

The Emerging Powers and the Changing Landscape of Foreign Aid and Development Cooperation

Public Perceptions of Development Cooperation

Summary Paper 1: CHINA

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Project Background

Most DAC¹ donor governments and development NGOs have a strong interest in the public face of foreign aid and international development. Key issues include:

- Do people think foreign aid is a legitimate expenditure of taxpayer money?
- How much foreign aid do people believe is given, and to whom, in which countries?
- How effective do people think aid is in humanitarian crises, or for poverty reduction, enhancing human development or contributing to security?
- Do people believe that foreign aid provides value for money?
- What purposes do people believe foreign aid serves: moral, humanitarian, developmental, security, commercial and/or geopolitical?

DAC donor governments have to convince an array of taxpayers, voters, parliamentarians, journalists and civil society watchdogs that ODA is a just and effective expenditure. Interest in the public face of development has led to investment in a large number of national and cross-national surveys of how people perceive 'development' and how they understand the 'less developed' world more generally. Critics suggest that we need to be cautious about what these surveys actually measure, e.g., knowledge about development or commitment to aid expenditure. There are also doubts about the validity of cross-national data.

However, to date there has been little or no analysis of what various publics within the range of 'non-DAC' countries think about their foreign aid/development cooperation activities. In this project, we researched the public face of development in **China, India, Poland, Russia and South Africa**. These diverse 'southern' and 'eastern' development partners have a range of historical and contemporary development cooperation policies and practices. In each case, we examined the extent of public awareness of their official development cooperation policies and activities; how this and perceptions of the purpose and legitimacy of development cooperation varied between different segments of the public; and whether or not official development actors and agencies sought to engage with the public.

Research conduct and methodologies

Given the size of this project it was not feasible to conduct large surveys. In Poland and Russia we were able to draw upon existing surveys, but none to date exist in China, India or South Africa. We conducted interviews with government officials; academics and think tank personnel; development NGO workers; private sector interests; and journalists and editors. The balance varied between country settings because of context; for example, in Poland the very heavy involvement of NGOs contrasted to China and India, and shaped our choice of respondents. The second shared approach was print and Internet media analysis. Given the scale of the project and the very different country contexts, this was not standardized across the case studies, but shaped to the circumstances of each one. The project has benefited enormously from the discussions we have had across our five case study countries, but it was not designed to be formally comparative. All of our respondents were interviewed with informed consent, and anonymity was guaranteed unless otherwise agreed.

Full project details can be found at:

<http://www.geog.cam.ac.uk/research/projects/foreignaidperceptions/>

This website also has details of longer academic papers

¹The Development Assistance Committee (DAC) of the Organisation for Economic Cooperation and Development (OECD) comprises 23 industrialised countries plus the European Union. All are western other than Japan, and since 2010, South Korea.

China's development cooperation at a glance¹

History: In 1950, the People's Republic of China (PRC) commenced its aid program by providing material assistance to the Democratic People's Republic of Korea (DPRK) and Vietnam. Development aid to Africa began in 1955 following the Asian-African Conference in Bandung, Indonesia. At that time aid was ideologically influenced, but gradually it shifted towards economic pragmatism beginning in the 1980s. By the end of 2009, China had provided a total of 256 billion Yuan in aid to foreign countries, mainly developing and low-income countries.²

Institutions: Officially, the Ministry of Commerce is the main agent of the foreign aid program, and is also where the department of foreign aid is located. However, there are other agencies working on various projects concurrently, such as the Ministry of Foreign Affairs (through its foreign-based embassies), provincial governments (through sister-cities program) and State-owned enterprises (Corporate Social Responsibility [CSR] programs).

Modalities: Aid is mainly delivered bilaterally, through forms such as grants, interest free loans, and concessional loans, which are divided into six categories, ranging from financial and technical assistance for key investments to peacekeeping. Recently, aid is disbursed through Engineering, Procurement and Construction (EPC) projects. This usually means aid is disbursed to the recipient through infrastructural projects, such as roads, stadiums and power stations, mainly built by Chinese contractors. Very minimal amount was disbursed for humanitarian or disaster purposes. For example, out of Ministry of Commerce 15 billion RMB budget in 2010, outbound aid takes up 89.8% while China also donated USD\$1.5million to the Haiti earthquake (world's total is US\$5.3 billion).

Partners: Traditionally, aid is disbursed to countries that are ideologically similar to China (such as DPRK). Today, aid mainly goes to developing and low income countries, accounting for two thirds of foreign aid, with the political condition of no diplomatic relations to Taiwan. Out of 123 recipient countries, 30 are in Asia, 51 in Africa, 18 in Latin America and the Caribbean, 12 in Oceania and 12 in Eastern Europe. It is difficult to gauge which country is the biggest recipient of Chinese aid due to the lack of available statistics. However, in the mass media, Africa received the highest coverage in terms of aid allocation regionally while other areas such as Asia are rarely mentioned (despite being the second highest recipient countries).

Recent debates: The 'Chinese way' of doing things is used to justify its deviation from the global norms. For example, the Chinese government do not use the term 'donor' but refer to China as an 'aid-deliverer', 'provider', 'partner'. This promotes an equal relationship instead of 'indebted' relations. The avoidance of the term 'donor' also allows China to deviate from the DAC norms of accounting for aid volume and assessing its effectiveness. This is also built upon broader discourses such as South-South brotherhood, win-win, mutual benefit and mutual respect. The image of 'Rising China with rising global responsibility' and national pride are also often used to harness public opinion and justify its overseas aid policies. Non-conditionalities and non-interference are the cornerstone of overseas aid policy, which raises questions of transparency and good governance, especially in terms of volume, allocation and receiving countries. However, this lack of transparency may not be out of intent, but due to the lack of language abilities, an accounting system and cultural differences.

Project findings

What do the public know about China's development cooperation?

As mass media in China is state-controlled and most of the information disseminated is aimed to justify the state's policies, the state is the main stakeholder. As such, there is no public debate regarding China's development aid activities. However, on the Internet there are some discussions arising from think-tank academics and scholars on Chinese foreign aid. But discussions are always focused on past aid and not on current aid issues and matters, and are usually pro-China.

Barriers to knowledge: Censorship in the state-controlled media is common and only selected knowledge is presented. Foreign aid issues are 'widely' talked about, as exemplified by a program on CCTV 8 (English version), 'Dialogue', which discussed Chinese aid activities with representatives from the government's Ministry of Commerce. However, views presented tend to be pro-government. International media is available through cable TV and the Internet, but censorship is also common especially when it comes to human rights issues. Facebook

and Twitter are also banned in China to curtail personal expressions. It is interesting to note that nationalism is often evoked when and if China is criticized in its overseas activities.

Chinese Discourse: In the Chinese context, the political system has been set up to promote the state as the sole stakeholder of government policies (which includes foreign aid activities), and the public has little or no participation in the discussion of such issues. Foreign aid belongs to the domain of foreign policy, and is considered 'untouchable'. The Chinese approach is also considered as more pragmatic, quick in delivery since it is usually provided on the basis of bilateral agreements between governments. Hence it lacks public debate and free of lengthy bureaucratic processes. This lack of information is attributed to the 'culture of secrecy' and a lack of transparency and good governance.

Transparency and good governance issues: The crucial issue of transparency and good governance was first picked up by international media and is slowly infiltrating the domestic media space. China delivers aid mainly through the bilateral model and often negotiates for partial payment for oil and other resources in exchange for infrastructural projects. The type of regimes China is dealing with and CSR issues are also of concern to international observers. There are also questions about the environmental aspects and sustainability issues of these development projects. The international media has been critical of Chinese actions, but interestingly, the domestic discussion about these criticisms was more focused on justifying China's actions and explaining why Chinese approaches are different from the west. These issues were further entrenched by the lack of information.

Reasons accounting for such lack include cultural factors, as Chinese believe it is important to be humble and not brag about ones' philanthropic acts, as well as the embarrassment for recipient countries if they are publicly known to be in dire need of help, which is related to the issue of *mianzi*, i.e., 'face' value or pride. The lack could also be accounted for by the fact that China has been delivering aid to regimes like North Korea and Burma and would prefer that these figures not be in the public domain, due to the regime type and the possibility of dissent from both domestic and international publics. There are also concerns of corruption at the top level relating to aid. Finally, it is important to acknowledge that the aid system is at a nascent phase and there is a lack of proper accounting and monitoring systems. Hence, perhaps it is not the intent of the Chinese government to avoid publishing the figures, but there is a lack of real figures to disclose.

Mass media strategy: There is no coherent mass media strategy in China, as the dissemination of information on aid is done in a laissez faire manner, is disorganized and is approached reactively. Information from various ministries (such as Foreign Affairs and Commerce) is often duplicated. As the State's mouthpiece, the Chinese media (including the English medium) presentation of information often consists of propaganda pieces with crude outright justification of government policies. The public is also more interested in domestic development and less in Chinese overseas engagements. To the Chinese government, disbursing aid while having domestic poverty is not a contradiction as they see these foreign countries have greater issues and problems with combating poverty. However, according to an online public poll, the public opinion is leaning more towards disapproving aid assistance to foreign countries, with 3 times more people (31943 versus 12154) indicating that China should not offer aid to foreign countries³. Moreover, domestic coverage mainly focuses on the inputs instead of the impacts of aid and discussion is subsumed into larger issues such as trade and investment cooperation. Aid activities are also discussed from a historical perspective. There is a lack of English articles and programs on the topic due to language difficulties.

Recent Changes: There have been positive recent changes. The Chinese Communist Party (government) has been increasingly responsive, both to domestic audiences and to the international media. This could be reflected in the publication of the Foreign Aid White Paper⁴, the 17th Party Congress speech, the changing position on Sudan and Zimbabwe, increasing attention to CSR and sustainability issues, and progressive multilateral cooperation and dialogue. There is also a strong feeling of 'change' in terms of foreign policy with the 90th anniversary CPC celebration and 12th five-year-plan strategies. For example, the 12th five-year-plan took a turn in terms of development policy, moving away from an economic focus to a social and environmental focus. These changes spell hope in terms of the accessibility and freedom of information in the mass media.

Conclusion: Chinese soft power diplomacy has been popular with African and other partners, as it is an alternative to IFI financing and conditionality, and will be here to stay for a long time. China's foreign policy is evolving and there is this increased openness to advice and willingness to learn from other countries. There is also increasing security concerns from other rising powers (for example, India) of increasing Chinese developmental aid activities in Africa and the Indian Ocean. Giving aid is a new role for China and it is in a transitional phase in many aspects. It is important, therefore, to view China as a collaborator in the aid regime, and to explore means and ways to cooperate and coordinate in terms of aid giving. For example, we should look at how China and DAC donors could coordinate complementary aid activities such as China working on infrastructure (hardware) and DAC donors focusing on human development (software) in these recipient countries.

Excessive criticism and scrutiny could be negative, and a positive and patient attitude is a more effective way to engage the Chinese in development cooperation. There is also a need to strengthen cultural understanding between China and the international community, in order to overcome cultural differences and misperceptions. We should utilise this opportunity to socialize China into global norms of aid giving, by assisting China to implement an evaluation and monitoring system. Although China has the financial power to be a giant in the aid architecture, it is still very weak in terms of technology, know-how and good practices. It is only through focusing on the similarities instead of emphasizing the differences, that the DAC and non-DAC donors will be able to work together to provide effective aid giving.

Notes:

¹ There are two parts to this research project: media analysis and field interviews (March-June 2011). Twenty-two interviews were conducted with various development agencies, NGOs, Embassies, Chinese think tanks and academics. Please note most of the respondents' views do not reflect their organizations' positions and some preferred to remain anonymous.

² White Paper on China's Foreign Aid, accessible on the Xinhua News site, 21 April 2011, http://news.xinhuanet.com/english2010/china/2011-04/21/c_13839683.htm

³ Tencent Special Page: 60th Anniversary of China's Foreign Aid 腾讯网中国对外援助 60 年专题, 16 August 2010, <http://view.news.qq.com/zt2010/aid60/index.htm>, accessed 21 September 2010.

⁴ White Paper on China's Foreign Aid, accessible on the Xinhua News site, 21 April 2011, http://news.xinhuanet.com/english2010/china/2011-04/21/c_13839683.htm

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