



**China Pakistan Economic Corridor (CPEC):
Opportunities and Challenges for Pakistan**

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Abstract:

China Pakistan Economic Corridor (CPEC), under the Belt and Road Initiative (BRI), is a corridor that features a 2,000-kilometer long pipeline, along with rail and road connections. Pakistan and China decided to construct it to develop economy and promote peace and prosperity in the region. This paper aims to explore the numerous internal and external obstacles and challenges faced by Government of Pakistan in carrying out this multimillion-dollar project. The paper highlights that the project will boost trade and the economy, fortify regional connectivity, resolve energy challenges, build infrastructure and foster interpersonal relationships between the two states. The study is qualitative in nature. Data is collected through secondary sources and analyzed using the content analysis method. The realist theory provides an understanding of geopolitical rivalry, external pressures and internal challenges with respect to state's security-first approach and how these phenomena shape the trajectory of the project. While CPEC has provided economic opportunities, it has also left Pakistan in a web of external competition and internal unrest. This reaffirms the realist approach that even seemingly economic projects are not free from power politics and security concerns.

Keywords: China, Pakistan, CPEC, economy, opportunities, challenges, infrastructure, economy

INTRODUCTION

The world witnessed the development of regional and global strategic environments in the twenty-first century. Countries' geostrategic and geo-economic partnerships are shaped by this strategic environment with national security and state interests as key tenets of such collaboration. States have understood that they cannot protect their interests in their current capacity; thus, they have redefined their goals and adjusted their policies accordingly. The characteristic of governments' ever-expanding collaboration across commerce, infrastructure and development projects, defense and related economic areas, is high-level discussions and diplomatic engagements.

In past decades, China was regarded as a "sleeping giant". However, China is now a major player not only in Asia but also on the global stage. With the world's largest population and an economy rapidly approaching with its size, China has emerged as a central actor. The country's growing energy demands are the economic driver behind shifts in China's foreign policy. Green, Fergus, and Nicholas (2017). After assuming office in 2003, Chinese President Hu Jintao outlined a new peaceful development approach. China sought to promote its "Good Neighbour Policy" as an interdependent

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rather than competitive partnership with other nations and with the globe at large. By using this tactic, China has created a new regional trading hub within its closest regions. As a result, Pakistan has gained greater importance in the region as well as in the world. Moreover, one of the ancient trade routes in the world known as Silk Road has been revived by Pak-China leadership.

This paper aims to explore the numerous internal and external obstacles and challenges faced by Government of Pakistan in carrying out this multimillion-dollar project. The paper highlights that the project will boost trade and the economy, fortify regional connectivity, resolve energy challenges, build infrastructure and foster interpersonal relationships between the two states.

LITERATURE REVIEW

The China-Pakistan Economic Corridor (CPEC), launched in 2015 as part of China's Belt and Road Initiative (BRI), is widely considered a transformative project for the Pakistan's economy and its regional role. However, academia highlights that with alongside economic opportunities, this project also carries the seeds of social, economic, political, environmental and security challenges (Hassan, 2020).

Major strand of scholars emphasizes on the economic challenges associated with CPEC. Abbas et al. (2019) argue that this project will bring opportunities for Pakistani industries in terms of jobs and GDP growth, but there are concerns about the debt sustainability and the economic sovereignty of Pakistan. Shad et. al., (2024) add that the slow progress in forming Special Economic Zones (SEZs) is due to weak governance and poor industrial planning. Similarly, Kanwal et al. (2019) point out that despite improvements in infrastructure, CPEC has failed to attract local entrepreneurship, creating fears of economic dependence on China.

Another wing of literature points to governance and political obstacles related to CPEC. Arshad and Haidong (2017) delve deeper into provincial-marginalization, particularly in Balochistan, where it has led to resentment. Another important contribution is made by Bano, et. al. (2023), who give an empirical study of the Hazara region, where communities receive infrastructural improvements but are still skeptical due to environmental degradation caused by CPEC.

Security threats are the most highlighted and discussed challenges of CPEC in academia. Arshad and Haidong (2017) adds to this issue by emphasizing that the Gwadar port and energy projects across the Balochistan are prime targets for militant groups, complicating the implementation. Furthermore, Bangash et al. (2024) highlight that the peace and development through CPEC in Pakistan are undermined by recurring attacks on Chinese nationals, which deter investment and heighten mistrust. These studies point out that the security concerns remain an important factor, driven by both domestic instability and regional rivalry. Literature also discusses the social discontent and ecological risks attached to CPEC. Bano et al. (2023) note community grievances in northern Pakistan over population displacement, environmental degradation and loss of agricultural resources in the region due to CPEC related infrastructure. Kanwal et al. (2019) add that the promises of local employment remain unmet, fueling skepticism among populations regarding CPEC and intentions of their government.

All these studies point out the comparatively less studied but important social and environmental challenges posed to CPEC. Scholars also extend the CPEC's challenges to the international domain.

India's opposition to the CPEC and US alignment with India complicate Pakistan's struggle for its interests. Similar concerns are shared by Ahmad (2019), where he highlights that CPEC improves Pakistan's strategic importance, it also exposes Islamabad to geopolitical contestation, for which country is really not prepared. The dominance of geostrategic interests over local development priorities may compromise the project's original vision. Thus, scholarship suggests that CPEC is not only an economic opportunity but also a geopolitical flashpoint, where the interests of major geopolitical players interact, clearly effecting the project.

The economic opportunities provided by CPEC are often overstated but the recent studies focus more on challenges of debt, inclusivity and governance issues (Shad et al., 2024). Second, while the security concerns receive the extensive attention, social and environmental issues remain relatively under-explored (Bano et al., 2023). Third, much of the literature discusses economic, security and geopolitical challenges in isolation rather than combining or connecting them. This indicates a gap for further research that links domestic governance weaknesses with external geopolitical pressures.

Scholarship on CPEC aligns on the fact that the project is of huge potential but is fraught with complexities for Pakistan. Economic issues pertaining to debt and unbalanced development, political tensions rooted in governance lapses, security concerns from militancy and local opposition and underestimated social and environmental threats all complicate the project's viability. While earlier accounts were hopeful, recent studies present a more measured image, noting that without inclusivity in governance and forward-looking strategies, the promise of CPEC for Pakistan remains uncertain. Future research should concentrate on crossing thematic divides and examining long-term socio-economic implications.

THEORETICAL FRAMEWORK

China Pakistan Economic Corridor (CPEC) launched in 2015 as part of the larger BRI project, is often framed as a neutral project aimed at trade connectivity, transforming Pakistan's economic infrastructure and energy landscape. However, when analyzed within the framework of Realist theory, it appears more as an embodiment of Global power politics, strategic alignment and power projection. Realism views that power maximization, survival and state security are of paramount importance (Waltz, 1979; Mersheimer, 2001). Realist theory provides us with lenses to view the challenges to CPEC as both external geopolitical rivalries and internal dilemmas (Ripsman, N., Taliaferro, J & Lobell, S 2016). Externally, CPEC alters the regional balance of power by giving China a formidable and powerful opportunity to establish its presence in Indian Ocean Region (IOR). India has quite often opposed CPEC claiming that the corridor runs through the disputed territory of Kashmir. USA also has its reservations regarding CPEC and is of opinion that this project is part of wider plan by China to expand its global influence and reach (Rafiq, 2017).

Analysts argue that CPEC has deepened cooperation between Pakistan and China, which has led to strategic concerns for India and USA (Small, 2015; Schwemlein, 2019). This refers a classical realist dynamic where the strengthening of one alliance leads to countermeasures by other powers, creating hostile environment of power politics that complicates Pakistan's ability to take full benefits from the project. Domestically, CPEC is marked by security challenges, especially in Balochistan. The perceived marginalization of the people of Balochistan and prolonged insurgency

in the province have led to many terrorist attacks on CPEC personnel and Chinese technicians, with state prioritizing securitization over local engagement. There are reports of uneven distribution of benefits and resources generated from CPEC among the provinces, while Punjab getting most of the advantages while Balochistan remains underdeveloped, giving rise to further resentment. This tendency of state's prioritization of survival and central authority refers to core realist practices ("Baloch ire prompts," 2015).

In Neo-classical Realist terms, the internal inability of Pakistan to maximize CPEC for strategic benefits is in itself a big challenge to the project and its feasibility. While Pakistan may be strengthened externally by aligning with China, its internal problems- such as elite capture, institutional weaknesses and governance deficits- may negatively impact development (Rispmann, et.al. 2016). As a result, instead of fostering growth and inclusivity, CPEC has given rise to militarization and centralization and affirms with realist dynamic that state's external strategies are often constrained by domestic structures. In conclusion, the challenges posed to CPEC in Pakistan cannot be solely explained through technical and economical lenses. The realist theory provides an understanding of geopolitical rivalry, external challenges and internal dilemmas within the state's security first approach and how these phenomena shape the trajectory of the project. While CPEC has created economic opportunities, it has also left Pakistan entangled in external competition and internal unrest. This reaffirms realist approach that even seemingly economic projects are not free from power politics and security concerns.

RESEARCH METHODOLOGY

This study employs qualitative approach and mainly descriptive and analytical nature. It surveys the opportunities and challenges for Pakistan in the context of ongoing project of CPEC, the flagship project under BRI. The study mainly utilized secondary data, available both in print and electronic form. The sources include, books, research articles, government documents, newspaper articles, news stories, treaties and agreements and published reports of think tanks etc. The data collected from various sources was scrutinized for its authenticity and evaluated by using content analysis.

CHINA PAKISTAN ECONOMIC CORRIDOR (CPEC): OPPORTUNITIES AND CHALLENGES

This section briefly elucidates the factors that caused launching of CPEC before making an assessment of the challenges and opportunities for Pakistan. The section begins with a brief discussion of Sino-Pakistan relations in historical context. It follows launching of BRI of which CPEC is a flagship project and the focus of this section.

History of China-Pakistan Relations

The famous slogan "Friendship is higher than the mountains, sweeter than the honey" often describes the China-Pakistan ties, as the two are neighboring countries. Both countries have enjoyed cordial relations soon after the establishment of diplomatic ties on May 21, 1951. Pakistan became the third non-communist country and the first Muslim country to accept the "Republic of China" in January 1950, well before the establishment of formal ties. This diplomatic alignment provided the base upon which the continuing Pak-China relationship was established (Akash & Farkhanda, 2024). China and Pakistan have multifaceted partnership rooted in shared strategic interest, mutual trust and regional geopolitics. Their primary focus was on meeting the challenges

of the time (Cong, 2020). Pakistan and China ties strengthened after the Sino-Indian war 1962. Pakistan Boundary Agreement, signed on March 2, 1963, in Beijing between Pakistan and China, stands out as a pivotal moment in China-Pak relations strengthening their strategic friendship. This was followed by the “Friendship Agreement 1963” (Alastair, 2008), which settled territorial disputes, paved the way for strategic alignments and established trust, giving birth to the phrase “All-Weather” Strategic Friendship (Drishti IAS, 2023). Pakistan also played a role in facilitating the U.S-China rapprochement in 1970s, which further deepened Beijing’s trust (Khalid, 2023). In return China supported Pakistan during the 1965 and 1971 wars with India by providing military and nuclear cooperation (Ayoob, 1967).

Pak-China relations have been highly based on economic cooperation for decades. After the China-Pakistan Free Trade Agreement (2007), China became Pakistan’s largest trading partner. The most important development in their economic ties is the “China-Pakistan Economic Corridor (CPEC)”, launched in 2015 under China’s Belt and Road Initiatives (BRI). CPEC involves multi-billion-dollar investments in infrastructure, energy projects, industrial zones and the strategic development of Gwadar Port, which provides the China direct access to the Arabian Sea. For Pakistan, CPEC holds a key strategic significance, improving connectivity and boosting their economic growth.

The history of China-Pakistan reveals an extraordinary “journey of diplomacy, trust and mutual benefits”. This enduring alliance, described as “All-Weather” and “Iron Brothers,” has evolved from early diplomatic engagements in 1950s to the present day (Chaudhuri, 2017). Recognition of China by Pakistan, The Treaty of Friendship in 1963 and Sino-Indian War 1962 established the foundation of this deepened friendship and robust partnership. Economic collaboration, such as the Karakoram Highway, Pakistan’s bridging role in U.S-China dialogues in 1970s, comprehensive cooperation in security domain & economic domain and transformative projects like CPEC, have laid the foundation of lasting trust. Their relations prove that this alliance is not just symbolic but rooted in strategic, economic and geopolitical interests, making it one of the most resilient and significant partnerships in the modern international system (Alastair L. 2008).

Belt and Road Initiative (BRI)

The Belt and Road Initiative (BRI) is one of the most important projects launched by China in recent history. Announced by President Xi Jinping in 2013, the BRI aims to connect different regions of the world through trade routes, roads, railways, ports and energy pipelines. Its purpose is to create a global network of cooperation, improve trade and support economic development across Asia, Europe, Africa and beyond. Among the many projects under the BRI, the China-Pakistan Economic Corridor (CPEC) is considered the “flagship project.” CPEC is significant because it directly links China with the Arabian Sea through Pakistan. This makes Pakistan not only a partner of China but also a central part of the BRI’s overall vision. The BRI has two major parts:

- A.** Silk Road Economic Belt – focuses on land routes across Asia and Europe.
- B.** 21st Century Maritime Silk Road – focuses on sea routes and ports connecting Asia, Africa and Europe.

Through these routes, China seeks to increase trade, strengthen energy security and promote cultural exchange between nations. More than 140 countries have joined the BRI, highlighting its

importance in today's global economy. It is not only an economic program but also a political and diplomatic strategy by China to expand its global role and influence.

CPEC as the flagship of BRI

The China–Pakistan Economic Corridor (CPEC), launched in 2015, is the most critical part of the BRI. It connects Gwadar Port in Pakistan's Balochistan province with China's Xinjiang region. This corridor includes:

- Roads and highways such as the Karakoram Highway.
- Railways and pipelines for trade and energy.
- Energy projects including coal, hydro, solar, and wind power.
- Special Economic Zones (SEZs) to attract industries and foreign investment.

For China, CPEC offers the shortest and safest access to the Arabian Sea and the Middle East, reducing dependence on long and risky shipping routes like the Strait of Malacca. For Pakistan, CPEC provides an opportunity to modernize its infrastructure, reduce electricity shortages, create new jobs and improve regional connectivity.

Linkages Between BRI and CPEC

The linkages between BRI and CPEC can be explained in four ways:

Strategic Linkage

CPEC links the land-based Silk Road Economic Belt with the sea-based Maritime Silk Road, making Pakistan a central hub for BRI.

Economic Linkage

Billions of dollars of investments under CPEC are part of China's broader BRI financing strategy. These investments build Pakistan's energy and transport sectors.

Regional Linkage

CPEC connects Central Asia and Western China to the Arabian Sea, fulfilling BRI's goal of regional integration.

Political Linkage

CPEC strengthens the China–Pakistan friendship and represents BRI's political vision of cooperation and mutual benefit.

CPEC and its opportunities for Pakistan

The idea of "One Belt One Road" is strategically significant on a global scale. With a combined population of 4.4 billion and an economy valued at US\$21 trillion, the nations and areas included in the One Belt One Road program account for a major share of global GDP. Pakistan and China have been engaged in historical terms soon after the inception of China. Cooperation in different sectors will boost both Chinese and Pakistani economies. This strategy, which is gradually taking shape, has the potential to drastically alter the global landscape by establishing free trade zones, new infrastructure and a patchwork of diplomacy. This road heads to the western regions of China, joining Pakistan and Kashgar at Kunjerab, from which China hopes to connect to the Arabian Sea

and the Gwadar port, as it is the most expedient course of action for China (Naz, 2018). Baluchistan being a large territory with a small population, poses a huge challenge. The shortage of resources creates problems for the state as well as for CPEC.

The second option is the Central Corridor, which links China to Gulf States' sea ports. It starts in Shanghai but remains a possibility if Pakistan is unable to complete its road network by the deadline in order to qualify for the "New Silk Road Economic Belt's" advantages. The third option open to China is the Northern Corridor that travels across Russia to link Beijing with cities in Europe (Chen, 2020).

Pakistan's political turmoil was the reason for the postponement. China and Pakistan inked 51 deals totaling \$46 billion during this visit, which included the creation of the China-Pakistan Economic Corridor. It is astounding how much money China plans to invest in Pakistan through the CPEC—\$46 billion. This sum surpasses all foreign direct investment that Pakistan has received in the last few years, as well as all aid (Abid, & Ashfaq 2015). Competition is the main economic challenge that CPEC faces. The most significant port in Iran is Chabahar, where India intends to invest a significant amount of money. India is interested in Chabahar because Pakistan has denied to provide an alternate route. India might lose interest in Chabahar's development if Pakistan provides transit facilities (Czulda, 2023). Particularly in the last few years, India has been actively seeking energy agreements with the republics of Central Asia, as these can be accommodated through the eastern border in Punjab and Sindh. The CPEC project is dealing with a lot of problems and obstacles; yet it has managed to withstand propaganda and threats from both inside and outside.

In South Asia, Pakistan has been actively involved. Following the China-Pakistan Economic Corridor's completion, Pakistan's commercial, geostrategic and economic environments will all improve. It will assist Pakistan address unemployment, poverty and disparities in underdeveloped regions (Murad, 2019). President Mamnoon Hussain stated that enormous opportunities for advancement and prosperity exist for the three billion people living in the region, as well as for the citizens of the two countries, during his meeting with President Xi Jinping.

Both parties benefit from this situation. This will significantly broaden China's sustainable and stable economic growth trajectory. Pakistan's \$274 billion GDP is projected to rise by more than 15% as a result of China's investments. As an emerging market, Pakistan is more competitive and affordable and its 2014 budget deficit shrank to 4.7% of GDP, making it more advantageous than India.

Overcoming Energy-Related Emergencies

A huge amount of US \$33 billion has been spent on energy projects under CPEC. This investment is expected to help Pakistan overcome its long-standing energy crisis. Energy is considered as the backbone of economic developments, as industries cannot function without it. The state has been facing severe energy crisis for decades. The construction of dams on the Indus River remains pending due to Sindh province's opposition. Other provinces also oppose building a dam, except Punjab, the most populated province, wants to build dams to boost the economy and address energy crisis. The best project to assist resolve the nation's energy challenges is CPEC. The availability of energy in the country is expected to boost GDP growth by 2% and restore full output

in industries such as textiles. Pakistan needs a strong investment in energy sector and through CPEC this goal may become achievable. However, if state truly wants to deal with the energy crisis, it must work on renewable energy.

Infrastructure Development

By providing communication and roads connectivity, this is an extraordinary aspect of CPEC. Pakistan will modernize following the achievement of this venture, first by expanding its markets for produced goods. Small and medium-sized businesses would particularly benefit from the corridor's transformation into an appealing location for the manufacturing, agriculture and service sectors. Growth in both employment and the economy is substantial (Haryanto, 2016). Additionally, it will draw support for commerce and economics from all across the world.

Peace and Prosperity in Provinces

In addition to being the name of a port, railroad and road network, CPEC is a billion-dollar project whose sustainability will bring peace within the region. Economic condition will be improved, leading to a better quality of life for the people of state. Through the connectivity provided by this project, building infrastructure will allow quick connections between different provinces of Pakistan. Mass travel, as well as goods loading and unloading, will take very little time, thereby reducing both time and fuel costs.

CPEC and Its Challenges for Pakistan

Currently, Pakistan faces numerous threats and obstacles in accomplishing the maximum benefits of the mega project. These include economic instability, especially in Baluchistan; security threats; terrorism and the religious impact of CPEC; foreign involvement and other external challenges; convergent interests; geographical circumstances; and poor weather (Ahmad, & Fernald, 2020). The US, India and Israel are unhappy; India's leading intelligence agency has opened a separate wing in New Delhi and the Indian government allocated millions of Dollars to disrupt CPEC. One of the biggest issues with regard to CPEC is security threats in Pakistan, especially in Balochistan province, where Gwadar Sea port is situated and where most of the infrastructure projects are planned. Balochistan has been dogged for over a decade by a bloody separatist insurgency.

This insurgency is a direct threat to CPEC as most of the infrastructure such as roads, pipelines and energy projects are targeted by insurgents. They do not want Balochistan to develop as an economic and trade hub unless it becomes independent. They fear that if Balochistan develops and Gwadar port becomes a thriving port, then outsiders would move in, which could further weigh the province's demographic balance against the Baloch. Brahamdagh Bugti, the leader of the outlawed Baloch Republican Party (BRP), criticized the CPEC and Gwadar port projects and called for an UN sponsored referendum in Balochistan to decide its future. Siddiq Baloch, editor of the Balochistan Express newspaper, said the rebels want to scare off investors and developers working with the Pakistani government — such as the Chinese. He further said that rebels seek to disrupt economy, administration and challenge the governance in the area" (Massarrat A. & Ayesha A., 2015).

Security threats related to CPEC are further accentuated by the involvement of other militia operating in Pakistan, such as Tehrik-i-Taliban Pakistan (TTP) in Khyber Pakhtunkhwa. The country has suffered thousands of lost lives due to terrorist violence and a financial loss of \$128

billion due to intensification of so called 'War on Terror'. It has therefore dawned on the Pakistani government to ensure the protection of the CPEC projects; thus, mobilizing thousands of military and paramilitary forces to protect the corridor as well as Chinese and Pakistani employees (Surahio, et. al. 2023).

Many successive governments in Pakistan have set their own priorities and developed separate agendas, which at times have adversely affected concentrations and money spent on CPEC-related projects (Hassan, 2020). For instance, conflicts of interest within the political leadership regarding provincial priorities has resulted in tensions between Islamabad and provincial governments, particularly Balochistan and Khyber Pakhtunkhwa (KPK). Some political parties in KPK are of different opinion to CPEC, creating a big challenge for this mega project. Resentment lies in the Federal Government's change in the original KPK centric Gwadar-Kashgar western route to Punjab centric eastern route, thus economically benefiting Punjab more. Experts fear this political disharmony could damage state nationalism and create ethnic tensions. This inter-provincial infighting is another domestic challenge that CPEC has generated in Pakistan. There is resentment in smaller and less developed provinces that CPEC will mainly benefit Punjab. Politicians from Khyber Pakhtunkhwa (KP) and Balochistan have expressed serious reservations, with some describing the corridor as the 'China-Punjab Economic Corridor' (Farooq, 2013).

Besides taking responsibility for protecting Chinese workers engaged in CPEC projects, it was reported in the Financial Times that "China specifically wanted a more leading role for Pakistan's powerful military in these projects." Quoting government officials privy to such developments, it was pointed out that a number of CPEC projects are expected to take many years to be completed, which is "beyond the tenure of any specific government. Hence, China considers the role of the Pakistan army as pivotal for the success of CPEC" (Bokhari, et. al. 2016). The institution also has decades of experience in building mega projects, as well as capable civic, mechanical and electric engineers. Analysts argue that army is well poised to supervise the corridor, however, there are concerns about its growing footprints in civil matters, which could enable greater influence over domestic affairs and foreign policymaking. This large-scale development program takes initiatives to improve energy, trade and transportation links between Pakistan and China (Abid & Ashfaq, 2015).

Although CPEC mainly focuses on development, it has also created challenges for Pakistan. Being an economically weak country, Pakistan relies heavily on CPEC loans; which has led to debt accumulation. Its inability to repay these debts increases external pressure, while weak and corrupt further worsens the problem. The lack of effective steps to overcome economic issues hinders Pakistan from fully benefiting from development projects (Khan & Bukhari, 2024). Pakistan also suffers from internal instability and foreign projects such as CPEC further fuel the instability, especially in regions with militant groups. The attacks carried out by militants endanger the security of Chinese workers and highlight the inefficiency of Pakistan in maintaining a stable environment. Such incidents not only threaten present opportunities but also future possible initiatives (Hussain, et. al., 2023).

CPEC requires large areas of land, yet many of these areas are already inhabited. Locals are forced to leave and often inadequately compensated, which fuels resentment toward the project. The forced displacement causes locals to develop a negative perspective toward such foreign

development projects and oppose them; this creates unease among both workers and locals, creating a negative environment. CPEC also plays a minor role in advancing provincial divisions, as the benefits from the project are not equally distributed among the provinces. It prioritizes Chinese workers over locals, viewing them as more skilled, but this limits job opportunities for locals and raises concerns over job security. This creates the perception that foreign development projects focus more on personal gain rather than being mutually beneficial as portrayed. The harmful effects of CPEC on the environment, which is caused by industrial zones, roads construction and various other activities, reflect that such large-scale development projects emphasize economic benefits while undermining environmental concerns (Ullah, et. al., 2021).

CPEC's focus on development unintentionally creates regional insecurity and opposition. This is prominently seen in countries with conflictual relations with Pakistan, such as India, which leads to enhanced political instability (Ali, 2019). CPEC prioritizes Chinese workers due to the skill gap between Chinese and local workers, which is caused by the poor quality of education in Pakistan. CPEC also pushes Pakistan to import coal and oil, as many of its energy projects rely on such materials, increasing dependence on imported materials. Some energy plants under the project are expensive to build and operate, placing pressure on Pakistan's already weak economy. The energy plants, rather than benefiting Pakistan, create further challenges, as CPEC focuses extensively on energy generation while neglecting energy transmission, which could prove more beneficial. Moreover, coal-based energy plants cause environmental degradation and are difficult to sustain in the future, paving the way for long-term problems in pursuit of economic gains.

CPEC has provided numerous opportunities, but Pakistan has also faced some challenges. Pakistan, as a developing state with a weak economy, has been heavily influenced by CPEC, which has increased its dependence on foreign project funding and imported materials. While CPEC is a beneficial project, it also carries challenges and negative impacts, including environmental degradation, unemployment, political pressure, internal instability, local displacement and most significantly, enhanced dependence on foreign funding and resources. Overall, CPEC can significantly benefit Pakistan's economy if implemented rationally.

CONCLUSION

It is expected that CPEC will contribute almost 2.5 percent to Pakistan's GDP annually and provide millions of jobs by the end of 2030. No doubt, CPEC has many challenges, such as internal security and politics of major powers. Pakistan is giving its hundred percent to secure this project. Anti-state elements along with foreign involvement are trying to sabotage it, as they don't want a stable Pakistan. The country is facing many difficulties in securing the long route of CPEC. CPEC will also contribute to uplifting the lives of Balochistan's common people by giving the local people more opportunities. This project needs greater attention from the state by dealing with opponents and obstacles in its path. It will bring peace and prosperity to the region and also help develop tourism in Pakistan. CPEC will support regional connectivity, while the process of urbanization has just begun as part of new world economic development. For the successful execution of the project, national political parties must play their role and the central government should take provincial governments and other stake holders into confidence to minimize internal threat.

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