

# CPEC AND ITS CORRELATION WITH SOCIAL AND ECONOMIC DEVELOPMENT OF PAKISTAN

Dr. Santosh Kumar, Sabeen Azam, and Zain-ul-Abdin Arijio

## ABSTRACT

*The visualization of mutual success and economic development is linked to provincial connectivity and growth. The establishment of the China-Pakistan Economic Corridor is based on this concept (CPEC). One of the primary projects of CPEC is the development of new transportation infrastructure, including the Gwadar Port Project and other energy generation projects. The Everlasting friendship of Pakistan and China has been proven. The China is promoting the regional economy of Pakistan. The key plan that led to the creation of CPEC is China's pilot project of the "Belt and Road Initiative." CPEC is projected to minimize China's transportation costs by offering a shorter route for Chinese trade to the Persian Gulf, as well as provide a solution to Pakistan's energy shortages. Furthermore, despite the CPEC's predicted economic growth chances, Pakistan faces some economic, security, and political risks. This paper aims to illustrate the China Pakistan Economic Corridor's significant geostrategic importance, opportunities, and challenges, as well as to broaden the base. As a result, this paper provides a comprehensive view of previous research on the planned subject and does not involve any data analysis, as previous researches had done for reviewing an assessment of challenges and prospects.*

**Keywords:** CPEC, Regional Economy, Economic development, Challenges, Prospects.

## INTRODUCTION

The China-Pakistan Economic Corridor (CPEC) is an important project of the Belt and Road Initiative proposed by Chinese President Xi Jinping. CPEC is a framework and platform for comprehensive and effective cooperation between China and Pakistan. The CPEC is an important milestone agreed upon by the leaders of the two countries, with special emphasis on advancing the journey of construction and development through this mega project.

CPEC has the full support of the political parties and the people of both the countries (Abid and Ashfaq, 2015; Tunio, et al., 2021).

In May 2013, Chinese Prime Minister Li Keqiang proposed CPEC during his visit to Pakistan, which was immediately met with a positive response and importance from the Pakistani government. During Prime Minister Nawaz Sharif's visit to China in July 2013, a memorandum of understanding was signed to start work on the CPEC. So far, the implementation of big and important projects has been going on in an efficient and consistent manner. Moreover, it is on a journey of constructive development. The CPEC is being implemented with complete planning over time. It is playing a key role in promoting bilateral cooperation between China and Pakistan (Ahmed, et.al. 2017; Tunio, et al., 2021).

CPEC is central to the journey of strengthening the everlasting strategic partnership between Cochin and Pakistan and achieving common building and development. CPEC is fueling Pak-China relations with a new dimension and a new vision. The CPEC will benefit the whole of Pakistan as a whole and will bring many benefits to the people of Pakistan. The CPEC will effectively promote Pakistan's economic and social development. The construction of CPEC will enhance the development strategy of China and Pakistan as well as increase integration in which the interest of the people of both the countries is hidden. Similarly, under CPEC, the two countries are committed to building and developing with a standard and comprehensive strategy and completing a number of major projects that are yielding positive results, and to the people of other countries in the region besides China and Pakistan It is also benefiting (Abid & Ashfaq, 2015; Tunio, et al., 2021).

## **THE PRINCIPLES OF CPEC CONSTRUCTION**

As a large and well-organized project, CPEC's construction journey spans 2030-2017. Successful co-operation of CPEC requires joint and tireless efforts of the governments, companies and all social sectors of China and Pakistan. In the process of its construction, the two sides agreed on the principles of scientific planning, consistent implementation, consensus through consultation, mutual benefits and win-win results, as well as ensuring quality and safety. The two sides agreed to compile a list of priority or early harvest projects as well as long-term plans for CPEC. Priority or Early Harvest projects are projects that will be completed before 2018 or 2020 (hydropower projects). CPEC is a long-term plan that will be fully completed by 2030. In the planning and construction process of CPEC, the two sides

agreed that the governments of the two countries should play their role in providing guidance and companies should invest in accordance with the rules of the market. The two governments and companies are working together in a clear division of labor as well as in cooperation to promote the development of CPEC in a sustainable manner (Ahmed, et.al., 2017; Katper, et al., 2020).

### **AREAS COVER BY CPEC**

Pakistan and China have agreed to promote special economic cooperation as a blueprint for “1 + 4” in which the central role of CPEC as well as Gwadar port, energy, transport infrastructure and Four key areas, including industrial cooperation, have been identified to promote win-win results and joint development. In the medium to long-term planning, the two sides will look for opportunities to promote cooperation in areas such as financial services, science and technology, tourism, education, poverty alleviation and city planning, and expand over time so that China - The scope of Pakistan All Round Co-operation can be further expanded (Alam, Li & Baig, 2019; Tunio, et al., 2021).

### **THE CPEC COLLABORATION MECHANISM**

China and Pakistan have formed the Joint Cooperation Committee (JCC) to take the CPEC project journey forward smoothly and efficiently. The Joint Cooperation Committee has five joint working groups, including long-term planning, energy, transport infrastructure, industrial cooperation, and Gwadar port. The Secretariat of the JCC is present in the National Development and Reform Commission of China and the Ministry of Planning, Development and Reform of Pakistan respectively. The two Secretariats are responsible for dialogue and coordination with the Ministries to advance the journey of construction and development through the implementation of CPEC. The Joint Coordination Committee promotes CPEC’s overall planning and bilateral cooperation. The Joint Working Groups are responsible for the effective planning and implementation of projects. Nine meetings of the Joint Coordination Committee have been convened by January 2020 and it has been agreed to jointly move forward on several issues related to CPEC while this committee is playing a key role in promoting the construction of CPEC (Ahmed et.al. 2017; Chaudhry, et al., 2021).

### **PROGRESS IN GWADAR PORT UNDER CPEC**

The port of Gwadar, located at the southern tip of the CPEC, is one of the major projects of the mega project. China Overseas Ports Holding Company Limited (COPHC) has undertaken the work of improving and expanding

the facilities at the port and now the port has restored its designed capacity. Cargo liners have been arriving at the port every month since mid-2016. On November 13, 2016, the first commercial convoy of the CPEC pilot project was held at Gwadar Port. Meanwhile, a convoy of China-Pakistan joint trucks carrying goods from both the countries reached Gwadar port. This was the first time that a trade convoy successfully reached the western region of Pakistan from north to south. Today, Gwadar port is exporting many containers to foreign countries. Conway paved the way for Gwadar port from Pakistan and introduced a new dimension to the system of providing facilities in this port (Alam, Li, & Baig, 2019; Memon, et al., 2021).

China and Pakistan are working together to bring the East Bay Expressway project and the New Gwadar International Airport project to fruition. The two sides are working together to make the Gwadar Smart Port City Master Plan a reality. Under CPEC, efforts have been made to improve the living standards of the local people, especially through educational and medical projects. In Faqir Colony, projects like Pak-China Friendship Primary School, Gwadar, Gwadar Hospital, Gwadar Vocational College, and Water Desalination Plant have been completed on priority basis (Ali et al., 2018).

### **PROGRESS IN THE ENERGY SECTOR UNDER CPEC**

It is an indisputable fact that the energy sector is a source of strength for economic growth and the sustainable development of Pakistan's economy also depends on the energy sector. The launch of the China-Pakistan Economic Corridor in Pakistan has accelerated the construction of energy projects and today the fruits of this mega project have helped in achieving sustainable development in Pakistan by overcoming the energy crisis. Under the two sides, 16 projects have been made part of the top priorities while 5 are under construction. The total power generation of all of them will be 17045 MW (Alam, Li, & Baig, 2019; XiMei, et al., 2016).

Out of the 16 priority projects under CPEC, 9 projects have been activated and added to the national grid while work on the rest is in progress. Energy projects completed by end of 2019 include Bahawalpur Punjab's 400 MW Quaid-e-Azam Solar Park, 50 MW Dawood Wind Farm, Sachal 50 MW Wind Farm, Port Qasim 2 × 660 MW Coal Fired Power Plant, Sahiwal 2 × 660 MW Coal Fired Power The plant includes 660 MW Hubco Coal Power Plant, 100 MW Jhampir UEP Wind Farm, China Three Gorges Second and Third Power Project and 2 × 330 MW Engro Thar Coal Power and Mine Project. Projects like 1320 MW Thar Block One, 330 Hubco Thar Coal Power Project, 330

Thal Nova Thar Coal Power Project Block Two, 720 MW Krut Hydro Power Project, 600 MW Quaid-e-Azam Solar Park and Lahore transmission line from Matiari (Port Qasim) are underway. Kohala Hydro Power Project, 300 MW Gwadar Coal Project, 1320 MW Thar Coal Project Block-Six, 50 MW Kachu Wind Power Project and 50 MW Western Energy Pvt. Ltd. Wind Power Project are also included in the plan (Ali et.al., 2018).

### **PROGRESS IN THE FIELD OF TRANSPORT INFRASTRUCTURE UNDER CPEC**

Efficient and faster transportation networks are critical to economic growth. CPEC will definitely pave the way for North-South corridor in Pakistan. The Sukkur-Multan Motorway (M-M) is currently one of the six Early Harvest Projects worth 15 15,000 million in infrastructure, with the existing road network being utilized and scientific principles planned on a priority basis to ensure the restoration of disconnected links. The Thakot-Havelian section of Karakoram Highway is nearing completion. In addition, East Bay Expressway, Gwadar and New Gwadar International Airport are under construction and matters related to NDI Khan-Zhob Motorway and ML-1 Railway. The ninth meeting of the CC reiterated its commitment to deal. Similarly, the Public Sector Development Program includes 5 CPEC infrastructure projects costing 15 15,000 million, of which Lahore-Multan Motorway, Sohrab-Khushab and Gwadar-Turbat-Khushab have reached completion while Hukla-DI Khan Motorway and Zhob Work on the Kochalak Expressway is in progress (Ali et al., 2018).

### **PROGRESS IN THE FIELD OF INVESTMENT AND INDUSTRIAL COOPERATION UNDER CPEC**

Industrial cooperation is one of the most important areas of CPEC. Industrial cooperation is of utmost importance for expanding and expanding economic cooperation between the two countries as well as paving new avenues of development. It is also an indisputable fact that huge opportunities for cooperation in this sector are being exploited. The future can be assured. In this regard, China has the distinction of experience, technology, financing and industrial capabilities while Pakistan can benefit from its resources, manpower and favorable market conditions. At the same time, the two countries can move forward to further promote industrial cooperation and achieve mutual benefits and win-win results (Alam, Li, & Baig, 2019; Tunio, et al., 2021).

Similarly, under the framework of CPEC, the two countries launched two

industrial cooperation projects, including the Haier-Roba Economic Zone (2006) Phase II and the Gwadar Free Zone. The groundbreaking ceremony of Gwadar Free Zone was held on September 1, 2016, which drew the attention of the business community to CPEC. Under the CPEC framework, China Overseas Ports Holding Company Limited (COPHC) has ensured the construction of Gwadar Free Zone. China is keen to provide high quality industrial capabilities to its longtime friend and ally Pakistan and to encourage well-known Chinese companies to invest in Pakistan. Pakistan, meanwhile, is expected to determine the locations of the special economic zones in a polite and thoughtful manner and to formulate preferential policies in the special economic zones of mutual consent as well as to provide favorable environment and facilities. Similarly, the two countries have been negotiating with each other to further strengthen industrial cooperation and it is hoped that the two countries will reap economic and social benefits through the Phase War Win-Win projects (Ali et al., 2018; Shaikh, et al., 2021).

The Chinese government has provided interest-free loans for laying optical fiber cable from Rawalpindi to Khanjarab, and construction began in April 2016. In addition, the Chinese company has finalized a feasibility study on the use of digital terrestrial multimedia broadcasts in Pakistan. The two countries are working on a long-term plan for the CPEC, which has been finalized (Butt & Butt, 2015).

### **THE PLANS OF CPEC IN WESTERN PAKISTAN**

CPEC has immense opportunities for construction and development for Pakistan as a whole and will benefit not only the people of the Western region but the people of the country. Many CPEC projects are in progress in the western part of Pakistan. For example, the Karakoram Highway (Thakot to Havelian) Phase-II and Ski Kanari hydropower plants are in Khyber Pakhtunkhwa. Similarly, China-Pakistan Cross Border Fiber Optic Cable Project and ML1 Railway Upgradation (Framework Agreement under discussion till December 2016) also pass-through Khyber Pakhtunkhwa. Peshawar and Quetta have been added to the CPEC roads as central. Burhandi Khan and Quetta to Sohrab roads have been included as short-term projects in the CPEC Transport Monographic Study approved in the fifth meeting of the Joint Cooperation Committee. Gwadar Port, Gwadar Free Zone, Gwadar East Bay Expressway. Gwadar International Airport, Gwadar Coal Fired Power Plant and Hubco Coal Fired Power Plant are all projects in Balochistan Province (Butt & Butt, 2015).

## **THE BENEFITS TO ALL THE PAKISTANI REGIONS UNDER CPEC**

The “One Corridor, Multiple Passages” agreement between China and Pakistan aims to promote the economic and social development of all of Pakistan’s provinces while also offering effective connection to the port of Gwadar. The Western Route is an essential component of the CPEC. At the moment, significant efforts are being made to improve road connectivity in Pakistan’s western regions, and China is working with Pakistan to help establish favorable circumstances for attracting investment in Pakistan’s western and northern regions. CPEC is gradually playing an essential role in fostering economic growth and enhancing living conditions in different areas of Pakistan, thanks to the implementation of numerous projects. (Chen, Joseph, & Tariq, 2018; Tunio, 2020<sup>1</sup>).

## **CPEC: KNOWN ADVANTAGES AND DISADVANTAGES**

There are costs and benefits to mammoth projects. There are also aspects of the Pak-China Economic Corridor project that could have a negative impact on the benefits. It is important to identify these aspects in a timely manner and to address their negative effects. CPEC has the potential to be a game changer for Pakistan. This is such a big project that if it is completed in a timely and reliable manner, it will change the economic geography of the country. Earlier, the project that paved the way for massive economic and social change in Pakistan was the Indus Water Works project, which included the construction of the Mangla and Tarbela dams as well as thousands of kilometers of canals. As a result, there are now two crops a year where even the first straw did not grow and where there were deserts until the 1970s, there are now laughing towns (Butt & Butt, 2015).

One of the results of the Indus Water Works project was that the two eastern provinces (Punjab and Sindh) grew rapidly and expanded to include urban areas, while the western provinces (Khyber Pakhtunkhwa and Balochistan) were underdeveloped or backward. Are left and are still at the mercy of the overall national economy. Now CPEC ‘s western route heralds development prospects for Balochistan and Khyber Pakhtunkhwa (Chen, Joseph, & Tariq, 2018).

CPEC also has the potential to change the political geography of the entire region. Culturally and politically, Pakistan is located on the shores of South and West Asia. Sindh and Punjab are definitely part of South Asia. Balochistan and Khyber Pakhtunkhwa are located in West Asia more than the South. There is a Punjab in India and a Balochistan in Iran. In the Punjab



of India and Pakistan, the same type of Punjabi is spoken, while in Pakistani Balochistan and Iranian Sistan Balochistan, besides Balochi, Persian is also spoken and understood. Gilgit-Baltistan and the Khyber Valley have centuries-old cultural and economic ties with China, Xinjiang and Central Asia (Butt & Butt, 2015).

Economic ties with Xinjiang and Central Asia were severely affected in the early twentieth century due to geographical and geographical reasons and had not improved for some time. It was as if the world did not exist for Gilgit-Baltistan and the north and northwest of Afghanistan. CPEC wants to open many doors to the North and Northwest, including broader economic prospects. South Asia is home to the Pakistani ports of Gwadar and Iran's Chahbahar, which, although symbolic, have the potential to flourish as twins. Today, Pakistan is largely a player in the political and economic arena of South Asia. With the completion of the CPEC, it will emerge as a force in Central and West Asia that will be very difficult to ignore. Pak-Russia and Pak-China measures to ensure peace and stability in Afghanistan should be seen in this context (Chen, Joseph, & Tariq, 2018).

Speaking of the East, the way will be paved for easing Pak-India tensions at the hands of CPEC. Chinese trucks loaded with commercial goods will also cover a distance of 2,000 km from Kashgar to Gwadar or from Gwadar to Kashgar via Hassan Abdal, which is just 5 km from the Indian border. The 5 km route from Kashgar to Hassan and Amritsar can also be very attractive for China as India is also an emerging and attractive economic market. It should be kept in mind that the trade between Shanghai and Mumbai by 5,000 km of sea routes is worth more than 5 billion (Kanwal et al., 2019).

There is a strong possibility that the Chinese government will put pressure on Pakistan to allow trucks carrying Chinese goods on the Hassan Abdal-Wagah route to and from India. And similarly, Indian trucks can be forced to use the Amritsar, Hassan Abdal, Kashgar route to Pakistan. Thus, Indian trucks enter Pakistani territory and go to Kashgar via Hassan Abdal. And so, the issue of allowing Indian trucks to go to Kabul, 3 km away from Hassan Abdal, could also arise. At first glance, this may not seem possible, but in the future, the barriers to trade between Pakistan, India and Afghanistan will fall, just as the Berlin Wall fell (Chen, Joseph, & Tariq, 2018).

The CPEC equation between Pakistan and China seems to be largely focused on India. It should be borne in mind that India and China are not traditional and eternal enemies of each other, despite a long confrontation



over armed conflict, border disputes and superiority. At present, the trade between Pakistan and China is 12 billion to 3 billion annually, while the trade between China and India is more than □ 2 billion annually. There is no possibility of any kind of war between China and India and it would be ridiculous to think that China will ever fight a war with India for the sake of Pakistan. China is currently trying its best to persuade India to be a part of the Belt and Road project and the time is not far when India, albeit on a limited scale, will agree to be a formal part of this great project. And when that happens, Pakistan's strategy of using China as a shield against India will lose its impact and impression (Kanwal et al., 2019).

### **POSSIBLE RISKS**

There is a cost to any big project and there are many potential effects as well as benefits. CPEC is no exception. When considering the potential benefits of this great project, one must also consider its social impact. At the same time, steps must be taken to eliminate these effects (Chen, Joseph, & Tariq, 2018).

### **NATIONAL ECONOMY**

CPEC poses three major threats to the national economy based on the principles of the whole economy. These risks are related to the manufacturing sector, balance of payments stability and financial balance stability (Kanwal et al., 2019; Tunio, 2020).

### **POTENTIAL IMPACTS ON THE MANUFACTURING SECTOR**

If effective precautionary measures are not taken, the manufacturing sector in Pakistan will face two major threats from CPEC. With regard to the Afghan transit trade through the port of Karachi, it is also said that a large number of goods are stopped within the borders of Pakistan, i.e., they do not reach their destination in Afghanistan. These cheap goods are sold across Pakistan, as a result of which the domestic units manufacturing these goods have been shut down. Gwadar-Kashghar traffic is another name for China's transit trade. And this transit trade is a thousand times more than the Afghan transit trade. If even one per cent of China's transit trade is diverted within Pakistan's borders, its severe negative impact on the manufacturing sector here can be well assessed (Makhdoom, Shah, & Sami, 2018; Tunio, et al., 2017).

Past experience clearly shows that tax exemptions for a few industries or regions have less positive and more negative effects. Doing so does little to benefit the economy and worsens the situation. The tax breaks that are being

given to Chinese companies in respect of CPEC will prove to be a poison for Pakistan's manufacturing sector and it will be extremely difficult or almost impossible for local industries to ensure their survival (Kanwal et al., 2019).

The argument that taxes exemptions are available to all entities (without nationality) in the relevant industrial areas is completely baseless. Experience has shown that whenever a tax exemption is announced for an industrial area, large industrial enterprises invest only a few units in that area to obtain a tax exemption on products manufactured by their other units across the country. Thus, they succeed in causing irreparable damage to the national treasury. The Gadoon Amazee Industrial Zone is a classic example of this. Foreign industrial and commercial enterprises will not shy away from taking full advantage of any such situation (Makhdoom, Shah, & Sami, 2018).

### **STABILITY OF BALANCE OF PAYMENTS**

In spite of the occasional extraordinary crisis, Pakistan has somehow managed to keep its balance of payments stable. A decrease in exports of goods and services or an increase in imports makes the balance of payments unfavorable or negative. Since then, the share of income (to some extent services) in the balance of payments has been negative, which requires immediate attention (Kanwal et.al., 2019; Afshan, et al., 2021).

The revenue deficit is mainly due to the privatization of various institutions in the banking and telecom sector and the increase in foreign direct investment in the services sector (food, retail sectors, etc.). Foreign companies make profits in the form of rupees but send them through foreign exchange. Foreign institutions do nothing to pave the way for Pakistan to earn foreign exchange. Even if some of these companies produce some items locally, there is no question of exporting them. It is straightforward that foreign exchange is only going to and from Pakistan through foreign industrial or commercial enterprises (Makhdoom, Shah, & Sami, 2018; Tunio, et al., 2021<sup>5</sup>).

The full domestic or foreign-assisted investment in CPEC is either in the form of loans or in the form of direct investment. On foreign loans, a good deal of foreign exchange will go in the form of interest and then in the name of profit, a good deal of foreign exchange will be run from Pakistan. If significant attention is not paid to ensuring the inflow of foreign exchange into Pakistan, no one will be able to stop the extraordinary balance of payments crisis from escalating. As a result, Pakistan's political and economic sovereignty may be at stake (Butt & Butt, 2015).

## **FINANCIAL STABILITY**

First, we need to look at security costs. CPEC requires Pakistan's commitment to provide comprehensive and flawless security to trade convoys on land and at sea. Special units are being set up for this purpose. If not funded independently, all these expenses will be paid from the national treasury or the federal budget. Funding can be provided from three or more sources to cover the cost.

- \* Pay directly to countries whose caravans are being provided security.
- \* Direct funding should be provided from the income generated from CPEC. For example, a portion of the revenue from the port of Gwadar should be earmarked for security measures.
- \* The third way is to make the cost of security measures for CPEC convoys part of the budget. In such a case, this burden will have to be borne by the entire nation. Those who will benefit from CPEC will also pay taxes and those who have nothing to do with the benefits of the scheme will also be required to pay taxes. If the amount spent on security measures is more than the revenue from Gwadar port, then there is nothing for Pakistan in this project (Makhdoom, Shah, & Sami, 2018).

## **FRESHWATER SUPPLY**

Large-scale freshwater supply is a major problem in Gwadar, but it is usually suppressed under one pretext or another so as not to be debated. The immediate answer is that dams will be built for this purpose. It is ignored that dams store water, not produce it.

Much also depends on how a plan is prepared. The extent to which CPEC will be beneficial to Pakistan depends on how the various phases of the project are prepared and how they are implemented. There are a lot of claims being made about CPEC and a lot of comments. Although not all the CPEC's good components seem to have been developed on the basis of experience, the relevant data and facts have not yet been made public (Butt & Butt, 2015).

Rain is the only source of fresh or clean drinking water on the entire coastline of Balochistan, including Gwadar. It does not rain regularly in Balochistan. Droughts can sometimes last up to three years (Nabi et al., 2018).

This problem can be solved to some extent by desalinating sea water. But it is not a cheap bargain to make sea water sweet or drinkable. And if

something is put in the budget for this purpose, it will put more burdens on the people. The budget deficit will increase which will result in more taxes on the people and as a result the graph of inflation will rise further. If Gwadar is to be developed as a major port and it seems so, then drinking water will have to be provided on a large scale and as a result the sea water will be desalinated and made drinkable. Will be an option greater than If there is no separate funding for this purpose and the burden on the national budget itself is increased, the benefits of CPEC will be at stake. If the expenditure on the supply of clean water to Gwadar exceeds the revenue received from the port of Gwadar in the form of CPEC, then nothing is left for us in this great project (Chen, Joseph, & Tariq, 2018).

So far, the possible negative aspects of CPEC that we have mentioned are not of a permanent nature, i.e., if all these issues are reviewed in a timely manner and significant steps are taken to rectify them, then CPEC can be made more productive. If these potential concerns are not addressed, the historian will write something about CPEC, and the term game over will come to mind instead of game changer (Chen, Joseph, & Tariq, 2018).

### **QUESTION OF CONNECTION WITH BALOCHISTAN**

CPEC is Gwadar and Gwadar are Balochistan. If the economic benefits of CPEC to Balochistan are not significant, then CPEC is of no importance to Balochistan. It has already been suggested that if the various backward areas are not interconnected, urban areas are given more development and human resource development is not ensured, then nothing can be recovered from the cradle of CPEC for Balochistan (Khetran & Saeed, 2017).

In addition to the revenue from the port of Gwadar, a significant share of the revenue from the toll of Balochistan's highways must be ensured for Balochistan. This will be an effective way to make CPEC more relevant and fruitful for Balochistan. Balochistan's share of revenue can also be increased by recruiting Balochistan youth in units designed to ensure the security of the CPEC route. If this is not done, the security units deployed across Balochistan to protect the CPEC route will be seen as an occupying force (Malik, 2018).

With the completion of the CPEC, the population balance in Gwadar is likely to deteriorate completely. On the one hand, people from all over Pakistan will turn to Gwadar and on the other hand, a large number of foreign workers will also come. As a result, the Baloch population in Gwadar and adjoining areas will remain a minority. Relevant constitutional, legal, and

administrative measures are required to prevent the Baloch population of Gwadar and adjoining areas from becoming a minority (Nabi et al., 2018).

### **CONCLUSION**

As a result, the research suggests that, considering the Sino-Pakistani Economic Corridor, both nations should approach it from an international perspective, rather than only for mutual benefit. Pakistan should take substantial steps in this respect to protect the safety and security of authorities participating in the project as well as project staff. It is also hoped that these projects will help in promoting employment and tax collection, strengthening provincial connectivity at the provincial level, promoting economic growth as well as improving the living standards of the people. By connecting both nations through subsidiary links starting from China and Pakistan, CPEC has the potential to turn an unstable economic scenario into a stable and peaceful area, as well as stimulate global growth.

## REFERENCES

- Abid, M., & Ashfaq, A. (2015). CPEC: Challenges and opportunities for Pakistan. *Journal of Pakistan Vision*, 16(2), 142-169.
- Afshan, G., Shahid, S. and Tunio, M.N. (2021), "Learning experiences of women entrepreneurs amidst COVID-19", *International Journal of Gender and Entrepreneurship*, 13(2), pp. 162-186. <https://doi.org/10.1108/IJGE-09-2020-0153>
- Ahmed, A., Arshad, M. A., Mahmood, A., & Akhtar, S. (2017). Neglecting human resource development in OBOR, a case of the China–Pakistan economic corridor (CPEC). *Journal of Chinese Economic and Foreign Trade Studies*.
- Alam, K. M., Li, X., & Baig, S. (2019). Impact of transport cost and travel time on trade under China-Pakistan economic corridor (CPEC). *Journal of Advanced Transportation*, 2019.
- Ali, Y., Rasheed, Z., Muhammad, N., & Yousaf, S. (2018). Energy optimization in the wake of China Pakistan Economic Corridor (CPEC). *Journal of Control and Decision*, 5(2), 129-147.
- Butt, K. M., & Butt, A. A. (2015). Impact of CPEC on regional and extra-regional actors. *The Journal of Political Science*, 33, 23.
- Chaudhry, I. S., Paquibut, R. Y., & Tunio, M. N. (2021). Do workforce diversity, inclusion practices, & organizational characteristics contribute to organizational innovation? Evidence from the UAE. *Cogent Business & Management*, 8(1), 1947549.
- Chen, X., Joseph, S. K., & Tariq, H. (2018). Betting big on CPEC.
- Kanwal, S., Pitafi, A. H., Pitafi, A., Nadeem, M. A., Younis, A., & Chong, R. (2019). China–Pakistan Economic Corridor (CPEC) development projects and entrepreneurial potential of locals. *Journal of Public Affairs*, 19(4), e1954.
- Katper, N. K., Tunio, M. N., Hussain, N., Junejo, A., & Gilal, F. G. COVID-19 Crises: Global Economic Shocks vs Pakistan Economic Shocks (2020). *Advances in Science, Technology and Engineering Systems Journal*, 5(4), 645-654.
- Khetran, M. S. B., & Saeed, M. A. (2017). The CPEC and China-Pakistan relations: a case study on Balochistan. *China Quarterly of*

*International Strategic Studies*, 3(03), 447-461.

- Makhdoom, A. S., Shah, A. B., & Sami, K. (2018). Pakistan on the roadway to socio-economic development: A comprehensive study of China Pakistan Economic Corridor (CPEC). *The Government-Annual Research Journal of Political Science.*, 6(6).
- Malik, A. R. (2018). The China–Pakistan Economic Corridor (CPEC): a game changer for Pakistan’s economy. In *China’s Global Rebalancing and the New Silk Road* (pp. 69-83). Springer, Singapore.
- Memon, A.B., Meyer, K. and Tunio, M.N. (2021), «Toward collaborative networking among innovation laboratories: a conceptual framework», *International Journal of Innovation Science*, Vol. ahead-of-print No. ahead-of-print. <https://doi.org/10.1108/IJIS-04-2021-0069>
- Nabi, G., Ullah, S., Khan, S., Ahmad, S., & Kumar, S. (2018). China-Pakistan Economic Corridor (CPEC): melting glaciers—a potential threat to ecosystem and biodiversity. *Environmental Science and Pollution Research*, 25(4), 3209-3210.
- Shaikh, E., Tunio, M. N., & Qureshi, F. (2021). Finance and women’s entrepreneurship in DETEs: A literature review. *Entrepreneurial Finance, Innovation and Development*, 191-209.
- Tunio, M. N. (2020)<sup>1</sup>. Academic entrepreneurship in developing countries: contextualizing recent debate. *Research Handbook on Entrepreneurship in Emerging Economies*.
- Tunio, M. N. (2020)<sup>2</sup>. Role of ICT in promoting entrepreneurial ecosystems in Pakistan. *Journal of Business Ecosystems (JBE)*, 1(2), 1-21.
- Tunio, M. N., Chaudhry, I. S., Shaikh, S., Jariko, M. A., & Brahmi, M. (2021)<sup>1</sup>. Determinants of the Sustainable Entrepreneurial Engagement of Youth in Developing Country—An Empirical Evidence from Pakistan. *Sustainability*, 13(14), 7764.
- Tunio, M. N., Jariko, M. A., Børsen, T., Shaikh, S., Mushtaque, T., & Brahmi, M. (2021)<sup>2</sup>. How Entrepreneurship Sustains Barriers in the Entrepreneurial Process—A Lesson from a Developing Nation. *Sustainability*, 13(20), 11419.
- Tunio, M. N., Shaikh, E., & Lighari, S. (2021)<sup>3</sup>. Multifaceted perils of



- the Covid-19 and implications: A Review. *Studies of Applied Economics*, 39(2).
- Tunio, M. N., Soomro, A. A., & Bogenhold, D. (2017). The study of self-employment at SMEs level with reference to poverty in developing countries. *Business and Management Research*, 6(2), 33-39.
- Tunio, M. N., Yusrini, L., & Shoukat, G. (2021)<sup>5</sup>. Corporate Social Responsibility (CSR) in Hotels in Austria, Pakistan, and Indonesia: Small and Medium Enterprise Spillover of COVID-19. *In Handbook of Research on Entrepreneurship, Innovation, Sustainability, and ICTs in the Post-COVID-19 Era* (pp. 263-280). IGI Global.
- Tunio, M. N., Yusrini, L., Shah, Z. A., Katper, N., & Jariko, M. A. (2021)<sup>4</sup>. How Hotel Industry Cope up with the COVID-19: An SME Perspective. *Etikonomi*, 20(2), 213-224.
- XiMei, L. I. U., ChangFeng, W. A. N. G., Rasheed, S., & Tunio, M. N. (2016). Shadow Price of the Oil Industry. *International Journal of u-and e-Service, Science and Technology*, 9(12), 281-290.