

*New Dimensions of Development Cooperation in the 21<sup>st</sup> Century*  
*Challenges and Opportunities*

*Some random thoughts based on personal experience*

By

*Dr. Kerstin Leitner*

The deliberations in this paper are based on 30 years of professional experience in multilateral development cooperation (1975-2005) during which I served country offices in Africa and in China. Furthermore in an assignment at UNDP HQs in New York I had the opportunity to visit many countries in Africa, Asia and Latin America. The writing of this paper was facilitated by the attendance of the China-DAC Study Group event which was held from 28-29 October 2009 in Beijing.

Berlin, December 2009

## **1. Introduction: Development Cooperation in the late 20<sup>th</sup> Century**

Development cooperation in the 21<sup>st</sup> century will have to be very different from the one in the 20<sup>th</sup> century. Cooperation will be most likely less focused on supporting primarily national development, because general conditions for development cooperation have changed radically since the early 1990s. Through the ending of the Cold War and the subsequent economic globalization the demands for official and nongovernmental development cooperation has grown in volume and complexity. Economic globalization has changed the international environment in which nation states are to enact policies and protect the well being of populations. Demands from developing countries still far exceed the financial and technical resources available for development cooperation, which remain well below the 0.7 % of GNP target. While international trade and foreign direct investments have grown by leaps and bounds and have benefitted China, most African countries have been largely bypassed so far.

Development cooperation, often the resource of last resort, has had difficulties to respond to these challenges and to meet all demands. Different donors have responded differently to these challenges and demands. While OECD donors have opted to strengthen the authority of states through policy and direct budgetary support, China has opted for a project by project approach. More importantly, China links economic cooperation and development cooperation closely, some say too closely. By contrast OECD donors remain at arm's length to commercial investors in developing or elsewhere maintaining that development cooperation is to create the enabling environment for economic development to occur, but leave the action to the private sector and market forces. In the absence of major new investments in many countries, this approach makes these countries highly dependent on donor funding for their national policies and programs, especially in the health and educational sectors. These investments in the social capital of developing countries, however, only produce returns after decades, a time horizon which often is too far away for those who today negotiate and carry out development cooperation. Therefore policy based aid has not always been easy to negotiate. When it was linked to demands for democratization and the protection of human rights long delays have been witnessed or aid has stopped altogether for a number of years.

The situation in developing countries has changed over the last 4 decades. In particular the handover of power and leadership in African countries to a generation which was born after independence, often educated with the assistance of development cooperation funds, and politically socialized during the post colonial conflicts in their countries is creating a different and more open political environment to face economic globalization squarely.

Members of this incoming generation are well educated and professionally qualified. They often have the choice between working in international institutions and corporations or in national institutions of their country of origin. Their choice is often determined by the political and economic situation in their home country. Individually they retain their roots in their families, clans and tribal identity, but, in general the room for them to work in the common interest as it is understood by OECD countries is limited. There are many historical determinants for this situation. To describe them here

would be beyond the scope of this paper. Nevertheless this situation is also quite different from the Chinese situation. Most Chinese students return from their studies abroad and assume positions in the government, in business and increasingly in civil society organizations. Returnees, when they assume leadership positions in China, are, in spite of the outwardly authoritarian nature of the political system, increasingly mindful of popular demands and sentiments and individual leaders are occasionally held accountable for their reactions to popular demands.

Most developing countries have found their political grounding and operate under stable political systems. They often have experienced considerable economic growth in recent years. Other countries are drifting, have fallen apart or are coming out of a major crisis. It has been extremely difficult to measure their economic performance. Development cooperation is needed in all three groups, but this paper discusses more the experience of countries with stable systems.

## **2. Comparing Development Cooperation in China and Africa**

China has been a latecomer on the development scene as a recipient of foreign aid, although it has given development and humanitarian aid all along after 1949. African countries of today have been the first recipients of development aid after they gained independence. Some would say, they also had to endure all the ups and downs of the development aid evolution. But there are other, more important differences between China and Africa.

Any cooperation with and in China has to be seen against the backdrop of a deep seated mistrust against foreign ideas. In general, it is unthinkable for any Chinese to accept foreign concepts unless they have been approved by the national leadership. Over the centuries, China has always had foreign advisors. But it was the Chinese *powers that be* which decided what to accept. This is the same today. Africa was colonised since the 19<sup>th</sup> century, and resistance to foreign ideas was overpowered by the colonial rulers. By the time they handed over the reins of power to indigenous leaders in the 1960ies, the outgoing authorities made sure who those would be installed in power, that were thinking like them. Often this first generation of political leaders had to manage a very exhausting mental spagat: in their international dealings they had to show that they were in line with foreign ideas, domestically they had to ensure that they would meet the expectations based on traditional political values. Dr. H. Kamuzu Banda, the Life President of Malawi, was a living example of these often conflicting demands. He, however, was one of the few African leaders who defied demands of foreign powers when they appeared to him not to be in the best interest of Malawi. The country paid dearly for that: although one of the poorest countries on the continent in economic terms, it received during the years that he was leading the government far less aid than its neighbors, which were much better off. Donors could be unforgiving in the 1970ies and 80ies when faced with such African self confidence. Fortunately this has changed since then.

The development cooperation in China which began in the late 1970s had a good start. After the devastating earthquake in the Tangshan region in the summer of 1976 several countries, international organizations and the UN offered China humanitarian assistance.

These offers were not accepted by the Chinese authorities, except for some WFP food aid, but they sparked an internal debate which led to the invitation to the secretary-general of the UN to initiate a development dialogue with the Chinese government. A first program of development cooperation between China and the UN via UNDP thus began in late 1978.

In the course of this program China adopted the working procedures of the UN system, but the selection of requests for individual projects was made by the designated ministry. At the time, the Ministry of Foreign Trade and Economic Cooperation (MOFTEC) set up a special department to exclusively deal with the flood of incoming requests from Chinese ministries and organizations and they were in charge of the allocation of UNDP funds to each project.<sup>1</sup> Bilateral partners which came a bit later were similarly approached. The ministry ensured that requests which were retained for external funding were part of the national plan and relevant for the attainment of a national priority. Through this prioritization the ministry secured national funding to each project, which often far exceeded the funding from UNDP or other donors. Furthermore, such projects were considered as pilot activities. Their results later on led to the phrasing of national legislation and/or operational replication throughout China. The multiplier effect of a development cooperation project in China is always very strong.

In general, donors in China accepted the national selection of projects, which gave them the assurance that they would be sustainable in the long run, and the Chinese learned and adopted the design and the cost effective implementation of projects.

In fact, for the Chinese side the most important aspect of development cooperation was and is the learning potential for their staff. In the early days of the opening up period, foreign experts were being questioned until they were exhausted, foreign equipment was imported in order to understand their design and their functions, younger staff that did not succeed in securing access to a Chinese university were sent abroad for their studies, and projects dealing with rural poverty alleviation always have had a sizeable training component for the beneficiaries of these projects. The Chinese way to approach cooperation with foreign partners is always the same, irrespective whether it is of a commercial, development or humanitarian cooperation nature<sup>2</sup>: they want to learn and they want to improve (reform) the way, in which are operating.

As a result development cooperation in China is reflecting a collective learning process and has undergone many changes in their substantive focus over the last 30 plus years. From the *4 modernizations* of the late 1970s with their emphasis on technology transfer, development cooperation moved to support today the strengthening of the *rule of law*. The management of the growing social inequities includes the support to the national poverty reduction policy and programs in rural areas and the improvement of the social

---

<sup>1</sup> For further details on this early stage of cooperation see Kerstin Leitner, *When only the Sky is the Limit* chapter 2 under [www.kerstinleitner.net](http://www.kerstinleitner.net)

<sup>2</sup> It should be noted that China was also an aid giving country at all times since 1949 and continued to provide financial and technical assistance, while it was receiving ODA funding.

security of migrant workers and their families. More recently global concerns such as climate change have become the focus of development cooperation.

While the number of multilateral and bilateral partners increased many fold, one aspect remained constant: the Chinese side determines the priorities of any program, they select the project partners, and they ensure that the project is embedded in the ongoing Five Year Plan. Furthermore it is the Chinese partners who determine which of a project's results are relevant to the national reform and development process and should be more widely applied.

Until the mid-1990ies, the Chinese authorities were suspicious of donor coordination. However, since the Millennium Summit in September 2000 and the approval of the first ever United Nations Development Assistance Framework (UNDAF) in China, the Chinese government learned to use donor coordination for their purposes. Topics and views for further development in China, which some officials shared, but did not succeed in bringing to the attention of the top leaders, were discussed in joint coordination meetings and the outcome then reported to the full cabinet. This way the problems of the AIDS epidemic in China, which were ignored by the Jiang Zemin/Zhu Rongji government, were attended to openly by their successors Hu Jintao and Wen Jiabao immediately after they took office. Since then, development cooperation in China began to address socially and politically sensitive issues and to foster cooperation with fledgling civil society organizations and the Corporate Social Responsibility (CSR) programs of the private sector.

Today development cooperation in China is in part more political than 30 years ago, and in other parts professionally and technically more demanding. In view of China's economic success and prowess the volume of financial assistance is less significant. What is most important is the support to those Chinese forces which work to reduce the social inequities, to strengthen the rule of law and to advance the process of democratization and to foster a continuous dialogue between Chinese scholars, politicians and business leaders about global issues, such as climate change.

Politicians in OECD donor countries who demand that development cooperation should be phased out in China should think twice. Development cooperation may be one of the few bridges remaining in future to get access to Chinese thinking and policy formulation. Chinese are notoriously poor communicators, and to only rely on the media, diplomats and the foreign business community resident in China may prove too weak a connection to this country of growing global significance.

The beginning of development cooperation in Africa was very different from China. When African colonies became independent sovereign countries in the 1960ies the UN, the USA and the former colonial powers realized that the newly formed governments and their administrations needed technical support in order to function; and they needed financial assistance in order to develop their economies and their infrastructure. Fairly often highly motivated former colonial civil servants were recruited into the emerging bilateral and multilateral development cooperation services. They brought with them a great knowledge about these newly independent countries and while some

were very skeptical with regard to the ability of the incoming leaders to govern their countries, they were highly motivated to make decolonization a success.

The Scandinavian countries had no colonial heritage, and Germany's colonial past did no longer matter very much in the 1960ies. These aid giving countries entered the development cooperation arena with a much greater willingness to rely on local authorities, even when these were weak. That was not always the same with all donors throughout the 1970ies, and therefore the donor landscape in Africa was marked by differences in approaches, thematic and technical orientation. For this reason donor coordination was born in Africa and mechanisms such as the *donor round tables* (UNDP) and the *Consultative Group Meetings* (WB) were created.

By and large African governments welcomed these mechanisms. They became a vehicle for them to outline their own priorities (even when UNDP and World Bank staff provided technical and financial support in the background). In - country the formulation of priorities was often difficult as the selection of priorities and subsequent projects was overshadowed by specific political interests. Although most countries had development plans and state budgets, in which current revenues and expenditures were separated from development funding, both documents rarely served as reference documents to either the national authorities or the donor community. In the 1980ies a major conflict arose between the IMF and the World Bank on the one side and the donor community on the other about the orientation, the size and the modalities of development funding in Africa. This conflict over *structural adjustment* programs can be felt to this very day in many African countries.

But in spite of these contradictions development cooperation in Africa also produced tangible, positive results. Educational levels were raised, health systems were expanded and life expectancy grew, infrastructures like the network of roads were improved and agricultural production modernized to name only a few examples. Nevertheless development in the majority of African countries is not a *runaway affair* as in China.

The reasons for this must be sought beyond development cooperation. Many African countries are too small as an economic territory to stimulate growth out of their own internal markets. The creation of regional trade and economic organizations helps, but they are not sufficient. Africa's population amounts to roughly 1 billion people, but they are distributed very unevenly over 54 countries. In addition, African currencies are much more dependent on international exchange rate changes than the Chinese Yuan. African countries mostly export raw materials and not processed, higher value added goods as the Chinese do. While African economies are very vulnerable to the boosts and busts of the international economy, the Chinese export-oriented economy is still protected in crucial areas and the domestic market is by far not saturated. Despite protective policies China receives massive foreign direct investments and realizes a healthy surplus in its foreign trade balance, while African countries, even when they have opened their markets, receive very little FDI. The gravitas of China far exceeds any of the African continent's.

Furthermore, the Chinese government's goal, that all Chinese, even the poorest in remote rural areas, should benefit from the rapid economic transformation and growth

translated into national programs which donors could support and enrich with their technical expertise and experience.

In Africa poverty alleviation is still in most instances the responsibility of the extended family, and thus a non-state matter<sup>3</sup>. Jokingly people say that the number of family members of an African politician or businessman rises with his or her success. Public programs of poverty reduction are most often donor initiated and supported by the local and sometimes the national government, but they remain dependent on external funding.

While in China the national financial resources for poverty reduction far exceed the funds made available by donors, government funds in African countries are very limited. Donor contributions in China thus lead to an improvement of the national poverty reduction policy and program, while in African countries projects fizzle away the moment donor funding ends. In addition, donor initiated projects often have a design flaw: the financial endowment is not sufficient for the program to be sustainable on its own, although this is a correction which donors could and should undertake.<sup>4</sup>

Therefore development cooperation in African countries plays proportionally a much bigger role than in China, and it sometimes operates in an economic and policy vacuum. In China economic development drives all other forms of international cooperation, and it is guided by well formulated national policies. In Africa the lack of a similarly dynamic economic process limits the effectiveness of development cooperation, as it is not always clear in which direction economic and social development are headed. In China, development cooperation is highly effective, as the national ownership is without any doubt.

### ***3. The role of Development Cooperation in the 21<sup>st</sup> Century: supporting fair globalization through multilateral arrangements***

Many people ask whether China's experience of managing economic growth and poverty reduction can be applied to development cooperation in Africa. Based on my personal experience in Africa, the support to national priorities is not always replicated in African countries with stable and robust political and administrative structures. Now that global priorities become more and more important, which, however, need to be acted on in a national setting, a respectful and trusting dialogue in any country with a legitimate government is indispensable to address these global challenges in the context of development cooperation. This does not mean that all national priorities have to be accepted uncritically by external development partners. In China, too, a project proposal only receives funding when both sides are agreed.

---

<sup>3</sup> Although it was encouraging to hear during the meetings that Uganda has drawn up a national budget which puts poverty reduction squarely in the centre of its national budget and has received substantial budgetary support from donors for this policy.

<sup>4</sup> I experienced such a situation first hand in Malawi in the late 1980ies. We needed for a revolving fund double the amount than the one available (an additional 2 million dollars) to make the fund sustainable. It was impossible to raise these funds. Eventually the Malawi government budgeted for an annual contribution to help out.

Secondly, institutional and professional capacity is thinner in most African countries than in China. But it is excellent where it exists, and it needs to be respected and to be fully utilized. Similar as in China, donors and external advisors need to understand and listen to their African partners at several levels (national, local, government and non-governmental) in order to arrive at a fruitful partnership. This is not always easy and straightforward, but it is indispensable to give African professionals the authority and the full responsibility for the success of a project. Rather than to recruit long-term foreign experts it will be more productive to help bring well qualified nationals back to their country of origin, even if initially only for a limited period of time, and to use short-term consultants even on a retainer basis over a longer period of time. By implication projects might be financially smaller and extended over a longer period of time. Exit strategies should be negotiated right at the beginning of a project or when budgetary support arrangement are agreed to give African counterparts the possibility to judge the viability and long-term effects of the proposed external donor support. At the same time, well defined ex-ante exit strategies could improve the predictability of donor funding and the matching through national resources.

Furthermore, development cooperation has to be managed in such a way that each donor plays to their respective strength. Coordination or even trilateral cooperation between OECD donors, China and African countries for instance could be a powerful vehicle to accompany and guide international economic development.

Such trilateral cooperation could take many forms and shape. Here are only a few examples:

Institutional twinning arrangements of Chinese, African and OECD country institutions could and should play a much more important role than at present. In this field trilateral cooperation might be most fruitful. Research into developing African economies in order to emulate some of China's experience should be on top of the list. African economies need to produce and export higher value added products or services in order to benefit more from international trade and attract more foreign direct investment. African countries need to be better connected through cross-border infrastructures, such as railways, highways, telecommunication systems. China's experience with breaking the walls of provincial protectionism might offer some useful lessons in this regard. All of these areas need preparatory research and the methodologies used in China and in OECD countries may prove useful to Africa, too. Rather than to rely on foreign consultants such trilateral cooperation could enhance the existing capacity in African institutions and make them in the long run self-reliant.

African farmers urgently need plant varieties which are drought resistant in order to be better prepared for the consequences of climate change. Seed banks need to be enlarged in order to get seeds to farmers at affordable costs when their own seed stock has been depleted. Cooperation between Chinese and African institutes which are custodians of such seed stocks might be useful to both sides, and possibly even to some OECD countries.

Urban development has to be adapted to cope with floods and droughts and other extreme weather conditions. Overcoming water, soil and air pollution are by now global

challenges and any sharing of experience can only help to get a better handle on these problems, not only in Africa.

In several respects even China reacted late and slowly to the demands of international trade. For instance, food safety has been given only attention after several scandals were reported in the national and international media. African countries have not even woken up to the demands of meeting internationally set food safety norms and standards. Here, too, trilateral cooperation might overcome existing hurdles to achieve increased exports of African agricultural products to OECD and Chinese markets.

The Chinese experience of targeting poverty stricken districts, villages and households and of providing assistance through micro-credits and public funding for the improvement of the local infrastructure could be a lesson to transfer to African policy-makers and administrators. The burden of AIDS orphans by now far exceeds the capacity of African families to cope with. These orphans might be a top priority group to provide tailor-made public assistance with donor support in order to give these children more of a chance in life than mere survival.

Another area which lends itself for trilateral cooperation is the preservation and management of the natural resource base, as this is a primary global challenge, which needs to be acted on in the national or regional context. Each partner brings unique experience and knowledge to the table. Although China's record continues to be dismal, as rapid economic development destroyed and polluted more than environmental protection measures could preserve, the country has nevertheless gained a lot of experience and has invested heavily in controlling air, soil and water pollution. African countries, too, are on the slippery slope of environmental destruction. The pace is slower, partly because industrialization and the commercialization of natural resources are by far not as fast as in China, partly because some traditional habits of preserving the natural resources for future use is still very strong. Foreign investors have in the last few years taken environmental concerns more into consideration, although not as much as when they invest in China. OECD countries by and large have the technologies to stem the ecologically destructive process, but the demand for these technologies on their own markets is slow in coming. Trilateral efforts could help to promote sound environmental management to occur simultaneously in China, Africa and OECD countries. Such synchronized efforts would be of global importance and have an impact far wider than if each party would go it alone. Areas of possible cooperation are: slowing the process of deforestation, reversing trends of desertification, preserving energy and deploying CO<sub>2</sub> technologies, agreeing on differentiated targets and formulating binding regulations applicable to any entity operating in the areas of the three parties. The list could be made much longer, and one would hope that it only would be limited by the volume of financial resources, but by the political willingness to act jointly.

Globalization has brought not only the movement of capital across national borders, but also massive human migration, from rural to urban areas, from poor regions/countries to economically dynamic regions/countries, from Africa and China to OECD countries. Such migration is often illegal, and represents a major problem to the persons involved as well as to the country or region of origin and the receiving countries or region. Comparing

experiences, aligning policies and starting joint projects or programs might help to reduce the human tragedies so often encountered.<sup>5</sup>

These examples are to illustrate the potential for multilateral cooperation beyond the existing multilateral organizations. Of course, the list could be made much longer. In each case, the equality of the partners involved is extremely important to be eventually successful.

The difference in the size of African countries, the smaller number of potential partners, the remnants of the colonial past and the generally difficult access to the cultural core of the African society all pose limitations to the transfer of experiences from China. One enormous cultural difference between China, Africa and Europe is the definition of what constitutes economic and social development success. For Chinese officials it is still most important to measure China's economic success in terms of GDP growth and foreign exchange reserves. African politicians are less enthusiastic about these indicators. Many politicians would probably rather measure their countries' successes with the *index of happiness*, which Bhutan invented. Most prefer the Human Development Index over the GDP per capita index and European countries follow several definitions and are valuing different aspects in their economic and social development than the US and Japan, for instance.

More importantly, Africa still suffers from the neglect of its own capacity. External partners sometimes still hesitate to use the well educated elite as the representatives of the African people and as a bridge to overcome the divide between the traditional values and modern concepts, neither of which are cast in stone, but evolving. Similar to the way all external partners respect the Chinese elite to determine their country's priorities, African countries too, need to be given the time and the space to define their development objectives. Apart from a possible slower pace due to limited capacities, there may well be a shift in the focus of development objectives for African and possibly global development. African traditional values are more oriented at addressing family and communal needs. This is a dimension which for future development will continue to be of great significance. Nation states and all this entails are still a foreign import in Africa, although today nobody will deny their relevance even to Africa. Giving African leaders the needed time and space will make subsequent development partnership stronger and the results likely to be more sustainable.

China's current development cooperation practices were born as a result of domestic policies and internal dynamics. In the 1950ies and 60ies they were an expression of solidarity with other developing countries. Chinese projects often took over where Western or Soviet assistance had been denied.<sup>6</sup> Since 1978, Chinese development cooperation was all of the above and in former socialist countries in support of initiated

---

<sup>5</sup> While China has illegal emigration mostly from Southern provinces to other countries, it has a large internal migration from rural to urban areas across provincial boundaries. The central government has introduced many policy measures, which alleviate some of the discrimination. These might be helpful the other two partners in formulating their own policies and programs.

<sup>6</sup> The best example for this is the TANZAM railway line.

economic reforms. Since the mid-1990ies Chinese businesses went to African countries and cut deals which were acquiring China a bad reputation in those countries, because of the abrasive style of the Chinese business community. The central government thus saw the need to make these commercial contracts more responsive to African development requirements. Besides, they wanted their diplomatic missions to get involved in the negotiations and strengthen the political ties with African governments, many of which were still recognizing diplomatically Taiwan. The main rationale for the Chinese combination of economic contracts and public development cooperation is therefore to promote China's principle of one country, protect its good name, and secure safe access to natural resources, which Africa has in abundance. This confluence of Chinese interests has resulted in hitting on a soft spot in Africa's development and its existing partnerships. African economies lack favorable trade agreements and see few new direct foreign investments (FDI). China's development projects have changed Africa's trading and FDI patterns dramatically and they have for good measure invested in the improvement of public infrastructures for which governments lack funding.<sup>7</sup> China thus emulates its own experience: economic cooperation is the driver, development cooperation is the copilot to navigate the best possible path towards successful economic development.<sup>8</sup>

It is generally recognized that economic globalization up to now has created tremendous international and national disparities. OECD countries and China were on the side of the winners; African countries benefitted only marginally or were outright losers. Bringing the three groups together to work on common national, regional and global problems may help to make globalization a more equitable process. Respecting cultural differences and yet developing a common approach will not be an easy task. But framing common problems, developing operational approaches, procedures and finding a common working style will be the challenge development cooperation will have to address in the 21<sup>st</sup> century. Trilateral cooperation can be a strong mechanism to learn and foster such commonality which is at the same time respectful of diversity.

#### **4. Opportunities for Multilateral Development Cooperation**

In today's world national development is embedded in regional and global development. Political leaders in OECD countries struggle with such integration of national and regional/global concerns on a daily basis, but leave global problems in abeyance when internal interests are too strong and are against finding an appropriate national and international response. China has a lot of gravitas and can withstand global pressure as and when it chooses, it is, however reaching out to its neighbors and interested in

---

<sup>7</sup> Regrettably many such infrastructure projects are not fully integrated into national plans and do not serve intra-country trade. The negotiations, plans and implementation of such infrastructure projects could possibly benefit from future trilateral cooperation.

<sup>8</sup> To this very day it is one ministry in the Chinese central government which deals with external trade, commercial investments, and incoming and outgoing development cooperation. The Ministry was formerly called the Ministry of Foreign Trade and Economic Cooperation, and today is the Ministry of (External) Commerce. Interestingly enough, development cooperation has never appeared in its name.

fostering regional cooperation in Asia. African countries are individually too small to be reckoned with. As a regional block this might be quite different. Yet, African efforts to come together as an economically integrated continent will take time and much effort, but should be on everyone's radar screen.

China is successful because it chooses to take the adaption of international systems and practices only after thorough internal review and even then it may choose to adopt some concepts with exceptions. Such an exception is then labeled as "development with Chinese characteristics". Maybe African governments should be given a similar leeway in their transformation processes. In addition, China has always been very careful in emphasizing "the mutual benefit" in any type of cooperation. It might be helpful to articulate such mutual benefit upfront very clearly for future cooperation in Africa and certainly for any trilateral cooperation efforts.

Another lesson which can be learned from the Chinese experience is: when one set of problems is solved, another one emerges. Africans tend to shy away from facing such perpetually newly arising challenges, and Europeans often see new challenges as a threat to what exists and as a possible loss, while Chinese apply themselves to finding solutions without always weighing all the factors before they act. They tend to take an activist approach, which can be very irritating to others.

Coming together and forming a trilateral partnership may therefore help each party in overcoming their respective soft spots. Besides such a partnership could alleviate the widespread fears of an ever growing Chinese economy, inspire OECD countries to not always want to set the pace and look at Africa as their poor cousin, and to encourage African governments to design public policies and programs which address the needs those in their countries who are left behind in the development process. Not all African countries are economic basket cases. Many have raised the standards of living and established robust political and administrative structures. There are a number of failed states. But as in China development cooperation associated with the reformers, it should associate with the good performers in Africa and leave it to Africans to deal with those who cannot find political stability and economic prosperity.

Multilateral organizations like the UN and the World Bank normally open doors to international cooperation for all its member states. Their international conferences, conventions and the monitoring of their implementation are important steps in this process. Operational support to national efforts in order to produce good practices and advertising these among all member states could be a step worth strengthening. Bilateral and regional donors in many instances walk through the doors which multilateral organizations have opened. Both should be mindful of their comparative advantage and play to their respective strength. Regular donor coordination can help to ensure such rational division of labor.

Governments know that staff members of international organizations in which they are a member have to respond to the decisions of the executive boards which they may have helped to formulate. Therefore there is always the trust in multilateral organizations that they do not serve any other interests, but those defined collectively. Bilateral relations are embedded in good political contacts between the donor and recipient country and

the often immediate relevance of the institutional or operational experiences which can be shared.

Leveling the international playing field for all countries, big or small, will be the challenge for development cooperation in the coming years, trilateral cooperation could be great vehicle for achieving this goal. Implicitly meeting this challenge will help to create more evenly spread economic growth and make poverty reduction globally sustainable.