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Conclusions of the Workshop

“EU-China - Strategic Partnership towards Developing Countries?”

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Ladies and Gentlemen,

At the end of this very interesting workshop I will try to summarize the main lines of the presentations and discussion. Of course I can pick up only a few of the many views and interventions from this workshop. And I have to try to reach to some conclusions – even if they will be influenced by my personal perception of the issues we discussed here. However, as one of our Chinese guests – I think it was Mr. Yu from the Ministry of Trade –said yesterday: “We have to come to conclusions, otherwise - for what did the Konrad-Adenauer-Stiftung spend all the money for the travel costs of the participants?” I would add: not only our foundation, but also the participants from China and Europe expect some conclusions. Otherwise, it would have been a waste of time and of money for all the participants.

I'd like to start with something that Dr. Wahlers said in his introduction to this workshop: It is remarkable in itself that we have been able to organize such a dialogue on this topic of the Chinese and European objectives, motivations and approaches in their policy towards developing countries. It is remarkable because somehow until now this issue has been considered to be a sensitive one. It would not have been possible 20 years ago and it would not have been possible even five years ago.

Let me first highlight one of general problem for a potential partnership between EU and China, which has been addressed again and again in this workshop. It has been said by many participants – and others have expressed it in a more indirect way – that there is a lack of trust on both sides regarding the true motives of the other side.

However, as one discussant said: trust needs transparency. And in order to build trust you have to sit together and communicate openly. This workshop obviously has been one of the first events where this has been the case: a dialogue, open discussions between Chinese and European experts and stakeholders in the field of policy towards developing countries. And looking on the information exchanged, the views expressed and the clarifications made from both sides for me the first conclusion of this workshop is that **it should not be considered a singular event, but a starting-point for an intensive and regular dialogue on this topic.** We, the Konrad-Adenauer-Stiftung, will do our best, to contribute to the continuation of this dialogue.

I'd now like to summarize some of the main statements which have been made by our Chinese and European speakers as well as during the discussion, where some of the speakers stated that on the basis of their own life experience they consider themselves to be standing somewhere between the two sides.

1. Key statements and messages of the Chinese speakers

The Chinese speakers have stated

- (1) that the approach of the PRC in the policy towards developing countries is an approach of helping the people in these countries where they cooperate to improve their living conditions;
- (2) that the PRC – even if being itself still a developing country - considers it necessary to provide assistance for other developing countries in order to contribute to the improvement and stabilization of the global situation in our world;
- (3) that they consider the principle of non-interference into the politics of other countries a cornerstone of their approach on the background of their own historic experiences of suffering under the interference of other countries;
- (4) that they believe that during the last decades, they have collected a lot of very valuable experience in how to develop a poor country and that they want to transfer this experience to other countries.

- (5) With regard to the policy of Western countries towards developing countries they have stated that in their opinion the development cooperation of these countries is often very inefficient and often has not lead to visible results.

2. Key statements and messages of the European speakers

The European speakers have stated

- (1) that the core objectives of the European Union and its member states in their policy towards developing countries are the alleviation and reduction of poverty and the achievement of the Millennium Development Goals;
- (2) that on the other hand, human rights, good governance and democracy development are similarly important objectives and that experience shows that economic development and poverty reduction cannot be achieved without good governance.
- (3) They have explained that European Policy towards developing countries builds on some key principals such as
 - “political will as precondition for sustainable development”,
 - “ownership of the development programmes and processes on the side of the partner countries” and
 - “civil society development as precondition for efficient and socially justifiable development”.
- (4) With regard to China’s policy towards developing countries European speakers during this workshop have expressed the view
 - that in general, they very much welcome the increasing engagement of China to support the developing countries in their economic development and in solving humanitarian and social problems;
 - that on the other hand, there are serious indications that in many countries Chinese aid is used as a tool for getting privileged access to natural resources and
 - that the principal of non-interference in Chinese policy towards developing countries, combined with China’s continuation of and often even increasing cooperation with countries whose leaders are oppressing and expropriating their people, leads to undermining the

efforts of the international community for respect of human rights, good governance and democratic development.

3. Reactions, justifications, explanations

The views expressed by some European speakers and some discussants on China's policy towards developing countries have been **answered by the Chinese speakers** in the following way:

- (1) They have stated that the suggestion that they are not in favour of democracy is not true - just the opposite: according to the Chinese speakers, democracy and the rule of law form part of China's training of young people from developing countries. However, they believe that sustainable democracies can only be developed on the basis of successful economic development.
- (2) They have rejected the view presented from European speakers that their policy towards developing countries is dominated by their – understandable and somehow justified – intention to secure natural resources, like oil and other energy sources for example, which they need for the development of their country with its huge population.
- (3) They have similarly rejected the view that they simply take advantage of the situation and benefit economically after the international community ceases cooperation with a particular country because of bad governance and unacceptable actions and behaviour from the rulers. The Chinese speakers have explained that they are aware of the problems in some of the countries where they continue to cooperate even after the international community ceased its cooperation, but that they nonetheless want to help the gravely suffering populations of such countries and try to influence their leaders– for example in Zimbabwe and in Sudan – so as to make them change their policy.

European speakers, answering on the views expressed by the Chinese speakers on the failures of European development policy,

- (1) have admitted that many mistakes were in fact made in the past in their policy towards developing countries and that even today many projects and programmes are implemented with low efficiency and sometimes even counterproductive effects.

- (2) Furthermore, they admitted that coherence is still a serious problem of European policy towards developing countries and that this problem needs to be addressed during the next years with regard to the impact of trade-, agricultural- and fishery-policies – just to mention some of the policy fields often conflictive to the priorities of development cooperation.
- (3) However, they insisted that the high importance given by them to good governance is exactly one of the key lessons learnt from past mistakes and that therefore conditionality of aid and cooperation are a must in the policy towards developing countries – not only because of the universal validity of basic human rights acknowledged by the international community and nearly all countries worldwide including China, but also because good governance is an absolute precondition for sustainable development.

4. Evaluation of the different concepts and approaches with regard to the possibility of a strategic partnership between the EU and China in their policies towards developing countries

Several speakers expressed the opinion that looking on the huge challenges with regard to poverty, security, energy consumption and environmental problems in a globalising world, a strategic partnership between the EU and China in their policies towards developing countries would be absolutely necessary in order to prevent global disasters. And many other Chinese and European speakers agreed that competition between the donors in their development cooperation programs should be avoided.

However, the question remains: are the differences between the two sides not too big to realistically envisage working on a strategic partnership? I think to answer this question we have to look at four different issues:

- (1) The first one is the **fundamental question whether our overall visions and understanding of development and its objectives are similar enough to allow partnership**. As regards the economic model and the objectives stated in the Millennium Development Goals, this question obviously has been answered positively during the last two decades – the Chinese economic development approach is even considered to be an interesting model for poor

countries by many Western experts. But how about the other elements of development? I think that when Europeans raise this question they bear in mind that the Chinese model of social and political development and the Chinese concepts of society and political structures for many years appeared to blatantly contradict the European concept of the state with its respect for human rights and its principles of the rule of law and democratic participation. However, during this conference it has been stated several times by the Chinese speakers that democracy, the rule of law and good governance have become objectives in China's internal development as well. I should admit that the organizers of this conference have invited Prof. Cai from the Constitution Study Institute of the China University of Political Science and Law exactly for this reason: to get an expert's opinion and evaluation of this topic. It was very interesting to hear what he had to say on China's internal developments in the fields of rule of law and participation of the people, and how he evaluated these developments. Personally, I agree with Prof. Li's opinion that there still exist significant differences between the EU's and the China's understanding of and view on these issues, but that we are in the process of continually coming closer to each other.

- (2) The second issue we have to look at is **what priority the support for the socio-economic development of developing countries has in the foreign policy of the EU and China**. During this workshop, serious doubts on the motives lying behind China's engagement in many developing countries have been raised. Chinese speakers here have spoken of a win-win situation with regard to their parallel engagement in development assistance and in Chinese investments securing access to energy and other natural resources. I honestly think that the Chinese approach is not fundamentally different from the EU's approach. We have heard about the lack of coherence in European policy towards developing countries which reflects similar problems with regard to the priority of development goals in foreign policy. Therefore, I believe that it will be a question of balance between these sometimes contradicting national interests and engagement for developing countries which also is - in the long run - in the national interest of all countries and the world as a whole. This balance needs to be achieved on both sides – the EU and China. In the long run, there can be no positive outcome if one of the two sides adopts a free

rider's position – as we say in economic theory –, benefiting from the other side's efforts in developing poor countries while not making development assistance a high priority in its own foreign policy. Giving priority to national economic or political interests at any price – be it on the EU's or China's side – without respect for the interests of the other side and also for the concrete impact on the development of partner countries would make a strategic partnership between the EU and China in their policies towards developing countries impossible.

- (3) The third issue to be examined here is that of the **approaches to, methods of and instruments for development cooperation applied by the two sides**. There are – this we have learned in this workshop – important differences, caused partly by the fact that China – in view of its own huge development needs - generally is not in favour of cash transfers but instead focuses on assistance provided through Chinese experts and on projects implemented by Chinese companies. But it seems that these differences at the end would not create serious obstacles for a strategic partnership in the policy towards developing countries between the EU and China.
- (4) The fourth and last issue is that of **non-interference and conditionality**. Here, looking at the statements and views expressed during this workshop, we obviously are faced with a serious obstacle to a strategic partnership. However, the Chinese speakers have tried to make clear, that for them, good governance, the rule of law and democratic development are important objectives too, and they have stated that in countries like Sudan and Zimbabwe they have tried to use their influence to change the policy of these countries' regimes with regard to these objectives. I think that if at the end, both sides really would seriously orientate their efforts in the same direction – even if sometimes using different approaches and instruments – this difference would not necessarily pose an insurmountable obstacle to a strategic partnership. However, if there really is serious commitment on the Chinese side to the promotion of human rights, the rule of law, good governance and democratic participation in problematic countries, then this needs to be clearly and in detail proven in each case.

Summarizing these considerations on the necessity and on the existence of the minimum preconditions for a strategic partnership between the EU and China in their policy towards developing countries, my personal conclusion is that it is worthwhile to try.

5. Recommendations from this workshop

A strategic partnership is not something which you can install the day after you decide upon it. It needs to be developed over the years in a careful and committed manner. Therefore, we must ask: what can we conclude from this workshop on how to develop such a strategic partnership between the EU and China in their respective policies towards developing countries?

- (1) In one intervention one of the representatives of the Chinese Ministry of Foreign Affairs suggested that the **policy towards developing countries** should become one of the issues **formally included in the framework of the EU-China Strategic Partnership Mechanism** with its regular dialogue meetings and action plans. I think this is a very important recommendation – to establish a continuous, result-oriented formal dialogue between the two sides.
- (2) It has also been suggested by the Chinese speakers during this workshop to **establish close cooperation between the EU and China in some crucial fields of development assistance like capacity-building for local experts in developing countries and infrastructure development**. This could be one of the first steps to be taken in a strategic partnership mechanism.
- (3) A third recommendation from the Chinese speakers during this workshop was to **start joint research on development processes, development strategies and development cooperation** between the EU and China. I think this would really help to create common ground. Partnership needs substance, as Ms Niquet from the French Institute of International Relations has stated, and substance could be provided through such common research. The Konrad-Adenauer-Stiftung is ready to immediately start such common research in China and in Europe with some of its Chinese partners – for example the Chinese Academy of Social Sciences, represented at this workshop by Prof. Yang and Prof. Li, or the Institute for Strategic Studies at the National Defence University, represented at this workshop by Prof. Guo.

(4) Finally, I would like to come back to my initial observation of a wide-spread lack of trust and confidence on both sides regarding the motives of the respective other side. This lack of trust cannot be reduced solely through communication and dialogue on the policy towards developing countries in general. It will only diminish – and this is another very important conclusion from this workshop – if **China is included and includes itself in the coordinating mechanisms of the international community in each of the partner countries** – specifically in the so-called difficult states. I think it would be extremely helpful if **two or three pilot countries could be selected by the two sides in which to carry out joint case studies on common visions and potential development paths and strategies and in which to gather and evaluate first experiences on how to cooperate and how to fill this great word ‘strategic partnership’ with real life.**

Let me finally – on behalf of the organizers – thank you all for the valuable contributions and open discussion during this workshop. They have turned this meeting into an important and encouraging starting point for the further dialogue and cooperation in the field of the policy towards developing countries.