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Challenges to China-Pakistan Economic Corridor

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Abstract:

The article is an effort to provide insight to the readers about the flagship project of the great BRI initiative; more precisely it is a try to put light on the expected challenges towards China in this project. CPEC is a project expected to be a game changer largely for the region and will ease bringing prosperity and peace not only for Pakistan but also would be opportunity for the whole region. The project is envisioned to change the fate of numerous states including Asia, and Africa to central Europe, and more importantly will serve the Chinese motive to attain the desired reach and space, in the global market, they envisaged and worked hard for decades. Humongous China state significantly extends greatly in Asia as the states haresland and maritime borders with about fourteen Central Asian countries including Pakistan, Afghanistan, Russia, and India. Chinese President Xi Jinping presented the CPEC vision and mission in 2013 that will connect Kashgar with Gwadar in Pakistan. China Pakistan Economic Corridor connects Asia with Europe through land and sea routes considerably facilitating trade—supply of goods and services. This trade network will connect above 60 countries and will boost the economy of the whole region more importantly mapping to accommodate the regional landlocked countries. The Gwadar port has naturally limitless importance, it plays a vital role in economic development and it will give access China to the Indian Ocean. However, this project faces challenges from internal and external forces. The article will particularly examine various challenges China faces while carrying through the CPEC, amid detestable regional political, economic, and security scenarios. Besides, Chinese rivalry towards global key players along with the Security situation and international relations implications over Pakistan, the origin state of CPEC and significant strategic partner for the whole of this move will surely lead to face animosity from different regional and global power stakeholders.

Keywords: Region, stability, Corridor, China, Gwadar, Kashgar, OBOR

Introduction:

With the advent of the 21st century, the globalization phenomenon is evolving at a significant pace, defining new dimensions of collaborations which surely were inevitable due to enhanced connectivity through the advancement in technology as a result providing the world with easier connectivity means for instance "virtual means of connecting people" are the ones for easier and more feasible than any of the physical means of connecting peoples. Hence leading the collaboration phenomenon from conventional bilateral policy towards multi-sided activities back in the 1880s, the concept of corridors linked to progress was among the nation-state with

sharing borders. The corridor's idea set the foundation for the term Economic Corridors to introduce by Asian Development Bank in their policy papers realized to the Greater Mekong Sub-Region (GMS) development program.

The last thirty years are evident how rapidly China, an agricultural state, becomes the second-largest economy on the globe. China's significance is steadily increasing in the global arena. All this is seen in the priorities of their foreign policy since the 1950s. The foreign policy since then is formulating on the soft principles of mutual respect, harmony, non-aggression, non-interference, mutual benefit, and peaceful coexistence.

Pakistan and China became sovereign states in 1947 and 1949 respectively; Pakistan recognized China in 1950 and started formal diplomatic relations in 1951. The earlier ordinary association turned out to be a strong defence alliance during the cold war. China provided, and still does so, necessary help as they prayed hardships for Pakistan as they helped in every field like defense, economy even the nuclear program. When Ayub Khan was ruling Pakistan he envisaged a foreign policy including better working relations with three major powers around the globe which includes the United States, the Soviet Union, and China.

Geo- conditions of Pakistan and how it is more effective and feasible for China. Pakistan is located where it could benefit China greatly China is one of the largest oil traders and have to go through lengthy route instead of the more feasible way from Pakistan available for China. Both countries Pakistan and China are developing a very brotherly relationship since their independence. China has a dream to conquer the globe starting with an initiative through Gwadar Pakistan. She needs to have better access to the Indian Ocean and also needs a presence in the Middle East and Europe for which Pakistan is so much important for China as providing the most feasible way to help the Chinese to achieve its goal and without Pakistan, it is not going to happen. The Chinese policy is going to west achieve the goal of ruling the globe. China has 2nd largest number of poor masses and their most deprived region or province is Xinjiang which is not very linked to mainland China hence majorly the CPEC-flagship project is to help in the progress of that deprived province however China has a better growth rate in general since 1978-the year of commerce-driven Chinese economic policy development but there are considerable facts like a large number of poor masses, better route for oil trade, feasible presence, etc. Which Gwadar-Pakistan is one of the more feasible ways and the China-Pakistan economic corridor is considered to be the most significant initiative to achieve the goal (Kumar, 2006).

Gwadar port is situated at the chokepoint of the world's energy supply route and has significant geostrategic and geo-economic importance for China providing it with the shortest and less costly trade route from China to the rest of the globe. As Pakistan announced the constitution of phase one in 2001 China warmly welcomes the initiative aiding millions of dollars. With the completion and inauguration in 2006 and 2007 respectively, Pakistan signed 40 years agreement with the Port Authority of Singapore (PSA) International for the operation of the port but the agreement was canceled after 5 years. PSA was unable to accomplish its task. A year later in 2013, Pakistan signed 40 years same agreement with China's state-run China Overseas Port Holding Company (COPHC).

There is an article-a nicer effort to provide readers to comprehend the prospects and challenges of CPEC for Pakistan. As firstly the reading indicates a geo-strategic position leading to the strategic importance of Pakistan. Pakistan happens to be the pivot of geo-strategic policies of the region. China, India, Afghanistan, and Iran are significant bordering countries directly

sharing borders with Pakistan. CPEC originated from Pakistan however it is the flag bearer initiative of the Chinese great BRI-initially named Silk Road initiative. CPEC has been divided into 3 major phases short, medium, and long term so that the priority-based tasks have been completed as per the urgency. Like infrastructure and energy projects are to be completed in short term and 2nd phase has been demarcated to the stability of the region specifically concerned with peace and development of the region.

Besides the geo-strategic importance of Pakistan, the study tends to focus on the socioeconomic uplift of the backward provinces of Pakistan-Balochistan and KPK mainly. Furthermore, the paper looks specifically into the flagship project CPEC like briefing about its expected cost which was at first about 50bn USD and later increased to above 70bn. The project has been anticipated to provide a significant Afro-Eurasian trade route and pave the way to great progress.

As for Pakistan's poor economy, CPEC would be an economic booster, and more importantly, energy crises were a priority over infrastructural development which would lead Pakistan towards a stable and progressive economy. For the overall region, CPEC would lead towards a more balanced scenario, lessening the existing chaos mainly due to the Pak-India rivalry resultant fiscal activity would not be jeopardized as it's been a source of continuous hostility. Pakistan on the other hand gets the opportunity to strengthen its defence mechanism. To a larger extent, the initiative is a major attempt to enhance regional connectivity and ease trade activity among all the member states while providing the underdeveloped states an opportunity to achieve economic betterment.

Another, hard to neglect, fact about CPEC is its manifestation of the prospect of allowing regional landlocked states to be a part of this progressive endeavor for their economic betterment.

1. Challenges to CPEC:

As for challenges to CPEC concern, it has hurdles on various fronts like Security, political instability, bad governance and economic instability.

1.1. International challenges:

1.1.1. Challenges from America

Cutting short, talking challenges, we categorized in different portions where starting with US-Super power policy towards China-emerging global economic power.

This was the time when the US policy radar got fixed on South Asia to conquer the globe. After the Soviet Union breakdown which was a clear threat to the US alliance group to lose their influence in Asia leading to affecting their global power standing after this a slight shift in the policies of Nixon and Reagan can see respectively. The former one was inclined towards acceptance and mutual growth while the late one decided to contain communism flourishing anywhere in the world to keep the dominance of capitalist regimes around the globe. After the Afghan War and times of treaties like the Non-Proliferation Treaty, the region got exposed again before the US's fierce and ruthless policy in the name of war against terrorism. The episode was triggered after the 9/11 twin tower happenings.

This time the US needed a trusted place, provided by Pakistan, to contain and finish terrorism in the region, and broadly around the global peace and stability were considered major

stimuli for the most recent US policy formation considerations towards Asia. All along with this lapse, an economic giant was growing patiently in the same region which then appeared to be the major rival of the US for talking global power. While the US was fighting terrorism her competitor was idealizing a humongous economic initiative named China Pakistan Economic Corridor under the Belt and Road initiative project specifically linked to the strategic pivot of the globe (Perthes, 2021).

1.1.1.1. New Trends in America's Policy towards South Asia

Initially announced as a 46 billion $ project to create a development history of the region, literally idealized to not change the fate of the region, but also anticipated a peacefully prosperous globe. So US consider CPEC as a potential threat, to the existing global power structure, and to counter and contain it for their survival. The US was seen to make whatsoever she think better to contain China, US prefer to adopt as policy and pose as many challenges as she could to restrain the arise of her counters (Markey, 2020).

1.1.1.2. Romance of US-Pakistan Relations

Relations between the US and Pakistan have seen many ups and downs. Since the Soviet Union breakdown happened only through Pakistanis' relentless involvement in siding US block. The ties between the US and Pakistan got new heights. But the recent past is the witness of the US change of heart towards Pakistan. When the Osama Bin Laden incident happened the US made it clear that is not going to leave the region as they are fighting terrorism not only Osama also made the point that Osama was leading Al-Qaida but he was not the whole Al Qaida so they have to define Al Qaida completely for which they need to be in the region along with the support of Pakistan as already supporting them in many ways. Before this Pakistan's wholehearted efforts of supporting the US were seen chanting policy of do More to Pakistan which was not quite heartbreaking Also at different times the US accused Pakistan of being a homeland for the leaders of terrorist organizations mainly Al Qaeda. All this affected not only Pakistan's repute and moral high ground but also cause fiscal problems like halting financial support by the US making Pakistan's economy face hard times and leading to cause troublesome scenarios for the larger portion of the masses. US considers CPEC to be a real threat to them and China a major rival so when China announced CPEC under BRI where Pakistan as being origin state and pivot of CPEC as the result US decided to contain CPEC somehow for they shift alliance towards India and pose many different complications for Pakistan to somehow halt the project (Akram, 2002).

1.1.1.3. IMF and FATF

The US being the global giant and major stakeholder in International Monetary Fund has a lot to do with the IMF policy structure. As a large number of developing states are part of CPEC largely BRI and they had a history to have loans from IMF along with other international fiscal bodies like World Bank, the loans come with their burdens. Considerably the US is affecting the foreign policies of several states just to affect Chinese business. In the case of Pakistan US was influenced by IMF to bend Pakistan's thoughts behind policymaking. Causing to be in the grey list of the First Action Task Force also has a great effect on Pakistan's image and also a threat to being included in the blacklist (Aamir, 2018).

1.1.1.4. Tax on Energy Sector

Make industry halt leading to less production which also increases the inflation index. Pakistan is an example of how the US is posing trouble to the state having an IMF program.

1.1.1.5. US Close Ties With India

India is the largest democracy in the world and the second-largest market for China. The US ties closer with India means India gets more financial support, more defense arms and ammunition, also more strategic support. In recent past decades, US and Indian relations got a new peak before that the terms were limited in every field but now they are much closer to each other India major defense partner (MDP) of the US and providing with major strategic and security related support in the region which needs the US according to Washington vision. In Pakistan few years US support towards India on all fronts increased substantially. The particular financial segment got a surprising peak during a period from 2009 to 2015 when the business of goods and services increased from 60bn to 109 billion. All such rapidly growing closeness of the US and India is threatening Pakistan not only at strategic and security fronts but also concerning economic problems as being the cause of security issues for fiscal stability more importantly India is evidentially and allegedly causing security threats to CPEC particularly at Baluchistan front Kulbhushan incident is one of evidence that security-related issues to CPEC. Growing India in arms and strategic fields is somehow a direct threat to China's father nation of CPEC as both states share border conflicts and has war histories (Ashbridge, 2021).

1.1.1.6. US-led NATO force Withdraws from Afghanistan

Since Bin Laden happened there is a debate about the US withdrawal from Afghanistan as the whole region is concerned about that because the security situation of the region relies greatly on the decision. Back right after the global adventure, the US announced the withdrawal but was not practicalized. Most recently Biden administration on April 14, 2020, announced the withdrawal and committed to withdrawing their troops by May 2021. The considerable debate is that the US promised to withdraw the troops after as Doha peace agreement between the Taliban and the US says. The US will see it as a victory but will not be good for Afghanistan to show agitation among the masses (Petersmann, 2021).

1.1.2. Challenges from India to CPEC

There are various which have been posed by the India to counter CPEC.

1.1.2.1. Sino-Indian Relations

Besides the global alliance shifting dynamics and inclination of the US towards India became another cause of stimulating the existing rift between the regional powers, India and China also share a history of warfare and several border skirmishes. Such history tells that diplomatic relations from time to time get better but have a continuous rift more often. More recently the border conflict between Chinese and Indian forces happened at the Galwan river area named after that Galwan border conflict which consequently led to the death of 20 Indian soldiers stimulating anger among the masses and leading Indian executives to restrict the business activity of about 29 Chinese tech firms. Having said that the fact no one can deny that India is the second-largest market after China in the region so a peaceful and stable atmosphere must be

needed for the growth of the whole region. Business activity relies on the size and availability of the market (Smith, 2020).

1.1.2.2. Pak- India Relations

Since birth, both neighboring states shared a history of hostility and warfare. Significantly wars of 1965, and 1971, the Kargil incident Kashmir conflict all this show that after partition the unsettled animosity started, and even till day there is a considerable rift between the khan and Modi administrations. However, in history and also now a day backchannel tries are being made to resolve conflict and observe peace through table talks and work together for the greater good of the whole region. As Pakistan is the original state of CPEC and shares here border with India so relations between the two major regional players needed to be more peaceful and stable for bringing CPEC on track. Recent happenings like the US force's withdrawal from Afghanistan's increasing affinity with India through larger business and defense deals, the US plans to contain its rival China in the region through Indian support, and India being an instrument of Chinese containment in the region (Hashim, 2019).

1.1.2.3. Indian Intelligence Involvement in Afghanistan and Security Threat to CPEC

There is a clear and recorded fact of Indian intelligence RAW's involvement in Afghanistan and luring assets from there to practicalized hostile situations in Pakistan. In Afghanistan, there is a considerable portion of the masses think that Pakistan has played a major role in whatsoever hostility they have been gone through. As rifts between Pakistan and Afghanistan appeared not so well understood through the narrative given in the statements of the executions from both sides All this resultantly provided India with a window to execute the heinous aims of the Rashtriya Swaymsevak Sangha (RSS) Hindutwa regime to pose as a threat much threat to peace situation in Pakistan as they could only to restrict growth and business activity in Pakistan (Haider M., 2021)

1.1.2.4. India’s Antagonist Approach towards CPEC

Since the day of the announcement of CPEC under BRI India started a campaign against the project significantly the campaign includes allegations of sovereignty breach of India as it is passing through Gilgit Baltistan which India says is a disputed territory. While the Chinese president blatantly denied the allegation saying that CPEC is a commercial project. India's campaign against CPEC has a solo mission of making Pakistan on international platforms aim to isolate Pakistan on the foreign affairs front. Modi-led RSS regime pursuing such an antagonist approach while policymaking is only a mere try to be a hurdle in the way of growing CPEC.

1.1.2.5. Historic Evolution of the Indian Antagonist Approach

To comprehend this concept one needs to have a look at Sino-Indian and Pakistan-India relations which in fact need not explain as they are only defining animosity at different fronts from time to time. India had fought almost three wars against Pakistan along with continuous hostility on the other hand they fought a war of 1962 against China along with time-to-time border skirmishes like recently at Ladakh. Besides the fact that Sino-Indian annual business trade

happens to be a considerable amount of about 70 billion$ India always had a problem with the affinity and cordial brotherhood ship between Pakistan and China so they never got intimated with China and for that reason, it was an expected hurdle for CPEC (Kamran & Mahsood, 2020).

1.1.2.6. Indian Objection

The 55 billion dollar project CPEC will connect China's Xinjiang province to Gwadar India has cleared the SERB route region GB a disputed territory, they are claiming that this is part of Kashmir. According to Indian security experts, the Chinese military presence in GB will harden Pakistan's occupation of that region and will imperial Indian national security.

1.2. Domestic Challenges:

1.2.1. Challenges from Pakistan

Pakistan the only Muslim nuclear state has a strong history of playing a vital role in international politics. Pakistan is an active part of global politics more specifically playing a major role in the strategic sphere of international relations. Pakistan faced several adversaries not only security or defense-related but also include economic and strategic issues. However the region has considerable importance in global politics but Pakistan being part of major happenings like the Afghan war, and the war against terrorism, also having important geo-positioning of the territory Pakistan become a leading player in global relations more specifically in regional politics. Pakistan has also a history of conflicts or turbulent interstate relations with its neighbors more significantly India and Afghanistan has such importance that must be considered in the research. The paper will observe challenges posed by Pakistan to CPEC concerning Pakistan's foreign relations effectively regional and global politics, and will also observe other internal and external challenges besides international relations.

1.3. External Challenges

1.3.1. Pakistan and Its Neighboring State

Since 1947, after attaining sovereignty, Pakistan emerged as an important South Asian State on the globe. Pakistan has distinctive stature because of its geostrategic position, the state in the name of religion, and its historical standing. Pakistan the origin state of CPEC is sharing its territorial boundaries with four states, China, India Iran, and Afghanistan. China is situated at the northern border of Pakistan; India is in the East of Pakistan, Iran is in the west and Afghanistan is in the North- West of Pakistan. Out of these four states, India and China are nuclear power. Relations between Pakistan and with neighbors happened not to be very smooth and faced a few uncertainties. Though Pakistan is experiencing exceptional brotherhood with china and had observed quite friendly terms with Iran which has been troubled after the Islamic revolution recently having a good time with Iran, more importantly, Pakistan has neighbored India an enemy state from day one of independence and both shared border history of warlike 1965, 1971, Kargil Kashmir conflict air strikes besides India, Pakistan, has also problematic relations with Afghanistan. As Pakistan played a vital role during the USSR and US invasion of Afghanistan so the adversary between Pakistan and Afghanistan is historic and has a lot of fronts to talk about.

Being part of the Soviet Union's breakdown and war against terrorism Pakistan appeared to be an important strategic player in global politics Pakistan has lost a lot. The coastline of

Pakistan is extended 1050km in Sindh and Balochistan provinces its border is in the North East Arabian Sea and serves as an important trade route.

1.3.2. India's Antagonism

With the announcement of CPEC India appeared to be causing trouble and showing their clear animosity towards the initiative as observed from their policy actions and statement mode at executive levels. Even India is the second-largest market in the region after china so they have quite a consideration in this respect. The very first action was taken when they called on the Chinese Ambassador to New Delhi and recorded their protest against the announcement of CPEC as they took it as a sovereignty breach on the Pakistani side because CPEC has been routed from Kashmir and India claims it stakes their but the Chinese administration denied their point and president Xi opposed it saying CPEC is admired project and it is for good of the whole region. Besides this negative narrative building against Pakistan and CPEC, India is also playing against Pakistan on the Afghan front and Balochistan security issues directly link India as the Kulbhushan incident is an example.

1.3.3. B3W Vs. CPEC

Biden along with G7 countries recently announced the project name B3W Build a Back Better world. The initiative intended to invest $40 trillion mainly for the revival of economic devastation during the pandemic and make them back on track with development. Pakistani premier khan while talking to the New York Times tackled the debate nicely when he asked the question " why do we have to choose sides either the US or China? I think we should have a relationship with everyone" This was a mouth-shut answer to the narrative building against Pakistan's policy-making about China and CPEC the political analysts largely taking the B3W initiative as a counter-project to BRI. It can be observed from the policy inclination of the US that B3W is a planned rival force against CPEC (Bayoumy & Thottam, 2021)

1.3.4. Pandemic and Shifting Dynamics of Global Politics

With the outbreak of coronavirus in 2019 the whole global activity especially financial activity got halted and lemmatized to virtual assistance only. The pandemic has had greater effects on CPEC particularly and BRI in general as some of the major hits of the pandemic faced in South Asia affected ongoing projects of BRI and CPEC under BRI. As for China is concerned their trillion-dollar initiative got a major blow and they faced serious issues relating movement of resources and services. Their officials have to be stuck at home and perform duties virtually which surely was not as effective as working in the field. Their engineers and laborers faced travel limitations.

Pakistan had planned to build Special Economic Zones to augment and boost their economy but Covid-19 affected this part of the initiative CPEC is known as a game-changer for the region affect bitterly as under the administration of Imran khan Pakistan could achieve the planned goals of building SEZ in all provinces at least they should have been in execution but Covid-19 blow so badly that Pakistan had to showdown the activity resulting in incompletion of major projects in time While Chinese companies have to face adverse scenarios, relating to the transportation of human and material resources. This hostile atmosphere around the globe made China face a serious halt in fiscal activity. An observation by the Chinese government tells that they face the most adverse effect on 20 percent of the project of BRI, 40 percent of the BRI

projects faced a bit lessor hostile effects, and 30-40 of BRI projects are sort of affected (Haider, 2021)

1.3.5. IMF and FATF Factor

From the very beginning of the execution of the plan, the US has been seen trying to reverse it in any way as they need control of China. The US considers flourishing and prosperous China as their major rival of challenges to on existing power structure so in economics means they try to influence the poor economies, particularly pivot of the CPEC through IMF plans by affecting their policymaking process. The considerable fact is that the US with about 16 percent share in donations made to the IMF and has been a major stakeholder defining IMF policies as FATF is concerned to keep Pakistan's name in the grey list. Till now, besides all efforts made by Pakistan to control money laundering measures taken by Pakistan and counter-terrorism financing completed the requirements devised in National Action Plan (NAP). Pakistan agreed to a NAP in 2018 and tried to observe the concerns as mentioned but somehow made a watchdog of the financial action task force to keep Pakistan in an increased monitoring list of the state. It is also known as the grey list. FATF has a regional partner Asia Pacific Group (APG) to keep a check on the execution of the agreed plan. The committee from the forces financial watchdog paid a visit recently to Pakistan to observe Pakistan's performance and decided to keep Pakistan in an increment monitoring list of financial watchdog as they observed that Pakistan could not implement the 27 points, agreed in NAP out of which they said Pakistan executed 26 of them and still has to consider policies about money laundering and counter-terrorism financing.

1.4.1. Internal Challenges

1.4.1.1. Routes Controversy

Regarding the decision that which routes should be built on a priority basis, the Pakistan administration played a very immature role not only in mainly clear decisions timely but also failed to build the narrative. The controversy was between Eastern and Western routes. However an APC was called in 2016 for a better decision of route and ended on better notes but soon after that, the administration was allegedly criticized for not standing on the commitments made in the APC. The administration tried to explain its decision on prioritizing Western Route to be built first. Explaining the importance of the Eastern route is that it has preexisting security. In this respect, the government established a stance relating to CPEC that it is one Corridor with multiple passages (Mengal, 2016).

Prioritizing the Western route was considered the exploitation of the rights of backward areas or provinces like Khyber Pakhtoon Khwa and Balochistan. Even movements by the provinces were made not only in the assembly but also in narrative building on media. KPK Assembly passed resolutions in the favor of Eastern route and stand on it. But the political elite mainly belong to central Punjab and they made decisions for their good. The considerable negligence, causing such confusion in the major decision for the fate changer project, was made on the administrative part as they confused the whole scenario by creating ambiguity in the importance and feasibility of Eastern, Central, and Western routes. The government pledged to build all of them simultaneously. It made critiques to criticize the immaturity in the decision-making of the administration.

1.4.1.2. Comparison of Eastern and Western Routes

There have been several augments in favor of the Eastern route as it is more secure and also has established infrastructure but considerable opposition to the argument in favor of the western route is that it will develop the lesser developed areas and change the infrastructural development by building new infrastructure and will provide with better peace and security condition of the neglected position. Above all, it is the shortest route of better connectivity with a length of 2756 km and the central one is 2781 km to the western route is the shortest one. If it is built as planned then it surely will overcome the fiscal condition of the whole federation by providing work opportunities and will fulfill the rights of the deprived ones (Mengal, 2016).

1.4.1.3. Political Instability in Pakistan

Pakistan has had a history of political instability since independence. Soon after the historic initiative was announced there had been mega political protests in Islamabad held for about 126 days disturbing the whole national political scenario. Even a visit by the Chinese president was announced but due to Dharana, they had to cancel it. There has been a continuous tug-of-war between the establishment and political or civil leadership. The initiative was announced in 2013 and MOUs between the Chinese administration and Nawaz administration in 2015 after a short time, the hostile political atmosphere made the democratic premier leave office in 2017 as per the revelations made in the Panama papers leading to massive political instability. After that khan observed office in 2018 and right on the day of his first speech in the legislative assembly of Pakistan he had to face ridiculous noise from the opposition benches. Showing that how unstable politics is right these days about three years of Khan's government been passed there is nothing to praise and even the most passive opposition khan administration failed to overcome inflation the majority of the masses concerned, fail to observe rule of law, particularly in Punjab there's been devastating incapable Buzdar administration is in route, increasing corruptions, inactive bureaucracy. All these signs show how Unstable the political atmosphere is in Pakistan. As a result, the mega project is almost halted at the same fronts and the pace of the working segment. In this atmosphere, CPEC could not complete the aimed projects in time leading to face losses as losing feasibility criteria (Younus, 2021).

1.4.1.4. Internal Security Concerns like Terrorism Activities and Religions Factor

The history of Pakistan shows that Pakistan was a vital part of two major happenings, relating to security the alliance with the US to contain communism through the Afghan war which led to the Soviet Union breakdown, and then being again a vital player in the war against terrorism. The backlash and consequences of that involvement faced by the whole nation long after which resulting made hostile environment all over Pakistan, however, try been made like operation Rad-ul-Fasad and operation Zarb-e-Azab nip terrorism in the bud but there are so embedded in the society in the form of some smaller group attached to TTP and Jamaat-ul-Dawa. Such assets are a direct threat to the peace of security situation which is in dire need of the hour to put the project of development in progress. As for the religious bodies, one concerned the Madrassas have factual linkage in history to be a part of the statics aim to contain communism which still has a lot to do with that deeply embedded security relating things.

1.4.1.5. Baluchistan Factors the Mega Initiative Have To Face Hurdle From Number of Fronts

As for Bloch calming their rightful interest and also being furious with the central executive body for depriving them of their right while extracting a larger position of resources from Balochistan without paying their due rights. There are a lot of issues like an unexplained and large number of forceful disappearances of Baloch. Baluchistan is an important portion of Pakistan and above all, it is the territory where Gwadar is situated. The concerns of Bloch are considerable and somehow exaggerated also but the federation needs to deal with them better and on priority to yield better results. CPEC is directly linked to Baluchistan (Mende, 2020).

1.4.1.6. Baloch Separatists and Their Converging Interest with India

There is another considerable aspect that may Bloch separatists to become an instrument to be exploited easily like through funding their separatist movement as they are already on protest against the state for the deprivation of their rights. This could be a considerable factor as already some Chinese officials on-site have been killed and such hostile circumstances could make the stakeholders lose their interest which is not good in any way for CPEC and largely for the national growth, peace, and prosperity.

1.4.1.7. Geographical Conditions

There is a considerable hurdle for China as they are planning to build a gas pipeline via Gwadar under the CPEC institute. The hurdle regarding that is the area got a very high altitude of about 15000 feet above sea level and building a gas pipeline at that higher altitude will surely make China face difficulties while building but it will provide them with a shorter route and cost more feasible rather lesser cost as compared to the oil from gulf states.

1.4.1.8. Ethnic Differences Provincial Disintegration

Ethnic separation is caused by the improper distribution of resources among the federating units of the Federation. As several studies have been made on the behalf of Bloch's deprivation of rights studies also observed that Bloch thinks that they have been exploited by Punjab. Search matter leads to disintegration among the provinces which is not good at all for any struggling economy. As for other provinces like mainly Sindh and KPK are concerned both Showed concerns about the policies inclined towards Central Punjab even KPK showed reservations by passing a resolution against the decision of the routes prioritization such disintegrated units could not perform an active United role in the development of their federation. Pakistan and specifically the provinces need to harmonize the situation for the creator good of the whole nation.

1.4.21.9. Corruption NAB and CPEC

Besides other obstacles, the project has also to face corruption in the bureaucracy and even in the institution keeping a check on the corruption. Bureaucracy made some policy changes recently but did not happen to be active at a significant pace in performing the assigned duties however a large number of the list can be made on the bureaucratic failure in the

execution of the projects. On the other hand, the watchdog is also corrupted in the number of like making rather threatening businessmen lead how to make them lose their interest in the project, unjust convictions so on and so forth none of this helped CPEC in any way rather affected the whole business greatly. Besides taking measures to assist the project as much as they could the watchdog became an instrument of political handling alleged by the judiciary in several cases. In this way, the institutions lost their credibility which happened to affect the initiative.

1.4.1.10. Inter-Institutional Non-Co-Operation

The unavailability of harmony and integration among the major institutions of the Federation made them lose trust on all fronts. The central government tries to influence other provinces' administrations not to collaborate leading to non-cooperation at grass root levels like the institutions directly linked to the execution and devising of the plans and policies. Sometimes even though there is only a personal grudge involved in such integration however often officials decide not to work against other institutions some creating problems for institutional respect and image (Saleem A. H., 2017).

1.4.1.11. Security Front

CPEC originated from Gwadar-Balochistan and the province has serious security issues, baloch separatist movements and their reservations towards the government of Pakistan are alarming. For that matter, security agencies are trying hard to control the situation but regional peace and security conditions in response to US-NATO's decision to withdraw their forces from Afghanistan and also neighboring country Iran's escalated environment pose an imminent threat to regional peace. As for Pakistan such problematic regional circumstances directly affect our bordering areas particularly Balochistan and KPK- both integral parts of the flagship initiative. Baloch insurgents have paced up their hostile activities along with the active status of TTP. Chinese officials don't want to work under such hostile conditions.

This security issue halts the progress overall and the expected outcomes cannot be attained in the set timeline. More importantly, the unavailable peace is much needed for the overall fiscal flow and progressive economic activity.

1.4.1.12. Baloch Nationalist Perspective

The significance of Balochistan is quite obvious, besides Gwadar port the province is enriched with natural resources. The foremost concern of the Baloch people is the undeniable exploitation of their resources by the central government without due recompense to the rightful (locals). Furthermore, the central government does not consider devising a system of fair compensation top it prefers using force to control the grieved voices. The mishandling paved way for Baloch nationalist movements in form of various groups like BLA. These rightful reservations need to be settled peacefully for the progressive future of the province and the initiative.

1.4.1.13. Other Seaports

Gwadar port with its deep waters, shorter trade routes, and compelling geo-strategic position became the first choice of China however there are other regional players mainly India and Iran are impatient to somehow impede the project expressing their animosity towards Pakistan. Mainly Chabahar port of Iran poses an imminent threat to the CPEC hence Pakistan.

1.4.1.14. Political Instability

Pakistan has been facing severe political crises, all major political players are focusing on their greed for power and office however the state is declining drastically. Political integrity is needed to work out the project as all major provinces of Pakistan are part of the corridor.

1.4.1.15. Economic Instability

Economically Pakistan is quite vulnerable, already, adding the pandemic hit and in response global eco recession make international monetary institutions less concerned about bailing out the tumbling economy, above and beyond Pakistan's drastically unreliable economic policies happened to be the root cause of the state's economic mayhem..Even the friendly nations are on the back foot and there has been none of the substantial economic assistance on their part to bail out the poor economy.

1.4.1.16. International threats:

Internationally few major players do not want this project to be successful. The animosity with bordering state India is the first and foremost int'l threat to CPEC as they don't want Pakistan to progress, also the US rivalry with emerging global power China cannot be neglected while talking int'l threats to the initiative.

1.4.1.17. Bad Governance:

China arose significant concerns regarding the mismanagement at the administrative level and they asked for a single desk option to avoid the time taking process of approval from various offices where files are kept for a long before even being considered. Also, the check and balance regarding the ongoing developments is not satisfying causing delay and unnecessarily increasing the cost which surely is a huge burden on the already devastated economy

Conclusion

The main theme this article is to discuss China Pakistan Economic Corridor and challenges which is being created by various sources. No doubt CPEC is a great opportunity for Asian Countries. Besides this, the rival countries of China are creating challenges to its development in several ways like the US has Imposed trade Barriers, and has increased tariff on goods. On the other hand, India has also created hurdles like border conflict, infiltration of trained insurgents against CPEC, and lastly Pakistan is also responsible for delay of the completion of the gigantic project due to the non-cooperation among political parties, political instability, and conflicts among the provinces of Pakistan on various issues such trade routes.

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