EFFEKT OF CHINA–PAKISTAN ECONOMIC RELATIONS TO THE ECONOMIC GROWTH OF BALOCHISTAN: A CASE STUDY OF GWADAR PORT

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ABSTRACT

The Gwadar city is located between the two most important Gulf and Persian regions of the world. Both areas are so rich in resources, simply it is said that, those regions are famous for the production of Oil and Gas. The southern border of Balochistan province is situated in the Arabian Sea. After the construction of a sea port in 2008 with the technical and financial assistance of China, the status of this thinly populated area of the city of Balochistan province has been converted into the economic corridor for suitable trading between the countries of the world. Now a days trading is possible through the sea port, where a country can earn a billion dollars, as port directly connects one area to another area of the world. This paper introduces the economic effects of trading, such as growth. It is expected that the project would generate thousands of jobs for the local people, because of the construction of new industries, agricultural development and communication facilities, which would also be of benefit to the nation as a whole change the area location.

The data highlights that the trade between China and Pakistan has increased to 75.8 million USA Dollars due to the bilateral trade agreement between them after the construction of the port. While the output of industries has doubled if compared to the period between 2005 and 2009 and before it. During this period the output of industries has increased from one thousand million to two thousand million tons. The socioeconomic figures have changed, with a great change in the gross profits of companies. It is mentioned that in the period of 2008 the gross profits were 3.3 million rupees, while in 2010 the profit was 3.9 million rupees. Such changes occurred due to the building of port.

Pakistan needs a strong cohesion to this new way for economic reforms. Some areas of Pakistan, there is still a need for mutual development to produce greater economic opportunity. The economic corridor of collaboration should be extended with a view to continuously increase the scope for economic growth and for placing a solid basis for closer ties between two countries.

Keywords: Gwadar Port, China–Pakistan Economic Relations, Private Foreign Investment

INTRODUCTION

The word Gwadar is derived from two Balochi words ‘gwa’ means wind and ‘dar’ means gate. Thus the literal meaning of it is gate of wind. It is situated in the south-west of Balochistan province of Pakistan. It shares borders with Afghanistan and Iran to the west, which has declared
a district on the 1st July, 1977. The Population of the District is about 1,85498. The Geographical area is 15,216 square kilometers with 4 Tehsils and 13 Union Councils. It is an important region for shipping, commercial and industrial activities. Its 1400 kilometers long route to the Mediterranean Sea and this route also pass through Russia and runs into Europe, Kazakhstan, Uzbekistan and Turkmenistan (Census Report of District, 1998).

The Balochistan province of Pakistan is well known for its natural resources which include copper, gold, marble, gypsum and marine resources. The district of Balochistan province has a huge coastline and natural resources such as fish, land, salt, mangrove, and natural gas. The availability of quality fish other marine resources are enhancing value of this province. These resources are not exploited yet. The exploitation of these resources, require a technical expertise, but Pakistan has a lack of technical and financial resources. Therefore, Pakistan is unable to utilize these natural resources. The idea of the construction of a port was to influence economic growth in different parts of Pakistan and utilize existing coastline resources more over the island areas of the port by providing a passage for Afghanistan and Central Asian Countries through transit trade. The Port is close to other countries it would be helpful to avoid technical and financial assistance as well as help to earn foreign exchange.

Since the independence of Pakistan, growth has remained inconsistent. Even the economic managers and planners of the country have taken various initiatives increase economic growth in short and in the long run but same not succeeded to achieve that. The economic progress highlights that the performance of different economic sectors of Pakistan has not changed in response to the policies and programs and could not sustain a robust growth rate.

The development of the port has provided new means for economic development in the country as well as in the development of the District by initiating, promoting and strengthening economic projects with the financial and technical help of China.
The above figure, clarifies that Pakistan growth rate is very low, due to lack of productivity of industries, agriculture, services (warehousing, investment services, waste management etc.), banking, and port related activities. Furthermore, poor infrastructure, communication problems, availability of new technology the highest hurdles for sustainable growth.

A large number of the population of the Gwadar district has directly and indirectly engaged in port related activities. Port development is a blessing economic development of Balochistan and for Pakistan. It is the nearest port, because it is situated in middle of the world. More importantly the transportation links with another region of Pakistan, it is less expensive for other ports of Pakistan. The main route of the port is starts at district Turbat and ends in Kashgar China. The deep sea port is one of the emerging and valuable places for regional trade in Pakistan. The route links of the port are connected to Quetta, Khyber Pakhtoon Kwan and tribal areas of Pakistan.

LITERATURE REVIEW

Many scholars have studied impact of port socioeconomic development, and argued that this port is becoming the top most port among the ports of Pakistan. Furthermore, it is described as economic opportunity for Pakistan. The most relevant and useful ideas of these studies are discussed as follow:
Shabbier (2005) emphasis that Pakistan’s economy is heavily dependent on seaborne trade. The main theme of this paper is about the contribution of port activities and their effectiveness on economic growth of Pakistan. Furthermore, the contribution of sea-borne trade around 40 per cent to national GDP in 2004. The trade level between countries is considerable.

Jehanzeb (2006) addresses the issue that the demand for natural gas is continually growing by 2.75% annually, this is too costly. A large volume of energy is expected to flow through Port, which generate enormous revenues for Pakistan’s economy. It is exemplified that this route is less costly comparable to other Arabian Sea port routes, because, here it is easy to access the world energy markets. Furthermore, it maintains that the region is very valuable for the Pakistan economy.

Little (2007) addresses the issue that, the area of it is filled with natural resources. There is an abundance of land and manpower. It is expected to generate billions of dollars in revenue and create at least two million jobs. Pakistan could earn millions of dollars a year in terms of port and the cargo handling facilities. This Port is economical and commercial for Pakistan.

Zahid (2008) states that the port would also encompass conversion facilities to allow for the movement of natural gas as a part of plans for a termination point for the TAPI natural. His finding was related to the importance of energy supply on the route. The port is open for the transit of bilateral trading. Furthermore, it simplifies the benefit of trade facilities in Pakistan as they are all in the same port.

Gabon (2011) concentrates on the economic gain and trade benefits of the port and how it would draw attention to new stakeholders from countries of the world. The writer focuses upon the economic value and the position of the port. By virtue of these the total output and growth in the region is increased.

Tousif (2012) explained how the Sea is rich with quality of fish. While, the 600 km long coastline has a potential for fish and crab export, the accompanying food-processing industries will enhance the growth of Pakistan. It is summarized that the different kinds of fish are exported to this region.

Malik (2012) argues that the deep sea port includes development of an area of over 18,600 hectares of land for various project schemes and structures. His article related to the role of the Private sector of the port, and encourages them to take part in purposeful development. The port is bringing more investors and businessman into the city.

Ijaz (2012) describes that Balochistan province is offering exciting prospects with considerable economic benefits. Its prospectus brightened
with the construction of the port. It is becoming a pulsing hub of a new silk route for both land and maritime ways. The port is accessible to the world consumer and producer market.

Azhar (2013) clarifies that the port is an extremely important project, both economic as well as from a strategic point of view. It is granted as a concession for tax holder, and tax holiday for a period of twenty years.

Ullah (2013) states that, the port is considered to be a positive investment for the economy of Pakistan. It is explained that the revenue generated by investors in this port and its effectiveness in supporting growth is quite high.

Qaisar (2013) this report describes the Investments made in the port industry, and the way is bringing in many demands for production facilities in Pakistan, resulting in the growth-related industrialization and indirectly contributing to the region’s economic development.

Raza (2013) describes that the port is an important route for oil tankers which come from gulf countries. It is on the central trade route for the gulf countries, which provides a better trade route to the landlocked Caspian Region. The length and magnitude of the Sea is large. Even the largest cargo ships can upload and reload material on the port side.

Bajjar (2015), states that the Gwadar port would have a huge impact on industry, agriculture and show overall sustainable economic growth and development of Pakistan.

RESEARCH OBJECTIVES

- To examine that sea port is helpful in maintaining a strong growth rate for the Pakistan economy.
- To asess strategic steps in attracting private investors for promoting investment needed for the development of the port.

RESEARCH HYPOTHESIS

- Is the growth rate in different sector of the Gwadar region favorable and achievable for the Pakistan economy?
- Will the port development attract the private investor?

RESEARCH METHODOLOGY

The study includes the measuring and analysis of the secondary data through statistical method and using statistical tools. Those tools were comprised of sample bar charts, pie charts, diagrams and measurement of variables. The secondary data of the different economic sectors economic activities of the district has been collected using different sources such as a district profile of different years, Pakistan Statistical Yearbook, Pakistan
Economic Survey, Pakistan Agriculture Survey Report, newspaper articles, Pakistan Bureau of Statistics (PBS) and District Development Statistics of Balochistan. Data include exports and imports, machineries, capitals, employment, industries, investments and technical institutions. The data has been analyzed by the quantitative method.

RESULT AND DISCUSSION

Pakistan is rich in natural resources. Balochistan province has adequate land, labour and natural resources and with the proper utilization and employment. Apart from these factors of the production, economic growth can be achieved in the country. For this purpose, a large amount of land is supposed to be distributed for industrial development in the region.

FIGURE-2
EXPECTED RATE OF INVESTMENT IN PORT


The upward aggregate supply curve is showing the relationship between expected investment and price level. According to the marginal efficiency of capital, the investment in port would be in double digit in 2020.

The Warm-Water Seaport of Pakistan has now become the attraction of the world. Economically, it is very valuable for trading. It is located at the crossroads of the world, linking the two important rich resource areas of the world. The Middle East and Central Asia are these
two important regions. The Middle East countries are known as the world energy market, and other side China, Japan, Korea and Thailand are famous for being the world technology group (World Bank, 2005).

The port being on the coastal area of Balochistan province, the large number people of the District engaged are engaged in fishing. Fisheries forms are the large section of the economy of the district and provide the major source of employment in Gwadar and contribute in gross domestic product of the district. The quality fish have been caught in this coastal region of district of Balochistan.

The standard living of the People of the region is now better compared to that of the past. After the building of the port, a new kind of modern equipment has been installed for processing and preserving the fish. At the same time new techniques and machinery have been introduced for sea fishing.

TABLE-1
FISH PRODUCTION AND THEIR VALUE:

<table>
<thead>
<tr>
<th>No. of items</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production (metric ton)</td>
<td>112,642</td>
<td>128,421</td>
<td>135,405</td>
<td>122,347</td>
<td>120,316</td>
</tr>
<tr>
<td>Value (million in rupees)</td>
<td>3.4</td>
<td>6.5</td>
<td>6.9</td>
<td>8.6</td>
<td>9.4</td>
</tr>
<tr>
<td>Σxi</td>
<td>382982.8</td>
<td>8351265</td>
<td>934394.5</td>
<td>1052184.2</td>
<td>11718779.4</td>
</tr>
</tbody>
</table>

Sources: Fisheries Department, 2009.

\[ Xi = \sum \frac{I}{122.8} = 121526.6 \]

**Result:** The two tail test of 5% confidence interval.

A large number of residents in the district are engaged or connected with fishing. Due to the availability of that of quality fish along the coastline of the region, the value of fish is high in comparison to that of other coastal areas of Pakistan. The export of fish is the largest source of earning income of the district.

TABLE-2
THE FISH’S EFFICIENCY IN SEA

<table>
<thead>
<tr>
<th>Years</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production of fishes (tons)</td>
<td>112642</td>
<td>128421</td>
<td>135403</td>
<td>121443</td>
<td>120216</td>
</tr>
<tr>
<td>Export</td>
<td>100274</td>
<td>113010</td>
<td>120059</td>
<td>109305</td>
<td>109882</td>
</tr>
<tr>
<td>(X-X)</td>
<td>10983</td>
<td>4796</td>
<td>11778</td>
<td>2182</td>
<td>3409</td>
</tr>
<tr>
<td>Mean ([\bar{Xi}])</td>
<td>1101309342</td>
<td>541995960</td>
<td>1414054902</td>
<td>238503510</td>
<td>374587738</td>
</tr>
</tbody>
</table>

Sources: Fisheries Department, 2009.

\[ \Sigma xi = 437.37 \]
Result: The test statistic of 5% confidence interval shows that the mean average 434 falls in the critical region.

That highlights the export of fish from the coastal region which has increased after the construction of the port. A large quantity of fish is exported to neighboring countries like Sri Lanka, Oman, UAE, and China (and other parts of world) and this helps to increase the amount of foreign exchange.

The contribution of port could be more significant for the economic revival of Pakistan. The secret of the Fisheries portion is quite imaginative. It is providing a total number of 300,000 fishermen with employment. While the oldest Pakistani port, Karachi Fish Harbour handles only 90 percent fish, and seafood catches, earns $120 million from export (Statistical Bureau, 2015).

FIGURE-3
FISH PRODUCE IN THE REGION OF DISTRICT AT 2009

Sources: Directorate Fisheries, 2009.

The above diagram shows that the fish production of the coastal area of the district is increasing every year. Tehsil Pasni is of the district is the second largest producer. Furthermore, more than ten fish plants had been established in the district of Balochistan, to process the sea product and processing of fish production for the use are summarized in the table No.3, which highlights the figure of these units established in the district.
TABLE-3
FISHING PROTECTIVE CENTRE

<table>
<thead>
<tr>
<th>Units</th>
<th>Fish processing Centre</th>
<th>No. of ice plants</th>
<th>Mean (XI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pasni</td>
<td>11</td>
<td>13</td>
<td>143</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>5</td>
<td>35</td>
</tr>
<tr>
<td>Ormara</td>
<td>4</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>Jiwani</td>
<td>3</td>
<td>3</td>
<td>12</td>
</tr>
</tbody>
</table>

Sources: Hazard Livelihood Baseline, 2009.

Σxi=8.42

Result: The test statistic of 10% shows that the mean average does not fall in the critical region.

TABLE-4
PAKISTAN’S SEA-BORNE TRADE IN THE YEAR OF 2010 TO 2015 AT PORT

<table>
<thead>
<tr>
<th>Name of items</th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2010</td>
</tr>
<tr>
<td>Dry cargo million tons</td>
<td>4.74</td>
</tr>
<tr>
<td>Liquid cargo million tons</td>
<td>17.54</td>
</tr>
<tr>
<td>Container (1000 TEUS)</td>
<td>241</td>
</tr>
<tr>
<td>Transshipment Ants (1000 TEUS)</td>
<td>250000</td>
</tr>
</tbody>
</table>

Sources: Board of Investment Pakistan, 2015.

FIGURE-4
TRANSPORTATION ACTIVITIES IN PORT

Sources: Board of Investment Pakistan, 2015.
The diagram is illustrating that quantity of the shipment from the Gwadar Port to the other parts of the world during the period from 2010 to 2015 including the different kinds of ships and vehicles used in the port. That indicates that the port is favorable and economically effective for trading activities not only for Pakistan but for other countries of the world as well.

TABLE-5
TRADE ACTIVITIES IN PORT DURING 2013-14

<table>
<thead>
<tr>
<th>Types of cargo</th>
<th>Total import (thousand tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>964</td>
</tr>
<tr>
<td>Urea</td>
<td>4832</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5796</strong></td>
</tr>
</tbody>
</table>

*Sources: Profile, 2014.*

$\sum i = (2898)$

**Result:** The test statistics of 5% claim that the mean average of -54.

The figure highlights import of wheat and urea through the port. A large tonnage of wheat and volume of urea are imported through the port. This is less costly compared to the cost of the other ports of Pakistan. The port is the closest port of any central Asia country. The figure below shows the performance of some central Asian ports.

FIGURE-5
OUTPUT PRODUCE IN DIFFERENT SECTORS OF:

*Sources: Balochistan Profile, 2011.*

Average mean=$\frac{8750}{7}$

$= (1250)$
Result: Test statistic of 5% confidence interval clarifies that the mean average fall in the critical region.

The diagram shows the remarkable change is occurring in total productivity of region. The upward curve is showing that the total output is continuously increasing from 2008 and 2010 it becomes more productive.

DOMESTIC TRADE

Regional trade plays an important role in economic development. China is the largest trade partner of Pakistan which is a strong trade zone in the region. It links to the world four continents, Europe, Africa, Australia and Asia. The new trade route of the world makes an economic corridor for Pakistan. The world’s country with the greatest population, China is using this route for trading purposes.

FIGURE-6
COMPARATIVE TRADE BETWEEN PAKISTAN AND CHINA

Sources: Sisa, 2014.

The diagram shows the trade figure between Pakistan and China from the period 2005 to 2013. Pakistan exports and imports during the period of 2010 to 2012. The upward curve examines the trade activity between these countries and shows that the trading activities are in an increasing mode. Both countries are taking advantage of the port, because exports and import prices are approximately the same.

The Port is playing a tremendous role in the domestic economy of Pakistan. The newer port of Pakistan is more commercialized and economical for the domestic investors. The numbers of stockholders and businessmen have increased in the region. The volume and the value of
trade have both increased the establishment of industries and availability of transportation has brought more goods to the market. Seeing this effective power of the government of Pakistan has declared that a new export Processing Zone and Tax Free Zone, be established, such a declaration gives more support for the Pakistan economy

**TABLE-6**

<table>
<thead>
<tr>
<th>Years</th>
<th>Import (million $)</th>
<th>Export (million $)</th>
<th>Import</th>
<th>Export</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005-06</td>
<td>2000</td>
<td>300</td>
<td>9.12%</td>
<td>4.17%</td>
</tr>
<tr>
<td>2006-07</td>
<td>2350</td>
<td>500</td>
<td>10.72%</td>
<td>6.95%</td>
</tr>
<tr>
<td>2007-08</td>
<td>3000</td>
<td>650</td>
<td>13.67%</td>
<td>9.03%</td>
</tr>
<tr>
<td>2008-09</td>
<td>2700</td>
<td>700</td>
<td>12.31%</td>
<td>9.72%</td>
</tr>
<tr>
<td>2009-10</td>
<td>3300</td>
<td>1300</td>
<td>15.05%</td>
<td>18.06%</td>
</tr>
<tr>
<td>2010-11</td>
<td>4200</td>
<td>1650</td>
<td>19.15%</td>
<td>22.92%</td>
</tr>
<tr>
<td>2011-12</td>
<td>4380</td>
<td>2100</td>
<td>19.97%</td>
<td>29.17%</td>
</tr>
</tbody>
</table>

**Sources:** State Bank Report, 2013.

Further, the table No.6 presents the figures of import and of export of Pakistan, from China that shows that export has increased from the period 2009 to 2012. It has happened due to the bilateral trade agreement between Pakistan and China. **FIGURE-7**

**REVENUE GENERATED INTO DIFFERENT SECTORS**

**Sources:** Development Authority Profile, 2012.
The pie chart shows that revenue is generated in different sectors. In short it highlights economic performance of various sector including agricultural and fisheries, electrical services, real estate development services, shipyard services, travel services and fuel oil, and banking services sector. These statistics clearly showed that the percentage of agricultural and fisheries is quite high.

PORT IMPACT ON EMPLOYMENT

Unemployment is one of the biggest problems of a country. The macro-economic indicator of unemployment is alarming and it is challenge for developing countries like Pakistan.

<table>
<thead>
<tr>
<th>TABLE-7</th>
<th>EMPLOYEES IN 2005 TO 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Years</td>
<td>No. of employment</td>
</tr>
<tr>
<td>2005</td>
<td>64000</td>
</tr>
<tr>
<td>2006</td>
<td>70000</td>
</tr>
<tr>
<td>2007</td>
<td>75000</td>
</tr>
<tr>
<td>2008</td>
<td>80000</td>
</tr>
<tr>
<td>2009</td>
<td>90000</td>
</tr>
<tr>
<td>2010</td>
<td>100000</td>
</tr>
</tbody>
</table>

Sources: Annual Statistic Review, 2011.

Xi= (4833.34)

Result: The test statistic z shows that the 5% confidence interval does not fall in the critical region. The mean value corresponds to the original value.

According to the table 7, the statistics are showing the changes in the total employment in the region from 2005 to 2010, where the rate of employment has increased after the construction of the Gwadar Port.

FIGURE-8

SECTORS-WISE EMPLOYMENT IN DISTRICT

Sources: Agriculture Survey, 2014.
According to Figure No 08, during the period 2002 to 2010, there were incredible effects on employment in the region, the share of agricultural output, trade, restaurant and hotels, finance, gas and electricity has increased with due to the construction work of port before 2002 rate of employment was very low. Upon the completion of the port in 2008 the share of various sectors changed substantially, particularly the social service organization, trade, newly constructed hotels and finance sector become more progressive. These sectors are providing more employment in the region.

INDUSTRIALIZATION OF THE PORT
The popular city of Balochistan, becomes the Centre of Industries. Being an industrial city, it is attracted to world economic groups, so that the volumes and value of trade in the region is larger than before. It is also generating income opportunities for of Pakistan and has developed an industrial estate in Pakistan. It meets the demands for industrial plots in the port city. The development of the Industrial Estate is promoting business, imports and exports, transportation, shipping, construction, warehousing, clearing and forwarding, building materials hand- made garments, repackaging and trans-shipment of dates and fish.

This process of manufacturing means that the industrial level has increased. Availability of raw materials for industries, and the number of industries are increasing continuously. The Government of Pakistan gave the status of industrial city to Baluchistan; the Government also encourages private sector to build industries in this region and allow constructing more and more industries.

TABLE-8
TOTAL GROWTH OF VARIOUS SECTORS IN:

<table>
<thead>
<tr>
<th>Years</th>
<th>Growth in million</th>
<th>Mean (Xi)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>1000</td>
<td>-459</td>
</tr>
<tr>
<td>2006</td>
<td>1200</td>
<td>-259</td>
</tr>
<tr>
<td>2007</td>
<td>1350</td>
<td>-159</td>
</tr>
<tr>
<td>2008</td>
<td>1500</td>
<td>41</td>
</tr>
<tr>
<td>2009</td>
<td>1700</td>
<td>241</td>
</tr>
<tr>
<td>2010</td>
<td>2000</td>
<td>541</td>
</tr>
</tbody>
</table>

Sources: District development statistics, 2011.

\[ \Sigma_{xi} = -9 \]
Result = The output shown in the table is favorable, where it is indicated that the growth figures are double, because the hypothetically test of 5% confidence interval shows that the mean value does not fall into critical region.

According to the Table – 8, the statistics highlight the growth performance after the completion of construction work of the sea port and start of its operation from 2005 to 2010. While in the early period of 2005 the output of the region was not significant with the start of the operation of the port the output of different sector has remained significant and growth rate is increasing.

FIGURE-9
INDUSTRIAL GROWTH IN GWADAR


The three blocks of the diagram are showing the different aspect of industries in the region of district. Port development was a great achievement for the Balochistan government. It is the largest project of development of Balochistan. Some of the well-known industries of the region are included fish industry, dates processing institution, hotels and restaurants. The rate of the tertiary industry when the score was reaching 79.10, while, Secondary industries have taken the second place with the score of 73.29, on the other hand primary industries only reach the score of 60.05. As noted above, the difference among the three sub-criteria are relatively high, which makes sense.
According to the Figure-10, the data describe the comparison of economic activity between the two sea ports of Pakistan namely Karachi and port in terms of income generation. The data revealed that the new port is more profitable in comparison to the old Karachi sea port.

**FIGURE-11**
PERFORMANCE COMPARISON INTO DIFFERENT PORTS (KARACHI PORT, BANDAR ABBAS PORT AND SALALA PORT)

**Sources:** Economic Survey, 2011.

The figure -11 presents the number of the berths, channel length and traffic handled at the Karachi, Bandar Abbas and Salala Sea Ports. The deep-sea port is more competitive and progressive port in Pakistan, because of its geographical status.
FINDINGS

Gwadar Port is one of the most valuable ports in Pakistan. It is seen that the sea port of Pakistan has great potential to enhance the economic growth of Pakistan. One of the examples of this potentiality is economically more favorable in comparison to that of other sea ports of Pakistan. The output of different economic sectors has increased after the operation of port which includes fish product and export, Date processing units, service industries, small and large industries, technology and machinery.

On the basis of test of secondary data mentioned in Table 1, 2, 3, 05, 07, 08 and figure 05 predict that the investment in the Sea Port would be in double digits at the end this decade. The purchasing power of the local residents of District has improved because of the availability of more income and employment opportunities in comparison to the past, or before the construction of the port and its business operation. According to the federal bureau of statistics that approximately 300 thousand people are getting their livelihood from the fisheries is at all possible due to the installation of new modern equipment for processing and preserving fish as new techniques and machinery have been introduced for sea fishing.

Suggested hypotheses (as in mentioned above) are accepted on the basis of the analysis of secondary data which revealed that significant change has occurred in the District of Balochistan province of Pakistan after the construction of the sea port there. This significant change positively creates attraction for the domestic and foreign investors to invest in the different projects and to establish new economic units because there are more opportunities of income and employment generation.

CONCLUSION

Higher growth can be achieved, if government construct new industries, technical institutions, stabilize the banking system, reform the agriculture sector and improve communication. There are many economic opportunities for the domestic and foreign investors to invest and earn revenue. The sea port provides an opportunity to start a new era of the revolution of economic development in the country.

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