



An Analytical Study of Opportunities and Challenges of Pakistan-China Relations (2008-2019)

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Abstract: Pakistan and China despite of their diverse cultures, religions, languages, norms and traditions enjoying strong partnership at local, regional and international level. The democratic transition in Pakistan in 2008 had provoked to create many opportunities and challenges. In the study period Pakistan's ties with China got strengthen in many fields and expanded relations in various fields including political, economic, military and cultural spheres. This new era had created many opportunities for both the states in the study period including CPEC, huge economic aid, Gwadar port operationalization, dams constructions, power generation houses establishment, support in different international organizations, help in gaining full membership in Shanghai Cooperation Organization and provided arms, ammunitions and helped Pakistan to minimize her depend on US and overcome US pressure. Likewise, both the countries also faced many challenges due to terrorism, regional militancy and power dynamics, political instability in Pakistan, US and Indian propaganda and counterbalance strategies, and targeting of Chinese and her interests in Pakistan. But the countries through mutual cooperation had successfully managed these challenges and did not let them to affect their relations. The main objective of this paper is to study the opportunities and Challenges of Pakistan-China Relations from 2008 to 2019.

Keywords: Pakistan, China, Relations, Opportunities, Challenges.

1. Introduction

Traditionally, both China and Pakistan have kept a very vigilant approach towards each other and enjoyed all weather friendship since its emergence. It shows that both the states have strong feeling of trust and worthy over each other [1]. Pakistan and China are enjoying good relations since the beginning. History records relations among the two regions since centuries. Even though there are signs of historical relations between the people of what might turn into the contemporary countries of Pakistan and China. Different Political system and diverse culture had come to close and became

cordial friends forever. This relationship has been tasted on many occasion and both the states have always stood with each other [2]. In the start of 21 century the policies of military regime in Pakistan were stable and consistent which were liked by Chinese government. This phenomenon lead to establish cordial relations, better mutual understanding and made relations more strengthen. It helped to expand the economic, trade, political and strategic ties between the two countries. But the emerged terrorism in Pakistan due to military regime policies of joining of US led War on Terror, Afghan policy and some indigenous policies which defiantly also affected Pakistan's relations with China. When democratic regime restored in Pakistan in 2008, the new government revised such controversial policies and took concrete actions at home to eradicate terrorism. Along with this also started to get rid from US influence and understood that our only permanent friend is China. Such policies and steps of the democratic government provided for improving Pakistan-China relations.

Pakistan and China had improved the working relationship in the study period and established cordial relations with each other, the optimistic and mutually beneficial working relationship of China with Pakistan was based on win-win approach for both the states. The political, economic and strategic cooperation opened new opportunities which they have fully utilized. China's economic cooperation with Pakistan and huge investment in shape of CPEC lead to achieve regional connectivity in order to find new markets for boosting economic growth and development of not only both countries but the whole region. But unfortunately, there were also many underlying internal and external challenges which both the countries faced. The main challenges were terrorism and the US-India alliance in the region which always try to destabilize their relations.

2. Research Methodology

This research is a qualitative study in nature and critical discourse analysis. Teun A. van Dijk claims that critical discourse analysis needs true multi disciplinarily and an interpretation of complex associations between writing, conversation, societal view, power, people and cultures. It is important for defining, interpreting, examining, and critique social life matters in writing. Inductive method is used in analysis and conclusion. Required data, facts and figures to support the arguments are borrowed from secondary sources including Books, research articles, official reports, as well as some primary sources like newspaper and official websites of different organizations and ministries of both the countries are also utilized.

3. Democratic Transition in Pakistan and Pak-China Relations (2008-2019)

Gradually democracy has developed strong roots in Pakistan. In 2008, after a long period of direct or indirect military rule democracy once again restored in Pakistan. After 2008 election Pakistan People's Party was mandated by the people to form government and General Musharraf was compelled to resign thus full democracy was returned in Pakistan. The new government adopted a pro-China policy and tried to strengthen relations between the two countries. Though Military

regimes enjoy the continuation of their policies while civilian governments often change their foreign policy when new party form government. Therefore, China relations with military regime of Pervez Musharraf were stronger due to continuity of its policy. Though the new democratization was a little bit challenge for China to had smooth relations with Pakistan, but soon good understanding developed.

4. Pak-China Political Relations

During the study period Pakistan and China enjoyed very good political ties. Always they found on same page during and regional as well as extra-regional issues and crises. Both countries regularly exchanged high-level visits and political understanding between them continued. Chinese Premier Wen Jiabao visited Pakistan in 2010 in which many agreements and MOUs were signed to further improve bilateral relations. In May 2013, Prime Minister Li Keqiang visited Pakistan and a joint statement issued about promotion of comprehensive strategic cooperation. During this period the most important move was the signing of MoU about “China Pakistan Economic Corridor project” in 2013. Again in 2013 During Prime Minister Mohamed Nawaz Sharif’s visit to China, the two sides agreed on a common vision to advance the China-Pakistan strategic partnership and promote plans and long-term cooperation. Again, on the invitation of Chinese President Xi Jinping, Prime Minister Mohammed Nawaz Sharif officially visited Beijing on November 7-8, 2014 to join in the “Dialogue on Strengthening Connectivity Partnership” in the 22nd “APEC Summit”. The most important visit in the history of Pak-China relations was the President Xi visit of Pakistan in 2015 in which the CPEC project was signed. During the visit, President Xi Jinping also received Pakistan's largest civilian award, namely Nishan-e-Pakistan. Both the states celebrated 2015 as a year of friendship. In December 2015 the President of Pakistan Mamnoon Hussain also visited Wuzhen to partake in the 2nd “World Internet Conference” where he also met with President Xi. After the 2018 election the new Prime Minister of Pakistan Mr. Imran Khan paid his first official visit to China from November 2 to 5, 2018, in which both sides agreed to further strengthen the All-weather Partnership and to establish a strong Pak-China “Community of Shared Future” in the New Era. In Beijing, he met with President Xi Jinping, Prime Minister Li Keqiang, Chairman of the “Standing Committee of the National People’s Congress” Li Zhanshu, and Vice Chairman Wang Qishan. He also met with Song Tao, Foreign Minister of the CPC “Central Committee” and President of the “Asian Infrastructure Investment Bank” (AIIB) and also hold meeting with top Chinese business leaders. The Prime Minister attained the inaugural ceremony of the first “International Import Exhibition” in Shanghai. Both sides agreed a number of significant agreements and reached a long-term consent, reaffirmed their pledge to mutual relations, and promoted worthy reports for future collaboration by leaders of both sides. Furthermore, both sides signed fifteen (15) agreements including the transfer of prisoners, poverty reduction, agriculture, socio-economic development and drug trafficking. The Pakistani Prime Minister again visited China on April 25-28, 2019 and took part in the 2nd Belt and Road

Forum for International Cooperation. In his visit he also met with President Xi and Prime Minister Li Keqiang and discussed many aspects of bilateral relations, including the implementation of the second phase of CPEC, reaffirmed their commitment to further strengthen the strategic partnership. Moreover, seven new memorandums of understanding were signed including the second phase of the free trade agreement between Pakistan and China, the initial implementation of the ML-1 project, the Rashakai SEZ Joint Venture, social cooperation as well as economics, and Technical Cooperation, cooperation in the field of marine sciences [2].

Likewise, Chinese Vice President Wang Qishan visited Pakistan from May 26 to 28, 2019. During the visit, Nishan-Pakistan was also awarded as the vice president and many memorandums of understanding and projects had been signed. In 2019, Pakistan also hosted the trilateral dialogue between Pakistan-China-Afghanistan and the foreign Ministers Dialogue in Islamabad. There were several dialogues hold between the two states, including a strategic ministerial dialogue, political consultations at the level of the diplomatic secretary, consultations on South Asia, arms control, counterterrorism, human rights, dialogue on peacekeeping missions, Maritime Dialogue and consultations on border management.

Pakistani Prime Minister Yousuf Raza Gilani visited China during May 17-20, 2011, where Beijing announced its firm support for Pakistan's counter-terrorism efforts. Foreign Ministry spokesman Jiang Yu said that Pakistan has made important assistances to international cooperation in the fight against terrorism and made great sacrifices [3]. Beijing diplomatic support to Pakistan always witnessed either directly or indirectly. China opposed the Indian membership to the Nuclear Supplier group and opposed Indian move that demands action against Pakistan on account of terrorism.

5. Pak-China Economic Relations

During the study period bilateral economic ties and trade were gradually expanded [4]. In this regard on February 21, 2009, Pakistan President Asif Ali Zardari and Chinese State Councilor Dai Bingguo signed a Free trade agreement (FTA), which got operational in October 2009. This agreement helped to increase trade and eliminated tariffs and taxes between the two states [5]. China increased investment in Pakistan's infrastructure, energy, industry, and communications sectors which made the two iron brothers more connected than ever. China's large-scale investment in infrastructure and trade corridors marked the beginning of positive changes and gave new heights to China-Pakistan relations. China also became Pakistan's largest trading partner and major foreign investor in Pakistan. The bilateral trade between two countries reached to 18 billion dollars in 2018. To increase the bilateral trade more both states signed the second phase of the "China-Pakistan Free Trade Agreement" (CPFTA) in April 2019 which was operationalized on January 1, 2020. China

Foreign Direct Investment in fields of fruits, vegetables, seafood, livestock products, raw materials, fertilizers, foods, electronic fields, vehicles, textiles and mechanical fields.

5.1 Chinese Investment in Pakistan

According to the 2018 annual report of the National Bank of Pakistan, China is the largest investor in Pakistan with a total investment of US\$2.537 billion, accounted for 63% of total foreign direct investment. With the establishment of CPEC, investment in Pakistan has increased. Pakistan and China set up a “joint cooperation committee” (JCC) to implement CPEC. The JCC is chaired by the Federal Minister for Planning, Development, and Reforms of Pakistan and the Deputy Chairperson of China's National Development and Reform Commission. It is supported by 8 joint working groups covering various areas of cooperation.

CPEC was the flagship project in this era. It is composed of different developmental projects worth of 62 billion dollars [6]. Pakistan was facing energy crisis therefore China opted to help Pakistan in this regard. China had completed many energy projects and many more are underway. Till September 2019, 12 energy projects were completed which are producing 7,240 MW electricity. Total cost of these projects was 12.124 billion dollar. In addition, 9 projects were in the initial phase having total installed capacity of 6,390 MW. The Peshawar-Karachi Multan-Sukkur 392-kilometer highway section and Havelian-Takot section of the Karakorum highway had completed. In Gwadar, the construction of the new “East Bay Expressway” and the new “Gwadar International Airport” were also completed. China and Pakistan are also cooperating a lot in Socioeconomic Development and Agriculture sectors. In Pakistan, 17 projects promoting rapid socio-economic development in various regions, 12 were completed and started work and the remaining 5 will soon completed. Joint Agricultural Technology Laboratory of China and Pakistan is also underway.

6. Pak-China Strategic Relations

Both the countries also enjoyed good strategic relations. Pakistan's location is strategically important to China's strategic interest, in South Asia, and Middle East as it is close to Middle East and deep sea which connected to the rest of the world [7]. They cooperated in different fields included “high-level military exchanges, negotiations on national defense and structural security, joint exercises, training, joint defense production and arms trade. The armed forces of the two countries established mutual consultations at three levels for closer cooperation. They also worked on joint ventures used to produce military equipment, aircraft, submarines, and tanks. Moreover, China signed an agreement to provide eight new submarines to Pakistan, the largest defense agreement in the history of both countries. China also remained the largest supplier of defense equipment to Pakistan. Recent developments included the JF-17 aircraft and its production facilities, F-22P helicopter frigates, K-8 missile simulators, T-85 tanks, F-7 aircraft and many types of other light weapons and ammunition.

Pakistan will also receive 36 J-10s aircraft, which will make Pakistan the first recipient of one of China's most advanced weapons systems. With the help of these Pakistan's Air Force will also be able to increase the number of two fighter squadrons and strengthen their combat effectiveness [8]. The two countries also jointly developed the Thunder JF-17 the first Pakistani fighter jet. It significantly reduced Pakistan's dependence on American and Western aircraft. In addition to the defense agreement, in December 2008, the two countries signed an agreement worth \$ 278 million for the acquisition of four Chinese "KJ-2000 / ZDK03" (AEW) aircraft. In early 2011, China officially launched the construction of two modern missile systems for the Pakistani navy's rapid attack [9]. Similarly, in 2013, Beijing and Islamabad signed an agreement called "Common Vision for Deepening China-Pakistan Strategic Cooperation in the New Era". China also helped Pakistan to build two nuclear reactors at Chasma [10].

7. Opportunities

The cordial relations between Islamabad and Beijing created many political, economic and strategic opportunities for both the states. These opportunities are based on win-win opportunities. They enjoyed full understanding and support each other on every occasion [11]. At present due to regional changed political dimension an opportunities of regional block of China-Pakistan-Russia is emerging due to their common threat and shared interest. It is a very good development because all these regional countries would be able to find out and overcome their problems and improve further their bilateral relations. This coalition is also crucial in addressing regional challenges and defusing the power politics of US and other western powers. 21st century is the century of regional integration and bilateral cooperation for better humanity and common destination. This collation will also be helpful to resolve regional issues by the regional arrangements like Afghan issue, US military bases in Central Asia and such types of other. SCO also provide a meaning full plate form to them and with the help of China Pakistan got full membership of SCO in 2017 and now working together advance their national interests. The Shanghai Cooperation Organization (SCO) has gained a new impetus to regionalism during the last few years. SCO is deemed to help Pakistan to overcome these issues while utilizing potential of SCO. Pakistan, due to its close friendship with China and the emergence of independent countries in Central Asia, has always been interested in promoting regional connectivity and its role as a major country and bridge, especially as a bridge for the landlocked countries of Central Asia. Pakistan is very interested in showing itself and her interests in the region. The decision to give permanent membership to Pakistan facilitated regional integration and added to the organizational decisive role and its efficiency in the Central and South Asian regions [12]. For Pakistan, this membership will help in combating terrorism while sharing the challenges and experiences with the member states. It will also help to boost the economy of Pakistan and will strengthen Pakistan politically in regional and international affairs [13]. SCO also counterbalance NATO and US influence in the region of which Pakistan is mostly suffered due to an ally of US in

war on terror. The Shanghai Cooperation Organization is gradually becoming an alliance that values cooperation and regional reunification. Islamabad and Beijing have priority to make stability and peace by supporting the democratic government of Afghanistan [14]. Both China and Pakistan wish to bring stability in Afghanistan. From the platform of SCO they can work for Afghan peace more successfully and will be more result oriented. Pakistan and China also helped each other in counter terrorism. Both states always preferred to counter issues and turned into greater cooperation in the fight against terrorism. China provided financial and technical help to Pakistan for combating terrorism. Another opportunity created by China Pakistan cordial relations was supporting of each other in international politics.

During the study period a number of agreements and MoUs were signed between the two countries related to economic cooperation and infrastructure development [5]. When the Chinese Prime Minister visited Pakistan in 2013, he made clear that China's development was inseparable from friendship with Pakistan, to strengthen friendship, the Chinese Prime Minister put forward proposals that emphasized strategy of long-term development planning, Communications development and Sino-Pakistan Economic Corridor Project. In the same year, President Xi Jinping gave a speech in Kazakhstan, emphasized its importance of the vision of China about the Silk Road Economic Belt. The main idea of the project is to upsurge and expand collaboration and economic ties for the development of the Eurasian region [15]. The partnership of both the countries created many opportunities in all fields. On the economic front, above all CPEC has created a lot of opportunities. Apart from this joint venture towards Central Asia, Middle East and Afghanistan are the key areas both the states having a lot of economic geo-political opportunities for them. If CPEC connected with Afghanistan via Turkham border or Gulam Khan Border, then surely the Belt and Road Initiative will be more and more successful as Afghanistan and Central Asia will also become part of the venture. The completion of BRI will help it connect with the world. Once it gets streamlined, it will help connect the continents from East Asia to Europe and on the other hand South Asia to East Africa through the Pacific, the Mediterranean and Indian oceans. This route is very cost-effective and short for a faster trade in the world. Transportation for China from the Middle East through the Strait of Malacca currently takes about 45 days which will be reduced to just 10 days via Gwadar. Apart from cost and time effectiveness, Gwadar port is the safest route for China [16]. Due to the aforementioned reasons, the CPEC has a pivotal role to play in the completion of the BRI vision. According to Xi Jinping's vision of BRI, Pakistan is one of the largest beneficiaries among the 65 nations as it is strategically closest to China. The least example of its benefits for Pakistan is the CPEC.

Another great opportunity created by China-Pakistan friendship is giving access to China to Gwadar port. Gwadar Port is located on the Southwest coast of Pakistan, it is only 2,500 km from China western provinces while they are 4,500 km away from to the Eastern coast of China. The short

distance and safety on the ground make this route more important to China. More importantly, the port of Gwadar and the improved trade corridor is helping China to avoid the Straits of Malacca, improve access to Central Asia and Europe and avoid a US siege. China has also invested more than US\$55 billion in Pakistan for the installation of new power plants and upgrading of roads and railways to improve infrastructure. According to the Pakistan Business Council, this project is equal to 20 per cent of the country's GDP for the period of the next five years and will increase its growth by three per cent points. In addition to numerous ongoing projects in the mining, telecommunications and energy sectors, some other economic and commercial prospects include road construction, agricultural projects, financial institutions and special economic zones in Pakistan. Similarly, in the field of hydropower, they signed a contract worth \$700 million, to construct twelve small and medium size dams. Power generation capacity is important for Pakistan economic develop thus why Chin's help in these sector [17]. During Pakistani Prime Minister Imran Khan's official visit to Beijing in 2018. Both the states signed a historic bilateral trade agreement. They agreed to do trade in Yuan rather than dollars. It was helpful in reducing pressure on Pakistan's foreign exchange reserves. This agreement was part of China's actual measures to support Pakistan's foreign exchange reserves.

7.1 Strategic Opportunities

The strategic partnership of Beijing with Islamabad had a strong and deep relationship on security and military cooperation, based on shared security concerns. They had signed a series of agreements to support improve it more. The most important opportunity was created by "Treaty of Friendship, Cooperation and Good Neighbor Relations". It says that neither signatory shall join any alliance or bloc harmful to other side's sovereignty, security and territorial integrity and both will not allow any third country to use its territory to violate the sovereignty, security and territorial integrity of another signatory [18] China also provided the Pakistan Navy eight new submarines. Both the countries also reached to the conclusion that the long-term US existence in the region is affecting the political, strategic and economic interests of both the countries. In 2018, Pakistan also launched "Remote Sensing Satellite-1" (PRSS-1) from China's "Jiuquan Satellite Centre" which enabled Pakistan to the membership of prestigious Space Club. Pakistan also remained the reliable supporter of one Chinese policy. Pakistan supports one country, two systems and declared that Hong Kong's affairs are China's internal affairs. All countries must abide by international law and the basic rules of non-interference in internal affairs. On August 22, 2017, the Chinese Foreign Minister, Wang Yi, reaffirmed Beijing's support to Pakistan after Donald Trump blamed Pakistan for sanctuary riots. Chinese Foreign Ministry spokesman Hua Chunying said Pakistan is fighting on the front line of the war on terrorism and has made significant sacrifices and contributions. He called on the international community to recognize Pakistan's role in the fight against terrorism. Both the countries also successfully countered US and Indian concerns and propaganda against CPEC. Strategic cooperation among India and the United States in the region directly harms the strategic interests of both Pakistan and China.

The upgrading and expansion of the Kara Kurm Highway holds an important place in China's BRI plans. The upgradation made the highway a 90 feet wide expressway of threefold [19]. It allowed big vehicles and heavy objects to pass. Gwadar Port further integrated the economy of western China with South Asia, Middle East and other surrounding regions. In 2015, the COPHC worth of 1.6 billion dollars Chinese investment was started to undertake the expansion and development work in Gwadar port Phase-2 project. Chinese funding for the Gwadar port Phase-2 covered various infrastructure projects, including US\$32 million for the development of Gwadar Free Zone, US\$168 million for the East-Bay Expressway linking Gwadar to main route of Pakistan's national highway network, US\$230 million for the New Gwadar International Airport, US\$300 million for the development of 300MW coal based power project, US\$123 million for the construction of waters projects, US\$100 million for Pak-China Friendship Hospital, US\$130 million for freshwater desalination plant, US\$10 million for Pak-China Technical and Vocational Institute, and US\$4 million for Gwadar Smart Port City Master Plan (CPEC Gwadar Projects). Table 1: Gwadar Port Project and its Associated Projects.

Project Name	Cost	Completion Date
East-Bay Express Way	US\$168 million	October 2020
New Gwadar International Airport	US\$230 million	Groundbreaking ceremony Held in 2019
Construction of Breakwaters	US\$123 million	Construction in progress
Dredging of Berth Areas	US\$27 million	Construction in progress
Gwadar Free Zone	US\$32 million	Phase-1 completed 2018
Water Desalination Plant	US\$130 million	Inaugurated in October 2018
Coal Based Power Project (300MW)	US\$542.3 million	Inaugurated in November 2019
Pak-China Friendship Hospital	US\$100 million	Construction in progress
Pak-China Technical Training Institute	US\$10 million	Construction in progress
Gwadar Smart Port City	US\$4 million	November 2019

Source: [20]

The second phase of Gwadar Port after the completion is expected to handle up to 100,000 DWT bulk carriers and up to 200,000 DWT oil tankers and it will also ease the burden on Karachi and Ben Qasim ports, which currently handle 95% of Pakistan's maritime trade.

Over the years, Pakistan-China bilateral relations have become deeply rooted partnerships. Mutual support on various occasions at regional and global forums has become an important feature of the Sino-Pakistan partnership. For China, cooperation with Pakistan is critical to achieving many of its key geostrategic goals. Pakistan provided Beijing with a useful and reliable opportunity to balance India's prominent position in South Asia and defeat its aspiration to become a regional and hegemonic power. Pakistan is also the key to China's reach to the energy-rich Middle East and Africa. For Pakistan, establishing partnerships with China is important because it not only allows Islamabad to balance against India but also reduces dependence on the United States. Given the fragile nature of US-Pakistani relations, Pakistan has special interests in terms of reducing its dependence on the United States and strengthening its relationship with China as a reliable political, economic and strategic partner in the rapidly changing regional security environment. In addition, China's diplomatic backing for Pakistan in various international forums, especially in United Nations, has made Beijing the most reliable and trustworthy friend of Islamabad.

8. Challenges to Pakistan-China Relations

Despite of very close partnership many internal and external challenges were also face by both China and Pakistan which created many challenges for them.

8.1 Internal Challenges

The volatile security atmosphere in Pakistan was a serious challenge negatively affected the fulfilling of large potential in the Pak-Sino relations. The execution of main projects like CPEC on the ground is extremely threatened [21]. Chinese firms were working in the serious situation but despite of the extreme radicalization, turbulence situation in Baluchistan and tribal areas they worked continuously. The security situation in Pakistan was not as favorable for the large-scale projects implementation. Many anti-state actors and organizations like Al Qaida and Taliban were attacking Chinese projects and Chinese citizens. In addition, China also faced some terrorist and extremist uprising in her western region. Pakistan showed strong support to not tolerate any kind of organization or groups which were responsible for the unrest. The major factors which had created political instability in Pakistan over a long period were military takeovers, failures of democracy to achieve their goals and terrorism. These challenges affected Pak-China engagement because it created political instability in Pakistan, which also affecting foreign relations. The security challenges liker terrorism and the Baluchistan issue also negatively influenced Pak-China relations in different areas. In Baluchistan foreign countries mostly India, US and Iran are interfering in domestic affairs of Pakistan to

deteriorate the situation which had also affected investment of China in the province and created security problems to Chinese citizens there [22]. Chinese workers have increasingly been the targets of the Baluch insurgents. India, U.S and Afghanistan are supporting these militant to manipulate Pak-China joint projects like CPEC and Gwadar Port. The US and India does not let any Chinese interest in the region. Another challenge to bilateral trade is that trade is taking place by road through Khunjerab pass which remain 4 to 5 months close every year in winter due to huge snow fall in the border region.

8.2 External Challenges

China's unprecedented economic rise has enhanced its position in the world economy [23]. Since the beginning of this new millennium, China is working diligently to advance friendly relations and close cooperation with different countries of Asia, Europe, Africa and South America, which was not liked by US and China's regional competitor India. In the post-9/11 China had also shifted its attention to all relevant regional players and its insistence on a broad regional dialogue [24] which is also not liked by US and India. While Pakistan and China is close friend therefore both faced many serious external challenges to their relations during the study period from US and India. The US and India are not happy from the CPEC agreement neither India nor US accepted the agreement. US Secretary of State Mike Pompeo had again and again interfered in Pak-China relations and tried to create problems to them. He repeated said that IMF funds are used to pay Chinese loans. The US State Department spokesperson Heather Nauert said Pakistan's request for an International Monetary Fund bailout package will be closely examined as part of the reason that Pakistan needs found for Chinese debt. But both Pakistan and China rejected such allegations [25]. The US goal is to establish control and influence over China's regional energy supply routes therefore attempting to undermine the Chinese interests in the region [26]. Thus, China demands that the current security concept in Asia is led by the US Unilaterally must be changed to the multilateral security partnership led by multiple states for the security of Asia. US is also criticized and pressurized always Pakistan engagement with China which also a challenge in Pakistan-China relations. US try to decouple Pakistan China.

Initially objective of US-led war on terror was the elimination of Al Qaeda and Taliban from Afghanistan but later US started playing power politics and using war on terror against her regional opponents like China and Pakistan too. It led to negatively affect the strategic, economic and political interests of both China and Pakistan in the region. Alliance and growing partnership between New Delhi and Washington had also affected China and Pakistan relations. They aimed the encirclement of China in the region. The US and India are always worried about the China Pakistan all weather relations and doing propaganda against them. Khawaja Muhammad Asif Ex-Foreign Minister of Pakistan called Washington "a friend who always betrays". The US and India were also involved in propagandas against CPEC. As China huge project BRI is a game changer for the world which will enhance the economy of underdeveloped countries and China-Pakistan Economic Corridor is one of

the large-scale project of the Belt and Road initiative therefore both US and India are unhappy with the project.

The new US-India Strategic Partnership had also many implications for Pakistan and China. The agreement increased the military gap between Pakistan and India. India accessed the latest US weapons and technology which were vulnerable for both Pakistan and China. In the past eight years, India remained the largest arms importer in the world, purchasing more than 100 billion dollars arms annually [27] (Akram, 2016).

9. Conclusion

Since the very beginning Pakistan and China have established cordial relations and both the countries have glorious history of relationship. The democratic transition in Pakistan in 2008 had created many opportunities and challenges. Unlike expected the restoration of civilian government in Pakistan provided for many opportunities and the partnership reached to its peak. The positive and mutually beneficial relations of China with Pakistan during the study period shows a win-win approach for both the states. But the regional and international power dynamics also influenced the relations of both the countries. South Asia is significant for US to oppose China rise. China understands the threats and challenges that Pakistan faces. Despite these opportunities there were also many underlying challenges which both the countries faced. They faced both internal and external challenges. But mostly of these challenges were regulated and are regulating by deep mutual understanding and integrated bilateral policies. The main challenges they have faced are terrorism and other anti-Pak-China elements that are targeting Chinese citizens and the mutual interests of both the states aimed to deteriorated Pak-China friendship. Another most important challenge is the US-India alliance in the region which always try to destabilize their relations. Basically, this alliance comes into being to counter China and Pakistan and their interests in the region. The emergence of US-India counter strategy has been increased in recent years mostly after the rise of China. India re-adjusted its foreign policy to take advantage of US interests and involvement in the region and became regional hegemon. Therefore, the China-Pakistan partnership is a prerequisite for maintaining a balance of power in Asia. Due to rise of China US started to incline toward India. Close cooperation with China will benefit Pakistan in restoring the strategic balance in South Asia, and furthermore, cooperation with China in various fields will boost its economy and defense positively. Pakistan and China are cooperating to counter such kinds of challenges.

The political, economic and strategic cooperation opened new opportunities which they have full utilized. China's economic cooperation with Pakistan and huge investment in shape of CPEC leading to achieve regional connectivity in order to find new markets for boosting economic growth and development. Successful economic partnership with Pakistan, has also enhanced China's profile as a promoter of win-win cooperation and a responsible stakeholder in the international affairs which

is playing an important responsibilities and making greater contributions to the regional economic growth. It is changing the fate of Pakistan to provide a route for trade and prosperity in the region. China's efforts to develop Pakistan's infrastructure will strengthen China's soft power in Pakistan. The economic policy of the Government of China towards Pakistan is very beneficial.

9.1 Recommendations

To tackle the challenges and get more mutual benefits from the created opportunities the following recommendations are put forward.

First, the elimination of terrorism and such other militant's networks which are targeting China's and Pakistan's interests are necessary to be eliminated fully as soon as possible.

Second, Afghanistan and Central Asia should be connected with CPEC which will find new markets to Chinese and Pakistani products and will increase the importance and income of Gwadar port.

Third, bilateral visits of officials and policy dialogue need to be happened more frequent and extend to grass root level.

Forth, a special working body is required to see the regional and international challenges and formulate timely common policy.

Fifth, people-to-people contacts are low. It should be improved in order to strengthen mutual understanding and expand the economic, political and strategic cooperation.

Sixth, the armed forces of the two countries should pay more attention to improving their ability to respond to various security challenges and jointly protect the common interests of the two countries.

Seventh, Pakistan must maintain a strong military to military relationship with China to further improve Pakistan's defense industry and continue to transfer related technologies.

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