Brazil and Africa: Cooperation for Endogenous Development?

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Introduction

Hardly a year since the first BRICS Summit hosted in Africa, Brazil has announced bold plans to emasculate its development cooperation with Africa, with a strong focus on debt write-off, targeted aid in productive areas of the economy and technology transfer. Brazil has already written off R9 billion (US$900 million) worth of debt in 12 African countries since the Summit and has invested substantial amounts of capital in economic opportunities in Africa. It sees close economic relations with Africa as important not just because every other emerging power now does, but also because the ties are fashioned in a long history of relations dating back to slave trade.

The question is of what significance is this for Africa’s own development agenda and how will Africa respond to this in order to also benefit? This policy brief reflects on this in order to draw out implications for Africa’s own development imperatives.
Brazil's Diplomacy of Development and Africa

With a GDP of R24 trillion (US$2.4 trillion), Brazil is now the sixth largest economy in the world and a major epitome of the emergence of former colonies from the far periphery to the semi-periphery of the Euro-American-dominated world order. Brazil’s economy has boomed significantly since 2000, registering consistently high growth rates. It is now bigger in economic size than Russia, India and South Korea. In March 2012 it further overtook the United Kingdom, for centuries a major global economy. It now lies just behind France, Germany, Japan, China and the US in the ranking of major economies.

With its economic successes Brazil has acquired significant political and diplomatic clout globally. As its economy grew, its foreign policy also transformed to project its independent voice globally and its ambition for grandeza (greatness). “In Brazil, itself,” writes Leonardo Martinez-Diaz and Lael Brainard, “the confluence of strong global demands for the country’s major products, global successes for its major corporations, and a steady results from its economic policies have strengthened confidence and even revised dreams of grandeza – greatness that has proved elusive in the past.”

The presidencies of Henrique Cardoso credited with turning the declining economy around between 1994 and 2003 and Inacio Lula da Silva who used economic success to bolster the social development through bold social policies and to project the country's global diplomatic stature between 2003 and 2011 were a golden era for Brazil’s quest for grandeza. Cardosso expanded Brazil’s trade relations with Africa on the basis of key trade agreements with African countries, laying the basis for Lula to further expand Brazil’s relations with African countries.

Lula joined hands with Nigeria’s president, Olusegun Obasanjo to initiate the Africa-South America (ASA) forum in 2006. He built a strong relationship with South Africa as part of expanding Brazil’s relations beyond Lusophone Africa. He made a large number of trips to Africa, opened seventeen embassies to increase the number of missions to 48 and created a new Africa department within the Ministry of Foreign Affairs.

In this period, Brazil’s diplomacy of development also grew. Its orientation towards support for countries’ efforts to development in their own way, at least in rhetoric, rather than exporting its paradigm of development – as is often the case with traditional donors- also became apparent. Brazil see its development efforts very much like the US saw its assistance to the post-war Europe, as a form of solidarity with long-term economic benefits. One key part of this solidarity was to offer technical assistance/cooperation, debt relief, humanitarian assistance and commercial investments to African countries through bilateral agreements. It also focused health, agriculture (tropical agriculture and biofuels), education and social policies, and increasingly aspects of environment and climate change.

While the provision of financial aid such as grants and loans is the centerpiece of development cooperation for western donors, Brazil places emphasis on providing expertise, technologies and lessons in social and economic development. This assistance is not tied to political pre-conditions and power play. It is also conceived as a pillar in a bigger strategy for growing the country’s role as a responsible global citizen.

The agency established in 1984 to deliver development cooperation is known as Agência Brasileira de Cooperação (ABC). Its mandate is to manage and coordinate incoming aid, the agency’s role expanded as Brazil provided assistance to developing countries in
Brazil remained an aid recipient even as it became a growing provider of development cooperation itself. During Lula years, expenditure on outgoing cooperation increased dramatically. A large part of Brazilian cooperation is through trilateral cooperation with donors that have a history of development assistance in Brazil, which provide funding for Brazilian technical assistance in a third country. Brazilian corporations also play a role of executing agencies in the implementation of projects. Japan is its biggest development partner by volume of funds, followed by the US and Germany. Brazil works with a number of other established donors that are not traditional donor partners to it such Scandinavian countries. It has in the recent past established trilateral partnerships with other developing countries, including Chile, Colombia and Thailand.

Research suggests that Brazilian cooperation in Africa has increased dramatically in the past decade, as part of the country’s growing engagement with the continent. Ana Alves’ studies suggest that 50% of all Brazilian aid since 2011 has gone to Africa. While this has traditionally focused on Lusophone countries with Mozambique and Guinea-Bissau receiving the bulk of assistance, the process of diversifying into Francophone and Anglophone countries begun in the mid-2000s already. Alves noted a shift from sporadic and short-term capacity building projects in Africa towards more sustained projects including expanded research and development focus, and aimed at much wider social and economic impact.

Development activities and the promise of “alternatives”

The ProSavana project in Mozambique, for instance, seeks to transfer Brazilian successes in turning unproductive savannas into grain-producing regions and includes investment in technology adaptation, agricultural research expertise on the ground, planning for comprehensive multi-modal agriculture, and rural extension. The Brazilian state-owned agricultural research corporation, Embrapa, plays an active role in the project.Embrapa plays a critical and facilitative role in other agricultural projects such as the ‘Cotton 4’ project that transfers lessons from Brazilian cotton revolution to Mali, the cocoa cultivation and production scheme in Cameroon and the Republic of Congo, technology-assisted rice cultivation in Senegal and biofuels projects in Ghana, Nigeria, Senegal and Sudan. Other state agencies like Petrobas and Odebrecht are also involved in several other projects in various parts of Africa.

The hope was to build towards an alternative approach to international development cooperation, one that promoted the graduation of countries towards self-reliance. Of course, in reality, we are yet to observe the alternativeness of Brazilian development cooperation. The size of development funds invested in countries that have very deep problems of underdevelopment, countries that remain embedded in economic networks whose logic is to exploit and dominate them, are relatively small.

The promise of alternatives to neoliberal models of development is a tall order for countries emerging within the world system that Immanuel Wallerstein describes as founded on a core-periphery dynamic, a world where development is the language of salvation masking the coloniality of economic relations. This has implications for the emergence of a doctrine of south-south cooperation that helps poorer countries deal with the peripheralisation produced by the world economic system.
If traditional development cooperation was a “new strategy… in the political arrangement at the world level… by which the West (and the East) redefined themselves and the global power structures”, the obligation for the periphery (the south) is to conceive of development as a liberatory entreprise, enabling them to grow on the basis of harnessing their capacities, own philosophies and comparative advantages in their endowment with natural resources. But with very little discussion among them regarding approaches to development cooperation, it is very possible that emerging actors will fall back to the traditional OECD-driven ways of conducting development cooperation, thus failing to deliver on the promise of alternative models.

The Brazilian decision to write off the debt of 12 African countries comes as a source of relief for countries battling high levels of poverty. It creates a possibility for debt-ridden African countries to direct their resources fully towards endogenous development. But it will also enable Brazil to penetrate Africa over the long-term through investments and trade.

Brazilian development efforts could form part of a more comprehensive partnership scaffolded on Africa-South America; India, Brazil and South Africa (IBSA) forum and key cross-Atlantic bilateral relations such as between Brazil and South Africa or Nigeria or Angola.

The special agency that Brazil announced after the BRICS Summit in March 2013 for promoting investment and development in Africa and South America could supplement efforts of the IBSA Fund and fellow BRICS and IBSA members, as well as other emerging powers, in increasing the pool of capital that African countries can access to promote endogenous development in areas such as agriculture, manufacturing, industrial development and infrastructure.

These policy areas are fundamental to Africa’s economic renaissance, being generally areas in which Africa can achieve a large measure of economic self-reliance. They also happen to be the glue in south-south cooperation.

However, Brazil’s resources for development cooperation are nowhere near enough to make a real difference in Africa’s economic renewal. They have to be supplemented by others through trilateral cooperation with larger African countries like South Africa and with established donor countries.

Brazil will also have to improve its approach from projects-orientation, which leads short-term interventions to long-term programmes with a multiplicity of focuses. To avoid replicating the errors of traditional donors, Brazil has to avoid the temptation of one-way flows both in financial capital and ideas essential for development. It has to guard against narrow national interests creeping in, turning its cooperation into a mere cover for exploitative economic goals. The temptation to compete with rather than complement other emerging powers and African regional powers has to be avoided by actively seeking trilateral cooperation agreements with these actors.

**Brazil: What is in it for Africa?**

Various African countries have increased their relations and cooperation with South American countries generally and Brazil in particular. A number of African countries have largely trade agreements with Brazil, giving them special conditions to access the Brazilian markets – Cameroon (since 1966), Senegal (since 1967), Ghana (since 1974), Guinea-Bissau (since 1979), Republic of Congo (since 1987), Gabon (1988), Cape Verde (1990) and Tunisia (1992).
In the period since 2003, some 28 new comprehensive agreements have been signed with Brazil, covering areas of agriculture, education, culture, science and technology, energy and petroleum. African countries have also expanded their diplomatic representation in South America and almost all those countries upgraded representation in Brazil. It is generally smaller and poorer countries like Lesotho, Swaziland, Malawi, Seychelles and Sierra Leone that have not done so. By 2011, South Africa, Senegal and Ethiopia were leading trade partners for South America in terms of volumes with Brazil as their main focus.

On its part, the African Union has given a special status to Latin American and Caribbean countries as part of its outreach to the African diaspora globally. Brazil has the largest concentration of this diaspora outside continental Africa and was therefore considered a key node in the AU engagements with the diaspora between 2006 and 2011. We have referred to ASA, which held its first Summit in Abuja, Nigeria, in 2006; its second in Nueva Sparta, Venezuela in 2009; and the third one in Malabo, Equitorial Guinea in February 2013. Although not much has come out of the ASA plans of action and programmes, they have created an atmosphere for close bilateral relations across the Atlantic.

Africa needs to think carefully about how to take advantage of the arrival of new development actors, especially those with a good understanding the recipient country experience in development cooperation. It has to at least encourage countries to include development cooperation in their bilateral partnerships with Brazil to ensure that their interests are negotiated fully and domestic development plans are respected in development cooperation.

It has to avoid the situation where development cooperation happens and continues to grow outside the ambit of partnership agreements, for such would lead Brazil using it to simply open the way for its commercial enterprises.

It is now time for Africa to develop a full strategic framework on development cooperation, one that sets out how the continent wants to respond to many changing dynamics in international development cooperation such as the growing use of triangular cooperation, the improved embrace of the principle of ownership, the emphasis on the quality of development, and the intention to turn development cooperation into equal partnerships. Such a strategy should serve as a guide to the continent’s participation in discussions on international development cooperation, while at the same time giving a framework to bilateral negotiations on development policies of the old and new donors.

**Conclusion**

As Brazil finds its grandeza in basis its skilful harnessing of economic successes by extending its economic relations with Africa and other growing regions of the south. As it identifies Africa as key to this dream, Africa has an opportunity to ensure an alignment between this and its own dream of renaissance on the basis of endogenous development and stronger governance. While Brazil’s domestic development story has many lessons for Africa’s search for workable and applicable models of development, especially ones that are endogenous in essence. The intersecting platforms of IBSA, BRICS and ASA could help both regions avoid the tragedy of Brazil’s engagements becoming a tool for its economic diplomacy and Africa remaining trapped in a dependency relationship.
Recommendations

To enhance Africa-Brazil cooperation, the following policy considerations are proposed:

- Brazil and African countries should cooperate on research into development models and solutions, that should be the basis of their development cooperation;

- Stronger partnerships between African state-owned development agencies to bolster their capacity to drive government and state-private partnership in the manner that emerging powers are doing would be of long-term positive effect;

- Africa needs to evolve a strong and popular known strategy on how it approaches development cooperation in a changing environment;

- African countries have to insist on cooperation agreements that are aligned to their own national development plans.

Notes


2 Of course, Brazil has been active in global affairs since the early 20th century, having participated in the first world war and post-World War Two efforts to define a new world order. Its role would subsequently change from critical of the order to subservient - back and firth - as governments changed and as global conditions also determined.


4 World Bank, undated. Bridging the Atlantic: Brazil and Sub-Saharan Africa: South Partnering for Growth, Washington: IPEA.


12 My own research data sourced from embassies directly and through ministry websites.

13 SELA, 2011. Relations of Latin America and the Caribbean with Africa: Current Status and Areas of Opportunity, Caracas: SELA.
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