

Journal of Social and Political Sciences

Tetteh, Evans. (2021), Foreign aid, China's aid and Africa's Development: Interrogating the Dynamics. In: *Journal of Social and Political Sciences*, Vol.4, No.2, 239-248.

ISSN 2615-3718

DOI: 10.31014/ajor.1991.04.02.292

The online version of this article can be found at: https://www.asianinstituteofresearch.org/

Published by:

The Asian Institute of Research

The *Journal of Social and Political Sciences* is an Open Access publication. It may be read, copied, and distributed free of charge according to the conditions of the Creative Commons Attribution 4.0 International license.

The Asian Institute of Research *Social and Political Sciences* is a peer-reviewed International Journal. The journal covers scholarly articles in the fields of Social and Political Sciences, which include, but are not limited to, Anthropology, Government Studies, Political Sciences, Sociology, International Relations, Public Administration, History, Philosophy, Arts, Education, Linguistics, and Cultural Studies. As the journal is Open Access, it ensures high visibility and the increase of citations for all research articles published. The *Journal of Social and Political Sciences* aims to facilitate scholarly work on recent theoretical and practical aspects of Social and Political Sciences.





The Asian Institute of Research Journal of Social and Political Sciences

Vol.4, No.2, 2021: 239-248 ISSN 2615-3718 Copyright © The Author(s). All Rights Reserved DOI: 10.31014/aior.1991.04.02.292

Foreign aid, China's aid and Africa's Development: Interrogating the Dynamics

Evans Tetteh1

¹ Department of Government and International Studies, Hong Kong Baptist University, Kowloon Tong, Hong Kong. Tel: +233543293451. https://orcid.org/0000-0002-7791-1166. Email: 18481221@life.hkbu.edu.hk

Abstract

The distinctiveness of aid to economic growth and development of developing countries has stirred up discussions over the years. The conventional arguments have sought to evince both optimistic and pessimistic views about aid to development in Africa while at the same time studies are copiously emerging around Chinese aid to Africa's development within the broader China-Africa engagements. This article interrogates the dynamics surrounding the subject to examine foreign aid, China's aid practice toward Africa and the possible implications for Africa's development. Probing into the general perspective in literature and other primary sources, the study submits that China's active aid practice has heightened the uncertainties around foreign aid to Africa's development. Notwithstanding the verity of China's aid policies and principles being germane to Africa's development, the practical implementation maintains certain attributes that provoke divided thoughts. Hence, the requisite platform of action should be bolstered to consider both the Chinese interests and the African needs for a well-balanced development in the acclaimed South-South cooperation partnership.

Keywords: Foreign Aid, Aid Effectiveness, China-Africa Relations, Africa's Development

1. Introduction

Foreign aid, in other words development assistance, is a global phenomenon that is considered important for growth, development and international relationships. Although the provision of assistance and support – financial or material – from one state to another cannot be assumed to have only emerged in the 20th century, it registered an exponential growth and political prominence from the end of the World War II. Before the WWII, aid was mainly allotted for humanitarian and altruistic incentives but thereafter, it has encompassed broader foreign policy motives, while being justified for its effectiveness for development (Shaw, 1997).

Generally defined, foreign aid is the transfer of capital, goods, services and resources from a country or an international organization to a beneficiary country for social, economic and political benefits. It could be in the forms such as humanitarian/emergency intervention, military and peacekeeping assistance, infrastructure and equipment supply, human resource development, technical assistance and training. More technically, the Organization for Economic Co-operation and Development (OECD) defines foreign aid as official development assistance (ODA) which by interpretation is a government assistance to the developing countries for economic

development and welfare (OECD, Website). Unequivocally, most foreign aid are arranged and allocated by the economically advanced countries through bilateral channels but at times executed by multilateral organizations.

China, possibly to be positioned as a responsible state actor, is currently a prominent country that provides foreign aid to assist the least developed and the low-income countries. China emphasizes on aid being allocated as a long-term development partnership, economic cooperation and for alleviating poverty, rather than short-term response to humanitarian needs. That attribution seems to be resonating more with the recipient African countries as cooperation and development aid for mutual benefits. To Africa as a recipient, foreign aid is believed to have positive effects on growth when it could promote investments, infrastructure development and human capital formation (Minoiu & Reddy, 2009). To China as a donor, foreign aid might be employed to achieve not just the economic benefits, but also political and diplomatic influence, for which reason aid could be regarded as a foreign policy tool for such an advanced nation (Morgenthau, 1962).

The academic interrogations of China-Africa relations keep emerging but tend to be predominantly encircling the broader areas of the engagement, while few others explore aid but from the economic perspective. A recent survey has revealed that, the five general recurring areas of China-Africa studies have remained: 1) the impacts of China's economic engagement in Africa and on the economic development of Africa; 2) China's interaction with Africa on security issues especially participation in peacekeeping activities; 3) historic and recent patterns of migration; 4) public health and environment and 5) media studies and representation in China-Africa relationship (Alden & Large, 2019).

Consequently, the aim of this article is to explore China's aid features and practices in Africa, but carefully evading the inveiglement of viewing it together with the broader Chinese engagements, setting it apart from most other studies on the subject. This is considerably expected to devote attention to the peculiarities and limits of the denotations for Chinese aid, in order to achieve an analytical clarity. Additionally, the discussion connects foreign aid to development, exploring how aid should be administered to the development of Africa amidst the virtues and shortcomings of China aid. To achieve the intended aim, the study reviews and connects views from articles, books, op-ed, reports and statistical records to show what scholars and experts have established. The data, mostly secondary types, but also some primary ones, have been sourced from libraries, government official websites, journals, online databases and news portals. The study further gathered information from field contacts and engagements for opinions from civil society, government officials, scholars and policy-makers, and observations. Precisely, the study employed the qualitative method for data collection, presentation and the analysis of results. The qualitative method conforms to other prominent works into China-Africa relations that also include aid.

2. Debating Aid to Development of Africa

Literature about foreign aid seems to evolve predominantly around Africa due to the number of countries from the region relying on aid, and the often-argued effectiveness of aid for Africa after five decades or so dependence on foreign aid. Respectively, there are complex views expressing pessimisms and optimisms about aid to Africa's development. One popular argument is that foreign powers continue their influence and interference in the African countries through other forms even after independence, which foreign aid as a major tool, is assumed to emphasize less on Africa's development but emphasizes more on the interests of the donor countries. Such a position is founded on the theory of neocolonialism, which proposes that an African resistance to any new foreign invasion through capital aid is not the total rejection of aid and capital from the developed countries, but it is resisting the power behind such finances being executed in a way that depletes the less developed (African) countries (Nkrumah, 1965). This is established on the conviction that the economically advanced states seek to dominate the developing countries through capitalism, forces of globalization and other institutions driven by such foreign powers within the international political economy (Satre, 2001). As has been asserted in a similar tone, the interference becomes intense in countries with multifarious natural resources such as gold, diamond, forest reserves among many others that are enviably a mark of the African continent (Besong, 2005).

Into the more recent years, it has been opined that the involvements of the leading powers (especially China and the U.S.) in Africa through financial packages including aid do not empower the continent to become rightly autonomous. More so, concerns are increasingly expressed regarding the exiguous support for Africa's policies and aid related practices that could enhance the desired growth and development to become less aid dependent (Eom et al., 2017). In turn, limiting Africa's negotiating potency and leverage when engaging with external powers. As another scholar firmly argues through the work, *Review Essay on Aid Dependency and State Building in Sub Saharan Africa*: aid in fact foments corruption amongst the governing leadership of the African countries, which consequently affect development (Moss et al., 2006). Emphatically opined, the developed countries have provided foreign aid to Africa in many forms since the 1950s: if such aid could end poverty and enhance economic growth as projected in most of the backing policies, poverty and underdevelopment should not have been Africa's biggest challenge now (Acemoglu & Robinson, 2014). Those assertions that sought to demonstrate the despairing use of aid in Africa tend to imply that the African countries need less aid for humanitarian and altruistic purposes, but more as a development cooperation, that reinforces investment, trade and equitable economic engagements.

Aside the doom and gloom, certain findings distinctively justify that foreign aid after all has been expedient for Africa's economic growth and development. Aid, according to a finding, enhances economic growth by strongly correlating with investment in most of the African countries (Loxley & Harry, 2008). Likewise, the effects of aid on 25 sub-Saharan African countries found positive economic growth, driven by increase in investments (Gomanee et al., 2005). Against the backdrop, that Africa's impaired growth could be due to capital shortage and limited foreign exchange, aid has been demonstrated to positively influence some particular variables for development. Aid connects savings to investment, bridges the gap between export and imports, primarily complements domestic resources, enhances human capital, increases income and promotes endogenous technical change (Bhavan et al., 2005). Moreover, foreign aid has quite significantly assisted in the accumulation of human and physical capital, and developed infrastructure as essential determinants for economic growth in Africa (McGillivray, 2009).

Other counter-factual evidences reflect some salient points. They point to one main argument: Perhaps aid would have had consequential positive effects on development if the extent of other factors such as the receiving countries' internal politics, governance structure, financial policies and developmental objectives are favorable or being addressed (Guillaument, 2008). Looking at the heterogeneous character of the developing countries, the effectiveness of aid to development of the African countries should rather be generalized cautiously. This is because the developing countries' natural resources diversity, social characteristics, economic outlook as well as cultural orientations should be discussed a little further when cross-country comparisons are employed in establishing the effectiveness of aid (Hansen & Tap, 2001). As for example, for the 1960s to the early 1970s, while aid had a positive impact on Kenya, it was negative for Ghana and Tunisia (Chenery & Carter, 1973).

To address the uncertainties regarding the generalized findings on aid to Africa's development, a more rigorous estimation technique ought to be employed to examine the particular cases. That could ensure robustness since most of the studies use economic models (Adams & Atsu, 2014). Moreover, to determine the contributions of aid to development, it is appropriate to examine how the recipient African countries use fiscal and country-specific development policies to direct aid toward the needs of the country (Quartey, 2005). That is important owing to how challenging it could to isolate aid from the other engagements in order to establish its sole economic effects on development. Therefore, donors can potentially help Africa's economic growth and development by adopting the procedural actions that improve aid effectiveness while the African governments ensure that institutional weaknesses, acts of corruption and profligate spending are tackled (Olimide, 2011). Besides, researches should not over concentrate on the macro economic impacts of aid to development but attention must equally be focused on demonstrating how aid policies, contingent on a wide range of modern development dynamics including global goals, could prove aid effectiveness in Africa (Simplice, 2014). Establishing strong effectiveness of aid in any African country upon especially the principles of the *Paris Declaration for aid Effectiveness* and the *Accra Agenda for Action* would invariably enhance development harmonization of aid to current global development goals (Quartey et al., 2011).

Another contending area is the debate as to whether Africa could benefit immensely from development financing geared toward economic cooperation that competitively enhances trade and investment, than to rely on aid potentially tied to the donor interests. Perhaps one of the most widely recognized work that advocates for Africa being weaned off aid is Dambisa Moyo's Dead Aid: Why Aid Is Not Working and How There Is a Better Way for Africa. Her assertions are that, aid has been ineffective, malignant and not only failed in addressing the economic and poverty challenges of the continent, but has made it worse off. The solution, she argues, is to phase out aid significantly within the shortest period, rely on alternative financing that expands trade, attracts more FDI, exposes Africa to the international market, and increase remittances for robust domestic savings. To achieve that, it requires the political determination supported more especially by Western activists while Africa and the traditional partners embrace deeper commercial and financial interconnectedness with emerging economies like Brazil, China and India (Moyo, 2009). Besides, foreign aid, further argued, is hurting rather than helping Africa, requiring a reconstruction since it is not working. Consequently, global powers should not be making things worse for Africa if they cannot help, and that incentives and new policies could be initiated for progress instead of the apparent failure. Thus, it suggested that 1) aid is reconstructed into trade, 2) the re-enhancement of African citizens' capabilities to become wealth and enterprise creators, 3) maintaining stronger institutions and good governance and 4) prudent economic management (Lyons, 2014).

On the merits of the emerging arguments, it looks like aid over the years has not achieved the intended purpose and possibly the alternatives proposed by scholars could facilitate development at a faster rate for Africa. In spite of those sentiments, it has not been adequately addressed whether the alternatives cannot be reinforced while at the same time maintaining aid. That being the case, the problem is not particularly due to aid but the other factors that induce the effectiveness of aid. Again, less has been said to prove that, if Africa's development engagements with the other actors in investment, trade and the likes become intensive while reducing aid, domestic weaknesses such as the weaker institutions, poor governance and mismanagements would not persist. As a sort of connecting argument between aid and possibly other substitutes for aid, factors referred to as the 'four traps' - natural resources, conflicts, bad governance and being landlocked by bad neighbors - contribute to the so-called aid failure. In consequence, if the likes of the 'four traps' are addressed, aid could potentially reinforce the other alternatives that some studies suggest to replace aid. During a round table discussion at an international conference, a panelist explained: It is important to understand that Africa could not forego aid anytime soon due to the complexities of its developmental challenges, therefore, aid should be viewed as part of the solution rather than being part of the problem (Anonymous, personal participation in a conference, April 03, 2019). The failure of the donor community has rather being that they in a way claim solve Africa's problems instead of empowering Africa to on its own utilize the aid effectively, opening the Pandora's box for the dependency syndrome (Park, 2019).

All in all, into the 21st century, aid for Africa's development should be implemented along the lines of the United Nations and its development agencies, and the global development objectives such as the Sustainable Development Goals as well as Africa's Agenda 2063. The aforementioned structures do not intend to replace aid with the other alternatives, but propose to implement aid in a way that could enhance all the other variables for development. Sustainable development has been relevantly stressed as the channel for achieving a better society for today and tomorrow. Hence, donor countries ought to increase the amount of aid to poorer countries but geared towards the achievements of such development goals (Sachs, 2015). That would comprehensively enhance the other alternatives such as investment and trade to promote development for the African countries. Having said that, humanitarian needs and its impacts on development cannot be overlooked. Aid to such demands would continue to remain salient even after Africa becomes more integrated into international trading and financing for development (Edwards, 2014).

Aid to development in Africa might have not achieved the expected rate of development but hardly could it be claimed a fiasco. Indubitably, when viewed from the different frame of debates, without aid intervention, Africa could have been far worse off than it is now with the very factors argued to inhibit aid probably more serious in inhibiting the other alternatives too. All the same, in the view of an academic expert, policy motives of the donor countries, the type and the nature of aid as well as the domestic challenges of the African countries are interconnected elements that could be restructured for aid effectiveness in far-reaching enhancement for Africa's

development (Anonymous, personal communication, November 16, 2019). To achieve that, the role of aid in China-Africa relations is very crucial to accessing the implications of aid for Africa's development.

3. Examining Chinese Aid to Africa's Development

To illustrate China's aid to Africa, probably one of the most important issues to interrogate is the sources of data for analysis. Unfortunately, the argument regarding the nature of Chinese aid is inhibited by the 'lack of reliable and consistent data' (Parks & Strange, 2014, p. 29). It is more so because China neither participates in the global aid reporting mechanism nor discloses year-to-year and country specific aid spending. Even while China is becoming somewhat transparent with policy and governance, aid figures remain state secret by releasing only the barest information (Brautigam, 2009).

As to why China would be that opaque on aid figures, official explanation is still hard to come by. However, some views have been harvested from Chinese officials pointing out that aid figures are generally regarded as sensitive but not secret per se. The sensitivity prevents the detailed disclosure for some apparent reasons. First, it is due to a peculiar cultural tradition and philosophy that giving handouts to friends is immoral. Second, the rational is more of South-South cooperation mutual benefits than maintaining a donor-recipient relationship. Third, to avoid presumable pressure from the partner African countries that may compare their aid shares to that of the other recipients. Last, there are urgent pressing needs that such assistance could have been used for back home in China (Grimm, 2011). From an outsider view, Beijing's disinterest in disclosing aid figures also reflects its lack of interest in conforming to Western standards, but then 'the absence of detailed, comprehensive and reliable information has fueled speculations and confusions about China's aid to Africa' (Strange et al., 2015, p. 6). Even in the recipient countries, it is almost impossible to gain complete official figures on aid provided by China. The best primary source in a way is through news reporting on official visits, commissioning programs and media briefings from the African countries.

Into the more recent years, the lack of data seemed to have improved a bit after China in 2011 released an official white paper on aid, followed by another one in 2014. Even with those efforts, it remains obscure which financial flows were included in that calculation and which were not, while it only discussed limited Chinese aid aspects. In addition to the white papers, other inquiries use multiple primary data sources from both China and the recipient African countries to connect the pieces of the puzzle together. A more prominent database that statistically illustrates China's financing to Africa is the China Africa Research Institute by the Johns Hopkins University, which recently updated its data in collaboration with the Boston University Global Development Policy Center. The researcher was a participant in the event.

From the estimations, Chinese foreign aid increased from USD 631 million in 2003 to around US 3 billion in 2015 indicating an annual growth rate of 14% (Landry, 2018). Further to this, official Chinese government figures affirm that, about half of all China's aid is directed to Africa and in almost all the African countries, and by far the majority covered in any other continent (State Council, 2011; 2014). Such aid from China, the Dragon's gift, possesses some peculiarities that sets it apart 'both in content and in the norms of aid practice' – it is simpler, changes far less often, delivery influenced by China's experience, lays much emphasis on infrastructure projects, multi-faceted to include other aspects that traditional donors may be less willing to offer (Brautigam, 2009, p. 11).

In so far as the Chinese aid increase to Africa, criticisms crop up – some genuine, others propaganda – especially from Western sources, motivating studies that sought to properly situate China's aid to that of the OECD because of the constant comparison of apples with oranges in discussing the two sources of aid, and how 'China's official aid program is widely misunderstood.' With the exception of occasional changes in the OECDs definition, particularly technicalities relating to 'concessionality,' the official description of aid provided by China is similar to that of the OECD. In a simplest comparison, China's foreign aid just like that of the OECD consists of grants, zero-interest loans and concessional loans (Brautigam, 2011). According one Chinese official in Ghana, China acts slightly different as a donor but its peculiar mode of implementation is meant for a strategic partnership for Africa's development (Chinese embassy official, personal communication, 2019).

In respect to administration, on the one hand, grants and zero-interest loans to Africa are managed by China's Ministry of Commerce, broadly meant for diplomatic activities and political motives. The Ministry of Commerce tends to have overlapping activities, and conflicting policy implementation measures with the Ministry of Finance and even the various Chinese embassies in Africa (Corkin, 2011). The 2014 China's Foreign Aid White Paper highlights further that the budget is under the unified management of the Ministry of Finance in line with the budget and final accounts system. On the other hand, the Exim Bank, combining political motives with development and commercial objectives, administers the concessional loan which the Department of Foreign Aid of MOFCOM subsidizes the original interest rate (Ibid).

As another peculiarity, China provides university scholarships as foreign aid to African students, currently more than any other development country provides, although appropriated within China through the Ministry of Education, and accounted for from the overall foreign budget commitments (Brautigam, 2011). China has considerably, through bilateral arrangements, provided education aid in many forms and kinds to Africa, but seems to be much more focused on higher education and university engagement through the Confucius Institute than primary education, except in the aspects of occasional education infrastructure in the recipient countries. The Chinese government scholarships, together with seminars, refresher courses and educational training programs, are human resource development interventions that somehow sought to promote soft power (King, 2013). As explained by a postgraduate scholar who benefitted from the Chinese scholarship package, there is a feeling of indebtedness and love for China and the Chinese people for their generous educational offer. Besides, beneficiaries are strongly connected to the Chinese language, the culture and their approach to tackling developmental issues (Chinese scholarship beneficiary, personal communication, February 21, 2021).

Further, on the nature of the aid, the Chinese foreign aid to Africa is mostly given at the request of the recipient countries with the aim of addressing the specific development needs of such African countries. As demand-driven, thus given out for projects mostly suggested by the recipient countries rather than by the donor country, the aid addresses the specific needs of such countries (King, 2013). Interpretively, China might not completely fit into the quite critical attribution of being a rogue donor that does not focus on development, as such extreme characterization might be borne out of misinformation. That said, into the other end of the bargain, the Chinese aid might not efficiently target the development needs of the African countries especially when they do not adequately coordinate with the other international development agencies. Moreover, although Beijing is credited for allowing African leaders to own and provide policy space for their aid projects, the leaders subsequently influence the geographic location of the aid for their parochial interests more than to be directed to where it could be needed the most (Dreher et al., 2016).

From the positive views, China combines aid with trade, investment and technology, which heightens partnership and development cooperation for Africa's development. For instance in Ghana, some major Chinese aid-assisted infrastructure such as the Bui Dam, the Kpong Water Project, rural electrification in areas along the Volta Lake and a number of Stadiums are either mixed financing or connected to other trade and investment initiatives. Such an approach by the Chinese is founded on their experimented practice that helped them out of poverty, which might be relevant to the broader economic needs of Africa, and not just as an act of altruism. Furthermore, emerging out of experience, China's foreign aid model retains a long history as a well-established program in Africa, where both actors have over the years, learned from failures such as administrative lapses and problematic innovation project innovation. That long-standing commitment was shown even at the time of the global recession, when China lived up to the promise of doubling aid as discussed in the 2006 Forum on China-Africa Cooperation (FOCAC) (Li, 2007). To that effect, China's aid is aimed at long-term partnership for market, energy, space and leadership, with the grand strategy of transformation, rather than the narrow claim of thirst for Africa's oil and natural resources. In that positive respect, China provides a potential source of development assistance that Western sources may not be willing to provide and the benefits could be harnessed for development if managed well by the African leadership (Alden, 2007).

¹ The author visited the mentioned project areas to observe and interact, during fieldwork at separate times in 2019 and 2020.

On the pessimistic note, the Chinese aid holds some features that are considered a cause for concern. For instance, one expert with interests in the Chinese aid explained that, the disposition to undermine local content and production because the credit facilities are tied to Chinese goods and services, likely to culminate in higher levels of commodity dependency (Anonymous, personal communication, April 21, 2020). Arguably, tied aid is not exclusive to only China, but also the other OECD countries, as for example, explained: aid tied with goods and services was actually practiced by other traditional donors like Japan (Brautigam, 2009). Regardless, the Chinese strategy, according to the founder and president of ILAPI-Ghana, could lead to higher aid dependency as never witnessed before, more especially as debt-strapped countries continue to access China's aid loans, which could further worsen such countries' vulnerability due to debt entrapment (P. Kwofie, personal communication, June 23, 2019). Consequently, for the long haul, African states could be subjected to favoring China on geostrategic issues for political and economic advantage, may lead to depressed economic growth and negatively affecting good governance and institutionalism in the African countries, according to the reflections by a political science professor (Anonymous, personal communication, November 23, 2019). On top of all that, the lack of transparency into China's aid even makes it some more alarming (Brazys & Vladamannati, 2018).

Other corroborating gauges about China's foreign aid argued to be having dire consequences on African economies and development are captured herein. The aid is mostly driven by China's need for natural resources, which could be predating on Africa's resources (Lum et al., 2009). In addition, it is embedded with the intentions for soft power and human resource influence on the recipient countries primarily through scholarships and human resource development activities. Last, the aid is in some cases imprudently used to fund unproductive infrastructure projects like stadia, which might not be the most pressing needs for such African countries at the time of implementation (Chadwick, 2017).

Perhaps the view of another scholar who bemoaned that, the Chinese aid is quite tricky, and could be argued convincingly from opposing perspectives is a revealing one (Anonymous PhD researcher, personal communication, March 30, 2019). The Chinese aid attributes maintain an appealing symmetric policy relation with the African countries but practically exercised with 'Chinese characteristics' that do not, at least for now, adequately embrace the global cooperativeness on common objectives for Africa's development. Inherently, it provides the alternatives for Africa's demands especially in infrastructure while at the same time, entertains certain attributes that could inhibit the expected rate of development. That is the more reason why collaboration with the other development partners might effectively help to align and harmonize the aid for Africa development.²

4. Conclusion

The contributions of aid toward development in Africa have been primarily argued from two opposing forces. On the one hand is the claim that aid has failed to ignite the engine for Africa's growth and development, hence, alternatives such as investment, trade and industrialization should be reinvigorated more than aid. On the hand, is the argument that aid after all is not a total failure. It has facilitated Africa's development by addressing issues relating to relieving poverty, satisfying humanitarian needs, tackling infrastructure deficits and providing support for economic programs.

Irrespective of whichever side one may view the argument, one thing remains crystal clear: aid has not expedited Africa's development, as it should have (Landry, 2018). This is due to complex but interrelated political and economic factors from both the donors and the recipients' ends. The major donor countries continue to consider interests defined in terms of influence and power, manifesting in the foreign policies that drive aid to Africa (Acemoglu & Robinson, 2014). Whereas, the recipient African countries are faced with challenges in respect to institutional weaknesses, misappropriation and misapplication of aid. Amidst aid's failure to meet expectations, the 21st century has brought some reforms, such as the *Paris Declaration for Aid Effectiveness* and aligning aid to achieving the Sustainable Development Goals. At the same time, a major influential state, China, has attracted

.

² A general view maintained in a focus group discussion with a group of scholars. October 14, 2020.

attention to how it implements aid with the Chinese characteristics, arousing the discussion as to whether China aid, could advance Africa's development. That has further expanded the debate.

China's aid to Africa is either a monster or a messiah, an evil in representing China's selfish interest for natural resources to damage Africa's governance and sustainable development, or virtuous as it could be contributing to a foundation for lasting economic development through infrastructure projects and profit ventures (Sun, 2014). Chinese aid policies and implementations in Africa involve a comprehensive and a multi-dimensional agenda that cannot be analyzed just with the simplistic categorization of it being completely good or bad. That said an underscoring pressing dynamic could not be downplayed regarding China's policy and behavior as a revisionist power in global affairs evident in engagements in Africa. Consequently, such interests in some ways drive how China dispenses and utilizes aid.

The study has demonstrated that, Chinese aid to Africa is ethically projected with policies that seem to align with Africa's development. In short, the policies are driven by the principles of South-South cooperation and mutual benefits rather than maintaining a donor-recipient relationship. They seem to position flawlessly with Africa's developmental needs as a region from the global South, which shares some common identities with China. Besides, China's aid is delivered as a component part of broader economic engagement and financing, which appears to be a partnership for development approach. Indeed, if the above-mentioned attributes are genuinely put into practice, it could be right for Africa's development. However, some traits about the Chinese aid arguably override or counterbalance the gains, both for the past years and if not addressed, could spill over into the future. The fears of undermining institutional reform for Africa, weakening local content, debt-entrapment and resource extraction are the major issues that would need to be addressed.

From the preceding analysis, it could be succinctly but briefly suggested that, Africa should engage with China especially through the FOCAC mechanism, but also the bilateral arrangements to establish concrete measures that would set to rights such stumbling blocks of China's aid to Africa's development. In fact, Africa cannot disregard foreign aid as an integral part of Chinese development financing, hence, the best for Africa's development under the circumstances, is for the spotted shortcomings to be addressed.

Declaration

No potential conflict of interest, no financial declaration.

Acknowledgment

The data and the literature for the paper is part of a broader research engagement for a PhD dissertation project, currently under construction.

References

Acemoglu, D. & Robinson, J.A. (2014). Why foreign aid fails - and how to really help Africa. The Spectator. Retrieved from https://www.spectator.co.uk/2014/01/why-aid-fails

Adams, S. & Atsu, F. (2014). Aid dependence and economic growth in Ghana. *Economic Analysis and Policy*, (44) 2: 233–242. doi:10.1016/j.eap.2014.05.001

Alden, C. & Large, D. (eds) (2019). *New directions in Africa-China studies*. New York: Routledge, pxv. Alden, C. (2007). *China in Africa*. New York: Zed Books Ltd.

Besong, B.V. (2005). *Coup d'états in Africa: The emergence, prevalence and eradication.* Stanford University. Bhavan, T., Xu, C., & Zhong, C. (2010). Growth effect of aid and its volatility: An individual country study in South Asian economies. *Business and Economic Horizons*, (3): 1-9.

Bräutigam, D. (2009). *The dragon's gift: the real story of China in Africa*. Oxford; New York: Oxford OUP. Bräutigam, D. (2011). Aid 'with Chinese characteristics': Chinese aid and development finance meet the OECD-DAC Regime. *Journal of International Development*, (23)5: 752–764.

Brazys & Vadlamannati. (2018). Aid curse with Chinese characteristics? Chinese development flows and economic reforms. *AidData Working Paper #52*. Williamsburg, VA: AidData at William & Mary.

- Chadwick, S. (2017). How China is fueling the African Cup of Nations through Stadium Diplomacy. *South China Morning Post (online)*, Retrieved from http://www.scmp.com/sport/soccer/article/2061186/how-china-fuelling-african-cup-nations-through-stadium-diplomacy
- Chenery, H.B. & Carter, N.G. (1973). Foreign assistance and development performance. *American Economic Review*, (63): 459-468.
- Corkin, L. (2011). Redefining foreign policy impulses toward Africa: The roles of the MFA, the MOFCOM and China Exim Bank. *Journal of Current Chinese Affairs* (40) 4: 61–90.
- Dreher, A., Andreas, F., Roland H., Bradley, C. P., Paul, A.R. & Michael, J.T. (2016). Aid on demand: African leaders and the geography of China's foreign assistance. *Working paper 3 revised,* AidData at William & Mary.
- Edwards, S. (2014). Economic development and the effectiveness of foreign aid: A historical Perspective. *VOX*, *CEPR's Policy Portal*.
- Eom, J., Hwang, J., Atkins, L., Chen, Y. & Zhou, S. (2017). *The United States and China in Africa: What does the data say?* SAIS China-Africa Research Institute.
- Gomanee, K., Girma, S. & Morrisey, O. (2005). Aid and growth in Sub-Saharan Africa. *Journal of International Development*, (17): 1055–1075.
- Grimm, S. (2011). Transparency of Chinese aid: An analysis of the published information on Chinese external financial flows. *Centre for Chinese Studies*, Retrieved from file:///C:/Users/18481221/AppData/Local/Temp/Transparency-of-Chinese-Aid_final.pdf
- Guillaument, P. (2008). To move out of the trap the least developed countries. Paris: Economica.
- Hansen, H. & Tap, P. (2001). Aid and growth regression. Journal of Development Economics, (64) 2: 547-570.
- King, K. (2013). *China's aid and soft power in Africa: The case of education & training, Rochester.* NY: Boydell and Brewer.
- Landry, D.G. (2018). Comparing the determinants of Western and Chinese development finance flows to Africa. *CARI Working Paper No. 2018/21*. Washington, DC: Johns Hopkins University.
- Li, A. (2007). Transformation of China's policy towards Africa. *Center on China's Transnational Relations, Working Paper No. 20*, Paper Presented at International Conference "China-African Links," 11/10-11, 2006, Hong Kong University of Science and Technology
- Loxley, J. & Harry, S. (2008). Aid effectiveness in Africa. African Development Review, (20)2:163-199.
- Lum, T., Fischer, H., Gomez-Granger, J., & Leland, A. (2009). China's foreign aid activities in Africa, Latin America, and Southeast Asia. *Congressional Research Service, Report for Congress*.
- Lyons, J. (2014). Foreign aid is hurting, not helping Sub-Saharan Africa. *Le journal International*, Retrieved from https://www.lejournalinternational.fr/Foreign-aid-is-hurting-not-helping-Sub-Saharan-Africa a2085.html
- McGillivray, M. (2009). Aid, economic reform, and public sector fiscal behavior in developing countries. *Review of Development Economics*, (13): 526-542.
- Minoiu, C. & Reddy, S. (2009). Development aid and economic growth: A positive long-run relation. *IMF Working Paper WP/09/118*. Retrieved from https://www.imf.org/external/pubs/ft/wp/2009/wp09118.pdf Morgenthau, H.J. (1962). A Political theory of foreign aid. *American Political Science Review*, (56): 301-309.
- Moss, T. Pettersson, G. & Walle, N. (2006). An aid-institutions paradox? A review essay on aid dependency and state building in Sub Saharan Africa. *Centre for Global Development*, Working Paper Number 74.
- Moyo, D. (2009). Why aid is not working and how there is another way for Africa. New York: Farrar, Straus and Giroux.
- Nkrumah, K. (1965). *Neo-Colonialism, the last stage of imperialism*. London: Thomas Nelson & Sons, Ltd. OECD, Website. *Net ODA*. Available at https://data.oecd.org/oda/net-oda.htm
- Olimide, T. (2011). Improving aid effectiveness for Africa's economic growth: foresight Africa: The continent's greatest challenges and opportunities for 2011. *Brookings Institution*. Retrieved from https://www.foresightfordevelopment.org/sobipro/55/266-foresight-africa-continents-greatest-challenges-and-opportunities-2011
- Park, J.D. (2019). Assessing the role of foreign aid, donors and recipients: Re-Inventing Africa's development. Palgrave Macmillan: Cham. https://doi.org/10.1007/978-3-030-03946-2_2
- Parks, B.C. & Strange, A.M (2014). Aid to Africa: Helpful or Harmful? China Economic Quarterly, 29-33
- Quartey, P. (2005). Innovative ways of making aid effective in Ghana: Tied aid versus direct budgetary support. *Journal of International Development*, (17) 8:1077-1092
- Quartey, P. Ackah, C. Dufe, G. & Agyare-Boakye, G. (2011). Evaluation of the implementation of the Paris Declaration on Aid Effectiveness: Phase II Ghana. Ghana: Ministry of Foreign Affairs.
- Sachs, J. (2015). *The age of sustainable development*. New York: Columbia University Press. Sartre, J.P. (2001). *Colonialism and neocolonialism*. New York: Routledge.
- Shaw, D.J. (1997). *The foreign aid business, economic assistance and development co-operation:* Raffer, K. and H. W. Singer, Food Policy, (22) 3: 189-190.

- Simplice, A. (2014). Development thresholds of foreign aid effectiveness in Africa. *International Journal of Social Economics*, (41)11: 1131-1155.
- State Council. (2011). *White Paper on China's foreign aid.* Beijing, China: Xinhua/Information Office of the State Council, Retrieved from http://english.gov.cn/archive/white_paper/2014/09/09/content_281474986284620.htm
- State Council. (2014). White paper on China's foreign aid. Beijing, China: Xinhua/Information Office of the State Council, Retrieved from
 - http://english.gov.cn/archive/white_paper/2014/08/23/content_281474982986592.htm
- Strange, A.M., Dreher, A., Fuchs, A., Parks, B., & Tierney, M.J. (2015). Tracking underreported financial flows: China's development finance and the aid—conflict nexus revisited. *Courant Research Centre: Poverty, Equity and Growth*. Discussion Papers No. 175.
- Sun, Y. (2014). China's aid to Africa: Monster or messiah? Retrieved from https://www.brookings.edu/opinions/chinas-aid-to-africa-monster-or-messiah/