

Challenges and Constraints in the way of China-Pakistan Economic Corridor: Indian Stance

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ABSTRACT

The climax of Pakistan China friendship has turned into a new regime of bilateral economic cooperation with mutual signing of the project named China-Pakistan Economic Corridor (CPEC) connecting Xinjiang to Gwadar Port with the worth of \$46 billion (currently \$62 billion) which is expected to be completed till 2030. With the development of this project Chins will get out from entanglement of sea roots, controlled by its economic and regional foes to reinvent OBOR through Pakistan that will inevitably boost both countries' economic development to infrastructure and energy. This sort of projects faces many challenges from the foes neighbours. The success of this sort of projects depends upon the support of neighbouring countries but India has always a very negative impression over CPEC. Indian government, public and politicians have always negatively criticized it. Indian media also propagates negative views and claims that it will harm the Indian national interest. If all the things go well and both Pakistan and China successfully handle the constraints in its way, it can be in the true sense a game changer and a fate changer not only for Pakistan and China but it also can bring fruits of stability for many other regional actors in the sense of regional cooperation. This paper discusses constraints and hurdles which can be in the way of this project and different policy recommendations have also been suggested which the governments of both the countries should take care of. The paper is drawn from scholarly articles, think-tank reports, academic journals, reviewed literature and government-sponsored studies.

Key Words: Economic Cooperation, Pakistan, China, Xinjiang, Gwadar Port, OBOR, India.

Introduction

The China–Pakistan Economic Corridor (CPEC) is an ongoing developmental megaproject which aims to link Gawadar Port in southwestern Pakistan to China's northwestern self-governing region of Xinjiang through the network of railways, highways, airports and pipelines to transport gas and oil. This China Pakistan Economic Corridor is considered vital to develop good ties between already good friends; China and Pakistan. This economic corridor will run about 3000 KM from Kashgar to Gwadar Port. Overall cost of the project that was expected to \$46 billion has increased to \$62 billion and likely to be completed till 2030 (Rifaat & Maini, 2016). This can be considered the biggest investment yet which has been

announced by China. It is considered a strategic game changer and a fate changer not only for Pakistan and China, but for the whole region. It will play a vital role in boosting the economy of Pakistan and making it a prosperous country. When this corridor will be constructed, it will open many trade routes between China, Central Asia, West Asia, Middle East and Africa. China Pakistan Economic Corridor is an extension of China's 21st century Silk Road Initiative, which is commonly known as 'One Belt One Road' (Hussain, 2017).

China and Pakistan have been close friends since their inceptions. Diplomatic relations between both the countries were established in 1951. The relationship between both the countries has a magnificent past and a very cheerful future. There lies the Karakoram Highway between Pakistan and China, which has been referred by some scholars as the 'Eighth Wonder of the World'. The main reason behind the common ties between Pakistan and China is the mutual benefit. Pakistan and China share a common border (about 300 miles). As the ongoing phenomenon of CPEC is new one but the ties and relationships between China and Pakistan can be observed by reading the Danial Markey's work "Behind China's Gambit in Pakistan" (Markey & West, 2016) and another book written by Andrew Small "The China- Pakistan Axis: Asia's New Geopolitics"(Small, 2015). Both these books give an overview of fruitful relations. Both the countries have helped each other in regional issues and China has always helped Pakistan regarding armaments. The diplomatic relations between Pakistan and China were established on the basis of sovereignty, mutual respect and equality.

China Pakistan Economic Corridor is a futuristic plan, so it is expected that this corridor will be beneficial for Pakistan in economic, political and strategic terms. It will help Pakistan in boosting its economy that can bring political stability in the country by bringing equalization among the four provinces of Pakistan and strategically it can enhance the position of Pakistan. From the very beginning, CPEC is facing many constraints and hurdles. Success of CPEC depends upon the peace and prosperity in the region.

China Pakistan Economic Corridor is aimed at promoting the regional integration, improving economic growth of both the partners, investments on transportation, offering trade modifications and political flexibility. Political and economic objectives are deemed to achieve between the two countries via CPEC (Hussain, 2017). However, from the very beginning this mega project is facing a lot of challenges and constraints. These are both internal and the external challenges. Construction of this corridor has been defined by many economists and journalists as the fate changer and the game changer. Pakistan is strategically assuming the position of an economic pivot in the whole region, so this phenomenon disturb to all the enemy countries. India is unhappy with the construction of CPEC and she has criticized it on all the forums. Indian media also have a very negative view of this corridor. China Pakistan Economic Corridor is like a thorn in the paws of India. In this context, under the command of Rajindar Khana, India has opened an office to disrupt CPEC (Ahmad & Mi, 2017).

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During the construction of China Pakistan Economic Corridor, there are a lot of internal and external challenges, which both the countries have faced and would face. Following are the challenges to CPEC:

Security Threats to CPEC

There are a huge number of internal and external security related threats which China Pakistan Economic Corridor is facing from the very beginning. These threats are of diverse nature, as Tehrik-i-Taliban Pakistan is playing a very negative role in disrupting CPEC; TTP's militancy can be seen in all the provinces of Pakistan. There are also external threats, especially by Indian RAW, who is playing its role to sabotage CPEC. Material proof of this is that CPEC project has faced hundreds of security-related events since its inception in May 2015. During these attacks a large number of lives have been lost (Elahi, 2015). These threats to CPEC can be divided into two categories, i.e. internal and external, which will be discussed one by one.

Internal Threats

China Pakistan Economic Corridor is facing both internal and external security-related challenges. Following are the internal security threats to CPEC:

Figure 1: Internal Security Challenges to CPEC

SECONDRY RESEARCH INTERNAL SECURITY CHALLENGES TO THE CPEC		
	Religious Terrorist Elements	<ul style="list-style-type: none"> • TPP and its allied organizations are the main threat. • Heavy blow has been served to the TPP but any slackness can escalate the situation to a dangerous consequence
	Nationalist Terrorist Elements	<ul style="list-style-type: none"> • These elements play with the sentiments of the public on racial and geographic ground and try to apply this tactics as a violent means towards a political end. BLA, BNM, Geeay Sindh. • CPEC is to pass through the areas influenced by these elements.
	Sectarian Strife	<ul style="list-style-type: none"> • The Saudi -Iran rivalry is the main reason of sectarian strife in Pakistan. It is a turf war, foreign sponsored and foreign funded. • The CPEC runs along these sectarian fault lines.
	Feudal Rivalries	<ul style="list-style-type: none"> • Feudal rivalries' a times take awkward turn and cause unrest at limited scale and limited geographical boundaries. • Southern Punjab and Sindh is a fertile soil for such feuds.
	Dacoits/thefts	<ul style="list-style-type: none"> • Small scale thefts and deceits for financial gains are getting more sophisticated in scope and dimension. • CPEC too will be prone to such activities
	Political unrest	<ul style="list-style-type: none"> • The cold blooded murder of Benazir Bhutto caused a nationwide chaos. • This author was deputed to clear National Highway between Steel Mills and Thatta and saw the mayhem caused by the political unrest translating into arson and looting

Source: Research Paper Submitted to IBA Karachi

Militancy: A Tangible Threat

Pakistan is facing a grave threat from its inception which is the security lapse. Due to terrorism and extremism, Pakistan is suffering a lot. A wide number of militant groups exist there in Pakistan which is disturbing the successful completion of CPEC. Militant groups like TTP, BLA, LeJ, BLF and ISIS etc. are playing their role to sabotage CPEC (Javed, 2017). From time to time there have been terrorist incidents to sabotage CPEC. These terrorists are aimed to disrupt the CPEC. These militant groups wanted to show that if Pakistan cannot secure its masses, how can it secure Chinese officials?

Terrorist attack in Quetta of August 2016 is an eye-opener. 70 people were killed in this attack and more than 125 persons were injured. Ex-Prime Minister of Pakistan, Nawaz Sharif while talking to a security meeting said that this terrorist attack was to stop the working of CPEC and he pointed out that enemies were “dismayed of the CPEC” (Rashid, 2016). Chief of Army Staff of that time General Raheel Sharif categorically said that this terrorist attack was to sabotage CPEC. He also said that this is not a simple attack, but it is an attack on CPEC. FPCCI also termed that this attack was to destabilize CPEC.

In May 2016, a terrorist attack just hit the van of a Chinese engineer. Although the engineer was saved, but the purpose behind the attack was to create fear among the Chinese professionals, working with the project. These terrorist attacks on Chinese officials were started right after the functioning of Gwadar Port. Quetta attack did not target Chinese but it created fear among them. The case of Kalbushan Yadav is in front of everyone. He was the official of RAW who had been involved in terrorist activities in Pakistan.

Insurgencies in Balochistan

There are also insurgencies and violent movements from Baloch Tribes which are destroying the peace of the country and disrupting the mega project of CPEC. This is not a new phenomenon, but these insurgencies are going on since last decade. These insurgencies have made Balochistan a very troubled area. This is the area where Gwadar Port is situated, so it is problematic for the governments of both the countries to handle the affairs in proper manner. China believed that by using the Gwadar Port of Balochistan, she will be able to fulfill her needs of oil and gas from the Gulf Countries. China has been agreed to invest a huge amount on this mega project, but they are not happy with the ongoing insurgencies in Balochistan (Heinkel & Villafrance, 2016). Following are the steps taken by Baloch elements in the way of CPEC:

- Attack on a grid station which knocked out 80% electricity of whole country.
- Killings and kidnappings of Chinese workers in Balochistan.
- Attack on a tanker carrying oil to a Chinese company.
- Posed threats to Chinese Companies

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Insurgent groups like BLA, BLF have been very active in anti-state activities. These groups are led by Shafi Burfat and these are affiliated with Jeay Sindh Mahaz (Elahi, 2015). There are also many separatist movements in Balochistan, which are also disturbing the successful completion of CPEC. There are many Baloch elements who want to get separation from Pakistan. Prime Minister of India, Narendra Modi is openly supporting the Baloch cause of a separate nation (Rizwan, 2017). This is an alarming situation for a sovereign state.

Unrest in Gilgit-Baltistan

Gilgit-Baltistan is the part of Azad Kashmir. Pakistan has the territorial control on the region of Gilgit-Baltistan, but constitutionally and politically it is not considered the part of Pakistan. India considered it the part of Jammu and Kashmir. Gilgit-Baltistan is the region from where China Pakistan Economic Corridor originates in Pakistan. It is very problematic thing for the successful construction of CPEC that still it is a disputed region. For the success of China Pakistan economic Corridor, it is vital for Pakistan to have full control over the disputed Gilgit-Baltistan.

It is a crucial factor which might be resolved prior to the implementation of CPEC. Strategically, this region is located on the entry point of China Pakistan Economic Corridor in Pakistan. The basic challenge is that the status of Gilgit-Baltistan has not been defined yet, which can be a problematic factor for CPEC (Shigri, 2017).

External Challenges

There are some external challenges which China Pakistan Economic Corridor is facing from regional and extra-regional actors. Actors like India, Afghanistan, Iran, and United States are playing their role to disrupt the project. A detail of these actors is discussed below:

Figure 2: External Actors Views on Security Paradigm of CPEC

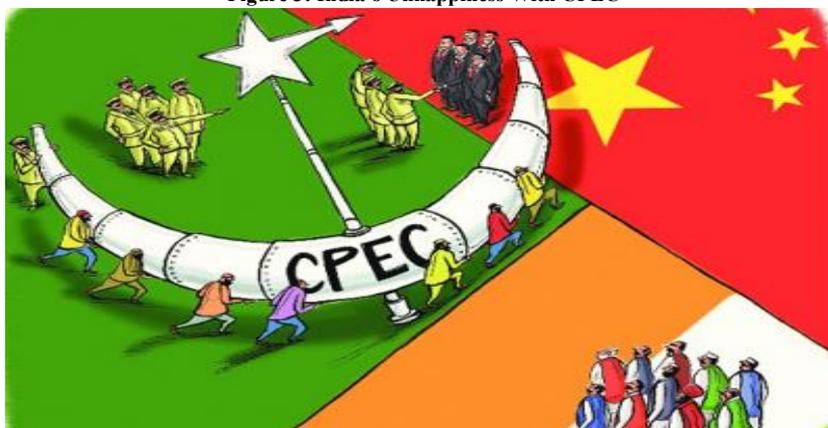
SECONDARY RESEARCH EXTERNAL PLAYERS VIEWS ON SECURITY PARADIGM OF CPEC	
	<ul style="list-style-type: none"> Chinese are skeptical about the rising threat of Eastern Turkistan Islamic Movement in Sinkiang Province of China. This terrorist organization has its connections with TPP Pakistan
	<ul style="list-style-type: none"> Gawadar is emerging as a center of global marine activity connecting the land locked central Asia and chocked China with rest of the world. US being the sole super power feels left out of this important power and economic loop. US also views the huge investment by China on CPEC in the region as a counter move to break away from the 'Golden Triangle'
	<ul style="list-style-type: none"> Narendra Modi during his visit to China raised his objections over the corridor India may also have apprehensions over China's access to the sea, and has invested significantly in the nearby Port of Chabahar Indian objection will be overtly manifest in raising the disputed status of GB & AJK
	<ul style="list-style-type: none"> The Russians are looking at the CPEC in the larger context of 'Eurasian Block'; connecting Russia, China, India and Iran through the CPEC. They take it as a counter balance to EU and US. The Russians are of the view that US can play dirty in causing security threat to the CPEC
	<ul style="list-style-type: none"> Iran's historic nuclear deal with the P5+1 has opened up new possibilities. With Iran in the loop, China can double down on its access to Iranian oil. The decades-old dream of the Iran-Pakistan gas pipeline can now be fully realized. CPEC will provide the country with much needed accessibility to the east.
	<ul style="list-style-type: none"> Afghanistan is a close ally of US and India and toes their views about CPEC. Afghanistan sees it an opportunity to get a shorter route to Arabian Sea through Gawadar. Afghan intelligence agencies exert influence on separatist elements in Balochistan and TTP

Source: Research Paper Submitted to IBA Karachi

Indian Attitude toward CPEC

CPEC is a significant economic corridor between China and Pakistan. Success of this sort of corridors depends upon the support of neighboring countries; at least it should not be publically opposed by the neighbors, otherwise it has to face several constraints. Indian government, media and public are expressing strong reservations on the unwavering determination of China and Pakistan in developing the CPEC.

Figure 3: India's Unhappiness With CPEC



Source: Global Times

Indian Government's Attitude toward CPEC

As part of the research undertaking, the author has visited the Indian official websites, i.e. website of : Indian Prime Minister, Indian Defense Department and Indian Foreign Affairs Ministry. Being the neighbor, there should be any stance of

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higher authorities on this corridor, but it was found that the Prime Minister of India has not expressed his formal opinion on CPEC. Similarly, Indian Defense Department and Foreign Affairs Ministry also has not given any official statement regarding CPEC. This Indian attitude shows that India does not have any concern regarding CPEC. Whenever question was asked from journalists and representatives regarding CPEC, they discussed the “Pakistan Occupied Kashmir” (Sagar, 2016).

Indian Media’s Attitude toward CPEC

Indian Media also have had a very negative attitude toward CPEC. They always criticized the economic corridor. Comments of Indian Media on CPEC can be divided into two categories; opinion based viewpoints and the factual reports. An article written by Anath Krishan was published in “India Today”, states that: “A Chinese statement on Tuesday describing the disputed Gilgit-Baltistan region in Pakistan-occupied Kashmir (PoK) as ‘Pakistan’ has raised eyebrows, even as China goes ahead with an ambitious economic corridor through the contested territory despite Indian concerns. The announcement issued by China’s State-run and official Xinhua news agency described the pass as ‘a strategic point on the Karakoram highway which links China’s Xinjiang with Pakistan’s Gilgit-Baltistan region’. In the past, China’s official position has been that it does not take sides on the Kashmir dispute, which is ‘for India and Pakistan to resolve’. India views the region as an integral part of India that is under illegal Pakistani occupation. Despite the official stance of neutrality, India has expressed growing concerns over increasing Chinese investments in projects in PoK, with the suggestion that the moves reflected a shift from China’s earlier position on the dispute (Sagar, 2016).”

Afghanistan Attitude toward CPEC

Afghanistan is a land-locked country. China Pakistan Economic Corridor is geo-strategically of great importance for Afghanistan. CPEC is not beneficial only for Pakistan and China, but with its extension to Afghanistan, she can be a beneficiary and this corridor can play a vital role in developing the economy of Afghanistan by enhancing economic activities in the region. In order to link CPEC and Afghanistan, Pakistan has promised to construct 256 kilometer long motorway from Peshawar to Kabul, which will play a vital role in enhancing Afghan economic activities via Indian Ocean. According to the plans, western alignment of the corridor will be connected with Afghanistan through Chaman. Afghanistan also can get fruits of CPEC by becoming the part of it, but she is also criticizing it in negative sense (Butt & Butt, 2015).

Gwadar vs. Chabahar Port

In spite of sectarian tensions and some other minor conflicts, there have been good ties between Iran and Pakistan all the times. Iran was the country who accepted Pakistan first of all. Recently, India has strategically moved towards China, which can be considered a worrisome element between Pakistan-Iran relationships. India has announced an investment of USD 500 Million for developing the Chabahar Port by series of projects, which both the countries are considering fruitful for the development of their economies. This huge Indian investment on Chabahar will allow India to bypass Pakistan and develop a route towards landlocked Afghanistan. Both India and Afghanistan have developed good security ties and economic comforts. Indian presence in Chabahar Port is just like the Chinese presence in Gwadar Port of Pakistan and India through Chabahar is also hopeful to get access to landlocked Central Asian Republics (Tanoli, 2016). It seems that the basic aim of India is to get access to energy rich Central Asia. So, India is disrupting CPEC project to fulfill her aims in Central Asia.

Political Unrest in Pakistan

According to the Election of Pakistan there are 216 registered political parties in Pakistan. Major political parties of Pakistan are PML-N, PPP, PTI, MQM and JI etc., but these political parties have never been on the same page for the accomplishment of any agenda. History is the witness that Pakistan has been failed all the times to establish political stability in the country. Reasons behind this instability are undemocratic values, economic dependence and lack of political socialization among people. There have been 69 years to creation of Pakistan, but diseases like feudalism, tribalism and sectarianism are still present there. As masses of Pakistan are not politically socialized, so they do not know how to hold accountable to political leaders. Pakistan has faced the territorial issues, border conflicts with Afghanistan and India, non-equalization among provinces and violent movements for separation have disturbed the political system of Pakistan (Pakistan Observer).

Ahsan Iqbal, Minister for Planning, Development and Reforms while addressing to a ceremony at Punjab University Lahore on the topic, “CPEC, its Opportunities, Issues and Priorities”, said that, “only those countries progressed where there was a semblance of political continuity. Political stability is need of the hour to gain benefits and complete the China Pakistan Economic Corridor (CPEC) projects.”

There are many allegations on CPEC by the provinces of Pakistan. Leaders of other political parties also have negative views on CPEC. Some of the allegations and views of political parties and political leaders are discussed below:

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Chief Minister Pervez Khattak's views

Chief Minister of KP, Pervez Khattak while addressing to a corridor convention which was arranged by Pakhtunkhwa Ulasi Tehreek, said that, "If KP does not benefit from the CPEC, then the federal government should divert its route away." He also added, "If KP doesn't gain from the (CPEC) project, then nobody will be able to get anything from the whole project." There have been many protests by the KPK Government against Central Government.

KP Assembly Passes Resolution against Changing of CPEC Route

Centre-Province relations in Pakistan have never been good. Now a day PML-N is the ruling party over Pakistan and in KP there is the government of PTI. There have been all the times leg-pulling between PML-N and PTI. In the beginning KPK Government has badly criticized the CPEC project. KPK Government passed a resolution against Central Government for not changing the route of CPEC. They claimed and passed a resolution that its route should remain the same, as was decided earlier (Report, 2017). It means that if a province is passing a resolution against federal government, definitely there is lack of confidence and political consensus between them.

Imran Khan's Stance

Chairman of Pakistan Tehreek-i-Insaf, Imran Khan while addressing at a political convention complained that KP is being deprived of its share from CPEC project. He also alleged that Prime Minister of Pakistan, Nawaz Sharif does not fulfill his promises and does not keep his works. Imran said, "He [Nawaz] promised at the All Parties Conference that a western route of the project would be made and KP would be the beneficiary of it but now we came to know that province is being deprived of its due share from the CPEC." Imran Khan further criticizing Nawaz Sharif said, "You signed the Memorandum of Understanding with China in 2013 where as till 2016, nobody is aware of the contents of that accord (Khan, 2016)." He further criticizing the PML-N said that Nawaz Sharif, his brother Shahbaz Sharif and his nephew Hamza Shahbaz visit China whenever they want, while other Chief Ministers of three provinces remained unaware about the development of the projects.

Asif Ali Zardari's Stance

Former President of Pakistan, Asif Ali Zardari during a procession in Mardan while criticizing the PML-N Government said that the ruling party of Pakistan has stolen China Pakistan Economic Corridor from Pashtoons and PPP will do the best

to do justice with the Pashtoons. This is political instability and unrest where everyone is criticizing one another.

PPP Sindh President Nisar Khuhro's Stance

President of PPP Sindh, Nisar Khuhro while criticizing the PML-N Government with respect to CPEC said that there is the unfair sharing of the three provinces (Sindh, KPK and Balochistan). He said that Prime Minister has ignored the Port of Qasim toward Keeti Bandar. He said that Sindh has been given only 5% of all the total investment. "This is the height of prejudice on the part of the prime minister", he said. He further said that Asif Ali Zardari had made many visits to China to develop bilateral ties, but now most of the fund is being used in Lahore and five times bigger city Karachi is being ignored.

Lack of Skilled Pakistani Workforce working on CPEC

Pakistan workforce working on China Pakistan Economic Corridor is not skilled. It is a hurdle in the way of successful completion of CPEC project. Dr. Mukhtar Ahmad, Chairman of Higher Education Commission has asked educational institutions to prepare skilled persons keeping in view the importance of game changer CPEC. He emphasized the universities of Pakistan to use new mechanisms to create skilled youth, so that they can be used in the success of CPEC. He said that HEC is playing a vital role in developing the education system of Pakistan, so it can be compared with international education system (Point, 2017). If the education system in Pakistan will be developed, then market-oriented youth can be crated.

CPEC: Another East India Company

A view emerging in Pakistan is that China Pakistan Economic Corridor could be another East India Company. As East India Company came to Sub-continent for trade in early 1600s, then it settled there and ruled there. Likewise, according to the thinking of some people CPEC is also on the way to rule over Pakistan. It is the phenomenon originating in Pakistan that China like Great Britain is interested to rule over Pakistan. Samir Ahmad writes in his article, "Pakistan isn't the only country China has its eyes on. This year Chinese firms have already announced to double the record USD106 billion in foreign acquisitions they made in 2015, according to data compiled by Bloomberg. Of this, K-Electric's transaction will be less than one percent of the overall plans to invest abroad. Lately, reports have circulated that the Chinese are interested in buying 40 percent of the Pakistan Stock Exchange. This comes after a Chinese company already expressed interest in buying a stake in a Pakistani cement company....." (Hussain, 2017)

Article says that, Pakistan agreed to become part of the One-Belt-One-Road (OBOR) initiative, forming the China-Pakistan Economic Corridor that includes a

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slew of energy projects as well as investments in roads and railways.” This thinking of people of Pakistan is not good for the successful completion of this corridor.

Need to Determine the Routes of CPEC

There is also a disturbance about the routes of China Pakistan Economic Corridor. Due to this, there have been many allegations on government that it is concealing the facts. It is the duty of the government to make this project transparent from the very beginning, so that there may not be allegations from other political parties and it cannot disrupt the construction of CPEC. Keeping in view all these allegations, Ahsan Iqbal while addressing at convocation in Rawalpindi assured that, "Not a single inch of the originally proposed route has been changed" (Haider, 2015) and that "such baseless allegations" are not good for country. Following are the three routes of CPEC:

Central Route

The Central Route of CPEC originates from Gwadar and then reaches to D.I. Khan via Basima, Khuzdar, Sukkur, Rajanpur, Layyah, Muzaffargarh and Bhakkar.

Eastern Route

Eastern Route of CPEC originates from Gwadar, Basima, Khuzdar, Sukkur, Rahimyar Khan, Bahawalpur, Multan and Lahore/Faisalabad and then reaches Islamabad.

Western Route

The western route of CPEC originates from Gwadar and will pass through Turbat, Panjgur, Nag, Basima, Sorab, Qalat, Quetta, Qilla Saifullah and Zhob and reach Dera Ismail Khan before leading to Islamabad.

Greater connectivity may result in more imports from China

No nation can fulfill all her needs by itself. She needs other nations to fulfill the needs. All the states are dependent to each other. Pakistan also imports many countries. Pakistan imports her most of the goods from China. The ongoing China Pakistan Economic Corridor will connect Gwadar Port with Kashgar. This corridor will connect whole of the Pakistan with China. It will be very easy for China to export her goods in any part of the Pakistan. There will not be transport barrier for China to travel in either province of Pakistan. So, the issue is that this greater connectivity will make Pakistan more dependent to China. Pakistan will not

struggle to produce goods by herself. As the connectivity will increase, more the Chinese made goods will be there in Pakistani markets.

Environmental Concerns

There are also some environmental challenges which Pakistan can face due to the construction of China Pakistan Economic Corridor. Mr. Jahan Zeb Ahmed writes in his article, "The CPEC is generally hailed by Pakistani politicians and media as a game changer. This \$46 billion Economic Corridor is being built in phases to improve connectivity between energy-hungry China and investment-starved Pakistan by constructing highways, railways and energy pipelines. It is slated to open up a trade and energy corridor from the Gwadar Port in Balochistan to Xinjiang in Western China and will traverse some of the world's tallest mountains in a geologically active region. Such mega projects around the world are notorious for severely affecting the environment by causing deforestation, desertification, loss of biodiversity and fragmentation of wildlife habitats but an assessment of these impacts is lost in the galore of media cameras and political statements (Ahmed, 2015)." Government of Pakistan should take proper care of this sort of all the issues which can affect the country.

Language as the Hurdle

Nelson Mandela once said, "If you talk to a man in a language he understands, that goes to his head. If you talk to him in his language, that goes to his heart (Yuan, 2015)." Language plays an important role in the communication between two countries. Understanding each other language is very important for people to people contacts. If a Pakistani talks to a Chinese in Chinese language or a Chinese talks to a Pakistan in Urdu, it will enhance cooperation and feelings of love between them. They will be capable to deeply understand to each other.

Absence of Formal Banking Channels

Mussarat Jabeen while focusing on formal banking channels regarding China Pakistan Economic Corridor says, "Business is the game of money and for money the proper channel of money transfer should be provided, but China has not formal banking channel for exchange of investment. Lack of financial mechanisms for payments and insurance is also a big barrier to trade because exporters do not have any guarantee of payment. Traders have to resort to informal money transfers, which can be risky. Although there is potential for banks in Pakistan to provide services in the CARs, there are significant challenges, especially in countries with strong state influence in the banking sector. Pakistan initiated banking sector reforms in late 1990's to encourage participation of the private sector. The reforms have transformed the sector into an efficient, strong, and sound banking system. The privatization of nationalized commercial banks has also brought about a

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culture of professionalism and service orientation in place of bureaucracy. The number of scheduled banks operating in Pakistan was 44 at the end of 2011, including twelve foreign banks (Jabeen, 2015).” So, for the exchange investment between Pakistan and China, there should be proper banking channels for transferring the capital etc.

Corruption, Nepotism and Inefficiency in Pakistan

Pakistan is the country which is facing many serious social diseases i.e. corruption, nepotism and inefficiency etc. It is very difficult for a nation to become developed having these disease. President of India, Pratibha Patil once said, “Corruption is the enemy of development, and of good governance. It must be got rid of. Both the government and the people at large must get together to achieve this national objective.” So, mega project of China Pakistan Economic Corridor is going on in the country and if there will be corruption in the projects, it cannot be successfully constructed. Pakistan is the country whose highest authority Prime Minister Nawaz Sharif is suffering from ‘Panama Corruption Scandal’. Corruption is like a disease which is increasing day by day in Pakistan. It is due to the negligence of government and law enforcement agencies. Moreover, people working on CPEC projects from Pakistani side are inefficient.

Conclusion and Recommendations

"All our dreams can come true if we have the courage to pursue them."--*Walt Disney*

Nations, like men cannot live alone. They are dependent to each other. Due to globalization world has been shrunk a lot. It has been shrunk in all the aspects of human life. It is necessary for the nations to integrate with other nations. Due to dependence and globalization international cooperation is increasing day by day. With the arrival of 21st century, nations are involving bilateral, trilateral and multilateral engagements. Economically speaking, economic corridors are developing in whole of the world. Countries are developing their economies by developing economic corridors. Some organizations like NAFTA, European Union, ECO, SAARC etc. are also the examples of the phenomenon of economic cooperation the whole world is not economically integrated equally. There are some regions of the world which are greatly integrated and some are less integrated. If South Asian Region is discussed, it will not be wrong to say that it is among the least integrated regions of the world. “One Belt, One Road” is basically Chinese strategy to march westwards through landlocked countries and through the waters. Basic aim of China is to grow Silk Road Economic Belt by developing vast network of infrastructure. This SREB will attach Eurasian land and East Asia and South Asian Region with Central Asia. President of China, Xi Jinping

proposed “Silk Road Program” and announced huge amount to develop “Silk Road” infrastructure and increase connectivity. Geostrategic location of Pakistan provides China an edge over other countries.

There are many constraints and challenges in way of CPEC success which have been discussed earlier. Following are the research based possible suitable suggestions and recommendations which the governments of both the countries should consider:

- Regular exchange of visits.
- ‘Giving Before Taking’ and ‘Giving More, Taking Less’ strategy should be followed by both Pakistan and China.
- To create China-Pakistan Forum apparatus to endorse the enactment of CPEC plan.
- People to people relations need to be developed between both the countries.
- An integrated, consultative, holistic and coordinated framework and a scientific organization for the success growth of CPEC still need to be framed.
- To direct the work under China Pakistan Economic Corridor, there is dire need to set up an authority of CPEC which consisting of experts and high-integrity statesmen.
- Development of China Pakistan Economic Corridor has three distinct phases from 2016 till 2030. Each phase consists of some developmental projects. So, the developments should be made within aimed era.
- CPEC policy makers in Pakistan should study the developments in China seriously that relevant to CPEC and OBOR.
- Pakistan is in dire need to create integrated, robust and advanced national energy grid.
- To fulfill the Pakistan growth needs, science parks should be established under China Pakistan Economic Corridor.
- Plans should also be included by CPEC Planning and Development authorities to deal with long-lasting demographic negligence of Pakistan.
- Through the development of China Pakistan Economic Corridor government should develop efficiency and innovation gains.
- Government should take measures to transfer human resources into human capital.
- There should also be developed a Public Private Partnership Model for CPEC projects.
- There is dire need to set up new organizations related to different CPEC developmental aspects.
- To pledge and include exhaustive collaboration of China-Pakistan in all walks of life should be gradually diversified.
- A bilateral inclusive security framework should be framed that is wise enough to deal with the security threats.

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- There should be increase in cultural interaction of Pakistani and Chinese masses.
- China Pakistan Economic Corridor should engage to other countries like Russia as well.
- Both the countries should avoid overjoyed and impractical expectations from CPEC.
- Collaborations between Pakistani and Chinese universities and centers should be enhanced and cultural exchange programs should be developed.
- If there is any controversy regarding route of CPEC prevailing in Pakistan, it should be resolved as soon as possible by taking into confidence all the major political parties of Pakistan. All Parties Conferences is the best way to solve this sort of issues. Moreover, the PML-N Government needs to be very clear in all the plans and stances regarding CPEC.
- Government should take special measures to eliminate ‘Sardari Nizam’ from Balochistan and should address the grievances of common people.
- Criminal activities in Pakistan find their roots in Afghanistan, so Government of Pakistan should take measures to stop this phenomenon.
- Government of Pakistan should properly train its officials for the progress of CPEC.
- A very clear and well defined framework should be developed for every project included in CPEC.
- Transparency is of utmost need in Public-Private partnership (PPP) projects in Pakistan. Corruption in public sector and in private sector is affecting the progress of PPP harmfully in Pakistan. Therefore, it is very important to ensure transparency in CPEC.
- Pakistan should develop good ties with its Eastern and Western neighbors.
- Political stability in Pakistan is very important to gain the fruits of this mega project by China. There should be consensus of all the political parties of Pakistan on every point.
- Pakistan should resolve her conflicts through dialogues by using the international forums, i.e. SAARC and UN etc.
- It will be a sensible policy for Pakistan and China if they involve Iran in CPEC.

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