AFRICA AND SOUTH-SOUTH DEVELOPMENT PARTNERSHIPS

Proceedings report of a roundtable organised by the Institute for Global Dialogue

Kwame Nkrumah Hall, Pretoria, 8 February 2013

Compiled by Fritz Nganje
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INTRODUCTION

NOTES ON THE SPEAKERS

SETTING THE SCENE: SOUTH-SOUTH COOPERATION TODAY

SOUTH-SOUTH DEVELOPMENT PARTNERSHIPS: HOW CAN AFRICA BENEFIT FROM THEM?

HIGHLIGHTS OF THE INTERACTIVE DISCUSSION

APPENDIX
1: ROUNDTABLE PROGRAMME

2: LIST OF PARTICIPANTS

3: ABOUT THE INSTITUTE FOR GLOBAL DIALOGUE
INTRODUCTION

The emergence of new economic powers in Asia, Latin America and Africa has been accompanied by an upsurge in cooperation among developing countries, breathing new life and significance into the concept of South-South cooperation. In addition to the increased flow of trade and investment, the new South-South cooperation also expresses itself through development partnerships, as emerging economies in the South increasingly assume the role of donors, providing development assistance to other developing countries through an array of bilateral and multilateral channels. South-South development cooperation has been hailed for affording developing countries sufficient space to manoeuvre in their development policies by breaking the monopoly of Western donors, which hitherto had exclusively written the rules and norms of international development cooperation. Even so, as the phenomenon takes root, concerns have emerged over the motivations and practices of these ‘new donors’, and more generally the implications of this trend for development efforts, especially in the least developed countries (LDCs).

In a bid to stimulate and enrich the debate on this very important subject, the Institute for Global Dialogue (IGD) hosted a roundtable on Africa and South-South development partnerships on 8 February 2013 in Pretoria. The seminar formed part of a project the IGD is undertaking, with financial assistance from the Open Society Foundation for South Africa (OSF-SA), which seeks to explore and appreciate the implications of contemporary South-South cooperation for South Africa’s foreign policy. To this end, the roundtable was intended as a forum for informed and concerned stakeholders to reflect on the opportunities and challenges of the changing landscape of development cooperation and how South Africa and Africa should respond to these. The discussion was led by Dr Mzukisi Qobo, Deputy Director of the Centre for the Study of Governance Innovation at the University of Pretoria, Mr Neissan Besharati, Research Associate at the South African Institute of International Affairs, and Mr Francis Kornegay, Senior Research Fellow at the IGD. This report is a synthesis of the presentations and the interactive discussion that followed.
NOTES ON THE SPEAKERS

Mzukisi Qobo
Mzukisi Qobo is a senior lecturer and deputy director of the Centre for the Study of Governance Innovation in the Department of Political Sciences, University of Pretoria. He specialises in international political economy, emerging powers and global governance. Dr Qobo previously worked at the Department of Trade and Industry as chief director responsible for developing South Africa’s trade policy framework. Before joining the University of Pretoria, he was head of the Emerging Powers programme at the South African Institute of International Affairs (SAIIA), where he developed a research programme focusing on the relationship between Africa and the BRIC countries (Brazil, Russia, India and China). He obtained his BA from the University of Cape Town, MA from the University of Stellenbosch, and PhD from the University of Warwick, UK.

Neissan Besharati
Neissan Alessandro Besharati is a research fellow at the South African Institute of International Affairs (SAIIA), the Social Science Research Council, and the University of Witwatersrand’s Graduate School of Public and Development Management, where he lectures and is completing his PhD. He also works as a consultant on a regular basis and provides policy advice to different departments of the government of South Africa and international development organisations. His areas of expertise include international cooperation, development policy, and monitoring and evaluation.

Francis Kornegay
Francis Kornegay is a senior research fellow in the Emerging Powers Programme at the Institute for Global Dialogue. He has Masters degrees in African Studies from Howard University, Washington D.C., and in International Public Policy from the School of Advanced International Studies at Johns Hopkins University, Baltimore. Kornegay served two terms in the US Congress as a professional staffer, developing financial sanctions legislation on South Africa. He established the Research and Evaluation Unit for the African Development Foundation, an independent US agency. In South Africa, he served as the country director of the African-American Institute and was involved in electoral support activities. Since then he has focused on South-South cooperation issues, on which he has written and published extensively. He has also served as a Public Policy Fellow of the Washington D.C.-based Woodrow Wilson International Centre for Scholars.
Dr Qobo (centre) argued that while developing countries continue to adorn their foreign policies with the principles articulated in Bandung and Belgrade in the 1950s and 1960s, pragmatism (the pursuit of economic and other strategic interests) rather than ideology and political solidarity defines contemporary South-South cooperation.

Dr Mzukisi Qobo set the context for the discussion with a presentation on the changing dynamics of South-South cooperation. According to Dr Qobo, South-South cooperation emerged as a political and solidarity movement of Asian, Latin American and African countries, then referred to as the Third World, in response to the Cold War tensions between the Western and the Soviet blocs, as well as to colonialism and Western imperialism in general. The major milestones of the early phases of South-South cooperation were the 1955 Bandung Conference, which was aimed at creating a middle-ground that avoided close association with either of the Cold War rivals on the basis of principles such as respect for sovereignty and territorial integrity, racial equality, cooperation for mutual benefit, etc; the founding of the Non-aligned Movement (NAM) in Belgrade in 1961 based upon the ideas of the Bandung Conference; and the establishment in 1964 of the G-77, dedicated to promoting and defending the economic interests of developing countries, in the context of what was perceived as an exploitative global economic order.
According to Dr Qobo, besides their role in forging political solidarity among developing countries, early South-South cooperation initiatives achieved little in terms of improving the influence of these countries in the global political economy or contributing to their socio-economic development. In other words, despite the rhetoric of South-South cooperation, there was very little tangible cooperation among the countries of the South. Although some attempts were later made to move South-South cooperation from the realm of rhetoric to actual cooperation, through initiatives such as the 2005 New Asia Africa Strategic Partnership (NAASP) and former president Thabo Mbeki’s vision of a G-7 of the South, he argued that even these efforts were paralysed by their lack of a clear forward-looking agenda. The formalisation of the India, Brazil, South Africa (IBSA) Forum in 2003, and the formation of the G-20 coalition of developing countries within the World Trade Organization (WTO) two years earlier, marked an important turning point in South-South cooperation, according to Dr Qobo.

The formation of IBSA, in particular, represents a shift in South-South cooperation from a project defined essentially by ideological concerns and political solidarity to a framework for concrete political, economic and socio-cultural cooperation. Yet it would be misleading to see IBSA as a potential force for significant change in the global order. As a grouping of influential developing countries, IBSA has a useful role to play in terms of promoting the interests of its member states and the development agenda of the South more generally. However, even with the democratic credentials of its member states, the group lacks the dynamic and innovative qualities of a global actor with the potential to bring about a morally superior world order. Hence, the willingness of IBSA countries to embrace non-democracies like China.

The pragmatism in the contemporary version of South-South cooperation, anchored in the international activism of emerging economies, is more evident with the BRICS (Brazil, Russia, India, China and South Africa) alliance. The promotion of shared interests, especially in the area of economic cooperation, including issues relating to global economic governance, and not the articulation and promotion of new global norms, defines the operation of the BRICS alliance. A review of past BRICS communiqués attests to this reality.

Other highlights from Dr Qobo’s presentation include the following:

- The notion of South-South cooperation has been a major feature in South Africa’s international relations, dating back to the days of the liberation struggle against white minority rule, with the founding leaders of the African National Congress (ANC) actively participating in the early initiatives described above. Post-1994, South-South cooperation has featured prominently in the discourses and strategies of the Department of International Relations and Cooperation (DIRCO) and the Department of Trade and Industry (DTI).

- Conceptually, the economic influence, strategic interests and global aspirations of middle-income developing countries such as China, India and Brazil, coupled with the ambiguous identity of countries like Russia, make it somewhat inappropriate to talk of the existence of a global South or to consider BRICS to be representative of South-South cooperation, in the strict sense of the concept.

- A defining feature of contemporary South-South cooperation is the move away from exclusively political relations among governments to other forms of cooperation, involving an array of actors. Of significant importance here are the burgeoning commercial partnerships among business entities of developing nations within the framework of South-South cooperation. A classic example of this South-South commercial cooperation is the joint venture formed between the South African-based mining group, Exxaro, and Tata Power, which is India’s largest integration power company. The joint venture, referred to as Cennergi, will enable both companies to develop, own, operate, maintain, acquire and manage private electricity generation projects in selected Southern African countries.
SOUTH-SOUTH DEVELOPMENT PARTNERSHIPS: HOW CAN AFRICA BENEFIT FROM THEM?

South-South development cooperation, just like development assistance from the North, is not about charity but is driven by the pursuit of political and economic interests, making it incumbent on African countries to be smart in their engagement with emerging development partners, underscored Mr Besharati (right).

Following the overview of the changing dynamics of South-South cooperation was a presentation on the role of Africa in the emerging framework of South-South development cooperation by Mr Neissan Besharati. Mr Besharati prefaced his talk with the observation that contrary to popular perceptions, development cooperation, in the traditional sense of the concept, remains an insignificant component of South-South cooperation, which is made manifest mostly through trade and investment. The size and impact of official development assistance from emerging economies is still fairly limited compared to that from traditional donors and other development actors such as the private corporate sector and philanthropic organisations.

Mr Besharati proceeded with outlining a number of considerations that underlie South-South development cooperation, and which give it its defining feature. In the first instance, none of the key players in this enterprise want to be considered ‘donors’ or be seen as providing ‘aid’, for fear of either losing their ‘developing country’ label or being excluded from the development assistance programmes of the rich industrialised countries of
Africa and South-South Development Partnerships

the North. Secondly, almost all emerging economies suffer from striking inequalities and dire poverty, which tend to influence their involvement in development cooperation. Moreover, emerging donors try to make an effort not to be associated with the North-South neo-colonial aid paradigm, preferring to couch their development activities in terms such as partnerships, gifts, solidarity or friendship, with a corresponding rhetoric of trust, mutual benefit, equality, national ownership, self-reliance and respect for sovereignty. In this context, development partnerships are less concerned with actual development impact and results but more with building strategic political and economic relations, argued Mr Besharati.

Be that as it may, South-South development cooperation holds significant opportunities for African countries in their development efforts, not least because of their contribution to bringing about a plurality of approaches and actors to the field of development assistance. On the one hand South-South development partnerships take the form of an array of activities including debt restructuring, trade facilitation, the granting of credit lines and technical cooperation. On the other hand, it is undertaken by a diverse set of actors including the big Southern providers such as the BRICS and Arab donors, smaller Southern donors commonly referred to as the CIVETS (Colombia, Indonesia, Vietnam, Egypt, Turkey and South Africa), as well as regional institutions such as the New Partnership for Africa’s Development (NEPAD), which facilitate exchange, peer-learning, coordination, programme integration and collaboration among the countries of the South. In the words of Mr Besharati, ‘having an increased and more prominent role of these emerging development partners breaks the monopoly of the traditional Northern donors and provides Africa with choices and options’.

Yet, South-South development cooperation comes with its own set of challenges insofar as the development efforts of African countries are concerned. Firstly, owing to weaknesses in monitoring and evaluating the impact of activities that fall under the rubric of South-South development cooperation, there is little transparency and accountability in this area. This problem is supported by weak information management system and reporting, as well as uncoordinated initiatives. Secondly, South-South development partnerships are not geared towards development results but rather to achieving strategic political and economic interests. This is reflected in the fact that South-South development partnerships are usually managed by departments and staff whose function is more diplomatic than technical and developmental. Related to this challenge is the problem of tied aid, which sees some Southern providers (because of the developing nature of their economies) following in the footsteps of traditional donors in conditioning aid packages on the use of contractors, companies and supplies from their countries.

In such context, argued Mr Besharati, it is the responsibility of African countries to be prudent in their engagement with Southern donors, just as they are expected to be when dealing with traditional donors. Given that South-South development cooperation is not about charity, but is driven by the pursuit of strategic political and economic interests, it is only through smart and responsible choices and interventions that African countries are able to leverage the opportunities that come with these partnerships and align them to national development processes. More importantly, there is an urgent need for effective monitoring and accountability frameworks to ensure that South-South development cooperation responds positively to the development concerns of the parties involved. As far as Africa is concerned, these regulatory mechanisms are needed both at national and regional levels, with institutions such as regional economic communities, NEPAD and the African Union (AU) expected to play a critical role in this regard.
HIGHLIGHTS OF THE INTERACTIVE DISCUSSION

According to Mr Kornegay, South-South development cooperation offers an important framework within which future stabilisation and post-conflict reconstruction missions in Africa should be undertaken.

The interactive session was prefaced with a few remarks from Mr Francis Kornegay. Central to his comments was the idea that with the growing involvement of new actors from the South, the development cooperation landscape should be seen as being in a state of transition. He drew the attention of participants to the fact that, even the most notable Southern blocs, that is, IBSA and BRICS, are still finding their feet as actors in global politics. In this transitional environment, a number of issues and questions need to be clarified and answered. For example, with the idea of a BRICS development bank gaining much traction, what is the future of the IBSA Trust Fund? What kind of synergy should there be between these two mechanisms? More importantly, how can both mechanisms complement each other in delivering on Africa’s development and integration agenda? Mr Kornegay also pointed at the challenge of representation that coordinating mechanisms for South-South cooperation such as NAASP and the Forum on China-Africa Cooperation (FOCAC) still have to overcome, and which stem from lingering political tensions associated with the Western Sahara question. Additionally, he raised the issue of a capacity deficit with regard to project preparation, which a prospective
BRICS development bank would have to be swift in addressing in order for its operations to make an impact on the continent’s development. A final point raised in these remarks relates to the future interface between South-South development cooperation and post-conflict reconstruction and peacebuilding efforts in Africa. In the view of Mr Kornegay, South-South development cooperation offers an important framework within which future stabilisation and post-conflict reconstruction missions should be undertaken.

Regional organisations are central to making South-South development cooperation work for Africa

A key point that animated the interactive discussion was the role of African regional organisations in supporting African countries to capture the benefits of South-South development partnerships. This stemmed from a question that sought clarity on the potential relationship between South-South development cooperation mechanisms and African regional organisations and development institutions. The general view was that given the central role of regional organisations in setting the development trajectory of the Africa, the activities of supposed South-South cooperation mechanisms must be aligned to the agenda of these organisations and their development agencies in order to have a meaningful impact on the development of the continent. For example, it was suggested that a prospective BRICS development bank should operate closely with regional organisations like the AU and the Southern African Development Community (SADC), and particularly within the framework of NEPAD. Equally, regional organisations have the responsibility to develop monitoring and accountability mechanisms to ensure that cooperation activities respond to the development needs of African societies.

Where do Northern donors fit in this emerging development cooperation framework?

With regard to the implications of South-South development cooperation for Africa’s relations with traditional Northern donors, it was highlighted that North-South relations remain an integral part of the emerging development cooperation framework. As such, Northern partners continue to have a very important role in the development of the continent. In particular, South-South development partnerships offer opportunities for trilateral cooperation on different aspects of development in Africa, on the basis of the comparative strengths of different Northern and Southern partners. Moreover, Northern partners possess valuable financial resources, expertise and experience, which could be deployed to ‘oil the wheels’ of South-South development cooperation.
initiatives. However, a point was made that such assistance from the North should not be accompanied by attempts to influence the development agenda on the continent.

On the interface between South-South development cooperation and the global aid effectiveness regime

Another noteworthy theme that arose from the interactive discussion pertains to the relationship between South-South development partnerships and the current aid effectiveness regime. Here, it was noted that although a strong system of transparency and accountability in development assistance is in the interest of developing countries in general and African countries in particular, some Southern donors are not inclined to fully engage with current global processes to achieve this goal. However, this is not an argument that South-South development cooperation does not concern itself with issues of aid effectiveness. After all, as pointed out at the forum, some Southern donors like South Africa are actively engaged in the current aid effectiveness regime. An alternative explanation was that the reluctance of Southern donors like Brazil to fully engage with the current global partnership for effective development cooperation is indicative of these countries’ attempt to de-legitimise the Organisation for Economic Cooperation and Development’s Development Assistance Committee (OECD-DAC) as a forum for deliberating issues pertaining to international development cooperation. It is the belief of these countries that the United Nations Economic and Social Council (ECOSOC) is the appropriate and legitimate platform for deliberating aid effectiveness. It was suggested that an alternative to engaging reluctantly in a framework that is perceived to be Northern-driven would be for emerging economies to come up with a Southern counterpart of the OECD-DAC process. Such a platform would be instrumental in ensuring that South-South development cooperation is beneficial to Africa and rest of the developing world.
APPENDIX 1:
ROUNDTABLE PROGRAMME

10:00 – 10:30   Registration/Tea & Coffee

10:30 – 10:40   Opening and welcome:  
Dr Lesley Masters, Senior Researcher, IGD

10:40 – 11:00   Overview of the changing dynamics of South-South cooperation:  
Dr Mzukisi Qobo, University of Pretoria

11:00 – 11:20   South-South development partnerships: opportunities, challenges and  
prospects for Africa:  
Mr Neissan Besharati, South African Institute for International Affairs

11:20 – 11:40   Discussant:  
Mr Francis Kornegay, Senior Research Fellow, IGD

11:40 – 12:25   Open discussion

12:25 – 12:35   Closing remarks and lunch
APPENDIX 2:
LIST OF PARTICIPANTS

Mzukisi Qobo, University of Pretoria
Neissan Besharati, SAIIA
Lesley Masters, IGD
Francis Kornegay, IGD
Fritz Nganje, IGD
Kenny Dlamini, IGD
Felicia Mhlanga, IGD
Arina Muresan, UJ
Joseph Nsabua Kapuku, UJ
Will Hines, DFID
Richard Moses, SANDF
Sonja Gama Adriano, Embassy of Angola
Claudio Pataca, Embassy of Angola
Amina Hatem, Embassy of Egypt
Amb. Hisham Al-Alawi, Embassy of the Republic of Iraq
Samer Aal-Rassul, Embassy of the Republic of Iraq
Hiroaki Fujisawa, Embassy of Japan
Costin Ionescu, Embassy of Romania
Antonio Montilla Saldivia, Embassy of Venezuela
Maingraud Cyrielle, Embassy of France
Ahmed Mohammed Saad, Embassy of Yemen
C. Nkobanzwe, Rwanda Embassy
APPENDIX 3:
ABOUT THE INSTITUTE FOR GLOBAL DIALOGUE

The IGD is an independent foreign policy and international diplomacy 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.

The IGD was initially established in 1995 as the Foundation for Global Dialogue after several years of effort led by the former South African president, Nelson Mandela, in his capacity as the president of the African National Congress. He and his team of leaders saw a need for a research organization that would facilitate the new South Africa’s engagement with the changing global order after 1994. This was a period in which three vectors of change coincided: the tectonic shift in global power politics after the collapse of the Soviet Union; the wave of democratization that hit Africa and South America; and the near miraculous transition from apartheid to democracy in South Africa. The initial funding came from the German government and went towards establishing the Foundation’s competitive edge, a combination of policy-oriented research, catalytic dialogue, tailor-made publications and grant-making for NGOs interested in international relations.

The IGD’s research agenda has three broad programmatic focus areas: foreign policy analysis with special reference to the making and management of foreign policy and diplomatic tools like economic, developmental, and public diplomacy; African studies focusing on the role of regional and continental integration in African politics and development as well as the study of peace diplomacy; and international diplomacy, analysing dynamics in international diplomacy that have a bearing on African peace and prosperity.

Mission: The IGD strives for a prosperous and peaceful Africa in a progressive global order through cutting edge policy research and analysis, catalytic dialogue and stakeholder interface on global dynamics that have an impact on South Africa and Africa.