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ENTREPRENEURSHIP FOR SUSTAINABLE SOCIOECONOMIC DEVELOPMENT: CAN CHINA-PAKISTAN ECONOMIC CORRIDOR PLAY ITS ROLE?

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KEYWORDS

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ABSTRACT

This study aims to establish a link between entrepreneurship and sustainable socioeconomic development of Pakistan through the contributory role of China-Pakistan Economic Corridor (CPEC). Using cross-sectional research design, data were collected through self-administered questionnaire from sample of 358 entrepreneurs. Data validity was determined by exploratory and confirmatory analyses and reliability through Cronbach Alpha. The linkages amid entrepreneurship and sustainable socioeconomic development were determined by using Structural Equation Modeling. Results indicated that over CPEC, local entrepreneurs' entrepreneurial attitude and potential have improved and, entrepreneurship was significantly associated with entrepreneurship and sustainable socioeconomic development of Pakistan, whereas the impact of CPEC had partially mediated association between Entrepreneurship and Sustainable Socioeconomic Development. CPEC has stimulated the entrepreneurial growth in Pakistan by directing the local entrepreneurs of Pakistan in a novel way to enter the Asian markets, thus helping them to contribute towards the entrepreneurship and sustainable socioeconomic development of Pakistan.

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INTRODUCTION

China–Pakistan Economic Corridor (CPEC) is a collection of infrastructure and developmental projects currently operating in Pakistan (Menhas, Mahmood, Tanchangya, Safdar, & Hussain, 2019). CPEC is generating numerous opportunities by knocking doors of local entrepreneurs across Pakistan. Through CPEC the Pakistani entrepreneurs can develop their entrepreneurial potentials, which will enable them to contribute towards socioeconomic of Pakistan (Hussain, Yu, Suleman & Manzoor, 2021). The combined benefits of CPEC will be high as Pakistan has

about 80% of businesses run by entrepreneurs. Such businesses are employing 80% of non-agricultural workforce and contributing a share of 40% to annual GDP of Pakistan (SMEDA, 2019). It means that business environment inside Pakistan has huge opportunities for growth of entrepreneurship, which is expected to contribute towards country socioeconomic growth in long run. Successful development of a country can only be ensured through its quality of being sustainable (Allen, Metternicht, & Wiedmann, 2016). Consequently, sustainable development should cover both social and economic aspects by keeping a balance between the two (Tuziak, 2010).

Among other means of achieving sustainable socioeconomic development, entrepreneurship is considered to be most effective way (Filser, Kraus, Roig-Tierno, Kailer, & Fischer, 2019). It is as entrepreneurship can help in encouraging social cohesion; it can reduce social inequalities by expanding opportunities for all within a society. Furthermore, entrepreneurship can drive economic progress through self-employment that is fostered through innovation (UN General Assembly, 2016). Successful entrepreneurship is dependent on good entrepreneurial attitudes and potential of entrepreneurs (Yousaf, Ali, Ahmed, Usman & Sameer, 2021). While reviewing the entrepreneurial attitudes, the existing literature document factors, for example, individual control, success orientation, self-confidence (Harris & Gibson, 2008), the opportunity seeking, risk taking (Rosairo & Potts, 2016) and autonomy (Gelderen, Shirokova, Shchegolev & Beliaeva, 2019). It is very interesting to know that the entrepreneurial attitudes act as driving force in developing positive entrepreneurial potentials, for example, the creativity, vigor, determination (Kariv, 2011), self-insight and strong interpersonal learning skills (Wang, Yueh, & Wen, 2019). The strong entrepreneurial attitudes and potentials can truly help in running any businesses successfully.

However, entrepreneurs vary in their degree of entrepreneurial attitudes and potentials, also, the entrepreneurial activities also vary according to geographic location, therefore sometimes it is difficult to reach at any conclusion about impact of entrepreneurship. The social justice can ensure equal rights and responsibilities, with fair distribution of the resources. Finally, engaged governance can provide system for working together (Yousaf, Ali, Ahmed, Usman & Sameer, 2021). This fact will be truer in case of Pakistan, especially within context of CPEC since it is not known whether Pakistani entrepreneurs are playing a role in the sustainable socioeconomic development of country? The external factor responsible for the economic sustainability includes alignment of the stakeholder, modifying tax system (since certain tax systems are barrier to sustainability), developing financial market, designing resource-efficient with transportation system, and evolving investors for support for sustainability (Wang, Yueh, & Wen, 2019). This study has tried to fill this research gap by examining the attitudes and potentials of the local entrepreneurs for establishing link between Entrepreneurship and SSeD of Pakistan over the contributory role of CPEC. Thus, in this way, this study has investigated the following research question:

1. Are entrepreneurial attitudes and potentials of the local entrepreneurs playing any positive role in the Sustainable Socioeconomic Development of Pakistan?
2. Is China-Pakistan Economic Corridor acting as contributing factor in linking entrepreneurship with the Sustainable Socioeconomic Development of Pakistan?

LITERATURE REVIEW

The concept sustainable development is multi-dimensional encompassing the social, economic and environmental dimensions (Stanković, Marjanović, Papathanasiou, & Drezgić, 2021). The sustainable development also covers the psychological and emotional aspects (Khan & Anwar, 2021). Since, environmental facet of sustainability is out of the scope of this study, thus, this section will discuss the social and economic aspects sustainable development through existing literature.

Perspectives on Social Sustainability

Social sustainability emphasizes government influence on societal issues like, e.g., community relationship, charities, and social support for the societal members. Social sustainability can be attained over creation of social capital (Kim, 2018). Social sustainability carries components of social capital, social infrastructure, social justice and engaged governance as identified by Cuthill (2010) in his conceptual framework on social sustainability. According to Cuthill (2010), the social capital is starting point of social sustainability, since social capital inside communities can provide numerous positive social and democratic outcomes that ultimately contribute to overall community wellbeing. Whereas the social infrastructure can ensure community services through the identification of community needs. The social justice can ensure equal rights and responsibilities, with fair distribution of resources. Finally, engaged governance can provide a system for "working together". Kefayati and Moztarzadeh (2015) have identified certain other indicators of social sustainability in Architectural Model of Social Sustainability. According to Kefayati and Moztarzadeh (2015), social sustainability can be ensured by giving quality of life, social justice, social security, social participation and social capital to people in community. Doğu and Aras (2019) have presented Measurement of City from Social Aspects Model. Doğu and Aras (2019), social sustainability encompasses sense of belonging, social capital, perceived positive environment, social security, interaction and satisfaction within community and right of voice.

Perspectives on Economic Sustainability

It should be kept in mind that main focus of economic sustainability is to ensure the efficient usage and an impartial distribution of the available resources (Awais, Samin, Gulzar, & Hwang, 2019). Kahn (1995) has explained economic sustainability in terms of fair allocation of market resources, stable growth of resources, balance consumption pattern and economic growth will help in trickling down of poverty. Kahn (1995) model was simple in nature, therefore, unable to explain internal and external economic factors involved in sustainability. In order to address such issues, Stubbs and Cocklin (2008) introduced a multi-level Sustainability Business Model by integrating both internal and external economic factors. The external factor responsible for economic sustainability includes alignment of stakeholder, modifying tax system (since certain tax systems are barrier to sustainability), developing the financial market, designing resource-efficient transportation system, and developing investors for support for sustainability. Also, Despotovic et al. (2016) presented a broader perspectives of economic sustainability in their framework of tri-dimensional sustainability. Economic sustainability can be achieved through labor and goods market efficiency, financial market development, technological readiness and increasing market size. Strezov et al. (2017) found that sustainability could be attain once there are plenty resources, with education, sanitation, employ and health facilities for all community. There is equal distribution of income, people have genuine savings and there are no or less debts.

Models on Entrepreneurship

Multidimensional scope of entrepreneurship concept is demanding need of interdisciplinary approaches (Yamamura & Lassalle, 2022). Since, interdisciplinary stance can assists in clarifying all dimensions of entrepreneurship. The pioneer entrepreneurial model was presented by Schumpeter (1934) proposing that entrepreneurship can stimulate innovation through change. He characterized innovation as "new combinations" meaning that with the entrepreneurship, new pursue could be created within the existing market. Another known model was presented by Kirzner (1978), who argued that innovation and "new combinations" may not be necessary for creating new resources. Similarly, there is no such need for initiating changes in the market factors, since the entrepreneurs can get benefits from the existing information asymmetries in prevalent markets. Where internal economic factors include demand aggregation, retain local capital revenue sharing, community shareholder ownership and stakeholder engagement for community development. Kirzner (2009) in his updated work has pointed out another element, i.e., speculative sense. Entrepreneurs should have subjective guesses, which will exhibit their strategic skills. Broadly speaking, theoretical outlooks on entrepreneurship can be divided into following:

i. Economic Approaches, which mainly focus on the supply-demand determinants and on and the economic rationality (Luiz, 2010);
ii. Psychological-social approaches that focuses on the psychological, social, and cultural features of entrepreneurs (Santos, Caetano, & Curral, 2013);
iii. Institutional approach, which suggest institutions as the key determining factor of entrepreneurship (Webb, Bruton, Tihanyi, & Ireland, 2013);
iv. Resource or capacity based approach focuses on acquiring and leveraging of resources to create new ventures (Alvarez & Busenitz, 2007).

Theoretical perspectives on entrepreneurship have helped in understanding the entrepreneurial attitudes and potentials. Existing literature has documented various entrepreneurial attitudes, including innovativeness (Krueger, 2005), propensity to take risk (Gu, Hu, Wu, & Lado, 2018), perceived personal control (Rotter, 1966), need for achievement (McClelland, 1965) and self-esteem (Rosenberg, 2015). Entrepreneurial potentials includes possession of certain skills, e.g., learning skills, interpersonal skills, opportunity skills, strategic skills (Wang et al., 2019); sure personal qualities, e.g., self-efficacy, resilience (Krueger & Brazeal, 1994) and certain abilities, e.g., issue-solving ability, emotional stability, team building ability (Raab, Stedham & Neuner, 2005).

Perspectives on perceived impact of CPEC

CPEC is a multipronged project aiming at uniting Pakistan and China through a 2700km long network of roads and railway lines (Khursheed, Haider, Mustafa, & Akhtar, 2019). Since CPEC is expected to harvest both social, economic and infrastructure related development, therefore, its effectiveness can be determined in terms of the social, economic, and environmental impacts (Ali, Shah, Shah, Khan, Ullah & Bibi, 2018). Moreover, its impact can also be determined in terms of personal benefits of local people, e.g., career development (Kanwal, Pitafi, Rasheed, Pitafi, & Iqbal, 2020). In this connection, apart from this, some researchers believe that the impact of CPEC can be determined in terms of political improvements (Zhao, Sun & Webster, 2022).

Research Framework

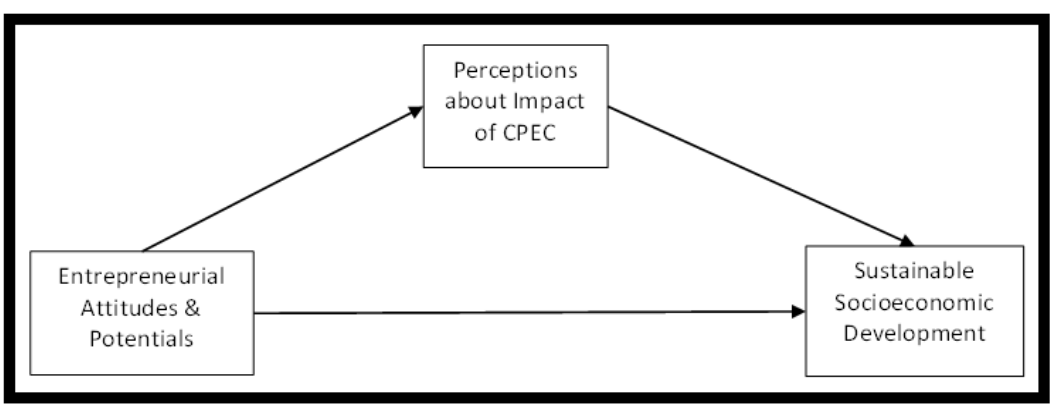
Whatsoever entrepreneurial approach may be taken, it seems clear that there is a link between sustainable socio-economic development and any entrepreneurial activity (Aparicio, Urbano, & Audretsch, 2016). However, entrepreneurship is not directly linked to socioeconomic growth; yet any entrepreneurial activity in a particular area can explain how economic growth could be initiated and how it could be further increased (Jong & Marsili, 2011). Based on such analogy, it can proposed that there is a nexus between entrepreneurship and socioeconomic development (Kusmintarti, Thoyib, Ashar, & Maskie, 2014). Similar is the case of CPEC, which is expected to act as instrumental in the socio-economic development of China and Pakistan. In this regard Menhas et al. (2019) presented a framework for explaining the multidimensional infrastructure led socio-development expected from CPEC. According to Menhas et al. (2019), CPEC is expected to the alleviate economic condition of Pakistan, which will ultimately increase exports. Once economic conditions will get stable then the social environment of Pakistan will also improve through gender equality, social security, interaction within community, satisfaction within the community through right of the voice, better connectivity, and diffusion of technology. As clear from Figure 01, the research framework of current study has been formulated, which is based on the strong theoretical linkages between the entrepreneurship and sustainable socioeconomic development.

Furthermore, following hypotheses have been drawn from this research framework based upon literature:

1. The entrepreneurial attitudes & potentials of local entrepreneurs will be positively linked with the Sustainable Socioeconomic Development of Pakistan.
2. China-pakistan economic corridor will act as contributing factor in linking entrepreneurial attitudes & potentials with the Sustainable Socioeconomic Development of Pakistan

Figure 1

Research Framework



RESEARCH METHODOLOGY

A cross sectional survey research design was adopted since this design is helpful in conducting any research at a specific time point in cost and time effective way (Miller, Vandome, & John, 2011).

Population and Sample

The population of current study consists of entrepreneurs (small business owners, merchants, and shopkeepers) residing in the twin cities of Kohat and Karak (these cities are located on the western CPEC route). These twin cities have been taken because these are business hub of the southern Khyber Pakhtunkhwa region. These two cities are located at the central point in the junction between capital city of Peshawar and other southern districts, extending up to boarder of Punjab Province. Since total number of entrepreneurs in this area was not known, therefore three research assistants were nominated to visit each Union Council/Administrative Unit of the twin cities and note down number of major business points/ markets. It was later revealed that there were total 83 business points/markets in the twin cities, with 854 entrepreneurs, as clear from Table 01. A two-stage sampling procedure was adopted for drawing sample. In first stage the union council/administrative unit of twin cities were divided into clusters. Then in 2nd stage, simple random sampling was done within each cluster. In this way 389 entrepreneurs were selected as clear from Table 01. Simple random sampling was done as in this technique each sampling unit has an equal chance of the selection from the total population (Thompson, 2012).

Data Collection Procedure

Firsthand data on variables was collected over self-administered questionnaire that was distributed among selected entrepreneurs by research assistants, who personally visited each cluster in twin cities. The questionnaire was designed by adapting available scales on variables with following sections:

1. Entrepreneurial Attitudes: Five entrepreneurial attitudes were measured by 20 items of Entrepreneurial Attitudes Questionnaire by Abun et al (2017);
2. Entrepreneurial Potentials: Seven entrepreneurial potentials were measured by 14 items of self-assessment tool-european certificate in entrepreneurship (SAT-ECENT, 2005);
3. Sustainable Socioeconomic Development: The social dimension was measured by 10 items of Measurement of city from social aspects scale by Doğu and Aras (2019), while the economic dimension was measured by 05 items of Questionnaire for Measuring Community Sustainability by Magee et al. (2012) and 05 items developed according to Sustainable Society Index (Saisana & Philippas, 2012);
4. Perceptions about Impact of CPEC: Three impacts of CPEC were measured by 09 items of CPEC impact questionnaire by Ali et al. (2018) and additional impact was measured by 03 items of questionnaire developed by Kanwal et al. (2020).

Table 1

Population and Sample Distribution

City	Administrative Unit	Number of Major Business	Number of Entrepreneurs	Sample Taken
District Kohat	Bahadar Kot	03	31	15
	Billitang	04	43	18
	Chorlaki	03	28	14
	Dhoda	02	22	12
	Jarma	02	18	10
	Kharmatu	03	35	15
	Khushalgarh	03	33	15

	Lachi	04	29	13
	Mandoori	03	34	15
	Muhammadzai	02	19	10
	Nusrat Khel	03	34	16
	Shah Pur	02	22	12
	Shakardara	03	32	14
	Surgul	02	16	10
	Kohat City	04	44	15
	Sher Kot	03	31	16
	Togh Bala	02	15	08
	Usterzai	03	33	16
Total		51	519	224
	Chowkara	03	34	15
	Banda Daud Shah	02	18	10
	Karak City	04	38	16
	Takhat Nasrati	02	22	15
	Sabir Abad	02	24	12
	Mittha Khel	02	26	13
District Karak	Nari Panos	02	18	10
	Khamidan	03	34	15
	Amberi Kala	03	33	15
	Latamber	02	21	10
	Bahadar Khel	02	18	09
	Ahmed Abad	03	33	16
	Gurguri	02	16	09
Total		32	335	165

Responses to the all items of questionnaire were scaled according to five-points Likert scaling procedure. The questionnaire was in English language that is most spoken language in Pakistan. The data were collected within a time of two months from 15th November 2019 to 15th January 2020.

Data Analysis Procedure

Data were analyzed in a systematic way. In this regard following data analysis techniques were applied:

1. Cronbach's Alpha Coefficients for determining scale reliability about the diverse measures.
2. Exploratory Factor Analysis for determining the scale construct validity of the measures.
3. Structural equation modeling with maximum likelihood estimation way (Hair, Anderson, Tatham, & William, 2010) was performed for knowing direct and indirect relationship. Whereas the fit indices included:
   - Chi Square and Normed Chi-square.
   - Normed Fit Index.
   - Root Mean Square Error of Approximation.
   - Root Mean Square Residual.
   - Goodness of Fit Index.
   - Comparative Fit Index.

4. Structural Equation Modeling method as suggested by Holmbeck (1997) was followed. This approach states if A= independent, B=mediator and C=dependent variables, then initially a model fit of direct effect $A \rightarrow C$ model should be assessed. After an adequate fit of direct effect is assumed, then the fit of overall $A \rightarrow B \rightarrow C$ should be tested. At this point, there should be a significant direct relationship between $A \rightarrow B$, $A \rightarrow C$, and $B \rightarrow C$ paths. For testing mediation, the $A \rightarrow C$ paths should be initially constrained to zero and the model fit should be observed. In next step, the $A \rightarrow C$ path should not be constrained to zero and it should be checked that whether this unconstrained model is providing a significant improvement in fit over constrained model? For meditation effect, addition of the $A \rightarrow C$ path to constrained model should not improve the fit and this would be a full mediation. However, in contrast, if improvements occur in constrained model along with significant paths following inclusion of $A \rightarrow C$ path, then there is partial mediation. The improvement in fit indices is assessed through examination of changes in the Chi Square values.
5. The Structural Equation Model had two indicators for dependent variable of "sustainable socioeconomic development", twelve indicators for predicting variable of "entrepreneurial attitudes & potentials" and four indicators for mediating variable of "Perceptions about CPEC".

RESULTS OF STUDY

A pilot study was carried out for determining its reliability and validity. The face and content validities the questionnaire was determined according to the steps recommended by Taherdoost (2016). The initial face and content validities of questionnaire was determined by researcher himself through a thorough review of all items of questionnaire by keeping in view theoretical models of the current study. In addition, researcher also reviewed relevant research studies on measurement scales. In next step, two experts were asked to check facet of questionnaire and to check the overall readability, consistency, and the clarity of language of questionnaire. For this purpose the experts were also given the checklist, as developed by Alnahhal and May (2012) to rate questionnaire. The Cohen's Kappa Index for such rating was 0.68. The construct validity and reliability was determined according to guidelines of the Bolarinwa (2015). A sample of 50 respondents was taken since sample size for the pilot study range from 25 to 100 respondents (Cooper & Schindler, 2008). Thus, selected respondents were asked to fill the questionnaires. Convergent validity was determined by running the principal component analysis with Varimax Rotation (Kaiser, 1974). Table 02 shows that factor loadings and communalities are within the acceptable ranges, thus providing evidence for Convergent validity of the five variables of this study.

Table 2

Convergent Validity statistics

Variables	F-Loadings	Communalities	KMOs	C-Variance
Entrepreneurial Attitudes	0.60 to 0.90	0.65 to 0.93	0.76	39.98
Entrepreneurial Potentials	0.67 to 0.87	0.55 to 0.86	0.77	51.61
Perceptions about Impact of CPEC	0.61 to 0.85	0.56 to 0.80	0.56	20.47
Social Sustainable Development	0.56 to 0.89	0.59 to 0.80	0.68	40.14
Economic Sustainable Development	0.61 to 0.88	0.50 to 0.82	0.66	37.05

To test the Discriminant Validity Hair et al. (2010) approached was followed. Initially a squared correlation matrix of all variables was created, and average variances extracted were calculated through Fornell and Larcker (1981) formula. Average variances extracted were compared with the squared correlation between variables. In this connection, for distinctiveness of constructs, the Average Variances Extracted should be greater than correlation coefficients (Farrell, 2010). In this connection, table 3 shows that all average variances extracted are greater than squared correlations, therefore providing sufficient evidence for discriminant validity for scales in this connection.

Table 3
Discriminant Validity statistics

	EA	EP	PCPEC	SSD	ESD
EA	0.49				
EP	0.47	0.68			
PCPEC	0.19	0.16	0.55		
SSD	0.38	0.46	0.41	0.83	
ESD	0.34	0.49	0.38	0.56	0.97

Note: EA=Entrepreneurial Attitudes; EP= Entrepreneurial Potentials; PCPEC= Perceptions about Impact of CPEC; SSD=Social Sustainable Development; ESD=Social Sustainable Development

The reliability of the scales was determined through calculation of Cronbach alpha coefficients. In this connection, Table 4 shows that values of Cronbach Alphas for all variables were within the acceptable range, consequently providing enough evidence for reliability of all scales about variables.

Table 4
Reliability Statistics

Variables	Number of Items	Cronbach Alpha Coefficients
Entrepreneurial Attitudes	20	0.91
Entrepreneurial Potentials	14	0.90
Perceptions about Impact of CPEC	12	0.65
Social Sustainable Development	10	0.83
Economic Sustainable Development	10	0.79

After the pilot study, the final data was collected. The final data was analyzed in the following ways:

Missing Data Analysis
Finally collected data were checked for missing data. The details show that out of the total 389 distributed questionnaires, only 370 questionnaires were returned. These 370 questionnaires were checked for completeness by running the Little's Test for Missing Completely at Random (Little, 1988). The results for missing data analysis showed that 16 questionnaires had missing data. In this connection, Hair et al. (2010) suggested that if missing data exceeds limit of 10% for a single case then should be deleted. Since these 12 questionnaires had crossed this limit so they were deleted. In this way, sample size dropped from 389 to 358 with the response rate of 91%.

Testing of Hypotheses

The hypotheses were tested according to the pre-defined procedure as mentioned in the data analysis section. Initially a hypothesized model (M1) was built in such a way that five indicators of entrepreneurial attitudes were kept separated from seven indicators of entrepreneurial abilities, while making their link with the dependent variable of socioeconomic development through a mediating variable of Perceptions about Impact of CPEC. This model fitted to the data as clear from its fit indices, see Table 5. In this connection, based upon the results, since, (M1) model did not show better model fit, therefore, (M2) model was built by combining five indicators of entrepreneurial attitudes with seven indicators of entrepreneurial potentials that showed better fit. In the next step, a Direct Effect Model (M3) was built by excluding the mediator variable, so that direct link between independent and dependent variables could be observed. Therefore, based upon the findings, the results showed that independent variable was significantly positive associated with dependent variable (β=0.66, p=0.000). In this connection, the first hypothesis, i.e. H1= "Entrepreneurial attitudes and potentials of the local entrepreneurs will be positively linked with sustainable socioeconomic development of Pakistan" was consequently successfully accepted.

Following this, the direct relationship between dependent and mediator variable was observed through a Direct Effect Model (M4), which showed that both the variables were significantly positive related (β=0.54, p=0.000). Finally, the direct link between independent and mediator was observed by excluding dependent variable through a Direct Effect Model (M5). The results showed that the independent and mediator variables were significantly positive associated (β=0.68, p=0.000). Lastly, to test mediation, both constrained and unconstrained models were built. Initially the Constrained Model (M6) was created. In this connection, in this model the direct $A \rightarrow C$ path between independent and dependent variables was constrained to zero. In the next step, an Unconstrained Model (M7) was built, where the direct $A \rightarrow C$ path between independent and dependent variables was not constrained to zero. In this connection, results showed that the Constrained Model (M6) could not provide a significant improvement in the fit over the Unconstrained Model (M7), as clear from Table 5. In this connection, improvement in the fit indices of the Unconstrained Model (M7) demonstrates partial mediation as clear from Figure 02. In this connection, this led to the successful acceptance of the second hypothesis, i.e., H2= "China-Pakistan Economic Corridor will act as the mediating factor in linking the entrepreneurial attitudes and potentials with the Sustainable Socioeconomic Development in Pakistan".

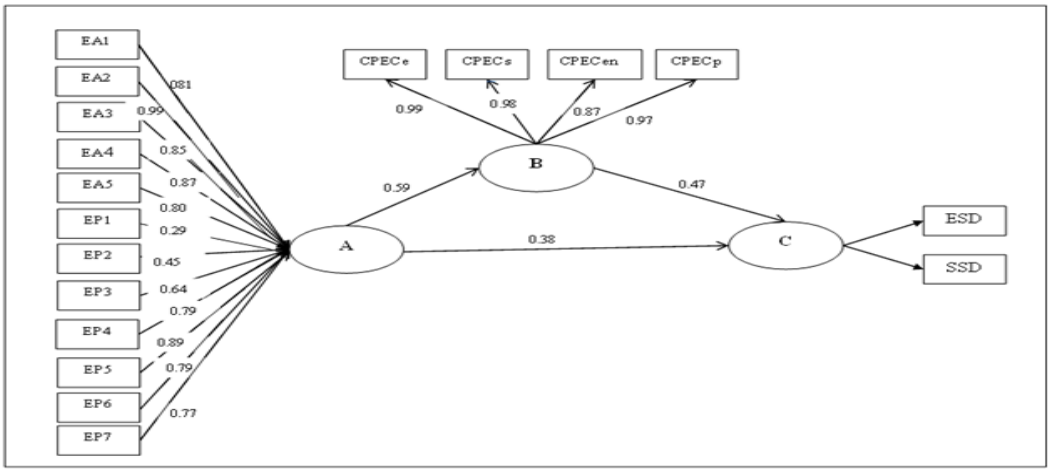
Table 5

Results of SEM for Hypotheses Testing

Models	X^2	*df*	X^2/df	RMSEA	RMR	CFI	GFI
Hypothesized Model (M1)	280	65	4.31	0.096	0.017	0.955	0.911
Hypothesized Model (M2)	273	76	3.60	0.085	0.014	0.960	0.915
Direct Effect Model (M3) Ex: MV	287	66	4.34	0.094	0.018	0.950	0.894
Direct Effect Model (M4) Ex: IV	656	137	3.337	0.099	0.046	0.821	0.861
Direct Effect Model (M5) DV	357	94	3.80	0.089	0.024	0.931	0.896
Final Constrained Model (M6)	488	115	4.24	0.095	0.018	0.932	0.875
Final Unconstrained Model (M7)	479	116	4.12	0.096	0.017	0.934	0.884

Figure 2

Unconstrained Final SEM Model



Note: EA=Entrepreneurial Attitude; EP= Entrepreneurial Potentials; A=Independent Variable; B= Mediator; C= Dependent Variable; CPECe= Economic Impact of CPEC; CPECs= Social Impact of CPEC; CPECen= Environmental Impact of CPEC; CPECp= Positive Impact of CPEC; ESD= Economic Sustainable Development; SSD= Social Sustainable Development.

RESULTS AND DISCUSSION

Since entrepreneurs vary in their degree of entrepreneurial attitudes and potentials, therefore, a pertinent question arises, whether Pakistani entrepreneurs will play a role in Socioeconomic Sustainable Development of their country, especially within context of CPEC? This study has examined this research gap by determining the relationship between the entrepreneurship and Socioeconomic Sustainable Development of Pakistan through contributory role of the impact of CPEC. This study is the first to collect and test empirical data from the residents of Khyber Pakhtunkhwa that are living in cities which are located on the CPEC route. The results of this study indicate that the entrepreneurial attitudes and potentials of local people were positively associated with Socioeconomic Sustainable Development of Pakistan, whereas the perceived impacts of CPEC had partially mediated association amid entrepreneurship and Socioeconomic Sustainable Development. It means that CPEC is directing local entrepreneurs in a novel way to enter Asian markets, helping them to contribute to socioeconomic sustainable development of Pakistan. The results of the current study are in concurrence with the findings of previous studies on the role of entrepreneurship in sustainable socioeconomic development in context of CPEC.

For example, the present study found a significant link between perceived positive economic, social, and environmental impacts of CPEC and Sustainable Socioeconomic Development of Pakistan. The concepts of entrepreneurial attitude and entrepreneurial potential were combined because the entrepreneurial attitude helps in developing entrepreneurial potential, therefore, these two concepts have the sequential relationship. Such findings are similar to the findings obtained from one of a recently published research by Saad et al. (2019), which found positive link between CPEC activities and socioeconomic development of Pakistan. CPEC has positively

contributed towards improving the quality of life, increasing employment opportunities, and reducing poverty. It has created educational opportunities for youth of Pakistan. The present study also found some negative environmental impacts of CPEC, i.e., it can make congestion and create noise pollution. Kouser et al. (2020) claimed that CPEC can enhance climate change vulnerabilities in Pakistan through its possible environmental risks like, e.g., CO2 emissions, and tree cuttings. Thus, it is very essential that scientists from Pakistan and China team up with each other for addressing the environmental impacts of CPEC. CPEC is in the safe hands of environmentally responsible people. Moreover, environmental protection agencies of Pakistan and China will also be very cautious to safeguard environment from any hazardous outcome of CPEC.

The findings of current study also revealed that certain entrepreneurial attitudes, e.g., creative tendency and calculated risk taking and some of entrepreneurial skills, e.g., emotional stability, and innovativeness had a positive linkage with the Socioeconomic Development of Pakistan. Similar, the findings were reported by Sher et al. (2019) in their study on the linkages between entrepreneurial skills and improved food distribution in context of CPEC. Sher et al. (2019) found that entrepreneurial factors, i.e., opportunity recognition, and innovation & opportunity orientations had a positive influence on the timely food distribution in Pakistan. It implies that since the agricultural sector is the significant contributor to the economy of Pakistan, therefore, this sector can potentially get benefits from the entrepreneurial activities that are stimulated through the CPEC projects. In a systematic review by Khan et al. (2017) examined the link amid socioeconomic growth and entrepreneurship in CPEC and found that since CPEC consists of infrastructure and development projects, thus, CPEC has stimulated entrepreneurial growth in Pakistan that will ultimately play vital role in socioeconomic growth of Pakistan. Entrepreneurial attitudes, for example, innovativeness and creativity are basically the driving forces, which can instill the entrepreneurial potentials such as emotional stability and resilience (Santos et al., 2013).

The entrepreneurial potentials can help the entrepreneurs to run their business successfully, whereas successful business enterprises can ultimately contribute towards attainment of the Sustainable Socioeconomic Development (Filser et al., 2019). Since CPEC is mega joint venture project, therefore, it has huge potentials to for providing employment opportunities to people of Pakistan (Ali et al., 2018). Besides employment opportunities, local Pakistani communities can take advantage of the investment opportunities, in this way entrepreneurial ventures will be further augmented (Saad et al., 2019). Investment details shows around 20billion US$ will be invested in energy sector for installation of the electric power generating units (CEC, 2020). Similarly, more than 12billion US$ will be invested in infrastructure activities (CPEC, 2020a). Apart from this, establishment of Special Economic Zones in the different cities of Pakistan has been proposed, which is expected to further speed up industrial development in Pakistan (CPEC, 2020b). CPEC is going to create entrepreneurial environment in Pakistan by generating business opportunities, which will attract innovative skills and abilities of local people. In this way CPEC will harness socioeconomic development in Pakistan over promoting the entrepreneurship (Wolf, 2020).

CONCLUSION

Findings of this study have provided valuable insights about catalystic role of entrepreneurship in the Sustainable Socioeconomic Development of Pakistan. This study has also highlighted the

perceived contributory role of CPEC in linking entrepreneurial activities with the Sustainable Socioeconomic Development of Pakistan. It seems that CPEC has become a major initiative for the Sustainable Socioeconomic Development in Pakistan. The CPEC has not only improved the infrastructure but also created connectivity and linkage facilities for entrepreneurs in Pakistan. It is because of the CPEC related entrepreneurial orientation, the Pakistani entrepreneurs have started grabbing the existing as well as forthcoming opportunities available not only in the local markets but in far-off Chinese, Russian and other adjacent markets. Since CPEC has become the game changer for Pakistan, therefore, Government of Pakistan should look very favorably on availing the benefits of CPEC as it is expected that in future the completion of CPEC related mega project will provide Pakistan with the new corridors of profound social and economic prosperity. Government of Pakistan should especially work for development for entrepreneurship inside country by linking it with the activities of CPEC. In this way Pakistan can successfully achieve its long-term Sustainable Development Goals and enter the row of highly developed countries.

Finally, current study has certain limitations that could be changed into opportunities by the future researchers on the dynamics of entrepreneurship. The current study was cross sectional in nature, therefore, in future longitudinal research studies can be carried out that can examine the linkages of entrepreneurship with sustainable development with the passage of time. This study has examined the mediating role of CPEC; however, it is not clear whether CPEC can also play a moderating role in relationship between entrepreneurship and sustainable development. It opens the new research avenues for exploring the diverse roles of CPEC in the sustainable development of Pakistan. The current study was carried out in the two cities located on CPEC route, which can create some problems in generalizing the results of this study over whole Pakistan, for this reason, the future researchers should include cities that are located on CPEC route in other provinces of Pakistan. This study has slightly touched the environmental issues linked with the CPEC, however, the future researchers can in-depth study the environmental issues associated with CPEC. Finally, this study was carried out with the subjective perceived responses from the businessmen, which might not be helpful in drawing any causation. Thus, the future researchers should conduct studies on the objective data and financial figures, or infrastructure related data taken from the official records. Consequently, such analysis will be more helpful to determine the causal association between the entrepreneurship and sustainable development.

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