

Balochistan Economy as Potential Crisis Frontier of Pakistan?

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Abstract: The studies aim to highlight the potential of Balochistan economy in becoming the crisis frontier of Pakistan. A crisis is the composition of a complex process that results in harming all the stakeholders. Pakistani economy majorly relies on agriculture along with the industry and services. The provincial contribution into the national economy (According to the Institute for Policy Reforms –IPR 2015) has given as Punjab contributes 54.1% to the Gross Domestic Production (GDP); Sindh 30%; Khyber Pakhtunkhwa 13% while Balochistan contribute 2.9% to the national GDP. Balochistan's current share in the national economy is very low but Balochistan's geography and locality could prove to be the main economic resource for the province as well as the country and has all the potential in rising above the other provinces. Balochistan encompasses almost half of the land of Pakistan while the population is less than ten percent of the total population of the country. Balochistan's strategic location with a diversity of climate and all the ecological zones along with the untapped natural and strategic mineral resources, fisheries and vast deep-sea coastal land, indicates that the province's economic development could be raised by paying attention to its geographical and demographic peculiarities.

Balochistan's landscape makes it a supreme location for the development of roads, railways, and pipelines to link the Middle East, Central and South Asia. To further elevate the development of Balochistan, the construction of the deep-water port at Gwadar has exponential potential by bringing globalization to the region.

Keywords: Balochistan, Economy, Natural Resources, Future, CPEC, Copper, Metal, Vast Lands, Deep Sea Port, Warm Waters.

INTRODUCTION

Balochistan is bestowed with some of the best natural and locational resources for economic development. Balochistan is the largest province in terms of an area covering 347,190 sq. km which is 43.6 percent of the total area of Pakistan (according to Balochistan official website), providing vast rangeland for livestock. Balochistan's southern border is almost two-third of the national coastline and provides access to large fishery resources. Balochistan's location makes it ideal for the trade with our neighbors Iran and Afghanistan along with Central Asia and Persian Gulf countries. Balochistan has also been supporting the country's industrialization by supplying cheap natural gas to Pakistan's economic centers.

There are plenty of reasons to be hopeful about Balochistan being the economic frontier of Pakistan. Through reforms on the provincial and federal level, collaborations between Balochistan's and Federal development agenda to benefit the areas of energy and trade can provide an opportunity for Balochistan's economic development to move from the periphery to the core. To overcome the problems that hindered in Balochistan's development, a developmental agenda should be pursued which would generate growth, create service delivery and finance the developmental projects. Following this approach can increase the

chances of Balochistan's development in an inclusive manner, where it can benefit the region as well as the people of Balochistan. Furthermore, the development of Balochistan can be increased through growth generation by enhancing Balochistan's locational advantages and resources, extending its ability for value addition and fortifying the foundations for businesses. Another way of improvements could be through improved public administration, basic services and effective devolution involving private sector and communities. Lastly, by strengthening the revenue collection system and advancing monetary devolution, as financing development heavily relies on provincial expenditures.

STATEMENT OF PROBLEM

Economic development in Balochistan will play the role of eliminating the risk of crisis for the province and the country.

RESEARCH QUESTION

How the emergence of Balochistan could make it to play the role of potential economic frontier of Pakistan?

SIGNIFICANCE OF RESEARCH

The significance of this research is to highlight the emerging Balochistan and the possibility of it as an economic the frontier of Pakistan. Besides being the largest province (by land) of the country, Balochistan

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gets little attention from the government, it has been called a “neglected province where a majority of the population lacks amenities”. Due to the tribal structure, and political instability, Balochistan has always been viewed as a province with less progression potential in comparison with the other 3 provinces. Whereas, Balochistan has been generously bestowed by nature with vast mineral resources. It is an underdeveloped but unique province because of its wide array of resources. The province has a very rich mineral profile and vast potential for both metallic and non-metallic minerals. Almost fifty metallic and non-metallic minerals are available in the province. Balochistan provides for Pakistan’s energy requirement of gas. It has seen amazing success in the fruits and vegetable production, due to which it is the steadfastly growing province in agriculture. The coastal areas are rich in tropical crops and fruits such as palm oil and coconut etc. The vast virgin lands of the province could provide the best agricultural lands. Livestock, minerals, and fisheries possess tremendous export potential. Furthermore, the location of Balochistan makes it an ideal route to access the southern and central parts of Asia, the east coast of Africa along with the Middle Eastern countries. It also presents the route to travel Russia overland as well as to the commercial centers for the goods from Eastern and South-Eastern Asia, so the construction of new Gwadar deep seaport in the Arabian Sea has the possibility of bringing development in the region has extraordinarily increased its potential in emergence as an economic frontier of Pakistan. The significance of this research lies in recognizing these potentials and identifying the ways through which this participation could be enhanced, changing the economic frontier of the country.

SCOPE OF RESEARCH

The scope of this research is to highlight the key sectors in the emergence of Balochistan like untapped mineral resources, vast rangelands, strategic location, fisheries, and deep seaport which can pave the way and change not only the fate of the province but the country as well, becoming the potential economic frontier of Pakistan.

REVIEW OF LITERATURE

With a strategic location along with strategic mineral resources, large virgin natural resources, diverse climate, different ecological zones, and fisheries, Balochistan has the capacity to become Pakistan’s new economic frontier. The province is home to half of the

country’s estimated gas reserves of 200 trillion cubic feet, as about 100 trillion cubic feet, according to one estimate, are found in the province. Sui gas field in Bugti tribal area accounts for a quarter of the country’s total output. Reko Diq copper and gold deposits in Chagai are believed to be even bigger than Sarcheshmeh in Iran and Escondida in Chile. Balochistan has immense potential in the corporate sector, which needs to be tapped efficiently. Gwadar, a port city and now the winter capital of the province may be developed as a business corporate hub. The port is still non-functional. It still lacks road and rail connectivity and its usage has so far been restricted to bulk cargo such as wheat and urea. The province has been lacking a corporate culture and the government should work out a roadmap for the development of human resources in the province [1].

The government should focus and pay special attention to the untapped sectors of Balochistan economy bringing it into the national mainstream. The province has all the potential to emerge as Pakistan’s new economic frontier. Unfortunately, it still remains the least developed and poorest among the four provinces [2].

Balochistan offers some of the best assets for development and is bestowed with natural and locational resources. As a frontier province, it is ideally situated for trade with Iran, Afghanistan, Central Asia and the Persian Gulf countries. Over the last four decades, it supplied cheap natural gas to Pakistan’s economic centers, supporting the country’s industrialization. The province also claims large deposits of coal, copper, lead, gold and other minerals. While much remains to be done, the province is already transforming for the better, and these changes will bring about tomorrow’s improvements in the lives of the population. The crucial challenge now is to learn from the successes and failures of the past decades, draw clear lessons and improve policies to move Balochistan once and for all from the periphery to the core of economic development to the benefit of its people [3].

Apart from all the enigmatic phases, Balochistan has gone through, its geopolitical and geo-strategically importance never fades away. The regional sensitivity of the location of Balochistan which is enclosed to the Middle East, Central Asia, South Asia, and the Indian Ocean is the passage for many foreign armies and politicians, due to which it plays a key role at international level and draws the attention of the global

powers. Balochistan provides the most suitable marine passage in the Indian Ocean of the Eastern, Central and Western divisions of Asia and generates a competition in securing the sea path which is now important for the huge world trade and energy shipment. Balochistan is also rich in mineral resources which are absolute conditions for foreign investors. The foreign interest is basically to get the global supremacy by controlling the major regions of energy resources in the world, controlling energy transit corridor and maritime trade links for which Balochistan is an ideal location which provides all of the requirements for the global geopolitical exploitation [4].

The strategical importance of Balochistan is stated by highlighting its history, region, and geography including rocky lands, the gateway to strait of Hurmuz and importance of coastal belts with a deep seaport like Gwadar. Due to Balochistan's strategical importance, it holds a dominant position in the Gulf Region, which is part of the Great Game. Balochistan has a great potential to become the economic hub which generates concerns for all the global key players like America, India, and the Gulf States that exploits its potential to the fullest by using the sham politicians and diminishing feudal who are using innocent Baluchi for their benefits? The Pakistani immature media also plays a role in further enhancing the issue. The international media has tinted a few Indian clandestine activities to trying to de-stabilize it by covert activities and to hinder its development by causing unrest in Balochistan to divert the global attention from Kashmir issue. The author has recommended that Pakistan should try its level best to reveal these covert activities of India to avoid any unrest in the Balochistan. He has also recommended few more steps to stabilize the condition of Balochistan and to create it into economic the hub of the region like improving the relations with the Islamic neighbors, creating better policies to improve the communication and infrastructure in the province by utilizing the CPEC [5].

Pakistan the economy is a mixed type of economy which has three major sectors i.e. agriculture, industry, and services. The contribution of these sectors into the economy is given as agriculture contributing 21% of the GDP; industrial share is 20.9% while services sector share is 57.7% of the GDP. The trade account remained in deficit during most of the years in history and is still in the same condition due to more dependence on imports. The excessive dependence on imports has also disturbed our foreign exchange reserves. The continuous devaluation of Pakistani

rupee has also resulted in these economic problems. Public debt, to manage the economy, is rising sharply as it reached more than 60% of GDP. The abundance of natural resources, human capital, excellent geographical location and hardworking masses are the strengths of Pakistan economy. Low literacy rate and ignorance, shortage of capital, no regard for rule of law and institutions, inefficient and ritual – ridden social system and corrupt political environment, dominated by non-progressive elements of tribal Sardars, feudal and religious advisors are some weaknesses of Pakistan economic system [6].

ECONOMIC FRONTIER

An economy is the composition of a complex processes that results in benefits for both the producers and the consumers. The economy is defined as "a social domain that emphasizes the practices, discourses, and material expressions associated with the production, use, and management of resources". Economy could be effected by an agent who could be an individual, organization or a government. It is a system according to which the money, industry, and trade of a country or region are organized. In simple words, economy is the careful use of capital, production sources and the system of making and utilization of money in a particular country or region. Economic deals happen when different parties agree on a certain price for a specific good expressed in a specific currency. A country's Gross Domestic Production (GDP) is measured through the size of its economy which relies on the economic indicators like GDP per capita and GDP alone for the economic analysis of a country. While frequently valuable, GDP only incorporates monetary action for which cash is traded. A region's economy is associated with things like what number of products and ventures are delivered and how a lot of cash individuals can spend on these things.

The term 'Economic Frontier' here refers to the face of the country's economy. Pakistan, being a developing country is among the Next Eleven countries, along with the BRICS countries, which were identified by Jim O'Neill [7] having a high potential of becoming the world's largest economies of this century. Historically, Pakistan's GDP has developed each year since an 1800 recession. Regardless of this record of continued development, Pakistan's economy had, until a couple of years back, been described as shaky and exceptionally powerless against outside and inward stuns. Be that as it may, the economy demonstrated to

be startlingly resilient despite various adverse events like; Asian financial crisis (1997), post 9/11 military actions in neighboring Afghanistan and Economic Sanctions.

Pakistan has a semi industrialized economy which has its growth centers majorly along with the Indus River. The primary export items are textiles, chemicals, medical instruments, carpets/rugs leather and sports goods. Pakistani economy majorly relies on agriculture, industry and services. Pakistan has been ranked 136 among 190 countries around the world by the World Bank (WB) and International Finance Corporation's lead report Ease of Doing Business Index 2019. Which has displayed an impressive improvement from the last year which was 147. The top five countries are Singapore, Hongkong, New Zealand, Denmark and Korea.

The contribution of the provinces into the national economy is given as Punjab contributes 54% to the GDP; Sindh 30%; Khyber-Pakhtunkhwa 13% while Balochistan contribute 3% to the national GDP. Balochistan's current share in the national economy is very low but Balochistan's geography and locality could prove to be the main economic resource for the province as well as the country and has all the potential in rising above the other provinces.

With special attention to the untapped sectors, Balochistan economy could participate in national mainstream. The province has all the potential to emerge as Pakistan's new economic frontier. Unfortunately, it still remains the least developed and poorest among the four provinces.

The corporate culture is not thriving in the province subsequently it saw a small corporate development over the past numerous years in contrast to the other provinces. Surprisingly, Balochistan saw a record corporate development during the financial year 2010-11 with over 1000 registrations at the Securities and Exchange Commission of Pakistan (SECP) Company Registration Office in Quetta. It has been considered as a great milestone attained in the history of corporate sector of Balochistan by the analysts which reflects the progressive dynamics of corporate sector in the province. The credit for this advancement goes to the SECP that attempted considerable changes and facilitative measures throughout the years to advance corporatization in the country. Corporatization could create enormous job market for the locals, hence help boosting the province's economic development. There

is a need for such strategies that could address the sustainability, integrated economic development through a cross sectoral and widespread growth.

With all the precious natural resources, Balochistan could also rise in the economy by developing human resources in the province thus improving the corporate culture. The province lacks the skilled and trained labour to utilize its natural resources. Resultantly, its resource potential remained untapped. Balochistan has yet to attain significant Human Development Index (HDI), whose prime focus is a quantifiable components of human development, for example, carrying on with a long and solid life, education with a decent standard of life. Subsequently, HDI consolidates income, literacy, education and measures of life expectancy. By working out a developmental roadmap of human resources in the province and taking lead in training could lead the province to develop the immense potential in food and agriculture sector in Balochistan. The key areas which could lead the province towards the economical progression includes a long term planning for secondary level education for development of critical skills, technical education according to the needs of 21st century, on-job training programs, allocation of significant resources, the enrollment of qualified educators, teachers and mentors, access to the cutting edge technology, data innovation, logical administration related instruction and value adding knowledge.

Despite the fact that Balochistan does not have a sound industrial base, the gas field at Sui in Bugti tribal area has worked as the indigenous energy resource. Sui has provided energy resource for the household needs as well as for the country's industrial and agricultural needs. Balouchistan owns enormous industrial potential in sectors like minerals, fisheries, agriculture and livestock which could provide a base for setting up industries. The real imperatives in the industrial development have been the lack or the absence of infrastructure dissipated nature of populace, immensity of territory, shortage of talented work, social structure, innate fights and lack of marketing facilities. The main hubs of the province that are Wnder, Gaddani and Quetta holds all the concentrated industries. In these areas the Lasbela Industrial Development Authority (LIDA) facilitates the industrial zone which was established in 1984. The Gaddani ship-breaking yard is the primary shipyard in Pakistan and acts as an important centre of economic activity. It provides an indirect support to many industries like mills, welding workshops and furniture etc throughout the country.

The China-Pakistan Economic Corridor, Iran-Pakistan Gas Pipeline, and trans-boundary programs under Central Asia Regional Economic Cooperation (CAREC) present some game changing opportunities for Balochistan as well as for Pakistan.

Economic growth could also be acquired by improving competitiveness of Balochistan's micro, small and medium enterprises (MSME). These are found producing numerous construction and consumer durables such as electrical cables, plastics, packing materials, rubber, chemicals, wood products, electrical machinery, paper products, sea food and cooking oil. MSMEs can benefit from a) provision of affordable credit, b) fiscal incentives through special economic zones, c) access to affordable electricity and other fuels, and d) improvements in road and rail connectivity between manufacturing units and key markets.

The agreement with Saudi Arabia according to which it will invest 15 billion dollars in the mega projects of oil refinery and petrochemical industry in Gwader, is paving way for more such investments from the countries like Qatar, UAE, Italy and Malaysia. With the investments from these countries along with the ongoing projects of CPEC (China Pakistan Economic Corridor) in Gwadar city will help to add in Balochistan and eventually in Pakistan's annual growth rate.

EMERGENCE OF BALOCHISTAN AS POTENTIAL CRISIS FRONTIER OF PAKISTAN

Balochistan is bestowed with many natural resources, and by recognizing and developing these resources the province could display an enormous potential and emerge as Pakistan's new economic frontier. These resources would be discussed in this chapter, starting with the livestock. Livestock which is the source of living for almost 80 percent of the people of Balochistan contributes 20 percent in the provincial GDP which is 40 percent of the total contribution of livestock in the country's GDP. The main consumers of livestock products are Leather market, carpet markets, and pharmaceutical companies, the province provides them with a sustainable supply of skins and wool.

After the livestock, agriculture is another pillar of the provincial economy because more than 75 percent of the population of Balochistan lives in rural areas. These harvests contribute almost 62 percent of the gross farm income. The agriculture sector employs as large as almost 70 percent of the Balochistan's total workforce. The main agricultural regions in Balochistan are

Naseerabad, Dera Murad Jamali, Usta Mohammad and Jafarabad. Among all these regions, only Naseerabad district has a permanent irrigation system. The area depends on Karezat, rain and tube wells for irrigation. A large portion of land that could be estimated as about 12 million acres is still barren, and lye uncultivated, if this area could be utilized it has the potential of contributing a great deal in the agricultural economy. This agricultural development is directly linked to the development of water resources. For this reason, the government is playing its part and spending Rs 5 billion for the construction of pucca water resources to facilitate orchards spanning on more than half a million acres, hence enhancing the agriculture sector.

The province also produces many kinds of high-quality fruits which are liked and demanded nationally and internationally. Balochistan shares 90 percent of the country's production of grapes, cherry and almonds, 60 percent of peach, pomegranate, apricot and 34 percent of the production of the apple and lastly 70 percent of dates. Almost 0.3 million tons of best variety of apples are produced annually, these varieties of apples produced in Balochistan are famous worldwide for their taste and quality. In the uplands of Balochistan grow apricot and plum which are high delta fruits. Whereas grapes, which is a low delta fruit may be grown in all types of climates and soils. Balochistan has a variety of grapes among which are the most popular commercial varieties Sunderkhani, Kashmiri and Haita. There are 130 varieties of the date that could be produced in the province, exporting which could generate a great deal of foreign exchange. Makran only produces about 4,25,000 tons of dates annually but Balochistan lacks the ability to export all these fruits. There exist many investment opportunities in the date and apple processing and storage which could improve the provincial economy exponentially.

FISHERIES, TOURISM AND SEAPORTS

In Balochistan, the 770-KM long coastal border along the Arabian sea link the Lasbela and Gwadar districts. This coastline constitutes almost 70 percent of the national coastal belt. This long coastal border provides a huge potential for the sectors of tourism, fisheries, and seaport. With diverse marine life, it has a world's most productive marine ecosystem of the world. There are almost 60 species of fish and 10 species of shrimps found in this sea which includes the best species around the world. Balochistan produces 200,000 tons of fish per year which are caught by the help of fishing boats and trawlers from Sindh.

The enormous potential of fishery and seafood in the province is yet to be fully explored. Due to lack of the facilities and infrastructures, fishing has been confined to the inshore waters. The lack of modernization and quality control in the fishing industry has denied the local fishery in the national and international level. There are no preservation plants for the locals to store their catch and they use smaller vessels and follow obsolete methods for fishing as well.

There is immense scope for investments in the sectors like a fishing training center, fishing fleet, fish processing, boat building, marine engines, and landing jets. Even the unproductive salty coastal areas of the province could be used for the Shrimp farming which is an important economic activity. The area has enormous potential and is perfectly suited for the shrimp farming along with other fisheries' industry which would eventually add in the provincial economy.

COAL, GAS AND ELECTRICITY

Balochistan is generously bestowed with energy resources, it provides more than 40 percent of the energy needs of the country in the form of gas, coal, and electricity. During the offshore exploration, the geological surveys indicated estimated reserves of trillions cubic feet of gas and billions of barrels of oil. A discovery of any will have the potential to change the fate of the province as well as the country. Similarly, oil exploration which is limited to Muri Bugti only and the other districts like Sunny Shoran, Zarghoon, Lasbela, Kharan, Chaghi, Makran and other coastal regions which have not been explored yet have the potential as well. There are reports that indicate that Kalat, Kohlu, Kharan and Lasbela districts also have the oil reserves. For further exploration, foreign and local oil and gas exploration companies should be encouraged in order to develop this sector for an economic boost.

MINERAL TREASURE

Province has also discovered a large number of metallic and non-metallic minerals. These deposits include minerals like copper, gypsum/anhydrite, fluorite, barite, limestone/ dolomite, chromite marble, Sulphur and magnesite. The coalfields have an estimated reserve of 196 million tons. The iron reserves are about 273 million tones. So far, thirty sites have been discovered of zinc-lead mineralization in Lasbela / Khuzdar districts.

In different localities of Lasbela, Chaghi and Khuzdar districts there are number of marble reserves

exists in commercial quantities. In Chaghi district, the marble is of onyx variety, which signifies a branded variety of quartz, highly prized as an ornamental stone.

Chaghi district has acquired international fame for its huge deposits of copper. An Australian mineral exploration company has reported estimation of 78 million tons of copper deposits at a grade of 0.8 percent in Chaghi. There is a tremendous potential for copper mining in Saindak and RekoDiq as well as.

The copper deposit at RekoDiq is almost four times bigger in copper metal tonnage than Saindak. Geologists see the RekoDiq venture as one of the greatest undiscovered copper stores on the planet. Saindak venture is based on metal stores of 412 million tons containing on the normal 0.45 percent iron per ton, 0.50-gram gold per ton and 1.50-gram silver per ton. It has been assessed that the task in the wake of going to its full generation limit will yield a normal of 15,810 tons of copper, 1.47 huge amounts of gold and 2.76 huge amounts of silver every year.

Despite the fact that Balochistan does not have a sound industrial base, the gas field at Sui in Bugti tribal area has worked as the indigenous energy resource. Sui has provided energy resource for the household needs as well as for the country's industrial and agricultural needs. Balochistan owns enormous industrial potential in sectors like minerals, fisheries, agriculture and livestock which could provide a base for setting up industries. The real imperatives in the industrial development have been the lack or the absence of infrastructure dissipated nature of populace, immensity of territory, shortage of talented work, social structure, innate fights and lack of marketing facilities.

CPEC - ANOTHER POTENTIAL OF BALOCHISTAN

Apart from the natural untapped resources of Balochistan, the China–Pakistan Economic Corridor (CPEC) project and the construction of new Gwadar deep sea port in Arabian Sea has the potential of bringing development in the region and increased Balochistan's potential in emergence as an economic frontier of Pakistan. CPEC is a collection of infrastructure projects that are currently under construction throughout Pakistan running through Gwadar. Gwadar Port is situated on the shores of the Arabian Sea in Balochistan. It is 533 km from Karachi which is Pakistan's largest city, and almost 120 km away from the Iranian border. The Gwadar port is only

380 km away from Oman and is very close to the near key oil shipping lanes from Persian Gulf. Hence making a surrounding region which is home to two-third of the world's proven oil reserves. This warm water port is also near and crucial to the landlocked, but hydrocarbon rich, Central Asian Republics and Afghanistan.

Being the most ideal marine section in the Indian Ocean of the Eastern, Central, and Western divisions of Asia, Balochistan has achieved profoundly noteworthy position among global powers by creating great atmosphere of competition for securing and dominating its sea paths which are currently fundamental for the huge world trade and energy shipment. Extraordinary and remarkable physical topography of Balochistan is taking on expanded significance in provincial financial undertakings. All of this would eventually play an important role in enhancing the economy of the province by attracting all the foreign investments.

Pakistan and China have always cooperated at the strategic and political levels. Now this bilateral collaboration is expanding in the economic paths as well, through a significant milestone that is CPEC. Balochistan, regardless of being the largest province of Pakistan, has remained the underprivileged province in country. The province is rich in natural resources, but low rate of urbanization and a high rate of unemployment are the reason behind low annual growth rate.

The literacy rate of Balochistan that stands at 51.5 percent currently, low ratio of urbanization, and a high as 20 percent unemployment index have caused a low annual growth rate. But today the fate of gifted Balochistan is changed into highly fundamental in terms of its location not only the province but for the whole country as well.

The Gwadar Deep Sea Port is considered to be the hub of an energy and trade corridor to and from China and the Central Asian Republics (CARs). Gwadar Port has an immense significance as a deep sea port. The port will act as a gateway to the 34 km narrow Hurmoz Strait; from where 40 % world oil is transported. Gwadar port is suitable for shipping in entire year due to comparative warm climate of Balochistan. While the seas of the colder regions are unsuitable for shipping the whole year due to ice burgs, the Gwadar port's importance doubles for those countries for the continuation of the trade activities throughout the year.

China has built the coastal Highway through the investment of millions of dollars that connects Gwadar port to other cities. Gwadar port has a significant importance to China because it will connect Kashgar to other countries through the Gwadar corridor and it will be available for the exports and imports from Central Asia, Europe and Africa on a very low cost in comparison to the South China Shanghai port. Another quality of the Gwadar port is that, if U.S closes the Strait of Malacca, in that case the maritime route of Arab sea will always be opened for both Pakistan and China for the commercial activities due to Gwadar Port.

Gwadar Port has the potential of brining economic and social revolution in the province and the country alike. An active and an economic center, Gwadar port has compelled the local and worldwide forces to set up their framework so as to gain admittance to the vitality assets of Central Asian states. The interests of Iran and Dubai Ports are to put the Gwadar Port out of the challenge, on the grounds that the encompassing nations of the Strait of Hormuz function as a gateway.

Once the CPEC is operational, it would contribute towards decreasing joblessness in the province. It would likewise empower the provincial government to create and improve its human resources. Fortifying miniaturized scale and medium little estimated ventures in Balochistan would likewise contribute towards accomplishing more noteworthy advantages for the local populace. Local people must know about advantages, the advancement of the CPEC would bring and the potential that it holds for local people.

The port city of Gwadar may, in a decade, be in a position to replicate the New Eurasia Land Bridge through which China has transported its goods westwards to Europe including the city of London. If one evaluates logistical complications the average shipping mileage from the coast of China to the West coast of Europe is around 20,000 km with a travelling time of 40 days and if we were to critically review the total capacity of the rail route from China to Eurasia through the New Eurasia Land Bridge it is the equivalent, in cargo terms, between 1-4 days of the port of Shanghai. Furthermore, Shanghai continues to enhance its port capacity as economically sea freight for volume is superior to land movement. Rail freight through New Eurasia Land Bridge route is five times the price of marine transportation from China to Europe and also lacks the climate control facilities available on the marine route. The rail track gauge width differences result in reloading thereby increasing travel time and

enhancing freight costs. Goods going westwards are mostly production goods and household items whereas those returning eastwards are bulk cargo including coal, wood and grains which do not need to be shipped in containers and sometimes may return empty.

Pakistan has the advantage that many valuable lessons will have been learned from the rail route experience of the New Eurasia Land Bridge by the time the rail corridor from China to the port city of Gwadar is established. Along the way Pakistan can build basic infrastructure and improve value added service sector in order to negotiate from a position of strength and at its own pace without succumbing to momentary financial or political pressure. We must evaluate investors as to it whether its domestic debt to GDP ratio is worse than ours as then the investors investment policy will be oriented to its internal job market and outlet for its goods and services even if it has to subsidize. Generally speaking, concessional loans from the multilateral lending agencies being plush with funds to lend on soft terms, if utilized properly, may enable Pakistan to convince domestic and foreign investors to enter Balochistan on favourable terms and conditions. Which can help Pakistani economy to rise along with the provincial economy.

The Gwadar Port and its progress has been the most important task in the recent years. When built up, the port would be a distinct advantage for the area, the CPEC will open up new roads of chances for the people of Balochistan. It is imagined that Gwadar would be changed into an economic hub and will along these lines contribute towards the improvement of the entire province, bringing about tending to the different monetary and social issues of Balochistan and emerging as an economic frontier of the country.

CONCLUSION

Because of the emergence of Balochistan on the economic frontier of Pakistan there are good reasons to be optimistic that Balochistan will not remain the epic center of economic crisis in Pakistan. As the province has been generously bestowed by nature with vast cultivated areas available for cultivation, vast rangelands, ideal lands and temperature for growing deciduous fruits, livestock, rich resources of untapped minerals and 770 kilometers of coastal area providing the access to a large pool of fishery resources with unique fisheries and possession of tremendous export potential in the sector of fruits and fisheries. The

province possesses enormous industrial potential in key sectors like agriculture, livestock, fisheries and minerals. The strategic location of the province is also important in the economic development of the province as it is located near Oman and is very close to the key oil shipping lanes from Persian Gulf. Hence making a surrounding region which is home to two-third of the world's proven oil reserves. This warm water port is also near and crucial to the landlocked, but hydrocarbon rich, Central Asian Republics and Afghanistan.

Being the best possible marine passage in the Indian Ocean, Balochistan has attained highly significant position among international powers by developing great atmosphere of competition for securing and dominating its sea paths which are now essential for the enormous world trade and energy shipment. The deep and warm water port at Gwadar has a tremendous potential of bringing globalization to the region in an exponential manner which adds up in improving the province as well as country's economy and enhancing the potential of Balochistan in emerging as the economic frontier of Pakistan.

FINDINGS

Following are the findings of this study:

1. Balochistan's participation in the country's current economy is very less.
2. The agriculture sector is most dominant sector in Balochistan. Majority of the population directly or indirectly depends on it for livelihood. Still Balochistan has a very vast cultivated area available for cultivation in comparison with its low population due to the water constraints. The potential area available for cultivation is around 6.9 million Hectares. If utilized, this area can provide a vital resource for the province's economy.
3. Enormous potential exists for boosting fruit production as the dry temperate & climate is ideal for growing deciduous fruits in the upland of Balochistan, popular all over the world for their taste and quality and a good variety which can add up in the provincial exports.
4. Livestock, minerals and fisheries possess tremendous export potential. The development of this potential is crucial for uplifting Balochistan.

5. The coastal regions and areas in Balochistan are potentially rich in tropical crops and fruits such as palm oil and coconut etc. these are successfully grown in the coastal areas. Mekran is famous for its quality date production. Processing facilities can pave the way for future development of this important crop.
6. The construction of a deep-sea port at Gwadar has a tremendous potential of bringing globalization to the region in an exponential manner hence improving the province as well as country's economy.

All the above mentioned findings shows that Balochistan does have all the potential to become the economic frontier of Pakistan.

RECOMMENDATIONS

1. Balochistan possess a unique and outstanding physical geography providing the best possible marine passage in the Indian Ocean hence dominating the sea paths which are now essential for the enormous world trade and energy shipment. These passages should be developed with strategic planning and concentration to enhance the local advantage.
2. The untapped diverse natural resources shall be explored to benefit the people as well as the province's economy.
3. For any economic progression, corporate sector is a must. There should be done certain planning and action in strengthening the foundations of corporate activities.
4. Provision of proper irrigation system can enhance the agricultural sector of the province with which the vast lands could be utilized in the economic development.
5. To further increase the economic output of the province few more problems have to be addressed, like lack of infrastructure, shortage of capital, lack of technical know-how, involvement of private sector etc.

EXECUTIVE SUMMARY

This study offers an analysis of the potential of Balochistan's economy and the ways in which the government can help to foster it. It recognizes that

Balochistan is greatly bestowed by nature with vast lands available for cultivation, ideal temperature for growing deciduous fruits, lands for livestock, rich resources of untapped minerals and long coastal area with a large pool of unique fishery resources. Another exponential potential for the emergence of Balochistan is the construction of the deep and warm water port of Gwadar. It would bring the globalization in the region which would add up in improving the province as well as the country's economy tremendously. The research also pointed out the difficult situation of Balochistan with uncertain the political situation, military insurgencies, scanty water resources, and deserts, which are hindering the developmental path of Balochistan towards a progressive economy. The study suggests that to increase the economic output of the province a number of problems have to be addressed: poor infrastructure, inadequate capital, lack of applied knowledge and involvement of the private sector etc. The government should work to rectify the major issues and proposes that in order to achieve the economic progression the government should: (i) exploit the diverse natural resources (ii) enhance the locational advantage (iii) develop the irrigation system and (iv) strengthen the foundations of corporate activities to make it an economic the frontier of Pakistan.

GLOSSARY OF TERMS AND ACRONYMS

Glossary of Terms

Strait of Hormuz

The Strait of Hormuz is a strait between the Persian Gulf and the Gulf of Oman. It provides the only sea passage from the Persian Gulf to the open ocean and is one of the world's most strategically important choke points.

Ecological Zones

Large biogeographically units of land/water that are characterized by their distinct species and communities. The major eco zones are further divided into many smaller eco regions which share similar natural communities, climate, meteorological factors, topography, elevation, soil types, edaphic factors, and/or other physical characteristics.

GDP Per Capita

GDP per capita is a measure of a country's economic output that accounts for its number of people.

GLOSSARY OF ACRONYMS

CARs	=	Central Asian Republics
CPEC	=	China-Pakistan Economic Corridor
GDP	=	Gross Domestic Production
FATA	=	Federally Administered Tribal Areas
BRICS	=	BRICS is the acronym coined for an association of five major emerging national economies: Brazil, Russia, India, China and South Africa.
SECP	=	Securities and Exchange Commission of Pakistan
HDI	=	Human Development Index
LDA	=	Lasbela Industrial Development Authority
MSME	=	Micro, Small and Medium Enterprises

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