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Ali, Anwar; Shah, Bahadar; Rizwan, Muhammad; Ali, Muhammad

Veröffentlichungsversion / Published Version

Zeitschriftenartikel / journal article

Empfohlene Zitierung / Suggested Citation:

Ali, A., Shah, B., Rizwan, M., & Ali, M. (2019). Indian factor in CPEC: prospects and challenges for Pakistan. *Pakistan Administrative Review*, 3(2), 61-73. <https://nbn-resolving.org/urn:nbn:de:0168-ssoar-63202-9>

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INDIAN FACTOR IN CPEC: PROSPECTS AND CHALLENGES FOR PAKISTAN

Anwar Ali

PhD. Scholar
Department of Pakistan Studies
Abbottabad University of Science and Technology
Abbottabad, Pakistan
anwarswt3@gmail.com

Prof. Dr. Bahadar Shah

Abbottabad University of Science and Technology
Abbottabad, Pakistan
bahadarshah@gmail.com

Dr. Muhammad Rizwan

Department of Pakistan Studies
Abbottabad University of Science and Technology
Abbottabad, Pakistan
drmuhammadrizwan_hu@yahoo.com

Muhammad Ali

PhD. Scholar
Department of Management science Hazara University
Mansehra KP.
aliofswat@gmail.com

Abstract: The One Belt One Road policy of China has given birth to CPEC (China Pakistan Economic Corridor) which is very important for the security and economic situation of China, Pakistan and other neighboring countries. It will connect China to the rest of the world with very short route. One Belt One Road initiative is one of the biggest investments China has ever made. More than \$46 billion will be spend in the construction of CPEC. Such a big investment will further expand the relations between China and Pakistan. The position of Pakistan in the foreign policy of China will be given more and more importance. However, CPEC also affects relations between India and Pakistan. The transport corridor between Pakistan and China traverses Jammu and Kashmir, the status of which has been a subject of contention between India and Pakistan since 1947. This constellation would seem to suggest a negative scenario whereby CPEC could place additional strain on India-Pakistan relations. On the other hand, a positive scenario is also conceivable, with a settlement of the Kashmir dispute even becoming possible in the long term. In this paper, the researcher has tried to analyze the importance of Indian factor in CPEC. The paper also addresses whether Indian factor is a threat to CPEC or not. The possible impacts of CPEC on the economies of China and Pakistan are the main theme of the paper along with

prospects and challenges caused by Indian factor. Similarly, the security and trade factors of CPEC are also discussed.

Key Words: *CPEC Challenges, economic development, one belt one road policy, Indian factor.*

Reference: Reference to this article should be made as: Ali, A., Shah, B., Rizwan, M., & Ali, M. (2019). Indian factor in CPEC: prospects and challenges for Pakistan. *Pakistan Administrative Review*, 3(2), 61-73.

1. Introduction

An economic corridor is a sea or terrestrial way used permanently for transport of people, services and goods from one country of the world to other countries. It provides and links a connection between economic hubs in which huge quantity of economic properties and several players participate. It links the supply and demand side of markets. It is “essential to the financial stuff and the financial players neighboring it which have to be examined as a part of combined financial nets (Brunner, 2013). In an economic corridor the accessibility of financial resources and economic motion in different areas are included that have dynamic sea and land based connectivity for the transportation of services, goods and energy. These commercial connections should generate new economic prospects for the individuals of the linked states and areas.

In present time, economic corridors have appeared as a significant instrument of regional co-operation and progress in a globalized world. The Silk Road and Economic Belt concept of China and the Maritime Silk Road of 21st century symbolize maritime links and sea routes for financial collaboration linking South Asian, Central Asian, Russia, Persian Gulf and Europe along with South east Asian states and Indian Ocean. These land and seaways are founded on the old trade roads linking Asian, African and European countries. The Silk Routes are the trade routes, sustained to work since older times regardless of battles, clashes and conflicts. Now all these trade land roads and sea-based routes have to be rejuvenated in the present-day framework i.e. CPEC (Sheng, 2014).

CPEC founds one of the biggest China's investments has done in the context of the project One Belt One Road (Wagner, 2016). The CPEC is part of the previously surviving link of road between China and Pakistan through Gilgit-Baltistan of Pakistan to Xinjiang province of People Republic of China. The history of this road building in Pakistan connecting Sinkiang dates back to 1959 when Pakistan Army engineers began constructing a 155-mile long road linking Gilgit and Chilas and later named as Indus Valley Road. After India-Pakistan 1965 War, both Pakistan and China agreed to extend this road to China. The road opened for land trade in 1967 and thus, reopened former Silk Road. The China-Pakistan agreements signed in the years 1966-67 set the platform to construct the road, later labeled as the *Karakoram Highway* opened for general use in the beginning of 1971. In 1973, both Pakistan and China agreed to upgrade it into a standard road, which was inaugurated in June 1978. It was opened to 3rd state travelers in May 1986 (Rizvi, 2016).

China is deeply dependent on oil from the Gulf region to fuel its economy and manufacture. At present-day, the oil it gets passes through a very long way. It twitches in the Strait of Malacca from where it spreads China's east coast and is elated overland to western China. This transportation is very expensive. The Pakistani Gwadar port transport is comparatively very cheaper route (Javaid & Rashid, 2015). The potential viability of CPEC becomes evident when one calculates the distance between Xinjiang region of China and Gwadar which is just about

2500 kilometer against its distance of 4500 kilometers from China's eastern sea board (Mahmood, 2014).

The development of Gwadar port is a reason of anxieties and concerns for many countries especially India. A naval base and port at such an important strategic site increases the significance of Pakistan. India is already trying to boost up its power in Arabian Sea and does not tolerate any challenger and competitor. India is trying her best to increase its power and influence in Afghanistan as well as Central Asia, but if once the Gwadar port is established, all these countries will be dependent on Pakistan and will no longer stay under the influence of India. The closer Pak-China strategic partnership is already perceived by India and the United States as a threat to their interests in the region. The United States is growing its stimulation in the Asia Pacific region, particularly in the Strait of Malacca, and is permitting India to stand against China. The aim has decided many defense and strategic agreements with states in the region (Javaid & Rashid, 2015).

2. Literature Review

Karluk and Karaman in their work had discussed the new or the re-emergence of historical silk route in a historical perspective. The writers had discussed the different political, economic, social and cultural aspects of the historic route, they also emphasized on the current developments while reviving that old historic route through the developed and modern day needs and facilities. They discussed the emerging economic alliances particularly from the Chinese and Russian perspective. They argue that a viable future is not possible without a viable economy. Through these routes, the central Asia and Europe will be connected to China not only by roads but also through maritime route. It is a multi-lateral approach to the shared interests through the involvement of the concerned countries a viable future could be achieved (Karluk & Karaman, 2014).

Khalid Manzoor Butt and Anam Abid Butt in their article analyzed the benefits and challenges of CPEC. They also argue that currently Pakistan and China are focusing on their economic relations, which did not get the required attention throughout history. They argue that the CPEC is a multi-billion-dollar project, which will connect not only the two all-weather friends but also the region and the extra-regional actors; this project will provide a geo-strategic importance. The article also states, there are also some regional actors whose political and economic interest are in stake with this project that is why they are opposing this project. The article also provides some solutions to the challenges face by the CPEC project (Butt & Butt, 2015).

The Ahmad and Fatima argue that China under the one road one-belt policy is investing billions of dollars in CPEC. They argued that both states share their economic vision. They also discussed different projects under the China's multibillion-investment plan e.g. the infrastructure development, energy projects, roads, railway tracks and other relevant stuff. The project will be completed in 2030 in three different phases i.e. the short term projects will be completed in 2017, the medium term will be completed in 2025 and the long term projects will be completed in 2030 (Ahmad & Fatima, 2015).

Sajjad Azhar in his article discussed the CPEC comprehensively. He provided a brief historical background. Furthermore, most importantly he discussed the CPEC from different dimensions. He also explained different projects under this project. The controversy over CPEC in Pakistan has been highlighted. The government had promised that they would execute the Western route on priority basis. The details of CPEC have been remained secret, which produces the controversy between the center and small provinces. He also discussed different challenges,

which will create hurdles in the execution of this project. The writer ends his article by saying that it is now up to the establishment of Pakistan that how they can turn this mega project into a game changer and will become a reality (Azhar, March 2016).

Hussain (2017) evaluated the security challenges to the CPEC project. He says that though this project is the most important project not only for Pakistan but also for the whole region. The important issue in the execution of this project is the security issues. On which China had showed their concerns. Pakistan times and again is giving assurances to them that the China's workers and their investment security is the first priority. Pakistan has formed a special force for the security. The writer argues that the transparency is very important in all these matters related to the CPEC projects otherwise the hidden cost would increase with unparalleled intensity (Hussain, 2017).

The writer in her article had discussed the 21st century China's "March West" policy from the Chinese perspective. She analyzed the Xi's ambitious initiative of the revival of the old maritime silk route and road and re-setting the geo-strategic map of South Asia and Central Asia. Furthermore, she argues that this project has three major areas in which China has been focusing i.e. energy, security and markets. She also discussed that this project is very important from the strategic point of view and will provide strategic depth. The one road one belt policy and project is very flexible and in future, this will increase further. She also discussed the projects connectivity perspective from different angles (Fallon, *The New Silk Road: Xi Jinping's Grand Strategy for Eurasia*, 2015).

Akbar Ali in his research article has thrown light upon the challenges and opportunities of CPEC. The researcher has briefly discussed the challenges to CPEC. He has explained both the regional and international challenges to CPEC. The opportunities of CPEC have also been analyzed in detail by the researcher. The importance of CPEC for the region has also been discussed in detail (Ali 2016).

Muzafar Hussain has analyzed the challenges and opportunities of CPEC. He has also discussed the regional as well international challenges to CPEC. The opportunities of CPEC have also been analyzed (Hussain 2017).

3. Research Methodology

The methods of analytical and descriptive data analysis were used to explore the study. Both primary and secondary sources were used in the collection of data. Official statements, magazines, books, journals, articles from periodicals, and internet are the main sources of data. Libraries of different universities and government also provided a very good help in the collection of data. The data collected from different sources was arranged and content analyzed.

4. Discussion

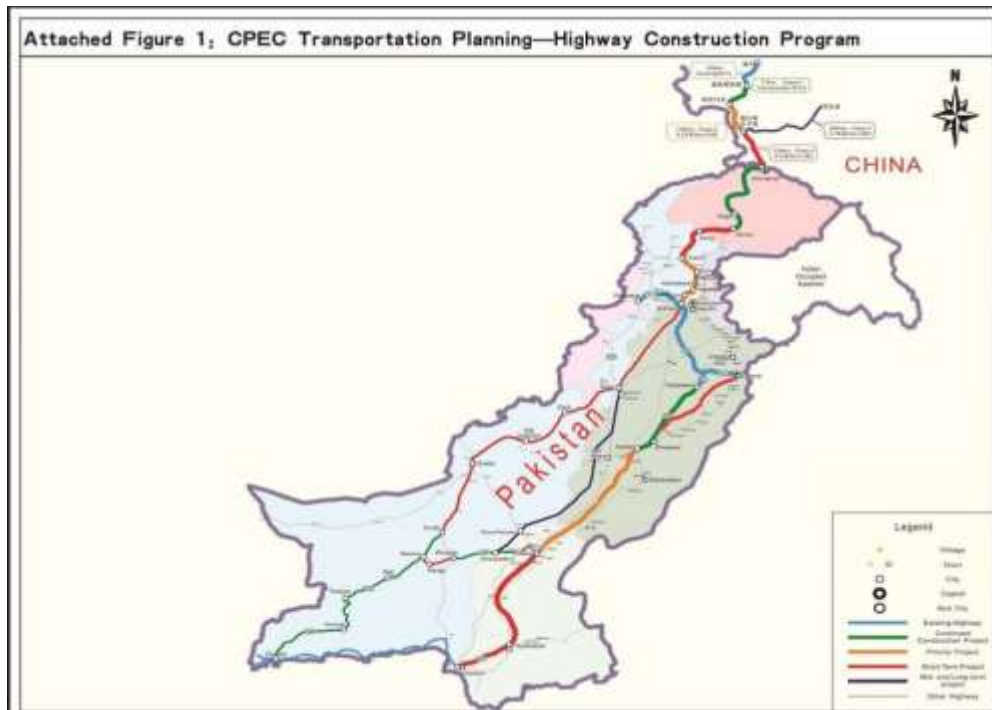
4.1. China Pakistan Economic Corridor (CPEC)

CPEC has vital strategic interests for China. The Malacca dilemma is one of the most persistent concerns of the foreign policy of China. Her aspire to uphold their financial growth to help them attain their great power determinations. In order to fulfill their energy necessities, China needs a continuous not subject to interrupt supply of oil but it lacks the naval power to safe its Sea lines of communications. China imports 60 percent of its oil from the Middle East and this figure is expected to rise up to 75%. The Strait of Malacca is a narrow passage between Malaysia and Indonesia with Singapore on its Southern tip. Due to the strong ties of Singapore with the Anglo-American bloc, China needs a safe way of oil into China from the Middle East. Therefore, the

only passage that allows their imports to enter is through Gwadar, Pakistan (Iqbal, 2016). Pakistan's geostrategic location, known as the geostrategic curse, has enabled Pakistan to act as a central stakeholder in the rise of China, and if they play it by the rules this time, South Asia. China and Pakistan has signed 51 agreements during Chinese President Xi Jinping visit to Pakistan from 20 to 21 April 2015. More than 20 of these agreements related to CPEC. The total estimated value of CPEC and its related projects is about \$46 billion. Most of the money spent on CPEC schemes will be China's funding, a big portion of it will be of China spending of its public, and private sector firms and these firms will be permitted to take their incomes under Pakistani rules. Some financial help will be in the kind of concession given to credits, mostly from the banks of China for particular programs. These schemes are estimated to complete 3 to 15 years to complete (Rizvi, 2016). The CPEC is estimated to be finalized in 2030 (Iwaki, 2014). The proposed and approved projects under the CPEC reveal that most of the projects are related to energy (\$33.8 billion dollar) and infrastructure (\$11.8 billion dollar) (Ranjan, 2015). It is a very important and beneficial project for both China and Pakistan. It courtly characterizes some important inclinations in Pakistan-China relationship i.e. a long involvement of continued collaboration in the commercial field over the last 120 years has provided satisfactory self-reliance to the two states to assume such a key project; and the important dream of successful, flourishing and good coming future for the inhabitants of China and Pakistan (Rizvi, 2016). Both Pakistan and China are not expected to face any political problem in increasing their bilateral connectivity. Both the countries have established strong mutual trust through the multidimensional bilateral collaboration over the last 6 decades. This experience and understanding validates that "there are no inconsistencies and contradictions in the political and strategic objectives of both Pakistan and China, and they have found out over the years that their association is mutually pleasing and rewarding (Rizvi, 1993). Both China and Pakistan is expecting to continue this convention and take our friendship and relationship to new heights (Khan, 2015, Iqbal, 2015).

4.2. Routes of CPEC

CPEC has three routes after it arrives KPK province of Pakistan from the border of China Khanjerab pass and Northern areas now Gilgit-Baltistan. The Western route of CPEC enters Baluchistan from D.I. Khan through Zhob, Qilla Abdulla, Quetta, Panjgor, Qallat, Turbat and Gawadar. The central route enters Punjab from DI Khan and goes to Dera Murad Jamalee, Khuzdar, Punjgur, Turbet to Gwadar. The Eastern route enters Punjab from KPK and passes through Lahore, Multan and Sukkur. From Punjab, it enters Baluchistan on highway through Khuzdar, Panjgor, Turbat and Gwadar. Another route is planned from Sukker to Karachi and then to Gawadar (Express Tribune, May 18, 2015).



CPEC is not only building road infrastructure but is also improving the present roads to advance the transportation of goods, services and other trade activities between the China and Pakistan. Many other ventures for public facility and buildings, progress, energy and industrial manufacture components, growth of Gwadar deep sea port including support services and gas pipelines have also been included.

Parallel to the super highway and rail connection and an oil pipeline to import oil to China's western provinces from the Middle East through the port of Gwadar is also scheduled. In addition, the Iran-Pakistan (IP) gas pipeline has also been included in the CPEC, prolonging this pipeline to connect with China (Bhutta, 2013).

CPEC venture converts Pakistan's geographical position into an asset. Pakistan links Middle East, Central Asia and China with one another through roads, railway lines, electricity transmission line, gas pipelines, oil pipelines and trade routes. All these projects hold a huge potential for Pakistan.

4.3. Details of CPEC Projects

According to the Deputy Chief of Mission at the Chinese Embassy in Islamabad Zhao Lijian, the CPEC projects are worth \$51.5 billion. According to Zhao, the CPEC has 16 projects in Balochistan, 8 projects in Khyber Pakhtunkhwa, 13 projects in Sindh and 12 projects in Punjab (Pak China News, October 05, 2016).

4.4. Economic Importance of CPEC

CPEC recognizes the new realities of global and regional politics by cultivating a more systematic, up-graded and need-based interaction for socio-economic, industrial, energy and trade development. This also provides an opportunity to China and Pakistan to improve their

interaction with Central Asia, West Asia, the Middle East and Europe. Both Pakistan and China are expected to gain from the proposed connectivity through highways, railways, sea-lanes, energy pipelines and electricity transmission lines. They will equally contribute to socio-economic development of other countries that become part of these arrangements.

CPEC could potentially be a blessing for the progress and development of Pakistan. The government of Pakistan has witnessed a sharp fall in FDI in current years ranging from \$5.4 billion in 2008 to \$1.6 billion in 2014, and the industrial sector is performing way below its potential due to the severe energy crises (Ahmad *et al.* 2012; Siddiqui *et al.* 2011). The proposed oil and gas pipelines from Gwadar and Iran to Kashgar across Pakistan would also be instrumental in easing the energy crises in Pakistan. Situated at the crossroads of huge supplying and consuming markets of the Middle East, Central Asia and China, it is projected that the corridor could virtually rewrite the economic revival of Pakistan by generating huge transit revenues. Together with the economic assistance for infrastructure development from China, the corridor can transform Pakistan into a regional trade hub and energy transit corridor. All these factors could have a huge impact on the industrial, agricultural and overall economic growth and development of Pakistan (Ranjan, 2015).

According to the Pakistan's Board of Investment after completion by 2030 only toll income of the CPEC would be three times of the current total budget of Pakistan. The 2017 budget of Pakistan was 4.75 trillion, thrice of this amount means 14.25 trillion (135 billion dollar) (Khawar, 2017).

Before the launching of CPEC the level of bilateral trade stands at a low figure of US\$ 10 billion in 2014 (Ranjan, 2015), and the balance of trade was in favor of China. Foreign Direct Investment from China has been gradually increasing. About 120 Chinese companies employing 13,000 Chinese nationals are working on 250 projects in Pakistan in Oil & Gas, IT & Telecom, Power Generation, Engineering, Automobiles, Infrastructure and Mining sectors (Mahmood, 2014).

The analysis of facts shows that CPEC is very important for the economic development of both China and Pakistan. The social, economic and energy problems of Pakistan are increasing with each passing day and a huge project like CPEC can solve all these problems for Pakistan. Similarly, China needs to connect its backward areas with rest of the world, which is possible only through CPEC.

4.5. Indian Factor in CPEC

The only missing country in CPEC is India, which is against the construction of CPEC. India is the arch-rival of both China and Pakistan due to border disputes and her concerns about CPEC is natural.

Most of South Asian countries have welcomed the Pak-Chinese initiative i.e. CPEC, but only India is against this project (The Times of India 2014). India see this project as a Chinese endeavor to expand its expansionist policy in the inclusive Indian Pacific region and to attain a strategic grip of India in South Asia (Sibal 2014; Tharoor 2014). Continuous antagonistic bilateral matters such as the border clash remain unsettled. India is also extremely suspicious about China-Pakistan relations, which in her view, aimed to contain India. Definitely, there happen some unsettled territorial clashes involving India, China and Pakistan, and the planned CPEC passes through disputed territory. India raises objections on the construction of the CPEC through Gilgit-Baltistan. India has voiced its questions about the scheme, as the planned CPEC

will pass through the disputed territory between India and Pakistan. However, China and Pakistan have rejected Indian complaints and are pursuing the corridor.

Indian government is trying her level best to make this project fail. India is also anxious about the massive Chinese investment in Pakistan. China's help to Pakistan in producing plutonium at the China's constructed Kyushu reactor and the 8 submarines sold by China to Pakistan worth around \$5 billion, giving a boost to Pakistan the Navy to protect Gwadar port and CPEC are also concerns for India. After the completion of CPEC and Gwadar port becomes operational, Pakistan will become the trade hub in the region. India ponders the Pak-China strategic relationship as a danger to her interest in region and on numerous occasions have tried to convince China to drop the idea of CPEC. However, China has is standing with Pakistan and to complete the CPEC project (Bhutta, 2015).

India has also objections on the handing over of Gwadar port to China. Therefore, she is financing militant groups to create chaos in Balochistan province of Pakistan to sabotage CPEC infrastructural and Gwadar port developments. In addition, India also wants to destabilize Balochistan due to its richness in oil and gas resources. Iran has a stake in the CPEC through a proposal to link Iran-Pakistan gas pipeline with China as it is of mutual interest between the three states (Bhutta, 2015).

India has also made investments in the Iranian port of Chabahaar to counter the Gwadar port. Iran is significantly comfortable and views both Chabahaar and Gwadar as supplementing each other. India is investing in the Chabahaar port heavily, while Iran has invited both Pakistan and China to partake as well. Chabahaar would provide an easy access to the non-coastal Afghanistan and Central Asia for their exports and imports as well as a passage to other surrounding regions (Ahmad & Hong, 2017).

CPEC rests on China's plan to reduce its supply line through Gwadar port with a greater existence in the Indian Ocean. Therefore, it is believed that upon CPEC completion, a widespread presence of China will weaken India's impact in the Indian Ocean. The option of a strong naval existence on key site that may put China in a powerful commanding point at the mouth of the Gulf, which in India's seeming "home-ground" is tense with consequences for India.

Presently, there is slight chance that India can stop CPEC except for diplomatically enunciating its complaints and tries to make it un-implementable. But it is improbable that diplomatic declarations alone will cause the CPEC deferral. Indian persistent complaints have become a cause of anxiety for China. China is also worried about Pak-India tensions knocking its plan at least in the CPEC part of the OBOR initiative. The fate of CPEC, projected as the pivotal flagship project from the OBOR potforlio, is quite crucial. In the face of India's reservations, the failure of CPEC to take off would mean a loss of repute for China and Pakistan, something that both countries would try at every cost to avoid.

Security issues, which are the most intimidating task for the successful completion of the China-Pakistan Economic Corridor (CPEC), is the security danger both at the internal and external level. Both these states have internal security challenges and particularly Pakistan is facing the dilemma of the extremism and terrorism. From Chinese Province Xinjiang to Gwadar containing violent group of East Turkestan Islamic Movement (ETIM), Tehreek-e-Taliban (TTP), Baluchistan Liberation Front (BLF) etc. The international forces present in the region are also active against the CPEC. These forces uninterruptedly are supporting the militant groups to use the terrorist elements throughout Pakistan to threaten the CPEC scheme. They are involved in the attacks on the installation of Chinese companies associated with CPEC and kidnapping the

engineers and other officials and Chinese workers. Major security threats are also emanating from Kunar and Nuristan provinces of Afghanistan, where terrorist groups including Al Qaeda, the self-styled Islamic State, Tehreek-e-Taliban, the movement of Islamic Uzbekistan and the Turkmenistan Islamic party, etc. are concentrated (Ahmad & Hong, 2017). Many a times these terrorists and many other criminal groups sponsored by India are involved in the kidnapping and killings of the Chinese workers in the Balochistan province of Pakistan. Mostly they are trying to attack the management of Chinese owned companies (Ahmad, 2015).

4.6. Security Measures by Pakistan to Secure the CPEC Project

The security agencies of Pakistan are providing tough security to exerts, engineers and labors working in CPEC. A special security division comprising of 10,000 soldiers and headed by a Major General are providing security to CPEC (Rana, 2015). When Dong Haizhou, the vice security minister of China called on Army Chief of Pakistan, in June, 2015, the Army chief promised Dong Haizhou that Pakistan Army had done extraordinary measures for the safety of engineers and labors of China on CPEC (Dawn, June 11, 2015). The on-going armed operations by Pakistan's army to curb radicalism in FATA and elsewhere is also aiming to ensure the safe completion of all China sponsored projects in Pakistan for economic development, energy production, industrialization, infrastructure development, international and bilateral trade to boost the shattered economy of Pakistan as well as the economies of other countries associated with CPEC.

4.7. Prospects and Opportunities

If India cooperates, her cooperation would significantly improve the uncertain situation shaped by India and other powers working against CPEC. The inclusion of India in CPEC can enhance the chances of attaining passage to Afghanistan, which would easily connect the big markets of Central Asia and in this way; Pakistan and other countries will get access to the natural resources of Central Asia. Pakistan can also get very huge benefits in trilateral cooperation on these lines would either smooth or put an end to the opposition from Indian government about CPEC. Pakistan will also get access to South East Asian region, a stated aim of the Vision East Asia policy of Pakistan. The trilateral cooperation may produce the broader procedure of local economic assistance as a first step towards regional assimilation and rapid development. If it happens, both the newly anticipated Economic Corridors linking China and South Asia - the BCIM-EC and the CPEC - can together be the real game-changers (Ranjan, 2015). The strategic location of Pakistan gives a huge advantage in the region and after completion of the CPEC; the significance will be enriched multifarious in the field of the geostrategic, economic and commercial. It will help in decreasing the unemployment and poverty, and complaints of injustices of the under developed province. It is regarded as the game changer and a win-win situation in the whole region by making huge economic and trade activity and will open new panoramas of development and prosperity for the people of both countries and the region (Syed, 2013).

The complaints of Indian government, the scale of public interest in CPEC is rising. The still-evolving discussion on CPEC within India is largely divided between proponents and resisters. While a population publicizes that India must hug the Chinese connectivity ambition, the other holds the idea of participation of India is very intolerable because of regional and tactical interests (Bhattacharyya, 2017). Even as policy makers seem to be stressed to develop a healthy situation placed on regional sovereignty, there is a flow in opinion the government to be modest

and generous in adopting a more elastic approach while considering its choices (Ramachandran, 2015).

Examples of India cooperating either with China or Pakistan or both have been drawn upon to build a case for India's participation in CPEC. In this regard, the primary and often cited example is India's participation in the Asian Investment Infrastructure Bank (AIIB). Advocates of participation in CPEC cite India's AIIB membership to dismiss its reservations on CPEC. In their view, if India could choose to join the AIIB, which may also ultimately fund some CPEC projects, then why avoid participating in that connectivity corridor? Another example often cited is the Bangladesh China India Myanmar (BCIM) corridor. The argument flowing from this example is that inter twining BCIM and CPEC would contribute to optimizing the "logic of India-China regional cooperation" (Kulkarni, 2015).

The 'buts' in India's CPEC participation are manifold and complex. This is so because any Indian participation would inextricably be linked to the country's legitimate claims on Azad Kashmir. Secondly, India shares a great deal of trust deficit with both China and Pakistan and has a history of conflict with both. As a result, even though suggestions to re-approach the project pragmatically have been made, no advocate has overruled the principle strands of contention that continue to mar India's equations with China and Pakistan (Singh, 2017). In this context, conservative assessments of India's options call the CPEC a "disguised political disturbance" with a high level "strategic content" that is set to challenge India (Jose, 2016).

CPEC will help to control energy crises in the region, which is very important for the economy of Pakistan. The industrial production in Pakistan has decreased to an alarming extent due to shortage of energy. Most of the industries have either closed or shifted to other countries. The uninterrupted supply of power is must for the development of industrial sector of country. WAPDA and KESC have badly failed to fulfill the power needs of Pakistan (Akram, 2015). Under CPEC, China is extending great economic cooperation to Pakistan to solve the crisis of energy (Ahmad & Hong, 2017). Many energy projects of 16200 MW based on hydro, solar and wind are going to be set up in different places of Pakistan. Similarly, coal projects are expected to be set up in Thar, Pakistan. (Kiani, 2015).

4.8. Infrastructure Development

The highways, roads and ports is another great success of CPEC. It will develop the infrastructure connection of Pakistan with all countries of the region. It is hoped that CPEC will bring big investment to the area. Thousands of people will get jobs due to CPEC (Husain, 2015). Pakistan will be modern state after the completion of CPEC. It will provide a good chance to Pakistan to get markets in any countries of the world (Ahmad & Mi, 2017). The total construction period of CPEC is 15 years and it will improve the relationship of China and Pakistan with other countries of the region. Completion of CPEC will fulfill the One Road One Built initiative of China for the 21st century. The projects of CPEC have been divided in three phases i.e. short term, long term and mid-term (Jawad, 2013).

4.9. Gwadar Port

Gwadar port is the main project of CPEC. Development and handing over the management of Gwadar Port to China and the projection of the China-Pakistan Economic Corridor (CPEC) are the major and significant reflection and exposition of the strengthened bilateral economic ties between China and Pakistan as well as potential and opportunities for Pakistan by the Chinese Economic progress. Gwadar Port and the China-Pakistan Economic Corridor establish the

strategic scaffold for mutual realistic teamwork among both countries. Gwadar is the tail of the Silk Belt, which will connect Kashgar through different communication networks. Gwadar is the leading place in the project of CPEC. Without Gwadar port fully functional, it would be tough to the anticipated corridor as an energy corridor that appears as one of its main objective behind the construction of CPEC. Located near the Strait of Hormuz, which channels about one-third of the world's oil trade, Gwadar could play a key role in ensuring China's energy security as it provides a much shorter route than the current 12,900 km route from the Persian Gulf through the Strait of Malacca to China's eastern coastline. The Gwadar port will also put China and Pakistan in a strategically beneficial position along with the Arabia Sea which is the present Indian concerns that stem from China's involvement in nearby ports such as Hambantota in Serilanka, Sittwe in Myanmar and Chittagong in Bangladesh (Ahmad & Mi, 2017).

The Gwadar port will act as storage and trans-shipment hub for the Middle East and Central Asia oil and gas suppliers through a well-defined corridor passing through Pakistan. The Gwadar port is paramount for the operational control of the port, which will enable China's access to the Indian Ocean, which is strategically important for China as it expands its influence across the region. Gwadar port will be connected with China's western province of Xinjiang through rail and road links, which will reduce the distance to eastern coast (Ahmad & Hong, 2017).

4.10. Economic Development and Poverty Eradication

CPEC is the game changer project, which hoped to eliminate and remove the poverty in the entire region; the project is based on construction of textile garment, industrial part project, dams and installation of nuclear reactors and creating a network of roads, railway line that will automatically generate employment opportunities. The projects will also facilitate the education side, technical side, vocational training institutes, water supply and distribution in under developed areas of Pakistan and will improve the quality of life of people (Hali, 2015).

5. Recommendations

1. It will be better if India is not part of CPEC. If it is included in CPEC, its nature to compete with Pakistan in everything will lead to lots of Problems. Thus, Pakistan and China should try their best to keep away India from the CPEC.
2. CPEC is a game changer for Pakistan as well as whole region. It's completion and full materialization will over in 2030. Therefore, it needs a sustained will power on the part of both Pakistan China to stay steady on the passage.
3. As many regional as well as extra regional countries tries to stop and create hurdles in the way of CPEC. Pakistan should provide extra devotion to control internal terrorism and violence. The extremists and other violent groups having links in foreign are opposing the CPEC project for socio-economic development because socio-economic development of any society led to decrease the manpower of such powers.

6. Conclusion

In recent years, economic corridor areas have risen as an important instrument of regional development and cooperation in the globalized world. It is expected that CPEC will resolve rigidities in the area and will encourage local collaboration, coordination integration and harmony. Regional commercial corporations have developed significant actors in global politics. The states that do excellently in commercial, trade domains and industrial sector will have larger impact on other countries than those having larger armed forces and arms. Tough economic

position and human capacity is going to be the main asset for any nation in the future. This also probably facilitates internal stability and harmony. Most of the regional states have welcomed CPEC but only one regional state i.e. India has raised observations over CPEC. The CPEC is of critical importance to India in the greater context of China's "One Belt, One Road". India has also raised objection on this corridor because in her opinion it passes through disputed territory. Though some territorial clashes are present among India, China and Pakistan. However, strong trade relations, regional connectivity and increasing mutual cooperation in various other fields, the projected CPEC offerings to India some promising and motivating choices which if do exercises creatively, may open new scenes of regional co-operation, economic growth and stability and in the region.

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