

# Political, Psychological, Social, Economic, Ethnic, Education And Environmental Future Outcomes Of CPEC On Pakistan

Tayba Anwar\*<sup>1</sup>, Dr. Asia Saif Alvi<sup>2</sup>, Dr. Moazama Anwar<sup>3</sup>, Dr. Sidra Karamat<sup>4</sup>, Tallat Yasmin<sup>5</sup>

<sup>1</sup>Ph.D. Scholar, Department of Politics and International Relations University of Sargodha, Sargodha Pakistan/  
Lecturer, Department of Political Science and International Relations, Government College Women University  
Faisalabad, Faisalabad Pakistan

<sup>2</sup>Department of Politics and International Relations, University of Sargodha, Sargodha, Pakistan

<sup>3</sup>Clinical psychologist, Incharge Adolescent Health center, Mola Buksh Hospital Sargodha

<sup>4</sup>Visiting Lecturer, Department of Political Science and International Relations, Government College Women  
University Faisalabad, Faisalabad Pakistan

<sup>5</sup>Lecturer, Department of Political Science and International Relations, Government College Women University  
Faisalabad, Faisalabad Pakistan

Correspondence: Tayba Anwar

## Abstract

Almost 72 years ago strategic partners, Pakistan and China tied the knots of friendship and this partnership has survived in all circumstances. Initial partnership ties were based upon political and military co-operations of both China and Pakistan. But in half of 2<sup>nd</sup> decade of 21<sup>st</sup> century, both of them signed an economic and commercial agreement named CPEC (China Pakistan Economic Corridor). It is result of socioeconomic and political cooperation through regional connectivity; i.e. Belt and Road Initiative (BRI) launched by President Xi Jinping in 2013 connecting Kashgar to Gwadar. In contemporary world, CPEC has become a hot topic of Pak-China relations because it provides shortest route to China towards the Middle East and Europe. The Geo-strategic location of Pakistan especially, Gwadar port is really important as it connects almost the whole world for trade. This project is also important because both countries want to utilize economic dividends of CPEC for socio-economic development of their underdeveloped areas. It includes the western regions of China, Xinjiang and the Baluchistan province of Pakistan. CPEC has a tremendous impact on the future strategic alignment in South Asia the most. So, all the positive and negative outcomes with reference to past and present performance have been analyzed here. It included social, political, economic, ethnicity, environmental and educational outcomes.

**Keywords:** Outcomes, risks, benefits, BRI, CPEC, Geo-Politics, Geo-Economics, Silk Route, Corridor, Development, Innovation

## Introduction:

The Chinese international strategy depends on soft power while the Belt Road Initiative, for the most part and CPEC particularly, is an extraordinary impression of Chinese soft power.

Today, CPEC has become generally hot topic of Pak-China relations in the local and worldwide political discussion. China-Pak relations were grown predominantly in two areas for example political and military participation.

The two sides upheld each other on all worldwide and territorial discussions and furthermore marked the shared guard settlements. Be that as it may, today, China has arisen as second-biggest economy of the world. But now the Pak-China relations are based upon economy since 2015 which means that achievement of CPEC will decide the future bearing of Sino-Pakistan relations.

As per the Asian Development Bank, monetary hall implies plan, "significant organizations or associations between financial specialists alongside the characterized topography which gives the association between financial centers, generally focused in metropolitan scenes, in which the huge number of monetary assets and entertainers are concentrated; they connect the organic market sides of business sectors". CPEC is one of six passages of China's fabulous arrangement of provincial network and financial improvement through the exchange and speculation which is known as Belt Road Initiative.

Today, the prevailing driver of Chinese international strategy is the 'geo-financial aspects'. Thus, the CPEC is an aggressive undertaking which plans to change geo-financial aspects of the area as it comprises of different;

routes, roads and rail networks alongside the foundation improvement, energy age units, and exceptional monetary zones. It will interface the western independent locale of China for example Xinjiang with the Gawadar port of Pakistan situated on a basic stifle point in the Arabian Sea, the Indian Ocean. Consequently, the consenting to of this business arrangement for example CPEC, Pak-China kinship has entered another period of social and financial collaboration. The future outcomes of this initiative can be analyzed through going through past and present scenario. It can either have positive or negative outcomes depending on the situation that prevails.

If the issues remain same for example, administration issues, less developmental industry, lack of the coordinated strategies system to have a far reaching legitimate structure to guarantee straightforwardness, ethnic legislative issues, execution issues, current monetary imperatives of Pakistan, and the various other difficulties particularly the Indian resistance and mixture fighting test to CPEC; it will lead to negative outcomes. While on other hand if problems are strategically tackled, they will bring positive outcomes.

### **Social outcomes:**

#### **The diverse nature of both countries**

	<b>China</b>	<b>Pakistan</b>
<b>Population follows</b>	Chinese folk religion	Islam
<b>Ideology</b>	Different from each other	
<b>Emergence as a nation</b>	Communism	Two-Nation Theory
<b>Other differing points</b>	Culture Linguistics Social set-up No commonality	
<b>Distribution of means of production</b>	All people	Mostly middle class

Table 1

Source: Diversity Concerns between China and Pakistan and its Impact on CPEC Success and Sustainability

**CPEC as opportunity for social and cultural engagement and as a medium to decrease diverse nature:**

Table 1, shows the diverse nature of both countries but CPEC may help to reduce this diversity by inter-mingling of both the social, cultural and economic norms of both countries due to high project involvement (Farooq, 2016). Hence, it has brought about a great opportunity for ‘engagement’ of both countries now.

But it also on the other hand a great challenge that we see in a way of People-to-people engagement. It also a probable risk that due to

arrival of Chinese and the inauguration of teachings of Chinese languages for the communication purpose, Pakistani languages may face some fog (Waqas Iqbal, 2021).

**Languages and communication gap:**

There are many centers for Chinese language teaching for better communication purposes in big cities of Pakistan but only about 1% of all these centers are teaching the national language of Pakistan i.e. Urdu language. It can lead to further gaps between people (Siddiqui, 2019).

Chinese people activity	Pakistani people activity
<ul style="list-style-type: none"> <li>• In 2019, according to research there were already <b>10,000 Chinese nationals</b> working on multiple projects in Pakistan</li> <li>• <b>700 people</b> further joined in 2020 and 2021-12-04</li> <li>• They are coming to Pakistan for tourism</li> <li>• Deeply trying to know about Pakistani social culture, norms, laws and their market environment</li> </ul>	<ul style="list-style-type: none"> <li>• Pakistani population no yet encouraged to visit China for tourism</li> <li>• They know very little about Chinese culture, norms, laws and environment</li> </ul>

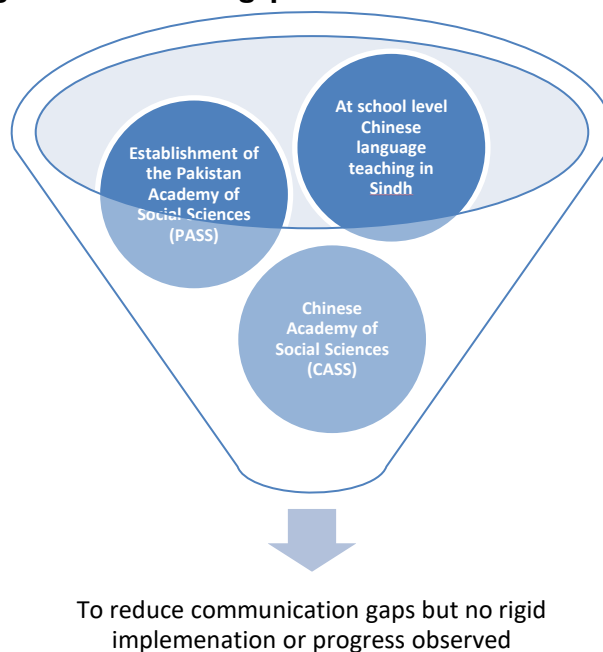
Table 2

Source: Diversity Concerns between China and Pakistan and its Impact on CPEC Success and Sustainability

Although the laws and policies had been made to fulfill this communication gap but still there is no implementation (Siddiqui, 2019). For example, a few years back the Sindh government

announced that Chinese language will be offered in Sindh at the school level but this decision is not being implemented yet.

### Initiatives toward reducing communication gaps:



There are also many initiatives to fulfill this gap from both sides but no progress is observed yet because of the lack of a comprehensive mechanism of ‘Social Engagement’ (Siddiqui, 2019).

#### Future outcomes of social diversity on CPEC:

In order to see a brighter future of CPEC, people of both countries must be aware of each other’s culture and language for sake of developing a coherent social unity. And hence, there is a need for such a mechanism to bring people closer together. If governments of both sides become able to compensate this point; CPEC future looks bright while otherwise, it may face challenges if this social issue remains unresolved (Siddiqui, 2019).

#### Educational

Under the CPEC framework there is promotion of economic and social development in Pakistan. Almost \$200,000 aid was provided for universities modernized study transformation

project. In 2015, Higher Education Commission (HEC) approved this educational plan. Its main aim is to equip universities with "blanket Wi-Fi coverage". It is said to be completed by 2024. During Covid-19 and online sessions it played its important role. Advanced technology introduction in education sector is the main aim (Awan, 2020).

There would be;

- Enhanced capacity of distance learning
- Blanket Wi-Fi coverage
- Advanced technology

In short, CPEC and China are assisting Pakistan in various sectors, but the most significant out of them is education. An estimated of about 32,000 Pakistan students are studying in China. The students who graduated from China are Pakistan’s front-line soldiers in the workforce which is required under CPEC. They are like the ambassador of friendship between China and

Pakistan. China graduates are the real essence of the success of CPEC (Awan, 2020).

Hence CPEC can bring about the positive outcomes only if education is modernized, advanced and literacy level increases.

### Environmental

Environmental problems are problems which directly link with society, societal organization and working. If the environment gets disturbed, it disturbs the whole society. While in the project of CPEC environment will be severely impacted due to several projects including the energy consumption.

### Energy consumption:

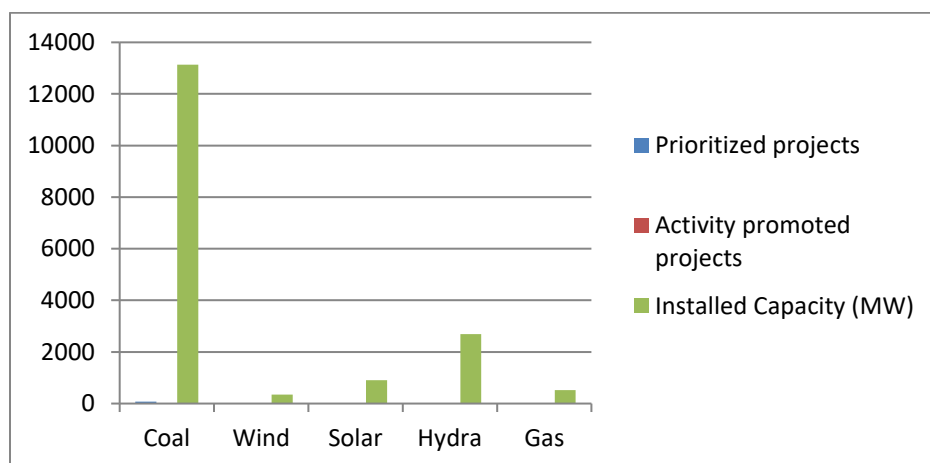
The research on future outcomes by Monte Carlo simulation (Kenton, 2021) assumes that in 2030 the Pakistani energy consumption will increase by 41% than that of consumption in 2013, similarly for industrial sector it will increase by 136% and for commercial sector it will raise up to 414% in 2030 (Kenton, 2021).

### Projects:

The projects to create new routes and grooming old roads included in transport infrastructure will consume a huge amount of energy and involve many energy consumption projects (Faisal Mehmood Mirza, 2019). The projects include energy consumption resources including the following;

Power project	Prioritized projects	Activity promoted projects	Installed Capacity (MW)
Coal	70	5	13140
Wind	4	1	350
Solar	1	-	900
Hydra	2	1	2693
Gas	-	1	525

Source: National Electric Power Regulatory Authority (NEPRA)



Source: National Electric Power Regulatory Authority (NEPRA)

The energy consumption rate is increasing and will be increasing dramatically in the near future due to vast infra-structure of CPEC and its

projects. In modern time i.e. in 2021 there has already been a huge consumption of energy resources with dramatic increase as compared to

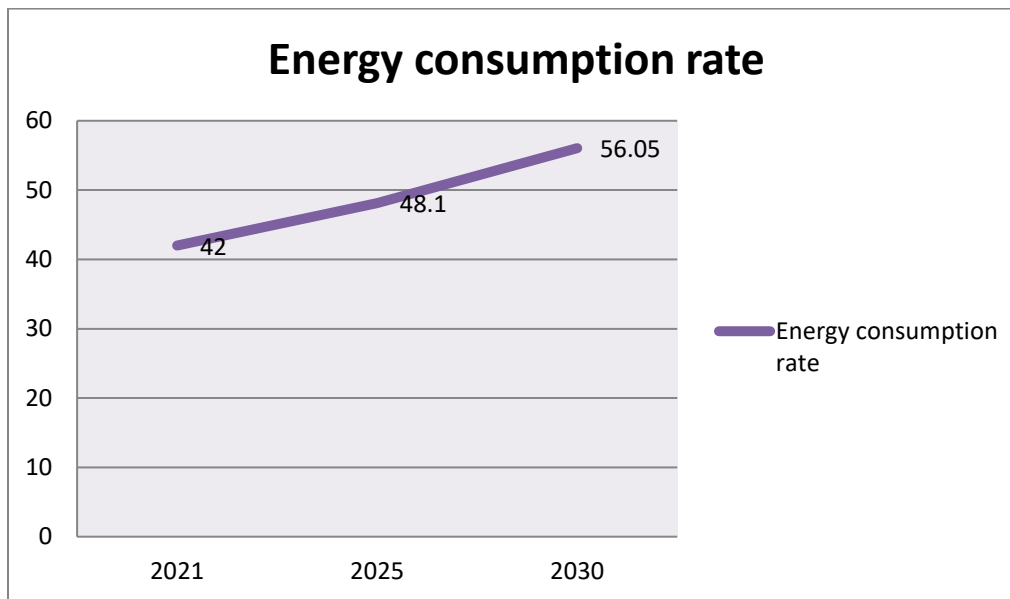
normal consumption rate. A research shows that the energy consumption in Pakistan in modern time has increased by 41% from normal (Faisal Mahmood Mirza, 2019).

A research shows that the scenario in future regarding consumption of energy resources in Pakistan has increased by and will be increasing as following;

Year	Current Scenario
2021	42
2025	48.1
2030	56.05

Source: Energy strategies reviews, forecast on energy consumption

#### Graphical representation of energy consumption rate due to CPEC projects:



Source: Energy strategies reviews, forecast on energy consumption

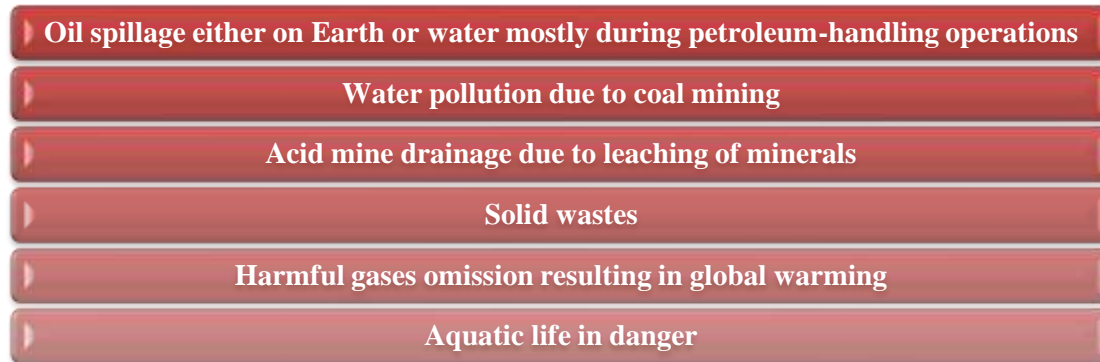
#### Outcomes:

Energy consumption includes a huge stress on environment. It includes the following;

- Air pollution
- Climate change
- Water pollution
- Thermal pollution
- Solid waste disposal

The resources like coal and other fossil fuels cause air pollution resulting in risking lives of the citizens and hence health issues arise. Gases emit out of the fossil fuels and cause global warming indulging earth in an alarming situation for future (EEA-Glossary, 2004).

The following problems hence arise;



Source: European Environment Agency; environmental impact of energy

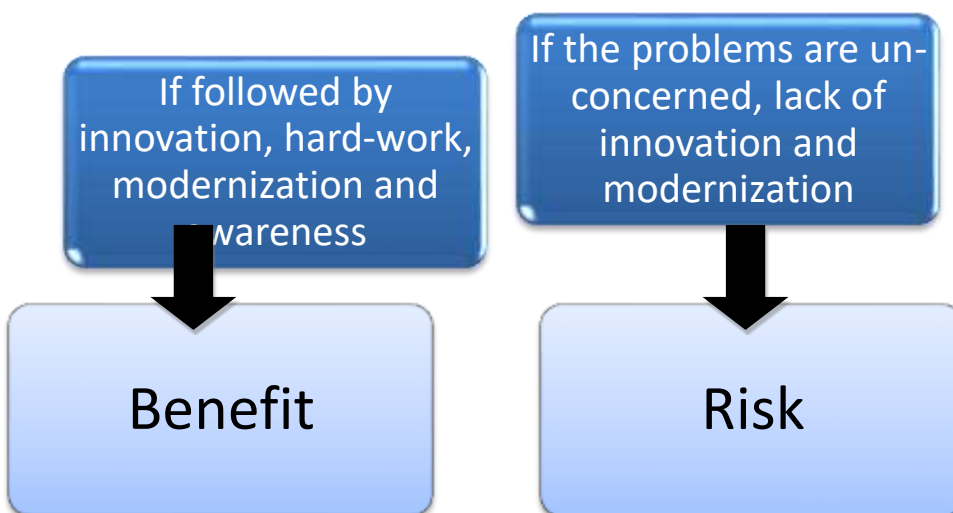
#### **Future outcome of CPEC on environment:**

If the non-renewable energy is used as it has been used in modern time, the resources will start to endangered, extinct and will eventually end. But if the speed of use is lowered or alternatives are found out, it can benefit all; not only will it preserve national resources of Pakistan but also save environment from being degraded. Hence, it depends upon the situation if the same speed of expenditure of resources is used, they will eventually be distinguished degrading the Earth and environment giving rise to risky life, health issues; endanger living organisms and many

more. But if nature-friendly alternatives are used with complete research, it will in return benefit all.

#### **Economic outcomes:**

Though the CPEC project is all about the economy but still there are some challenges which can be faced by it. Where there is on one side, chance of high economic expectations at the same time there are on other side chances of negative impacts on economy of Pakistan (Hafez Muhammad Javed, 2021).



Source: The Benefits and Risks of the China-Pakistan Economic Corridor

**Benefits/ positive outcome:****Gwadar as largest sea-port for trade**

When the project will be completed, Gwadar port would be known to become the world's largest deep sea-port. It will be a new market place of world trade. Both the counties are also thinking to construct a navy base at Gwadar for security purposes. The construction is still going on and serious heed has been put on the project (Shi Zhiqin, 2016).

**Solution to economic problems**

Pakistan is facing unemployment, poverty, under-developed infrastructures and shortage of electricity and energy. Conclusively, it can be said that Pakistan is facing serious economic problems. But through CPEC, which is a very long route almost covering the whole Pakistan, can result in fast economic development in a way that there will be a need of many people as workers there (Ambreen Khursheed, 2019). For the jobless and unemployed people, there would be an opportunity. Hence poverty would be vanished and ultimately the country will economically prosper and develop (Rana, 2019). Also, Pakistani government can also earn a million of dollars by taxes. As Pakistan would be a new marketplace, hence there would be more revenue and more importance of the location of Pakistan (Shi Zhiqin, 2016).

**Economic game changer**

CPEC is a mega project and will open a new and biggest market for trade. Hence, it would result as a game changer for the whole region or may be perhaps for the world (Ambreen Khursheed, 2019). So, this project would hopefully result in the benefits of both countries and the bounds of friendly relations between both the countries would get even stronger (Shi Zhiqin, 2016).

**Risk/ Negative outcome:****A loan for generations:**

Due to the inability and in-efficiency of the previous governments and their negligence caused the economic damage and loans for generations. Particularly, the initial investment was worth \$46 but now it has reached \$62 due the inefficiency and corruptions of previous governments for which loans became mandatory. The analysts fear that the huge amount of loan will lead to a loan for generations in future (Staff, 2018).

**Exploitation of local labor force:**

The whole CPEC project constitutes high technology machinery worth billions of dollars. The Pakistani local labor force is un-skilled for all that advanced machinery in use. All the skilled labors, high tech machineries and their operators belong to China. Hence both the local labor and resources will get exploited (Staff, 2018). In past, Pakistanis would go to wolf countries due to lack of economic opportunities in Pakistan but now it is so that they still have to go in other countries still then when they have such a huge project in their own countries but still they lack opportunity due to advanced project installation for which they lack eligibility criteria.

**Burst in economy due to loans:**

The economic value of Pakistan in international community has arisen due to foreign investments in CPEC projects. The government of Pakistan is bragging over it as their achievement but according to economists, this is just a bubble economy. With just a single hit, it might burst all. The government is taking loans, if it failed to pay it on time, the economy will eventually burst from its height. Might it be possible that this short-term bubble result in long-term havoc, in case it bursts-out. If the government somehow become unable to pay due loan then it will face huge economic fall (Staff, 2018).



### **Collapse of local industries:**

The Chinese companies are given privileges in the CPEC project. They are companies with high technology, machinery and infra-structures which means our local industries which are neither too advanced as compared to Chinese nor they have high tech machineries which will ultimately lead them toward collapse. Not only this, but it will also increase our dependency over the Chinese companies (Staff, 2018). So the companies need to innovate themselves. If the companies do not innovate themselves regarding the modern needs; they will be of no use. Hence, innovation is required for them to develop and sustain themselves (Waqas Iqbal, 2021).

### **Political outcomes**

#### **Ethnicity:**

The diverse history of Pakistan (politically) is root cause of absence of a viable system. There were at times;

- Civil-military tussles
- Ethnic politics
- Politically driven projects
- Bad governance
- Lack of long-term planning

For sure it is said that CPEC is a road map for national development but a far-sighted view shows that it might bring out more ethnic problems. There is and will be more controversy regarding the route (Waqas Iqbal, 2021).

There are some cases in past which shows it may trigger ethnic problems in coming future as well;

- The former Chief Minister of Khyber Pakhtunkhwa (KPK) once called it 'China-Punjab, Economic, Corridor' because government at that time was unable to address the concern of KPK.
- In the inauguration of Mian Muhammad Nawaz Sharif's era 2013, he visited China and on his return it was announced

by federal government that the 'Gadani Energy Park' will be initiated which is a town in Baluchistan. But for some unclear reasons it was said to be unviable for project and the project just ended. It led to ethnic problem whose main concern was that the federal government is unable to address the demands and concerns of small provinces and neglect them.

- Also there are many other cases on smaller scale where it has been observed that further ethnic problems may arise

A far-sighted view shows that CPEC can trigger further ethnic problems which might affect the working on CPEC and its related projects (Waqas Iqbal, 2021).

### **Impact of CPEC on politics**

The ethnic problems which got boosted with the initiation of CPEC will hinder the positive outcomes of the project which in return will lead to political challenges and bad governance. Hence if the ethnicity problems, security issues and civil problems are resolved, CPEC will bring the viable results while on other side if they are unresolved, it can lead to negative outcomes (Ambreen Khursheed, 2019).

### **Recommendations**

- Pakistan needs to bring some structural reforms for development
- New policies must be developed and implemented to improve industrial competitiveness
- Pakistan needs to make CPEC an engine of innovation to get the maximum benefits
- Pakistani innovation-less industries and traditional sectors would be of no use for CPEC. Therefore, Pakistan needs to develop policy frameworks for the innovating industries

- New policy must be made not only to fulfill the interaction gaps but to encompass a broader social spectrum for mutual engagement which is a dire need now.
- The social challenge most specifically, needs attention otherwise it may cost a negative shadow on the development of the CPEC.
- Terrorism must be checked by ensuring the security. Because of terrorism, the success of this project may get hindered. Making sure the heavy security is very essential and important for success of CPEC. Otherwise, the objectives and aims of this project may not be fully filled.
- Propagandas spreading hate for Pakistan in Baluchistan and ethnicity problems must be stopped.
- Campaigns of media to hinder CPEC project must be checked seriously and stopped.
- Strong naval bases and forces must be ensured for security purposes. As there are so many countries which are against CPEC and they will surely try to hinder in the way.
- Getting rid of foreign-funded terrorists by having a high security check is really important.
- Tackling of corruption is also a biggest point to achieve. Corruption must be stopped in order to avoid huge loans.
- Constructing new economic zones in the country is also essential so that the industrial sector will grow and ultimately result in prosperity of the economy.
- Government shall not completely depend on Chinese authorities but it shall try to give the projects to the locals or citizens of Pakistan.
- Getting Chinese investors in trust is also really important. It can be done by

working efficiently, honestly and on time.

- Performance of government shall be tangible and efficient.
- Providing security for trade corridor is very much significant.
- Execution and completion of project must be kept in mind and it shall be completed on time. Government must have check and balance on activities of workers working on this project. Hence it would be very fruitful and beneficial.

### **Conclusion:**

The CPEC will hopefully result in economic and political stability in Pakistan, it will be a benefit for both China and Pakistan if operated well. Pakistan's economy would be stable and unemployment and poverty will be minimized to minimal level but only with the efforts of both the citizens and the government. Short-comings must be tackled to achieve positive future outcomes otherwise rather than becoming economic prosperity game changer, it might become the game destroyer. If operated well, this project will bring about economic prosperity.

If the corruption, terrorism, violence and other problems are not tackled on time, they will emerge as hindrances in the way of success of CPEC and will result in distrust of Chinese investors towards Pakistani people. But if the stability of all these issues is kept in check and balance, the project will result in ultimate success and also in ultimate development of Pakistani economy too. The relations between China and Pakistan would be much stronger. So, this project is really beneficial for countries if operated well and once completed it will result as a game changer for the world.

### **References**

1. Ambreen Khurshed, S. K. (2019). China – Pakistan economic corridor: a harbinger of

- economic prosperity and regional peace. Asian Journal of German and European Studies volume .
2. Awan, Z. A. (2020). CPEC's biggest impact will be on education sector. Chinadaily.com.cn .
  3. EEA-Glossary. (2004). Environmental impact of energy. [http://www.eionet.eu.int/GEMET:EEA-European Environmental Agency](http://www.eionet.eu.int/GEMET:EEA-European%20Environmental%20Agency).
  4. Faisal Mehmood Mirza, N. F.-U. (2019). Impact of China-Pakistan economic corridor on Pakistan's future energy consumption and energy saving potential. Elsevier , 34-46.
  5. Farooq, R. H. (2016). Impact of CPEC on Social Welfare in Pakistan: A District Level Analysis. Pakistan Development review , 597-618.
  6. Hafez Muhammad Javed, M. I. (2021). CPEC and Pakistan: Its Economic Benefits, Energy Security and Regional Trade and Economic Integration. Chinese Political Science Review .
  7. Kenton, W. (2021, October 4). Monte Carlo Simulation. Retrieved December 3, 2021, from Investopedia: <https://www.investopedia.com/terms/m/montecarlosimulation.asp>
  8. Rana, M. A. (2019, April 7). The geoeconomics of CPEC. Retrieved December 4, 2021, from DAWN: <https://www.dawn.com/news/1474452>
  9. Shi Zhiqin, L. Y. (2016). The Benefits and Risks of the China-Pakistan Economic Corridor. Getty , 23.
  10. Siddiqui, F. (2019). Diversity Concerns between China and Pakistan and its Impact on CPEC Success and Sustainability. KASBIT business Journal , 23.
  11. Staff. (2018, October 24). Critical analysis of CPEC. Retrieved December 3 , 2021, from Askedon: <https://www.askedon.com/critical-analysis-of-cpec/>
  12. Waqas Iqbal, S. G. (2021). THE CHALLENGES TO CPEC: FUTURE OF STRATEGIC ALIGNMENT IN THE SOUTH ASIA . Journal of Research , 7.