

ASSIGNMENT PAKISTAN STUDIES

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Topic 1:

A Critical Analysis of Pakistan's Foreign Policy post 9/11.

INTRODUCTION:

Foreign policy of any nation is determined by the number of factors like security, economy, geography, ideological interest and many more. Pakistan, because of its historic past and its position in the Muslim world had to face tough choices in terms of foreign policy making. The country's foreign policy was mostly based on its security and economic interests. Pakistan's rivalry with India and the issue of Kashmir reflected heavily upon its foreign policy during the Cold War period and it still does have a profound effect on the country's foreign policy. The country after maintaining a period of neutrality during the initial phase of Cold War decided to choose its path by being the part of Baghdad Pact in 1955, a move which annoyed the Muslim world.

Pakistan, however, justified this alliance by claiming this was done in order to secure protection from India. However, this was primarily because of the country's weak military and economic position that it chose to join the pact. Moreover, it was the pressure and promise by US of military and economic support to the country that Pakistan entered the US led Capitalist bloc. By doing this the country tried to balance its equation with its nearest rival India, with whom it had fought four wars. After the creation of Pakistan on religious grounds, there were questions concerning not only the survival of Pakistan, but also regarding its ideology - whether it would be an Islamic state or a secular one. The founding father of the country, Mohammad Ali Jinnah made it clear at the very outset that Pakistan will be a secular state with religious freedom granted to everyone regardless of their particular faith. Pakistan was a country composed principally of Muslims but essentially secular and democratic in its constitution and political institutions. He made this clear in a speech on 11 August 1947, three days before independence, when he told members of the Constituent Assembly that: 'You are free to go to your temples; you are free to go to your mosques or to any other places of worship in this State of Pakistan. You may belong to any religion or caste or creed - that has got nothing to do with the business of the State. There have been instances of Islamization of Pakistan's foreign policy under different regimes. Also, the Pakistan's establishment faced pressure from the *lamas* who wanted the state to be declared as an Islamic state in principle. Pakistan suffered a massive jolt by the unfolding of events in 1971 when it lost its East Pakistan – present day Bangladesh, which also brought to fore the active part played by India in this process.

This resulted in an even greater animosity between India and Pakistan and the two countries started looking at each other as a threat. This was aptly summed up by Bhutto, under whom Pakistan showed much vigor and vision in its foreign policy, when he made a statement in 1965 that "if India makes an atomic bomb, then we will also do so, even if we have to eat grass, an atomic bomb can only be answered by an atomic bomb. India's close ties with US meant that any plea of help Pakistan expected

from US in 1965 and 1971 war against India was not met. This reflected that US -Pakistan relationship was directed more towards thwarting communism rather than what Pakistan expected it to be a strategic partner against any offensive. So, marred by the severe challenges from both outside and within, Pakistan formally chalked its foreign policy which was based on its security and economic interests. In the wake of Soviet invasion of Afghanistan, Pakistan joined the US led military coalition (NATO) and fought against the Soviet led communism. In its pursuit of foreign policy goals, the country sought to improve its relationship both within the region and outside as well. Moreover, the country tried unsuccessfully to pursue its independent foreign policy and reduce its growing dependency on US. The country has maintained stronger ties with China and Saudi Arabia since long. Pakistan after a brief period of resentment from many Muslim countries, has now improved its relationship with many countries in the Gulf region, and also it has improved its ties with the countries in Central and South Asia.

Pakistan's Foreign Policy towards the United States

9/11 was a watershed moment in the annals of the modern times. It was an event which shook the world and changed the dynamics of world politics. This all happened when twin towers in America were hit by hijacked planes and the men from Al- Qaeda were said to responsible for the attack. This attack not only resulted in the death of more than 3000 people, but shook the very pride of the US and took the world by storm. What followed thereafter is what is referred to as "War on Terror". The US was very firm in its stand to wipe out the roots of the terrorism and to bring perpetrators of the attack to justice. In its fight against terror, the US garnered international support and thus began the never ending circle of violence, whose first victim became Afghanistan. Pakistan shared cordial relations with the US which were marred by occasional breakdowns because of the shaping of political events in Pakistan. Disappointment at the US support to India during the Sino-India war and the breakdown of democracy in Pakistan especially after Zulfikar Ali Bhutto was removed from office dented the relationship between the two countries.

The shaping of events after 9/11 granted a new lease to the relationship between US and Pakistan. The US needed Pakistan for its strategic reasons, as the latter being the neighbors of Afghanistan could prove a potent weapon in its fight against terror. It was the time when Taliban had maintained a stronghold in Afghanistan and the US believed that Osama was not only hiding there, but was protected by Taliban. After Taliban refused to hand over Osama to America, the latter believed that the sanctuary of terrorists operating from Afghanistan is a threat to world peace and thus decided to invade Afghanistan for which it sought the help from Pakistan. But it was not an easy decision for Pakistan to join the bandwagon of "War on Terror" as the country was already grappling with the security problems and by choosing to be US allied was inviting more trouble to its already precarious situation, as Ahmed Rashid has rightly described the relations between the two countries after 9/11 as torturous. Pakistan has always been a country where military has dominated the politics and is always believed to call shots even if there is an elected civilian government. When 9/11 happened, Pakistan was headed by the powerful military ruler, General Pervez Musharraf, so the US had no choice but to deal with him and to seek his support. There was a growing lobby within Pakistan consisting of *ulemas* who didn't want their country to fight against their Muslim brethren. Also, Pakistan supported the Taliban regime in Afghanistan. Moreover, many people take it for a fact that Pakistan's relations with the US are determined by what is in the interest of US, not Pakistan. After initial phase of reluctance shown by Pakistan, it formally joined US and became one of its most important strategic allies. Pervez Musharraf justified this alliance by saying that the country had no choice but to join the alliance as the US had threatened of "bombing it into stone age" in case it declines to join US.¹ Thereafter the US was allowed to use the air bases in Pakistan to mount attacks against Afghanistan and also provided a loan of \$1

billion to Pakistan for its cooperation. This also meant signing of Kerry Lugar bill in 2009, which was to provide 7.5 billion dollar of aid to Pakistan over the period of five years, which was later on suspended after Bin Laden Killing. Pakistan maintained the foreign policy of strengthening its relations with the US even though it meant the heavy losses for Pakistan in terms of human casualties. This also resulted in a further decline in its already precarious relations with Afghanistan as the estranged Taliban directly blamed Pakistan and directed their attacks against Pakistan. In turn Pakistan continued to receive aid from America which it would channel into meeting its security and economic interests. Pakistan has been a constant recipient of US aid which is said to be over \$20 billion in 21st century. While the military alliance grew between US and Pakistan, Pakistan was skeptical about it, as for them US was pushing the country in a deep quagmire of political turbulence and US believed that Pakistan continued its tacit support for Taliban. Kasuri, in his book also opined the same: "The US continued to accuse Pakistan of „running with the hare and hunting with the hound“ by not giving up its policy of support to the Afghan Taliban". Nevertheless, Pakistan couldn't abandon its relationship with US for strategic reasons including the support on much valued Kashmir issue with India. This also meant lifting of sanctions imposed on Pakistan and also how Pakistan used this opportunity to accuse India of shying away from dialogue over Kashmir issue.

After the US invasion of Afghanistan and the claim of dismantling of terror network, it mounted a war against Iraq on the grounds that it possessed Weapons of Mass destruction (WMD). Pakistan was again caught in a lurch and despite denouncing the attack on Iraq couldn't break the ties with the US. Kasuri, in his book says, "Although Pakistan faced immense pressure from the US, there was strong public sentiment in the country for respecting the sovereignty and territorial integrity of Iraq". The relationship of mistrust continued as was apparent when in 2008 the US carried an air strike which killed 11 paramilitary soldiers of Pakistan Army Frontier Corps which led to a backlash from Pakistan and termed it as shaking of mutual trust and cooperation.

Also, in the later period when 24 Pakistani soldiers died in US led air strikes as a result of which Pakistan asked US to vacate Salala air base which the US used in its offensive against Taliban.¹⁸ The incidents like these demonstrated as to how Pakistan values its relationship with the US as they knew it is in their interest despite growing strong public opinion to sever ties with US.

After Obama took over the US presidential office in 2009, he made it clear that his predecessor George Bush had largely ignored the problems faced by Pakistan and how it posed serious threat to the regional stability if left unaddressed. Pakistan also witnessed a change in its political environment after 2008 general elections, which forced Musharraf to resign and an elected civilian government formed by President Asif Ali Zardari. An important event took place on May 1, 2011 resulting in the capture and killing of the most wanted man, Osama bin Laden, who US believed was the mastermind of 9/11 attacks.

This raid by US Navy SEAL and the operation inside Pakistan's Abbottabad posed serious challenges to the Pakistan-US relations. While Pakistan blamed the US of violating the country's sovereignty, the US blamed Pakistan of shielding the man they were looking for since that fateful event. There were talks of "divorce" between the two countries, but somehow that moment was not to be which reflects that the relationship between the two countries no matter how old suffered from mutual trust deficit and further aggravated the fragile situation in Pakistan.²⁰ The country faced host of challenges as it can't afford to hamper its ties with rest of the world by pleasing the US. Analysts argued that certain factors deteriorated the situation in Pakistan and these include the emergence of Pakistani Taliban who has become more dangerous now, division in the Pakistan's national security paradigm and the use of Islamic militants- jihadi groups, non-state actors- to pursue its defense and foreign policy goals.³ Also the "drone attacks" by the US has resulted in civilian casualties and has thus become another matter of contestation between the two countries. The shaping of events in Pakistan and the relationship with the US left Pakistan with no choice but to launch assault in the FATA (Federally Administered Tribal Areas)

which was believed to be a safe haven for terrorists. This ploy of seeking goodwill of US has a huge bearing on Pakistan, be it in terms of human lives lost or in economic terms. The ghastly attack on military school in Peshawar was a chilling reminder of how Pakistan has been left battered by this menace of terrorism which is threatening its existence and which is believed to be a consequence of Pakistan's joining of US led „War on Terror“.

Pakistan's Foreign Policy towards India

The incident of 9/11 worsened the already fragile security situation in South Asia where the relations between Pakistan and India have for the most part remained adversarial. Pakistan's foreign policy towards India has been primarily security driven. The two countries have over the period of time fought four wars and border skirmishes have marked their relationship for most of the times. The major bone of contention between the two is that of Kashmir issue, with both the parties claiming the land in its entirety. The two countries have always looked at each other as potential threat and tried not to concede an edge of one over the other. This has reflected in forging of alliances, and when India successfully tested nuclear weapons in 1998, Pakistan responded by successfully test firing its own nuclear weapons and thus restored balance with its rival. The separatist movement started by the Kashmiris against what they deem as an occupation by India was supported by Pakistan for its own interests while at the same time India supported the insurgency movement in Baluchistan. So, this challenging relationship between the two countries has been deemed as a threat to the peace in South Asia and hence the calls for ending hostilities have been growing. After the 9/11 incident, Pakistan's growing proximity with the US caused discomfort in the Indian camp and with both parties in order to please the US were accusing each other of fomenting trouble in their respective countries. India in its attempt to woo the US and to keep Pakistan away from the US coalition, tried to exploit the situation and seek Washington's help in declaring Pakistan as a terrorist state. Pakistan, during the time when Kasuri was the Foreign Minister made it clear that any solution to Kashmir should be acceptable to the people of Kashmir and to the Governments of both Pakistan and India. While India on the other hand has blamed Pakistan for lack of sincerity and its support for militants to wage attacks against India, which resulted in the derailment of dialogue process between the two countries. With the effective use of backchannel diplomacy and Confidence Building Measures (CBM"s), growing tensions between the two were defused to a considerable extent and in a significant move Musharraf was invited to Agra Summit in an attempt to normalize the ties-- an attempt which many regarded as a failure. Another visit this time by Indian Prime Minister Vajpayee to Pakistan in 2004 on the side-lines of SAARC summit was a step towards bringing an end to the troubled relationship between the two countries. While India insisted on its demand of dismantling terror networks operating from Pakistan, Pakistan reiterated that the root causes of this needs to be addressed-- which means resolution of lingering Kashmir issue. India has always treated Kashmir issue as a bilateral one with Pakistan and thus reduced the role of Hurriyat leadership in Kashmir who claim to represent the mass aspirations. Also, the role of armed rebellion which started in 1989 was also delegitimized by India. Hence, in this scenario the negotiations between Pakistan and India over Kashmir issue have always been a subject of criticism in the two countries. Pakistan's foreign policy stance over the contested Kashmir issue, though drawing flak from many quarters, has been of taking Kashmiri Hurriyat leadership on board before entering into any negotiations. Although Kashmir issue was side-lined by Pakistan on numerous instances, but they have constantly reiterated the utmost importance of Kashmir issue by emphasizing that Kashmir runs into the blood of most of the Pakistani's.⁴ The two countries realizing the importance of peaceful relations with each other continued the dialogue and in General Musharraf visited India in 2005 and was pretty optimistic with the outcome of the meeting, especially with the issuance of Joint Statement with India. In another significant development bus service across the LOC in 2005 heralded a path breaking

development which was the result of the negotiations and paved the way for further peace building. Although Kashmir issue occupied the central stage when it came to negotiations, there were other host of issues like water sharing issue which was deemed as major threat to peace, besides other issues related to Siachin and Sir Creek.⁵ Despite facing immense hurdles, Pakistan and India carried on dialogue process with occasional breaks to resolve all issues. Notwithstanding the cynical voices opposed to the dialogue process, it needs to be carried forward. After the change of guard in both the countries no major development in solving these issues has been reached, apart from the famous Four Point Formula by Musharraf which did not have many takers. Despite the repeated attempts to stall the dialogue by some elements, the two countries have continued negotiations. In order to boost the respective economies, Pakistan Cabinet approved the MFN (Most Favored Nation) status to India in 2012, which would boost the bilateral trade to US \$6 billion by 2014- move which was criticized by Kashmiri freedom leaders and the people within Pakistan. Now that India is headed by the fire brand leader Namenda, many people believe that Pakistan will find it tough to deal with him and his approach on Kashmir and other issues will be different from that of the Congress Party. Some analysts believe that restoration of democracy in Pakistan, has made things bit easier and the growing friendship and bonhomie between Nawaz Sharif and Modi is expected to throw interesting things in future relations between the two countries.

Pakistan's Foreign Policy towards Afghanistan

Ever since Afghanistan and Pakistan fought on the same side in their fight against Soviet Union, the two countries have been far from maintaining cordial relationship with each other. The two Countries sharing the same history and bound by ties of faith, culture and geographical proximity have locked horns over issues related to security and Pashtuns. In its attempt to achieve its broader foreign policy goals, Pakistan has sought to mend its ties with Afghanistan with whom it also had troubled past relations as it is being blamed for its interference in country's politics including the support from ISI to start insurgency in Afghanistan for its own interests and ambitions.⁶ The underlying assumption for this Pakistan interference was that after the withdrawal of US forces, the US will grant leeway to India to use its influence in Afghanistan and thus will undermine the authority of Pakistan. Failing to achieve its set of objectives from Afghan War (rebuilding the Afghan state and defeating Taliban), the US and NATO forces began to withdraw from Afghanistan and the country was left in shambles with the threat of civil war looming war. The US regarded Pakistan as a corner stone for the regional peace and thus expected it to play a major role in restoring some sort of stability in the region. The earlier rationale for good relations with Afghanistan and need for "strategic depth" was that in case of war with India, the latter could give its army support and space, was later discarded by Pakistan army and officers as „meaningless“ owing to the possession of nuclear weapons.⁷ After facing the difficult situation in the wake of 9/11 attacks, in their bid to improve relations, the two countries signed 2002 „Kabul Declaration on Good Neighborly Relations“ which was based on the policy of non-interference. This was followed by the visit of Pakistan's Foreign Minister to Afghanistan in 2003 where in Pakistan ensured of not allowing its territory being used against any attack inside Afghanistan.⁸ While Afghanistan accused Pakistan of interfering in its country with increasing evidence, Pakistan on the other hand expressed displeasure that the grave problems faced by the country were being overlooked. Pakistan made it clear to the Afghanistan that it favored the negotiated settlement which also includes bringing Taliban to the table. President Karzai of Afghanistan was very vocal in its approach about the involvement of Pakistan in fomenting trouble in his country, and made it clear that Afghans were not so foolish as to turn their country into a battleground because of clash of interests between India and Pakistan and at the same time also emphasized that Afghanistan did not hold any ill will against Pakistan.⁹ Pakistan being conscious about reducing the Indian footprint in Afghanistan provided support to Karzai Government

and also marking a high point when Pakistan invited Karzai to be the Guest of Honor at the Pakistan Parade Day in 2005. Further, by bolstering their economic ties from paltry US \$23 million to the tune of \$1.2 billion between them in 2005-06, Pakistan set the precedent for the importance it attaches to Afghanistan.³⁵ Giving further push to the increasing diplomatic ties with Afghanistan, Pakistan opened up its borders to accommodate the huge influx of refugees, which is the direct result of on-going war in Afghanistan, and it is being estimated that Pakistan still hosts 3 million refugees from Afghanistan. It also announced \$100 million aid to meet the challenges of reconstruction and rehabilitation in Afghanistan.

Relations with China and Russia

In what is referred to as Diplomatic Outreach, Pakistan's has over the period of time built healthy relations with China despite being inclined more towards the West. China understood that it was because of security challenges Pakistan feared from India that it was comfortable with choosing Pakistan as its strong regional ally and in return Pakistan supported China's berth in UN Security Council. The relationship between the two countries has for the most part been cordial and even after the incident of 9/11, the relationship between the two witnessed an upward trend and the period was marked by frequent exchanges of heads of states and the signing of various agreements, one among them being the Treaty of Friendship, Cooperation and Good Neighbourly Relations in 2005. Pakistan will be keen to further strengthen its ties with China and to take this relationship to new heights which gets reflected by its willingness to open the traditional Silk Route which connects the West and the East and thus to give boosts their economic ties. Also, Pakistan has handed over Gwadar Port to China which links South Asia to China and Central and West Asia and can help Pakistan to give a further push to its economy; this move has raised ripples in India who think it to be the strategic move from China which it could use against India in case of a war.

Pakistan's foreign policy towards Russia has come a long way from its Cold War days when they fought alongside US and Afghan Mujahedeen and both the countries realized the importance of maintaining good relations, improved their relationship post 9/11 incident. Russia, grappling with its internal issues and the insurgency in Chechnya, Dagestan and the Caucasus, found a way to join the growing consensus among the international community on terrorism. The two countries have since then marked an improvement in their ties and the potential of trade in terms of oil and gas has also been an important factor to shape their relationship.

The starting of Joint Working Groups (JWG) in different fields and the visits to each other's countries which started after a gap of thirty years when Russian Prime Minister, Mikhail Fradkov visited Pakistan in 2007 and later in 2012 the period witnessed signing of Memoranda of Mutual Understanding.¹⁰ The results began to yield fruits when Russia lifted an embargo in weapon sales to Pakistan and with this future prospectus with Russia looked good for Pakistan.

Relationship with the Gulf and the Middle East

With the countries in the Gulf, Pakistan has always maintained a healthy relationship more particularly with Saudi Arabia which has been a long term ally and a trusted friend of Pakistan. At the times when sanctions were imposed on Pakistan, Saudi Arabia acted as a saviors for the country on numerous occasions by providing aid and other logistical support. The strong Muslim connection apart from the security reasons has been a driving force for this relationship to thrive, but Pakistan has for most of the times been caught up in the battle for regional supremacy between Saudi Arabia, Iran and Turkey. While as Arab countries in the Middle East have looked upon Pakistan as a Muslim power, as it is the only Muslim nuclear power country, Pakistan in turn has supported the countries in the region on many instances by opposing the war on Iraq and also on Iran over the latter's nuclear programed. It has also

refused to accept the statehood of Israel and also supports the fight for the recognition of independent Palestine. Pakistan for the most of its part maintained neutrality when the “Arab Spring” swept the Middle East region in 2008 and brought about the regime changes in Tunisia Egypt, Libya and has unleashed civil war in Syria which has killed more than 200,000 people. It was only recently in a significant departure from its position of neutrality that Pakistan has decided to oppose any attempt which threatens the removal of Assad. The resourceful region has always remained a source of attraction for most of the countries and thus Pakistan is not staying behind because of its own interests in the region.

Conclusion

Pakistan’s foreign policy like any other country has been expanding its sphere of influence not only in the region, but in the world politics as well. Its foreign policy has for the most part been Indo- centric which has thus impeded its growth in relationship with other countries.

Pakistan perceives existential threat to its territorial integrity from India and this consideration has always essentially influenced its foreign policy and behaviors. The country’s backing of non-state actors in its proxy war against India has backfired as is evident from the mounting attacks from TTP (Tehreek-e Taliban Pakistan) and other elements on its own soil.

The precarious security situation in the country has posed serious challenges to its existence and the elements hell bent upon seeing Pakistan in chaos should be tamed by taking every stakeholder on board. So the need of the hour is to have better relations with the neighboring countries, more particularly with India which is in the mutual interest of both the countries.

The need to initiate dialogue and negotiation for resolving the pending issues is only the best way forward. Moreover, Pakistan has excessively relied on the US that no doubt has helped the country to boost its economy and defense capability, but it has also brought miseries of unprecedented magnitude to the country and thus alienated the large section of its society, which does not augur well for any country.

It is the time for Pakistan to stand up to face the mounting challenges and try to address its spiraling internal issues, rather than to remain obsessed with India. Unless and until Pakistan doesn’t have a good relationship with its neighboring countries, more particularly with India and Afghanistan, the more problematic it becomes to pursue its own national interests and to bring about stability and peace in South Asia.

Topic 2:

CPEC: Prospects and Challenges

INTRODUCTION:

The China Pakistan economic corridor is an ambitious project that aims at changing the geo-economic dynamics of Pak-China relations and augmenting the trading activity in the region. It anticipates economic growth, meeting the energy shortfall requirements, employment generation, foreign direct investment, infrastructure development, promotion of tourism and others. The multi-billion project offers a long term investment in Pakistan involving the regional countries as well. However, the project is being challenged by domestic controversies and external opposition. In this scenario if these challenges are effectively tackled, it may lead to economic interdependence that would be climacteric for peace and economic development for the region.

The vision behind CPEC is to improve the lives of people of Pakistan and China by building economic cooperation, logistics and people to people contact for regional connectivity. Moreover, it includes integrated transport and IT system, communication channels, agricultural developments and poverty alleviation. Furthermore, it incorporates tourism, financial cooperation, Human Resource Development and others.

After the completion of the corridor, it will become a primary gateway for trade among China, Africa and the Middle East. It is expected that this corridor will help cut the 12000 kilometers route. There are myriads of benefits of CPEC , that are stimulating the hope for bright future of the corridor, the journey would not be without hurdles as there are several intrinsic and extrinsic challenges that are an impediment to the churning out of CPEC.

The first and foremost challenge domestically is an absence of rule of law. The basic purpose of rule of law is to provide security of life and free movement to people. "The World Justice Project" (WJP) analyzed more 113 countries and Pakistan has been ranked 106th in terms of rule of law experienced by the citizens, getting position on the above Afghanistan, Ethiopia, Zimbabwe, Cameroon, Egypt, Cambodia and Venezuela. Without rule of law sustained development remains an elusive goal; peace, investment, development are all linked with the values of law. Moreover, law and order situation is so inadequate in Pakistan that international as well as domestic investors are reluctant to invest in Pakistan.

"China Pakistan economic corridor (CPEC) only could become a game changer, if Pakistan succeeded in overcoming its security challenges"

- The former Diplomat Riaz Muhammad Khan-

The second major threat to the CPEC project is political instability in the country that has become a serious problem in Pakistan. Political firmness is Pre-requisite for the economic growth and development of the country. Uncertainty is ahead of Pakistan political crisis. No Prime Minister could hold the office for 5 years since, after the independence 1947. Nawaz Sharif's disqualification could set

up a spell of political instability in Pakistan. Resultantly security issues and political instability arise in Pakistan leading to military interference in the state affairs getting ground for a military coup. Thus political uncertainty unless not done away with, would continue to remain a challenge for the CPEC projects' implementation progresses.

"CPEC all investment will be withdrawn if there is any Political turmoil in the country"

-Ahsan Iqbal-

The third major obstacle to implementation progress of CPEC is an institutional imbalance. Pakistan is a country where the military has ruled for around 35 years out of 70 years of her life. Throughout all the three martial law regimes, the constitution of Pakistan was abrogated, suspended or held in abeyance. Presently, the CPEC is facing tremendous security challenges. In order to guarantee a secure environment for the CPEC development, the military is expanding its power. This phenomenon significantly affects the civil military relations and civilian control over the military that is challenging the process of democratic transition. The need has arisen that the military should be kept aside from the interfering in the political matters of the country. So that the government might make policies for the in the way people want.

The fourth serious challenge which CPEC is facing is inter-provincial grievances. It is alleged that Punjab gets lion's share in CPEC projects at the cost of other provinces. It fashioned rifts between the federal government and the provinces. The major conflict was "The route change" KPK government demurred that the Federal Government wants to build eastern route first which passes through the central Punjab, despite the fact that eastern route is longer than western route which would be more costlier. In this connection, Punjab province would get the most benefit, depriving other provinces their due share. China urged Pakistani leaders to resolve issues over CPEC project. Minister for inter-provincial co-ordination Riaz Pirzada said that CPEC is crucial for the country, it should not be made controversial by saying that the entire country and all the provinces would benefit from it, particularly backward areas of KPK and Balochistan.

Fifth major challenge towards implementation of CPEC is the unrest in balochistan province. Due to the fact that Gwadar port is located in province of balochistan the ongoing insurgency in the provinces poses crucial challenges to the success of CPEC project. Consequently, the benefits of CPEC investment can be accurately measured if its impact on terrorism can be calculated.

Apart from domestic challenges, CPEC project implementation is facing several international challenges as well.

The first and foremost external challenge to the corridor is India's belligerent attitude towards CPEC. Indian felonious demand is that Gilgit Baltistan is a disputed territory, therefore; route of CPEC passing through that territory is unjustified (illegal). Another considerable concern within India is that she sees Gwadar a deep-sea port as a part of China's "string of pearls" basis that extends from its eastern coast to the Arabian Sea. China is also developing ports in Sri-Lanka and Bangladesh (that are considered a potential military challenge to India).

India perceives that in future China can block sea access to India by burgeoning such ports. Consequently, India is unhappy with the development of CPEC and trying to sabotage CPEC by playing its card in Balochistan. The Recent arrest of Indian agent Kulbhushan Jadev testifies the involvement of India in Balochistan in particular and in Pakistan in general.

The second challenge to the success of CPEC is Indo-Afghan nexus. Internal instability in Afghanistan remained unruly for Pakistan. The roots of almost all terrorist related activities are traced back to Afghanistan. Besides, India is making military bases in Afghanistan from where it carries out terrorist activities.

“RAW is operating from Afghanistan to sabotage CPEC”

General Zubair Hayat

This Indo-Afghan nexus is causing problems because of “Durand Line” that is a porous border.

The third major challenge in CPEC implementation is Chabahar port. Iran in cooperation with India is developing chabahar port. India is investing billions of dollars in this project so as to neutralize the potential of Gwadar port and curtail CPEC. It is in completion to Gwadar. But President Ruhani said, “Chabahar is not in competition to Gwadar rather both will complement each other.”

Fourth major obstacle is involvement of big powers. Two major powers United States and Japan appear to be excessively uneasy with the fruition of multi-billion dollar project. The US is making different policies to contain China. America considers rising China threat to its global dominance. Thus America is creating hurdles for Gwadar port, besides America perceives that Gwadar port could be used for the military purpose in future. As a part of the containment policy, America signed “strategic and economic partnership” with India.

American support to India for the nuclear supplier Group (NSG) is also part of that partnership. Their cooperation is not the only challenge for China but for also for Pakistan. On the other hand, Japan is stressed because with the consumption of CPEC the distance amongst China and its trading countries would reduce by as much as 9000 kilometers that will have deep impact on Japan’s exports. Despite formidable municipal and international challenges the benefits and prospects of CPEC are extensive that are likely to come to fruition. If CPEC is appropriately coped, it from all counts will prove a game changer; this project has potential to transform economic growth. Besides, it gives hope of having regional cooperation, transit, trade, energy transformation and others.

Firstly, the Pak-China economic corridor will boost the economy of Pakistan. Pakistan is under heavy debt. According to Finance Minister Ishaq Dar, “current debt on Pakistan is 73 billion dollars.” A report released by a think-tank of South Asian Investors says, that the multi-billion dollar project is expected to boost the country’s GDP growth rate to 7.5% during the period 2015–2030. According to International ratings institution Moody’s report China-Pakistan Economic Corridor (CPEC), will increase industrial production and surge development work. CPEC is a 3,218-kilometer long route; the completion of the route will take several years, consisting of highways, railways and pipeline. Once China Pakistan Economic corridor is completed; it will open doors to immense economic opportunities not only to Pakistan but will physically connect China to its markets in Asia, Europe and beyond.

Secondly, the project will encounter the energy shortage necessities of Pakistan. An acute ongoing energy crisis is posing a serious dilemma for Pakistan. Available data of National Transmission and Despatch Company NTDC and K-Electric Limited (KEL) say that total installed electricity production capacity is 23,234 megawatts (MW). And the shortfall lies -between 5,000 MW and 6,000 MW. Secretary of Water and Power, Mohammad Younis Dagha said that under the China Pakistan economic corridor (CPEC) project, the Chinese companies will be investing \$35 billion in 19 power projects which will produce 12,134 MW of electricity. According to K-Electric KEL and National Transmission and Despatch Company NTDC, by 2020 Pakistan will be able to produce 34,785MW of electricity. Thirdly, CPEC is major driver of Foreign Direct Investment (FDI) in Pakistan.

It has been a dry spell for Foreign Direct Investment (FDI) in Pakistan. Our country did not attract FDI in the wake of recent years. The country had received a meagre amount in 2015. Nonetheless, China Pakistan Economic Corridor (CPEC) became the major driving force in bringing FDI to Pakistan. According to the World Investment Report (WIR) 2017, the foreign direct investment in Pakistan has increased by 56 percent to over \$2 billion. The confidence of investors has much improved, that resulted in a large amount of foreign investment in infrastructure industries, especially electricity generation and transport. Many examples can be quoted here for instance; Power Construction Corporation (China) and Al-Mirqab Capital (Qatar) have started to jointly invest in a power plant at Port Qasim, which is the second largest port in Pakistan.

Fourthly, the China Pakistan Economic Corridor (CPEC) will help Pakistan improve its infrastructure. Under the China Pakistan Economic Corridor (CPEC) banner, the work on several infrastructure and development projects is in progress. Besides Industrial zones, several power plants and road infrastructures are initiated in Pakistan. Moreover, motorway between Karachi and Lahore which is eleven hundred kilometers long, the Karachi-Peshawar main railway line which is one hundred and sixty kilometers long, Karakoram Highway between Rawalpindi and Chinese border would be reconstructed and pipelines which would transport oil and gas would help to boost the economy on a whole new level and would also help in controlling unemployment.

Fifthly, CPEC initiative would immensely help in growing employment opportunities. CPEC through employment generation would greatly help in addressing the grievances of unemployed youth. As stated by the associated press of Pakistan report Workforce grew by 2.0 per cent in 2016-17. According to the international labour organization, CPEC would bring 400000 jobs to the country. While the Applied Economic Research Centre has estimated that the mega initiative would provide around 700000 direct jobs between 2015 and 2030.

Sixthly, besides creating job opportunities China Pakistan Economic Corridor (CPEC) will have a huge impact on tourism. The investment in Gwadar port and other infrastructure projects through the China Pakistan economic corridor, tourism in the country is likely to increase in the coming years. CPEC will greatly help in increasing tourism especially in Gilgit Baltistan which would ultimately be favourable for the local public. Moreover, World Bank has pledged to sponsor tourism in Pakistan.

Seventhly, CPEC would act as a catalyst in regional connectivity. China imports 80% of oil and does more than 70 percent of trade through the South China Sea and the United States. CPEC would provide a land route to China. As these two countries are the primary beneficiaries of the project. Besides CPEC will most certainly benefit the entire region connected to Pakistan and China. Moreover, the CPEC will give China access to the Arabian Sea through Gwadar which will significantly promote Chinese trade with countries in the Middle East, Africa and many countries in Europe. Furthermore, CPEC will offer transit trade facility to the landlocked Afghanistan and the Central Asian States.

Unequivocally this project will economically integrate the region and create interdependence. CPEC has a great potential to bring progress prosperity and stability in the region. The China-Pakistan Economic Corridor CPEC is harvesting greater attention around the world where more and more state leaders are inclined to be part of this multi-billion dollar project. Despite Inevitable prospects of the corridor, there are certainly formidable threats and challenges to suppress the success of the CPEC. But some carefully adopted steps would guarantee the promising success of the CPEC.

First, China Pakistan economic corridor is facing several security related threats. As stated by official militants are trying to disrupt the construction of an “economic corridor” and have killed 44 workers since 2014. Pakistan launched different operations to curb the terrorist activities. Overall security in Pakistan has improved in past few years. Despite the fact terrorists still manage to carry out attacks. The recent spate of terrorist bomb blasts in quetta, Balochistan and Sehwan are evident to that. Hence to provide security to workers along CPEC Pakistan needs more vibrant security measures to ensure Peace for smooth operationalization of CPEC.

Moreover Political stability is imperative for the success of CPEC. Political stability is a must for the development and progress. It is political decision making which impacts the behavior of the institutions. Hence, all the institutions may work within their domain. So that political instability could be curtailed. Considerable research suggests that political events and economic growth are interconnected.

Additionally, despite an avalanche of data available on CPEC initiative Government officials as claimed by Government officials, Lack of transparency and accountability still remained one of a greater issue for CPEC completion. Economists and diplomats said that the nation could not reap benefits associated with the corridor by hiding information from the public. Fairness and straightforwardness demand a standing of neutrality on CPEC till the terms and conditions are disclosed, without which one cannot arrive at an objective assessment of whether it could be possibly beneficial for the country. Many economists have questioned the CPEC project’s lack of transparency and accountability.

Secrecy and the lack of information have severely impeded a proper cost-benefit analysis of the project. Moreover, there is no transparency on issues such as cost efficiency, economic feasibility and viability. Environmental concerns are likely to be ignored that could lead to serious economic and environmental issues later on. Greater transparency will lead to lesser suspicions and greater interest on the part of local and foreign investors.

“CPEC agreement is sensitive and cannot be disclosed.”

Ahsan Iqbal.

Moreover, for Pakistan peace and stability in Afghanistan is in its best interest as the success of economic corridor project of China and Pakistan is greatly dependent on the peace and stability in Afghanistan. Secretary Ministry of Defense Production Lieutenant General Syed Mohammad Owais said that that the unrest in Afghanistan was deliberate, adding Afghanistan is regarded as "the heart of South Asia" and if there is peace in that country, there will be peace in the entire region. Furthermore, the Porous border with Afghanistan has always been a trouble for Pakistan. Terrorists often find sanctuaries in Afghanistan by crossing Durand line region. Therefore Pakistan needs to take Afghanistan into confidence and affective steps can be taken to manage border so that terrorists' infiltration could be stopped inside the country.

Subsequently, for CPEC to thrive, addressing grievances of provinces is crucial. Balochistan National Party (BNP) chief Akhtar Mengal has called the China-Pakistan Economic Corridor CPEC exploitative if it does not equally benefit all the provinces, particularly Balochistan. Political experts and economists have unanimously asked the federal government to address the grievances and concerns of smaller provinces regarding CPEC on a priority basis as delay might give room to anti-state elements to exploit the situation to their advantage. Consequently addressing concerns and grievances of all the provinces is essential. Their reservations must be understood since they are some of the greater challenges standing in the way for the implementation of the highly-celebrated CPEC.

Lastly, peaceful Balochistan is very much important for the success of CPEC. Balochistan, after a perturbed peace of almost three decades, is constantly witnessing the violent insurgency. The province has been in turmoil for the past several years. Under development of the province had resulted in creating internal and external fault lines which were further exploited by the dissident nationalists as well as external powers. The Baloch nationalists are very much against to the development of Gwadar Sea Port. Consequently, Government can address the grievances of Balochistan residents CPEC is the framework of regional connectivity which is a well thought out framework that will escort great economic/trade activity in the region and will reshape many economic policies in the coming years. For Pakistan, it is a catalyst for change and for China, it is meant to showcase its comprehensive economic reach to the regions for its successful culmination of 'One Belt, One Road' policy.

Even though the project faces many challenges, which include, the absence of rule of law, political instability, western interference in domestic affairs, perpetual political instability, and lack of impartial accountability institutions. However, the prospects it presents are also massive which include, economic boost, energy transformation, infrastructure development, employment generation, regional connectivity and others. Moreover, coupled with these opportunities Pakistan and China will get the maximum extract of this joint step of China Pakistan economic corridor.