

Q China and Russia are celebrating the decade of CPEC. Critically evaluate the success and failures of project.

## Introduction :

July marked the 10<sup>th</sup> anniversary of CPEC (China Pakistan Economic Corridor), a pivotal project of BRI (Belt and Road Initiative). The idea was given by the then Chinese premier in 2013. In 2015, Xi Jinping addressed the Parliament of Pakistan on inauguration of CPEC. Since then, it's been a decade and it has made significant advancements in the promised sectors. Though, it had also posed certain threats but, after a decade long development, it is safe to say that CPEC has withstood strong winds of criticism and failures.

## CPEC - An Overview :

CPEC started when Xi Jinping visited Pakistan in 2015 and many projects were began, including roads, railway networks, fibre optics cables. At first, they planned to invest \$46 billion in CPEC later, it was increased upto \$62 billion, due to more projects. CPEC is mainly divided into three phases:

Phases	Objectives	Projects
I (2015-20)	Energy and Infrastructure	1- 1320 MW Sahiwal Coal Power Plant 2- 1320 MW Port Qasim Coal Power Plant 3- 1320 MW Balochistan Coal Power Plant

- 4- Peshawar Karachi Motorway
- 5- Cross-border optical fibre (Khuzdar - Rawalpindi)
- 6- Halka development of free port (7 energy and 18 infrastructure projects).

## II Special Economic Zones (2023-onwards)

- 1- Gwadar Smart City Master Plan
- 2- Pak-China Technical and Vocational Center Gwadar
- 3- Pak-China friendship Hospital
- 4- Gwadar East Bay - Expressway

## III Human Resource Development and Tourism

# Success of CPEC:

### 1- Overcoming Energy Crisis:

CPEC helped Pakistan in overcoming energy crisis. In the past, Pakistan faced long hours of load shedding, 14 energy projects that are completed under phase I have added more than 6000 MW energy to the national grid.

### 2- Creation of Jobs:

As per article published on [paradigmshift.pk](http://paradigmshift.pk) titled "A decade of CPEC" argued that CPEC has provided almost 2 million jobs in the phase I, thus has remained a contributing factor in combating poverty.

### 3- Revival of Construction Industry:

CPEC has made positive impact in revival

of construction industry of Pakistan, which was not doing well for some time. Building of roads, railways and other infrastructure projects have opened the closed doors of construction industry.

#### 4. Attracted Foreign Direct Investment :

CPEC has encouraged more foreign direct investment which was comparatively low than other developing countries. As per Economy Survey of Pakistan report, FDI was 2.85% in 2017-18, though it has reduced in 2022-23 to 0.89%, but it is due to involvement of other factors. Overall, CPEC has improved FDI and has potential to increase it more.

#### 5. Diversification of Exports through SEZs :

The Special Economic Zones (SEZs) along with CPEC route have attracted foreign direct investments from Chinese companies which has helped Pakistan in diversifying its exports including products like sesame seeds, red dry chillies, sea food and rice.

#### 6. Improvement in Agricultural System :

China has shared advanced agricultural technology with Pakistan like drip irrigation system and pest control techniques. This has improved crop yield and reduced water waste, leading to more agricultural production and income.

#### 7. Creation of Motorways :

Under CPEC, a network of highways has constructed to connect urban areas with rural areas. They have build 510 km of highways that helped Pakistan in improving its infrastructure.

## 8. Addressed Environmental Challenges:

CPEC has also addressed environmental challenges like climate change, water scarcity and environmental damage. It introduced renewable energy projects. e.g. Wind and Solar projects of 300 MW each, The Karot Hydropower Project.

## Failures of CPEC:

Through CPEC, Pakistan gives China access to India Ocean and <sup>this project</sup> has been criticized by Western opposition by considering it debt trap for Pakistan. However, the negative propositions failed due to cooperation between both to early completion of CPEC. During recent visit, Chinese premier had signed many other projects. Despite its success, there have remained many weaknesses or failures.

### 1. Struggles in Community Developments:

During phase I of CPEC, there were plans to help the community in the project areas i.e. in Balochistan etc, but they were limited in their impact and did not benefitted every one.

### 2. Delays in Projects:

Several energy projects in phase I were delayed due to technical faultlines or other factors. Technical factors and long administrative processes also added fuel to the fire, which did not results in early completion of some of the projects.

### 3- Attacks on Chinese Engineers :

After US withdrawal from Afghanistan, terrorism in Pakistan has revived. Moreover, the foreign involvement in Balochistan is also one of the factors that cause terrorism. Terrorists carried out attacks on Chinese engineers eg in Lahore, Karachi etc. Though, Pakistan had made enough security measures, but there seems to be flaws.

### 4- Technical Challenges and EIAs of Projects :

There are technical faultlines in the administrative management as well as long EIAs also result in further delays or cancellation of projects. For example 5 Coal Energy projects were cancelled in Phase I due to its non-feasibility.

### 5- Issues of Land Acquisition and Compensation :

CPEC is a long 3000 km project that involved lands of local who were not properly compensated. So, when a project was started, it was followed by local protest and this became a huge factor in the CPEC delays.

### 6- Political Turmoil and Economic Loop holes :

Political crisis and financial crisis is also one of reasons for struggling factors of CPEC. As, Pakistan's political and economic stability was crucial for development of CPEC, so political instability also played its part.

# SWOT Analysis of CPEC:

## Strengths

- Despite issues, many projects are completed
- 14 energy projects completed
- Investment of \$62 billion
- 6 infrastructure projects have been completed

## Weaknesses

- Strong opposition by US
- Delays in CPEC
- Terrorists attacks on Chinese officials
- Political issues
- Economic issues

## Opportunities

- Potential for significant energy trade routes
- Attract SCO members
- Potential for more jobs
- Attraction for Arab investment
- Easing of VISA among SCO members
- Chances of investments like CIMS
- Shift to renewable energy resources

## Threats

- Threats from QUAD, AUKUS, B3W
- Revival of Terrorism
- Security Dilemmas
- Strategic location of Gwadar make it prone to terrorism.
- Security issue in Afghanistan
- Indian skepticism
- US opposition against China.

## Conclusion:

After a decade long development, despite of challenges, CPEC has managed to complete a major chunk of its project. This proves that it has remain successful not only in completion, but also in improving socio-economic conditions of Pakistan.

Q2 US growing strategic partnerships with India is primarily to contain China but has severely hurt the interests of Pakistan. Critically evaluate the statement and find ways out for Islamabad to follow.

## Introduction :

The growing Indo-US nexus also termed as "strategic partnership" has <sup>received</sup> great attention around the world. There are many advantages and prospects of this alliance however, some analysts considered it worrisome for Pakistan due to its historical rivalry with neighbourhood India. There are many concerns regarding the new era of arm race, disruption in balance of power among nuclear states and its impacts on Pakistan.

## Strategic Partnership between US and India

Strategic partnership between US and India means strengthening of ties between both in different spheres of shared interests. It signifies a change from previous <sup>limited</sup> involvement to multidimensional cooperation that covers both global and local aspect.

During the cold war era, both countries never reached the point of becoming partners. For instance, US was leading the world and wanted peace and stability in the South-Asia. Moreover, US made alliance with India's rival Pakistan. The first prominent relationships between US and India were developed in 2005 called Next Step In Strategic

partnership (2004).

Signing of framework of defense relations 2005

↓  
Renewed in 2015

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US identified India as major defense partner in 2016

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Agreements in 2018 (COMCASA) Communication Competability and Strategic Agreement

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BECA 2020 (Basic Exchange & Cooperation Agreement)

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I CET (Initiative on Critical Emerging Technology)

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2023 (Joint Space Mission 2024)

Biggest Trade Partner

Fighter Jet Deal (GE-414 Jet)

INDUS-X (Cutting Edge Technology)

Clean Energy Agenda 2023

## Reason for US Strategic Partnership with India :

It has been said that world is going through a new cold war era where US is seeing China as its major rival who is danger for his hegemony. Moreover, China has replaced US in South Asian region and even in the Middle East through economic cooperations. So, it is trying to contain China - who is new emerging economy through different alliances and strategic partnerships.



# How US-India Strategic Partnership

## Impact Pakistan's Interests

### 1- Impacts for Pakistan's Security :

Pakistan-India historical rivalry is a well known fact for everyone to know. The US-Indo Strategic partnership will follow a pattern of competition which adopts the methods of alliances among various countries in balance of power. Though Indo-US partnership is not a formal strategic partnership, it is still debatable that this is either offensive or defensive. The dominant view about the partnership is that it is offensive in behaviour, which may have far reaching impacts for Pakistan security.

### 2- Competitions in Arm Buildups :

Both India and Pakistan are nuclear power in the South Asian region that have contributed to preserving balancing of power. Pakistan might increase its nuclear weapons development to ensure deterrence and preserve balance of power in the light of Indo-strategic partnership with US as US is providing cutting edge technology to India which is worrisome for Pakistan.

### 3- Escalation in Kashmir Dispute :

Pakistan wants to solve Kashmir dispute on UN forum in a peaceful way. However, as per article of Institute of Strategic Studies,

Pakistan is concerned that growing military capabilities between India and US negatively impacts regional problems, particularly the Kashmir dispute. Pakistan claimed that further military assistance would encourage India to adopt more aggressive posture, thus escalating tensions and impacting the security situation over the Kashmir Issue.

#### 4. Tensions on LOC :

With other increasing tensions, environment over the Line of Control will be hot and new tensions may escalate i.e. cross border firing that has resulted in loss of many innocent lives.

#### 5. Regional Instability :

Pakistan is one of the peace seeking country who wants national as well as regional stability. However, growing nexus between US and India will affect stability of South-Asia, as India has not only involved with rivalries with Pakistan but with other neighbours as well.

### Recommendations :

Pakistan has to meet four options to counter Indo-US strategic partnership.

#### 1. Strategic Alliance with China :

China is an emerging power in the South Asian region, to counter US-Indo alliance, Pakistan needs to make <sup>strategic</sup> alliance with China and should

make partnerships in security cooperations.

## 2- Alliance with Russia :

As per Pakistan Journal of International Affairs, Pakistan should consider being strategic ally of Russia. Russia is also a strong opponent of US and Russia-Pakistan alliance could <sup>help</sup> Pakistan to counter Indo-US alliance.

## 3- Develop indigenous capability to develop Nuclear <sup>and</sup> Missile Programs :

Pakistan has to developed the indigenous capability to develop Nuclear and missile programs to balance India in its, <sup>to</sup> conventional means. However, it is challenging to match them through traditional means.

## 4- Develop Good Relations with US and Europe :

Pakistan has to develop good relations with Europe and the USA and try to get more alliances with USA. It will be a better approach to balance relationship with both US and China, what's India is doing for its bilateral cooperation and <sup>to</sup> seek national interests.

## Conclusion :

Growing US-Indo nexus have shaped regional power dynamics. and this change would lessen Pakistan's regional and strategic influence in the region. Moreover, it has potential to

Impact the security dynamic of Pakistan. Pre-emptive preventive measures will be highly suited for the current scenario.

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Q. In the increasingly multipolar world there is a rise of rest. But there has been a potential decline in US hegemony or it has maintained its global role as a leader. Give arguments?

## Introduction:

The end of 19th century and first half of twenty century, world was multipolar. Great Britain was still greatest power, along with US. At the same time, WWI and WWII made the world bipolar due to decline of multiple powers like UK, Germany, France etc. The end of cold war left the world unipolar due to fall of USSR. Since the beginning of 21st century, world is again heading to multipolarity.

## From Unipolarity to Multipolarity: Decline in Hegemony of US:

World is witnessing multipolarity and there are many realities of it. Some of it are discussed as following:

### 1- Economic Decline of US:

1997 → US 1 trillion USD budget surplus  
2023 → US 33 trillion debt.

From 2003-2021, there was rapid <sup>increase</sup> decline in debt of

US approximately \$1 trillion per year due to spending on war of terror in Afghanistan, Iraq etc. Moreover global financial recession hit the real estate in the US. Many industries like GM motors were bankrupted.

## 2- Covid-19 Pandemic:

During Covid, world has witnessed more than \$1 trillion loss in tourism, out of which \$300 billion loss was to US tourism. Similarly industrial and transport sector also got major hit.

## 3- Rise of BRICS Economy:

There is a economic rise of multiple economic sectors i.e BRICS economy eg Brazil, Russia, India, China, South-Africa. China is world's second largest economy. As per 2023, Chinese Economic Survey, the GDP of country amounted to 19 trillion USD in first quarter of 2023. All these factors are potential decline to US hegemony.

## 4. China's growing influence in South Asia:

In the past, US was the hegemonic leader who had controlled in the South Asian region. However, this role has replaced by China due to its policy of neutrality in internal affairs of state, respect of territorial sovereignty and bilateral economic cooperation has replaced US. This shows that there is a significant decline in hegemony of US.

## 5. US replacement in The Middle East:

US was also replaced in Middle East by China. Now, China, Saudi Arabia, Iran and other Middle Eastern countries are engaged

in economic cooperations. For Example, China has made agreement with Iran on Chahbahar port for 25 years. Similarly, it is helping ~~China~~ Saudi Arabia in shifting from oil based economy.

#### 6- Petrodollar to Petroyuan :

Though the Petrodollar has not been replaced yet, but it is certainly been challenged in 2023. After 40 years of comfortable monopoly, the US is being challenged by China. In 2023, there have been few changes that suggest that petrodollar might not be as solid as once thought. Many countries have started trade in Yuan and Ruble.

#### 7- From US being Mediator to China as Emerging Mediator :

In March, Saudi Arabi, Iran and China issued a joint statement pointing that KSA and Iran had agreed to resume their diplomatic relations with the help of China. This news was surprising to many of states especially for US. Both state were involved in rivalry against each other 2016, so mediation of China in issue has proved that there is not a single hegemonic leader in the world now.

### US will Remain World Hegemon :

Inspite of all this, US will remain world hegemonic leader due to number of reasons which are given below:-

## 1- Dollarization of International Trade:

Though the 2023 witnessed the challenge given by different currencies to dollar. However, it is not possible to replace the dominant Dollar from international market. All major agreements, deals and trade is done in dollars. So jumping from dollar to other currency all at once is not possible.

## 2- US as World largest Military Power:

US has largest military institutions in the world e.g. it has largest defense budget, it is a major defense exporter. It has more than 700 military bases. Moreover, it has leading air force like B-52, F-35, Laser-guided missiles etc.

## 3- Strong Alliances:

US has strong alliances with other states e.g. in Northern European states & Australia etc. Furthermore, Ukraine issue had provided an opportunity for expansion of NATO.

## 4- Strong Position in Brettonwood Institution:

The Bretton Wood institutions are IMF and World Bank which are created in 1944 to restore global integration. US holds strong position in Bretton Wood Institute. Many states are encircled in quagmire of IMF debt traps. Hence, replacing US hegemony is an easy task for other emerging countries.

## 5. Capitalism Leading :

US is capitalism leading country in the world. US is known as leader of capitalism, as it has expanded capitalism through out the world. This contributes to one of reasons for maintaining its hegemony.

## 6. Technological Leader :

Except TikTok, US is leader of technological advancements. and all major applications. Phone calls, emails, etc all go through US checks.

## 7. Academic Standings :

Obama was asked in 2016, whether US is still the world leader. He replied <sup>that</sup> as long as US leads in education, no one can think of it as replacing. It has international academic standings in medical sciences, Physics, Chemistry, Public Policy etc. In Research and Development, US spends \$1 trillion, whereas China spends < 400 billion USD.

## 8. Controller of Major Sea Routes :

US is the controller of important sea and trade routes. It has almost 750 military bases around the world. Hence, it could be said that it may be difficult to replace the US hegemony.



## Conclusion:

Though the world dynamics are changing and is shifting to multipolarity. However, it can not be said that one could replace the US global hegemony. It is still holding the potential to get back where it was, though is tilted slightly.