

## **The Political Economy of Gwadar Port Development: A Perception from Local Community**

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### **Abstract**

*For the port development the resources of local community are used as the greater economic and social benefits that port is likely to generate payoff to local community in turn in the shape of job creation, logistics infrastructure and overall regional economic and social development. Therefore, the port may be developed considering the economic and social interest of the local community. Gwadar port was developed in 2001 amid great controversy, mainly because of its negative fallout to the livelihood of local community. The aim of the paper was to determine how local community belonging to different demographic and income groups realized the importance of the development of port to their overall economic and social benefits. We composed a sample of 200 respondents who were involved either in the outcomes of the port activities or affected by the port development and operation.*

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*Our results revealed that people of Gwadar had great concern to the overall impact of the port development to socio-economic situation of Gwadar. Results further showed that due to the overwhelming presence of China, the local people suspected that Gwadar port has been built not as a economic and commercial port to boost the local and regional economy, but on the contrary it was covertly meant to be a strategic outpost that could be used as part of the Chinese neo-liberal expansionist policies. Given the geo-strategic location of Gwadar it is pertinent to maintain that the growing Chinese is beyond the economic and commercial ones. Instead the question of Gwadar port being used for strategic purpose is an imminent perception. Gwadar port caused a great deal to the local fishing industry, livelihood of the fishermen, and their sociology and economics. Overall our this research showed that people of Gwadar although were not outright opponent to the development of port project, but they had their doubts and suspects on numerous fallout that the port project would expectedly accompany, and that were too detrimental to their local economy, culture, language et al to ignore.*

**Keywords:** *Gwadar Port; Local Community; Perception; Socio-economic Situation*

### **INTRODUCTION**

Ports are developed using the public goods and resources of the local community and in turn the ports produce regional and national benefits to the community by creating jobs, providing logistics infrastructure and increasing the wealth of the region. However several parties are interested in making use of those coastal resources and most often debates occur among such parties in how to make use of the coastal areas. Recreational, road traffic and pedestrians requirements, aquaculture, military needs, shipyards and

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boatyards, residence plans, special industrial requirements all need the resources brought by the coastal areas.

Moreover people are interested in the prevention of pollution from all sources and together with other coastal investments; ports also attract the attention of the community in that respect.

Given the extreme economic benefits created by the ports, the community would be supporting the presence of efficient, profitable and socially and culturally satisfying port business and management functions. However since the communities are not well informed and due to the lack of necessary communication between the ports and the communities, globally there exists a lack of “partnership” between the port and the community. The port as a whole needs to be managed in the interest of the local community. Port business and management should be planned interactively by the local community (Inoue 2001).

For the success of any mega project the participation and active involvement of local community plays a crucial role. Local human resource is vital for the implementation of planned policy. The local human resource is likely to be well-equipped with required knowledge before launching any mega project. Usually before going to launch any megaproject the local human resource is skillfully prepared with technical and modern knowledge. Considering the vitality of local resources for the development and sustainability of the port, opinions and apprehensions of the local community may be addressed. They may be taken onboard for the smooth running of the project activities. Mega projects of any nature not only change the livelihood of the people but also bring a huge socio-economic transformation to them. For instance, a sharp increase of income level as well as huge influx of migration has experienced in Dubai after the launching of Dubai port in UAE. Similarly, after the

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development of Chahbhar port in Iran, a massive change was noticed in the social, economic and demographic landscape in the region.

Likely, Chicago turned from crime center into an economic hub and “place of opportunity” for all after the development of Chicago port in the US.

An attractive and busy port not only generates billions of dollars but also creates tens of thousands of job opportunities as well. The seaport has a vital role in the sector of sea transportations, exports, imports, tourism, and travel, and this is a key component of economic growth (Yoo, 2006). Seaport therefore plays an important role in boosting and developing the national and regional economy, albeit it may face a huge risk in a natural environment and ecosystem, surrounded by the complex socio-economic, cultural and political setup (Oni, 2003). According to the American Association of Port Authorities (2003) in the Western Hemisphere, seaports generated about \$8.6 trillion in economic activity in 2008 but also the exports and imports touched 7.6 billion tons of cargo in the same year.

Thus, port brings multiple social and economic benefits to the local and regional economy besides the transformation of demography and socio-cultural norms. Therefore, weighing the perception of the local community, who are likely to be the biggest beneficiaries or affected, is a plausible question worth exploring.

#### **Gwadar Port and its Development**

Geographical location of any country or region is considered pivotal for economic development of that specific region. In a geographic environment the critical role is that of sea, which occupies virtually three-fourth of the total surface of the earth. Among other importance, sea augments the geo-strategic significance of a country.

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Pakistan is blessed to encompass a sea frontage of almost 1100 km, stretching out from Jiwani to Badin, in which nearly 36,000 transits take place through this area annually. And 95% of total trade of Pakistan takes place through sea. Currently Karachi Port Trust (KPT) and Port Qasim (PQ) handle 67% and 32% of total sea trade, respectively, whereas the role of newly built Gwadar port is only 1%. Given the size, scale and projected growth of Pakistan economy, KPT and PQ, which are already being utilized with full capacity, will remain insufficient to cater to the need of sea trade of Pakistan that is projected to around 92 million tons annually by 2015 (Pakistan, 2013-2014). Thus, the country direly needs another deep sea port(s) to embark upon phenomenal increase of sea trade activity in the years to come. In this connection in 2002 with the help of China Pakistan initiated a mega project to construct a deep sea port at a strategically located town of Gwadar, Balochistan, 460 km west of Karachi. Gwadar is located at the top of Arabian Sea near to the Strait of Hormuz, from where 45% of total world oil shipping moves through this sea passage. The port city is already connected to Karachi through Coastal Highway, a \$200 million project accomplished in 2004 with Chinese assistance. Similarly, another road network is underway, and a railway track is planned too, to connect Gwader to Central Asian Republics through Afghanistan to the north and Chinese western provinces of Kashgar and Zingziang to the west via Indus Highway and further up to Karakoram Highway.

### **Economic Importance of Gwadar Port**

Alongside its geostrategic importance Gwadar is equally vital or rather more for economic uplift of Pakistan. The economic performance of the country has been sluggish over the years due mainly to the fallout of the war on terror, deepening global financial crisis, lukewarm government policies for the revival of the economy, lack of governance et al.

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that affected the all macroeconomic indicators including international trade with substantial decline of the country's exports.

It is understood that a surge in export-led industrialization would lessen or to great extent resolve the economic woes of the country. Gwadar port provides an ample opportunity not for domestic industrialization in Pakistan to accelerate but it also has a great potential to transform the region into an international financial and economic hub. Gwadar, another port city in addition to Karachi, is therefore likely to magnet a bulk of regional trade and commerce by the virtue of its strategic location that not only connects Central Asian Republics to the Middle and Far Eastern regions, but leads to boost the medium and large scale industrialization that Pakistan desperately needs to enhance its overall economic performance in one hand and brings at par the otherwise economically backward province of Balochistan to the rest of the country. The potential trading activity is based on forecast of cargos from Afghanistan, Central Asian Republics, Western China besides Punjab and Balochistan provinces of Pakistan.

Central Asia, Afghanistan and Balochistan are believed to have trillions dollar worth of untapped natural resources. Given the high demand of natural resources and growing interests of major economic powers of world - such as the USA, China, India, Germany, Britain and France – the unexploited treasure of these regions has attracted a great enthusiasm to be unearthed and transported to the wider world. Thus, Gwadar port is made fully functional with required infrastructure and industrial development will be an international trade and financial hub, competing that of Dubai and Chahbahar, where a bulk of economic activity may take place.

However, as highlighted above, ports are developed using local public resources that may lead to have a negative consequences on local community livelihood- albeit on the other hand the port

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development creates an ample opportunity for them by creating jobs and facilitating a developed and vibrant infrastructure. Nonetheless, some critics would maintain that Gwadar port has not only been failed in bringing any significant change in local community social and economic status, but it also caused them a displacement, marginalized them in jobs – as concern authority prefer nonlocal to the senior level positions. Equally a great concern is shown to the development of Gwadar port in the shape of colossal demographic shift that may take place because of likely influx of immigrants from other provinces of Pakistan. This consequently may lead to make the local population into minority, which thereby can cause them further social, economic and political marginalization.

Nevertheless, such arguments and assertions are not based on any systematic research, where both opponents and proponents of Gwadar port base their stance on the pros and cons of port without any empirical support. Thus, this paper is an attempt to empirically investigate how people of Gwadar perceive the development of port for the social and economic benefits and their political destiny, using primary data from various walks of life from Gwadar town.

### **Literature Review**

Numerous researches have been conducted to highlight the significant impact of sea ports on social, economic and political life of local community of concern port city. For instance, Cerit (2002) points that port industry can change the economic structure of the local economy in terms of jobs creation, logistics support, development of physical infrastructure and provision of social services. He goes on to argue that port development leads to initiate a sharp process of industrialisation that considerably boosts local economy. Yet, it is also widely believed that the port development changes the socio-cultural, demographic and political landscape of local community.

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That is simply because the consequent development of port and its subsidiary industries, a large influx of people from others part of the country may happen to migrate and settle-down for jobs and other services. This thereby will offset the local community sociology and politics. Such apprehensions of the fallout of port development are relevant to Gwadar. Because Gwadar with its small population has already undergone a sizeable migration of workers, real estate developers, retailers and shopkeepers from other parts of the country, mainly from the province of Punjab and Karachi. And this population influx has created a great anxiety among the local Baloch who consider this as a part of that greater design to covert local people into a minority in their own hometown. Another related concern that emanates from the native Baloch is the prospect of local fisheries industry, which has been the major source of livelihood of local community. Since the project of port development, fisheries industry has gone through a sea change. The local fishermen were removed from the centuries old fishing points. Because the port has occupied the same site that had been used by fishermen besides destroying the whole marine life, source of fishing. Moreover, the old native town of Gwadar is being displaced as the subsidiaries of the port need to be developed on the same land that homes thousands native households.

The building of port and 450 km Coastal Highway that connects port city to Karachi were financed by China that reveals the Chinese greater strategic and economic interest to this region. The Chinese interest to Gwadar causes a great anxiety not only among local people but raises uncertainty among other regional players. Under this milieu the local Baloch may feel that their region could become a battle ground for major countries – The USA and China are the prominent players – where the future prospects of Gwadar may not in local people's hand.

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Another regional player, India along with the USA has expressed its concern regarding Chinese greater involvement in the region.

India and the USA perceive the Chinese engagement in Gwadar as a threat to regional security. Albeit both China and Pakistan consider the former's engagement in Gwadar a commercial commitment, but many analysts including (MacDonald, 2003) suspect that Chinese engagement is beyond entrepreneurial one only.

Therefore, it is plausible to argue that Gwadar with more strategic attraction lures for China that is the fastest economic prowess globally. Lindenmann (1998) posts that in order to diversify its energy supply routes; China places its eyes on Gwadar to use it as an energy corridor to supply energy resources from the Persian Gulf. Similarly, it is argued that China can use Gwadar port as a substitute port to Strait of Malacca, a major sea-route for its sea trade (Haider 2005).

Another regional factor that deserves equal attention is the increasing role of India in the development of Chahbahar port in Iran that is around 200km from Gwadar. That is because India feels that if China augments its regional role while investing in Gwadar, India has a countering role through its strategic and commercial presence in another equally strategic location of Chababar (Niazi 2005).

However, many scholars including Morris & Hough (1987) believe that Gwadar port with its distinct geographical location and economic soundness seems to be a failed project. Since its inception and opening for world trade, major economic activities have not been seen in this huge port. Therefore, critics like Flyvbjerg et al.,(2003) maintain that and economically and commercially unsustainable Gwadar port was aimed to create mirage and hype that would generate a bubble in real estate to appease many of the real stakeholders among Pakistani elite in one hand and pave the way for allotting some valuable lands to military and civic establishment.

Apparently Gwadar port development and other subsidiary establishments have been failed to give the desired economic and

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commercial results in the shape of uplifting the national and regional economy. On the other hand the economic cost of the development to the local people appears to be colossal (that indeed demands a systematic and empirical study to determine) to the local community particularly those who are directly engaged with local fishing industry.

Gwadar issue is a burning issue with an impact on global and regional political economy, and therefore, more research is required to explore this demanding topic. One of the crucial and academically pertinent questions to explore is the perception of local people to this entire grandeur of Gwadar project. That is because it is generally perceived that the development of Gwadar port has not been blessing to the local people, instead it adversely impacted their socio-economic status. However, despite the criticality and crucial nature of this question, to best our knowledge, no any systematic research has been conducted to understand the perception of local people to the development of Gwadar port. And this paper is aim to fill this academic gap. Thus, the theme of this paper is to knowing the opinion of people of Gwadar from all walks of life.

#### **Methodology and Data**

This paper employed critical, descriptive and interpretive methods of inquiry. Typically, the interpretive paradigm was used to know how individuals of a society in their natural setting made sense of certain events that takes place in their surrounding in daily life (Frey, et al., 2000). The interpretive approach explains that reality largely depends on the observer's observations (Wimmer and Dominick, 2003). In other words, the method of inquiry for this research is subjective, and it explores the research participants' knowledge, experience and accounts as their realities.

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This method allows collecting rich narratives of participants' accounts of an issue. Through this research method by interviewing the participants, one is able to elicit their accounts and experiences as they really exist (Warren and Karner, 2005).

To approach research question, a descriptive and experimental method with a combination of qualitative and quantitative technique was used to investigate the local community perception regarding port and its impact on local population. Ours is the combination of both techniques where we collected primary data from Gwadar town with descriptive in nature. The descriptive method helps in describing a given state of affairs that is scientifically completed with extreme care to the extent possible. Qualitative technique, on the other hand, allows studying naturally occurring phenomena in all their complexity that may determine the perception of people to the development of Gwadar port, and helped to discover the relationship between social elements and framing of people opinion.

Our sample contained 200 questionnaires that were distributed among representatives of various section of society in Gwadar. A strategic sampling technique was used to select the participants from among the population of the town of Gwadar. Strategic sampling enables the researchers to draw non-random selection of participants on the basis of specific characteristics (Frey, et al., 2000). We applied random sampling method where the respondents were selected randomly. For instance, the questionnaires were distributed among local political workers, educationists, civil servants, students, journalists, fishermen and shopkeepers. The sample was confined to the Gwadar city. The questionnaire containing total 16 questions of different nature was close-ended. One of the researchers personally traveled to Gwadar city and visited each respondent and requested them upon the completion of questionnaire. It is important to mention that the majority of the respondents were not well acquaint

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with English language therefore supposedly could not understand the questionnaire that was obviously designed in English. For such respondents the questionnaire was either translated in Urdu and Balochi (the actual and translated version of the questionnaire is not included in this paper, however, will be supplied to the interested reader upon request) or was explained to them by the researcher. The researchers took into account all ethical issues and remained mindful of the sensitivity of the research, particularly to public sector employees.

After the successful accomplishment of the field survey, the researchers painstakingly converted the data into spreadsheet of SPSS software for further estimation, analysis and inferring meaningful and statistically accurate and robust conclusion.

Table 1 presents the indicators and data that were collected against each indicator. Some of the indicators contained only 'yes' and 'no' options, while others ranged from 3 to 5 options to the research respondents. Mean and standard values of all variables are given in table 1.

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**Table 1: Descriptive Statistics**

No	Indicators	Sample	Min.	Max.	Mean	Std. Deviation
1	Economic Importance	200	1	5	2.27	1.314
2	Economic changes	200	1	2	1.44	0.498
3	The Role of China	200	1	4	2.41	1.131
4	Role of Federal Government	200	1	3	2.04	0.538
5	Fishermen income	200	1	3	2.35	0.837
6	Threat To Marine Life	200	1	3	2.68	0.617
7	influx of Migration	200	1	3	1.54	0.789
8	Great Game	200	1	2	1.20	0.397
9	Balochistan Conflict	200	1	2	1.33	0.471
10	Conversion into Minority	200	1	2	1.18	0.385
11	Role Of Provincial Government	200	1	4	2.11	0.637
12	Disturbing Factor	200	1	3	1.90	0.841
13	Impact On Culture	200	1	3	2.52	0.641
14	Political Impact	200	1	3	2.39	0.708
15	Education Change	200	1	3	1.69	0.726
16	Local Economy	200	1	3	1.54	0.756

## **Results and Discussions**

### ***Economic Importance of Gwadar Port***

As shown in table 1, total 16 critical questions were asked to total 200 respondents. The first question was about the overall economic importance of the Gwadar port to the people of Gwadar in particular and to the region in general. 75% (total 150) respondents felt that Gwadar port was important for the socio-economic uplift of the local people of Gwadar, whereas, only 28 respondents were in the view that port had an adverse impact on economic development of local people. As it is indicated in the table, the Economic Importance indicator with 2.27 average number revealed that overall people of Gwadar perceived the port as an important development for the economic well-being of local people.

Another binary question asked was the potential of Gwadar port to overhaul the economic landscape of the region. 56% of the respondents' answer was affirmative, believing that the port with great economic, commercial and strategic prospect can possibly change the destiny of the regional economy.

### ***The Role of China***

As underlined above, the Chinese role in the development of Gwadar port project has been extremely crucial. China not only remained the major stakeholder of the port and its construction, but equally it is critically understood that Chinese engagement in Gwadar is more of strategic than commercial. Therefore, it was felt vital to know the perspective of local people on Chinese role in Gwadar and its port development.

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It is not surprising to know that only 28% respondents thought that Chinese involvement in Gwadar is beneficial for overall regional development, whereas 24% of the respondents expressed their concerned and suspected that Chinese engagement had negative repercussion on the regional development.

Many critics including those mentioned above believe that China invested in to develop Gwadar port and its complements in order to materialise its own geo-strategic benefit that may not be in the greater socio-economic interest of local people. Thus, the local people perception to Chinese role reflects the general feeling that is commonly found on this critical issue.

#### ***Impact on Fishing Industry***

Enormous concerned has been shown from various quarters about the dwindling situation of the fishing community of Gwadar. That is because it is widely believed that the negative fallout of Gwadar port to the local fishing industry is not only immanent but immeasurable too. As discussed earlier in this paper that since the deep sea port is built on the very premises where not only the fishing community used to live, but centuries old traditional fish harbour was also located. Nonetheless, with the advent of port construction the fishing community along with the old GT was consequently rolled back and displaced to a different location. Thus, it is imperative to explore the impact of port development of fishermen's socio-economic status, and mainly on their income. Our results indicated that majority of the respondent considered that port development left a huge impact fishermen income. Total 117 respondents out of 200 viewed that after the port construction the mean income of fishing community has decreased.

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Likewise, and it is interesting to point out that the households, who fall in poor income or low income categories respectively are associated with fishing community. If the local fishing industry suffered from due to the port development, then it is fair to argue that the impact of port on mean income of Gwadar has been negative, since the majority of Gwadar population lives below the poverty threshold (see Jamal, 2012).

### ***Role of Federal Government***

Similarly, one of the pivotal actors of Gwadar enterprise has been the federal government of Pakistan. The federal government represents the mighty establishment of Pakistan which draws its representation from elite of the country. It is widely perceived that the representatives of federal government treated Gwadar project as a big “pork barrel”. Therefore, the policies that were strategized by the federal government were seen with great suspects regarding their benefits to the local community.

In order to draw robust inference, we posed the same question to our sample respondents. A sizeable percentage (71%) of the respondents perceived that the overall role of the federal government was detrimental to the socio-economy of the local community. The Gwadar port development and execution has been directly under the federal government, and the local populace strongly felt, which was unearthed through this research, that the policies of federal government were either not meant to reflect local people preferences or they have been failed to do so.

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### ***Threat to Marine Life***

The analysis of port development in any region of the world is incomplete without a systematic investigation of its environmental impact. Environmentalists and marine life protectors vehemently shown their concern regarding the potential damage inflicted to the marine life of entire coastal build after the development of Gwadar port. The port not only disturbed the breeding process of the fishes, but due to the heavy traffic of big vessels a huge threat is perceived to the local marine life. We asked the same question to the local people of Gwadar to know their point of view on this very crucial issue. The majority (76%) respondents that was considered to be a true representation of the entire population had a great apprehension to marine life sustainability and thereby suspected that such environmentally unfriendly projects posed a great threat to marine life and consequently caused slow but permanent extinction of local fish breeding that would lead to have a serious repercussion on the livelihood of fishing community in Gwadar.

### ***Influx of Immigrants***

Balochistan with a vast landmass, blessed with natural resource endowments but sparsely populated homes only 5% of total population of the country. Thus, Balochistan naturally would be an attractive destination for millions Pakistani from other provinces who feel the brunt of resource-constraint in one hand and over-populated on the other in their own provinces. Hence, the local Baloch always have the feeling of insecurity of being converted into minority in their own native homeland. Thus, in case Gwadar emerged as a regional economic hub, as it has been planned or at least projected to be, with vibrant economic and commercial

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activities millions skilled, semi-skilled and non-skilled workers, businesspeople and settlers would pour into Gwadar. Resultantly, within a very short span of time the local population would expectedly get converted into minority. Our survey results showed that 65% of the respondents thought that lest Gwadar enterprise became an actual reality, the tsunami of huge influx of migrants would supersede the local populace in a decade time. That is because the current constitutional setup of Pakistan does not provide provision to any kind of settlements that ensure the property right only to local people.

#### ***Neo-great Game and Gwadar***

Whenever the academic discussion on Gwadar takes place a relevant question strikes the minds is the connection of the port development to the neo-great game that is covertly being played by world powers in this region. Chinese growing interest, as discussed earlier in this paper, NATO presence in Afghanistan, the resurgence of Russia with a sound and sustainable economy, India and Gulf countries great political, economic and strategic interest in Central Asia Republics, Afghanistan, Balochistan and Iran raise many questions that warrant pertinent answers.

The entire Central Asian region is landlocked that desperately needs a sea route to connect to the rest of the world for international trade. All major stakeholders in this regard place their eyes on Gwadar to use it as a corridor that provides a easy passage to transport the untapped trillions dollar treasure to the wider world. Thus, it is relevant to consider Gwadar as the centre of neo-great game. If it becomes the focal point of the neo-great game then obviously the very people who remain directly affected are the local of Gwadar.

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Therefore, when we asked this question to the local community, they perceived that Gwadar would become a central point of the neo-great game and that resultantly pose a serious challenge to their economics, sociology and politics. In a binary yes no type question 81% respondents believed that Gwadar was the centre of the neo-great game and that had an adverse impact on local people future socio-economy.

### ***Balochistan Conflict***

Gwadar development is associated with the overall security situation in Balochistan. It is worthwhile mentioning that there has been an insurgency in Balochistan since 2002-which is the fifth wave of insurgency in the province. The insurgency that virtually covers the width and breadth of all Baloch areas of the province is for the separation of Balochistan from Pakistani federation. And those who fight for a separate Balochistan are the arch opponents of the Gwadar development where they realize even not a tiny role of Baloch. Looking at the Balochistan conflict in a broader perspective, one may maintain that Gwadar because of its immense geo-political and economic importance can be the core of the conflict. Therefore, it was relevant to ask the same question to our research respondents. The survey results showed that 67% respondents understand that Gwadar port was the prime cause of Balochistan conflict. Although this question demands further investigation having a much broader perspective, but from this research it was at-least reveal that a overwhelming majority of people living in Gwadar perceive that Balochistan conflict may not seen isolation, instead it is the part of the greater neo great game and Gwadar is the centre of this game.

### ***The role of Balochistan Government***

Despite the fact that Gwadar has attracted an immense national and international attention the role of the Balochistan government has not been very convincing.

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The provincial government has been failed to provide the necessary infrastructure to Gwadar and delivery of basic human services like health and education to the local people. Moreover, the provincial government has remained a silent spectator to the entire development of Gwadar. For instance, after the completion of Gwadar it was handed over to the Singapore Port Trust (SPT) for operation – the contract however was canceled later on. The principal player was not the Balochistan government, but the federal government that executed the agreement with the SPT. We wanted to explore the overall role of the provincial government in the development of Gwadar port, its operation and above all initiating necessary measures to address the concerns and apprehensions of the local people in connection to the port project. When asked that how satisfactory the role of the provincial government has been to the overall development, vast majority (77%) of respondents were in the view that the provincial government did not play a satisfactory role. Either the federal government called the shots by fully bypassing the provincial government or the latter simply has been unable to handle such a mega project.

#### ***Cultural Heritage***

Like every nation Baloch has been very mindful of the preservation of her culture. When discussing Gwadar project, one of foremost points that come across the mind is its potential consequence on Baloch culture. It is understandable that when Gwadar project is fully functional, it inherently will attract a huge number of people from across the country.

Pakistan being a multiethnic and multinational country where each nation has its own distinct culture, history and language, therefore, it

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is important to know that when people other than Baloch migrate to Gwadar what would be its expected fallout on overall local culture. As expected a large percentage (61%) of the respondents thought that Gwadar would have a huge impact on local culture, by changing the local language and norms and customs.

### ***Political Impact***

The domestic politics of Balochistan has always been influenced by many external factors. For instance, political scenario in Afghanistan left a big impact on the political economy of Balochistan. Similarly, political preferences in Iran, India, the USA and China influenced the political trend in Balochistan. Since, Gwadar port is seen in international perspective and any such movement that can change the local politics of Balochistan, including the consequential transformation in the nature of insurgency, then through certain channels Gwadar port is likely to have a huge impact on local politics in terms of determining its nature and trend. When our respondents were asked whether or not the port had any potential strength to change the local political scenario, 53% of them perceived that it would have. At least at local level they noticed a great change in course of local political scenario since the port has been built.

### ***Port Impact on Education***

The dream of real development never comes true unless quality education to all is not provided. The Social Policy and Development Centre, a policy institute based in Karachi, Pakistan, reveals that the province specific Multiple Deprivation Index in Balochistan is 61.6 that is far greater than the overall Multiple Deprivation Index of Pakistan, which is 30.4 (Jamal, 2012).

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Thus, there exists a great dichotomy while on one side the federal and provincial governments are making tall claims of “Shining Gwadar” that is projected to be a regional economic hub in near future, on the other the same Gwadar portrays a very appalling picture with decaying social and economic services, including poor health and education facilities. At least till now the Gwadar project has been awfully failed to bring any meaningful change to the quality and quantity of education to the local people. During our field one of the major questions was that since the establishment of port whether the education provision has changed. 47% respondents thought that port development failed to bring any substantive change to neither quality nor quantity of education in Gwadar.

#### ***Port Project and Local Economy***

Port, despite having numerous consequences, many of them have been described above, if succeeded in bringing a positive change to local economy, may be considered a great virtue. However, in the case of Gwadar port the impact on local economy has not been impressive. As highlighted above the main local industry - fishing - has experienced a great downturn mainly because the port development has brought many factors that left a negative consequence on the fishing industry.

However, one may argue that although a mega project influences the traditional industry, as it did to the fishing in Gwadar, it can potentially have a substantial change to the local economy through construction, industry, services and many other economy activities that are complementary to the mega project development. Nevertheless, in case of Gwadar, the port project apparently could not bring a significant change to the overall local economy. At least this is what

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reflected from our research respondents where 62% of them viewed that the port project did bring any positive change to local economy. People in Gwadar opined that Gwadar port not only failed to bring any positive change to local economy, but on the contrary since it has caused the destabilization and consequently the destruction of local fishing industry, therefore, the overall impact of the port project to the local economy has perceived to be negative rather than being positive.

### **Conclusion**

This paper attempted to address a very crucial question of the perception of local community towards the overall development of Gwadar port and its subsidiaries, and its subsequent consequences on different elements, ranged from economy to culture and politics. The paper used a very rich and primary dataset to conduct a descriptive but systematic analysis of this core issue. Albeit the issue was very complex and therefore warranted a very careful and methodical procedure to explore, however, this paper meticulously dealt with the subject and came to some very meaningful conclusions.

Firstly, the empirical result showed that people of Gwadar had great concerns and reservations to the overall impact of the port development on socio-economic situation of Gwadar. Secondly, our results revealed that due to the overwhelming presence of China, the local people suspected that Gwadar port has been built not as a economic and commercial port to boost the local and regional economy, but on the contrary it was covertly meant to be a strategic outpost that could be used as part of the Chinese neo-liberal expansionist policies. Given the geo-strategic location of Gwadar it is pertinent to maintain that the growing Chinese role is beyond the economic and commercial ones. Instead the quest of Gwadar port being used for strategic purpose is an imminent perception.

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Thirdly, Gwadar port caused a great deal of anxiety to the local fishing industry, livelihood of the fishermen, and their sociology and economics. Therefore, the port development posed an enormous threat to the sustainability of the local economy that mainly relied on fishing industry. Moreover, the Gwadar port project could unleash haphazard maritime activity that potentially would have serious consequences to the marine life. The local people perceived that since the port project has kicked on the marine life has remained in constant danger.

Fourthly, it was widely perceived that Gwadar was the epicenter of the neo-great game. In this case, Gwadar would be a ground for a soft battle among many stakeholders, particularly US, China, India, Russia and the old-rich gulf countries. Hence, it is apprehended with great concern that lest Gwadar turned into such a scenario the local people of Gwadar would be the first to suffer.

Fifthly, the policies of both federal and provincial governments have been not appreciated by the local people. Our research revealed that such policies both from the federal and provincial government respectively have been detrimental to local economy, local culture and remained failed to bring any betterment to local livelihood and social service delivery.

Sixthly, and perhaps the most important factor to the development of the Gwadar port was the apprehension regarding the possible huge population influx from the rest of the country. Local people were in the opinion that port in one hand was an excuse to provide a strategic outpost to China, and on the other hand it was a conspiracy by the federal government of Pakistan to systematically convert the local Baloch into minority in their homeland.

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Thus, overall our this research showed that people of Gwadar although were not outright opponents to the development of port project, but they had their doubts and suspects on numerous fallout that the port project would expectedly accompany, and that were too detrimental to their local economy, culture, language et al to ignore. So, prior to take any further initiative to revitalize the Gwadar port, the concerned authority got to ponder over and take into consideration numerous issues, some of them are highlighted in this paper, pertaining to local community of Gwadar.

This research raised many issues and tried to provide systematic answer to them. But at the same time it has opened many new venues for more research on every critical aspects of Gwadar port project and its consequences on its various facets keeping in view the locally, regionally and internationally aspects. Hence, we strongly encourage more research to be done in future on issues related to Gwadar port project and its potential consequences on local community.

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