



HAL
open science

The Marketplace of Aid in Sub-saharan Africa: Choice in Critical Transitions

Raquel Freitas, Luís Mah

► **To cite this version:**

Raquel Freitas, Luís Mah. The Marketplace of Aid in Sub-saharan Africa: Choice in Critical Transitions. 2014, pp.41. halshs-03604210

HAL Id: halshs-03604210

<https://shs.hal.science/halshs-03604210>

Submitted on 10 Mar 2022

HAL is a multi-disciplinary open access archive for the deposit and dissemination of scientific research documents, whether they are published or not. The documents may come from teaching and research institutions in France or abroad, or from public or private research centers.

L'archive ouverte pluridisciplinaire **HAL**, est destinée au dépôt et à la diffusion de documents scientifiques de niveau recherche, publiés ou non, émanant des établissements d'enseignement et de recherche français ou étrangers, des laboratoires publics ou privés.

Cahiers du Centre Emile Durkheim Working Papers

www.centredurkheim.fr

*The Marketplace of Aid in Sub-saharan Africa:
Choice in Critical Transitions*

Raquel Freitas & Luís Mah

ISSN 2116-5513

THE MARKETPLACE OF AID IN SUB-SAHARAN AFRICA: CHOICE IN CRITICAL TRANSITIONS

Raquel Freitas

(CIES-ISCTE)

Center for Research and Studies in Sociology (CIES),
University Institute of Lisbon (ISCTE)

Luís Mah

Center for African, Asian and Latin American Studies (CESA),
School of Economics and Management (ISEG),
University of Lisbon (UL) *

Abstract

The paper will explore the impact of emerging donors within the marketplace of aid vis-à-vis the traditional donors and its effects on the possibilities for Sub-Saharan African countries to define and affirm autonomous policy positions on the basis of their national development interests. We first identify the changing relations in the development aid landscape and the contours of the marketplace of aid. We then analyse the consequences of the changes and the impacts on policy space. We conclude that the shift in emphasis from the notion of development aid to a notion of development cooperation broadens the range of financing mechanisms and also the degree of leverage for autonomous policy-making vis-a-vis its partners. The extent to which Sub-Saharan Africa will be able to muster this potential to its own benefit depends largely on leadership and governance issues.

Résumé

Cet article revient sur l'impact des donateurs émergents au sein du marché de l'aide internationale, que ce soit par rapport aux donateurs traditionnels ou en termes de possibilités pour les pays d'Afrique subsaharienne de définir et d'affirmer des politiques publiques autonomes sur la base de leurs intérêts nationaux. Nous identifions dans un premier temps la nature du changement des relations dans le paysage de l'aide au développement d'une part, le périmètre du marché de l'aide internationale d'autre part. Nous analysons alors les conséquences de ces changements et leur impact sur l'espace politique. Nous concluons que le basculement de la notion d'« aide au développement » vers celle de « coopération de développement » élargit le panel des mécanismes de financement et renforce la capacité d'impulsion de politiques publiques autonomes. La capacité de l'Afrique subsaharienne à exploiter pleinement ce potentiel pour son propre bénéfice reste cependant largement tributaire d'enjeux de leadership et de gouvernance.

Keywords | Mots clés

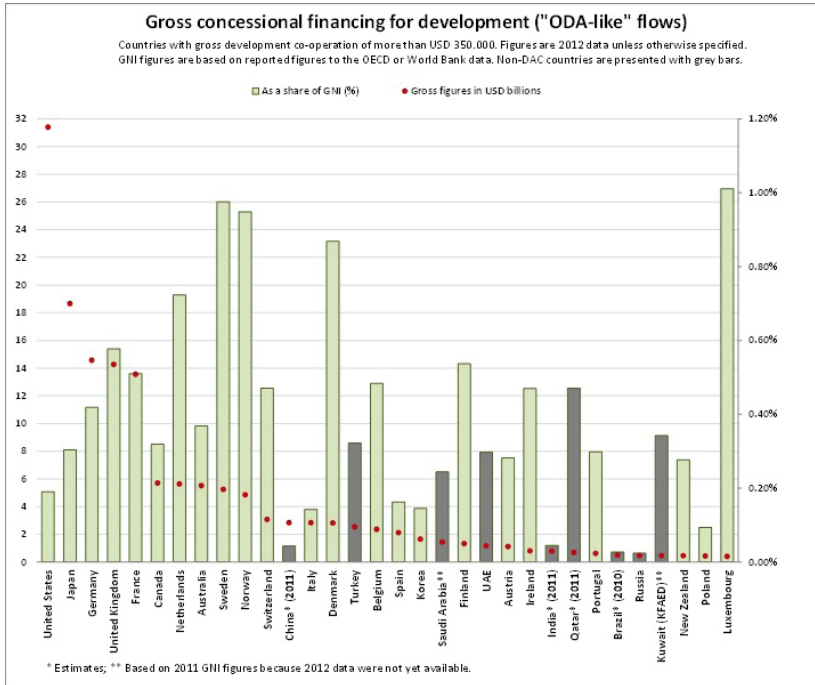
*Sub-Saharan Africa, development aid, international cooperation
Afrique subsaharienne, aide au développement, coopération internationale*

* The authors acknowledge the support of the Portuguese Foundation for Science and Technology (FCT) for the research undertaken for this paper.

INTRODUCTION

Sub-Saharan Africa (SSA) has been described, in the past, as the “forgotten continent” in world politics (Mkandawire & Soludo, 1999). Over the 20th century, many SSA countries were affected by independence wars; during the Cold War, some countries were used in proxy wars; in the 1990s, several were plagued by internal conflict and since the 21st century, most of the continent has been object of a concern for governance, state-building and fragility problems that are seen as threats to global security. All the while, SSA has been largely reduced to the status of beneficiary of external aid in a world whose meta-narrative it did not significantly influence. However, despite the slow progress in poverty reduction and remaining high social inequalities, SSA has seen marked improvements in human development over the past decade (OECD, 2011). SSA has managed to escape the recent slowdown of the global economy and economic growth in the region continued to be strong at 4.6 per cent in 2012 (World Bank, 2013). The estimates for the region are even better for the coming years with economic growth expected to average 5 per cent over the period of 2013-2015 (World Bank, 2013). According to the World Bank, growth in 2012 was helped mainly by robust domestic demand, increasing remittance and foreign capital flows, high commodity prices and export volumes (mostly from the extractive industries). Consumer spending has grown rapidly in recent years, supported by real per capita income growth of an average 2.3 per cent for the past decade (World Bank, 2013). The emergence of fast growing economies such as Brazil, China, India and others has given an additional and unexpected relevance to SSA, as a source of natural resources and commodities to feed an expanding world market. At the same time these emerging economies have been rapidly expanding their contribution to development as providers of what has become known as “South-South Cooperation” (SSC) (see figure 1).

FIGURE 1:



Source: OECD, 2013b

Emerging donors use different instruments and patterns of intervention from those of traditional donors grouped under the Organisation for Economic Cooperation and Development's Development Assistance Committee (OECD-DAC). The latter have for a long time dominated the discourse and practice in the aid arena. The Busan High Level Forum on Aid Effectiveness (HLF-4) in Korea in December 2011 has marked a change that had been slowly gaining momentum since a decade earlier. It acknowledged the importance of the southern partners in the global aid framework¹. The existence of multiple general models

1 The HLF-4 was a high-level meeting that gathered ministers of developed and developing nations, emerging economies, providers of South-South and triangular cooperation and civil society, marking a critical turning point in development co-operation. For more information, see <http://www.effectivecooperation.org/> accessed 07/05/2013.

of aid has generated a change in the traditional paradigm and created windows of opportunity for greater choice by developing countries. The traditional aid paradigm is essentially marked by a view of the world where the developed countries provide resources to developing countries, and expect them to comply with pre-defined rules of the market economy and of good governance.

The expansion and diversification of the offer of aid and cooperation modalities by different development partners, we argue, opened up a *marketplace of aid*. This represents a change in the structure of opportunities that SSA has at its disposal to strategically exploit on its own terms the multiplicity of choices offered by this marketplace of aid.

1. THE MARKETPLACE OF AID

Historical ties between SSA and its traditional donors have been marked by an imbalanced relation. The latter had the power of the purse, while Africa was the beneficiary of development aid with little decision-making power, either because of lack of financial resources or of social capital. Asia and other emerging donors (non-DAC) have been contributing to changes in this scenario, but it is yet unknown what the full impact of their policies and activities is on the overall development in SSA². Nevertheless there are observable effects both on the policies of traditional donors and on the possibility for policy choice of SSA developing countries, which may lead to more successful policies.

2 Non-DAC donors can be broadly classified into four groups: (i) OECD countries that are not members of DAC—Mexico, Turkey and several European countries; (ii) new European Union countries that are not members of the OECD; 3 (iii) Middle East and Organization of the Petroleum Exporting Countries, particularly Saudi Arabia; and (iv) non-OECD donors that do not belong to any of the previous groups, including Brazil, China, India and Russia. See (Kim & Lightfoot, 2011).

This section offers an overview of what can be understood as the diversity of patterns of involvement in the marketplace of aid as a result of the critical transitions affecting the position of traditional and emerging donors as well as of SSA in the global arena since the 2000s. Although neither traditional nor emerging donors show homogeneous patterns of intervention, it is possible to identify common features in each of them in terms of the rhetoric and rationale used to justify development policies that enable a classification into two analytically distinctive groups³. Some of those distinctive approaches are apparent along the following cleavages: the distinction between development aid and international cooperation; the tension between policy-conditionality and non-interference in the internal affairs of a state; the weight of interests and of norms.

2.1 Development Aid and International Cooperation

It is important to differentiate the notions of development aid and international cooperation because they reflect distinct perspectives on what aid is and on the nature of the relation between donors and “beneficiaries”, which is to a certain extent mirrored in the traditional and emerging donors’ approaches.

2.1.1 Traditional Donors and Development Aid

Traditional donors are individual countries such as France, United Kingdom, Germany, Japan and others that provide bilateral aid (aid from a single donor country to a single recipient country) and are members of the Organisation for Economic Co-operation and Development (OECD) - Development Assistance Committee (OECD-DAC). The OECD-DAC is the main institutional and normative framework for steering and monitoring the international development aid agenda. Multilateral organisations such as the international financial institutions (IFIs) or UN agencies are also considered traditional donors.

³ We have opted for the term emerging donors to refer to the non OECD-DAC donors.

It is generally understood that development aid is the system whereby developed countries provide a percentage of their Gross National Income (GNI) to developing countries as Official Development Assistance (ODA), which is then accounted by the OECD-DAC for the purpose of assessing quality and quantity of aid. ODA includes assistance geared towards the economic development of a beneficiary and normally has a social focus and is oriented to poverty reduction. Despite the evolution of the different aid paradigms underlying policy-making, they were largely based on an implicit assumption that beneficiaries would depend on aid on a permanent basis and that policy conditionality would always be needed to ensure the expected results. In essence this dependency relationship has helped to ensure donors' political and economic interests in Africa.

Western Europe, in particular, has a long standing commitment with Africa, much of it framed around development aid policies through the Lomé Convention (1975) and Cotonou Agreement (2000) between the European Union (EU) and the African, Caribbean and Pacific (ACP) countries and more specifically the Joint Africa-EU Strategy (2007). While the EU remains the world's largest donor of aid, the continuous financial crisis in the Eurozone has already started to negatively impact development aid (OECD, 2013a).

During the 1980s the aid paradigm was premised on the idea that developing countries should reform their economies along the neo-liberal model and perform macro-economic structural adjustment (Craig & Porter, 2006; Vetterlein, 2007; Mittelman, 2008). These policies were led by the IFIs and supported by traditional donors. With the end of the Cold War and the dismantling of the communist ideology more countries in Africa adhered to the neo-liberal model, and received significant amounts of development aid in the form of loans, grants and project aid. However, the structural adjustments that were

actually implemented led in general to a degradation of the social conditions for the populations, with the progressive withdrawal of the state from the provision of services (Green, 2008).

Traditional donors then embarked on an ambivalent line of policy making, investing on the promotion of a social agenda that started with the emphasis on poverty reduction and culminated in the Millennium Development Goals (MDGs) agenda in the early 2000s (Craig & Porter, 2006). The poverty reduction agenda was promoted mainly by the World Bank during the 1990s, which together with the IMF made aid disbursements conditional on the existence of a poverty reduction strategy paper (PRSP), a document that became the leading national development policy guidelines in highly-indebted poor countries (Booth, 2005). Essentially PRSPs are mechanisms to promote macro-economic adjustments while safeguarding, against their negative impact, the provision of basic social services in sectors such as health, education or environment.

The current aid effectiveness agenda, which promotes better use of aid resources for more inclusive development, has its main guidance in the Paris Declaration on Aid Effectiveness (2005) and subsequent Accra (2008) and Busan (2011) Declarations. However, this agenda is plagued with inconsistencies (Renard, 2007) and traditional donors are increasingly confronted by SSA countries complaining that development aid perpetuates dependency and protects donors' foreign policy interests instead of contributing to the solution of problems (Moyo, 2009).

2.1.2. Emerging Donors and International Cooperation

Unlike development aid, international cooperation is a term used more broadly to designate more balanced relationships between countries that have mutual interest in cooperating to provide benefits to both sides. International cooperation is about the ways in which states cooperate for mutual advantage, and is argued to be more likely to ensure economic growth and

development. Emerging donors generally place the emphasis of their interaction on international cooperation and contrast it to traditional donors' rhetoric that assumes that partner countries are the only beneficiaries in the relation⁴. This is important because it represents a shift from the tendency to view developing countries as the weaker link in the relation, raising them to the status of equal partner, at least in terms of the rhetoric.

Emerging donors are even less homogenous in their practices than traditional donors and also tend to be guided by their own foreign policy contexts. They follow different approaches to development cooperation instead of focusing on providing development aid in the same line as traditional donors along the aid effectiveness agenda. In some cases such cooperation will be predominantly in the form of technical (Brazil) or financial (China) assistance usually at the request of the partner government, while on other occasions such cooperation may take the form of commercial activities funded by the government and implemented by the private sector (India).

Emerging donors' discourses are also based on solidarity rhetoric of the non-Western world in the face of the dominant Western ideology and on an approach based on unity within diversity. Emerging donors are presented as "countries of the South" (in opposition to "developed countries of the north" like European countries or the United States of America (USA), with different political and economic systems but sharing some political interests in the international arena, namely a common rhetoric of

4 The OECD defines "providers of South-South cooperation (or SSC)" (or emerging donors) as : "developing countries, middle income countries and emerging economies that share expertise and financial support with other countries. Many remain recipient of Official Development Assistance (ODA), albeit with diminishing volumes. The most prominent SSC providers are Brazil, China, India, Saudi Arabia, Turkey, Russia but countries such as South Africa, Colombia, Egypt and Thailand can also be included. Underlining their solidarity with partner countries, they are often hesitant to use terms like "donor" and "aid" to describe their co-operation, and are selective in engaging with the OECD in general and the DAC in particular." See Smith, Fordelone *et al.*, 2010.

non-interference in the internal affairs out of respect for the right to self-determination of sovereign states. This has been reiterated over the years and institutionalised in forms of international cooperation between developing countries since the Non-Aligned Movement, up to the movement of the G77.

According to 2011 estimates by the OECD, the leading emerging donors were Saudi Arabia (USD 5,095 billion), China (USD 2,670 billion), Turkey (USD 1,273 billion), India (USD 789 million), United Arab Emirates (USD 737 million), Brazil (USD 500 million, data for 2010) and Russia (USD 479 million) (OECD, 2013b). The HLF-4 in Busan acknowledged the importance that South-South cooperation has been playing in the foreign assistance arena in the past years.

However, not all of the emerging donors should be regarded as new “foreign assistance” players. China and India, for example, have for a long time offered cooperation to developing countries since the 1960s, including SSA countries. Most of this cooperation did not follow a particular strategy, rather emerged as a response to the disparate calls from newly independent countries and liberation movements at the end of European colonialism, and evolved as the influence over the continent became a disputed feature of the Cold War period (Naidu, 2008). What is now distinct from the past is that their “re-emerging role” as donors coincides with the fact that they are “growing nations with strong economies that are increasing their international footprint through many channels, including foreign assistance” (Walz & Ramachandran, 2011). It was only from the 21st century that China (with the first 2000 Summit on Forum on China-Africa Co-operation or FOCAC) and India (with the inaugural India-Africa Partnership Summit in 2008) started to develop a clear strategy of engagement with the African continent. Although relations are marked by the win-win discourse of cooperation, emerging donors have also offered both monetary and non-monetary forms of development aid. Their

areas of involvement include social sectors such as education, technical training and health to agricultural development and infra-structure building. This is not necessarily distinct from the approach undertaken by traditional donors but there is an important caveat: traditional donors seek to actively influence the policymaking process while emerging donors are more focused on program and project delivery.

Two declarations are often used as foundations for emerging donors' co-operation programmes: the Declaration on the Promotion of World Peace and Cooperation, agreed by 29 African and Asian countries at the Bandung Conference in 1955, and the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries (TCDC), adopted by the United Nations General Assembly in 1978 (Smith, Forderlone *et al.*, 2010). Emerging donors' portray themselves as peers in mutually beneficial relationships with their partner countries rejecting the notion that some countries are "donors" and others "recipients". As a result, one can identify three major differences in the way emerging donors structure their co-operation compared to traditional donors:

- 1) First, technical co-operation is emphasised as being at the heart of emerging donors' international cooperation. This is particularly evident in the case of Brazil that often contrasts this approach to the unilateral provision of foreign aid, despite the fact that traditional donors also have significant proportions of their aid channelled through technical assistance projects. However, because emerging donors position themselves as peers, their assistance comes out as cooperation and not as some transfer of procedures from a strong to a weak partner;
- 2) Second, when financial cooperation does become part of the cooperation, commercial considerations can be an integral component of this relationship. China, for example, provides

aid in the form of “packages” that can include not only grants, preferential loans and debt relief, but also preferential trade and investment schemes. Emerging donors also generally tie the provision of development cooperation to the purchase of their own goods and services a practice that DAC donors have restrained in an effort to promote fair competition for aid contracts, ensure value for money for aid recipients and consequently untie aid (Smith, Fordelone *et al.*, 2010).

3) Finally, emerging donors claim not to attach policy conditions to their cooperation. Doing so, they argue would undermine the principle of “national sovereignty” and “solidarity”. (Smith, Fordelone *et al.*, 2010). In fact, one of the most prominent features of emerging donors’ discourse is the emphasis on non-interference in domestic affairs of partner countries in areas such as standards of governance or macroeconomic performance requirements. They also attach fewer procedural conditions than traditional donors in areas such as requirements for counterpart funding or separate bank accounts for each project or program (ECOSOC, 2008).

Emerging donors challenge established OECD-DAC criteria for accounting ODA, which is a subject of much more strict and negotiated criteria, that they are reluctant to accept due to the views on aid and cooperation (Kim & Lightfoot, 2011).

2.2 Policy Conditionality and Non-Interference

The traditional donors’ current aid effectiveness agenda proclaims gains in ensuring ownership of development policies, in contrast to the politics of interference of the structural adjustment period during the 1980s that imposed strict conditions on policy choices. The extent to which conditions are actually removed is open to question, namely given the new trend of imposing conditionalities on good-governance (Rakner & Wang, 2007; Booth & Fritz,

2008; Carmody, 2008). Emerging donors argue their distinctive approach of non-interference in domestic politics as the basis for their cooperation.

2.2.1 Traditional Donors and Policy Conditionalities

In the so-called period of structural adjustment, since the 1980s, aid was made conditional on the implementation of sound macro-economic policies. However, success was scarce partly because the policies were imposed externally, not owned internally and few were actually implemented in exchange for the large sums of money being poured into the countries (Mosley, 1991). Since the 2000s, the promise of increasing aid flows to developing countries emerged on a par with a new phase of policy conditionality, this time tied to good governance criteria and accompanied by a discourse on policy ownership.

This new phase is dominated by the good governance agenda and is concerned with issues such as corruption, accountability and transparency in the management of public funds, as well as the capacity of the state to ensure its basic functions, namely in the area of security, the problems inherent to fragile states, electoral processes and democratisation. This has evolved to the point where donors define governance matrixes to determine conditions of funding (Carmody, 2008). However, it should be noted that neither corruption nor democracy significantly affect European and Chinese commodity imports from SSA (Jacobs, 2011), which shows that the governance agenda doesn't have a strong impact in the trade agenda of both traditional and emerging donors.

There has been strong criticism of traditional donors' policies of conditionality and of interference in domestic affairs of their partners (Easterly, 2006). The justification provided by donors was initially that they were contributing with funds and had legitimacy to demand that such funds were well spent (Mavrotas, 2010). Although this argument provides a justifiable basis for

some degree of policy interference, it also creates ambivalence. The overall perception by recipient governments of the legitimacy of traditional donors is particularly undermined when such interference impacts on areas of sovereignty (e.g., electoral rules, public procurement procedures, etc.) or has underlying security concerns (e.g., terrorism, drug traffic, etc.). This has led to reactions from SSA governments, including democracies that are tired of traditional donors' insistence on transparency and accountability conditionalities whereas emerging donors such as China attach no strings (and even embark on investments that lack transparency themselves).

All these conditionalities are partly based on what some observers consider paternalistic models of development that force African countries to mimic western neo-liberal policies and are grounded on a rhetoric of values and norms of good governance (Mosse & Lewis, 2005). The good governance agenda has been justified with the linkage between aid ineffectiveness and problems deriving from bad governance. Additionally, there are contradictions between the discourse on policy ownership that replaced policy conditionality, and the increasing use of General Budget Support (GBS) as preferred aid modality, which in countries with governance problems requires even more micro-management from donors and provides a window of opportunity for reflecting individual donors' interests (Faust *et al.*, 2011).

Traditional donors claim that the recipient country is the beneficiary in the aid relation but the fact that they act on the basis of self-interests just as much as emerging donors, negatively affects their capacity to maintain the image of the altruistic donor (Blunt, Turner *et al.*, 2011). Although there is an observed tendency towards increasing reciprocity in trade relations and a growing emphasis on regulatory issues, the EU's commercial policies often undermine its development goals (see Faber & Orbie, 2008). On a more political level, there is evidence that some donors see their

legitimacy undermined in the eyes of African civil society due to their support to some authoritarian regimes (Schaumasse, 2011). Democratic deficits and lack of accountability from governments to citizens in Africa is sometimes aggravated by aid dependency, where the justification for policy options is shifted to the donors and the government withdraws from the responsibility of the choices (Ear, 2007).

2.2.2 Emerging Donors and Non-Interference

Emerging donors do not have an explicit neo-liberal economic agenda nor do they try to impose models on their partners, which means that they tend to be outside the Western system of interference (Mawdsley, 2012). That is why they are not part of groups of donors that monitor GBS, and take up other development cooperation modalities that rely largely on project implementation. Traditional donors increasingly see project support as ineffective and outdated, and GBS is the modality that would give more ownership and autonomy of decision-making to the partner countries. However, it can be argued that such is not the case because GBS is actually an instrument of additional micro-management and interference in the internal policy-process, including in areas of sovereignty (Castel-Branco, 2008).

Although at the level of rhetoric, emerging donors represent alternatives to those of traditional donors, this does not change much at the structural level because emerging countries have signed into the same meta-narrative that is dominated by neo-liberalism, albeit in a selective manner. The essential element is the degree to which they are also concerned with social policies, in contexts of low political and democratic accountability (Manzetti, 2009). Practices governing, for example, Chinese aid and development finance clearly diverge from OECD-DAC standards and norms in some areas. Although bilateral donors do apply such norms, many still lack clear firm standards and implement them in an inconsistent manner depending whether or

not it affects their self-interests. In sum, Chinese practice is not as different in this arena as is often believed (Kim & Lightfoot, 2011).

The case of Brazil and its provision of technical co-operation can be helpful to understand how emerging donors operationalise their non-interference approach, which is nonetheless used as a foreign policy instrument. Brazil's co-operation is essentially demand-driven, i.e., it offers solutions tailored to the needs and requests of partner countries. These solutions are frequently designed according to Brazil's own experiences already tested and areas of national expertise. Most Brazilian cooperation is delivered in kind, and involves the transfer of knowledge and skills from Brazilian experts to recipient countries⁵. Aid is in this sense intrinsically tied. However, under the current Brazilian legislation, the country is not allowed, as a rule, to directly transfer public money to other governments except through multilateral organizations such as those within the UN system (World Bank & IPEA-Brasil, 2011).

As one of the top 10 world economies, since the last presidency of Lula da Silva, Brazilian cooperation is presented as the country's way forward to enhance its diplomatic and business influence in regional and global relations. Brazil has mainly focused on technical cooperation and SSA is the country's main priority in terms of volume of aid and international development projects (World Bank & IPEA-Brasil, 2011). Celso Amorim, Brazilian foreign minister from 2003-2010 during President Lula's tenure, stated in 2006 that "technical cooperation is an essential tool of foreign policy" (World Bank & IPEA-Brasil, 2011).

The Brazilian Cooperation Agency (ABC), created in 1987, is in charge of implementing the country's technical co-operation. ABC is an agency within the Ministry of Foreign

⁵ Between 2003 and 2009, the number of technical co-operation projects run by Brazil in Africa grew from 23 to 413. See World Bank & IPEA-Brasil, 2011.

Affairs, commonly known as *Itamaraty*, being located within one of its several sub-secretariats. The agency is in charge of the conception, approval, execution and monitoring of technical cooperation projects. Yet, it is not alone in the provision of technical cooperation, a function it shares with other Brazilian institutions, including sectoral ministries, public research institutes, private institutions, and government agencies at the sub-national level. Brazilian cooperation agencies like to point out that their technical assistance is a “good match for the level of economic and institutional development and the climatic conditions of developing countries” (Cabral, 2011).

Although Brazilian technical co-operation is apparently better adjusted to the needs of partner developing countries and arguably contributes to enhance the latter’s policy choices in solving long-term problems, some potential pitfalls remain. First, the Brazilian institutional framework responsible for the delivery of technical cooperation is fragile: the development agency ABC is constrained in its work by the subordination to the Ministry of Foreign Affairs and there is no coordinated mechanism with the other ministries also undertaking technical cooperation ; there is no legislation that regulates the provision of technical co-operation abroad (current legislation only covers cooperation received by Brazil from bilateral and multilateral partners); and monitoring and evaluation of technical co-operation projects still lacks full scope (Cabral, 2011). Secondly, Brazil lacks a formalized and structured system to provide technical co-operation in individual countries. Operations are *ad hoc* without clear country strategies and implementation plans. Nonetheless, as pointed out by Cabral (2011), Brazil’s capacity to answer and deliver rapidly to calls for technical co-operation is usually welcomed and praised by partner countries. Finally, since Brazilian technical co-operation tends to be an outcome of government to government negotiations without taking into account the views of local civil society or other development agents, the initiatives may lose

out in terms of recognizing with more clarity what national development priorities should be considered (Cabral, 2011).

This last pitfall has been made quite visible with Mozambique's latest mega agribusiness project, Pro-Savana. Led by Brasil, ProSavana has raised expectations that it could answer some of the recurring issues affecting the poor productivity of Mozambique's agricultural sector. The project aims at transforming 14 million hectares of the savannah along the country's northern Nacala Corridor into highly productive agricultural land that will be explored by large firms and smallholders. Based on the Brazilian experience, the promoters of the project claim that smallholders will be supported through locally-fitted technology (improved seeds suitable for Mozambican soils) and environmentally-friendly farming techniques. Additionally, the smallholders will be able to join export-oriented agriculture value chains through contract farming and the promotion of cooperatives (Cabral, Shankland, Locke and Duran, 2012). But local leaders from the National Peasant's Union (UNAC) after meeting in Nampula in October 2012 to discuss ProSavana released a declaration stating that they were concerned with the lack of information and transparency from the participating governments in the project (Mozambique, Brazil and Japan) as well as the lack of involvement of civil society in the process. They also condemned any attempt of land resettlement and expropriation to give place to mega agribusiness and the arrival of Brazilian agribusiness transforming Mozambican farmers into their employees and rural workers (UNAC, 2012).

A number of other concerns for the effects of non-DAC donors on aid in SSA include fragmentation of aid delivery; violation of corporate and national governance standards ('race to the bottom'); free riding on debt relief; unfair company competition; scramble for extraction rights and resource curse (Kim & Lightfoot, 2011). Many of these risks are related to the balance

between the concern with national self-interests and norms to ensure effectiveness, that emerging donors essentially disregard.

2.3 Norms and Interests Guiding Development Aid

The motivations structuring international relations are always open to question and in the sphere of development this discussion is no less pertinent. While traditional donors emphasise the normative basis for the relations, both in terms of underlying motivations and of quality of implementation (i.e., the aid effectiveness normative system), emerging donors are more explicit about their self-interests in the relation, arguing that both sides stand to gain.

2.3.1 Traditional Donors and the Normative Rhetoric

Traditional donors, in particular western European ones, have constructed their development aid policy largely on the basis of the discourse of moral responsibility and solidarity. This discourse is centred on the idea of a normative or ethical power (Aggestam, 2008), which constructs its role in the world from a positive role model to a proactive promoter of “global public goods”. EU’s recurrent focus is on poverty reduction and social issues, which underpins a self-portrayal as the guardian of the interests of the poor⁶. This normative discourse is institutionalised in the EU’s guiding development policy documents, e.g. the EU Consensus on Development Aid (European Commission, European Parliament & European Council, 2006), but it is also grounded in the normative framework of the aid effectiveness agenda, namely the five commitments on ownership, alignment, harmonisation, concern for results and mutual responsibility enshrined in the Paris Declaration on Aid Effectiveness, of 2005.

⁶ According to Art. 208° of the Treaty of Lisbon, “Union development cooperation policy shall have as its primary objective the reduction and, in the long term, the eradication of poverty”

http://bookshop.europa.eu/is-bin/INTERSHOP.enfinity/WFS/EU-Bookshop-Site/en_GB/-/EUR/ViewPublication-Start?PublicationKey=QC3209190 accessed 07/05/2013.

However, as Wissenbach points out, the new configuration of aid players seems to be pushing the EU into rethinking its development policies: “The EU has struggled more to adapt its policy in the context of its normative and ethical concepts. It has found it difficult to re-define its interests in a credible way and to move away from a charity approach to Africa, long a key feature of public pressure. This is also because its economic interest in Africa is quite limited. The competition of China particularly in Africa provides Europe’s policy makers with an opportunity also to address interests that were more difficult to articulate as long as poverty was the sole reference in the discourse about Africa” (Wissenbach, 2009: 670). It is yet too early to say whether or not the EU is re-orienting its partnership with SSA but the debate on future EU development policies is a response not only to the current economic and financial conditions of the region but also to emerging donors⁷. Foreseeing a possible attempt by the EU to pursue similar policies to emerging donors, the European Parliament has warned against the EU emulating the methods of such countries as China, “since that would not necessarily be compatible with the EU’s values, principles and long-term interests” (European Parliament, 2008). The EU parliament has made clear its support for conditionality in EU cooperation with its partners with regard to human rights and environmental standards.

What is open to question is how some of the traditional donors that are currently faced with a serious economic crisis will respond to public opinion demands for value for money and results from their development aid. It is also not clear how traditional donors such as the EU will integrate international cooperation, including concerns of trade and business more patently in their development agenda. Indeed, the traditional

⁷ See Agenda for Change at http://ec.europa.eu/europeaid/news/agenda_for_change_en.htm, accessed 07/05/2013.

rhetoric used to make a clear distinction between international cooperation and development aid on the basis of the OECD-DAC normative system, which promotes increased coherence between development and commercial policies. In this OECD-DAC line, commercial policies should be mindful and not detrimental to development goals and pay attention to good governance and needs-based criteria for determining development aid.

There are signs that traditional donors are already adjusting their trade relations with Africa becoming more hawkish and emphasising security and economic aspects of development (Jacobs, 2011), in view of the competition generated by the collapse of the preferential trade regimes and of China's tariff reductions. They partly legitimate this new approach with the changes in the aid paradigm, but the effect may possibly downgrade the norms of aid effectiveness and also the concerns with democracy and human rights. These changes are motivated partly by Europe's needs to be more competitive in the world economy and reach new markets given its own crisis, but also by emerging countries' inclusion of commercial ties in the development cooperation, as an engine of development (Schaumasse, 2011).

If collectively the EU is still defining its way to deal with the new donor dynamics in Africa, France and the UK, the two leading EU donors to Africa, seem to be clear about their goals for the continent. They are not shying away from putting together aid and economic interests in the face of the challenge presented by emerging donors, particularly China. Richard Moncrieff states it clearly: "French aid has been one of the support mechanisms of French commercial presence on the continent, whether formally through aid tied to commercial contracts, or informally since the 'untying' of French aid" (Moncrieff, 2012: 19). The UK under the Tory government led by David Cameron has presented a new strategy for engagement with Africa. While keeping the commitments in terms of aid volumes and untied

aid, the Department of International Development (DFID) is now expected to promote UK commercial interests as part of “a whole of Government approach to trade and investment policy, involving all Departments and utilising our overseas networks” (DFID/UKTI/FCO, 2011). This represents the recognition that development objectives will now be linked to UK interests in the continent, including trade (Cargill, 2011). The most recent Reality of Aid Report analyses the same shift in several traditional donors’ policies (Reality of Aid, 2012).

2.3.2 Emerging donors and the Emphasis on Interests

Emerging donors also have political interests, besides the economic interests. The most obvious are the economic interests, not only in terms of what can be an emerging market in Africa, a new frontier that can absorb emerging economies’ exports and sustain their growth, but also a new source of natural resources of incredible value and still largely under-explored. The difference vis-à-vis traditional donors is that emerging donors more openly acknowledge these aspects and their interests.

China offers a good example of the behaviour of an emerging donor that takes a distinct position from the normative approach usually taken by traditional donors, and Europe in particular. The global rise of China and its growing presence in Africa, driven by the twin goals of resource security and domestic development, continues to draw the attention of many in the international political, economic and financial spheres. China has made clear its commitments towards Africa since the 2006 Forum on China-Africa Cooperation (FOCAC)⁸. This Forum was set up in 2000 and as is stated on the website, it is “a platform established by China and friendly African countries for collective consultation and dialogue and a cooperation mechanism between the developing countries, which falls into the category of South-South

⁸ See www.focac.org and for an evaluation of FOCAC, see Center for Chinese Studies, University of Stellenbosch and The Rockefeller Foundation, January 2010.

cooperation”. There have already been five high-level ministerial meetings within the FOCAC framework: Beijing (2000,2006), Addis Ababa (2003), Sharm El-Sheik (2009), Beijing (2012). It is through FOCAC that the Chinese government is seeking to align and coordinate its foreign, aid and trade policy towards Africa.

FOCAC is “a framework for collective dialogue between China and African countries on the basis of equality and mutual benefit”⁹ where financial support and bilateral trade are at the core of the relations. In this partnership, China offers a mix of monetary and non-monetary forms of assistance. Monetary aid includes concessionary loans and grants. Non-monetary aid includes debt relief, technical assistance, access to scholarships or training programmes, tariff exemptions, gifts of buildings (such as the African Union headquarters in Addis Ababa), equipment or other capital goods¹⁰.

China offers concessional loans through the Export-Import Bank of China (EXIM) and they benefit from an interest subsidy set by the Chinese Ministry of Commerce (MOFCOM). This ministry is responsible for the allocation process, but the funds for the interest subsidy are taken from the foreign aid budget, which is under the competency of the Ministry of Finance. These are usually medium to long-term loans focusing on the profitability of projects (Davies, Edinger *et al.*, 2008). EXIM is the only financial institution in charge of the management of concessional loans and it was established in 1994 as a government policy bank. Together with the Agricultural Development Bank of China and the China Development Bank, the three banks finance the government’s priorities in terms of development policies¹¹. EXIM

9 See 2000 Beijing Declaration of the Forum on China-Africa cooperation, available at <http://www.fmprc.gov.cn/zflt/eng/wjyh/hywj/t157833.htm>, accessed on 10.01.2014.

10 For an in-depth analysis on Chinese aid see Davies, M., H. Edinger, *et al.*, 2008.

11 By 2011, the global impact of two of these banks, the China Development Bank and EXIM, had been such that loans signed to other developing countries and companies total around US 110 billion. This compared with the equivalent arm of the World Bank that made loan-commitments of US 100.3 billion. See China Lending Hit New Heights,

is the third largest export credit agency (ECA) in the world and is regarded as a crucial financial instrument in the rapid expansion of Chinese exports and Chinese global investment. EXIM's activities in SSA have been growing rapidly and the majority of projects that it funds have been committed to infrastructure development¹². What sets EXIM bank apart from other ECA – export credit agency - and IFIs is that its infrastructure loans in SSA are offered without domestic political reforms requirements (Davies, Edinger *et al.*, 2008: 21).

Grants, on the other hand, tend to be offered in kind, through various projects, as requested by the partner country (Davies, Edinger *et al.*, 2008:11). Ultimately, grant-based projects are implemented by Chinese state-owned enterprises and aimed at social welfare projects like schools, houses or hospital, material assistance, technical assistance and human resources training. According to China's first ever White Paper on Aid released in 2011, by the end of 2009, Beijing had provided a total of 256.29 billion yuan (around USD 41.6 billion at current exchange rates) in aid to foreign countries. Out of this total, 106.2 billion yuan (USD 17.2 billion) were grants, 76.54 billion yuan (USD 12.4 billion) in interest-free loans and 73.55 billion yuan (USD 11.9 billion) in concessional loans. Africa was the leading receiver of Chinese aid with 45.7% of the total aid¹³.

China's new engagement in SSA is now not only led by the state but also by the rapidly increasing role of the private sector¹⁴. According to Gu, there are two types of state-owned enterprises (SOEs) and two types of private-owned companies. The SOEs invest predominantly in resource extraction as well

Financial Times, 17 January 2011, <http://www.ft.com/intl/cms/s/0/488c60f4-2281-11e0-b6a2-00144feab49a.html#axzz1mazUxyJE>, accessed on 16.05.2013

¹² For an example of EXIM engagement in Africa, and in particular with the case of Angola, see Corkin, L., 2012.

¹³ See China's Foreign Aid, available at http://news.xinhuanet.com/english2010/china/2011-04/21/c_13839683.htm, accessed on 10.01.2014.

¹⁴ For a study on the presence of the Chinese private sector in Africa see Gu, J., 2009.

as infrastructure, and can be segmented between those owned by the Central Government and those owned by provincial governments. The private sector firms, on the other hand, cover the spectrum of medium and small firms incorporated in China and investing in SSA. The large and medium China-based firms generally operate in the manufacturing and communication sectors as well as in the wholesale trading. The other end of the private spectrum involves small to micro enterprises, either in petty manufacturing or in small scale retail.

In tandem with these growing Chinese financial resources and activity by state-owned and private firms in SSA, trade between China and the continent has grown since 1992 from USD 4.1 billion to around USD 150.3 billion in 2011, making China the main trade partner of the continent (OECD, 2010)¹⁵. SSA's rich resources have become increasingly important to help China's rapid economic growth and development. While China exports to SSA communication equipment, machinery, electronic products and vehicles, it imports from SSA mostly oil, iron, other metal ores/concentrates and copper. But China also wants political allies, namely in its agenda for challenging the imbalances of representation in institutions of "global" governance such as the World Bank, IMF or WTO (Mawdsley, 2007). Additionally, it seeks political support in regional and international fora such as the UN Human Rights Commission. Yet, in the case of China there are signs that its policy of non-interference in internal affairs may be waning, since it has backed the UN-AU peacekeeping mission in Darfur (UNAMID), and more recently enabled the intervention in Libya through abstention in the UN Security Council.

Although there are contrasting views on the role of China in this process, many believe that China's engagement in Africa is one of the major triggers for the new optimism about growth in Africa,

15 See Gamache, Lauren, Alexander Hammer & Lin Jones, 2013.

stimulating investment and trade beyond traditional EU and US, as well as the potential for Africa's success as a more viable continent (Brautigam, 2009). Yet, it should be noted that this new relationship raises some issues. First, Chinese aid serves as a new source of capital but whether or not it will help SSA move from being essentially a primary exporter of mineral resources to become also a producer of industrial goods to stimulate a more sustainable economic growth and development model is yet to be answered¹⁶. Secondly and related with the latter, while there is a tendency for trade between the two regions to increase further, whether or not there will be an upgrade of SSA products entering the Chinese market (from mineral resources to manufacture or services) is also to be seen. However, several initiatives already announced might offer new overtures for SSA manufactured exports into China: the creation of Chinese-run special economic zones; a China-Africa Trade Corridor established in Shenzhen to facilitate African trade with China; the publication by China of a catalogue of SSA products to support SSA companies which are seeking to access the Chinese market and; finally the establishment of the China-Africa Joint Chamber of Commerce to develop co-operation between Chinese and SSA business leaders. Lastly, as in the past with traditional donors and following a policy agenda that cut the continent's debt, Chinese concessional loans are feared to again open the continent to new debt vulnerabilities. When and if SSA resources are depleted and in the absence of other forms of guarantees, it is unknown how the continent will be able to underwrite the low interest rates that come with those concessional loans.

African economies have coped with the 2008 financial and economic crisis than developed countries, partly thanks to China and other emerging economies such as India or Brazil that continue to acquire SSA commodities to feed their economic

¹⁶ See Green, Adam, China in Africa: taking advantage, *Financial Times*, 13th December 2012, available at <http://blogs.ft.com/beyond-brics/2012/12/13/china-in-africa-taking-advantage/#axzz2q6galwOG>, accessed on 10.01.2014.

expansion. The increasing attractiveness of SSA is evident in terms of foreign investment. According to the African Economic Outlook, in 2011 there was an increase of 25% in foreign investment in this region and this fact was explained by the indicators: “improved macroeconomic policies, a more conducive regulatory environment and – despite the fall from the earlier peak – favourable international commodity prices for exporters. In particular, metals, oil and agricultural raw materials saw average price levels in 2011 beat their 2008 peak levels” (African Economic Outlook, 2012)¹⁷.

3. MARKETPLACE OF AID AND AFRICAN POLICY SPACE

References to the concept of policy space can be found in the empirical literature on the World Trade Organisation (WTO) negotiations framework, since this is a term that was used explicitly to specify the loss of government autonomy generated by the international trade agreements (UNCTAD, 2004). The concept of policy space thus arises out of the constraints on freedom of choice derived from international agreements that increasingly regulate trade relations in a globalised world. According to the São Paulo consensus (UNCTAD, 2004): “It is for each Government to evaluate the trade-off between the benefits of accepting international rules and commitments and the constraints posed by the loss of policy space. It is particularly important for developing countries, bearing in mind development goals and objectives, that all countries take into account the need for appropriate balance between national policy space and international disciplines and commitments.”

Policy space ultimately equals the possibility of introducing protectionist policies aimed at nurturing national industries,

¹⁷ See <http://www.africaneconomicoutlook.org/fileadmin/uploads/PAGES-%20Pocket%20Edition%20AEO2012-EN.pdf>, accessed on 07.05.2013

contrary to existing international arrangements, and to streamline conditionalities of the IFIs. The relevance and legitimacy of these protectionist practices was enhanced with the economic crisis of 2008 (G77 & China, 2010). Another concept has been associated with this approach to policy space, that is “development space”, illustrating the link between domestic policies and conditionality, but not necessarily reflecting negotiation space in international agreements in general (Hoekman, 2005).

There is a general concurrence that developing countries’ policy space is shrinking (Wade, 2003): the discussion on policy space in the context of trade negotiations starts in Monterrey’s conference on Financing for Development in 2002, where the negative impacts of globalization were acknowledged. However, Page (2007) argues that such space has been lost and gained. This can be seen by the emergence of two parallel but often decoupled concepts that have enhanced the policy autonomy of developing countries: the policy space concept in the WTO context, and the ownership concept in the context of the Paris Declaration on Aid Effectiveness of 2005.

As suggested above, policy space is closely related with the principle of ownership of development policies as defined by the Paris Declaration and the subsequent Accra Agenda for Action of 2008. However, in the latter concept, the relational dimension is more obvious as it states that developing countries should have the leadership over their development policies, implying that other actors such as donors also have a say in those policies. In practice, ownership reflects more directly the political interaction between developed and developing countries than the policy space concept, which refers to the trade-off of domestic gains and limitations from countries’ commitments in international trade regulations. In an alternative definition of ownership that is more in tune with the object of this research and links the two concepts, we would emphasise the capacity of countries to make

use of policy space in influencing policy decisions towards policy priorities. This definition of ownership presupposes that there is an *a priori* identification of policy priorities and the legitimacy and credibility to uphold them.

The link between the two concepts is illustrated in the G77 statement to the United Nations General Assembly on the occasion of the UN Conference on the World Financial and Economic Crisis and its impact on Development in 2010: “The G77 and China deems important to strengthen the concepts of ownership and policy space. In that respect, it must be borne in mind that client countries are the owners of their development policies and that selectivity in World Bank’s strategy and actions must be guided, first and foremost by developing countries’ priorities and preferences.” (G77 & China, 2010)

Policy space is also related but distinct from voice: voice is the possibility of stating a position and is close to political participation, but doesn’t mean actual influence in the policy outcome as reflected in the following G77 statements: “The G77 and China believes that decision-making rules should be changed in order to strengthen voice and participation of developing countries.” And “The G77 and China calls for an expeditious completion, as soon as possible, of a much more ambitious reform process of the World Bank’s governance structure and of an accelerated road map for further reforms on voice, participation and enhanced voting power of developing countries based on an approach that truly reflects its development mandate and with the involvement of all shareholders in an equitable, transparent, consultative and inclusive process” (G77 & China, 2010).

The marketplace of aid has created alternatives for developing countries in terms of access to funds and investment but is also enabling governments to be more demanding with standards of investment and involvement by donors or partners, forcing them

to be more sensitive to local contexts (RSIS, 2012). Hence, China has been adapting its policies according to its interests to practices that are more respectful of SSA's development (Schaumasse, 2011). One citation from a Cape Verdean senior official illustrates this particularly well: "The rise of Asia provides us above all with more strategic choices. The Western powers who had dominated the continent are now forced to be more sensitive to our interests" (RSIS, 2012).

In this sense, and as seen from the argumentation above, the marketplace of aid is offering SSA an opportunity to enhance the region's policy space vis-à-vis their partners. There are several ways this could be done:

1) **Regional Integration:** This approach favours policy articulation and coordination, thus in theory enhancing the influence of its members and of the group as a whole and shielding the group against external pressures. Thus, a stronger regional integration would enable Africa to speak more coherently in the international system, if the process actually achieves its goals of giving Africa a unified voice in particular in specific areas. This will enable SSA to make the most of the competition amongst traditional and emerging partners (Verhoeven & Clarke, 2011; OECD, 2011).

2) **Ownership of resources and capacity to exploit them:** There is a sense of optimism concerning the prospects for economic growth in Africa. It is not clear, however, how this growth will translate in terms of human development but also in terms of capacity for decision-making. Will Africa grow and develop enough to become less aid dependent? Will it sell its resources cheap for fast growth and compromise the future? As countries such as China see their labour costs increase, will they not try to shift their investments to SSA to take advantage of cheaper labour?

3) Institutionalism and the possibility of choice: Africa should play with the differences between donors in the marketplace of aid. The UNCTAD itself recommended that developing countries take advantage of triangular cooperation with the aim of balancing the contributions of traditional and emerging donors (UNCTAD, 2010). They can also negotiate guarantees that investments include ensuring local posts, technology transfer and capacity building. In the new dynamics between traditional and emerging donors, the discourse on ownership may become a pillar to legitimise actions and to balance between opposing positions.

The emerging donors were already brought on board at the 2011 High Level Forum on Aid Effectiveness in Busan, Korea, even if that entailed concessions from traditional donors. The framework for the follow-up of the aid effectiveness agenda is no longer centred on the OECD-DAC, a traditional donor forum. Schaumasse has pointed out other fora such as the UN or the G20 as the multilateral arenas most likely to have the capacity to demand more responsible practices from emerging donors, as the OECD-DAC's legitimacy is questioned (Schaumasse, 2011). The current debate on the post-2015 development agenda is an instance of this decentralisation. As most of the traditional donors from the OECD-DAC are hit hard by the economic and financial crises of the last years forcing many to review and decrease their aid budgets, these "new" players, as the Busan declaration clearly shows, are already having a strong impact on the international aid architecture and on the terms associated with aid delivery rules (Mawdsley, 2011).

Additionally, traditional donors are initiating dialogues and new partnerships that bring on board emerging donors for policy coordination. Concrete examples are the UK's concept of dynamic partnerships and OECD/DAC's initiatives of advanced

dialogue of technical issues. In this context the important question to tackle is to what extent the issues at stake are merely technical and the extent to which they are political. If donors band together in common approaches that weaken the existing norms, this will have negative outcomes for SSA development. If such move contributes to raising the normative standards of emerging donors or create alternative avenues for enhancing the potential of real win-win situations, it will be positive for SSA development. However, such coordination may again undermine the ability of developing countries to retain decision-making power, and African countries seem to be aware of this issue, as they do not support donor coordination since they see emerging donors as alternative sources of funding (Schaumasse, 2011). The essential question is whether the changes in donors' approaches potentially enhance or limit further developing countries ownership and policy leeway¹⁸.

Aid dependence has for many decades determined the maintenance of the uneven relation between donors and developing countries. The influence of the new actors, the increasing need of natural resources and commodities which Africa possesses and the effects of the economic crisis affecting in particular the traditional donors, mostly Europe, may contribute to giving Africa other possibilities of choice. In fact, the competition from other investors active in Africa confronts countries such as France to open up to partnerships and gives new leeway to African countries (Schaumasse, 2011).

CONCLUSION

The word aid has in the past been at the forefront of the international agenda discourse, but the trend is now shifting towards the word cooperation. The marketplace of aid is the result of the existence

¹⁸ For the OECD-DAC's reflections on this issue, see OECD, 2010a.

of different approaches to development cooperation that contrast the emphasis on aid disbursements focused on poverty reduction and social outputs with development cooperation towards economic growth. It creates alternatives for developing countries in terms of access to funds and investment. At the same time, it offers more leverage in the negotiation table to draw financial resources into national priority areas and ultimately nudge donors to be more sensitive to local contexts and needs, thus promoting an approach that is less based on conditions and on interference. Traditional donors' rhetoric on development aid is largely framed around the normative basis underpinning the relation, where a logic of solidarity and a social agenda dominates the discourse highlighting the economic advantages for the beneficiaries and discarding donors' own interests. In contrast, emerging donors are, to different extents, more explicit about their economic interests in the relation and focus on a win-win logic, i.e., both sides in the relation stand to gain from the exchange. The rhetoric and rationale for engagement underpinning these competing approaches derive to some extent from the political history that shapes the complex interactions between Europe, Africa and Asia. Lately, structural transformations in global finance and economics have affected the terms of the relationships between traditional donors, emerging donors and development partners. SSA is a terrain where these changes are observable in practice, particularly in the field of development cooperation: it possesses much needed natural resources, has large public infrastructure needs and is a growing consumer market. By broadening the range of donors eager to secure their presence in the continent, the marketplace of aid offers additional leverage to SSA governments, strengthening their ownership of development policies internally and their role on the international scene. SSA may also strengthen its regional integration processes and articulate its policies in order to have a stronger and united voice in the international scene. This would also enhance SSA governments to exploit differences between donors and their interests in the marketplace

of aid. Whether or not African governments will be able to take advantage of this leverage in terms of policy choices will depend on the existence of leadership capacities, negotiation skills and strategic development vision, functional and transparent institutions, political accountability and commitment.

REFERENCES

Ali S., Dadush U. (2011), “Whither Africa?”, *Carnegie Endowment for International Peace- Policy Outlook*, March 3, 2011.

Bach D. (2011), “The European Union and Africa: Trade Liberalisation, Constructive Disengagement, and the Securitisation of Europe’s External Frontiers”, *Africa Review*, 3 (1), p. 33-46.

Blunt P., Turner M. *et al.* (2011), “The Meaning Of Development Assistance”, *Public Administration and Development*, 31 (3), p. 172-187.

BOND, ECDPM (2010), *The EU and Africa: The Policy Context for Development*.

[http://www.ecdpm.org/Web_ECDPM/Web/Content/Download.nsf/0/3355884C1EE2D093C12577E700482338/\\$FILE/EU%20and%20Africa%20policy%20context%20for%20development_BOND&ECDPM.pdf](http://www.ecdpm.org/Web_ECDPM/Web/Content/Download.nsf/0/3355884C1EE2D093C12577E700482338/$FILE/EU%20and%20Africa%20policy%20context%20for%20development_BOND&ECDPM.pdf), accessed on 10.01.2014.

Booth D. (2005), "Missing Links in the Politics of Development: Learning from the PRSP Experiments", *ODI Working Paper*, 256, London, ODI.

<http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/2003.pdf>, accessed on 10.01.2014.

Booth D., Fritz V. (2008), "Good Governance, Aid Modalities and Poverty Reduction. From Better Theory to Better Practice", *Research Series*, 3, February, CDD-Ghana, ESRF, ODI, CMI.

<http://www.odi.org.uk/sites/odi.org.uk/files/odi-assets/publications-opinion-files/2265.pdf>, accessed on 10.01.2014.

Brautigam D. (2009), *The Dragon's Gift: The Real Story of China in Africa*, Oxford, Oxford University Press.

Cabral L. (2011), "Salutary Diversions from the 'Aid Effectiveness' Trail? Emerging Evidence from Brazilian Technical Cooperation in Health", Paper prepared for the *EADI/DSA Conference "Rethinking Development in an Age of Scarcity and Uncertainty: New Values, Voices and Alliances for Increased Resilience"*, 19-22 September 2011, York.

Cabral L., Shankland A., Locke A., Duran J. (2012), "Mozambique's Agriculture and Brazil's Cerrado 'Model': Miracle or Mirage?", *Great Insights*, 1(10). [http://www.ecdpm.org/Web_ECDPM/Web/Content/Download.nsf/0/C9912335D7E74BBCC1257AD4002D349B/\\$FILE/GREAT1-10final.pdf](http://www.ecdpm.org/Web_ECDPM/Web/Content/Download.nsf/0/C9912335D7E74BBCC1257AD4002D349B/$FILE/GREAT1-10final.pdf), accessed on 10.01.2014.

Cargill T. (2011), "More with Less: Trends in UK Diplomatic Engagement in Sub-Saharan Africa", *Africa Programme Paper*, 2011/03, London, Chatham House. <http://www.chathamhouse.org/publications/papers/view/174359>, accessed on 10.01.2014.

Carmody P. (2008), "Matrix Governance, Cruciform Sovereignty

and the Poverty Regime in Africa”, *IIIS Discussion Paper*, 267, November, Institute for International Integration Studies. <http://www.tcd.ie/iiis/documents/discussion/pdfs/iiisd267.pdf>, accessed on 10.01.2014.

Castel-Branco C. N. (2008), “Aid Dependency and Development: a Question of Ownership? A Critical View”, *Working Papers 01/2008*, Maputo, IESE. <http://www.iese.ac.mz/lib/publication/AidDevelopmentOwnership.pdf>, accessed on 10.01.2014.

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), p. 61-90.

Corkin L. (2011), “L’Exim Bank à Luanda Modèle Angolais?”, *Outre-Terre*, 4(30), p. 227-239.

Craig D., Porter D. (2006), *Development beyond Neo-liberalism. Governance, Poverty Reduction and Political Economy*, London, Routledge.

Davies M., Edinger H. *et al.* (2008), *How China Delivers Development Assistance to Africa*, Centre for Chinese Studies, University of Stellenbosch, DFID. http://www.ccs.org.za/downloads/DFID_FA_Final.pdf, accessed on 10.01.2014.

DFID/UKTI/FCO (2011), *Working as One Team at Post: Guidande for DFID, UKTI and FCO staff on HMG’s Commercial Diplomay and Untied Aid Agenda* (April). https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67541/gov-guidelines-commercial-diplomacy.pdf, accessed on 10.01.2014.

Ear S. (2007), “Does Aid Dependence Worsen Governance?”, *International Public Management Journal*, 10(3), p. 259 - 286.

Easterly W. (2006), *The White Man's Burden: Why the West Efforts to Aid the Rest Have Done So Much Ill and So Little Good*, Oxford, Oxford University Press.

ECOSOC, U. N. (2008), *Trends in South-South and triangular development cooperation: background study for the Development Cooperation Forum*, New York, United Nations.

http://www.un.org/en/ecosoc/docs/pdfs/south-south_cooperation.pdf, accessed on 10.01.2014.

European Parliament (2008), *European Parliament Resolution on China's Policy and its Effects on Africa of 23 April 2008* (2007/2255[INI]).

<http://www.europarl.europa.eu>, accessed 10.01.2014.

Faber G., Orbie J. (2008), "The New Trade and Development Agenda of the European Union", *Perspectives on European Politics and Society*, 9(2), p. 192-207.

Faust J., Koch S., Leiderer S. (2011), "Multi-Donor Budget Support: Only Halfway to Effective Coordination", *Briefing Paper 8/2011*, Bonn, German Development Institut.

<http://www.oecd.org/dac/evaluation/dcdndep/50036948.pdf>, accessed on 10.01.2014.

Gamache, L., Hammer A., Jones L. (2013), "China's Trade and Investment Relationship with Africa", *USITC Executive Briefings on Trade*, Washington, US International Trade Commission.

[http://www.usitc.gov/publications/332/2013-04_China-Africa\(GamacheHammerJones\).pdf](http://www.usitc.gov/publications/332/2013-04_China-Africa(GamacheHammerJones).pdf), accessed on 10.01.2014.

Green D. (2008), *From Poverty to Power: How Active Citizens and Effective Governments Can Change the World*, Oxford, Oxfam International.

Gu J. (2009), "China's Private Enterprises in Africa and the Implications for African Development", *European Journal of Development Research*, 21(4), p. 570-587.

Holslag J. (2011), "China's Evolving Behaviour in Africa and the Options of Cooperation with Europe", *Journal of Current Chinese Affairs*, 40(4), p. 3-16.

Jacobs B. (2011), "A Dragon and a Dove? A Comparative Overview of Chinese and European Trade Relations with Sub-Saharan Africa", *Journal of Current Chinese Affairs*, 40(4), p. 17-60.

Kim S., Lightfoot S. (2011), "Does 'DAC-Ability' Really Matter? The Emergence of Non-DAC Donors: Introduction to Policy Arena", *Journal of International Development*, 23(5), p. 711-721.

Manzetti L. (2009), *Neoliberalism, Accountability, and Reform Failures in Emerging Markets: Eastern Europe, Russia, Argentina, and Chile in Comparative Perspective*, University Park, Penn State University Press.

Mavrotas G. (ed.) (2010), *Foreign Aid for Development: Issues, Challenges, and the New Agenda*, Oxford, Oxford University Press.

Mawdsley E. (2007), "China and Africa: Emerging Challenges to the Geographies of Power", *Geography Compass*, 1(3), p. 405-421.

Mawdsley E. (2012), *From Recipients to Donors: Emerging Powers and the Changing Development Landscape*, London, Zed Books.

Mittelman J. H. (2008), "Beyond Impoverished Anti-poverty Paradigms", *Third World Quarterly*, 29(8), p. 1639-1652.

Mkandawire P. T. , Soludo C. C. (1999), *Our Continent, Our Future: African Perspectives on Structural Adjustment*, Trenton,

Africa World Press.

Moncrieff R. (2012), “French Relations with Sub-Saharan Africa Under President Sarkozy”, *Occasional Paper 107*, Johannesburg: South African Institute of International Affairs. <http://www.saiia.org.za/occasional-papers/french-relations-with-sub-saharan-africa-under-president-sarkozy>, accessed on 10.01.2014.

Mosley P., Harrigan J. and Toye J. (1991), *Aid and Power: the World Bank and Policy-based Lending. Volume 1: Analysis and Policy Proposals*, London, Routledge.

Mosse D., Lewis D. (2005), *The Aid Effect. Giving and Governing in International Development*, London, Pluto.

Moyo D. (2009), *Dead Aid: Why Aid is Not Working and How There is a Better Way for Africa*, London, Penguin Books.

Naidu S. (2008), “India’s Growing African Strategy”, *Review of African Political Economy*, 35(115), p. 116-128.

OECD (2010a), *Investing in Development: A Common Cause in a Changing World, Development Assistance Committee Reflection Exercise*. <http://www.oecd.org/dataoecd/14/1/43854787.pdf>, accessed on 10.01.2014.

OECD (2010b), *Perspectives on Global Development: Shifting Wealth*, Paris, OECD Development Center.

OECD (2011), *African Economic Outlook 2011: Africa and its Emerging Partners*. <http://www.africaneconomicoutlook.org/en/in-depth/emerging-partners/>, accessed on 10.01.2014.

OECD (2013a), *Aid to Poor Countries Slips Further as Governments Tighten Budgets*. <http://www.oecd.org/dac/stats/>

aidtopoorcountriesslipsfurtherasgovernmentstightenbudgets.htm, accessed on 10.01.2014.

OECD (2013b), *Development Finance Reporting of Countries Beyond the DAC*. <http://www.oecd.org/dac/dac-global-relations/non-dac-reporting.htm>, accessed on 10.01.2014.

Rakner L., Wang V. (2007), "Governance Assessments and the Paris Declaration", *CMI Report*, 2007/10, Bergen, Chr. Michelsen Institute. <http://www.cmi.no/publications/publication/?2747=governance-assessments-and-the-paris-declaration>, accessed on 10.01.2014.

Renard R. (2007), "The Cracks in the New Aid Paradigm", Hoebink P. (ed.), *The Netherlands Yearbook on International Cooperation*, Assen, Van Gorcum.

RSIS (2012), "China's Economic Engagement In Africa: Changing Approach In Mozambique – Analysis", *Eurasia Review*, January, 20. <http://www.eurasiareview.com/20012012-china%E2%80%99s-economic-engagement-in-africa-changing-approach-in-mozambique-analysis/>, accessed on 10.01.2014.

Schaumasse A. (2011), « France et Chine sur le continent africain : de l'inévitable rivalité à la nécessaire coopération ? », *Outre-Terre*, 4(30), p. 325-334.

Shinn H. (2011), « Les États-Unis reconsidèrent les relations sino-africaines », *Outre-Terre*, 4(30), p. 273-281.

Smith K., Yamashiro Fordelone T. *et al.* (2010), "Beyond the DAC: The Welcome Role of Other Providers of Development Co-operation", *DCD Issues Brief*, May 2010, Paris, OECD Development Co-operation Directorate.

Stahl A. (2011), “Contrasting Rhetoric and Converging Security Interests of the European Union and China in Africa”, *Journal of Current Chinese Affairs*, 40(4), p. 147-173.

Tomlinson B. (ed.) (2012), “Aid and Private Sector: Catalysing Poverty Reduction and Development?”, *The Reality of Aid 2012: An Independent Review of Poverty Reduction and International Development Assistance*, IBON International, Quezon, Zoom Printing Co. http://www.realityofaid.org/wp-content/uploads/2013/02/ROA_Report_2012-Aid_and_the_Private_Sector1.pdf, accessed on 10.01.2014.

UNAC (2012), *Pronunciamento da UNAC sobre o Programa ProSavana*.

<http://www.unac.org.mz/index.php/7-blog/39-pronunciamento-da-unac-sobre-o-programa-prosavana>, accessed on 10.01.2014.

UNCTAD (2010), *Economic Development in Africa. South-South Cooperation: Africa and the New Forms of Development Partnerships* (06/07/2010).

http://www.unctad.org/en/docs/tdb57d2_en.pdf, accessed on 10.01.2014.

Verhoeven H., Clarke. N. (2011), *Conference Report: “Chinese Investment and African Agency”. Main Conclusions*.

http://oucan.politics.ox.ac.uk/images/stories/conference_powerpoints/oucan_conference_report.pdf, accessed on 10.01.2014.

Vetterlein A. (2007), “Economic Growth, Poverty Reduction, and the Role of Social Policies: The Evolution of the World Bank’s Social Development Approach”, *Global Governance: A Review of Multilateralism and International Organizations*, 13(4): 513-533.

Walz J., Ramachandran V. (2011), “Brave New World: A Literature Review of Emerging Donors and the Changing Nature of Foreign

Assistance”, *Working Paper 273*, Washington, Center for Global Development. http://www.cgdev.org/sites/default/files/1425691_file_Walz_Ramachandran_Brave_New_World_FINAL.pdf, accessed on 10.01.2014.

Wissenbach U. (2009), The EU’s Response to China’s Africa Safari: Can Triangular Co-operation Match Needs?, *European Journal of Development Research*, 21(4), p. 662-674.

World Bank (2013), “Sub-Saharan Africa Region”, *Global Economic Prospects: Assuring Growth over the Medium Term*. <http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1322593305595/8287139-1358278153255/GEP13aSSARegionalAnnex.pdf>, accessed on 10.01.2014.

World Bank, IPEA-Brasil (2011), *Bridging the Atlantic: Brazil and Sub-Saharan Africa, South-South Partnering for Growth*. <http://siteresources.worldbank.org/AFRICAEXT/Resources/africa-brazil-bridging-final.pdf>, accessed on 10.01.2014.