

Question

India-Middle East Europe Economic Corridor is projected as a competitor to the Belt and Road Initiative of China. Critically evaluate the potential and future prospects of the two projects.

1- Introduction:

India-Middle East Europe Economic Corridor (IMEC) was announced on the sidelines of G20 summit in India. It was presented by India with the support of America and other European countries as a competitor to China's flagship project, Belt and Road Initiative.

The BRI and IMEC symbolize conflicting interests and visions for economic development. BRI became a great project by having around 3000 cooperation projects and trillion of dollars investment. While India aims to diversify its trade partners,

reduce dependence on China and enhance its global influence through IMEC.

Now lets compare both projects through different aspects.

2- Initiation and Progress of both projects:

BRI was started back in 2013. While, the IMEC is at preliminary stage, as it is just a MOU between participant.

3- Investment of both Projects:

BRI has reached the investment mark of \$8 trillion dollars. IMEC is expected to be investment of some billion dollars.

4- Geographical Coverage of both Projects:

BRI has been expanded to almost 150 countries around the world. These countries included from Asia, Europe, Middle East and

Africa. While IMEC will be the project of around only 20 countries.

5- Modes of transportation:

BRI and IMEC both used the sea and land routes including rail route. But, BRI has around 70% of its road network, which gives it an edge over any other project.

6- Scope of Projects:

BRI is not only the trade route project, but it also contains energy, Agriculture projects. While, IMEC scope is limited as its mostly focus on shipping ~~roads~~ ^{seas} and rail and road infrastructure.

7- Future aspects of IMEC:

IMEC is 90% completed or operational, with advanced stages in sea lanes and railroad connections. In addition to

that its financial viability is enhanced by the wealth of participating countries. Moreover, the robust of private sector can enhance the development of the project.

8- Future aspects of BRI:

Despite criticism on its transparency and debt traps, China asserts the BRI's positive impact on global connectivity.

The BRI's core emphasis on building extensive networks across Asia, the Middle East, Africa and Europe.

9- Challenges for IMEC:

1- Complex coordination:

IMEC is a project for about 20 countries. It poses a complex challenge on coordination among these countries.

2- Financial hurdles:

Financial hurdles and debt burdens may impact the funding and economic viability of the projects.

3- Geopolitical and Security concerns in Middle East:

Geopolitical and security concerns in Middle East, particularly Hamas-Israel war can affect the projects.

10- Challenges for ~~EP~~ BRI:

1- Debt Sustainability and China's Economic slowdown:

The major challenge that BRI is facing is debt sustainability and China economic slowdown. This can create financial hurdles for the projects.

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ii- Conclusion:

The clash between IMEC and BRI signifies more than just infrastructure development. It represents the struggle for global influence. BRI offers opportunities to more than 150 countries at larger scale and has global impact. While, IMEC offers economic benefits and connectivity but is still at in early stages.

Question

China and Pakistan are celebrating the Decade of CPEC. Critically evaluate success and failures of the project.

1. Introduction:

The China-Pakistan Economic Corridor is not merely a development project, but it's a monumental journey of strategic partnership and economic cooperation between two prominent players on the global stage. It was initiated in 2013 as a vast infrastructure project comprising of 3000km between Pakistan and China. The project symbolizing the intersection of sea and land routes, was designed to promote seamless, rapid transportation of goods, thereby boosting economic development in both nations.

2- Success of CPEC:

CPEC has gained following success in decade.

i- Construction of Gwadar Port:

Due to CPEC, significant progress has been made in infrastructure development. The crown jewel among them is the Gwadar port, which transformed a small fishing port to an in deep sea international trade port.

ii- Expansion of roads and highways:

CPEC is a project of around 3000 km long roads and highways. It has improved the transportation network and reduces the travel time within Pakistan.

iii- Several energy projects:

Under CPEC, several coal-fired projects including Thar power plant, hydroelectric powerplants—Diamir Basha dam and

Dasu dam - are implemented, which reduces the energy crisis by adding 6000 MW of electricity and supported by 800kms of transmission line.

iv - fosters economic growth in Pakistan:

Under CPEC, the influx of Foreign Direct Investment has seen a rise. Several countries including KSA, Turkey, and France became part of this project and invested millions of dollars. Recently KSA started to work on oil refinery in Gwadar port city.

v - Created jobs in Pakistan:

Pakistan witnessed the creation of over 100,000 jobs, significantly reducing the unemployment and poverty. According to an estimate, CPEC has the potential to create around

two million jobs, direct and indirect, in Pakistan by 2030.

3- failures of CPEC:

i- Security failure:

The project passes through the volatile region of Balochistan and Khyber Pakhtunkhwa, where insurgent activities, terrorist threats pose a risk to the infrastructure and personnel involved in CPEC project.

ii- Increase in inequality:

marginalized communities maybe left behind, leading to an increase in inequality.

Due to such issue, the people of Gwadar protested for weeks and blocked the national highway.

iii- Financial losses for Chinese Investors:

Due to delay in projects

Chinese investors are facing facing financial losses which are not well recovered in China.

Due to which relation between Pakistan and China is now under strain.

iv- Incomplete Gwadar port:

Despite being the crown "Jewel" of CPEC, Gwadar port is not completed yet even after a decade.

4- Future Prospects of CPEC:

i- Trade and investment opportunities for Pakistan:

CPEC presents significant trade and investment opportunities for Pakistan. Establishing SEZs along the corridor can attract FDI and foreign companies looking to setup manufacturing units in Pakistan.

ii- Enhance trade relations:

Improved transportation network and connectivity can enhance Pakistan's trade relation with China.

5- Conclusion:

CPEC was announced as a game-changer for Pakistan, it progressed in positive way and became so. But despite after passing the decade, it is still not completed and raising debt ~~sub~~ sustainability issues are becoming a challenge for both Pakistan and China. It is required to complete the project as soon as possible to gain maximum benefit from it.