

*In order to assess the growing feeling that under the cover of aid to development, the West allows too large a part of its financial resources to its own security and that of its allies in the Middle East, this paper compares the financial flows – aid to development, grants, loans at concessional rates, loans, FDI - coming from the two main contributors, the West and China to the benefit of [directed to/ targeting] the developing/emerging world. Based on statistics of the OECD for the West, and for China on evaluations of the OECD, as well as other online sources, it recognizes that China's part, as a donor, has been catching up over the last decade. That part is now as important as that of the West. Still China's contribution looks much more equally distributed over all regions of the world. While most of the West's monies go to the Middle East and Eastern Europe, most of China's funds go to Africa, Eastern Europe, Latin America, and its own still developing neighbors – Afghanistan, Cambodia, Indonesia, Laos, Myanmar, Nepal, the Pacific islands, Pakistan, Sri Lanka. As an explanation, the paper proposes that the West identifies too closely with, and remains hostage to the conflict between the two ethno-religious branches stemming from the Abrahamic trunk, to the point of not being able anymore to distinguish itself, its own interests and those of the global community from those of the Middle East.*

If you wish to see the truth

Cling to no opinion for or against

The struggle between right and wrong

Is the disease of the mind

1. (Xin Xin Ming, Seng Can, 3<sup>rd</sup> Chan Patriarch, 6<sup>th</sup> ACE)

For some 70 years Israelis and Palestinians have summoned the Western world to take sides in the millenary conflict between the offspring of the two wives of Abraham: Sarah, mother of all Jews, and Hagar, mother of all Arabs.

Israel did so based on the supposed responsibility of all European countries for centuries of antisemitism, or rather anti-Judaism, that led to the massacre of 6 million Jews by the Nazis. The Palestinians and other Arab nations based their claims on the colonization by European powers of Arab and Muslim countries

that followed the Reconquista, two centuries of sea piracy by corsairs of the Maghreb countries, and the liberation of Balkan countries from the Ottoman yoke.

When the First Oil Crisis came in 1973, some 28 years after Franklin D. Roosevelt and Saudi King Abdul Aziz Ibn Saud signed the Quincy Pact (1945), Western powers yielded to OPEC blackmail in order to ensure the continuous supply of oil from MENA and Middle Eastern countries necessary for their industries.

On the other hand, they supported the Israeli settlement of Palestine as a pawn on the middle eastern chessboard.

That these two ancient protagonists of western European powers took advantage of the geopolitical and economic conjuncture is fair game.

But their attempt to get other parts of the world - the Far East as well as parts of South and Southeast Asia - that have not been affected by Abrahamic monotheism, in their "transcendentally eschatological" but also territorial conflict, would start to sound ridiculous if its consequences were not potentially tragic for all humans.

It could indeed last to the End of Time or even trigger it, putting an end to two million years of human evolution.

The huge financial resources that the West allocates to the management of the Israeli-Palestinian "peace process" and other related Middle eastern conflicts would be better employed to build infrastructure in Africa, South America and Southeast Asia, as well as to fight climate warming and rescue sinking Pacific islands.

According to an article on the Wikipedia website([https://en.wikipedia.org/wiki/United\\_States\\_foreign\\_aid](https://en.wikipedia.org/wiki/United_States_foreign_aid)): "Foreign aid is used to support American national security and commercial interests and can also be distributed for humanitarian reasons", in that order. The results are that, beside keeping the ISW (Institute for the Study of War) busy and getting the weapons-making industry to run at full speed, Israel and other Middle eastern countries have been and are the main beneficiaries of US aid.  
(<https://www.usnews.com/news/best-countries/articles/2023-10-10/how-much-aid-does-the-u-s-give-to-israel>).

According to an article in the French version of The Conversation<sup>1</sup> Israel has since 1975 been the main beneficiary of US aid. In 1975 it amounted to as much as 1/5 of its GDP.

As the Middle East conflicts have continued unabated since the end of WW II, “aid” from the US and the EU to Israel and the Palestinians<sup>2</sup> looks more and more like what it probably is

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<sup>1</sup> The Conversation, “Comment évaluer l’économie israélienne au prisme de son insertion internationale” December 4, 2023.

p. 10 : “Le compte courant d’Israël révèle un autre aspect de l’évolution de son insertion internationale. En effet, les revenus secondaires reçus de l’étranger – l’aide extérieure, essentiellement – ont été cruciaux pendant la phase de développement de l’économie israélienne pour faire face à l’énorme déficit de la balance commerciale. Celle-ci a atteint plus d’un cinquième du PIB en 1975.”

p. 12 : "Les États-Unis sont le premier apporteur de fonds à Israël, et Israël est le principal récipiendaire de l’aide américaine depuis 1976. D’après le dernier rapport du service de recherche du Congrès américain, le cumul de l’aide des États-Unis à Israël entre 1946 et septembre 2023 est de 159 milliards de dollars courants (260 milliards de dollars constants de 2021). De 1971 à 2007, une partie significative de cette aide relevait du soutien économique ; elle est désormais quasi exclusivement militaire. Par ailleurs, depuis 1991, Israël est le seul pays autorisé par le Congrès à placer l’aide qui lui est accordée sur un compte rémunéré aux États-Unis. Enfin, depuis 2021 et jusqu’au déclenchement de la guerre actuelle, le Congrès a voté l’octroi à Israël de 3,3 milliards de dollars courants d’aide militaire par an. S’ajoutent à cette somme d’autres montants spécifiques à la défense aérienne (anti-missiles, Dôme de fer). En 2022, au total, les 4,8 milliards de dollars d’aide militaire votés par le Congrès américain représentent 80 % des crédits reçus par le gouvernement israélien au titre de la coopération internationale."

<sup>2</sup> The EU also sells weaponry to Israel (<https://centredelas.org/actualitat/european-union-must-end-its-military-support-for-israel/?lang=en>).

intended to be: a distraction by the ISW (Institute for the Study of War) to keep the weapons-making industry happy. This also serves as a screen for the West's failure to recognize its responsibility in the destruction of the global environment as well as in the protracted development lag of Europe's former sub-Saharan colonies. As for South American countries, they remain hostage to the US by the Monroe Doctrine, America to the Americans, really meaning "America to the USA".

## Western aid to development

**The OECD Development Assistance Committee (DAC) is a unique international forum of many of the largest providers of aid, including 32 members.**

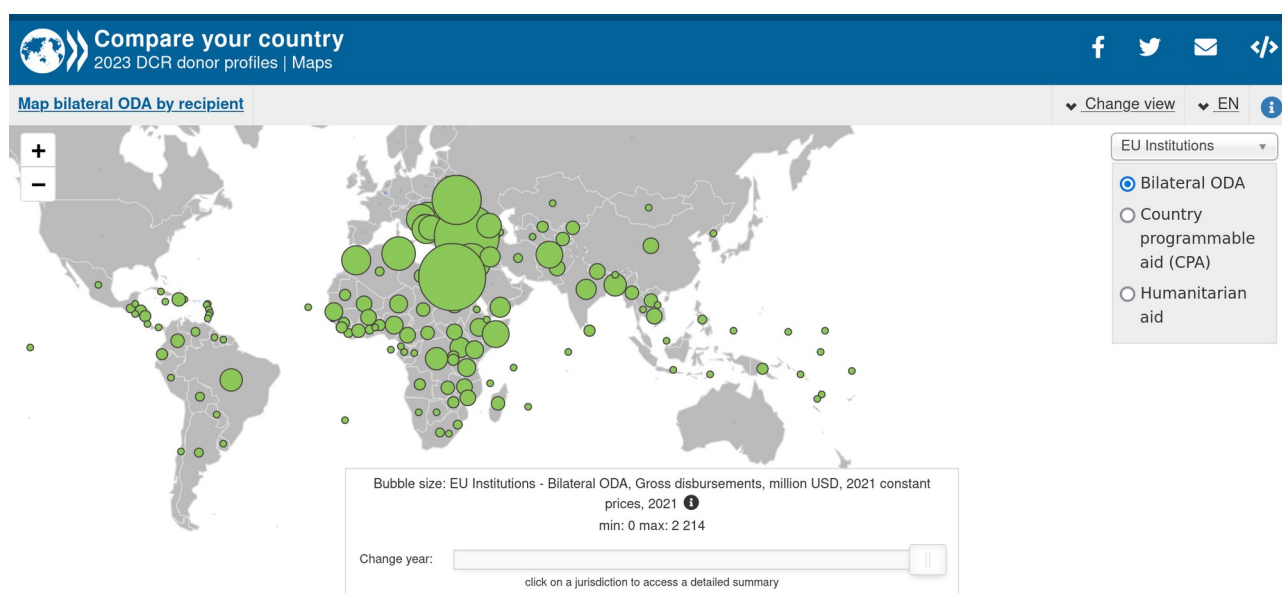
In 2022, "ODA<sup>3</sup> from the twenty DAC countries that are EU members was USD 91.6 billion, an increase of 18.6% in real terms compared to 2021. Total ODA by EU Institutions rose by 30.3% in real terms mostly due to support to Ukraine, some of which was in the form of loans (<https://www.oecd.org/dac/financing-sustainable-development/ODA-2022-summary.pdf>).

As the map and chart below show, the largest part of the EU ODA concentrates on Middle East countries, Turkey getting in 2021 the largest share of it (\$2131 million/year), Palestine (West Bank and Gaza: \$227million/year), while Zimbabwe got only \$61 million, Zambia

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<sup>3</sup> ODA : Official Development Assistance

\$88 million, and Wallis and Futuna just \$1 million.



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[https://www.oecd-ilibrary.org/sites/c0ad1f0d-en/index.html?itemId=/content/component/5e331623-en&\\_csp\\_=b14d4f60505d057b456dd1730d8fcea3&itemIGO=oecd&itemContentType=chapter](https://www.oecd-ilibrary.org/sites/c0ad1f0d-en/index.html?itemId=/content/component/5e331623-en&_csp_=b14d4f60505d057b456dd1730d8fcea3&itemIGO=oecd&itemContentType=chapter)

Hereunder are EU's ODA disbursement for beneficiary countries for the last five years in millions of dollars<sup>4</sup>:

Country	2017	2018	2019	2020	2021
Afghanistan	467	488	456	391	350
Albania	89	232	87	141	386
Algeria	75	53	57	91	37
Angola	45	38	44	35	52
Antigua and Barbuda	3	1	5	3	1
Argentina	5	80	23	26	34
Armenia	114	66	43	146	107
Azerbaijan	28	25	21	28	27
Bangladesh	159	179	176	296	235
Belarus	44	31	120	172	24
Belize	14	11	5	6	9
Benin	95	100	55	157	59
Bhutan	6	16	18	25	7
Bolivia	81	46	73	47	40
Bosnia and Herzegovina	249	149	223	276	398
Botswana	21	2	6	6	7
Brazil	345	91	11	291	224
Burkina Faso	211	208	166	251	110
Burundi	50	52	121	60	68
Cabo Verde	38	14	37	37	24

<sup>4</sup> <https://stats.oecd.org/Index.aspx?DataSetCode=Table2A>

Cambodia	58	95	72	148	106
Cameroon	97	79	106	108	111
Central African Republic	106	135	127	160	88
Chad	148	179	100	176	88
Chile	6 –	–	–	–	
China	114	206	107	195	126
Colombia	81	89	74	117	77
Comoros	10	13	6	2	5
Congo	16	24	19	19	13
Cook Islands	2	1 –	–	–	
Costa Rica	18	31	4	5	5
Côte d'Ivoire	115	110	112	131	97
Cuba	13	13	22	27	25
Djibouti	17	34	41	33	22
Dominica	11	17	14	3	1
Dominican Republic	46	31	55	36	24
DPRK	7	5	5	3	3
DRC	206	231	234	212	225
Ecuador	73	191	85	62	64
Egypt	296	405	758	953	2214
El Salvador	20	44	35	16	5
Equatorial Guinea	0	1	0	0	0
Eritrea	6	10	5	3	1
Eswatini	43	15	14	25	31
Ethiopia	246	289	223	222	171
Fiji	38	13	13	19	9
Gabon	13	5	3	6	5
Gambia	56	53	59	66	33
Georgia	303	307	228	510	305
Ghana	36	84	46	137	48
Grenada	2	1	2	1	0
Guatemala	48	23	47	34	41
Guinea	93	112	89	51	64
Guinea-Bissau	27	29	31	17	19
Guyana	12	30	4	12	10
Haiti	83	143	63	109	96
Honduras	77	99	74	64	51
India	525	427	216	333	182
Indonesia	30	21	17	22	16
Iran	18	18	24	34	32
Iraq	212	290	255	288	195
Jamaica	22	46	14	30	14
Jordan	258	189	183	503	675
Kazakhstan	14	5	3	1	2
Kenya	191	116	108	167	145
Kiribati	3	4	3	7	1
Kosovo	193	158	172	267	200

Kyrgyzstan	36	45	41	81	76
Lao PDR	34	34	53	36	95
Lebanon	206	215	146	148	161
Lesotho	11	13	9	20	23
Liberia	50	37	45	44	40
Libya	73	62	93	62	92
Madagascar	86	95	82	117	85
Malawi	127	93	144	114	122
Malaysia	2	2	3	1	2
Maldives	2	1	0	27	2
Mali	237	249	228	166	128
Marshall Islands	—	2	4	0	3
Mauritania	34	64	82	85	65
Mauritius	7	28	16	11	10
Mexico	116	11	8	163	10
Micronesia	2 —		0	5	0
Moldova	144	127	195	296	350
Mongolia	16	32	21	46	23
Montenegro	139	176	131	234	156
Montserrat	0	7	5	6	2
Morocco	800	403	583	1147	393
Mozambique	106	69	116	195	133
Myanmar	87	86	132	189	87
Namibia	6	20	19	22	11
Nauru	0	2	1	0 —	
Nepal	107	58	54	36	116
Nicaragua	26	43	47	78	56
Niger	272	253	190	251	164
Nigeria	313	319	205	183	156
Niue	0	0	0 —		0
North Macedonia	143	154	114	275	303
Pakistan	150	144	123	143	117
Palau	0	0	1 —	—	
Panama	6	24	16	3	17
Papua New Guinea	15	36	53	25	66
Paraguay	61	50	26	59	28
Peru	132	75	18	26	27
Philippines	32	40	40	28	47
Rwanda	168	99	80	77	69
Saint Helena	0	13	0	11	1
Saint Lucia	9	4	3	1	4
Saint Vincent and the Grenadines	3	7	3	1	1
Samoa	9	17	7	1	1
Sao Tome and Principe	9	5	5	9	4
Senegal	58	131	100	229	140
Serbia	565	728	444	434	544
Seychelles	5 —	—	—	—	
Sierra Leone	58	79	80	118	68

Solomon Islands	11	9	13	10	3
Somalia	294	283	182	176	362
South Africa	149	141	166	159	36
South Sudan	271	108	75	124	119
Sri Lanka	41	29	16	28	72
Sudan	127	177	61	111	162
Suriname	11	6	4	6	3
Syria	399	604	487	324	556
Tajikistan	26	46	38	28	103
Tanzania	151	175	103	114	147
Thailand	16	11	10	13	8
Timor-Leste	31	16	15	28	16
Togo	91	48	50	61	30
Tonga	4	5	2	3	0
Tunisia	549	447	413	481	545
Türkiye	2925	2021	1589	1536	2131
Turkmenistan	4	7	4	3	3
Tuvalu	0	3	2	0	2
Uganda	175	114	162	182	178
Ukraine	411	399	479	1759	1222
Uruguay	1 –	–	–	–	
Uzbekistan	22	29	30	55	62
Vanuatu	1	4	3	16	9
Venezuela	3	20	60	60	31
Viet Nam	87	89	42	96	22
Wallis and Futuna	1	16	1	12	1
West Bank and Gaza Strip	333	314	261	288	227
Yemen	184	170	229	213	195
Zambia	61	52	107	63	88
Zimbabwe	70	69	58	123	61

In that part of the world, the EU humanitarian aid mainly provides Palestine ([https://civil-protection-humanitarian-aid.ec.europa.eu/where/middle-east-and-northern-africa/palestine\\_en](https://civil-protection-humanitarian-aid.ec.europa.eu/where/middle-east-and-northern-africa/palestine_en)). Since 2000 it has amounted to 900 million €. Yearly contributions of 25 million just tripled to 75 million following the 7 October 2023 attack on Israel by Hamas and the ensuing Israeli reply, reactivating the long-standing conflict.

According to EU reports, since 2002, European countries have not sent arms or military systems to Palestine. Dutch components of F16 fighters, Apache attack helicopters, and Hellfire rockets end up with the Israeli armed forces through co-production agreements



with US companies<sup>5</sup>.

Regarding Afghanistan, sources differ on the amount and structure of US aid to the country over the 20 years of US presence there. According a rough estimate quoted by Amin Maalouf, of one trillion dollars over about 20 years of US presence a bare 2 % - 2 billion dollars - was allocated to development (infrastructure, general economy, education). The remaining 98 % that is 998 billion dollars , were allocated to weapons, mainly in order to bolster US troops security and that of the Karzai regime that they were backing<sup>6</sup>. Maalouf does not quote his sources. Others that are better documented, however, such as those of the SIPRI<sup>7</sup> and a few additional ones easily found by googling « structure of US aid to Afghanistan », let anyone clearly see that the structure of US aid looks shamefully skewed and wrongheaded, and that the percentage of that aid dedicated to developement (infrastructure, education, support of traditional economy) is very small in comparison to that allocated to military expenditures. Furthermore, the figures provided by the Karzai administration for its military expenditures are significantly lower than those of the US agencies.

### Arab donor countries

As of 2017, “The limited number of studies on aid allocation by Arab donors agree that predominantly Muslim countries are their main beneficiaries (Simmons, 1981, Hunter, 1984, Neumayer, 2003, Neumayer, 2004). This finding can also be extended to the IsDB, as it was

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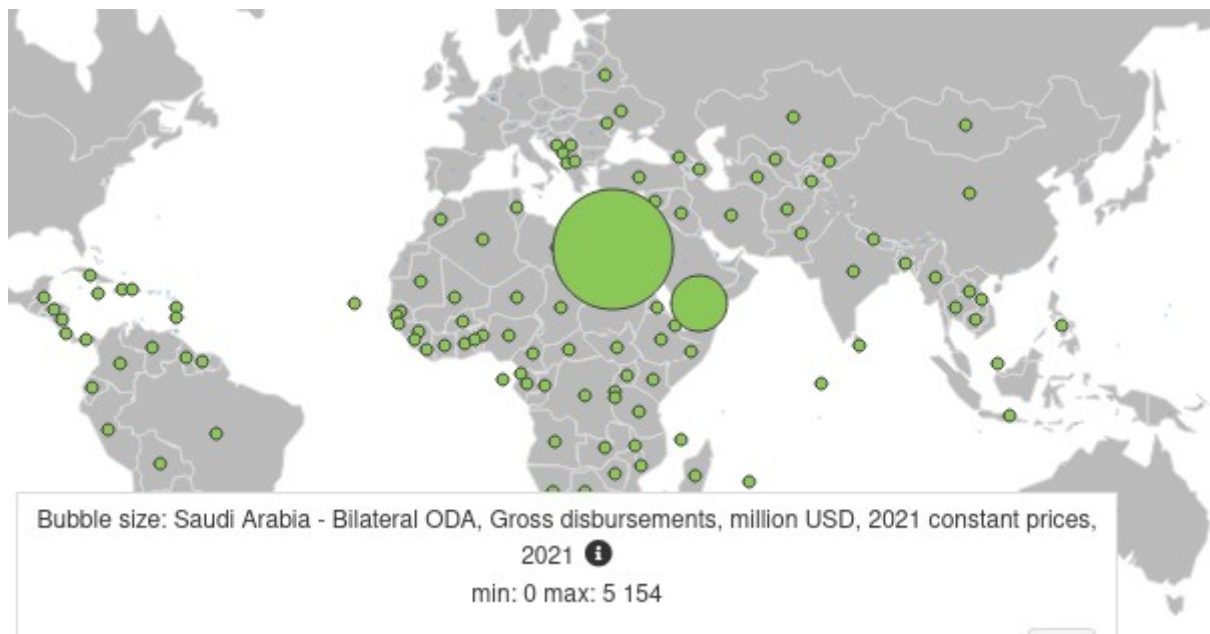
<sup>5</sup> <https://centredelas.org/actualitat/european-union-must-end-its-military-support-for-israel/?lang=en> ; <https://www.usnews.com/news/best-countries/articles/countries-that-receive-the-most-foreign-aid-from-the-u-s>

<sup>6</sup> Amin Maalouf, *Le Labyrinthe des égarés, l'Occident et ses adversaires*, Paris, Grasset, 2023, p. 393

<sup>7</sup> <https://www.sipri.org/commentary/topical-background/2021/20-years-us-military-aid-afghanistan> ; [https://www.theglobaleconomy.com/Afghanistan/foreign\\_aid/](https://www.theglobaleconomy.com/Afghanistan/foreign_aid/)

set up in 1975 with the very purpose of providing development assistance only to countries affiliated to the Organization of Islamic Cooperation (OIC) and to facilitate their access to Sharia compliant monetary resources (Warde, 2000, Villanger, 2007).<sup>8</sup>”

See further references on Arab aid in footnote hereunder<sup>9</sup> as well as map below<sup>10</sup>:



<sup>8</sup> <https://www.sciencedirect.com/science/article/abs/pii/S0147596716300622>

<sup>9</sup> <https://www.statista.com/statistics/275597/largers-donor-countries-of-aid-worldwide/>

<https://www.cmi.no/publications/2615-arab-foreign-aid-disbursement-patterns>

<https://www.bic-rhr.com/research/shifting-gulf-foreign-aid-prospects-and-obstacles-eu-collaboration>

<https://thediplomat.com/2023/05/gulf-states-growing-aid-diplomacy-in-indonesia/>

<https://www.undp.org/sites/g/files/zskgke326/files/migration/sa/ODA-Summary-EN.pdf>

[https://en.wikipedia.org/wiki/Saudi\\_foreign\\_assistance](https://en.wikipedia.org/wiki/Saudi_foreign_assistance)

<https://www.telegraph.co.uk/news/worldnews/middleeast/saudi-arabia/1514026/Saudis-donate-aid-to-non-Muslims.html>

[https://eprints.lse.ac.uk/615/1/JournalofDevelopmentStudies\\_39\(4\).pdf](https://eprints.lse.ac.uk/615/1/JournalofDevelopmentStudies_39(4).pdf)

<sup>10</sup> <https://www.oecd-ilibrary.org/sites/b2156c99-en/index.html?itemId=/content/component/b2156c99-en>

<https://www.statista.com/statistics/275597/largers-donor-countries-of-aid-worldwide/>

Let us put ourselves in the shoes of Far Easterner cultures, which see Arabic Islam as a part of the Global West, that is the Abrahamic monotheist culture. The fact that the aid of petrol-rich Arab countries goes mainly to Muslim countries<sup>11</sup> compounds the picture of the Global West as a self-centered predatory system of assistance benefitting barely between 1.5 billion to 2.5 billion people out of 8 billion people living on Earth, that is between a fifth and a fourth of the world's population.

## **China's aid to development, and other disbursements**

Although it is not part of the DAC countries, China is a key partner of the OECD<sup>12</sup> and collaborates with the DAC through the events of the China-DAC Study Group<sup>13</sup>

China has benefitted from aid investments from different OECD actors, public and private, but it has also been, and increasingly is becoming, a donor and lender at concessional rates<sup>14</sup>.

<sup>11</sup> [https://www.oecd.org/dac/dac-global-relations/Development\\_finance\\_Arab\\_countries\\_institutions.pdf](https://www.oecd.org/dac/dac-global-relations/Development_finance_Arab_countries_institutions.pdf);  
<https://www.sciencedirect.com/science/article/abs/pii/S0147596716300622>

<sup>12</sup> <https://www.oecd.org/global-relations/keypartners/>

<sup>13</sup> <https://www.oecd.org/china/chinas-development-co-operation.htm>

<sup>14</sup> <https://www.oecd.org/china/> et [https://read.oecd-ilibrary.org/development/geographical-distribution-of-financial-flows-to-developing-countries-2023\\_12757fab-en-fr#page6](https://read.oecd-ilibrary.org/development/geographical-distribution-of-financial-flows-to-developing-countries-2023_12757fab-en-fr#page6)

According to the OECD, as early as 2015 China disbursed almost as much as the US in its aid to development: « USD 3.1 billion in 2015, compared to USD 3.4 billion in 2014 » (OECD estimates based on Government of China, 2015; and websites of multilateral organisations).

China does not have specific priority countries (aside from the Democratic People's Republic of Korea). Its aid-grants are distributed more or less equally to some 120 partner countries. The main sectors are public facilities, industry, and economic infrastructure. **China offers eight different forms of cooperation with complete projects (turn-key projects) being their major modality. China also provides humanitarian assistance.**

China engages in triangular cooperation, partnering with several international organizations (e.g. the United Nations Development Programme, the United Nations Industrial Development Organization and the World Bank) and DAC members among which include the Netherlands, New Zealand, the United Kingdom, and the United States. China's development cooperation through multilateral organizations was primarily channeled through the United Nations (89%) and the regional development banks (9%). China is also the main founding member of the new Asian Infrastructure Investment Bank (AIIB), a multilateral development initiative with its headquarters in China.

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Not being a member of the DAC and OECD, China does not report to the OECD. Still, they communicate with each other.

According to the OECD website:

« China has been providing development assistance since the foundation of the People's Republic of China (hereafter "China"). It **initially focused on technical assistance and South-South co-operation**, taking on a low profile in terms of foreign policy priorities. However, with the establishment of the China International Development Cooperation Agency (CIDCA) in 2018, the domestic aid governance model reflects a more dedicated role as a provider of development co-operation, coupled with a more assertive foreign policy. ... According to OECD estimates, in 2019, China provided approximately \$5.9 billion in foreign aid. ... in 2021, China's bilateral international development co-operation reached USD 3.1 billion, up from USD 2.9 billion in 2020. »<sup>15</sup>

**In the Wikipedia entry on Chinese foreign aid<sup>16</sup> we find that:**

« A RAND published study on "China's Foreign Aid and Government Sponsored Investment" estimates the amount of both traditional aid and much more broadly defined **government sponsored investment** that was pledged by China in 2011 was 189.3 billion US dollars.... Due to the secrecy of China's aid programme details (of how much is given, to whom and for what) are difficult to ascertain. ... According to a 2017 study, described as "The most detailed study so far of Chinese aid," by AidData, between 2000 and 2014 China gave about \$75 billion, and lent about \$275 billion — compared to \$424 billion given by America during the same period. A fifth of this Chinese

<sup>15</sup> [https://www.oecd-ilibrary.org/sites/18b00a44-en/index.html?itemId=/content/component/5e331623-en&\\_csp\\_=b14d4f60505d057b456dd1730d8fcea3&itemIGO=oecd&itemContentType=chapter&\\_ga=2.167681595.485820837.1625468128-1526753300.1620141746#section-d1e56984](https://www.oecd-ilibrary.org/sites/18b00a44-en/index.html?itemId=/content/component/5e331623-en&_csp_=b14d4f60505d057b456dd1730d8fcea3&itemIGO=oecd&itemContentType=chapter&_ga=2.167681595.485820837.1625468128-1526753300.1620141746#section-d1e56984)

<sup>16</sup> [https://en.wikipedia.org/wiki/Chinese\\_foreign\\_aid](https://en.wikipedia.org/wiki/Chinese_foreign_aid)

aid, \$75 billion, was in the form of grants (about equivalent to Britain's), while the rest was concessional lending at below-market interest rates.”

Chinese aid, unlike the aid provided by most developed countries, is not governed by the categories of the OECD’s Development Assistance Committee [DAC], and is not counted in international statistics as Official Development Assistance (ODA). Rather than being a "donor", China sees itself as working within a framework of South-South cooperation:

China adheres to the principles of not imposing any political conditions, not interfering in the internal affairs of the recipient countries and fully respecting their right to independently choosing their own paths and models of development. The basic principles China upholds in providing foreign assistance are mutual respect, equality, keeping promises, mutual benefits, and win-win (see China *White Paper on Foreign Aid, 2014*<sup>17</sup>)

### **China's critique of the dominant global mode of foreign aid**

The founding declaration of the Forum on China-Africa Cooperation (FOCAC) makes explicit China's critique of the dominant global mode of foreign aid, which in the Chinese view results in the mistreatment of developing countries:

Each country has the right to choose, in its course of development, its own social system, development model and way of life in light of its national conditions. . . . Moreover, the politicization of human rights conditionalities [?] on economic assistance should be vigorously opposed as they constitute a violation of human rights.

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<sup>17</sup>JICA-RI\_WP\_No.131-1.pdf

As Professor Dawn C. Murphy summarizes, “From China’s perspective, it is not merely offering an alternative model of foreign aid; it is directly critiquing the current system and the mistreatment of developing countries in that system.” The only political commitment China requires from aid recipients is that they accept the One China principle; China does not otherwise require concessions on issues of governance.

[It does not require agreement on a definition of Human Rights, nor does it restrict cooperation in case of disagreement or policies contravening with Western criteria in those matters]

China’s approach to financial aid has not changed over time, but the scope of its aid has grown as its own economic development needs have increased.

As of 2017, although China still did not provide comprehensive data on its foreign aid the OECD has estimated that the quantity of China's ODA-like aid in 2018 was \$4.4 billion. If counted as ODA, this would have placed China tenth in the list of donor states that year, between Norway and Canada, but still far behind the United States which provided \$34 billion. However, China provides a much higher volume of development financing that would not qualify as ODA because it lacks a sufficient concessional element and/or is linked to commercial transactions. A 2017 study for AidData<sup>18</sup> found that China's ODA-like aid was effective at producing economic growth in recipient countries.

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<sup>18</sup> Research lab at the College of William & Mary

## **Countries and regions benefitting from China's aid (grants, concessional loans, loans), investments and joint ventures**

### **Africa**

“There is [in Chinese aid structure] an African focus with about 45% of aid going to African countries in 2009, and a majority going to African countries in 2019. A report by AidData ... found that as of 2014 the majority of Chinese official development assistance went to Africa. The greatest recipients of Chinese aid in sub-Saharan Africa are, in descending order, Côte d'Ivoire, Ethiopia, Zimbabwe, Cameroon, Tanzania, Ghana, Mozambique, and Republic of Congo.”

In August 2022, the Ministry of Foreign Affairs of the People's Republic of China announced that it would forgive 23 interest-free loans that matured at the end of 2021 to 17 unspecified African countries.”

### **To Asian countries**

“In December 2005, China donated \$20 million to the Asian Development Bank or a regional poverty alleviation fund; it was China's first such fund set up at an international institution.

China's financial assistance for infrastructure development has significantly increased supply capacity in south Asia, particularly among the smaller south Asian countries, beginning in the mid-2000s. Nepal benefitted from increased Chinese aid, including Chinese financing for a railway from Kathmandu to Lhasa. China has been an important foreign aid contributor to Sri Lanka since



the end of the Sri Lankan civil war in 2009. Chinese foreign aid has also become increasingly important in Bangladesh, where it has built six major "friendship bridges", among other projects. Due to the fact that China has trade surpluses with these countries, its provision of foreign aid is viewed by the smaller south Asian countries as a means of insuring their respective bilateral relationships with China as mutually beneficial.

From the 1970s up to 2022 China reportedly implemented more than 100 aid projects in Pacific Island countries.

### **In Europe: Armenia**

“China's role in the Armenian economy has been a major force for growth and development. Since the early 2000s, China has become Armenia's largest foreign donor, providing over \$2 billion in foreign aid between 2000 and 2017. China's foreign aid to Armenia has been largely focused on infrastructure projects, such as roads, power plants and telecommunications networks, as well as assistance in areas of health and education. In 2020, Chinese President Xi Jinping announced a new \$1 billion investment package for Armenia to fund infrastructure and other economic projects. China's foreign aid to Armenia has been a catalyst for economic growth and development in the country. In the five years between 2000 and 2005, Armenia's GDP grew by an average of 6.8% annually, a rate that was more than double the average rate of 2.9% for the same period in the former Soviet Union. This growth was largely due to China's support for Armenian infrastructure projects, which helped to reduce transport costs, promote economic diversification, and improve the country's overall economic competitiveness. In addition to infrastructure

projects, China has also provided assistance in other areas of the Armenian economy. In 2017, China provided over \$15 million in grants and loans to Armenia to help finance the development of its education and health systems. China has also provided technical assistance in the areas of agriculture, energy, and technology. By investing in these sectors, China has helped Armenia become a more self-sufficient and competitive economy. China's foreign aid has also helped to strengthen the Armenian government's stability and legitimacy. In 2020, Xi Jinping announced a \$1 billion investment package for Armenia, which included a range of infrastructure and economic projects. This package was seen as a sign of China's commitment to Armenia's economic development and seen as a major boost for the Armenian government's legitimacy. Overall, China's foreign aid to Armenia has been a major force for economic growth and development in the country. Through its investments in infrastructure, health, education, and other sectors, China has helped Armenia to become a more self-sufficient and competitive economy.”

## **One World rather than one God**

Since China does not provide detailed data on its foreign aid, it is difficult to identify which country, group of countries or continent gets more aid, grants, loans, concessional loans, FDI or subsidized investments from China. Nevertheless, the cues and clues from different sources, even from official government sources from the main OECD donors, allow us to reasonably estimate that China's contribution to the economies and development of emerging countries is much more evenly distributed than that of the global West and the Middle East. Indeed, the aid of petrol-rich Arab

countries mainly goes to Muslim countries<sup>19</sup>.

In Carter, B. (2017). Literature review on China's aid. K4D Helpdesk Report. Brighton, UK: Institute of Development Studies (p.11) we find a

“Disaggregated data for global geographical regions:

This rapid review has found it hard to identify data disaggregating China's foreign aid and associated finance by global geographical region and/or countries' income and development status. The Rand Corporation's Wolf (2015) reports China's pledged assistance of foreign aid and government-sponsored investment activities, which is estimated to average USD 174 billion a year during the previous six years. Wolf (2015) provides a breakdown for the regional shares of total pledged assistance from 2001 through 2014 (in billions): Africa (USD 330), Latin America (USD 298), East Asia (USD 192, excluding the bulk of China's aid to North Korea), the Middle East (USD 165), South Asia (USD 157), and Central Asia (USD 69). Precisely what type of finance is covered by this data is not clear, but Wolf (2015) specifies that this funding is principally provided by China's Export-Import Bank and the China Development Bank 25. The World Resources Institute estimates that “during the period 2004-2013, a large proportion of foreign direct investment was received by the global South, including Africa (14 per cent), Asia (31 per cent) and Latin America (5 per cent)” (Zhou and Leung, 2015; quote taken from Bohoslavsky, 2016, p.9).”

If all, or the largest part, of the financial and technical resources dedicated to feed the West's wars, internecine, between its castes, or targeting the Rest, were diverted to equip the emerging countries with the only real tools they need to manage their own development: infrastructure, roads and routes, physical and virtual, a global minimum level of development would soon be reached. A soft landing of global economy, unavoidable condition to conserve what is left of our collective human environment, could then be initiated. It is great time that the West give the Rest, rather than fish, that famous net with which to catch fish.

Jacques Huynen

Brussels, April 21, 2024

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<sup>19</sup> [https://www.oecd.org/dac/dac-global-relations/Development\\_finance\\_Arab\\_countries\\_institutions.pdf](https://www.oecd.org/dac/dac-global-relations/Development_finance_Arab_countries_institutions.pdf)

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