

Q CPEC is a flagship project for Pakistan and China's friendship. Explain.

CPEC: A Flagship Project for Pak-China Friendship

CPEC (China-Pakistan Economic Corridor) is a flagship project, worth around \$62 billion, for Pak-China friendship.

CPEC projects Pakistan as a regional transit hub, and China as a global economic leader. It represents a saga of reciprocal developments between Pakistan and China. This project highlights geostrategic significance of Pakistan for China.

CPEC connects Gwadar (Balochistan) to Kashgar (Northwest China) and provides China with a strategic anchor near Strait of Hormuz.

1- Elucidating how CPEC is an Eidolon of "Iron Brotherhood" between Pakistan and China

CPEC offers numerous economic and strategic benefits to China; as well as several

benefits for Pakistan.

Fig:- Geographic Significance of Pakistan for CPEC



2) Significance of CPEC for China

i. Economic Benefits for China via CPEC

a- Trade Diversification: CPEC would connect China with Middle East, Africa and

Central Asian Republics, creating diverse pathways for China to expand its trade.

b- Socio-economic Development

CPEC would help China in socio-economic development of Xinjiang and rest of Western China.

c- Port Revenue

Under CPEC, China holds nearly 90% of gross revenue generated from Gwadar port operations (CNN, China's port revenue via CPEC, Dec 2025)

d- Natural Resource Extraction

Under CPEC, China has gained access to Balochistan which accounts for 52% of Pakistan's mineral outcrop area. China holds major stake in Pakistan's mining sector for utilizing the potential of untapped coal, gold, and iron reserves of Balochistan.

(BBC, China's stakes in Balochistan mining sector, July 2025)

ii- Strategic Benefits for China via CPEC

a- Panacea to Malacca Dilemma

China heavily relies on strait of Malacca

for importing nearly 80% of its crude oil and transporting 25% of its global trade.

→ Geopolitical Vulnerability:
Hostile powers could easily blockade this strait during conflict. For instance, in 2025 US deployed Nimitz class aircraft carrier in strait of Malacca (The Guardian, Increased US' surveillance in Strait of Malacca).

→ Alternate trade route for China via CPEC
CPEC provides an alternative trade route to China bypassing strait of Malacca. Gwadar provides a strategic anchor to China near strait of Hormuz (world's critical energy choke point).

b. Increasing Regional Influence

India is a major counterbalance to China in South Asia. China has launched 'String of Pearls' strategy to strengthen its maritime influence in South Asia against India. Gwadar is one of the most crucial pearls in this 'String of Pearls' strategy (The New York Times, China's

efforts to increase regional influence, (Jan 2026).

c- Strategic Access to Indian Ocean

Example: Malabar Naval exercise involving QUAD members (US, India, Japan, Australia) act as counterbalance to China in Indian Ocean. However, Pakistan provides China with a western flank near Indian Ocean Region and complementing its presence in Indo-Pacific (Al-Jazeera, Malabar Naval exercise and Vitality of CPEC for China, March 2024).

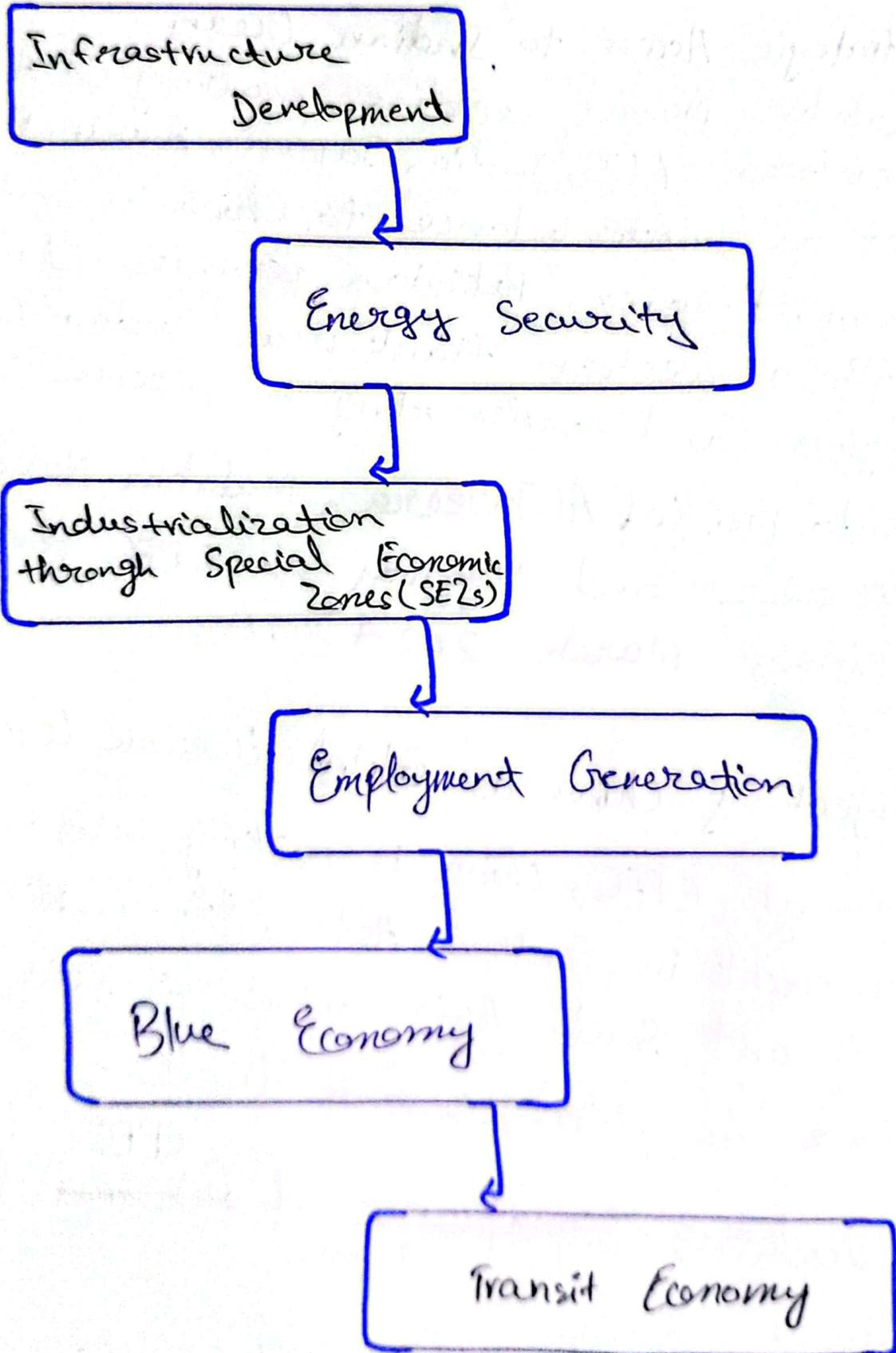
d- Projecting China as Global Economic leader

Through CPEC, China is making huge investments in Central Asia, Africa, Middle East and South Asia which projects China as global economic leader.

3) Elucidating Significance of ^{CPEC} ~~Pakistan~~ for Pakistan

Following aspects clearly highlight the significance of CPEC for Pakistan.

Fig: Economic Benefits for Pakistan via CPEC



i. Economic Benefits gained by Pakistan under CPEC

i. Infrastructure Development

CPEC has led to infrastructure development in Pakistan such as Karakoram highway, Karachi to Peshawar motorway (Multan to Sukkur section), Gwadar International Airport, Hakla Dera Ismail Khan motorway. (Tribune, infrastructure development in Pakistan under CPEC, Oct 2023)

ii. Energy Security

CPEC has helped Pakistan in addressing the issue of energy insecurity in Pakistan. It has led to construction of numerous power plants such as Quaid-e-Azam solar park (Pakistan's largest solar power plant), Port Qasim ^{coal} power plant, Sahiwal coal power plant, Karot hydropower project (Dawn, CPEC vitality for Pakistan's energy security, Aug 2024)

iii- Industrialization through Special Economic Zones (SEZs)

CPEC has led to development of Special Economic Zones in Pakistan such as Allama Iqbal Industrial City in Faisalabad - the largest SEZ under CPEC. This SEZ is projected to catalyze ^{foreign direct} investment (FDI) in Pakistan upto Rs 400 billion by 2035 (The News, Industrialization in Pakistan under CPEC, May 2024)

iv- Employment Generation

For instance, Approximately 200,000 individuals have gained jobs directly under CPEC (Economic Times, Vitality of CPEC for employment generation in Pakistan, Dec 2025).

v- Blue Economy

The development of Gwadar port with \$4.8 billion investment is the cornerstone of Pakistan's blue economy (IPRS (Islamabad Policy Research Institute), Blue economy of

of Pakistan, Feb 2024).

vi- Transit Economy

The cargo handling capacity of Gwadar designed under CPEC strengthens potential of Pakistan's transit economy.

Concluding Thoughts

CPEC is a flagship project for Pak-China friendship. It projects Pakistan as a regional transit hub and China as global economic leader. CPEC offers numerous benefits to China such as Panacea to Malacca dilemma, trade diversification, port revenue, and increasing regional influence. CPEC offers several advantages to Pakistan such as energy security, infrastructure development, blue and transit economy.
