

## CHINA PAKISTAN ECONOMIC CORRIDOR: AN INSIGHT INTO SECURITY PERSPECTIVE

Khadija Younus\*  
Tahir Jamil†

### ABSTRACT

*China Pakistan Economic Corridor is steeped in the grand strategy of creating co-prosperous regions in its neighbourhood with the Silk Road Economic Belt and Maritime Silk Road while providing China with non-Malacca access to the Indian Ocean for its uninterrupted energy trade with Middle East, Europe and Africa. The paper elucidates an overview of CPEC and its catalyst significance for BRI while enlisting the benefits it entails for satisfying China and Pakistan's economic aspirations. Besides insight into security perspective, paper also puts light on hurdles and roadblocks Pakistan sees on political, diplomatic, economic and security fronts especially from the anti-CPEC forces under foreign patronage playing out on the regional terrorism landscape in and around Pakistan. The study is a qualitative one as the methodology pertains to examining the existing literature on the subject. Consequent analysis of CPEC would aid to highlight prime dimensions needed to be prioritized for successful accomplishment of CPEC important for Pakistan's development and growth.*

**Keywords:** *Security perspective, Socio-economic development, Regional integration*

### INTRODUCTION

China-Pakistan bilateral relations have had a great leap forward when the two agreed to a landmark project linking China's Kashghar to Pakistan's port Gwadar through a network of roads, railways,

---

\*Ph.D. Scholar, Area Study Centre, Quaid-i-Azam University, Islamabad. Email: khadijayounus@asc.qau.edu.pk (Corresponding Author).

†Assistant Professor, Quaid-i-Azam University, Islamabad, Email: tjamil@qau.edu.pk

energy and infrastructure projects under CPEC in 2013. The project is well-thought out and conceptualized to have significant geopolitical and geo-economic advantages for Southwest Asian states and Pakistan. This transnational project aims at boosting infrastructure development, accelerating socio-economic growth through regional connectivity and integration underscores China's multilateral strategy that will also help Pakistan in realizing its true potential in economic and strategic domains. Rooted in win-win cooperation for both countries the project helps China to make progress on its geopolitical goals immediately while Pakistan gets economic and development opportunities to heal the scars of past wars, establish peace within its ruptured self gradually and evolve into a harbinger of peace, regional connectivity and trade and connectivity for development and prosperity in the region and beyond.

CPEC has improved Pakistan's global status significantly. Previously ranked as 'the most dangerous country in 2007 (Blair, 2007) Pakistan came to be seen as the next Asian Tiger after South Korea, Singapore, Taiwan and Hong Kong in 2015 and soon to be an 'emerging market' in 2017 (Malik, 2017). Such encouraging forecast was made by Bloomberg's financial expert Tyler Cowen who picked Pakistan as the most underrated economy of the world that had given a 'pleasant surprise' contrary to its earlier reputation marred by negative perception vis-à-vis its growth and economy (Neo, 2017).

India opposes CPEC as it fears that Pakistan would translate its newly acquired economic gains into military muscles and may obstruct its rise as a global power (Dawn, 2015). Thus, India has raised the disputed status of Gilgit Baltistan region where Pakistan's section of the CPEC starts. Furthermore, India thinks that its security interests face a setback in the midst of increased Chinese stakes in Pakistan multiplying its threat perception manifold. Besides, China-Pakistan strategic economic partnership accentuates the prevailing geo-strategic environment characterized by the US-china strategic competition (Schwemlein, 2019).

The strategic realignment in South Asia – China-Pakistan on one hand and US-India on the other has further complicated the geopolitical environment. Though some analysts view these alignments as keeping balance of power in South Asia. Indian hostility to CPEC finds expression in leveraging violent and extremist outfits such as Baloch Republican Army, Tehrik-i-Taliban Pakistan etc., who are also keen for Indian patronage to achieve their goals by presenting a united front against their common enemy –Pakistan. Such nexus poses considerable dangers to Pakistan’s security gets further complicated by the interplay of internal dynamics such as political instability and dwindling economic indicators causing grievances in the marginalized sections of society.

This paper attempts to underline the strategic importance of CPEC for China and Pakistan and the security landscape challenged by anti-CPEC forces creating political, economic and security challenges. It also sheds light on power/ security competition laying out on the regional terrorism landscape as militant and extremist outfits are seeking convergence with some state/ non-state actors to challenge CPEC especially in Balochistan. While concluding the research underpins CPEC being a game changer for both Pakistan as well China and its successful implementation would ensure far-reaching economic and connectivity benefits not only for the two states but for South Asian region and beyond. The project is regarded as ‘Game Changer’ meaning ‘an event, idea, or procedure that affects a significant shift in the current way of doing or thinking about something. It is imperative to analyse CPEC as one of mega development models that have contributed in eradicating poverty in China with last two decades.

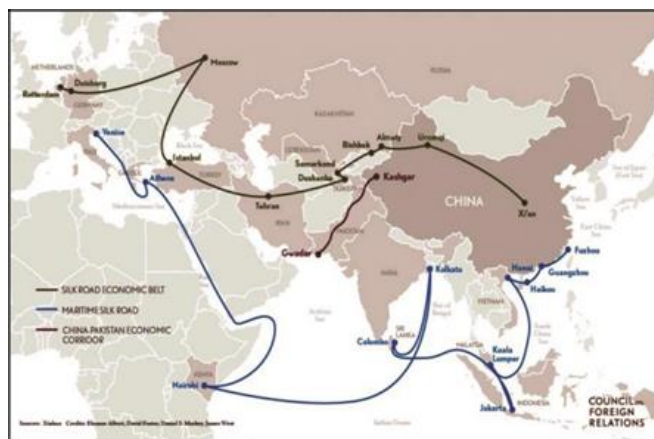
## **CPEC – AN OVERVIEW**

The People’s Republic of China (PRC) has achieved economic growth in a short time (Zeng, 2010) witnessing a progress with per capita income of \$ 300 to the second largest economy (Sharma, 2012). To acknowledging China’s economic model combining an efficient

market structure with that of an active and functioning government provided the right stimulus for accelerating economic growth and reducing poverty. This equilibrium between invisible hand of the market and visible hand of the government helped shareholders in improving infrastructure and employment opportunities and also ensured fair distribution of growth dividends among those who could not involve with the market forces (Sharma, 2012).

President Xi Jinping launched one of the most ambitious infrastructure construction project, BRI in 2013 involving \$ 3 trillion investment over a period of the next 30 years in almost 60 countries that encompasses 60% of world population and accounts for 30 % of global GDP (Tang, Li, Li, & Chen, 2017).

**Figure-1:** BRI with its Silk Rode Economic Belt and Maritime Silk Road



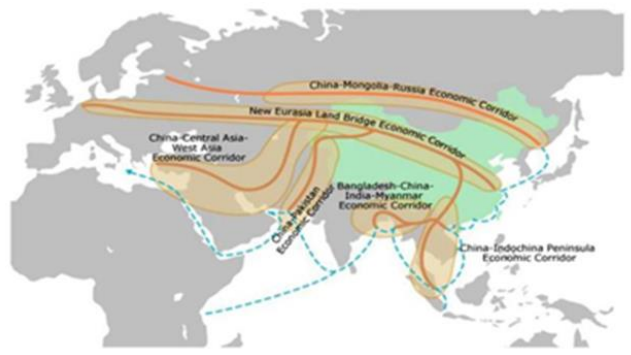
Source: Council on Foreign Relations

BRI comprises six corridors and CPEC being its flagship corridor. Indeed, BRI is an altruistic project for maintaining and strengthening China's comparative edge in international trade by exploring new markets for its goods. It would ensure alternate energy and trade routes for China and open up new avenues of investment in emerging markets by Chinese enterprises. If partner countries are able to derive maximum advantage through connectivity provided by BRI, it would

end up being a win-win-situation for all parties.

President Xi during his visit to Pakistan in 2013 established a ‘One Plus Four’ cooperation mode included CPEC as the core project along with cooperation on four priority fronts such as energy transport, infrastructure, Gwadar and industry that was accompanied by signing of 51 MOUs for different projects worth \$ 46 Billion under the bilateral project. Such level of mega investment in Pakistan at that time drew world’s attention to Pakistan and they started talking about the country’s investment potential contrary to the pre-CPEC Pakistan which was considered a dangerous state with dismal Foreign Direct Investment (FDI).

**Figure-2:** BRI: Six Economic Corridors (Asia, Europe and Africa)



Source: Mercator Institute for China Studies

CPEC has a distinct standing due to its placement between the 21<sup>st</sup> Century Maritime Silk Road and Silk Road Economic Belt – the land & sea components of BRI. The corridor spans over 3,218 kilometres from Pakistan’s Gwadar port to Kashgar in the Xinjiang autonomous region of China connecting it to the rest of the world. The actual cost allocated for CPEC is US \$ 75 billion out of that US\$ 45 billion have guaranteed projects operational status by 2020. While the remaining investment is to be allocated to energy generation and infrastructure development (Singh & Margay 2017). Under the project as much as \$ 55 billion investments are made in power plants, energy, deep sea port Gwadar, high speed railways, urban mass transit system and

infrastructure in Pakistan (Jamal, 2018). Following figure shows CPEC route:

**Figure-3:** China-Pakistan Economic Corridor



Source: Mercator Institute for China Studies

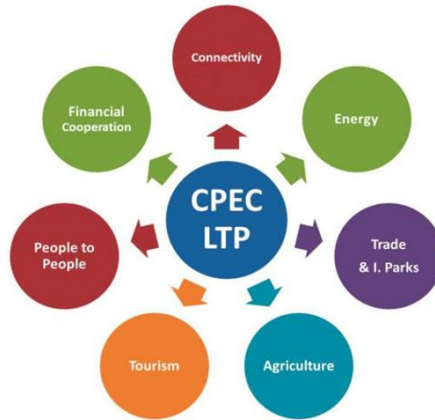
CPEC being a long term plan (2013-2020) is designed to be carried out in different phases as shown in the following chart.



Phases of Development under CPEC- Long Term plan (LTP)

CPEC takes China-Pakistan bilateral relationship to new heights and is the beginning of a journey that hinges on transforming Pakistan's economy on sustainable trajectory and bridging energy shortfall. The lion's share of CPEC investment is allocated to overcome Pakistan's chronic energy shortage. Build-own –operate model is followed for most of the energy projects. Chinese investors have entered Pakistan's energy market as independent power providers with encouraging interest rates on their investments. In addition, establishment of Special Economic Zones (SEZs), creation of 29 industrial parks and 21 mineral zones while most notable among these is Gwadar SEZ that would host units of food processing, agriculture, energy and livestock (Jamal, 2018). CPEC investments are being made in the following areas:

**Figure-4:** CPEC LTP Investment Sectors



A study conducted by a recent research has correlated CPEC early harvest, medium term and long-term projects with that of the United Nations 'Sustainable Development Goals (SDGs). Pakistan is committed to both the SDGs and CPEC till 2030, thus, both complement socioeconomic uplift of people of Pakistan (Muhammad, Samin, Gulzar, & Hwang, 2019).

**Figure-5:** CPEC Projects and expected Socio Economic Impacts

Timeframe; Projects/Activities	Geographical Socio-Economic Conditions and CPEC Interaction	Direct local impact Outcomes	SDGs Attainment
<b>1. Early Harvest</b> Roads, Railways, Fiber optics Energy/Power plants, Gwadar Port etc.		Improved Access Transportation, Communication, Trade/Businesses, Jobs/Income, Environmental degradation Climate change Development partnerships	Goals 1,2,7,8,9,101 1,13,14,1517
<b>2. Medium Term</b> Gwadar Port City, Gas Pipelines, Infrastructure, SEZs Development and Industrial cooperation and Relocation, Energy etc.		Transportation, Communication, Trade, Industries, jobs/income, Education, Health & Well being Environmental degradation Climate change Development partnerships	Goals 1,2,3,4,5,6,7, 8,9,10,11, 13,14,15,17
<b>3. Long Term</b> Institutional strengthening Broader socio-economic development Strengthen cooperation		Employment, Education, Health and Living standards, Income and gender equality, Reduced Poverty Strengthened institutions Improved environment	Goals 1,2,3,4,5,6,7, 8,9,10,11,12, 13,14,1516,1 7

Another noteworthy feature of CPEC is the expansion of Karakoram Highway (KKH) being the only feasible land route between Pakistan and Kashgar (China) is one of the most critical project of CPEC that

guarantees huge upsurge in trade after its completion (S, 2016). The project presents a balanced synergy of economic, social and environment considerations in its execution (Muhammad, Samin, Gulzar, & Hwang, 2019).

### **CPEC and Gwadar port**

Balochistan's geo-strategic importance for being situated at the crossroads of Middle East, Central Asia, South Asia and opposite to international energy choke point the Strait of Hormuz (Achakzai, 2022). Gwadar port is the pinnacle project of CPEC and promises vast business and trade prospects. It enables China to have uninterrupted flow of energy and oil supplies by averting the 'Malacca dilemma' (Mudunuri, 2020). CPEC is China's best example of principle of policy diversification empowering to diversify its trade routes in its journey to transform into a global power. Gwadar port will cause significant reduction of transit for China's energy supplies from Africa and Middle East, shortening 12000 kilometres from Malacca Strait to 3000 kilometres via CPEC while boosting its geostrategic leverage in the Pacific and Indian Ocean regions. Some analysts opine that Gwadar port may serve as China's Asian Djibouti just as Djibouti enhances China's influence in the Red Sea, Gwadar would serve the same purpose in the Indian Ocean (Collins & Erickson, 2015). CPEC endows China with the status of both as a sea and a land power (Kalpan, 2010) while Gwadar lets the country protect its trade cargos in the Strait of Hormuz. Gwadar and Djibouti are the two wings of the Chinese dragon in its flight for global influence and power.

### **CPEC CRITICISM**

#### **Creditor's Imperialism**

Adam Smith while underlining the philosophy of Imperialism says it hinges on restraining a country's import while encouraging exports to becoming prosperous, was the philosophy of East India Company (EIC); 'all for ourselves and nothing for other people exploitation and accumulation of money excluding the local considerations was the

hallmark of EIC. Detractors of CPEC also view it through the EIC prism. However, fear mongers must analyse the following dimensions peeping into China's history and economic philosophy.

- First, China is world's one of the oldest civilizations and for almost 3000 years it had no history of occupying another country's territory- quite opposite to all global imperial powers who practised opposite.
- Second, China's economic development strategy focuses on joint economic progress opposite to EIC mercantilism.
- Third, Global Communication Theories also offer a glance at CPEC that views it not through Mercantile Colonialism (1600-1950) (Matthew, 2012) that sought to seize foreign soil and toil via sea- borne expeditions for capturing foreign territory & cheap labour. Electronic Colonialism (1950-Present) (Eijaz, & Ahmad, 2011) as of current phenomena targets to capture ears, eyes and minds of people via internet or social media (air waves) thereby broadening the 'Empire of the Mind.' President Xi Jinping has thus, while capturing the spirit of the times came up with a road-map for internet and digital economy in his remarks at the 25<sup>th</sup>APEC Economic Leaders Meeting in 2017 (China Daily, 2017).
- Fourth, CPEC being a gateway to BRI that ensures the success of the grand project itself should not be swayed by the thoughts of Mercantile Colonialism.
- Fifth, Global economic environment and globalization depend on either domination or cooperation patterns. China has off and on emphasized that CPEC is a way to promote new paradigm in international economic environs based on regional cooperation and regional development based on win-win cooperation and CPEC should be viewed within this paradigm.

### **Changing Foreign policy Dynamics**

China has always been focusing on stability of its political economy

being a major source to project its positive image globally and this has been the strategy for overriding the unipolar system after the end of the Cold War era (Qadri & Qadri, 2016). Pakistan has never missed the strategic calculations of global powers for more almost half of a century due to its position on the world map juxtaposed to India, Afghanistan and Iran thereby granting a paramount geo-strategic location in South Asia. China is no exception hence besides acknowledging Pakistan's geostrategic significance it also shares 523 km long border with Pakistan too. Following dynamics of China-Pakistan bilateral relations are apt to mention:

- First, despite Pakistan's participation in SEATO and CENTO in 1950s, its frontline role in Soviet-Afghan war and non-NATO ally status in the post 9/11 War on Terror together with on-again and off-again relations with the US accompanied by economic-democracy& nuclear weapons-related sanctions have forced Pakistan to be dependent in political, economic and military domains on China (Ali, 2015). Pakistan's foreign policy requires creativeness vis-à-vis relations with US and China in view of CPEC and BRI. China views aggravating its social and political disorder due to the US military presence in South Asia (Qaddos, 2015). Furthermore, it accuses Pakistan and Afghanistan for the creation of Taliban that has led to terrorism in her Xinjiang province (Qaddos, 2015). Hence, Pakistan keeps the 'Omnidirectional foreign policy' with regards to China avoiding insolvency (bankruptcy, collapse) issues of foreign debts for its infrastructure developments.
- Second, India has termed CPEC 'unacceptable as the project is going through Azad Jammu and Kashmir by invoking the disputed nature of territories in Gilgit-Baltistan and facilitate Chinese access to imports as well export to South Asia, Middle East, Europe and Africa. It is fearful of increase in Chinese exports via 'Bangladesh-China-India-Myanmar (BCIM) Corridor as well (Iyer, 2017). So India extends her concerns to the India-Pakistan

territorial disputes in Kashmir and Gilgit Baltistan despite CPEC being a bilateral project (Jiang, 2015).

- Third, Indian Intelligence Agency RAW-sponsored terrorism is another security concern for CPEC. As per Chinese intelligence agencies, plans to sabotage CPEC by RAW in collaboration with other agencies is underway (Express Tribune, 2015). Arrest of RAW's agent Kalbushan Yadav in 2016 from Balochistan has confirmed Indian spying activities in erstwhile FATA, Karachi and Balochistan (Haider, 2016). India is perpetrating terrorist acts in Pakistan confirmed on a number of occasions includes threats of attacks on Karakoram Highway's CPEC projects of bridges. Pakistan's current terrorism ranking according to the Global Terrorism Index is 7.83 reduced from 9.05 in 2012 (Pakistan Global Terrorism Index). Though significantly improved, for an effective response to any future terrorism targeting CPEC Pakistan has raised up a Special Security Division (SSD) for the security of the projects and the individuals working on/ for the project (Tarar, 2017). Fourth, CPEC does have implications for maritime politics in the Indian Ocean Region and the Arabian Sea in South Asia. Sea power has had special emphasis in the realpolitik throughout history holding central position at the powers' geopolitical and geo-strategic calculations. China's BRI with its Maritime Silk Road and the construct of state of the art port at Gwadar in Balochistan is to trigger a race for maritime politics. Given such developments, India is pursuing 'Necklace of Diamonds' strategy (counter encirclement of China) (Javaid, 2020) in response to latter's 'String of Pearls' strategy (focuses on increasing China's economic, military, diplomatic and political clout in the Indian Ocean Region (IOR) (Rashid, 2020). China's 'String of Pearls' is probably derived from a hypothesis proposed in the early 2000s by the US researchers in response to Chinese investment in ports along the Indian Ocean littoral and was named the 'String of Pearls' theory arguing that China might be planning to develop overseas naval bases in South Asia to support extended naval deployments (Marantidou, 2014). Thus, China-India oceanic

competition for bases in IOR would ultimately drag Pakistan into the geopolitics of the region. Hence any protracted clash between India-Pakistan will never leave the contesting connections between the US and China (Attiq-ur-Rehman, 2018). Meanwhile, Pakistan's maritime administration will be boosted by Gwadar Port's development under CPEC encompassing ship-recycling, aqua culture and maritime research units would contribute to enabling Pakistan a blue economy comprising 990 Kilometres of cost-line and 290,000 Square Kilometres of extended special economic zone that is rich in aqua resources.

- Fifth, China's fiscal stakes in Afghanistan are noteworthy; its development assistance has been recorded at \$ 240 million from 2001 to 2013 and \$ 240 million alone in 2014 (Jennings, 2018). In addition, a number of bilateral agreements are concluded on technical cooperation, Chinese FDI in mining projects in Afghanistan like Aynak Copper Mine Project and Amu Darya Oil River projects (Jennings, 2018). Afghanistan has shown interest in becoming part of CPEC (Bilal, 2017). China's interest in Afghanistan is out of its security concerns related to Uighur militants' presence in its Badakhsan Province. Hence peace and stability in Afghanistan is imperative for its own security and the investments in Pakistan (Dawn, 2017). Connectivity within Afghanistan's domestic road network and CPEC would open Afghanistan to the world linking it to the fastest and economically viable trade across multiple regions in Asia by road, rail and maritime connections (Saudan & Ahmad, 2018). Thus, trilateral economic cooperation via CPEC would be a major stabilizing factor for the region.

### **Economic Implications**

Following considerations may well be noted:

- Fragility of Pakistan's economy may not proportionate with China's fast-paced development (Husain, 2018). The economic culture of local businesses, foreign investors and cartels' influence

in stirring tax cut reforms, tax exemptions and tax amnesty schemes (Faisal, 2018) are major irritants in having a healthy and vibrant economic environment for execution of CPEC in Pakistan.

- CPEC investments are made in multiple modes such as i) IPP (75 pc by Chinese companies & banks; Government to Government loans and Grants; and Private Direct Investment.
- Loans taken from China may have harsh repercussions for Pakistan. Sri Lanka's case needs to narrow one's eyes at Chinese loan to Sri Lanka of \$15 billion from 2005 to 2017 for infrastructure projects like power plant and Colombo port. In view of its incapacity to pay back loans, Sri Lankan government handed over Hambantota port to Chinese on a lease of 99 years when it failed to pay off its debt obligations (Lim & Mukherjee, 2018).
- CPEC is as much the need of China as that of Pakistan. The tendency of considering it a gift must be discouraged. To harness the true potential of CPEC, Pakistan may set up an FDI Advisory Board promoting the idea of investment into CPEC by other countries thereby improving country's image as connectivity and transit trade hub (Yu, 2018).

### **Security Implications**

CPEC projects have become target of terrorists and insurgents' acts as it has fallen short on providing equal development across Pakistan and addressing socio-economic disparities. Partly such problem is magnified by certain CPEC routes which should have been developed earlier than others. More grievances were caused when the Federal Government preferred the eastern route passing via Punjab to others designed for Balochistan and Khyber Pakhtunkhwa. Grievances of Balochistan have a history of exploitation of its resources by the Centre and power elites in the province have also led to underdevelopment and poor socio-economic conditions. However, the recent wave of terrorism and militant attacks is rallied against massive development projects undertaken under CPEC in Gwader excluding the local population. Attack on January 25, 2022 on a check

post and killing of 10 paramilitary troops while wounding three was followed by back to back attacks on Frontier Corp camps in Noshki and Panjgur districts- claimed by Balochistan Liberation Army. It is no surprise that executing such attacks are not easy and without getting a hand from inside in this case from Pakistani Taliban (Sinha, 2022). Such attacks sends a negative picture about country's security situation in the world and most importantly growing ties among various terrorist and extremist factions cast clouds over Pakistan's capability to secure the country safe for steady implementation of CPEC. Following areas pose significant security concerns for CPEC:

### ***Gilgit Baltistan***

Gilgit-Baltistan demands greater share in CPEC and this region's status is disputed by India as she claims her right over it being part of Jammu and Kashmir. Pakistan demands that Kashmir being a disputed territory is to be resolved as per United Nations Security Council Resolutions thereby people of Jammu and Kashmir could decide their future by plebiscite. Pakistan has got China supporting its stance on this issue thus, it wants that peace and security be maintained in areas of Gilgit Baltistan that are under Pakistan's control. China certainly does not welcome the view point that CPEC is being built in a disputed territory. After the initiation of CPEC, India has invoked the disputed nature of territory in Gilgit Baltistan region from where the Pakistani section of CPEC starts. India considers CPEC being a serious threat to Indian security interests. It fears that increased Chinese economic engagements will not only internationalize Kashmir dispute but will increase its sphere of influence, leverage and economic activity also. Indian strategic community is also apprehensive that CPEC initiative may challenge New Delhi's role as net security provider to the Indian Ocean Island states (Geo News, 2015).

### ***Tehrik-e-Taliban Pakistan (TTP)***

Post US exit from Afghanistan, it was hoped that Tehrik-e-Taliban (TTP) would not get room for militant activities within and beyond

Afghanistan. However, the group has reenergized its strength and is back with attacks on Pakistani military posts and on to Chinese personnel in Pakistan. The Taliban government in Afghanistan is certainly a boosting factor for TTP evidenced by Taliban's release of many TTP leaders from Afghan prisons after assuming power in August 2021 in Afghanistan. TTP seems to idealize Afghan Taliban and admire their way of insurgency that begged them government in Afghanistan and also consider themselves as their offshoot. Against this backdrop, Pakistan is not sure that the increasingly nationalistic Afghan Taliban will cooperate in case it needs to take action against TTP for perpetrating terrorist acts inside Pakistan.

With almost a year into power, Taliban's Afghanistan is turning into a launching pad for foreign and domestic fighters that in turn has added to security concerns of China. As per a recent United National Security Council (UNSC) report saying 'there are no recent signs that the Taliban has taken steps to limit the activities of foreign terrorist fighters in the country...rather terrorist groups enjoy greater freedom there than at any time in recent history' (Lederer, 2022).

The Taliban were smart enough to address Chinese concerns after they assumed power in Afghanistan with the thinking that China is their best shot for getting international legitimacy and funding. They placed operational restrictions and relocated the Uyghur Islamist group of the Turkestan Islamic Part (TIP) from its traditional stronghold Badakhshan that borders China. However, such steps satisfying Chinese concerns remain questionable as some UN member countries complain about TIP's collaboration with Al-Qaeda and Pakistani Taliban. Islamic State Khorasan (ISK) in Afghanistan has also strengthened itself voicing its concern over China's stringent policies against Uyghur Muslims in Xinjinag and call out on the Taliban for deepening their relationship with China. Given Taliban's weak control over governance and law and order leading to economic and humanitarian crisis provide fertile ground to ISK's attempts at targeting China. Consequently, China's attempts at distancing from Afghanistan would cost the Taliban not only legitimacy but its most

powerful partners too. The situation would become alarming for China if perturbed TIP militants join ISK should Taliban–China commit to strengthen their relations (Sinha, 2022).

### ***US-China Strategic Competition***

The strategic competition between the US and China has far-reaching impacts on Indo-Pacific and South Asia having geopolitical, geostrategic and geo-economic consequences. The US Pivot to Asia and later the Indo-Pacific vision pose considerable challenges to Asia's leading power China. The US' focus on hard military approach is in contrast with China's economic approach in the game of global influence. The US' over-emphasis on hard military approach has serious implications for South Asian strategic stability especially between India and Pakistan that are now pursuing their interests in opposite poles of US and China. Experts are voicing the emergence of a renewed Cold War leading to systemic decoupling in economic, industrial, technological and political domains ensuing race for world supremacy with competing rules & ideologies and alliance-making being the distinct features of current international system (Tchakarova, 2021). And every state whether big or small has to choose from the two very different set of choices each carrying its own rules, ideologies, norms and systems. The US is striving to preserve its global institutional structures while China on the road, is establishing its own set of institution leading the world to a fragmented/de-globalized system (Tchakarova, 2021). Amidst this competition South Asia is facing a security dilemma that comprises Indo-Pak rivalry at Kashmir issue; US-India strategic partnership and consequent Indian bolstering to counter China; US-India partnership & US-China rivalry whereas Pakistan–China strategic partnership via CPEC while Pakistan–India rivalry make up the complex security matrix (Younus, 2020).

### ***Balochistan Woes***

The most compelling threat to CPEC is growing terrorism in Pakistan (Small, 2015). Though some view such perspective as a conspiracy to

discourage China from investing in the country. However, the ground reality corroborates the fact as timings of certain terrorist incidents presents a stark reminder. One may recall the BRI Forum for International Cooperation held in May 2017 when just one day prior to the moot Balochistan witnessed two terrorist attacks claimed by ISIS and Bloch nationalist militants respectively. Many view these terror acts as well-timed and Indian sponsored to malign Pakistan at the international. Pakistan being a multi-lingual and multi-ethnic polity faces ideological terrorism too rooted in misinterpretation of Islam and in ethno-nationalism. CPEC has added complexity to the country's threat landscape with an added layer of proxyism that further accentuates the socio-economic disparity, ideological and ethno-nationalist sentiments being driving factors behind CPEC-related terrorism. Balochistan security issues may get further complicated when the danger of growing ISIS footprint increases also taking support from various domestic militants. However, such threats have met a befitting response by Pakistani law enforcement forces. Also, convergence of objectives among various militant groups with ISIS is a distant dream as each side accuses the other of being American or Pakistani agents. Hence, ISIS has so far been unsuccessful in uniting individuals belonging to multiple ethnicities and nationalities turning them into a detrimental force in Balochistan. Furthermore, the province besides suffering from security and instability issues has genuine grievances related to socio-economic development. Likewise, bridging the trust gap between the people and of other stakeholders of the country will solve many problems (Siddique, & Achakzai, 2022). Political solution along with military ought to be on the table while dealing with issues in Balochistan. There have been instances where the insurgents in Balochistan lay down their arms and pledged allegiance to Pakistan. However, these events are dwarfed by the bigger scheme of affairs that is taking place in and around Balochistan. The need is to bridge the trust gap between different Baloch nationalist groups like Balochistan Liberation Army (BLA), Lashkar-e-Balochistan (LB) and Balochistan Liberation Front (BLF) and Pakistan's political and military

establishment to dispel this impression that CPEC is an effort to control and monopolies Balochistan's natural resources or viewing China as an occupying force depriving Bloch people of their natural wealth (Siddique, & Achakzai, 2022).

### **CPEC – Discourse Analysis**

It has been voiced that CPEC is not meant to deliver socio-economic development dividends among country's various provinces equally (PTI, *The Road to Naya Pakistan*, 2018). Although CPEC is branded as an economic development project yet its projects guarantee solid retunes on Chinese investments indicating these projects are located in more economically functional and viable parts of Pakistan (Small, 2015). China has happened to be Pakistan's first call helping it out of its economic desperation when the country was suffering at the hands of shaky economy that was heavily bruised by terrorism raging across the country in 2013 – a situation potentially enabled China to increase its footprint in Pakistan (Small, 2015). Another perception is that CPEC agreements made by former Prime Minister Nawaz Sharif's government had given away too much and are needed to be reviewed as was announced by former Prime Minister Imran Khan while he was in power. On the contrary, Chinese side complains of Pakistani ministers appeared to be freelancing, expressing their views on CPEC without having a consolidated government stance. Though, China provides short-term financing to Pakistan but it did not wish to be responsible for any financial situation in the country especially in the absence of the International Monetary Fund (IMF) (Small, 2015).

China's pronounced economic role in Pakistan provides an opportunity to examine China's role in challenging environment. CPEC-related long term investments in Pakistan can be explained in there ways; demonstrating China's attractiveness as a partner; proving that its development model can be exported and that Pakistan can be leveraged for being in rival's camp in its strategic competition with US (Schwemlein). China-Pakistan deepening relationship may lead to an impetus for US-India partnership vis-a-vis the strategic competition for global influence between the US and

China (Schwemlein).

## **CONCLUSION**

China's increased trade and economic relationship with Asian countries via BRI and economic ventures especially with Pakistan via CPEC is viewed by India as plans of its encirclement thus has contributed to hardening of attitude towards China and Pakistan. Alongside, the changing geopolitics leading to great power competition between US and China has further created fissures in the prospects of collaborative efforts even though for economic and trade ventures. Thus, there are alignments on the political chessboard with US-India alliance one hand while Chia-Pakistan on the other. Given Indian close defence cooperation with the US and opposition to CPEC, she seeks to leverage all opportunities to disrupt CPEC encouraging militant and extremist terrorist outfits (state and non-state) in and around Pakistan. CPEC heralds an era of growth and development vis-à-vis infrastructure development and trade connectivity for Pakistan. However, success of the project hinges heavily on the internal politico-security stability of Pakistan and as how does it manage its relationship with India. At a time, when Pakistan's economy is in dire consequences for heavy dependence on international monetary institutions especially IMF to meet huge import bill and budget deficit. Such fiscal management issues are exacerbated by proliferation of militant and terrorist organizations that not only divide society on ethno-nationalist and sectarian lines but also demand more defence and security budget further straining national kitty and compromises on socio-economic uplift of people thereby widening the already existing fault lines. Within this reality check, CPEC has stirred the development and growth patterns of Pakistan and brings opportunities for sustained economic activity and high growth. Successful implementation of CPEC will not only raise Pakistan's socio-economic sustained development but would contribute to regional trade and connectivity too supported by Chinese juggernaut. Having the concept of globalization at its heart, CPEC ensures China-Pakistan's direct cooperation which is mutually

beneficial. This cooperation will not only benefit the two states but also spread the benefits throughout the South Asian region and beyond.

## REFERENCES

- Ali, D. G. (2015). Assessing Pakistan the Relational of Special Relationship between China and Pakistan. *International Conference of CPEC* (pp. 165-186). Lahore: GC University.
- Attiq-ur-Rehman. (2018). Maritime Politics in South Asia and Naval Compulsions of CPEC for Pakistan. *Policy Perspectives*, 81-94.
- Blair, D. (2007, November 6). Pakistan: The World's Most Dangerous Country. Retrieved from <https://www.telegraph.co.uk/news/worldnews/1568535/Pakistan-the-worlds-most-dangerous-country.html>
- Business Recorder (2017 December 18). CPEC-Related Projects: China Explains Concessional Loans. Retrieved from: <https://fp.brecorder.com/2017/12/20171218328158/>
- Craven, M. (2012). Colonialism and Dominant. (862-889) Retrieved from [https://eprints.soas.ac.uk/19036/1/36\\_Craven\\_Ch36.pdf](https://eprints.soas.ac.uk/19036/1/36_Craven_Ch36.pdf).
- China Daily (2017, November 13) Highlights of President Xi's Remarks at APEC economic Leader's. Retrieved from [http://english.scio.gov.cn/m/featured/xigovernance/2017-11/13/content\\_41883863.htm](http://english.scio.gov.cn/m/featured/xigovernance/2017-11/13/content_41883863.htm)
- Collins, G., & Erickson, A. (2015, July 11). Djibouti Likely to Become China's First Indian Ocean Outpost. Retrieved from <http://www.chinasignpost.com/2015/07/11/djibouti-likely-to-become-chinas-first-indian-ocean-outpost>
- Dawn (2017 JUNE 25) China Begins Push for Pak-Afghan Detente. Retrieved from Dawn: <https://www.dawn.com/news/1341605>
- Eijaz, A., & Ahmad, R. E. (2011). Electronic colonialism: Outsourcing as discontent of media

- Financial Times (2018 September 9). Pakistan rethinks its Role in Xi's Belt and Road Plan. Retrieved from <https://www.ft.com/content/d4a3e7f8-b282-11e8-99ca-68cf89602132>
- Geo News (2015 June 2). CPEC Unacceptable to India Modi Tells China. Retrieved from Geo News: <https://www.geo.tv/latest/3473-cpec-unacceptable-to-india-modi-tells-china>
- Geo News (2013 June 12) Govt Unveils Business Friendly Budget for FY 2013-14. Retrieved from Geo TV: <https://www.geo.tv/latest/60244-govt-unveils-business-friendly-budget-for-fy-2013-14>
- Haider, M. (2016, April 13). RAW Runs Special Cell to Sabotage CPEC, Says Secretary Defence. Retrieved from <https://www.dawn.com/news/1251860>.
- Husain, D. (2018, June 6). *CPEC 2018 Summit: BUsiness? Yes. As Usual? No!* Retrieved from <https://www.dawn.com/news/1409517>.
- Jamal, N. (2018, January 8). *Descon Head Wants Level Playing Field Under CPEC*. Retrieved from <https://www.dawn.com/news/1381431>
- Javaid, A. (2020, July 21). What is Necklace of Diamonds Strategy? Retrieved from <https://www.jagranjosh.com/general-knowledge/necklace-of-diamond-strategy-1592404137-1>
- Jennings, R. (2018, February 27). China Needs a Win in Afghanistan to Keep Its Edge in Asian Trade. Retrieved from <https://www.forbes.com/sites/ralphjennings/2018/02/27/china-needs-a-win-in-afghanistan-to-keep-its-edge-in-asian-trade/#788acf491d5c>.
- Jiang, D. L. (2015). India's Attitude Toward CPEC and China's Countermeasures. *Proceedings of International Conference on CPEC* (pp. 186-189). Lahore: Center of Excellence China Studies/ Department of Political Science, GC University

- Iyer, R. (2017, May 3). Reviving the Comatose Bangladesh-China-India-Myanmar Corridor. Retrieved from <https://thediplomat.com/2017/05/reviving-the-comatose-bangladesh-china-india-myanmar-corridor/>.
- Kalpan, R. D. (2010, 06). The geography of Chinese Power. Retrieved from <https://www.foreignaffairs.com/articles/china/2010-05-01/geography-chinese-power>
- Khalil, A. B. (2017, March 24). Linking Afghanistan to China's Belt and Road. Retrieved from <https://thediplomat.com/2017/04/linking-afghanistan-to-chinas-belt-and-road/>.
- Lederer, E. M. (2022, February 8). UN Experts: Terrorist Groups Enjoy Freedom in Afghanistan. Retrieved from <https://apnews.com/article/islamic-state-group-afghanistan-asia-united-nations-syria-55a15d0a370f657aa60ccc1282b603c6>
- Lim, D. J., & Mukherjee, R. (2018 January 20). Does Debt Pay? China and the Politics of Investment in Sri Lanka. Retrieved from <https://thediplomat.com/2018/01/does-debt-pay-china-and-the-politics-of-investment-in-sri-lanka/>.
- Malik, A. R. (2017 May 31). *Pakistan: The Next Asian Tiger?* Retrieved from The <https://thediplomat.com/2017/06/pakistan-the-next-asian-tiger/>
- Marantidou, V. (2014). *Revisiting China's String of Pearls Strategy: Places With Chinese Characteristics and Their Security Implications. Issues & Insights* 14(7) Retrieved from [https://www.files.ethz.ch/isn/182061/140624\\_issuesinsights\\_v0114no7.pdf](https://www.files.ethz.ch/isn/182061/140624_issuesinsights_v0114no7.pdf)
- Mudunuri, N. (2020, July 07). The Malacca Dilemma and Chinese Ambitions: Two Sides of a Coin. Retrieved from <https://pide.org.pk/research/balochistan-the-unrealised-potential/>

- Muhammad, A., Samin, T., Gulzar, M. A., & Hwang, J. (2019). The Sustainable Development of the China Pakistan Economic Corridor: Synergy among Economic, Social, and Environmental Sustainability. *Sustainability*, 11(24), 7044.
- Muhammad, A., M., Samin, T., Gulzar M. A.& Hwang, J. (2019) The Sustainable Development of the China Pakistan Economic Corridor: Synergy among Economic, Social, and Environmental Sustainability, *Sustainability* 11(24), 7044 <https://doi.org/10.3390/su11247044>
- Neo (2017, February 8). Pakistan's Economy is the Most Underrated and Pleasant Surprise: Bloomberg. Retrieved from: <https://en.neonetwork.pk/08-Feb-2017/pakistan-s-economy-is-the-most-underrated-and-pleasant-surprise-bloomberg>
- Schwemlein, J. (2019 December 16). Strategic Implications of the China-Pakistan Economic Corridor. Retrieved from <https://www.usip.org/publications/2019/12/strategic-implications-china-pakistan-economic-corridor>
- Qaddos, M. (2015). Stakes of China on Pakistan's War Against Terrorism and Its Impact on Bilateral Relations of China and Pakistan. *International Conference on CPEC 2015* (pp. 169-173). Lahore: GC University.
- Qadri, M. A., & Qadri, S. (2016). China-Pakistan Relations: With Reference to the Political Economy. *Research on Humanities and Social Sciences* ,6 (3) 187-194.
- Rashid, W. (2020, December 05). String of Pearls-China's Emerging Strategic Culture. Retrieved from <https://strafasia.com/string-of-pearls-chinas-emerging-strategic-culture/>
- Sareen, S. (2016). *Corridor Calculuc: China Pakistan Economic Corridor & China's Comprador Investment Model in Pakistan* (Monogram). New Delhi: Vivekananda International Foundation.

- Saud, A., & Ahmad, A. (2018). China's Engagement in Afghanistan: Implications for the Region. *Policy Perspectives: The Journal of the Institute of Policy Studies*, 15(1), 127-138.
- Sharma, R. (2012). *Breakout Nations: In Pursuit of the Next Economic Miracles*. New York.
- Small, A. (2015). *The China Pakistan Axis: Asia's New Geopolitics*. Oxford University Press.
- Siddique, O. & Achakzai, M.A (2022). Balochistan: The Unrealised Potential. *PIDE Knowledge Brief No 2022:54*
- Sinha, R. (2022, February 24). CPEC and Its (de)Stabilising Effect on Pakistan. Retrieved from <https://www.orfonline.org/expert-speak/cpec-and-its-destabilising-effect-on-pakistan>
- Singh, D and Magry, J. (2017) China- Pakistan Economic Corridor (CPEC), Its Impacts On Pakistan Economy, *International Journal of Innovative Re-search and Advanced Studies (IJIRAS)* 4(7) 7
- Tang, K., Li, Z., Li, W., & Chen, L. (2017, December 09). *China's Silk Road and Global Health*. Retrieved The Lancet: [https://www.thelancet.com/journals/lancet/article/PIIS0140-6736\(17\)32898-2/fulltext](https://www.thelancet.com/journals/lancet/article/PIIS0140-6736(17)32898-2/fulltext)
- Tarar, M. (2017, February 3). *Vibrant Security Measures for CPEC*. Retrieved from <https://leadpakistan.com.pk/news/vibrant-security-measures-for-cpec/>
- Tchakarova, V (2021, 04 23). *Is A Cold War 2.0 Inevitable*. Retrieved from <https://www.orfonline.org/expert-speak/is-cold-war-2-inevitable>.
- The Express Tribune (2015 May 22) RAW at Frontline to Sabotage Economic Corridor, China Warns Pakistan. Retrieved from <https://tribune.com.pk/story/890650/raw-at-frontline-to-sabotage-economic-corridor-china-warns-pakistan/>.

- Today (2017 May 15). Kh Asif Blames India for Gwadar Incident. Retrieved from <https://archive.pakistantoday.com.pk/2017/05/14/kh-asif-blames-india-for-gwadar-incident>
- Wen D. (2005). *China Copes with Globalization: A mixed Review* CA: International Forum on Globalization (IFG).
- Wolpert, S.A (n,d,) British Raj: Indian and Pakistan History. Retrieved from <https://www.britannica.com/topic/East-India-Company>.
- Younus, K. (2020). Strategic Convergence and Competition in the Indo-Pacific Region: Policy Options for Pakistan. *Margalla Papers*, 24(1), 81-96.
- Zee News (2018, February 20). China in Talks with Balochistan Terrorists to Protect CPEC Installations. Retrieved from <http://zeenews.india.com/world/china-in-talks-with-balochistan-terrorists-to-protect-cpec-installations-claims-report-2082642.html>.
- Zeng, D. Z. (Ed.). (2010). *Building engines for growth and competitiveness in China: Experience with special economic zones and industrial clusters*. World Bank Publications.

Received: Nov. 15, 2024

Revision Received: Dec. 21, 2024

Published: Dec. 31, 2024