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The Implications of the China-Pakistan Economic Corridor on the Fulfillment of the Sustainable Development Goals in the Social Sector Development

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Abstract: *China and Pakistan launched the CPEC as a massive project to promote free trade and economic development. CPEC is perceived as "game-changer" despite being in its early stages. Previous research has taken into consideration both macro and micro level benefits of CPEC, but they have primarily been conceptually oriented. This study covers the knowledge gap by investigating the possible advantages of CPEC for Pakistani locals and how it is complimenting Sustainable Development Goals. We used the questionnaire method and face to face interview approach to conduct valuable information for the research. The results demonstrate that residents believe their social lives have significantly improved because of the development of CPEC. To maximize the benefits of CPEC, this research suggests the authorities and stakeholders of the project to enhance its involvement in the education, economic and industrial sectors.*

Key Words: CPEC, SDGs, Economic Goals, Social Goals

Introduction

China and Pakistan launched the CPEC as a massive project to promote free trade and economic development. Although CPEC is still in its early stages, government officials and policymakers consider it as a "game-changer" for Pakistan and China since it might result in many local commercial and job prospects as well as worldwide outreach. Numerous studies have recently examined the macro and micro level benefits of CPEC, but due to the new name, they have primarily been conceptually oriented. Prior studies have not yet explored how helpful the CPEC is for a particular community or

how the local population feels about it. This study covers the knowledge gap by investigating the possible advantages of CPEC for Pakistani locals [Raszowski 2019]. CPEC aims to set up several sectors along its whole course, including the health sector, educational institutions, industrial sector, economic zones, infrastructure, and jobs. Although CPEC proponents mention a long number of advantages for both local communities and the national economies, empirical studies on CPEC projects and community advantages are uncommon. The advantages of CPEC from the standpoint of a nation have been covered in numerous studies. For instance, CPEC has already been cited by political

and governmental entities as a key indicator in many regions, such as the standard of life and employment possibilities for residents.

Specially, we are familiar with the perspective of the policymakers. However, the local populace is yet to be explored about the outcomes of CPEC as planned. This study covers the knowledge vacuum by looking at the role that CPEC development plays in achieving two societal goals, including as environmental protection and educational infrastructure, including its tridimensional effects on quality of life, unemployment, and poverty. Pakistan currently confronts significant difficulties with security, terrorism, and a falling GDP. Considering this, the CPEC is viewed as a very promising project that could boost free trade, help Pakistan overcome its severe economic problems, and benefit China in several ways relating to exports. Pakistan can benefit greatly from CPEC in terms of preserving positive ties with its neighbor, including Afghanistan, Bangladesh, India, Iran, and the Middle East. Above all, CPEC is a mega project that will serve as a framework for creating a reliable route between China, Pakistan, and Europe. CPEC has been a significant factor in promoting trade and industrial development. [Li 2019]. With 27 economic zones spanning throughout both nations, the CPEC is seen as a game-changer by both the Chinese and Pakistani governments. These economic zones will aid in industrialization, economic growth, and development in the energy sector.

Due to the much of the focus of these projects on macro-level objectives, local communities were neglected and received little attention. A few studies have researched from the local community's perspective. It is necessary to look at these projects' expected advantages from the local communities' angle. The SDGs give local communities' advantages a high priority and place them front and center. Theoretically, this research supports the social exchange hypothesis, which contends that if residents believe that initiatives will have positive effects, they will support reciprocation. And that during reciprocation, advantages both present and future are considered [Kanwal 2019]. The findings outline the way forward for China and Pakistan to effectively carry out CPEC's operational activities by enlisting the assistance of local communities and involving them in awareness-raising campaigns. This

research is applicable in both Pakistan and China's context to make the project more impactful for the citizens. The results could be crucial for both countries' SDG fulfillment.

This study's findings could have an impact on a variety of stakeholders; for example, local communities could support CPEC mega projects if they believe that they will benefit their future by providing them with opportunities for employment, infrastructure improvements, a high standard of living, and the reduction of poverty, among other things. Government officials could also benefit from learning about the local communities' perspectives on the projects and their intended benefits.

Pakistan committed to the 2030 Agenda for Sustainable Development under the United Nations since 2015.

Pakistan immediately responded by adopting the agenda through a National Assembly Resolution in 2016 and pioneered in making it as an integral part of its national development program. Pakistan utilized its experience of the Millennium Development Goals (MDGs) and substantially established the SDG Taskforce to implement the goals. Pakistan initiated a dialogue in the post-2015 Agenda as early as 2013 after nationwide consultations helped identifying the priorities that were knitted into Pakistan's national development perspective. These developments reflect Pakistan's commitment to the SDGs. Recently, the 12th Five Year Plan and the Provincial mid-term development strategies are aligned with the 2030 Agenda. Pakistan has progressed in various sectors such as improving transparency, stunting in Children, reduction of Poverty, and also in promoting gender equality and women empowerment which fall in the social sector development. Pakistan governments' plan align with the 2030 Agenda. Seven SDGs support Units have also been established to implement and improve its coordination vertically and horizontally tiers of both governmental and non-governmental stakeholders. These units are supervised by the Ministry of Planning, Development and Reform (MoPD&R) and Provincial and Administrative area Planning and Development Departments (P&DDs). This has been instrumental in upgrading Pakistan's first Voluntary National Review (VNR).

In 2017, a bilateral agreement was signed between Pakistan and China on the Long-Term Plan

(LTP) for the CPEC along with various MOUs and roadmaps. This project sought to cooperate in the developments and implementation of the CPEC. Beijing's foreign policy strategy observe this agreement as a pilot project in its grand scheme of the One Belt and Road Initiative (OBOR). The CPEC embarks upon the 3000-km networks of highways, railways and oil and gas pipelines which links Pakistan's Gwadar city to China's Xinjiang. The project has not only the potential to upgrade Pakistan's domestic and international connectivity but also to uplift Pakistan's state and society. Thus, the CPEC policies synergize the implementation Sustainable Development Goals (SDGs) in Pakistan. The implementation of the SDGs is the primary responsibility of each nation. However, cooperating and coordinating with other nations to achieve this goal might be unrealistic. The foreign policy objectives and SDGs-2030 vision holds so many commonalities such as international security, stability and prosperity. The country's own turmoil and powerlessness in addressing the SDGs could significantly impact the other countries' capabilities to achieve the implantation of SDGs.

Hypothesizing the Potential Socio-Economic Outcomes of CPEC

Both China and Pakistan claimed that the CPEC will improve local communities' quality of life in both nations. In general, a common man's living standard, and quality of life depend on a number of variables but having appropriate access to basic requirements and necessities has a big impact on quality of life. The CPEC will have an impact on the local populations in Pakistan, as both governments have asserted. Yet, it is important to examine how the local communities see the project. If these activities result in some good changes to the local communities' economic, social, and personal well-being, the communities may be alleviated. However, for these initiatives to be effective ventures, it is crucial that the local populations see them favorably [Small 2019]. It is particularly challenging to create a good picture of neglected places. Like the rural province of Baluchistan, which will greatly benefit from CPEC. From the local population's perspective the project can also be viewed as a welfare program to upgrade the standard of life. Initiatives from CPEC are anticipated to foster a favorable attitude and will

motivate neighborhood non-governmental groups to promote social welfare and societal advantages to improve locals' quality of life. The host community's average inhabitants will gain from CPEC in terms of their quality of life.

China's investment through CPEC in Pakistan's energy sector and infrastructure has been anticipated in lifting the lives of the rural population, surrounding the route. This influx will promote Pakistan's economy's capacity for expansion. For instance, CPEC in both public and private sector infrastructure has increased investment which is vital for economic growth. Energy, transportation, oil and gas, and other industrial sectors have all seen a large increase in investment as a result of CPEC, which either directly or indirectly supports economic growth. The CPEC will strengthen bilateral trade relations and regional collaboration between both countries and other South Asian nations. As a result, it is anticipated that individuals in both countries will have access to sufficient resources that will enhance economic growth and lower poverty. Through accelerating industrial expansion and competitiveness, CPEC will either directly or indirectly impact the welfare of households [Latief 2019]. CPEC is believed to meet the energy deficit in various sectors and, alternatively, boost the local community's saving capacity. A number of advantages have been acknowledged for local residents, including a good quality of life and a desirable status. The advantages are not just important for Chinese communities; they are not just confined to Pakistani citizens. The two governments claims that these projects will benefit the relevant communities, such as the CPEC's high standard of living, employment possibilities, and educational standards, as an example.

Physical access to educational institutes from the countryside areas also plays an important role in upgrading a community's literacy rate. One of the main causes of a low literacy rate in relatively underdeveloped and backward regions is the distance people must travel to get to schools. The development of infrastructure could facilitate transportation to schools and colleges. CPEC is anticipated to assist the local populations by raising literacy rates. In general, the CPEC will spur development in both Pakistan's urban and rural areas, in both the business and non-business sectors. Consequently, the localities will be in a better

position to find new opportunities. Which will improve their perception of these projects [Chen 2000]. This will also help Pakistan's economy grow. Pakistani citizens see an improvement in the economic goals while evaluating the prospective rewards. Keeping all these arguments in view, one can easily assume that CPEC will have a huge impact on how Pakistani individuals perceive their quality of life. Another assumption is CPEC would significantly affect how Pakistani individuals perceive the reduction in poverty.

The CPEC will not only advance economic objectives but also societal objectives including environmental preservation and access to education. For instance, the growth of institutional infrastructure, such as institutions, and institutional transportation, has a big impact on the educational level of the surrounding areas. The potential benefits of CPEC go beyond infrastructure and healthcare; some of its initiatives are focused on promoting community education. Since the majority of the CPEC's physical routes travel through rural Pakistan where there are few educational facilities. These people would benefit from CPEC by receiving both a basic education and professional training that might help them find employment in their respective sectors. Parsimoniously, the rise in Pakistani enrollment in Chinese colleges is cited as evidence of CPEC's indirect impact on educational standards [Tong 2015]. After CPEC activities have officially begun, it sends forth encouraging signals for the promotion of high-quality education in Pakistan. In CPEC projects, China and Pakistan have made significant investments that can significantly enhance contact and educational advancement. Energy, technology, infrastructure, defense, and community education are among the main benefits that will result from the CPEC mega projects. The massive CPEC projects would address Pakistan's rural communities' electricity and educational issues. The CPEC will increase the number of educational institutions and cut down on travel time for students. Also, it will educate the local populace. Last but not the least, one can easily assume that the growth of CPEC will have a tremendous impact on how Pakistani individuals perceive the value of education.

Research Methodology

This research points at revealing the significance of CPEC from the viewpoint of the local communities. It is also expected to play role in uplifting the socio-economic conditions of the indigenous people of rural area in Pakistan which resonates with the UN's SDGs Agenda 2030. This research's methodology is quantitative and deductive, and it gathers empirical data to test the suggested hypotheses. Data has been collected from the rural inhabitants to test the model adopted. The questionnaire was created in the Urdu language so that Pakistani citizens may readily understand it. Where respondents had trouble comprehending the questions, we assisted them. Two sections made up the questionnaire. The first portion covered demographics in detail, and the second section included information on the major factors. To strengthen the viability of the research, we concentrated on polling an increasing number of respondents from various regions where CPEC projects have already begun or would shortly begin. Many of the respondents who were illiterate did not answer the questionnaire. We concentrated on educated folks, at least in the studied locations.

Additionally, residents with lower levels of education are presumably unaware of the specifics of CPEC and the pertinent projects. Therefore, it can make it difficult to analyze data that was gathered using a non-representative sample and, as a result, ignored approaching for data collection. We collected 445 responses from the respondents. To test the model. We conducted interviews with residents of the same regions as the CPEC routes. In this study, 72.60% of men and 27.30% of women completed the questionnaire; 26 men and 6 women completed the interview. Since people under the age of 20 are presumably unable to predict the benefits of the CPEC mega projects, we gathered data from those over the age of 20.

In addition, we performed an interview with 48 participants were chosen from the chosen regions. However, 16 respondents—who were less educated and uninformed about CPEC—did not fit the requirements, as stated in the research design. The majority of responders stated that the ongoing initiatives had significantly increased local pollution. Due to the potential for future employment and other benefits for the local populations, the majority of

respondents expressed their extreme happiness for CPEC and their support for its initiatives. They felt that the CPEC will establish a new industrial zone, increasing both the direct and indirect employment opportunities for the neighborhood. Four of the respondents claimed that CPEC could have a detrimental impact on agricultural land and harm related farming industries. The majority of respondents said that CPEC would increase job opportunities, which would thus lessen poverty in some places. It supports survey findings that indicated a strong correlation between the growth of CPEC and perceived poverty reduction. The remaining respondents claimed that CPEC might alter everything for Pakistanis, giving them access to new possibilities and raising their level of living. In general, we came to the conclusion that people support the growth of CPEC in the areas and view it as a constructive effort.

How CPEC is Complimenting SGGs in Pakistan?

This research sought to evaluate the CPEC impact on the SDGs in the context of Pakistan particularly in educational and environmental advancement along with three economic goals: quality of life, alleviation of poverty and employment opportunities. The first study to test the empirical data that were gained from Pakistani residents residing in the areas where the CPEC activities and projects are planned was conducted after we collected empirical data, which we obtained from Pakistani individuals [10]. This study supports the perception among local populations that CPEC would adversely harm the environment. This is because during the construction phase, the building of roads and other forms of transportation would inevitably have an impact on their life due to the geographical and materialization advantages for the people in accordance with the planning of the officials. Construction and new projects present several obstacles for nearby towns and can have a severe impact on their day-to-day operations [Lim 2019].

China-Pakistan nexus portrays the picture of bilateral connectivity for the Pakistan's sustainability. CPEC has been a great contributor in Pakistan's efforts to achieve the SDGs 2030 agenda. It is expected that CPEC empowers Pakistan economically with a great potential to achieve

number of SDGs. According to the report published by China Economic Net (CEN), three out of seventeen SDGs of the United Nations resonate with the construction and running of the CPEC. It is an established fact that the developing nations like Pakistan require a great resource of funding to implement the developmental goals under the tutelage of SDGs, while CPEC has been proven enough to provide that economic support to Pakistan. China's Foreign Direct Investment (FDI) outlines the achievable measures through CPEC investments, business opportunities, job creation, developments, and innovation in social services. Pakistan needs substantial financial and non-financial support to achieve the SDGs-2030 Agenda. Pakistan faced various consequences of terrorism. The US-led War on Terror (WOT) cost the reduction in exports and FDIs and other financial damages. During this tough time China offered the CPEC to Pakistan. Although, Pakistan has officially adopted the Vision-2025, which identifies the seven key areas. Each of these areas resonates with more than one recent proposal of the Sustainable Development Goals (SDGs). Contemporarily, the mega project of CPEC offers a great opportunity to Pakistan with all the essential resources to move forward not only its vision of 2025 but also to achieve the UN-2030 Agenda in Pakistan. There is a significant similarity between the objectives of the CPEC and the key objectives of UN 2030 Agenda. The mega economic support to Pakistan would help alleviate the poverty in Pakistan, clean drinking water, health facilities, right to education and food security. UN's 2030 agenda goals are same and is connected with the CPEC one way or the other in the context of Pakistan's SDGs achievement.

However, we discovered that the construction of CPEC will greatly raise inhabitants' standards of living. This study examined whether people believe that the growth of CPEC has significantly improved their employment prospects. CPEC is an effective tool for long-term economic growth. It may result in an improvement in both countries' economic objectives, such as raising living standards, expanding employment possibilities, and reducing poverty. Furthermore, CPEC is a massive project that is expected to create millions of jobs across several industries. Our research examined the claim that CPEC will make it simple for individuals to get

employment. People believe that job opportunities (produced by CPEC) will lower poverty levels in the population [Hair 2006]. CPEC can therefore be a reliable indicator of the decline in poverty. Through CPEC, the local population anticipates a plethora of job possibilities and high-paying positions that will help alleviate their poverty. Various advantages of the CEPC include employment poverty reduction, prospects, and social welfare. CPEC is a helpful tool for long-term economic growth. It may result in an improvement in both countries' economic objectives, such as raising living standards, expanding employment possibilities, and reducing poverty. Despite the start of various projects over the past few years, we have not yet seen any results. Dearness is increasing, but the projects have not yet provided us with any rewards.

Our studies further revealed some results on grounds of quality of education that were quite unexpected. China Pakistan Economic Corridor has not started any project to improve education quality in the areas surrounding the project. To add more, neither the policymakers nor the government officials of both countries are seen debating about this matter. As a result, the perceptions of China Pakistan Economic Corridor prove to be not much significant in the matter of education sector and its improvements. Pakistani students who are studying in China are also not satisfied with the advancement made in the educational sector. In this way, they are of a viewpoint that education sector will not get enough attention in this project between both countries. This study examined whether people believe that the growth of CPEC has significantly improved their employment prospects. New initiatives and global resources open up new possibilities for human improvement. To add more, people will be able to easily get jobs because to CPEC. People believe that job opportunities (produced by CPEC) will lower poverty levels in the population. As a result, CPEC can significantly anticipate the reduction of poverty. Through CPEC, the local population anticipates a plethora of job possibilities and high-paying positions that will help alleviate their poverty. Employment prospects, poverty reeducation, and social welfare Programmes are listed as three general benefits of the CEPC. However, findings of the study suggest that CPEC could be an instrumental project for long-term

economic benefits. This may result in an improvement in both countries' economic objectives, such as raising living standards, expanding employment possibilities, and reducing poverty.

Policy Recommendations and Conclusion

The empirical investigation draws some key policy recommendations for the government. We looked at how policymakers should use CPEC to improve the social objectives of the communities.

- The development of new industries should be initiated for employment opportunities. The development of new industries will eradicate the poverty subsequently. Foreign Direct Investment (FDI) should be encouraged and the government should provide the necessary infrastructure, regulations and the security to the investors.
- The findings of the study also suggest to do a lot more in the educational and environmental sector of Pakistan which are integral goals of CPEC in the context of Pakistan. Mass media coverage should be organized on national level to make the policies of CPEC more transparent to the people of Pakistan such as the projects objectives and future planning.
- The respondents of the interview also show their dissatisfaction regarding the impact of CPEC on an individual's quality of life. Thus, the authorities of the project must devise the strategy to address its long-term impacts on the lives of people.
- Government should form the educational institutes for the local residents. This will bring the sustainability and substantial prosperity in terms of awareness about health, technology and basic rights.
- Every nation in the world has as its top priority achieving the SDGs. The results of this study will enable policymakers in Pakistan and China to change their tactical approach to the SDGs.
- Banks and government financial institutions must grant citizens an interest-free loan for start-up costs. They would be able to simply

launch their desired firm with enough funding thanks to it.

The results indicate a mix response about the CPEC's impacts. The reduction of poverty remains relevant to the continuity of the project and subsequent adopted policies of the government. Unemployment, educational opportunities and environmental issues still loom large over the horizon. Therefore, the difference CPEC promised to make in the lives of individuals in the rural areas seems quite blurry. Evidence gathered from 445 respondents via a structured questionnaire does not reflect any commendable progress in so many sectors. For the enhancement of environmental preservation and educational quality, we did not, however, discover any appreciable outcomes. This research suggests to educate the rural population about the material outcome of the project and related programmes so that they can reap the maximum benefits from the CPEC. Due to the unfavourable view of the aforesaid initiatives among the general public, the government should pay special attention to two crucial projects called "environmental and educational."

As a result, the government must develop better tactics in order to appropriately provide for the requirements of the populace. The response about the environmental upgradation is bleak, thereby, imply upon the stakeholders to form the policies which could ensure the protection in line with the SDGs in context of Pakistan. So, we place a heavy emphasis on environmental measures in particular.

Furthermore, because many interview participants did not significantly view CPEC as a project that would promote a high quality of life, policymakers must also take quality of life metrics into account. Additionally, in order to gain the support of regular individuals, policymakers and government officials should embark on an journey of effectuating the project in response to the expectation of the masses regarding CPEC. This report concludes by strongly advising the development of policies to enable the efficient achievement of social objectives through CPEC.

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