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**CHINA-PAKISTAN ECONOMIC CORRIDOR: OPPORTUNITIES AND CHALLENGES FOR LOCAL INHABITANTS OF GWADAR, BALOCHISTAN**

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**Abstract**

This study attempts to explore the opportunities and challenges provided by the China-Pakistan Economic Corridor (CPEC), focusing on its positive and negative impacts on the economy of the local population of Gwadar, Balochistan. Gwadar, which is considered the epicenter of CPEC, has gained national and international attention. This study strives to explore the socio-economic impacts of CPEC on the local inhabitants and to see how the local people see the impacts of CPEC-related mega projects on their lives and livelihoods. This study has adopted a qualitative approach with a grounded theory research design for data collection and analysis. Extensive ethnographic fieldwork has been conducted in Gwadar in which data was collected through a variety of methods, including personal observations and in-depth interviews with sixty-six participants belonging to various groups of local people- fisherfolks, relocated people, daily wage laborers, local political workers, government officials, small businesspersons, and students. It was found that initially when CPEC was launched, the local people expected much in terms of improvement in their social and economic well-being; however, over time, they faced numerous challenges to their livelihood, including poverty, relocation, lack of marketable skills, shortage of drinking water, and excessive electricity shortfall, which resulted into dissatisfaction and unrest among the local people. It was found that most of the local people appreciate the ongoing development due to mega projects and acknowledge to have received benefits in many ways. However, they feel increasingly excluded from the development process, creating feelings of alienation among the local people. The study suggests measures to mainstream the local people into the growing economy of Gwadar.

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## **1. Introduction**

The China-Pakistan Economic Corridor (CPEC) has resulted in socio-economic opportunities as well as challenges to the livelihood of local inhabitants of Gwadar, Pakistan. Gwadar, a small fishing town on the southern tip of Balochistan Province, has been projected to be central to the CPEC projects. Gwadar has become important because of its geopolitical location, coastline, and particularly, its deep-sea port. CPEC is considered a flagship development initiative of China's One Belt and One Road (OBOR) initiative (Hali, 2016) and China's larger ambition is to create a new "Silk Road" of land and sea trade channels that will link China with the regions of the globe, such as Asia, Africa, and Europe (Malik, 2016). It is a comprehensive economic development initiative to connect the port city of Gwadar to the northwestern region of the Xinjiang province of China via highways, railway, oil, and gas pipelines. It aims to bring prosperity, growth, and infrastructure development to the region (Hali, 2016).

CPEC, which comprises several developmental projects related to energy, health, education, infrastructure for transportation, railway lines, and special economic and industrial zones, is considered a game-changer not only for the economy of Pakistan and China but also for the entire region. Some of its projects are constructed in Gwadar, such as the Pak-China Friendship Hospital, Free Economic Zone, Gwadar East Bay Expressway, technical and vocational training institute, New Gwadar International Airport, and water supply scheme (Ahmed, 2017; China Pakistan Economic Corridor Authority, 2023). It is anticipated that the megaprojects of CPEC will benefit the province of Balochistan more than any other province of Pakistan (Khan & Ya, 2022).

There has been much discussion regarding the economic potential of Gwadar and its importance in the development of the region, but less attention has been paid to the challenges faced by the local population. Therefore, this research has been designed to investigate the socioeconomic impacts of CPEC on local inhabitants and how they perceive the impacts of CPEC's development initiatives on their lives. Keeping in view that usually "a mixed reaction of the local population has been observed to new mega-development projects" (Kanwal, Chong, & Pitafi, 2019), this study explores both the perceived positive and negative impacts

of CPEC-related projects on the socio-economic conditions and the existing livelihood patterns of the local population in Gwadar.

### **1.1. Objectives of the Study**

1. To explore the opportunities and challenges for local inhabitants associated with the development initiatives of CPEC in Gwadar.
2. To examine the worldview of local inhabitants about the opportunities and challenges of CPEC in Gwadar.
3. To provide policy recommendations for making CPEC more useful to the local inhabitants of Gwadar.

## **2. Literature Review**

The term ‘mega-project’ is used for a project with significantly higher aspiration levels, scale, actor engagement, implementation duration, complexity, and impacts than a typical construction project (Flyvbjerg, 2017). Megaprojects, which are often significant transformational initiatives that involve a wide range of stakeholders with various interests, frequently cost more than 1 billion dollars to develop and take a longer period (Flyvbjerg, 2014). Large-scale megaprojects alter the current environments and social patterns of the neighborhood such that the local population finds it troublesome, difficult, and frightening (Ferguson, 1999). The design, location, magnitude, and breadth of physical infrastructure reflect power dynamics in the community. Generally, dominant socio-economic groups benefit from the opportunities of megaprojects, whereas low-income communities usually face the negative effects of vulnerability, pollution, gentrification, ghettoization, and geographic isolation. Inhabitants often bear disproportionate financial, social, ecological, and economic burdens (DeGood, 2020). Megaprojects have long been on the global agenda of policymakers. The positive benefits of megaprojects are frequently presented at the national level, while the negative consequences are greatly felt at the local level and are ignored in most literature on megaprojects (Delphine & Spit, 2019). While the advantages of megaprojects are anticipated at higher levels, their implications and adverse effects are often visible at local levels. These may include social polarization (Moulaert, Rodríguez, & Swyngedouw, 2003), displacement (Gellert & Lynch, 2003), and environmental and social impacts (Gilbert, Woodhouse, Stieb, & Brook, 2003; Brookes & Locatelli, 2015). Therefore, the positive and negative consequences on the local population are rarely balanced by megaproject practices. Due to this, inhabitants living in proximity to the projects are usually disadvantaged during the development process. Moreover, megaprojects have the potential to help a city economically and intangibly in terms

of pride and identity. However, these beneficial effects frequently do not trickle down to local communities (Delphine & Spit, 2019).

The literature on stakeholders' management significantly emphasizes those stakeholders who have access to megaproject resources, while largely ignoring the impact of the projects on secondary stakeholders (i.e., the local population). The inclusion of the local community's opinions during the planning phase and the continuous monitoring of megaproject impacts on residents are vital measures for enhancing project performance. The inescapable consequences of megaprojects necessitate a practical approach to address the perspectives of the affected communities (Di Maddaloni & Davis, 2017). Khizar & Ahmad (2022) underscored the significance of stakeholders' ownership for the success of CPEC projects, emphasizing the need for federal, provincial, and security authorities in Pakistan to acknowledge the importance and prioritize stakeholders' engagement over suppressing dissent and criticism. A well-planned and strategic implementation of CPEC projects can mitigate conflict between federal and provincial governments or within provinces and create a conducive environment. The positive outcomes of a well-executed CPEC could contribute substantially to economic progress and development in Pakistan. As Iftikhar et al. (2019) have highlighted, making Gwadar a 'Smart City' and a 'Special Economic Zone' is discussed a lot but making Gwadar an 'inclusive city' is little debated. Hence, an inclusive stakeholders' management approach is imperative for the successful implementation of CPEC and for ensuring the holistic development of Gwadar City.

Globally, economic corridors are specifically designed to support economic growth and promote development (Ahmed, 2017). Similarly, CPEC, an economic game-changing corridor, aims to address economic difficulties, alleviate poverty, promote peace, prosperity, and stability, and enhance regional and national economies. It consists of several megaprojects aimed at developing public facilities and infrastructure, industrial and energy manufacturing plants, the Gwadar port, railways, and gas pipelines (Khan & Ya, 2022; Khizar & Ahmad, 2022). CPEC has the potential to improve the socioeconomic conditions in Balochistan province and the region by bringing a significant amount of foreign direct investment from China. It offers numerous opportunities and development initiatives to Balochistan due to the geostrategic importance of Gwadar. The province benefits from CPEC due to its geographic location through roads, railway track oil and gas pipelines, electrical transmission lines, and commerce routes with China's landlocked Central Asian Republics, and the Middle East(Khan

& Ya, 2022). In addition, some other important projects including dams, highways, railway lines, nuclear power plants, and textile units are creating multiple jobs.

However, it is yet to be seen whether the benefits of CPEC will equally trickle down to the common people, especially the indigenous people who have been living for centuries in Gwadar. Balochistan is already the poorest province in Pakistan, with significant socio-political unrest due to local people's perceived discrimination. The existing sociopolitical strife would worsen if the newly gained economic bounties were distributed inequitably. In short, understanding the local economic, social, and political dynamics of Gwadar is important for analyzing the implications of CPEC-related development projects on the native inhabitants.

### **3. Methodology**

This study adopted a qualitative research paradigm with grounded theory as the framework. Grounded theory (Glaser & Strauss, 1967) was employed as a research paradigm to understand and investigate the social phenomenon under study 'from the viewpoint of those involved' (Andersen, Inoue, & Walsh, 2013). The universe of this study was the port city of Gwadar. Purposive sampling, a non-probability selection technique, was used to recruit participants from different socio-economic backgrounds to gain a comprehensive insight into the socio-economic status of inhabitants in Gwadar. All the participants were local inhabitants of Gwadar City belonging to various groups: fisherfolks, relocated people, daily wage laborers, local political workers, government officials, small businesspersons, and students. Ethnographic fieldwork was carried out over an extended period and data were collected through a variety of methods, including in-depth interviews with sixty-six participants. The interviews were conducted in the local Balochi language which were later transcribed and translated into English by the first author who is a native speaker of the language. In grounded theory research, the researcher collects data from the participants until data saturation is reached (Urquhart, 2013). An in-depth interview is the most recommended tool for data collection in qualitative studies using the grounded theory method (Stern & Porr, 2017). The collected primary data were analyzed by applying the procedure and method of grounded theory.

### **4. Findings of the Study**

This section discusses the findings of the study, including the opportunities and challenges faced by the local inhabitants of Gwadar owing to the inception of CPEC mega development projects and their impacts on their lives and livelihoods.

#### 4.1. CPEC: Avenues of Opportunities for Local Inhabitants

CPEC, a 63 billion US-dollar economic development initiative (Ali, 2020), holds the promise of addressing economic difficulties, alleviating poverty, promoting peace, prosperity, and stability, and enhancing regional and national living standards (Shahzad et al., 2023). The megaprojects under CPEC aim to improve the socioeconomic situation in Balochistan by attracting foreign direct investments from China, creating jobs, developing infrastructure, establishing special economic zones, and transforming the province into a corridor of regional trade. Gwadar's geostrategic importance in the CPEC initiative further presents significant opportunities and development prospects for the province (Khan & Ya, 2022).

The following section discusses the positive impacts and opportunities of CPEC for the local people of Gwadar in particular, and Balochistan in general.

##### 4.1.1. Infrastructure Development

CPEC has significantly improved Gwadar's infrastructure, symbolizing progress and prosperity by boosting economic activities and creating employment opportunities in neighborhoods where megaprojects are implemented. CPEC initiative encompasses several infrastructure development projects, including building roads, railway tracks, ports, and power plants. In the context of Gwadar, key infrastructural elements such as Gwadar's Port, Pak-China Friendship Hospital, Pak-China Technical and Vocational Institute, New Gwadar International Airport, Parks, Stadiums, and more contribute to the city's development. Study participants appreciated these infrastructure developments, citing tangible benefits like improved transportation infrastructure, recreational spaces, and enhanced city aesthetics, including lighting, and beautification. A male participant stated, "CPEC has improved Gwadar's infrastructure, and the infrastructure is now much better than before." Similarly, a male employee added,

*"Roads are being made to link all the nearby towns and villages to the city of Gwadar. The impact of the CPEC is positive in the context of infrastructure development. For example, the construction of Marine Drive provides economic opportunities as locals have installed tea and fry cafes where people sit and take tea in the evening and walk on the footpath of the road. CPEC will bring more prosperity and changes to Gwadar."*

Roads bring business, trade, tourism, and other opportunities to the local population. The Marine Drive Road exemplifies the positive impacts of CPEC because it has produced economic opportunities for locals. A female community worker stated,

*“Different roads are being constructed to connect Mondri (name of a village), Pishukan (name of a town), and other villages and towns, cities, and provinces to Gwadar City after the inception of CPEC. And our mobility is easy now.”*

Villages, towns, cities, and provinces are connected to Gwadar via different link roads, motorways, and highways, which significantly contribute to the economy of the local people of Gwadar and Balochistan as a whole. CPEC will have an immense impact on Pakistan’s economy, especially through the construction of new infrastructure intended to improve communication between Pakistan and China (Khan et al., 2023). A student mentioned,

*“Before CPEC and the development of the road from Gwadar to Quetta, our elders traveled to Karachi for eight to nine hours then stayed there for one night then the next day traveled to Quetta for about 10 to 12 hours but now on the same day within 12 hours we reach Quetta from Gwadar. This is a beneficial and positive change for us from CPEC.”*

The roads connect the rest of Balochistan and Pakistan to Gwadar. The newly constructed M-8 motorway connects Gwadar to Quetta via Turbat, Panjgur, Basima, Surab, and Ratodero via Basima, Khuzdar, and Shahdadkot. Before this road, the people of Gwadar first traveled to Uthal Zero point (Lasbela) or Karachi then from there moved to Quetta but now they travel from Gwadar to Quetta within 12 hours. The development of roads not only reduces the traveling distance but also results in optimum changes in the socio-economic dimensions of Balochistan and Pakistan. CPEC initiatives improve connectivity and transportation infrastructure, reduce the cost and duration of travel, and generate business and employment opportunities (Khan et al., 2023). Furthermore, a female participant stated,

*“If I compare how Gwadar was 10 years ago and how it is now, then I see many changes and developments in every aspect of Gwadar. All these changes are the result of CPEC. .... The city looks beautiful with wide roads, buildings, educational institutions, hospitals, restaurants, football, and cricket stadiums, parks, etc. and people are better facilitated in education, health, employment, and business opportunities.”*

CPEC has brought about multiple positive changes in Gwadar by improving its infrastructure and businesses and providing education, health facilities, and employment opportunities to local inhabitants. A small businessman added,

*“The infrastructure of the city has been developed and we are happy about that and want more infrastructure and benefits from CPEC. The development of Gwadar is beneficial for all of us.”*

Overall, the development of infrastructure as part of CPEC has a significant impact on local and national economies. For example, many people have installed shops, huts, tea stalls, and restaurants on the sides and crossing points of the roads, earning better from Gwadar to Surab and the rest of the areas where the CPEC roads are constructed. Thus, CPEC will significantly improve Pakistan's ability to facilitate the mobility of goods within Pakistan and between Pakistan and China by creating new motorways, railway tracks, and harbors and renovating existing ones (Khizar & Ahmad, 2022; Khan et al., 2023). This may reduce the cost of transit and increase the economy, particularly in rural areas that have not historically had the necessary infrastructure to support mobility (Khan et al., 2023).

#### **4.1.2. Provision of Health and Education Facilities**

The provision of health and education facilities is considered a fundamental right of all citizens in Pakistan as enshrined in the Constitution. Pakistan's government has sought to improve health and education facilities for the local inhabitants of Gwadar through CPEC. These initiatives include the establishment of the Pak-China Friendship Hospital, Pak-China Technical, and Vocational Institute, and Primary School at Fakeer Colony (Gwadar). Most of the participants appreciated the steps taken by the Government and CPEC stakeholders to ensure the provision of health and education services to locals. A male employee mentioned,

*“Pak-China hospital is a good opportunity, and we are getting good medical facilities and services. Previously, there were no medical facilities available to locals due to the poor condition of civil hospitals. Currently, small operations are performed here because of the availability of surgeons and equipment. For example, simple delivery cases can be handled. But still, wait to get the fruit of other CPEC projects.”*

Similarly, an employee of the GDA stated,

*“The Pak-China Friendship Hospital is the extension of the Gwadar Development Authority (GDA) Hospital and a positive initiative. Before we*

*took patients to Quetta and Karachi for minor treatment but now, all medical facilities and materials are available here.”*

Most of the participants appreciated that the local inhabitants would benefit from the facilities and services of the Pak-China Friendship Hospital once completely functional. Regarding the provision of education, almost all residents expressed satisfaction. A fisherman stated,

*“CPEC and its development projects have brought changes to the lives of local people. It has promoted education and made us realize the importance of education; now our girls and boys are getting equal education. They will play roles in every platform to represent Gwadar and the people. I think this is a positive change from CPEC.”*

The University of Gwadar, regional campuses of the National University of Modern Language, Allam Iqbal Open University, and the Pak-China Vocational Training Center were established to provide quality education and skills to the locals. Local students are awarded national and international scholarships to China for higher education. Another fisherman said,

*“China granted the Pak-China Vocational Training Center which provides training and enhances skills of our children to avail the employment opportunities of CPEC.”*

A political worker said,

*“In Fakeer Colony, a school has been constructed and a big hospital is being built, and now the Chinese attempting to contact local parties and provide services to the local population.”*

In the context of the provision of education, residents are very happy as the city of Gwadar is being developed as an educational city. CPEC has brought about an educational revolution in Gwadar. The locals are willing to educate their children with the skills to avail opportunities of CPEC. The local population appreciates health and education facilities at the macro level and hopes to obtain better health and education facilities at the micro level.

#### **4.1.3. Business and Employment Opportunities**

The primary data analysis revealed a notable rise in tourism and recreational activities in Gwadar, accompanied by an increase in land prices and house rents. Gwadar has emerged as a focal point for visitors from across the country. The local businesses have experienced positive benefits from the CPEC initiative, particularly in the context of Gwadar becoming a prominent tourist destination. The influx of tourists has significantly contributed to local businesses, leading to the establishment of numerous hostels, restaurants, huts, and cafés. This not only

expands business opportunities but also creates job opportunities for the local populace. A fisherman elaborated that,

*“Many people are migrating to Gwadar. Business is spreading, and shops and markets are being built in Gwadar. People who receive benefits and earn more money have flats, rented houses, and businesses. After the construction of Marine Drive, some people opened tea and chips cafés in West Bay, where people came to consume tea and eat fries. If the government gives us priority, we will all benefit from CPEC.”*

As said earlier, CPEC has provided economic opportunities and benefits to the local population of Gwadar through infrastructure development such as roads. Because of the CPEC, local businesses are spreading, and shops, markets, hotels, restaurants, colonies, and apartments are being built. The locals who own lands, businesses, markets, plazas, etc., earn more benefits from CPEC. A participant said,

*“The construction of Marine Drive has attracted many people and tourists to come for evening tea and walking. Tourists bring money to Gwadar, which is positive. Nowadays, people are enjoying late nights on Marine Drive, and they go for picnics with their families and outings and have a good and comfortable life. Gwadar was a dark city previously but now there are lights everywhere and Gwadar looks beautiful.”*

Migrants and tourists contribute to the intensification of local businesses, bringing capital into the local markets. It is a positive transformation. For example, along Marine Drive Road, establishments such as tea shops, chips/fry cafes, and restaurants employ the local populace, enabling them to earn a livelihood. Employment and business opportunities are the fruits of CPEC development projects in Gwadar, where the locals are beneficiaries. A participant expressed,

*“The CPEC has improved the livelihood of people by providing them with work opportunities, especially daily wage workers, to earn their bread and butter.”*

The demands for hotels, restaurants, rental apartments, and shopping centers have increased businesses and created employment opportunities for locals. Currently, local workers earn better due to economic opportunities and activities.

In summary, CPEC has brought substantial benefits to Gwadar and its population, notably through the transformation of infrastructure, stimulation of business and commerce, and improvement of health and education facilities. Concurrently, it is important to acknowledge

that local perspectives highlight how CPEC has posed challenges to the traditional social and economic structure of the community. The multifaceted impact of CPEC on Gwadar encompasses both positive transformation and concerns raised by the local population.

#### **4.2. CPEC: Challenges for the Local Inhabitants**

A prevalent perception among people in Balochistan is that the existing structure of CPEC, characterized by a predominant focus on investments outside the province, poses challenges to improving the economic and social conditions within Balochistan. This perspective suggests a concern that CPEC may function primarily as a corridor without substantial contribution to the economic or social development of the province. The distribution of opportunities appears to favor other provinces than Balochistan (Ahmed, 2017). It is understood that the implementation of megaprojects introduces a spectrum of opportunities and challenges to the host locality. In this section, the focus is on delineating the local challenges associated with CPEC. This analysis provides a comprehensive insight into the challenges faced by the local community in the context of CPEC initiatives implementation in Gwadar.

##### **4.2.1. Trawling: A Threat to Marine Life and Livelihood of Locals**

The local fishing industry, upon which approximately 70 percent of the local inhabitants' livelihoods directly or indirectly depend, has encountered significant challenges since the initiation of CPEC in Gwadar. These challenges emanate from factors such as trawling, security reasons, and the construction of megaprojects like the East Bay Expressway, linking Gwadar Port to the Makran Coastal Highway. Trawling, a prominent challenge, poses substantial risks to marine life and the environment, exerting a considerable impact on the livelihood of the local fishing community in Gwadar. A fisherman uttered,

*“Trawling is currently the major problem. Trawlers actively commit genocide of fish and marine sources and snatch our livelihoods. We will experience unemployment if the trawling culture continues.”*

Another fisherfolk stated,

*“Chinese trawlers have been introduced to our sea via CPEC. Trawlers destroy the natural environment of the seafloor by using modern fishing nets that harm the environment and capture everything in the way. We, fishermen, have Yakdars (small boats) to fish with traditional nets and to protect marine life. It has intensified our problems, but the government is not controlling the trawling despite our protests.”*

Almost everybody from Gwadar complains about the trawlers on the coast of Gwadar and considers it a threat not only to their livelihood but also to marine sources and the environment. Maulana Hidayat-ur-Rehman, who is leading *Gwadar Ko Haq Do Tehreek* (Give Rights to Gwadar Movement), has a vocal voice against the illegal trawling in Gwadar Sea and perceives it as a genocide of sea species. The following tweet of Hidayat-ur-Rehman is just one of the many angry voices of the local people against trawling.



Figure 1: A Tweet by Maulana Hidayat ur Rehman regarding Chinese Trawling in Gwadar

Source: <https://twitter.com/MHidayatRehman?t=HAKYTCQyiXiOEKpMTyR1uA&s=09>

The fear of losing fishing jobs persists among local fishermen due to illegal trawlers. Trawling not only affects the fishing industry but is also an attack on the overall economy of the locals. Local businesses depend on the fishing industry because fishing is the major source of the economy of the city. A small shopper participant said,

*“Fishing is the main industry or source of income in Gwadar. Fishing should be promoted, and developed with better facilities and equipment because all the business of Gwadar depends on the fishing industry in one way or another.”*

In short, trawling has been a major concern of the local people as it has greatly affected the economy of the locals in Gwadar, the effects of which are felt not only by the fishing industry and the fishermen but by all locals.

#### **4.2.2. Issues of Relocation, Restriction, and Security**

Field observation indicates that local inhabitants generally hold a positive outlook toward CPEC and its megaprojects. However, a prevailing concern among the residents pertains to the challenges associated with relocation, restriction, and the presence of security checkpoints. The apprehension about relocation, coupled with existing restrictions on mobility, and security issues within the city, has had impacts on the lives and livelihoods of Gwadar's local inhabitants. The relocation process initiated by CPEC has already affected certain segments of the local community, and those who remain express constant apprehension regarding the prospect of future relocation associated with CPEC-related megaprojects. In this regard, a participant mentioned,

*“The megaprojects of CPEC have caused physical and economic relocations of local people. Locals are mostly engaged in the fishery industry and their livelihood depends on fishing. It would be very difficult for them to reside away from the sea and there the fear of relocation exists among the locals.”*

A relocated salt mine worker emphasized,

*“We were relocated happily and compensated well. Now we have wide and well-furnished houses, but our work sites (Salt mines) are very far from our new place of residency, and we face multiple problems while going to the work site where there are no public transport facilities for us.”*

Another relocated fisher uttered,

*“The authorities promised to provide us with all the basic facilities to our new neighborhood after relocation but still we are not provided the basic facilities such as school, health care center, link roads, electricity, and water.”*

Locals relinquished their lands for the construction of Gwadar port and megaprojects of CPEC. They were compensated well through cash and plots; however, they were not provided with the promised facilities of health, education, and link roads. Most of the relocated people are happy with their physical relocation but are unhappy with the economic relocation. After relocation, their source of income has been affected due to the long distance from their work sites and the unavailability of public transportation. Ensuring the livelihood of the relocated

population through the welfare approach of megaprojects to the locality will regain their trust and support for megadevelopment projects.

Moreover, most of the participants talked about the mobility restrictions of locals by megaprojects in Gwadar. A male community worker commented,

*“The Expressway has limited our access to the sea, and it has damaged many houses and properties of the locals without compensating them. Our fishing sites are in the sea but now our ways are being blocked. Fishing is our only source of livelihood.”*

A fisherman added the following,

*“The fishery community worries about losing their homes, livelihood, and way of life. The Expressway has blocked our access to the Sea and putting our sole source of income at risk.”*

The construction of the East Bay Expressway has multifaceted impacts on the local community, particularly concerning their access to the East Bay Sea. It is a six-line road, designed to connect Gwadar Port to Makran Coastal Highway without disturbing the city, resulted in restrictions on the movement of fisherfolks, workers, and middlemen to the seaside in the initial stage, and after several protests over three years, three access points to the East Bay Sea are provided. However, these access points are insufficient for the locals, given that around 70% of them engage in fishing in the East Bay Sea (Demi Zar). The constrained mobility is attributed to both the physical obstruction posed by the East Bay Expressway and security considerations. The vibration of heavy machinery used in the expressway construction further contributed to adverse effects on houses, as well as the sewerage and drainage system of affected areas. Regarding security issues, a female participant said,

*“CPEC has negatively impacted the local people. It has brought more security check posts which greatly affect the lives of the local population.... fishermen, shopkeepers, and almost everybody has been complaining about the issue of security strictness in the city.”*

A small businessman added,

*“There are security checkpoints everywhere which have not only limited our mobility but also affected our businesses. When there are VIP movements then our businesses are shot down.”*

They are far away from the fishing sites and face transportation and security problems while on their way to fishing sites due to security checkpoints and the VIP movement in Gwadar. Disappointingly, a fisherman mentioned,

*“Almost ten years ago, we could fish freely in these waters. But we have lost our freedom of mobility and freedom of fishing in these waters after the introduction of CPEC in Gwadar. Now we must show our identity at every checkpoint every time.”*

The security restriction, megaproject blockage, and relocation without the protection of livelihood bring disappointment among the residents of the locality where the megaprojects are executed in their lands. The locals of Gwadar welcome CPEC and its megaprojects when they are made part of the development process, their livelihood is protected, and their freedom of mobility is not restricted in the name of security.

Overall, the megaprojects of CPEC have caused both physical and economic relocation of many inhabitants in Gwadar. The economic relocation has affected their economic activities. However, many relocated people perceived displacement positively as they are compensated well but their livelihood is affected. They still wait to get basic facilities such as a health care center, school, water, link roads, etc. which are promised to be ensured by authorities. Thus, engaging and involving the local population and addressing their issues and problems in the process of development gives them the confidence to own the megaprojects. Otherwise, the unequal treatment, mobility restriction, and humiliation in the name of security widen the gap between the locals and developers/authorities and over time they face hurdles and resistance from the ground which negatively affects the development process.

#### **4.2.3. Perceived Discrimination in Employment Opportunities**

The megaprojects associated with CPEC have created multiple employment opportunities in Gwadar. However, the locals have expressed grievances regarding perceived discriminatory attitudes during the process of hiring and appointment processes by employers. The concerns raised by the locals need to be addressed for an equitable employment environment and inclusivity of the local population. A community worker said,

*“Some employment opportunities have been created but outsiders have received more benefits than the locals. Perhaps one of the reasons is our people are not willing to work in companies of projects of CPEC due to less wage.”*

A daily wage laborer responded,

*“There are different reasons for lower participation of local workers in Chinese companies and national companies such as low wages, intolerable attitudes, and security issues.”*

Additionally, a student highlighted,

*“There are a lot of opportunities for the local people in the Gwadar port, Airport, Free industrial zones, and all other areas but we need to learn skills and get experiences to avail ourselves of the employment opportunities of CPEC. Otherwise, we would not be able to get benefits from CPEC.”*

Observations indicate that the manual labor force in Gwadar exhibits a reluctance to engage in executed projects associated with CPEC, primarily attributed to comparatively low wages offered in these projects. The preference for employment in fishing industries and other manual work within the city provides more lucrative wages. Furthermore, the reports of discriminatory attitudes by employers toward local workers contributed to a sense of dissatisfaction among the workers. Conversely, it is noted that a substantial portion of locals lack the requisite technical skills to be hired for technical work in different megaprojects. A fisherman reported,

*“There are no employment opportunities for locals. Our educated youth are unemployed and working as laborers in the fishing industry. I earned my intermediate degree, but since I was unable to find employment, I am now a fisher.”*

Similarly, a daily wage laborer stated,

*“The completion of different projects of CPEC will create employment opportunities but we are uncertain to get the job opportunities because there is no such written policy to give priority to the locals of Gwadar.”*

The majority of the participants have reported a lack of preference for locals in securing employment opportunities within different megaprojects of CPEC. Contrarily, individuals from other provinces of Pakistan and cities of Balochistan are reportedly being favored in the hiring process. A specific instance highlighting this trend is observed in the recent recruitment for various positions at the New Gwadar International Airport, where the locals were ignored, and non-locals were appointed. All the positions from Deputy Director to Office Boy were awarded to non-locals.

The following tweet from Waleed Bizenjo, social media coordinator of the National Party, explains the general perception and feelings of the local people regarding discrimination in employment opportunities in CPEC projects at Gwadar.



Figure 2: A Tweet by Waleed Bizenjo regarding discrimination in employment opportunities in CPEC projects at Gwadar

Source: <https://twitter.com/Bizenjo?t=iaIKZN0ZqasDo4fx9UqJtg&s=09>

No doubt, CPEC creates employment opportunities in its different mega projects for the citizens of Pakistan where the projects are executed. However, the locals expect to get a maximum share of employment opportunities, and associated benefits and consider themselves as stakeholders. In the context of Gwadar, where CPEC has created many employment opportunities and will create more, the results indicate that locals perceive discrimination in the employment selection process. The locals are engaged in a constant peaceful struggle to get equitable employment opportunities and their constitutional rights. Thus, the recognition of such concerns is significant for promoting an inclusive and participatory approach to employment practices within the framework of CPEC in Gwadar.

#### 4.2.4. Lack of Basic Amenities of Life- Portable Water and Electricity

The local inhabitants of Gwadar had higher expectations about CPEC, expecting enhancement in the provision of basic amenities. However, a substantial segment of locals has yet to see any significant improvements in this regard. A considerable proportion of the local

population lives in miserable conditions due to the unavailability of clean drinking water, reliable electricity, and other essential services. Regarding this, a male fisherfolk participant said,

*“We were happy that CPEC will eradicate poverty and provide us with basic facilities such as potable water, electricity, gas, employment, peace, and prosperous lives. But unfortunately, our expectations could not translate into reality. Instead of getting amenities of life such as drinking water, electricity, education, and health, etc., our mobility has been restricted in the name of security.”*

Another community worker added,

*“The old neighborhood near Gwadar port is in consistent threat and where the dwellers are not getting basic facilities like link roads, clean water, electricity, sewerage line, etc. and demand for the basic facilities as citizens of Pakistan.”*

The predominant reservation voiced by the locals is that government entities and development authorities are not interested in ensuring the necessities for the local population. This encompasses the provision of potable water, electricity, healthcare, and educational facilities, as well as the establishment of links roads, and sewerage systems. Notably, concerns regarding the accessibility of clean drinking water and electricity supply have persisted over an extended duration without being permanently redressed. A participant revealed,

*“Locals have various reservations regarding CPEC and demand their basic rights according to the Constitution of Pakistan. Their demands include the provision of potable water, electricity, education, health services, and employment opportunities to the local population.”*

The findings show a noticeable trend wherein the locals articulate very simple and constitutionally grounded demands from the concerned authorities. The prevailing sentiment is one of willingness to actively participate in CPEC programs upon the fulfillment of their basic life amenities. The inhabitants express a reasonable expectation of the provision of fundamental necessities, aligning with constitutional rights.

Another laborer participant responded,

*“I do not understand the developments of CPEC in the city of Gwadar. To me, development means the provision of water, electricity, health services, the spread of businesses, employment opportunities, better living standards, and prosperity.”*

*The current development is only for the elites and businessmen who are getting benefits while the poor locals are not benefited as expected.”*

Overall, many of the participants emphasize the provision of basic community facilities and services and demand for essentials such as community sewerage, roads, healthcare, public health provisions, as well as access to water, electricity, and gas. These demands are inherently genuine and rooted in necessities. However, it is crucial to delineate the scope of CPEC which constitutes an economic development initiative between China and Pakistan for infrastructure, energy, and communication development. It is pertinent to note that the responsibility for meeting the basic needs of the residents lies within the domain of the provincial and federal governments to allocate funds from CPEC initiatives to ensure the amenities.

#### **4.2.5. Demographic Change: Outsiders Within Their City**

A prevailing concern among the local people in Gwadar centers on the anticipated demographic change expected to happen due to CPEC. A significant proportion of locals lack literacy and vocational skills. There is a fear that the plethora of opportunities in CPEC projects requires a workforce comprised of educated graduates with requisite skills. The non-local educated and skillful graduates migrate to Gwadar to avail employment and business opportunities. As a result of this demographic transformation, the local Gwadari will become a minority in their city. A male political worker said,

*“The people are worried that a demographic change may occur in Gwadar. The local people are mostly illiterate and skill-less, and outsiders will replace them sooner or later.”*

Regarding the demographic change, a government employee stated,

*“Chinese companies, which are working in Gwadar, hire workers from other provinces. If local people are jobless and outsiders are employed, then how can we say that CPEC is a game changer for local Gwadari?”*

The phenomenon of substantial migration to Gwadar from other provinces and various regions within Balochistan has become a major concern of the local population. This influx of migrants will establish businesses and pursue employment opportunities. Therefore, apprehension prevails among the locals that the substantial migration will threaten the local identity of Gwadari. The nexus of migration is anticipated to introduce a diverse culture and multilingual change and contaminate the local culture and identity. Another participant opined,

*“The migration of people to Gwadar will affect local culture. People with different cultural backgrounds, cultures, languages, and identities contaminate the indigenous culture and language and marginalize the residents.”*

Megaprojects play a pivotal role as a pull factor in the migration dynamics, attracting people from different backgrounds to the locality where these megaprojects are executed with the primary objective of getting employment opportunities and establishing businesses. This influx of people engenders a multifaceted challenge to the local culture and identity. Migration is inevitable because mega-development projects require a substantial workforce for the intensified execution of developmental initiatives. Formulating policies to safeguard and preserve local culture and identity creates a sense of trust and collaboration between locals and developers.

## **5. Discussion**

The mega-development initiatives of CPEC provide socio-economic benefits to the local communities of China and Pakistan (Khetran, 2016; Raza, Mohiuddin, Zaidi, & Osama, 2018). However, such mega-development projects often create challenges for the local economy (Tehsin, Khan, & Sargana, 2017; Wasim & Siddiqi, 2018) and for the local populace. Addressing these challenges necessitates the creation of an inclusive environment for the involvement of all stakeholders. The findings show that mega-projects of CPEC have aggrandized various positive changes in the socio-economy of the local population from one way or another. However, a substantial segment of the local inhabitants is yet to see the fruits of the promised economic development and long-term prosperity under the belt of CPEC. The locals appreciate the positive changes of CPEC initiatives in Gwadar such as the provision of employment and business opportunities, the infusion of investment, promotion of tourism, and increment of the. It is noteworthy that CPEC has improved the infrastructure, along with the provision of education and health facilities in Gwadar. Infrastructure development, being a symbolic representation of progress, has played a pivotal role in boosting the economy, and businesses, and creating job opportunities. Conversely, the locals struggle to have more equal access and opportunities from CPEC initiatives.

On the other hand, the inhabitants had high expectations regarding the socio-economic advancement through the megaprojects of CPEC but over time started to face multiple challenges to their livelihood. These challenges include poverty, vulnerability, trawling-related issues, social insecurity, social disharmonies, forced relocations, limited economic opportunities, scarcity of drinkable water, and prolonged hours of electricity load shedding. These challenges have engendered a prevailing sense of disappointment and frustration among the locals. The feelings of social exclusion and discrimination have grown among the locals

regarding CPEC initiatives, but still, most participants appreciated the megaprojects and hoped for inclusion. However, the sentiment of marginalization and alienation has prompted the emergence of *Gwadar ko Haq Do Tehreek* (Give Rights to Gwadar Movement). This movement serves as a response to the perceived marginalization and alienation experienced by the local inhabitants from CPEC initiatives. The 19 demands articulated by *Gwadar Ko Haq Do Tehreek* represent a comprehensive set of aspirations and grievances. These demands include ending illegal trawling, ensuring free mobility of the fisherfolks to sea (elimination of special token system), removing unnecessary checkpoints on major roads, providing clean drinking water, prioritizing local employment opportunities in development projects, and ensuring compensation for those affected by East Bay Expressway, and any other project. This movement, rooted in the collective voice of the locals, reflects a compelling call for inclusive and equitable participation in the benefits and decision-making process associated with CPEC in Gwadar.

Importantly, the local population does not oppose CPEC initiatives but rather desires for development and active participation in benefits from CPEC. For example, demand access to the Sea, employment, and protection of their livelihood (Ali & Sanauddin, 2022). Despite residing in Gwadar for centuries the local Gwadari perceives a sense of alienation in their city. Their aspiration is not to resist CPEC but to peacefully seek their constitutional rights and a fair share in the benefits of CPEC megaprojects. For example, the recent appointment at the New Gwadar International Airport, where locals were not included in the recruitment process, has contributed to disappointment among the local youth. Hence, to enhance the success of CPEC megaprojects, collaboration between the local community and the government is imperative. Chinese companies need to develop their understanding of the local socio-economic dynamics. This can help in avoiding potential issues through inclusive discussions and involving all local stakeholders, ranging from the ruling class to the working class, thereby addressing conflicting objectives. Emphasizing effective and widespread communication is highlighted as a key strategy, with an emphasis on shared interests to ensure the fair distribution of benefits. The welfare of the local population should be prioritized in any strategic considerations. This paper concludes with an emphasis on the importance of a collaborative, inclusive, and people-centric approach for the sustainable success of CPEC initiatives in Gwadar particularly and in Pakistan generally.

## 6. Conclusion and Policy Implications

### 6.1. Conclusion

The impact of CPEC megaprojects on local inhabitants in Gwadar is characterized by both opportunities and challenges. Numerous noticeable developments such as the construction of roads, healthcare and educational facilities, parks, stadiums, and business opportunities yielded substantial benefits to the residents of Gwadar, either directly or indirectly. The infrastructure development, particularly in road development, has successfully connected Gwadar city with adjacent villages, towns, cities, and provinces, resulting in a reduction in travel distance. However, there seems to be an absence of inclusive practices involving local stakeholders (local populations) in the developmental processes in Gwadar. This lack of inclusion has manifested in the inadequate provision of basic facilities, specifically in the domain of drinking water, electricity, and employment opportunities for the *Gwadari*. Moreover, the locals face challenges such as the presence of trawling mafias, limited access to the sea, fear of relocation, and feelings of alienation, and discrimination within the development paradigm. Despite the potential of CPEC to bring about prosperity, boost economic activities, and improve living standards, the current challenges necessitate a revisit of policies by policymakers and authorities. A strategic revisit that prioritizes the inclusion and active engagement of local inhabitants in the developmental processes is crucial to gaining trust and addressing the existing grievances.

### 6.2. Policy Implications

This study recommends the following measures to ensure the inclusion of the local population in the development process:

- i. The provision of basic amenities such as potable water, electricity supply, and link roads to local inhabitants will reduce the sense of alienation.
- ii. Policies regarding the preference of local Gwadari in the employment appointment process create a sense of inclusion among local inhabitants. Hiring non-locals in most of the projects created a sense of alienation and discrimination among the locals.
- iii. Properly formulating policies about the future status of the fishery industry and marine life and stoppage of illegal trawling will secure not only the traditional livelihood of the locals but will protect sea life as well.

- iv. Proper policies about the protection of historical places, culture, and local identity will strengthen the bonds of locals with CPEC and will help remove the fear of alienation among the local people.

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