Abstract

Pakistan’s economy is well poised for expansion and possible take-off. Pakistan has experienced three previous phases of stunted economic growth in its seventy-years history. During each phase Pakistan failed to achieve sustainable economic growth for a consistently long duration of time. Unlike the three failed attempts of the past, this time the chances of success have been enhanced, due to launch of CPEC. This economic programme has both strategic and economic components. Pakistan should leverage the economic advantages through CPEC not only to develop its infrastructure and tide over energy and water shortage crises, but also to improve human capital and regional connectivity.

1. Introduction

Ever since the launch of China-Pakistan Economic Corridor (CPEC) in May 2013 the foremost question remains that, can CPEC revolutionize Pakistan’s economy? It is widely understood that the key to success means the general populace should benefit not just the urban centers and the big businesses. The objective in this regard is not only economic and financial development, but also sustainable development.¹ A further question arises about the tangible quantification of CPEC’s socio-economic impact. What would be the indicators of development as a result of CPEC?

In response to the question posed above about the indicators of economic development as a result of CPEC, this paper explores impact of CPEC on various economic indicators. The first indicator is that CPEC should enhance Pakistan’s competitiveness/efficiency level by increasing total factor productivity (TFP). The second is that it should result in relevant, necessary, and durable physical infrastructure development. The third is that it should result in technological leapfrogging for Pakistan. All these factors will facilitate Pakistan’s sustainable
economic growth. This means that Pakistan should be able to leapfrog over the intermittent industrial stages and move on to the entrepreneurial stage while applying technological innovations to develop an agro-based economy. It would entail overcoming certain weak areas of the economy and utilizing strong areas to catapult the economy into high growth trajectory for sustained duration of time.

If we take a look at Pakistan’s economic history we find evidence of three periods or phases during which Pakistan experienced relative economic growth. However, none of these phases succeeded in ushering in an era of sustainable economic growth in Pakistan. The failed ending of the third phase of economic growth – during Musharraf era – resulted in an increase in violent extremism. Pakistan must achieve sustainable economic growth during the next expansionary cycle in order to prevent any further rise in extremism. The current situation in Pakistan is such that while there is relative socio-political stability yet the problems in the security situation do have a negative impact on economics. On the other hand, the GDP of Pakistan was around four per cent for the last five years and is projected to be around five per cent for the next ten years. This provides confidence in the prospects of long-term progress.

Long-term progress would also depend upon the kind of projects to be launched under CPEC. There are some areas of concern in regards to contracts, maintenance costs, job opportunities, and clash of cultures. It is important that CPEC-related contracts should be awarded on the basis of transparency and merit. The cost of maintenance of roads and highways should be calculated in coordination with the Chinese partners. Pakistani laborers and youth should get jobs. The proposed industrial zones along the route of the corridor should be open to both Chinese and Pakistani industrialists; as well as investors from East Asia, Latin America, and the rest of the world. For revenue generation, the resources should be mobilized on competitive basis. And lastly, any possibility of clash between locals and Chinese owing to cultural factors should be carefully avoided through cultural acclimatization.

Pakistan has a slowly growing economy. Should it avail CPEC as an opportunity to move toward sustainable economic growth, which involves at least a decade of consistently high GDP growth trajectory? Pakistan can attain this level of growth in a relatively short period of time. However, simultaneous structural reforms in economy would be required. These structural reforms include rationalizing and scrutinizing exports, reforming domestic law enforcement agencies, and improving regional connectivity. In other words, the projects under CPEC should be planned and implemented within the framework of an overall national development strategy i.e. Vision 2025. The national strategy reflects the desired economic goals in term of seven pillars of Vision 2025.
The economic growth of a country is determined by the gross domestic product (GDP), which can be broken down into its main drivers such as capital, labour and TFP. The TFP is the part of output that is not directly correlated to the amount of input used in production. The extent of TFP is based upon the level of efficiency and intensity with which the inputs are utilized in production. TFP reflects economic efficiency, which arises due to changes in the market, presence of competitors, technological advancements, innovations and globalization. An increase in TFP results in accelerated growth. According to IMF Country Report (January 2016), the contribution of TFP to overall GDP of Pakistan decreased during 2006-2014 whereas it boomed during mid-1960s to mid-1980s when the TFP contribution was 40 per cent.4

1.1 Aims of Study

China and Pakistan enjoy an all-weather friendship. Despite economic advantages, deep friendship and geo-strategic aspect for both China and Pakistan it cannot be ignored that self-interest is the primary motivation behind mega projects like CPEC. The objective of this paper is to ascertain the benefits of CPEC to sustainable economic growth for Pakistan. It is suggested that the trajectory of sustainable economic growth could originate through a process similar to Rostow’s economic take-off.

According to Rostow, an economic take-off is, “the industrial revolution connected directly to significant alterations in methods of production, with crucial effects over a relatively short period of time”.5 The term “take-off” does not actually signify a specific point in time rather it could be a decade(s) long time period during which the economy experiences consistently high GDP rates. So does Pakistan currently meet the preconditions of an economic take-off followed by sustainable economic growth? Does it enjoy a stable GDP growth rate and steady future projections? The hypothesis of the study is that Pakistan’s current relative stability in terms of economics needs to be leveraged to pursue the infrastructural development and growth in human capital as part of CPEC.

During the last six years (2011-17), Pakistan’s GDP growth rate, which was 3.6 per cent in 2011, has jumped to 5.2 per cent in 2017.6 Rationale behind such impressive economic growth rate is the aggregate effect of the economic manager’s macroeconomic and structural reforms agenda; much lowered gasoline prices; and improvement in security. The recent growth rate outpaced earlier growth expectations even though the crucial agricultural sector experienced a major crop failure.7

The growth forecast for Pakistan during the next ten years is 5.07 per cent every year, according to a research put out last year by Harvard University’s Center for International Development (CID).8 China has much larger economic
size and it might not be fair to draw a comparison with Pakistan, yet 5.07 per cent growth projection for Pakistan is higher than China’s, which has projected growth of 4.28 per cent. Pakistan is expected to perform better than all regional economies in terms of growth with the sole exception of India at 6.98 per cent. Another regional economy set to grow in the next decade is Malaysia by 4.89 per cent. The CID at Harvard University is employing a latest calculation to evaluate the economic complexity and to project yearly growth rates for the next ten years. Within Pakistan there is persisting perception that CPEC should steer Pakistan’s economy toward sustained and sustainable economic growth trajectory, presaged by Rostow’s ‘take-off’ point.

For Pakistan the desired economic objectives of CPEC include a clearly laid out plan for its implementation including role assignments, expected contribution and undisputed rewards for all stakeholders involved. The infrastructural development under CPEC should focus on villages, small cities, and rural areas. The indigenous products like agriculture should be promoted through the transportation corridor. The government should earmark specific Chinese markets for Pakistani products, and negotiate tariff rates with the Chinese government. This should be done with the consensus of the private Chinese companies involved in the project as planners, financiers, or implementers.

Pakistan could make an effort to perform economic and technological leapfrogging. This will be in the sense that Pakistan would seek industrialization and manufacturing, and simultaneously move directly to the stage of development of trade and services. The focus should be on local employment and investment. This would provide the necessary boost to economic entrepreneurship and social creativity thereby guaranteeing the long-term development of the country.

This following paper is divided into four parts. The first part deals with a brief economic history of Pakistan. It is surmised here that while Pakistan’s developmental goals have remained elusive so far due to the absence of sustainable economic growth, some improvement has been made on critical fronts like terrorism and corruption. The second part is on Pakistan’s development strategy and the rationale behind a project like CPEC for this strategy. A project with the scope and the scale of CPEC should be tailored to Pakistan’s economic needs and growth potential.

The third part deals with the economic significance of CPEC for Pakistan’s economic growth and development. It is widely regarded by many economists that these development projects would be able to generate the required momentum to trigger the country’s economic growth potential. The fourth part deals with the security component for which Pakistan has set up a dedicated
military division. Before the discussion on how CPEC could be leveraged to help achieve sustainable economic growth, we take a look at Pakistan’s history to gain insight into the circumstances surrounding Pakistan’s overall average economic performance in the past, with three phases of economic growth that were not sustainable over an extended duration of time.

1.2 Pakistan’s Brief Economic History

The era of 1960s was regarded as an era of economic growth for Pakistan. Unfortunately the increased defense expenditures during the late 1960s stalled the economic progress of the country. Increased defense expenditures deteriorated the economic growth during 1958-1973 especially during India-Pakistan wars of 1965 and 1971.

The second period of economic growth occurred during the 1980s when the highest annual GDP growth of 10.2 percent was recorded in 1980 and average growth for ten years was 6.1 percent. Despite such improvement in economic growth the country could not sustain it till end of Zia’s era. Looney blames strict control over economic activities, protectionism, which impeded exports, inefficient financial sector and external borrowings for the failure of the second economic growth phase during the Zia years.

Lastly, the period of high growth from 2000-2007 indicated that the economy was progressing toward sustainable economic growth when Musharraf government allowed structural reforms, accepted globalization and encouraged foreign trade and investment. In the later years of Musharraf government the economy bloomed at rates 7.0 percent to 7.5 per cent due to improvements in the performance of the service sector.

The Musharraf government strived to improve high fiscal deficits and unsustainable public debts, which were a result of the previous PML-N government’s mismanagement. However, according to Looney, the Musharraf government failed to comply with the good governance indicators spelled out by the World Bank. These include democratic rights, general law and order, effectiveness of governance through rule of law and controlling corruption.

From the experience of the Musharraf era, it can be surmised that the socio-economic implications of another failed attempt at economic growth could emerge in the form of extremist violence in society. The best method to guarantee the upward trajectory of Pakistan’s economy is the progress on CPEC. In essence, Pakistan should strive to make the most of CPEC through human resource development.

An overview of the economic history of Pakistan reveals that it went through three phases of economic growth that did not prove to be sustainable due to structural impediments in the economy and governance of the country. The first
phase of economic growth was in the 1960s, the second in 1980s, and the third in the 2000s. These were durations where investment and growth (and TFP in the 1980s) increased but was subsequently reduced again due to macroeconomic imbalances, depressed savings rates, and absence of proper governance structures and supporting institutional development.

The inadequate results in case of implementation of the Musharraf reforms were evident in the form of rise in extremism and violence. According to Burki, it was important to learn why certain sections of the society were amenable to accepting the extremist tendencies and attitudes propagated by violent non-state actors. Investigating and understanding the origins, dynamics and solutions to the phenomenon of extremism is necessary for Pakistan to stabilize itself both economically and politically. In regards to the underlying factors behind extremism and violence, the assessment in the initial post-9/11 era focused on causal factors like lower educational attainment and poverty.

In the Pakistani context, it is generally believed that economic deprivation led to an increase in extremism and terrorism. The consensus about tracing the origins of extremist violence in Pakistan reveals that there are three broad factors that are of critical importance:

i. Acute poverty

ii. Environment of inequality and nepotism, which restricts opportunities and countless roadblocks hinder the path of ordinary citizens; and,

iii. Phenomenon of militancy that stems from the rise in extremist tendencies at the societal level.

The experience of inconsistent growth with limited periods of economic growth interspersed with low growth spells, inching ever slowly toward economic success yet sliding back from sustainable economic growth has been termed by Easterly as “growth without development”, or in other words, the experience of growth was not inclusive. According to Easterly the productive potential of the economy had been lowered due to the country’s poor social indicators, which had also affected its ability to service its high debt. Another reason forwarded for the repeated economic failures are the patterns of TFP.

These failures took place despite a reasonably impressive accumulated growth rate of 5.4 percent over a time period ranging from 1961 to 2001. The reason was that limited degree of growth and development could be attained even by unskilled labor force, if led by a professional management team. However, the long-term returns of this strategy were not lucrative because human capital could not increase at a pace equal to increase in the capital stock.
Furthermore, the reduced economic growth from the last 1980s to the current economic phase can be explained by weak governance and limited economic reforms. Another serious problem that affects governance in Pakistan is the subversion of competitiveness as politically and economically non-competitive regimes have indulged in rampant corruption and stagnation.25

1.3 Musharraf’s Era/Third Phase of Economic Growth

The Musharraf government embarked on significant scheme of reforms to kick-start the economy and to improve governance and critical institutions. The main points of the reform plan included power devolution to grassroots level, improved public financial accountability/management, reducing corrupt practices and police, judicial, and reforming civilian bureaucracy.

This vision of development spelled out by the Musharraf government assumed practical shape in the subsequent Mid-Term Development Framework (MTDF) that envisioned a GDP rate of growth set at six per cent by fiscal end on 30th June 2005. The government focused on six main areas e.g. political stability at national level, regional stability vis a vis relations with immediate neighbors, law and order as it impacted internal security, the sustained continuity in policies of fiscal responsibility – budgetary control, consistency and transparency in economic policies. Here lay a caveat. The structural reforms program had to be completed in order for the reforms to take effect, which eventually did not happen during Musharraf era.

The Musharraf reforms were sound and well intentioned but high rates of economic growth could not be restored because of terrorism and weak government institutions. The government institutions have been severely damaged by corruption under various political dispensations. The voting public chooses corrupt representatives because of illiteracy, which leads to extremism as well. Therefore, the rationale behind CPEC for overall development strategy includes leveraging Pakistan’s strategic location for economic advantage, and domestically it includes strict measures to control the nexus between corruption and extremism by educating the citizenry.

2. Developmental Rationale of the CPEC

Terrorism and corruption have arisen as the two major challenges in the age of globalization. Nonetheless, the phenomenon of globalization continues unabated as the world gets interconnected in complex ways and through intricate means. In this situation the traditional borders give way to an increasingly borderless world. In an interconnected world, global logistics have risen as a vital apparatus of regional participation and advancement in a globalized world.
The model was pioneered in China in the Greater Mekong Sub-area (GMS). The phenomenon of the economic integration of the region was facilitated via a system of transnational economic corridors in the GMS. There are similar activities currently being pursued in various regions in Asia to increase developmental progress by joining backward areas to modern industrial centers, and to enhance approach to markets via incorporation of trans-border links.\textsuperscript{26}

An important milestone in South Asian regional integration was China’s plan to build two logistic arteries in this region. During the visit to Pakistan in May 2013, Prime Minister of China Li Keqiang suggested an economic corridor between China and Pakistan to link Chinese Kashgar with the southwestern Gwadar port of Pakistan.\textsuperscript{27} The visit had followed his trip to India where a decision was reached to initiate joint work on a BCIM (Bangladesh-China-India-Myanmar) corridor.

In response to the Chinese proposal, the government of Pakistan agreed to cooperate on all aspects of the economic corridor. The former Prime Minister Nawaz Sharif mentioned the project in his first address after assuming the office. Later, when he was in China in July 2013, he signed Memorandum of Understanding (MoU) to start work on CPEC and underlined its significance not only for Pakistan and China but also for the entire region.\textsuperscript{28}

Accelerating the process the two nations formed a Joint Cooperation Committee (JCC), which is apex body of CPEC and all decisions are made with the approval of JCC. It is co-chaired by the Pakistani Federal Minister for Planning, Development & Reform and the vice chairman of the National Development & Reform Commission (NDRC) from the Chinese side. The meeting of JCC is held twice in a year. The first JCC meeting was held on 27th August 2013 in Islamabad. In the third JCC meeting, which was held in Beijing on Aug 27, 2014, the Early Harvest Projects (EHPs) of CPEC were identified amounting to 44 billion US dollars in the following sectors:

i. Energy

ii. Infrastructure

iii. Gwadar

Further, 52 agreements and MoUs were signed during the visit by Xi Jinping, the president of China, to Pakistan from 20\textsuperscript{th} to 21\textsuperscript{st} April 2015.\textsuperscript{29} The policy of CPEC can be seen in conjunction with two contiguous processes. The first relates to the concept and process of establishing economic corridors. The second relates to the scale and scope of this particular project. According to the plans, the CPEC contains three main components:
The first component is energy-related projects. These include wind, coal, solar, hydel energy projects, dams and energy stations. The second is various industrial parks and economic zones, and thirdly, they are interconnected via roads and train tracks, which would be built astride the Kashgar-Gwadar road, intersecting the entire country both in longitude and latitude. The full expense of the corridor was initially estimated to be 46 billions US dollars, raised to 51.5 billions and then 55 billion dollars after adding some new projects in CPEC. The loan has been provided to renovate the Karachi-Peshawar train connection termed as the Main Line One - ML-1. Under the CPEC, both sides will develop a Long-term Plan of CPEC, which will include projects up to 2030. The CPEC projects will be completed in four phases i.e. EHPs by 2018, short-term by 2020, medium-term by 2025, and long-term projects by 2030.

Some analysts opine that the Chinese rationale behind CPEC is strategic not merely economic. Nonetheless, many analysts consider CPEC as the centerpiece of the regional-connectivity policy termed as the One Belt One Road (OBOR) policy of the president of China. It is expected that CPEC would result in enhanced bilateral trade through regional connectivity. Currently the trade volume between the two states is around 12 billion US dollars per year. There is room for its increase to around 15 billion US dollars in near future.

The strategic location of Pakistan provides both an opportunity and a challenge. Either Pakistan could leverage its geostrategic location to achieve sustainable economic growth. Or it could lose this opportunity and thereby retard its self-interest by risking own economic growth. Additionally, Pakistan’s economic development would guarantee its long-term security. However, rapid economic development is unlikely in the case of unstable political governments that lack the political will and/or capability.

Sustainable economic growth is not possible unless there were an added factor of foreign direct investment (FDI) in basic infrastructural development and futuristic technological advancement. Through CPEC, Beijing proposed an investment plan to assist Pakistan in developing its physical infrastructure and energy security. In view of the substantial investment from China, it is important to ask if the Pakistani economy currently meets the pre-conditions for sustainable economic growth particularly given the past economic track record?

3. Economic Significance of the CPEC

From the above discussion it can be surmised that Pakistan has gone through three phases of halting growth during its seventy-year long history. Pakistan has witnessed economic growth phase once during the decade of 1960s, second during the decade of 1980s and third during the opening decade of the 21st century. However, in each case a couple of years of consistently high GDP rates
carried the economy to the verge of consistent growth, but due to political and administrative failures the growth could not materialize. In view of this past experience it is important to ask, does Pakistani economy currently meet the pre-conditions for sustainable economic growth?

According to one view, with the implementation of CPEC projects already in progress, Pakistan’s economy is slowly improving in various indices. The IMF mission head Herald Finger considered CPEC a key factor in Pakistan’s economic take-off and growth. According to Rostow, sustainable growth is the result of industrial revolution coupled with radical changes in methods of production.

Due to CPEC and related FDI Pakistan would be able to tide over its energy crisis. The level of income is expected to increase. This would eventually result in growth in the national GDP measure. Most commentators have opined that CPEC would be a game changer. The direct impact would appear in the form of GDP growth. Other effects would include energy security, which would provide a boost to the industrial and commercial sectors. Through CPEC Pakistan would be linked with the Chinese Xinjiang province and close interaction would be established with that region. This connectivity would cause economic integration in the region.

The engagement of China with Pakistan’s weak energy sector would help uplift the overall level of national development. The Chinese upgradation of Pakistan’s low energy output should be accompanied by efforts to remove structural bottlenecks to curtail the circular debt like those caused by massive line losses, which may require building a new national electrical grid. According to the officials in Pakistan’s finance ministry the formal procedures of all the projects have been completed. This includes short, medium, and long-term projects.

4. Security Component of the CPEC

According to a Chinese report quoted in an Indian newspaper, the Indian objections to the construction of the CPEC could only affect this mega-project in the short run. However, the impact of the Indian opposition could be neutralized in the long run through firm commitment between Pakistan and China. The Chinese report also expressed hope that in the long run, a Pakistan-China commitment to the project could even lead to dispelling of Indian ‘doubts’.

For Pakistan’s part, the key element that is required for countering the designs of Pakistan’s detractors at the domestic level is through cooperation among provinces. The possibility of a terrorist attack in Khyber Pakhtoonkhwa and Balochistan along the CPEC route would cause harm to the economic project. Therefore, Pakistan has raised a 15,000-strength division size force to
protect the Chinese nationals and companies. In the Xinjiang province of China there is a threat posed by Uighur militants.

The corridor will help deal with the menace of terrorism because it is a threat to the peace and tranquility of the entire region. The economic reinforcement of Pakistan under CPEC might possibly improve bilateral relations between India and Pakistan. At the same time Afghanistan will also be benefitted by this development because the corridor will enhance the economic activity in the country.

The construction of Peshawar-Kabul motorway as proposed by Pakistan would link Afghanistan to other regions. Consequently, Pakistan termed CPEC as a “Game-Changer” and “Corridor to Peace” for the region. In spite of the fact that the overarching security environment in Pakistan can pose some danger to any economic activity of the scale of CPEC, the scale and type of threat is not equal all over Pakistan.

Pakistan has expressed its resolve to provide security along the entire route of CPEC. There are two broad routes of the CPEC that have been identified, one is eastern and the other is western route. Both eastern and western routes will run from Gwadar to Kashgar. Although the eastern route is generally deemed to be safer, yet the western route offers greater possibilities of Afghanistan’s inclusion and connectivity with Central Asian states. The level of risk to the safety of the trade route - material and staff - is not considered acute on the eastern route except the special cases of Gwadar, Karachi and the Makran Coast area, where the extent of danger is categorized as being medium.

There had occurred unpleasant events and ambushes on development sites in the general area, which included the attack on the port of Gwadar, possibly by Baloch militants, during the stay of the president of China. The region of Balochistan has been facing certain specific security challenges. China is facing an insurgency in its Xinjiang region. There have been militant attacks carried out by the East Turkestan Islamic Movement (ETIM) in the past few years.

There is a security concern regarding the implementation of CPEC due to the fact that it enters China through Xinjiang, and that the Uighur separatists could unite with Pakistani Taliban to undermine the security of CPEC. In response to the existing security threat to both the countries, Pakistan has committed to setting up a military division in order to ensure security to the entire trade route. The division would be equipped with air component and would be headed by a two-star general. The security of CPEC would also be monitored by the National Counterterrorism Center in Pabbi.

5. Conclusion
The principal interest of Pakistan is economic development through CPEC. Progress on CPEC involves joint Sino-Pakistani projects to raise Gwadar to the level of an international commercial port. Gwadar enjoys a strategic importance due to its location. The economic development of Gwadar as a result contains a strategic dimension. Therefore it is imperative to ensure sustainable development of the country through the miscellaneous projects launched under the rubric of CPEC.

Pakistan should be mindful of the need to cater for creating employment within the national pool. It would not be feasible to maintain a project on the scale of CPEC without indigenous capacity generation. This lack of local capacity could retard Pakistan's overall development and growth. It would not be a sustainable option for the Pakistani economy to transport the entire workforce and engineering staff involved in CPEC from China. It should be made a priority that indigenous human capital should be developed in order to man and manage the CPEC and related projects.

Another matter of concern is the import of Chinese hardware for the miscellaneous developmental project. Pakistan should focus on indigenous manufacturing to support projects under CPEC. Furthermore, the question about the type of financing for the project still needs to be answered. Are the Chinese monies a loan, a grant or a credit? In case the type of financing is a loan than what are the terms and conditions of payback period? Would the project include certain levy rates payable to Pakistan for utilization of transportation network?

It is important to plan and implement the projects efficiently. The CPEC should not become a victim to political infighting and bureaucratic lethargy. The multidimensional initiative enjoys the support of the top leadership in both countries. It is hoped that it would help realize the objectives of economic development of both countries. This could be done by the diligent pursuit of the development projects and larger national goals by all stakeholders involved.

The CPEC carries huge significance in the Chinese Weltanschauung. China views CPEC as a “centerpiece project” because through this corridor China will gain shorter access to Europe, Africa and the Middle East. Furthermore, it is expected to boost up China’s market and strengthen it in terms of resources. China would gain access to the warm water port. The shipping duration and costs of fares would be reduced for east-west travel in China. Oil and gas will reach Gwadar by sea and than transported by road to China. On the other hand Pakistan's floundering economy will also improve.

Such economic corridors possess a lot of importance for weaker countries with less developed basic infrastructure. The projects under CPEC would cover three major areas: energy generation, transportation infrastructure, and
industrial cooperation. Despite the hurdles that discourage foreign investment in Pakistan's economy, China has invested heavily through CPEC. In view of Pakistan’s problem of extremism, it is opined that sustainable economic growth is the effective mechanism for preventing the phenomenon of extremism and violence.\(^4\) Along with improvements on both these fronts i.e. terrorism and corruption, a project with the scope and the scale of CPEC should be tailored to Pakistan’s economic needs. It is widely regarded by many economists that these development projects would be able to create the required momentum to trigger the country’s economic growth potential.

Some questions and details related to CPEC notwithstanding, it remains a significant example of economic cooperation and assistance. Pakistan’s self-interest and the scale of the project demands creativity, resourcefulness and diligence. In order to make the most of this opportunity economically Pakistan should plan the CPEC interlinked with the overall national development strategy in order to ensure Pakistan’s sustainable economic growth.

Notes and References


2. Website of Ministry of Planning, Development and Reform, Government of Pakistan. [http://pc.gov.pk/web/vision](http://pc.gov.pk/web/vision). (accessed on Aug 20, 2017). Vision 2025 was put forth by the Government of Pakistan in 2014. It noted shared vision, political stability and continuity of policies, peace and security, rule of law and social justice as key enablers of national development. Furthermore, the vision 2025 identified seven pillars of development i.e. putting people first – developing human and social capital; achieving sustained, indigenous and inclusive growth; governance, institutional reform and modernization of the public sector; energy, water and food security; private sector & entrepreneurship and growth; developing a competitive knowledge economy through value addition, and modernizing transportation infrastructure and greater regional connectivity.


11 Pakistan is the fifth most populous country in the world with a population of 207 millions. Pakistan is one of the world’s largest youth bulge country with 48 per cent population aged 15-49 and 5 per cent (age 15-64) is in production age group. Pakistan is the 10th largest country in the world according to the size of the labor force. In 2012-13, the number of unemployed people was 3.73 million out of a total labor force of 59.74 million. For details see, “Population, Labour Force and Employment.” *Ministry of Finance, Government of Pakistan*. 2017. Retrieved from www.finance.gov.pk/survey/Chapters_14/12_Population.pdf


28 Ibid.


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Ibid.


