[**A changing region**](https://www.dawn.com/news/1656090/a-changing-region)

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AS new fissures appear within the governing elites in Pakistan, the fulcrum of world politics seems to be moving away from the country. The withdrawal of US forces from Afghanistan signifies an end to the ‘war on terror’ and heralds the dawn of ‘great power competition’ with the front lines moving to Southeast Asia. This presents new challenges and opportunities for Pakistan and the developing world.

Indo-Pacific is the region to watch out for. The China-US contestation over the control of trade routes in the area, the under-sea petroleum and fisheries reserves and regional influence will intensify. China is strengthening its military presence in the South China Sea with territorial claims over the nine-dash line. The US has projected power through its ‘freedom of the seas’ naval patrols in response.

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The wrangling over regional influence is also intensifying. China’s Belt and Road Initiative seems to have a two-fold purpose. First, to forge partnerships with local elites in strategic countries on infrastructure development, in turn enhancing political influence. And second, to keep its factories running by mandating procurement of material and machinery under the terms of agreement.

The model works well for incumbent elites in the developing world by providing capital to fuel their respective patronage networks often at public risk. Most of these investments come with sovereign guarantees on the repatriation of profits. The success of BRI projects therefore critically hinges on their financial/commercial viability.

The way international politics is shaping up, the era of handouts is over.

The early harvest projects under CPEC, a torchbearer of BRI, rightly focused on electricity generation that was in high demand. These provide a good example of commercially viable projects where Chin­ese investment was put to good use. At the other end, failure of projects such as a seaport in Hamb­antota (Sri Lanka) have led to the revision of many projects like the Singapore-Kuala Lumpur train line.

In response, the US is building alliances such as the Quad with India, Australia and Japan as well as AUKUS with UK and Australia. In the G7 summit this year, the group announced an investment package Build Back Better World for developing countries. Though in its infancy, B3W aims to mobilise private capital to match the state capital offered by China for ostensibly similar development projects.

As world politics moves in the direction outlined, Pakistani elites must review the changing order of things. The connectivity offered by CPEC provides China a backdoor to the Indian Ocean. However, until China expands its industrial capacity in its restive western provinces, its reliance on eastern sea routes will not diminish. The volume of trade along CPEC may remain relatively meagre for the time being.

The westward extension of CPEC to Central Asia is promising, but would yield more significant returns if connected with the wider South Asia region, including India, Bangladesh and beyond through a major east-west corridor. The hostility between India and Pakistan though is a hindrance and keeps both countries from realising their full trade potential through greater connectivity.

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More than the connectivity therefore, it is productivity that Pakistani elites must pursue. Realising CPEC’s full potential depends on two factors. First, the ability of Pakistani elites to direct Chinese investment towards productive, labour-intensive and commercially viable projects. These can either be export-oriented or focused on import substitution. Second, inclusivity in the distribution of benefits accrued to bridge the gap, rather than exacerbate internal sociopolitical fault lines.

The latter necessitates wider political inclusivity and stability, something that has eluded the country. In fact, ruling elites seem more fractured in their quest for greater control over power and resources. Enhancing productivity requires peace, skilled human resource, knowledge, innovation, basic freedoms, ease of doing business, good governance, an efficient judiciary and expertise in international business and trade. This poses quite a challenge for the elites.

It is unfortunate that Pakistani elites have been relying on handouts in the form of economic aid for geostrategic services for very long now. And yet they have failed to develop most of these strengths. The way international politics is shaping up, the era of handouts is over — the BRI or the B3W, neither are grants. Responsibility lies with local business and policy leaders to attract and make these investments work, or else they would be risking unmanageable foreign debt.

On the diplomatic front as well, the country will have to live with a relatively lower profile. In the post Afghan war phase, and with a new dispensation in place in Kabul, contributing to regional and global peace, averting a humanitarian crisis on its western border, leading efforts against climate change, building on the success of its diaspora communities, promoting fair trade and democratising global institutions are some of the areas where Pakistan can partner with the international community and build alliances for a common cause.

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For this, it is essential to do away with the legacy of cold war politics. A nation that has witnessed much violence along various social fault lines needs to be healed through improved governance, enhanced economic growth, fair redistribution of wealth, and the realisation of the potential of a young population, including women, whose greater participation in economic activity can be a game changer if the rulers move in the right direction.

It is a challenge to build relevance with world capitals but it can be done by harnessing and projecting the social and economic value that Pakistanis bring to national life. At the other end, a burgeoning population with an unskilled youth bulge, environmental degradation, political instability, extremism and hostile neighborhood can turn it into a South Asian basket case. Putting our house in order has never been a greater challenge. But perhaps it is not too late to change course.

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