



# CPEC: Governance and Security Challenges—Implications for the Belt and Road Initiative

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## Abstract

This paper problematizes governance and its challenges to China–Pakistan Economic Corridor (CPEC). There is a divergence of approaches on governing, for instance, the proposed industrial zones among the local, provincial, regional and federal governments in Pakistan. Moreover, the papers highlights security challenges to CPEC’s infrastructure, machinery and workforce. The study posits that weak governance and an increase in insecurity is likely to affect CPEC negatively, with strategic implications for the Belt and Road Initiative that brackets CPEC as the “flag-ship” corridor. To assuage divergent approaches and enhance CPEC governance and security, Pakistan need to devise a legal and institutional framework that underpins security. In addition, Pakistan needs to establish a consensual security mechanism that, on the one hand, neutralizes Pakistan’s sovereignty concerns and, on the other, contributes to regional peace and stability, market connectivity and socio-economic development, particularly of western China and southwestern Pakistan.

**Keywords** CPEC · Governance · Security · China–Pakistan relations · Belt and Road Initiative

## 1 Introduction

China, under the prolonged leadership of President Xi Jinping, has embarked on a journey of economic growth, infrastructural expansion, regional connectivity and market outreach. Indeed, the Belt and Road Initiative (BRI), grounded in six different, but significant geographical regions of the world in terms of economic corridors, encompasses and outlines China’s trade, fiscal and energy aims in the short- and long-run. Importantly, out of the envisioned corridors such as the China–Myanmar–Bangladesh–India Corridor, it is the China–Pakistan Economic Corridor (CPEC), which is distinguishable from others. For example, it is,

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so far, the only corridor that connects two countries, namely, China and Pakistan. Moreover, CPEC is already under construction where other “early harvest” projects have been completed, and medium to long-term projects are prioritized for implementation (GoP 2017). In addition, CPEC has been projected by both China and Pakistan as the “flagship” project under the Belt and Road Initiative.

In other words, the centrality of CPEC seems to have been essentialized by the Chinese and Pakistani governments for the projection and implementation of various plans and projects under the BRI.

Thus, in 2013, China and Pakistan signed a Memorandum of Understanding (MoU) that served as the cornerstone of the CPEC project. Two years later, Chinese President Xi Jinping visited Pakistan and formalized CPEC in terms of allocating \$46 billion for multiple projects in energy, transportation infrastructure and digital communication. By the end of 2017, the total (preferential) loans and investment under CPEC crossed 50 billion dollars (Jiang 2018).

To consolidate CPEC and other bilateral economic cooperation, the Chinese and Pakistani governments concluded, at the sixth Joint Cooperation Council (JCC) held in 2016, that they would set up Special Economic Zones (SEZs). Initially, the total number of the zones varied between 46 and over 100 (Express Tribune 2017a, b). However, later on, the Pakistani authorities, in particular the Ministry of Planning, Development and Reform and the Board of Investment, reduced the number to nine. According to which each province and region, i.e. Gilgit-Baltistan and the Federal Capital Territory (ICT), would host one SEZ. Gwadar, the most crucial, sensitive and strategic component of CPEC, is seen as the tenth industrial zone in some Chinese, if not Pakistani, policy circles (GoP 2017).

As the foregoing highlights, CPEC has passed the early phase of plan conception and selective implementation of projects, related to roads, port and energy. Indeed, the Gwadar port is now operational for commodity exchange, financial transactions and goods mobility, though on a measured scale. Nevertheless, during the initial phase of CPEC’s introduction, projection, rationalization and domestic legitimacy, the Federal Government of Pakistan had its work cut out for itself. Since the proposed CPEC was supposed to pass through Gilgit-Baltistan (GB), Khyber Pakhtunkhwa (KP), Punjab and Balochistan, the local and provincial stakeholders, which included politicians, rights activists, enterprises, voiced their concerns accordingly (Hussain 2017a, b).

For instance, certain pro-climate change groups in GB highlighted the detrimental effects of vehicle-based pollution on the region’s local environment, which is globally renowned for its highest snowcapped peaks, compact glaciers, clean water and fresh air. Similarly, certain political parties and interest groups from KP invoked ethnic biases and bracketed the corridor with Punjab, which is the largest province of Pakistan in terms of population, skilled labor and resource base. In the same vein, certain nationalist forces from Balochistan, too, dubbed CPEC as Punjab’s project, one that is aimed at encroaching upon Balochistan’s natural resources. Moreover, certain uni-sectoral political parties from within the Punjab were skeptical of the project as well. In addition, the regional and global anti-CPEC assertions were also concerns for the government and the state of Pakistan. The latter, through a series

of negotiations and deliberations with a variety of stakeholders from the aforementioned geographical locales, went ahead with the project (Shah 2016).

Initially, the challenges to CPEC were of mostly a political nature where a political party based in a province demanded due share for its constituency. The so called “route controversy” was thus reflective of different bargaining positions taken by different political parties. For instance, the Awami National Party (ANP), based mostly in KP, demanded ‘route alignment’ that covered the Pashtun-inhabited parts of Pakistan. Likewise, the National Party (NP) from Balochistan pushed for share in, for example, revenue generation from the Gwadar port. The Federal and Punjab Government, led by Pakistan Muslim League (PML-N), engaged such stakeholders in a manner where, at least, the “route controversy” seemed to have been resolved for the proposed “western route” was aimed at assuaging the local, provincial and regional grievances (Noorani 2016).

In addition, the Federal Government allocated the proposed SEZs to each province, i.e. KP, Sindh, Balochistan, Punjab, and region, i.e. GB, FATA (now merged with KP), Azad Kashmir, as means to align the provincial and regional interests with the corridor (Farole and Akinci 2011, 1–25). Nevertheless, despite the completion of “early harvest” projects, as claimed by the government, and achieving consensus on establishing industrial zones, certain concerns related to CPEC governance and security, on behalf of especially smaller provinces and neglected regions, still persist. The following sections of the paper attempt to contextualize and explain this scenario.

## 2 Governance Challenges

Governance is a contested subject politically, legally and academically. In academia, governance is usually bracketed with cultural values, social networks and normative notions of law and order, which are subjective categories and, therefore, difficult to measure (Huntington 1968, 1–35; Putnam et al. 1993, 3–15). Mitra (2006, 29–49), however, has empirically addressed the question of measurability in his seminal work “The Puzzle of India’s Governance”. Going beyond the pejorative terms such as “good” and “bad” governance coined and practiced by global financial institutions such as the World Bank, Mitra’s comparative theory of governance is both contextual and rational in terms of ensconcing situational variables such as incidence of murder and riots per million population with actors and the rational choice they make in a given cultural setting. Hussain (2013, 8–11) partly employed Mitra’s governance theory on measuring law and order (orderly rule) before and after a *coup d’état* in Pakistan.

However, since CPEC is an emerging subject of academic interest and is physically located in various provinces and regions of Pakistan, the researcher faced difficulty when approaching concerned departments and obtaining detailed empirical data on the incidence of murder and riots in places such as Gilgit-Baltistan and Gwadar. In most cases, officials were reluctant to speak about the ongoing security situation owing to the sensitivity of CPEC. In addition,

the literature review exposed institutional hollowness and administrative non-coordination among different provinces/regions, and between provinces and the centre. This then provided an altogether different dimension to the subject of governance in the context of CPEC.

Thus, instead of exploring empirical aspects of governance, this paper assumes governance in terms of legal and institutional frameworks, which, on the one hand, envision and outline rational and intellectual foundations of governance and, on the other, tend to ensure ‘orderly rule’ by proposing and implementing administrative structures/regimes (Heydebrand 2003). Moreover, the physical/material security of CPEC’s infrastructure, workforce and technology are assumed to be an applied dimension of governance.

In other words, to ward off security threats against CPEC, there ought to be a legal and institutional framework in place, which serves as a point of reference for conflict and dispute resolution at the local, provincial, regional and national level. Since the inception of CPEC, the Federal Government of Pakistan has carried the corridor forward provincially, and regionally. For instance, the Ministry of Planning, Development and Reform negotiated various aspects of the corridor with provincial governments. In the absence of an agreed upon legal and institutional framework, the provinces, especially Khyber Pakhtunkhwa and Balochistan, registered concerns about the control and oversight of CPEC projects that fall under provincial jurisdictions. This is because after the implementation of the 18th Constitutional Amendment, the provinces have been empowered administratively and legislatively. Thus, owing to such legalities, the centre-province relations in contemporary Pakistan are contested, complicated and problematic, with respect to governance and security.

One of the main governance challenges pertains to the decision and demarcation of geographical space for CPEC roads, railways, fiber lines and, importantly, industrial zones. The latter, for example, has been subjected to heated debate among the local, regional and provincial stakeholders. During the initial deliberations, the aforementioned stakeholders failed to generate consensus on the very number of SEZs. Moreover, each one of the provincial government, regional and provincial political parties, and other stakeholders, differed on and exaggerated the site of an SEZ. For instance, Gilgit-Baltistan projected itself as a perfect natural location to host an industrial zone, which may not be the case in economic terms.

Moreover, access to finance could be bracketed as an important impediment for the overall growth of the corridor. One wonders to what extent the federal and provincial government may be interested in establishing legal and administrative regimes to levy and collect taxes, and importantly invest a share of revenue in CPEC projects. Equally ambiguous is the notion of retributive justice with respect to the allocation of CPEC profits with the local, regional and provincial governments.

In addition, another aspect of CPEC governance relates to trade and fiscal disputes emerging, for example, between different Pakistani enterprises or between Chinese and Pakistani businesses. There is no dispute resolution mechanism in place to provide relief to the parties concerned at the local, regional, provincial and federal level. Furthermore, with respect to enhancing trade under CPEC, both China and Pakistan are still struggling to achieve consensus on a transactional mechanism.

The Government of Pakistan recently rejected a Chinese proposal to fully substitute currency for the former has already partial currency substitution in place along with low rate of inflation. Having highlighted the major governance challenges, the paper approaches the applied side of governance, namely the physical security of CPEC (projects), in the next section.

### 3 Security Challenges

Indubitably, Pakistan is facing security threats from both internal and external elements. Modern terrorism, which Pakistan is bleeding from, is a post-9/11 phenomenon. When Pakistan, under the Musharraf regime (1999–2007), chose to support the US-led War on Terror against the Taliban and Al-Qaeda, the latter reactively started targeting Pakistan's security personnel, common citizens and strategic installations. Consequently, more than thirty thousand Pakistanis, both civilian and law enforcement, lost their lives in multiple acts of terrorism from 2003 until now (SATP 2018). However, the overall number of casualties has seen a fall since 2014 due to certain legislative and executive measures, but the practice of suicide terrorism is still around. Given the opportunity, a terrorist organization such as Tehreek Taliban Pakistan (TTP) could strike Pakistan's security apparatuses and the minorities (Shah 2017).

The fact of the matter, however, is that a large number of people who died in these terror attacks were ordinary citizens. However, in certain cases, some foreigners lost their lives, too. Indeed, a Chinese couple was kidnapped and ultimately assassinated in Quetta in 2017, by a terrorist organization.

In early 2018, another Chinese national was shot dead in Karachi. This shall be explained at length in the last section of the article. Here, it is pertinent to mention that on December 8, 2017, the Chinese embassy in Islamabad issued a press release that read, "The Chinese embassy has received some information that the security of the Chinese institutions and personnel in Pakistan might be threatened. This Embassy would make it clear that Pakistan is a friendly country to China. We appreciate Pakistan has attached much importance to the security of the Chinese institutions and personnel" (Siddiqui 2017). This is a reflection of China's growing security concerns vis-à-vis its CPEC-related citizens. Even, the number of non-CPEC related Chinese nationals—working, for example, as journalists—has crossed fifteen thousand. Physical security of the Chinese people residing and working in Pakistan has, therefore, emerged as a legitimate concern, which the Pakistani authorities need to take into policy consideration.

In spite of the above, the fact of the matter is that the corridor has, thus far, survived major terrorist attack on its infrastructure, machinery and workforce. However, this should not discourage or devalue the significance of security enhancement on part of Pakistan. Rather, impending security threats ought to be responded accordingly. However, it is easier said than done because this raises questions on the legal, institutional and administrative base and the capacity of a variety of governmental departments and state institutions. For example, is it the prerogative of the local, provincial, regional or federal government to provide security to, for example,

SEZs at different stages of construction? If it is a joint venture of, for example, the provincial and federal government, who will qualify as the competent authority with the powers of oversight and implementation? Which government, at what level, will bear the financial and logistical cost of security? Moreover, if the provision of security is the responsibility of the provincial government, will the province also be able to manage it logistically and institutionally? Importantly, will the Chinese companies and human resource be satisfied with the security arrangements provided by Pakistani side?

These are some major security challenges that Pakistani authorities will have to deal with for the sake of CPEC, which has been termed by both China and Pakistan, as a crucial component of contemporary bilateral relations. The foregoing aimed at enumerating and sensitizing multiple challenges of governance and security that may affect CPEC one way or the other. The next part of the paper assesses the significance of CPEC for the BRI.

## 4 Implications for the Belt and Road Initiative

As already argued, the corridor is supposed to serve as the “flagship” bilateral project under the BRI. Both China and Pakistan have viewed and projected the corridor quite meaningfully (Global Times 2018). For Pakistan, CPEC carries investment, infrastructural and fiscal incentives. For China, the corridor has more than economic value. Though it can serve as the harbinger of socioeconomic development of western China, i.e. Xinjiang, CPEC can also act as a bridge for market expansion and connectivity not only within China but also outside it. For instance, the corridor can be connected with rail and road networks in South and Central Asia. Even Gwadar port can work with Chabahar in terms of complementarity (Daye 2016). Put simply, the success of CPEC is crucial for the projection, negotiation, execution, and expansion of the BRI.

However, if somehow, the project in question remains mired in challenges, as already discussed, and if those challenges stay unresolved in the short to long-run, the corridor will not only affect itself but also other projects under the BRI. To begin with, the unfelt, unrealized and unresolved governance and security challenges of CPEC are likely to send unpleasant vibes to the whole range of regional and global stakeholders of which some (i.e. India) are already skeptical of President Xi Jinping’s One Belt, One Road (OBOR) vision. Second, inconclusiveness of CPEC projects is very likely to discourage bilateral and multilateral economic cooperation in the Southwestern and Central Asian region. Indubitably, such a policy (dis)course carries the potential to affect the economic interests of both China and Pakistan negatively.

Last but not least, out of the six proposed economic corridors under the BRI, CPEC essentially connects only two countries—China and Pakistan—whereas all other proposed corridors involve more than two countries, and in certain case two continents. In theory, the proposition, construction and execution of an economic corridor is comparatively convenient between two than three or multiple states because in the latter’s case a whole range of additional variables such as political

and economic systems, cultures and popular perceptions of the countries involved are to be taken into account at the political and policy level.

As is already mentioned, CPEC involves two time-tested allies whose decades-old strategic partnership has obtained measured “durability” (Ali 2017, 190–30). Since the mid-1960s, China and Pakistan have collaborated at bilateral and multilateral fora. Moreover, the two states have already amicably settled their borders in the wake of the 1962 China–India war. In other words, Pakistan is China’s only neighbor with which the country shares no territorial disputes. In addition, the two countries’ leadership, from day 1, made conscious efforts to understand each other politically, culturally and strategically. Although the people-to-people contact remained low in the past, a favorable outlook regarding China is on the up in Pakistan because of CPEC. Importantly, Pakistan has obtained full membership of the Shanghai Cooperation Organization (SCO), and this speaks volumes about the consolidation of China–Pakistan relations in a changing regional geopolitical environment.

CPEC is thus ensconced in history, mutuality of strategic interaction, and cultural harmony. Despite the aforementioned factors, if this experiment under the BRI remains sloppy, it is likely to carry a negative trickledown effect for other corridors under the BRI, for, as already mentioned, all other corridors involve more than two countries with diverse culture, politics, religions, languages and economy. It is thus possible, at the policy level that certain countries, who share a bitter history with China, may refer to the failures of CPEC while discouraging the BRI discourse nationally and extra-regionally.

Thus, it is pertinent for both China and Pakistan to approach CPEC with seriousness of purpose, mutually assured benefits, strategic parlance and due diligence. The final section of the paper provides policy input in this respect.

## 5 The Way Forward

Pakistan has to take a number of steps to transform challenges into opportunities. As far as governance challenges are concerned, the fundamental principle that the Pakistani government ought to stick with is the establishment of fora where the local, regional, provincial and federal stakeholders can deliberate the pros and cons of CPEC. The concerned actors would have to decide and determine which body and/or department is legally and institutionally tasked to ensure orderly rule.

Presently, the provincial governments, especially in Sindh and Balochistan, have to interact with the two sides (civil and military) of the Federal Government with reference to the National Action Plan (NAP) enacted in 2017 for counterterrorism. Moreover, the military has been empowered through the establishment of the military courts to try even civilians for terrorism-related charges. However, said courts seems like an ad hoc measure since they were established for the short-term and its sunset clause is January 2019 (Hussain 2017a, b). There is thus a need to conceive a comprehensive and meaningful legal and institutional framework, which serves the country’s interests across the board. This is though easier said than done. To materialize it, the local and provincial governments, regional dispensations and the federal



government ought to sit together to deliberate, negotiate and, possibly, legislate, such an all-encompassing governance framework.

In addition, the provincial cabinets in tandem with the military-led “apex committees” were responsible for chalking out security strategy in, for example, Karachi (Dawn 2015). During the last 4 years, there were cases where a provincial government thought differently when it came to extending the powers and jurisdiction of the Rangers (paramilitary force) in Sindh. Such differences of opinions and clash of interests, arguably, emanate from the embedded duality of governance regimes, namely civil and the military. This requires overhauling in terms of uniformity of vision and meaningful planning for the construction and security of CPEC. Hence, with a legal and institutional framework in place in the provinces, regions and the centre, not only could CPEC governance and security improve, but intra-provinces juridical and logistical matters and centre-province political, administrative and fiscal issues can also be amicably resolved.

Furthermore, to make CPEC an attractive specimen for cumulative growth, its financial side cannot be ignored. In this respect, the Pakistani and Chinese governments ought to work interactively to devise a policy to resolve currency substitution and fiscal issues, and provide adequate funds to small- and medium-size firms that lack in financial stability. Nevertheless, such financials should be firm friendly to attract further investment nationally and extra-regionally. The role of Pakistan’s diaspora could be very handy since they deposit to the country, on average, around US\$10 billion remittances per annum (Mahmood 2018). Besides, the Pakistani government ought to accord complete and secured property rights protection to ensure sustainability and attract Chinese firms and private investment.

With regards to applied security, the Pakistani authorities have already taken due measures such as the establishment of Special Security Division (SSD) and Maritime Security Force (MSF)—both consisting of military personnel that number around 15,000. The SSD and MSF is a federal arrangement where the Ministry of Interior coordinates with the provincial governments with respect to the placement and mobility of said forces (Dawn 2017a, b, c). Moreover, the provincial governments, especially KP and Punjab, have also raised Special Protection Unit (SPUs) comprising mostly of the police and numbering around 10,000, for the security of CPEC projects, Chinese labor, and machinery (Express Tribune 2017a, b; Dawn 2017a, b, c). Owing to the mentioned security arrangements by Pakistan, there is, so far, no recorded incident of terrorism on CPEC infrastructure, Chinese and/or Pakistani workforce and equipment.

However, there is no denying the acts of terrorism have been intermittently occurring in parts of Pakistan such as Quetta, Balochistan. Here, the Pakistan state is countering a fifth wave of ethnic insurgency launched by certain Baloch separatist organizations, whose leadership mostly lives in exile (Hussain and Khan 2014). Plausibly, certain terrorist organizations such as Islamic State are trying to malign CPEC and disturb China–Pakistan relations (Dawn 2017a, b, c). In addition, extortionists in Karachi killed another Chinese national possibly, earlier this year. The deceased Chinese citizen, according to Pakistani officials, was working for a non-CPEC firm called Cosco Shipping Lines Pak (Pvt) Ltd, which is doing business in Pakistan since early 1990s. If seen objectively, in both of the said cases, the Chinese



nationals were residing/working in Pakistan in their private capacity; moreover, they were not related to CPEC. Importantly, the missionary couple and the private-firm employee were provided due security by the Pakistani authorities. However, in both incidents, the Chinese citizens bypassed, if not violated, the required security umbrella at the expense of their lives (Dawn 2018a, b).

Besides, there have been reports, recently, of some Chinese nationals having been involved in financial theft, such as Automated Teller Machine (ATM) skimming fraud in Karachi. The cases are being investigated by the Pakistani law enforcement (The News 2017). Last but not least, in April 2018, a number of Chinese workers were filmed assaulting certain personnel of the Punjab police that were stationed in the Noor Pur camp (Khanewal, Punjab) to provide security to the Chinese companies and its workers. The video of this undesirable incident went viral on the social media. At one point during the scuffle with the police, the country project manager of the concerned firm stood arrogantly on the bonnet of the police van with the Pakistani flag visible beside his joggers and shorts. Noticeably, this was the second such incident to have occurred between Chinese workers and the police in the same region (The News 2018).

Nonetheless, the police high-ups declared five Chinese workers as ‘persona non grata’ and recommended their expulsion from Pakistan; the Government of Pakistan, reportedly, did send them back (Dawn 2018a, b). This particular incident occurred due to the non-compliance of the Chinese workers, who reportedly wanted to work at odd hours, i.e. extra shift in the evening or at night, for which the police were not, as per the official policy, ready to provide security. The incident has been widely circulated and cited by CPEC sceptics who argue that it is China’s plan to colonize Pakistan (Hindustan Times 2018).

Overall, the Chinese citizens working and/or residing in Pakistan have demonstrated goodwill and good conduct. At present, the majority of Pakistanis perceive the Chinese in friendly terms given the durable nature of bilateral relations. Nevertheless, given the chaotic security situation in parts of Pakistan, public safety remains a key challenge for Pakistani law enforcement, which has lost its police and military personnel during counter-terrorist operations.

To improve CPEC security, in general, and that of the proposed SEZs, in particular, Pakistani authorities would have to tackle the monster of terrorism on multiple levels. Strategically, the country needs to engage with its neighbors meaningfully. Here, China can play a role by encouraging regional cooperation and peace. The Shanghai Cooperation Organization provides an effective platform in this respect. Moreover, the trilateral and quadrilateral Afghan peace processes are steps in the right direction. In addition, China–Iran–Pakistan trilateral engagement carries the potential to devise a collective response to anti-peace elements in Southwestern Asia. Importantly, China may also urge the United States, another major stakeholder in the region, to engage Pakistan, Afghanistan and India in a manner that reduces strategic uncertainty. Politically, Pakistan should strive to negotiate with the locally active extremist and insurgent groups. Mere military means may not produce desired results.

Ideologically, there is a growing need to generate and implement, ideally at the state level, pluralist narratives to neutralize the detrimental effects of religious

extremism, social intolerance and terrorism. Here, it may not be inappropriate to state the fact that over 600 religious scholars, belonging to different religious sects in Pakistan, have not only achieved consensus but also issued a religious decree that declared suicide terrorism un-Islamic. Moreover, the Muslims are strongly urged not to indulge in such strictly prohibited acts of suicide terrorism (Daily Times 2018). This and related religious measures, however, need to be disseminated socially.

Above all, China and Pakistan would have to play a central role by reinforcing the significance of peace and stability locally, nationally and trans-regionally. The former should stay aware of the precarious security situation Pakistan is going through. The latter, on its part, ought to revisit its policies that might have provided an enabling environment to anti-humanity elements. The latter might have been neutralized militarily by the Pakistani law enforcement; however, certain militant organizations such as Jamaat-ul-Ahrar (JuA) still poses security challenges. The JuA may activate its sleeping cells in major urban areas of Khyber Pakhtunkhwa, Karachi and Quetta. The JuA and similar organizations, including Islamic State (IS), are always in search of soft targets to destabilize Pakistani state, society and economy (Rana 2018).

Last but not least, for effective CPEC management, Pakistan has to take certain extraordinary measures. One the one hand, there is need to devise a strategy to have local and provincial law enforcement apparatuses, i.e., police, Frontier Corps/Constabulary, on board; enhance the policy and operational capacity of civil law enforcement; and improve human intelligence of strategic locations along the Corridor including the proposed SEZs. On the other, the local, provincial and federal governments ought to chalk out a governance framework under which the country's law enforcement could work accordingly. Ideally, institutions can perform optimally under a single but consolidated command structure. In this respect, to enhance applied security, the size of the already established CPEC security force maybe be expanded.

In addition, for effective surveillance of industrial zones and Gwadar Port, the Chinese government can be helpful in terms of provision of sophisticated gadgets to enhance physical and infrastructural security of an enclave. Within the Gwadar enclave, the Chinese companies may, in consultation with Pakistani authorities, operate on its own in terms of oversighting consignments, etc. Nonetheless, handing over security of Gwadar and SEZs to Chinese corporations and/or security companies, both public and private, would arguably not be a sound idea and a feasible option given Pakistan's bitter experiences with the American security apparatuses such as Blackwater. Since 9/11, Pakistanis are, on average, anti-US whereas China's perception is still positive (Afzal 2013).

Finally, the Chinese authorities, in general, and companies and their workforces, in particular, should stay mindful of popular perceptions of identity, self-respect and sovereignty. In other words, the Chinese government and the executive leadership of various companies ought to train its workforce in accordance with Pakistan's cultural norms, religious values, political system and administrative rules and regulations. If this is taken into policy consideration, scuffles with law enforcement could be conveniently avoided in the future.

## 6 Conclusion

This paper attempted to sensitize the reader on the governance and security challenges being faced by the China–Pakistan Economic Corridor in the context of the Belt and Road Initiative. It posited that there is a divergence of approaches on governing, for instance, the proposed Special Economic Zones among the local, provincial, regional and federal governments in Pakistan. Owing to lack of comprehensive and consensual legal and institutional frameworks applicable throughout the CPEC areas and/or domains, Pakistani law enforcement faces duality of governance regimes, which, in turn, affects applied security in negative terms. Though Pakistan has established a special security force, both at the federal and provincial level, to protect CPEC infrastructure, Chinese labor and equipment, the former ought to take further legal and administrative measures to enhance security particularly of Chinese enterprises.

In this respect, the Chinese authorities may collaborate with their Pakistani counterpart in terms of sharing intelligence, exchange of relevant information and provision of security gadgets. Based on Pakistani's bitter experiences with the Americans with respect to security collaboration post-9/11, it may not be prudent on the part of the Chinese government and its (private and public) companies to develop interest in taking over CPEC in governance and security terms. Nor will it be a suitable and affordable policy on the part of Pakistan in the context of internal and external security challenges, ethnic divide, increasing intolerance, political instability and the contested character of the Corridor with significant implications for the BRI.

The consolidation of CPEC is likely to connect and expand regional market, achieve socio-economic development for, for instance, western China and (south-western) Pakistan and help stir peace-oriented initiatives in South, if not Central, Asia. Since CPEC is a bilateral economic engagement between China and Pakistan, the sustainability of CPEC carries positive implications for China's Belt and Road Initiatives in various capacity. For example, the Chinese authorities (and even companies) can assume that CPEC is a laboratory to experiment different dimensions of the conception, construction and consolidation of an economic corridor. Thus, the lessons learnt and experiences gained from the politics, society, religion and culture of only one country (Pakistan), could be quite useful in policy planning and execution when it comes to other proposed corridors with more-than-two countries under the Belt and Road Initiative.

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