

## Chapter Eight

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### SPOILERS OR DEFENDERS: NEW SOUTHERN MULTILATERAL ALLIANCES AND AFRICA'S DEVELOPMENT IN THE 21ST CENTURY

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#### Introduction

Multilateralism<sup>1</sup> has been one of the foreign policy goals of developing countries since the end of the Second World War. In the aftermath of political independence, many developing countries were obliged to look beyond their territorial boundaries for answers to many of their intractable social and economic problems. The derivable benefits from multilateralism perhaps informed, to a very large extent, the enthusiastic and instinctive search by developing countries for membership in key international organizations at global and regional levels. Lindsey Powell, while discussing the benefits of multilateralism to developing countries wrote that:

Multilateralism is the most egalitarian form of international cooperation and decision making and multilateral institutions are among the few in which developing countries can potentially have an equal voice. Because developing countries greatly outnumber developed countries in a one-country-one-vote framework, such nations are given the opportunity at least in theory to exert an influence as great if not greater than their developed counterparts<sup>2</sup>

Indeed, it was not a surprise that several attempts, particularly during the Cold War, to forge tri-continental movements of governments involving the countries in the South<sup>3</sup> have taken the form of large multilateralism. These movements were founded to advance the economic interests of developing countries and to protect their prospective national sovereignty. In other words, the movements were established in response to the inflexibility of the developed countries to democratize the Northern dominated global economic systems and institutional regimes. The oldest of these groupings was the Non-Aligned Movement (NAM) comprising of more than 100 countries.<sup>4</sup> In 1964, the G-77 was also formed as the largest Third World coalitions in the UN providing a forum for the developing world to articulate and promote its collective interests relating to the global economy.

Instructively, the last two decades witnessed the emergence of new forms of Southern multilateralism. Two noteworthy developments, among several others, created the need for this scenario. First, the end of the bipolar world in 1989, after the dissolution of the Soviet Union gave way to a more globalized, interdependent and a multipolar international system. Second, was the dramatic rise in the past decade of countries of the South: Brazil, China India and several countries in Africa are also emerging as new poles of growth in the revamped global political and economic order. In 2010, the World Bank President, substantiated with statistical data, that:

the developing world's share of global GDP in purchasing power parity terms has increased from 33.7 per cent in 1980 to 43.4 per cent in 2010. Developing countries are likely to show robust growth rates over the next five years and beyond. Sub-Saharan Africa could grow by an average of over 6 per cent to 2015 while South Asia, where half of the world's poor live, could grow by as much as 7 per cent a year over the same period ...Development is no longer just North-South. It is South-South, with lessons for all with open minds ... It is a new world where developing countries are not only recipients but providers of aid and expertise<sup>5</sup>

This position of the World Bank is evidenced in happenings around the world particularly the establishment of two prominent multilateral formations BRICS and IBSA – powerful economic blocs composed of the foremost emerging economies who are ready to provide development assistance like lines of credit, infrastructure and capacity building and loans on easy terms with largely any strings attached. While the NAM and G-77 are characterized by large numbers, the new forms of Southern multilateralism are made up of small numbers and do not propose a radical change in the world order. On the converse, they seek to take advantage of the existing international rules to promote just representative and equitable distribution of power in the international system.<sup>6</sup>

Apparently, the emergence of these new Southern multilateral alliances has been accompanied by vast improvements in Africa's economic prospects. In recent times, Africa has gone from being the "hopeless continent<sup>7</sup> to a rising star"<sup>8</sup> and the next major growth pole in the world economy. For instance, Africa is a market with a population of over 987 million that is seen as an opportunity to be tapped by the rest of the world.<sup>9</sup> It was therefore logical for the rising powers in the South to court the renascent continent to (1) gain access to Africa's abundant resources and growing markets to sustain their own rapid growth and economic performance; and (2) support and back their leadership ambitions of acquiring greater status, power and influence at the high table of global governance. Zondi and Moore have however warned that:

these shifts in the structure of global power should not be misread as indicative of a decisive rebalancing of global power in favour of the developing countries ... the increasing importance of the major developing countries such as Brazil, China, and India in the economic arena, and the growing

activism of major developing countries in global governance decision making should not be underestimated<sup>10</sup>

Without any shadow of doubt, the economic partnership between African countries and the non-traditional partners from the South have given them more policy space for negotiations with its traditional partners from the West as they have a wider range of options to choose from. Africa can now negotiate terms not as in seller's market but as in a buyer's market. Khanna captures this emergent scenario succinctly and queries "why align with anyone patron when you can play off on all sides and get what you want".<sup>11</sup>

Scholars<sup>12</sup> have also argued that despite the huge potentials of the new Southern multilateral alliances, they are likely to follow their own paths and perhaps less likely to rally behind every issue that is of interest to the developing countries. They opined that Brazil India, China, Russia and South Africa are ready to flex their economic muscles, not to make the world a better place for poor countries but rather to maximize their own autonomy vis-à-vis the Western dominant powers with whom they have stronger economic political and strategic relationships that they cannot afford to abandon.

The central question that is raised in this chapter is how African countries can harness these new relationships with the emerging multilateral alliances in the South (BRICS and IBSA) to construct an alternative counter-hegemonic global economic and governance architecture favourable to them. Put differently, how can Africa maximize the benefits of its relationship with the new Southern multilateral alliances and minimize its risk. This chapter answers these questions via an analysis of the contributions of the new multilateral alliances to Africa's development in the 21<sup>st</sup> century.

### **Theoretical Framework**

This paper is anchored on the dependency approach, drawing on the works of scholars like Amin, Frank, and others.<sup>13</sup> Scholars have defined dependence in various ways but the most concise and frequently quoted definition of dependence is that of the Brazilian scholar Theotonio Dos Santos:

By dependence, we mean a situation in which the economy of certain countries is conditioned by the development and expansion of another economy to which the former is subjected. The relation of interdependence between two or more economies, and between these and world trade, assumes the form of dependence when some countries (the dominant ones) can expand and can be self-sustaining, while other countries (the dependent ones) can do this only as a reflection of that expansion, which can have either a positive or a negative effect on their immediate development <sup>14</sup>

Dependency theorists contend that the dependence of the South on the North is the main cause of the underdevelopment of the former. They hold that the present economic and socio-political conditions prevailing in the periphery are the results of a historical international process. This development emerged as a

global historical phenomenon consequent on the expansion and consolidation of the capitalist system. Although different dependency theorists lean in one direction or another - toward Marxism or nationalism - they all share several assumptions and explanations regarding the causes of and the solution to the problems of less developed countries. This position is captured by Andre Gunder Frank's statement "that it is capitalism, both world and national, which produced under-development in the past and which still generates underdevelopment in the present"<sup>15</sup> As Thomas Weisskopf noted, "the most fundamental causal proposition [associated] with the dependency literature is that dependence causes underdevelopment".<sup>16</sup> Development and underdevelopment constitute a system that generates economic wealth for the few and poverty for the many; Frank has called this "the development of underdevelopment".<sup>17</sup>

The general positions regarding the relationship of the advanced capitalist to less developed economies can be grouped under three categories: exploitation theory, the doctrine of imperial neglect and the concept of dependent or associated development. The "exploitation" theory maintains that the Third World is poor because it has been systematically exploited.<sup>18</sup> The underdevelopment of the Third World is functionally related to the development of the core, and the modern world system has permitted the advanced core to drain the periphery of its economic surplus, transferring wealth from the less developed to the developed capitalist economy through the mechanisms of trade and investment. Consequently, dependence does not merely hold back the full development of the Third World; dependency actually immiserizes the less developed economies and makes them even less successful than they would have been if they had been allowed to develop independently

The "imperial neglect" position takes a definitely different view regarding the effect of the world economy on the less developed economies<sup>19</sup>. It argues that the problem of the less developed economies and most certainly of the least developed ones is that the forces of capitalist imperialism have deliberately bypassed them. The expansion of world capitalism through trade, investment, and European migration has created an international division of labour that favoured some lands and neglected others to their detriment. Thus, the world capitalist economy is ultimately responsible for underdevelopment because the patterns of trade and investment it fosters have had a differential impact on the periphery.

The "dependent or associated development" school interpretation of dependency theory<sup>20</sup> is based on the spectacular economic success of several less developed economies such as Brazil, China, India South Korea, and Taiwan, this position holds that dependency relations under certain conditions can lead to rapid economic growth. It argues, however, that this type of growth is not true development because it does not lead to national independence. Proponents of this view believe such growth actually has very detrimental effects on the economy of the less developed country. Another variant of this theory is what Georg Sorensen describes as proto imperialism. It holds that imperialism is still the name of the game when it comes to South South cooperation. The relationship involves dominance and exploitation in the same manner as did the old relations between the countries of the First World and

the Third World. Proponents of the proto imperialist view argue that the Southern imperial powers do not act as a go between directed by someone else.

The relevance of the dependency theory and, to a large extent, the development theory to this study is that the defining features of African countries are their dependency and underdevelopment, which derive from the unequal manner in which they have been incorporated into the periphery of world capitalism. Owing to highly unequal levels of development between African actors and the Southern powers, Africa's commercial and diplomatic engagements with Brazil, China and India take place on essentially unequal terms. Dependency theory enables scholars to explore how African countries should consciously and effectively adopt judicious negotiating strategies to meaningfully engage the new southern powers for more sustainable and beneficial development. The failure to conduct foreign policy for development and the inappropriate development path pursued by them in the past are blamed for the continent's continued state of dependence.

### **Old Southern Multilateralism in Historical Context**

Before exploring the implications of the new forms of Southern multilateralism for Africa's development in the 21<sup>st</sup> century, it is important to take stock of what has been achieved so far by the old Southern multilateral alliances like NAM and G-77.

#### ***Non-Aligned Movement***

While some meetings with a Third World perspective were held before 1955, historians consider the Afro-Asian conference at Bandung, Indonesia in April 1955 as the most immediate antecedent to the creation of Non-Aligned Movement. The NAM was later confirmed during the first conference of Heads of States and governments that took place in Belgrade in 1961. The Non Aligned movement was the culmination of centuries of old ideas, principles, activities and trends that rejected fundamentally the dominant structure of international relations. The Non Aligned movement was more political than economic in nature. An important development in the history of NAM was the establishment of the South Commission. It was created during the Non Aligned summit meeting in Harare in 1986 as an independent international organ of the Third World.

The Non Aligned movement has recorded impressive achievements in South-South cooperation. One of the most important of these is the crippling external debt crisis of the third world. The South Commission at its second meeting in Malaysia, in March 1988, adopted a document which called for a set of internationally agreed guideline for debt management that would serve both debtors and creditors. It also included a call for the establishment of debtors' forum. The South Commission adopted another document on the Uruguay Roundtable at its 3rd meeting in Mexico during August 1988. It called for negotiation to deal with all global trading problems rather than the narrow interests of the major trading countries. The South Commission also held extensive consultations with major policymakers, governments and non-governmental organizations, business leaders and academics on its activities.

Some critics have argued that the concept of Non-Alignment has become unnecessary thus rendering the movement anachronistic. However, during the Havana Summit in September 2006, the Non Aligned states reopened the debate about the possibility of revitalizing the Non-Aligned Movement. Today, the movement aims at countering the weight of great powers particularly, the United States. But at the same time, several members have close relations with the US. Also, despite encompassing two-thirds of UN member states, NAM cannot take joint decisions concerning many questions thus undermining its potential global impact. Whatever its shortcomings, the Non Aligned movement marked a turning point in the history of South South cooperation because it symbolized an attempt by these countries to demonstrate independence from the richer more powerful countries of the North.

### **G-77**

Another vivid example of old southern multilateralism is the Group of 77. The G-77 comprised seventy-seven of the most developing countries of the world that emerged as a lobbying bloc conceived to pursue the interest of developing countries within the framework of the 1964 United Nations Conference on Trade and Development (UNCTAD). The establishment of an equitable international trade regime has been a central issue on the development agenda of the group. In the mid-1970s, the G-77 pushed in the UN General Assembly for a New International Economic Order.<sup>21</sup> NIEO is primarily concerned with;

the redistribution of world's wealth and economic opportunities, increased capital flows to the underdeveloped countries, restructuring of the international economic system and its institutions to guarantee that the interest of the developing countries is adequately taken into account, and more importantly to the acceleration of more even distribution of productive capacity by the establishment of a new world technological on reasonable terms to the technologically underdeveloped countries<sup>22</sup>

The group has an economic focus that seeks to improve the conditions of developing countries. Together, members hope to achieve more bargaining power in their fight for sustainable development, the reduction of poverty and fair new world order. Some of the notable accomplishments of the group include the successful negotiation of the Generalised System of Preferences (GSP), a scheme designed to be extended by developed countries to developing ones on a non-reciprocal basis; and the Integrated Programme for commodities which includes a Common Fund, a fund designed to compensate developing countries in the event of shocks in the commodities market was another. Other landmarks include the adoption by the UN General Assembly of the Declaration of and programme of action for the establishment of a NIEO. <sup>23</sup>However, the G-77 was unable to pressure developed countries to level the playing field in international trade and decision making in key organs of the world system with a divided Third World, many of the proposals were never fully implemented.

Despite limited success in moving forward the global governance reform agenda, G-77 remains the most important bloc representing the interest of developing countries in the multilateral system. The group was a rallying point for developing countries in the context of the struggle to democratize the international trading system. The Third world resistance came to the fore during the infamous 199 WTO ministerial meeting in Seattle.<sup>24</sup> Although the G-77 still exists as an alliance of developing countries and emerging powers within the UN context, the movement has lost relevance in recent years. The group has great difficulty in taking a joint stance, on several issues, due largely to its large number of members.

### **New Southern Multilateralism and Africa's Development: IBSA in Perspective**

The emergence of IBSA can be traced to early 2000, as a result, the disappointment with the lack of progress of multilateral trade negotiations, particularly in the aftermath of the WTO debacle in Seattle. It was built on the close consultation process established during Cancun by a selective group of self-appointed elites from the leading Third World countries, particularly IBSA in a bid to present a unified Third World position as well as promote preferential trade between *Mercadeo Comun del Sur* (MERCOSUR), Southern Africa Customs Union (SACU) and India.<sup>25</sup>

However, the idea to create a permanent trilateral forum between India, Brazil and South Africa was initially promoted by former South African President Mbeki during his visit to Brazil in January 2013 to attend the inauguration of President Lula da Silva. The inauguration provided the first bilateral contacts to discuss issues relevant to both countries' foreign and domestic policies. Shortly afterwards, several high-profile meetings between the South African Minister of foreign relations, Nkosazana Dlamini-Zuma, and her Indian and Brazilian counterparts further embedded the idea of establishing a regular forum.<sup>26</sup> The informal discussions between the leaders of the three nations on the sidelines of the Group of 8 (G8) summit in Evian in 2003 offered the opportunity for the first high-level meeting where the common policy agenda of IBSA was presented to the wealthiest nations in the developed North.<sup>27</sup> This meeting was followed by consultations among the foreign ministers of India, Brazil and South Africa, which eventually culminated in the formalization of IBSA Dialogue Forum in the Brasilia Declaration of June 2003.

Basically, the objective of this forum is to share views on relevant regional and international issues of mutual interest as well as promote cooperation in the areas of defence, multilateral diplomacy, international trade, technology, social development, environmental issues and so forth.<sup>28</sup> The institutional format of the partnership is a Trilateral Commission, formed by the three Foreign Ministers and their respective staffs. In their first meeting in Brasilia, they decided to further promote information exchange and dialogue through a series of meetings with top officials from the three countries in accordance with the areas of cooperation set up in the Brasilia Declaration.

Its creation recognized the necessity of process of dialogue among developing nations and countries of the South to counter marginalization. To this end, IBSA has partnered with developing countries in the accomplishment of this lofty idea. The major tool of IBSA development agenda is the IBSA Trust Fund to which each member contributes US\$1 million. The Fund was created in 2004 and became operational in 2006. Its main objectives include:

1. To alleviate poverty and hunger in the South;
2. To develop best practices in poverty reduction and hunger eradication by facilitating the execution of replicable and scalable projects in interested countries of the global South;
3. To lead the South-South cooperation agenda; and
4. To build a new partnership for development

Importantly, IBSA has not focused exclusively on Africa as a special case deserving assistance from the Fund. The Fund may be used for development assistance in any developing country that meets the funding prerequisites. Apparently, it was only in 2005 with the hosting of the Second Ministerial Meeting in Cape Town that specific attention was given to the New Partnership for Africa's Development (NEPAD). This meeting saw the emergence of a broader African focus, as the ministers committed to promote trade and investment in Africa and Asia and seek ways to strengthen the African private sector. It must be emphasized that projects of IBSA Fund have been approved through the UNDP for African countries such as Cape Verde, Guinea-Bissau and most recently Rwanda.

The IBSA development projects are not expected to chart a new territory but would follow the processes of the UNDP. For instance, in Guinea-Bissau, the introduction of new seeds and the capacity building of improved agricultural techniques allowed for, among other things, a second annual harvest of rice in the communities that received technical cooperation.<sup>29</sup> In Cape Verde, the refurbishment of two local, isolated health units IBSA supported, through the employment of local workers. Recently, a workshop on HIV policies was held in Burundi, which started a new initiative yet to be concluded. The IBSA development projects are not expected to chart a new territory but would follow the processes of the UNDP. The efforts of IBSA towards development assistance was aptly captured by Ambassador Singh of India when he noted that, "Through our cooperation, we're not only attempting to widen linkages and benefit from each other's experience, but also to see if together we can work for projects and support institutions, capacity-building, and development efforts in other countries".<sup>30</sup>

Scholars have argued that the show of generosity by IBSA states in allowing their Fund to be administered by the UNDP relinquishing control over fund recipients, yet stipulating very clearly the types of projects to be funded may give rise to legitimation problems and resistance.<sup>31</sup> This is especially pronounced in Africa as the continent aims to find its own voice through continental institutions such as the African Union. The Fund, no doubt, has appeared as a key actor in the emerging development assistance architecture. Its practices differ from those of the established donors of the Organisation for Economic Cooperation and Development (OECD) countries. As Vieira puts it; the IBSA Fund does not require Western styles conditions in terms of structural

adjustment reforms states. It instead links the funds to projects that would have a positive social and economic impact.

Despite IBSA's robust development agenda and several working groups in place to execute this, it has not mustered enough evidence to justify its stature as a platform for functional cooperation among the emerging powers of the South. The emergence of BRICS has raised serious fears regarding the continued existence of IBSA as an influential engine of South South cooperation. It would be recalled that the change of leadership in two of the three members of IBSA, Brazil and South Africa coincided with the emergence of BRICS Forum as a major South South cooperation platform. The postponement of October 2009 IBSA summit just four months after the launch of BRICS forum raised suspicion that IBSA states were shifting their focus away from their trilateral forum to more prominent and powerful interregional forum comprised of the BRICS countries. The emerging powers were attracted by the presence in BRICS of two major powers, China and Russia, both of whom are permanent members of the UN Security Council and major economies. As Zondi and Moore rightly observed, an impression was created by these developments that IBSA countries saw an opportunity in BRICS to achieve faster their shared commitment to reform the international institutions of governance and decision making.<sup>32</sup> While its development assistance is providing useful support to South South cooperation through concrete development, its relationship with the BRICS needs to be well articulated.

#### **BRICS and Africa**

The acronym BRICS was first coined by a researcher Jim O'Neill of Goldman Sachs in 2001 in a report<sup>33</sup> on growth prospects for the economies of Brazil, Russia, India and China which was sealed with the inclusion of South Africa in 2011. It is important to acknowledge that BRICS is a global governance mechanism of intergovernmental nature and as such, it is evolving and maintains its structure in a rotating manner. The BRICS aims to achieve peace, security and cooperation. The size of the BRICS economies, their economic potentials and their demand for stronger political voice on international political platforms make them particularly relevant to Africa's development.

According to the International Monetary Fund (IMF), BRICS' total GDP in 2014 stood at US\$32.2 trillion.<sup>34</sup> The population of the BRICS countries combined is approximately 3 billion. The reserves of the BRICS economies stands currently at US\$5.2 trillion, with China holding US\$4 trillion, Russia US\$478 billion, Brazil US\$373 billion, India US\$316 billion and South Africa US\$49 billion as of June 2014.<sup>35</sup> It is therefore not surprising that the BRICS is now an important development partner for Africa in areas of cooperation as trade, investment, humanitarian assistance, technical cooperation, debt relief, loans, and grants. They have focused their cooperation in sectors such as infrastructure, health, transport, agriculture/food security information technology, mining and many others.

In the context of the African continent, each of the BRICS has its own singular national interest as the basis of its Africa policy, which diverges from that of the other BRICS. While they may form common cause in international fora, when it

comes to trade and business they tend to be highly competitive. Nonetheless, in general terms, we can delineate three channels through which the BRICS had impacted on Africa namely: trade, investment and development assistance. Africa's trade with the BRICS, for example, has grown faster than the continent's trade with any other region in the world, doubling since 2007 to \$340 billion in 2012 and to about \$500 billion in 2015 with China accounting for about 60 per cent.

With regards to foreign direct investment, the BRICS have helped to change the investment scenario in the continent and in the process given African countries an upper hand in dealing with multinationals in their resources. Available record indicates that until 2002 the FDI inflows were dwarfed by those from Western sources. FDI flow to Africa from the BRICS rose from 18 per cent of the total in 1999 to 21 per cent in 2008. Africa possesses enormous economic development potential. It has abundant natural resources, growing consumer power and favourable demographics. The partnership between India and Africa has significantly promoted the development of small and medium scale enterprises on the continent. Brazil and Russia are involved in the mining and energy industry in Africa through public-private partnerships (PPPs). China's interest is mainly in the extractive industry, partly to fuel further growth in China itself. Indeed, most BRICS FDI projects in Africa are in manufacturing and services. Only 26 per cent of the value of projects and 10 per cent of the number of projects is in the primary sector.

The contribution of the BRICS to aid has increased over the last decade with China ahead of others. The BRICS support Africa's development through project aid (mainly to improve infrastructure, complementing aid from OECD countries) concessionary loans and credits as well as grants. In the area of development finance, the leaders of the BRICS countries signed a treaty during the sixth BRICS summit at Fortaleza, Brazil in July 2014, to launch a BRICS New development bank (NDB). Article 11 of the Fortaleza Declaration states thus:

...we are pleased to announce the signing of the Agreement establishing the New Development Bank (NDB), with the purpose of mobilizing resources for infrastructure and sustainable development projects in BRICS and other emerging and developing economies. We appreciate the work undertaken by our Finance Ministers. Based on sound banking principles, the NDB will strengthen the cooperation among our countries and will supplement the efforts of multilateral and regional financial institutions for global development, thus contributing to our collective commitments for achieving the goal of strong, sustainable and balanced growth<sup>36</sup>

The Bank shall have an initial authorized capital of US\$ 100 billion. The initial subscribed capital shall be of US\$ 50 billion, equally shared among founding members.<sup>37</sup> The Treaty also provided for the establishment of the BRICS Contingent Reserve Arrangement (CRA) with an initial size of US\$ 100 billion.<sup>38</sup> This arrangement will have a positive precautionary effect, help countries forestall short-term liquidity pressures, promote further BRICS cooperation,

strengthen the global financial safety net and complement existing international arrangements. The NDB could hold great benefits for Africa. According to the African Development Bank (AFDB), the continent needs US\$93 billion every year to fund its infrastructure requirements which is not met by the current financial institutions. Hence, Africa can tap from this new development bank to develop its infrastructure. Besides, the NDB will provide developing countries including Africa with alternative funding without the punishing strings attached to World Bank lending and promises to make lending processes for developing countries faster, simpler and cheaper.

There is no denying the fact that the BRICS countries particularly China and India have helped to bring some of the African countries which had been rejected decades ago as 'basket cases' by international financial institutions, into the mainstream emerging markets of globalization, and the outcome has been mutually beneficial for African countries and the BRICS. While each BRICS country has its own degree of cooperation with Africa, none of them follows the earlier Western models, which had kept African countries mired in poverty while the Western multinationals had enjoyed the benefits of Africa's resources. The competition provided by the BRICS countries has changed the rules of the game for trade and investment in Africa thereby mandating the Western multinationals to deal with African countries particularly those with vital resources like petroleum, uranium, gold, and silver on their terms.

#### **Africa and the Challenge of New Southern Multilateralism**

The inability of African countries to develop bargaining strategies and strategic capabilities to meaningfully engage the rising Southern powers that dominate the new southern alliances has continued to hamper Africa's development efforts. Notwithstanding the continent's rapid economic growth, abundant economic resources growing consumer power and favourable demographics (all of which are potential sources of bargaining power), Africa's development project remains fragile. The recent economic growth has not translated into sustainable development or structural transformation as envisaged by NEPAD – the African Union socioeconomic programme. The reality is that most African countries do not appear to be negotiating effectively with their new 'Southern suitors'. This is happening despite decades of experience and social learning from interactions with the established powers. What this means is that whereas Brazil, India and China have all developed some form of strategy for Africa, (including single country to continent summits), Africa has not designed a coherent strategy towards the new southern multilateral groupings. The former President of South Africa noted that Africa's trade relations with China are unsustainable and that China should work towards a more equal partnership to stay relevant.<sup>39</sup> Thus, for African countries to effectively bargain with these new Southern alliances they will need to improve their deliberative capacities and build coalitions with local continental and global civil society and business networks. The four potential sources of bargaining power identified by Brendan Vickers are worth emphasizing at this point. First, are the rising commodities prices which place Africa's major exporters of energy and mineral commodities on a vantage position alongside their Southern partners. The ability to award future unallocated prospecting rights is viewed as a critical bargaining lever given Africa's abundant resources. The negotiating behaviour of Angola and the

Democratic Republic of Congo in their dealings with China provides two vivid examples of resource-based African economies that are not weak or submissive actors.

Africa's potential market power is also an important source of bargaining power. African countries have since the signing of the Abuja treaty in 1991 embarked on auspicious regional and continental integration schemes like the Tripartite Free Trade Area (T-FTA) and its successor, the continental FTA. For instance, in 2011 the member states of Southern Africa Development Community (SADC), the East African Community (EAC), and the Common Market for Eastern and Southern Africa (COMESA) launched negotiations to establish a tripartite FTA by 2015. The FTA will form the basis for an Africa-wide FTA, which is expected to create a market of US\$2.6 trillion. The implication is that a more integrated continent may attract greater investment thereby allowing African countries to counterbalance or play off against one another the various powers to benefit Africa's development objectives.

The third source of potential bargaining power is coordinated, collective and coherent engagements by African countries. Africa's fragmentation into 54 nominally sovereign states places the country at a strategic disadvantage of bargaining power alongside the mega states of Brazil, China and India. It is now widely recognized that African countries require joint strategies and common positions preferably at the AU or sub-regional level if they are to negotiate effectively with the new southern alliances. The logic of the club approach is imperative as a more coordinated African response can help avoid contradictory bargaining positions among African states.

The fourth source of bargaining power vis-à-vis the new multilateral alliances is normative. The priority ascribed by poorer African countries to Third Worldism and its undertones of southern solidarity may lead them to expect and demand club goods (such as aid, debt relief and market access) from their southern partners in return for friendship, followership and votes in international organisations. African countries have historically been able to use the multilateral space as the largest constituent of the UN General Assembly, with 54 votes, to reward their southern partners for supporting the continent's decolonization and development.<sup>40</sup>

The danger is that African states will be unable to capitalise on the attention currently being lavished upon them and the possibilities of the commodities boom to recast the continent's development and forge a new role for Africa in the international system. So far, African responses to the activism of emerging southern powers have been predictable, either seeking to emulate the means to the success of the emerging powers that are now so interested in them or to react to that interest with concerns of a renewed colonialism. The challenge for African states is to realize the opportunities to become significant multilateral actors, able to leverage their particular assets and potential to formulate and pursue their own interests. The extent to which Africa can build its own independent diplomatic and economic identity, distinct from either its old colonial masters or its new emerging southern suitors, will determine whether its relationship to the shifting global economic order is a productive one.

## Conclusion

We have shown in this paper that the new multilateral alliances offer huge potential for Africa's development in the 21st century. Unfortunately, the real intentions of these southern powers are not easily understood. This has raised serious concerns in some quarters leading to arguments that the relationship between Africa and the new southern alliances are not different from how Africa was previously colonized for the sake of its natural resources. Their argument is certainly plausible given that the majority of investments in Africa from these new southern groupings are concentrated in the traditional resource-rich primary sector. Nevertheless, interaction/cooperation is here to stay, and there is hope for future development. It is incumbent on African countries to decide how they develop and what they do with the investment coming in. If they play their cards right at the domestic development level, there is no reason why the benefits of growth will not percolate downwards. Specifically, Africa should upgrade its strategies and capacities, built on mutual interest and respect when dealing with their southern partners. Also, African governments and continental civil society as well as business networks should continue to champion and defend Africa-owned proposals for systemic reforms.

## Endnotes

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<sup>1</sup> Multilateralism is an approach to international issues involving discussions and negotiations between more than two states.

<sup>2</sup> Lindsey Powell, 'In Defense of Multilateralism'. Paper presented at the Yale Center for Environmental Law and Policy, New Haven CT. prepared for Global Environment Governance: The Post-Johannesburg Agenda – 23-25 October 2003.

<sup>3</sup> The concept of South has both geographical and economic connotations. Geographically, the South refers to those countries located in the Southern hemisphere of the globe. These countries can be found in South America, Africa and much of Asia. It is noteworthy that most, if not all, countries in the Southern hemisphere are poor and underdeveloped relative to their Northern counterparts i.e Europe, North America and Japan. The developing countries are domiciled in the Southern hemisphere. The countries in the South generally share certain commonalities, such as similar developmental challenges and are also faced with common challenges such as high population pressure, poverty, hunger, disease, environmental deterioration etc. However, it is significant to point out that even among countries of the South, there are marked differences in levels of development.

<sup>4</sup> S. Morphet, Multilateralism and the Non-Aligned Movement: What is the Global South doing and where it is going? *Global Governance*, vol 10, no 4 (2004): 517 – 537.

<sup>5</sup> Cited in Renu Modi, "Introduction" in *South-South Cooperation: Africa on the Centre Stage* ed. Renu Modi (London: Palgrave Macmillan, 2011), 4.

<sup>6</sup> Sarah-Lea John de Sousa India, Brazil, South Africa (IBSA) – New Inter-regional multilateralism in the South? *Fride Comment* 2007 Available at: [www.fride.org](http://www.fride.org)

<sup>7</sup> *The Economist*, 13 May 2000

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<sup>8</sup> The Economist, 3 December 2011

<sup>9</sup> Africa has massive reserves of oil and gas that are yet to be explored and utilized. Besides, it has 99 per cent of the world's chrome resources, 85 per cent of platinum, 70 per cent of tantalum, 68 per cent of its cobalt, and 54 per cent of its gold and other minerals. It also has the largest reserve of gem-quality diamonds in the world, which are all needed by the emerging economies for their future advancement.

<sup>10</sup> S. Zondi and C. Moore, "IBSA'S Global Role: An African Perspective, *Journal of Developing Societies* 31, 4 (2015): 488 – 512.

<sup>11</sup> P. Khanna, 'Here Comes the Second World,' *Prospect*, May, Available at <http://www.Paragkhanna.com/Prospect%20%20Here%20Comes%20Second%20World.pdf>,

<sup>12</sup> Fantu Cheru, "South South Cooperation: What prospects for a new Bandung Consensus in South Cooperation: Africa on the Centre stage, ed. Renu Modi (London: Palgrave Macmillan, 2011), 42 – 60.

<sup>13</sup> See S. Amin, "Unequal Development" *New York Monthly Review Press* 1972; A.G. Frank. "Dependent Accumulation and Underdevelopment in Latin America" *New York Review Press*, 1979

<sup>14</sup> Dos Santos "The Structure of Dependence" *American Economic Review*, 60, 2 (1970): 231 – 236.

<sup>15</sup> Quoted in Anthony Brewer, *Marxist Theories of Imperialism: A Critical Survey* (London; Routledge & Kegan Paul, 1980) 158.

<sup>16</sup> Thomas Weisskopf, "Dependence as an explanation of underdevelopment, a critique" Paper presented at the Sixth national meeting of the Latin American Studies Association, Atlanta Georgia, March 1976, 3.

<sup>17</sup> Andre Gunder Frank, *Latin America: Underdevelopment or Revolution: Essays on the Development of Underdevelopment and the immediate enemy* (New York and London: Monthly Review Press, 1969)

<sup>18</sup> S. Amin, *Unequal Development: An Essay on the Social Formations of Peripheral Capitalism*, New York: Monthly Review Press, 1976.

<sup>19</sup> Michael Barratt Brown, *After Imperialism* (New Jersey: Humanities Press 1970).

<sup>20</sup> Peter Evans, *Dependent Development: The Alliance of Multinational, State and Local Capital in Brazil* (Princeton: Princeton University Press, 1979).

<sup>21</sup> A. Narlikar, 'Fairness in International Trade Negotiations: Developing Countries in the GATT and WTO,' *The World Economy*, vol 29, no 8 (2006): 1005 – 1059.

<sup>22</sup> G. Gwin, 'The 7th Special Session. Towards New Phase of Relations Between Developed and Developing States' in *The New International Economic Order*, ed. K. Sauvant and H. Hasenpflug, Frankfurt, 1997, 100.

<sup>23</sup> L De Silva, 'The Non-Aligned Movement: Is Economic Organisation and NIEO Perspectives,' in *The Challenge of South-South Cooperation* ed. B. Palvic et al (Boulder, CO: Westview Press, 1983).

<sup>24</sup> A. Narlikar and R. Wilkinson, "Collapse of the WTO: A Cancun Post-Mortem" *Third World Quarterly*, vol. 25, no 3 (2004), 447-460.

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- <sup>25</sup> I. Taylor, "The New Africa Initiative and the Global Political Economy: Towards the African Century or Another False Start, *Third World Quarterly*, vol. 23, no. 1 (2002): 15.
- <sup>26</sup> M. A. Vieira and Chris Alden, "India, Brazil, South Africa (IBSA): South South Cooperation and the Paradox of Regional Leadership, *Global Governance*, vol. 17, no. 4 (2011): 507-528.
- <sup>27</sup> S. Zondi and C. Moore, "IBSA's Global Role: An African Perspective" *Journal of Developing Societies*, 31, 4 (2015): 488-512.
- <sup>28</sup> IBSA – India, Brazil South Africa Dialogue Forum Available at: <http://www.itamaraty.gov.br/en/politica-externa/mecanismos-inter-regionais/7495-india-brazil-south-africa-ibsa-dialogue-forum> Accessed 2 August 2018
- <sup>29</sup> Woodrow Wilson International Centre for Scholars, "Emerging Powers: India, Brazil and South Africa (IBSA) AND THE Future of South South Cooperation Available at: <https://www.wilsoncenter.org/sites/default/files/IBSA%20Publication.pdf> Accessed 4 July 2018
- <sup>30</sup> Ibid.
- <sup>31</sup> M. D. Stephen, *Rising Regional Powers and International Institutions: The Foreign Policy Orientations of India, Brazil and South Africa* *Global Society*, 26, 3 (2012): 289-309.
- <sup>32</sup> S. Zondi and C. Moore, *IBSA's Global Role*, 505.
- <sup>33</sup> Jim O' Neill, *Building Better Global Economic BRICS* Goldman Sachs Global Economic Paper No 66 Available at: <https://www.goldmansachs.com/our-thinking/archive/archive-pdfs/build-better-brics.pdf> Accessed on 5 May 2018
- <sup>34</sup> Interfax News Agency, 2015.
- <sup>35</sup> IMFC, 2014
- <sup>36</sup> Sixth BRICS Summit – Fortaleza Declaration, Available at: <http://brics.itamaraty.gov.br/press-releases/214-sixth-brics-summit-fortaleza-declaration>
- <sup>37</sup> Ibid
- <sup>38</sup> Ibid
- <sup>39</sup> Jacob Zuma, Remarks by President of South Africa at the opening session of the 5<sup>th</sup> Forum on China-Africa Cooperation, Beijing, China, 19 July 2012 <http://www.thepresidency.gov.za/hKYUi/speeches/remarks-president-jacob-zuma-opening-session-5th-forum-china-africa-cooperation%2C-beijing%2C>
- <sup>40</sup> One of the most profound symbols of this solidarity was the 26 affirmative votes cast by African countries which allowed China to take its seat on the UN Security Council in 1971. Also, it was the African vote that contributed to the election of Brazil's Jose Graziano da Silver was elected as director-general of the UN Food and Agriculture Organisation in June 2011.