



CHINA PAKISTAN ECONOMIC CORRIDOR (CPEC): OPPORTUNITIES AND CHALLENGES FOR IMPLEMENTATION

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Abstract

The China-Pakistan Economic Corridor (CPEC) stands as a monumental development project that cements the enduring and dedicated partnership between Pakistan and China. From a geopolitical perspective, Pakistan holds tremendous importance for China, acting as a strategic gateway to the Middle East, Central Asia, Africa, and Europe, ensuring efficient and secure connectivity within a compressed timeframe. The CPEC's comprehensive infrastructure network and economic initiatives contribute to bolstering regional integration and fostering mutually beneficial trade and cooperation between the two countries, ultimately enhancing connectivity and promoting shared prosperity. The China-Pakistan Economic Corridor (CPEC) not only strengthens economic and strategic ties between China and Pakistan but also extends its influence to other regions across Asia, the Middle East, Africa, and Europe. Through substantial investments from China, this transformative project represents a pivotal juncture for both nations, generating multidimensional advancements and serving as a catalyst for profound change. The CPEC is poised to reshape regional dynamics, foster enhanced



connectivity, and act as a significant driver of economic growth, making it a true game changer in the geopolitical landscape. By connecting Kashgar in Northwestern China to Pakistan's Gwadar Port on the Arabian Sea, CPEC holds the potential to revolutionize trade, commerce, economy, and regional integration. However, the implementation of different phases of this mega project faces internal and external challenges, particularly within Pakistan. This research study aims to analyze the opportunities and challenges associated with the execution of the CPEC and explore potential solutions to overcome obstacles. Through a comprehensive examination, this study seeks to shed light on the transformative potential of CPEC while addressing the concerns and hurdles that may impede its successful implementation. By identifying strategies to tackle these challenges, this research aims to contribute to the realization of CPEC's envisioned benefits and regional integration.

Keywords: CPEC, Fate Changer, Developments, Regional Connectivity, Challenges, Opportunities

Introduction:

Since the start of diplomatic ties in May 1951, China and Pakistan have had a robust and long-lasting friendship. The principles of fraternity, equality, and general collaboration define this relationship. The two countries have collaborated in many different contexts throughout their history in a variety of fields, including diplomacy, military affairs, social development, cultural exchange, nuclear cooperation, and most significantly, economic engagement (Kayani, Mumtaz, Shah, & KayanI, 2013). Pakistan is unique in that it was the first country in South Asia to firmly establish commercial links with China by signing a Free Trade Agreement (FTA). Following the agreement's adoption in 2007, China has become Pakistan's second-largest trading partner. The Free Trade Agreement (FTA) was divided into two stages, the first of which ended in 2012 and the second of which started in 2013 (Kataria, 2014). In April 2015, a momentous event took place in Pakistan as Chinese President Xi Jinping and Prime Minister Nawaz Sharif signed the China Pakistan Economic Corridor (CPEC). As part of the Belt and Road Initiative (BRI), China committed \$57 billion to this project, with \$14 billion already invested in 30 initial initiatives (Malik, 2018). A 3000-kilometer pathway linking Kashgar, Xinjiang Uyghur Autonomous Region and Gwadar Port in Pakistan plays a vital role in linking the "One Belt" with the "One Road" (Jaleel, Talha, & Shah, 2019).

Recognizing the reality that economic globalization necessitates regional integration, China revamped and reworded the concept of the Silk Road in 2013 through the 'One Road, One Belt' campaign, which entails the development of the Economic Belt along both the Silk Road and the Maritime Silk Route (Mahar, 2015). The facilitation of an expeditious pathway connecting China to Middle Eastern and European nations holds significant importance in fostering a thriving transit economy. The China-Pakistan Economic Corridor, coupled with the functional Gwadar port,



serves as a pivotal conduit to considerably diminish shipping expenses while concurrently abbreviating delivery timelines for China's access to the Middle East and beyond (Javaid, 2016). According to Chinese leader Xi Jinping, the One Belt, One Road initiative (OBOR) seeks to breathe new life into the historic Silk Road that traverses three continents—Asia, Africa, and Europe—and encompasses approximately sixty countries. Its goal is to promote connectivity between these regions through the construction of highways and railways. Upon its realization, this monumental undertaking will firmly establish China as a key player in the global trade arena (khan, 2019).

Gwadar Port, strategically positioned near the Arabian Sea in Pakistan, holds paramount geographical importance in the region. Its close proximity of 72 kilometers to Iran, 320 kilometers to Cape Al-Hadd in Oman, and roughly 400 kilometers to the Strait of Hormuz, a gateway to the Persian Gulf, underscores its strategic relevance. Gwadar Port's pivotal role as a maritime hub presents immense potential in ensuring China's energy security. By offering a significantly shorter route of approximately 12,900 kilometers compared to the existing journey from the Persian Gulf through the Strait of Malacca to the eastern seaboard of China, Gwadar Port emerges as a crucial element in addressing China's energy requirements. The China-Pakistan Economic Corridor (CPEC) serves as the avenue through which China endeavors to surmount its energy challenges, with the benefits extending beyond China's borders. Other regional powers competing for resources will also reap advantages from this corridor. China's broader "One Belt, One Road" initiative aims to strengthen its economic and political position not only in Asia but also globally. This endeavor presents opportunities for Pakistan to address its energy and economic crises while simultaneously generating employment opportunities for its younger generation. The development of Gwadar Port and the associated infrastructure under the CPEC will foster economic growth, attract investments, and facilitate trade connectivity. It is a transformative initiative that has the potential to reshape regional dynamics and bring about socio-economic development.

Theoretical Framework:

The liberal school of thought posits that economic interdependencies and trade play a crucial role in reducing the likelihood of conflict and promoting peace and security. Scholars such as Immanuel Kant and Thomas Jefferson, among others, challenged the realist view that international relations are a zero-sum game and instead perceived the world system as a network of interactions that holds potential for mutual benefits, cooperation, and peaceful behavior among states. According to liberalist perspectives, cooperative and peaceful behaviors are not only possible but also desirable. One of the prominent theories within the liberal paradigm is the concept of complex interdependence, proposed by Robert Keohane and Joseph Nye. They argue that states are intricately interconnected through various channels of interdependence. This interdependence extends beyond military power and includes economic, cultural, and social dimensions. The theory emphasizes that states' interests and actions are influenced by multiple factors and that cooperation and collaboration are essential for addressing common challenges and pursuing shared goals



(Keohane & Nye, 1987). The Chinese's policy of integration toward different regions like South Asia, Central Asia, Middle East and Europe can be studied under the umbrella of complex interdependencies.

Hence, Joseph S. Nye and Robert Keohane analyzed state connections through the lens of collaboration, which opposes the fundamental principles of Realism and promotes the concept of interdependence among states. 'Interdependence' refers to a mutual relationship between two or more than two states in both economic and political contexts. In essence, the notion of complex interconnectedness or interdependence extends beyond merely mutual gains and interests. The Regional integration through CPEC is well suited to the arguments of Nye and Keohane. In 1977, Nye and Keohane examined this concept through their works titled "Power & Interdependence." The theory of intricate interdependence has impacted the assessments of numerous political science observers concerning the dynamics of global politics or international relations. (Hüseyin, 2004).

Alternatively, the concept of regional integration can be examined using the theory of 'Neo-Functionalism'. This theory elucidates the process of European integration, such as the progress of the European Union towards regional integration. This theory posits that collaborative efforts in a particular domain led to heightened collaboration in other domains or region. Additionally, it asserts that the expanding economic interdependence between nations can foster amalgamation and integration (Jaleel, Talha, & Shah, 2019). The CPEC project under the 'One Belt' and 'One Road' (OBOR) initiatives, initially collaborates China and Pakistan and CPEC plays a role of gateway for collaborating with other geographical regions like Southwest Asia, Africa, and Europe to expand their economic interdependence and integration.

"Roadmap and Implementation Plan of the China-Pakistan Economic Corridor (CPEC)"

The China-Pakistan Economic Corridor (CPEC) has been structured into short-term, medium-term, and long-term projects, each serving different objectives and timelines. Additionally, the corridor consists of three proposed stages and routes to facilitate its implementation effectively. The short-term projects of the CPEC focus on addressing immediate infrastructure and energy needs. These projects aim to improve transportation networks, upgrade existing infrastructure, and establish energy projects to meet the growing demand in Pakistan. The medium-term projects involve the establishment of industrial parks, special economic zones, and agricultural development initiatives. These initiatives aim to promote industrialization, attract foreign investment, and enhance trade and economic activities along the corridor. (Catanza, 2015). A well-defined timeline has been established for the different phases of the China Pakistan Economic Corridor (CPEC). The immediate tasks were targeted to be completed by the end of 2017. The medium-term objectives have been set to be accomplished by the conclusion of 2025, while the final and longest-term plan is scheduled for fulfillment by 2030. Each phase of the project encompasses various aspects, including geographical development, maritime endeavors, and



power-related initiatives.

During the initial phase, the primary focus was on establishing a harbor and airport in Gwadar, aimed at serving the local population and facilitating trade and connectivity in the region. Additionally, the expansion of the Karakoram Highway (KKH), renowned as one of the world's marvels, was included in the plan. The KKH serves as a vital link connecting the two countries, promoting regional integration and economic cooperation (Ahmad, 2019).

Pakistan and China have mutually decided to commence the eastern segment of the corridor due to two factors. Firstly, Chinese firms have reportedly expressed their interest in constructing the eastern route through the Build, Operate, Transfer (BOT) model while ensuring security. The revised blueprint will traverse through certain regions of Baluchistan and Khyber Pakhtunkhwa that are currently grappling with security challenges. As a result, the two provinces have raised apprehensions about the modified version of the China-Pakistan Economic Corridor (CPEC). This is the primary and authentic strategy that the government has modified throughout the construction of the Eastern Route. As per this strategy, the corridor is supposed to initiate from Gwadar, traverse via Khuzdar, Dera Bugti (Baluchistan), D.G. Khan (Punjab), D.I. Khan, Peshawar (KP), Islamabad, and the remaining path of the Eastern route. According to this plan, a pathway would link Afghanistan to the corridor via Quetta and Iran through the Quetta-Kho-e-Taftan connection (Hussain, & Khan, 2017).

The "Belt and Road Initiative" (BRI) is the title of a strategy to rejuvenate and enhance the essence of the historical silk road and a stride towards achieving the prediction of the Asian era. The OBOR encompasses diverse large-scale initiatives, with "the Maritime Silk Road" (MSR) and the "Silk Road Economic Belt" (SREB) serving as the primary two schemes (Moiz, Shukui, & Iqbal, 2014). The OBOR initiative comprises a series of undertakings linking the Baltic Sea to the Pacific Ocean through roadways, railways, and maritime routes to facilitate unrestricted commerce. The formal starting point of the Maritime Silk Route (MSR) will be the Guangxi Zhuang Autonomous Region and Yunnan Province. It will be linked via various seaports situated in the South China Sea, Andaman Sea, Bay of Bengal, the Arabian Sea, and the Persian Gulf, and will culminate at the Baltic Sea (Rahman & Shurong, 2017). The SREB, which is the second component under the OBOR, encompasses an array of projects, including overland communication infrastructure comprising rail connections and well-built roads. These corridors include the China-Central Asia-West Asia Economic Corridor, the China-Pakistan Economic Corridor (CPEC), the China-Mongolia-Russia Land Corridor, the China-India-Bangladesh-Myanmar Corridor, the New Eurasian Land Bridge Economic Corridor, and the China-India-China Peninsula Economic Corridor (Hong, 2016).

Strategically, CPEC has important routes, i.e., Central, Western, and Eastern routes from Khagar to Gwadar, in a reversible chain of complex connectivity via roads. It passes from Gilgit-Baltistan (GB) to Khyber Pakhtunkhwa (KPK). The western route of CPEC will enter Baluchistan through



Dera Ismail Khan to Zhob and then traverse through different regions of Pakistan to reach its destination at Gwadar port in the Arabian Sea. The eastern routes enter Punjab province from KPK; they enter through Lahore, Multan, Sukkur, and Baluchistan while crossing different rural and urban areas, whereby all CPEC routes culminate at Gwadar port in the Arabian Sea (Esteban, 2016).

Exploring the Potential Opportunities of CPEC for China and Pakistan

In the context of globalization, regional integration and interdependence have become fundamental pillars of the International Political Economy. Countries recognize the importance of expanding and strengthening their communication channels to meet economic needs and address contemporary shared challenges. In this era, the China Pakistan Economic Corridor (CPEC) serves as a platform for regional integration and interdependence, uplifting the economy, facilitating commerce, trade, business, and technology exchange. By fostering closer ties and cooperation, CPEC contributes to the collective progress and development of the region within the framework of globalization.

In April 2015, an extraordinary moment in the history of Pakistan and China unfolded when Chinese President Xi Jinping and Pakistan's then-Prime Minister Nawaz Sharif inked a momentous economic undertaking named the China-Pakistan Economic Corridor (CPEC). Originally estimated at a value of \$46 billion, the project's worth has witnessed a substantial surge in recent years, surpassing \$65 billion. This agreement represents the most substantial investment ever made in Pakistan, underscoring its profound significance and potential impact on the nation's economic landscape.

The CPEC is a transformative initiative that aims to establish economic corridors connecting various regions, leading to increased prosperity. It serves as a catalyst for attracting investments from both foreign and domestic sources, thereby boosting economic growth in strategically important areas. The project's comprehensive nature stimulates economic development and creates opportunities for geo-strategic zones, fostering increased economic activity and progress.

The China-Pakistan Economic Corridor (CPEC) harbors the prospective to catalyze economic revitalization in Pakistan and facilitate development in western regions of China. This geostrategic corridor holds advantages not solely for Pakistan and China but also for regional advancement, fostering benefits for all neighboring nations involved in this alliance. The collaborative efforts within the corridor have the capacity to foster shared progress and prosperity in the region, extending beyond the immediate participants to positively impact adjacent countries. The advantages of CPEC comprise the enhancement of infrastructure, the establishment of industrial manufacturing facilities, shortened transportation distance leading to decreased communication expenses, improved delivery time for products, and lowered inventory costs. CPEC is a well-thought-out strategy that envisions a multibillion-dollar blueprint, and its timeline extends up to



2030(Perveen,& Khalil, 2015). China plans to connect the CPEC with additional regions such as Afghanistan, Iran, Middle East countries, the Central Asian countries to the west of Pakistan, and India to the east of Pakistan as well Europe and Africa much more closely together through a patch work of diplomacy, free trade zone and new infrastructure setup and technological hub for the regions.

CPEC will empower an oil transportation channel of China and significant reduction in the existing trade through Gwadar deep seaport. CPEC provides a wide range of projects in communication, road network, power sectors, seaport fiber optics, Industrial hub. CPEC alternatively OBOR generates huge intensities of new economic opportunities for Pakistan and connect China to South Asia and will also connect China with Europe and other region. After the competition of CPEC, the key projects in Pakistan under this mega corridor are Gwadar Port, upgrading of Gwadar Airport ,Economic Corridor of Support Force, Gwadar-Nawab shah LNG Terminal and Pipeline Project, Dawood Wind Power Project, Cross Border Fiber Optic Project, Thar Block II 3.8 mt Mining Project, Zonergy 9x1000 MW Solar Project in Punjab, Jhimpir Wind Power Project, Development of Private Hydro Power Projects, Khunjerab Railway, Havelian-Khunjerab Railway Track, Gwadar-Ratodero Motorway,, Karachi to Lahore Motorway, Orange Line, and Joint cotton biotech laboratory (Ullah & Majeed, 2019).

CPEC will overcome the barriers to foreign Direct investment (FDI). It is a game changer project which enable majority of Pakistanis out of poverty and provides millions of employments to boost up economy. So, Pakistan will become a pivot and significant hub of commerce and trade and will provide global platform to attract investors and business experts for investment and commerce from different regions of the world (Muhammad & Jian, 2017). China's largest private bank Industrial and Commercial Bank of China and Habib Bank Limited Pakistan set up economic zones in Punjab and Baluchistan. Government of Pakistan has identified 22 Special Economic Zones, 29 Industrial Zones, 34 Economic Zones, for the investors in different cities, villages, and towns of Pakistan. These economic zones elevate employment and living standard of Pakistani nation.

CPEC will provide shorter trade routes for China to access other regions. China imports 60% of its oil from Middle East countries through the maritime Malacca Straits, which is the longest and most dangerous way for China, but Gwadar port will shorten the distance and be favorable for China because China has so many hostilities with India and the US in the East and South China Sea. The Xingjian-Gwadar routes are the shortest and alternative routes for China to import energy and export its goods and other materials to Africa, Central Asia, and the Middle East (Manzoor & Abid, 2015).

The China-Pakistan Economic Corridor (CPEC) serves as a transformative transportation project, facilitating the movement of global imports and exports between Gwadar and China, as well as connecting China to various destinations worldwide. The port of Gwadar assumes a pivotal role



as a hub within this corridor. Notably, substantial revenue is anticipated from gas and oil, estimated to be around \$1,000,000. A report commissioned by CPEC in 2019 revealed that the initial revenue ranged from \$1.5 billion to \$1.9 billion, and by 2022, it had surged to \$5 billion. The implementation of this mega corridor holds the potential to uplift the economies of both Pakistan and China, fostering growth and prosperity for both nations. CPEC not only provides opportunities for Pakistan and China but is also beneficial for Central Asian States to access sea water to export their natural resources through Gwadar port.

Gilgit-Baltistan (GB) reservation: Internal and External

Strategically, the geography of a country plays a vital role in trade, culture, defense, and economy. According to the map, Gilgit-Baltistan (GB) is a gateway for CPEC in Pakistan; through this gateway, China accesses the Middle East, Europe, and Africa (Safdar, 2015). External challenges like India claims following the partition of the subcontinent, GB is her integral part as the erstwhile part of Jammu and Kashmir State. India has raised her voice on different platforms about CPEC. Gilgit-Baltistan (GB) is a pivotal point for Pakistan to interconnect with China and Central Asia. GB plays a vital role in Pakistan-China relations because it is the connecting point between China and Pakistan. After the implementation of the CPEC agreement, the geopolitics of GB have been more tinted, which connects Rimland with Heartland (Shahid, Sajjad, & Qamar, 2023). In this regard, India had raised its voice on CPEC which is passing through GB, and has made a special wing of RAW to inhibit the CPECS' projects in Pakistan (Umbreen, 2016). Gilgit-Baltistan assembly had rejected the Indian Stance and asserted that people of Gilgit-Baltistan got independence from Dogra Raj (Rule) in 1947 and expressed their attitude in favor of CPEC. It is a golden opportunity for the people of Gilgit-Baltistan (GB) to heighten their destiny after the construction of Karakoram Highway (Ali I. G., 2020).

In the context of internal challenges, the issue of constitutional reforms and the provincial status of Gilgit-Baltistan is a problem for CPEC. The people of GB are not entitled to constitutional privileges; before implementing this mega project, the status of Gilgit-Baltistan is more crucial. The people of Gilgit-Baltistan demand that the fate of the people be decided by the elected representative of GB. In the previous era, all the important decisions regarding CPEC were made by the federal government without providing provincial status (representation of GB in the Senate and National Assembly of Pakistan) (Shigri, 2017). Azad Jamu and Kashmir claims that GB is its integral part, but this claim is rejected by the people of the GB Council and Government by showing historical documents and asserting that although Hunza, Nagar, and other tribal areas are under the suzerainty of Kashmir state, they are not part of Kashmir but are separate states. The local community and local political parties' argument that the government of Pakistan should provide a Kashmir-like setup to GB, especially since the launch of CPEC, The GB demanded that, without representation, we not get all the benefits from CPEC. However, because of the new developments in CPEC, China might pressurize Pakistan to find a political solution for Gilgit-Baltistan, and a potential option is to integrate GB as her fifth province (Wolf, 2016). Prime



Minister Imran Khan made some constitutional reforms for the people of GB, which is a better step for CPEC and a milestone for the Sino-Pak relations.

Baluchistan and Khyber Pakhtunkhwa (KPK)

The concerns raised by the people of Baluchistan regarding the China-Pakistan Economic Corridor (CPEC) are a critical issue that the Government of Pakistan needs to address. Like the reservations expressed by the people of Gilgit-Baltistan, the people of Baluchistan also have apprehensions about the potential consequences of the developmental scheme. One of the major concerns is the fear of becoming a minority in their own province due to the influx of workers from other areas. This apprehension stems from past experiences, such as the transformation of Quetta, the capital of Baluchistan, into a minority-majority city after the arrival of refugees from Afghanistan during the Soviet invasion in 1979. Furthermore, there are alarming reservations about the potential exploitation of Baluchistan's natural resources by China without providing the local population with an adequate and fair share. This issue raises deep concerns regarding the equitable distribution of benefits and the protection of the rights of the indigenous population. Addressing these concerns and ensuring the inclusion and participation of the local communities in the decision-making process and benefits of the CPEC project is crucial. The government must engage in transparent dialogue, establish mechanisms for resource sharing, and provide legal protections to safeguard the rights and interests of the people of Baluchistan (Ali, 2016).

The significance of the massive CPEC projects was brought home to the people of KPK after they were thoroughly examined. Over time, the then-prime minister Nawaz Sharif altered the CPEC's routes, which the people of KPK uniformly opposed since they thought the new routes would mainly help Punjab, the wealthy province. By advocating for the completion of the western roads, which would link KPK with Baluchistan and ultimately arrive at Gwadar port, an economic powerhouse in South Asia, the people of KPK demonstrated their readiness to participate in the China-Pakistan Economic Corridor (CPEC) (Akber, 2016).

Examining the Obstacles Faced by CPEC: Internal and External Perspectives

A tranquil setting is crucial for every project. For any organization or financial forum to operate in any state or region, security must be their top priority. Sadly, there are security threats that Pakistan must deal with from native extremist organizations such as the Baloch Liberation Army (BLA) and Tehreek Taliban Pakistan (TTP). Terrorist and militant groups have targeted Chinese professionals. The Pakistani government has increased funding for security personnel to combat security concerns and keep terrorist and militant organizations in check as they undermine the CPEC initiative. North Korean militants and the East Turkestan Islamic Movement pose a threat to security in West China's Xingjian Province. Together with the native terrorist organizations TTP and BLP, these militant groups have long taken up residence in Pakistani tribal areas. The Pakistani Army, under the command of Army Chief Raheel Shareef, carried out Operation Zarb-e-Azb with the goal of weakening terrorist and militant offshoots (Sial, 2014).



In addition to the internal challenges, CPEC confronts some external challenges, which pose a threat to CPEC. The biggest and greatest challenge is the existing proxy war with India. Chinese design of different projects in the Indian Ocean is yet another obstacle in Sino-Indian geopolitics. To encounter Sino-Pak relations, the corridor “Chahbahar Port” is another strategic grand design of India with Afghanistan and Iran. A special wing of Indian RAW has a network in Baluchistan to interrupt and sabotage the CPEC project in Pakistan (Umbreen, 2016). Indian subversion activities in Baluchistan, along with Afghan NDS activities, sabotage the peaceful environment of Baluchistan. Kulbhushan Yadav, an Indian Naval officer, was caught in Pakistan. His aim was to jeopardize the CPEC. An example from the naval history of Pakistan is the Indian nuclear power submarine HDW type 209 diesel-electric, which entered Pakistani waters and crossed the Exclusive Economic Zone (EEZ) in the Arabian Sea on November 18, 2018 (Issue, 2016). Another claim which was made by Indian is on the Territory of Gilgit-Baltistan (GB). India claims that GB is its own territory and CPEC violates its territorial integrity. Kashmir issue is the root cause of conflict between India and Pakistan any sort of escalation over Kashmir issue will potentially defect the CPEC. National Security Advisor of Pakistan asserted that India could join CPEC only at the condition of resolving Kashmir Conflict.

India pursued a Chahbahar agreement, establishing a partnership with the Baluchistan province of Iran through the Chahbahar Port. This move was largely seen as a measure to counter China's expansion in regions such as Gwadar. In May 2016, India, Iran, and Afghanistan signed a trilateral treaty, with India committing a substantial investment of US\$500 million. The objective behind this agreement is to develop Chahbahar Port into a thriving economic, trade, and industrial center in the Middle East, providing access to landlocked countries like Afghanistan and Central Asia.

Interestingly, the growing economic cooperation between India and China, particularly through initiatives like the Bangladesh-China-Myanmar Economic Corridor (BCIM-EC), could potentially contribute to fostering a peaceful Indo-Pak relationship and pave the way for collaboration with the China-Pakistan Economic Corridor (CPEC). This could serve as a roadmap for enhancing regional connectivity and cooperation between India and Pakistan. The mini-corridor between India-occupied Kashmir and India-occupied Kargil will interlink Pakistan-occupied Kashmir and the Baltistan region of Pakistan. In conclusion, the small projects could connect CPEC and BCIM-EC and create a peaceful environment between China, India, and Pakistan for trade and commerce. Beside this, Afghanistan also shows her interest to join this mega project, because this project will provide opportunities for Afghanistan in different regions for trade and stabilizing its position in the region as her priority (Singh Roy, 2017). Initially, CPEC faced stark resistance from Iran because of the Chahbahar Port with India, but in September 2015, Iran also showed her willingness to participate in CPEC, and the good fortune is that as a part of CPEC, Iran gets benefits from the Sino-Pak Liquid Natural Gas Terminal at Gwadar, which is at 80 km from Iran. And Gwadar port will be constructed within a decade, which will be the best option for the Iran-Pakistan Gas Pipeline, which is going to run from Aaliyah in Iran to Gwadar. Indeed, the trilateral relations



between Pakistan, China, and Iran in the region are witnessing positive developments, which bodes well for the China-Pakistan Economic Corridor (CPEC). The project itself serves as a significant boost for the CPEC, as it enhances inter-regional trade and cooperation. The improved ties between the three countries contribute to a favorable environment for the successful implementation and operation of the CPEC, promising substantial benefits in terms of trade facilitation and economic growth within the region. The increasing regional integration and collaboration further strengthen the potential of the CPEC to deliver significant advantages for all participating nations involved.

Grand Strategy of China and International Politics

The Grand Strategy of China under the reign of Xi Jinping consists of three main elements. 1. Constantly comforting others about the benevolent intentions of a rising China; 2. Reformation in the existing international order; and 3. Determinedly fighting obstacles to the country's core interests, which are mentioned in the aims and objectives of the communist party (Goldstein, 2020). The grand strategy for the Belt and Road Initiative (BRI) in South Asia is to make Pakistan a gateway through CPEC, transforming the center of economic interest from west to east. China is a rising power in Asia through its long-term strategy, i.e., BRI (Md Nazmul & Esra Eymen Cansu, 2020). The unique natural resources, geography, and strategic location have compelled global power into Asia, and the US has keen interest in the strategic point of view and economic strategy. In the present decades, China's rise in Asia through different developmental projects is an alarming existential menace to US hegemony in world politics. Many realists, Glasser (2010), have expressed their pessimistic views about the rise of China, which is a threat to global security, and the United States will try to overpower China in a new real Cold War. As American military activities both in the South China Sea and the Taiwan Strait are becoming more belligerent against China and its allies and partners than before, China has alarmingly raised her concerns over a period and considers the South China Sea, Twain, as its integral part, as her backyard, and outwardly challenges America's interest in the region. On the other hand, the liberal school of thought, Friedman (1999), asserted that China provides an opportunity for internal peace and economic cooperation. Globalization as a new international system replaces the Cold War and opens a new forum of economies in various countries, and China enjoys the benefits of globalization by taking a more active role in international economic regimes. However, different analysts have different viewpoints on the grand strategy and rise of China. As international scholars, we should critically analyze politics in a rational way by comparing different parameters of contemporary political turmoil.

Conclusion and Recommendations

The China-Pakistan Economic Corridor (CPEC) is a multidimensional economic corridor that is not only beneficial for Sino-Pak but also integrates other regions of the globe. The success of this mega project will drastically overcome the energy crises and economic problems in Pakistan by establishing different projects in distinct parts of the country. And it will further enhance Pakistan's



geographical importance in world politics. The geopolitics of Pakistan are a gateway for China, connecting South Asia, the landlocked Central Asian Republic, and southwest Asia. It will provide an opportunity for China with an alternate short and secure trade route to import energy and export its goods and open a new market for international investors'. CPEC under One Belt and One Road (OBOR) can serve as a bridge to link up the whole region of Asia to make the 21st century the much-hyped Asian Century.

Moreover, the mega project, CPEC, will not only effect economic and trade development but will also be helpful for cooperation and peace between rival countries like Indo-Pak, and sustainable peace will prevail in the region. Its multilateral strategy is through which Pakistan will realize its real strategic and economic potential and strive to link China's multilateralism with regional integration based on liberal connectivity values. CPEC will not only provide economic benefits but will also contribute to all fields, like foreign direct investment (FDI). Regional integration will attract FDI for the common cause of development in the region, and the regional states need to realize the competitiveness of the global market, which can be overcome via regional integration. CPEC is a strategic corridor linking the Eurasian region, South Asia, the Middle East, Africa, and Southeast Asia.

Besides tremendous opportunities under the project, CPEC also faces some internal and external multifarious challenges in the operationalization of the project. Internal challenges like the province, Khyber Pakhtunkhwa, Baluchistan, and Gilgit Baltistan have some reservations regarding CPEC. The external challenges are that there are some competing powers in the region that try to impede the CPEC. The project heads on threats from India, Iran, Afghanistan, and the United States of America. On many occasions, both Pakistan and China invite the competing powers to participate in the project. Many of them have shown their interest in an active role in the CPEC. China also emphasizes Pakistan's need to resolve its internal matters, which are obstacles for the corridor, and Pakistan is trying to solve the problem by considering their reservations and demands.

Afghanistan possesses immense importance because of its geography and geostrategic calculus for China and Pakistan. So, we recommend for both Pakistan and China to play their role in bringing peace and stability in Afghanistan. It can be by inviting them in multilateral economical and developmental project like in CPE and an open market for free trade.

Tension between India and Pakistan can also defect the CPEC, so we recommend China plays her active role to alter their enmity into friendship through CPEC project and open a trade zone between India, Pakistan, and China. India and Pakistan should open Borders in both Kashmir and Kargil for mutual understanding and trade by neglecting their pre-British disputes.

The Chabahar Port between India, Afghanistan and Iran is an obstacles for CPEC, but we recommend that if China helps to solve the tension between India and Pakistan through its grand



strategy then automatically Iran will also play significant role to interconnect Chabahar Port into Gawadar Port and it will not only benefit the competing powers in the region but also beneficial for the European, African and Middle Eastern as well. The Iran-Pakistan gas pipeline will also complete through CPEC project by trilateral treaty between Pakistan-Iran and China.

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