

Innovating South-South Cooperation: Policies, Challenges and Prospects (University of Ottawa Press, 2019)

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Summary

Perceptions and experiences of globalization wax and wane. The trade opportunities generated by increasing global connectivity have both been heralded for their unparalleled benefits and condemned for their risks. Whatever may be said about globalization, it cannot be denied that the global economy that emerged over the last three decades brought about an unprecedented appetite and opportunity for a growing network of ties, connections, and engagements throughout the world. A specific expression of this phenomenon is its manifestation between the people and countries of Africa, Asia, Latin America and the Pacific. Metaphorically referred to as the South – but not necessarily geographically accurate – this South-South Cooperation (SSC) is played out through financial flows, trade, investment, supply and production chains, knowledge sharing as well capacity development.

SSC is both an old concept and a new idea, an old analysis and a new policy directive. Although the notion has existed for decades, it has grown in importance and function, especially since the early 2000s. It has transformed global economic structures, forcing us to redefine traditionally understood words, most notably “region” and “development.” It has manufactured new alliances, new trading partners and new methods for economic development, especially in emerging countries. Yes, in spite of the important role these forms of cooperation play in global trading affairs, and in turn socio-political realities, a critical study of SSC is lacking in scholarship. The concept has been gaining momentum faster than academic literature has been able to keep up.

The edited book, titled *Innovating South-South Cooperation: Policies, Challenges and Prospects* published by University of Ottawa Press arose out of an evident lack of literature on SSC, both in academia and the policy world. As many chapters reveals, the present understanding and future of SSC depends on many factors, such as improving means of communication and sharing of knowledge among partner countries and adopting a more analytical approach to define emerging modalities and practices of SSC. Thereby, this manuscript brings together an array of studies focused on the various regions, to examine the distinctions that shape the forms and functions of SSC. This publication fills this gap in the literature, addressing both SSC as a concept and providing several regional and international examples of these forms of cooperation and their importance in understanding major development challenges in today’s world.

The book brings together leading academics and respected practitioners from around the Global South and elsewhere who have been directly involved in issues relating to SSC and its modalities. In these chapters, they expand ideas and policy recommendations on the current and future structural elements of SSC. The book is divided into two parts: The first four chapters revolve around SSC policy and programs, while Part 2 includes seven chapters that make up case studies from China, Africa, Brazil, Indonesia and Turkey.

In **Chapter 1**, *Fulfilling the Promise of South-South Cooperation*, Manmoham Agarwal shows that although there is an argument for the emergence of SSC in the developing world in the 1960s, few efforts came to fruition during this period. In contrast, globalization and current trends in Foreign Direct Investment (FDI) ensures that SSC has a sound platform for improving the economies of developing states. The chapter presents the argument that SSC has been, and will continue to be, a reality for South-South trade. It provides an analysis that is particularly helpful to emerging economies that can help one another boost their gross domestic product through intra-regional trade efforts. The chapter also looks to the need for institutional change, particularly at the G30, to further this potential. SSC is necessary to sustain high rates of growth in developing countries, further demonstrating that the future of SSC is effective for improving economic growth in in the Global South through key advances.

In **Chapter 2**, *South-South Cooperation Blocs and Influence in Development Assistance*, Natasha Fernando introduces SSC as an agent for social progress for developing countries. She discusses the UN's efforts in coordinating and promoting SSC, including the aid trajectory of SSC blocs such as IBSA and BRICS. Examples of SSC good practices in areas such as the environment, nutrition and food security, health and social protection, education, gender equality, child labour, water and sanitation hygiene are shared. The ultimate objective of the chapter is to demonstrate how the country blocs of SSC are collaborating, with or without the UN system, to deliver value-added, successful development initiatives that typical North-South arrangements have not achieved.

Chapter 3, *Triangular Cooperation: Another Option for South-South Cooperation?* by Christina Lengfelder, introduces Triangular Cooperation as an additional form of SSC to the literature, identifying areas of cooperation and actors involved. The chapter discusses the potential to increase effectiveness and efficiency of SSC and North-South Cooperation (NSC) through Triangular Cooperation and presents four criteria for potentially successful projects. Finally, the chapter provides recommendations on how to proceed with this new cooperation modality without compromising the needs of developing countries. The aim of the chapter is therefore two-fold: to familiarize the read with a largely understudied development cooperation modality and to invite the reader to take a critical look at its purpose, considering the controversy around its potential to improve SSC and NSC.

Chapter 4, *Fragile to Fragile Cooperation: An Example of a New Trend in South-South Cooperation?* by Karolina Werner, seeks to acknowledge the gaps in the aid and development policy architecture. In 2013, the g7+ group of fragile states proposed a new system of cooperation between countries, labelled Fragile-to Fragile (F2F) cooperation. F2F is focused primarily on peace and state building objectives and supports the implementation of the New Deal for Engagement of Fragile States. This chapter explores how the new framework of F2F cooperation can be understood within the context of South-South Cooperation. It discusses the origins of F2F cooperation, and analyzes its unique aspects, such as its focus on peace and state-building and the potential role it has in responding to the weaknesses of the current system. The author argues that F2F is a natural development that builds on the foundations provided by SSC, giving fragile states and international partners a framework within which to support the goals of the g7+ and increase the group's political influence.

Chapter 5, *South-South Cooperation with a Chinese Characteristics*, by Ward Warmerdam and Arjan de Haan, captures the emergence of China as an important player in SSC. The first two sections of the chapter present Chinese definitions of SSC and its historical context. The next sections discuss the role of the UN system in China's SSC programs, how China views the North-South dialogue, and the Forum on China Africa Cooperation (FOCAC). The chapter then discusses the role of China's Go Out policy in its SSC and

provides three examples of SSC projects by Chinese practitioners. The final section concludes with an account of select problems of SSC as discussed by Chinese scholars and practitioners.

Chapter 6, *China and Africa: Somewhere Between Economic Integration and Cooperation*, Ariane Goetz assesses key characteristics of the Chinese presence in and cooperation with African states. The author first highlights the significance that China-Africa Cooperation has gained during the last three decades in the areas of trade and investment. She then introduces the main institutions, instruments, and principles that facilitate this form of SSC and discusses the extent to which these are unique to China-Africa Cooperation, followed by an examination of the impact of the intensified relations between African countries and China with regards to China, the continent and third parties. The chapter concludes with a look at the unique nature of Chinese cooperation with African countries – in view of international development, outcomes and institutions – and considers the factors that would ensure these relations are mutually beneficial.

Chapter 7, *What Does the Evidence Say about Contemporary China-Africa Relations?* By Barassou Diawara and Kobena Hanson, investigates China's interest in Africa under the guise of South-South Cooperation in an era of economic globalization. With heightening of cooperation, trade has expanded rapidly, growing from approximately US\$2 billion in 1999 to over US\$200 billion by 2015. This chapter assesses the relationship between China and Africa post 2000, paying closer attention to the exchanges crucial to both regions in terms of investment, trade and natural resource management; and argues that while the relationship is generally mutually beneficial, if it is to be more strategic and sustainable, the African continent need to have a more cohesive policy towards China. China also needs to ensure that accountability and monitoring frameworks are guaranteed, and both sides need to advance the transfer of technology and know-how as well as strengthen the cooperation process.

Chapter 8, *South-South Cooperation's Contribution to Local Development and Urban Planning in Africa*, by Cristina D'alessandro, analyzes South-South Cooperation from a human geography perspective. Using the work of geographers such as Emma Mawdsley, it challenges common representatives and interpretations of SSC and goes beyond the most numerous China-African experiences to focus on other case studies, like the Brazil Agricultural Research Corporation (EMBPRAPA), an example of cooperation between Brazil and Africa related to agriculture. At the core of the chapter is a local perspective on SSC – what it brings to decentralization and local development. More specifically, in urban African contexts, examples from South Africa, Lesotho, and Mozambique, among others, are used to point out that SSC is an excellent tool to make city planning and development more sustainable. The conclusion summarizes the benefits of these approaches from the implementation of 2030 Agenda for Sustainable Development, within the finance for development requirements.

Chapter 9, *Natural Resource Governance in Africa: Insights from Governance Initiatives on Conflict-Prone Minerals and Sustainable Forestry*, by Andrew Grant, begins by emphasizing that South-South Cooperation is not a new concept, although developments in recent years have heightened its dialogue. Grant adds to the importance showcasing new forms of natural resource governance in the African context, using, as examples, the International Conference on the Great Lakes Region, and la Commission des Forêts d'Afrique centrale (the Central African Forests Commission). He combines network governance theory with the new regionalisms approach to argue that the stronger the network density, the greater the amount of authority and legitimacy available for natural resource governance initiatives. The chapter concludes with policy recommendations for African natural resource governance bases on the analysis development in the context of SSC.

Chapter 10, *Emergence of Mega-Regional Trade Agreements and the Imperative for African Economies to Strategically Enhance Trade-Related South-South Cooperation*, by Simon Mevel, empirically assesses the implications which the conclusion of emerging mega-regional trade deals may have on Africa and its economies. Findings indicate that African states would suffer from erosion of preferences and subsequent reduction in their exports towards members of major mega-regional blocks. Evidence further suggests that Africa's best response would be to effectively implement its own mega-regional trade agreement: the African Continental Free Trade Area (AfCFTA). Moreover, and with the AfCFTA in place, African countries would then be in a better position to open-up vis-à-vis the rest of the world, starting with partners from Asia and the Middle East. Prioritizing such South-South Cooperation would not just be in Africa's interest as Southern partners would also be expected to benefit from trade ties with the African continent.

In **Chapter 11, *Learning from Peers: How Brazil and Indonesia Are Structuring Institutional and Operational Models for South-South Knowledge Exchange***, Karin Costa Vazquez compares the process of structuring instructional and operational models for South-South knowledge exchange in Brazil and Indonesia. While Indonesia's knowledge hub established broader policy objectives and systematized the country's own knowledge, it has not clustered activity-based initiatives into more complex knowledge programs, nor has it embedded robust partnerships into its knowledge programs. Brazil's knowledge hub, created when the country was a recipient of aid, has managed to innovate in program design and partnerships. The chapter concludes by identifying lessons learned and recommends ways to advance the institutionalization of South-South knowledge exchange in both countries based on each other's experiences and practices.

Chapter 12, *An Emerging Donor in Retrospect: Understanding Turkey's Development Assistance Activism*, by Aylin Yardimci, provides an account of the progression of Turkey's outlook on development cooperation and outlines the evolution of the country's experience in development assistance within a historical-political-economy perspective. The chapter opens with an overview of the changing dynamics of international development assistance and the current debates surrounding the non-traditional emerging donor countries. It then presents a brief outline of Turkey's history as a recipient of the United Nations Official Development Assistance program, followed by a closer look at its transition to a donor country in recent years. The chapter's overall aim is to emphasize the value added by Turkey's development assistance practices and policies to the wider context of SSC.

SSC is growing in significance and form and academic literature is slowly entering into the policy landscape, critiquing not only the assumptions of SSC, but also its very definition. This book intends to push this scholarship even further, noting the myriad ways in which SSC operates – from aid to trade – and recognizing the regional peculiarities of the concept. SSC is not a new form or even an alternative form of global relations; it is something much grander, encompassing socio-economic traits and shifting power, traditions, and lenses in the process. The aim of this book is to shed light on these very important concepts.