

CPEC and Its Economic Impacts on Pakistan and China Relations

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Received 12-03-2022	Abstract: Pakistan and China are “All Weather Friends” they shared mutual border of 595 kilometers. China got independence in Oct 1, 1949, after two years’ independence of Pakistan. Despite its Islamic ideological foundation as opposed to China’s communist system, Pakistan had established official diplomatic relations with China on 21 May 1951. China and Pakistan political economic and strategic relations have lot of challenges but they maintained their relations. The determination of cooperation between them appears to the strength of their ties. Pakistan China long lasting bilateral relation based on mutual understanding and cooperation in defense, economic and geostrategic policies. Both states want to forte their relation. In CPEC agreement China initially decided to invest US\$ 46 billion, which will increase with the passage of time. In 2020 China announced 67\$ billion dollars to complete the CPEC. CPEC covers almost all the sectors like energy, infrastructure, commerce, education, agriculture, and trade etc. This agreement also considers as game changer in the region. China wants to boasts up the relation by means of CPEC because it’s a route to develop everlasting trading between China and Pakistan. CPEC will create the influence of their route region like Central Asia, Middle East, Africa and Europe. CPEC is a tool to enhance the political, economic, and diplomatic and defense relations between Pakistan and China	Keywords: CPEC, Economic impacts, Pakistan, China.
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INTRODUCTION

Pakistan and China bilateral relations are showing the feelings of mutual trust, respect and good will towards each other’s. Regular exchange of both states visiting level enhances the trust and cooperation. Pakistan and China both has long lasting relations in every sector. For instance, in the economic, political, defense, and social relations have grown over the past several decades. Pakistan has long and cooperative associations with China. A Character of good perception and common interest of both states remains sign of two-ways ties. Pakistan supports the China in Sino-Indian war in 1962 and stood with China on one platform when the issues of Taiwan were on full swing, Xinjiang and Tibet were going on in the region. Pakistan played important role to solve the ties of west and China in 1972. Pakistan tied up with China in broad political and economic ventures, considering that China to be a stabilizer to India and the United States. Pakistan filled the Gap of China towards Muslims states. (Khan, 2014)

Pakistan joined the capitalism, the government system, in the mid of 1950 .it was not meant that Pakistan will not able to have the relations with china. they will save each other in defensive ways but Pakistan did not support china when she was invading the Tibet due to her violations. Pakistan supported the china in indo-china war and resolved their boarder issues in the era of Ayub khan. It is considered a great one good

tenure because he introduced good foreign policy with china Pakistan and United States of America. The relations became more and more powerful when united states deny to help Pakistan financially and meanwhile China helped Pakistan to use the airline operating system.

The first era of trade after recognizing the China, Pakistan export the cotton but China denied due to issue of currency. After a short span of time they started the export and import of coal and cotton. Pakistan joined SEATO and CENTO, the security pacts, which were presented by USA to save their regional security issues. At that time prime minister proclaimed to china that we only joined these pacts due to our security reasons and china should maintain its relations with Pakistan without any hesitation.

Pakistan and China have bilateral relations and they supported each other in economic, military and energy sectors like in the indo-Pak war over Kashmir issue in 1965. On the other side UOS put the sanctions on both states but at that time china helped Pakistan with F-6 fighter and T-9 tanks and anti-craft weapons. Pakistan was also supported by china in UNO over Kashmir issue recently. China has a good record to support Pakistan in regional and international issues. China supported Pakistan to combat the terrorism as well as gave diplomatic support in United Nations over Kashmir issue. China also supported Pakistan in economic and political ways

in the era of 9/11 when USA was ready to attack on Pakistan. China normalized the relation between Pakistan and USA. Pakistan and China started friendly relation in 1950. Pakistan supported the China in China's local matters. Pakistan officially recognized the Taiwan as main land of China. Pakistan and China developed diplomatic ties with China in 1951. The first dispute between Pakistan and China on border issue later this issue was resolved with diplomatic ties. Pakistan gain independence and joined the capitalist bloc and declared that it's not mean to join the capitalist bloc that Pakistan will support the USA. Pakistan will enhance the relations with communist bloc. (Raheel2017).

Pakistan considered the China provided the support to Pakistan and less the Indian influence. India recognized the China and developed the closer relations with China. The Prime Minister of India Nehru plays a pivotal role to develop the diplomatic relation with China. Moreover, in 1962 the war between both countries India and China intensified the tension between both nations. Pakistan and China both states made stronger their diplomatic ties and friendly relations to counter the Indian aggression. After the Indo-China war both countries Pakistan and China improved their diplomatic relations. Later on Pakistan gave the charge of Kara Koram highway to capitulate to China. The border dispute was about ended and diplomatic relations became stronger than before. Furthermore, China helped the Pakistan to become the Atomic power. China gave the nuclear infrastructure and energy sectors. China also helped Pakistan to install the Khushab reactors and Pakistan plutonium unit. China helped Pakistan in leave and lurch when USA stopped the economic and technical assistance. Pakistan became a nuclear power with the help of China in 28 May 1998. Both states relationship is considered important in the region of Asia. CPEC is a way to counter the influence of India and America. China and Pakistan signed lot of economic and political agreements to strength the relations.

In economic ways China is a largest trading partner of Pakistan. Both States enhance the trade and political relations. In 2018 bilateral relations between two states reached US\$18 billion. CPEC will reach this relation at higher level. CPEC is known as flagship agreements by Chinese president Xi Jinping. Its main aim is to improve the connectivity towards Pakistan. There

are many projects had done under the CPEC like infrastructure development and energy sectors yet. Both states also enhance the people to people contact for more strong relations. Pakistan and China has celebrated the year of friendly exchange in 2015. Pakistan and China organized highly profile events like seminars, exchange of cultural activity. These steps will enhance the Pakistan and China relations. Both states relationship is considered important in the region of Asia. CPEC is a way to counter the influence of India and America. China and Pakistan signed lot of economic and political agreements to strength the relations. (Xinru,2011).

The Gwadar Deep sea port constructed with the help of China. Both states are stakeholder in this agreement. Its location attracts the other states because it is situated in the front of Strait of Hormuz. This project will enhance the economic benefits as well as economic rank of Pakistan and China. Gwadar seaport will enhance the relations of Pakistan and China. CPEC has its own significance in the world politics. Both states faced lot of problems but they solved this within short span of time. This solution will develop the underdeveloped areas of Pakistan. China is ready to invest in Pakistan to increase the economy infrastructure. Both Pakistan and China invested in different sectors like economic agriculture as well as energy sectors. Pakistan and China are staring the export and import and organized the better economic zone. Both states compared their relations with USA and Israel. In recent years' survey was conducted by the Media 84 % people agree with China policies and 16 % people turn to USA. Pakistan and China friendship higher than mountain deeper than the oceans and sweeter than honey is unique case in the international system we live in sound geostrategic and realist calculations yet. Both states always try to build up the better standard relations in economic, social and political ways.

Pakistan needs to enhance the more understanding the Chinese minds and compulsions and limitations of the relationship. China and Pakistan will also counter the terrorism as well as counter influence of India and USA. Both wanted to keep their relations strong and good. The hypothesis of this study CPEC has the potential to deepen the political and economic bonds between Pakistan and China. The objectives of this study are to analyze the impacts of CPEC on Pakistan China relations. To analyze that how

much CPEC has potential to strength their relations in agriculture, economic, education, infrastructure and energy sectors. This study aims to look upon the impacts of CPEC on those sectors one by one. This study will also ensure that, how much CPEC has potential to strength economic and political relations. How will they stable their relations in tense situation? This study will also try to focus on future prospect of CPEC towards Pakistan's economy. The major dimensions of China-Pakistan economic and political relations have also been elaborated and the other challenges faced by the Pakistan and China in this mega project have been explained in detail. (Javied Umbeen, 2016).

REVIEW OF LITERATURE

It is important to ensure that the selected theory matches the empirical analysis, and the link between the two should be visible throughout the text, in order to make a sense of the research.

"China Pakistan economic corridor beneficial for both state" by Ibrar et al. (2019) it is a deal of \$46 billion Pakistan and China both wanted to complete this project and counter the influence of India. CPEC is a reliable agreement than previous agreement. CPEC will gusts the Pakistan economy, agriculture as well as communications department. China and Pakistan geo-political worth attracting the investor that they must became a part of CPEC in instinctual. China was invested in Africa and completes the projects within short span of time. Peoples of Africa gain benefit from this project and they advance their living standard so Pakistan must redact on developing policies to complete this agreement. A lot of the challenges facing by the China and Pakistan to build the CPEC but their aims to fulfil the requirements of each other. Therefore, in order to be on the safe side and benefit from the economic breakthroughs, Pakistan needs to have a capacity develop program starting from the vocational schools where technical skills are developing to the highest level of its educational sectors. Pakistan is establishing the policies with China to enhance the employments in every department because it will be favorable for Pakistan economy and political relations with China. Pakistan and China must make the future policies to counter the threat of India and USA. China wants to enhance their strategic relations among the state via CPEC and play a cards to stable a good bargaining in this regions. Muhammad et al. (2019).

"The politics of CPEC: the impact of the China-Pakistan Economic Corridor on Pakistan's federal system" by Filippo boni, Andy and Kathrine, (2019) in this article the writer says that, CPEC is really a deepen the bonds between Pakistan and China because huge investment is a key to open the new doors. Pakistan never snub this projects as an option because Pakistan will gain a lot of advantage form this investment. China also declared that he will invest on CPEC \$60 billion in different sectors. With the passage of time Pakistan inter provisional relations will strong. A great expectation towards CPEC will be completed in 2030. Most of philosopher raises the question that Imran khan will manage the all-weather friendship between Pakistan and China. Imran Khan says that 'we should build a shorter and better route of the CPEC instead of opting for the eastern route, which will create resentment in other provinces against the Punjab There are many factors to developed the eastern route like China will gain already constructed rail road he will easily invest here and work in this route. China gives us economic umbrella to overcome all the issues. The recently IMF bailout will only be enhancing the pressures on provincial resources. It will remain that how Pakistan will stride the fine line of pleasing its IMF masters with managing its 'all-weather' friendship with China. As journalist Umair Javed aptly remarked, 'CPEC may very well be an economic game changer, but there are increasing signs that, it will also unmask some very troubling political wounds. The writers well said about the CPEC benefits and it's really a shortest route to reach out the different continent but he forget that, first of all we must be establish the polices towards China and through CPEC their bilateral relations will increase . (Boni et al., 2019).

"Wider Economic Benefits of Transport Corridors: A Policy Framework and Illustrative Application to the China-Pakistan Economic Corridor" by Martin Melecky and Sharma Siddharth, (2018) in this article the writers stated that, CPEC is an opportunity between Pakistan and China to connect the five continents. These projects will give the new jobs and increase the level of employment. It will also create the challenges in this region. Terrorism prevail here so, Pakistan and China make a better policy to counter this evil. CPEC also create the positives influence among the districts to enhance the education rate. Security issues also damage the prosperity of Pakistan and

China so both state stand on one platform to stabilizing the CPEC. CPEC highways and other sectors also have potential to grow up the Pakistan economy. The results also have explained the potential environmental trade-offs from transport corridors because of expected increases in particulate air pollution more so in districts with a low share of higher education. While not surprising given the increase in traffic, this potential negative impact is largely absent from policy discussions. The writers forget that whether Pakistan is building the highways and roads to enhancing the economy but both states must develop the better policies and public interactions. (Martin Melecky ,Siddharth Sharma , Mark Roberts, 2018).

"*China Maritime Silk Road Initiative and South Asia* " by Editor of this book is Jean -Marc F Blawhard, (2018) Sino-Pakistan Relations based on long term relationship. They depend on each other politically, military, and economically. In 2015, launch of CPEC and OBR provide that both state have strong relations. The foreign minister of China Wang Yi " stated that, we have a coined a special term for Pakistan 'Iron Pakistan' China proved the friendship when he pressured by the India and USA After 9/11 that it musts be support the India and keep good relations with her. China rejected this invitation and stand with Pakistan in this tense situation. CPEC turn on the new ways for Pakistan.it will connect the Africa Europe and Central Asia. BRI will connect with karakoram highway than it will enter to reach in Arabian Sea coast of Pakistan. (FTA) also enhances the economy of Pakistan and China. In 2007, trade ratio of Pakistan USD \$13 Billion and in 2015 USD \$20 Billion. Pakistan received lot of things like mobile phone machine etc. A huge investment will change the fate of Pakistan. At last CPEC have a lot of Security issue but with the passage of time both state counter this issue. The writer forgets in this book that CPEC is a key to open the new door for Pakistan economy so it will stable the Pakistan relations among states. It's a new episode for Pakistan to develop the strong foreign policy towards China. (Marc-Jean Blaward2018).

"*Strategic Meaning of the China-Pakistan Economic Corridor*" by Ahmar,(2018) in this article writer says that, China and Pakistan ready to invest huge money on CPEC. Both states want to enhance the economic geo strategic, agriculture, and infrastructure. CPEC will create the win-win situations at one platform. Pakistan and China will

face the lot of challenges to implements on the project so they made strong policies to conquer the CPEC on time. CPEC will try their best to sabotage efforts aimed at bringing foreign investments and putting the country on the track of development, for that purpose, such forces will deepen their efforts to covertly sponsor acts of sabotage, violence and terrorism. The governments of China and Pakistan had completed the task before embarking on CPEC. It would have been better if the briefing and consultation process started in Pakistan had begun earlier. At the same time, those political leaders who have their reservations against the route of CPEC should get correct information and maps before expressing their opinions to criticize the project. With better transparency and planning in CPEC, it is expected that the project will be a win-win enterprise for all stakeholders and it will unleash the process of development which is badly needed in Pakistan. The writer forget that building the better polices Pakistan and China must stable their geo-strategic relations due to counter influence of India so Pakistan must build the strong policies towards geo-strategic relations with China (Ahmar, 2018).

"*China Pakistan Economic Corridor (CPEC): Challenges and Prospects*" by Samrana Afzal and Nasem anum, (2018) in this article the writers stated that, CPEC is really a game changer for Pakistan due to his routes and geo-strategic worth. There is lot of indecisive challenges to complete these projects like security economic and social. Pakistan is considering this projects as lynchpin of economic development. Therefore, Pakistan will manage the security and economic policies and end their short comes. India and USA are want to demolishing this projects with their cogent cards. China take interest in this region because it is shortest and cheapest area to connect the CPEC with others region like Europe, central Asia, Middle east, and Africa. China and Pakistan wanted to enhance their regional integrations because it's an attractive project to attract the investor. Pakistan has a lot of challenge in south Asia region because India wanted to counter the CPEC through spreading the harsh policies. Pakistan must not consider Baluchistan extremism as a monotony matters so play an active role to stop it. The writer says that extremism started form Baluchistan but he forgets that Afghanistan an ally of India it will counter the Pakistan and China influence in Asia so it will play its cards with different tricks (Afzal & Naseem, 2018).

“CPEC: Pakistan’s Way to Success” by Rafi Asad and Farid Khan (2018) in this report the writers stated that, Globalization convert the world in a village. Pakistan and China signed CPEC to connect with other states via rail and road routes. Today China is a world second economy as well as Pakistan rank is 41th largest economies in the world. China also try to redacting his trade via Strait of Malacca because it is a shortest route and also connect the Arabian sea, Here the China imports 70% oil importer and 30% natural gas. All the states have desire to become a partner of China to assess the route of Arabian ocean. China linked with Pakistan province of Xiajinag in northern side and this route will end at Gwadar. CPEC will boasts up the nexus of industrialization and urbanization in Pakistan and China. Pakistan decreased FDI ratio due to investment of China \$46 billion will change the Pakistan economic fate. China plays his cards to enhance the economic benefits as well as strength the relations with Pakistan. CPEC has three atrocious routes central, western and eastern. SEZ like blanket for China Pakistan polices which operate the specific areas. China Pakistan are developing the economic agriculture and energy sectors as well as measuring the security policies. The writer says that, Pakistan and China is building the SEZ to enhance the economic connectivity within province but writer forget that, first of all Pakistan must be establish the policies to counter the security issues in different areas of Pakistan and save the SEZ through its policies (Asad Rafi, Farid Khan, Sabah Aslam, CPEC: Pakistan’s Way to Success).

“Impact of CPEC Projects on Agriculture Sector of Pakistan: Infrastructure and Agricultural Output Linkages” by Raiz Ahmad and Usman Mustafa, (2018) the writer said that, CPEC is a good agreement to enhance the regional and strategic connectivity among the state. It is a tool to develop the economic and agriculture sectors. CPEC divided in three stage short-terms mid-terms and long- terms agreements. Government of Pakistan must stabilize the economy with mutual understanding and also sign the long terms agreements on agriculture reforms. All the states want to became a part of CPEC. CPEC is evincing a good relationship between Pakistan and China. Pakistan has a potential to increase the sectors development as well as providing jobs in different sec sectors. History tell us that, Pakistan and China good relation complete this projects within short span of time. The result of this projects will create

positive influence towards the words. CPEC will manage the agriculture reforms as well as political reforms. The writer forget that economic connectivity is really an important but to counter the security issues is more important for Pakistan and China. They must be build the strong policies towards terrorism. (Riaz Ahmed, Usman Mustafa, 2018).

“Macro and micro economic dividends for Pakistan and the region” Sohail Amin, (2017) in this book he said that, CPEC is a great initiative to evident the worth of Pakistan China relations. They signed these projects in 2013 with \$46 billion investment and hope will increase this with the passage of time. China access the Gwadar port to reach in Arabian sea. China’s one belt one road OBOR and SREB beneficial for Pakistan and China they reach at huge economic goals within short time. This step will reap more economic gains and develop the region stability. CPEC will bring more challenges for Pakistan and china to counter harsh acts like terrorism, corruptions, and nepotism. Pakistan must stable the strong policy to counter all the acts as well as strong her domestics political relations. Economic decision and its outcome cannot be frozen in a time warp, 15 years is a long time and local, bilateral, regional and global economic events will keep on evolving during this period. We must understand the emerging developments around us and likely possibilities of altered global equations and new partnerships. We must be think professionally not emotionally because Pakistan stability will base on this projects our per capita income and FDI increase with the passage of time. (amin, 2017).

Theoretical and Analytical Framework

This research work will stress on realism, neo realism, and balance of power in international framework.

Theory of Interdependence

Dependence mean when the state affected by the external forces. Interdependence means mutual dependences of states in which they play their role. All the effects faced by partner states like money transactions good, and people message across international boundaries. Such money transaction had enhanced since world war. One state that imports all its oil is likely to be more dependent on a continual flow of petroleum than a country importing furs and jewelry will be on continuous access to these luxury goods.

In simple where does mutual relation exist it's called interdependence. There is no limit of interdependence states are interdependent in many ways like economic military as well as agriculture and technology. The former interdependence of USA and Soviet Union this relation converts the thing in doubtful manners like just strong states are interdependent on each other like USA and Soviet Union. Pakistan has an economic power less than China but both states are interdependent on each other. So there are no restrictions about interdependence. Interdependence theory was first introduced by Harold Kelley and John Thibaut in 1959 in their book, *'the social psychology of groups'*, this book drew inspiration from social exchange theory or game theory. This theory formalized in 2003. A change in the state of any subpart changes the state of any other subpart. Everyone move one member will, relatively speaking deeply affect the others members and state of the group.

Interdependence is a social exchange theory which explains that interpersonal relations are defined through interpersonal interdependence which is the process by which interacting people influences on another's experience. All the states interlinked with each other because when you sign an agreement and enhance the relation so it is a norm that states must respect the sovereignty of other states. The first state depends on other second states in economic and political ways. Both state become ready to accept the positives and negatives spillover effect of agreements. CPEC really a linchpin for Pakistan and China economic sectors. They are connected with each other as well as counter the negatives impacts of CPEC. Both players have to play well on one platform.

Henry Kissinger said that, the traditional agenda of international affairs and term balance of power and security of nations no longer defines our perils or our options. We are living in new era where the old slogans and solution considered false. The world has depended on economic and communications department. The world use balance of power in sense of military power but the traditions has been changed now. No one wanted to spread the weaponization all states are ready to stable their economy as well as diplomatic relations.

States are colliding with how much the world has come to resemble the ideal type of

complex interdependence that we hypothesized, and which was usually regarded as fanciful at the time. State has surrounded by the ways in which our ideas of different types of asymmetries can illuminate the power relationships that accompany interdependence, and the continued relevance of our models of regime change. Though, all the states are equally jarring with a sense of humility. How much the world has changed how the China and Pakistan depend on each other in economic ways, and how they depend on each other to develop their relations.

Level of Dependence

All contexts interlinked with each other's. The level of dependence of states is very high all the things or sentiments connected with each other. Actor control of the game play well to gain interest from his partner control and also make this game as a joint control platform for everyone. So we can say that China and Pakistan be like an actor and partner to complete the CPEC. China and Pakistan are doing their well to enhance the economic integration. They had signed lot of agreements and Memorandum of Understanding (MOU). Chinese companies also working here for economic developments. Around 83 Chinese companies are working in Pakistan in different sectors. They are working to find out the oil and gas, data innovation and building autos. China will never use Pakistan in negative ways like U.S.A. (Abdul Haq, 2015). The CPEC interlinked the Pakistan economic and energy sectors. China is developing Pakistan in every department like science, technology, energy and economic sectors. (Deepak, 2018).

Mutuality of Dependence

This dependence based on individual interaction. When the both states individually depend on each other in exchange the things. One state signed an agreement with other state so she will also interact the second state about her work and policies through it their reliance will develop with the passage of time.

China and Pakistan signed the CPEC to enhance their relations in economic and strategic ways. They interact the others states to be a part of CPEC with the passage of time two partners will depend on others like Africa, central Asia, middle east, and Europe. China took step to complete the (OBOR) one belt one road initiative. These projects also include land-based and Sea-based route. China will acquire energy resources from Central

Asia and others States fulfill her energy desires. This project connects the China with three continents like Europe, Asia, Africa and Central Asia. China gave the funds to develop the nations and invested US\$ 40 billion for central Asian Silk Road.

Covariation of Interest

When the both states give positive interests and outcomes for their best interest as well as gain others state interest by saying that both states will boast up their economy so they win believe and trust of others states with gratitude. Covariation sometimes creates negative impacts due to imperfection of strategies. China and Pakistan develop their relations in economic energy and strategic ways. They signed CPEC projects to gain mutual benefits. China invested US\$ 33.8 billion in energy sectors and US\$ 11 billion for infrastructure. China gave the 1040 WM megawatts to Pakistan in 2016. China invested US\$46 billion on CPEC and increases this with the passage of time. Prime minister of Pakistan Imran Khan said that fund is not a loan but it is an investment. (Abrar, 2015).

China will gain 60 percent of oil from Middle East and 80 percent from transport to China via Strait of Malacca to South China. This import and export gain 45 days through strait of Malacca but China chose the Gwadar port so; she will easily export all the thing within 10 days to East China and South China. Pakistan will import things from China within few days. China will also gain benefit to develop its economy in Central Asia. These positives outcome will enhance the economic and political integration between Pakistan and China.

Basis of Dependence

States gain their interest like a team. China promised Pakistan to boast up the economy, so if she cannot do so she will threat to Pakistan that it must obey the strategies of China towards CPEC. Then Pakistan will totally rely on China according to social norms. Pakistan will ready for positive and negative impacts of plan. Pakistan and China always try to stabilize their relation in terms of political and economic ways. China has invested \$48 billion and she will also promise to invest \$67 billion in every sectors. Pakistan has a golden spoon to attract the investor in Gwadar port. Pakistan strategic and economic or political relations develop via CPEC. Pakistan make the (SEZ) special economic zone described that China

or Pakistan will develop the different province like Punjab, Gilgit-Baltistan, KPK, Baluchistan, and Sindh. Pakistan has a good chance to develop their backward province. China and Pakistan also trying to complete this with mutual understanding and cooperation. Both states have aim to counter the negative impacts towards CPEC.

Temporal Structure

This term gathered the partner on one platform. Both partners signed short terms polices when they build their trust on each other. They prepare strategies for long term plans. China and Pakistan at first signed short term projects so when they build the trust they signed the CPEC. In 2011 both states stand on one platform and signed lot of free trade agreements and established the ICBC industrial and commercial Bank of China in Pakistan and manage all the issues of energy sectors. Both states committed to utilize the free trade agreement in useful manners. China and Pakistan requested to Government and private sectors that help us to develop the trade ratio and economic relations.

In 2012 Pakistan presidents Asif Ali Zardari attend the meeting of SCO Shanghai cooperation organizations also met with president of China. Both leaders signed four agreements to enhance the economy of Pakistan. In 2013 premier of Li Keqiang visited Pakistan they signed ten agreements in economic sectors. Then with the passage of time both states signed the long term project CPEC China Pakistan economic corridor. This project shows the world that China and Pakistan have the ability to complete the long term project. This project will touch the Africa, Middle east, Central Asia as well as Europe. Both states will develop their economy via shorts term routes, this long lasting project attracted the other investors to become a part of CPEC. Through CPEC Pakistan and China will gain lot of positive advantages in every sector and became fast friends. (Nawz Jafar katira, 2014)

Information Availability

Information pack maintains the future relations between two states. Information has two types negative and positive. This information sometimes develops a negative perspective some time positive, so information plays an important part in both states relations. China and Pakistan are developing their relations in sense of positives ways due to information plays good role. Many other states spread the news that Pakistan will became a Colony of China but Pakistan never pay

attention on this news and try hard to maintain her relations with China. China also ignored the other state's opinion and ready to support Pakistan in every way of life. USA always tries to create misunderstanding between Pakistan and China but he failed to do so.

Principal of Transformation

The ideal relation always builds up when the reward is very high and the cost is very low. All the states always try to gain consume low and gain huge. Transformation also based on positive campaign in the world when the one state explains the other states about the advantages of the projects. China and Pakistan started the CPEC and both will attract the others about the profit of this project and they will consume low amount but gain huge advantage then they develop this like a team. Social transformation compulsory to develop the economic and political relations between states. China and Pakistan social transforming ways is positives in this way they signed long term projects. Instrumental transformation plays very important role to enhance the international or regional relations. If the second person complete the project within time so cost of projects will less. China will complete the CPEC within no time so diffidently others states will invest in China. when both states wanted to develop their relations so second state have opportunity to gain something from first state like Pakistan and China relations always based on two sided. CPEC was signed in 2015 with US\$46 billion investment by China. CPEC is really a deepened the economic and political bounds between Pakistan and china. Pakistan never snubs these projects as an option because Pakistan will gain a lot of advantages form this investment. China also declared that she will invest on CPEC \$62 billion in different sectors. With the passage of time Pakistan provisional relations will strong. A great expectation towards CPEC will be completed in 2030. Pakistan has opportunity to achieve economic advantages from CPEC and through it Pakistan will overcome all the economic deficiencies. Outcome of transformations always based on cooperation, equity, altruism and aggression. When Pakistan and China maintain their relations in good sense so they maximize the equity and minimize the aggressions in every step.

The Principal of Interaction

When A and B partner invest on projects then they first focus on reward and second they focus on cost of the particular projects. They also

have plan about the outcomes of these projects like how it will give negatives or positives and how they will manage this. China and Pakistan invested on CPEC, first China see the reward that how she will create influence on different continents via CPEC how she will develop its economy and has dream to became an economic power. So, China always focuses on reward and cost. Pakistan also has plan to to face the negatives outcomes. Alternative of policies and directions also play very important role to maintain the relations. Both Pakistan and China ready to counter the security issues.

Pak-China signed multidimensional relations like political economic, social and cultural. China-Pakistan cooperation in the field of counter terrorism since the event of 9/11. China and Pakistan shared intelligence reports and also launched massive operations against terrorist organizations. China and Pakistan both had faced the evils of terrorism and cooperated with each other to counter it. China stank with Pakistan since the establishment of bilateral relations China and Pakistan cooperated with each other in all fields including social, economic, defense, science, technology, education, infrastructure building and energy sectors. But the cooperation in counter terrorism is vital due to its worth for peace and stability of regions. Both countries cooperate with each other to counter terrorism, extremism and separatism. In the era of President Zardari he promised China to help for counter terrorism in the Xinjiang province of China. China and Pakistan both participated in joint training session to coup the evil of terrorism. In this article the writer explores the all means of cooperation between Islamabad and Beijing to counter terrorism. Pakistan and China will gain more rewards when they work on one platform for economic improvement. (Rashid, 2012)

CPEC AND ITS ECONOMIC IMPACTS ON PAKISTAN AND CHINA RELATIONS

During the last four-decades China progressed leaps and bounds. The financial crisis of China in the past badly effects the China's economic policies. So, China tried to maintain his economic relations. China's President Xi Jinping has raised the slogan of constructive engagements across the world. Both states signed lot of agreements on economic and agriculture sectors and also signed FTA in different time. This initiative enhanced the Pakistan China trade volume \$1 billion in 1998 to \$15.15 billion in 2015.

In 2020 Pakistan's Total export reached 1.6 USD billion in Aug 2020 an increase of 12.9 percent year on year. The total imports recorded 3.3 USD billion in Aug 2020 an increase of 20.5 percent year in year. CPEC is a key to strength the relations between Pakistan and China.

OBOR initiatives

OBOR one belt one road initiatives is shortest route to connect with other states. China will play important role to develop the market in core countries. OBOR include a lot of infrastructure investment and projects in global and regional level. The dream of president Xi came true in 2013 when he signed (OBOR) One belt one road initiatives mega project. Through it China will gain development, and became nationalist. The grand plan of China builds when China ready to work on market and financial reforms as well as follow the socialist rule of law. China wanted to make her own industry where's all the things have logo that "Made by China". China also have dream to participate in global issues like climate change humanitarian aid. OBOR also called a (BRI) belt road initiatives. According to Chinese media OBOR is a better opportunity for developing state they will stable their economy as well as help to build regional connectivity. In 2019 lot of states wish to become a member of OBOR so 126 states and 29 international organizations ready to invest in OBOR. China is developing the win-win situation in the world. According to rail routes of 2019 China linked with the Yunnan, to Singapore then south Gwadar port to Indian ocean and European or Eurasian rail line of 12,000 km from Yiwu in the Zhejiang Province on China's east coast to arrive at London in 18 days. OBOR will enhance the strategic relations among states. They will easily exchange the things within few days.

Financially, the OBOR called upon several financial institutions to funnel monetary resources. China's domestic financial institutions, the financial pool includes the Silk Road Fund announced by Xi at the 2014 APEC meeting with a pocketbook of \$40 billion and the Asian Infrastructure Bank (AIB) established in 2014 with a startup reserve of \$100 billion. It also includes the New Development Bank (NDB), an institution proposed by the five BRICS states (Brazil, Russia, India, China, and South Africa) in 2012. The NDB became operational in 2015 with a capital investment of \$100 billion. Shanghai Cooperation Organization (SCO) member states China, Russia, and Central Asian countries ready to support the

OBOR project. (Wei-chin Lee Wake Forest University, 2019).

China took step to complete the (OBOR), one belt one road initiative, this project also includes land-based and Sea-based route. China will acquire energy resources from Central Asia and others States fulfill her energy desires. This project connects the China with three continents like Europe, Asia, Africa and Central Asia. China give the funds to developing nations and invested US\$ 40 billion for central Asian silk road. China gave the US\$ 10 billion fund to (BRICS) Brazil, Russia, India, China and South Africa. China play her cards in under developing states and took a huge risk but his risk will give prosperity to China in coming years. (Godement & Kratz, 2015)

Origin of CPEC

Pakistan and China both all-weather friends, they stand with each other. They signed CPEC in 2015 to enhance the economy of Pakistan and China. One belt one road initiative OBOR will open the new corridor. Pakistan is important part of CPEC because it will touch the Middle East Europe, central Asia and Africa. One belt one initiatives road OBOR is a key to open the modern Silk Road it will helpful for connecting the different continents. CPEC will enhance the capacity to make its lower condition better the trade deficit and increase the exports to China for a variety of reasons. The OBOR and CPEC are touching the hearts of the people in Pakistan. It is hope that China is the only country among all of Pakistan's friends that qualifies as the most trusted and true friend under all circumstances. Both are developing countries, China is stabilizing the Pakistan how to build a sustainable economy for a large population, while possessing fewer resources. CPEC is an example of mutual understanding between Pakistan and china. Pakistan is really lucky state to have China on its border. China plays his cards and developing the soft image and a sustainable economy. (Deepak, 2018).

Reclamations of Silk Road

Pakistan and China developed their strategic relations as well as commercial relations. China hugged investment in Pakistan shows the world that both states relations going well. They signed an agreement on economic and commercial improvements. It was a short term project to solve out the deficiencies in technology and economic sectors. Pakistan signed economic and trade

development agreements with China. (fazal-ur-Haider, 2002) Both Pakistan and China wanted to decrease the economic short- comes and develop the energy and trade sectors. China connected with Pakistan in the way of karakharm highway it was completed in 2 years with help of China. President of Pakistan. General Pervez Musharraf also helped China to enrich its relation with Pakistan in 2006. Both states were ready to cooperate in economic ways (Raman, 2006). Baluchistan considered as largest province of Pakistan and hub of international and regional level trade. Security issues in Baluchistan had propagated the fear in international level nobody wanted to invest in this region. Pakistan and China ready to counter the terrorism in this province. People of Baluchistan thought that economic benefit not for us so they protested against the Government. They killed the Chinese worker and create fear in the heart of the people. Gwadar port will be completed with the cooperation of Baluchistan people so, both states wanted to eradicate the terrorism in this region. The oil and gas pipelines link with Baluchistan originated from Iran and ended in Pakistan. (Escobar, 2011).

Pakistan premier said that it will develop the energy sectors to stop the energy short comes. Pakistan government signed the lot of projects on energy sectors to enhance the ability of economic points. Economic benefit will be increased the production of energy. China has provided the Pakistan energy transformation system. China built up the fourteen plants to develop the economic ability and prove this friendship never ended. (Bhutta, 2011) NSG signed by 46 states. It was initiative to stop the nuclear reactors in the world. USA wanted to stop the nuclear proliferation so, he wanted that all stats preferred the peace in the world than destruction. NPT Non-nuclear proliferation treaty established in 1968 to stop the nuclear proliferations. China Pakistan Israel and India are not member of NPT. China became a member of NSG in 2004 and also said that he never leaves the Pakistan. This nuclear program work under the IAEA international atomic energy agency. The rules and regulation of IAEA are very strict to nuclear states. This agency made the rules that anyone can supply the nuclear things in just 20% of quantity no one is allowed to use it for negative aims (Steinp, 2011).

In 2011 both states signed lot of free trade agreements and established the ICBC industrial

and commercial Bank of China in Pakistan and manage all the issues of energy sectors. Both states committed to utilize the free trade agreement in useful manners. China and Pakistan requested to Government and private sectors that help us to develop the trade ratio and economic relations. In 2012 Pakistan President Asif Ali Zardari attended the meeting of SCO Shanghai cooperation organizations also met with president of China. Both leaders signed four agreements to enhance the economy of Pakistan. The in 2013 premier of Li Keqiang visited Pakistan they signed ten agreements in economic sectors . (Nawz Jafar katira, 2014). Pakistan and China both all-weather friends they stand with each other. They signed CPEC in 2015 to enhance the economy of Pakistan and China. One belt one road initiative OBOR will open the new corridor. Pakistan is important part of CPEC because it will touch the Middle East, Europe, central Asia, and Africa. OBOR one belt one road initiative is a key to open the modern Silk Road it will helpful for connecting the different continent. CPEC will enhance the capacity to lower the trade deficit and increase the exports to China for a variety of reasons. The OBOR and CPEC are touching the hearts of the people in Pakistan. CPEC is an example of mutual understanding between Pakistan and china. Pakistan is really lucky state to have China on its border. It's a matter of pluming for Pakistan. China plays his cards and developing the soft image and a sustainable economy. (Deepak, 2018).

China and Pakistan boast up their relations in terms of economic ways. In 21st century both states depend on each other. They signed free trade agreements and also signed one of the biggest economic agreement is CPEC. This agreement will bring stability and peace in this region by using Gwadar port. This port is really a shortest route for China to link with Europe, Africa as well as Middle east. Economic relations will stable the diplomatic and political ties between Pakistan and China. China will control the Gwadar port as well as make the better policies to stabilize the economic. COPHC will be managed the Gwadar port. China signed an agreement to invest \$20 in energy sectors and \$30 Billion for foreign direct investment. They also develop the columniations links like road and railway. China and Pakistan will be worked on strengthen their strategic coordination and enhance the regional connectivity. Both states will be review their policies to stop the misbalancing trade between two states. (Nilfor Momina, 2014).

Gwadar Sea Port as a Game Changer

From the Gwadar free zone Pakistan and China will get a chance because it is very easy way to approach over Arabs countries. As well as Gulf states and Central Asia. In this region Chahbhar and Dubai are most significant role in sea trade. Now competition as raised between Chhabra and Dubai with Gwadar. Gwadar will help Pakistan to enhance the importance of economic sectors. South Asia, Iran, Central Asia, even Russian and Mongolia are connecting by this geo-graphical closeness. According to Strategic studies 74 further Gulf states and Iran considered Gwadar s an emerging revival port in the region. It is fear that Hong Kong and Singapore ports will disturb by this great port of Gwadar. China is a main player in Gwadar free zone that why China's Interest are developing in the western regions. China province zing Xing Jing is near the western province will be connected to Pakistan. Gwadar is closed to the international sea and it will develop the lines of communications among the states. Gwadar is so away from India and therefore provides strategic depth against any attack. Gwadar has very good and significant role for the naval strategies. Gwadar port is also very important for trade towards Persian at the Hurmuz strait will offer various harbor services like shipment and his manufacturing.

The making of CPEC is a great unistone no doubt Gwadar port is great commercial port into the region it is an opportunity important for Pakistan China relations. China has a two important benefits it would provide the shortest route to the western China where China has setup its Major economic zones. Gwadar to zing Jing distances is 4000Km which is a very easy way for transportation, Gwadar and zing Jing energy pipe lines would provide a secure and cheaper energy supply to China. Most of Chinese trade is happened trough to strait of Malacca which still has economic coast and security challenges. Gwadar gives a lot opportunity to China and its Geo- political and strategic location. Through Gwadar china can easily access to link other states. Through this mega project Pakistan will get good potential in energy because Pakistan has faced many crises in the energy sectors. China will give a good opportunity to solve this great disaster of energy. No doubt Pakistan has realized that without developing energy Pakistan could not survive any More in the future. The sever Crisis are destroying Pakistan economy as well as

Government of Pakistan. Pakistan is now focusing to improve the transport sectors.

Government has approved mega roads and railway projects their Worth is \$12billion. According to ministry of planning and development of Pakistan Raikot-islamabd Motorway section Lahore- Karachi motorway these are two roads projects funds has allocated for them. Orange line train project in Lahore is also a beneficial for local people because job opportunities will be created from this projects. During the recent visits the higher authorities of China and Pakistan agreed for the construction of the economic corridor between Gwadar and Kashgar. Pakistan and China are trying enhance more economic relations with each other's.

The area of Gwadar free zone is located just 7km from the port Gwadar's northern part has been some important investments and developments in recent years. It is generally known as Gwadar free zone. this region has been exempted from tax and business of this region. the enormous step is that pack-china bond will be new level. The Gwadar free zone holds an important position in the business relationship. The Gwadar area of Baluchistan province is known for thee idea store of natural resources like other rich places in the world.

China and Pakistan bilaterally have realized the strategic and economic important of the port of Gwadar. The basic tone of this large trade transits like Gwadar. Gwadar is great port because the 40 present of the oil shipment transits trade can be known for it. this area is also very important role in the trade with the central Asia and south west. this strategic location of Gwadar will Pakistan and china an upper hand in the region. If transits happen on the large scale at some ports, the areas around the port will also be the great beneficial at large scale in developments .in the recent inauguration of the development projects in the Gwadar free zone like 300MW coal power plant and other will provide a good effect on the economy of Baluchistan and Pakistan as a whole. The people of Pakistan are enjoying from his great development. The speed of his development projects has been increased more after the tax free investment in this region and also looking the best business investors in the Gwadar free zone.

The investors can enjoy the tax free investment in the Gwadar free zone for 23 years. It is very best way for investors to cover their expenses from investment and enough time tax free investment and enough time inspired all the businessmen of the whole world and gather attention towards Gwadar free zone. Pakistani and Chinese investors have already developed business with the worth more than three billion yuan. China has already developed this area because this is commercial but of Gwadar free zone. China also develop and provide opportunity for locals and give a good lifestyle. The Gwadar free zone has been known for multiple coastal heritage. Chinese recognized it first. the Chinese investments and trade also very significant in the Arab waters. The recent policies of government for investors and from this policy bounded to investors do work with full peace and complete this work within a year. The Chinese object is that turning Gwadar into a commercial hub no doubt it will be known for great economic funnel. It is great way for multi-lateral diplomatic relation with Arab countries and other from this region.

This is a huge platform for Pakistani government can built their military relation with neighboring countries without so any effort. The Gwadar free zone also will effect on the relationship of china Pakistan in future, for the past many decades both countries helped each other in different events .and carried out military operation in amalgamation of this beautiful friendship. The recent president XI jinxing statement which is clearly showing the good friendship of China, “no matter how the international and regional situation changes the friendship between China and Pakistan has always been unbreakable and rock solid and china Pakistan cooperation has always maintained strong vitality” The past governments of Pakistan ignored the region of Baluchistan. The socio-economic of this region was catastrophe but the Gwadar free zone have given a changing of economic improvement and social development in the whole region. It will give great potential to economy of Pakistan.

Investment on CPEC

China and Pakistan introduced the CPEC in 2014 and signed on this project in 2015. This project will prove beneficial for Pakistan and China in economic ways. China invested US\$ 33.8 billion in energy sectors and US\$ 11 billion for infrastructure. China gave the 1040 WM

megawatts to Pakistan in 2016. China invested US\$46 billion on CPEC and increases this capacity with the passage of time. Prime minister of Pakistan said that fund is not a loan it and investment. (Abrar, 2015). China and Pakistan are doing their well to enhance the economic integration. They had signed lot of agreements and Memorandum of Understanding (MOU). Chinese companies also working here for economic developments. Around 83 Chinese companies are working in Pakistan for different sectors. They are working to find out the oil and gas, data innovation and building autos. China will never use the Pakistan in negative ways like U.S.A (Abdul Haq, 2015).

China Pakistan business summit in 2013. Pakistan and Chinese delegated participated in this summit. Both states premier negotiated on export and import policies. China prime minister also said that China will take interest in Gwadar port. They also talked on FTA free trade agreement and made FTC free trade commission for export and import. They agreed for free trade and developed the visa enhancement measures. (Shabir, 2013).

Different stages of CPEC

First phase of CPEC was completed in 2017. Both states wanted to enhanced the energy sectors and have a link of roads within the region. It was a first phase of the CPEC developments. (Godement, François, 2015) Second stage will develop the industry and energy sectors in 2020. China efforts will be proved fruitful for Pakistan. They enhance the coal projects, construction of dams, and develop the airport needs. China also wanted to develop the world biggest hydro power plants. China and Pakistan leaders signed on projects in the Beijing conference. China was ready to develop the highways, railway, and Gas pipelines. They investment US\$ 7 billion in communication enhancement. (Kratz, 2015). The third phase was based on basic developments like build up the railway lines in Karachi to Peshawar and develop the major railway tracks in 2025. China was also going to connect the rail track with Khunjrab pass and it will a huge achievement of China. This route will use for exporting the goods of Asian states. 21 rail stations and others connected roads and track will be completed in 2025. (Godement & Kratz, 2015).The long term projects like 680 km railway track of Khunjrab pass will be completed in 2030. The cost of these projects is US\$12 billion. Both states wanted to

complete this project as soon as possible. CPEC established the (SEZ) special economic zone it is a better way for trade of garments, Toys, cosmetics and textile. China wills sale its product in less amount than Taiwan and Japan etc. (Godement & Kratz, 2015) .

Significance of China-Pakistan Economic Corridor

CPEC is deepened the economic bonds between Pakistan and China because huge investments are the keys to open the new doors. Pakistan never snub this project as an option because Pakistan will gain a lot of advantages form this investment. China also declared that she will invest on CPEC \$60 billion in different sectors. With the passage of time Pakistan inter provisional relations will strong. A great expectation towards CPEC that it will be completed in 2030. The theorist raised the question that Imran khan will manage all-weather friendship between Pakistan and China. Imran Khan says that we should build a shorter and better route of the CPEC instead of opting for the eastern route, which will create resentment in other provinces against the Punjab. The recently IMF international monetary fund bailout will only be enhancing the pressures on provincial resources. It will remain that how Pakistan will stride the fine line of pleasing its IMF international monetary fund masters with managing its all-weather friendship with China. As journalist Umair Javed aptly remarked, CPEC may very well an economic game changer, but there are increasing signs that, it will also unmask some troubling political wounds (Boni *et al.*, 2019). The new Silk Road project offers Pakistan to occupy the economic and trade problems. Central Asia has a great potential of natural resources like coal and mineral. Through the Silk Road Central Asia will enrich and connect with others states. It is a good chance for central Asia to become a part of Silk Road (Hali, 2015). The ancient Silk road had worth but now it's totally changed due to change of policies and development and transportations. China wanted to complete this project for exchange of knowledge and things. CPEC will prove beneficial for the development of Pakistan sectors. This initiative will prove beneficial for Pakistan and China in economic ways. (Xinru, 2010).

Prosperity towards Pakistan at Different Sectors

China and Pakistan committed that they will fulfill this project with their last breath. Strategic point of view described that China will

enhance her strategic relation with other states in term of trade. China will import 60 percent of oil from middle east and 80 percent will transport to China via Strait of Malacca to South China, yellow sea. This import and export gain 45 days through strait of Mallca but China chose the Gwadar port so, she will easily export all the things within 10 days to East China and South China. China will also gain benefit to develop its economy in Central Asia. Pakistan and China always try to stabilize their relation in terms of political and economic. China invested \$47 billion and she will invest \$60 in different fields. Pakistan has a golden spoon to attract the investors in Gwadar port. Pakistan strategic and economic or political relations develop via CPEC. Pakistan make the (SEZ) special economic zone described that China or Pakistan will develop the different provinces like Punjab, Gilgit-Baltistan, KPK, Baluchistan, and Sindh. Pakistan has a good chance to develop their backward provinces.

According to various estimates, CPEC projects will create 400,000 to 700,000 jobs during 2015-2030. At first glance, the labor that is used to work on infrastructure and energy projects is governed by internal labor laws that are poorly implemented. Four energy projects three wind farms in Sindh and one coal-fired power plant in Punjab were commissioned in 2017. Most of our employees are poorly educated and unskilled. Employers and contractors do not enforce safety standards and do not provide worker safety training. It seems that there are no plans to improve and expand education. The literacy rate remained unchanged at 58 percent in 2017, the same as the previous year, while the overall school enrollment rate fell 3 percent. CPEC projects are in the early stages of implementation, and SEZs are in the planning stage. Although there are fewer and weaker unions, there are many union federations, they are affiliated with international federations and have representation in many tripartite bodies. It's time for them to come together to discuss the opportunities and challenges posed by CPEC. The bilateral relations of China and Pakistan will leave a good impact on CPEC. (Hisam, 2017) .In first stage both states enhance their energy sectors and build up the road which will connect with region. The second phase China will invest \$7billion in communications like build highways, railways, and Gas pipelines. Both states have aim to build the 21 railway stations to connect each other in the regions. China also invested to build the 680 km railway track of

khunrajb pass it will complete in 2030. Pakistan also signed to build the SEZ special economic zone within the province of Pakistan. (Godement & Kratz, 2015). China enhance the infrastructure and construct the Railway lines energy pipelines routes and also main aim to develop the Gwadar port through it China will invest in different sectors. Pakistan has opportunity to develop her economy and infrastructure to maintain her relations. China helps Pakistan that she will reduce her loan rates through China's help. China will invest \$11 billion for CPEC infrastructure. The effects on shareholder's will change the wealth of firms of the Karachi Stock Exchange around events leading up to the signing of the China-Pakistan Economic Corridor (CPEC) agreement. The CPEC agreement would be implemented in three phases: the early harvest, medium phase and the final phase, ending in year 2030. The parties to this bilateral contract China and Pakistan could contemplate further enhancements of these agreements, as work on these 46 billion dollar projects progresses, inviting other regional players into the fold such as, Iran, India, and the Central Asia states.

In addition, the CPEC agreement is a subset of China's much larger "One Belt One Road" initiative. The results of our study would surely provide significant evidence on the value of these regional trade agreements and positive impact on OBOR initiatives. It is important to note that the South and Central Asian region is the least connected trade region of the globe. The results of our study should be elucidated with vigilance. Due to unavailability of firm-specific historical data, we were unable to provide a sector wise wealth impact of the CPEC agreement. Moreover, our results could have the large-firm effect bias since the KSE-100 Index is primarily composed of the largest Pakistani firms. (Ghani, 2018)

RESULT AND DISCUSSION

Pakistan and China relations going very well from the beginning of the first day. Pakistan was first accepted the sovereignty of China. China supports the Pakistan in diplomatic ways. Both states are fast friend and stand with each other in all difficulties. Pakistan supported the China in Sino- Indian war of 1962 and she got sympathy of China. Then China supported Pakistan in war 1965, 1971 and 1999. China stands with Pakistan when Pakistan faced an issue of nuclear test. China gave Pakistan a lot of fuel and other military equipment. China supported communism and Pakistan followed the Islam. Nevertheless, both

states never create misunderstanding about different ideologies they maintained their good relations.

Pakistan casted the vote for permanent membership of China in UNSC. Furthermore, China Supported Pakistan in Kashmir issue and said India spread the violence. In 21th century China helped Pakistan in economic, defense and energy sectors. The incident of 9/11 changed the world politics. At that time the USA against Pakistan so it was difficult time for Pakistan. It was a time when Pakistan stood alone but China supported the Pakistan in every way. She supports us in the matter of 9/11 diplomatically, politically, as well as economically. This incident changes the views of the people against Pakistan. They called Pakistan as terrorist state. No one wanted to invest here and do not ready to visit here due to the fear of terrorism. islamophobia spread day by day. Pakistan struggle hard to overcome on all hurdles. Both states Pakistan and China fought on one platform. Pakistan set the image of peace and give a lesson to international world that everything is under control. Pakistan started the different operations to eradicate the terrorism with the help of China. Pakistan and enhance their relations in economic sides. Pakistan has a main hub of trade it is a Gwadar port. Pakistan geo- graphical location attracts China to invest here. China took interest in Gwadar port and invests here. China developed the connectivity through Gwadar port. Both states signed lot of agreements in political, economic, and energy sectors. Both states signed (FTA) free trade agreements in 2005. Pakistan and China strengthened their relations in economic sector.

CPEC is based on interdependence. Pakistan and China try to build up their relations in international level. They are trying to reduce the negative impacts and enhance the positives impacts in economic political and social sectors. The win- win situations are very important for both states to create hegemony on international level. China depends on Pakistan to overcome the terrorism in this region and maintain her good relations with Pakistan. China said that she will invest on CPEC 67\$dollar in coming years. Interdependence will maintain the good relations as well as bring positives outcomes.

Impact of CPEC Projects on Agriculture Sector of Pakistan and Output Linkages is play very important role in this project. China started

the initiatives of CPEC. It is a good starting point to enhance the regional and strategic connectivity among the state. It is important instrument to develop the economic and agriculture sectors. CPEC divided in three stage short-terms mid-terms and long- terms agreements. These tenures will lead by the China as well as Pakistan share her policies. Pakistan and China must develop the policies to covers all the challenges toward CPEC. Government of Pakistan tries to stabilize the economy with mutual understanding and also signed the long terms agreements on agriculture reforms. All the state wanted to enhance the regional and national relations in different sectors but the CPEC is an example of this good relationship between Pakistan and China. Pakistan has a potential to develop the different sectors as well as providing jobs. History tells us that, Pakistan and China good relation complete these projects within short span of time. The result of these projects will create positive influence in the world with the help of China. CPEC will better the agriculture reforms as well as political reforms. All the investor will guide by the China and China will share her experience with all member states of CPEC. All the outcome in the form of negative and positives will accept by the all states. No one will blame on others.

China and Pakistan relations based on real information for example if something develop by China and Pakistan has its wrong information's so negatives impacts will have regulated on all over the region. Information play important role to develop the positives relations between Pakistan and China. Super power never wants that these projects will complete as soon as possible. China and Pakistan ready to overcome all the difficulties.

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