THE CHINA MONITOR

SPECIAL EDITION



The BRICS summit 2013 -Is the road from Durban leading into Africa?





Contents

| Editorial | 4 |
|--|----|
| Contemporary Brazil-Africa relations: Bilateral strategies and engagement with other BRICS | 6 |
| By Danilo Marcondes de Souza Neto | |
| Russia's Africa policy | 13 |
| By Alexandra A. Arkhangelskaya | |
| India's Cooperation Mechanisms with Africa And its Implications for China | 22 |
| By Liu Zongyi | |
| A Promising Partnership between BRICS and Africa: A Chinese Perspective | 30 |
| By Zhang Chun | |
| South Africa: BRICS member and Development Partner in Africa | 38 |
| By Sven Grimm | |



Editorial



Dr Sven Grimm

Director,

Centre for

Chinese Studies

Dear Reader,

After having joined the club for 2012, South Africa is going to host the annual summit of heads of state of the BRICS in late March 2013. In the light of South Africa's foreign policy – if not just for being the African BRICS member state – it is consequential to have chosen Africa's development as the overarching topic for this summit.

The Centre for Chinese Studies at Stellenbosch University focusses particularly on China-Africa relations and explores China's growing role in the world. Africa is no small feature in China's foreign policy and its economic strategy. This special edition has the purpose to provide background on the various African agendas of the BRICS members in order to inform decision-makers and the broader public on the background of deliberations held in Durban. The discussion we want to provide input to with this publication clearly is *not* the somewhat futile debate about whether South Africa fits within the BRICS or not; it now *is* a member state and discussion should rather focus on what South Africa can achieve and which agenda it should promote. The question we asked our authors for this publication was how the other BRICS see the continent and how do their respective agendas fit with Chinese (and South African) foreign policy goals when it comes to Africa.

As a common point, Africa is seen as an economic opportunity as well as a politically valuable partner by all BRICS members. All contributions emphasise economic and political interests — and more or less have a perspective on Africa as a 'last frontier' in the global economy. There is also a sometimes startling directness about own interests in African states, even if these interests are not always identical between the BRICS. The emphasis is on common ground with Africa or parts of it, be it linguistically (Brazil and the lusophone states), the shared African identity and destiny (South Africa), South-South linkages (China, India), common values (India, Brazil) or complementarities in the economy (somewhat emphasised for all BRICS). Russia, for its part, and besides its engagement in the BRICS and the G8, interestingly is pursuing an application to join the OECD. Some BRICS also emphasise the openness towards and the usefulness of triangular cooperation (Brazil, South Africa), while others are rather highlighting the bilateral drive (Russia, China and India less so).

With regard to common challenges, peace and security in Africa is highlighted as a worry by several contributors. Also, we do read about the risk of 'overburdening' BRICS countries with expectations; in a European debate, we would presumably discuss this as an 'expectations-capabilities gap', which is interestingly a common worry when BRICS look at the African continent. Big agenda's will have to be delivered on big—but how big can the BRICS go without straining the weak cohesion too much?

While the media term of a second 'Scramble for Africa' might be exaggerated—this is not the 19th century — all our contributions indeed point to commercial and other rivalries between the BRICS states when it comes to their interest in African countries. Mining is mentioned throughout; not least as a strong interest in Africa's resources. But it is not all about resources; it is also about access to markets, possibly involving mining, as there are specific interests in investments in this sector due to perceived competitive advantages of enterprises that engage in mining in the respective BRICS country, not least so from Brazil, Russia or South Africa. Yet, the competition transcends natural resources only and includes the creation of markets for other goods. And, not to forget: there are political rivalries for attention and support. This competition might not be a surprise when considering the diverse historical backgrounds, economic structures and political drivers for engagement with Africa and its constituent parts.



One might actually understand the scramble rather as a strive for a good position in an accelerated globalisation, with some defensive elements to it, and some more or less virile seeking of opportunities wherever they present themselves.

This, on the one hand, clearly illustrates that the BRICS are not a block of countries, and they don't have homogenous interests. Neither are they a trade block. It is a loose club, possibly with potential, but a club with little institutional structure nevertheless. Yet, on the other hand, it does not automatically mean 'doom' for the BRICS, as it does not necessarily prevent states from searching for common ground with regard to fleshing out common elements for an African agenda. Some authors explicitly explore that common ground (e.g. the contribution on China), while others emphasise the learning from each other, as most explicitly does the article on India that looks into lessons China can learn from its South Asian neighbour. Some thought is also given on how to include Africa in this search for an agenda, instead of simply regarding the continent of an 'object of desire'. This holds many opportunities for the continent – and will also mean challenges for smaller states to meaningfully engage with the non-Western global giants and South Africa.

Only in comparison to others can we make meaningful statements about the BRICS role and position in the world. This is not necessarily always about 'the BRICS' vs. 'the West'. Over all of these BRICS debates, we should, however, not forget that other actors, other emerging economies, are also engaging in Africa. Turkey is Africa's six largest trade partner. Thailand's overall trade volume with the African continent was larger that that of Russia in 2009. And Malaysia presumably hosts more African students than does China – with a clear appetite for an increasing role as an educational hub. The world is becoming more diverse and therefore provides more opportunities for African societies – if they take up the challenge, engage with the outside world, define own interests in these engagements, and organise around priorities. That is difficult to maintain, but still a better situation than having only few partners with limited interests as was the case in the 1990s.

Several sips from the alphabet soup are needed to understand dynamics between emerging economies and Africa. With regard to China, there is FOCAC (the China-Africa Cooperation Forum). Somewhat in the shadow of the discussion is IBSA (the India, Brazil, South Africa Coordination) towards which BRICS states have different perspectives and which might be eclipsed by BRICS — or it might actually serve a different purpose. There is the G77, the group of developing countries. And the African continent has its own list of acronyms describing its variety of regional integration efforts: the AU, NEPAD, ECOWAS, SADC, COMESA and others. And there is BRICS itself that our authors cast a light on from their respective backgrounds.

We are proud to present one analytical piece on each of the BRICS countries, mostly written by authors from these countries. While the authors are academics and are thus *not* speaking for their governments, they provide good insights into the debates in their country – and also give interesting recommendations to the respective government. This is a different purpose to our academic journal - African East-Asian Affairs – and we have thus decided to revive our "China Monitor" format as a special edition. We are presenting the articles in the order that is suggested by following the BRICS acronym: Brazil first, South Africa last. We hope you enjoy what we feel is a stimulating read!





Durban 2013 BRICS Summit BRAZIL

THE CHINA MONITOR

Contemporary Brazil-Africa relations: Bilateral strategies and engagement with other BRICS

By Danilo Marcondes de Souza Neto*

The African continent has been attracting the interest of emerging powers as these countries seek markets, natural resources and political allies. While considerable attention is given to Indian and Chinese engagements, less attention is dedicated to contemplating Brazil's role in the continent. The present contribution wishes to address this gap by looking at contemporary Brazilian foreign policy towards Africa, from the end of the government of President Lula da Silva (2003-2010) up until the first two years of the current administration by President Dilma Rousseff (2010-ongoing). In dealing with Africa, Brazil benefits from several different identity labels: as a developing, South Atlantic, Lusophone country, and these different labels will be contemplated in the analysis that follows.

In his inauguration speech in January 2003, Lula mentioned his interest in strengthening the deep bonds between Brazil and the African continent, in order to help Africa reach its full potential (IPEA, World Bank, 2011, p.43). Brazil's strategy in Africa under the Lula government can be defined as based on two main fronts: first, cooperation with South Africa, due to the country's economic potential and influence in Southern Africa and second, cooperation with the Lusophone countries, that receive around 70 per cent of all Brazilian technical cooperation to Africa (IPEA, 2010).

As will become clear from the sections below, Brazil, as other emerging powers, identifies that Africa is essential to its pursuit of greater voice and recognition internationally. In order to reduce the gap between aspirations and the reality of international politics, among other measures, the Brazilian government has appointed several Brazilian nationals to run for elections in international bodies and the support of the African continent, expressed in its votes, is highly valued. Brazil's desire for a permanent seat in the UN Security Council (dating back to the creation of the United Nations and shared by India and South Africa) also reflects the importance of obtaining political support from African nations. African nations that benefit from Brazil's development cooperation, have endorsed Brazil's permanent seat, but lack of a unified African position on reforming the Council has negatively affected the possibility of reform in the near future.

In terms of the engagement, Brazil's presence is facilitated by the country's broad representation overseas, especially the opening of new embassies in 2003-2010. Brazil currently has 37 embassies serving Africa, with 17 of these inaugurated or reopened under Lula, and this high number of diplomatic representations leaves Brazil only behind major powers in terms of diplomatic representation in the continent, with the United States having a total of 49, China 48, France 36 and Russia 38 embassies. Brazil is also followed closely by emerging powers that also wish to increase their presence in the continent, India with 27 and Turkey with 31ⁱ.

^{*} Danilo Marcondes de Souza Neto is a PhD candidate at the Department of Politics and International Studies at the University of Cambridge. Previous to that he was a lecturer at the Pontifical Catholic University of Rio de Janeiro, Brazil

In addition, under Lula, Africa became Brazil's fourth largest commercial partner, with a bilateral trade increase from four billion in 2000 to 20 billion in 2010 (IPEA, World Bank, 2011, p.83). Between 2003 and 2010, 48 African heads of state and 67 African foreign ministers visited Brazil, Lula himself visited 29 African nations in 12 official visits to the continent (Stolte, 2012, p. 2, IPEA, World Bank, 2011, p.123). Diplomatic exchanges were followed by concrete initiatives to expand Brazil's presence and the Brazilian National Bank for Social and Economic Development (BNDES) initiated two lines of credit (the first in 2009 and worth 265 million dollars, and the second in 2010 worth 360 million) for Brazilian companies to conduct business in Africa (IPEA, World Bank, 2011, p.7).

Brazilian Foreign Policy to Africa Under Rousseff

On 1 January 2011, Dilma Rousseff, took over from Lula as president of Brazil and although coming from the same political party and sharing a similar perspective regarding the promotion of Brazil's development, Rousseff's agenda is more focused on helping Brazil navigate through the impacts of the international economic crisis. The current president has kept a lower profile regarding foreign policy and emphasises the economic dimension of Brazil's foreign relations.

Rousseff has made her first state visit to the African continent to attend the IBSA Summit in South Africa on October 2011, including visits to Angola and Mozambique (Brazil's largest recipient of technical cooperation in Africa). In 2013, President Rousseff is scheduled to visit Africa in late February for the Africa-South America Summit in Equatorial Guinea and in late March, for the BRICS Summit in South Africa.

A new commercial promotion strategy has been drawn under Rousseff in which Brazil is looking to strengthen the commercial promotion capacity of its diplomatic representations, including 12 missions located in Africa: Khartoum, Tripoli, Rabat, Cape Town, Dakar, Lusaka, Kinshasa, Brazzaville, Lagos, Tunis, Addis Ababa and Dar es Salaamⁱⁱ. The missions were selected based on projects of economic growth and expected demand for Brazilian goods. In addition, BNDES has inaugurated a new line of credit for Brazilian companies. The bank will focus on companies that wish to operate in the areas of energy, medicine, banking services, biofuels and agriculture. These areas will complement the three main sectors in which Brazilian companies are already heavily involved in Africa: oil and gas, infra-structure and mining. The bank also wishes to increase the export of Brazilian high-value industrial equipment, such as electrical and agriculture machineryⁱⁱⁱ.

However, Brazil's relations with Africa during the Rousseff's administration were not reduced to commercial considerations. Since it was occupying a non-permanent seat at the Security Council between 2010 and 2011, Brazil was called to take a position regarding African security problems. On the crisis in Libya and the Ivory Coast, the Brazilian government supported a negotiated solution to the situation and expressed concern over the possibility of a military intervention, expressing a similar position to India and South Africa, also serving non-permanent seats in the SC. Brazil was concerned for the use in Council resolutions of the "all means necessary" expression, which implies authorization of the use military force. In the case of the Ivory Coast, Brazil, together with India and South Africa, stressed that the African Union should play a leading role in helping all parties achieve a solution to the political crisis in the country. Although Brazil recognized the importance of protecting civilians under threat, it expressed caution about the possibility of expanding the mandate to include other functions, particularly military intervention, that could bring more harm than good to the situation of the situation.



Durban 2013 BRICS Summit BRAZIL

THE CHINA MONITOR

important Brazilian contribution that might have an impact in Africa is the concept of Responsibility while Protecting, presented by Rousseff in her 2011 speech at the General Assembly. However, the concept still needs to be developed more and operationalised before its application into concrete situations.

Advantages and challenges in Brazil's African Strategy

Among Latin American nations, Brazil is the only country capable of developing and maintaining a consistent African policy. Argentina, Mexico and even Cuba, a country active in Africa during the Cold War, are not capable to meet the same presence and political importance that Brazilian foreign policy dedicates to the continent. However, Brazil's own location in South America and the importance that Brazilian governments have given to the region since the late 1980s might also set the limits of Brazil's South-South strategy and further cooperation with Africa. Since the early 1990s, Brazil has decided to pursue a strategy of uniting South America in political, social and economic terms, with Brazil as the regional power. This strategy includes high levels of Brazilian investment and acceptance of a series of demands by its less powerful neighbours (such as Bolivia and Paraguay) and Argentina (especially regarding bilateral trade between the two countries). South America has played a key role in Brazil's South-South cooperation, particularly because Brazil wants to assert its role as a regional leader and this might limit the possibilities of Brazil increasing its presence elsewhere, either in Africa or the Far East.

In terms of the potential to contribute to peace and security in Africa, Brazil has a strong tradition of contributing troops to UN peacekeeping missions in the continent. It provided troops during the entire duration of the UNEF mission (Suez) in the 1950s and 1960s and to the UN missions in Mozambique and Angola in the 1990s. At the moment, Brazil has prioritized contributions to Haiti and to the naval component of the UN mission in Lebanon (UNIFIL), and logistical considerations have limited the country's potential to contribute with troop contingents to Africa. Brazil currently has eight observers in the Western Sahara (MINURSO), three in Abyei (UNISFA), three in Liberia (UNMIL), 13 in South Sudan (UNMISS) and four in the Ivory Coast^{vi}. Furthermore, there are other areas in which Brazil could initiate a more effective cooperation, especially in increasing existing efforts related to helping address state failure and the strengthening of state institutions. Existing Brazilian cooperative efforts in Guinea-Bissau vii could be replicated to other countries within the continent. China has also supported Guinea Bissau with food donations, scholarships and with the reconstruction of buildings affected by the civil war^{viii}, signalling the potential of future cooperation with Brazil.

In addition, Brazil is currently a major destination for African refugees and of the 4401 refugees in the country, 2824 come from African nations (a total of 64 per cent of all refugees in Brazil), with 1686 coming from Angola (38.37 per cent of all refugees in the country), 453 from the Democratic Republic of the (10.31 per cent of all refugees), and 258 from Liberia (5.87 per cent)^{ix}. Resettlement in Brazil has been complicated and with the recent end to the civil war in Angola and the economic reconstruction of the country, there might be a potential that these refugees could return to their country of origin.

Practical challenges also add up to the limitations. Establishing a connection with Africa from Brazil is very difficult. There are limited flights between Brazil and the African continent, with only three direct flights: one from Fortaleza (in the Northeast of Brazil) to Praia (Cape Verde), one from Rio de Janeiro to Luanda (Angola) and one from São Paulo to Johannesburg. In addition, there is excessive bureaucracy that increases the time for ships to go between Africa

and Brazil, and vice versa, as well as the existence of stereotyped images of the continent in Brazil and of Brazil in Africa (IPEA, World Bank, 2011, p.40).

Returning to political challenges, Brazil's initiative to increase its commercial space in Africa is part of an effort to offer an alternative to the continuous increase in Indian, Chinese, as well as South Korean, Turkish and Malaysian influence in Africa. Brazil is seeking to preserve its traditional markets and long-time political allies (especially the Lusophone countries) and also tries to extend its presence to previously unexplored markets. This second goal reflects an existing limitation concerning Brazil's commercial presence in Africa: the need for diversification, since almost 70 per cent of Brazil's exports are concentrated in South Africa, Nigeria, Egypt and Angola (Barbosa et al, 2009, p. 79). President Rousseff's recent initiative of promoting Brazil's commercial presence indicates an attempt to change that.

While Brazil has used the common Portuguese language as an element that facilitates the presence of Brazilian multinationals in Lusophone countries and also as a way of providing scholarships for citizens of Lusophone African countries, the Chinese government has recently started to emphasize Portuguese as part of its strategy for closer relations with Brazil^x and with Lusophone African countries, especially Angola^{xi} and Mozambique. The Chinese initiative, launched in 2003, is called the Macau Forum^{xii}, short for "The Forum for Economic and Trade Cooperation between China and the Portuguese Speaking Countries", and draws on the fact that the Macau was a Portuguese colony until 1999.

At the same time that there is competition with other BRICS for markets and resources in Africa, there are also joint cooperative initiatives such as the IBSA Trust Fund managed by the UNDP's Special Unit for South-South Cooperation^{XIII}. The fund has provided resources to fund projects in several least-developed countries, including Burundi, Cape Verde, Sierra Leone and Guinea Bissau. In addition, in 2007, Brazil and China announced that they would provide free satellite images to African governments and organizations in order to support efforts related to food security, health and the prevention of natural disasters^{xiv}.

It is also important to take note of some advantages regarding Brazil's approach to Africa. According to White, Brazil is perceived as having a more balanced approach towards the African continent than other emerging powers, involving a perception of mutual partnership and reciprocity and creating a "middle-ground" approach between the Chinese state-led approach and the Indian strategy based on private sector investment (White, 2010, p.239). Brazilian authorities have become well aware that Brazil's relations with the African continent now take place in the context of emerging powers growing interest in the continent. President Lula himself mentioned that regarding Africa, Brazil and China are competitors and that Brazil needs to promote its comparative advantages, including the better quality of Brazilian products and the fact that Brazil employs local workers (IPEA, World Bank, 2011, p.106).

Brazilian cooperation in general and in Africa in particular faces a high level of expectation, to which Brazilian actors are not always able to meet due to institutional and financial limitations (IPC-IG, 2012, p 10). While Brazil has cultivated diplomatic relations with a broad number of countries, one of the main elements that could improve relations is to concentrate the development cooperation projects in a specific number of countries to guarantee more effectiveness and greater adaptation into local contexts (IPC-IG, 2012, p 42). Trilateral cooperation initiatives involving traditional donors, an instrument that Brazil is more receptive in engaging with than other emerging powers, might also serve Brazil's interests in improving cooperation.



Durban 2013 BRICS Summit BRAZIL

THE CHINA MONITOR

Conclusion

Far from being able to address all the issues related to Brazil's contemporary relations with Africa, this chapter dealt mostly with official, bilateral relations between Brazil and Africa nations, but nonetheless, it acknowledges the importance of an emerging relationship between civil society actors in Brazil and in the African continent. Brazil's growing international presence, both as provider of development cooperation and also due to the presence of Brazilian multinationals, has drawn the interest of civil society organizations that have been dedicating more attention to Brazilian foreign policy and the impact of the Brazilian presence, especially in South America and in Africa. The Foreign Ministry still remains as the main actor behind the coordination of the country's external relations, but it increasingly has to deal with demands from other ministries (such as the ones responsible for health, education, development and energy), the Legislative power and also NGOs and civil society groups. For example, the Brazilian Landless Movement has recently expressed support for the South African agricultural workers who went on strike in January 2013^{xv}. To what extent this growing number of relevant actors will be able to (re)shape Brazilian foreign policy in general, and to Africa in particular, remains to be seen.

In conclusion, two recent episodes reveal the challenges that Brazil will still have to face in Africa as it wishes to expand its presence in the continent. In December 2011, a young Brazilian diplomat died of malaria after returning from a short official mission in Equatorial Guinea. The diplomat's death received broad coverage in the Brazilian media and in a rare gesture, Brazilian diplomats wrote a letter to the Minister asking for an improvement in the medical assistance and pre-departure orientation provided to diplomats sent to serve in posts located in areas of harsh conditions, such as some countries in Asia and Africaxvi. The second episode involves the kidnapping attempt, by pirates of the coast of Tanzania, of a ship serving the Brazilian state oil company (Petrobrás) on October 2011xvii. These two episodes provide some examples of what Brazil faces in expanding and deepening its relations with Africa and what will be required from the country from now on as it increases its presence in the continent. A national debate on the involvement in Africa, remains essential in order to create a more balanced and effective engagement with Africa. The debate is important not only in terms of development cooperation, but also economic interest, contributions regarding security cooperation, as well as to define in which occasions Brazil will engage as partner or competitor with other actors in the continent.

End Notes

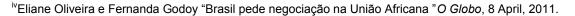
¹See: João Fellet "Brasil tem 5ª maior presença diplomática na África" *BBC* News Brasil . October 17,2011.

Source:

http://www.bbc.co.uk/portuguese/noticias/2011/10/111017_diplomacia_africa_br_jf.shtml (last accessed on 28 January 2013).

ⁱⁱSee Daniel Rittner " Governo usará embaixadas em ofensiva comercial" *Valor Econômico*, November 15, 2011.

ⁱⁱⁱSee: Ricardo Leopoldo "BNDES vai apoiar negócios com a África" *Estado de São Paulo,* 17 November, 2011



*See: Conor Foley "Welcome to Brazil's version of 'responsibility to protect' " The Guardian 10 April 2012.

viThese figures were obtained from UN statistics updated until December 2012 and available at: http://www.un.org/en/peacekeeping/contributors/2012/Dec12_3.pdf (last accessed on 28 January 2013).

viiSince December 2007, Brazil is chairing the Guinea-Bissau configuration at the UN Peacebuilding Commission. In addition, Brazil provides training to the country's security forces as well as electoral assistance. There is a major concern on the part of the international community that criminal groups, especially drug traffickers, are benefiting from the weakness of state institutions in the country to use Guinea Bissau as a base for drug trafficking between Latin America and Europe. See: http://www.unodc.org/documents/publications/Perspectives-May08-WEB.pdf (last accessed on 28 January 2013).

viiiLoro Horta "China sees risk worth taking" Centre for Strategic and International Studies. See: http://csis.org/story/guinea-bissau-china-sees-risk-worth-taking (last accessed on 28 January 2013).

^{ix}The figures are provided by the office of the United Nations High Commissioner for Refugees in Brazil and refer to the year 2011. See: http://www.acnur.org/t3/fileadmin/scripts/doc.php?file=t3/fileadmin/Documentos/portugues/Estatisticas/Dados_sobre_refugio_no_Brasil_-_Abril_2011a (last accessed on 28 January 2013).

^xChina is Brazil's largest trading partner and Brazil is China's largest trading partner in the Southern Hemisphere.

^{xi}Angola is China's largest trading partner in the African continent and one of China's top suppliers of oil.

^{xii}See the official website of the Forum for additional information: http://www.forumchinaplp.org.mo/en/aboutus.php (last accessed on 28 January 2013).

xiiiFor additional information see: http://tcdc2.undp.org/IBSA/about/about.htm (last accessed on 28 January 2013).

xivThe announcement was made by the China Brazil Earth Resources Satellite Program (CBERS), established in 1988, in 2007 during a meeting of the Group on Earth Observations (GEO). See: http://www.earthobservations.org/documents/pressreleases/pr_0711_cape_town_cbers.pdf (last accessed on 28 January 2013).

^{xv}The statement of support can be found in the official website of the Brazilian Landless Movement: http://www.mst.org.br/content/mst-manifesta-solidariedade-aos-camponeses-sul-africanos (last accessed on 28 January 2013).

xviSee: http://www1.folha.uol.com.br/bbc/1027964-em-ato-raro-diplomatas-questionam-itamaraty-sobre-morte-de-colega.shtml (last accessed on 28 January 2013).

xviiFor further information in Portuguese see:

http://g1.globo.com/mundo/noticia/2011/10/tanzania-prende-7-piratas-apos-ataque-navio-dapetrobras.html (last accessed on 28 January 2013).

References

Barbosa, Alexandre et al "Brazil in Africa: another emerging power in the continent?" Politikon, vol 36, n 1, 2009, pp. 59-86.

International Policy Centre for Inclusive Growth (IPC-IG) "The role of South-South cooperation in agricultural development in Africa: opportunities and challenges" 17 May 2012, Brasilia, Brazil.

IPEA, World Bank. Ponte sobre o Atlântico. Brasil e África sub-saariana. Parceria Sul-Sul para o crescimento. Brasília, 2011.



Durban 2013 BRICS Summit BRAZIL

THE CHINA MONITOR

- IPEA . Cooperação brasileira para o desenvolvimento internacional, 2005-2009, Brasília, 2010.
- Sotero, Paulo "Brazil's as an emerging donor: Huge potential and growing pains" Special Report, Development Outreach, World Bank Institute, 2009.
- Stolte, Christina "Brazil in Africa: Just another BRICS country seeking resources?" Chatham House Briefing Paper, November 2012.
- White, Lyal "Understanding Brazil's new drive for Africa", South African Journal of International Affairs, vol. 17 n. 2, 2010, pp 221-242.

Russia's Africa policy

By Alexandra A. Arkhangelskaya*



South Africa will host the fifth BRICS Summit from 26 to 27 March 2013 at the Durban International Convention Centre (ICC). This will complete the first cycle of BRICS summits. The first BRIC Summit took place in Yekateringburg, Russia, where the elected leaders of the four countries formally declared the membership of the BRIC economic bloc. South Africa joined the bloc in 2010, resulting in the addition of an "S" in the acronym, making it BRICS. Russian sources present the relations with Africa as purely economic, stressing that its goals are to assist Russian business and to develop mutually beneficial relations with African countries. The common interests lie in the field of resources, infrastructural development, particularly in the sphere of energy resources and nuclear power.

This seems consequential from a Russian perspective. A number of big Russian companies, such as Alrosa, Rusal, Renova, Rosneft and Gazprom are either involved in Africa or are seeking deals there, yet Russia's trade with the continent falls far behind that of China or India, the new big players on the continent. Russia's own enormous energy resources are located in areas that are not easily accessible, sparsely populated and have extremely unfriendly climatic conditions – so developing them would be a much costlier business than developing the same resources in Africa. But the question that emerges is whether the new involvement is indeed strictly of economical nature or where there are political motives as well.

History shows us that the political element was always present. There are a signs of a new stage of Russia's policy of disengagement with the west and of its leaving western financial and economic space. This tendency has been developing for a few years, but now it has obviously reached a new active phase. During his second term as president Putin often spoke of the need to transform the global economic order in order to diminish its dependence on 'the West'. The Yekaterinburg and subsequent summits worked according to this strife. The process continues – and it remains to be seen if or how it will be continued after Durban. Russia's challenge is in its new engagement in Africa in the context of the BRICS and in positioning itself in the new wave of interest towards African continent.

History

Africa and Russia have a long history of friendship going back to the days when the Soviet Union has considerably assisted in many African nations' gaining independence and contributed to the fall of the apartheid regime in the South of African continent. The USSR, inter alia, rendered support to the ANC and SACP in South Africa, to the MPLA in Angola, to FRELIMO in Mozambique, to ZAPU in Zimbabwe. A Soviet Union's initiative in 1960 pushed the UN General Assembly to adopt the Declaration on Granting of Independence to Colonial Countries and Peoples, while some leading Western states refused to vote for it. In result, eighty-

^{*} Alexandra A. Arkhangelskaya is researcher at the Institute for African Studies at the Russian Academy of Sciences

Durban 2013 BRICS Summit RUSSIA

THE CHINA MONITOR

nine countries voted in favour, none voted against, and nine abstained: Australia, Belgium, Dominican Republic, France, Portugal, Spain, Union of South Africa, United Kingdom, and United States. Except for the Dominican Republic, the rest of those countries that abstained were major colonial powers. During the time of existence of the Soviet Union, more than 50 000 Africans had been trained in Soviet universities and institutes. Many African leaders have personally received training and support from the USSR.

During the 1990s, Russia's relations with Africa shrank pitifully. The collapse of the Soviet Union broke most of Russia's ties with African countries. Gone is the Soviet ideological mission of fostering socialism and Russia was unable to continue economic subsidies to its "client" regimes. Relations with Africa received a relatively low priority, and in 1992 Russia closed nine embassies and four consulates on the continent. Most cultural centres ceased to exist; of previously 20 centres, there are only seven left on the continent. Relations with some African states worsened in late 1991 when then President Boris Yeltsin ordered to end all foreign aid and demanded immediate repayment of outstanding debts. Since, things began to gradually change, not only because of Russia's economic recovery, but due to a more broadminded and rational perception of the modern world by the Russian leadership.

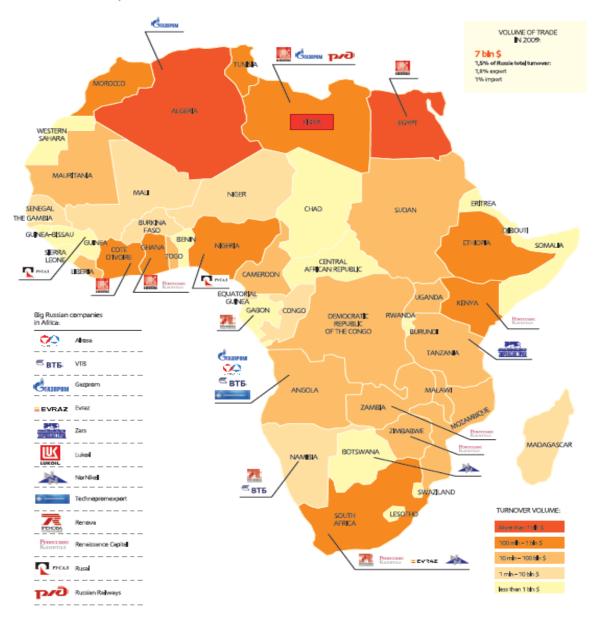
One of the goals set in Russia's Foreign Policy Doctrine, which was approved by former President Medvedev in July 2008, is to expand international cooperation with African states, on bilateral and multilateral basis, including dialogue and cooperation within the G-8 and G-20 framework (People's Daily Online: 2008).

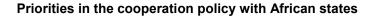
In 2006, Russia's President Vladimir Putin visited South Africa and Morocco, and in 2009, Dmitry Medvedev visited Angola, Namibia and Nigeria. Both visits gave strong impetus to the development of bilateral relations. The President was accompanied by a delegation of 400 businessmen, and signed several economic agreements, in various areas such as mineral resources and nuclear energy. Dmitry Medvedev has repeatedly stressed the understanding that Russia's position in the region is in urgent need of strengthening, but serious competition with other countries. "At one time we might have lost interest in the development of relations with the African continent. And now our task – [is] to catch up all that was lost. We have a lot of good, interesting and important plans and ideas of how to develop our cooperation. Russia without jealousy looks for the presence of other countries in Africa, but she intends to defend [her] interests on the continent", the President said. (Rianews: 2009)

Over the last years, Southern Africa found itself in the focus of Russian attention. For example, frequent and substantial meetings of the South Africa-Russia Inter-Governmental Commission for Trade and Economic Cooperation (ITEC) are taking place; and an Inter-Governmental Commissions for Trade and Economic Cooperation with Angola and Namibia were established. In addition, with governments' endorsement, business circles established a South Africa-Russia Business Council, calling it a new era for SA-Russian business (South Africa Info: 2006).

Russian President Vladimir Putin's visit to SA is planned to take place at the end of March 2013. There are a lot of expectations that it will foster the development of Russia's African agenda.

Trade - economic cooperation betweer Russia and Africa





Despite renewed attention in recent years, Africa is not a top priority of the Russian foreign policy. Yet, there is a rather broad range of world problems on which the interests of Russia and Africa are close or coincide, and there are many fields in which both sides can fruitfully cooperate. Areas to highlight are: The reform of the United Nations (UN), the promotion of peace, cooperation regarding natural resources, trade and foreign direct investments (FDI).

Politically, in multilateral perspective - a common interest in the formation of the just and democratic world order, based on collective approach to the resolution of international problems and the superiority of international law. Russia is in firm believe, that the UN supremacy must



Durban 2013 BRICS Summit RUSSIA

THE CHINA MONITOR

be maintained. However, the UN must be reformed in order to be stronger and more efficient. *The World of Africa 1.2011 p.17*

Attempts to weaken or undermine the UN, or to build some parallel structure are deemed unacceptable from a Russian perspective. In a joint declaration, which Russia signed at the conclusion of the BRICS Summit in Sanya (China):

"We express our strong commitment to multilateral diplomacy with the United Nations playing the central role in dealing with global challenges and threats. In this respect, we reaffirm the need for a comprehensive reform of the UN, including its Security Council, with a view to making it more effective, efficient and representative, so that it can deal with today's global challenges more successfully. China and Russia reiterate the importance they attach to the status of India, Brazil and South Africa in international affairs, and understand and support their aspiration to play a greater role in the UN. We underscore that the concurrent presence of all five BRICS countries in the Security Council during the year of 2011 is a valuable opportunity to work closely together on issues of peace and security, to strengthen multilateral approaches and to facilitate future coordination on issues under UN Security Council consideration." (BRICS declaration of Sanya: 2011)

However, no common position has been found either in the UN, or between Russia and Africa, or amongst African states themselves – as far as candidacies for the permanent membership is concerned. No model can claim the majority support, and the African proposal is not amongst the favorites for an eventual decision. Instead of consolidating the UN, the heated

controversy around irreconcilable proposals is polarizing it. This does not bring the reform closer, but rather makes it more and more remote, by default perpetuating the status quo. Political will to compromise is imperative. Under the circumstances a compromise intermediate model with several "semi-permanent" members may be a solution for the time being (Deich, 2012:12).

Building peace is of vital importance for Africa. Nowadays, more than 200 Russian citizens participate in UN peace missions and operations across the continent. At the height of the civil war in Sierra Leone, for instance, a Russian contingent numbering 115 men was deployed there, along with four Russian military transport planes with crews. At the same time Russia is not the biggest provider of troops and lags behind many countries in number of peacekeepers. For example, China currently has sent 1271 representatives to take part in UN peacekeeping operations.

Russia is interested in developing relations with Africa in the sphere of natural resources. However, engaging in mining of African minerals and oil extraction is a matter of expediency for Russia; yet, it is not as vital as for the rapidly growing economies of China and India. With the collapse of the Soviet Union, Russia has found itself deprived of much of the supplies of essential minerals for its economy. Many deposits of mineral wealth are now outside of its borders. Russia experiences a growing deficit of some minerals, which has to be covered by import: manganese – almost 100 per cent, chrome - 80 per cent, bauxites - 60 per cent (The World of Africa, 2011:17). The main bauxites supplier for Russia is Guinea; the country is one of the world leaders in bauxites production. The deposits of 35 per cent of minerals in Russia, including manganese, chrome, bauxite, zinc and tin are losing their commercial profitability, not least so as the bulk of undeveloped deposits is situated in the remote areas to the east of the Ural Mountains. It is less expensive to extract and transport minerals from Africa than to

put into production these deposits of Siberia and Far East. Africa holds 30 per cent of the know natural resources of the plant, and partnership with its countries in the sphere of raw materials can be mutually beneficial. These considerations have encouraged the search for other locations and there has been an increase in importance of imports from Africa of manganese, chrome, nickel, zinc, lead, etc. Consequently, we can notice the rise of Russian investments in mining in Africa: today, more than 30 major Russian companies participate in African natural resources development projects.

The natural resources discussion, however, also has another angle: 60 per cent of world biogenetical resources – such as fresh water and miner-als, are located in either Russia or Africa. Therefore, both sides stand to benefit from joining forces to safeguard their right to control this wealth, especially in the face of recent attempts to declare these resources "an inter-national asset".

Russia's trade with Africa is very low compared to such of other BRICS. China's share in the BRIC countries trade volume with Africa is around 60 per cent, followed by India (20 per cent), Brazil (11 per cent) and coming only fourth Russia (4 per cent). From 2003 to 2009, China invested 28 billion dollars in 86 projects in Africa, while Indian activities amounted to 25 billion in 130 projects. Brazil spent 10 billion in 25 projects and Russia's activities comprised 9.3 billion in 47 projects (El País: 2010).

Africa's share in the Russia's foreign trade turnover rose from about USD 1 billion in 2000 (Puls Planety: 2003) to USD 6.75 billion, including 5.14 billion with North Africa. In 2008, trade turnover increased and reached a peak of USD 8.2 billion (half of this was with one country, Egypt), but dropped considerably in 2009 due to the world financial crisis. Trade recovered relatively quickly and was expected to reach up to USD 10 billion in 2012. Even if following the African statistics, the figure is in fact higher because often it is conducted through intermediaries. Yet, it is well short of the full potential of eco-nomic cooperation between Russia and Africa and overall constitutes less than 2 per cent of the total Russian trade.

The Russian FDI to Africa amount to USD 5 billion, while total investments stands at about USD 10 billion. Russia's outward FDI are led by large multinationals. The largest companies operate in oil and gas, and smaller groups, in metals processing.

There are 18 big Russian companies active in 13 countries of Africa (see map). The most significant projects are

- diamond extraction in Angola (ALROSA),
- nickel extraction in Botswana (NORNICKEL),
- developing of oil deposits in coastal zone of Cote d'Ivoire and Ghana (LUKOIL),
- developing of manganese and vanadium deposits in South Africa (RENOVA, EVRAZ), and
- oil extracting in Equatorial Guinea (GASPROMNEFTEGAS).

Most projects are not complete and many Russian companies registered abroad, often in offshore locations.

Alongside with the exploitation of mineral resources the major spheres of Russia cooperation with African countries are energy, infrastructure, telecommunications, fishing, education, health, tourism, military - technical assistance. The approximate value of Russian assets in



Durban 2013 BRICS Summit RUSSIA

THE CHINA MONITOR

Africa is USD 3 to- 3.5 billion.

Current status quo with particular countries

The record of state and government exchanges provides a list of Russia's main African partners. In order to revive the cooperation with Africa, Moscow was visited by the leaders of Angola, Gabon, Guinea, Nigeria and Ethiopia during President Putin's first presidential term. Several bilateral treaties have been signed at the head-of-state level and cooperation agreements at the governmental and ministerial levels, for example, the Treaty of Friendship and Partnership between the SA and Russia. In the course of Medvedev's stay in Egypt and Angola in 2009, Russia's relations with these states were characterized as "strategic partnership". In Nigeria, the President called this country the Russia's "key partner". During his visit President Medvedev said that "Russia's foreign policy should put more focus on the African continent and take advantage of historically friendly relations between the USSR and African states." (Official visits of the President of the Russian Federation Dmitry Medvedev to a number of African States: 2009). Nevertheless in the course of the visit it was noted that bilateral economic cooperation lags much behind the political interaction and had to be raised to the level of the latter. As it has been noted in the joint Russian-Angolan communiqué, "Today we pay priority attention to economic, trade and investment cooperation because, while our relations and history are quite positive, it is impossible to imagine these relations in the future without full-fledged, full-scale economic cooperation."

During this visit some documents were signed and projects were launched. Among these documents are the Agreements between the governments of the Russian Federation and Namibia, the Agreement on the Promotion and Reciprocal Protection of Investments, a Memorandum of cooperation between one of the biggest Russian companies - GASPROM - and the Namibian Petroleum Corporation (NAMKOR), Memorandum of understanding between the Federal Agency for Fisheries and the Ministry of Fisheries and Marine Resources of Namibia (Russia plans for Africa: 2009).

In Angola, the mid-term programmes of economic, scientific, technological and trade cooperation were signed and the agreement was concluded to form the ANGOSAT, Angolan national system of satellite communications and broadcasting. Russia and Angola have signed intergovernmental agreements on air service, on the promotion and reciprocal protection of investments, on cooperation in the areas of geology and higher education, and adopted the programme of economic, scientific, technological and trade cooperation for the period between 2009 and 2013. The programme is not fully realized - some of the projects are still in the process of implementation, some are totally inactive. Medvedev assured Russian businessmen that the Government will protect and facilitate the activities of both state and private Russian companies in Africa.

Perspectives of BRICS as an instrument for promoting African agenda

In the context of the leading role of the individual BRICS within their own regions, where they are surrounded by a number of smaller neighbours, it is important to realize that this discrepancy between regional and global role can sometimes lead to regional tensions. However, the BRICS platform can be seen as the instrument that presents significant opportunities for the smaller neighbours to benefit from the growth and development, as well as the other BRICS partners can use this platform to stimulate cooperation with the respective neighbouring countries.

The existence of vast, difficult internal and development challenges in an increasingly global-ised world makes it difficult for any nation to remain isolated. Events in one country have cross -border effects, as recently seen in both Libya and Syria. The BRICS could develop a common influence in a changing world balance of power. Several fundamental changes and trends are greatly shifting the international environment in which the newly emboldened BRICS will operate.

In this context, Russia can develop its geopolitical ambitions throughout the African continent and reciprocally, African countries could find a partner in the BRICS - as one instrument amongst others – to elaborate collective voice to be heard on the global stage. The political significance of BRICS is reinforced by the active participation of its five members in both international organizations, such as the UN, the World Trade Organisation (WTO), the International Monetary Fund (IMF) and the World Bank, and informal associations, including the Non-Aligned Movement, the Group of 77, the G \supseteq 20 and the Asia-Pacific Economic Cooperation (APEC); as well as in regional organizations in Europe, Asia, Africa and Latin America. Thus, there are objective opportunities for the "co-participation" with other countries in building a fair world order and for exerting a systemic influence and setting the agenda on a wide range of issues \supseteq from global to regional, from the well-established to the relatively new.

Importance to make the international monetary and financial system more equitable, stable and effective in order to improve the conditions for overcoming the global financial and economic crisis also represents an essential direction of creating more favorable environment for continued dynamic development of the economies and financial systems.

In the area of conflict resolution, which is very important to African continent, the BRICS could create a platform for appropriate policies and response mechanisms to address local, regional and international political and social turbulence. Determination to promote international peace and security, based on respect for international law, sovereignty and territorial integrity of other states as well as non-interference in their internal affairs forms a common ground to achieve this important goal.

In the sphere of international relations, these political preferences translate into a certain way of doing things. The Western model of 'Universal responsibility' is often interpreted differently in the non-western parts of the world. The BRICS can use their collective voice to help preserve a respect for international sovereignty in international affairs. The desire of the developed world to intervene in the domestic domain of other nations can be balanced by the creation and fostering of regional cooperative networks, which may reduce conflict and quell crises. Thus, UN Security Council reform should be an important point on the BRICS agenda. It will show the commitment to building a polycentric and multi-civilizational international system taking account for the interests of all the participants in the international dialogue.

In the context of the need to develop BRICS international position and raise awareness of the international community about the shared aspirations of African countries together with its member countries, it is important to develop in every possible way mutual linguistic, cultural and information cooperation and presence in the global information and media space for the sake of rapprochement of the peoples and cultures

Conclusion and recommendations

There is a clear imbalance between the political and economic dimensions of the relations between Russia and Africa. Achieving goals of a consolidated global agenda with energy and resource rich African countries is rather more difficult than some Russian politicians might



Durban 2013 BRICS Summit RUSSIA

THE CHINA MONITOR

think. While some African leaders may still be grateful to Russia for its assistance during their liberation struggles, they live in a pragmatic world, faced with high domestic expectancies and endowed with understanding of the great competition from China and India. This competition is particularly for the control of energy resources, where Russia is bound to find itself in a head-on collision course not just with the west, but also with China.

The upcoming summit of the BRICS and the planned official visit of President Putin to South Africa will provide opportunities to enhance multilateral relations, above all, to pull the trade and economic relations to the level of policy. The BRICS format can also be expected to facilitate the discussion of the important and essential questions of development and global order in the global context.

There are a number of obstacles to the development of Russian-African relations. For example, lack of knowledge of Russian governmental and business structures about the actual situation and specific counterparts in Africa and, consequently, poor awareness of Africans about the possibilities of Russian partners.

The most important understanding lies in the assumption that the development of wider economic ties with Africa is largely impossible due to the lack of strong support from the Russian state, which is specifically a concern for medium and small income business. Thus to improve the efficiency of its Africa policy, the state needs to build a foreign policy that really reflects the interests of Russian business.

It appears that for the success of its policy towards Africa through BRICS Russia could:

- draw more attention to Africa through government agencies and business sector in Russia.
- develop a programme of state support for Russian business, including support for public banks and investment projects.
- activate the work of the Business Councils and other forums between Russia and African states.
- develop synergistic regional economic and developmental frameworks, which could accommodate sovereignty within a broader growth paradigm.
- improve Russia's image through a broad information strategy aimed at increasing knowledge about Russia.
- demonstrate an understanding of the cultural, historical and traditional heritage.
- emphasize more the cultural and educational projects to develop people to people contacts.

References

Russia's Economic Engagement with Africa. Africa Economic Brief. Volume 2, Issue 7. 11 May, 2011.

The World of Africa, #1. 2011.

Russia introduces its new Foreign Policy Concept. People's Daily Online. 17 July 2008. http://english.peoplesdaily. Com.cn/9001/90780/91343

New Era for SA, Russian business. South Africa Info. 11 Sept. 2006. http://www.south africa.info/news/

international/sa.russ

BRICS declaration in Sanya, full text. 14 April 2011. 11:55 IST

El Pais: 15.03.2010 .

Puls Planety, Moscow, 31 March 2003.

Official visits of the President of the Russian Federation Dmitry Medvedev to a number of African States. Press-Release. 2 July 2009.

Russia'plans for Africa. World news.com. 2009-06-29 http://article.wn.co/view/2009/06/29

Freemantle, Simon, Stevens, Jeremy. Economic Strategy. BRIC and Africa: New partnership poised to grow Africa's commercial infrastructure. Standard Bank. South Africa. 15 October. 2010.

T. L. Deich, "Politics as a Factor in Russia's Image in Africa", Russia-Africa Relations and Russia's Image in Africa, Collection of Articles (Moscow: RAN Institute for African Studies, 2007), p.28.

Vladimir Shubin. Russia and Africa: Coming Back? Analytical Digest, No. 83, 28 September 2010, pp 4-7. http://www.pambazuka.org/images/Emerging%20Powers%20newsletter%20November%202010/lssue%203%20November%202010.pdf



Durban 2013 BRICS Summit INDIA

THE CHINA MONITOR

India's Cooperation Mechanisms with Africa And its Implications for China

By Liu Zongyi*

Since the end of the Cold War, India-Africa relations have undergone a dramatic change, with features of cooperation transforming from idealism to pragmatism. The focus of India's policy on Africa is shifting from supporting Africans' efforts against colonialism and racial discrimination to pursuing great-power status and economic interests of energy, raw materials and market share (Liu Zongyi, 2009). From the beginning of the 21st century, the rise of the emerging powers gears up the momentum of a new round of South-South cooperation. The rapid development of cooperation between India and Africa shares similarities with Sino-African cooperation in terms of the in-depth collaboration and institutionalization. Notably, the establishment of the India-Africa Forum in 2008 shows that the cooperation mechanisms between India and Africa has been taken to a similar level to the Forum on China-Africa Cooperation. Thus, what are the features of the India-Africa cooperation mechanisms and how effectively it works? This paper tries to explore the India-Africa cooperation mechanisms and its implications on China-Africa cooperation.

1. India's cooperation mechanisms with Africa and its features

On the basis of cooperation mechanisms built up during the Cold War era, India has developed an initial network of cooperation with Africa that has several obvious features.

1.1 Overall planning and coordination on the top, collaboration between branches of interior and external affairs

At the apex of the Indian government, the National Security Council and the Trade and Economic Relations Committee (headed by the prime minister) are established as the highestlevel advisory and decision-making institutions for national security strategy, foreign policy and foreign economic relations (Kapila 2011). Above all, the Trade and Economic Relations Committee is of great significance to India's foreign economic cooperation. Established on 3 May 2005, the Committee includes as members: the finance minister, the minister of commerce and industry, the minister for external affairs, the deputy chairman of Planning Commission, the chairman of Economic Advisory Council, the chairman of National Manufacturing Competitiveness Council, the national security adviser, and the principal secretary to the PM. It is led by the prime minister to deal with pivotal foreign economic relations in a coordinated and synchronized manner and in order to reduce the influence of bureaucracy. "This is not an advisory committee. This is a committee that will take decisions. Its decisions will be implemented by the regular ministerial processes" (Bagchi 2011). Thus, India's economic diplomacy is meant to be a top-down affair, rather than being lost in the bureaucracy. Prime Minister Singh has a clear agenda. He wants this body to study and work out free trade agreements, international economic projects, trade and investment, and to coordinate the economic and trade relations with other countries (Vasudevan 2010). The committee was not established for

^{*} Liu Zongyi is researcher at the Shanghai Institutes for International Studies

the exclusive purpose of dealing with African issues in the first place, yet without a doubt it is there that the continent is dealt with. The Committee has already coordinated the actions and activities of both public and private sectors in Africa's hydrocarbon industry (Vasudevan 2010).

On the executive level, the Indian Ministry of External Affairs is the main executive body of foreign policy. An economic division under the Ministry of External Affairs directs economic operations of foreign bureaus, interacts intensively with various ministries, apex chambers of commerce and industry, business organizations, trade promotion councils and agencies and the business community to evolve strategies and coordinate relevant domestic institutionsⁱⁱ. In 2012, in order to reinforce the foreign aid operation, a new agency was established, the Development Partnership Administration. It is headed by the Ministry of External Affairs' additional secretary, and is meant to bring under one umbrella all agencies involved with foreign aid and development projects within Ministry of External Affairs (Taneja 2012). The Indian embassies and consulates serve as the bridgehead in the cooperation with foreign countries.

1.2 Connection between high and low levels, joint efforts by public and private sectors

India's cooperation mechanisms with Africa can be divided into three levels:

Institutional partnership built by non-governmental organizations and private enterprises

- (i) The Indo-African Chamber of Commerce & Industries is a constructive forum for Indian businessmen who have close contacts with Africa. It was established in 1985 to provide a dynamic institutional link for the promotion of commercial and economic relations between India and African countriesⁱⁱⁱ.
- (ii) The Confederation of Indian Industry, the Federation of Indian Chambers of Commerce and Industry, and CUTS International (Consumer Unity & Trust Society) enjoy substantial partnership with actors in Africa (Price 2011).
- (iii) Private enterprises like the Tata Group and Mahindra Group have been in Africa for a long time and have established a cooperative partnership with Africa.

Mechanisms initiated by non-governmental organizations and supported by the Indian government

- (i) The Conclave on India-Africa Project Partnership, started from 2005, and is annually organized by the Confederation of Indian Industry and EXIM Bank of India. It enjoys the support of the Ministry of Commerce and Industries and Ministry of External Affairs to strengthen the collaborative relations between Indian enterprises and African countries through measures of granting credit and so on (Mawdsley & McCann, 2010: 81–93).
- (ii) The 'Made in India' Show was initiated in 1995 by the Confederation of Industry with the support of the Ministry of Commerce and Industries^{iv}. Also backed by the Ministry of Commerce and Industries, the Federation of Indian Chambers of Commerce and Industry (FICCI) and its counterpart partners in Africa of FICCI's JBC (Joint Business Committee) coordinate with the Bank of Central African States to organize commercial forums, conferences and exhibitions like India-Central Africa Business Forum and Namaskar Africa^v.

Cooperation mechanisms established by the Indian government

(i) On the state level, the first India-Africa Forum Summit was held in New Delhi on 8 April 2008. Leaders from India and 14 African nations and some regional organizations attended the conference, including the current and former chairperson of the African Union, and delegates of the Arab Maghreb Union, Community of Sahel-Saharan States, Economic Community for West African States, Economic Community for Central Africa States, Southern African



Durban 2013 BRICS Summit INDIA

THE CHINA MONITOR

Development Community, East African Community, Common Market for Eastern and Southern Africa, Intergovernmental Authority on Development, and New Partnership for Africa's Development^{vi}. The India-Africa Forum Summit is a comprehensive cooperation mechanism that covers the areas of politics, commerce and investment, development aid, energy cooperation, and military exchange. It established the partnership between India and Africa in an official legal document for the first time, providing a platform for direct interaction and cooperation. In May 2011, the second India-Africa Forum Summit was held in Addis Ababa.

(ii) On the ministry level, the first India-Africa Hydrocarbon Conference, which specializes in the field of energy cooperation, was held in New Delhi on 6 November 2007, with ten African energy ministers and 16 other delegations from African nations attending. In addition, the Export-Import Bank of India coordinates with the African Development Bank Group in financing cooperation and cooperates with Eastern and Southern African Trade and Development Bank, African Export-Import Bank, West African Development Bank, and African banks like Development Bank of Zambia in the financial field (Barka & Mlambo, 2011).

The cooperation mechanisms noted above are just a few typical examples. Overall, there is a large number of those cooperation mechanisms, especially advocated or established by private enterprises and non-governmental organizations.

By examining the high and low levels of the India's cooperation mechanisms with Africa, one soon seems to detect a so-called "Indian inc. phenomenon": In the relations between India and Africa, the private sectors of India play a pivotal role, sometimes even a leading role. It has built up a tremendous institutional contacts with Africa for a long time, , while the Indian government acts as a promoter and coordinator (Price 2011) and the non-governmental organizations serve as the bridge and power drive shaft between them. Rajan Bharti Mittal, the president of FICCI and vice chairman and managing director of Bharti Enterprises, was quoted in emphasizing that 'on Africa there has not been much action on a government-to-government basis. It is really the private sector which is going to start moving... The needle is going to only move when the private sector moves' (Vines 2010). So the private sector of India is taking the lead to build up the institutional contacts between Indian enterprises and Africa with the Indian government playing an enabling role in the process. Therefore, countries seeking to increase economic exchanges with India need to nurture a good relationship with the Indian government and also pay the same effort to deal with certain enterprises or trade associations (Price 2011).

1.3 Complementariness of multilateral and bilateral approaches

In the era after the cold war (since the 1990s), India's relation with Africa nations is not only confined to the previous non-aligned states and nations of the Commonwealth but also extends to the French-speaking and Portuguese-speaking regions in Central and West Africa (Price 2011). In the light of its limited economic and diplomatic clout, India has distinct priorities in the implementation of its economic and trade strategies in Africa. Egypt, Nigeria and South Africa, which are influential countries in the region, are pillars to the relationship network that India is building and extending. In addition, countries rich in oil and resources or countries that have prominent Indian communities like Sudan, Tanzania, Kenya and Mauritius, are top priorities on India's diplomatic agenda, which is vividly reflected by the participating countries in the India-Africa Forum Summit.

Furthermore, India attaches great importance to the function of multilateral mechanisms to strengthen the relations with Africa. After a few years of silence in the post-Cold War era, India established relations with the Organization of African Unity (OAU, now African Union – AU), the United Nations Economic Commission for Africa (UNECA), the Southern African De-

velopment Community (SADC), the Economic Community of West African States (ECOWAS), and the Tokyo International Conference on African Development (TICAD) from 1996 to 1997 (Liu 2009). The African Union is the most important regional intergovernmental organization in Africa, consisting of 53 members, and covering the areas of politics, economy and military affairs. Since the establishment of the AU, India regularly attends its meetings, especially the African Union Summit, as a dialogue partner to actively take part in the development and construction of Africa. The India-Africa Forum Summit gets strong support from the African Union. Members of the India-Africa Forum Summit include not only the African Union but also eight African regional economic communities.

In addition, effective platforms for India to cooperate with Africa are found in multilateral mechanisms like the G77, the G15, the Indian Ocean Rim Association for Regional Cooperation, India-Brazil-South Africa (IBSA) Dialogue Forum, the World Bank, and the United Nations (Liu 2009). As a 'new donor' in the international community, India receives less criticism than China. India apparently is seen as gaining in morality by providing assistance to Africa through multilateral organizations. India is also trying to change the international rules by cooperating with international organizations and establish international regime in accord with its own interests.

Like other 'emerging economies', India rejects the rhetoric of 'donor' and 'recipient', viewing it as the symbols of neo-imperialism which would set a harmful barrier between the two sides. Instead, India advocates the wording of 'partnership for mutual benefit'. In 2006, India along with other countries made a joint effort to establish the Global Network of Exim Banks and Development Finance Institutions. In 2007, India helped to promote the creation of the Development Cooperation Forum in ECOSOC which, unlike DAC, represents a grouping that transcends the lines of donors and recipients, and which seeks to identify mutually acceptable principles and priorities (Mawdsley & McCann 2010).

1.4 Combination of traditional and newly-developed projects

India's projects in Africa comprise a traditional element of cooperation, mainly represented by Indian Technical and Economic Cooperation, the Special Commonwealth Assistance for Africa Programme and the Indian Council for Cultural Relations. These projects are all coordinated by the Development Partnership Administration of the Ministry of External Affairs (Taneja 2012).

At the beginning of the 21st century, India substantially increased its economic and technical assistance to Africa. Compared with the previous operations, assistance projects under the administration of the Ministry of External Affairs grew rapidly along with the increase of favorable line of credits provided by EXIM Bank of India. Most commentators agree that India's foreign assistance operations are becoming more and more strategic to back its growing soft power and trade and investment relations. The scale and frequency of its bilateral aid to African countries and the number of the beneficiary countries have been increasing (Mawdsley & McCann 2010; Chanana 2009). In 2002, the Indian government launched the programme Focus Africa. In 2003, India put forward the India Development Initiative aimed at aiding developing countries in Africa and South Asia. In March 2004 along with eight African countries, India signed a memorandum of understanding to establish the TEAM-9 programme. At the same time, it announced to provide US\$ 200 million to the project of the New Partnership for Africa's Development (NEPAD). In 2004, President Kalam brought up the plan of Pan-African E-Network to improve the Tele-medicine and Tele-education in Africa. The Indian government donated one billion dollars to the project which can connect 53 countries in Africa by satellite and optical network (Liu 2009; Kragelund 2010).



Durban 2013 BRICS Summit INDIA

THE CHINA MONITOR

These projects indicates that India has made it clear that capacity building like education and training would continue to receive priority in the endeavor to deepen links with Africa, and infrastructure development also would be actively facilitated (Bhatia 2011). This trend has become more and more evident: in 2008, during the 1st India-Africa Forum Summit, both sides worked out seven key development areas with India planning to provide US\$ 5,400 million line of credit to facilitate the capacity building projects and build 19 training centres in Africa (Varadarajan 2011). In May 2011, at the 2nd India-Africa Forum Summit, Prime Minister Singh announced to provide another US\$ 5 billion credit line to Africa, of which US\$ 700 million were used for the construction of new institutions and training programmes and US\$ 300 million were used to build the railway from Ethiopia to Djibouti. The suggested e-network was set to be a major project committed by India on the 2nd India-Africa Forum Summit^{vii}.

Compared with the strategies in the Cold War era, there is a major change in India's efforts to carry out cooperation projects in Africa. Besides reiterating the similar historical and cultural experience, India adds emphasis to the values of democracy and human rights. Prime Minister Singh believes the "idea of India" is the value of an inclusive, open, multicultural, multiethnic, and multi-lingual society, which is seen as the dominant trend of political evolution of all societies in the 21st century. India has the obligation to history and humankind, it is felt, to show that pluralism works. According to Singh, India must show that democracy can deliver development and empower the marginalized (Singh 2005). India not only reiterates that it shares the same value of pluralist democracy with many African nations but also advocates democracy and human rights by foreign aid in the areas of the economy and in education. In recent years, India has embedded the promotion of democracy in its aid projects like ITEC to provide help to developing countries in Africa and other regions in the areas of organizing election, judicial independence, press freedom, and human rights protection (Wagner 2009). Admittedly, India has shown more restraint than Western countries in promoting democracy. Compared with the issues of national security, economy and trade, and the position of energy security in its foreign policy, democracy promotion is set at a relatively low level (Wagner 2009).

2. The implications of India's cooperation mechanisms with Africa to China

India's cooperation mechanisms with Africa play an important role in achieving its goals in Africa. There are some aspects of it that are worth learning for China.

2.1 Underlining the significance of the coordination mechanisms at the top

Unlike the Indian National Security Council and Trade and Economic Relations Committee, there is still no unified coordination institution for foreign policy in China. China has established a Central Foreign Affairs Leading Group and a Central Financial and Economic Leading Group and some ministerial coordination mechanisms. Yet, interests of ministries and local governments drag down the process of foreign policy and foreign economic relations, which lead to the inter-departmental conflicts of interests and waste of resources. Hence, it is urgent for China to establish an overall strategic coordination mechanism at the top. For the Forum on China-Africa Cooperation (FOCAC), it still enjoys a subordinate position in China's diplomacy. Additionally, in order to improve the development of the cooperation relations between China and Africa and coordinate the foreign policies on Africa, China needs to negotiate with Africa to promote the levels of the Follow-up Committee on Forum on China-Africa Cooperation to coordinate the work of sub-forums and policies of local governments on Africa.

2.2 Active involvement of private enterprises and non-government organizations

India's private enterprises play a crucial role, sometimes a leading role, in the cooperation relations between India and Africa. While there are also a lot of Chinese private enterprises operating in Africa, they are too scattered to be influential. The imperfections of the domestic legal system cause a lack of social responsibility of Chinese private enterprises in Africa, which hiders the progress of setting a good image of China, and government restrictions on the private sector make it too weak to invest in overseas markets in large scale. The underdevelopment of non-government organizations like private business association at home limits the effort of the Chinese government to instruct and manage the private sectors in Africa, which also makes it difficult to effectively interact with the local society. In future, China needs to construct a network of coordination of governments, enterprises, universities and research institutes to deepen the cooperation with Africa. The government should step back by providing lower taxes, bank guarantee and other economic measures to encourage, standardize and legalize the operations of private enterprises in Africa, while the non-government organizations take the lead to unify and manage the private sector.

2.3 Emphasizing the role of key countries in Africa

Since the 1960s, India has not regarded African nations as a uniform political group. It started to engage with a few key African nations to cultivate friendly relations. China, on the other hand, used to regard Africa as an entity and aspired to treat each African nation equally. In the future, China should rather learn to balance between Africa as a whole and its key nations as its constituent parts. Some of India's experiences are worth learning for China: One should take regional powers, countries rich in strategic resources and traditional friendly countries as the strategic pillars of China's relation with Africa. This would form a coherent and multi-dimensional cooperation mechanism featured by bilateral interaction that drives the sub-regional multilateral cooperation.

2.4 Enabling the functions of multilateral cooperation mechanisms

India has been actively taking advantage of multilateral mechanisms like the UN, IBSA, the G77, the G15, and the Indian Ocean Rim Association (IOR-ARC), as well as other international organizations. This has facilitated cooperation with Africa, especially in the field of providing development assistance. Also in this respect, China needs to learn from India's experience. China should not only support the implementation of the UN Millennium Development Goals but also promote multilateral cooperation with mechanisms such as the BRICS. In order to set a clear signal for the promotion of mutual development between BRICS and Africa, the head-quarters of the development bank of BRICS should be located in South Africa and development fund of the BRICS for Africa should be launched. These funds could provide substance for departments of investment, trade, personnel training and environment protection. India has a preference for working in the IBSA framework, a mechanism which includes three emerging economies, when it comes to cooperation activities in Africa. Yet, BRICS, which includes China and Russia, is open towards other developing countries and is thus more open and more suitable than IBSA as a cooperation platform.

2.5 Enhancing capacity building projects of education and training

Indian officials and academics regard capacity building as a prominent feature, differentiating Indian from China's efforts, which serves to also illustrate morality and justice of its cooperation with Africa. Education and training not only teach skills and knowledge but also ideas, models and values. In addition, capacity building cultivates human resources that are benefi-



Durban 2013 BRICS Summit INDIA

THE CHINA MONITOR

cial for the development of relations with Africa in a long term. China also has a large scale of aid projects on education and training in Africa, sometimes even overtaking India's effort, but the results are not satisfying (Vasudevan 2010). Thus, the quality of capacity building should receive priorities from the Chinese authorities in future. This means two things. First, the education and training projects should be applicable to the conditions of African nations. And secondly, it is also necessary to enhance the institutionalization of follow-up work from these training programmes and construct the platforms that help to nurture these human resources.

2.6 Advocating common values

China and India focus on different fields in developing relations with African nations and organizations. China emphasizes the importance of strengthening economic ties with Africa while India is relatively more inclined to highlight common values, historical traditions and cultural connections. Simultaneously, India embeds values of democracy and human rights into aid programmes by providing education and training projects to propagate the idea of an Indian model. Community of interests formed by economic ties can break up when common interests vanish. But a community of common values is integrated by long-standing values, culture and tradition and could thus last for a long time. The revolutionary friendship between China and African nations formed in the Cold War era is gradually waning, which invariably hinders the process of deepening cooperation between the two sides. In future, China should spend more effort on exchanging and sharing experience of governing and managing with Africa, promoting the idea of equality, mutual trust, inclusiveness, mutual learning and mutually beneficial cooperation and raising the awareness about human beings sharing a community of common destiny.

End Notes

ⁱSee "The Trade and Economic Relations Committee," http://pmindia.nic.in/committeescouncils_details.php?nodeid=9, November 9, 2012.

iii India's Foreign Relations, 1998-99," http://www.indianembassy.org/policy/Foreign_Policy/FP_1999/Economic Relations FP 98-99.html, September 1, 2010.

iilndo-African Chamber of Commerce & Industries, http://www.indoafrican.org/, July 11, 2012.

^{iv}See "About Show," https://www.german-proxy.de/german-proxy.php?u=http%3A%2F% 2Fwww.madeinindiashow.in%2Fexhibitor-information-aboutshow.html&b=0, November 11, 2012.

^vSee "FICCI Africa Desk", http://ficci.com/global-africa.asp, November 12, 2012.

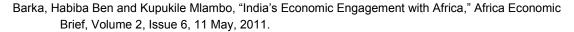
viAfrica - India Forum Summit, http://www.africa-union.org/root/au/Conferences/2008/april/India-Africa/India-Africa.html, July 6, 2011.

viiSecond Africa-India Forum Summit 2011, Africa-India Framework for Enhanced Cooperation, Addis Ababa.

References

Bagchi, Indrani, "Manmohan constitutes high level economic committee," The Times of India, May 10, 2005, http://articles.timesofindia.indiatimes.com/2005-05-10/india/27868022_1_economic-engagement-economic-advisory-council-economic-diplomacy, July 20, 2011.

Bhatia, Rajiv, "India-Africa summit: from agreement to action," http://www.hindu.com/2011/06/09/stories/2011060952991100.htm, June 9, 2011.



- Broadman, Harry G., "China's and India's growing investment and trade with Africa," East Asia Forum, June 06 2011, http://www.eastasiaforum.org/?p=17615, July 1, 2011.
- Chanana, Dweep, "India as an Emerging Donor," Economic & Political Weekly, March 21, 2009, VOL XLIV No.12.
- Gopal, Neena, "India can count on Africa support for UNSC seat," May 26, 2011, http://www.asianage.com/india/india-can-count-africa-support-unsc-seat-862, July 1, 2011.
- Indian Ministry of External Affairs, Second Africa-India Forum Summit 2011: Addis Ababa Declaration, Issued at Addis Ababa on May 25, 2011.
- Ishida, Hiroyuki, "Energy Strategies in China and India and Major Countries' View," IEEJ: March 2007, pp.14-15.
- Kapila, Subash, "India's National Security Council-A Critical Review," http://www.southasiaanalysis.org/%5Cpapers2%5Cpaper123.html, December 20, 2011.
- Kragelund, Peter, "India's African Engagement," ARI 10/2010.
- Liu, Zongyi, "Evolution and features of India's African Policy," West Asia and Africa, No.3.2009, pp.38-42.
- Mawdsley, Emma and Gerard McCann, "The Elephant in the Corner? Reviewing India-Africa Relations in the New Millennium," Geography Compass 4/2 (2010): 81–93.
- Price, Gareth, "For the Global Good: India's Developing International Role---A Chatham House Report,"
 The Royal Institute of International Affairs, May 2011.
- Singh, Manmohan, Prime Minister, "Speech to the India Today Conclave," February 25, 2005, http://www.pmindia.nic.in/speech/content.asp?id=78, September 1, 2009.
- Taneja, Kabir, "India sets up global aid agency: Development Partnership Administration has a corpus of \$15 billion," http://www.sunday-guardian.com/news/india-sets-up-global-aid-agency, December 1, 2012.
- UNCTAD, World Investment Report 2012.
- Varadarajan, Siddharth, "India's stake in Africa's future," http://www.peopleforum.cn/viewthread.php? tid=96467, July 16, 2011.
- Vasudevan, Parvathi, "The Changing Nature of Nigeria–India Relations," Chatham House Programme Paper: AFP 2010/02, December 2010.
- Vines, Alex, "India's Africa Engagement: Prospects for the 2011 India–Africa Forum," Chatham House Programme Paper: AFP 2010/01, December 2010.
- Wagner, Christian, "Promotion of Democracy and Foreign Policy in India," SWP Research Paper, RP 13, October 2009, Berlin.



Durban 2013 BRICS Summit CHINA

THE CHINA MONITOR

A Promising Partnership between BRICS and Africa:

A Chinese Perspective

By Zhang Chun*

The fifth BRICS summit will take place in Durban, South Africa this March, with the theme of "BRICS and Africa – Partnerships for Integration and Industrialisation". Under this framework, there would have 4 key focus areas, namely the promotion of African infrastructure development, and the establishment of a BRICS-led development bank, a BRICS think-tank and a BRICS business council. While there are some sceptics, this paper argues that it is the right time to tackle the development challenges faced by Africa as whole, to motivate the development potential revealed for Africa by the grouped rising of emerging powers with BRICS at the core, and to design the development roadmap for Africa under the context of global development uncertainties.

II. China Attaches Great Importance to BRICS

As an artificially fabricated concept, the BRICs is the title of an association of emerging economies, namely Brazil, Russia, India, and China (Goldman, 2001). While this concept has been coined more than 10 years ago, its journey to a political entity is quite more recent. Only five years after this concept was coined, there was a first gathering of four foreign ministers of BRICs countries during the UN assembly in 2006. In 2009, the first summit was held in Yekaterinburg, and then in 2011 South Africa joined into, which capitalized the 's' and made BRICs into BRICS. While the learning curve of China is something similar, China now attaches ever increasing importance to BRICS.

The reasons lie in two aspects mainly. The first is economic, namely to promote China's influence and interest in the global economy and international financial institutions and to share China's development achievement with other developing partners. The BRICS bloc represents 43 per cent of the world's population, approximately one-fifth of global gross domestic product (GDP), estimated at US\$ 13.7 trillion, as well as combined foreign reserves estimated at US\$ 4.4 trillion. Last year, 2012, the BRICS countries accounted for approximately 11 per cent of global annual foreign direct investment (FDI) flows (US\$ 465 billion) and 17 per cent of world trade. While still growing relatively fast, China now is undertaking economic structural reform and turning from an export—oriented economy to a consumption—oriented one. However, this process is certainly a time consuming journey. In the short-to-mid term, China still needs huge overseas resources for supporting domestic economic growth. Even once China will have finished this great transition, the needs for consumer goods coupled with its lack of natural resources also ask for careful nutrition of import sources.

Another reason is political consideration that is even more important than the economic one. China always claims itself as a developing country, which appears to be rather a 'joke' for

^{*} ZHANG Chun is the Deputy Director of the Center for West Asian and African Studies and the Deputy Editor-in-Chief for Global Review at the Shanghai Institutes for International Studies

most of the rest of international community. Even China 'commonly identifies' with the 'South' in global negotiations with the 'North' during the cold war era, already the Brandt Commission Report of 1980 excluded China from the 'Southern' camp (p. 31). With China's rapid economic growth, people argue that China is not really comparable in any way to most of the other countries in the 'Rest' of the world, while Chinese advancement might shift the perception of the status imbalance between 'the West and the Rest' (Ferguson, 2011). At the same time, one must acknowledge that China is a diversified country with different development levels in different regions; the Eastern China is a developed region, while the Central part is more like a developing country, and the Western area then is perhaps to be regarded as less developed. Thus, the challenges for China's 'Southern identity' is so huge that China will be exposed to great pressures of taking more international responsibilities and providing more global public goods that currently are likely to exceed her capability and willingness. To deal with such a dilemma, the Report to the 18th National Congress of the Communist Party of China (CPC) held in November 2012 claims that China will 'increase unity and cooperation with other developing countries, work with them to uphold the legitimate rights and interests of developing countries and support efforts to increase their representation and voice in international affairs. China will remain a reliable friend and sincere partner of other developing countries' (Hu Jintao, 2012b). Here, one can find the relevance of BRICS since it is a bridge between China, emerging powers, and developing countries.

Thus, we witnessed the evolution of China's attitudes change toward the BRICs/BRICS. Before 2009, China was preparing for putting the BRICs concept into practice, turning it from an academic concept to a political entity (Yang Jiemian, 2009). It was in the year 2011, when China chaired the BRIC Summit that year, that China showed its political determination of consolidating the foundations of BRICs as a political group. The first symbolic action was to invite South Africa as a new member on 23 December 2010, which appeared to have surprised South Africa diplomats who called it as an 'early Christmas present' (Bischoff, 2011). To a very great extent, inviting South Africa to become a member of BRICs ahead of countries with bigger economies as Mexico, South Korea, Turkey or Indonesia, indicates that the BRICs countries recognized the importance of factors other than those to do with mere economic weight. Admission was a 'political choice' and meant BRICs realized that with African membership it amounted to a more representative 'bloc' in international politics (Bischoff, 2011, p. 2).

The second action was to introduce political and security affairs into the BRICS agenda. As mentioned above, it takes more than 8 years for BRICs countries to formulate a political entity after the creation of this concept, the foreign ministers of the initial four BRICs states met in New York City in September 2006, beginning a series of high-level meetings under the UN framework. In May 2008, a separated full scale diplomatic meeting was held in Yekaterinburg, Russia, for the first time, which laid foundation for the BRICs Summit in 2009. The first BRICs Summit commenced in Yekaterinburg in June 2009 marked the second phase of the development of this emerging group. However, the first two summits in 2009 and 2010 mainly focused on economic affairs, and rarely referred to other international issues, like anti-terrorism, territorial disputes, security, etc. Only under China's chairmanship, the political and security affairs were introduced entirely into agenda. Given that it is the overarching objective and strong shared desire for peace, security, development and cooperation that brought together BRICS countries, the 2011 Sanya Summit took "Broad Vision, Shared Prosperity" as the theme affirming that the BRICS and other emerging countries have played an important role in contributing to world peace, security and stability, boosting global economic growth, enhancing multilateralism and promoting greater democracy in international relations (Sanya Declaration, 2011). Then the Fourth BRICS Summit in New Delhi, under the overarching theme "BRICS



Durban 2013 BRICS Summit CHINA

THE CHINA MONITOR

Partnership for Global Stability, Security and Prosperity", confirmed that BRICS is a platform for dialogue and cooperation among BRICS members for the promotion of peace, security and development in a multi-polar, inter-dependent and increasingly complex, globalizing world (Delhi Declaration, 2012).

China not only pushes forward the development of BRICS from within the institution itself, but also levels up BRICS' importance in the whole diplomatic strategy of China. For maintaining its Southern identity, BRICS is one of the core platforms along with the G77+China, the G20, and the UN. For China, trying to construct a Southern network is a far-sighted and low-costed strategy for reducing its Southern identity dilemma, with the G77+China as the platform for building consensus, the BRICS as the platform for implementation, and the G20 as the platform for speaking 'for the South'. Thus, one can understand why the Report to the 18th National Congress of CPC only mentions four international organization/institutions, including BRICS. It claims that China will "actively participate in multilateral affairs, support the United Nations, G20, the Shanghai Cooperation Organization, BRICS and other international organizations in playing an active role in international affairs, and work to make the international order and system more just and equitable" (Hu Jintao, 2012b).

III. Sino-Africa Relations Transition and BRICS Relevance

The fast development of Sino-Africa relationship in the past decade is one of the most significant international developments. However, the history of contemporary Sino-Africa relationship is much longer, traced back to early 1950s with the establishment of diplomatic relations between China and Egypt in 1956. Since then, China and Africa have become major strategic partners, with the two sides understanding, supporting and helping each other. Now, 49 out of the continent's 54 countries have established diplomatic ties with China.

In the past six decades, Sino-African relations has significantly upgraded from a linear and single-dimension relationship to a multi-layer and multi-dimension one, with the support of institutionalization efforts, especially the establishment and development of the Forum on China-Africa Cooperation (FOCAC). Put simply, contemporary Sino-Africa relationship has passed three phases of development. From 1950s to the end of 1970s, it was the first stage of Sino-Africa relations with mutual political and moral supports as the main characteristics. After it has launched its opening up and reform policy, China neglected Africa for nearly one decade for domestic economic considerations. After the end of the cold war, China attached greater political importance to Africa in early 1990s, subsequently adding economic momentums for this relationship since the mid of 1990s (Brown and Zhang Chun, 2009, pp. 3-6).

It's important to note that this development facilitates the current transitions in Sino-African relations which is of great importance to its sustainable development. In other words, because of the previous three phases development, the Sino-Africa relationship now is at the cross-road of stepping into its fourth development stage, facing three challenges or needing to fulfill three transitions.

Firstly, Sino-African relationship now is on the way from one based on emotional/ideological intimacy to one based on economic interest consideration. On the one hand, in the past decade or more, China-Africa economic relations developed quite fast: with trade volume increased 20-times from US\$ 10 billion in year 2000 to US\$ 200 billion in 2012, accumulated investment in Africa to US\$ 15 billion and the accumulated assistance to RMB 110 billion in 2011 (Zhang Chun, 2013b). Africa now is the third-largest recipient of Chinese outward direct investment, after Asia and Europe. While growing, Chinese investment in Africa represents just a small piece of Chinese outward foreign direct investment worldwide, namely three to four per cent in 2011 (Zhang Chun, 2013a).

On the other hand, the historical emotional/ideological intimacy is fading due to the various developments, including the passing away of the older generation of African leaders who share similar experience of national liberation movement with Chinese older leaders, the rising of a new generation of leaders in Africa who were educated in Western universities, the growing people-to-people exchanges that have both positive and negative impacts on mutual understanding between two peoples, etc. With economic interest rising and emotional/ideological intimacy fading, economic indicators gradually become the main criteria for measuring bilateral relations (Zhang Chun, 2013b).

The second transition is the natural consequence of the first one, that is, with the growing importance of economic consideration, now Sino-African relations is transferred from economic interest promotion to economic interest protection. The reasons are diverse. While the Going Global Strategy has had tremendous achievements and needs to think about how to upgrade for sustainable development, there are also numerous problems arising that need to be rethought. Meantime, even though wars and conflicts are decreasing; the instabilities in African continent are still a main hurdle for international investment and trade, and even humanitarian aid. Since early 2011, the outbreak of the so-called 'Arab Spring' highlighted the importance of protecting China's overseas economic interests and national citizens. Based on the principle of "people first", to protect overseas Chinese and economic interests is and will be one of the top priorities of China's foreign policy in general and China's Africa policy in particular (Zhang Chun, 2013b).

While the above two transitions are already in the making, the third transition in Sino-African relations is a would-be one that will happen in the next few years or decade. I named this transition as from asymmetrical interdependence to symmetrical interdependence. As is common knowledge, the current Sino-African relationship is an asymmetrical interdependent one with China depending more on African natural resources and Africa depending more on opportunities along with China's rise and the intensification of Sino-African relations. However, there are several developments that have the potential for undermining current interdependencies between the two parties. The first is the slowing down of China's economic growth that it is a natural result after three decades of rapid growth; signs have emerged, as the growth rates of the first quarter 2012 was about 7.5%. While China is slowing down, Africa is rising, with six African countries on the list of 10 fastest growing in the first decade of 21st century, and seven African countries on the list of 10 fastest growing from 2011 to 2015 (The Economist Online, 2011). The third development that will change the interdependence between China and Africa is that Africa now is returning to the traditional powers' strategic consideration and entering into that of the emerging powers, we have witnessed the recovery of EU-Africa Summit and Japan's TICAD and the creation of India-Africa Summit, South Korea-Africa Summit, India-Africa Summit, and Turkey-Africa Summit (Zhang Chun, 2012).

China, aware of the evolutionary changes taking place in its relationship with Africa, is modifying its Africa policy accordingly. Learning from its experience of engaging into Africa and foreign criticisms on Sino-Africa relations, China has made some significant policy changes. During the 5th FOCAC Ministerial Conference held in July 2012, Chinese President Hu Jintao declared that China will focus on five areas over the next three years, namely: supporting African sustainable development; benefiting African people; enhancing African overall development capacity; enhancing foundation of public support for China-Africa relationship; promoting African peace and stability (Hu Jintao, 2012a).

All these measures can be look through the lens of dealing with the above three transitions. First of all, China is shifting development assistance for Africa from 'hard' infrastructure assistance to 'soft' ones. The past three ministerial conferences bear this out. The Beijing Summit



Durban 2013 BRICS Summit CHINA

THE CHINA MONITOR

in 2006 and 4th FOCAC in Sharm el-Sheikh, Egypt, in 2009 included eight measures for promoting Sino-Africa relations, much of them provide support for 'hard' infrastructure in Africa, like roads, studios, conference centres, etc. By contrast, the 5th FOCAC Ministerial Conference attaches greater importance to 'soft' ones like education, people to people exchange, joint research, etc.

Secondly, China is also attaching greater importance to security. The 5th FOCAC Ministerial Conference declared that China will launch the 'Initiative on China-Africa Cooperative Partnership for Peace and Security', deepen cooperation with the AU and African countries in peace and security in Africa, provide financial support for the AU peace-keeping missions in Africa and the development of the African Standby Force, and train more officials in peace and security affairs and peace-keepers for the AU. At the moment, China is involved in six of the seven on-going UN peacekeeping operations in Africa, sending more than 1500 peacekeepers to African continent, the biggest contributor in the five permanent members of the UN Security Council.

And finally, in its efforts to promote a symmetrical interdependent relationship, China is keen to support African sustainable development rather than scout for natural resource. At the 5th FOCAC Ministerial Conference, President HU Jintao said China "will expand cooperation in investment and financing to support sustainable development in Africa" and "support the African integration process and help Africa enhance capacity for overall development", including supports to the Millennium Development Goals (MDGs), the Comprehensive African Agricultural Development Programme (CAADP), the Programme for Infrastructure Development in Africa and the Presidential Infrastructure Championing Initiative, and to extend aid-for-trade to African countries, to scale the China-Africa Development Fund up to US\$ 5 billion, to implement an 'African Talents Programme', etc.

It's important to note that to realize the three transitions discussed above, China needs to diversify its cooperation platforms with Africa, including FOCAC, BRICS, G20, G77+China, UN, and so on. Thus, for China, supporting BRICS is one of the strategic means to facilitate Sino-Africa relationship.

IV. BRICS' Relevance to Promoting African Development

Similar to the China case, the rest of BRICS members also have close relations with Africa. South Africa always describes itself as the 'gateway to Africa', its accession to the BRICS grouping was indeed in large part premised on the country's role as a financial and logistical gateway to sub-Saharan Africa, and on the continent's huge economic potential. For India, Africa is also a huge potential market and a source of natural resources including oil and gas. For Brazil, Africa is a place for promoting its soft power, especially the 'solidarity diplomacy', and next-generation of energy. While not so eminent, Russia has substantial historical links with most of African countries, which hints great potential of this bilateral relationship.

Together, the BRICS countries now constitute the largest trading partners of Africa and the largest new (NB: not overall largest) investors. The BRICS investment portfolio in Africa is very encouraging and promising. Over the past decade, we have seen a seismic shift in and acceleration of commercial and strategic engagements between the BRICS and Africa. According to Standard Bank, BRICS-Africa trade is projected to increase threefold, from US\$ 150 billion in 2010 to US\$ 530billion in 2015. The exponential growth potential of BRICS over the years to come will impact considerably on the future of emerging markets and developing economies - especially in the case of Africa (AllAfrica, 2013).

Thus, since its creation, the BRICs/BRICS have always kept helping Africa in mind. Entering into its third stage of development, BRICS leaders, at the third BRICS summit in Sanya, China

in 2011, had declared their support for African infrastructure development and industrialisation within the framework of New Partnership for Africa's Development (Nepad) (Sanya Declaration, 2011). The at the fourth BRICS summit, in New Delhi in India in March/April 2012, South African President Jacob Zuma met with BRICS captains of industry, inviting them "to join hands with South Africa in the development of the African continent". The Delhi Declaration claimed that,

"35. The Millennium Development Goals remain a fundamental milestone in the devel opment agenda. To enable developing countries to obtain maximal results in attaining their Millennium Development Goals by the agreed time-line of 2015, we must ensure that growth in these countries is not affected. Any slowdown would have serious conse quences for the world economy. Attainment of the MDGs is fundamental to ensuring inclusive, equitable and sustainable global growth and would require continued focus on these goals even beyond 2015, entailing enhanced financing support.

36. We attach the highest importance to economic growth that supports development and stability in Africa, as many of these countries have not yet realised their full eco nomic potential. We will take our cooperation forward to support their efforts to acceler ate the diversification and modernisation of their economies. This will be through infra structure development, knowledge exchange and support for increased access to tech nology, enhanced capacity building, and investment in human capital, including within the framework of the New Partnership for Africa's Development (NEPAD).

37. We express our commitment to the alleviation of the humanitarian crisis that still affects millions of people in the Horn of Africa and support international efforts to this end" (Delhi Declaration, 2012).

This year, the Fifth BRICS Summit will focus exclusively on 'BRICS and Africa', which symbolized a new era of BRICS' relations with Africa and the South-South Cooperation (SSC). While there are four declared key issues, the implications or the prioritized cooperation fields include three aspects.

The first one is to promoting African continental and regional integration, or more broadly, the capability of sustainable development for Africa. For the first time, high-level representatives of Africa's regional economic blocs and the African Union (AU) have been invited to attend the fifth BRICS summit taking place in Durban in March. The decision to invite the AU along with the various regional groupings, including the East African Community (EAC), Common Market for Eastern and Central Africa (Comesa) and Southern African Development Community (SADC), is in line with BRICS' declared goal of promoting African continental and regional integration.

Secondly, BRICS will focus more on consolidating African sustainable development foundations. It's important to note that three of the four key areas of Durban Summit are related to capability building for African sustainable development, including the promotion of African infrastructure development, the establishment of a BRICS-led development bank, and a BRICS business council. It is widely known that, while it is rising, Africa is still lacking infrastructure, funding, and trade opportunities. While emerging powers, especially China, have input a lot into these areas, there remain huge needs for collective efforts. By joint actions, BRICS will not only foster African sustainable development capability, but also promote co-development of both Africa and the BRICS.

Thirdly, through contributing to African development, BRICS will strengthen the SSC and promote North-South cooperation (NSC). With focusing on BRICS-Africa relations, the Durban Summit will pave the way for "a new global pattern focusing on South-South relations ... over-



Durban 2013 BRICS Summit CHINA

THE CHINA MONITOR

riding previous East-West and North-South constructs and divisions" (SouthAfrica.Info, 2013). And the establishment of a BRICS think tank also will contribute a lot to the new ideas and approaches of promoting both SSC and NSC.

While of greatest relevance, there are still a lot of possibilities to promote BRICS members engagement into Africa. Individually, there are various bilateral cooperation platforms, including FOCAC, the India–Africa Summit, the Africa–South America Summit, and so on. Globally, the G20, UN, IMF, World Bank, among others, can provide multilateral platforms for BRICS members to argue for African needs and voices. Thus, there is an urgent need to combine (or coordinate) these efforts for the promotion of a common future for Africa in different organizations, rather than put forward different agendas in different frameworks. The promising partnership between BRICS and Africa lies not only in collective action, but more in collective idea, collective voice, and collective agenda.

V. Conclusion

The fifth BRICS Summit will be held this March with a focus on Africa's development, which proves a right choice, not only because of all BRICS members maintain good relations with Africa, but also because of BRICS as a whole has some comparative advantages to promote African development, especially through South-South cooperation. While there are admittedly still a few of multilateral platforms for promoting African development, BRICS has the greatest potential since it is a bridge between the North and South and between the developed South and less developed South. Under the circumstance of global power shift from the West to the Rest (or the East), BRICS has contributed to and will continue to contribute to the rebalance of global power relations after the West dominates the world for more than 400 years.

References

- AllAfrica, 2013. South Africa: The 'S' in Brics an African Perspective [online]. 22 January. Available at: http://allafrica.com/stories/201301221007.html?viewall=1 [Accessed 23 January 2013].
- BRICS. 2011. Sanya Declaration. Sanya, Hainan, China, April 14.
- ——2012. Fourth BRICS Summit: Delhi Declaration. New Delhi, India, March 29, 2012.
- Brandt Commission Report, 1980. North-South: A Program for Survival. Cambridge, Mass.: The MIT Press.
- Ferguson, N. 2011. Civilization: The West and the Rest. London and New York: Penguin Books Limited.
- Yang Jiemian. 2008. Emerging Powers' Strategic Options on Transitional International System. World Economics and Politics, No. 6.
- Bischoff, Paul-Henri. 2011. An Early Christmas Present What is BRIC to South Africa and South Africa to BRIC? Paper presented for Third Global International Studies Conference, Porto, 17-20 August.
- Hu Jintao, 2012a. Open Up New Prospects for A New Type of China-Africa Strategic Partnership.

 Speech at the Opening Ceremony of the Fifth Ministerial Conference of The Forum on China-Africa Cooperation, Beijing, 19 July.
- ——2012b. Firmly March on the Path of Socialism with Chinese Characteristic and Strive to Complete the Building of a Moderately Prosperous Society in All Respects: Report to 18th National Congress of the Communist Party of China. Beijing, November 8.
- Brown, K., Zhang Chun. 2009. China in Africa Preparing for the Next Forum for China Africa Coopera-

- tion. Brief Note, Chatham House, June.
- Zhang Chun. 2012. Sino-Africa Relationship: Pressures and Challenges for Trilateral Cooperation in Africa. Foreign Affairs Review, No. 3.
- ——2013a. Much to Celebrate, but Much to Work on. China Daily (Africa Weekly), January 4.
- ----2013b. Prepare for Future of Symmetrical Ties. China Daily (Africa Weekly), January 25.
- The Economist Online. M, 2011. Africa's Impressive Growth [online]. 6 January. Available at [Accessed 20 January 2011].">http://www.economist.com/blogs/dailychart/2011/01/daily_chart?fsrc=scn/tw/te/bl/dailychartafrica>[Accessed 20 January 2011].
- Goldman, S. 2001. Building Better Global Economic BRICs. Global Economics Paper, No. 66. New York: GoldmanSachs.



Durban 2013 BRICS Summit S. AFRICA

THE CHINA MONITOR

South Africa: BRICS member and Development Partner in Africai

By Sven Grimm

It has been debated in South Africa's public whether the country actually is a good fit for the BRICS setting, as there can be doubts about the overall weight of the economy or the political clout in comparison to other BRIC states. These are valid points – and they are relevant particularly for the long-term standing of South Africa within the BRICS. Yet, for the current debates, they are not pertinent, as the BRICS membership is a fact for South Africa now and questions should rather be around priorities in this setting of 'club governance' and about means to achieve them.

Engagement for Africa's development has become a *raison d'état* for South African foreign policy since the end of Apartheid. It is one of the clearly stated elements in South Africa's "distinctive national voice" (Alden/Schoeman 2013: 111). South Africa claims to be a voice for the continent in multilateral forums like the G20 and, from April 2011 on, in the BRICS grouping (Brazil, Russia, India, China and South Africa). It is clearly this self-perception that has informed the choice of topic for the Durban BRICS summit in March 2013.

The literature on broader structural features of South African foreign policy and particularly its African 'vocation' is abundant (see, inter alia, Alden/ LePere 2009; Landsberg/Kondlo 2007; Nathan 2005) and this short article cannot do justice to all aspects of the debate. This article rather aspires to flesh out foreign policy priorities of South Africa with regard to African development endeavours and debates likely to feature during the BRICS summit in Durban.

Rationale for cooperation and for a focus on Africa

South Africa is highly interested in support for its African agenda, which inter alia is hoped to help foster infrastructure on the continent, as well as push for development progress that would also improve governance as well as peace and security on the continent. The concern for security does feature higher on the agenda of larger investors in Africa, not least so China and Brazil (as contributions to this publication illustrate). These overlapping agendas can either be the basis for collaboration – or, in other instances, for competition of states on the African continent.

South Africa is the only *African* BRICS state and it thus has specific stakes in and on the African continent. Despite some continuity in South Africa's self-perception as a middle-power (van der Westhuizen/Grimm 2013), the content and the channels of South African engagement have fundamentally changed since 1994. Previously, engagement with countries in the region had been seen as a tool to overcome isolation and as a clientele policy in the immediate neighbourhood. Since 1994, South African foreign policy has been stoutly Pan-African. Former president Thabo Mbeki coined the term "African renaissance", meaning that Africa would be able to reach its full potential after all African states gained their independence with

^{*} Sven Grimm is the Director of the Centre for Chinese Studies, based at Stellenbosch University, South Africa.

the fall of the Apartheid regime. Mbeki was also among the initiators of the New Partnership for African Development (NEPAD), which in 2001 established a governance agenda for the continent. In the official discourse, assistance to other African countries is cooperation with fellow Africans. The renaissance rhetoric was apparently meant to create a clear rationale for engagement that needs to be balanced high domestic development expectations and challenges – and expectations and concerns in other African states.

As is the case for all providers of development assistance, the motivation is a mix of different factors – and the discussion of this mix can cause long debates of what is predominant as a factor. Far from least in the mix of motivations, South Africa has articulated an 'enlightened self-interest' in being located in a peaceful and economically prosperous region since Nelson Mandela became president, as outlined in Mandela's contribution to the journal *Foreign Affairs* in 1993 (Mandela 1993). It is in this context that the strong push from South Africa for a BRICS development bank, which is one clear item on the agenda for Durban, has to be understood.

Where and how does South Africa engage?

South Africa is by far the largest continental economy, with a substantial part of the Sub-Saharan GNI produced in the province of Gauteng. This economic weight provides substance for a political and diplomatic clout. With regards to the BRICS and other international forums, it is arguably this high-profile political position in Africa that has won South Africa a seat at the table (Cornelissen 2012; Niu 2011; see also Zhang Chun in this issue). This also translates into challenges for South Africa's position on the continent, as its potentially dominant position is cautiously (if not jealously) monitored by other African states.

The overall undisputable economic clout of South Africa with regard to the continent does not automatically translate into political power. Though groomed by outside powers, the country has to be realistic about its leverage in Africa; it is politically trying to 'speak softly' and to present itself as an 'honest broker' in matters concerning other African states, rather than acting like a hegemon (cf. Alden/Schoeman 2013). With the debates around the new AU Commission President, former South African minister Nkosazana Dlamini-Zuma, this policy of 'laying low' (to speak with Deng Xiaoping's words) seems to have been less pertinent, but that is unlikely to have been a fundamental turning point in foreign policy convictionsⁱⁱ.

The strong stance of South Africa on the African continent has limitations in a setting with 54 states. South Africa has been publicly denounced as 'not representing Africa' in the past – not least so by the African Union Commission. The country's government is cautious to be a team player in Africa and has a strong liking for multilateral processes. It can be argued that the global dimension of South African foreign policy was emphasised more strongly since Jacob Zuma became president. This might have to do with global pressures – not least so the financial crisis of 2008, which was the catalyst for the creation of a new role for the G20. It can, however, also be interpreted as building upon the Mbeki foreign policy thrust to which the Zuma administration putting its own stamp on this policy.

The instrument for cooperation is diplomacy and, to quite an extent, cooperation for development. Development cooperation if presented as donor-recipient relations can be read as symbolises inequality in relations is therefore a difficult topic, like for other countries in the 'global south'. Quite a number of actors in South Africa emphasise that South Africa is not a donor country, but a partner to other states through South-South Cooperation (SSC). The term SSC, however, is still very flexible, which partly creates its attraction. It is difficult to pin down to one



Durban 2013 BRICS Summit S. AFRICA

THE CHINA MONITOR

concept, as argued elsewhere (Zhang/Grimm, forthcoming). The high receptiveness amongst South African officials for the term »South-South Cooperation« also has to be regarded in this context.

Unlike other emerging countries and therefore unlike BRICS partners such as Russia or China, South Africa's preferred channel of engagement is multilateral. Its financial contributions privilege regional organisations, especially the Southern African Development Community (SADC), the African Union (AU) and the Southern African Customs Union (SACU). It is difficult to account for the overall volume of South African development finance, as membership fees and contributions to regional organisation follow the rationale of regional integration, but could also be regarded as contributions to development cooperation within Africa. This, however, limits commercial considerations in the engagement. South African activities are not necessarily opening up markets for business; benefits for enterprises are rather indirect through creation of good will towards the 'brand' South Africa.

South Africa's development engagement on the African continent

South African development cooperation is almost exclusively African in nature, with small amounts of humanitarian support going to places like Haiti or the Palestinian territories. An estimate of more than 95 per cent, however, is to African countries, predominantly in the subregion South of the Congo, but also including projects in Southern Sudan, Guinea or Rwanda.

The core of the South African bilateral development programme is a dedicated fund in the Department for International Relations and Cooperation (DIRCO) called the African Renaissance and International Cooperation Fund. In addition, other government departments have minor sums for cooperation and also invite staff from neighbouring states' administration for training or engage directly in other countries in capacity-building (e.g. with PALAMA, the Public Administration Leadership and Management Academy, as an agency). Taking a broad estimate of overall aid engagement, South Africa might have dedicated the equivalent of around one per cent of its gross national income to cooperation with other African states (Grimm 2010). While there is no single statistical source for these financial flows and the figure is thus based on rough estimates, it would make South Africa a medium size international donor, on par with a number of Eastern European states in terms of absolute financial volume.

South Africa is about to create a dedicated agency for development cooperation, called SAD-PA: South African Development Partnership Agency. The work of this structure-in-the-making builds on (and will, over time, replace) previous instruments, such as the African Renaissance Fund (ARF). The ARF came into being in January 2001 and represents an estimate of only one third to half of South Africa's international cooperation funding. The Fund's goals include the promotion of democracy and good governance, conflict prevention and settlement, social and economic development as well as humanitarian assistance and the support for human resource development. The Fund has a legal basis, agreed by South Africa's Parliament. The ARF legislation does not prioritise one goal over others; the regional focus on Africa, however, is clearly indicated. The multi-annual strategy of the foreign ministry (renamed Department for International Relations and Development in 2009) explores the ARF's specific actions in more detail. It presents a broad range of topics to be supported with ARF funding, ranging from support for elections to cultural cooperation like the support to museums or conservation of cultural goods in Mali. A list provided in DIRCO's strategic plan (DIRCO 2010b) listed the following items:

- Democratic institutions and effective governance
- Conflict prevention, peace building and post conflict reconstruction and development

- Security sector capacity and reform
- Restoring macro-economic and fiscal stability
- Improving legal and regulatory frameworks for trade, investment and financial markets
- Gender equity in institutions of governance and within civil society
- Building capacity in education, training, and health services
- Improving infrastructure to facilitate intra-African trade and investment
- Improving agricultural production for local consumption and for export
- Cooperation on scientific and technological research
- Tourism and cultural exchanges
- Beneficiation of mineral resources and improving energy sector capacity
- Supporting the development of organised civil society

This can be either interpreted as a broad focus with substantial policy space for South Africa's missions abroad, or as a lack of focus that risks resulting in lack of direction for actions and spreading resources too thinly.

The Fund was at the level of around 45 million Euros for the financial year 2011–12. This indicates rapid funding growth, up from the equivalent of Euro 9.3 million Euro in 2006 and Euro 30 million in 2008. The annual reports of DIRCO on the ARF provide details on spending and include an assessment grid on the value for money delivered with the projects that will have to be signed off by the Auditor General. One of the original purposes of the ARF was to channel other external funding. This was based on experience with humanitarian assistance in the Mozambique floods in 2000, during which Pretoria had no legal vehicle to accept other donors' funds and channel it to Mozambique. The original ARF act thus has a clause (art. 2, paragraph 2e) that allows for the inclusion of funding "from other sources", however this clause has never been used. Other donors are reluctant to channel their funds through the South African Treasury instead of going to the partner countries directly.

The South African administration is trying to increase financial leverage for its activities through triangular or trilateral cooperation arrangements. South Africa appears to be relatively successful in this endeavour, but will face challenges in practical results. Western donors ask about the comparative advantages in South African aid delivery; the emphasis of an African identity is unlikely to attract much support in itself. While the political considerations might be favourable in some instances, the potential for trilateral cooperation remains under-explored by Western donors as South Africa has difficulties to accept the principles of the Paris declaration in its external cooperation, not least so, it seems, as that could be seen as an implied donor role and would thus constitute an alienation from the African identity.

Financial engagements beyond grants

Among the topics that the ARF is to address, infrastructure features, as the list above shows. The infrastructure needs of the continent are obvious. Yet, equally obvious are the limited financial means of South Africa in the face of these continental challenges. That is rather a task for finance that is not considered aid grants. And it is a task beyond bilateral settings, trying to include other finance sources.

The Development Bank of Southern African (DBSA) provides funding for development projects in the region. Based in Midrand, the Bank was originally established to fund development in the so-called Bantustans, supposedly independent political entities within Apartheid South



Durban 2013 BRICS Summit S. AFRICA

THE CHINA MONITOR

Africa that were established to disenfranchise the black population at the time. DBSA is a bilateral instrument. The funding needs clearly exceed the capacities of the South African bank and support by the African Development Bank, the World Bank and other multilateral finance institutions is required. It is will be particularly interesting to see the effects of deliberations on the BRICS development bank on the role of DBSA. The bank arguably is less attractive for external funding than, say, China EXIM Bank with its concessional loans; DBSA has to operate according to market rates, unlike the Chinese political banks. Some elements are already visible with regard to the BRICS bank, which is likely to be used for funding of activities in high-risk markets. It was initially not clear whether the BRICS bank would provide funding beyond its member states; this, however, seems to have been decided. As writes Kevin Keqing Liu, former banker of China Merchants Bank:

"The governments of Brazil, Russia, India, China and South Africa will each make an initial capital injection of \$10 billion to fund the bank, which will not only symbolize the unity of the world's five most dynamic economies and showcase the rise of emerging nations, it will also become a global tool for "mobilizing resources for infrastructure and sustainable development projects in the BRICS and other emerging economies and developing countries". (*China Daily* of 21 February 2013)

The focus of investments, however, is likely to be within the BRICS states. While even a narrower mandate of predominantly funding infrastructure in BRICS states benefits the larger region of Southern Africa, for instance, it would be a lesser option with regard to South Africa's African ambitions. The key limiting factor at the moment, however, seems to be the financial weight of a new institution: The overall volume of the BRICS bank is limited if partners are to operate strictly on par; South Africa's capabilities are obviously more limited than those of China and others.

Challenges for South Africa's African Agenda

Like other 'emerging economies', South Africa continues to be an aid recipient with vast internal development challenges, and is thus facing questions about the legitimacy to spend money beyond its borders. Being an electoral democracy, this argument carries particular weight in South Africa. The support for an African agenda can be expected to be broad based within South Africa; geography clearly is translating into a vocation. Yet, this has to be balanced with a domestic focus, as one of the rule in politics is that one does not win elections based on a foreign policy agenda. Former President Mbeki was voted out of office by his party not least based on allegations of being lofty and out of touch with South Africa's internal challenges. However, engaging with its neighbourhood for the promotion of peace, stability and development remains in the clear interest of South Africa.

With discussions around the establishment of a dedicated structure for development partner-ships resolved, the *implementation* of this decision and the shaping of an effective implementing body remains on the agenda. Some initial steps towards the creation of SADPA as an administrative unit are expected for April 2013. South Africa's bilateral development cooperation activities currently are rather small scale and include ad hoc projects. The plethora of small engagements needs to be bundled and focused if South Africa wants to have an impact despite limited resources – albeit being on a very different scale this reflects arguments for a change in the institutional setting in China (see Liu, this publication). Focussing on issues or countries is a specific challenge for South Africa—if not impossible altogether, given its pan-African agenda. Furthermore, the emphasis on results – and possible tough discussions with

partners about a lack in development orientation – is difficult to reconcile with the government's emphasis on eye-level partnership and with its delicate leadership role. It is, however, implied by the NEPAD agenda as well as the very goals listed in South African development cooperation. There clearly are linkages to be emphasised and explored.

The engagement within the BRICS is thus complementing other South African activities meant to foster development on the African continent. This certainly includes debates on peace and security and structural reform of global governance. And, not to forget, this also includes an element of competition, as South African enterprises are facing competition by other BRICS actors in what they consider their natural area for economic expansion. This competition has to be managed by all BRICS countries. With the particularities of South Africa, however, trade is not following the flag (nor vice versa); rather, both seem to operate alongside each other. The African agenda is emphasised as the underlying tune of all these endeavours.



ⁱThis article is based on a policy briefing with the title "South Africa as a Development Partner in Africa", published in the project "European Development Cooperation to 2020", see www.edc2020.eu.

ⁱⁱMs. Dlamini-Zuma was presented and elected as a joint candidate of Southern Africa. The election took place after fierce political wrangling among AU member states.

References

- Alden, C. / G. LePere (2009): South Africa in Africa: Bound to Lead? In: Politikon: South African Journal of Political Studies 36:1, pp. 145-169.
- Alden, C. / M. Schoeman (2013): South Africa in the company of giants: the search for leadership in a transforming global order. In: International Affairs 89: 1, pp. 111-129.
- Cornelissen, S. (2012): Awkward Embraces: Emerging and Established Powers and the Shifting Fortunes of Africa's International Relations in the Twenty-First Century. In: Politikon: South African Journal of Political Studies 36:1, pp. 5-26.
- DIRCO (2010a), Report on the African Renaissance and International Cooperation fund 2009/10;
- DIRCO (2010b), Multiannual Strategic Plan 2010-2013.
- Grimm, S. (2010): Südafrika als »neuer Geber«?, GIGA Focus Afrika 3/2010, GIGA [German Institute for Global and Area Studies]: Hamburg
- Landsberg, C. / K. Kondlo (2007): South Africa and the 'African Agenda'. Centre for Policy Studies, Johannesburg, April 2007.
- Mandela, N. (1993): South Africa's future foreign policy. In: Foreign Affairs, Vol 72: 5, pp. 86-97.
- Nathan, L (2005): Consistency and Inconsistencies in South African Foreign Policy. In: International Affairs 81:2, pp. 361-372.
- Niu Haibin (2011): A Chinese Perspective on South Africa as an Emerging Power: Global, Regional and Bilateral Implications. CCS Discussion Paper 4/2011. Stellenbosch: Centre for Chinese Studies.
- Van der Westhuizen, J./ S. Grimm (2013, forthcoming): Riding the Dragon or Being Its Pet? South Africa's Middle Power Ambitions and China's Rise. In: Bruce Gilley & Andrew O'Neil (eds.): Reshaping China Why Middle Powers Matter. pp. 148-167



Durban 2013 BRICS Summit South Africa

THE CHINA MONITOR

Zhang Chun / S. Grimm (forthcoming): South-South Cooperation and the Millennium Development Goals (MDGs): Preparing for a post-2015 setting. Background paper for the European Report on Development 2013 with special focus on China-Africa cooperation.





Editorial Team

Dr Sven Grimm Harrie Esterhuyse

Design, Layout and Copyright

Centre for Chinese Studies



Contact Us

Centre for Chinese Studies

Stellenbosch University







+27 21 808 2841