

**RESEARCH PAPER****Pakistan's Efforts to Enhance Its Geo-Economic Potential through Collaboration with China****Iqra Fazal\* and <sup>2</sup> Dr. Waheed Ahmad Khan**

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**\*Corresponding Author:** [Iqra.fazal@dhpt.uol.edu.pk](mailto:Iqra.fazal@dhpt.uol.edu.pk)**ABSTRACT**

Over the last couple of decades, Pakistan's foreign policy emphasis has shifted away from traditional security-centric focus to a more geo-economically oriented strategy. China has emerged as a key player in Pakistan's geo-economic strategy, owing principally to its flagship project, the China-Pakistan Economic Corridor (CPEC). As a part of China's ambitious Belt and Road Initiative (BRI), CPEC intends to expand infrastructure, energy, and industrial projects in Pakistan, promoting economic growth and regional integration. Pakistan's decision to join CPEC is analyzed in detail to determine if Pakistan joined this project to boost relations with China, enhance its economic growth, or to gain geo-economic benefits. Through study of documents related to CPEC and expert interviews, it was found that China's economic investments in Pakistan have contributed to Pakistan's economic growth. However, Pakistan's main intention to join CPEC was to enhance its geo-economic potential, especially vis-à-vis regions to its North, Northeast, and East.

**Keywords:** China, CPEC, Geo-Economic Factors, Pakistan, Regional Connectivity**Introduction**

In today's connected world, the dynamics of international relations have undergone substantial modifications, challenging traditional concepts of statecraft and diplomacy. One component that has gained significance in recent years is the notion of geo-economics, by which economic forces and considerations play a fundamental part in influencing a country's foreign policy aims and actions. This recent shift has prompted governments to reconsider their geopolitical agendas and form strategic alliances based on economic interests. Pakistan, geographically placed at the crossroads of South Asia, Central Asia, and the Middle East, has seen significant changes in its neighborhood that have affected its foreign policy orientation. In recent years, Pakistan's foreign policy has adopted a geo-economic orientation under which economic cooperation and diversified ties are emphasized. This paper seeks to investigate and analyze China's influence in Pakistan's changing geo-economic orientation.

The study's aims are threefold. First, to evaluate the elements influencing Pakistan's transition towards a geo-economic-oriented foreign policy. Second, to investigate China's involvement in supporting and influencing Pakistan's geo-economic turn. Finally, the ramifications of this geo-economic shift on Pakistan-China ties and the larger regional environment. The role of China in Pakistan's geo-economic transformation is critical. China-Pakistan Economic Corridor (CPEC) is a key component of this cooperation. CPEC, a flagship initiative of China's Belt and Road Initiative (BRI), intends to improve connectivity and boost economic cooperation between the two countries. China has played a critical role in influencing Pakistan's economic development and regional integration by investing in infrastructure and energy projects. The strengthening of Pakistan-China economic links has

the potential to boost economic growth, enhance regional stability, and encourage people-to-people contacts.

Pakistan's old security-centric foreign policy, which depended primarily on military ties, has been limited and has failed to satisfy country's long-term economic objectives. As a result, authorities are starting to realize that economic cooperation and trade may act as stimulants for socioeconomic advancement and regional stability. More visibly, Pakistan took a shift from geopolitics toward geo-economics in 2013, when it joined CPEC project. Many researchers through their research and government officials through their speeches convey a message that Pakistan is shifting towards geo-economics.

Through the use of qualitative research method, this study is primarily completed by analyzing official government documents related to CPEC and interviews conducted by experts from universities, semi-government institutions, and ministries. Secondary data in the form of scholarly articles and books was also used to clarify the key themes and concepts. The aim of this paper is to investigate Pakistan's geo-economic shift and, in particular, the influence of China in driving this transition. It tries to comprehend the motives behind Pakistan's prioritization of economic interests, the forces driving its expanding engagement with China, and the implications of this cooperation for Pakistan's local, regional, and global dynamics. China, with its quickly rising economy and huge infrastructure projects under the BRI, gave an appealing opportunity to Pakistan to enhance its commercial connections, not only with China but with the neighboring countries as well. The purpose of this work is to answer the research question: *Why Pakistan took a geo-economic turn based on China's vision?*

Geo-economics underscores the criticality of evaluating economic prowess, relative advantages, and geographic sensitivities that shape governments' economic approaches and interactions with other international economic stakeholders. Geo-economics places an emphasis on relative benefits, which means that governments are concerned not just with their absolute economic achievements, but also with how those gains compare to those of other states. This emphasis on relative strength can have an impact on economic decision-making and collaboration. Trade policies, energy security initiatives, investment choices, and efforts to attract foreign direct investment (FDI) may all be influenced by geo-economic interests. These geo-economic issues are likely to affect the country's economic interactions with neighboring countries as well as major economic powers.

### **Literature Review: Geo-economics in the context of Pakistan**

Pakistan has intensified geo-economic efforts in recent years to strengthen its economic integration with regional and global partners. Geoeconomics pushes Pakistan to diversify its economy and decrease its reliance on a few industries. Pakistan can build a more robust economy that is less sensitive to external shocks by exploring new markets and sectors. Pakistan also wants to broaden its economic relations beyond China and form alliances with other nations and areas. It has participated extensively in regional organizations like the Shanghai Cooperation Organization (SCO) and the Economic Cooperation Organization (ECO) to increase trade, investment, and connectivity with neighboring nations. Participation in projects such as the Central Asia Regional Economic Cooperation (CAREC) program and the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline project indicates Pakistan's geo-economic ambitions. Pakistan's foreign policy has been shaped by various factors including its strategic location, historical background, and economic interests. In recent years, Pakistan has been focusing on enhancing its geo-economic position in the region and beyond, and to promote economic growth and development. (Shah, et. al. 2020; Gul, Asghar, & Khalid, 2021).

The breakdown of the Soviet Union created an opportunity for Pakistan to expand its economic reach into Central Asia, as the newly independent CARs were in need of

economic partners and foreign investment. China's proximity, growing economic power, and appetite for resources made it an attractive partner to Pakistan to help it connect with the Central Asian countries. The overlap of China's opening up and the Soviet breakdown had a profound impact on China's economic engagement in Central Asia. It allowed China to expand its economic reach into the region, driven by its quest for resources, trade routes, and economic expansion. (Rahim, et. al. 2018; Gul, Asghar, & Khalid, 2021).

Since its independence, there are some problems that Pakistan is facing till now. A poor economy is one of such problems. Through the years Pakistan was using geopolitical means to promote its economy. Pakistan has always prioritized security issues due to its geographical location in a hazardous region and historical disputes with neighboring countries. The geo-economic change, on the other hand, shows a strategic shift in which Pakistan recognizes that economic development and collaboration with China may help it to gain long-term security and stability. Pakistan has officially announced that it will use economic diplomacy with other states. Former Foreign Minister of Pakistan, Shah Mahmood Qureshi, Former chief of army staff, Gen Qamar Javed Bajwa, former prime minister of Pakistan, Imran Khan, are among key policymakers of Pakistan who mentioned in their speeches that Pakistan has shifted now from geopolitics to geo-economics. Pakistan's National Security Policy of 2022 is clear evidence of this policy shift. Pakistani leaders and policymakers made this statement on behalf of China.

One of the key pillars of Pakistan's geo-economic strategy is CPEC, a \$62 billion infrastructure and energy project that aims to connect Pakistan's southern Gwadar port to China's northwestern region of Xinjiang. China is going to become Pakistan's largest trading partner. CPEC is an example of geo-economics in Pakistan. Pakistan has best geographical location in the world. From the Hindu Kush to the Pamir Mountains is where the Durand Line runs. With Afghanistan, it shares a 2,670 km (1,659.1 mi) border. The Wakhan Corridor is a small area of Afghan territory that lies between Pakistan and Tajikistan. (Abbas et al., 2018) 559 kilometers separate the People's Republic of China from Pakistan along the Sino-Pak border. It starts at the Wakhan Corridor's eastern most point (347.3mi), up until it reaches the Karakoram Pass, it keeps moving southeast. Between 1961 and 1965, China and Pakistan held many negotiations to establish this line, and on March 3, 1963, both nations formally agreed. (Ejaz & Jamil, 2022)

The energy crisis is also the biggest challenge for the Pakistani economy. It contributes to playing a vital role in promoting economic growth. Pakistan's energy industry is in crisis as a result of a lack of energy output to meet the country's rising demand over the last few decades. Pakistan is now entirely dependent on imported energy resources such as gas and oil. (Maryam, 2022). CPEC is helping Pakistan to fulfill its energy needs. (Younis et al., 2021). The initiative holds the potential to significantly elevate Pakistan's economy and enhance the livelihoods of approximately 3 billion individuals within the region. By participating in CPEC, Pakistan aims to attain a more favorable equilibrium between its geo-economic and geopolitical contexts, while also addressing energy needs and bolstering infrastructure. (Hussain, Khan, & Ayaz, 2021).

Electricity is also the biggest financial challenge in Pakistan. Natural resources such as diesel, gasoline, and natural gas are scarce in Pakistan. Pakistan imports diesel in dollars from the United States, Qatar, and Saudi Arabia to generate electricity. With taxes, it is prohibitively expensive for Pakistan. In 1994, the Energy Policy introduced a range of incentives for private investors, enabling them to establish power projects within the country. The energy policy, implemented in 1994, had far-reaching consequences that affected every facet of the nation. (Nicholas & Buckley, 2018).

Pakistan has not only a strong economic relationship with China but also social ties. For example, Pakistan greatly aided China in expanding its network throughout the world, Chinese air space was opened for PIA, and China Airlines made traveling easy for Chinese

and Pakistanis while building strong social ties. Furthermore, Pakistan secured the way for China in the UN framework and played a significant role in making China a consistent member of the UN Security Council. (Naseer, 2022)

Because of the richness of naturally beautiful places, Pakistan is already working to improve its tourism. It is working to develop better transportation facilities and modern infrastructure that will boost its tourism potential. Pakistan's marine area is 240,000 square kilometers, accounting for 36.4% of the country's total area. If Pakistan's maritime area were a land piece, it would be slightly larger than Punjab province. This signifies that Pakistan has a healthy blue economic zone. The all-year operational seaports of Karachi and Port Qasim, as well as the world's deepest port Gwadar, add to its significance, as does its strategic location.

Pakistan has been making efforts to shift its focus toward a more geo-economics strategy in recent years. This involves using its geographic location as a strategic advantage to drive economic growth. From a geo-economic perspective, Pakistan is working on ports, highways, connectivity, and trade. All these efforts are creating more opportunities for the citizen of Pakistan. Through geo-economics, Pakistan is promoting tourism and exporting goods and services to foreign countries.

Pakistan's shift from geopolitics to geo-economic is a very progressive achievement, but it does not mean Pakistan has compromised on military power. Pakistan is working side by side in both directions. The history of geo-economics in Pakistan is not too old. There are many projects going on that indicate the importance of geo-economics. Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline project is intended to carry natural gas from Turkmenistan to India via Afghanistan and Pakistan. Central Asia-South Asia (CASA-1000) Transmission Line project started in 2021. The CASA-1000 transmission line connects Tajikistan and Kyrgyzstan to Afghanistan and Pakistan. It permits surplus power from Central Asian countries to be sent to energy-deficient South Asian countries, promoting international energy cooperation and economic development.

### **Theoretical underpinnings: The origin and history of the concept of geo-economics**

Geo-economics is the study of geographical, political, and positional aspects of economic sectors and resources. Geographer-social scientists like Vladimir Evgrafovich Den, Pavel Nikolaevich Savitskii, Vladimir Petrovich Semenov Tyan-Shansky, and I.A. Vitver developed the early geo-economic notions related to Russian and German economic geography in the first half of the 20th century. Savitskii stood out as a pioneer in applying geo-economic methodology to dissect geopolitical dynamics. He initially established the dichotomy between landlocked and maritime nations. According to his viewpoint, this contrast defined the limitations in transport capabilities for continental Russia, impeding its potential robust involvement in global economic interchange. Den, on the other hand, made similar observations about Germany. (Vihma, 2018)

The notion of geo-economics gained paramount importance during the latter part of the twentieth century and the initial years of the twenty-first century. Although brinkmanship was the overall notion from the 1950s to 1970s, beginning in the 1980s, Edward Nicolae Luttwak, an American military strategist, coined the phrase "geo-economics." Geo-economic power projection is the consequence of a state's available economic capabilities in ways that economic power gives geostrategic influence to states. Economic power is comprised of three components: markets, resources and the laws that govern international economic interactions. Relevant market characteristics include the economic weight of the specific state and its growth expectations, market access, and international flows of investment and trade.

When Edward Luttwak first discussed a transition from geopolitics to geo-economics, he argued that economic power was displacing military power in international politics. Unlike others who saw cooperation replacing competition, he argued that international relations continue to follow an "adversarial, zero-sum, and paradoxical" logic (1990, p. 17). States, according to Luttwak (1990, p. 17), would increasingly deploy "market share in place of garrisons and bases, civilian innovation in place of military-technical advances, and disposable money in place of firepower." Thus, geo-economics, according to Luttwak, principally pertained to the employment of economic tools to strategic aims in a highly conflictual manner - what he referred to as "the logic of conflict." Cowen & Smith's (2009) definition of geo-economics is inextricably linked to a certain territorial logic that extends beyond typical geopolitical issues. They contend that geo-economics had an important influence in shaping international relations even before the Cold War ended. To demonstrate this claim, they cite the early twentieth-century growth of the United States as a world power, which they attribute to free trade principles and the amassing of wealth through market domination.

The idea of geo-economics has been strongly influenced by geopolitics since the beginning. When Luttwak put up the idea of geo-economics, he emphasized that the game between powerful countries and the distribution of power depend heavily on economic strength and means. The word "geo-economics" has a very broad definition, in Vihma's (2018) thoughts, and covers a variety of subjects, including cross-border economic zones, foreign policy, neo-liberalism, and economic nationalism. According to Hudson (1991) geo-economics is a plan to encourage regional development through trade and investment. Baru & Dogra (2015) highlighted that geo-economics involves the interplay between the economy and geopolitics. Economic advancements have the potential to influence geopolitics, while changes in geopolitics can impact the economy. Geo-economics is characterized by two primary definitions: one that highlights its connection to economic policy in response to changes in national power and geopolitics, and the other that emphasizes the economic repercussions of geopolitical and national power trends. (Gul, Asghar, & Khalid, 2021) In recent times, there has been a growing prominence of geo-economics in academic discourse. (Beeson, 2018) In our view, geo-economics serves as both a strategic practice and an analytical framework. From an analytical standpoint, geo-economics underscores how the pursuit of relative power motivates the actions of states. According to Luttwak, nations inherently aspire to gain a relative advantage over similar entities. The "geo" aspect within geo-economics signifies that the economic foundations of national power must possess distinct geographical attributes, such as resources located in specific areas or controlled sea routes.

Robert Blackwill and Jennifer Harris investigate today's most important geo-economic instruments in their book *War by Other Means*, including trade policy, investment policy, economic and financial sanctions, financial and monetary policy, energy and commodities, aid, and cyberspace. While some continue to operate as before (aid), others are new (cyberspace) or operate in a different environment (energy). And also, according to Blackwill & Harris (2016) geo-economics is "reemerging as a preferred form of geopolitical combat for some) of the world's most powerful states and shaping the outcomes of some of the world's most important strategic challenges." America, Russia, and China all have the same threat. It is stated that "the grand strategies of twenty-first-century geopolitics will be pursued primarily through economic resources. (Migel, Scholvin, & Aaltola, 2019, p. 6).

Another aspect of geo-economics pertains to the ascendance of the state capitalist development paradigm. Differentiated by the specifics of each government, this bureaucratically orchestrated form of capitalism employs various instruments including government-controlled oil and gas entities, other state-owned enterprises, sovereign wealth funds, and state-owned banks. Moreover, the financial crisis and disillusionment

with the deregulated market system since 2008 have eroded the credibility of the liberal perspective, highlighting the intricate links between the economy and security. Additionally, the heightened emphasis on resource scarcities within the realm of international relations amplifies concerns about supply security and nurtures a zero-sum outlook. The swift expansion, industrialization, and urbanization in populous Asian economies have led to elevated resource prices and, albeit temporarily, revived neo-Malthusian apprehensions. (Baru & Dogra, 2015)

Energy security is widely acknowledged as a crucial component of economic security in contemporary studies. I'm going to assume that "power" comes from energy. Power projection abilities of a state are useless in the absence of sufficient energy sources. Asian countries primarily rely on imports of energy to satisfy their demands. The area's economy will be choked off by any energy supply shortage, and if worldwide supply lines will be upset. The same, it has emerged as the "most active" issue in current geopolitical processes. The supply of oil and gas by land through pipelines, waterways or tankers demonstrates the importance of this particular element of energy security. (Mukhammad, sidiqov & Turaev, 2020)

### **Research Methods**

The main research question of the paper is: *Why Pakistan took geo-economic turn based on China's vision?* Through this research question, we wanted to know Pakistan's reasons to join CPEC project. Why Pakistan joined a project proposed by Chinese leadership? Is Pakistan's transition towards a geo-economic strategy the result of a common strategic vision with China? As CPEC was proposed by China, we want to know if Pakistan joined this project because it felt obliged to seek deeper engagement with China, or Pakistan joined CPEC for its own personal gain. We also want to know what role CPEC played in Pakistan's overall geo-economic strategy. Especially, we want to know if through CPEC Pakistan intended to expand its geo-economic reach to Afghanistan, Central Asia and beyond. In other words, how does Pakistan's geo-economic cooperation with China affect its regional geopolitical and geo-economic standing? What role does infrastructure development, facilitated by China; play in Pakistan's geo-economic transformation?

For this paper we used qualitative research method. First of all, we go through all the official documents that are available on Pakistani official website related to CPEC. Official papers released by government agencies, international organizations, or authoritative organizations frequently contain thorough and well-researched information regarding policies, agreements, plans, and initiatives. Official papers are a vital and trustworthy source of information that considerably adds to the depth and credibility of our research. Studying official papers, particularly in the context of CPEC, has helped us to know the actual stance of Pakistani government on CPEC. This material provided us with an excellent fundamental understanding of the subject, helping to understand the context, purpose, and scope of CPEC.

After studying CPEC related official documents, we conducted interviews. For these interviews, our main population was experts in policymaking, academia, and research organizations. Sample size was of thirty (30) people from different backgrounds. Personal narratives, experiences, and tales are captured through interviews, providing a qualitative perspective. This helped us answer our research questions by offering real-life examples. Data from interviews revealed important themes related to CPEC and Pakistan's geo-economic vision.

### **Document Study**

In order to get background information on CPEC project, we conducted study of key official documents related to CPEC. Following six are the documents included:

1. *Memorandum of Understanding (MoU) on CPEC*: This document was signed in 2013 between China and Pakistan to establish the framework for cooperation on CPEC.
2. *Long-term Plan (LTP) for CPEC*: This document was released in 2017, and outlines the goals, priorities, and implementation plans for the CPEC projects.
3. *CPEC Energy Projects*: This document provides details about the energy projects under the CPEC, including coal-fired, hydropower, and wind power projects.
4. *CPEC Transport Infrastructure Projects*: This document outlines the various transport infrastructure projects, including highways, railways, and ports.
5. *CPEC Industrial Cooperation*: This document provides details about the industrial cooperation between China and Pakistan under the CPEC, including the establishment of special economic zones (SEZs).
6. *Joint Working Groups (JWGs) on CPEC*: Several JWGs have been established to oversee the implementation of different aspects of the CPEC projects. The minutes of these meetings and reports provide important information on the progress of the projects.

Through the study of documents, we found official Pakistani position on the project of CPEC. This study helped us understand the scope of the project, as well as future predictions made by government officials.

## Interviews

To conduct interviews, first of all we developed an interview guide with ten questions (refer to Table I). To develop this interview guide, we got information from theory, research questions and government documents related to CPEC.

**Table 1**  
**Interview Guide – Main Questions**

1. Why do you think Pakistan did not say no to CPEC project when it was proposed by China?
2. Can we say that Pakistan felt obliged to join CPEC due to long-term friendly relations with China?
3. Do you think that CPEC has become a debt trap for Pakistan?
4. Do you see a bright future for Pakistan regarding CPEC project? If yes, then how?
5. What kind of economic benefits Pakistan expected at the time of the signing of CPEC?
6. Can you explain CPEC in the light of geo-economics?
7. How Central Asian States can contribute to Pakistan's economy through CPEC?
8. Can Russia contribute to Pakistan's economy? If yes, then how?
9. Do you think Pakistan can get international recognition by connecting with China, Central Asia and Russia through CPEC?

For the interviews, the sample size was thirty experts from government departments/agencies, think tanks, and universities (refer to Table II). we chose people for the sample based on their accessibility and availability through convenience sampling, a non-probability sampling technique. This strategy is frequently employed when it is difficult or unfeasible to select a random or representative sample from the target population. We chose people who are accessible or easy to reach rather than employing a systematic procedure to recruit participants. Since we focused on experts for this research, not the general public, convenience sampling was the most appropriate sampling procedure.

**Table II**  
**Key Institutions for Interviews**

<b><i>Government Ministries:</i></b>
Ministry of Foreign Affairs, Islamabad
Ministry of Science and Technology, Islamabad
Ministry of Planning and Reforms Government of Pakistan, Islamabad
China-Pakistan Economic Corridor (CPEC) Authority Islamabad
Planning Commission, Ministry of Planning Development and Special Zone, Islamabad
<b><i>Think Tanks (Research Organizations):</i></b>
Institute of Strategic Studies (ISSI), Islamabad
Institute of Regional Studies (IRS), Islamabad
Pakistan Institute of Development Economics (PIDE), Islamabad
Islamabad Policy Research Institute (IPRI), Islamabad
Institute of International Relations and Media Research (IIRMR), Lahore
<b><i>Universities</i></b>
Bharia University, Islamabad
National Defense University, Islamabad
Air University, Islamabad
Quid e Azam University, Islamabad
University of Lahore, Lahore
University of Central Punjab Lahore, Lahore
Punjab University, Lahore
Government College University, Lahore
Minhaj University, Lahore

## Research Findings

As we mentioned in the previous section, we collected two types of data: first from the official documents, and second through interviews. Official documents consist of six governments of Pakistan documents on CPEC, while interviews are conducted from thirty experts. The documents helped us to understand the past scenario and the basic dynamics of the CPEC project. Interviews, on the other hand, helped us understand the vision of Pakistani policymakers, researchers and analysts in terms of Pakistan's geo-economic goals and the role of CPEC in it.

## Document Review

According to the official documents, CPEC is a significant infrastructure project that aims to connect the Gwadar Port in southwestern Pakistan to China's northwestern region of Xinjiang, via a network of highways, railways, and pipelines. It is considered a flagship project of China's BRI and has attracted substantial investments from China. The CPEC project encompasses various sectors, including energy, transportation, and industrial development. It includes the construction of power plants, the upgrading of transportation infrastructure, the establishment of special economic zones, and the development of Gwadar Port as a trade hub. The project has been a subject of both praise and criticism. Proponents argue that CPEC has the potential to boost economic growth, create job opportunities, and improve infrastructure in Pakistan. They believe it could enhance regional connectivity and promote trade between China, Pakistan, and other countries. On the other hand, critics express concerns over the economic viability of the project, debt sustainability, and the transparency of agreements between China and Pakistan. There have been debates regarding the extent of local benefits, environmental impact, and the potential for unequal economic dependency. Overall, CPEC has the potential to significantly boost Pakistan's economy. The project includes the development of energy projects, road networks, railways, and ports, which can create employment opportunities and stimulate



economic growth. These developments can improve country's overall infrastructure and contribute to its long-term development. CPEC also addresses Pakistan's energy crisis, as it incorporates several energy projects, including coal, hydro, wind, and solar power plants. These projects can help alleviate Pakistan's energy crisis and ensure more stable and reliable energy supply.

### **Interviews Data Presentation**

Finding themes in interviews is an important stage in qualitative research because it allows researchers to infer meaning from the data and gain a thorough picture of the topic under consideration. The themes might be utilized to back up claims, or guide future study and to develop theory. Analysis of the interview data yielded following three themes:

#### ***Theme 1: Pakistan accepted CPEC project because of its long-term strategic relationship with China.***

Since its independence, Pakistan is struggling for good relations with neighboring countries. Pakistan and China are friends since 1951 when they established diplomatic ties. China and Pakistan share several common interests, which have contributed to their strong bilateral relationship. Here are some key factors that explain the alignment of their interests. Both China and Pakistan have a shared interest in maintaining stability in the region. They have a mutual concern about terrorism, extremism, and separatist movements in their respective territories. By cooperating closely, they aim to counter these threats and ensure the overall security of the region. While end of the Cold War and the 2008 financial crisis contributed to the CPEC idea, it is important to look beyond these explanations to see why nations like Pakistan should support this transformative endeavor. Pakistan has great potential for economic expansion and development because of CPEC.

China has been a long-standing ally and major arms supplier to Pakistan. This defense cooperation is driven by their shared concern over India's growing military capabilities and potential regional hegemony. Through military exchanges, joint exercises, and arms transfers, China supports Pakistan in strengthening its defense capabilities, which helped Pakistan to maintain balance of power in the region. Both China and Pakistan perceive India as a regional competitor. China's support for Pakistan helps balance India's influence and counter its growing strategic partnerships with other countries. Pakistan, on the other hand, seeks China's backing in its disputes with India, particularly regarding the Kashmir issue. China's interests in Pakistan extend beyond bilateral relations. Pakistan offers China access to the Arabian Sea, which is vital for its maritime interests and energy security. Additionally, their close ties enable China to project its influence in South Asia, expand its presence in the Indian Ocean, and counter the perceived containment efforts by the United States and its allies in the region.

Pakistan's acceptance of the CPEC project aligns with China's broader strategic objectives of expanding its influence and connectivity in the region. The project involves the development of infrastructure, including ports, roads, railways, and power plants, which would not only benefit Pakistan's economy but also strengthen China's presence in the Indian Ocean region. China's long-term friendly relationship with Pakistan helped Pakistani leadership to accept this project. This project seeks to further enhance mutual trust, cooperation, and shared interests, thereby solidifying their long-standing alliance.

#### ***Theme 2: Pakistan accepted CPEC project because it expected economic benefits.***

Because of the CPEC, Pakistan expected significant economic benefits. In fact, the prospect of economic gains played a major role in Pakistan's decision to embrace the China-Pakistan Economic Corridor (CPEC) project. By supporting CPEC, Pakistan can create opportunities for technical innovation, job creation, sustainable development, and

improved regional connectivity, putting it in a position to play a major role in the changing global economic environment. China has been a key ally and supporter of Pakistan, providing economic assistance, infrastructure projects, and military cooperation. Furthermore, the partnership between Pakistan and China extends to energy cooperation. China has invested in various energy projects in Pakistan, including coal, solar, and wind power plants, to address Pakistan's energy deficit. These initiatives have contributed to diversification of Pakistan's energy mix, reduced dependence on fossil fuels, and promoted sustainable development. All these initiatives clearly show that Pakistan joined CPEC due to the economic benefits it expected from this project.

***Theme 3: Pakistan accepted CPEC project because it expected geo-economic gains in the region.***

Through CPEC, China aims to establish a trade and transportation network that spans from western China through Pakistan to the Arabian Sea, ultimately bolstering its regional influence. The project has the potential to attract foreign direct investment to Pakistan from both China and other nations interested in CPEC-related initiatives. Overall, Pakistan's support of the CPEC project was motivated by the prospect of significant economic and strategic advantages, as well as the possibility of playing a more prominent role in regional and global commerce and connectivity.

CPEC is expected to impact not just the fate of the two nations, but also the fate of the whole region, since it would create a gateway to the Indian Ocean, particularly through Gwadar Port. While many governments would gain from the CPEC, landlocked Central Asian states and Afghanistan will benefit the most. With access to warm waters, they will be able to expand their economies through natural resource trade and build commercial links with international markets. Pakistan and China will profit from increased interaction with Central Asian governments, particularly in terms of gaining access to their abundant natural resources. Enhanced regional connections would further increase economic collaboration and integration in other areas among regional economies in order to promote mutual growth. However, Afghanistan stands between Central Asia and CPEC. Afghanistan offers the quickest and most affordable commercial and transportation route, but its internal security dynamics have been the region's most significant hurdle to greater commercial cooperation. All parties must devise a strategy to assist in stabilizing Afghanistan and successfully handle the country's security issues. At the moment, the SCO appears to be the finest venue for such collaboration, because it comprises the majority of parties, particularly China, Pakistan, India, the Central Asian Republic, Russia and Afghanistan. If SCO forum becomes successful, members may gain substantially from simple transportation lines from Russia all the way South to the Indian Ocean. Apart from the Afghanistan factor, there are several challenges that must be carefully addressed. These challenges include internal politics in every country involved, relationships with global and regional powers, feasible funding for the projects, and environmental issues. Still, we should be hopeful about the CPEC's long-term success, because it will not only boost the economic growth of Central Asia and South Asia, but it will also contribute to the stability and peace of the region through increased connectivity and collaboration.

## **Conclusion**

China has emerged as a major global economic power, and its BRI project has been an important driver of economic growth and connectivity. Pakistan recognized the potential benefits of aligning with China's economic vision and sought to leverage its strategic location to enhance trade and investment opportunities through CPEC. China's BRI focuses on developing infrastructure projects such as roads, railways, ports, and energy facilities. Pakistan, with its infrastructure deficit, saw an opportunity to address its own developmental needs by partnering with China. Pakistan has faced chronic energy shortages for many years. China's involvement in the energy sector through CPEC has led to the

development of power projects, including coal-fired and renewable energy plants. This has helped Pakistan improve its energy security and overcome electricity shortages, supporting its industrial and economic growth. By aligning with China's vision, Pakistan also aims to enhance its regional connectivity and trade with neighboring countries. CPEC provides Pakistan with improved access to the Arabian Sea through the development of the Gwadar Port, which is expected to become a major maritime trade route. This connectivity is seen as a means to boost Pakistan's economy and strengthen its regional influence.

Pakistan and China share a long-standing strategic partnership. China has been a consistent supporter of Pakistan's interests at the international forums, including the United Nations Security Council. By aligning with China's vision, Pakistan solidifies its ties with its closest ally and secures economic and diplomatic support. It is important to note that while Pakistan has benefited from its relationship with China, there have also been concerns raised about issues such as debt sustainability, transparency, and the environmental impact of certain projects. However, Pakistan's decision to pursue a geo-economic turn based on China's vision primarily stems from its pursuit of economic development, energy security, regional connectivity, and strategic partnership.

The research question that we posed focuses on Pakistan's foreign policy and its geo-economic turn. Pakistan's geo-economic turn refers to its shift towards prioritizing economic considerations in its foreign policy decisions. This approach aimed to leverage economic cooperation, trade, and investment to enhance the country's overall standing and influence in the international arena. By emphasizing economic cooperation, Pakistan sought to enhance its economic power. The rationale behind this strategy was to leverage economic strength as a means to gain influence and advance national interest. Through initiatives such as the CPEC, Pakistan aimed to attract foreign investment, promote infrastructure development, and boost trade. These efforts contributed to Pakistan's economic growth and bolstered its economic power at the regional and global level.

In summary, Pakistan's acceptance of CPEC can be attributed to a multifaceted set of motivations. Firstly, the long-standing strategic relationship with China dating back to 1951 has played a pivotal role. This alliance is rooted in shared interests such as regional stability, counterterrorism efforts, and defense cooperation, aligning with China's broader ambitions in South Asia and the Indian Ocean. Secondly, the anticipation of significant economic benefits was a driving force behind Pakistan's endorsement of CPEC. The project promised technical innovation, job creation, sustainable development, and improved regional connectivity. China's investments in energy projects further diversified Pakistan's energy mix and contributed to its sustainable development goals. Lastly, Pakistan saw the potential for geo-economic gains through its participation in CPEC. By connecting China's western regions to the Arabian Sea via Gwadar Port, Pakistan positioned itself as a gateway to the Indian Ocean. This not only benefited Pakistan but also provided landlocked Central Asian states (as well as Afghanistan) access to warm waters, fostering economic collaboration and integration in the region. In conclusion, we can say that long-term strategic relationship with China and internal economic benefits contributed to Pakistan's decision to join CPEC, but the most important factor for Pakistan to join CPEC was geo-economic benefits. Pakistan was already making efforts to become a central regional player through economic relationships with Iran, Central Asia, and Russia. The CPEC project gave boost to these Pakistani efforts.

## **Recommendations**

This research contributes to a wider academic discourse on the relationship between politics and economics. Additionally, it highlights the interplay between domestic political factors, international relations, and economic considerations. This study can be helpful to scholars and policymakers interested in reviewing Pakistan's Foreign and economic policy. Given the importance of the China-Pakistan Economic Corridor and its

potential influence on regional connectivity and development, our research has far-reaching consequences for the whole of the region, including South Asia, Central Asia, and the Middle East. Understanding the significance of CPEC in shaping Pakistan's foreign policy might aid regional parties to understand the changing geopolitical situation.

In order to fully utilize its geo-economic potential, Pakistan needs to focus on fostering regional cooperation, resolving political disputes, enhancing security measures, investing in infrastructure development, and diversifying its economy. By focusing on these problems, Pakistan can unlock its geo-economic potential and leverage its strategic location for regional trade, connectivity, and economic growth. Another important development could be the signing of a proposed charter of economy in Pakistan.

The charter of economy is a proposed economic agreement or understanding among political parties in Pakistan. It aims to establish a consensus-based approach to economic policies and reforms to address the economic challenges faced by the country. The Charter of Economy is not a legally binding document but rather a commitment among political parties to work together on economic matters. The Charter of Economy is significant because it has the potential to support continuity, stability, and long-term economic planning in Pakistan. It seeks to reduce political divide and establish a basis for economic decision-making by bringing together political parties from across the ideological spectrum. By fostering consensus among political parties, it seeks to reduce policy uncertainties and create a favorable environment for domestic and foreign investment. It sends a positive signal to local and international investors, demonstrating a unified approach toward economic development and reform. This can boost investor confidence, attract capital inflows, stimulate economic growth, and ultimately lead to improved living standards for the people of Pakistan.

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