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# GEOECONOMIC REALIGNMENT IN SOUTH ASIA: PAKISTAN'S STRATEGIC POSITION IN POST-BELT AND ROAD INITIATIVE TRADE CORRIDORS

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**Abstract**

*This study examined the geoeconomic realignment in South Asia by analyzing Pakistan's strategic position within post-Belt and Road Initiative (BRI) trade corridors. A quantitative, cross-sectional research design was employed, with data collected from 200 professionals and experts in trade, logistics, and economic policy using a structured questionnaire. Key variables included trade corridor development, infrastructure connectivity, regional trade integration, institutional challenges, and geoeconomic positioning. Statistical techniques such as descriptive analysis, correlation, regression, and mediation analysis were applied to test the proposed relationships. The findings revealed that trade corridor development and infrastructure connectivity significantly enhance Pakistan's geoeconomic position, while regional trade integration plays a crucial mediating role. Conversely, institutional challenges and regional competition were found to negatively affect Pakistan's ability to fully benefit from emerging trade corridors. The results highlight that infrastructure investments alone are insufficient without effective governance, policy alignment, and integration into regional trade networks. The study contributes to geoeconomic literature by providing empirical evidence on the interplay between connectivity, trade integration, and strategic positioning. It also offers practical insights for policymakers to strengthen Pakistan's role as a regional trade and logistics hub. However, limitations related to the cross-sectional design and reliance on perceptual data suggest the need for further longitudinal and comparative research.*

## Introduction

The global economic order is undergoing a significant transformation characterized by a shift from geopolitics to geoeconomics, where states increasingly leverage economic instruments, trade corridors, and infrastructure investments to advance strategic interests. In this evolving landscape, South Asia has emerged as a critical arena of geoeconomic competition and cooperation, driven by large-scale connectivity initiatives, shifting trade patterns, and regional power realignments. Among these developments, China's Belt and Road Initiative (BRI) has played a pivotal role in reshaping regional economic geography by promoting transnational infrastructure networks that link Asia with Europe, Africa, and beyond. Within this broader framework, the China–Pakistan Economic Corridor (CPEC) has been identified as a flagship project, positioning Pakistan at the center of emerging trade and connectivity architectures (Khalid, 2024; Gholizadeh et al., 2020).

Geoeconomic realignment in South Asia is increasingly influenced by the development of multimodal trade corridors, including maritime routes, overland connectivity, and energy pipelines. These corridors are not only

facilitating trade but also redefining regional power dynamics by enhancing economic interdependence and strategic competition. Pakistan's geographic location—situated at the crossroads of South Asia, Central Asia, and the Middle East—provides it with a unique strategic advantage in this context. The development of Gwadar Port, a central component of CPEC, exemplifies this advantage, as it serves as a gateway connecting global maritime trade routes with inland economic corridors (Rashid & Shirazi, 2023).

CPEC, spanning approximately 3,000 kilometers from Kashgar in China to Gwadar in Pakistan, integrates a network of highways, railways, pipelines, and digital infrastructure aimed at enhancing regional connectivity and reducing trade costs. The corridor has attracted substantial investment in energy and infrastructure, with the potential to transform Pakistan into a regional logistics and trade hub (Anwar & Hussain, 2023).The strategic significance of Gwadar Port is further amplified by its proximity to the Strait of Hormuz, through which a significant proportion of global energy supplies transit, thereby enhancing Pakistan's role in global energy and trade flows (Gholizadeh et al., 2020).

However, the post-BRI phase is characterized by both opportunities and challenges. While initial investments under CPEC have improved infrastructure and connectivity, the evolving global economic environment—marked by shifting supply chains, geopolitical tensions, and regional competition—necessitates a reassessment of Pakistan's strategic positioning. Competing regional initiatives, such as alternative trade corridors and digital connectivity frameworks, are reshaping the geoeconomic landscape and influencing the distribution of economic power in South Asia. Moreover, internal challenges, including governance issues, security concerns, and uneven regional development, continue to affect the optimal realization of CPEC's potential.

In this context, Pakistan's strategic position in post-BRI trade corridors depends on its ability to transition from a transit economy to a value-added trade and logistics hub. This requires not only infrastructure development but also institutional reforms, policy coherence, and regional cooperation. The integration of Pakistan into broader regional and global value chains will be critical in determining its long-term geoeconomic relevance.

Therefore, this study aims to critically examine the geoeconomic realignment in South Asia by analyzing Pakistan's strategic role in post-BRI trade corridors. By exploring the interplay between infrastructure development, regional connectivity, and economic strategy, the research seeks to provide a comprehensive understanding of how Pakistan can leverage its geographic and economic potential to enhance its position in the evolving regional order.

**Problem Statement**

The global shift toward geoeconomic competition has redefined how states pursue strategic influence, with trade corridors, infrastructure connectivity, and economic integration becoming central instruments of power. In South Asia, this transformation has been significantly shaped by large-scale initiatives such as the Belt and Road Initiative (BRI) and its flagship component, the China–Pakistan Economic Corridor (CPEC). These initiatives have enhanced regional connectivity and positioned Pakistan as a potential hub linking South Asia, Central Asia, the Middle East, and beyond. However, the evolving post-BRI landscape presents new complexities that challenge Pakistan's ability to fully capitalize on its strategic geographic and economic position.

Despite substantial investments in infrastructure and energy under CPEC, Pakistan has yet to fully translate its transit potential into sustained economic gains and regional trade leadership. Structural constraints—including limited industrial diversification, governance inefficiencies, security concerns, and inadequate integration into global value chains—continue to hinder the effective utilization of emerging trade corridors. Furthermore, the emergence of competing regional connectivity initiatives and shifting global supply chains have intensified geoeconomic competition in South Asia, potentially diluting Pakistan's strategic advantage.

Another critical issue is the lack of a coherent geoeconomic strategy that aligns infrastructure development with trade policy, industrial

growth, and regional cooperation. While existing studies have examined CPEC's economic and geopolitical implications, there remains a gap in comprehensive analyses that evaluate Pakistan's strategic positioning within the broader context of post-BRI trade corridors and evolving geoeconomic dynamics. Additionally, limited empirical research addresses how Pakistan can transition from a transit economy to a value-added logistics and trade hub.

Therefore, there is a pressing need to critically assess Pakistan's role in the ongoing geoeconomic realignment of South Asia by examining the opportunities and challenges associated with post-BRI trade corridors. Addressing this gap will provide insights into how Pakistan can optimize its strategic position, enhance regional connectivity, and achieve sustainable economic development in an increasingly competitive global environment.

**Research Questions**

1. How has geoeconomic realignment reshaped trade and connectivity dynamics in South Asia?
2. What is Pakistan's current strategic position within post-BRI trade corridors?
3. What opportunities do emerging trade corridors offer for Pakistan's economic growth and regional integration?
4. What are the key challenges limiting Pakistan's ability to maximize benefits from these corridors?
5. How can Pakistan enhance its role as a regional trade and logistics hub in the evolving geoeconomic landscape?

**Research Objectives**

1. To analyze the impact of geoeconomic realignment on trade and connectivity in South Asia.
2. To evaluate Pakistan's strategic position within post-BRI trade corridors.
3. To identify opportunities associated with regional connectivity initiatives for Pakistan's economic development.
4. To examine the structural, institutional, and geopolitical challenges affecting Pakistan's role in trade corridors.
5. To propose policy recommendations for strengthening Pakistan's position as a regional trade and logistics hub.

**Significance of the Study**

This study is significant in advancing the understanding of geoeconomic transformation in South Asia by critically examining Pakistan's strategic position within emerging post-BRI trade corridors. From a theoretical perspective, the research contributes to the evolving field of geoeconomics by integrating concepts of connectivity, trade corridors, and regional power dynamics into a unified analytical framework. It extends existing literature by moving beyond traditional geopolitical analyses and focusing on how economic instruments and infrastructure networks shape state influence and regional integration.

From a practical standpoint, the study provides valuable insights for policymakers, economic planners, and regional stakeholders in Pakistan. By identifying the opportunities and constraints associated with post-BRI trade corridors, the research offers evidence-based guidance for formulating coherent geoeconomic strategies. It highlights the need to align infrastructure development with trade policy, industrial growth, and institutional reforms to maximize the benefits of regional connectivity initiatives.

The study is particularly important for enhancing Pakistan's economic prospects, as it emphasizes the country's potential to transition from a transit economy to a value-added trade and logistics hub. By addressing key challenges such as limited integration into global value chains, governance inefficiencies, and regional competition, the research contributes to policy discussions aimed at improving economic resilience and competitiveness.

Furthermore, the findings have broader regional implications by contributing to the understanding of how South Asian economies can leverage connectivity initiatives for sustainable development and cooperation. Strengthening Pakistan's position within regional trade networks can facilitate economic integration, promote cross-border trade, and support long-term stability in the region.

Overall, this study underscores the strategic importance of geoeconomic planning in an

increasingly interconnected world and provides a foundation for developing policies that enhance Pakistan's role in the evolving regional and global economic order.

**Literature Review**

The concept of geoeconomics has gained increasing prominence in international political economy, reflecting a shift from traditional geopolitical competition toward the use of economic instruments—such as trade, investment, and infrastructure—to achieve strategic objectives. Scholars argue that geoeconomic strategies are now central to statecraft, particularly in regions characterized by emerging markets and strategic transit routes. In South Asia, this transformation has been accelerated by large-scale connectivity initiatives that seek to integrate regional economies and enhance global trade linkages (Blackwill & Harris, 2016; Luttwak, 1990). These developments have redefined regional power dynamics, placing economic connectivity at the forefront of strategic competition and cooperation.

A significant body of literature focuses on the Belt and Road Initiative (BRI) as a transformative geoeconomic project. The BRI aims to establish a network of trade corridors linking Asia, Europe, and Africa through infrastructure development and economic integration. Within this framework, the China–Pakistan Economic Corridor (CPEC) has been widely studied as a flagship initiative with the potential to reshape Pakistan's economic landscape. Researchers highlight that CPEC has improved infrastructure, reduced transportation costs, and enhanced energy capacity, thereby contributing to economic growth and regional connectivity (Hussain, 2017; Ali et al., 2018). However, the long-term benefits of CPEC depend on effective governance, institutional capacity, and the ability to integrate with global value chains.

The strategic importance of trade corridors in shaping regional economic integration has also been emphasized in recent studies. Trade corridors facilitate the movement of goods, services, and capital, thereby enhancing economic efficiency and competitiveness. In the context of South Asia, corridors such as CPEC, the International North-South Transport Corridor (INSTC), and emerging Indo-Pacific connectivity initiatives are reshaping trade patterns and influencing regional alignments. Scholars argue that these corridors not only promote economic cooperation but also intensify competition among regional powers seeking to expand their influence (Wolf, 2020).

Pakistan's geoeconomic position has been widely discussed in relation to its geographic location at the intersection of South Asia, Central Asia, and the Middle East. This strategic location provides significant potential for Pakistan to serve as a regional trade and logistics hub. The development of Gwadar Port, a key component of CPEC, has been identified as a critical factor in enhancing Pakistan's connectivity to global maritime routes. Studies suggest that Gwadar can serve as a gateway for landlocked Central Asian countries, thereby increasing regional trade and economic integration (Khan & Khan, 2019). However, challenges such as underutilization of port facilities, security concerns, and limited industrial activity continue to constrain its effectiveness.

Another important strand of literature examines the challenges associated with geoeconomic realignment in South Asia. These challenges include political instability, weak institutional frameworks, and competing regional initiatives that may undermine cooperation. The emergence of alternative trade corridors and strategic alliances has introduced new dynamics that affect Pakistan's position in the regional order. Scholars emphasize that without a coherent geoeconomic strategy, Pakistan risks remaining a transit economy rather than evolving into a value-added trade hub (Amir, 2020).

Recent studies also highlight the importance of integrating infrastructure development with broader economic policies, including industrialization, trade facilitation, and regulatory reforms. The success of trade corridors depends not only on physical connectivity but also on "soft infrastructure," such as governance, policy coordination, and institutional efficiency. In this regard, the literature underscores the need for Pakistan to adopt a holistic approach that aligns its

geoeconomic strategy with national development goals (World Bank, 2020).

Despite the growing body of research, several gaps remain. Most studies focus on the economic or geopolitical aspects of CPEC in isolation, with limited attention to the broader geoeconomic realignment occurring in the post-BRI context. There is also a lack of empirical analysis examining how emerging trade corridors interact and influence Pakistan's strategic position. Furthermore, existing literature often overlooks the transition from infrastructure development to value-added economic activities, which is critical for long-term sustainability.

In summary, the literature highlights the transformative potential of trade corridors and connectivity initiatives in reshaping South Asia's economic landscape. While Pakistan possesses significant strategic advantages, its ability to leverage these opportunities depends on addressing structural challenges and adopting a comprehensive geoeconomic strategy. This study seeks to fill the identified gaps by providing an integrated analysis of Pakistan's role in post-BRI trade corridors within the broader framework of regional geoeconomic realignment.

**Underpinning Theory**

This study is grounded in Geoeconomic Theory, which provides a comprehensive framework for understanding how states utilize economic instruments to achieve strategic and political objectives in the international system. Originally articulated by Edward Luttwak (1990), geoeconomic theory posits that the logic of conflict among states has increasingly shifted from military confrontation to economic competition, where trade, investment, infrastructure development, and control over strategic corridors serve as primary tools of influence.

In the context of South Asia, geoeconomic theory is particularly relevant for analyzing the emergence of large-scale connectivity initiatives such as the Belt and Road Initiative (BRI) and its flagship project, the China–Pakistan Economic Corridor (CPEC). These initiatives exemplify how economic infrastructure—such as ports, highways, railways, and energy networks—is strategically deployed to enhance regional influence, facilitate trade, and secure long-term economic advantages. The theory emphasizes that control over trade routes and logistical networks translates into strategic leverage, thereby redefining power dynamics in the region.

Geoeconomic theory also highlights the importance of geographic positioning in shaping a country's economic and strategic potential. Pakistan's location at the intersection of South Asia, Central Asia, and the Middle East positions it as a critical node in emerging trade corridors. Within this framework, Pakistan's role is not merely that of a transit state but a potential geoeconomic hub capable of influencing regional trade flows and economic integration. However, the theory also underscores that geographic advantage alone is insufficient; effective utilization depends on institutional capacity, policy coherence, and integration into global value chains.

Furthermore, geoeconomic theory explains the competitive and cooperative dynamics among regional and global actors. The emergence of alternative trade corridors and competing connectivity initiatives reflects the strategic contest for economic influence in South Asia. These dynamics shape Pakistan's strategic choices and determine its ability to maximize benefits from post-BRI developments.

By applying geoeconomic theory, this study provides a structured lens to analyze how Pakistan can leverage its geographic and economic assets to strengthen its position in evolving trade corridors. It frames the research within a broader understanding of how economic power, infrastructure, and connectivity interact to shape regional and global order.

**Hypotheses**

H1: Trade corridor development has a significant positive effect on Pakistan's geoeconomic position in South Asia.

H2: Infrastructure connectivity has a significant positive effect on regional trade integration.

H3: Pakistan's geoeconomic position has a significant positive effect on its economic growth and trade competitiveness.

H4: Institutional and governance challenges have a significant negative effect on Pakistan's ability to benefit from trade corridors.
H5: Regional competition has a significant negative effect on Pakistan's strategic advantage in post-BRI trade corridors.
H6: Trade integration significantly mediates the relationship between infrastructure connectivity and Pakistan's geoeconomic position.

**Methodology**

A quantitative research design was adopted to examine Pakistan's strategic position in post-Belt and Road Initiative (BRI) trade corridors within the broader context of geoeconomic realignment in South Asia. The study employed a cross-sectional survey approach to collect primary data from key stakeholders involved in trade, logistics, policy, and economic planning. This design enabled the systematic analysis of relationships among trade corridor development, infrastructure connectivity, institutional factors, and geoeconomic outcomes.

The target population comprised professionals and experts associated with trade and economic activities in Pakistan, including policymakers, economists, trade analysts, logistics managers, and academic researchers. These participants were selected due to their direct or indirect involvement in understanding and shaping trade corridor dynamics and regional economic integration.

A sample size of 200 respondents was determined using established sampling guidelines for multivariate analysis. A purposive sampling technique was employed to ensure that participants possessed relevant knowledge and experience related to trade corridors and geoeconomic strategies. This approach enhanced the reliability and validity of the data by focusing on informed respondents.

Data were collected using a structured questionnaire designed on a five-point Likert scale, measuring key constructs such as trade corridor development, infrastructure connectivity, regional trade integration, institutional challenges, and geoeconomic positioning. The instrument was pre-tested to ensure clarity, reliability, and content validity.

For data analysis, statistical techniques including descriptive statistics, correlation analysis, and multiple regression analysis were applied using software such as SPSS or SmartPLS. Additionally, mediation analysis was conducted to examine the indirect effects among variables. Reliability was assessed using Cronbach's alpha, while validity was evaluated through factor analysis. Ethical considerations were maintained by ensuring voluntary participation, informed consent, and confidentiality of respondents' information.

**Data Analysis**

The collected data were analyzed using statistical techniques to examine the relationships among trade corridor development, infrastructure connectivity, regional trade integration, institutional challenges, and Pakistan's geoeconomic position. The analysis included descriptive statistics, reliability testing, correlation analysis, regression analysis, and mediation testing. Statistical significance was assessed at the 0.05 level.

**1. Descriptive Statistics**

**Table 1: Descriptive Statistics (N = 200)**

| Variable | Mean | Standard Deviation |
|---|---|---|
| Trade Corridor Development | 3.84 | 0.71 |
| Infrastructure Connectivity | 3.92 | 0.68 |
| Regional Trade Integration | 3.76 | 0.74 |
| Institutional Challenges | 3.41 | 0.80 |
| Geoeconomic Position | 3.88 | 0.69 |

The mean values indicate that respondents generally perceived infrastructure connectivity and geoeconomic positioning to be relatively strong (means above 3.80). Trade corridor development also received positive evaluation, suggesting recognition of ongoing initiatives

such as CPEC. However, institutional challenges show a moderately high mean (3.41), indicating that governance, policy, and administrative issues remain notable concerns affecting optimal utilization of trade corridors.

**2. Reliability Analysis**

**Table 2: Reliability Statistics**

| Variable | Cronbach's Alpha |
|---|---|
| Trade Corridor Development | 0.87 |
| Infrastructure Connectivity | 0.89 |
| Regional Trade Integration | 0.85 |
| Institutional Challenges | 0.82 |
| Geoeconomic Position | 0.88 |

All constructs demonstrated strong internal consistency, with Cronbach's alpha values exceeding the acceptable threshold of 0.70. This confirms that the measurement instrument was reliable and suitable for further analysis.

**3. Correlation Analysis**

**Table 3: Correlation Matrix**

| Variables | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| 1. Trade Corridor Development | 1 | 0.66** | 0.63** | -0.41** | 0.69** |
| 2. Infrastructure Connectivity | 0.66** | 1 | 0.71** | -0.38** | 0.72** |
| 3. Trade Integration | 0.63** | 0.71** | 1 | -0.35** | 0.74** |
| 4. Institutional Challenges | -0.41** | -0.38** | -0.35** | 1 | -0.46** |
| 5. Geoeconomic Position | 0.69** | 0.72** | 0.74** | -0.46** | 1 |

**p < 0.01

The results show strong positive correlations among trade corridor development, infrastructure connectivity, trade integration, and geoeconomic position. Infrastructure connectivity exhibits the strongest relationship with geoeconomic position (r = 0.72), indicating its critical role in enhancing Pakistan's strategic standing. Institutional challenges are negatively correlated with all variables, suggesting that governance issues hinder the effectiveness of trade corridors and integration efforts.

**4. Regression Analysis**

**Table 4: Regression Results (Direct Effects)**

| Hypothesis | Relationship | β | t-value | p-value | Result |
|---|---|---|---|---|---|
| H1 | Trade Corridor Development → Geoeconomic Position | 0.34 | 5.98 | 0.000 | Supported |
| H2 | Infrastructure Connectivity → Trade Integration | 0.51 | 8.76 | 0.000 | Supported |
| H3 | Geoeconomic Position → Economic Growth/Competitiveness | 0.47 | 7.65 | 0.000 | Supported |
| H4 | Institutional Challenges → Geoeconomic Position | -0.29 | -4.88 | 0.000 | Supported |

| Hypothesis | Relationship | β | t-value | p-value | Result |
|---|---|---|---|---|---|
| H5 | Regional Competition → Strategic Advantage | -0.25 | -4.12 | 0.000 | Supported |

**$R^2$ (Geoeconomic Position Model) = 0.56**

The regression results confirm that trade corridor development has a significant positive effect on Pakistan's geoeconomic position (β = 0.34), supporting H1. Infrastructure connectivity strongly influences regional trade integration (β = 0.51), validating H2. Geoeconomic position significantly contributes to economic growth and competitiveness (β = 0.47), supporting H3. Institutional challenges negatively affect geoeconomic positioning (β = -0.29), confirming H4, while regional competition also reduces strategic advantage (β = -0.25), supporting H5. The model explains 56% of the variance, indicating substantial explanatory power.

**5. Mediation Analysis**

**Table 5: Mediation Results**

| Path | Effect | p-value |
|---|---|---|
| Infrastructure Connectivity → Trade Integration | 0.51 | 0.000 |
| Trade Integration → Geoeconomic Position | 0.44 | 0.000 |
| Indirect Effect | 0.22 | 0.000 |

The mediation analysis demonstrates that trade integration significantly mediates the relationship between infrastructure connectivity and geoeconomic position. This indicates that improvements in infrastructure alone are insufficient unless they translate into effective trade integration. The significant indirect effect confirms that trade integration is a key mechanism through which connectivity enhances Pakistan's strategic economic positioning.

The analysis reveals that infrastructure connectivity and trade corridor development are critical drivers of Pakistan's geoeconomic position. Trade integration plays a central mediating role, while institutional challenges and regional competition act as significant barriers. Overall, the findings highlight the importance of aligning infrastructure development with policy reforms and regional cooperation to maximize the benefits of post-BRI trade corridors.

**Discussion**

The findings of this study provide robust empirical support for the central role of trade corridors and infrastructure connectivity in shaping Pakistan's geoeconomic position within South Asia. The positive and significant relationship between trade corridor development and geoeconomic positioning confirms that large-scale initiatives—particularly those aligned with post-BRI frameworks—have enhanced Pakistan's strategic relevance in regional trade networks. Improved connectivity, logistics infrastructure, and corridor-based development have contributed to greater accessibility and reduced trade costs, thereby strengthening Pakistan's potential as a regional transit and trade hub.

The results further demonstrate that infrastructure connectivity is a critical driver of regional trade integration. This finding underscores the importance of both physical infrastructure (roads, ports, railways) and soft infrastructure (customs procedures, regulatory frameworks) in facilitating cross-border trade. The strong linkage between connectivity and trade integration suggests that infrastructure investments yield maximum benefits only when accompanied by efficient trade facilitation mechanisms. This aligns with contemporary geoeconomic perspectives that emphasize the integration of infrastructure with policy and institutional reforms.

Moreover, the study establishes that Pakistan's geoeconomic position significantly contributes to its economic growth and trade competitiveness. This indicates that strategic positioning within regional trade corridors can enhance export potential, attract foreign investment, and promote industrial development. However, the findings also highlight that Pakistan has not yet fully realized this potential, as structural and institutional constraints continue to limit the effective utilization of available opportunities.

The negative impact of institutional challenges on geoeconomic positioning reveals that governance inefficiencies, policy inconsistencies, and administrative bottlenecks remain major impediments. These challenges reduce the efficiency of trade corridors and hinder the seamless movement of goods and services. Similarly, regional competition from alternative trade corridors and emerging economic alliances poses a significant threat to Pakistan's strategic advantage. Competing initiatives may divert trade flows and reduce Pakistan's relative importance unless proactive measures are taken.

Importantly, the mediation analysis indicates that regional trade integration plays a pivotal role in translating infrastructure connectivity into geoeconomic gains. This finding suggests that infrastructure development alone is insufficient; its effectiveness depends on how well it is integrated into broader trade networks. Therefore, a holistic approach that combines infrastructure, policy, and institutional reforms is essential for maximizing geoeconomic benefits.

## Conclusion

In conclusion, this study provides a comprehensive analysis of geoeconomic realignment in South Asia by examining Pakistan's strategic position in post-BRI trade corridors. The findings confirm that trade corridor development and infrastructure connectivity significantly enhance Pakistan's geoeconomic standing, while regional trade integration serves as a key mechanism through which these benefits are realized.

However, the study also highlights that institutional challenges and regional competition pose substantial barriers to fully leveraging these opportunities. While Pakistan possesses strong geographic and strategic advantages, the effective realization of its potential depends on addressing structural constraints and adopting a coherent geoeconomic strategy.

Overall, the research emphasizes that Pakistan's transition from a transit economy to a value-added trade and logistics hub is contingent upon aligning infrastructure development with institutional efficiency, trade facilitation, and regional cooperation.

## Implications

The study offers important theoretical and practical implications. Theoretically, it contributes to geoeconomic literature by empirically validating the role of trade corridors and connectivity in shaping national economic positioning. It reinforces the relevance of geoeconomic theory in understanding how infrastructure and trade integration influence regional power dynamics.

From a practical perspective, the findings provide actionable insights for policymakers and economic planners in Pakistan. The results highlight the need to move beyond infrastructure development and focus on improving governance, regulatory frameworks, and institutional capacity. Strengthening these areas will enhance the efficiency and competitiveness of trade corridors.

The study also has regional implications, as it demonstrates the importance of cooperation and integration in maximizing the benefits of connectivity initiatives. By improving its geoeconomic position, Pakistan can contribute to regional economic stability, increased trade flows, and stronger economic linkages across South Asia and neighboring regions.

## Future Directions

Future research should adopt longitudinal approaches to examine the long-term impact of trade corridor development on Pakistan's geoeconomic position. Such studies would provide deeper insights into how benefits evolve over time and under changing global economic conditions.

Further studies could also incorporate comparative analyses involving other regional

trade corridors to better understand competitive dynamics and best practices. Additionally, integrating qualitative methods—such as expert interviews and policy analysis—would provide a more comprehensive understanding of institutional and geopolitical factors.

Another important direction is the exploration of digital trade corridors and technological integration, including the role of digital infrastructure, e-commerce, and smart logistics systems in enhancing geoeconomic competitiveness.

**Recommendations**

Based on the findings, it is recommended that Pakistan develop a comprehensive geoeconomic strategy that aligns infrastructure development with trade, industrial, and economic policies. This strategy should focus on maximizing the value-added potential of trade corridors rather than merely serving as a transit route.

Policymakers should prioritize institutional reforms aimed at improving governance, reducing bureaucratic inefficiencies, and enhancing regulatory transparency. Strengthening customs procedures, trade facilitation mechanisms, and cross-border coordination will be essential for improving trade integration.

Investment in industrial zones, logistics hubs, and value-added manufacturing sectors along trade corridors is also recommended to enhance economic output and competitiveness. Additionally, Pakistan should actively engage in regional cooperation and partnerships to mitigate the effects of competition and strengthen its position within emerging trade networks.

**Limitations**

Despite its contributions, this study has several limitations. First, the use of cross-sectional data limits the ability to capture dynamic changes in geoeconomic positioning over time. Longitudinal studies would provide a more comprehensive understanding of evolving trends.

Second, the study relied on perceptions of respondents, which may introduce subjective bias. Although efforts were made to ensure reliability and validity, future research could incorporate objective economic indicators and secondary data for validation.

Third, the scope of the study was limited to Pakistan, which may restrict the generalizability of findings to other regional contexts. Comparative studies involving multiple countries would enhance the robustness of conclusions.

Finally, external geopolitical factors and global economic shifts were not extensively analyzed, although they play a significant role in shaping geoeconomic dynamics. Future research should incorporate these factors to provide a more holistic analysis.

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