

CPEC Impact on Balochistan Economy

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I. INTRODUCTION

CPEC was a collection of infrastructure projects that are currently under construction throughout Pakistan. Originally valued at \$46 billion, the value of CPEC projects is now worth \$62 billion. That connected Xinjiang Province to the Gwadar Port city in Pakistan (Ali, 2016). CPEC was intended to rapidly modernize Pakistani infrastructure and strengthen its economy by the construction of modern transportation networks, numerous energy projects, and special economic zones (Hussain & Tom 2015; Kiani & Khaleeq 2016).

The CPEC is one of the signature elements and the “first stop” of China’s pivot to the West under the “One Belt, One Road” (OBOR) mega project. The OBOR project, which Beijing announced in 2013, envisions a series of trade linkages, one overland and one maritime, that was connect China westwards to the rest of Asia, the Middle East, Africa, and Europe (Capital, 2015). The CPEC, which was unveiled by Islamabad and Beijing earlier, in 2013, is a 45.6 billion USD offshoot that was stretch 3,000 kilometers from China’s restive Xinjiang through Pakistan towards its terminus at Gwadar Port, in Balochistan Province. The CPEC is envisaged as a series of commingling projects that was comprise Chinese investments in Pakistan’s transport infrastructure, including roads, airports, and ports, energy economy, and information technology sector (Special, 2016).

The progress on Gwadar Port had been the most significant development task in recent years. Once developed, the port would be a game changer for the province, the China-Pakistan Economic Corridor was open up new avenues of opportunities for the people of Balochistan. It is envisioned that Gwadar would be transformed into an economic hub and was subsequently contribute towards the development of the whole province, resulting in addressing the various economic and

social problems of Balochistan.

Impact of CPEC on Balochistan Economy

The major potential sector, that changed the fate of the province, was mining. The province is full of mineral resources and the mining sector flourished, due to CPEC. The cpec reduced unemployment in local areas. It enabled the local government to develop and enhanced its human resource. Micro and medium small sized industries in Balochistan also contributed towards achieving greater benefits for the local population. The CPEC decisived in shaping a political structure that facilitate economic growth and social order in Balochistan. It was important to point out that the CPEC was not confined to economic collaboration between China and Pakistan. Both the states have mutual political and strategic interests in the region. China wants to bring stability in Pakistan as it can augment China’s efforts of becoming a global power. Security concerns have halted development and deprived balochistan from foreign investments in the past. The willingness of the Chinese businesses to invest in balochistan has provided relief to the country and also an opportunity to address domestic challenges.

Impact of Road Network on Balochistan Economy

Balochistan’s contribution to the economy of Pakistan had not been high and This consequently affected its development. One of the major reasons of that was the geographical ruggedness of the terrain and poor population. For example, Turbat has only a population of 180,000 people and has the most difficult terrain of the western route in Balochistan. Pangjur, a district in the west of Balochistan, comprises three tehsils with a population of around 350,000. Now, with the construction of the western route of CPEC, property value has skyrocketed in these areas where roads

have been built. Other cities like Qalat, Quetta and Zhob was also become more vibrant with the completion of planned road network which was give a boost to economic activities and other development projects under CPEC.

Social and economic activities have picked up in Balochistan due to the construction of road networks as part of the China-Pakistan Economic Corridor (CPEC). Local people have started setting up hotels, shops and houses along the completed portions of the CPEC.

CPEC Impact on Balochistan Industries

This project was included development of industries which was covered service and household appliances, textiles and garment processing machinery. The CPEC was game changer linking up a vast sweep of regional markets from China to Asia to the Middle East to Europe, and opened up new markets with vast trade opportunities, both inter- and intra-regional, worth billions of dollars. Gwadar forms one of the four pillars of CPEC, the other three being energy, infrastructure and industrial development. Balochistan in particular, was benefit tremendously as all the four pillars are strengthened along the western route that was traverse through Balochistan. The proposed sites for industrial zones in Balochistan included major cities of the province Quetta, Gwadar, Khuzdar, Uthal, Hub and Dera Murad Jamali. The proposed mineral economic processing zones was set up in Khuzdar (chromite, antimony), Chaghi (chromite), Qila Saifullah (antimony, chromite), Saindak (gold, silver), Reko Diq (gold), Qalat (iron ore), Lasbela (manganese), Gwadar (oil refinery) and Muslim Bagh (chromite). Already social and

economic change in Balochistan is becoming visible and that were further strengthened because more jobs and business opportunities for youth of Balochistan are created.

II. CONCLUSION

The construction of the western route of CPEC, property value has raised in these areas where roads have been built. Other cities of balochistan was also become more vibrant with the completion of planned road network which was give a boost to economic activities and other development projects under CPEC.

Already social and economic change in Balochistan is becoming visible and that were further strengthened as more jobs and business opportunities for youth of Balochistan are created.

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