

China will help Pakistan to overcome its economic woes. This is what Chinese President Xi Jinping has promised at the end of the meeting with Prime Minister Xi Jinping has promised [at the end of the meeting with Prime Minister of Pakistan Shehbaz Sharif](#) on Wednesday, November 2. The leaders met at Beijing's Great Hall of The People on Wednesday, the [last day of Sharif's two-day visit to China](#), his first since taking office in April. He is the first foreign head of government to visit Beijing following the start of Jinping's third five years term, after the conclusion of the Communist Party Congress last month. Later on Wednesday he also met his Chinese counterpart, Li Keqiang.

Sharif went on a two-day-long visit to China on Tuesday. Trade and various diplomatic issues of the two countries were discussed in his meeting with Jinping. Chinese supremo earnestly recalled the importance of friendship with Pakistan to China referring that they had an 'iron-clad friendship'. Sharif thanked him for China's humanitarian aid to Pakistan after last June's [devastating floods that killed 1700 people and damaged nearly 33 million worth of assets](#). Significantly Pakistan has already borrowed about 30 billion US dollars from China, 23 percent of its total external debt. Islamabad is yet to repay the money even after the 'repayment period' has past. Sharif is asking for more loans. He also applied for extension of the period of repayment. It is very clear that Pakistan's dependence on China is increasing over the years to meet its financial and security needs, but for this, Pakistan has to pay high-interest rates. As a result, the majority of experts believe that the country has become bankrupt and is practically being sold to Beijing.

Meanwhile, Pakistan's President Arif Alvi greeted Xi Jinping as a true friend after he was recently elected as the general secretary of the Chinese Communist Party for the 3<sup>rd</sup> time. A few days ago, the former Prime Minister of Pakistan Imran Khan claimed that very soon the situation of the country is going to be like Sri Lanka. Last May, Saudi Arabia threatened that they would not provide any financial assistance to Pakistan due to its inability to repay the old debt. In this tumultuous situation, Pakistan has [virtually no option but to sale its domestic assets to repay the debt](#). It is not unusual that Pakistan will turn to its 'all weather friend' China to get rid of this critical situation. If Sharif manages to achieve guarantees of rescheduling of debt and rolling over of deposits, it could be a landmark achievement of this visit.

Despite India's opposition, China is building infrastructure in vast areas including Pakistan-occupied Kashmir as a part of the 'China-Pakistan Economic Corridor' (CPEC) project. This project is being built in Baluchistan province, which is the most politically turbulent region of Pakistan. However, as a result of the huge cost of this project, Islamabad is practically

burdened with debt to Beijing, according to analysts. And that fear is not groundless as evidenced in various incidents. Last year, a report said China is making huge profits from the CPEC project. This report further claims that China is fooling Pakistan with profit figures. Pakistan's top officials [expressed deep concern about this and submitted an audit report to the then-Prime Minister of Pakistan, Imran Khan. The 278-page report was filled with criticisms of China.](#)

Last April three Chinese nationals were killed in a suicide attack in Karachi, [followed by a terrorist attack on three Chinese-Pakistani dentists in September, these recent incidents have alarmed China.](#) In this meeting, Jinping expressed his apprehension and displeasure over the related issue. It is noteworthy that although Jinping and Sharif discussed the CPEC project, no new investment was announced by China. The question arises whether the unstable condition in Pakistan is making China worried about making new investments. Some analysts think that China likes Sharif and his government but since the election in Pakistan is imminent, China doesn't want to make any long-term investment in this country without judging the stability of this government

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### Reference Links:

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[iii] <https://www.radio.gov.pk/03-09-2022/pm-thanks-president-xi-jinping-for-assistance-of-rmb-400-mln-for-flood-affectees>

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