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## Policy Brief

### BRICS partnership: A case of South-South Cooperation? Exploring the roles of South Africa and Africa

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#### Introduction

The BRICS partnership is developing rapidly. Current global events, such as the economic crisis in the advanced industrialised economies, and hand-wringing over the crisis in Syria, have brought the group, and its individual members, to the forefront of international decision-making. BRICS is no longer simply an economic and historical phenomenon; it is increasingly becoming an actor with agency in the current international milieu. This was most recently evident in the pledge of BRICS – along with other emerging markets – in mid-June 2012, of more than USD 90 billion to boost IMF reserves. This serves as an indicator both of these states' ability to affect international outcomes, and their intentions to do so.

However, serious questions need to be asked about the extent to which BRICS can agree on common positions, and claim its agency in international affairs. With each successive summit, the BRICS states have enunciated additional plans for future action, as well as core areas of interest and areas of commonality. The objectives of this policy brief are to examine the concept of 'South-South cooperation' in relation to BRICS; to analyse South Africa's role within BRICS; and to situate Africa within the context of BRICS' growing global significance and activity.

*Global Insight* aims to provide members of the policy community with concise but trenchant analyses of topical issues. Comments and suggestions are invited.

### Stretching the limits of a concept: 'South-South cooperation'

There appears to be considerable faith in BRICS as an expression of 'South-South cooperation' among governments, and even selected sections of academia and the news media. However, while the increasing trade relations between the countries that comprise BRICS – Brazil, Russia, India, China and South Africa – do reflect greater levels of economic interaction among the traditionally less advanced economies, there is a risk of overlooking some of the key assumptions about South-South cooperation when this label is linked to BRICS. These include: the belief that trade between Southern states would be less exploitative than that between the South and the North (i.e. trade balances would favour developing countries, rather than those better off); and the belief that economic interactions among states of the South would be more responsive to the development needs of the South (i.e. investments and aid would be channelled to productive sectors, and not only to social sectors of the economy, and goods would be exported at similar levels of industrial development, in contrast to the mismatch that prevailed between exports of the advanced economies and their less-developed destinations). Another key assumption arising from the period when the 'South-South cooperation' slogan gained traction in the 1960s is that the less advanced economies could progress by de-linking from the more advanced economies.

However, it is by no means assured that these assumptions will be borne out by the BRICS' interactions. There are a number of reasons for this scepticism. For one thing, all of the BRICS are implicated in the new 'Scramble for Africa'. Africa constitutes a key variable in the needs of rapidly growing economies such as those of the emerging states. It is in this context that BRICS' relations with Africa must be seen, and indeed, that South Africa's inclusion as a member of BRICS must be viewed.

Secondly, the 'no-strings-attached approach' to aid of China, and to a lesser extent, other emerging donors on the continent, may respond to some development needs, but may actually threaten the key development need on the continent: democracy and respect for human rights.

Thirdly, BRICS are as dependent upon the economic health of the advanced industrialised economies –

through trade and investment, among other factors – as lesser developing countries, therefore de-linking will only be achieved to a limited extent.

### Understanding 'South-South Cooperation'

'South-South cooperation' took form from the end of the 1960s onward, and was inspired by *dependencia* perspectives advanced by South American scholars. It was evident in the desire of developing countries, recognising a subservient role in relation to the advanced industrialised economies, to de-link from these economies and to forge stronger economic ties among themselves, which they assumed would be less exploitative and more relevant to their development. South-South co-operation has taken the form of capital flows and trade contacts, though these are only now beginning to eclipse the established contacts with traditional Northern economic partners.

While trade partners like China leave no doubt that they can surpass traditional trade partners from the developed world in Africa<sup>1</sup>, it is certainly still an open question whether this latest incarnation of South-South cooperation will be less exploitative and more relevant to development needs. The theoretical, or hoped for, benefits of South-South cooperation, therefore, should not be confused with the process in action, which could really have a wide variety of consequences. This is where South Africa's potential role in BRICS can be highlighted.

In focusing on BRICS, sight should not be lost of the many other arenas in which South-South cooperation takes place in a more quotidian manner. South-South development cooperation has been ongoing since at least the early 1960s. It has assumed various forms and focused on sectors as varied as agriculture, health and technology. The re-emergence of Southern donors on the African development scene coincides with the emergence of BRICS and should not necessarily be seen as the same process, although the two are of course linked. South-South development cooperation providers include: Brazil, Chile, China, Colombia, Egypt, India, Malaysia, Mexico, South Africa, Thailand and Venezuela.<sup>2</sup> This list is coincident but not coterminous with BRICS, illustrating just how limiting the conflation of BRICS and 'South-South cooperation' could potentially be – both for BRICS and for 'South-South cooperation'.

## South Africa: BRICS' latest addition

South Africa has positioned itself, rhetorically at least, as a 'gateway' to Africa. This stance must be problematised in the light of South Africa's uncertainty over the conduct of its own private commercial interests in the continent, a position that may shortly be relieved, given the recent ANC policy conference commitment to developing a code of conduct for South African businesses operating in Africa.

South Africa's role as a 'gateway' should also be questioned in the light of what this role entails: facilitating the economic engagement, whether positive or negative, of external actors with the African continent. This could be problematic in two senses: first, by presenting itself as a 'gateway' to Africa, South Africa potentially ushers in more intense competition over African resources, which may harm the interests of other African countries, and its own. Secondly, South Africa's capabilities and resources – in the areas of technology, bureaucracy and skills – could seriously limit its ability to act as a 'gateway'.

A further significant problem is presented by the increasingly well-defined limits of South Africa's influence in Africa: To which extent can the country act as a gateway when its leadership is uneasily accepted on the continent? The selection process of a Chair for the African Union Commission, for example, has brought to the surface some deep underlying tensions between South Africa and its African neighbours, leading some to question whether the securing of the post by Minister Dlamini Zuma was not a 'pyrrhic victory'.<sup>3</sup>

The lack of support from Nigeria in particular, followed by some unfortunate consular incidents involving nationals of the two countries in March 2012, proved a testing moment in South Africa's Africa diplomacy. This, along with the country's failure to present a strong showing in the UN debates over Resolution 1973 authorising a no-fly zone over Libya, created question marks over South Africa's ability to lead in Africa.

South Africa is the largest economy in Africa. Its relations with at least three of its BRIC counterparts (Brazil, India and China) are well-established and well-documented. South Africa formed an influential Dialogue Forum to advance trade with India and Brazil in 2006, under the leadership of then-presidents Thabo Mbeki and

Lula da Silva. It was also, in 2011, the foremost trading partner of China in Africa. For these reasons, and for its progressive foreign policy statements and the country's key role in articulating an 'African Agenda' in the first decade of the twenty-first century, South Africa is often perceived as a lead state on the continent. Arguably, this weighed heavily in favour of the country's inclusion in BRICS, moreso than any absolute indicators of strength or influence the country possesses. Yet, in contrast to the high profile that its inclusion brought South Africa, its membership of BRICS has highlighted a number of tensions and incongruities that pose a dilemma for the country's foreign policymakers.

How can South Africa's membership of BRICS enhance the South-South cooperation agenda of BRICS? In South Africa's foreign policy documents, South-South cooperation is conceptualised through multilateralism and its committed membership of groupings such as the Non-Aligned Movement (NAM) and G77 plus China, and more recent groupings such as the India-Brazil-South Africa (IBSA) Trilateral Dialogue Forum, the BASIC climate change coalition, consisting of Brazil, South Africa, India and China, and the G20 group of the world's most influential economies. More specifically, as noted recently in a statement by the Deputy Minister of International Relations and Cooperation, "South Africa's South-South cooperation strategy is anchored on the BRICS partnership mechanism with China, India, Brazil and Russia." Further, "[South Africa's] membership of BRICS has three objectives: to boost job creation and the domestic economy; to support African infrastructure development and industrialisation; and to partner with key players of the South on issues related to global governance and its reform."<sup>4</sup>

South Africa, then, represents BRICS' best opportunity to represent the interests of the least developed states on earth, those in Africa, including the specific interests related to trade, debt relief, investment and climate change. This was best illustrated by the Joint Statement of the Sanya Summit of 2011 which for the first time included a commitment to NEPAD, and African infrastructure and industrialisation: a clear, new addition to the BRICS agenda. South-South cooperation for South Africa derives its meaning from Southern

partnership, and from Southern solidarity in forming a rules-based multilateral international order.

### Policy considerations

The following policy considerations emanate from the above analysis of the changing dynamics of South-South cooperation and South Africa's role in BRICS:

- **Clarify the country's role in relation to BRICS:** South African policymakers need to define what it is South Africa requires from its membership of BRICS. Clearly, South Africa's membership serves a purpose for other BRICS members, but what does South Africa wish to attain? Recognition must be given to the fact that South African and African goals in BRICS may differ, and a clear position should be assumed in this regard. To capitalise on its BRICS membership, South Africa needs to adapt its own domestic and regional policies such that it really serves as a gateway to Southern Africa, and is not merely assumed or reputed to be one.
- **Assist in cultivating unified African positions:** South Africa should utilise the position newly-won in its name – but not strictly to be used for its purposes - within the Commission of the African Union to cultivate and defend common African positions, under the auspices of the AU, on matters that affect African states, such as peace and security on the continent, and key development issues, including trade, aid and debt relief.
- **Internalise African positions:** This consideration follows from the first two. South Africa's commitments in light of its continental and regional pledges must be filtered into the country's national negotiating positions and policies. This means that even under crisis conditions such as the UN Security Council vote on Resolution 1973 on Libya in March 2011, positions reached at the continental level must be channelled and represented by South Africa in global forums. This may go some way towards repairing the perceived harm to South Africa's continental image caused in recent years.
- **Represent African positions:** By virtue of its key foreign policy commitments, South Africa pursues an African agenda. This means that South Africa, often as the lone African representative on global platforms, must represent positions reached in African forums. While South Africa is a beneficiary of more extensive trading relations with countries of the developing world through IBSA and BRICS (and hence of 'South-South cooperation'), it also has the opportunity to enhance BRICS' commitment to a deeper form of South-South cooperation: one that underlines the initial assumptions of the term as it developed early on in response to Western marginalisation. In this way, South Africa needs to be more proactive in capitalising on the known benefits of South-South cooperation, namely: highlighting the symbolic value of these interactions, as an alternative to the Washington Consensus and as pro-Southern development stances; more immediate and well-directed assistance; and non-intervention in domestic affairs, while upholding the defence of democracy and human rights.
- **Continue the commitment to rules-based multilateralism:** As the third democracy in BRICS, South Africa has the opportunity, with Brazil and India, to make a contribution to the crafting of a rules-based multilateralism that is still humane and bears a conscience, and beyond this, a more pro-development BRICS agenda. This means taking into account not only the economic aspects of development, but also the social aspects, and the role of democracy in development.

### Endnotes

- 1 In 2011, China's bilateral trade with Africa reached USD 160 billion. However, already in 2009, according to the OECD, the US was overtaken by China as Africa's major trading partner. See OECD, <http://www.oecd-ilibrary.org/sites/factbook-2011-en/04/01/05/index.html?contentType=&itemId=/content/chapter/factbook-2011-37-en&containerItemId=/content/serial/18147364&accessItemIds=&mimeType=text/html>.



- 2 Chandy, Laurence and Homi Kharas. 2011. "Why can't we all just get along? The Practical Limits to International Development Cooperation." *Journal of International Development*, Vol. 23: 740.
- 3 Adekeye Adebajo, 2012. "Dlamini-Zuma's victory may turn out to be a pyrrhic one", *Business Day*, August 3, 2012. Accessed online at: <http://www.bdlive.co.za/articles/2012/08/03/dlamini-zuma-s-victory-may-turn-out-to-be-a-pyrrhic-one>
- 4 Statement by Deputy Minister Ebrahim Ebrahim at the Presidency Budget vote on South Africa's Role in Creating a Better Africa and a Better World, 30 May 2012.



The IGD is an independent foreign policy think tank dedicated to the analysis of and dialogue on the evolving international political and economic environment, and the role of Africa and South Africa. It advances a balanced, relevant and policy-oriented analysis, debate and documentation of South Africa's role in international relations and diplomacy.

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