



Institute of Chinese Studies

WEDNESDAY SEMINAR

*Golden Promises,
Strategic Strings: CPEC
in the Long Shadow of
Xi's Development Vision*

REPORT

Speaker:
Sriparna Pathak

01 April 2026

EXECUTIVE SUMMARY

Speaker: Prof. Sriparna Pathak, Professor, China Studies; and, founding Director, Centre for Northeast Asian Studies, O.P. Jindal Global University, Sonipat.

Chair: Amb. T.C.A. Rangachari, former Ambassador to Algeria, Germany and France; and, former Visiting Professor and Director, Academy of International Studies, Jamia Millia Islamia, New Delhi.

Venue: Zoom Webinar

- The seminar examined the China–Pakistan Economic Corridor (CPEC) within the broader framework of China’s Belt and Road Initiative (BRI), focusing on the gap between projected developmental outcomes and on-ground realities. Prof. Pathak situated the discussion within the Global Development Initiative (GDI), highlighting its emphasis on sustainable development goals such as poverty reduction, food security, and innovation. However, she noted that Pakistan’s socio-economic indicators continue to reflect limited progress despite prolonged engagement under the CPEC.
- The speaker highlighted Pakistan’s strong diplomatic alignment with China, particularly in multilateral forums. She argued that this alignment is not merely ideological but reinforced by economic dependency created through large-scale investments. Despite being an early supporter of the GDI and a major recipient of CPEC investments, Pakistan continues to face challenges such as political instability, debt burdens, and governance inefficiencies, which have undermined the expected developmental outcomes.
- Prof. Pathak analysed the phased evolution of CPEC, noting that Phase I prioritised infrastructure and energy development, while Phase II shifted focus towards industrialisation through Special Economic Zones (SEZs). However, the implementation of SEZs has been slow and uneven, constrained by high operational costs, bureaucratic delays, and security concerns, particularly in regions such as Balochistan.
- Through case studies of major SEZs, the speaker highlighted recurring structural issues, including inadequate infrastructure, lack of skilled labour, and limited

investment inflows. While some energy projects have addressed power shortages, they have also contributed to rising debt, environmental degradation, and inefficiencies, raising concerns about long-term sustainability.

- The speaker also examined key infrastructure projects such as Gwadar Port and railway modernisation. She noted that these projects remain underutilised due to logistical, financial, and security constraints. She further argued that the CPEC has not significantly reduced China's dependence on the Malacca Strait, functioning instead as a strategic contingency rather than a viable economic alternative.
- Prof. Pathak emphasised that while economic outcomes remain limited, China has derived strategic leverage through its engagement with Pakistan. This includes strengthened political alignment and increased influence in regional and global forums. She also highlighted the limited benefits for local communities, including environmental degradation, displacement, and low employment generation due to reliance on imported labour.
- During the interactive session, questions were raised regarding the viability of the CPEC, its impact on regional connectivity, and the possibility of India–China cooperation in South Asia. Prof. Pathak responded that while the CPEC offers strategic advantages to China, its economic viability remains uncertain, and collaboration depends largely on the willingness of host countries and prevailing geopolitical conditions.
- In his concluding remarks, the Chair, Amb. Rangachari emphasised the importance of evaluating BRI projects in terms of financial sustainability, due diligence, and long-term returns. He highlighted concerns regarding debt accumulation and the lack of profitability in several projects, noting that large-scale investments must translate into tangible economic benefits such as employment, trade expansion, and sustainable development.

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