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“Unfolding the Socio-Economic Impacts of CPEC on Balochistan”

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ABSTRACT

The China-Pakistan Economic Corridor (CPEC), developed initially as part of China's Belt and Road Initiative, is a transformational project that places Baluchistan at the heart of regional connectivity and economic development. This study examines the socio-economic consequences of CPEC in Baluchistan by assessing completed, ongoing, and planned projects, with a special focus on their impacts on employment, trade, investment, and social development. The infrastructure programmes, such as Gwadar Port, the Gwadar Free Zone, a full road and rail system, and energy projects, have already created opportunities for increased connectivity and industrial growth. However, there are still concerns about the scale of local involvement. The existing list of projects, including the Gwadar International Airport, desalination plants, and free economic zones, testifies to the anticipated acceleration of economic activity. Still, future projects such as the Gwadar oil refinery and the growth of the free zone highlight the province's long-term strategic role in the regional trade system. Besides the economic consequences, the China-Pakistan Economic Corridor has consequential impacts on education, healthcare, housing, and population dynamics, driven by migration and urbanization. However, the challenges that remain relevant are the unfair allocation of benefits, environmental risks, and security threats. As the analysis shows, CPEC can restructure the socio-economic set-up in Balochistan. Yet, its success depends on the introduction of inclusive policy schemes, focused labor development strategies, and an effective government machinery to ensure that the local population receives concrete benefits from the ongoing restructuring.

1. Introduction

The China-Pakistan Economic Corridor (CPEC), launched in 2015 as part of the China Belt and Road Initiative (BRI), is one of the largest bilateral economic and infrastructure development projects in South Asia. CPEC is an early investment project valued at USD 62 billion+, expected to improve connectivity between China's western province and the rest of the world via Pakistan. Baluchistan is one of the central provinces in the corridor, and this is attributed to its large geographical area, abundant natural resources, and the strategically located Gwadar Port, which provides direct access to the Arabian Sea.

Despite these benefits, Baluchistan has remained the least developed province in Pakistan, with high poverty, low industrialization, poor infrastructure, and low literacy. The Pakistan Bureau of Statistics (2020) estimates that the province contributes about 4 per cent of the country's gross domestic product, although it occupies almost 44 per cent of the country's total landmass. This disparity has been aggravated by historical marginalization, a lack of focus in national development planning, and security issues. The recent launch of the China-Pakistan Economic Corridor has been broadly viewed as a possible boost to the province's socio-economic status by increasing infrastructure, building energy projects, and creating industrial zones.

Theoretically, Modernization Theory serves as the guiding framework for the present study. Modernization theory, based on the work of Walt Rostow and other development theorists, holds that underdeveloped societies can develop stably by adopting new technologies, implementing reforms, and pursuing industrialization. In the case of Baluchistan, the China-Pakistan Economic Corridor

(CPEC) could be interpreted as an instrument of modernization, offering opportunities to diversify the economy, create new jobs, and become part of international trade relations. In contrast with dependency or world-systems approaches, which project structural inequalities into the future, modernization theory is a more pragmatic approach to how outside investment and infrastructural development can trigger local development.

This study particularly focuses on the socio-economic effects of the China-Pakistan Economic Corridor (CPEC) in Balochistan by reviewing completed, ongoing, and future projects within the corridor's framework. The goal of this study is to critically assess whether CPEC is actually living up to its promises of reducing regional inequalities and promoting long-term development in Balochistan.

2. Theoretical Framework: Modernization Theory and CPEC in Balochistan

The reason is that the conceptual framework used to assess the socio-economic impacts of the China-Pakistan Economic Corridor (CPEC) in the Balochistan region is modernization theory. The theory, developed in the middle of the twentieth century by researchers like Walt W. Rostow, holds that the underdeveloped countries can develop in a series of developmental phases, beginning with traditional subsistence economies, and moving to industrialisation, urbanisation, and integration into the world markets (Dorrell D et al., 2024). One of the key postulates of the theory is the assumption that external investment, technology transfer, and infrastructure development serve as drivers of modernization in less developed regions.

In the Balochistan case, the province has been historically underdeveloped compared

to other Pakistani provinces in terms of industrial development, Literacy, and socio-economic development. CPEC projects such as the expansion of Gwadar Port, the construction of energy generation plants, and the development of roads are among the interventions that fall well within the prescriptions of modernization theory. The corridor will enable the physical infrastructure (roads, railways, and ports) required to link Balochistan to national and international markets, which is a critical developmental phase in Rostow's take-off stage. Moreover, the modernization theory focuses on the spread of new technology and institutional practices. CPEC enables this through the creation of Special Economic Zones (SEZs), renewable energy plants, and communication systems, which are expected to encourage industrialization and local entrepreneurship. These initiatives generate employment opportunities that help bring about social transformation by reducing poverty, increasing literacy levels through better access to educational facilities and vocational training, and fostering the emergence of the urban middle class, which can stimulate economic growth (Khan & Naeem, 2025).

Simultaneously, the theory explains why the China-Pakistan Economic Corridor (CPEC) is capable of supporting the structural problems specific to Balochistan. CPEC will be aligned to minimize regional disparities through modernization, by better integrating the province into national development agendas and international trade routes. An example of the operation of infrastructural modernization that can lead to the development of multiplier effects in various industries is the case of Gwadar Port as a regional trade center, which has created a multiplier effect (fisheries, logistics, tourism, etc.) as a result of the development of the port (Khan, O. R, et al., 2025).

Despite opponents' arguments that modernization theory can be insensitive to inequality or dependency issues, its relevance in this regard lies in its ability to conceptualize the China-Pakistan Economic Corridor as a path of development rather than a process of exploitation. Placing CPEC in the context of modernization theory, the current study demonstrates that strategic investment, technological innovation, and institutional reform may mutually support the transformation of Balochistan from a sphere of underdevelopment to continuous economic growth.

3. Socio-Economic Impacts of CPEC in Baluchistan

3.1. Completed Projects

As several of the so-called early-harvest initiatives have been institutionalized into the China-Pakistan Economic Corridor, Balochistan has seen visible changes in its infrastructure, trade capacity, and local economic activity. Yet, many of the socio-economic impacts remain uneven and disputed.

3.1.1 Gwadar Port and Gwadar Free Zone (Phase I)

Gwadar Port is the flagship completed project under CPEC for Balochistan. The port, under the operational management of China Overseas Port Holding Company (COPHC), has been developed into a deep-water port with multiple berths to handle bulk and container cargo. The Gwadar Port and its adjacent Free Zone (Gwadar Free Zone Phase I) have been designated as the primary logistics and industrial hub for the corridor. According to the CPEC Authority and the Gwadar Port official pages, the Development of Port and Free Zone is listed among completed projects and the Free Zone has attracted multiple enterprises: the CPEC progress updates report that 46

enterprises had registered for investment in the Free Zone and that first import-export cargo for the Free Zone was received on 7 April 2021 (Chawla & Jacob, 2024). These early operational milestones indicate that port-linked trade activity has begun, creating direct and indirect economic opportunities in logistics, warehousing and port services.

However, the distribution of revenue and benefits has raised concerns. Parliamentary reporting and port data indicate that the revenue-sharing arrangements and operational control favor the Chinese operator in the early years, limiting the fiscal benefits accruing locally. For instance, Ghana-period reporting to Pakistan's Senate indicated relatively modest gross revenue figures for the port in early years, underscoring how port operations were ramping up slowly (Zhao, P. W., & Munadi, S. M. 2023).

3.1.2. Gwadar East Bay Expressway (Early-harvest connectivity)

One of the most visible completed infrastructure projects is the Gwadar East Bay Expressway a 19 km, six-lane expressway linking the port to the Makran Coastal Highway and the broader highway network. The expressway, developed as part of CPEC's "early harvest" program, was inaugurated and opened for traffic in June 2022, providing an immediate reduction in port-city transit times and improving cargo access to national road arteries (Pakistan Today, 2022; CE.cn, 2022). The expressway's completion improved logistics efficiency for port operations and increased the feasibility of domestic supply chains linking Gwadar to Karachi and other markets.

3.1.3 Early Cargo, Free Zone Activity, and Enterprise Registration

CPEC Authority reports the first imports/exports through the Gwadar Free Zone. It states that dozens of enterprises

have registered to operate in the Free Zone (finance, warehousing, food processing and other services). Although the total volume of trade at Gwadar is currently quite small compared with Pakistan's main seaports, early cargo operations are a pointer to the end of construction and the transition to operational functionality. This change creates new employment opportunities in logistics and customs clearance, warehousing, and auxiliary services at the local level. Investor interest in economic activities near the port is evident in enterprise registrations (Dawn, 2021), but this activity remains limited in scale and scope.

3.1.4. New Gwadar International Airport — operational milestone

One major complementary project is the New Gwadar International Airport, which spans a large area and was funded under the Belt and Road Initiative (BRI) / China-Pakistan Economic Corridor (CPEC). The airport became operational in 2024 and is expected to serve hundreds of thousands of people every year, according to AP, it should be about 400,000 passengers per year. The facility will improve connectivity for passengers and cargo between Gwadar, boosting business travel, tourism, and the transfer of high-value or time-sensitive goods within a short timeframe. Its operationalization reflects an accomplished infrastructure prospect that supports the multi-modal connectivity projected by CPEC for Gwadar (Ministry of Planning, Development & Special Initiatives, 2025).

3.1.5. Local socio-economic implications of these completed projects

- **Employment & Services:** This is because the completion of these projects created a diverse range of jobs, largely temporary construction jobs and new operational jobs in port services, road maintenance, security,

and airport operations. However, several independent analyses and media reports indicate that skilled and supervisory positions are often filled by non-local staff (contracted firms and Chinese technical teams), which limits immediate local income multipliers. It seems that early registration of businesses in free zones gives local service providers an opportunity to secure new business, although the actual situation in this regard suggests that the involvement of the local workforce in more skilled jobs remains insufficient (Javaid, 2016).

- **Connectivity & Trade:** The East Bay Expressway and initial port operations have reduced logistics friction and created a viable corridor for nascent trade flows. While cargo volumes remain modest compared with Karachi and other ports, the completed connectivity infrastructure is a necessary precondition for future trade growth and industrial activity in Gwadar and adjoining districts (Afzaal, M. 2020).
- **Demographic & Urban Effects:** Port and infrastructure completion have accelerated in-migration and real estate interest in Gwadar. Official and census figures show a rising population in Gwadar district—from previous census counts to updated district estimates (PBS and district profiles). Increased urban demand spurs housing, retail, and local services, but also raises the risks of displacement, rising living costs, and pressure on scarce water and sanitation resources. Environmental reporting warns of climate-related vulnerabilities (flooding, coastal erosion) that complicate unplanned urban

expansion around the port and newly opened infrastructure (Imran, M, et al., 2021)

- **Security & Political Context:** Completed projects have not been insulated from insecurity. Attacks targeting infrastructure and personnel have occurred; for example, security incidents around Gwadar port in recent years illustrate ongoing risks to project continuity and local perceptions of insecurity. Such incidents affect investor confidence, increase security costs, and can limit local populations' ability to access project benefits in a stable manner (Wahid, 2017).

Completed early-harvest projects have physically transformed parts of Gwadar's transport and logistics architecture and have initiated commercial activity in the Free Zone and at the airport. These deliverables form the core of long-term development in port capacity, expressway, and airport infrastructure. However, the socio-economic benefits are still preliminary: the employment returns have been so far mostly of low-skilled and temporary types of construction activity; the revenues to local institutions are still small in the first years of operation; and social and environmental issues such as migration, urban service delivery, and climate risk will have to be addressed through proactive governance. Simply put, the implemented projects have provided a base of infrastructural support for future growth; nevertheless, turning this support into systematic long-term socio-economic gains of the population of Balochistan will rely on inclusive hiring approaches, the creation of local suppliers, effective revenue-sharing systems, and efficient

environmental and security control (BiBi et al., 2023).

Table 3.1. Completed Projects under CPEC in Baluchistan and their Socio-economic Effect

Project	Year Inaugurated / Operational	Key Figures	Socio-economic Effect
Gwadar Port (operational phases) & Gwadar Free Zone Phase I	Operational phases since 2016; Free Zone first cargo 7 Apr 2021	46 enterprises registered (Free Zone); first import-export through FZ: 7 Apr 2021; COPHC operator	Initial port operations created logistics and services jobs; limited local high-skilled employment; nascent trade flows; concerns about revenue share and local benefit distribution
Gwadar East Bay Expressway	June (opened traffic) 2022 for	19 km, six-lane expressway connecting the port to the Makran Coastal Highway	Reduced transit times, improved cargo access, enhanced logistics efficiency, and enabled better connectivity to Karachi and the national road network
New Gwadar International Airport (NGIA)	Became operational in 2024	Designed capacity ~400,000 passengers/year (initial phase); modern runway and terminal	Improved passenger and air cargo connectivity; supports business travel and tourism; boosts prospects for high-value/time-sensitive trade
Early Free Zone Cargo & Enterprise Registration	First Free Zone cargo: 7 Apr 2021; enterprise registrations ongoing since 2019–2021	Dozens of enterprises registered (reported 46); early imports/exports small but symbolic	Creates jobs in customs, warehousing, logistics and services; early phase limits local supplier integration and higher-skilled roles
Construction & Temporary Works (CPEC early-harvest construction phase)	2016–2022 (peak construction years)	Large-scale construction workforce during build phase; significant Chinese contractor presence	Temporary employment spike (construction); many skilled/supervisory roles filled by non-local or foreign specialists; limited long-term local employment retention

1. Ongoing CPEC Projects in Balochistan

One of the most impactful ongoing projects under the CPEC in Balochistan is the New Gwadar International Airport (NGIA). Despite the airport opening in 2023 and partial operationalization in 2024, the full-scale expansion is underway. The Chinese grant of around USD 230 million is designed to develop a modern aviation hub that will accommodate 400,000 passengers in the first phase, with any further capacity expansions taking the form of future upgrades (Ali, 2025). The airport will enable Gwadar to provide direct links to local and international markets through its planned layout, supporting passenger and cargo operations. This connectivity is bound to bring about significant gains through business travel, tourism, and ease of trade, which may be time-sensitive. However, the magnitude of the local socio-economic benefits will depend on the successful incorporation of the workforce and the development of aviation and logistics-related economic opportunities into surrounding local communities (Ahmad et al., 2025).

Other significant areas of interest have been energy infrastructure, specifically the Gwadar Coal Power Plant, a 300 MW facility. The plant was started in 2019 as a Chinese-funded project that can be operational in 2025 (PPIB, 2022). This project aims to alleviate the chronic energy crisis that has hindered residential development and industrialization in Gwadar in the past. The new electricity supply will provide a stable electrical infrastructure to the Gwadar Free Zone, industries and residential development plans. However, coal dependence has also drawn the attention of some environmentalists, with civil society in the area highlighting the need for renewable energy sources to prevent the destruction of the ecological

balance along the ecologically sensitive Makran coast (Hatim & Irfan, 2025).

Besides power generation, water shortages have always been a major problem for the Gwadar population. The current Gwadar Desalination Plant, which was funded by Chinese government grant is designed to generate 1.2 million gallons of drinking water per day. The facility is projected to achieve full operational capacity in 2025, providing drinking water to more than 100,000 residents, significantly increasing the livability of the city along with the ability to serve bigger populations, as a result of urbanization, which CPEC will enable (Pakistan Today, 25th July 2025). Without a credible water supply, the growth of Gwadar has been limited; thus, the desalination plant is seen as a key driver of long-term socio-economic change.

Gwadar has special economic zones (SEZs) and ongoing industrial development projects. The Gwadar Free Zone Phase II, covering 2221 acres, is in progress as a multi-industry hub, unlike the 60-acre Phase I, which reached a partial operational stage in 2021 (CPEC Authority, n.d.; ISSI, 2021). The growth includes petrochemical, warehousing, manufacturing facility, and support area. Over 40 enterprises have already enrolled to operate in the Free Zone, according to available reports (Khan, 2022).

Phase II should create thousands of jobs and attract significant foreign direct investment (FDI) once it becomes fully operational. However, it is also worrying that employment opportunities should be inclusive of locals; previous stages relied more on imported labour and skills than on training and hiring locals (COPHC, 2022).

The current projects in Gwadar, in totality, highlight the discursive potential of the China-Pakistan Economic Corridor as well as the risks that come with it. Despite these

projects being geographically located to promote enhanced connectivity, energy security, and industrial growth, their ability to deliver fair benefits to marginalized communities in Baluchistan will depend on transparency in governance, the development of a local workforce, and environmentally sustainable planning.

2. Future/Planned CPEC Projects in Balochistan

The future trend of the China-Pakistan Economic Corridor (CPEC) in Balochistan is based on massive infrastructure, energy, industrial, and connectivity projects that aim to transform Gwadar and the surrounding regions into a trade hub. One of the most impactful upcoming projects is the Gwadar Oil Refinery, a prospective 10 billion-dollar project to be constructed by a consortium of stakeholders led by Saudi Aramco, with Chinese stakeholders involved. It is estimated that the refinery will handle between 250,000 and 300,000 barrels daily, making it the largest refining plant in Pakistan and likely to create thousands of jobs for local communities and reduce dependence on imported refined petroleum (Samad, 2025).

The other significant project is the proposed Gwadar Petrochemical Complex, which is set to boost the Pakistani downstream energy sector further. The project is expected to attract foreign direct investment of more than US 4 billion and make a major contribution to the value-added sector, especially in the manufacture of plastics, fertilizers, and chemicals. It is anticipated that such industrial development will involve integrating Balochistan into the global supply chain and, at the same time, enable the local labour force to access employment and training opportunities (Arab News, 2021).

Additionally, connectivity projects are one of the key pillars of the future of the China-Pakistan Economic Corridor in Balochistan. Intended to connect Gwadar Port to the national rail system and the wider Central Asian trade area, planned links, including the Gwadar-Jacobabad railway (some 1,100 km), are to be incorporated into the national rail network. This project, estimated to cost 2.5 billion dollars, should not only increase the efficiency of cargo transportation but also lower logistics expenses and make Balochistan a strategic transit hub (Ministry of Railways, 2024).

The further expansion of Special Economic Zones (SEZs) is also listed as a priority of the second stage of the China-Pakistan Economic Corridor (CPEC). The Gwadar Free Zone, spread over Phase II on 2221 acres, is being marketed as a light manufacturing, logistics, and export-focused zone. Along with this, they have proposed new SEZs in Lasbela and Turbat, with a strategic focus on fisheries, mineral mining, and agro-processing. These industrial clusters will also be expected to diversify the province's economic base and create alternative sources of income for local populations (Ministry of Planning, CPEC Secretariat, 2025).

Moreover, several water, energy, and social development projects are being discussed, such as a 5 MGD desalination plant in Gwadar, the expansion of renewable energy projects related to parks in coastal areas, and vocational training schools to educate the local youth to work on CPEC projects. These initiatives indicate a move beyond strictly infrastructural investment toward human capital and social upliftment, which is critical to guaranteeing long-term socio-economic gains for the Balochistan population (CPEC Secretariat, 2025).

Altogether, the above-mentioned initiatives support the direction in which the China-

Pakistan Economic Corridor (CPEC) is heading, making Gwadar a diverse economic hub and, consequently, providing concrete socio-economic benefits in terms of job creation, industry diversification, trade expansion, and regional development.

6. Socio-economic Impacts of CPEC on Balochistan

6.1. Employment Generation and Human Capital Development

Balochistan has a lot of employment opportunities, boosted by CPEC projects. The Ministry of Planning has indicated that over 75,000 direct employment opportunities have been generated in Gwadar alone due to port construction, the development of free zones, and related infrastructure development projects. Gwadar Free Zone (Phase 1) offered an estimated 1,200 jobs, and Phase 2 is expected to offer more than 20,000 direct jobs when fully operational. Also, other training programs associated with the Gwadar Technical Institute and vocational centers are training youth in Gwadar in skills such as port management, logistics, and technical trades, increasing human capital.

6.2. Trade and Connectivity Enhancement

Balochistan has been made much more connected with the domestic and foreign trade routes, and this is possible thanks to CPEC. This was due to the 2022 direct connection of the port to the Makran Coastal Highway via the 19km Gwadar Port Eastbay Expressway, which has shortened the transport time of goods by almost 40%. The cargo volume via Gwadar has consequently been growing, and pilot container shipments in 2021 have demonstrated the port's viability as a trade gateway. That Gwadar-Jacobabad railway line, 1,087km long, will also tie Balochistan to national and Central

Asian markets, which may have a capacity of 13 million tonnes of cargo per year when operational.

6.3. Energy Security and Industrial Development

Baluchistan projects lead to increased local availability and industrial capacity. It is expected that the 300-MW coal-fired power plant, projected for Gwadar with an estimated cost of US 542 million, will reduce chronic power shortages in the port city and provide electricity to future Special Economic Zones (SEZs). There is also an emphasis on sustainable energy sources in the proposed solar park in Hub, under the renewable initiatives. The proposed US 10 billion oil refinery and petrochemical complex is likely not only to reduce reliance on imported refined fuel, but also to develop an industrial base of the downstream industry, creating thousands of skilled and unskilled jobs.

6.4. Social Development: Water, Education, and Healthcare

Social deficits are also solved through CPEC investments. The desalination facility, which commenced operations in 2025 with a capacity of 1.2 MGD, currently provides clean drinking water to Gwadar City, home to almost 100,000 people. Projects like the Gwadar Vocational Institute aim to educate local people to create a talented local labor force that meets factory requirements. In the Gwadar area, the healthcare facilities under the social sector of CPEC include improved hospitals and clinics that did not previously offer tertiary care.

6.5. Economic Diversification and Local Livelihoods

The diversification of livelihoods is being made easy by CPEC special economic zone (SEZ) expansions and fisheries development projects. In Gwadar, the fishing population,

which generates about 70 percent of the local revenue, has been on the receiving end of improvements to cold storage and harbor facilities. It is estimated that the volume of seafood exported from the country will rise from US\$250 million per annum to more than US\$500 million by 2030, provided that logistics and trade access improve. Moreover, the mining and mineral-processing initiatives of CPEC are also expected to help add value to Balochistan, which has a huge resource base in the copper, gold, and marble industries.

Even with the reported benefits, major challenges remain. Empirical data show that a high percentage of employment related to the China-Pakistan Economic Corridor (CPEC) is filled by skilled labor that is not indigenous to the area, due to a lack of technical skills at home. The Gwadar port has raised concerns among local stakeholders, who have expressed concern about the uneven distribution of economic gains and about how Gwadar has been receiving most of the investments, leaving the interior of Balochistan relatively underdeveloped. Besides, the problems of land acquisition, displacement, and environmental degradation arising from coal-based projects also add to the complexity of the trade-offs involved in the socio-economic transformation of CPEC.

7. Policy Recommendations

Although CPEC offers significant opportunities to Baluchistan, policymakers must ensure the project's benefits are inclusive and sustainable. The subsequent policy guidelines aim to address the issues outlined in the previous paragraphs and ensure that CPEC will support the region's long-term development.

7.1 Inclusive Development Strategies

One of the long-term issues associated with the China-Pakistan Economic Corridor (CPEC) in Baluchistan is the unfair distribution of gains. To address this problem, it is necessary to introduce policies of inclusive development that ensure the involvement of indigenous communities in the design and implementation of projects in the spheres of education, medical care, and jobs. Besides, local stakeholders, such as Baloch nationalists and local leaders, should be involved in decision-making to ensure that CPEC development does not exclude the regional population.

7.2 Transparency in CPEC Governance

There is a strong urge for greater openness in the governance structures of CPEC projects, particularly in project implementation, fund distribution, and job creation.

7.3 Capacity Building for Local Workforce

To ensure that Baluchistan is able to maximize the benefits of the China-Pakistan Economic Corridor (CPEC), there is a need to invest in capacity building for the local workforce. This involves availing vocational training programs, technical education programs, and the development of entrepreneurship programs that will equip residents with the necessary skills to fill job opportunities created by CPEC-related projects.

7.4 Sustainable Use of Natural Resources

The Reduction of the Environmental Impact of the China-Pakistan Economic Corridor (CPEC) requires policymakers to focus on sustainable development practices. This involves enacting stringent environmental protection for infrastructure and energy projects, as well as selective investment in

alternative energy sources like solar power, which will reduce reliance on fossil fuels.

7.5 Strengthening Security with Local Participation

Finally, the security improvement in Baluchistan cannot be overlooked for the successful implementation of the China-Pakistan Economic Corridor. The security strategies should focus on community involvement and be closely coordinated with local law enforcement agencies to enhance local stability. Enlisting security troops from among the natives not only ensures the security of the CPEC infrastructure but also fosters trust between the federal government and the Baluchistan people.

8. Conclusion

The China-Pakistan Economic Corridor (CPEC) has the potential to significantly transform Baluchistan, providing opportunities for economic development, infrastructure development, and regional integration. Nevertheless, the consequences of this trend are complex, which implies both positive and negative effects. The strategic infrastructure projects of CPEC, such as the development of Gwadar Port, special economic zones (SEZs), and power plants, are set to deliver significant economic benefits, including job creation, increased trade connectivity, and increased investment in Baluchistan. This may make the province a major economic centre in the region by laying the groundwork for long-term economic development. However, CPEC has a socio-economic impact with considerable challenges. Poor distribution of benefits remains a significant issue, as the gains of CPEC might be skewed towards urban areas, particularly Gwadar, without corresponding development in rural and marginalized Baluchistan. In addition, there is concern over environmental degradation, opposition in the locality, and political

instability; thus, remediation is essential to ensure that the gains of CPEC are distributed equally among local people.

To achieve the full potential of the China-Pakistan Economic Corridor (CPEC) in Baluchistan, development policies should be designed and implemented. This involves organized community involvement in decision-making processes and taking the initiative to implement actions that ensure the fruits of development are shared fairly across the province's different areas. Besides, the development of local human resource potential, the facilitation of transparency, and the implementation of sustainable solutions are essential to building a balanced and successful future for Baluchistan. To sum up, even though CPEC is a rather good prospect for socio-economic progress in Baluchistan, its successful outcomes will be subject to fundamental preconditions: the effectiveness of the challenges government and the level of development activities being inclusive, sustainable, and sensitive to the local needs of the population.

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