

China-Pakistan Economic Corridor: A Comprehensive Guide to Enhancing Economic and National Security, Stability, and Sustainability

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Abstract

A strong economy is the backbone of a strong nation. Pakistan has experienced security challenges since the beginning that has shifted its attention to defense, which diverted its focus from economic stability. And from the standpoint of independence, Pakistan has territorial disputes with neighboring countries such as Afghanistan and India. This has made it difficult for the country to maintain strong trade relations with them and has hindered diplomatic relations with Pakistan. Programs like China Pakistan Economic Corridor (CPEC) have provided the country with an opportunity to improve its economic conditions. The CPEC can be a game changer for Pakistan. It is a project of regional connectivity, a part of China's Belt and Road initiative (BRI) This would assist not just Pakistan but also Iran, Afghanistan, and Central Asian countries and in some way Middle Eastern states. Under this program, these countries will have improved roads, railways, air transportation, and the frequent and free exchange of goods so that they will have open borders like European countries as a result of which Pakistan will have less security issues and more economic opportunities. Pakistan's current budget (2022-23) allocates 58 percent of its budget to loan repayment and defense, the remaining 42% (News, 2022) is very less for making the country stable or sustainable. The CPEC is a long-term program that will help Pakistan achieve economic and national stability and sustainability. The CPEC model is a win scenario that will result in a linked and integrated area that shares harmony and growth.

Keywords: China-Pakistan Economic Corridor, Security, Economic Stability, Economic Sustainability, SWOT Analysis

JEL Classification: I18, H51

1. Introduction

In this era of hybrid warfare, economic stability is the backbone of any country. For countries like Pakistan, where domestic unrest is perpetually at its worst, national security is not possible with military or border security, but there is a dire need for economic security (Muhammadi et al., 2022). In the initial not many long stretches of its introduction to the world, post-freedom Pakistan confronted various difficulties. Pakistan has faced many confrontations from neighboring countries that's why national defense remained a point of focus for Pakistan. Pakistan had many security issues but now the definition of the term security has been changed from border security to economic security. Pakistan has also to change its strategy from armed forces to economic forces that can bring prosperity to our country.

The world is undergoing a transition from unipolarity to multipolarity. This transition poses challenges but also offers opportunities for regional countries. The CPEC is one such opportunity for Pakistan to improve its economic conditions and enhance its relations with countries in the region. China-Pakistan economic Corridor (CPEC) is often called a "game changer" for Pakistan or a "debt trap" by China, but these are unrealistic claims. CPEC can be fruitful and stabilize the economic conditions of Pakistan if it is utilized in the right way (Shahzad, 2021). The CPEC is a billion-dollar project which cannot just enhance Pakistan's infrastructure but also give Pakistan the chance to get connectivity and improve trade relations with its neighbors. In this way, Pakistan will be having two

benefits from the CPEC, which can stabilize its economy. It can have good trade relations with neighbors and while having open borders and good trade relations there will be a major decrease in security issues hence Pakistan can focus on economic security rather than border security. To get benefit from the long-term effects of the CPEC Pakistan needs policies that can result in the economic sustainability of Pakistan. This study addresses the “positive impact of CPEC on national and economic security, stability and sustainability of Pakistan” and it elaborates how stability, sustainability, and security work together to provide us with a deep understanding of the CPEC.

Pakistan has a very important geostrategic location in South Asia which brings a lot of challenges to its security with opportunities and thus border security has always been Pakistan's first preference (Iqbal, 2014) but "A country that does not have a stable economic growth cannot be regarded as secure no matter how strong its defense system is" (Dagia, 2022). The defense budget always occupies a major percentage of the GDP of the country. The graph in Figure 1 shows the defense budget of the country from 1990 to 2020. There is no doubt CPEC has lot of opportunities for both China and Pakistan and it will be win-win game for both countries (Padma, 2018).

The defense budget occupies a major part of the national budget despite its weak performance in other sectors. The budget for the financial year 2020-2023 is 9.5 Trillion rupees where the largest portion of the budget is occupied by loan repayment which is 3.95 Trillion Rupees and the second largest is defense is 1.5 Trillion Rupees. These both collectively contain 58% of the total budget while 42% remains for the development, health, and education sectors as shown in Figure 2. Pakistan should now focus on economic recovery (Ahmar, 2022) because the security and prosperity of the 220 million people of Pakistan depend on the economic conditions of the country. For strengthening the economy Pakistan has to improve its diplomatic ties with neighbors and superpowers and reduce border security threats (Syed, 2022). The former Prime minister of Pakistan focused on economic security as economic security is the main pillar of national security.

The national interest of Pakistan is seeming to shift from geopolitics to geo-economics (LTC Taewon Choi, 2021) after the US withdraws from the region and inauguration programs like CPEC. The CPEC not only has benefits for Pakistan and China but it is a corridor of regional connectivity (Husain). Various projects under CPEC improve socio-economic and socio-cultural relations of Pakistan through academic and cultural, trade and business and cooperation by a win seeming model (Authority). The CPEC is a journey toward regionalization in a globalization era with dreams for a prosperous future, development, and growth of the economy (Ali, 2020).

The literature "Will the China-Pakistan Economic Corridor sustain itself?" tries to quantify and explain the viability of the China-Pakistan Economic Corridor. It explains how Pakistan can overcome those challenges for sustainable development through a systematic explanation of the internal and external challenges. Because of the CPEC's long-term sustainability, Pakistan needs to assist with all the challenges that come in the way of economic development. Furthermore, Jalil Abbas Jilani, Pakistan's ambassador to the US, in his speech in Washington about regional security and trade in 2015 emphasized that CPEC is the only method to open the way to fortune in Pakistan (Relations, 2015) and the entire region. This also shows how important CPEC is for the sustainable development of Pakistan, and it demonstrates in what manner the sustainability of CPEC is important.

The primary focus of this research revolves around the questions such as 1) Real threat to Pakistan, invasion, or economic instability? 2) Does CPEC have impacts on economic and national stability? 3) What obstacles must Pakistan overcome to ensure economic sustainability? This study will examine the fundamental stability, sustainability, and security aspects of The CPEC, the challenges The CPEC is facing and talk about how Pakistan can work to achieve the vital goals of stability, security, and sustainable development through the CPEC.

The research gap discussed in this paper is that there are three dimensions of Pakistan's economy which include economic Security, stability, and sustainability, combined. This study analyzes how these three factors are related to Pakistan's economy and how the CPEC positively impacts the national and economic security, stability, and sustainability of Pakistan. On top, it covers how Pakistan can be economically secured under CPEC. Secondly, it discusses how CPEC projects can stabilize the economy of Pakistan. It does not only cover the economic and trade relations between Pakistan and China under CPEC but it covers the importance of regional connectivity on

the economic progress of the country. This paper also discusses the factors that can contribute to the economic sustainability of the country.

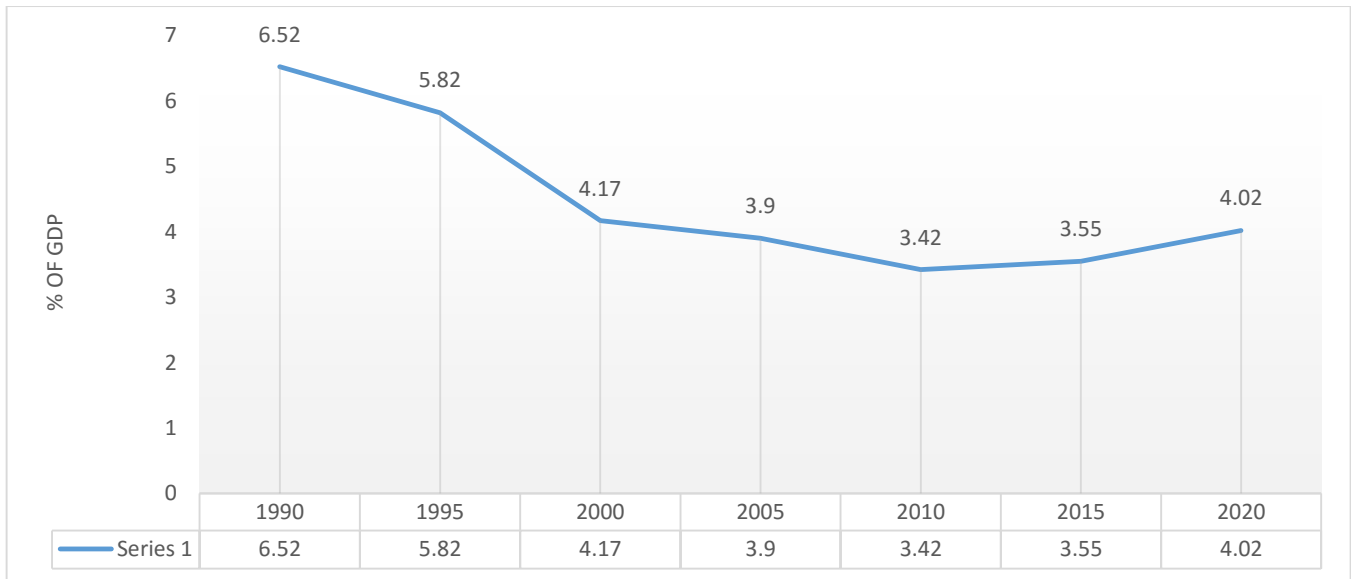


Figure 1: Pakistan's Defense Budget 1990-2020 (Trends, 2023)

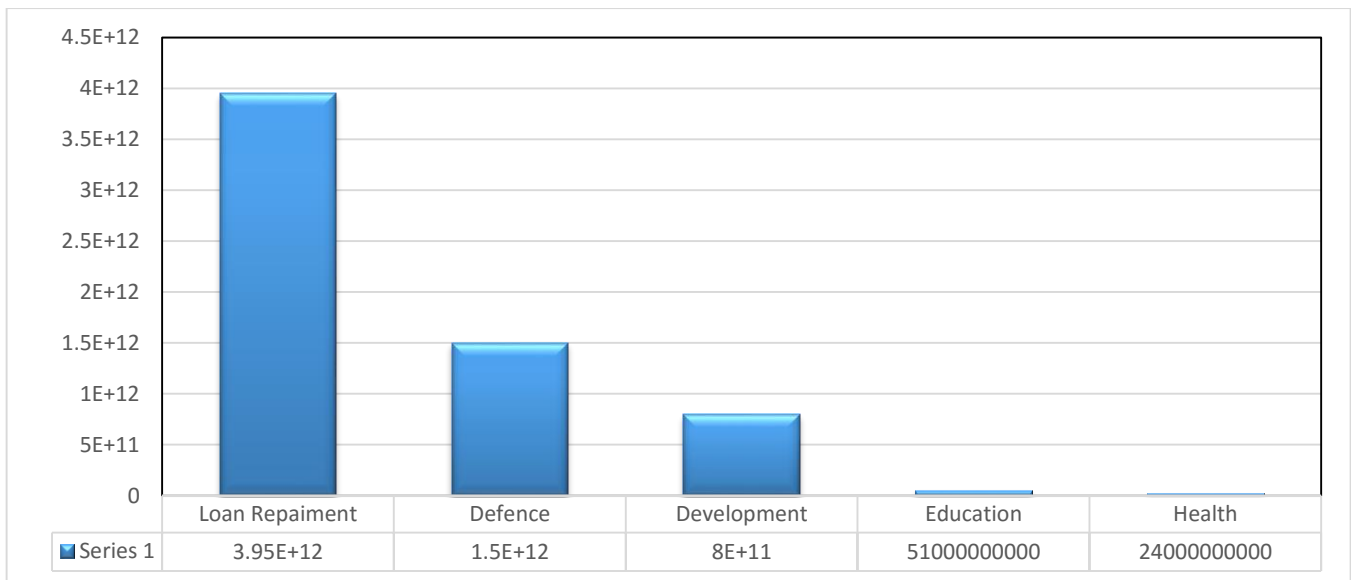


Figure 2: Pakistan's Budget 2022 (News, 2022)

2. Data and Methodology

2.1 Study Area

The study area of this paper is political economy. As this paper attempted to cover the economy, it covered how we can secure, stabilize, and sustain the economy of Pakistan through CPEC. Pakistan's economy with relevance to CPEC is the focus of this paper as a whole, as is its applicability to economic security, stability, and sustainability.

2.2 Research Techniques

This research is qualitative and is done based on both analysis and observation. In this analytical study data is used from secondary sources listed in the references. The qualitative approach characterizes the impacts of CPEC on national and economic stability, sustainability, and security. This paper discusses security challenges to Pakistan, CPEC is a source to counter these challenges and ensure economic stability and sustainability for the betterment of Pakistan.

2.3 Data Collection

The literature on CPEC and Pakistan's economic and security issues has been thoroughly reviewed to gather the data for this study. The information has been collected from a variety of sources, such as news articles, government reports, and academic journals. To find the significant data connected to the study, we evaluated these sources.

2.4 Data Analysis

A content analysis strategy has been used to examine the data gathered for this research. Finding patterns in the data using content analysis has helped address the research questions (Thorne, 2000). To uncover central concepts about the effects of CPEC on Pakistan's economy and security, data have been collected and analyzed. The analysis's observations have identified several themes concerning how the CPEC will affect Pakistan's economy and security, including increased investment, infrastructure growth, and geopolitical repercussions. These findings offer insightful information about the potential advantages and challenges of the CPEC for Pakistan.

2.5 SWOT Analysis

Another research technique used in the research is SWOT analysis. This strategic planning tool helped us to evaluate the potential advantages and disadvantages of CPEC for Pakistan's economy and security. The data from the official website of the government and authentic news around the globe are used to state the employment and growth opportunities created by CPEC and their strength for Pakistan's economy. While data from some Websites enlisted in references show the weaknesses of this project and potential threats it may cause for the economy and security of the country.

3. Results and Discussions

3.1 Real Challenge Border Security or Economic Security

Mark Esper said "Clearly we need a secure economy to build a strong military". Since its beginning in 1947, Pakistan has seen serious dangers to its national sovereignty and regional integrity from the adjoining nations. Subsequently, Pakistan embraced a state-driven public safety way to counter nearby and provincial dangers to its security during the Cold War time frame. Insecurity on a domestic, political, and physical level directly affects the flow of money, contemporary development, and the trust of financial backers. Combined with growing anxiety. The primary concerns of economic security, like other pillars of comprehensive security, have a significant impact on the current situation and outlook of the state (Iqbal, 2014). Similar to other related security topics. On the one hand, sound and stable economic principles go a long way toward ensuring long-term growth and progress for the state, but again, it is clear that none of these requirements can be met without a prudent security plan and adequate steps toward a sustainable economy due to energy deficiency. A country like Pakistan, which has an agrarian economy, constrained income, and a duty base, has limited options for meeting these standards. Yet a steadily expanding populace will have a larger number of difficulties than arrangements in the next few decades.

There was a time when security was defined in terms of defense but now security has changed its meaning to economic security. So now the world has changed its war from a weapon war to an economic war. During this time a country with a stable economy is more powerful and can exploit a rival country. Like China, and the USA. But in the case of Pakistan, the country is still stuck in matters of defense. A large part of the country's annual budget is allocated for defense. And just the peanut amount is allocated for new projects, education, and other things that can add revenue to the economy.

To develop the country, they have to focus on economic growth. The need of the hour is the country's secure economy. In their recent "National security policy of Pakistan" (2022-2026). Former Prime Minister of Pakistan Imran Khan stated "No state flourishes without economic development and prosperity"

3.2 The National Security Policy of Pakistan Analysis

Under Prime Minister Imran Khan's direction, Pakistan's national security strategy places a strong emphasis on the value of economic security as a vital facet of security. The strategy aims to encourage economic growth, job creation, and poverty alleviation because it recognizes that economic stability is crucial for the well-being and security of the nation as a whole.

The policy places a strong emphasis on several crucial areas to achieving economic security, including encouraging foreign investment, fostering trade relations with other nations, raising exports, lowering imports, and enhancing the business climate. The necessity of utilizing the nation's natural resources, such as water and minerals, to assist economic growth is also emphasized by the strategy. Furthermore, the policy acknowledges that regional stability and security and Pakistan's economic security are intertwined. As a result, it highlights the need for regional cooperation and connectivity to facilitate trade and economic growth in the region. This includes initiatives such as the CPEC, which seeks to promote economic cooperation and development between Pakistan and China.

Overall, the national security policy of Pakistan under Prime Minister Imran Khan's leadership recognizes that economic security is essential for national security and seeks to promote policies and initiatives that support sustainable economic growth and development (Ali et al., 2022).

3.3 FTA between China and Pakistan

Having been ratified in July 2007, the China-Pakistan Free Trade Agreement (FTA) is a bilateral trade deal that was signed in November 2006. By lowering tariffs and non-tariff trade barriers, the pact aimed to improve economic cooperation between the two nations (Chaudhry et al., 2017). The FTA significantly contributed to the growth of Pakistani and Chinese economic cooperation. The Pakistan-China Institute said that the amount of trade between the two nations climbed from \$2.2 billion in 2006 to \$19.08 billion in 2019. The CPEC, one of the key initiatives under this initiative, is one of the major projects under this agreement. The pact has also increased Chinese investment in Pakistan.

Pakistan has benefited from the FTA in terms of economic security. It has assisted Pakistan in diversifying its export markets and reducing its dependency on established markets like the US and the EU. Due to the FTA, Pakistan now has access to a sizable consumer base in China, one of the world's largest marketplaces, which has led to a rise in exports from Pakistan.

Additionally, Pakistan has benefited from the FTA's promotion of its industry. Pakistan now has access to Chinese technology and knowledge, which has improved the country's industrial capacity. The FTA has also led to the transfer of Chinese enterprises to Pakistan, which has improved the economy of the nation and led to job opportunities (Hao, 2009).

3.4 Impacts of China-Pakistan Economic Corridor (CPEC) on Economic and National Stability

Developing nations prosper as a result of developments. Mega-investments in infrastructure projects like ports, roads, railways, and airports boost trade, provide greater employment opportunities, and raise living standards by stabilizing the nation's economy and guiding it toward developed status. One such chance for Pakistan to enhance its economic situation is CPEC. The CPEC is a 3,010-kilometre corridor that connects Gawadar to the Xinjiang region of China via pipelines, motorways, and railroads (Abbas, 2019). Pakistan seeks to upgrade its infrastructure through CPEC to spur economic growth and strengthen its ties with regional players. For China, CPEC offers a safe, quick, and direct route to the Indian Ocean and the Arabian Sea (Landry, 2021).

3.5 China-Pakistan Economic Corridor (CPEC) projects

Major China-Pakistan Economic Corridor (CPEC) projects include the following:

- **Energy projects:** aiming to reduce the power crisis in Pakistan. There are a total of 21 energy projects of which 11 have been completed five are under construction and five are under consideration

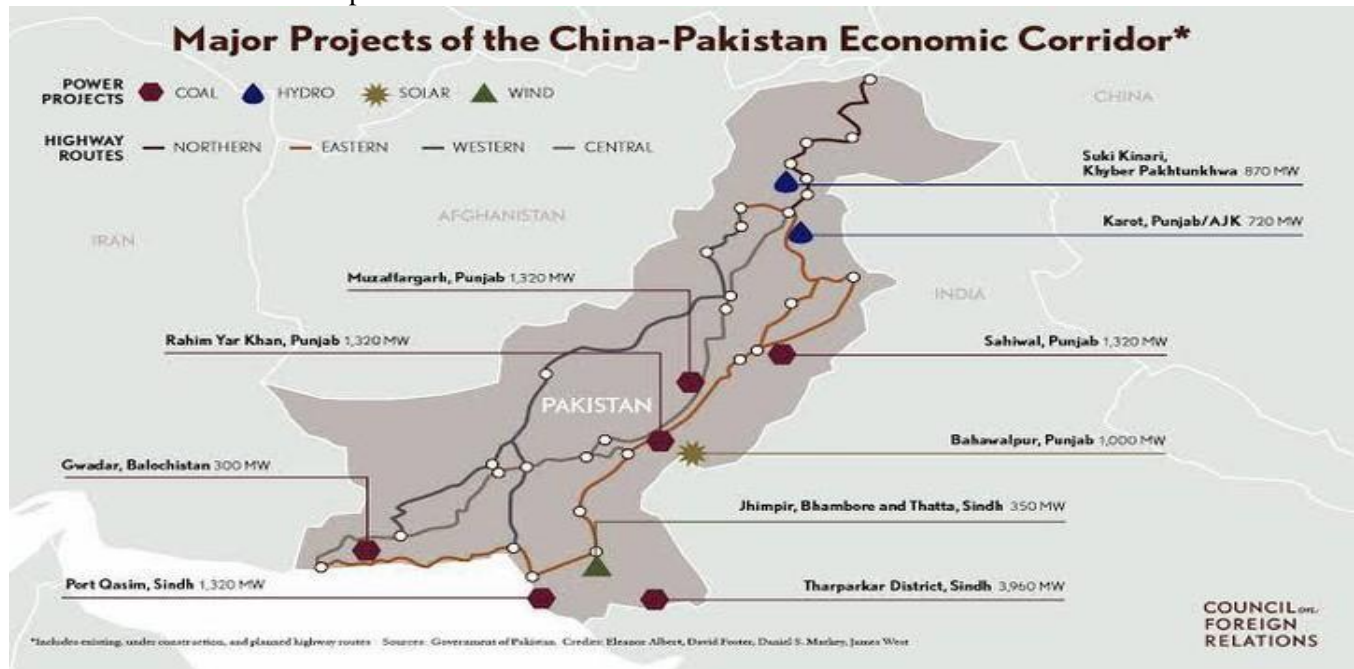


Figure 3: Map1- Major projects of China Pakistan Economic Corridor (Farooqui & Aftab, 2018)

- **Transport infrastructure:** Projects to have improved transport. Out of the total of eight projects, six have been completed including the orange line metro train and the Karachi-Peshawar motorway, etc. Figure 3: Major projects of CPEC. Map from open source
- **Gwadar projects:** A total of fourteen Gwadar projects under the CPEC are to be built for the development of Gwadar. Four projects have been completed while six are under construction and four are In-pipeline projects that include Gwadar smart city, Gwadar international airport, expressways, universities, and so on.
- **Industrial cooperation/special economic zones (SEZs):** A total of nine special economic zones and industrial cities to be built in different cities in Pakistan
- **Social and economic development projects:** Under CPEC four social and economic development projects have been completed
- **China Pakistan Economic Corridor (CPEC) and related projects under public sector development programs (PSDP):** From 2017 to 2019 total of three projects under CPEC and PSDP have been completed

Planning of CPEC follows four stages. These are:

1. **Early Harvest:** 2015-2019 Most of the projects related to the energy sector which is already been completed adding approximately 7000 MW of electricity to the national grid and thus easing energy shortages that had crippled the industry and exports
2. **Short-term projects:** up to 2022 mainly roads, Gwadar development, optic fiber network, and hydro, coal, mining, and power projects
3. **Medium projects:** up to 2025 Railways and industrial zones
4. **Long-term projects:** up to 2030 competition of industrial zones, agriculture tourism, etc.

3.6 China-Pakistan Economic Corridor (CPEC) and economic stability

Developed nations invest large amounts of money in projects to get better returns or to get other benefits that boost the economies and living standards of developing nations. As Chinese investment expands globally, the China-Pakistan Economic Corridor supports Pakistan's economy in the fields of trade, education, and IT.

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Infrastructure, educational institutions, businesses, economic zones, energy projects, housing, and employment opportunities are just a few of the CPEC projects that will give locals thousands of new jobs.



Figure: 4 China-Pakistan Economic Corridor (Bhattacharjee, 2015)

3.7 Regional Connectivity under China Pakistan Economic Corridor

China keeps expanding its BRI to different countries. China's BRI project intends to link Asia with Africa and Europe via land and maritime routes that pass through more than 60 nations. Under the BRI, there are a total of six economic corridors, and CPEC is one of them. Economic corridors enhance regional connectivity, and better regional connectivity may result in greater spatial concentration rather than a more dispersed pattern of economic activity (Lall & Lebrand, 2020). These corridors not only improve inter-regional connectivity but also improve the region's connectivity to the world.

After the United States left the region, many analysts predicted the formation of the (Russia-China-CARS-Pakistan-Afghanistan-Iran) alliance because China wanted to lessen the security threat, which could only be accomplished by having "open borders" by bettering its economic and trade ties with these nations. Recently, there has been a conversation between Kabul and Beijing regarding the Peshawar-Kabul motorway, which signifies Afghanistan's official joining of China Pakistan Economic Corridor (Fazl-E-Haider, 2021). China's Xinjiang region, which borders Afghanistan, is home to a Muslim Uyghur community. To obtain assurances that no support will be given to Uyghurs from Afghanistan, China is bolstering its economic connections with Afghanistan.

China has Iran as one of the important points of BRI and has a proposed plan for a railway route passing through CAR nations (Humza & Khan, 2022). China hopes to have direct access to the Persian Gulf through Iran to meet its energy needs. India developed Iran's Chabahar port, also known as the sister port of Gwadar, and India is a member of an alliance with Japan and the United States to oppose China's dominance in the region. India is also vying with China for regional hegemony, and through Iran, India is creating obstacles for the CPEC in the Balochistan area.

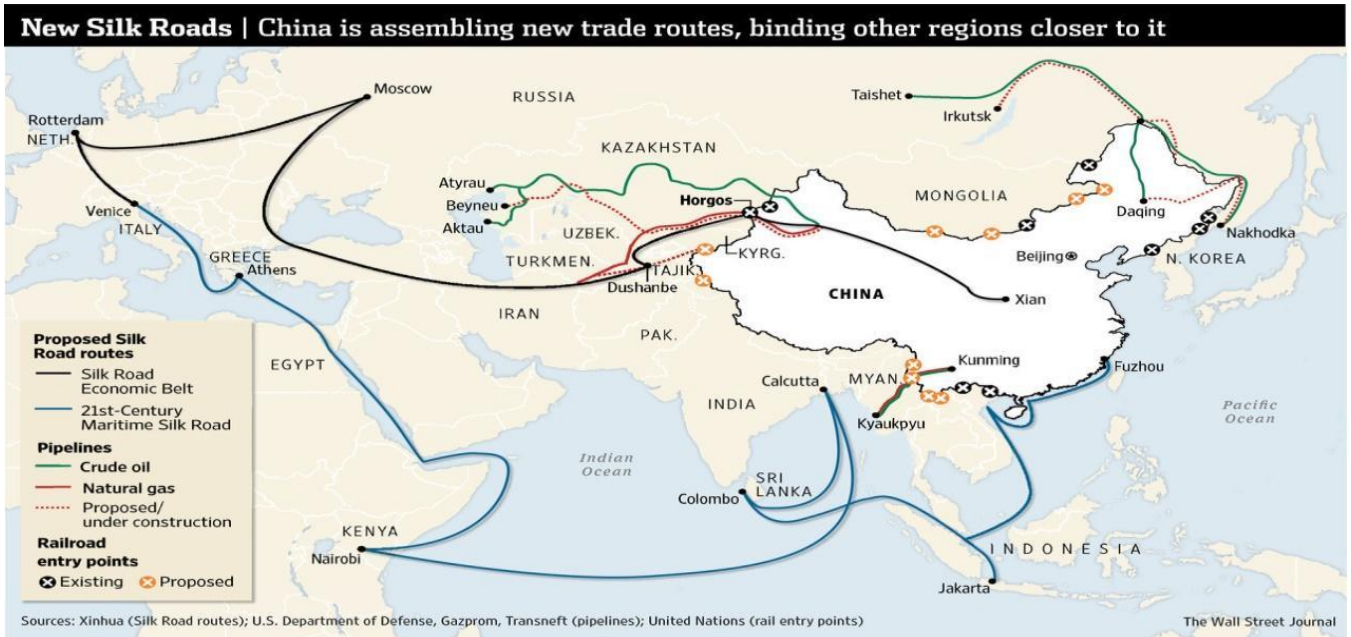


Figure 5: Trade Routes of China (Rasel et al., 2020)



Figure 6 China-Iran rail route (Europe, 2019)

Central Asian countries which are resource-rich landlocked states can get the shortest access to warm waters through Pakistan. Recently PM Shehbaz Sharif of Pakistan assured President Emomali Rahmon of Tajikistan, of “access to Gawadar through CPEC route” at the Shanghai Cooperation Organization’s Summit 2022 (Haider, 2022). This will enhance Pakistan’s relations with CARS and the rest of the world as superpowers are seeking the energy reserves of CARS. Since China already has a dispute in the South China Sea and CPEC provides an alternate route for China’s trade, China wants to have excellent diplomatic relations with Iran and Afghanistan to neutralize threats to CPEC and BRI. This regional connectivity has positive impacts on the economic growth of Pakistan as Pakistan has to spend less on border security and more on economic security.

3.8 China-Pakistan Economic Corridor (CPEC) and Economic Sustainability

By 2020, the CPEC project is expected to be worth \$62 billion. As a result of the market's expected creation of more than two million new employment, the GDP growth rate is predicted to reach 7.5% (Mirza et al., 2019). The role of CPEC in the economic stability of Pakistan cannot be neglected as it directly or indirectly contributes to Pakistan's economy. But the question is, will Pakistan be able to sustain its economic growth under the long-term effects of the CPEC projects?

Due to boosted local demand, imports have increased significantly more than exports in recent years, creating economic unrest. Pakistan must boost exports and private investment to sustain the current rate of economic development. Moreover, a World Bank press release states that businesses have trouble obtaining long-term financing., high effective import tariff rates and low productivity of firms are the key factors that are hindering exports (Bank, 2021). The CPEC under its billion-dollar programs provides Pakistan with better firms, economic and industrial zones, and institutes for the betterment of the business environment. Pakistan is an agro-based country and The CPEC projects such as the formation of agricultural institutes and laboratories(Authority) can increase the productivity of goods and through the infrastructure developed under CPEC Pakistan can export easily in a short time with less cost. Another factor contributing to Pakistan's weak economic performance is its fluctuating GDP which needs sustainable flow. According to the World Bank, one of the four essential components Pakistan needs to maintain economic growth and reach its full potential is to strengthen the business climate by attracting more foreign direct investment (Waheed, 2015). China is Pakistan's major foreign direct investor investing in Pakistan on CPEC and Pakistan has a huge opportunity to grow economically, eradicate poverty, and profit from CPEC in a variety of ways.

3.9 SWOT Analysis of the China-Pakistan Economic Corridor

The CPEC is considered the game changer for Pakistan's economy because it has many opportunities for the country but where any project brings strengths there come threats with that project because of weaknesses in the system. The CPEC has the following strengths, weaknesses, opportunities, and threats:

Table 1: SWOT Analysis of CPEC

| IN | STRENGTHS | | WEAKNESSES | |
|----|--|-------------------------------|--|---------------------|
| | 1 | Power Sector | 1 | Political ambiguity |
| 2 | Employment rate | 2 | Resentment of Baluchistan and GB inhabitants | |
| 3 | Improved infrastructure | 3 | Lack of skilled education | |
| 4 | Industrial cooperation/special economic zones (SEZs) | 4 | Security issues | |
| | | 5 | Corruption | |
| EX | OPPORTUNITIES | | THREATS | |
| | 1 | Regional interconnection | 1 | Security threat |
| | 2 | Economic development | 2 | Provincial issues |
| | 3 | Overcoming energy crises | 3 | Foreign involvement |
| | 4 | Development of infrastructure | 4 | Weak governance |
| | 5 | Skilled education | | |

Strength of CPEC is its major projects in the form of mega foreign direct investments. The lack of energy in Pakistan is a major factor impeding its economic growth. About \$35 billion of CPEC investments would go into energy projects, including solar, coal, hydropower, and flammable gas ones. Officials have stated that 21 new operations will generate close to 17,000 megawatts of electricity. 17 energy projects under CPEC have been completed yet, while four more are being considered (Authority).

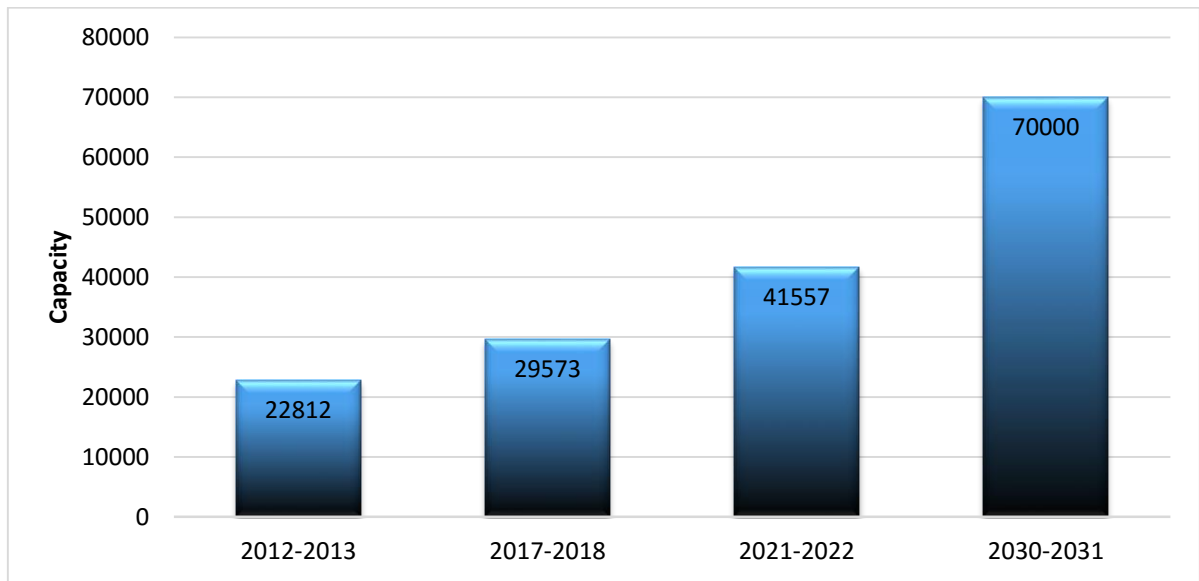


Figure 7: Power sector 2013-2030 (source: cpec.gov.pk)

Data from the “China Pakistan Economic Corridor (CPEC) Authority” shows that CPEC has created a total of 70,000 – 80,000 jobs since 2013 and it is estimated to create 700,000 to 800,000 jobs till 2030 (Assadi, 2020).

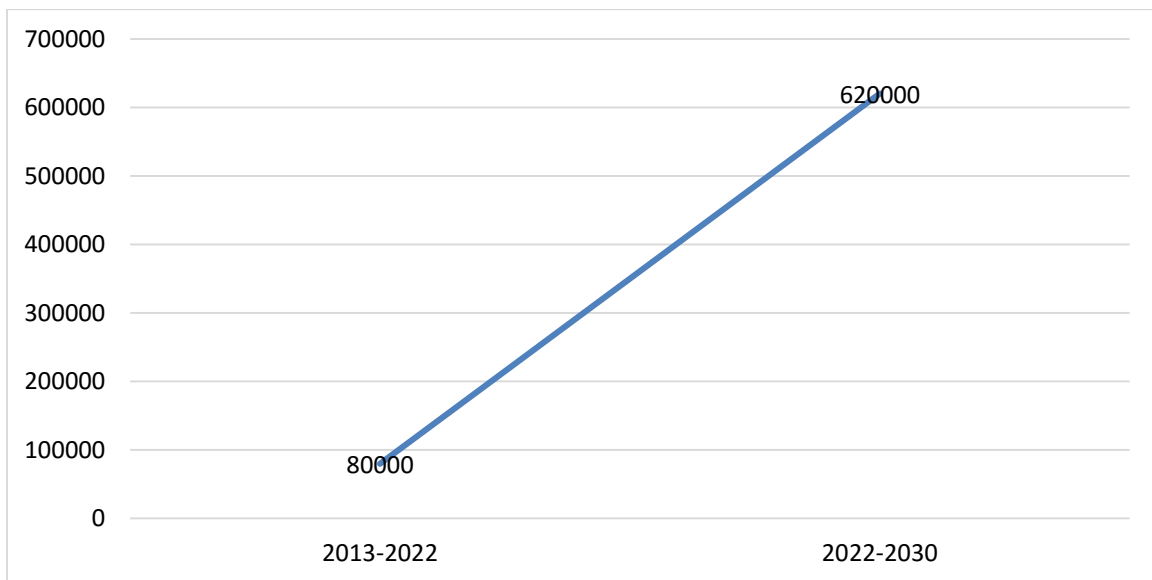


Figure 8: Employment rate under China Pakistan Economic Corridor (source: cpec.gov.pk)

A great infrastructure improvement has been seen under CPEC and many infrastructure projects are under consideration as well. A network of roads, railroads, and pipelines will be used as part of the CPEC megaproject. It seeks to connect China's Xinjiang province with Pakistan's Gwadar Port. Another strength of CPEC is the establishment of Special Economic Zones, the relocation of Chinese industry to Pakistan, and the production of industrial parts are all top priorities in the area of industrial cooperation.

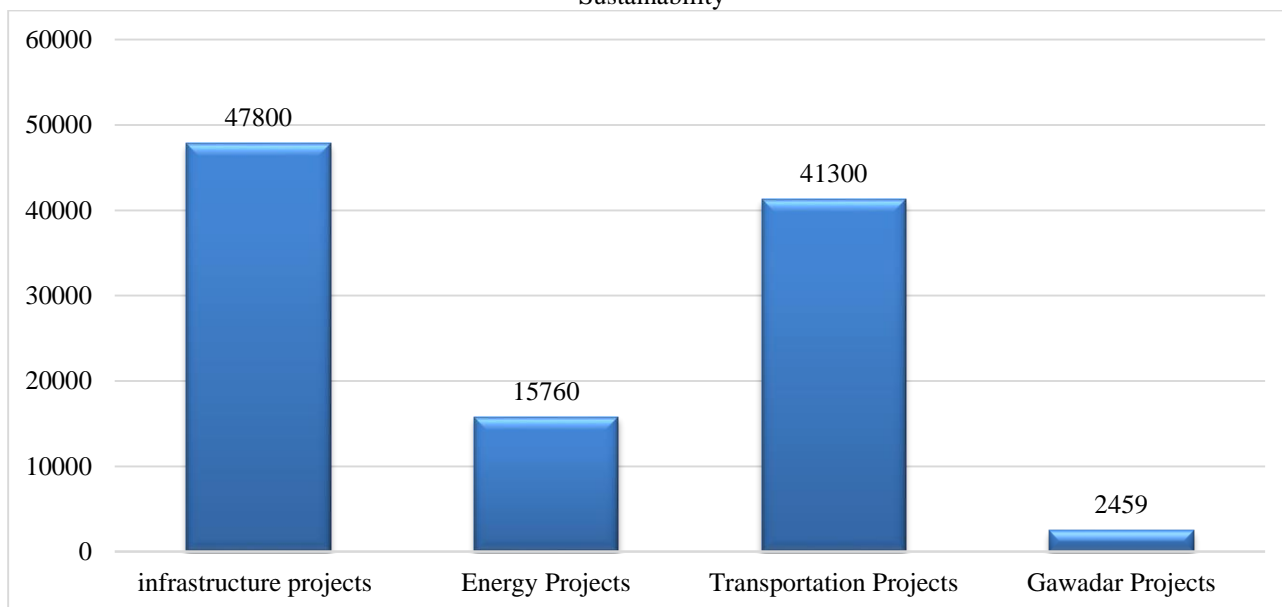


Figure 9: Jobs under CPEC Projects (source: cpec.gov.pk)

The CPEC projects have already begun to bear socioeconomic fruit, and the Pakistani people are either direct or indirect beneficiaries. It has elevated the standard of life for many people and expanded corporate activity, employment possibilities, and mobility of people and commodities. The Pakistani economy has benefited greatly from CPEC, which acts as an oxygen source for the country's struggling economy (Hang, 2017).

Megaprojects like the CPEC that originate from highly developed economies typically have some weaknesses that prevent them from being fully utilized in developing and underdeveloped economies. Essentially, the inconsistent development policies in their planning are to blame for these challenging phases. Political ambiguity is a recurring weakness of CPEC, and it may be impacted by our current political environment. Political upheaval in Pakistan has made it more difficult to complete the China-Pakistan Economic Corridor smoothly. Some Pakistani residents and political groups see the China-Pakistan Economic Corridor (China-Pakistan Economic Corridor (CPEC)) Project with skepticism, uncertainty, and instability.

The CPEC's ruthless implementation is thought to be another weakness of this project. People of Baluchistan and Gilgit Baltistan have reservations over some projects of CPEC because some communities have been displaced for the continuation of projects. Additionally, there are not enough opportunities for residents of these areas to participate in these projects. Furthermore, they believe that their basic rights i.e., fishing rights, have been taken away. Despite having the tenth-largest labor force, Pakistan lacks competent workers due to a lack of skilled education, training, and health. To construct and manage projects like infrastructure, electricity, internet connections, and pipelines, the CPEC project, however, requires higher expert staff in each discipline. As skilled labor will effectively boost economic output and a nation's per capita income, the government ought to invest in it.

Other significant weaknesses of CPEC include terrorism, internal strife, corruption, economic recession, and other domestic issues of Pakistan (Hussain, 2017). Because CPEC projects lack transparency, like many other domains in the country this project has also been the target of corruption. The current state of corruption in the host nation poses a risk to the project (Alam et al., 2019).

Opportunities that CPEC creates, include regional connections (as discussed above) which in turn will help the country to promote trade within the region and having a region with fewer or no security issues, the country will get more foreign direct investment and also country's major defense spending will reduce and expanding on

production and exportation of projects and other development projects will eventually increase which will boost the economy of Pakistan by adding up to its GDP. It will strengthen infrastructural connections with neighboring nations, assist in the removal of all trade and investment obstacles, and foster a healthy business climate in the area. After the completion of these projects, there will be a considerable rise in employment and economic growth thanks to the utilization of CPEC routes for economic and free industrial zones.

Under CPEC projects Pakistan will get independent power production through the Chinese government's FDI (Foreign Direct Investment) which will reduce the energy crises in the country. CPEC will provide a platform for the construction of institutes like agricultural, fisheries, and wildlife institutes for education and research and will produce skilled individuals in different sectors (Authority). Security threat today is one of the major **threats** to CPEC. Extremism and terrorism in Pakistan are the key challenges preventing the effective completion of the CPEC project. The development of Pakistan involves even foreign forces.

Threats from the provinces include things like Balochistan having a waterway that connects the ports of Gwadar and Kashgar. The Baloch people believe that CPEC is unfair. KPK province believes that the CPEC project has been altered and that Punjab is receiving financial advantages instead of other provinces. A threat to the CPEC is also foreign participation. India, one of our neighbors, opposes the CPEC project and is working to halt Chinese investment in Pakistan. An ongoing danger to CPEC is also weak governance.

4. Conclusions and Policy Implications

It is also crucial to remember that economic security has been given priority in the national security triangle, which also includes traditional, economic, and human security. Focusing on economic security is the proper strategy because the country's money powers it and China is Pakistan's major foreign direct investors investing in Pakistan under The CPEC. CPEC may not directly contribute much to the economy of Pakistan but Pakistan can use CPEC projects for its purpose. For example, first, Pakistan can increase its export imports using Chinese-made routes, ports, and airports. Secondly, Pakistan can use the Industrial cooperation zones and special economic zones effectively which can add up to its economy. Lastly, Pakistan can benefit from The CPEC's regionalization, with an interconnected region with enhanced diplomatic and trade relations there is very less chance of border security issues and thus Pakistan will have to focus less on geopolitics and more on geo-economics.

In light of the above discussion, we can say that the CPEC positively impacts national and economic stability and to gain economic sustainability Pakistan has to play a major role. The sustainability of economic growth depends on a better business environment, and increased productivity of firms which in turn increase exports, inaugurating long-term development programs, and attract more foreign direct investors project is the only source for Pakistan to get all of these only if the government has the potential to utilize it fruitfully. Thus, in one or all ways, The CPEC is effectively approaching the security, stability, and sustainability of Pakistan's economy.

Pakistan now has to consider its economy to make its place in the world rather than only focus on developing armaments. Only those countries can survive on the map of the world which is economically strong. Political stability in any country gives confidence to investors to invest in that country so, Pakistan needs to bring political stability to economic stability in its country.

Pakistan needs more CPEC-like programs and foreign direct investors to improve its business environment and economic stability. Pakistan also needs skilled youth to benefit from such programs. By using CPEC routes, if China can boost its trade, why not Pakistan? If China is getting the region connected for its national interest why not Pakistan can improve its diplomatic relations with its neighbors? The only thing Pakistan should focus on is effective policy-making and implementation. Pakistan should also have to overcome the issues of domestic instability otherwise economically weak and politically turbulent Pakistan can neither secure its border nor its economy.

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Data Availability Statement

The data that support the findings of this study are available from the corresponding author upon reasonable request.

Disclosure statement

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