

Rising China, Foreign Aid and the World —Commentary on White Paper of *China's Foreign Aid (2014)*

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Compared with China's rich experience in providing foreign assistance, the world's knowledge about China's efforts is still very limited, including China itself. When looking back, the modern history of China evolving into today's prominent role on the world stage, together with the previous three decades of the image of being a rebel, fastidiously going against the hegemonic powers in the world, it is not a big surprise to hear from the West and even from the recipient countries that the most prominent characteristic of China's aid was "secretive". In 2006, the most eye-catching event in the world probably was the successfully held China-Africa Summit; where many observers started to speculate on how China could make this rapid success in Africa, and that China's foreign aid to Africa must have been a great tool for China to enter or reenter the continent. Meanwhile, ever since, domestic debates have dwelled upon the basic question, i.e., whether or not China should be providing foreign aid when there are over 80 million poor people in China still living under the poverty line. This reflects tensions between the government and Chinese society, and lacks mutual understanding and information flow between them. Academic contributions to eliminating doubts and confusion have been rather weak because of the appreciable lag in research investment. All together, it has presented the Chinese government with the double-faced pressure of information disclosure, from both its own public and the international community.

In 2011, the second year after the Chinese government celebrated its 60th anniversary of providing foreign aid, the white paper on *China's foreign aid* finally came out. Three years have passed. China's close watchers around the world have gradually been shifting from a surprising and doubting attitude to an apparently accepting position of China's rapid rise as a global power. So far, topics like "the relationship between an aid project the Chinese government provided and Sinopec's newly bought oilfield" or "the decision making process of China's foreign aid", are the most attractive to Ph. D candidates in the world avant-garde universities; but the new focus has been the overall diplomatic strategy that is gradually taking a shape since the new session of the leadership came to power. As the total sum of foreign aid has also been increasing, questions often being asked are, since China is paying a lot of attention to Africa and other developing countries, will China reduce its attention with other parts of the world? Also, with the rapid increase in China's interests in Africa, would it be possible that China is competing with or even threatening to the United States (and other countries) that have their long-term interests already? Apparently, in the eyes of world observers of China's foreign aid, once the concern was to estimate the practical function of reaching political and economic purposes; now it has been seen only as a vane, flag waving among a rising power's strategic priorities and directions.

Different from the first white paper on China's foreign aid focusing on listing aid numbers, destination

countries, ways of implementation and principles, the new white paper released in 2014 obviously is more concerned with the actual positive impacts on social and economic sectors in recipient countries. Stressing the concept of "livelihood" in its foreign aid policy, in recent years the Chinese government has made lots of concrete contributions towards the social and economic development of recipient countries; on the other hand, the Chinese Government also emphasizes quality through building assessment mechanisms, which has been in alignment with the effectiveness principle highlighted by the OECD-DAC group, and other international organizations that are concerned with development assistance.

Secondly, the new white paper has significantly increased the content of foreign aid through regional integration channels. Since the beginning of this new century, China has been actively working with African countries collectively through the Forum of China African Cooperation (FOCAC), Arabian countries through the China-Arab Cooperation Forum, ASEAN countries, Portuguese-speaking countries through the Forum for Economic and Commercial Cooperation between China and the Portuguese-speaking countries. As these mechanisms mature, the role that China has been playing in promoting regional integration and development are self-evident. At the same time, it also shows that China's external assistance is gradually shedding the stereotypical image of being diplomatically instrumental, because of the traditional bilateral characteristics. It has

been actively involved in multilateral cooperation, specifically for constructing infrastructures across regions, which from a global public goods perspective will clearly promote regional integration as well as sustainable development. This in the long term, will also help to build up China's image as a responsible and active power in the world.

Another outstanding difference of the new white paper is the content on "international cooperation", which probably reflects the most important change in recent years that the Chinese aid in itself has been experiencing. Apparently, compared with the previous version released three years ago, this part is increased one and a half times in volume. In terms of practical things, the so-called international cooperation of China's aid, not only means increased support and participation to the international multilateral aid mechanisms, but also means open dialogues through international platforms such as United Nations and the Group of 20. Particularly it is worthwhile to mention that in the previous version of the white paper, the so-called trilateral or multilateral cooperation were just mentioned as an area of "exploration"; today in this newer version of the white paper, be it South-North-South, or South-South-South cooperation, trilateral and multilateral cooperation is making a striking impact. This actually indicates, as China emerges as a global power, that China's foreign aid which used to be seen as a "bilateral diplomatic instrument" now has unavoidably become one part of the whole global governance system of the multi-polar world, it has to consciously participate in solutions on all global issues, be it poverty, sustainable development, non-traditional security (such as terrorism and food security), environmental protection, or climate change.

Today, on the whole international stage, not only China as emerging market has yearly increased its external assistance, other emerging markets such as India and Brazil also have shown a growth trend, and the most significant change comes from Turkey, which is an observer at the OECD-Development Assistance Committee (DAC). In 2012, its total assistance (official development assistance plus non-official assistance) reached 3 billion dollars, almost two times that of the previous year, and in stark contrast to other OECD countries that are still struggling with the financial crisis, many of whom have substantially reduced their development budget. In June 2014, the United Nations Development Department joining hands with the Turkish International Cooperation and Development Department (TIKA), held an international symposium, entitled "international development cooperation: trends and emerging opportunities:

Perspectives of the new actors", and representatives participated ranging from Mexico and Venezuela in Latin America, Poland and Romania in Eastern Europe, Kazakhstan and Azerbaijan in Central Asia, and Malaysia and Indonesia in Southeast Asia. All are emerging players, which are hardly mentioned in all the classical textbooks of development studies. These representatives sat together with the traditional donors of OECD (including Korea as a recent DAC member), the United Nations and its various branches, the World Bank, other multilateral international organizations as well as representatives from the BRICS countries. All these old and new players, different modalities as well as ways of thinking underlying their development aid practices, converging onto the new landscape of global development assistance, with new and active bodies graduating from the recipient countries themselves, have started to use their experience of accepting foreign aid to help the least developed countries to manage their aid portfolios.

In China's case, there is no exception. With a new round of "aid for trade" consensus promoted through the platform of the WTO, the sense of ownership has been gaining among the recipient countries and their actual capacities to participate in the process of cooperation has also dramatically increased. In future, as an unavoidable trend, the private sector and the public will increasingly participate in the arena of international development cooperation. Given the limitation of China's overall diplomatic resources, there is still a need for China to greatly increase investment in development assistance (especially in terms of international public goods); at the same time how to use appropriate words to communicate effectively with its public its own concept of development aid as well as its decision to increase participation in global governance, is also very needed. Based on the solid foundation of a mutual understanding, the Chinese government then could expect to welcome both the public and the private sectors to do international development cooperation together with proper practical mechanisms built up as the first step. With two versions of the White Paper on its development assistance already released, China has expressed to the world its own philosophy of aid, the progress achieved as well as the recent readjustments especially the latest one. It is the very point in question that China's emergence as a global power should have, and it is just a starting step up, for China to obtain a higher platform of international development assistance.

In early 2014, as a visiting scholar in Canada, the author was able to investigate the new aid

trend of the Canadian government. Interestingly enough, the Canadian government quietly incorporated its influential Canadian International Development Agency (CIDA) under its Ministry of Foreign Affairs, and only publicized it when it was announcing its 2014 Government budget. The reason was just to avoid the disapproval of the general public as well as the academics. Likewise, in many other OECD countries, the public generally take humanitarian assistance as a national responsibility for granted, which is in stark contrast from the emerging donors, as most representatives from these countries has confirmed, the public discontent or lack of understanding of the public intent is now one of the biggest obstacles to their development assistance work. This shows that what the Chinese public opinion is about whether China should provide aid or not is not new or unique; it is a common reaction across most new players in the international aid arena.

The exciting news is that the United Nations Children's Fund (UNICEF) reported that well over half of its resources come from the contributions of ordinary people, and they have been widely using new social media to mobilize people, including some of the general public of China. Coincidentally, the United Nations High Commissioner for Refugees, and Doctors Without Borders (MSF), have also increased among the Chinese their general public images, to raise awareness about the many humanitarian crises in the world, as well as to raise support from the public for tackling the problems. For the Chinese government, it can actually take advantage of the emerging trends of the global society to actively promote a sense of international responsibility and to cultivate feelings among the people of being nationals of a big power. On one hand, to respond positively to the demands of more information from its citizens, the Chinese government should do more to communicate transparently with the public, including opening more archives. On the other hand, the Chinese government must acknowledge that to cultivate a deep sense of "global citizen" is a more important cognitive premise than anything else to a sustainable development aid program as well as a higher degree of public participation in the long-term foreign development cooperation arena.

Diversified participation not only has brought the reconfiguration of the whole international development

cooperation chessboard, featuring a more multi-polar outlook. More importantly, the dominating mode of "South-North" has been significantly changed: South-South cooperation actually has become the main theme with conditionality-free partnership as the outstanding feature. To it, comments from Helen Clark, Director of United Nations Development Programme in June 2014 were, "South countries' experiences are naturally more relevant because of a smaller gap between them, thus South-South cooperation generally can provide more solutions to the development problems faced by many". At the same time, most participants from the global South were very hesitant to be addressed as "the new Santa Claus", indicating they refused the obsolete and rejected concept of aid—one-way donor to recipient relationships, but would prefer to be called "providers of development", which emphasizes the concept of cooperative development, sharing the benefits of "development cooperation". On the other hand, as one India representative pointed out, a traditional knowledge bank like the World Bank, cannot provide intellectual supports (even directly playing a guiding role) for current developing countries, including the global issues that human beings commonly face to, so developing countries that have come in front of the stage of international development cooperation arena must establish their own knowledge bank, accumulate knowledge for the other developing countries as well as for the future of development itself. This means relying on developing countries' mutual understanding to accumulate new knowledge to prepare for the education and training of the next generation.

Thus it could be seen, in this new stage of international development assistance, China's aid should not use its own experience to interpret some traditional international development assistance theories; Neither should it shape its rich practical experience according to established development aid frameworks based on the western experience. What China should do is to consider as much as possible other developing countries' experiences as reference points and cases to establish, as diversified as possible, cooperation with different parts of the world, to jointly cooperate in exploring and creating new knowledge as well as theories of international development cooperation, because therein lies the real global future.

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