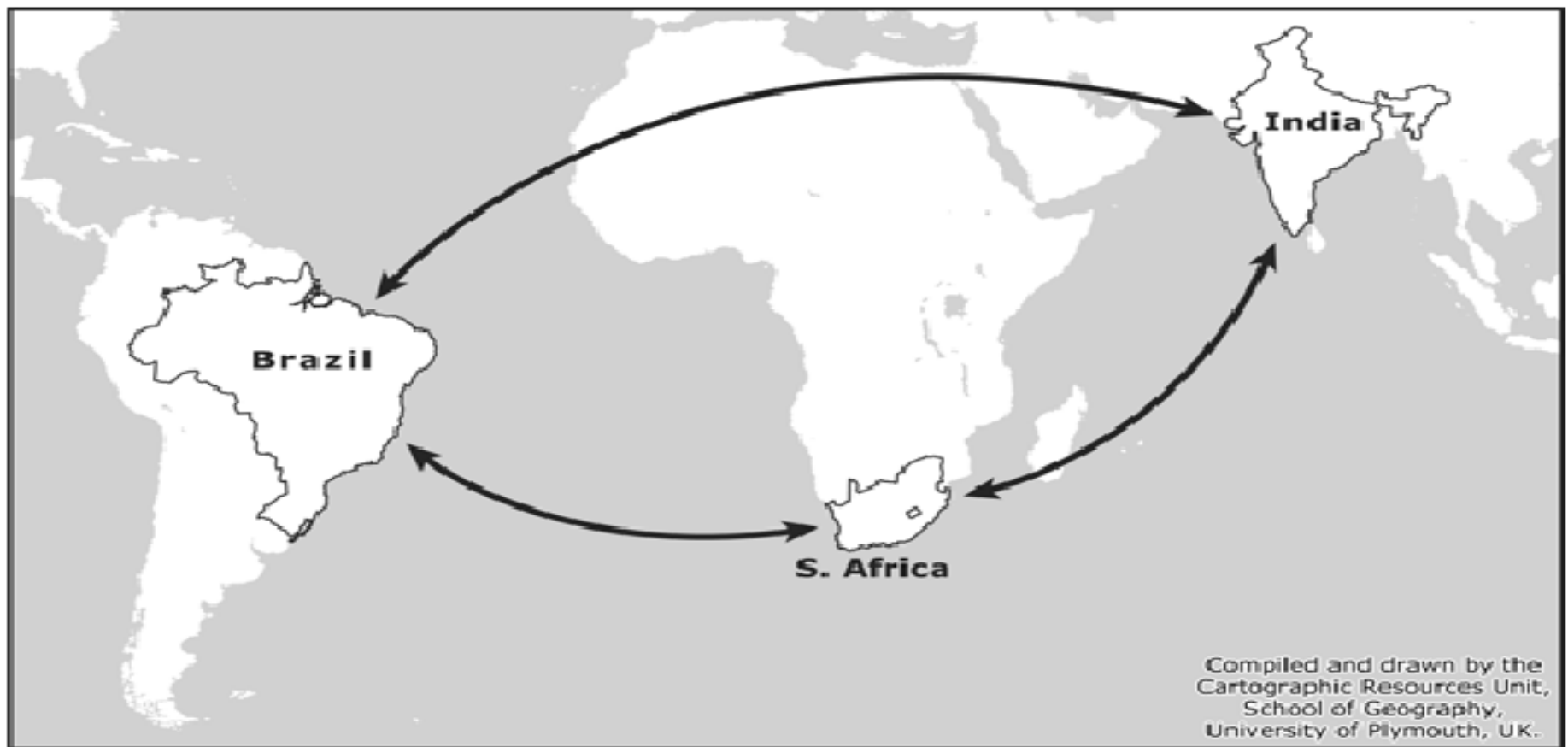


IBSA: Reflect, Realign & Redefine



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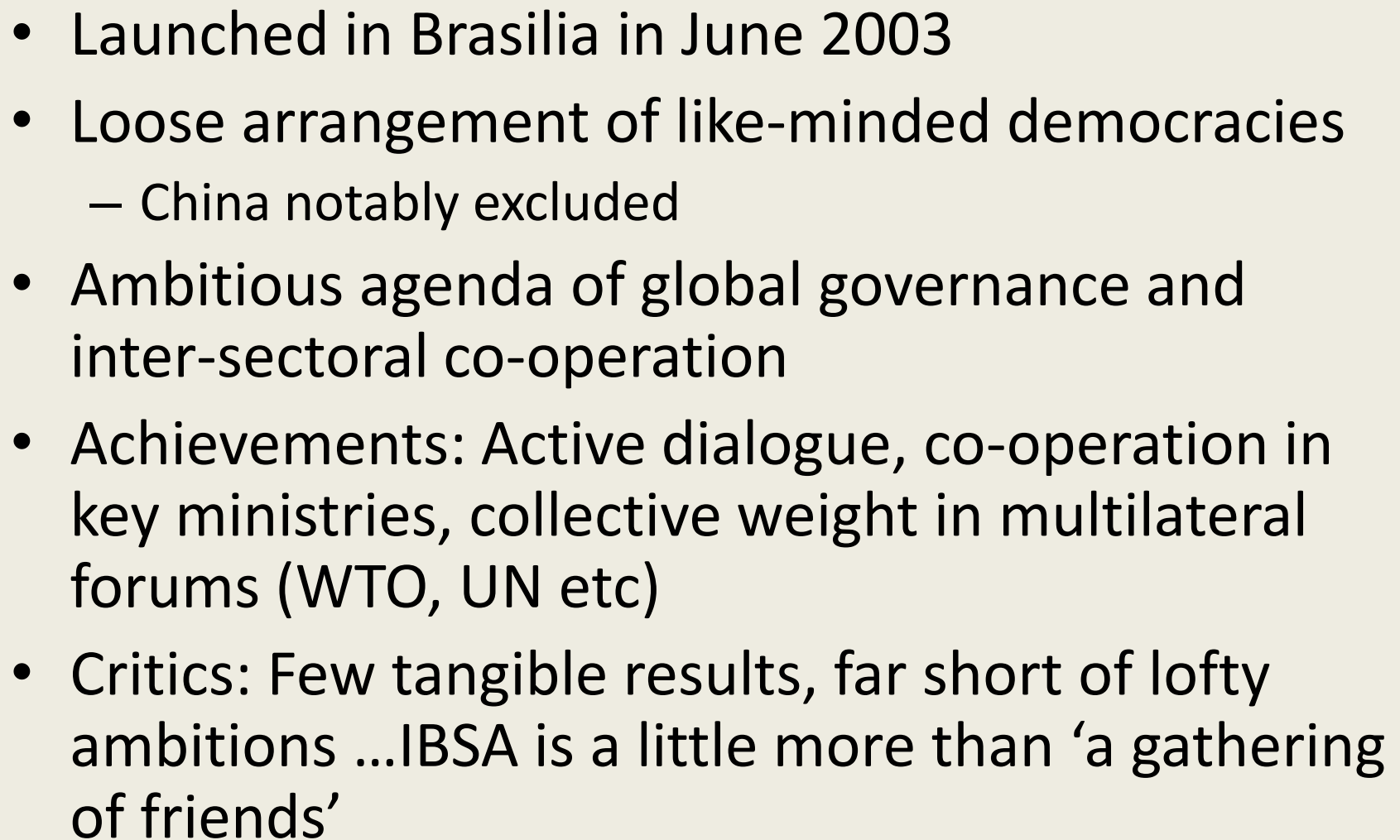


Issues for Discussion

- After 7 years IBSA is no longer in its infancy
- Expectations vs results & substance
- Current circumstances – the financial crisis and a changing global order – IBSA and its role is more pertinent than ever...Reflect and redefine (Plurilateralism?)
- Merits of such a coalition of emerging powers (exclusion factor – 'IBSA is a developing south initiative driven by India-Brazil-SA')
- IBSA and BRIC – which one?
- Forum for development co-operation – especially in Africa – Emerging providers and 'the business of development'

Background to IBSA



- 
- Launched in Brasilia in June 2003
 - Loose arrangement of like-minded democracies
 - China notably excluded
 - Ambitious agenda of global governance and inter-sectoral co-operation
 - Achievements: Active dialogue, co-operation in key ministries, collective weight in multilateral forums (WTO, UN etc)
 - Critics: Few tangible results, far short of lofty ambitions ...IBSA is a little more than 'a gathering of friends'

- Have members drifted apart?

Different views of IBSA emerging

- **India**: Goes it alone, low profile, multilateral agenda (boost nuclear aspirations)
 - **Brazil**: Leading nation, increasingly part of its southern development strategy and the development dimension of its foreign policy (esp. in Africa)
 - **South Africa**: Part of a heavyweight collective, drive a multi-polar agenda
- And BRIC...

Taking Stock

A forum for dialogue and action?

- IBSA has improved relations between India, Brazil and South Africa
- Platform for dialogue, common culture of constructive co-operation
- Compliment bilateral relations?
- Political co-ordination
 - Eg. 96% vote convergence in the UN
- Market convergence is poor...and market integration is a pipe dream
 - Trilateral trade increased 3-fold (\$10 bill in 2008)
 - Insurmountable regional constraints pre-date IBSA
 - Trade agreements would be more symbolic
 - Trade facilitation through improved connectivity and harmonised policies would be more beneficial than high level agreements

IBSA Working Groups and Forums



- 17 government-to-government working groups
- 7 people-to-people forums (for non-government relations)
- Mixed results:
 - Science and technology,
 - Biofuels, climate change and energy
 - Revenue services
 - Business forums

Much criticism around working groups:

They lack coherence and focus, and results have been too few and slow in coming.

IBSA's Unexpected Success Story

- IBSA's development fund is a simple and effective approach to developmental assistance
- US\$1 million annual contribution per country, administered by the UNDP
- Targets small, localised projects in most impoverished parts of the world
 - Haiti: Waste management
 - Guinea Bissau: small-scale agricultural management
 - Cape Verde: Health care clinic
 - Burundi: HIV/Aids clinic
 - Palestine: Sports centre
 - Gaza: School
- Liaises/partners with local governments and contractors
- An effective instrument that demonstrates IBSA's true potential

Development Co-operation and IBSA

- IBSA has always had a strong development orientation
- Celso Amorim: 'IBSA: forum for economic development and social equity'
- Now Inclusive Growth
- Emerging powers have become emerging providers/donors
 - Have a strong foreign assistance dimension in their external policy
- Brazil has prioritised this in its foreign policy – especially in Africa
 - Social Technology: Innovative blend of social assistance and technical support
 - Business of development is increasingly relevant
 - Agricultural development, energy, biofuels/bioethanol production
- Africa: South Africa is an obvious partner and IBSA an appropriate platform/forum

Building on Existing Initiatives

- Development banks, credit lines and the IBSA development fund.
- Combining the expertise and finance of bilateral initiatives with the IBSA development fund to develop a broader IBSA-wide arrangement with third party recipients

Result: An augmented fund with an amplified impact

IBSA vs BRIC

- Rise of BRIC has been widely misunderstood – esp. in South Africa
- Collection of emerging economic powers, perhaps with a global voice (in the future) but with different objectives and little consensus
- Little or no development priorities
- More about broad economic reforms and restructuring global financial architecture
- This is increasingly different to the role of IBSA
- BRIC has REAL appeal – especially to business
- They operate in different dimensions
- IBSA represents a more 'plurilateral' perspective?
 - Far more activist (even interventionist) in its development agenda with recipient partners

IBSA: A Plurilateral Arrangement?

- IBSA's mixed record begs a revisit of its defined role, relevance and activities as a South-South forum
- Development co-operation is an area of real potential for IBSA
- This incorporates all working groups and non-government forums and is increasingly part of the foreign policy priorities of IBSA countries
 - Emerging providers over and above emerging economic powers
- This may be construed as a plurilateral agenda that is both active and influential in the developing world
- This is the distinguishing characteristic between IBSA and other emerging power groupings like BRIC
- BRIC is founded on economic imperatives, while IBSA aspires to development and political co-operation
- They can and should co-exist



Thank You

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