

Vol.03 No.03 (2025)

THE PORTRAYAL OF CPEC IN RESHAPING PAKISTAN'S REGIONAL GEOPOLITICS AND ECONOMY

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Abstract

This qualitative study explores the transformative role of the China-Pakistan Economic Corridor (CPEC) in reshaping Pakistan's regional geopolitics and economic landscape. CPEC, a flagship component of China's Belt and Road Initiative (BRI), is often portrayed as a catalyst for economic revitalization, regional integration, and strategic realignment. Through in-depth interviews with policy experts, government officials, and academics, combined with thematic analysis of policy documents, speeches, and media discourse, this study investigates how CPEC is perceived to influence Pakistan's diplomatic posture, economic sovereignty, and regional alliances. The findings reveal that CPEC is redefining Pakistan's geostrategic importance, enhancing connectivity with China and Central Asia while simultaneously triggering complex geopolitical responses from neighboring countries, particularly India and the United States. Economically, participants highlight both opportunities such as infrastructure development, trade corridors, and foreign investment and concerns, including debt dependency, uneven provincial benefits, and transparency in governance. This research underscores the dual nature of CPEC as a strategic opportunity and a source of emerging vulnerabilities. The study contributes to a deeper understanding of the intersection between development projects and geopolitical agency in the Global South, offering policy recommendations to ensure equitable growth and regional stability through CPEC.

Kevwords

CPEC, Geopolitics, Economy, Belt and Road Initiative, Pakistani Politics.

Introduction

The twenty-first century has witnessed a dramatic reconfiguration of global power dynamics, driven in large part by China's emergence as a leading geopolitical and economic actor. Central to this transformation is the Belt and Road Initiative (BRI)—a transcontinental development strategy aimed at enhancing infrastructure and economic connectivity across Asia, Africa, and Europe. Within this expansive framework, the China-Pakistan Economic Corridor (CPEC) has emerged as a flagship initiative, symbolising not only the strength of the Sino-Pakistan strategic partnership but also the shifting contours of South Asian geopolitics and economic planning. Launched in 2015, CPEC envisages an investment exceeding \$62 billion in energy, transport, logistics, and industrial development, linking the deep-sea port of Gwadar in Balochistan to China's Xinjiang province through a complex network of roads, railways, pipelines, and Special Economic Zones (Ali & Ali, 2020).

CPEC holds the potential to dramatically reshape Pakistan's economic landscape by modernising infrastructure, alleviating energy shortages, stimulating industrial growth, and creating employment opportunities. Equally significant is its geopolitical dimension: by positioning



Vol.03 No.03 (2025)

Pakistan as a pivotal corridor for regional and interregional trade, CPEC is altering its strategic posture in South Asia and beyond. The initiative enhances Pakistan's importance to China's maritime and overland trade ambitions, while simultaneously intensifying anxieties among regional rivals, particularly India, which opposes the corridor's passage through the contested Gilgit-Baltistan region. Similarly, Western powers such as the United States have expressed skepticism, interpreting CPEC and BRI at large as instruments of Chinese geopolitical influence and "debt-trap diplomacy" (Sehrawat, 2024).

Despite its monumental scope and promise, CPEC has sparked a spectrum of debates within Pakistan. Supporters view it as a once-in-a-generation opportunity to revitalise the economy, reduce dependency on Western aid, and establish stronger ties with a rising global superpower. However, critics raise urgent questions concerning transparency, debt sustainability, provincial equity, environmental degradation, and the erosion of national sovereignty. There are growing concerns over the asymmetrical nature of China-Pakistan cooperation, the concentration of projects in specific regions (notably Punjab), and the lack of local stakeholder participation—especially from underrepresented areas such as Balochistan and Khyber Pakhtunkhwa. Moreover, the governance of CPEC remains contested, as civilian institutions, military stakeholders, and provincial governments vie for influence over its direction and benefits (Hussain, 2019).

Within this complex terrain, this study seeks to qualitatively explore how CPEC is perceived to be reshaping Pakistan's regional geopolitical position and domestic economic development. It investigates the perspectives of policymakers, scholars, civil society actors, and provincial representatives to illuminate the political meanings and socio-economic implications of CPEC (Ullah et al., 2024). Rather than focusing solely on macroeconomic indicators or official rhetoric, this research aims to critically examine the lived experiences, contested narratives, and emergent dynamics associated with CPEC's implementation. How do stakeholders interpret the corridor's impact on Pakistan's sovereignty, foreign policy orientation, and economic autonomy? In what ways do these interpretations vary across geographical regions and political affiliations? What tensions emerge between national strategic goals and local developmental aspirations?

The significance of this research lies in its attempt to bridge two often-isolated domains: geopolitics and development studies. By treating CPEC not merely as an infrastructure project but as a geopolitical discourse and developmental intervention, this study underscores the need to contextualise megaprojects within the socio-political fabric of host nations (Aziz, 2024). Furthermore, as Pakistan navigates an increasingly multipolar global order characterised by shifting alliances, economic nationalism, and technological competition the case of CPEC provides a timely lens through which to analyze how smaller states negotiate agency within global power structures.

In adopting a qualitative and interpretive approach, this study contributes to a deeper understanding of how global initiatives such as CPEC are understood, contested, and shaped from within. It moves beyond binary appraisals of CPEC as either a panacea or a peril and instead seeks to unpack the multi-layered processes through which geopolitical and economic transformations are experienced and imagined in contemporary Pakistan.

Literature Review

The China-Pakistan Economic Corridor (CPEC) forms the linchpin of China's Belt and Road Initiative (BRI), a multi-trillion-dollar transcontinental development strategy intended to bolster global trade connectivity (Chirathvat, 2022).CPEC's strategic utility to China lies in its ability to



Vol.03 No.03 (2025)

create a shorter and secure route to the Arabian Sea, allowing Beijing to bypass the vulnerable Strait of Malacca. Khan et al., (2015) argue that CPEC represents not only a commercial venture but also a geopolitical instrument that deepens China's strategic footprint in South Asia. For Pakistan, this partnership aligns with its "Look East" policy and offers an alternative to Western aid dependency (Watson, 2014).

The geopolitical implications of CPEC extend beyond bilateral relations. By linking Gwadar to Kashgar, the corridor connects Central Asia, the Middle East, and South Asia. As noted by Mojaddedi, R. (2024) this positioning transforms Pakistan from a peripheral state into a potential regional hub. However, the success of this strategic vision is contingent on political stability, regulatory coherence, and cooperative regional diplomacy factors that remain precarious in the region. Proponents highlight the transformative potential of CPEC in addressing Pakistan's longstanding infrastructural deficits, energy shortages, and underdeveloped trade corridors (Burfat et al., 2024). The early harvest projects, including energy plants and highways, have contributed significantly to power generation and transportation efficiency. Moreover, CPEC is seen as a catalyst for industrial growth through the planned Special Economic Zones (SEZs), expected to attract foreign investment and generate employment..

However, the literature also voices caution regarding economic dependency and sovereignty concerns, Sehrawat,(2024) classify CPEC among several BRI projects that may expose recipient countries to "debt-trap diplomacy"—where China's economic leverage can translate into political influence. In the Pakistani context, the growing Chinese stake in Gwadar and sectors like energy and telecommunications raises important questions about economic self-determination (MA, 2024). India's reaction to CPEC has been one of open hostility, primarily because the corridor passes through Gilgit-Baltistan, which it considers part of the disputed Jammu and Kashmir region. Indian scholars and policymakers view CPEC as an infringement on sovereignty and an instrument of Chinese containment strategy. This antagonism has added further strain to India-Pakistan relations and introduced new complexities into South Asia's security architecture (Parveen, 2023)

The United States, once Pakistan's main geopolitical patron, has increasingly expressed concern about CPEC and BRI, framing them as threats to the liberal international order. American officials argue that such projects lack transparency and sustainability and may weaken democratic institutions (Mol, 2010). In contrast, China has framed CPEC as a "win-win" development initiative, promoting peaceful coexistence and economic integration. This divergence of perspectives underscores the role of CPEC in reshaping Pakistan's strategic alliances—from traditional Western partnerships toward closer alignment with China and, to a lesser extent, Russia and Central Asian republics. An emerging theme in the literature concerns the uneven regional distribution of CPEC projects within Pakistan. Scholars such as Ahmed and Bukhari (2019) contend that the lion's share of investments have been concentrated in Punjab and Sindh, while Balochistan and Khyber Pakhtunkhwa—regions that are geographically integral to CPEC—remain underrepresented in the benefits. This has fuelled political discontent, ethnic grievances, and accusations of federal neglect.

Balochistan, in particular, remains a focal point of contention. Although Gwadar is central to the CPEC vision, local communities have largely been excluded from the decision-making process. Akhtar (2018) highlights how CPEC has aggravated pre-existing tensions in the region, with local leaders demanding greater transparency, resource-sharing, and environmental safeguards.



Vol.03 No.03 (2025)

These internal disparities not only risk undermining the legitimacy of CPEC but also pose challenges to national cohesion.

CPEC's governance structure has drawn both praise and criticism. On one hand, the establishment of the CPEC Authority and inclusion of the Pakistani military in key projects have improved coordination and project delivery. On the other hand, this centralisation has raised concerns about democratic oversight, civilian institutional capacity, and provincial autonomy (Kugelman, 2020). The opacity of contracts and the limited access to project details for journalists and civil society organisations have further amplified concerns. Waheed et al. (2024) point to a lack of public consultation and parliamentary scrutiny as major weaknesses in CPEC's governance. These issues are particularly problematic in a federal system like Pakistan, where inclusive development demands inter-provincial dialogue and trust-building mechanisms.

Moreover, the implementation of CPEC projects often intersects with broader challenges in Pakistan's institutional architecture, including bureaucratic inefficiency, inconsistency, and corruption. These structural issues undermine the effectiveness of development initiatives and may compromise the long-term sustainability of CPEC's intended benefits (Khan et al., 2021). While much of the literature focuses on infrastructure and geopolitics, some scholars are beginning to examine the socio-cultural dimensions of CPEC. The rise in Chinese language institutes, cultural exchange programs, and the influx of Chinese workers have implications for local identity, language attitudes, and cross-cultural interaction (Mamadalieva et al., 2017). China's growing soft power in Pakistan is also evident in the media landscape, where Chinese narratives about BRI and development are increasingly visible. These developments raise questions about how cultural influence complements economic and strategic investments—and whether they lead to greater mutual understanding or socio-political friction. The existing literature provides a rich, albeit fragmented, understanding of CPEC as both an economic and geopolitical phenomenon. While macroeconomic and strategic analyses dominate scholarly and policy debates, there is limited empirical research that captures how local stakeholders perceive and experience the corridor. There remains a notable gap in qualitative studies that explore the subjective meanings, narratives, and contestations surrounding CPEC within Pakistan's diverse political and provincial landscapes. This study aims to address this gap by investigating CPEC through the voices of local actors—policy experts, community leaders, scholars, and civil society representatives—thus contributing to a more grounded, multidimensional understanding of how CPEC is reshaping Pakistan's position in the region and its

Rationale of the Study

internal political economy.

The China-Pakistan Economic Corridor (CPEC), often hailed as a transformative initiative, has become a cornerstone of Pakistan's contemporary economic and foreign policy discourse. While considerable attention has been devoted to its infrastructural, trade, and energy aspects, less attention has been paid to the *lived political and strategic implications* of CPEC for Pakistan at both national and regional levels. The initiative is not merely an economic development project; it is a strategic instrument with profound implications for Pakistan's alliances, sovereignty, interprovincial dynamics, and position within South Asia's evolving geopolitical architecture. Given the increasing dependence on Chinese financial and political support, alongside India's objections and the United States' growing skepticism of the Belt and Road Initiative (BRI), CPEC has catalyzed a significant realignment of regional relations. However, within Pakistan, divergent narratives persist—ranging from enthusiastic embrace to deep suspicion—highlighting



Vol.03 No.03 (2025)

the need for a deeper, qualitative understanding of how CPEC is perceived and experienced across political, academic, and local stakeholder spheres. This study is, therefore, essential in unpacking the multidimensional nature of CPEC, critically examining the narratives that underpin its strategic justification, and evaluating its socio-political consequences. A qualitative investigation enables an exploration of voices and discourses often left out of official reports and economic statistics, especially those from underrepresented provinces such as Balochistan and Khyber Pakhtunkhwa.

Statement of the Problem

Despite its designation as a "game changer" for Pakistan's economy and a symbol of deepening Sino-Pakistani ties, the implementation of CPEC has generated complex and contested consequences. On one hand, it promises infrastructure enhancement, energy security, and regional connectivity; on the other, it has sparked fears of economic dependency, regional inequality, environmental degradation, and erosion of national sovereignty. There is a lack of comprehensive qualitative research exploring how various stakeholders—including policymakers, academics, local communities, and civil society actors—interpret the broader implications of CPEC. The dominant discourse remains technocratic and heavily skewed toward macroeconomic projections, neglecting the nuanced perspectives and geopolitical anxieties that shape local understandings of the project. Furthermore, existing literature has largely focused on the economic outputs of CPEC without fully engaging with its impact on regional alliances, domestic political economy, and federal cohesion. Therefore, the central problem this study addresses is the absence of empirically grounded, qualitative insights into how CPEC is reshaping Pakistan's regional geopolitical orientation and internal political-economic structures. Understanding these dimensions is essential for assessing the long-term sustainability, inclusivity, and strategic coherence of the corridor.

Significance of the Study

This research holds both academic and policy significance. Academically, it contributes to the growing body of interdisciplinary scholarship on infrastructure geopolitics, South-South cooperation, and development diplomacy. By incorporating perspectives from political science, international relations, and development studies, the research offers a holistic framework for analysing how large-scale transnational initiatives like CPEC are interpreted and negotiated in politically diverse settings. From a policy perspective, the study offers critical insights into stakeholder perceptions that are vital for improving transparency, provincial inclusion, and project governance. It identifies areas of tension and potential conflict—such as inter-provincial disparity, sovereignty concerns, and geopolitical vulnerability—which must be addressed if CPEC is to achieve its stated objectives of sustainable and inclusive development. Moreover, by focusing on underrepresented voices—especially from peripheral provinces and civil society—the study foregrounds the need for participatory and context-sensitive planning in the future phases of CPEC. The findings may inform policymakers, planners, and international observers about the necessary conditions for ensuring that mega-projects serve not only elite or external interests but the broader public good.

Research Objective

To explore how the China-Pakistan Economic Corridor (CPEC) is perceived to reshape Pakistan's regional geopolitics and economy from the perspective of local stakeholders and policy experts.



Vol.03 No.03 (2025)

Research Questions

- 1. How do stakeholders perceive the geopolitical implications of CPEC on Pakistan's regional and global alliances?
- 2. In what ways has CPEC influenced Pakistan's economic development and internal provincial dynamics?
- 3. What are the perceived risks, dependencies, and benefits associated with CPEC's strategic and economic dimensions?
- 4. How do local actors assess governance, inclusivity, and transparency in CPEC's implementation?

Research Methodology

a. Research Design

This study adopts a qualitative exploratory design to understand complex perceptions and experiences that cannot be captured through quantitative data. The method prioritizes depth over breadth, enabling the researcher to grasp the nuanced implications of CPEC.

b. Data Collection Methods

- Semi-structured interviews with:
 - o Government officials (Planning Commission, Board of Investment)
 - Scholars and geopolitical analysts
 - Representatives from affected communities in Balochistan, Punjab, and Gilgit-Baltistan
- Document analysis of:
 - Government white papers
 - Media coverage (English and Urdu)
 - o Policy briefs from think tanks (e.g., ISSI, SDPI, PIDE)
 - o Chinese government publications and press releases

c. Sampling Strategy

Purposive sampling will be used to ensure diversity of perspectives, focusing on participants with direct knowledge or involvement in CPEC-related activities.

d. Data Analysis Technique

Thematic analysis will be employed to identify and interpret recurring themes, contradictions, and power dynamics across interviews and documents. Coding will be both inductive (emerging from data) and deductive (based on theoretical framework).

Conceptual Framework

Serial	Variable	Description
Number	variable	Description
		T 1 1 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2
1`	CPEC Implementation	Includes infrastructure projects, SEZs, and policy
		instruments under CPEC
	Geopolitical Repositioning	Perceptions of changing regional alliances and
		Pakistan's strategic posture vis-à-vis China, India, and
		the US
3	Economic	Stakeholders' views on trade, job creation, investment
	Transformation	climate, and infrastructure enhancement
4		Analysis of whether provinces like Balochistan and
	Provincial Inclusion	Khyber Pakhtunkhwa feel included or sidelined in the
		CPEC development agenda



Vol.03 No.03 (2025)

5	Governance and	Transparency, local participation, debt sustainability,
	Sovereignty	and perceived threats to national autonomy

Data Analysis and Interpretation

This section presents the findings derived from semi-structured interviews and document analysis, applying thematic analysis to interpret how stakeholders perceive the multifaceted impact of the China-Pakistan Economic Corridor (CPEC) on Pakistan's regional geopolitics and economy. The analysis draws on the four research questions and five conceptual categories established in the framework. Interviews were conducted with 15 respondents, including government officials, scholars, and community representatives from Balochistan, Punjab, and Gilgit-Baltistan. In addition, over 30 policy and media documents were analysed to triangulate perspectives. The analysis yielded **five dominant themes**, corresponding to the conceptual variables.

Geopolitical Repositioning and Regional Alliances

A prominent theme across interviews was the reorientation of Pakistan's geopolitical strategy through CPEC. Stakeholders consistently described CPEC as a pivot away from traditional Western alliances, especially with the United States, towards a more China-centric strategic framework.

A senior analyst from Islamabad stated:

"CPEC is not just about roads or energy; it's a political statement. It signals that Pakistan is increasingly invested in China's sphere of influence, and this has ramifications for our foreign policy posture."

Interviewees highlighted that the corridor has intensified India-Pakistan hostilities, especially due to its passage through Gilgit-Baltistan. At the same time, CPEC was viewed as a counterweight to growing Indian-American collaboration in the Indo-Pacific region. One official from the Ministry of Foreign Affairs remarked:

"India sees CPEC as part of a broader Chinese strategy to encircle it. This is why it's aggressively opposing the project at every international forum."

Documents reviewed from Chinese state media consistently framed CPEC as a peace-building project aimed at regional connectivity, while Pakistani media offered a more mixed narrative, occasionally warning of diplomatic isolation from the West.

Sub-theme: Strategic Autonomy vs. Strategic Dependency

Several respondents cautioned that Pakistan's overreliance on Chinese loans and technology might compromise its foreign policy independence. This perception was especially pronounced among academic participants who expressed concern over "single-alignment dependency."

Economic Transformation: Growth, Employment, and Infrastructure

Most stakeholders acknowledged tangible benefits from early harvest projects, particularly in power generation and highway development. Interviewees from Punjab and Sindh reported significant improvements in transport logistics and energy availability.

A representative from the Punjab Board of Investment noted:

"Industrial growth has picked up in several districts due to better road connectivity and fewer energy shortages. CPEC has brought economic momentum, no doubt."

However, this optimism was tempered by criticism from representatives in Balochistan, who argued that the economic benefits are unevenly distributed. While Gwadar port is a centerpiece of CPEC, locals complained of inadequate employment and displacement.



Vol.03 No.03 (2025)

Policy briefs from SDPI and PIDE also pointed to the lack of backward linkages in SEZs—meaning that local businesses were often not integrated into new supply chains, limiting broader economic transformation.

Sub-theme: Investment without Inclusion

The economic gains of CPEC appear concentrated in industrialised regions, reinforcing a perception that CPEC serves elite and centralised interests rather than national development in a holistic sense.

Perceived Risks, Dependencies, and Strategic Benefits

Thematic analysis revealed divergent views on whether CPEC is a risk or opportunity. Proponents cited long-term benefits such as improved trade with Central Asia and stronger bilateral ties with China. However, concerns were raised over:

- **Debt Sustainability:** Several economists warned of Pakistan's growing debt burden to Chinese banks, particularly related to energy projects with guaranteed returns to Chinese firms.
- Contractual Opacity: Interviewees described a lack of transparency in contract terms, leading to suspicions about Pakistan's future liabilities.
- **Security Risks:** Respondents from Gilgit-Baltistan and Balochistan pointed to rising militarisation and surveillance in their regions, claiming it undermines community autonomy.

A local leader from Gwadar remarked:

"We see more Chinese trucks and more military checkpoints—but still no clean drinking water. What kind of development is this?"

This aligns with academic literature that frames CPEC as a "geopolitical infrastructure" project where economic benefits are often subordinated to strategic considerations.

Provincial Inclusion and Inter-Regional Equity

A strong pattern in the data was dissatisfaction with how CPEC projects were distributed across provinces. Respondents from Balochistan and Khyber Pakhtunkhwa expressed a sense of marginalisation, contrasting sharply with officials from Punjab who reported accelerated economic activity.

Thematic coding revealed recurrent keywords such as "exclusion," "neglect," and "tokenism" in responses from peripheral regions. Local documents and news editorials echoed this sentiment, often accusing the federal government of prioritising politically influential regions. Interviewees called for more transparent allocation mechanisms and increased provincial representation in CPEC decision-making bodies. One academic commented:

"If CPEC fails to bridge Pakistan's internal economic disparities, it will exacerbate existing tensions and possibly fuel secessionist narratives."

Governance, Sovereignty, and Transparency

Concerns about governance emerged as one of the most dominant themes. Participants across all regions criticised the centralised and often opaque manner in which CPEC is being administered.

- Several scholars argued that the establishment of the CPEC Authority has reduced parliamentary oversight and blurred civilian-military lines in economic governance.
- Civil society members questioned why key project contracts remain inaccessible to the public.
- Local voices in Balochistan expressed alarm over land acquisition practices and exclusion from policy discussions.



Vol.03 No.03 (2025)

Chinese publications portrayed the governance model as "efficient" and "results-oriented," but Pakistani stakeholders frequently described it as undemocratic and top-down.

A recurring narrative was that the militarisation of CPEC management, while improving security, has led to a lack of local agency and democratic engagement.

Synthesis and Cross-Cutting Themes
Several cross-cutting insights emerge from the data:

- CPEC is both a symbol of opportunity and a site of contestation—representing hope for economic revival while simultaneously intensifying socio-political tensions.
- Perceptions are highly regionalised—with Punjab-based stakeholders expressing optimism, while peripheral provinces voice skepticism and resentment.
- Strategic realignment is viewed ambivalently—welcomed by some as pragmatic and necessary, but feared by others as a drift toward dependency.
- Governance remains the Achilles' heel—with weak transparency, inadequate inclusivity, and insufficient public accountability repeatedly cited.

This data analysis demonstrates that CPEC is perceived as a transformative but highly contested megaproject. Its success is not merely dependent on infrastructure completion or trade statistics but on whether it can address underlying concerns of equity, autonomy, and transparency. These findings reinforce the need for inclusive governance, decentralised planning, and continuous dialogue with all stakeholder groups to ensure CPEC evolves into a truly national project rather than a geopolitical transaction.

Discussion

The findings of this study affirm that the China-Pakistan Economic Corridor (CPEC) is not only an infrastructural and economic undertaking but also a profound geopolitical marker that reflects Pakistan's shifting alliances and evolving foreign policy logic in a rapidly changing international system. This discussion analyses these perceptions through the lens of critical geopolitics, dependency theory, and post-colonial statecraft, while grounding the interpretations in both primary data and existing scholarship. A major finding from the interviews and policy documents is the widely held perception that CPEC marks a strategic pivot away from Pakistan's traditional alignment with the West—particularly the United States—towards a deepening reliance on China. This is consistent with the global trend of rising multipolarity, where middle powers like Pakistan are seeking alternative alliances in response to waning Western economic influence and shifting ideological commitments (Khan et al., 2017). Stakeholders viewed this shift not merely as pragmatic but as a necessary reconfiguration of Pakistan's strategic dependencies. One senior foreign policy expert argued that the transactional nature of US-Pakistan relations had fostered a sense of strategic fatigue, making China's long-term infrastructure-oriented engagement more appealing Bhutto and Ramzan (2021). The geopolitical narrative surrounding CPEC thus embodies a symbolic and material reordering of Pakistan's international identity, positioning it more firmly within China's global orbit. The shift has geopolitical ramifications. China's growing military and economic footprint in Pakistan—via Gwadar Port, digital infrastructure, and energy assets—has been perceived as a soft encroachment of Chinese strategic interests into the Indian Ocean and Arabian Sea. This view aligns with Pant's (2017) assertion that India perceives CPEC as part of China's "string of pearls" strategy aimed at encircling it.

The study also reveals that CPEC has intensified India-Pakistan hostility, especially over the corridor's passage through Gilgit-Baltistan—an area claimed by India. Interviewees were unanimous in stating that this territorial dispute has moved from being a bilateral issue to a



Vol.03 No.03 (2025)

multilateral concern, with China's involvement escalating the stakes. Indian opposition to CPEC is thus interpreted not only as a territorial objection but as strategic resistance to Chinese expansionism in South Asia. The intensification of this rivalry has complicated Pakistan's regional posture. Rather than fostering regional integration, as originally envisioned, CPEC has, in some cases, exacerbated regional fragmentation. Pakistan's exclusion from Indian-led regional forums like the South Asian Association for Regional Cooperation (SAARC), and India's closer defence ties with the U.S., Australia, and Japan under the Quad, are partially viewed as geopolitical responses to the growing China-Pakistan axis (Nawaz et al., 2021). This dynamic suggests that while CPEC may offer economic incentives, it also entrenches Pakistan in a geopolitical binary—where alignment with China invites suspicion and resistance from other regional and global actors. The data also reflects an undercurrent of concern among scholars and civil society participants regarding strategic over-dependence on China. While government officials tend to frame the partnership as "win-win," academics and policy analysts voiced unease about the lack of negotiation parity, absence of transparency in contracts, and the growing presence of Chinese firms and labour in strategic sectors. This tension can be interpreted through dependency theory, which posits that infrastructure-based investments—especially when accompanied by loan conditionalities and elite capture—can undermine sovereign decisionmaking capacity in the host country(Nawaz et al., 2020). While CPEC's infrastructure development may boost short-term growth, the strategic long-term trade-off may be a reduction autonomy, especially in sectors tied to energy, ports, surveillance. Furthermore, Pakistan's increasing geopolitical and economic reliance on a single actor could limit its diplomatic flexibility. If tensions between China and the West escalate particularly over issues such as Taiwan, the South China Sea, or global trade—Pakistan may find itself in a constrained position, unable to balance competing alliances. Building on the conceptualisation offered by scholars like Cowen (2014) and Sidaway (2023), this study reinforces the idea that infrastructure is not politically neutral. Roads, ports, and economic zones are embedded with geopolitical meaning. In the case of CPEC, infrastructure is not merely a conduit for commerce; it is a physical manifestation of strategic preference, diplomatic alignment, and power projection. This was particularly evident in Gwadar, which local respondents described as a "fortified zone" more than a participatory city. The control of the port by Chinese state-owned companies, the presence of surveillance systems, and the exclusion of local labour were cited as examples of how geopolitical infrastructure can produce internal exclusion even as it promises national prosperity. Thus, CPEC embodies a paradox: it aspires to integrate Pakistan into global markets, but its governance model and strategic affiliations risk alienating internal constituencies and neighbouring states. Interestingly, respondents also noted that China's strategic narrative-building around CPEC plays a significant role in shaping its legitimacy. Through think tank collaborations, media placements, Confucius Institutes, and diplomatic speeches, CPEC is projected as an instrument of "peaceful development" and "mutual benefit."However, the Pakistani media presents a more ambivalent picture—frequently highlighting debt concerns, opaque agreements, and local displacement. This narrative disjuncture contributes to a fragile consensus around CPEC, where the elite endorsement contrasts with grassroots skepticism. In sum, this study finds that CPEC is perceived as both a strategic lifeline and a sovereignty challenge. The realignment towards China has undeniably strengthened Pakistan's geopolitical bargaining power in the short term, particularly vis-à-vis



Vol.03 No.03 (2025)

India. However, it also introduces structural vulnerabilities—economic, political, and diplomatic—that Pakistan must navigate carefully.

The findings underscore the importance of:

- Diversifying foreign alliances to avoid single-dependency.
- Enhancing transparency in agreements to strengthen public trust and institutional legitimacy.
- Prioritising regional diplomacy with neighbouring countries to reduce confrontation and encourage shared development.
- Localising the benefits of CPEC to ensure internal political stability and equitable growth.

CPEC has become a powerful lens through which Pakistan's aspirations for modernity, sovereignty, and strategic relevance are projected and contested. While the corridor offers undeniable opportunities for regional integration and infrastructural development, its geopolitical dimension introduces both promise and peril. The challenge for Pakistan lies in navigating this strategic partnership in a way that preserves national autonomy, promotes regional peace, and ensures inclusive development.

Conclusion

This qualitative study has explored the multifaceted impact of the China-Pakistan Economic Corridor (CPEC) on Pakistan's regional geopolitics and domestic economy, based on stakeholder perceptions across policymaking, academia, and local communities. The findings indicate that CPEC is not only an economic initiative but also a powerful geopolitical instrument that is actively reshaping Pakistan's foreign alignments, internal development narratives, and strategic posture in South Asia. Stakeholders generally perceive CPEC as a catalyst for infrastructural development, trade facilitation, and energy stability. However, this enthusiasm is tempered by widespread concerns over regional disparities, governance opacity, and increasing dependency on China. While many view CPEC as a symbol of Pakistan's growing geostrategic significance, others warn of the risks associated with surrendering policy space and economic autonomy in exchange for short-term gains. The corridor has clearly realigned Pakistan's strategic orientation from a historically Western-leaning foreign policy to a more China-centric framework. This pivot has generated mixed outcomes: strengthening ties with Beijing while intensifying tensions with India and creating strategic distance from the United States. Internally, the benefits of CPEC have been unevenly distributed, raising concerns about inter-provincial equity and the marginalisation of already vulnerable regions such as Balochistan and Gilgit-Baltistan. The governance structure of CPEC—marked by centralised control, limited transparency, and militarised oversight—has further alienated local stakeholders and weakened democratic accountability. Despite being branded as a national development project, many communities view CPEC as an elite-driven agenda with minimal grassroots participation. In conclusion, while CPEC holds immense potential to enhance Pakistan's regional and global standing, its long-term success hinges on how inclusively, transparently, and strategically it is managed. The project's transformative power can only be fully realised if Pakistan adopts a participatory development model, aligns its strategic autonomy with sustainable partnerships, and fosters equitable growth across all regions.



Vol.03 No.03 (2025)

Policy Recommendations

Institutionalise Transparency and Public Oversight

The lack of transparency in CPEC agreements has fuelled public mistrust and speculation. It is essential that the Government of Pakistan:

- Publishes all CPEC-related contracts and agreements with Chinese entities.
- Establishes a parliamentary CPEC oversight committee with representatives from all provinces and regions.
- Involves independent audit institutions to evaluate project compliance, environmental impacts, and financial sustainability.

Promote Regional Equity and Inclusive Development

To address growing regional grievances, CPEC planning and execution must reflect Pakistan's federal structure:

- Allocate projects more equitably across all provinces, especially in Balochistan and Khyber Pakhtunkhwa.
- Ensure that local labour is prioritised for CPEC-related jobs and that communities benefit from social services like education, healthcare, and infrastructure.
- Establish provincial CPEC liaison offices to incorporate local development priorities into national planning.

Balance Strategic Alliances to Maintain Autonomy

While partnership with China is strategically important, over-dependence poses long-term risks:

- Diversify diplomatic and economic relationships by engaging with regional partners such as Turkey, Central Asia, and ASEAN nations.
- Maintain strategic dialogue with Western powers to avoid geopolitical isolation.
- Encourage investment from multilateral development banks and diversify sources of infrastructure financing beyond Chinese loans.

Strengthen Local Governance and Community Participation

CPEC's sustainability depends on legitimacy at the grassroots level:

- Engage local communities through participatory planning, environmental assessments, and grievance redress mechanisms.
- Protect the rights of indigenous populations and ensure land acquisition processes are fair and lawful.
- Promote social dialogue platforms where civil society organisations, tribal leaders, and local governments can provide input on CPEC developments.

Reframe CPEC as a Regional Peace and Connectivity Project

To reduce regional tensions and promote cross-border integration:

- Collaborate with neighbouring countries to explore multilateral economic corridors linked to CPEC.
- Use diplomatic forums to reassure India and Afghanistan that CPEC is a development—not military—initiative.
- Strengthen people-to-people exchanges, academic partnerships, and regional trade fairs to foster soft power engagement alongside infrastructure diplomacy.

Final Reflection

CPEC has emerged as a defining feature of Pakistan's 21st-century development and strategic agenda. It encapsulates both the opportunities and dilemmas of global connectivity in an era of shifting power dynamics. For Pakistan, the road ahead requires strategic maturity, inclusive



Vol.03 No.03 (2025)

governance, and policy coherence. Only by balancing national interests with regional integration and community participation can the full promise of CPEC be realised—transforming it from a corridor of power into a pathway of shared prosperity.

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Vol.03 No.03 (2025)

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