is expected to bring economic prosperity in Pakistan due to its large aims. The CPEC aims at power generation which will resolve the major issue of Pakistan that is the power shortage which has disturbed its industrial sector widely. The power shortage once balanced will help in running its industries at good level again which will increase the GDP of the country, will create employment opportunities and ultimately the standard of living of the people will get better. So, it can be said that CPEC is going to affect not only the country's economy but will also have a greater impact at individual level. CPEC will raise the foreign direct investment level in Pakistan which almost always has good effects. The Silk Road and now the CPEC is the way which can lead the economy of Pakistan to door of success. It hence can be said that Pakistan should try it best to complete this project on time so that the benefits can be delivered at the utmost degree to both the macro and micro level.

Chinese Spirits and Policy toward Silk Road

China's One Belt and One Road Initiative is consisted of two routes or branches; one is sea route that is known as Maritime Silk Road or One Road Initiative and the second is a land-route that is known as One Belt Road that connects China's western part with the regions of the Central-Asia, the Middle-East, Africa and Europe through roads, railway and

oil and gas pipelines projects. The Maritime Silk Road Initiative or One Road route is filled with the consecutive connectivity of seaports that are located in East-Asia, South-East Asia, South-Asia and Africa. The connectivity of the seaports begins from the seaports that are located in the South-China Sea includes Fujian seaport, Xin Gang seaport, Qingdao seaport, Shanghai seaport, Ningbo seaport and Hong-Kong Seaport of China. (Bhattacharjee, 2015) These seaports are getting connectivity on the One Road initiative with other seaports of the Asian regions. Hong-Kong seaport and Ningbo seaports are the main ports that provides broader connectivity to the southern part of China with other regional seaports including Muara seaport Brunei, Sihanoukville port of Cambodia, Khaukpyu port of Myanmar, Chittagong port of Bangladesh and Hambantota port of Sri-Lanka, Maldives port, Gwadar port of Pakistan, and Sudan seaport. It initiative enters into Mediterranean Sea where it finally connects to Economic belt at Venice, Italy (JIA, 2015). The entire structure of the One Belt and One Road Initiative is constructed of seaports, roads, railways, bridges, canals, gas and oil pipelines, dry-ports, free trade economic and industrial zones etc. The initiative is an extensive and broader economic interconnectivity project that interconnects far-distance regions of Asia, the Central-Asia, the Middle-East and Europe with each other through seaports, economic corridors and land-routes. China is promoting economic development, particularly to the developing countries of Asia and African region. It is building a peaceful world of mutual cooperation and interdependence. It is changing the current trends of power influence and disorder with the trends of mutual peace, integration and economic development. This initiative is open for the participation of states, state actors, non-state actors and individuals (Busines, 2015). In 2015, more than 70 countries and organizations has expressed their support and willingness to join One Belt and One Road Initiative. Only 34 countries and organizations has signed agreements with China on development of the initiative. The broadness of this initiative is increasing rapidly. The countries priorities are now focusing towards economic development and social prosperity. China's plays a significant role in empowering these countries and in building a multipolar world of mutual interdependence (Xinhua, 2016).

Challenges and Opportunities for Pakistan

Pakistan and China were friends since the start of their formation, whereas, their trading relations are older through the Ancient Silk Road. In the current scenario, China has emerged as one of the largest economy of the world but Pakistan is still struggling to get rid of many internal and external issues as well as the problem of sluggish economic growth. (Rahim, Khan, & Muzaffar, 2018). In this situation, the resultant of China-Pakistan friendship in the form of CPEC is supposed to provide many benefits to Pakistan but like all the other things, there are major challenges also attached with the project. Pakistan is facing a major power crisis that has been one of the major reasons of slow economic growth. Many industries of Pakistan have shut down due to shortage of power supply to the industrial sector and many have moved abroad. This has resulted in unemployment which affected the standard of living of people badly and resulted into increased crime level. The major opportunity is that once the projects will be completed, there will be sufficient supply of energy to the industrial and household sector which will result into opening and reopening of new industries and firms which will create employment opportunities ultimately resulting into better standard of living of people and reduced crime ratio. The infrastructure development plan will also result into opening of industries like cement, steel etc. creating further employment opportunities. The developed infrastructure will result into better trading activities. Thus, it can be said that there are wide opportunities for Pakistan attached with the project of CPEC. In 2013, many agreements were signed under that China is going to invest a huge amount of \$46 billion in Pakistan (Javed, 2016). The complete corridor will be completed by 2030 but the early harvest of the projects is too completed by 2017 for which China has allocated an amount of \$28 billion. Many projects are included under the idea of CPEC which mainly focusses on power generation and infrastructure development. The Gwadar Port will also be under operation in the project. The CPEC also includes research

and development projects to be conducted in Pakistan. A fiber optical line will also be laid in Pakistan under the CPEC (Ahmar, 2015).

International Conspiracy

Externally the CPEC has been under attack from India and the U.S. The Indian objections are based ostensibly on India's unilateral claims over the Jammu and Kashmir state through which some CPEC road works traverse. In reality, India sees the project as China's geo-strategic advancement and influence in the Indian Ocean. It challenges India's ambition, backed by the U.S of playing the regional hegemon.

The United States has remained the principal critic of China's Belt and Road Initiative (BRI) of which the CPEC is an essential component. The U.S believes that China's ultimate goal is to utilize Pakistan's strategically positioned deep-sea port, Gwadar, for energy security and its power projection into the Indian Ocean. In its global competition with China, the U.S seems to want to deny the Chinese this advantage (Muzaffar, Yaseen, & Rahim, 2017). CPEC and BRI thus signal a strategic and economic advantage for Pakistan and China. Wary of China's expanding global role, the U.S has warned Pakistan against deeper engagement with China, while China challenges Washington over its support of India. The growing U.S.-Indian strategic relationship in the last decade is evidence of the United States' support of Indian naval power to counter the growing Chinese influence in the Indian Ocean. (Ashraf, 2022) There are outside powers known to support terrorist activity to subvert the project. Therefore, the CPEC remains controversial within Pakistan too. Multiple connectivity links are being built between China's Xinjiang province and Gwadar port in Baluchistan (Shah, Muzaffar, & Yaseen, 2020) & (Yaseen, Afridi, & Muzaffar, 2017).

Domestic Challenges

Notwithstanding the external reasons for delay in implementation of the CPEC there are essentially domestic issues that have caused hiccups in its planning and execution. In Pakistan's dysfunctional democracy there is no introspection over why CPEC progress has stuttered from the word 'go.'

As a part of political point scoring the Pakistan government in 2015 promoted the CPEC as a gift from China. All details were kept secret from the public, which led to suspicion over the project and its costs. In reality, much of the funding was concessional loans from the Chinese commercial banks. For China it was 'a partnership' with shared responsibilities between the two. This duality of the concept itself led to conflicting implementation strategies. Consequently, Pakistan never handled the enterprise in its proper context.

Today Pakistan, like Sri Lanka, finds itself in serious economic trouble as a result of ignoring important timelines and adopting unsustainable policies that have prevented revenue generation. Without the money coming in it is hard to pay back any investment. That is the quagmire Pakistan finds itself in now. Critics of China's investment should understand this fact on the ground too.

Moreover, it boils down to a different way of work between the Chinese seriousness and dedication as against Pakistan's chaotic democracy, lack of commitment and incompetence that causes bottlenecks in the implementation of the multibillion-dollar projects. The state machinery is not up to the task. That is why the road to CPEC becomes longer and longer by the day. (Ashraf, 2022)

With stakes so high, China and Pakistan cannot afford further delays, which means playing into the hands of its detractors. The U.S. will use it as an opportunity to criticize China. The project is critical for China in its drive for acquiring energy security. It will contribute to China's ambition of becoming the world's largest economy. Pakistan, apart

from immense benefits accruing, cannot afford to let the project be delayed further, otherwise its economy will not be able to bear further financial burden.

Chinese Concerns

The presence of Chinese personnel onsite is proving to be an easy target for terrorists who oppose the project. The recent past ousted Imran Khan government has been blamed for slowing down the implementation of the CPEC. The causes of slowdown go deeper. (Ashraf, 2022)

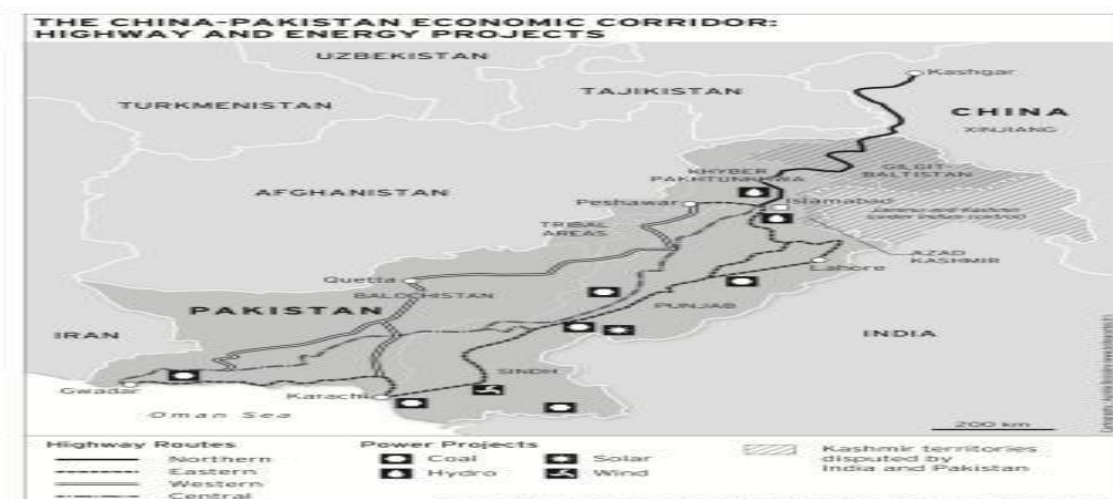
On July 14, 2021 [nine Chinese nationals and three Pakistanis were killed](#) and 28 others injured when a bus carrying them to a construction site of Dasu dam seven kilometers away from the Upper Kohistan area of Pakistan's Khyber Pakhtunkhwa province. This isn't the first time that China-funded projects in Pakistan have been targeted. In April, the Tehreek-e-Taliban Pakistan (TTP) [claimed](#) a suicide bombing at Quetta's Serena Hotel where the Chinese Ambassador was staying. He was unhurt in the attack. (Dagia, 2021)

Interestingly, the TTP has denied responsibility for the Dasu incident. However, the militant outfit, which is banned in Pakistan, has said that it is probing the involvement of any of its factions.

The ISPR spokesperson said the country has witnessed at least 167 terror incidents since May 1 of this year. He added that the security forces have arrested 42 militants in over 7,000 intelligence-based operations, cordon and search operations, and area-dominating operations in the aftermath of these attacks (Dagia, 2021).

Boost of Pakistan Economy

According to Pakistan Economic Survey 2014-15, the volume of trade between Pakistan and China has increased to \$16 billion. China's exports to Pakistan increased by ten percent during the five years from 2009- 10 to 2014-15. As a result, China's share in Pakistan's total exports has gradually picked up from four percent in 2009-10 to nine percent during the fiscal year 2014-15. The most recent milestone achieved in this bilateral relationship is the signing of Memorandum of Understanding on the construction of China-Pakistan Economic Corridor (CPEC). CPEC is a 3,218 kilometer long route, to be built over next several years, consisting of highways, railways and pipelines (Stevens, 2015). The actual estimated cost of the project is expected to be US\$75 billion, out of which US\$45 billion plus will ensure that the corridor becomes operational by 2020. The remaining investment will be spent on energy generation and infrastructure development.



Emergence of China as Global Leader

China has been working since decades to restore its lost glory. Since Mao's time, China has devised a policy of cosmopolitanism and made it the most important pillar of its all policies. First, China worked with group of Non-Allying countries and gradually enhanced its role. Bandung Conference as launching pad and strengthened its relations with many developing countries. China also remained neutral in international affairs and focused gradually on the economic development and building economic relations with the world. The first step on this direction was its economic assistance for South East Asian Countries during the economic and financial crises of 1990. It was also the beginning of change of relations with South East Asian Countries (Vaughn & Morrison, 2006). President Hu Jintao, during his tenure, remained focused on economic development opportunities and building more close ties. During that period, China emphasized its relations with Middle East, Central Asia and Africa. President Xi, gave a new direction to foreign policy and initiated "Constructive Engagement" policy. Economic engagement was given the prime focus to move forward the agenda of constructive engagement. Mr. Xi is aggressively pursuing this idea through the Silk Route, which comprises roads, rail networks and maritime routes. It is also known as "One Belt One Road". China is promoting Silk Route as a trade and financial initiative. However, many experts believe that it is not only a trade or economic initiative but also a plan for the expansion of China's role in the world. China is building its leading role in Asia and beyond for economic and political cooperation through "One Belt One Road" (Wolf, Wang, & Warner, 2013). Asian Infrastructure and Development Bank, and Naval bases in different countries are being quoted as examples. Creation of Asian Infrastructure and Development Bank is being taken as competitive to existing financial system and supremacy of USA in the international financial sector. String of Pearls, a term which is being used to describe a series of Sea Ports, i.e. Sri Lanka, Bangladesh, Burma and Pakistan has been considered as strategic investment to curtail India (Kabiraji, 2012). Construction of Djibouti base is another example. Moreover, recently China also marked the vast area in South China Sea as its territory and claimed it as part of China. USA (State Department) has strongly opposed this move along with South East Asian partners. However, China is moving ahead on this. International media, academicians, many western countries and India believe that CPEC is a strategic corridor, which covers the trade and development needs of Pakistan. It has become one of the highly debated issues within the country and internationally. Debate has generated some controversies among different stakeholders in Pakistan, which is negatively impacting the CPEC progress.

One Belt, One Road (OBOR)

China's One Belt, One Road (OBOR) is a development strategy which is proposed by Chinese visionary leader Xi Jinping that focuses on connectivity and cooperation among countries mainly between China and the rest of Eurasia. OBOR initiative runs along two alignments; terrestrial and oceanic, i.e., the Silk Road Economic Belt (SREB) and the 21st century Maritime Silk Road (MSR). It is also unveiled and promoted by Premier Li Keqiang in 2013 during his state visit to Asia and Europe. "The plan involves more than 60 countries, representing a third of the world's total economy and more than half of the global population". (CLSA, 2015) China has launched the Asian Infrastructure Investment Bank (AIIB) and set up a USD 40 billion for Silk Road Fund. The OBOR connects China with Central Asia, Middle East, Africa and Europe. "It is envisioned that the plan would knit much of Asia, Europe, Africa, and the Middle East closer through latest infrastructure and free trade zones." (Javaid & Javaid, 2016) Both plans are founded on the common pillars of economic centrality, infrastructure development, regional connectivity, unimpeded trade, inclusiveness and enhanced people-to-people ties.

In 2013, China has accentuated the ancient trade routes linking China, Europe and Central Asia by developing three major corridors via northern, southern and central Xinjiang. The CPEC is China's resolve to enhance her trade and commercial activities with

diverse regions of the world. On the other side, China has of late increased concentration on the Bangladesh-China-India- Myanmar (BCIM) corridor that will deliver China's landlocked Yunnan region access to the Bay of Bengal (Chowdhury, 2013)

Importance of CPEC for China

China and Pakistan are old friends and have been standing beside each other in good and bad times. China is one of the largest economies of the world and Pakistan is still striving to get rid of terrorism and economy on the right track. One of the most important reasons behind this large investment of China is the terrorism and uneven law and order situation in Pakistan and Afghanistan which may affect some regions of China. To avoid any bad effects of terrorism in Pakistan and Afghanistan in the Chinese provinces, China is investing to bring economic prosperity in the region. So, China decided to invest more than \$46 billion in Pakistan. (Bhattacharjee, 2015). China is also going to make large profits from the investment in Pakistan as the power projects will be operated by the Chinese companies. The project is also going to give China a route to Middle East through Arabian Sea. The shipments which previously took 45 days will now take only 10 days to reach China which by thousands of miles reduction in the route saving both the transportation cost and time (Ramay, 2016). The route to Europe through Strait of Mallaca would now also be shortened through using the Gwadar Port of Pakistan and will be beneficial widely.

Economic Prospects of CPEC for China

The One Belt One Road Initiative is estimated to have an investment of \$4-8 trillion covering about two third of World's land mass in 65 countries having a population of 4.4 billion people (Luft, 2016). Other land based pillars of OBOR include the China-Mongolia-Russia Economic Corridor (CMREC), Bangladesh-China-India-Myanmar Economic corridor (BCIMEC), China-Indochina Peninsula Economic Corridor (CIPEC), China-Central and West Asia Economic corridor (CCWAEC) and the new Eurasian Land Bridge (NELB). It aims to connect East Asia, South Asia, Central and West Asia and Europe from the Malay Peninsula to the Meditation Sea by constructing high-speed railways, highways, ports, economic zones and industrial areas. Around 50,000 miles of high-speed railways are planned to be built under the initiative, more than the existing in whole World (Mantraya, 2016). In spite of serious security and governance challenges in Pakistan, the China-Pakistan Economic Corridor (CPEC) has been selected as the leading project under this initiative, which arms Chinese commitment to Pakistan and the strong relations between the two countries. Some of the Chinese perceived outcomes from the project are discussed in succeeding paragraphs.

Prospects for Chinese Economic Growth

Since its "opening up" to the World in late 1970's, China has experienced an unprecedented economic and social development. It maintained an average nearly 10 percent GDP growth for the past thirty years, which is the fastest sustained expansion by a major economy in the history [9]. Since 2012, the Chinese economy is slowing down gradually, which is a worrisome factor for the leaders in Beijing. Annual growth target in the 12th five-year plan was 7 percent which has been lowered to 6.5 percent in the 13th five-year plan (2016-2020). China is the second biggest economy of the World; however, its per capita income is still a fraction of advanced countries Economic analysts believe that transition from middle-income to high-income status can be more challenging than moving up from lower income to middle income. The developed economies have no more potential for expansion; therefore, the investment by Chinese companies in CPEC projects would bring a sustainable economic growth for China, employment for highly skilled workforce and consumption for the Chinese manufactured goods and services. Chinese companies can benefit from the cheap labor in Pakistan, where two thirds of the population are under the age of 25 years, while retaining opportunities of highly skilled job markets to the Chinese nationals.

CPEC will open China to the Indian Ocean and Middle East

The Middle East represents 50% of the world's oil reserves and 25% of global oil production. Middle East oil became a core national security issue for the USA after 1970's oil crisis. The Jimmy Carter administration in 1980, declared that, "An attempt by any outside force to gain control of the Persian Gulf region will be regarded as an assault on the vital interests of the United States of America, and such an assault will be repelled by any means necessary, including military force", known as Carter Doctrine (Barnes, 2015). According to a Forbes report dated Apr 20, 2016, US dependence on foreign oil has hit a 30-year low. Oil imports from Middle East are decreasing due to rising domestic oil shale exploration and shifting to the use of coal (Patton, 2016). With rising oil consumption, China is likely to be a key stake holder in the of the Middle East oil and Gwadar Port, the World largest deep sea port located just 250 kilometers from the Persian Gulf will turn out to be strategic outpost for future Chinese interests in the region. The project of CPEC would connect the Western Chinese province of Xinjiang with Gwadar port in Indian Ocean through an oil and gas pipeline along with a planned high-speed railways and highway network. China imports nearly 52% of its oil supplies from the Middle East and due to increasing domestic exploration by America; USA is forecast to be a net energy exporter by 2026. As the statistics released by the World Top Exporters for the year 2015 show, China imported \$ 69 billion from Middle East out of its total oil imports worth \$134.3 billion dollars. The distance for Middle East oil supplies to China would be shortened to a 3000 kilometers overland road as compared to the existing 12000 kilometers by sea. Research studies show that the CPEC is cost effective causes less Green House Gases (GHG) emission and takes shorter time in transporting energy supplies to China as compared to BCIMEC. CPEC would provide the shortest time frame of just 6 days for the energy supplies to reach Chinese border through a pipeline as compared to 32 days via the current marine route and 19 days via proposed BCIMEC (Daniel, 2017).

Propaganda by Countries around the Globe

Pakistan and China are friends since decades and in the start of the friendship has sown a seed which with time has become a tree and its fruit is the CPEC. However, many countries have opposed the CPEC agreement and on the top of which is India and USA. Pakistan never had good relations with India but Pakistan always tried to maintain good relationship with USA. The biggest example of effort of Pakistan to maintain relationship with USA is becoming its ally in its War against terror which was started by USA after 9/11 terrorist attack. The war caused Pakistan a great loss. Now Pakistan is trying to get over the effects of war and fight terrorism to get the economy on right track and get the opportunity in the form of CPEC, the USA opposed it. There are different reasons behind the opposition of the project by USA and India. One possible reason may be that USA want Pakistan to stay in its control forever and never stand on feet and may be that China has defeated USA in economic terms and has appeared as the world's largest economy. On the other hand, India which is the born rival of Pakistan also doesn't want Pakistan to be successful in any terms and hence opposing the project fully (Ranjan, 2015). India has clearly said that they don't want the project to be carried out however; China has shown full support and cleared that it will carry out the project at all costs. The reason of opposition jointly may be that India and USA are good friends and both had conflicts with China and Pakistan and hence mutually opposing the project.

Conclusion

After having a brief look at above-mentioned developments, it would be easy to understand the importance of CPEC. Strategic location of CPEC is cortical, as it is located at the meeting point of Road Belt and Maritime Belt. It will provide opportunity to China to establish and strengthen its position in Indian Ocean. It will also help secure the energy route from Middle East and Africa, which is critical for China's future development. Route of

energy will also be shortened considerably. It would also be easy and cost effective for China to reach the Middle East and North African Markets, among others. Apart from the importance of CPEC for Pakistan, there is another dimension. It also has a special significance for China and its future role as great power at global level. China considers regional connectivity as a fundamental element and first step to rise at global level. President Xi, during his address to Foreign Affairs committee at Communist Party meeting in 2014, said that we will give priority to neighbors in our diplomacy on all fronts. Other part of policy is to build relations with developing countries and resource rich, including energy rich, countries. It will help china brand as the development partner and noninterfering ally.

- **Recommendation / Suggestions**

- China must have an open intellect around welcoming third parties such as Afghanistan, Iran and India as well as other major economies power like Russia who may be perfect choices to require portion within the CPEC.
- There are some torrent affirmations by Islamabad almost inclusion of India in subversive exercises in Baluchistan, the Security of which is responsibility of Pakistan army's southern command. In the past Pakistan also have suspected Baloch patriot pioneers were getting bolster from Indian side.
- Both China and India may play a positive part in improving relations between Afghanistan and Pakistan for the comprehensive development for the region.
- Gwadar port can be developed and operate on Dubai Patton, that will be comprehensive and inclusive. Gwadar port has enough potential to become worldwide Centre of business hub not only for Pakistan, China but also for Central Asia, Iran, Russia.
- There is an infinite demand for investment in Pakistan, and although it is possible that Chinese investment in the economic corridor will increase, funding from just one country is unlikely to satisfy Pakistan's appetite. Hence, to broaden the scope of investment, China has been inviting third parties to join the CPEC (China-Pakistan Economic Corridor)
- As critics in China are worried about the already high and the continually escalating security costs China is bearing for its most ambitious foreign project, the authorities involved in the project must ensure that it turn out to be a viable project and also leads to an inclusive growth of the regions connected by it.

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