African development: what role do the rising powers play?

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Executive summary

The July 2014 BRICS Summit marked a change in the level of the ambitions of this alliance of Brazil, Russia, India, China and South Africa. The summit’s decisions carry potentially important implications both for the future of global economic governance and African development. The core outcome was the creation of two new institutions: the New Development Bank and the Contingent Reserve Arrangement, regarded by many as respectively potential alternatives to the World Bank and the International Monetary Fund.

This report seeks to better understand the role of the BRICS countries and other rising powers in Africa’s economic development. The main focus is their role as providers of development finance and development aid. The report also analyses their role in relation to political developments and how these new powers balance strong commercial expansion with the foreign policy principles of South-South cooperation and non-interference.

Introduction

The BRICS (Brazil, Russia, India, China and South Africa) countries and other rising powers have dramatically expanded economic and political ties to Africa over the past decade. What roles do they play in development on the continent? How significant is their provision of development finance and development aid? And how do they balance strong commercial expansion with the foreign policy principles of South-South cooperation and non-interference?

Emerging economies and African development

Trade statistics provide the most illustrative indicator of the rapidly expanding role in Africa of the new rising powers. The BRICS countries and a few other emerging economies have an increasing share of Africa’s foreign trade, with the traditional economies in Western Europe and North America seeing their trade dominance being weakened. These changes are noticeable both because of their size and volume, as well as the sheer speed of these shifts.

China is by far the dominant destination for African exports and source of imports. The value of total trade between Africa and China increased from $10 billion in 2000 to about $210 billion in 2013. This has made China Africa’s single largest trade partner – although Africa’s total trade with the 28 European Union (EU) countries is still much bigger, in 2013 standing at $430 billion.

A similar pattern is evident with the other emerging economies, although the trade volumes for these countries are significantly below the figures for China. Africa’s trade with India and Brazil has increased from a similar low level to reach, respectively, $72 and $27 billion in 2013. In the case of Brazil there was a 4% reduction in the 2011-12 period. For South Africa, trade with Africa reached $38 billion in 2013 – up from about $5 billion in 2000. Russia’s trade with Africa is far behind that of the other BRICS economies. It reached its peak in 2007, when the value of the total trade with Africa passed $7 billion, before taking a significant drop with the global financial crisis. It is currently recovering, but was still low at just over $9 billion in 2013.

Trade with South Africa is a significant component of the African trade of the other BRICS countries, with 30% of China’s trade with Africa being with South Africa. India has...
20% of its trade with South Africa, while the figure for Brazil is 10%. Although South Africa is the smallest economy in the BRICS group it is the third-largest BRICS trading partner in Africa.

Among other emerging economies, Turkey is probably the most significant for Africa. The value of total trade between Turkey and the continent increased from $750 million in 2000 to more than $23 billion in 2013. Turkey’s trade is, however, overwhelmingly concentrated in North and north-east Africa. In 2013 two-thirds of Turkey’s trade with Africa was with North Africa (Turkey, 2014).

A closer look at the trade figures reveals that most African trade with China, India, Brazil and South Africa is concentrated among a small group of African countries. Five countries account for 63% of China’s total trade with Africa, with two countries in Southern Africa – South Africa and Angola – accounting for 48% of this trade in 2013. For India the pattern is the same, with five countries accounting for 67% of its African trade, and with Nigeria, South Africa and Angola accounting for 53%. Brazil’s trade is mainly with three North African countries (36%), Nigeria (34%) and South Africa (10%).

South Africa’s trade is mainly confined to Southern Africa, as well as with Nigeria and Ghana in West Africa and Uganda and Kenya in East Africa. Five countries account for 67% of South Africa’s total trade with Africa, with four being in Southern Africa.

From trade to investment?
What is the profile of the trade between the BRICS countries and Africa? The continent continues to produce and export primary products in exchange for imports of higher-value-added, manufactured goods. The rising powers have at one level simply reinforced this division of labour with their imports of oil and minerals and exports of processed goods. They have contributed to a new scramble for access to Africa’s resources, as well as increased demand and higher prices for many export products from the continent. But what role do they play as investors and where do they invest?

Data on investment from the rising powers is more difficult to access. Much of the investment in Africa is channelled through various offshore financial centres not captured by available statistics. However, the data that is available indicates some significant trends. One is that investment from the BRICS countries to Africa is increasing rapidly, but also that investment from these countries is less dominant compared to trade figures. The BRICS countries have become important foreign investors, with their share of the world’s total foreign investment increasing from 1% in 2002 to 12% in 2012. About 4.3% of foreign direct investment from the BRICS countries went to Africa in 2011, with their share of investment flows to Africa reaching 25% in 2010, according to UNCTAD estimates (UNCTAD, 2013; Freemantle, 2014).

China, India and South Africa are the largest investors and rank among the top foreign investors on the continent. The investments from all three are concentrated in a limited number of countries. China is by far the largest investor, with South Africa being China’s biggest investment destination. The official Chinese estimate is that its foreign direct investments in Africa more than doubled from $9 billion in 2009 to $21 in 2012 and with more than 2,000 Chinese enterprises active in 50 countries (Freemantle, 2014). The size of South Africa’s investments in Southern Africa is also significant, while the country also has a large number of smaller investments in many sectors – finance, mining, retail, communication, tourism and more. Investments in Africa amounted to one-fifth of South Africa’s foreign investment in 2010. In addition a number of transnational companies, including some from other BRICS countries, use South Africa as a base for expanding into other (Southern) African countries (Freemantle & Stevens, 2012).

Expanding trade and investment flows have a distinct commercial and corporate profile. As such there are many similarities with the profile of the traditional Northern and Western search for raw materials and markets in Africa. Different perspectives have emerged on the role of these “newcomers” to Africa. Chris Alden’s three-perspective prism for assessing China’s growing role can also be applied to the other emerging powers (Alden, 2009): are they development partners promoting a win-win paradigm of mutual benefit through trade and investment; are they economic partners and “resource predators” focusing on accessing Africa’s natural resources; or are they neocolonial players on the continent whose ambition is to displace European and North American spheres of influence?

Case studies have provided additional insights into the economic development impact of the expanding role of China and other rising economies. One such insight is that the sheer size and high trade intensity of some of the larger economies will tend to crowd out the ability of African countries to move up the ladder. African initiatives and entrepreneurship may be undermined, while African markets are flooded with cheap manufactured products from China and other emerging economies, undermining the continent’s own efforts to produce consumer goods for its population or for export to other markets. The appetite for raw materials will also reinforce dependency on commodity exports, which in turn may fuel the “Dutch disease” effect and weaken other export sectors. Furthermore, commodity booms are not sustainable over the long term and will result in declining terms of trade for African countries that rely on the extractive sector. There is also, however, a visible trend, particularly from China, in investment in manufacturing in Africa, including the relocation of certain labour-intensive production to Africa.

Furthermore, companies from especially China, but also from other rising economies, have a reputation for ignoring pressures for good corporate governance, and social and
environmental responsibility, and for disregarding labour standards.

Added to these challenges is the substantial inflow of migrants from some BRICS countries, mainly from China. During the last few years Chinese migrants – both employees of major Chinese companies and self-employed entrepreneurs – have become a very visible face of the Chinese expansion into Africa. The number is not known, but it may well be more than a million. They have an expanding presence in nearly all countries, but a significant portion – perhaps 30-50% – are to be found in Angola and South Africa. Most arrived after the year 2000. Brazil also has a large numbers of citizens in Africa, but mainly linked to Brazilian-owned companies in the Portuguese-speaking countries. In Angola there may be 40,000 Brazilians and 50 companies from Brazil. The number of Chinese in Angola may be as high as 200,000-300,000, while some 200-300 Chinese-owned companies are active in the country.

However, the story of the economic role of China and the others must also take account of what they are doing in terms of the development of Africa’s infrastructure and industrial capacity. To answer such questions we also need to look beyond the purely commercial and corporate profile of the rising powers. Two dimensions will be analysed below: the politics of engagement and the provision of finance for development.

The politics of engagement
Commercial expansion has seen a parallel expansion and strengthening of bilateral political ties. Here China’s role has also been the most extensive and visible. The Forum on China-Africa Cooperation (FOCAC) has become the main institutional platform and operational vehicle for shaping and managing China’s cooperation framework with Africa. Established in 2000, it has met every three years at the ministerial or summit level. Declarations and three-year plans were adopted at these meetings, with China making numerous commitments for the coming three years. The process was significantly enhanced by the publication of a white paper on "China’s Africa Policy" in 2006. Political relations have been further cemented through frequent visits to Africa by Chinese leaders (Brautigam, 2009).

The next – and sixth – FOCAC conference will be hosted by South Africa in 2015, which will also mark the 15th anniversary of the forum. The process leading up to this FOCAC meeting may also see a review of Sino-African cooperation, with refinements from the Chinese perspective. China has already outlined a “4-6-1” model for the further development of its relations with Africa:3

China will follow the four principles of operating with sincerity and as equals; enhancing solidarity and mutual trust; jointly pursuing inclusive development; and promoting innovative and practical cooperation .... China will carry out cooperation in six major areas, namely, industrial cooperation, financial cooperation, cooperation on poverty reduction, cooperation on environmental protection, cultural and people-to-people exchanges, and cooperation on peace and security. One Platform: China will upgrade China-Africa cooperation in response to new development needs of Africa and elevate the new strategic partnership to the next level (Ni, 2014; emphasis added).

China’s political relations with Africa have a long history. The links following the birth of the People’s Republic in 1949 have been based on political, ideological and strategic considerations. The 1955 Bandung conference was the first symbol of emerging Afro-Asian political solidarity, a vision of South-South cooperation that China has nurtured ever since. The second main manifestation was Premier Zhou Enlai’s visit to Africa in 1963–64. It was during this visit that China outlined its now famous foreign policy principles for cooperation with Africa, which emphasised “non-interference” as one of the key principles. This principle has been a main pillar of China’s Africa policy to the present.

India also has a long history of political engagement with Africa (Mawdsley & McCann, 2011). This originated with support for anti-colonial liberation movements and newly independent countries, but was reinforced by the large Indian communities in East Africa and – in particular – South Africa. India also initiated its own Africa-India conferences, but on a much smaller scale and involving fewer African countries compared to China’s FOCAC programme. The first Africa-India Summit took place in New Delhi in 2008 and the second in Addis Ababa in 2011. The third was scheduled to take place in New Delhi in December 2014, but has been postponed to 2015 – apparently because of the Ebola outbreak in West Africa. This third summit is expected to be India’s largest Africa outreach so far, with 54 African countries invited.

Brazil, which historically has played a more marginal role in Africa, has also stepped up its bilateral political engagement. President Lula da Silva made ten official visits to Africa involving 23 countries, while 17 new embassies were opened in the continent during his term in office. In its political rhetoric Brazil emphasises its historical ties with Africa, with nearly 90 million of Brazil’s 200 million inhabitants being descendants from African victims of the slave trade, and its cultural ties to Portuguese-speaking Africa, especially to Angola, from where most of the slaves originated. Furthermore, Brazil strongly emphasises South-South cooperation. Brazil has also been instrumental in the Africa-South America Summits, which took place in 2006, 2009 and 2013 (World Bank, 2011).

As an African country itself, South Africa is playing a different role (Le Pere, 2014). It accounts for a third of

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3 The quote is from the May 5th speech of China’s new premier, Li Keqiang, at the African Union Headquarters.
sub-Saharan Africa’s gross domestic product and is the continent’s second-largest economy, after being overtaken by Nigeria in 2014. Africa is also the main priority for South Africa’s foreign policy. The country has played a critical role in development and institutional reforms of major pan-African institutions such as the African Union (AU). South Africa has, however, also been constrained in its ability to exercise power and influence. It has been reluctant to pursue a lead nation role and its efforts to push for particular policies have often been met with opposition by other African countries. This has contributed to a marked “consensus” approach in South Africa’s Africa policy.

Other rising powers with greater economic engagement in Africa and with political ambitions have expanded in this area with the opening of more embassies and the launch of special Africa outreach initiatives. Turkey is possibly the most prominent of these countries. The number of Turkish embassies in Africa has increased from 12 in 2009 to 35 in 2014.

The traditional powers have also introduced special summits with Africa. This has included EU-Africa Summits, U.S.-Africa Summits and so on. Special mention must be made of the Tokyo International Conference on African Development, which has been held every fifth year since 1993.

The many summits, ministerial gatherings, and high-level meetings between Africa and old and new powers also illustrate another emerging trend: the continent is increasing its bargaining power in international relations. The emergence of new rising powers is contributing to expanding the political space for many African governments and leaders. The traditional Western donors have seen their influence wane by imposing political conditions on their engagement with African leaders. Furthermore, the ability of Western donors to undertake joint approaches is being undermined with the entry of the rising powers and the increasing scramble for access to Africa’s resources.

Finance for development
The rising powers are also becoming major providers of development finance to Africa. This is primarily through the provision of loans, export credits and – to a much lesser extent – development assistance. There are some notable features of these flows. One is their sheer volume and the strong role of the state. Through its state-owned policy banks – the Export-Import (Exim) Bank and the China Development Bank (CDB), as well as export credit insurance provider Sinosure – China has made significant funds available designed to provide finance for Chinese companies who want to trade overseas. The scale of the volume is unparalleled: in 2010 $112 billion were provided in foreign loans to Chinese companies doing business overseas. Their dominance has been firmly established in Africa in the last decade. The FOCAC meetings between China and Africa and official visits by Chinese officials to African countries are typical events used to announce or sign contracts (Lee et al., 2014).

Infrastructure – roads, railways, energy facilities, harbours and more – has been a main focus for Chinese loans and credits. This funding is also typically tied to Chinese enterprises being awarded construction or export contracts. Coupled with this tied lending strategy is a strategy to secure long-term access to oil and other natural resources. This has involved financial support to the major Chinese state-owned oil companies and – most significantly – a series of “oil-for-loans” deals. Under this model loans are made to infrastructure projects in mineral-producing African countries in exchange for long-term mineral supply contracts. This system has most notably been used in Angola. Beginning in 2004 this has now made Angola China’s second-largest source of oil (after Saudi Arabia), and China and Chinese companies have become major players in the reconstruction of Angola’s infrastructure (Corkin, 2013).

Many African leaders often view Chinese funding as more attractive than Western commercial lending. China generally provides longer-term loans at more competitive interest rates while imposing fewer conditions and disclosure requirements on borrowers. China also uses its political influence and sheer economic strength and financial muscle to impose its terms. In a relatively short period this has turned China into one of the major funders of infrastructure projects in Africa, comparable to the role of the World Bank in this area. It has been estimated that China’s loans to Africa through the CDB and Exim Bank amounted to $30-40 billion in 2012. At the 2012 FOCAC meeting China promised to provide another $20 billion in loans – mainly through the CDB – by 2015 (Freemantle & Stevens, 2013). Furthermore, China’s role has probably contributed to shifting priorities among Western providers of development finance, with greater emphasis on funding for the development of physical infrastructure. Above all Chinese funding has provided a platform for the expansion of Chinese companies in Africa.

The other rising powers have a similar profile, but the volume of funding is less. India has significantly stepped up its loans and export credits in recent years. In 2003 it established its India-Africa Fund of $200 millions in export credits to support economic integration in Africa. At the 2011 Africa-India Summit India pledged export credits for African projects worth $5.4 billion until 2014. The Indian Export-Import Bank has been the key instrument in facilitating the entry of Indian companies to development projects in Africa (WTO & CII, 2013). In May 2014 it was estimated that more than 60% (or $6 billion) of the bank’s operational lines of credit went to Africa (Mullen, 2014).

In a similar way Brazil has provided significant state funding for the stimulation of Brazilian companies’ exports to Africa and development projects. This has mainly been through the Brazilian National Economic and Social Development
There is now a growing body of literature analysing Chinese aid and comparing it with traditional aid donors. See Brautigam (2011), Kitano and Harada (2014) and the recent special issue of the IDS Bulletin (Jing et al., 2014).

Chinese aid has some notable features. It is mainly bilateral project aid that is usually tied to the use of Chinese goods and services, and much of it - particularly aid to infrastructure projects - is closely linked to the commercial expansion of China’s state-owned companies. More than two-thirds of 2010-12 development aid went to public facilities (hospitals, schools, water supply, etc.) and economic infrastructure (transport, communications, energy, etc.). Fifty-six per cent of Chinese aid is provided as concessional loans to infrastructure projects and for industrial development with economic and social benefits. The loans are provided by the Exim Bank, the CDB and others, and the aid is then used to subsidise the interest on loans. Some 8% are interest-free loans, usually for the construction of public facilities. The final component is grants, which accounted for about 36% of all Chinese aid in the period. These grants are typically for a range of welfare projects, human resource development, agricultural development, technical cooperation and more. A notable feature of this aid in recent years is the major expansion of scholarships for African students to study in China: a target of 18,000 students for the 2012-15 period was announced. Also significant was the promise to provide funding for a total of 30,000 African professionals to attend short-term training courses in China. This has made China the largest provider of this type of individual capacity-building – together with countries like Japan and Germany (King, 2013).

Chinese aid is also delivered without political conditions and is firmly anchored in the Chinese principles of non-interference in the internal affairs or recipient countries.

The other rising powers are far behind in development aid volumes. India’s aid to Africa also has a long history, dating back to 1960 (Chaturvedi, 2012; Taraporevala & Mullen, 2013). Historically, the most important component is technical assistance delivered through the India Technical and Economic Training Programme and the corresponding Special Commonwealth African Assistance Programme. It provides support for capacity-building through training programmes, scholarships, study tours and so on. Places in training programmes for Africans increased from 530 in 2007-08 to nearly 1,000 in 2010-11. The number of scholarships promised to African students at the India-Africa Summit in 2011 increased to more than 22,000 over the following three years.

The second component of Indian aid is the grants scheme. This has increased from about $1 million in 2000-01 to approximately $67 million in 2013-14. Funds are provided for a range of projects with a focus on areas such as information and communication technology, and education. This has included support to the launch of several regional training institutions in Africa, as well as a pan-African e-network to provide Indian educational and medical support via satellite technology to participating medical institutions.

South African companies are also backed by various types of government support and financial assistance. They are, however, also much more assisted by private South African financial institutions, which have a vast network in Southern Africa. However, three public financial institutions are also important (Monyae, 2012). The Development Bank and the Industrial Development Corporation primarily focus on domestic development, but have increasingly also provided funds for projects in Southern Africa. Funding from the Development Bank does not come as tied loans, but is more linked to the needs of a particular programme or project. The third institution is the more recently established Export Credit Insurance Corporation of South Africa, an agency under the Department of Trade and Industry. It was set up to help South African companies break into export markets and bolster economic diversification efforts. Since its inception in 2001 it has provided ZAR 20 billion ($1.1 billion) in export credits and investment insurance cover. Southern Africa, mining and infrastructure dominate the portfolio (Export Credit Insurance Corporation of South Africa, 2014).

The role of development aid

Closely linked to the expanding provision of development finance through export credit and loans has been a similar expansion of development aid. Brazil, India and South Africa have also significantly expanded their aid volumes and number of projects in the past decade. However, China is far ahead of all the other rising powers combined in this area.

China’s aid programme for African countries has a long history. It goes back to the late 1950s, but its present rapid expansion and focus began after 2000. The FOCAC meetings have been used to announce priorities and targets and two Chinese government white papers on aid have been published (2006 and 2014). The official aid disbursements for the 2010-12 period were nearly $15 billion, of which about half was allocated to Africa (China, 2014). These figures are not directly comparable to official development aid from traditional donors – the classification system of what constitutes development aid is different for Organisation for Economic Cooperation and Development (OECD) countries and China – but the figures do suggest that the size of the Chinese flows to Africa may be comparable to or even bigger than the flows from a country like Norway [the 11th-largest OECD donor].

4 There is now a growing body of literature analysing Chinese aid and comparing with traditional aid donors. See Brautigam (2011), Kitano and Harada (2014) and the recent special issue of the IDS Bulletin (Jing et al., 2014).
institutions, including daily live and offline consultations in nearly all African countries.

The largest component is the lines of credit with a concessional component. The bulk of India's lines of credit goes to Africa, while the vast bulk of its aid goes to countries in South and Central Asia. A notable feature of the aid expansion to Africa is also a move towards West and Lusophone Africa and the relative decline of traditional recipients – the Anglophone countries in East and Southern Africa.

Brazil has also significantly expanded its aid programme (ABC, 2011; Saravia, 2012). Official volumes doubled from 2005 to 2010, when they reached $1 billion. This figure does, however, also include support to peacekeeping, which accounted for nearly 40% of this amount. Some 23% of this was disbursed to Africa. The volume of aid delivered to Africa through the Brazilian Cooperation Agency (ABC) – a division of the Ministry of External Relations – has increased significantly, reaching $65 million in the period 2010-12. It has been disbursed to a range of projects in 37 African countries. The main focus is on Lusophone Africa, with a thematic concentration on health and agriculture. Transfer of knowledge and experience from Brazil through technical assistance is central to the programme. A key activity for the ABC is to mobilise technical expertise from institutions in Brazil for this purpose.

South Africa has also significantly expanded its development aid disbursements in recent years. The debate about the role, direction and volume of South African aid has been reinforced by the government’s plans to establish an aid agency – the South African Development Partnership Agency (SADPA) (Sidirooulos, 2012; Tjønneland, 2013; Vickers, 2012). There are no official figures showing the disbursement of South African aid to other countries. Figures mentioned often cite a wide range of financial flows from various government departments, including significant spending on peace support operations in Africa, etc.

The bulk of South Africa’s development aid can be found in the disbursements from the African Renaissance and International Cooperation Fund (ARF) – a fund managed by the Department of International Cooperation and Development [the country’s ministry of foreign affairs] and jointly supervised by this department and the Treasury. Annual disbursements have varied between $45 and $75 million in recent years. In addition, South African government departments and parastatals have provided significant funding to development projects on the continent that can be classified as aid [e.g. through the New Partnership for Africa’s Development, the Southern African Development Community or the AU]. Many agencies are, however, turning to the ARF to obtain funding for some of these projects. It is difficult to give a specific figure, but the volume of South Africa’s aid appears to be much more than India’s and well may be more than $100 million.

In addition, mention must also be made of a different type of financial transfer from South Africa to other African countries – remittances. This is much less reported, but the financial flows from workers, refugees, and illegal immigrants from other African countries to family and relatives back home are significant. A recent assessment puts the figure at more than ZAR 11 billion ($0.6 billion) annually. In the case of Zimbabwe, in the last decade such remittances may have been a crucial lifeline for a large number of ordinary Zimbabweans.

While China, India and Brazil have a reasonable clear profile in terms of what they are funding through their aid programmes, it is much more difficult to identify an equally distinct profile in South Africa’s disbursements. Disbursements under the ARF go to a wide range of projects, but also to a relatively small number of projects per year. Projects funded include humanitarian assistance, diplomatic training for officials from other countries, election management and socioeconomic projects. A noticeable trend is that many of the projects are closely linked to South Africa’s various foreign policy initiatives. Many of the larger projects are also in post-conflict countries, with support to elections consuming large portions of ARF funding (e.g. in the Democratic Republic of the Congo and Sudan). Non-African donors have tended to stay away from issues such as elections and post-conflict reconstruction.

South Africa has also been attractive for students from other African countries and has become a growing destination for Africans pursuing higher education. A number of South African institutions are offering short-term training courses for government officials and others from other African countries. This is in most cases not funded directly by South Africa, but by the participants themselves, by their home countries or by donor agencies from other countries. The volume of this type of capacity-building is significant and may be comparable to what we find in Asian powers’ aid-funded activities.

Other rising powers are far less important aid donors than the four discussed above. Turkey, Saudi Arabia and other Arab donor countries are the largest donors, but are mainly active in North and north-east Africa. Russia is a fairly significant donor – providing nearly $500 million in 2011, but only a small portion – $10 million – is transferred to Africa as bilateral aid. Most Russian aid is channelled through United Nations (UN) agencies.

South Korea is emerging as an important donor. The country is also the only aid-recipient country that has (from 2010) joined the “donor club” – the OECD Develop-

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5 The study was commissioned by FinMark Trust and was reported in the Southern African Trust’s newsletter Southern African Changemakers in January 2013. These estimates should be read with caution and may not be very accurate, but there is no doubt that they are substantial and run into billions of rands every year.
ment Assistance Committee (DAC). In 2012, 17.5% of South Korea’s $1.6 billion aid disbursement was channelled to more than 20 African countries. Tanzania was the biggest recipient and received some $36 million.6

Development aid from these rising powers has reached significant volumes. Different classifications make it difficult to arrive at precise figures for the total flow of aid from these countries to Africa. We can, however, safely conclude that assistance levels have reached $2-3 billion, with China being responsible for the lion’s share of this. This is still a small amount compared to total aid flows to Africa from traditional donors (OECD DAC members), which reached about $29 billion in bilateral aid in 2013.

South-South and tripartite cooperation

The Southern members of the BRICS alliance all emphasise South-South cooperation in their political engagement and development assistance to Africa. However, actual cooperation among them on African development issues is very limited. The 2014 decision to launch the new BRICS Development Bank is a first major cooperative effort.

What do we know about their previous efforts to cooperate on these issues? There has been very little cooperation, coordination or harmonisation among these four countries in providing bilateral aid. The minor but important exception to this was the establishment of the IBSA Facility for Poverty and Hunger Alleviation in 2004 by India, Brazil and South Africa. Each of these three countries provides an equal amount to the fund, which is managed by the UN Development Programme’s Special Unit for South-South Cooperation.7 The fund supports a number of small projects in Burundi, Cape Verde, Guinea-Bissau and Sierra Leone. The projects funded are mainly concerned with social and economic development, health and infrastructure. There is also the occasional project with other emerging powers. Beginning in 2008 South Africa and Vietnam have run a project to promote food security in Guinea.

These four countries have a different approach to cooperation with Western donors in third countries. China and India are reluctant to get involved and tend to be opposed to this type of cooperation. The partial exception is cooperation via the UN, the African Development Bank and other multilateral channels. There are also some very few cases of India cooperating with other bilateral donor countries from the West. Under the strategic partnership with the U.S., India is engaged in a project to promote agricultural training for 180 mid-level agricultural professionals from Kenya, Malawi and Liberia (WTO & CII, 2013).

Brazil and South Africa, on the other hand, have strongly welcomed this type of cooperation with OECD DAC donors and have both entered into a number of projects in Africa with Western donors. Brazil reports that in 2010 it participated in a total of 12 such projects with France (two in Cameroon and one in Mozambique), the U.S. (three in Mozambique), Japan (one in Mozambique), Italy (one in Mozambique), Canada (one in Cameroon), Germany (one in Mozambique) and the UN (three in Guinea-Bissau) (ABC, 2011). Most are agriculture related.

South Africa is involved in a range of trilateral projects with Western donors. These projects began shortly after 1994 when donors began exploring how South African resources could be used in regional projects in Southern Africa. South Africa was considered to have technical skills, institutions, and resources in high demand in poorer neighbouring countries and on the continent in general. In the last few years a number of donor agencies have begun to place additional emphasis on South Africa’s role and the country is increasingly regarded as a strategic partner or anchor country in the foreign policy of many donor countries (Tjønneland & Pillay, 2008).

South Africa has welcomed this process. Official documents emphasise that SADPA is considered to be a useful tool for participation in trilateral cooperation with other donors. The actual number of such trilateral arrangements between South Africa and Western donors is not known, but it is substantial. It includes several projects where South Africa is considered to have technical skills such as financial management training. There has been a growing emphasis on projects in post-conflict reconstruction with several projects in the area of policing. This includes the Democratic Republic of the Congo (with Britain’s Department for International Development), Rwanda (with Sweden) and in the two Sudans (with Norway).

The challenge: African politics and non-intervention

The importance of the new rising powers in Africa lies primarily in their commercial and corporate engagement and the role they are playing in providing finance for economic development in a range of sectors, primarily infrastructure. The rapid deepening of economic relations with Africa has also posed new challenges for their foreign policy objectives and principles of non-interference. They are all likely to become more deeply involved in the African political and security landscape, but how this will play out is unclear (Tjønneland, 2014).

This has perhaps been most deeply experienced in the case of China (Alden, 2014). The growing exposure of its interests to the vagaries of African politics and the concurrent pressure to demonstrate greater global activism are bringing about a reconsideration of China’s approach to the continent. Addressing these concerns poses challenges for Beijing, whose desire to play a larger role in engaging with

6 Korea reports its aid disbursements in accordance with OECD DAC principles. The figures quoted are from <http://www.oecd.org/dac/stats/aid-at-a-glance.htm>.

these issues often clashes with the complexities of doing so while preserving Chinese foreign policy principles and economic interests on the continent.

The result is mainly manifested in increasing Chinese involvement in African security issues, measured in terms of greater activism in multilateral peacekeeping operations, be it through cooperation at the level of the UN Security Council and the AU, or in terms of deploying Chinese troops to and providing greater financial assistance for peace support missions. This process received further support with the announcement at the 2012 FOCAC meeting of the China-Africa Cooperative Partnership for Peace and Security.

A similar move from non-interference towards reluctant engagement is also evident in the case of India and Brazil. Common to them all is that they to some extent have taken the lead from African positions in multilateral institutions – from the UN to the AU. They are far more prepared to approve interventions if they are requested by and emanate from African regional organisations.

South Africa finds itself in a different position as an African country. It has been instrumental in developing the AU’s normative policies and new approach to interventions in conflicts. Since the fall of apartheid and the country’s political reintegration with Africa after 1994, South Africa has been a significant actor in African politics. It has also been a mediator and peacemaker in several conflicts on the continent and has been a key player in evolving African approaches to governance and democracy issues, as well as peace and security issues.

However, South Africa has had to grapple with several challenges and complexities in devising and implementing its foreign policy objectives. One is the tension between the strong corporate and commercial profiles of its African engagement and government policies. The role and behaviour of South African companies are generally not very different from those of any other foreign company operating in African countries. These companies pursue their own commercial agendas, which in many instances will pose reputational risks for South African government policies. This is a dilemma that South Africa also shares with the other rising powers. Furthermore, South Africa is also very conscious of the implications of its apartheid past. This has led to a noticeable reluctance to impose or put pressure on other African governments, and it has tended to pursue a very consensus-focused approach.

While South Africa remains committed to conflict prevention and interventions to secure peace, it is also heavily influenced by the weight of its own history. These historical experiences have provided the country with a special moral legitimacy that has led to great expectations – especially in the global North and West. However, this historical legacy also has another dimension with a strong focus on anti-imperialism, South-South cooperation, and the protection of national sovereignty that has tended to undermine human rights principles and Responsibility to Protect approaches [Nathan, 2009].

These factors combine to explain the rather mixed record of South Africa’s contribution to governance issues and peacemaking in Africa. While the role of China, India and Brazil can be summarised as gradual and reluctant engagement in African politics, that of South Africa may be described as that of a “hesitant hegemon”.

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