



Strategic Negotiation for Resolving Infrastructure Development Disputes in the Belt and Road Initiative

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Abstract. Regional economic corridors are playing a role in uplifting the infrastructure of developing countries. But, such integrations are prone to some challenges emerging from the multilevel system of governance in participating countries. It is necessary that legitimate stakeholders get involved at national, provincial and local levels using collaborative planning and development. Exclusion at any level would ultimately lead to unsolicited and undesirable outcomes. The present study uses Graph Model for Conflict Resolution (GMCR) as a primary conflict resolution tool to resolve Pakistan Railway (PR) infrastructure development disputes under the China-Pakistan Economic Corridor (CPEC). This tool takes into consideration interests of all stakeholders. It could be used for future planning by policymakers.

Keywords: Regional infrastructure · Planning · Conflict analysis
Belt and road initiative · China-Pakistan economic corridor

1 Introduction

The development of economic corridors, in the regions of strategic importance, not only benefits the interconnected economies but also opens the avenues for their economic prosperity. Enhanced connectivity by infrastructure and communication leads to international cooperation including bilateral and multilateral engagements [1]. The cross-border regionalism involves a multi-level system of governance ranging from international to national, provincial, and local levels coupled with stakeholders with either economic or political objectives. Planning of regional integration through a corridor is a multitier process, prone to an array of regulatory, coordination and investment challenges.

Many of these seemingly practical and technical viable projects overlay with political and institutional challenges at domestic levels [2, 3]. It is crucial to involve all stakeholders in the planning process [3–6] as it assures the wide credence of the development of the plan [6]. The stakeholders may have conflicting objectives. Moreover, they may have common objectives but may have their conflicting strategies to attain common objectives [7]. However, dialogue, cooperation, and collaboration among various stakeholders in achieving a common goal play a vital role in preserving

vested interests and in providing a win-win solution for all [3, 8]. Failure to do so may make underprivileged and aggrieved regions feel neglected. In addition to this, the lack of shared vision [9], unavailability of information, lack of trust, political motives and lack of coordination among governmental departments and institutions [5] may lead to a serious conflict hampering the execution of the project as agreed [10].

The Belt and Road Initiative (BRI), an impetus to the doctrine of “constructive engagement” [11], is also exposed to several challenges. This initiative is multitier with numerous infrastructural and developmental projects, articulating the vision of connecting regions through numerous trade corridors. The CPEC is a flagship project under the BRI. The execution of many projects under CPEC created a controversy though it has a clear vision. The authors considered the case study of controversy regarding the upgrading and route selection of Railway corridors in Pakistan. There is a growing need to provide the basis for strategic planning for such development projects and this research provides the foundations for such planning considering provincial governments, the federal government, and Chinese stakes. A suitable conflict resolution strategy assures the best possible solution to the conflict. This could help prompt execution of the projects without hampering investors’ risk orientation and international credibility of the country regarding ease of business.

The study aims to provide the basis to find out the most appropriate solution using a scientific approach acceptable to all legitimate stakeholders. This research could be a pioneer study using decision-analysis in regional integration projects of South Asia. A systematic analysis of the conflict could provide a better understanding of conflict emergence and could also provide options for its avoidance. This study sets a benchmark for coming up with a win-win solution considering explicit and implied interests of all stakeholders, not only in the current conflict but in all conflicts in other similar projects. The present research develops a formal conflict model based on the graph model for conflict resolution (GMCR) [7, 12]. This decision analysis technique is very suitable under the circumstances as it requires very little information regarding a conflict in comparison to, for example, game theory and uses the available information in a systematic and scientific way to find reasonable and feasible solutions of a conflict [12, 13]. The study traces out some reasonable solutions to the conflict following the conflict analysis strategy suggested in [12].

2 Background of the Conflict

Upgrading and restructuring of PR got government’s attention in 2006 when a plan to extend railway linking Havelian to Kashgar – China was proposed in Musharraf era [14]. In 2006, during the Chinese President’s visit to Pakistan, Chinese enterprises took interest in the interconnection and construction of Gwadar as a win-win scenario for the energy security of Pakistan and China. In 2008, China and Pakistan signed the cooperation documents and a framework for cooperation [15]. In 2013, both countries inked an MOU for CPEC framework and established a Joint Cooperation Committee (JCC) for the CPEC that initiated the core planning at the federal level [16] without considering the provinces. Based on such dialogues at the federal level, 12 CPEC

projects were given priority as EHPs, along with numerous agreements and MoUs worth US\$28 billion during Chinese president's visit to Pakistan in 2015.

The upgrading of the ML-I (Eastern route) (See Fig. 1) was given priority as EHP. But the route selection of railway corridor as EHP attracted criticism from Baluchistan and KPK as this route is in the eastern part of Pakistan. However, there was no project related to infrastructure development or upgrade in these provinces as EHPs [17–19] which resulted in the public uproar and loss of trust as the distribution of projects in KPK and Baluchistan was deemed unfair [20]. Moreover, asymmetric information and lack of collaborative planning led to serious conflict between the western provinces and the GOP. There were four railway corridors planned in the PR strategic plan [21]. The national parties of western provinces blamed GOP for changing original route of CPEC, claiming that such change would undermine the interests of the Baloch and the Pashtuns. The federal government rejected the allegation of exclusion [22]. Later, Chief Minister of KPK threatened to withdraw his cooperation in the acquisition of land for the CPEC projects [23]. Federal Government tried to get political consensus organizing two All Parties Conferences (APCs) on May 2015 [24] and January 2016 [25].

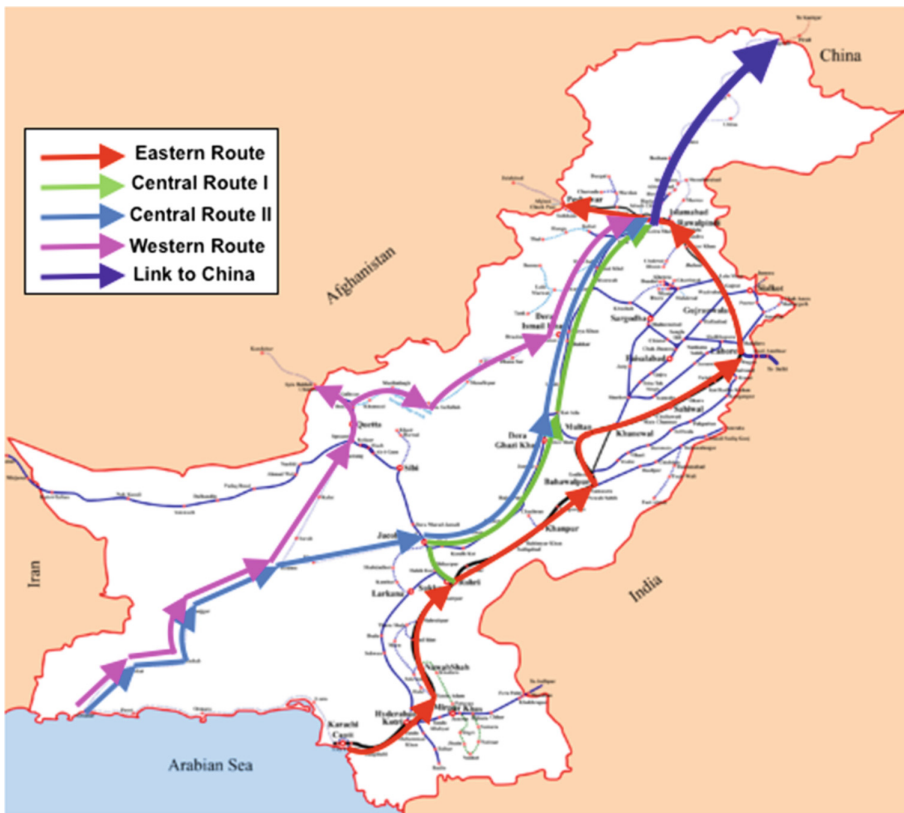


Fig. 1. Suggested railway corridors in CPEC project

However, because of asymmetric illustration of vision and lack of trust that GOP would develop infrastructure [26] gave the impression that the GOP was playing tricks [27]. The Pakistani premier reassured the involved parties that there was no change of route of the CPEC, the western route would be constructed first along with railway, fiber optic cable and other infrastructure by July 2018 [25]. This dilemma led to China's interference in the dispute. The Chinese expressed their concerns [28] and made a reference to the Monographic Study on Transport Planning of CPEC [29]. The distrust and dispute still exist and this paper attempts to come up with the best possible solutions under the given scenario.

3 Conflict Analysis Approach

The GMCR is a simple and flexible approach designed for conflict analysis [12, 30]. It has been used in a wide range of areas such as military strategies, peace-keeping activities, environmental management, natural resources and water resource issues, urban planning to name a few. It is a suitable technique to analyze the conflict emerging during the planning and implementation of the CPEC project under the BRI as it puts the complex strategic decisions into perspective and provides better understating of the nature of the conflict thereby envisioning the potential solutions as well [12, 31]. This section provides a brief introduction to the graph model and definitional concepts used for the analysis in the GMCR approach.

Definition 1 (Graph Model for Conflict Resolution): Fang et al. [12] present the definitions for conflict models within the framework of the GMCR with the N-DMs, $N \geq 2$. Having the set of all states $X = \{x_1, x_2, \dots, x_k\}$, the preference structure for DM i , $\{\psi_i, \sim_i\}$, where $x_1 \succ_i x_2$ and $x_3 \sim_i x_4$ implying that state x_1 is preferred to x_2 and x_3 and x_4 are equally preferred by the DM i . Having the set of DMs N and the set of all states X , the set of states that are preferred, the set of states equally preferred and the set of less preferred states to x for DM i is $\Psi_i^+(x) = \{x_m : x_m \succ_i x\}$, $\Psi_i^=(x) = \{x_m : x_m \sim_i x\}$ and $\Psi_i^-(x) = \{x_m : x_m \succ_i x_m\}$, respectively.

Definition 2 (Reachable list & Unilateral Improvement (UI)): The reachable list [12], in a GMCR model for DM i from state $x \in X$ symbolized as $R_i(x) \subseteq X$, is the set of states that a DM could move to from state x . It can be subdivided as the set of UI from a state x , $R_i^+(x) = R_i(x) \cap \Psi_i^+(x)$, the set of equally preferred independently reachable states from x , $R_i^=(x) = R_i(x) \cap \Psi_i^=(x)$, and the set of unilateral improvements from state x , $R_i^-(x) = R_i(x) \cap \Psi_i^-(x)$.

The solution concepts used in the present conflict analysis are defined as:

Definition 3 (Nash Stability) (Nash): A state $x \in X$ is Nash stable (Nash) for DM i , denoted by $x \in X_i^{Nash}$, if and only if (IFF) $R_i^+(x) = \phi$ [32, 33]. In this case, there is no unilateral improvement for DM i from the state x .

Definition 4 (General Meta-rationality): State $x \in X$, in N-DMs conflict, is general meta-rational (GMR) for DM i , symbolized as $x \in X_i^{GMR}$, IFF $\square x_1 \in R_i^+(x)$ there is $x_2 \in R_j(x_1)$ such that $x_2 \in \Psi_i^=(x) \cup \Psi_i^-(x)$ [34]. It implies that state x is GMR for DM i

IFF DM i is sanctioned to move from this state by opponent DM j by subsequently moving to other state x_2 which is less preferred to initial state for DM i .

Definition 5 (Symmetric Metrationality): A state $x \in X$, in N-DMs conflict, is symmetric meta-rational (SMR) for DM i , signified as $x \in X_i^{SMR}$, IFF $\square x_1 \in R_i^+(x)$ there is $x_2 \in R_j(x_1)$ such that $x_2 \in \Psi_i^-(x) \cup \Psi_i^-(x)$ and $x_3 \in \Psi_i^-(x) \cup \Psi_i^-(x)$, $\square x_3 \in R_i(x_2)$ [34]. It implies that a state x is SMR for a DM i IFF any UI from x to x_1 for DM i could be sanctioned by opponent DM j by moving to other state x_2 and DM i is unable to escape this sanction. In this situation, DM i prefers to stay at state x .

Definition 6 (Sequential Stability): A state $x \in X$, in a N-DMs conflict, is sequentially stable (SEQ) for DM i , indicated as $x \in X_i^{SEQ}$, IFF $\square x_1 \in R_i^+(x)$ there is $x_2 \in R_j(x_1)$ such that $x_2 \in \Psi_i^-(x) \cup \Psi_i^-(x)$ [7]. Simply, a state x is SEQ for DM i IFF DM i 's every UI from x is sanctioned by a UI of DM j (credible sanction).

The stability of the states for each DM is analyzed under the stability concepts of Nash, GMR, SMR and SEQ in the framework of the GMCR approach. The states satisfying the stability condition under a particular stability concept for all DMs in a conflict is deemed to be equilibriums of the conflict. An equilibrium is strong if it qualifies all stability definitions [12, 13, 35].

4 Conflict Analysis of the Infrastructure Development Conflict

4.1 Modeling the Conflict

Decision Makers and options available to DMs in the Conflict: All parties in CPEC have a consensus on the importance of each railway route. However, the whole conflict revolves around prioritizing the eastern route over a western and central route. Taking into consideration the background of the route controversy and perspective of all stakeholders, we can identify four main players in this conflict. The GOP (DM1), the Government of Baluchistan (DM2), the Government of KPK (DM3) and the Government of China (DM4). It is pertinent to mention that Punjab and Sindh have the same opinion as GOP. The rationale for such consideration lies in the fact that Eastern Route covers most areas in Punjab and Sindh provinces.

Due to its strategic and economic values and requirements of less radical changes in the existing infrastructure, both provinces support the Federal Government. So, in this case these two provinces and the GOP will be considered as one decision-maker (DM1). The planning of railways and land acquisition is largely related to federal and provincial governments, thus the Power Interest Matrix of legitimate stakeholders in the current scenario, shows that the influence of NGO's and Industry is minimal. Civil Society's political power and interest were well presented in All Parties Conferences held in 2015 and 2016. As the Government of KPK and Government of Baluchistan were upholding the same opinion as resolved in APC's, it can be inferred that they are representing civil society.

Under given scenario, the DM1 has four options – Eastern route (ER), Central Route-I (CR-I), Central Route-II (CR-II), and Western Route (WR) (see Table 1).

The DM2 demands connecting Gwadar to the existing infrastructure and upgrading railway infrastructure on the priority basis (Table 1). They are in favor of the construction of Western alignment first (the option DWR in Table 1). The DM3 demands revision of routes in such a way that in case of war, Pashtun belt areas would benefit from it. Therefore, they demand the construction of western alignment on the priority basis (Revise the Project Priorities (Rev) in Table 1)). The DM4 has 2 options. China wants to resolve the conflict and wants completion of EHPs as soon as possible so they will favor the construction of option 1 (Resolve & Implement (R&I) in Table 1). This will be referred to as Option 7. On the other hand, China may also accept any alternative route (AR) as agreed by Pakistani Government.

Table 1. Options of the Decision-makers

DM	Options
Federal (DM1)	<ol style="list-style-type: none"> 1. <i>Eastern route (ER)</i>: Upgrade the ML-1 and link to China (Fig. 1) 2. <i>Central route-I (CR-I)</i>: Upgrade ML-2 and link to China 3. <i>Central route-II (CR-II)</i>: Gwadar-Turbat-Panjgur-Basima-Jacobabad section and Jacobabad-Attock Section of ML-2 and link to China (Fig. 1) 4. <i>Western route (WR)</i>: The WR as four parts; <ol style="list-style-type: none"> a. Construct Gwadar-Turbat-Panjgur-Basima-Kalat-K-Spezand b. Upgrade Spezand-Quetta-Bostan-Muslim Bagh-Qila Saifullah-Zhob section c. Construct Zhob-Dera Ismail Khan-Darya Khan section d. Upgrade DI Khan-Darya Khan-Kundian-Attock section of ML-2 and link to China (Fig. 1)
Baluchistan (DM2)	5. <i>Demand WR (DWR)</i> : Baluchistan demands connection of Gwadar to existing and upgraded railway infrastructure on the priority basis
KPK (DM3)	6. <i>Revise the Project Priorities (Rev)</i> : KPK wants the project plan to be revised. Priority should be given to the western route in Implementation of the project
China (DM4)	<ol style="list-style-type: none"> 7. <i>Resolve & Implement (R&I)</i>: Favor eastern route under MoU of EHP 8. <i>Alternative Routes (AR)</i>: Consider and favor alternative railway routes

Feasible States: Having 4 DMs and 8 options in total, there would be 256 states mathematically. But all these states are not reasonably feasible. For instance, the state NNNYNNNN is not feasible as it cannot be constructed if China is not willing to consider it as an alternative route and prioritize EHP under the CPEC initiative. After deleting the infeasible states, the authors left the 54 reasonable states in the conflict as summarized in Table 2.

Preferences of the DMs: The option statements and state preference of the DMs are given in Table 3. With respect to the state preferences, DM1 would like the construction of the eastern route and the central route-II to be developed and upgraded, with support of China, as EHPs. DM1 covets DM2 and DM3 not to claim the western route and the revision of the project and its priorities, respectively, and to carry out the signed agreement between China and Pakistan. So, it makes the state S47 the most preferred state for the DM1.

Table 2. Feasible States

States	Federal				Bal.	KPK	China	
	1	2	3	4	5	6	7	8
	ER	CR-I	CR-II	WR	DWR	Rev	R & I	AR
S_1	N	N	N	Y	N	N	Y	N
S_2	N	N	N	Y	N	N	Y	Y
S_3	N	N	N	Y	N	Y	Y	N
S_4	N	N	N	Y	N	Y	Y	Y
S_5	N	N	N	Y	Y	N	Y	N
S_6	N	N	N	Y	Y	N	Y	Y
S_7	N	N	N	Y	Y	Y	Y	N
S_8	N	N	N	Y	Y	Y	Y	Y
S_9	N	N	Y	N	N	N	Y	N
S_{10}	N	N	Y	N	N	N	Y	Y
S_{11}	N	N	Y	N	N	Y	Y	N
S_{12}	N	N	Y	N	N	Y	Y	Y
S_{13}	N	N	Y	N	Y	N	Y	N
S_{14}	N	N	Y	N	Y	N	Y	Y
S_{15}	N	N	Y	N	Y	Y	Y	N
S_{16}	N	N	Y	N	Y	Y	Y	Y
S_{17}	N	Y	N	N	N	N	Y	N
S_{18}	N	Y	N	N	N	N	Y	Y
S_{19}	N	Y	N	N	N	Y	Y	N
S_{20}	N	Y	N	N	N	Y	Y	Y
S_{21}	N	Y	N	N	Y	N	Y	N
S_{22}	N	Y	N	N	Y	N	Y	Y
S_{23}	N	Y	N	N	Y	Y	Y	N
S_{24}	N	Y	N	N	Y	Y	Y	Y
S_{25}	N	Y	N	Y	N	N	Y	N
S_{26}	N	Y	N	Y	N	N	Y	Y
S_{27}	N	Y	N	Y	N	Y	Y	N
S_{28}	N	Y	N	Y	N	Y	Y	Y
S_{29}	N	Y	N	Y	Y	N	Y	N
S_{30}	N	Y	N	Y	Y	N	Y	Y
S_{31}	N	Y	N	Y	Y	Y	Y	N
S_{32}	N	Y	N	Y	Y	Y	Y	Y
S_{33}	Y	N	N	N	N	N	Y	N
S_{34}	Y	N	N	N	N	Y	Y	N
S_{35}	Y	N	N	N	N	Y	Y	Y
S_{36}	Y	N	N	N	Y	N	Y	N
S_{37}	Y	N	N	N	Y	Y	Y	N
S_{38}	Y	N	N	N	Y	Y	Y	Y

(continued)

Table 2. (continued)

States	Federal				Bal.	KPK	China	
	1	2	3	4	5	6	7	8
	ER	CR-I	CR-II	WR	DWR	Rev	R & I	AR
<i>S</i> ₃₉	Y	N	N	Y	N	N	Y	N
<i>S</i> ₄₀	Y	N	N	Y	N	N	Y	Y
<i>S</i> ₄₁	Y	N	N	Y	N	Y	Y	N
<i>S</i> ₄₂	Y	N	N	Y	N	Y	Y	Y
<i>S</i> ₄₃	Y	N	N	Y	Y	N	Y	N
<i>S</i> ₄₄	Y	N	N	Y	Y	N	Y	Y
<i>S</i> ₄₅	Y	N	N	Y	Y	Y	Y	N
<i>S</i> ₄₆	Y	N	N	Y	Y	Y	Y	Y
<i>S</i> ₄₇	Y	N	Y	N	N	N	Y	N
<i>S</i> ₄₈	Y	N	Y	N	N	N	Y	Y
<i>S</i> ₄₉	Y	N	Y	N	N	Y	Y	N
<i>S</i> ₅₀	Y	N	Y	N	N	Y	Y	Y
<i>S</i> ₅₁	Y	N	Y	N	Y	N	Y	N
<i>S</i> ₅₂	Y	N	Y	N	Y	N	Y	Y
<i>S</i> ₅₃	Y	N	Y	N	Y	Y	Y	N
<i>S</i> ₅₄	Y	N	Y	N	Y	Y	Y	Y

Based on the option statements the most preferred strategy for DM2 is the state S30 (Table 3) that incorporates the development of CR-I and WR without revising the priorities of the project as claimed by DM3 as it delays the project. DM2 wants DM4 to consider an alternative route option that includes connectivity of Gwadar with main railway infrastructure and to consider it as EHP. Similarly, the same strategy S30 is also the most preferred strategy for DM3 KPK as it would not only provide access to remote areas of KPK but would also link Gwadar with main railway system in EHPs.

The state S31 is the preferred strategy for DM4 China, according to the option statements regarding the construction of CR-I as an EHP, it also involves the rejection of the DM2’s aspiration for WR and the DM3’s demand for the plan revision.

4.2 Stability Analysis

Having the set of the decision makers, $N = \{\text{Federal, Baluchistan, KPK, China}\}$, set of all reasonably feasible states $X = \{S1, S2, \dots, S54\}$, reachable lists, and preference rankings of the DMs, the stability analysis has been performed. After the stability analysis of individual states of each DM, state S53 (YNYNYYYN) (see Table 4) is the equilibrium of the conflict because it satisfies all the stability definitions 3–6 for every DM involved in the railway route selection conflict. Therefore, a final solution to a conflict may be an equilibrium if it satisfies all the solution concepts [35]. The equilibrium state S53 (YNYNYYYN) justifies the construction and upgrade of ML-1 (Eastern route) as EHP. It also incorporates construction and upgrade of ML-2 (Central

Table 3. Option Statements and State Preferences of the DMs

DM 1: Federal	
Option statements	Preferences
1	$S_{47} \succ S_{46} \succ S_{49} \succ S_{48} \succ S_{52} \succ S_{51} \succ S_{54} \succ S_{53} \succ S_{31} \succ S_{34} \succ S_{33} \succ S_{35} \succ$
7IFF1	$S_{37} \succ S_{36} \succ S_{39} \succ S_{38} \succ S_{41} \succ S_{40} \succ S_{43} \succ S_{42} \succ S_{45} \succ S_{44} \succ S_{50} \succ S_{32} \succ$
3	$S_{10} \succ S_9 \succ S_{12} \succ S_{11} \succ S_{14} \succ S_{13} \succ S_{16} \succ S_{15} \succ S_{18} \succ S_{17} \succ S_{20} \succ S_{19} \succ$
2	$S_{22} \succ S_{21} \succ S_{24} \succ S_{23} \succ S_{26} \succ S_{25} \succ S_{28} \succ S_{27} \succ S_{30} \succ S_{29} \succ S_2 \succ S_1 \succ S_4 \succ$
-4	$S_3 \succ S_6 \succ S_5 \succ S_8 \succ S_7$
-5	
-6	
-8	
DM 2: Baluchistan	
4	$S_{30} \succ S_{28} \succ S_{45} \succ S_8 \succ S_{43} \succ S_6 \succ S_{26} \succ S_{41} \succ S_4 \succ S_{39} \succ S_2 \succ S_{29} \succ S_{27} \succ$
5	$S_{44} \succ S_7 \succ S_{42} \succ S_5 \succ S_{25} \succ S_{40} \succ S_3 \succ S_{38} \succ S_1 \succ S_{53} \succ S_{15} \succ S_{51} \succ S_{13} \succ$
8IFF5	$S_{50} \succ S_{23} \succ S_{21} \succ S_{36} \succ S_{35} \succ S_{48} \succ S_{11} \succ S_{46} \succ S_9 \succ S_{19} \succ S_{17} \succ S_{33} \succ S_{32} \succ$
3	$S_{31} \succ S_{54} \succ S_{16} \succ S_{52} \succ S_{14} \succ S_{24} \succ S_{22} \succ S_{37} \succ S_{49} \succ S_{12} \succ S_{47} \succ S_{10} \succ$
2	
6	$S_{20} \succ S_{18} \succ S_{34}$
7	
1	
DM 3: KPK	
4	$S_{30} \succ S_{45} \succ S_8 \succ S_{28} \succ S_{43} \succ S_6 \succ S_{26} \succ S_{41} \succ S_4 \succ S_{39} \succ S_2 \succ S_{29} \succ S_{44} \succ$
7&8IFF4	$S_7 \succ S_{27} \succ S_{42} \succ S_5 \succ S_{25} \succ S_{40} \succ S_3 \succ S_{38} \succ S_1 \succ S_{23} \succ S_{53} \succ S_{15} \succ S_{36} \succ$
5	$S_{21} \succ S_{50} \succ S_{51} \succ S_{13} \succ S_{35} \succ S_{19} \succ S_{48} \succ S_{11} \succ S_{32} \succ S_{33} \succ S_{17} \succ S_{46} \succ S_9 \succ$
6	$S_{31} \succ S_{24} \succ S_{54} \succ S_{16} \succ S_{37} \succ S_{22} \succ S_{52} \succ S_{14} \succ S_{20} \succ S_{49} \succ S_{12} \succ S_{34} \succ$
2	
3	$S_{18} \succ S_{47} \succ S_{10}$
1	
DM 4: China	
1	$S_{31} \succ S_{46} \succ S_{38} \succ S_{35} \succ S_{51} \succ S_{42} \succ S_{47} \succ S_{39} \succ S_{52} \succ S_{43} \succ S_{33} \succ S_{48} \succ$
7IFF1	$S_{40} \succ S_{36} \succ S_{53} \succ S_{44} \succ S_{49} \succ S_{34} \succ S_{41} \succ S_{54} \succ S_{37} \succ S_{45} \succ S_{50} \succ S_{32} \succ$
-6	$S_{17} \succ S_9 \succ S_1 \succ S_{21} \succ S_{13} \succ S_5 \succ S_{27} \succ S_{10} \succ S_{18} \succ S_2 \succ S_{14} \succ S_{22} \succ S_{28} \succ$
-8	
-5	$S_6 \succ S_{19} \succ S_{11} \succ S_3 \succ S_{25} \succ S_{23} \succ S_{15} \succ S_7 \succ S_{29} \succ S_{12} \succ S_{20} \succ S_{26} \succ S_4 \succ$
-4	$S_{16} \succ S_{24} \succ S_{30} \succ S_8$
3IFF8	
2IFF8	

route-II), with its connectivity with Gwadar, satisfying the DM2 & DM3. Moreover, it also fulfills the DM4 aspirations of the completion of EHPs in stipulated time without revising the plan. The equilibrium state also satisfies Chinese stance considering other stakeholders.

The concluded equilibrium strategy is viable and hence helpful in completing the Eastern route (ER) as EHP as decided in the MoU inked between the Chinese and Pakistan governments. The Chinese and Pakistan governments want to complete the

Table 4. Stability analysis and equilibrium

DM	Options	Equilibrium states
Federal (DM1)	1. <i>Eastern route (ER)</i>	Y
	2. <i>Central route-I (CR-I)</i>	N
	3. <i>Central route-II (CR-II)</i>	Y
	4. <i>Western route (WR)</i>	N
Baluchistan (DM2)	5. <i>Demand WR (DWR)</i>	Y
KPK (DM3)	6. <i>Revise the Project Priorities (Rev)</i>	Y
China (DM4)	7. <i>Resolve & Implement (R&I)</i>	Y
	8. <i>Alternative Routes (AR)</i>	N

ER on time. However, the Central route-II (CR-II) can be considered along with ER in EHP of CPEC project. It would reflect the aspirations of the Baluchistan province to connect Gwadar with the main economic corridor as well as KPK's desire to revise priority route. The Chinese government has not considered the alternative railway routes. The government of Pakistan could negotiate with the Chinese government the development of the CR-IIs. The results were validated using different options and the same state appears to be only feasible state given aspirations decided in APC's and agreed MOU's of CPEC.

5 Conclusion

Collective wisdom reveals the significance of regional economic corridors in enhancing regional development through regional economic cooperation. It is believed to bring prosperity to the participating countries. Initiatives like BRI and CPEC provide vision to act as game changers for the underdeveloped economic regions. The economic corridors not only link the regions with modern infrastructure networks but also provide entrepreneurial and employment opportunities. But, it requires identification of legitimate stakeholders and aggregation of their interests not only at national but also at regional and local levels. The CPEC being a long-term initiative has multiple projects ranging from short-term to medium, and to long-term. Therefore, it needs incorporation of political and social interests at every level of planning and its execution.

In such processes, a dialogue between the politician and the development planners is very important. In this case, it has been observed that the identification of legitimate stakeholders is imminent due to asymmetry in illustration of perspectives, domain of decision-making, concentration of power and resources and information sharing. There was a consensus among stakeholders regarding the initiative but the prioritization of their interests had caused conflict that required collaborative planning at the initial stages.

It has been learned that if such initiatives are treated as a national secret to stakeholders and a façade of inclusion is kept in the planning process, it gives the impression neglect and causes undesirable consequences. Such development projects, in developing countries like Pakistan, are politically motivated by both the ruling party

and the opposition, and can jeopardize the implementation of the agreed terms of reference spelled out in international treaties and project execution hampering further FDI. However, political support could ensure smooth project execution without delays.

The projects of that magnitude need creation of strong association of all key stakeholders with unified context in spatial planning. Lack of trust of the regions in the Federal Government could be avoided by building an understanding and including the legitimate stakeholders at planning stage. Intergovernmental negotiation and contracts need to consider all sub-national and regional perspectives. Moreover, sharing of vision and its proper interpretation along with timely dissemination of up to date information could eliminate unwanted conflict based in mistrust.

In the case of CPEC, planners at federal levels also portrayed an autarchic bias having no consultation with provinces. Such planners needed to consider a compassionate perspective regarding both time and resources. Such dominating top to bottom approach of GOP in pursuit of political gain also created an interesting insight into conflict analysis to learn it with attitude perspectives taking into consideration provincial autonomy in signing development plans at their own level in future. The paper enriches the current understanding of negotiation strategy in regional development projects by identifying and applying concepts from GMCR within cross-border regional collaboration. This reflects a growing need to develop system approaches in regional economic development policymaking to provide a win-win solution acceptable to all.

Future research could extend the presented methodology to examining other kinds of collaborative planning efforts in regional economies in public policies, urban planning, setting up economic zones clusters, dealing with environmental and heritage issues, organizational intersegment and planning. Moreover, this study is factual in the sense that it considered real facts but not behaviors. Future researchers could incorporate attitudes of decision makers in such negotiations as strategy. This research also provides grounds for using hyper games for strategic negotiation.

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