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Whose Knowledge? Whose Influence? Changing Dynamics of China's Development Cooperation Policy and Practice*

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Abstract This article aims to investigate the recent evolution of China's development policy and practice. More precisely, how do China's policymakers and practitioners understand and debate China's role in international development, specifically in the context of the global Covid-19 pandemic? China's growing development activities overseas, particularly in the African continent, have spurred intense debate over its role as a rising power in international development. China is viewed in the West both as a threat and as a valuable potential partner in development cooperation. However, differences between Western and Chinese conceptions of development have complicated cooperation and understanding of China's development policy. Further understanding of these differences is needed, in order to evaluate their implications for low-income countries, and for potential trilateral cooperation.

Keywords development cooperation, knowledge, governance, practice, development policy, China.

1 Introduction

China's growing role as a provider of development assistance, and the broader impact of its economic engagement overseas, has been the subject of considerable interest both within and outside China in recent years. There has been intense debate about the nature of Chinese foreign aid, especially in Africa and Asia. In particular, the question of what role China plays in global development has fascinated the world. There is a rich body of literature, ranging from studies on China's aid modalities to research specifically focusing on aid data, and case studies on different projects or sectors. Conclusions and opinions appear divided: there are positive analyses that echo

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the 'win-win' perspective of stakeholders from both China and partner countries through to scepticism from those who argue that China's primary interest is in accessing raw materials and exporting its labour and goods.

However, communication and collaboration between Chinese and international policy researchers and practitioners have been limited, creating a knowledge gap and understandable deficit between different stakeholders. Similar to 'traditional' Western donors trying to re-establish global development aid architecture, China is also pursuing a bigger international role for itself through new multilateral platforms, including the Belt and Road Initiative (BRI), the BRICS New Development Bank (NDB), and the Asian Infrastructure Investment Bank (AIIB).

In this context, this *IDS Bulletin* brings together studies of the primary institutions and policies that guide China's activities in development cooperation. It also explores a range of cross-cutting topics including: the new Asian development finance and the potential impact of China on development thinking and policies; and China's development practice and the effectiveness of South-South cooperation (SSC) and triangular cooperation. In an era where the 'traditional' aid discourses and the practices of new 'emerging powers' in development cooperation are simultaneously reacting and evolving – and given China's growing prominence as a source of development finance and as an institutional player, and the potential that it offers for poverty reduction and growth in low-income countries – there is a real need for greater mutual understanding to promote effective cooperation and healthy competition in development cooperation.

2 Evolution of China's development cooperation

Aid, or development assistance in the traditional sense, forms a small element of China's development cooperation, which entails a much broader model of economic engagement that includes significant trade, loans, and capital investments. Official definitions and statistics around China's foreign aid remain vague and are often classified, and the practical and experimental nature of Chinese development assistance means there is little articulation of a model for China's development cooperation. The 2021 White Paper (SCIO 2021) lists technical cooperation, debt relief, and projects as major forms of aid. Of these foreign assistance projects, a majority is spent on economic infrastructure, followed by industry, energy and resource development, and agriculture. Grants, concessionary loans, and assistance for joint ventures are the primary forms of financing, which are used in concert with its investment and trade policies in order to leverage greater investment from the commercial sector.

China is often categorised as an emerging economy, but China is not an emerging donor. China started to provide development

assistance to other developing countries in the 1950s. Over the past 70 years, the concepts and policies of China's development cooperation have been constantly adjusted, showing multi-level, multi-stakeholder, and multifaceted characteristics. China's development cooperation policy has evolved in three main stages, resonating with China's domestic policy transformation. Each stage features its own priorities and shows different characteristics.

The first stage of China's foreign aid is more ideologically focused. In the early days of the founding of the People's Republic of China, revolution was the main theme of the world at that time. The Korean War, the Vietnam War, and the breakdown of Sino-Soviet relations put China in an isolated situation. As a newly established regime, gaining the recognition of its national sovereignty by the international community was the top priority. Also, as a large country, to restore its status as a permanent member of the United Nations was the most urgent task. To win support from developing countries was a feasible approach to achieving these objectives. Therefore, during this period, political objectives dominated China's international development cooperation policies. Most resources from China went to supporting the proletarian revolution and anti-imperialism of developing countries. Foreign aid became the main source for China to fulfil its international responsibilities and to build its national prestige.

China's international cooperation during this period was mainly in the form of assistance in material, cash, and complete projects (similar to Build-Operate-Transfer (BOT) projects) and was designed within the centrally planned economic system. From 1953 to 1963, China's foreign aid accounted for 1 per cent of its fiscal expenses. It has been increasing continuously since 1963, and by the fourth Five-Year Plan period (1968–73), China's foreign assistance had reached 6.3 per cent of its fiscal expense and 2.06 per cent of its gross domestic product (GDP), while at the same time, the Development Assistance Committee (DAC) of the Organisation for Economic Co-operation and Development (OECD) members only contributed 0.3 per cent of their gross national income (GNI). During this period, three quarters of China's foreign aid went to North Korea, Vietnam, Albania, Laos, and Cambodia. During 1959–75, China provided more than US\$838m to just one country, Albania, which is 8.9 times more than the West provided to this country (Backer 1982).

The 'Eight Principles' put forward by Premier Zhou Enlai during his talks with the Ghanaian president, Kwame Nkrumah, in 1964⁴ became the guiding principles of China's international cooperation, and the concept of equality, cooperation, and mutual benefit (Li 2007) was strongly resonated by developing countries. Although mutual benefit was mentioned as one of the key principles, political solidarity carried more weight

in China's development cooperation in practice during this period, which also brought benefit to the partner countries. The Tanzania–Zambia Railway built by China in the 1970s not only played a significant role for Southern African countries gaining independence, but was also a first try for China to promote its own development experiences (Hall and Peyman 1976). It certainly won the hearts and minds of African people, which made the huge economic sacrifice of China worthwhile. China successfully resumed its status as one of the five permanent members of the UN Security Council in 1971 with the support of African countries. But cooperation forged with aid from China for other countries did not turn out to be so fruitful. For example, China's relationship with Vietnam broke down in the late 1970s, even though China had provided it with huge support.

The second stage starts from the reform and opening policy in 1978. China's then top leader Deng Xiaoping made the 'scientific judgement' that 'peace and development' would be the main theme of this new era. In a series of speeches on international cooperation, Deng Xiaoping stressed that China's international cooperation cause needed to 'act according to its capacity', and added the principle of 'seeking truth from facts' to the principles of international cooperation. In December 1982, the then Premier Zhao Ziyang proposed new four principles of China's foreign aid when he visited Africa, i.e. 'equality and mutual benefit, emphasis on practical results, diverse forms, and common development' (Jinghuashibao 2014). China still adhered to the spirit of proletarian internationalism, but at the operational level, foreign aid should also serve China's reform and opening policy.

The principles of equality and mutual benefit became guiding principles of China's foreign aid. It has also become the guiding principle for promoting economic and trade relations with other countries. The definition of development cooperation has gone beyond foreign aid as trade and investment have become indispensable components for development. Under the guidance of the core principles, China's foreign aid policy has undergone several reforms, gradually shifting from the ideologically focused to promoting mutually beneficial cooperation between China and partner countries. This new concept of equal partnership has been widely accepted by foreign countries as it is seen as being able to diminish the inherent inequality in the 'donor–recipient paradigm' (Moyo 2009).

There are two salient features of China's development cooperation during this period. First, the volume of China's foreign aid has increased significantly since the mid-1990s after decreasing in the 1980s. According to the first White Paper on China's foreign aid (SCIO 2011), during 2004–09, the annual growth rate of China's foreign aid reached 29.4 per cent, surpassing that of most developed countries during the same period. Second, economic

development for both China and partner countries was prioritised over other factors. The complete projects (BOT) supported by concessional loans have become the most important form of China's development cooperation. According to the 2014 White Paper on China's foreign aid, in just three years (2010–12), China built 580 complete projects in 80 countries, concentrating on infrastructure and agriculture sectors (SCIO 2014).

In terms of the administrative system, in the context of the institutional reform of the 'separation of government functions from enterprise management' in 1995, China began to expand the scale of aid funds in the form of government concessional and preferential loans (Li 2007). The introduction of the market mechanism changed direct state control over the economy, and enterprises became the subjects of market. Different government departments participating in China's development cooperation could mobilise professional resources to implement foreign aid projects.

The administration of development cooperation became quite fragmented as the original administrative system gradually disintegrated, and the functions of the government began to change. With the addition of market factors, some aid projects gained economic benefit for the Chinese companies. The combination of aid with investment and trade contributed to the transnational flow of capital and human resources between China and other developing countries. Marketisation reforms such as 'equity participation' and 'debt-to-equity swap', revived some old projects that had not run well. Chinese and local enterprises were encouraged to implement China's international cooperation projects in the form of joint ventures. Through the injection of market funds, more resources were mobilised.

The third stage began in 2013, when China's development cooperation entered into a new era. The phenomenal growth of China's economy not only changed China's status in the world, but also increased the global expectation that China should shoulder more international responsibility. In 2013, when President Xi Jinping visited Africa, he proposed the new development cooperation principle between China and African countries, the ideology on 'righteousness over benefit' ('*弘义让利 honghongyirangli*' in Chinese). Specifically, it means that China will conduct development cooperation with Africa based more on 'righteousness rather than mere benefit'. China needs to prioritise 'righteousness' over 'benefit', to 'give more and take less', or 'give first, take later'. In some cases, only giving, no taking (Xi 2013).

To refute the accusation of 'neo-colonialism' and 'debt trap' on China–Africa cooperation, President Xi reiterated the 'five no' policies at the Beijing Forum on China–Africa Cooperation summit in 2018: do not interfere with African countries in exploring development paths that suit their national conditions, do not

interfere in the internal affairs of Africa, do not impose China's will on partner countries, do not attach any political conditions to aid to Africa, and do not seek private political gains in investment and financing in Africa. These policies adhere to the five principles of peaceful coexistence in China's foreign policies formulated in 1954, which fundamentally convinced African countries that China's main objective was to help develop their economy and eradicate poverty.

During this period, more development aid went to the least developed countries (LDCs). President Xi promised to provide US\$12bn to LDCs by 2030 at the UN Sustainable Development Summit in 2015. Rather than emphasising the political or economic gains, China's development cooperation has expanded into broader areas such as environmental sustainability, peace and security, and people-to-people exchange (Gu and Kitano 2018). The volume and geographical coverage of China's foreign aid has increased steadily. From 2013 to 2018, China provided more than RMB27bn to other developing countries. Since the global outbreak of the Covid-19 pandemic, China has provided different types of health aid to 53 African countries and the African Union, including personal protective equipment, respirators, vaccines, and medical teams (SCIO 2021).

At the same time, China has become an active supporter of multilateralism (Carty and Gu 2021). China responded actively to the call of the G20 on the Debt Service Suspension Initiative (DSSI). China has reached consensus or signed contracts on DSSI with 19 African countries and cancelled the interest-free loans of 15 African countries that needed to be paid by the end of 2020. The BRI has become the most important platform for China's development cooperation and new multilateral banks such as the AIIB and the NDB have also become important facilitators of new development cooperation (Gu and Carey 2019). All these indicate that while adhering to the principle of mutual benefit, altruistic elements are becoming more important in China's development cooperation, showing China's willingness to shoulder more global responsibility to promote sustainable development.

From the above analysis, we can see clearly that China's development policy reform has been closely related to its domestic development strategy. 'Mutual benefit' is a core principle in China's aid and foreign policy, through which it helps build up the partner country's capacity for independent 'self-development'. From the practice perspective, China's development cooperation has transformed from concentration on a few countries with clear political goals to the demand-driven nature of partner countries. In most recent years, focusing on sustainable as well as inclusive development has become the new direction for China's development cooperation. By doing this, China's development cooperation has been moving to 'building a global community for a shared future' (Xi 2015).

3 China's new approaches to international development

Since the 18th National Congress of the Communist Party of China (CPC) in November 2012, the central committee of the CPC identified the overall goal of deepening comprehensive reform of China and to promote the modernisation of the national governance system and governance capacity. In March 2018, China established the China International Development Cooperation Agency (CIDCA), an independent ministerial-level agency, to be responsible for policymaking relating to China's foreign aid while the Ministry of Commerce of the People's Republic of China (MOFCOM) would still be responsible for the implementation of development cooperation projects. The fragmentation of the institutional setting has changed to some extent. The 2021 White Paper officially extended the concept of foreign aid to development cooperation, incorporating cooperation under the BRI with China's foreign aid, and re-emphasising that China will conduct development cooperation under the framework of SSC.

While current Western development aid focuses strongly on notions of poverty reduction, social welfare, and political and institutional reform, Chinese development cooperation forms a much broader remit that emphasises economic relationships. China's approach to international development has been shaped by two important policy frameworks on development, the first formulated through the Chinese state, the second through the CPC. Firstly, the 14th Five-Year Plan, adopted by the Fourth Session of the 13th National People's Congress in March 2021,⁵ defined a concept of high-quality growth with innovative, coordinated, and green development. These central principles underpinning China's approach to implementation coalesce with those of the 2030 Agenda for Sustainable Development (2030 Agenda).

In dominant Chinese perspectives, sustainable development emphasises the need for a holistic, integrated approach to policy and practice (Gu *et al.* 2016; Gu, Corbett and Leach 2019). Broadly, it embraces the idea of ecological civilisation as the final goal of change within a given society, involving a synthesis of economic, educational, political, agricultural, and other societal reforms towards sustainability (Zhu 2016). Peaceful development, win-win cooperation, integration and coordination, inclusiveness and openness, sovereignty and voluntary action, as well as 'common but differentiated responsibilities', should be followed in building a new type of international relations featuring win-win cooperation, establishing all-round partnership, and achieving economic, social, and environmental development in a balanced manner (UN 2016: 2).

In 2021, the Chinese government published China's second Position Paper on the *Implementation of the 2030 Agenda for Sustainable Development* (MFA 2021). This sets out the principles,

priorities, and policies and sought to explain the progress made in the implementation of the 2030 Agenda. The paper set out a number of specific elements to be pursued as priority aims:

- Promote high-quality development. As China enters a new development stage, the goal is to achieve sustained and healthy economic development through improved quality and efficiency, guided by the new development philosophy.
- Accelerate innovation and digitalisation. Promote the deep integration of digital technology with the real economy, use digital technology to promote innovation in public services, and improve the efficiency of government.
- Improve people's wellbeing and all-round development. China will develop a high-quality education system, advance the Healthy China Programme across the board, and implement the national strategy for population ageing.
- Boost green development. China will accelerate the green transformation, and increase the efficiency of energy, water, land, and mineral resources. As an active response to climate change, China will strive to peak carbon emissions before 2030 and realise carbon neutrality before 2060.

China further emphasises the need for global partnership and collective action in implementing the 2030 Agenda, stating that China will work with the global community to provide sound support in five principal ways:

- Upholding multilateralism for equity and justice;
- Fostering an open world economy for a sound international development environment;
- Deepening South–South cooperation and global partnerships;
- Supporting international post-Covid-19 recovery;
- Advancing global green and low-carbon transformation and enhancing the global climate response.

The second key policy framework is China's 'new development philosophy' initiated and explained by Xi Jinping in his Secretary-General's Report to the CPC Congress in October 2017. China's development of 'socialism with Chinese characteristics for a new era' under President Xi has at its core a 'people-centered philosophy of development' (Xi 2017: 1, 16); a philosophy reflecting and reinforcing the Sustainable Development Goals (SDGs) and 2030 Agenda commitment to 'leave no one behind'.

China's business sector has become increasingly involved in development projects, fuelled in part by its 'going global' strategy

initiated in 2000. This policy used state incentives, including preferential trade regulations, low-interest loans, and Export–Import Bank of China (China Exim Bank) support, in order to promote the outward investment and global expansion of China’s leading firms and state-owned enterprises (SOEs). China’s SOEs have been involved in both labour-intensive manufacturing and infrastructure construction in developing countries, often through joint ventures with local private enterprises and SOEs, and have become highly influential in developing countries. However, beyond multinational SOEs, a growing wave of Chinese private firms and small and medium-sized enterprises (SMEs) are moving abroad. These SMEs are driven by growing domestic competition to seek new market opportunities overseas, but they do so with little coordination and direction from the state, and are often underprepared when operating in foreign and new environments.

The increasing role of market-driven businesses and SOEs in Chinese aid project implementation indicates an important transition away from state-dominated foreign aid. The growing diversity and multitude of Chinese firms now operating in Africa presents a challenge for state coordination, and in mediating China’s sometimes controversial public image abroad. Though incentivised by the state, business actors also act autonomously from state directives, and this must be recognised when liaising with Chinese business or state actors. Conflicts between state aims and business goals may be an emerging tension as China’s development activities evolve, leading to a potential gap between policy and practice.

China’s approach to aid significantly differs from that of Western donors and is still evolving, and awareness of differences in ideologies behind aid and development remains key to future successful aid cooperation. China does not wish to be regarded as a donor; its conceptions of its development cooperation and rejection of a donor identity must be respected when building engagement and cooperation bilaterally or in global forums. Though non-interference is a central principle of China’s foreign aid policies, its growing involvement and investments in high-risk parts of the world mean that this may be increasingly difficult to sustain. Increased political engagement and investment in security may be a necessary spillover in China’s engagement in fragile states.

The institutional context of China’s development cooperation is complex, and Western donors and external partners must take these differentiated political roles into consideration in order to effectively pursue trilateral development cooperation. The Chinese state and CIDCA in particular still has very limited capacity in coordinating between the multitude of actors operating in this environment. As China’s development assistance commitments grow, the institutional capacity and responsibility of this nascent agency will also need to be developed. Prospects for

trilateral cooperation remain viable, particularly in forums like the G20, which has adopted shared growth and development as a part of its core agenda. As discussed in Section 2, China has also taken steps towards avenues for cooperation, and the creation of CIDCA shows it is willing to learn from, and be amenable to cooperation with, traditional donors. However, recipient countries must be central in leading and participating in discussions around trilateral cooperation with Western countries and China.

4 Contributions to this issue

The articles in this *IDS Bulletin* provide a rich diversity of further contributions to this important and ongoing debate. They supply much needed detail of what is happening in practice on the ground, adding to existing evidence and further illuminating the issues being debated internationally about China's role in international development. Though wide-ranging in their coverage, these articles are aligned around the central theme of this *IDS Bulletin*; namely, China's development policy and practices. Taking this central theme, the respective articles focus on the question of what China contributes to international development and the implications for global development cooperation.

The articles focus, thematically, on just what this overarching ambition means in practice. In the first, Jiantuo Yu and Evan Due (this *IDS Bulletin*) look at some of the characteristics of China's foreign aid system and its development over the years. The article discusses China's foreign aid based on China's own development experiences and its view of SSC. As China's international aid continues to grow and become more prominent, particularly in the context of the BRI, the article calls for a deeper understanding of China's aid institutions and the need for greater cooperation and capacity building.

In the second article, by Karin Costa Vazquez and Yu Zheng (this *IDS Bulletin*), the analysis centres on the recent challenges posed for multilateralism, and the emergence of a sustainable development regime which has pushed countries to engage in more flexible, fluid, and issue-based development finance initiatives and institutions. These changes have had a profound impact on how China conceives and delivers its development finance. The authors argue that it is critical to understand that China's development finance has been increasingly market oriented, concerned with financial and environmental sustainability, and delivered through hybrid bilateral-multilateral channels, particularly since the launch of the BRI.

Shaped by the changes that China experienced at both international and domestic levels, particularly the consolidation of its aid governance structure, these new features signal the rise of a 'new Asian development finance'. This is refocusing the global debate to the importance of combining aid, trade, and

investment under financially and environmentally sustainable frameworks, and channelling development finance through multilateral channels to catalyse structural transformation.

Against the background and context provided by the present introduction and the two initial articles, the following six articles provide theme-focused studies. Jiajun Xu and Richard Carey (this *IDS Bulletin*) examine the impacts, actual and potential, of China's development experiences upon development thinking and policies elsewhere. They argue that the New Structural Economics provides a framework in which three agendas stand out – structural transformation as a policy priority; the return of industrial policy; and the use of Special Economic Zones. They integrate related drivers of growth in China – rapid urbanisation pulling in massive rural migration in an economic transformation process; the financing of provincial and city governments by improvised local government financing vehicles based on rising urban land values; and competition and accountability processes in China's subnational governance system. While China's experiences cannot be directly replicated elsewhere, they argue that lessons on why and how to achieve structural transformation are relevant for other developing countries, especially in fast urbanising and integrating Africa.

In their article on China's non-governmental organisation (NGO) partnerships in a new era of development cooperation, Anthea Mulakala, Robin Bush, and Hongbo Ji (this *IDS Bulletin*), argue that NGO engagement in international development activities would improve their effectiveness. However, challenges exist that constrain optimal engagement, especially access to funding and a weak enabling environment and policy framework. This article addresses these challenges, drawing from the literature on 'going out' among Chinese NGOs and social organisations, along with interviews with key players in the Chinese NGO ecosystem. The authors recommend, among other things, that the government clarify and improve its policy framework for NGOs/social organisations in support of China's international development collaboration, especially regarding funding flows, personnel regulations, and material and capital outflows.

In their article, Chuanhong Zhang, Xiaoyun Li, and Dawit Alemu (this *IDS Bulletin*) examine the effectiveness of SSC through a study of China's agricultural aid projects in Africa. They argue that 'ownership' matters for the effectiveness of SSC. Their analysis centres on the representation of ownership in SSC and how it affects the process and impact of SSC projects using case studies of three uniformly designed Chinese agricultural aid projects in Mozambique, Tanzania, and Ethiopia. Based on long-term participatory observation and in-depth interviews, they argue that ownership in SSC is represented differently from project design to implementation. Divergence and ambiguity exist among different stakeholders in the operation of ownership.

Co-ownership of the two partners at the local level contributes to the effectiveness of SSC projects, while de-ownership and forced ownership have a negative impact on the survival and sustainable development of an SSC project. It is concomitant upon partners to make strong efforts, including in consultation and community engagement, to ensure that the challenges are overcome and opportunities are realised in practice.

The next article, by Xiuli Xu, Lídia Cabral, and Yingdan Cao (this *IDS Bulletin*), explores the formation of China's modern agricultural science capability and its approach towards learning. The authors argue that while China was previously regarded and treated as a recipient of international scientific expertise, it is now a more equal partner and contributor, with capacity to provide funds, support exchange programmes for scientists, and collaborate in building laboratories and joint research programmes. Some of these are now extending beyond the CGIAR (formerly the Consultative Group on International Agricultural Research) system and creating new Southern platforms for scientific collaboration and knowledge production. By offering an illustration of China's 'selective learning' approach, emphasising self-reliance and pragmatism in its engagement with the CGIAR, this article feeds into broader debates on how China contributes to global development knowledge and learning.

The article on Chinese foundations in international cooperation by Lindan Tan and Huib Huyse (this *IDS Bulletin*) argues that China's international cooperation strategies are gradually changing due to evolving views about the limits of its internationalisation approach, which has traditionally mainly focused on building governmental and business relationships. Intensified interactions with developing countries in the context of the BRI are perceived to benefit from an increased role for its domestic NGOs. This article explores China's initial steps in enabling its quickly evolving domestic NGO landscape to internationalise by looking at this development from an organisational capacity perspective. By assessing five key organisational characteristics of 36 Chinese foundations that engage in international cooperation over the period 2014–19, the authors find that the average organisational capacity for international cooperation is still limited but is showing gradual improvement. While they all comply with government regulations in governance and several foundations have large budgets and capacity for their domestic operations, the authors suggest that only a few currently mobilise substantial human and financial resources for their international activities.

The final article, by Sebastian Prantz and Xiaomin Zhang (this *IDS Bulletin*), broadens the perspective once again to consider the triangular aid cooperation conducted by China and Germany in Laos, Ethiopia, and Zambia. The article critically reviews the rise of the triangular cooperation modality to promote development

effectiveness in recent years. The authors argue that the aim of triangular cooperation is to utilise the comparative advantages of development cooperation approaches by a pivotal partner (usually an emerging donor) and a facilitating partner (usually a traditional donor) to effectively generate development impacts together with a beneficiary in its country, while at the same time strengthening the partnership of all actors involved. Recent years have seen an uptake in Chinese institutions actively engaging with international development partners in triangular cooperation. China and Germany have jointly founded the Sino-German Center for Sustainable Development to conduct triangular cooperation projects. This article explores the fields, frameworks, mechanism, and effects of triangular cooperation projects launched by China and Germany by examining case studies of projects initiated in Laos, Ethiopia, and Zambia.

5 Development cooperation in the pandemic era – China and the West

Global development is at a turning point. The common global challenges of climate change and the Covid-19 pandemic threaten all countries and demand unprecedented global cooperation. We need to recognise the differences and competition between regions and countries while still promoting development cooperation. Global challenges require global responses and local solutions. In an international environment of increasing tension and rivalry in the struggle for natural resources, in an ideological conflict over models of governance – and over increasing security anxieties generated by possibilities of technological surveillance – the need for policy-oriented research networking across borders could not be more essential.

The past two years have highlighted the ways in which prospects for global development cooperation have continued to be shaped by geopolitics, global health, and the global economy. The years 2020 and 2021 saw the unexpected global health crisis caused by Covid-19 and the global economic downturn. Further, China's position in global trade and climate change negotiations emphasised the changing balance of economic and political power in the global economy.

China's impressive economic growth and increasing development activities overseas, particularly in the African continent, have spurred intense debate over its role as a rising power in international development (Gu and Carey 2019; Renwick and Gu 2020). China's global engagement with the developing world is changing rapidly and fundamentally. These fast-growing activities present both internal and external challenges for China and the world. How these challenges and knowledge gaps are addressed will not only determine China's internal governance on development issues, but also its external activities and behaviours that are now having a profound global impact.

China is viewed in some Western perspectives as both a threat and as a valuable potential partner in development cooperation. However, differences between Western and Chinese conceptions of governance and development have complicated cooperation and understanding of China's development policy and practices. The Covid-19 global health crisis became an invisible contesting ground beyond the immediate challenges being played out in response to the unfolding pandemic. On the one hand, China hoped to present the best possible image of its country to the world as it rolled out its most intensive and largest-scale emergency humanitarian assistance mission in recent years (Kurtzer and Gonzales 2020). On the other hand, the West hoped the pressure from the international development community could help to change China, recasting its image to align more closely to Western norms of governance and democracy. Further and deeper knowledge of these differences is needed, in order to evaluate their implications for low-income countries, and for potential trilateral cooperation.

6 How can the West cooperate while competing with China?

It has become customary, on the Western side, to categorise West–China relations as based on three types of relationship: **partnership** – where specific interests can be balanced and win–win is possible; **competition** – where market forces are accepted as valid determiners of outcomes; and **strategic rivalry** – where each side tries to outdo the other, displacing the other in the international sphere with its own model of governance, and bringing with that triumph a zero-sum relationship in a broad range of areas. Where does a global striving for sustainable development find its place in the face of these three types of relationship?

The answer is to leave behind all of these conventional ways of thinking and to recognise that development concerns overcome group/national egotism – through a common dedication to the ideal of furthering the welfare of those nations and regions which are in danger of being left behind in global development. Even partnership to balance interests is not enough. It is not a matter of individual aid providers gaining equal benefits for their interests by helping needy countries to progress. Instead, it is by focusing themselves jointly on the third parties they wish to assist, in dialogue with the latter, that there is a real hope of fruitful outcomes, where all grow and are enhanced from enjoying progress together, in a triangular relationship: the West, China, and the global South.

The history of China shows that real change comes from within, not without. China's developmental success has been driven by the country's own changing system, not from without, though the country has drawn on external knowledge and development assistance. China's remarkable development trajectory has been acknowledged by the international community. As the largest

SSC provider and the second largest economy in the world, China's new initiatives and practices in development cooperation, with distinct features from that provided by traditional donors, will reshape the landscape of global development, leading to the generation of new development knowledge and global development cooperation governance architecture.

With the AIIB and NDB being the first major multilateral development banks created once climate change had finally been acknowledged as a major issue to be addressed internationally, China has an opportunity to pioneer the design and funding of positive strategies that support sustainable and inclusive development; for example, around renewable energy or labour-intensive technologies/sectors. China's role grew from one that was just focused on development financing to becoming a knowledge power that produced theory and policy applications for global development (Gu 2015). Increasingly, scholars are focused on the implications of what its 'peaceful rise' means for the international competitiveness of other countries' manufactures; for financial and exchange rate stability; for military security; for global public goods; and for international development knowledge mobilisation and cooperation.

There is a pressing need for countries to build up the capacity to better understand and better participate in global and national development. Initiatives that help to foster mutual learning and long-term relationships are vital. In a changed, and still rapidly changing, global landscape there is much debate on the future of development cooperation. Further dialogue is needed to explore new approaches to international development cooperation and healthy competition over the coming decades. How to build an essential foundation and rule-based international order to share responsibilities and build mutual trust and understanding will be the critical challenge in a post-pandemic era.

Notes

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5 **Agenda of 4th session of 13th National People's Congress.**

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