

Q. The China Pakistan Economic Corridor (CPEC) is termed as a "Game changer" in the regional trade/economic connectivity.

Objectively analyze its pros and cons with arguments and examples.

Ans: Introduction

The China Pakistan Economic Corridor (CPEC) is widely claimed as a "Game changer" in South Asia, designed to transform Pakistan's geo-economic and geopolitical landscape. Launched in 2015 as a flagship project of China's Belt and Road Initiative (BRI), the corridor seeks to connect China's Gwadar Port in Balochistan with Kashgar in China's Xinjiang province. With an investment of \$62 billion, it comprises roads, railways, energy projects, pipelines, and

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and special economic zones (SEZs). While it offers immense promise for Pakistan's energy security, infrastructure development, it equally faces challenges such as debt sustainability, insurgency, and geopolitical opposition.

Historical Context :

Ancient Trade Routes

Present day Pakistan historically linked Central Asia, South Asia, and the Middle East, forming part of the Silk Road.

Gwadar's Acquisition

Gwadar remained under Omani control for nearly two centuries before Pakistan purchased it in 1958. Its strategic location on the Arabian Sea was quickly recognized.

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China - Pakistan Relation

Since the 1960s, Pakistan and China have shared a close partnership, symbolized by the Karakoram Highway in the 1970s.

BRI and CPEC

In 2013, China announced the Belt and Road Initiative. CPEC was launched in 2015 as the flagship project to integrate Pakistan into global trade networks.

CPEC Overview

Length - 3000 km

Investment - over \$62 billion.

Phases of Development :

- Phase I (2015 - 2020)

Early Harvest Projects ; energy plants, roads, Gwadar Port development, and optical fiber link.

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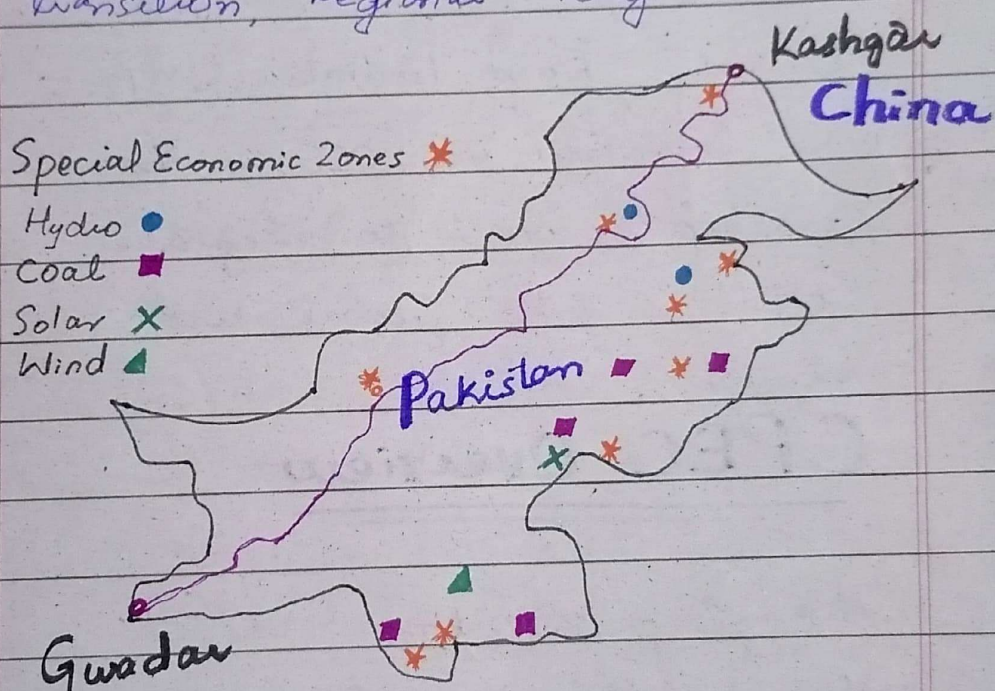
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• Phase II (2021 - 2025)

Industrialization, SEZs, agricultural modernization, socio-economic projects.

• Phase III (2025 - 2030)

Advanced connectivity - ML-1 railway, modernization, renewable energy transition, regional integration.



Pros of CPEC

• Energy Security

Pakistan's chronic electricity
Thousands of MWs added to via
shortage was one of the biggest
hindrance to industrial growth.

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CPEC Phase I directly addressed this challenge.

Power plants like Sahiwal Coal Power Plant and Port Qasim Power Project reduced load shedding.

Thousands of MWs were added, bringing stability to energy industries.

• Infrastructure Development

CPEC provided Pakistan with modern highways, motorways and upgraded rail links. M-5 Motorway (Multan-Sukkur) and Hazar Motorway improved logistics. KKH upgradation boosted north-south trade. Enhanced connectivity have reduced travel times, integrating remote areas with national markets.

Gwadar Port as Trade Hub

Gwadar's location near the Strait of Hormuz makes it one of the strategically placed ports in the world.

It provides China, Central Asia, and Afghanistan direct access to the Arabian Sea. Projects such as Gwadar Free Zone and Gwadar International Airport aim to transform it into a hub for global trade and logistics.

Industrialization

Establishment of SEZs across Pakistan aims to boost local industries and attract foreign investors. Rashakai SEZ as example. It creates thousands of direct and indirect jobs and promoting skill development.

Geopolitical Leverage

Strengthens Pakistan's strategic partnership with China, counter balancing Indian dominance in the region. Provides China with an alternative to Malacca Strait, reducing its strategic vulnerability.

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Cons of CPEC

Security Challenges

Baloch insurgents consider CPEC projects exploitative and have targeted Chinese workers.

E.g : Dasu Attack (2021) killed 13 Chinese workers.

The special security division (15000+ personnel) has been deployed, yet risks remain.

Debt and Economic Concerns

Pakistan risks falling into a debt trap as many loans are on commercial terms. Repeated IMF bailouts complicate repayment schedules. Projects like ML-1 Railway modernization are repeatedly delayed due to financing disputes.

Political and Governance Issues :

Accusations of Punjab-centric development alienate smaller provinces like KP and Balochistan. Political instability and lack of transparency in agreements has fueled mistrust and allegations of corruption.

Local Backlash and Social Issues :

Communities in Gwadar protest over lack of clean water, electricity, and basic healthcare despite billions in investment. Land acquisition for infrastructure often lacks fair compensation. Fishermen complain of restricted access to traditional fishing zones due to port expansion.

Geopolitical Opposition

CPEC passes through Gilgit-Baltistan which India & claims as disputed territory. The U.S views CPEC as

part of China's "String of Pearls" strategy. Regional instability limits Pakistan's ability to expand CPEC into Central Asia.

Conclusion :

CPEC represents both an opportunity and a challenge. On one hand, it promises to address Pakistan's structural problems in energy, infrastructure, and industrialization, while integrating the country into global trade routes. On the other hand, unresolved issues of debt, governance, insurgency, and geopolitical opposition hinder its progress. If Pakistan ensures security, transparency, inclusivity and balanced diplomacy, CPEC can indeed fulfill its potential as a "Game-changer" for Pakistan and regional connectivity.