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**FROM GWADAR TO BEIJING: BALOCHISTAN'S ROLE IN THE STRATEGIC DEPTH OF PAKISTAN- CHINA RELATIONS**

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**Abstract.**

Being the hub of the Chinas Belt and Road Initiative, the China–Pakistan Economic Corridor (CPEC) is a game-changer in the bilateral relations. The research employs a descriptive-analytical research approach and qualitative research paradigm to examine the connection between local socioeconomic performance and the strategic development in Gwadar, Balochistan. The paper will look at the ways Gwadar aids Pakistan to acquire vital strategic depth in the sea as well as alleviating the Chinas Malacca Dilemma through political economy/ geostrategy paradigm. Nevertheless, the research points to a major development contradiction: the native Baloch population is marginalized and excluded socio-politically systematically and simultaneously with the large-scale strategic investments. Based on the secondary data analysis, there is extreme deprivation of basic needs such as electricity and clean water and persistent one where multidimensional poverty is at 71. 2%. The paper presents the argument based on a political economy perspective that the extractive policies and top-down governance promote a trend of internal colonization where local livelihoods are sacrificed to the interest of federal elites and foreign investors. A highly militarized environment and high hidden security costs are required as a result of this systematic exclusion which creates a volatile security-development nexus where indigenous insurgencies are fueled by local grievances. Ultimately the paper analyses the sustainability of the Pakistan-China relations in the long-term on the basis that a transition away of the securitized paradigm to more of an inclusive people-centric model where the premium is placed on the concept of local ownership is needed to succeed. To ensure that CPEC is sustainable in the long term, it is strategic to deal with the causes of the Baloch alienation.

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**Key words.** CPEC, Balochistan, Gwadar, Geostrategy, Marginalization

## Introduction.

The Peoples Republic of China and the Islamic Republic of Pakistan often describe their bilateral relationship as an iron brotherhood and an all-weather strategic cooperative partnership. With formal diplomatic roots dating back to 1951 this historically significant alliance has developed from a traditional security and defense-focused relationship into a multifaceted partnership encompassing trade technology and significant infrastructure development. Chinas support for Pakistan’s nuclear program and military modernization has strengthened the two countries long-standing geopolitical interest in balancing regional rivalries and fostering mutual stability. The China–Pakistan Economic Corridor (CPEC) the main initiative of Chinas global Belt and Road Initiative (BRI) is the most ambitious manifestation of this relationship in the modern era. With a projected investment of over \$60 billion the China-Pakistan Economic Corridor (CPEC) was initiated in 2015 with the goal of making Pakistan a regional economic center. From the Kashgar prefecture in Chinas Xinjiang region to the Arabian Sea the project comprises a 3000-kilometer network of roads railroads pipelines and energy infrastructure. The deep-sea port city of Gwadar which is situated on Balochistans Makran coast is the focal point of this strategy. From a geostrategic standpoint Gwadar serves as the lynchpin of the corridor giving Pakistan crucial maritime strategic depth and China a crucial alternative to the Malacca Dilemma by providing a shorter land-based trade route for energy supplies. The growth of Gwadar and CPEC is crucial for both the bilateral partners and the larger global environment. For China Gwadars success serves as a sustainability test for both the BRIs overall viability and its global leadership. China will show that it is capable of spearheading independent geostrategic initiatives of significant importance if it can successfully negotiate the dangerous terrain and complicated security environment of Balochistan to establish a useful trade hub. CPEC is frequently presented to Pakistan as a game-changer that offers a unique chance for economic revitalization through foreign direct investment (FDI) and the alleviation of an ongoing energy crisis. Additionally, the project is an essential part of Pakistan’s national security strategy since it enables the country to use Chinese power projection as a counterbalance to India its fiercest regional rival. The essence of the application of CPECs in Balochistan is ironic as far as the high rhetoric of the shared prosperity is concerned. The Baloch people

remain the most marginalized and poor in the federation even with the province having great strategic investments. Balochistan has a multidimensional rate of poverty of 71, despite its undiscovered mineral and energy deposits and occupying 4344 percent of the Pakistani territory. 2%. The province is always ranked last in Human Development Index (HDI) with the rural populations living in utter needs of basic necessities like electricity clean drinking water and education. In this paper, a very important (conflict-development nexus) is identified where the local stakeholders are left out in the top-down centralized decision making of Beijings and Islamabads federal and military elites. Long-standing complaints about the exploitation of Balochistans natural resources such as Sui gas and the Saindak gold-copper project have been strengthened by this exclusion. The locals feel that they are receiving small dividends because the profit will be received by the center. This implies that in most instances the locals will see the development of Gwadars as a colonial exercise that is full of land grabbing, demographic discomfort and a highly militarized terrain that is limiting and not expansive to the usual ways of living. It is this systematic marginalization that brings about an indigenous insurgency that in turn brings about a volatile feedback loop of insecurity that is threatening to destabilize the same infrastructure that CPEC is attempting to establish.

## **Problem statement, Research Questions, Research Objectives.**

### **2.1 Problem statement.**

The most important paradox of the China-Pakistan Economic Corridor (CPEC) is the opposition of the strategic investments of many billion dollars and the continuous socioeconomic deprivation of the indigenous Baloch people. Although Gwadar is being marketed as a game-changer in terms of connectivity within the region, its implementation is based on the extractive form of governance, which puts the interests of the military and federal elite above the human development of the locals. Despite the presence of the flagship projects Balochistan is the poorest province in Pakistan with 71. Multidimensional poverty of 2 percent and the chronical lack of basic needs like electricity and clean water. Local stakeholders are habitually excluded in the centralized decision-making process in Beijing and Islamabad that contributes to decades of grievances of resources exploitation and displacement. Due to this exclusion a volatile development-conflict nexus exists in which

local marginalization is a breeding ground of insurgencies that target Chinese infrastructure and Chinese personnel. This results in a vicious cycle of insecurity since the states rely on a very militarized concept of security that only goes on to alienate the indigenous population. Through this dynamic, this is a grave menace to the long-term sustainability and economic viability of the all-weather Pakistan-China strategic partnership.

## **2.2 Research Questions.**

1. How does the development of Gwadar Port enhance the strategic and energy security dimensions of Pakistan–China relations?
2. What institutional and political-economic mechanisms lead to the persistent marginalization of local communities in Balochistan under CPEC?
3. How does the feedback loop between local socio-economic exclusion and regional insecurity impact the long-term sustainability of the corridor?

## **Research Objectives.**

1. To analyze the geostrategic importance of Gwadar as a pivot for regional trade and energy security.
2. To examine the socio-economic conditions and the impact of top-down governance on local Baloch communities.
3. To assess the strategic and security implications of local marginalization for the future of Pakistan–China relations.

## **3. Literature Review.**

From early optimism about regional connectivity to more critical evaluations of its socio-political and security implications the scholarly discourse surrounding the China-Pakistan Economic Corridor (CPEC) has changed over time. The geostrategy of the Pak-China alliance the political economy of marginalization in Balochistan and the relationship between security and development are the three main thematic areas of this review of the literature. This section identifies a crucial research gap that this study attempts to fill by assessing these works. Academic literature often characterizes the Pak-China relationship

as a special all-weather alliance. The tripod of religious nationalism conflict with India and the pursuit of an outside great-power patron has historically served as the foundation for Pakistan's foreign policy. The military-security establishment has increasingly looked to China to offset the costs of massive military expenditures and to challenge Indian regional hegemony despite the US being the preferred patron for decades (Haqqani, 2005). Some scholars argue that the core of Chinas String of Pearls strategy which aims to monitor Indian Ocean Sea lanes and increase Beijing's naval reach is CPEC (Small, 2015). While for others Gwadar is a turning point in the relationship between China and Pakistan because it offers a crucial solution to the Malacca Dilemma a vulnerability in which 80% of its energy imports go through a chokepoint controlled by the United States. On the other hand, Gwadar provides Pakistan with crucial maritime strategic depth by offering a safe port that is farther away from the Indian border than Karachi (Rashid, 2009). CPEC is a game changer giving China the quickest path to Europe and Central Asia while increasing trade between Pakistan and China (Khan & Bukhari, 2024)

Despite the strategic advantages at the macro level Balochistans socioeconomic circumstances are the subject of an increasing amount of peripheral scholarship. (Devasher, 2019) draws attention to a striking development paradox: despite making up 44% of Pakistans landmass and possessing enormous mineral wealth, Balochistan is still the most impoverished province in the nation. He presents concerning statistics pointing out that 71.2 percent of the province's population lives in multidimensional poverty with rural areas experiencing 84.6 percent deprivation. Moreover, he contends that the government views Balochistan as a resource-rich colony extracting minerals and gas without distributing the profits back to the local populace. In their critical analysis of Gwadar Ports expansion (Mihruallah & Irfan, 2025) contend that development has unfairly favored Chinese investors and Pakistani federal elites at the expense of local Baloch voices. Their investigation reveals patterns of ecological destruction land grabbing and the uprooting of traditional fishing communities which comprise 80% of Gwadars population. Using Elite Theory (Hanif, 2021) in his doctoral research shows that Islamabad's CPEC is run by a top-down centralized governance structure that routinely excludes the non-elite local populace. This is further demonstrated by the route controversy in which several politicians note that the federal government gave priority to the Eastern Route via Punjab resulting in the disparaging term China-Punjab Economic Corridor. The growing insurgency in the area is increasingly associated with local deprivation according to the literature of (Basit, 2018) Transnational

militancy is the weightiest irritant in Pak-China relations in Terrorizing the CPEC. While separatist organizations like the Balochistan Liberation Army (BLA) target Chinese interests to put pressure on the Pakistani government (Basit, 2018) contends that their recruitment is primarily motivated by complaints about resource exploitation and the dearth of basic services like electricity and clean water in Gwadar.

According to (Devasher, 2019) the state has responded by militarizing development. Instead of fostering shared prosperity the creation of the Special Security Division (SSD) and the expansion of checkpoints have resulted in an atmosphere of fear and control. Citing Kaiser Bengali, he argues that the hidden costs of security will eventually make the corridor economically unfeasible if the state continues to accompany every truck convoy with tanks and helicopters. As a result, a vicious cycle is created in which marginalization feeds insecurity which in turn creates a securitized environment that further marginalizes the local populace.

### **Identified Gap.**

There is a substantial analytical gap concerning the direct causal relationship between micro-level political-economic mechanisms and the long-term sustainability of the Pak-China strategic partnership despite the fact that the literature currently in publication covers both the macro-strategic advantages of CPEC and the descriptive accounts of poverty in Balochistan. The majority of research views security as an external factor or a law-and-order problem that needs to be controlled by force. Qualitative research that views local marginalization as an inherent strategic risk that could sever the iron brotherhood rather than just a human rights issue is scarce. This essay closes this gap by combining political economy and geostrategy to make the case that local empowerment and decentralization are both strategic requirements and social ideals. The corridor runs the risk of turning into a string of enclave developments that China may eventually find too expensive to maintain if the internal colonization pattern described by authors like Ahmed-DC and Siddiq-MI is not addressed. By suggesting a people-centric change in the CPEC governance model as the only practical route to the corridors survival this study advances the field.

## Theoretical Framework.

In order to investigate the relationship between state-level strategic goals and local socio-economic outcomes in Gwadar this study employs a dual-theoretical lens that integrates Geostrategic/Realist and Political Economy perspectives. The China-Pakistan Economic Corridor (CPEC) can be thoroughly examined this multifaceted approach simultaneously interprets the project as a macro-level geopolitical tool and a micro-level mechanism of resource distribution.

In competitive global system states act primarily to maximize their security power and national interests according to the geostrategic perspective which is based on the Realist tradition of international relations. Gwadar Port is examined in this framework as a crucial maritime hub that supports the strategic objectives of both partner countries. Gwadar offers China the shortest possible route for imports and exports connecting the Arabian Sea with landlocked Xinjiang. This path is crucial for reducing the strategic vulnerability known as the Malacca Dilemma which occurs when about 80% of Chinas oil imports go via a single U. S. In S. -was the chokepoint. As a safe substitute for the port of Karachi which has historically been susceptible to naval blockades by regional rivals the port provides Pakistan with crucial strategic depth along its coastline. This lens is used in the study to explain why in spite of serious security risks the bilateral Iron Brotherhood prioritizes the corridors completion.

Political Economy theory offers the means to examine the allocation of resources and the ensuing economic disparities within the host state while Realism explains the reasons for state-to-state cooperation. This viewpoint assesses how mega-development projects beneficiaries are determined by centralized power structures and governance procedures. The study makes use of the idea of internal colonization contending that Balochistan is viewed as a “resource-rich colony” in which the periphery is still underdeveloped while natural wealth is extracted for the benefit of federal and military elites in the core (Islamabad and Punjab). The Resource Curse in which Balochistan supplies a significant amount of natural gas to the federation but 59% of its own urban population lacks access to gas serves as an example of this. The study uses this theory to investigate how a significant development paradox is produced by top-down opaque governance and the exclusion of local stakeholders from the planning process.

Through the integration of these two perspectives the study reveals a crucial development-conflict nexus. While the Political Economy approach reveals the corridor as a catalyst for local marginalization and demographic anxiety the Geostrategic perspective presents it as a game-changer for regional connectivity. The study argues that an indigenous insurgency is fueled by the states emphasis on macro-strategic gains (Realism) rather than addressing the micro-level socio-economic deprivation (Political Economy). The projects long-term strategic viability is ultimately undermined by this feedback loop which produces a highly militarized environment that further alienates local communities. This combined system demonstrates the fact that the local empowerment is not only a social dream but also a geostrategic necessity of the existence of the partnership between Pakistan and China.

#### 4. Research Methodology.

The complex interaction of macro-level strategic objectives and micro-level socioeconomic performance in Balochistan within the framework of China-Pakistan Economic Corridor (CPEC) is considered in the present research with the paradigm of qualitative research. Due to the nature of the subject matter, which is geopolitics human development and governance, the qualitative approach is most suitable to the study since it does not involve numerical testing but it involves contextual interpretation of the topic. The study employs a descriptive and analytical methodology. The descriptive component places Gwadar and CPECs development in context while the analytical component assesses the underlying mechanisms of institutional governance marginalization and inequality. The study uses an explanatory case study design with Gwadar serving as the main analytical unit and the province of Balochistan as a whole providing the required regional context. As the lynchpin of the China-Pakistan Economic Corridor (CPEC) and the flagship of Chinas Belt and Road Initiative (BRI) Gwadar is chosen as the critical case because it is an essential location for examining how state-led development affects local socio-political stability and economic livelihoods in a real-life setting. This study is solely based on secondary data analysis in compliance with the established research design. Balochistans delicate security situation and the logistical difficulties that prevent direct access to field data make this approach necessary. Numerous reliable sources including academic literature from eminent academics like Ahmed Rashid Tilak Devasher and Saira Basit are synthesized in this study. In order to achieve the empirical rigor, the paper will use national statistics, including those

provided by the Pakistan Bureau of Statistics (PBS) and European Union Agency of Asylum (EUAA), policy reports, and data provided by the international organizations, including the World Bank UNDP and Asian Development Bank. The analysis is carried out in a stringent three step manner. The first step is a thematic analysis related to the data search and grouping of data into the simplest patterns of significance such as strategic significance resource allocation and regional security. Second the study uses a comparative logic which compares the actual socioeconomic reality and chilling poverty that the local Baloch communities are living with and the developmental effects that CPEC is likely to bring. And finally, the same outcomes are considered in the prism of theory application with two approaches, namely realist geostrategy, which researches the interests of states and energy safety and political economy, which researches inner colonization and outer extraction of resources. The paper acknowledges the weaknesses in the application of secondary sources and in accordance with the tenets of ethics uses the most recent reliable reports so as to capture the data accordingly.

### **There is Strategic Significance of Gwadar under CEPC.**

Gwadar Ports is the hub of the China-Pakistan Economic Corridor (CPEC) as the location where the maritime requirement and the geopolitical ambitions meet. It is located on the top of the Arabian Sea, and its significance is predetermined by its exclusive topography its purpose to reduce the energy vulnerability of Chinas and its position as the most significant anchor in the larger Belt and Road Initiative (BRI).

#### **5.1 Geographical primacy and strategic location.**

Gwadar is located on a natural hammerheaded peninsula of Makran coast of south-western Baluchistan. This has a physical shape of two semicircular bays ( Demi Zirr ) and the shallow western bay (Paddi Zirr ) that the port facilities are situated (Devasher, 2019). Gwadar is also a key position; it is approximately 250 nautical miles southeast of the Strait of Hormuz that is one of the choke points through which close to 20 percent of all the oil in the world passes.

The strategic benefit of this site to Pakistan is that it offers it an alternative to the Karachi port which is 450 km to the east and has always been traditionally susceptible to

naval blockade in the event of war. Gwadar to Pakistan provides strategic depths on the sea which is highly demanded and this would guarantee secure trading route by sea, which would be extremely inaccessible to the rivals of the region. (Basit, 2018)

### **5.2 Reducing the Malacca Dilemma.**

Gwadar is the main answer to the so-called Malacca Dilemma or a expression used to state that Beijing is overly dependent on the Strait of Malacca through which over 80 percent of its crude oil imports pass. (Basit, 2018). This route is a major strategic vulnerability, as it remains under the influence of the U.S. Navy and regional competitors. By utilizing Gwadar as an energy hub, China can bypass this chokepoint entirely.

The development of the Gwadar-Kashgar corridor provides a land-based trade route that is significantly more efficient. The CPEC route reduces the distance for Chinese energy and goods transportation from the Persian Gulf by 5,500 to 9,000 kilometers, depending on the final destination in China (Khan & Bukhari, 2024). This massive reduction in distance not only lowers transit time and costs but also secures China's energy supply lines against potential maritime blockades in the Pacific.

### **5.3 Flagship Linkage Within The BRI.**

Gwadar serves as both the flagship of the flagship and the lynchpin of the global Belt and Road Initiative (Mihruallah & Irfan, 2025) The 21st Century Maritime Silk Road (MSR) and the land-based Silk Road Economic Belt (SREB) can be connected thanks to its special position. By connecting the South China Sea to the Persian Gulf and the Indian Ocean this integration enables China to coordinate its intercontinental trade strategies. CPEC places Gwadar at the center of the 1+4 collaboration model with support from four auxiliary areas: energy transportation infrastructure and industrial cooperation (Hanif, 2021). According to (Shah & Kousar, 2024) this framework seeks to turn the port from a tiny fishing village into a smart port city and regional trade hub that connects Asia Europe and Africa. Examining the historical background and prospects for Pakistan-China relations in the future.

### **5.4 Transformation of Regional Trade Routes.**

The landlocked Xinjiang Uyghur Autonomous Region is directly connected to the international market through a 3000-kilometer network of roads railroads and pipelines that

begin in Gwadar (Khan & Bukhari, 2024). In order to transfer population and economic weight away from the crowded eastern seaboard this route gives Chinas underdeveloped western provinces access to the sea (Hanif, 2021). In addition to the bilateral relationship Gwadar is meant to function as a regional transit hub for Afghanistan Russia and landlocked Central Asian Republics (CARs) (Shah & Kousar, 2024). Gwadar improves regional connectivity and places Pakistan at the center of Eurasian trade by providing these regions with the quickest route to the Arabian Sea (Khan & Bukhari, 2024). Geostrategically speaking this increase in Chinese power in the Indian Ocean gives Beijing a possible listening post to keep an eye on naval operations in the Persian Gulf supporting the String of Pearls strategy meant to safeguard Chinas long-term security and energy interests (Bisit, 2018).

## **6. Political Economy of Balochistan: The Paradox of Resources and Development.**

Balochistans political economy is characterized by a profound development paradox: although the province has the most valuable natural resources and the largest portion of Pakistans landmass (43.6%) its population is still the most socioeconomically disadvantaged in the federation (Pasha, 2025). According to a political economy perspective the province serves as an internal periphery where foreign investors and federal elites profit from resource extraction while the local populace lives in chilling poverty (Mihrullah & Irfan, 2025).

### **6.1 Resource Wealth and Strategic Potential.**

Unexplored mineral and energy resources abound in Balochistan. It is home to the Sui gas fields which since their discovery in 1952 have supplied about 45% of Pakistans total gas needs (Rashid, 2009). Additionally, the province is home to the Saindak and Reko Diq mines which contain millions of ounces of gold and billions of pounds of copper. Moreover its 760-kilometer Arabian Sea coastline offers an exclusive economic zone of about 180000 square kilometers making it an important location for maritime trade and fisheries (Devasher, 2019). Due to its strategic location Balochistan is an essential conduit for the trafficking of energy between China the Middle East and Central Asia.

### **6.2 The Development Narrative and Economic Promises.**

The China-Pakistan Economic Corridor (CPEC) is portrayed by the state-led narrative as a game-changer that will modernize Balochistan and alleviate its historical neglect (Mihrullah & Irfan, 2025). With a projected portfolio of \$60 billion in investments CPEC aims to transform Gwadar from a small fishing village into a global smart port city and focus on energy and transportation infrastructure (Khan & Bukhari, 2024). Through Special Economic Zones (SEZs) supporters claim that these projects will create almost 700000 jobs and spur industrial growth (Mihrullah & Irfan, 2025). This story places a strong emphasis on national integration and asserts that local residents will eventually reap tangible benefits from regional connectivity.

### **6.3 Systematic Inequality and Marginalization.**

Even if these promises are taken at face value, the political economy of Balochistan suggests there is a reality of extractive governance. While Sui gas has powered Pakistan's industry for years, 59% of Balochistan's urban inhabitants have no access to gas and the province receives a considerably lower wellhead price for its resources than Punjab or Sindh (Devasher, 2019). Hence, China receives 80% of the profits of the Saindak copper-gold project, 18% goes to the federal government and Balochistan receives only 2% of the royalty. Similarly, in the CPEC agreement for Gwadar Port, China received 91% of the revenue and the federal government 9%, and the province receives nothing (Mihrullah & Irfan, 2025)

The unequal distribution of benefits has produced the country's highest levels of deprivation. The multidimensional poverty rate in Balochistan is 71.2%, reaching as high as 84.6% in rural areas (Pasha, 2025). In Gwadar, where 80% of the population are local fishermen, projects like the Eastbay Expressway have physically separated them from their traditional livelihoods (Hanif, 2021). While billions are spent on port facilities, they continue to live without basic necessities such as clean drinking water and electricity (Khan & Bukhari, 2024).

### **6.4 Institutional Mechanism of Exclusion.**

In the shadow of Elite theory, the idea contends that the marginalization of Balochistan is maintained by a top-down centralized decision-making process dominated by federal and military elite (Khan & Bukhari, 2024). According to (Mihrullah & Irfan, 2025) this internal colonization pattern puts macro-strategic gains ahead of local human development. The provincial government is blind to the specifics of multibillion-dollar agreements because the 18th Amendment which was meant to grant provincial autonomy

has been largely ignored in CPEC planning (Hanif, 2021). As a result, the local population views development as a control mechanism that limits their mobility and puts them at risk of becoming a demographic minority in their own country rather than as a right (Mihruallah & Irfan, 2025). Without local ownership the corridor runs the risk of continuing to be an enclave development that is constantly susceptible to regional instability so ending this cycle of inequality is crucial.

## **7. Local Marginalization and Governance Challenges.**

Another major development paradox has been revealed due to China-Pakistan Economic Corridor (CPEC). In spite of the Gwadar being the trumpet in the crown of an internationally multibillion-dollar project, the locals have still been subjected to systematic socioeconomic marginalization and what has been described as chilling poverty. The section is concerned with the institutional arrangements and governance failure that stalled the so-called trickle-down benefits of CPEC to the indigenous Balochs population using a political economy lens.

### **7.1 Structural Exclusion and Poverty Gap.**

According to the statistics given by the Pakistan Bureau of Statistics (PBS), UNDP Balochistan is still the poorest province in the federation with a multidimensional poverty index (MPI) of 71. Up to 84, 2 percent in the rural regions. 6 percent (Devasher, 2019). The provincial contribution of the national GDP has been maintained at 4 to 4 percent. 5 percent over the decades even though it is so huge in terms of landmass and possesses so much natural resources. The disparity is even more evident in Gwadar the center of the China-Pakistan Economic Corridor (CPEC) with 80 percent of residential properties not having basic facilities such as electricity clean drinking water or operational sewer system even though high-tech port facilities are being built (Hanif, 2021). The model of the development of the Gwadar enclave increases the marginalization of the local population economically. Gwadar has a population of eighty percent fishermen and the physical inability to move around due to changes in infrastructure like the Eastbay Expressway has isolated the fishermen to their ancestral coasts and traditional fishing grounds (Devasher, 2019). The Baloch view this developmental trend as internal colonization in which the locals are pushed

to pay the social and environmental cost and the resources are used to favor the military and the federal elites.

### **The 7.3 Human Capital Crisis: Unemployment and the Skill Gap.**

The extent of the development can be considered in a very sensitive way by the high rate of idleness among the youth in Balochistan. According to more recent reports on the grounds of the 2023 Census 53. The number of the youth who are not working or in school is 6% which is quite high as compared to 35. 2% national average. Additionally the provinces youth unemployment rate is estimated to be a startling 37% with over 0. 6 million young people unemployed (Pasha, 2025). This unemployment crisis is closely related to both an expanding skill gap and a persistent educational morass. The literacy rate in Balochistan is only 42% while the national rate is 60. 7%. Fifteen percent of women are literate and fifty-eight percent of children do not attend school in many rural districts. It is practically impossible for the local workforce to be qualified for technical or managerial positions within CPEC projects due to the lack of educational infrastructure. As a result, most high-paying jobs are taken by Chinese professionals or skilled workers from Punjab and Sindh leaving the local Baloch with only low-paying jobs as security guards or laborers.

### **7.4 Participation Deficit: Local People as Secondary Stakeholders.**

The systematic exclusion of local voices from the development planning process is the most pressing governance issue. The local community is viewed as a secondary stakeholder with little authority or legitimacy in CPEC project matters according to stakeholder analysis. As of right now Baluchistan's unique needs are not represented by a provincial working group on CPEC. There is a serious lack of trust as a result of this lack of involvement. The indigenous population views development as a control mechanism rather than a right. Gwadar is now a highly militarized area where locals frequently feel like intruders in their own territory due to the ensuing securitization of development which is marked by an excessive number of checkpoints and the deployment of a Special Security Division (SSD) (Devasher, 2019). The Baloch fear they will become a minority in their own province by 2048 as a result of the influx of outsiders and this demographic anxiety has filled the void left by the lack of meaningful dialogue. In general, Balochistans marginalization is a purposeful result of institutional exclusion and governmental policies rather than just a result of poverty. A fundamental change to a people-centric approach that puts human capital development ahead of physical infrastructure is necessary to break this

cycle. CPEC runs the risk of continuing to be a successful coercive integration that perpetuates local alienation and regional inequality in the absence of true decentralization provincial resource ownership and local government body empowerment.

## **8. Security Dynamics and Regional Implications.**

China-Pakistan Economic Corridor (CPEC) is being operationalized in a very unstable security environment in which power games in the region are coupled with transnational militancy and conventional insurgencies. The fact that such cooperation between the two countries had never been as bilateral as it has become to deal with these threats puts the viability of the Iron Brotherhoods to the test.

### **8.1 The Evolving Insurgency Landscape.**

The security of Gwadar is threatened by a complex insurgency that includes nationalist, sectarian and jihadist elements. The Balochistan Liberation Army (BLA) and Balochistan Liberation Front (BLF) are leading a secular nationalist insurgency that brands the CPEC as a “neo-colonial enterprise” (Mihruallah & Irfan, 2025). These fighters have transformed into organized fighting forces that increasingly adopt new and sophisticated tactics such as suicide bombings, especially by the BLA’s Majid Brigade, against Chinese personnel and diplomatic facilities (EUAA, 2024).

At the same time, the Tehrik-e-Taliban Pakistan (TTP) has intensified its insurgency after the Taliban takeover of Afghanistan in 2021, redirecting its campaign against the Pakistani state and has made significant inroads into Baloch-majority areas. The threat of the Islamic State – Khorasan Province (ISKP), which competes for influence with the TTP and has taken over more than 70 mass-casualty sectarian attacks across the province, further complicates the situation (EUAA, 2024). The “militancy-affected” status of Pakistan necessitates a perpetual state of high-intensity counter-terrorism operations.

### **8.2 Strategic Security Cooperation.**

The state dyad has put in place a coordinated security plan in reaction to these threats. As part of a larger four-layered strategy involving 32000 security officials committed to safeguarding Chinese workers Pakistan has established a Special Security Division (SSD) with more than 13000 personnel. Using frigates gunboats and drones supplied by China to

improve surveillance capabilities Task Force 88 was ultimately activated to secure Gwadar Port and its approaches (Basit, 2018). The involvement of Chinese Private Security Companies (PSCs) is a new aspect of this collaboration. Chinese PSCs have started working with local companies to serve as security managers inside worker compounds despite Beijings continued reluctance to use deadly force overseas. Chinese capacity-building aid including more than \$500 million given to improve Pakistans counter-militancy infrastructure supports this securitized paradigm (Basit, 2018).

### **8.3 Regional Tensions and Indian Ocean.**

Regional rivalries have escalated as a result of CPEC especially with India which sees the corridor as a violation of its sovereignty because it passes through disputed Gilgit-Baltistan territory. A proxy war narrative has resulted from this with Islamabad accusing New Delhis RAW of creating a special cell to fund Baloch separatists in order to undermine CPEC (Shah & Kousar, 2024) In order to connect Central Asia to the sea without going through Pakistan India has supported the Chabahar Port in Iran as a direct rival to Gwadar. The String of Pearls theory which holds that China is constructing a network of commercial-military facilities to encircle India and keep an eye on US naval activity in the Indian Ocean is used to analyze Gwadar strategically. The purchase of 6600 acres for Gwadars airport by the Pakistani military rather than civilian authorities feeds suspicions of dual-use capabilities despite Beijings denial of military intent (Devasher, 2019). Additionally ongoing border disputes with Iran and Afghanistan over militant havens put pressure on regional diplomatic initiatives and raise the hidden costs of protecting the corridor.

## **9. Findings.**

The findings of this research dictate that Gwadars strategic value is dictated by the state dyads desire to gain power and security, which is in line with the realist theory. The port allows China to have its energy supply lines secured and prevent the Malacca Dilemma as well as providing Pakistan with very important strategic depth in the sea over their regional enemies. However, a huge development paradox is unveiled when Political Economy and Elite Theory is put into use. The elites (federal and military) in Baluchistan are able to extract the resource wealth of the region at the core (Punjab/Islamabad) and leave the local periphery in a systematic deprivation state. This is what is referred to as internal colonization. The study findings to the research questions reveal that the local communities

remain peripheralized by being treated as a secondary stakeholder in a top-down obscure planning process that bypasses provincial autonomy. This systematic exclusion directly affects the long-term sustainability of the Pakistan-China relationship. This finding shows that there is a development-conflict nexus where marginalization is the primary driver of indigenous insurgencies (BLA, BLF) that subsequently unleash violence on Chinese staff and CPEC facilities in a bid to put pressure on the state. The examples of the highly securitized paradigm of the states are the Special Security Division and the broad checkpoints that have created an atmosphere of fear and control that makes the alienation of the indigenous population even greater. This discussion concludes that CPEC is a sustainability challenge to the global leadership of China. Because of this the relationship is inherently threatened with regards to sustainability: the unseen expenses of extreme security and endemic instability in the region can ultimately render the corridor either economically or socially unsustainable. The long-term stability requires the transformation of the securitized elite-driven model to the decentralized people-based model, which pays a special focus to the ownership of the localities and the equitable distribution of benefits. Unless the causes of Baloch alienation are resolved the corridor will always remain a development of enclave that can at any time fall victim to domestic conflict.

## **10. Policy recommendations.**

### **10.1 From Enclave Development to Local Ownership: A New Economic Paradigm.**

The state must switch from an enclave development model to one that promotes local ownership and inclusion in order to end the cycle of internal colonization. The federal government should set local employment quotas for all CPEC-related projects and set up technical training facilities to close the human capital gap that leaves 53.6% of Baloch youth idle. Before large-scale industrialization moves forward basic service delivery—more especially the completion of water desalination plants and the integration of Gwadar into the national electricity grid must be given top priority. This will guarantee that locals experience real benefits. Additionally, the corridors value chains must incorporate regional sectors like horticulture and fishing by giving them access to contemporary technology and markets.

## **10.2 From Centralization to Federalism: A Governance paradigm Shift.**

Returning to the spirit of the 18th Amendment along with bringing parity in the value of vote among all provincial units which shall dismantle the partial incentive structure of the majoritarian federal model and truly delegating decision-making authority to provincial and local governments is necessary for institutional stability. The state must implement a radical transparency policy in order to address the severe trust deficit making public the details of multibillion-dollar Memorandums of Understanding and project agreements that are presently exempt from parliamentary scrutiny. To guarantee that local stakeholders are no longer regarded as secondary actors in the planning process a permanent Balochistan Working Group should be formed within the CPEC governance framework. A nonpartisan method for keeping an eye on fair resource distribution and localizing development objectives is to use the SDG framework of the United Nations.

## **10.3 The Human Security Imperative: Re-evaluating the Securitized**

### **Approach.**

A people-centric human security model that places equal emphasis on safeguarding local livelihoods and infrastructure must take the place of the current securitized paradigm. Checkpoints and the planned fencing of Gwadar are examples of heavily militarized restrictions that should be reevaluated because they physically alienate the local population and interfere with customary fishing practices. In the end the state must work toward political reconciliation with disenfranchised Baloch groups kinetic force will continue to be an inadequate and exorbitant long-term solution as long as marginalization continues to be the main cause of insurgency recruitment. In addition to being a social requirement addressing the causes of Baloch alienation is strategically essential to the corridors long-term survival.

## **11. Conclusion.**

This study has shown that the development of Gwadar Port under the China-Pakistan Economic Corridor (CPEC) is characterized by a basic conflict between macro-level geostrategic goals and micro-level socioeconomic realities. The study contends that although Gwadar offers the Pakistan-China alliance a previously unheard-of strategic pivot its current implementation uses a top-down extractive governance model that encourages systematic local marginalization. Balochistan becomes an internal periphery as a result of this dynamic where the pursuit of state-level security and energy interests unintentionally feeds the very indigenous instability that jeopardizes the long-term sustainability of the corridor. The results verify that Gwadar is a crucial remedy for Chinas Malacca Dilemma potentially cutting trade routes by 5500 to 9000 kilometers and providing Pakistan with crucial strategic depth in the maritime domain. The opposite of these strategic advantages, however, is a serious crisis in the development of man. Having a multidimensional poverty rate of 71. The absence of basic amenities like electricity and clean water which has continued to exist in Gwadar Balochistan with a population of 2 percent is the most impoverished province in the history of Pakistans despite the billions of dollars that had been expended on it. The spirit of the 18 the Amendment has been avoided by the elite theory through treating the local communities as secondary stakeholders and prioritizing the interests of the federal and military elites over the local human capital centralized decision-making. Such results pose severe consequences on the future of the all-weather partnerships. The research recommends that development-conflict nexus exist, in which social economic marginalization is the primary factor contributing to the enlistment in rebel states such as the BLA and BLF. This requires a more militarized security paradigm that represents the Special Security Division that takes the hidden costs of the projects to astronomical heights. Lastly CPEC is a sustainability experiment of the BRI framework and global leadership of China. The research concludes that the key to ensuring the success of the corridor is a fundamental change to a decentralized people-centric model as opposed to capital only. The Gwadar strategic depth will never be able to escape a landscape of internal conflict without the actual possession of the territory through equitable sharing of resources and reconciliation of politics. Thus, solving the reasons behind the Baloch alienation is not only a social ideal but a strategic need to survive of the corridors in the long term.

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