



CPEC Role in South Asia's Strategic Restructuring: Regional Politics and Global Implications

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ABSTRACT

The paper entitled 'CPEC Role in South Asia's Strategic Restructuring: Regional Politics and Global Implications' analyzes CPEC as one of the major projects of the Belt and Road Initiative (BRI). It begins by analyzing the historical relationship between Pakistan and China, describing the initiation of CPEC. The main objective is to evaluate how the failure of internal governance and change of leadership in Pakistan coupled with external resistance of its neighbor India and the United States has impacted the strategic understanding of CPEC. It uses a qualitative approach by making use of secondary data which comprises research articles and government reports. The paper uses a theoretical approach of balance of power theory that lies under the domain of structural realism to explain the strategic and diplomatic nature of CPEC. The conclusion shows that irrespective consistency in politics, poor institutional frameworks, and provincial dissatisfaction have hampered the ability to oversee CPEC in Pakistan. The geopolitical opposition related to this project increases due to the territorial concerns of India and the counter-projects by USA including QUAD, PGII, or IPEF. These have undermined the regional power of China and triggered tensions and strained Sino-Pakistan relations.

Keywords: CPEC, South Asia's, Regional Politics and Global Implications, Pakistan and China, United States.

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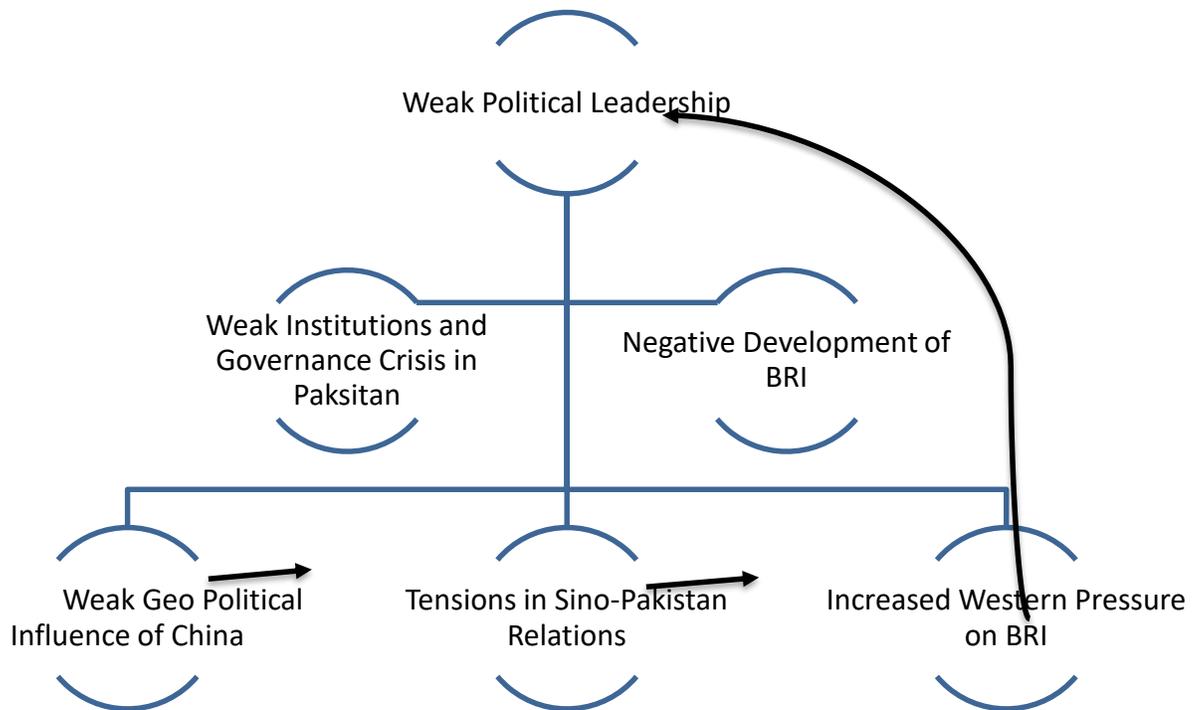
Introduction

China-Pakistan Economic Corridor (CPEC) is an innovative bi-lateral initiative of both China and Pakistan within the scenario of China Belt and Road Initiative (BRI). CPEC announced to be open in 2015 with the aim of creating the connection between the Chinese region of Xinjiang and the Pakistani port in Gwadar in order to restore the long-forgotten road and railway system by extending the system pipeline with power plants. Other than the economic relationship, the corridor has also become a demonstration of a strategic relationship and geopolitical alignment, which is being a reality between the two States. It will not only enhance the economy of Pakistan with the security of energy, a better route and attract third party investment, but also open completely the trade route of the Arabian Sea and trade to the Chinese in strategic points. But in the project, there has been huge local and global attention, protest and criticism. India views the CPEC as a form of threat to the territorial integrity because corridor is laid in the disputed territory of Gilgit-Baltistan. In the

same, the United States also sees that CPEC is comprising of a broader extension of influence by China to enable it to have a higher presence in the world and compete with the western powers. Locally, CPEC has been criticized in Pakistan along political lines by the civil society and provincial governments who accuse it of being engaged in unfair sharing of benefits and transparency. This paper attempts to unravel these various threats of the CPEC and various factors that contribute to this, which are the regional opposition, international policies, and local politics, which determine the fate and influence of the plan.

Hypothesis

The changes in the domestic political leadership and lack of effective institutional governance in Pakistan has further deteriorated the pace and perception of the development of CPEC, damaging the geopolitical influence of China in South Asia, causing a deterioration in Pakistan and China affinity to a strained relationship and augmenting the pressure of the west world to oppose the Belt and Road Initiative.



Theoretical Framework

Various theories of International Relations are used in this article. Beginning with the ‘soft power theory’ proposed by Joseph Nye, views China using its culture and economic influence as a tool

to enhance and strengthen its regional influence. Analyzing the article through the perspective of ‘Liberalism’, the ‘liberal peace theory’ of David Ricardo can be implemented on Sino-Pakistan relations which states that economic

interdependence is the reason of peaceful relations between Pakistan and China. Further analyzing the article through the lens of 'Balance of Power theory' as well as 'structural realism', it is evaluated that how Global dynamics and US influence strengthens and aligns with other countries to counter balance the Chinese strategies.

Research Questions:

The article aims to answer following research questions:

1. What are the implications of CPEC in Global World particularly US?
2. What are the specific outcomes of infrastructure diplomacy (based on CPEC) in local communities of Pakistan?
3. How India and the U.S. reacts to CPEC and how serious are the possible implications of the concerted strategy?
4. What can be considered the key limitations to the smooth operation of CPEC?

Research Methodology

This study is qualitative research, based on both primary and secondary content analysis. The study relies on scholarly articles, government reports, policy papers, analysis of news, and opinions of experts to address the question of how the internal political turbulence and malfunctions in governance in Pakistan coupled with external geopolitical resistance by the United States and India have contributed towards reducing the development of the China Pakistan Economic Corridor (CPEC). The paper relies on a case study methodology and analyzing particular political transformations and government inefficiencies, regional demonstrations, and international anti-measures like QUAD, PGII, and the Blue Dot Network. The methodology collects domestic considerations with internationally strategic readjustments through examination of the changing perception of the CPEC, obstruction of projects and the geopolitical outcomes. The theoretical triangulation also has significance in the study as the theory of balance of power is used to explain the information gained. This approach allows understanding the influence of domestic and international political processes on the success or failure of transnational infrastructure

projects such as CPEC.

Literature Review

In her article, *The Rise of China: Challenges, Implications, and Options for the United States*, Nguyen Thi Thuy Hang (2017) discusses the emergence of China as a global power. Starting from the history, she mentions that after initiating economic reforms in 1978, China has brought in a period of nearly double-digit GDP growth for decades, pulled hundreds of millions of people out of poverty and is the world's top economy, top exporter and the biggest importer. Further she says that with its growing economy, China is a main trading partner for more than 100 countries, including the US and also the greatest lender to the US from abroad. Besides language, institutes and cultural exchange, China backs its media and educational system and helps out financially and stirs international organizations to expand its worldwide influence. She further describes the launching of BRI which is making huge infrastructure additions across Asia, Africa and Europe. By promoting new trade routes, increasing the use of Chinese finance and connecting with other governments, BRI helps China expand its power in the economy and in geopolitics. She further focuses that the CPEC project is China's main investment under the BRI, linking its western area to Pakistan's Gwadar Port for a direct route to the Arabian Sea. CPEC supports better ties between China and Pakistan, improves regional links and acts as a strategic match to India and US influence in South Asia. She further points out the threat for US who is concerned that China's increasing importance and new development systems will disrupt its economic power and the global financial system. The competition for America in global trading, investments and technological development is growing. Asian countries face strategic and security challenges. A stronger and more active Chinese military near the Indo-Pacific region places US freedom of travel and dominance under threat in vital sea lanes. Developing ports and infrastructure with BRI (such as through CPEC) is seen by some as China's way of gaining power and circling US allies. She argues that Asian and African countries are now choosing cultural and diplomatic beliefs from China rather than US, due to its increasing effects. The spread of Chinese culture and media in foreign countries competes

with what the US has shared with others. While it covers China's progress in economic, military and soft power and its impact on the US, there is a research gap as very few detailed studies focusing on how BRI and CPEC assist in regional peace and help determine the ongoing world balance between China and the US. While literature about macro-level power shifts is well established, it does not examine how these activities impact local communities, the international policies of recipient countries and the future of US alliances in the region. More work needs to be done to study the detailed consequences of China's infrastructure diplomacy on local communities and its role in guiding world affairs.

In his article, **the future of U.S.-Chinese relations: Conflict is a choice, not a necessity**, Henry Kissinger (2012) argues that if U.S.-China relations are to avoid conflict, each country must make the right decisions. While America is concerned about China's rise and China suspects the U.S. is trying to restrict them, Kissinger points out that their interests make it wise to avoid conflict. He thinks it is important for the two countries to cooperate and create a stable international environment, based on their economies and the risk of tensions. Though Kissinger looks at the big historical and strategy issues that shape ties between China and the U.S., he does not discuss how changes within China—including from the one-child policy and new ambitions by the young generation—could alter how China acts on the international stage. Studies should be done to investigate how these inner workings of China might influence its relationship with the United States.

The article, **The United States, China, and the Indo-Pacific Strategy: The Rise and Return of Strategic Competition** by Weixing Hu (2020) focuses on the change from cooperation to rivalry between the China and US over the past few years. According to the Hu, since Trump took office, the competition and confrontation between the world's largest economies have grown more common. It describes how America's relationship with China moved from working together to adopting more cautious positions and, finally, to direct competition, mentioning that the Trump administration clearly broke with past practice by branding China a 'strategic rival.' The new strategy involves all parts of the US government

working together which is a result of a major reconsideration of US priorities and tactics caused by China's rise and international activity. The Indo Pacific Strategy is at the center of the article because Washington relies on it to restrain China from building influence across South and Southeast Asia. The **research gap** in the article displays that there are not enough studies looking at the lasting effects and control of the new approach by China and the US. There is a lot of information on how US policies have changed and what their fast results have been, but few detailed studies focus on whether the overall approach is sustainable or whether the Indo-Pacific Strategy will achieve its objectives. The article recommends more research on ways both countries can handle their competition without leading to direct armed conflict, limited or flexible involvement and new features in their bilateral relationship due to increased economic separation and negative statements.

According to a report, released by **US institute of peace in 2020**, the Chinese-Pakistani alliance has now been augmented by nuclear cooperation, military and near economic ties, due to the China-Pakistan Economic Corridor (CPEC), affecting the balance between India and Pakistan. Ever since 1950, Pakistan has relied on China for 40% of its weapons imports and for its nuclear development aid. In 2015, CPEC, part of the BRI, was launched to fix Pakistan's infrastructure gaps and lack of energy, but only 25% of the planned activities had been completed by 2020, even though \$60–\$80 billion was invested. At first, the PTI government under Imran Khan claimed that the earlier PML-N government had managed CPEC unfairly and had acted corruptly, but later wanted to improve the project by putting social growth and special economic zones at the top of their list. Yet, things proceeded at a slow pace because of government red tape, the country's financial situation and Lt. Gen. Bajwa's role in expanding the military's involvement via the CPEC Authority, followed by accusations of corruption. The analysis lacks a detailed study on the social and economic possibilities of CPEC for Baluchistan, where community members have not clearly benefited from Gwadar's developments but have faced more conflict because of it. In addition, the paper does not look at how CPEC shapes labor conditions, protects the environment,

promotes equal treatment among provinces or any other aspects of Pakistan's domestic economy.

Shakil Ahmad Ramay (2016) in his study on **China Pakistan Economic Corridor: A Chinese Dream Being Materialized Through Pakistan** describes how decades of bilateral diplomacy, trade and security led to the formation of CPEC. Pakistan believes the corridor will bring prosperity, but there is disagreement within the country over how best to build the corridor and share its benefits across the provinces. There are those who believe internationally that CPEC gives China an edge against India and allows it to increase its influence abroad. There is a notable absence in this article regarding studying the actual effects of CPEC on employment, the environment and regional differences among communities in Pakistan. It presents forecasts and tips for development strategies but does not address clearly or systematically how projects affect those lacking privileges, local companies and community-related environmental problems. The author also does not focus on analyzing how CPEC has changed in the PTI era or how India and the U.S. have responded.

Historical Analysis of China-Pakistan Relationship

After the world war 2, the concept which emerged on the scenario is the concept of liberal peace. Liberal peace advocates the concept of free trade which says that countries connected together via trade interests are less likely to go towards war. The concept of liberal peace is vast enough focusing that mutual interdependence and global dependency will create a peaceful environment. The states are tied with each other through an agreement and are bound to protect their interests making the world security more possible. Hassan Askari Rizvi believes that, 'In the post-Cold War period, internal political harmony and economic resilience have become more relevant to a state's role at the international level. What matters most is the positive relevance of a state in the globalized international system where the greater emphasis is on privatization, free economy, and movement of goods, services and people across the territorial boundaries of the states' (Rizvi, 2015). Various political philosophers and thinkers emerged after the cold war who advocated the concept of liberal peace and free trade to promote peace in the world

order. According to David Ricardo, 'under a system of perfectly free commerce, each country naturally devotes its capital and labor to such employments as are most beneficial to each.' (Ricardo, 1817/2004).

Besides liberal peace, in order to balance the hegemonic world order after Cold-war, the concept of 'soft power' became popular in which a country influences other countries of the world not by force but by attraction. They can influence either through their culture, political values or foreign policy supporting peace-building and a more secure international environment. According to Joseph Nye, 'soft power is the ability to get what you want through attraction rather than coercion or payments.' (Nye, 2004).

After the emergence of People's Republic of China in 1949, Pakistan was the first country to recognize China. Although China believed on communist ideology which was against to the Islamic values, Pakistan still supported China. The world was divided into two poles, the capitalist bloc and communist bloc being led by two superpowers at that time, United States of America and Soviet Union. Pakistan had friendly relations with US in early 1950s, but it still supported the newly-born communist China. At that time, it was in the benefit of both states to form friendly relations. Pakistan was fed up from US supremacy and hegemony who not only prioritized India over Pakistan but also interfered in political dynamics of weak Pakistan. China on the other hand, was a newly emerged state and wanted a strong support to maintain its equilibrium and existence in the world. Based on mutual interests, both states, started bilateral agreements as early as 1950s which proved beneficial for both states. The long-ago planted seed became a tree and thus providing fruit even today.

The war between China and India in 1962, followed by Pakistan-India war in 1965, further strengthened the relationship between China and Pakistan, identify their common security threat which was India. The two countries, which in past, supported each other politically now began to support defensively. China provided military assistance to Pakistan to make the defense of Pakistan stronger. China assured assistance at the time when Pakistan was treated badly by United

States. Ahmar (2018) discusses that despite being a member of the US-sponsored anti-Communist alliances of Central Treaty Organization (CENTO) and South East Asian Treaty Organization (SEATO), Pakistan struggled the pressure of the West and continued its welcoming relations with the People's Republic of China. Pakistan also acted as a 'bridge state' between the United States and Communist China from 1969 to 1971. The bilateral boundary agreement between Pakistan and China was signed in 1963. Xinjiang in China was connected to northern Pakistan to strengthen connectivity and communication in the region. This laid the ground for economic interdependence. With reference to the former Ambassador of Pakistan to Beijing, Masood Khan: it is the Pakistan-China Treaty of Friendship and Cooperation and Good neighbourly Relations that is a document of crucial importance allowing us to reinforce our strategic, economic and cultural ties. A Joint Economic Commission (JEC) helps us stimulate growth of our economic and trade ties." The foundation of Karakoram Highway was laid in 1960s and completed in 1970s. This was a road connecting China and the Indian ocean. Jones et al. (1983) found that the highway was built with great difficulty through steep slopes and rigid mountains making workers risking their lives for such a dangerous venture. The highway serves to link Punjab, KPK and Gilgit Baltistan in Pakistan to Xinjiang in China. It links Kashgar in China to Hasan Abdal and passes through Karakoram and Himalaya mountain ranges. (Naithani & Agarwal, 2023). This highway is an important link for economic, military and political cooperation holding strategic significance for both Pakistan and China. This highway not only strengthened the regional connectivity and strategic relations between the two states but further paved a way for the development of CPEC (China Pakistan Economic Corridor) within the framework of BRI (Belt and Road Initiative) Project.

China's rise and CPEC

The economic and technological advancements in China under the leadership of President Xi Jinping played a pivotal role in enhancing the strategic importance of China in the world. President Xi Jin Ping introduced the Belt and Road Initiative under the geo-political strategy called 'String of Pearls', comprising of development of ports and naval

basis in Indian Ocean Region. (Butt & Siddiqui, 2022). BRI aimed at developing networks in Pakistan, Sri Lanka, Bangladesh, Myanmar, Middle East and Africa, proving the concept of 'Open Euro-Asia'. This military connection was meant to establish land and maritime connections.

CPEC is a flagship project of BRI according to Beijing. Pakistan has a geo-political and strategic significance in BRI project because it is serving the two important goals of CPEC comprising of 'Silk Road Economic Belt' and 'South East Asian Silk Road'. (Khan & Khan, 2019) CPEC has significance because this project will link China with Europe through Central Asia. One of the objectives of CPEC is to boost the Pakistani energy and infrastructure with the Chinese investments. CPEC started officially in April 2015, during the visit of Chinese President, Xi Jinping to Pakistan. Federal Minister of Planning and Development of Pakistan, Ahsan Iqbal, described the primary features of CPEC on May 12, 2015, in front of the guests and delegation of the workshop on the topic "National Harmony and Cohesion", organized by the National Defense University which included:

1. Port of Gwadar
2. Infrastructure for communication
3. Infrastructure for Energy
4. Zones of industry

During his speech, he made it apparent that Gilgit-Baltistan and all other Pakistani regions would gain from the "CPEC." Pakistan should seize this once-in-a-lifetime chance for growth, advancement, and wealth. (Ahmar, 2018).

As part of its big development strategy, China formed the China-Pakistan Economic Corridor (CPEC) to improve its ties with neighboring countries and beyond through new transportation routes. Taking the sea route from Iran across the Indian Ocean and Arabian Sea is widely available, as is the major land route from China to Pakistan, the Gulf, the Middle East and farther on. CPEC is viewed by Pakistan as a means to improve infrastructure, the economy and maintain good trading, investing and road ties between the nations. Taking the Gwadar Port road is an easier option for China to pass through the Strait of Hormuz. Gwadar Port will be improved by China as part of this strategy. An airport and a 14-

kilometer road are being developed by the Chinese to allow them to connect with the Persian Gulf area. They are also focusing on refurbishing the well-known Silk Road, known as the Karakoram Highway which serves as a commercial and political link between China and Pakistan. By relying on Gwadar which is seen as reliable for China's economy, the CPEC will help China connect with different gas and oil ports. (Hilali, 2019)

Various Projects have been completed under CPEC. It also has energy projects which consist of Coal Power Plants, hydroelectric power projects and wind solar energy and transmission lines. The Sahiwal Coal Power Plant, Port Qasim Coal Power Plant, Quaid e Azam Solar Park and Karot Hydropower Plant are significant in this regard. Further plans of CPEC which are completed include infrastructure and transport development like road networks and railways. Peshawar-Karachi Motorway and Karachi-Lahore Motorway are noteworthy in this account. A significant milestone of CPEC is the development of Gwadar Port which includes construction of Eastbay Expressway, Gwadar International Airport and Gwadar Hospital. (China-Pakistan Economic Corridor Authority, n.d.)

Global Implications of CPEC

Chinese BRI project particularly CPEC which covered the national arena, now has geo-political influence. It is now responsible for changing the circumstances and political dynamics across the globe. US has viewed China as a strategic opponent. It criticizes the advancement of China's economic and defense infrastructure. Previously US was viewed as sole provider of funds and aid but with the passage of time China managed not only to improve its infrastructure but also helps its allies in the hour of need. Pakistan is one of those countries who opened doors for China for its technological and infrastructural development. CPEC is one of the reflections of such developmental projects which are beneficial for Pakistan as well as China. However, US views China's BRI project, specifically CPEC as a threat. US claims that CPEC is a tool for China to enhance its regional supremacy and gain access to Indian Ocean. Building of infrastructure and communication channels towards Arabian Sea threatens US maritime hegemony. The building of

Gwadar port further gives doubts to US who claims that China will establish its military base on Gwadar Port which is danger for strategic environment. There is a wide chance of China, weakening US influence on global trade corridors and shaping the balance of power in its favor. (Elmali, 2024). US further says that introducing CPEC as a development program in Pakistan is a tactic by China which it names as 'debt trap' by controlling the economy of Pakistan first and then establishing its hegemony in the political matters of the country. Chinese political influence, according to US undermines the freedom of Pakistan. (Markey, 2020) US critically analyzed the Chinese policies and kept an eye on the advancements and projects initiated by China. Researchers and various think tanks in US proposed a theory of 'String of Pearls' which says that China is expanding its military and strategic influence over and around Indian Ocean through the BRI projects.

The most immediate disturbances due to CPEC Project were seen in India who views the China-Pakistan alliance as a security threat. India is disturbed due to this alliance because of China's technological, economic and military advancement which is winning the new position of influencing the World order. India faces threats as Pakistan's alliance with China will strengthen Pakistan which will lead to an imbalance of power between Pakistan and India. India has resisted the project of CPEC since beginning. It has adopted various tactics to oppose the CPEC project and OBOR. Criticism proposed by India is on the basis of its territorial integrity. India claims the passing of CPEC route through Gilgit-Baltistan is a part of Kashmir and it is affecting the sovereignty of state. India has conveyed its concerns to the government of China and Pakistan making them understand the security concerns to stop working on CPEC project. (The Diplomat, n.d.) India raised various concerns regarding the issue of its sovereignty in various multilateral forums like the UN, BRICS, and SCO to oppose CPEC. According to a report of Times of India (2020), India criticized involvement of countries like Turkey, Saudi Arabia, and Afghanistan in CPEC, calling it a further violation of its territorial rights. The strengthening of China- Pakistan relationship is considered a direct strategic, political and military threat to India.

India and US perceive China-Pakistan friendship as a danger to them. Both countries oppose the CPEC project. India is concerned with threats to its regional stability as well as imbalance of power in subcontinent. In the larger scheme of geopolitical relationships, one gets to witness the gradual decline of an earlier in disputed hegemonic role of the United States. The geopolitical move made by US in this regard was strengthen relations with India who already was unhappy with CPEC. Both countries made alliance by opposing and criticizing CPEC and discussed openly to suppress the activities of CPEC. US as well as India started awareness campaigns against Pakistan-China relationship over CPEC to promote hatred among public and Pakistan nationals. India and US also tried to portray CPEC as a cause of environmental hazards and a contributing factor to environmental degradation. However, China and Pakistan kept on refuting the allegations and nullifying the claims put down by US-India partnership. Many political officials kept on briefing the public regarding the benefits of CPEC and its impact on economic and infrastructural development in Pakistan, helping fight her long battle of unemployment and poverty. Thus the balance of Power theory is well related to this concept of hegemonic power show.

The Rise of Counter-Initiatives against CPEC

In order to counter China and its strategies in Indian Ocean, various projects and alliances were formed. A strategic forum, Quadrilateral Security Dialogue (Quad) comprising of four countries; US, India, Japan and Australia, was formed in 2007 and revitalized in 2017. The countries participating in Quad perceived China's rise as a threat. The main aim of QUAD was to counter balance the Chinese influence in Indo Pacific region. Concerns regarding the wish of China to contribute to unipolar Asia were some of unavoidable factors responsible for revival of Quad. India was main driver behind the rebirth of Quad. It works together for the promotion of regional security, regional stability and maritime security. After the financial crisis of 2008 and the government of Xi Jin Ping, the Sino-Indian clashes increased. India shifting towards tilt provided a platform for like-minded countries to group together against the establishment of China as the only power in Asia. The platform provides

substitute options for countries not to depend on China all alone. It also tries to pacify the concerns of other countries of the World regarding their concerns for China. Through Quad, India tries to strengthen relations with Japan and Australia also. India and QUAD members secretly investigate Chinese projects in the region. However, both US and China, avoid directly and openly discussing China in their discussions. QUAD also encourages other countries to present their opinion and concerns regarding growing China, however the number of countries is not increased in QUAD membership to strengthen its influence and control. (International Institute for Strategic Studies, 2022) Quad Plus introduces another platform that includes such countries as New Zealand, South Korea, Vietnam, Brazil and Israel etc. (Heiduk & Wirth, 2023)

The Global World has perceived QUAD from different angles. Russian Foreign Minister calls it 'Asian NATO' criticizing the US dominance in the region. China declared the alliance as 'Indo-Pacific NATO', accusing it for provoking geopolitical rivalry. (Vajiram & Ravi, n.d.) It is said by various political and strategic thinkers that the impact of Quad is much less than China's BRI because it lacks proper planning, development strategies and investment.

Besides security concerns, the purpose of Quad includes the economic development in the region. It has introduced various projects and initiatives in Asia to enhance the economic development and minimize the dependence on China. Several schemes and programs like the Asia-Africa Growth Corridor, the Blue Dot Network, and the Supply Chain Resilience Initiative have been introduced in this regard. (Vajiram & Ravi, n.d.) The Indo-Pacific strategies to blur the Chinese influence include G7, Blue Dot Network (BDN), Partnership for Global Infrastructure and Investment (PGII), Indo Pacific Economic Framework (IPEF). PGII emerged under the leadership of the US and initiated by G7 in 2022. It was launched following a Build Back Better World (B3W) initiative. The main aim of PGII was to activate \$600 billion by 2027 for sustainable, transparent, robust networks and utilities world-wide as an alternative to BRI. (Grieger, 2021) Another network Blue dot network (BDN) was established in 2019 to provide quality infrastructure such as Australia,

Japan, UK, Spain, Switzerland and United States. Japan also launched its PQI (Partnership for Quality Infrastructure) initiative to promote quality infrastructure and improving private sector in an answer to China's economic strategy. Australia started its 'Pacific setup' strategy to improve friendly relations with other countries. Its purpose was to make sure that Pacific Islands not embrace China. (Layton, 2022) European Union (EU) started its 'Global Gateway' in 2021, competing with BRI, in order to promote secure finance, promotion of democratic values, good governance, democracy and enhancing the private sector. Thus, focusing on strong Europe. (European Commission, n.d.). Directly opposing China, India launched its 'Act East Policy' in 2014 by Narendra Modi to tackle the increasing dominance of China in Indian Ocean. It aimed at enhancing the relationships with Japan, South Korea, Vietnam, Malaysia, Australia for a strategic partnership to counter the dominance of China in the entire region. It further built the strong relations between India and ASEAN. (Dhyani, 2023)

Where CPEC is considered as a threat towards territorial sovereignty, it is also considered responsible for establishing the 'economic dependency' in the region by global World. The alternative infrastructure model discussed above are considered a source to balance the Chinese hegemony specifically in Indo-Pacific. Global financial institutions criticize CPEC for its lack of transparency and corruption. CPEC is viewed as a 'strategic competitor' in global arena. Global powers such as USA will tend to offer economic and military assistance to regional powers. China's global influence is considered as a hegemonic threat for other countries. Forums like QUAD particularly aim to enhance the military alliance in response to development of Gwadar Port by China.

Political, Provincial and Civil resistance within Pakistan against CPEC

Opposition to CPEC is not only limited to geopolitical sphere, but it has received criticism and opposition by the local people of Pakistan as well as country's Political elite. Efforts by masses and political professionals were done to suppress the project at various levels. The main component of CPEC is Gwadar which is a part of largest

province of Pakistan, Baluchistan. Baluchistan has received less representation in politics as well as less resource allocation and funds which made them more skeptical against CPEC. It is argued that CPEC can provide more job opportunities to locals but this chance is taken by Chinese workers sent by China to work on CPEC project. The Baloch community considers Chinese workers as a threat to dominate their province as the number of workers has increased significantly since the beginning of CPEC in 2016. Various Baloch militants and extremists have targeted Chinese workers as well as project by bombing, killing, kidnapping as well as destroying the project. Baloch nationals also criticize on obtaining less fruits of CPEC than other provinces and cities of Pakistan, despite the fact that Gwadar is a part of Baluchistan. (Rossi, 2020)

Other provinces KPK and Sindh also protested against the route of CPEC passing through Punjab. Sindh government demanded more shares in CPEC by launching development projects in Sindh. Chief Minister of Sindh, Murad Ali Shah in 2017, stated CPEC, a Punjab-centric project, ignoring the rights and demands of other provinces. Locals protested for national autonomy accusing CPEC as a tool to establish 'Punjab hegemony'. Political groups like Jeay Sindh Muttahida Mahaz (JSMM) protested against CPEC and alleged China for establishing a naval base in Sindh threatening the political and strategic interests of Sindh. Locals of Sindh also highlighted risks of increasing environmental threats amidst CPEC Project. Gorano reservoir which was built to manage waste material from coal-mining received various protests by public raising concerns over environmental degradation, water contamination and destruction to cattle's and livestock's destruction of trees and agricultural land raised serious concerns for locals as a large number of people and animals depend upon agricultural infrastructure. (Sawas & Anwar, 2017)

The political and civil groups in KPK also protested and raised objections of failure of single development plan in favor of KPK through CPEC. 'Corridor Front convener Dr Said Alam Mehsud said that Chief Minister Pervez Khattak had proposed around nine projects in a meeting of Pakistan-China Joint Cooperation Committee at China but he failed to get approve a single

scheme.’ (Dawn Bureau Report, 2017). Locals accused federal government of diverting the route of CPEC towards East to favor Punjab and demanded it to re-shift the road towards west. Jamiat Ulema-e-Islam-Fazl and The Awami National Party initially opposed the Planning Commission’s decision to shift the economic corridor from western route towards eastern. (Firdous, 2015) Such grievances of KPK led to protests and political marginalization in the province.

Protests, riots and terrorism on part of locals, civilians, political and militancy groups created obstacles in the way of smooth functioning of CPEC, but also the government officials and authorities, directly involved with Chinese officials, were responsible for delays in the Project. CPEC was initiated when PML-N was in the government. According to the Stimson Center (2024), delayed payments, political volatility, and security woes in Pakistan seem to have caused Chinese leadership to believe that their all-weather friend needs a significant policy overhaul to qualify for the next phase of investments. The report further claims that the first phase of CPEC started in 2013 was successful because it was led by Chinese officials. However, in the 2nd phase, the Pakistan government officials failed to manage and complete projects. Pakistan delayed payments to Chinese companies after the Covid-19 pandemic and floods of 2022. The report also states that China had to deal with four unstable governments of Pakistan. Besides regime change, lack of transparency, corruption, power struggle and lack of leadership further created confusion. CPEC which was under the department of Prime Minister’s office was changed once to Planning Commission and then again to CPEC authority. (Stimson Center, 2024)

Situation further escalated when Imran Khan came into power in 2018. The government from the very beginning gave hints proving it against the CPEC project. Imran Khan alleged former government against corruption charges and lack of transparency in CPEC project. The minister for commerce Abdul Razzaq Dawood, who was a part of Imran Khan’s cabinet openly proposed the suspension of CPEC Project for almost one year. Reports tell that he suggested to extend the CPEC Project for 5 years which created doubts among Chinese officials. It is said that Dawood would

have never proposed such idea without the permission of Imran Khan. Due to the discussion in cabinet, it was perceived that government wanted revision of CPEC agreement. Imran Khan was also said to be in secret talk with IMF in order to improve the economic condition in the country. US also assured it that the loans provided to Pakistan not to be used to repay debts and loan to Chinese government. China felt insecure and doubtful due to America’s influence in internal dynamics of Pakistan which further escalated tensions between China and Pakistan on the ongoing Project. The Chinese government became well aware of leadership crisis and lack of management as well as accountability in Pakistan. Businessperson Atif Mian was appointed in the Economic Advisory Council (EAC) in Pakistan. It is claimed that he was anti-CPEC and Pro US which further strengthens the governments’ disliking for CPEC Project. However, Atif was removed from office, soon after his appointment due to religious concerns. (DW, 2018)

Asia Times (2020) reports that several projects were delayed during Imran Khan’s government. These included ML-1 Railway Project, Swat Expressway Phase 2, Peshawar DI Khan Motorway and Greater Peshawar Mass Transit. Governance and controversial regime postponed even the visit of the President Xi Jin Ping. CPEC Authority (CPECA) was formed with General Asim Saleem Bajwa as its chairman. Alliance of political parties, Pakistan Democratic Movement (PDM) opposed the appointment of Asim Bajwa. (Asia Times, 2020) The PTI government not only slowed down CPEC Project but also failed to provide security to Chinese workers, involved in the Project. The government failed to solve the grievances of locals and civilians regarding CPEC Project.

The new government of Shahbaz Sharif from 2023 till date relaunched the CPEC Phase 2 with the aim of enhancement of economic and communication infrastructure in Pakistan. The government worked on various Project which were left incomplete during previous government. Today CPEC is flourishing but it still faces financial crisis and delay in payments. There are still security threats to Chinese workers as well as CPEC Projects. CPEC also faces management issues and political volatility due to change of policies, project timelines and authorities driving

the CPEC Project.

Conclusion

The China Pakistan Economic Corridor (CPEC) is quite a complex project that at the same time represents the high potential and unique limitations of China, Pakistan, and the region in general. The final success of it cannot even be narrowed down to the fact that physical infrastructure is in place; it is also based on the validity of security, political stability, openness and the fairness of the treatment to the locals. Therefore, more academic focus is expected to be given to the long-term CPEC, especially its contribution to the regional peace and geopolitics, not to mention the wellbeing of surrounding residents. A specific emphasis should be given to social developments, environmental considerations and the equitable distribution of profits everywhere in Pakistan. In a bid to guarantee the sustainability of the project as well as the development of trust among the populace, China and Pakistan need to make their practices related to transparency, corruption and security clear. Finally, it is upon the Pakistani government to fulfill the promises of the CPEC by displaying proficient leaders, proper management, and policies that would ensure domestic interest is achieved and progressive environment needed to encourage sustainable foreign investment and development. These goals have to be given the necessary attention, or there is a danger of jeopardizing the future of CPEC as well as the general relationship between China and Pakistan, and it gives room to those external forces, more so the western powers, to derail the course of the project. Compliance with these principles is thus not an option on the part of the government, not only to ensure continuity of CPEC but also to maintain a stable and secure environment, which acts as a foundation to invest and develop the Pakistan region in the future.

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Recommendations:

1. The government must maintain a continuous policy on CPEC regardless of any political changes.
2. Steps must be taken to improve the finance for smooth running of CPEC.
3. The federal and provincial coordination should be enhanced to prevent local resentments of resource allocation.
4. Effective solutions to decreasing corruption in CPEC projects should include the introduction of transparent processes and open audits.
5. The security of the Chinese personnel and infrastructure should be enhanced to ensure that foreign investors do not lose trust.
6. Planning and sharing benefits should involve local communities particularly in the provinces of Baluchistan and KPK.
7. Before undertaking projects, environmental assessments should be implemented to gauge environmental issues.
8. To prevent the negative propaganda around CPEC, people should be encouraged to talk about its economic value.
9. China and Pakistan should address international concerns regarding the transparency and credibility of CPEC based on unity.
10. The Indian and the U.S. opponents should be counteracted through diplomacy at local and international platforms.
11. A long-term strategic planning must act to match CPEC plans, national development plans, and global changes.

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