

## **South - South Cooperation and the Prospects of a New International Economic Order: An Insight into the India Brazil-South Africa (IBSA) Dialogue Forum**

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**Abstract:** *The concept of South-South Cooperation has become a popular theme in international development discourse and has played a key role in solidifying unity among developing countries. However, it has metamorphosed from being interested in geo-politics and opposition to imperialism, global racism, colonialism and the cold war, to emphasis on geo-economics and political economy. In fact, the recent focus of South-South Cooperation has been on achieving sustainable development and growth for the whole South. In this regard, some development scholars see South-South Cooperation as a crucial catalyst for a New International Economic Order (NIEO). Moreover, the emergence of new economic behemoths such as India, Brazil, South Africa among others, are beginning to reconfigure and reshape the contours of South-South Cooperation vis a vis their increasing economic and political clout. However, these countries are discernibly driven by an ambition for global economic dominance and/or even political leadership. This development raises an important question: what are the prospects of an increased South-South Cooperation for the entire South? Will these countries dust-up South-South Cooperation from its many years of inertia for the benefit of all the Southern countries, or are they using the South-South movement for their own advantage? It is in this connection that this study interrogates the India-Brazil- South African Dialogue Forum in its poise as a fulcrum for South-South Cooperation. The study argues that while the IBSA initiative need not be begrudged, it must not come at the expense of the development of the weaker states of the Global South. This paper therefore, voices the imperatives for countries of the South particularly Africa to be circumspect and not take these South-South alliances at face value.*

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### **1. INTRODUCTION**

The diametric disequilibrium in economic relations between the global North and South has an interesting history, (Chinweizu, 1988; Offiong, 1985; Nnoli, 1981; Wallerstein, 1976; Rodney, 1975). Suffice it to say that the forceful incorporation of the economies of the South into Western controlled capitalist system predisposed the economies of the former to the dictates and crises associated with capitalism.

Even with the attainment of political independence, first in Southern America, Asia and Africa, these developing countries found it a Herculean task to translate the lofty promises of political independence into concrete economic realities. As indeed, the mantra quickly changed from *uhuru* (freedom) to *uhurunakaze* (freedom means hard work). No matter what they did, they still found themselves in the vicious web of economic sclerosis. (Asuk, 2011: 134).

In Africa for example, the nationalists who had won independence for their respective countries found it difficult to explicate their deepening economic leukaemia. This gave room for mass hysteria; as rumour and disillusionment became common-place, religious claptrap, fanaticism and voodooism soon became accepted norms when the people began to seek spiritual solutions for their physical problems.

Some religious leaders even pontificate the conviction that a demon of poverty presided over Africa. Such was the level of economic quagmire in the South, and for their own part, the industrialized North through the Breton Woods Institutions (IMF and IBRD) vociferously canvassed intensive and unrestrained relationship with the North as the only panacea to the

ailment. They also crusaded for a total ‘modernization’ of the economies of the global South (Rostow, 1960). Meanwhile, the industrialized North continued to keep the wailing economies of the third world shackled through: the control of the prices of the exports of the South, denial of proper framework for the stabilization of raw materials prices, non-existent mechanisms for the transfer of technology to the South, connivance with their TNCs to plunder developing countries’ economies and refusal to transform the international monetary system (Jhingan, 2007:438viii).

What is more, this denial of the right to development as occasioned by the actions of the developed North actuated the leaders of the South to begin scouring for alternatives to development. This birthed the idea of South-South Cooperation. Thus, while championing the reformation of the international economic order, countries of the South found the idea of South-South Cooperation an alternative route to sustainable development (Morraes de Sae Silva, 2012:2). Again, drawing from the spirit of the Bandung Conference, countries of the South began to cooperate more intensively both bilaterally and multilaterally.

The initial efforts at cooperation between the South met with only a modest success, Lechini (2007:1) nonetheless reports that “it ultimately failed because of its loosed nature and broad scope. The fallacy of its argument was its basic assumption that all underdeveloped countries have more in common than they really do, and that all solutions can be uniformly applied with equal success”. Today, with the emergence of new economic behemoths such as China, Brazil, India and South Africa, the old South-South Cooperation *problematique* has somewhat become resolved. However, a new trend is fast becoming entrenched- the trend of selective South-South Cooperation. The trilateral alliance known as India-Brazil-South Africa Dialogue Forum, or IBSA, exemplifies this trend.

With the gargantuan economic strides of the IBSA countries, one may concede to those who posit that South-South Cooperation may be the catalyst for the much-awaited NIEO. A new problem has reared its head though, this concerns whether the cases of selective cooperation as the IBSA arrangement appears, will have positive impact on the global South, especially, the weaker states. In other words, will this new alliance dust-up South-South Cooperation from its many years of inertia for the benefit of all Southern countries, or are they using the South-South movement for their own advantage. To do justice to this essay, the study is divided into six sections. This introduction is followed by the conceptual and theoretical perspectives, after that, we discuss the origin and historiography of South-South Cooperation. The fourth part discusses the IBSA Dialogue Forum whereas, the penultimate section essays into the trend, problems and prospects of South-South Cooperation and the IBSA initiative. The study is concluded in the sixth section and this section also contains some plausible recommendations.

## 2. CONCEPTUAL AND THEORETICAL PERSPECTIVES

The concept, South used to connote both geographic and economic interests but in recent times, it is increasingly becoming coterminous with the international economic dichotomies. Otherwise, how can one rationalize the position of Mexico which is geographically in the North being reckoned with the global South, the same goes for Micronesia and Palau? Ubaka (2008:105) notices that “perhaps coincidentally, most, if not all countries of the Southern Hemisphere, are poor and underdeveloped relative to their Northern counterparts i.e. Europe, North America and Japan. Most of the so-called developing or third world countries are domiciled in the Southern Hemisphere”

We must, however, observe that even among countries of the South, there are differences in levels of development (Puri, 2010:7). Ubaka (2008:106) buttresses this view when he opines that Brazil’s 2007 Gross Domestic Product (GDP) of over \$13 billion dwarfs Chad’s \$1.5 billion. This factor and others highlighted in the introduction have given greater impetus for South-South Cooperation.

Conceptually, South-South Cooperation refers to the sharing of knowledge and resources between developing countries with the aim of identifying the most effective steps towards the eradication of their developmental challenges. This cooperation often takes place within formal, informal, bilateral and at inter/intra regional levels. South-South Cooperation does not necessarily imply that Southern Hemisphere countries always agree with one another; if this were so, the mutual antagonisms between Nigeria and Cameroon, Sudan and Chad, India and Pakistan and Algeria

and Morocco would have been non-existent. South-South Cooperation thus appears to be a loose term suggestive of attempts by a group of countries, some vastly different from one another to adopt collective measures in solving problems common to them (Ubaka, 2008:106). There has been a renewed zest for South-South Cooperation among the actors in international relations and this gives cause to hope that the new international economic order could yet be a reality.

The UNDP Special Unit for South-South Cooperation (SU/SSC) is statutorily established to promote and support South-South and Triangular Corporation globally and within the United Nations system as a development agenda and inclusive partnership approach towards achieving the agreed development goals, including the millennium development goals (SU/SSC,2008:1).

For conceptual purposes, the IBSA Dialogue Forum (India, Brazil, and South Africa) is an international tripartite alliance for promoting greater understanding among three countries. It represents important poles for galvanizing South-South Cooperation and greater understanding between three important continents of the developing world namely, Africa, Asia and South America. The forum provides the three countries with a platform to engage in discussions for cooperation in the field of agriculture, trade, culture and defence among others. (<http://www.wikipedia.org/ibsa-dialogue-forum>). The IBSA Dialogue Forum as we shall see later presents an interesting case for South-South Cooperation although; the problem lies with how to guarantee considerable benefit for the whole South.

Some theoretical perspective would be necessary to put this study in proper scope. International cooperation can be appraised from several theoretical stand-points but in this study, we elect to apply Karl Deutsch's Cybernetics theory.

The cybernetics theory has increasingly become relevant in explaining international cooperation among actors on the international stage. Karl W. Deutsch who without doubt was the first to induct this approach to the international relations discourse introduced the concept he termed Index of Relative Acceptance or RA factor as the chief indicator of cooperation among cooperating states (see Olaniyan, 2005:418). The RA factor is used to measure both the rate and quantitative scope of integration and cooperation. In this way, the mail flows, electronic transactions, student travels, volume of trade and tourism among others become crucial indices of the strength of cooperation. The cybernetics theory focuses attention on communication (Albert, Kessler and Stetter, 2012:1). Given the relative salience of communication in the explicatory clout of this theory, the cybernetic theory is also called communications theory.

The basic assumption of the cybernetics theory is that the relative acceptance of integrative or cooperative efforts as indicated by the quantitative flow of communications is a measure of the viability of such cooperation. (Marra, 1985; Steinbruner,2002; and Olaniyan, 2005). Furthermore, Olaniyan (2005:419) observes that:

*The RA factor had the side benefit of the ability to employ the repeat measures of the integration methods over time, thus allowing an empirical observation of the progress of regional programmes. Working along these lines, Deutsch and his associates concluded that integration in Europe was on the rise through 1954 when it peaked. Integration maintained this plateau through 1958, and from then on began a slow decline...*

This theory is considered relevant for this present study. Suffice it to observe that by paying attention to the communication between the IBSA countries and South-South Cooperation generally, we can certainly adumbrate and predict the prospects of these 'co operations'.

The cybernetics theory has, however, received some criticisms. For example, Fisher (1969) sees the theory as failing in two ways: the failure to relate key variables of social interaction and political integration and the exclusion of both internal and external variables. Olaniyan (2005:420) agreed with Morse and opines that the cybernetics theory is theoretically poor as well as illusory.

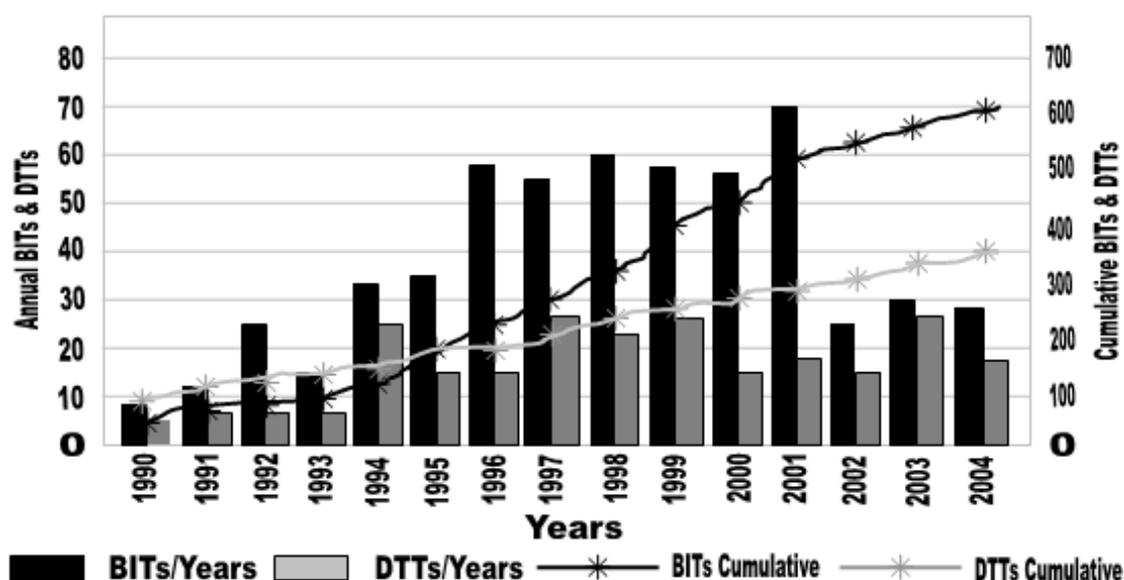
No theory is devoid of flaws and criticisms, no theory can grasp all the dimensions and realities of any concrete phenomena. Against this background, some scholars have come to the defence of the

cybernetics theory. Sytan and Majeski (2006) justified the relevance of the cybernetics theory in foreign policy analysis. Again, Albert, Kessler and Stetter (2012) advocate a more robust attention to the communications dimensions of I.R. They note that arguably, no theory of international relations since the works of K.W. Deutsch takes communication as the central notion on the basis of which a theory is developed.

### 3. SOUTH-SOUTH COOPERATION: ORIGIN AND HISTORIOGRAPHY

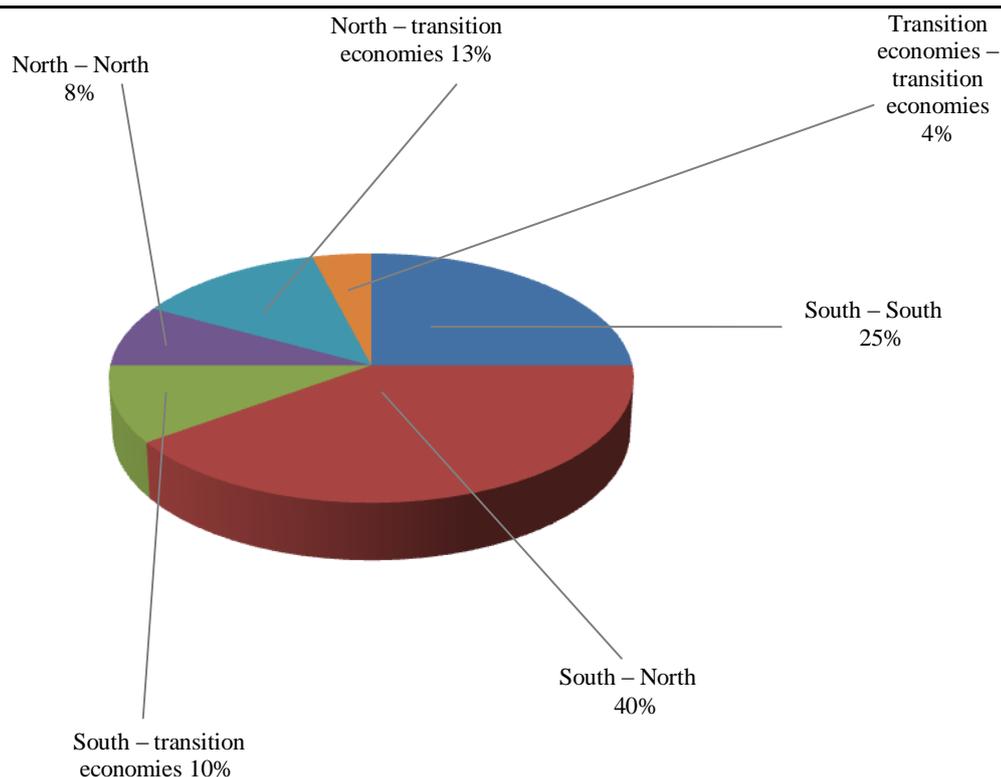
Drawing from our observations in the introduction of the study, we noted that the seemingly intractable asymmetry between the North and South is the reason *d’etre* for South-South Cooperation. Historically, the origin of South-South Cooperation can be traced to the 1955 Bandung conference in Indonesia which marked a watershed in North-South relations and established a basis for South-South Cooperation. It was in this conference that the countries of the South resolved to become neutral in the ideological confrontation between the superpowers. Thus, South-South Cooperation was groomed within the trajectories of the Non-Aligned Movement (NAM). South-South Cooperation was to receive a greater stimulus in 1964 during the first session of the United Nations Conference on Trade and Development (UNCTAD). Finally, the consolidating impetus was added in 1978 when the UN created the Special Unit for South-South Cooperation (SU/SSC) to promote South-South trade and collaboration within its agencies (see <http://www.ssc.undp.org>).

However, the idea of South-South Cooperation only started to influence international development discourse until quite recently. The nature, characteristics and prospects of South-South Cooperation has been the subject of an interesting debate and this has largely reflected in the literature on, and historiography of South-South Cooperation. The camp appears to be divided into two: those who see South-South Cooperation as inconsequential efforts of beggarly nations who do not have the clout to make any profound changes in the international system (Madely, 2003). Others see the cooperation as heralding good tidings which could serve as a catalyst for the much anticipated NIEO (Ubaka, 2008; and Malloch, 2004). Our position tilts toward the views of the second camp. In any event, South-South Cooperation has been successful in decreasing dependence on Western European donor countries and it has led to a shift in the international balance of power and this has somewhat benefited the countries of the South (see <http://www.globalenvision.org/library/3/137>). The countries of the global South hope that this cooperation will bring a new world order and counter the existing Western dominance, socially, economically and politically. This perhaps explains why the late president Hugo Chavez sees South-South Cooperation as “the beginning of (the) salvation of the people” (<http://www.abc.net.au/news/stories/2009/09/23/2698057htm>). (The figures below show the number of South-South BITs and DTTs from 1990-2004).



Source: UNCTAD ([www.unctad.org/ia](http://www.unctad.org/ia))

Fig1. Number of South-South BITs and DTTs concluded, cumulative and year to year, 1990-2004



**Fig2.** Geographical Distribution of BITs, end 2004 (Percentages)

#### **4. SOUTH-SOUTH COOPERATION: AN INSIGHT INTO THE IBSA DIALOGUE FORUM**

The ever-growing tripartite and other multilateral alliances within the ambit of the global south are a lucid testament of the burgeoning importance of South-South Cooperation. The IBSA Dialogue Forum was formalized through the adoption of the Brasilia Declaration on 6<sup>th</sup> June, 2003. The Brasilia Declaration was signed between the foreign ministers of India, Brazil and South Africa. The IBSA arrangement aims at galvanizing South-South Cooperation and greater understanding between three continents of the developing world, namely; Africa, Asia and Southern America. What is more, we are informed that:

*While welcoming the benefits that have been achieved through globalization and free market trade in the developing countries, the (IBSA) ministers expressed their concerns that a large part of the world has not benefited from it. In this context, they reiterated their commitment to pursue and implement policies which are inclusive, integrative and equitable. (<http://www.wikipedia.org/ibsa-dialogue-forum>).*

Since its inception in 2003, and the official establishment of the alliance in 2004, the forum has held five summits- in Brasilia in 2006, in Pretoria in 2007, in New Delhi in 2008, in Brasilia again in 2010, in Pretoria again in 2011, the sixth summit is scheduled to hold in New Delhi in 2013 (<http://www.wikipedia.org/ibsa-dialogue-forum>). The IBSA Dialogue Forum facilitates regular consultations at senior government levels, as well as amongst academics, intellectuals, and other members of the civil society. The sheer zest and vigour with which this cooperation is pursued has led some scholars to view the IBSA initiative as an attempt to challenge the international system by “pivotal Middle Powers through peaceful means instead of other means” (<http://www.sam.govt.tr/perceptions/volume%20xispring/mehmto2kan.pdf>). In tandem with the above, Sotero ( 2007:1) avers that “India, Brazil and South Africa are transcending geographical, historical and regional differences in order to promote their collective interests at a time when the current economic hardships and declining US hegemony mean greater opportunities for emerging economies in the global South”.

The IBSA framework is anchored on a three pillar approach- to advance the agendas of its member countries and the larger developing world. The first component of IBSA's three pronged approach is providing a forum for consultation on significant political issues, such as the United Nations reforms, especially its Security Council and negotiations at the World Trade Organization. The second pillar fosters trilateral cooperation on particular areas and projects through sixteen working committees. The final pillar broadens IBSA's scope to the larger developing world via the IBSA Facility Fund which was established in 2004 (Puri, 2009:2). Furthermore, Puri informs us that through the IBSA fund which is managed by the UNDP, the IBSA countries initiate and execute development programmes in other developing countries.

In practical terms, the nearly one decade old alliance has generated some significant attention, so that assessing its impact and prospects in the growing South-South cooperation becomes not only imperative but also inevitable.

On the key issue of trade, there has been a quantitative leap in intra- IBSA trade, which is particularly dramatic between India and Brazil and India and South Africa (UNCTAD, 2006). Trade among the IBSA countries rose from \$3.9 in 2003-2004 to approximately \$10.4 in 2006-2008 (Carpenter, 2009:5). Inter South-South cooperation has also had great attention. Carey Carpenter (2009:5) informs us that "South-South investments and technology transfer have (also) increased since the inception of the forum in 2003". In this connection, the Indian minister of foreign affairs reveals that "through our cooperation, we're not only attempting to widen linkages and benefit from each others' experience, but also to see if together we can work for projects and support institutions capacity-building, and development efforts in other countries"(Carpenter, 2009:5).

What is more, the IBSA forum has developed various joint-funding schemes to support projects in third world countries. India, Brazil and South Africa each contribute \$1 million every year to the IBSA Facility Fund which as we noted earlier is managed by UNDP. The fund is used for poverty alleviation projects in such countries as Haiti, Guinea-Bissau, Timor-Leste, Burundi, Laos, and Cape Verde (Carpenter, 2009:6). Through the IBSA capacity-building measures, a new rice seed has been introduced in Guinea-Bissau which allows the country to have a second harvest every year. This has helped in no small way to combat hunger in that country. In Haiti, a solid waste collection project was the first to transform the high social risk Port au Prince, into an example of post conflict development. In Cape Verde, the refurbishment of two local, isolated health establishments added a fillip to the employment situation of that country as well as impacted on the health sector. New projects are springing up under the sponsorship of the IBSA Facility Fund. The construction of a sports complex in Ramallah, Burundi is undoubtedly, one of them (Figueiredo de Souza, 2009:11).

The problem as posited elsewhere in this study is on whether these pockets or incidences of assistance from the IBSA arrangement are robust and solid enough to effect a paradigm shift in the entire gamut of South-South cooperation architecture, (this is appraised in the next section). In the meantime, one cannot but observe that the world is facing a period of multi-polarity where regional/ selective economic and security associations will dominate the global economic and security landscape. The IBSA initiative recognizes this trend and is poised to play a greater role in the security field. Given their strategic leverage, observe that:

*Together the three IBSA countries encompass a population of approximately 1.3 billion people, and a GDP of more than \$3 trillion (nominal) or \$5.7 trillion (purchasing power parity); their defense forces, which have already a trilateral maritime exercise, are active in three important continents of the globe. In terms of territory, the IBSA countries combined encompass an area three times than the European Union.(Figueiredo de Souza, 2009:10).*

The above is just a raw sketch of how basic figures demonstrate the strength of this tripartite alliance. Thus, in its ten years of existence, the IBSA forum has become an umbrella for a motley of concerns in which economic and security interests are paramount.

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**Table1. Net Disbursements of Southern Development Co-operation, 2006**

	US \$ Million		as % of GNI		% of aid to Multilaterals	Future Quantity Intent
	Lower bound	Upper bound	Lower bound	Upper bound		
<b>Bilaterals</b>						
<b>Africa</b>						
South Africa (0)	194		0.07		77%	- Policy proposal to increase aid to 0.2% - 0.5% in the foreseeable future
<b>Asia</b>						
China (1)	1,500	2,000	0.06%	0.08%	Na	- Doubling aid to Africa US\$ 1bn by 2009 - Debt relief for 31HIPCs (US\$ 1.3 – 1.4 bn).
India (2)	504	1,000	0.06%	0.11%	7%	- Increase envisaged, but not detailed.
Korea, Republic of (Incl. aid to N. Korea) (3)*	579	885	0.07%	0.10%	17%	- US\$ 1 billion by 2010 (exci. Aid to N. Korea) - 0.25% of GNI by 2015 (= US\$ 2.8 billion)
Malaysia (4)	16		0.01%		36%	- 25% increase in technical co-operation over 2006-2010 (appr. US\$ 2.5 mn extra)
Thailand (3)	74		0.04%		12%	- Increase envisaged, but not detailed.
<b>Middle East &amp; North Africa</b>						
Israel (3)	90		0.06%		17%	- No information available.
Kuwait (3)**	158		0.19%		3%	- No information available
Saudi Arabia (3)	2,095		0.70%		2%	- No information available
Turkey (3)	714		0.18%		10%	- Aims for 0.2% of GNI, no time-path announced
United Arab Emirates (3)	249		0.24%		0%	- No information available
<b>Latin America &amp; Carribean</b>						
Argentina (5)	5	10	0.0025%	0.0050%	na	- Increase envisaged, but not detailed
Brazil (6)	356		0.04%		na	- No information available
Chile (7)	3.0	3.3	0.0026%	0.0029%	na	- US \$ 3.8 million by 2008
Venezuela (8)	1.166	2,500	0.71%	1.52%	na	-Amount of oil aid dependent on future oil price
<b>Multilateral Development Institutions (non-OECD)***</b>						
Arab agencies (AFESD, OPEC Fund, ISDB & BADEA) (3)	833		-	-	-	- BADEA 2005-2009 five year plan budgeted at US \$ 675 mn. Planned total commitment of US \$ 200 mn by 2009. - ISBD aims for total (concessional + non-concessional) of US \$ 4 bn in disbursements over the next 5 years. It has also mobilized US \$ 2 bn for a newly established poverty fund. - No information available on OPEC Fund
<b>Other</b>						
Taiwan, Province of China	513		0.14%		4%	- No information available
Arab Support to Palestine Admin. Areas (9)	456		-	-	-	
<b>Total</b>	<b>9,504</b>	<b>12,145</b>	<b>0.16%</b>	<b>0.22%</b>	<b>18.2%</b>	<b>(avg for % of GNI)</b>

Source. ECOSOC: Background Study of the Development Co-operation, April, 2008.

Despite the progress that has been made in increasing trade among the IBSA countries and South-South cooperation generally, several obstacles stand in the way of future growth. The participation of the IBSA countries in regional free trade associations makes it difficult for IBSA as IBSA to articulate any formal Trilateral Trade Arrangement (TTA) between member states. Again, the IBSA structure is not like that of most regional or international organizations. IBSA does not have a branch, or even a secretariat as such, neither does it have a permanent secretary or a document promulgating its organizational structure. This obviously has some disadvantages but does not necessarily detract from the viability of the alliance.

## **5. SOUTH-SOUTH COOPERATION AND THE IBSA DIALOGUE FORUM: TREND, PROBLEMS AND PROSPECTS**

Over the past two decades, a discernible fundamental transformation has indubitably taken place in the global economy. This is due to the impressive economic growth of some developing countries like China, India, Brazil and South Africa. In fact, the economic centre of gravity is inexorably moving toward the developing South. The remarkable upsurge in cooperation between developing countries, characterized as South-South cooperation must be explicated along this trajectory (Puri, 2010:1). In 2006 alone, about \$3 billion in development assistance came from Southern contributors (Johnson, Versailles and Martin, 2008).

As an ideology, South-South cooperation can hardly be faulted. However, the effectiveness of South-South cooperation is undermined by many problems. Some of these include those of dependency, acute debt syndrome, ideological difference within the South; manipulative tendencies of the North via their TNCs, among others (Ogwu, 2005; Ubaka, 2008; Eze, 2002, and Agbu, 2008). There is no need explaining here how these factors retard South-South cooperation. (There is a robust and interesting literature on this area). More so, Ubaka (2008:107) recaptures the most crucial undercurrents of this malaise when he noticed that:

*Most South-South countries are dependent on the industrialized North. The South depends on the North for investments, loans, grants, aid and technical and scientific support. This makes the South incapable of standing up to the North on global economic issues. As the saying goes, he who pays the piper dictates the tune. For example, what would it benefit Nigeria to tongue lash the European Union at a South-South summit only to turn and beg European countries for aid and debt relief. In some Southern countries, almost 80% of funding for development plans comes from external sources. Paradoxically, the secretariat of the South-South Commission is domiciled in Geneva, Switzerland, an industrialized Northern Hemisphere country. Funding and logistics support for establishing the commission was actually provided by the Swiss. Similarly, the Organization of Petroleum Countries (OPEC), arguably the most powerful pro-South group has its headquarters in Vienna, Austria, another Northern country. Do all these not symbolize dependency?*

In line with the on-going, the paper submits that organizational, structural and coordination deficiencies are great obstacles to South-South cooperation. South-South countries lack the requisite structural and organizational capacities to pursue their aims. This contrasts sharply with the developed North that has well funded institutions and mechanisms that coordinate their interests. There are for example, the sophisticated European Commission, (the bureaucratic machinery of the European Union), the Organization for Economic Cooperation and Development (OECD), which is the hub of rich countries and of course, the G7 now G8 or G7+Russia. The South-South equivalents of these Northern organizations for example, the G77, G23 and South-South Commission are not only organizationally weak but ideologically disparate.

Perhaps, it is in the bid to overcome these challenges that a new trend is developing within the South. This new trend is manifestly characterized by intensive and often selective trilateral alliances- which often span several continents. The India- Brazil-South Africa Dialogue Forum (IBSA-DF) and to an extent, the Brazil-Russia<sup>\*</sup>-India-China (BRIC) arrangement exemplify this trend in South-South cooperation.

While the paper do not begrudge these countries in their efforts at improving and asserting themselves on the global scene, it maintains that it must not come at the expense of the principles

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of South-South cooperation which are meant to protect and advance the development of the weaker states. Drawing from the realist philosophical dictum (which almost all states practise in differing guises), it appreciates that hegemony (at least at the regional level) is a conspicuous feature of the foreign policy of the three IBSA countries. South Africa has already begun to do this on the African continent; Brazil aspires to use its thriving industrial base to dominate the Southern American continent, while India has begun to carve a niche for herself on the Asian continent and beyond especially through trade.

**Table2.** *Typologies of South-South Development Efforts*

<b>Bilaterals</b>	
<b>Africa</b>	
South Africa	Currently, almost all South African aid is channelled through multilateral channels (including NEPAD, African Renaissance Fund, etc). Provides some debt relief.
<b>Asia</b>	
China	Most aids in form of projects, in-kind, Technical Co-operation and debt relief.
India	Aid fundamentally project oriented (including Technical Co-operation), with exceptions of Bhutan and Nepal and recently also Afghanistan (PBAs), provides some debt relief.
Korea, Republic of	Technical Co-operation grants are 31%, project/programme grants are 22%, other grants 16%, and bilateral loans are 31%. Full debt relief granted to HIPCs.
Malaysia	Bulk of aid through Technical Co-operation, which does involve some project-type assistance.
Thailand	80% in the form of project lending, remainder is Technical Co-operation.
<b>Middle East and North Africa</b>	
Kuwait	KFAED delivers mainly project and Technical Co-operation, with the Kuwaiti Gov't involved in budget & Bop support. Provides some debt relief.
Saudi Arabia	Saudi Fund gives mainly project-type assistance (but no Technical Co-operation), with programme aid historically 4% of total. Direct bilateral support includes some budget support and debt relief.
Turkey	Increasingly project & programme aid (30%), but still large part Technical Co-operation (26%). Also quite high is 'aid to refugee countries'.
United Arab Emirate	ADFD offers aid in the form of projects and Technical Co-operation, with some debt relief given in 2006. Direct bilateral support includes some budget support.
<b>Latin America and Caribbean</b>	
Argentina	Mainly Technical Co-operation, but moving towards more long-term institutional engagement (e.g. in Haiti). Still project focused, however, provides some debt relief.
Brazil	Brazilian aid mainly consists of Technical Co-operation. Provides also some debt relief and food/emergency assistance.
Chile	AGCI delivers aid entirely through Technical Co-operation and Scholarships.
Venezuela	Venezuela's oil aid deals are essentially BoP support. Venezuela also gives some humanitarian assistance and project-type aid through BANDES.
<b>Multilateral Development Institutions (non-OECD)</b>	
BADEA	96% project & programme aid (loans), rest Technical Co-operation (grants)
Islamic Dev't Bank	Net approvals for recent years have been around 50% trade finance and 50% projects, with Technical Co-operation less than 1%.
OPEC Fund for Int'l Dev't	Most project & programme assistance (77%), and debt relief (13%).
<b>Other</b>	
Taiwan Province of China	Bilateral aid almost all projects and Technical Co-operation. Does provide some budget support.

**Source.** ECOSOC: *Background Study for the Development Co-operation. April 2008.*

Without doubt, the discernible pattern of trade between the IBSA states and a greater number of other countries of the global South has been characterized by a growing asymmetry which could become exploitative in the future. Using Nigeria- Brazil trade relations as a case study, Ogwu (2005:541), observes that Nigeria's economic relations with Brazil have an in-built mechanism that somewhat tends to favour Brazil more than Nigeria. She notes that:

*The overwhelming presence of multinationals in Brazil raises serious doubts about the degree of indigenous technology that it has actually attained. Indeed, the question that arises is whether Nigeria deals with Brazil or multinationals... to what extent should Nigeria accept Brazilian economic interaction without sacrificing its basic national objectives? (Ogwu, 2005:456).*

Agbu (2008:35) captures this situation better when he posits that:

*Citing Brazil as an example, it is seen as an imperialist 'centre' in relations to other countries of the South. In other words, it is a 'sub-imperialist power'. In short imbued in the concept of imperialism, ambiguous as it is, is the notion that the old imperial game of dominance and exploitation is being played over again, the only change being that the imperialist power, now conducts business through a South go-between.*

However, in contradistinction to Brazil's relations with the global South, it has been observed that India represents a more mutually beneficial development partner. India was reported to have donated \$200 million to the New Partnership for African Development (NEPAD). She also signed an agreement of \$250 million for ECOWAS industrial development (Nkwocha quoted in Agbu, 2008).

In this way, South-South cooperation continues to raise a *problematique* and to borrow the words of Agbu (2008:36), "there is (indeed) no agreement as to what constitutes the basis for South-South cooperation, rather what exists are optimistic and pessimistic views about its potentials". In any case, three approaches have become very popular. These are termed 'sub-imperialism', 'proto-imperialism' and 'mutual benefits' approaches. Sub-imperialism implies a semi-peripheral status whereby a 'sub-imperialist' Southern country serves as a conduit for the exploitation of other Southern countries by the traditional imperialists. The proto-imperialist country does not act as a puppet for any traditional imperialists; it is seen to be acting on its own behalf. Protagonists of this view argue that capitalist countries of the South should be expected to be imperialists the same way as was and is the case with capitalist countries of the first world (Agbu, 2008:35). Lastly, the 'mutual benefits' perspective inheres from the notion that it is only logical that countries with common past and similar problems of development should assist each other.

Whilst, not ignoring other contending views, the paper elects to predicate its prescriptions on South-South cooperation largely on the parameters of the last perspective. Indeed, the thinking here is that South-South cooperation is to be preferred for developing countries as they involve less exploitation and dependence as well as more benefits for a greater number of developing states. Each state must however, guard against the predatory tendencies inherent in such an arrangement, because among the proletariats, there are prospective bourgeois.

## **6. CONCLUSION AND RECOMMENDATIONS**

The solution to all the imperfections of South-South cooperation lies in more South-South cooperation. The IBSA Dialogue Forum is a welcome development in promoting South-South cooperation. However, it must not come at the expense of the development of the weaker states of the global South. Therefore, critical to the growth of South-South cooperation is the need to for identification and exploitation of complementarities and strengths of different member states. In this regard, the IBSA countries have a leading role to play in building trade capacity, diverting attention away from the EU and US markets and generally enhancing South-South relations.

As noted in this study, the coordination of South-South cooperation efforts appears to be the most pressing challenge for the South. There is thus, the need to harmonize the activities of South-South cooperative organizations, for example, the G77, G23, G15 and the SSC/SU. These organizations should be made to liaise more with each other. Again, the IBSA forum should liaise more with such initiatives like ACP, AU, ECOWAS, ASEAN, etc. with a view to setting better bridges of understanding.

More so, research and development in the Southern countries need to be invigorated, as it is presently under funded. This is an area the IBSA countries can become of great assistance. In today's world, the criticality of scientific and technological knowledge cannot be over-estimated. In fact, research and development is very crucial for reducing the gulf between the North and the

South. R & D may indeed be the only effective panacea against the negative effects of globalization.

Finally, it is recommended that South-South cooperation should be seen as complement to, and not a replacement for North-South relations. There is thus a need to re-invent the partnership between North and South. Fortunately, international organizations have indicated interest in this regard thereby creating what is now known as Triangular relations. Again, with all their imperfections, many industrialized countries have begun to pay renewed attention to the development of the South. This has resulted in such arrangement as the EU/Lome Convention. However, the imperative for each state, especially, African states to be circumspect is heavily voiced and not to take these tales of cooperation at face value. Indeed, each state must work out its salvation with tact and diplomacy.

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