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IBSA Dialogue Forum: An Assessment

Ruchita Beri

Abstract

The formation of the India–Brazil–South Africa (IBSA) Dialogue Forum signals a new phase in South–South cooperation. This paper argues that the IBSA represents the partnership of three like-minded democratic countries, predominant in their respective regions, with some common agenda for the future. The paper argues that the IBSA partnership is still in its formative years and the best is yet to come. There is a need for intense consultation and communication to fructify the goals of IBSA. The paper suggests that the IBSA partners need to build on the successes achieved to date and recognize the fact that there will be significant challenges along the way.

IBSA is a unique model of trans-national cooperation. Our three countries come from three different continents but share similar world views and aspirations. If we can make a success of our model of cooperation based on collective self-reliance, it will serve as an example for all developing countries.

– Indian Prime Minister Manmohan Singh¹

In recent years, India has sought to engage the world as never before. While it is striving to develop a strategic partnership with the United States, it has also engaged with the European Union, Russia, China, Japan, its South Asian neighbours, Brazil, and South Africa.² It has sought to develop closer ties with South-east Asia through the 'Look East' policy and, through initiatives like Focus Africa and Focus LAC, with Africa and Latin America. At the same time, it is part of multilateral initiatives like the Shanghai Cooperation Forum (SCO) and trilateral dialogues with China and Russia. A new fulcrum to this strategy was added recently with the formation of a new trilateral grouping, the IBSA Dialogue Forum.

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The foreign ministers of India, Brazil, and South Africa met in Brasilia in June 2003 to inaugurate the India–Brazil–South Africa Trilateral Dialogue Forum, more generally known as IBSA. Five meetings of the trilateral ministerial commission have already taken place; the last one in May 2008 at Tshwane. The first historic IBSA summit was held in September 2006 at Brasilia, and the second in October 2007 at Tshwane, South Africa. IBSA is a unique forum for cooperation amongst three regional powers, representing three diverse continents that are large democracies and are active on the global scale.

Furthermore, each country – India, Brazil, and South Africa – has to contend with political, economic, and security concerns within a very fluid international environment. The global scenario today is characterized by contestation between what many perceive as the unilateralist tendencies of the United States as the sole superpower and the emerging multipolar tendencies of countervailing coalitions of forces aimed at containing and ‘soft balancing’ American unilateralism, of which IBSA is considered by some as a more benign example.³

This paper seeks to critically analyse the prospects of the IBSA Dialogue Forum. The first section examines the genesis of the grouping and places each country within the regional context. The second section discusses the significance and scope of cooperation. The third section analyses the achievements of this grouping and finally, the challenges faced by the trilateral grouping are considered.

IBSA: The Genesis

IBSA has attracted a great deal of interest from different quarters. However, it is not a formal organization. It is mainly a grouping of like-minded countries in similar stages of development, sharing historical ties. It is a mechanism that allows the governments of three countries to coordinate their positions on important issues and strive for cooperation. It is important to ask, then, how is IBSA different from other trilateral initiatives which India is part of, like the India–China–Russia forum? An important point to remember here is that all three are strong democracies and aspirants for a permanent seat in the UN Security Council. They are multicultural societies and represent three different regions of the developing world. In essence, they have a pre-eminent status in their respective regions: India is a dominant power in South Asia; Brazil occupies a dominant position in South America; and South Africa is the political and economic powerhouse in Africa.

India

A recent report published by the US National Intelligence Council suggests that India will emerge as an unrivalled regional power by 2015.⁴ This is hardly surprising, as in terms of area, population, and size of economy, India is the most dominant state in the South Asia region (see Table 1). However, India's neighbours have always been wary of its leadership, often dubbing it as a 'hegemon'. Since the late 1990s, India has strived to mend relations with its immediate neighbours Pakistan and China.⁵ Similarly, it is engaging Nepal, Sri Lanka, and Bangladesh.

India's strategy to be part of the IBSA triangle can be explained by the changing nature of its foreign policy in the post-cold war era. As Muni and Raja Mohan assert, in the post-cold war era, 'with the global power system dominated by United States, India has two options, one to join the sole super power and the other to join (other) powers to counterbalance it'.⁶ India appears to have been trying to strike a balance in recent years. It has on one side deepened its relationship with the United States, to the extent that 'the leadership has described New Delhi and Washington as natural allies'.⁷ On the other hand, it has forged coalitions with other powers calling for a multipolar world order. India is of the view that the current institutions of global governance do not reflect the current changing geopolitical situation. The asymmetry between states is reflected even in the institutions of global governance. It is for this reason that India seeks to create a new multilateral forum like IBSA and aspires to a multipolar rule-based multilateral system.

Brazil

While soccer, samba, and carnival may sum up Brazil's mystique, there is no doubt that in quantitative terms, Brazil is the dominant power in South America (see Table 2). Brazil's regional environment is heavily influenced by its 'giantism'.⁸ It is the fifth largest country in the world in terms of population and territory and between the tenth and twelfth in the world in terms of its economy. Brazil is the only country in South America with fully developed economic sectors ranging from the most modern agribusiness to a highly sophisticated ICT sector and increasing investments in neighbouring countries. Because of its comparative economic dynamism, Brazil has emerged as a leader for regional integration in South America. This trend is quite similar to South Africa's post-Apartheid expansion throughout Africa.⁹

Table 1 Socio-economic indicators: India and its neighbours (2005)

Country	Area (square km)	GDP (\$ billion)	GDP per capita (\$)	Life expectancy at birth	Infant mortality rate (per 1,000 births)	Adult literacy (% aged 15 and above)
India	3,287,590	805.7	736	62.9	56	61.0
Bangladesh	143,998	60.0	423	62.0	54	47.5
Bhutan	47,000	0.8	1,325	63.5	65	47.0
Maldives	298	0.8	2,326	65.6	13	96.3
Nepal	147,181	7.4	272	61.3	56	48.6
Pakistan	796,095	110.7	711	63.6	79	49.9
Sri Lanka	65,610	23.5	1,196	70.8	12	90.7

Source: *Human Development Report 2007/2008* (New York, United Nations Development Programme, 2007), pp. 230–231, 262–263, 278–279.

Table 2 Socio-economic indicators: Brazil and its neighbours (2005)

Country	Area (square km)	GDP (\$ billion)	GDP per capita (\$)	Life expectancy at birth	Infant mortality rate (per 1,000 births)	Adult literacy (% aged 15 and above)
Brazil	8,511,965	796.1	4,271	71.0	31	88.5
Argentina	2,780,400	183.2	4,728	75.0	18	97.2
Bolivia	1,098,581	9.3	1,017	63.9	52	95.6
Chile	756,626	115.2	7,073	77.9	8	95.6
Paraguay	406,752	7.3	1,242	70.8	20	92.7
Peru	1,285,216	79.4	2,832	69.9	23	82.5
Uruguay	177,414	16.8	4,848	75.3	14	97.3

Source: *Human Development Report 2007/2008* (New York, United Nations Development Programme, 2007), pp. 229–230, 261–262, 277–278.

Moreover, the intergovernmental relations of Brazil with its neighbours are generally depicted as good. The emergence of the IBSA alliance in the Brazilian context can be traced to the changes in Brazilian foreign policy under President Fernando Henrique Cardoso. He launched the policy of regional integration amidst the United States moves to expand the North American Free Trade Agreement (NAFTA) to the Free Trade Area of the Americas (FTAA). Under current President Luis Inácio Lula da Silva there has been a deepening of this regional integrationist zeal. He appears to have given it the priority over the pro-American NAFTA. At the global level, apart from the emphasis on the traditional Brazilian policy of multilateralism, the focus fell sharply on South–South cooperation, with the fervour to work towards a multipolar world system.¹⁰

South Africa

South Africa is the dominant power not just in southern Africa but the entire African continent, in economic and military terms. It is the largest economy in Africa, with its GDP currently pegged at \$240 billion (see Table 3). The next two largest economies are Nigeria and Egypt. In fact, economically, it accounts for about one third of Africa's gross domestic product.

Within the region, the Apartheid-era army's destabilization of its neighbours has left a profound distrust of South Africa's military interventionism, which remains strong today.¹¹ The two successive post-Apartheid governments have articulated one non-hegemonic, non-confrontational approach vis-à-vis the rest of the continent.

The country has played a hyperactive role in the continent's affairs. This involved negotiating a new legal normative and principled set of governance values that are enshrined in the African Union and the economic policy initiative of the continent, the New Partnership for Africa's Development (NEPAD).

In the case of South Africa, too, the emergence of IBSA can be related to the powerful strain of multilateralism and South–South cooperation in President Thabo Mbeki's foreign policy. He has often lamented about South–South cooperation at multilateral fora and has 'touted the idea of a G8 of the South, to ensure that the developing countries of the South play a meaningful role in the global institutions'.¹² Mbeki has been recognized as

Table 3 Socio-economic indicators: South Africa and its neighbours (2005)

Country	Area (square km)	GDP (\$ billion)	GDP per capita (\$)	Life expectancy at birth	Infant mortality (per 1,000 births)	Adult literacy (% aged 15 and above)
South Africa	1,221,037	239.5	5,109	53.5	55	80.9
Angola	1,246,700	32.8	2,058	41.0	154	54.2
Mozambique	801,590	6.6	335	44.0	100	25.0
Namibia	824,292	6.1	3,016	51.5	46	83.5
Swaziland	17,364	2.7	2,414	43.9	110	78.3
Zambia	752,618	7.3	623	39.2	102	59.8
Zimbabwe	390,757	3.4	259	40.0	81	86.2

Source: *Human Development Report 2007/2008* (New York, United Nations Development Programme, 2007), pp. 231-232, 262-263, 278-279.

the father of the IBSA initiative, both in India and South Africa. The initial reference to such a triangle can be traced back to his visit to India in 1996, when he called South Africa a bridge between India and Latin America.¹³

Dimensions of IBSA Cooperation

Significance

From the very beginning, it was clear that the IBSA forum would advance South–South cooperation. The main thrust behind the formation of IBSA appears to be on equalizing the political and economic architecture of the international system by developing a consolidated position of the South on issues related to global governance. Prime Minister Singh reflected this in his address in 2007, saying that the three countries had ‘found a renewed convergence of interests on major international issues of contemporary importance’ and needed ‘to forge the closest cooperation possible’ to ‘ensure a more equitable international political and economic order’.¹⁴ These issues include:

UN Security Council Reforms: The IBSA countries have focused on bringing out a cohesive position on issues such as the reform of global institutions, particularly the UN Security Council (UNSC). The purpose is to secure a greater voice and decision-making power in international processes and organizations for the South. For Brazil, the issue of UNSC reforms led it towards forging the IBSA partnership.¹⁵ President Lula da Silva reflected on it in the 2007 IBSA meeting, saying that the UNSC did not ‘represent the newly established geo-politics of the world’ and that the world demanded and needed a changed United Nations. India, as part of the G4 (Group of four – alliance between India, Japan, Germany, and Brazil to support each others bid to the UNSC), has been quite active along with Brazil in promoting a more inclusive UNSC.

India has long held that the UNSC must reflect contemporary geopolitical realities and not those of 1945. South Africa has also called for a rule-based global order with the dire need to overhaul the existing structures within the United Nations.¹⁶ The declaration after the October 2007 meeting in South Africa stated that all the three countries ‘expressed their full support for a genuine reform and expansion of the Security Council, in permanent and non-permanent categories of membership with greater representation for developing countries in both’.¹⁷

Equitable Trade: The IBSA countries prescribe alternative economic perspectives at the international fora, especially in terms of the World Trade Organization's (WTO's) Doha round of trade negotiations. The Brasilia declaration of 2003 made it clear that the three countries would strive for a fair, equitable, transparent, and rule-based multilateral trading system. The IBSA countries want more from the Doha round of global trade talks than pickings from the rich countries' table. Lula da Silva put it quite dramatically during the second IBSA summit at Tshwane: 'We don't want to participate to eat the dessert. We want to eat the main course - duck - and have coffee afterwards if possible.'¹⁸

Security: The IBSA countries have recognized the new threats to security, such as terrorism, drug trafficking, transnational crimes, illegal weapons trade, natural disasters, and threats to public health. They have called for effective international cooperation in tackling these issues.

Innovative Globalization: It has been suggested at the official level that IBSA partnership is an example of 'innovative globalization', where the three countries, despite the vast geographical distance between them, have come together in a quest for greater autonomy. Hence it has potential for shaping the debate on global issues and influencing its course so that 'globalization becomes a positive force for the benefit of the developing countries'.¹⁹

Not an Anti-US Forum: IBSA is not projected as a forum designed to confront the United States. As per Brazilian Foreign Minister Celso Amorim's observation, 'we are not against anyone'. In fact, all three countries are involved in strategic and economic dialogues with the United States and the European Union.

South Africa, under President Mbeki's leadership, has taken the lead in launching NEPAD in Africa, which emphasizes a liberal economy and good governance. Because of this, it has been accused of 'subimperialism' in the region and of serving the long-term objectives of the United States by pursuing a neoliberal agenda in the continent.²⁰ Brazil, which is the preponderant power in South America, is leading the negotiation between Mercusor²¹ and other trading or economic blocs, like the European Union and FTAA. Brazil has also been accused of 'subimperialism' for advocating a liberal economic agenda like the United States. Similarly, India is engaged in a major strategic dialogue with the United States that

encompasses civil nuclear and defence cooperation. The critics of the deal fear the loss of autonomy and the probability of the country becoming a junior partner of the United States.

Assessing Achievements: Early Days?

Supporters of IBSA cite the potential benefits of the forum, given the fact that the three countries have a combined population of 1.4 billion, a nearly \$1.7 trillion GDP, and foreign trade of \$656 billion.²² Though these are early days to assess achievements, compared with other trilateral dialogue that India is part of, such as the forum with Russia and China launched in 2002, the IBSA cooperation has been more substantial. While the Russia–China–India triangle appears to be merely a platform for spouting rhetoric on ‘strengthening the collective approach in world affairs’,²³ IBSA has moved ahead.

Apart from sharing a similar world view and cooperating on political issues, the IBSA countries have signed a slew of cooperation agreements in various fields. The three governments have placed a high priority on the promotion of social equity and inclusion and on implementing policies to eradicate poverty. In this context, they have set up a fund for the alleviation of poverty and hunger. The 52-point declaration issued at the last IBSA summit, in October 2007 at Tshwane, gives a glimpse of the level of cooperation. Since the Brasilia declaration of June 2003, the functional areas of cooperation have been increasing. On last count, 16 working groups have been set up to cover diverse areas: agriculture, climate change, the environment, education, energy, health, science and technology, social issues, tourism, trade, transport, culture, and defence, amongst others. Among these issues, the strategic importance of cooperation in the fields of energy and defence cannot be denied.

Energy Cooperation: Let's Plant Oil!

Energy offers an area of fruitful cooperation, especially in the area of alternative fuels. About 62 per cent of the energy requirements of Brazil are met by renewable sources, of which ethanol from sugar cane accounts for as much as 10 per cent. Brazil is the pioneer in use of ethanol as an alternative fuel in automobiles. It launched ethanol-driven cars in 1975,

and today 80 per cent of the cars made in Brazil have flexi-fuel engines that can use either petrol or ethanol.²⁴ This expertise provides an opportunity to both India and South Africa, as they both cultivate sugar cane. Given the fact that India is the second-largest producer of sugar cane in the world, after Brazil, and is looking for alternatives to deal with its rising crude-oil import bill, the advantages of cooperation between India and Brazil on this issue are immense.

Similarly, India's capabilities in the fields of solar energy and bio-fuels could be of considerable interest for Brazil and possibly South Africa. In its turn, South Africa is the world leader in coal liquidification technology. It has taken advantage of its abundant coal reserves to develop a highly successful synthetic fuel industry. Even if the commercial viability of this option is doubtful, with oil prices going beyond \$100 per barrel, India may like to explore this alternative. The South African petrochemical major Sasol has approached the Indian government with a \$6 billion investment proposal for a coal liquidification project.²⁵ However, Sasol has made it a precondition of the investment that it be allotted a coal block within India with reserves of at least one billion tonnes. The search for a suitable block is on.

Inspired by the success of Brazil, India, South Africa, the United States, the European Union, and China joined the Brazilian-launched initiative of an international biofuel forum in March 2007. However, there is a growing opinion that the risk of being dependent of biofuels is larger than those associated with crude oil. In fact, in Brazil and in a food-starved continent like Africa there is ongoing debate on the negative impact of the diversion of food crops like sugar cane and cassava for the development of biofuels. There are rising fears that this may lead to the spiralling of food prices, leading to a disastrous effect on food security.²⁶ Though in the case of India this debate is irrelevant, as ethanol in the country is derived from molasses, a by-product of crushing sugar cane, rather than using its juice as is the case in Brazil.

Apart from biofuels, the IBSA countries have also expressed interest in civil nuclear cooperation. At the Tshwane summit, the three countries agreed to explore the possibility of cooperation in the peaceful use of nuclear energy, under the appropriate International Atomic Energy Agency safeguards. They have also promised support to India at the Nuclear Suppliers Group.

Defence Cooperation: Bilateral or Trilateral?

India, Brazil, and South Africa are the leading military powers and arms producers in their respective regions. Therefore, it was not surprising that the IBSA countries included defence cooperation in their plan of action, which covers training, exchanges, combined exercises, and the sourcing, development, production, and marketing of defence equipment.²⁷ It is not clear whether some 'niche areas' have been identified for defence cooperation, but it appears the initial focus will be on bilateral defence cooperation between the three countries.²⁸

Over the years, India's defence industry has developed capacities that cater to a broad production spectrum, from maintenance, repair, overhaul of imported weapons, and licensed production, to designing and developing a range of state-of-the-art weapon systems. South Africa has also built a strong defence industrial base with an emphasis on land systems and aerospace. It is the only major arms manufacturer and exporter in Africa. Key systems produced by the South African defence industry are the Impala Mk-I and I-jet training aircraft, Eland armoured car, Ratel infantry fighting vehicle, and Oryx medium helicopter. In addition there are weapon systems like the G5 155 towed howitzer and G6 artillery systems, the Valkiri multiple rocket launcher, the V3A Kukri short range air-to-air missile, and the Rooivalk attack helicopter.²⁹ Similarly, Brazil has a well-developed defence industry that produces a wide variety of equipment, from small arms to aircraft. The key Brazilian defence firms are:

- Embraer: producer of civilian and military aircraft and parts;
- Imbel: producer of small arms, communication equipment, and munitions;
- Helibras: producer of helicopters;
- Avibras: producer of rockets, rocket launchers, explosives, antenna systems, and aerospace engineering.

India has a longer history of defence cooperation with South Africa than it has with Brazil. The first step towards formalizing the defence ties was the signing of a memorandum of understanding on cooperation in the field of defence equipment between the two countries during then Deputy President Mbeki's visit to India in December 1996.³⁰ However, this agreement

merely facilitated arms transfers between the two countries. A comprehensive defence cooperation agreement between the two countries was signed in September 2000.

India has procured arms from South Africa in the past.³¹ These included ammunition for 155 mm Bofors guns, avionics and night vision, and Casspir mine-protected armoured personnel carriers.³² In the past, the Indian army has also shown interest in T6 155 mm/52 calibre self-propelled howitzer turret made by Denel. Trials to mate the T6 turret to the Arjun tank have also been carried out. South Africa, in turn, has expressed an interest in acquiring Nag, the Indian-developed anti-tank missile which can be mounted on the Rooivalk helicopters.³³

South Africa's naval sector is relatively less developed with no military ships built since 1987, and it has shown keen interest in the field of maritime cooperation with India. The exchange of visits of naval ships between the two countries has taken place regularly since 1994.

There has also been an exchange of visits at the level of chiefs of staff services, and it serves as an important measure for promoting goodwill between the armed forces of the two countries. However, military-to-military ties were affected when South African defence company Denel was blacklisted after alleged complaints of pay-offs in an anti-material rifles supply deal to the Indian army in 2005.³⁴ Recently, it appears that steps have been taken to put the relationship back on track. During the visit of South African Army Chief Solly Zacharia Shoke in September 2007, his talks with the Indian army chief had reportedly focused on enhancing defence industry ties, exchange of personnel, and training.³⁵

The defence cooperation agreement between India and Brazil is fairly recent compared to India and South Africa and was inked during the visit of Brazilian Defence Minister Jose Viegas Filho to New Delhi in December 2003. Cooperation is being visualized in the field of co-production and co-development in aeronautical and ship-building systems and subsystems such as software, avionics, and ordnance.³⁶ It was decided to set up a working group where concrete proposals on defence industry or military-to-military cooperation would be formulated. Other proposals that were discussed were jungle survival training and integrated defence management.

Brazil has a well-developed aeronautical and defence industry and a well-established air defence surveillance system.³⁷ In 2004, an agreement

on cooperation in space technology was signed between the two countries, which included the possibility of launching the Brazilian micro-satellite EQUARAS from India amongst other areas of mutual interest. The cooperation was enhanced by the visit of General J.J. Singh, the Indian Chief Of Army Staff (COAS), to Brazil in May 2006. This visit was unique, as it was the first by an Indian COAS to any South American country. Of late, many South American countries, including Brazil, have shown interest in developing contacts with the Indian army, especially for training and gaining insights from rich operational experience.³⁸

There has also been some development on trilateral defence cooperation recently. During the last IBSA summit it was declared that in order to facilitate defence cooperation, the three countries will conduct joint naval exercises, off the South African coast, in May 2008.³⁹ On the defence industry collaboration there are reports that suggest that India is likely to join in the air-to-air missile (AAM) development agreement between Brazil and South Africa. The issue of cooperation in research and development (R&D) had been discussed during recent high-level Brazilian military delegation visits to India. Brazil and South Africa had announced their AAM cooperation efforts in 2005. The new trilateral agreement is reported to involve India's Defence Research and Development Organisation and Bharat Dynamics Ltd., working in a risk-sharing R&D programme dealing with two projects: a short-range imaging infrared missile derived from the South African U-Darter and the long-range air-to-air missile derived from South African design efforts referred to as Darter-S.⁴⁰

Thus it appears that at present the cooperation is largely bilateral and not trilateral. There are a number of factors that explain the slow pace of trilateral cooperation. First, the IBSA countries are not traditional defence partners. Their existing cooperation has been dominated by North-South partnerships. Another challenge in terms of arms production cooperation is the lack of willingness and capability of the IBSA countries to develop a common interest. Considering the fact that they are competitors in the global arms industry market, fostering cooperation will be a challenge.⁴¹

India-Brazil Cooperation: Carnival is On!

From an Indian perspective, one of the spin offs of the IBSA dialogue is the dramatic increase in cooperation between India and Brazil, in diverse fields. While South Africa and India have historical ties – given

India's role in the anti-Apartheid struggle, the link with Mahatma Gandhi, and the presence of people of Indian origin in the country – these are virtually non-existent in the case of Brazil. Hence the IBSA dialogue has served a great purpose by bringing India and Brazil together.

There have been bursts of economic interaction in the recent years between these two countries. In April 2006, India's generic drug maker Torrent revealed plans for investing \$10 million in boosting its presence in Brazil. The Indian business community has also discovered the Brazilian potential. In May 2006, Tata motors and Marcopolo, the Brazil-based leader in body-building for buses and coaches, announced a joint venture in India to make and assemble fully built coaches. Bajaj Hindustan announced the decision to invest \$500 million to acquire a sugar factory in Brazil.

Similarly, Oil and Natural Gas Corporation Videsh Limited (OVL) has acquired a 15 per cent stake in the oil-rich Campos basin in Brazil. There are other deals in the making. HCL is planning to enter Brazil. Essar is exploring mining opportunities and BPCL is getting into joint ventures with Petrobras for ethanol production in Brazil. The booming trade is an indicator of the progress. From a mere \$200 million in 1998 and \$800 million in 2002, Indo-Brazil trade reached \$3 billion in 2006. The recently formed Brazil-India CEO forum and the growing military-to-military interactions indicate that the Indo-Brazilian carnival is definitely on.

Challenges

While the IBSA Dialogue Forum has great potential, its challenges are greater. They are outlined below.

Lack of Coordinated Plan of Action

While IBSA can boast of clear positions on a host of issues, these have taken the form of declarations and pronouncements rather than actionable strategies.⁴² There have been some exceptions nevertheless, like the climate change conference at Bali. The Bush administration was humbled and shamed by the firm resolve of IBSA countries and China to come out with concrete proposals to play their part in global efforts to prevent climate change. The final agreement included a mandate to negotiate a strengthened second phase of the Kyoto Protocol by 2009, start a process

to finance and deliver clean technologies to developing countries, and a fund to help the victims of climate change.⁴³ However, this is a lone example, that too of a very loose informal cooperation.

Challenges within Respective Regions

One of the major challenges faced by the IBSA states is the risk of being challenged by countries within their respective regions for parading as 'leaders of the South'. This concern is expressed by the Egyptian Ambassador to South Africa:

The problem comes when South Africa wants to decide for the entire developing world. It cannot fly the flag of the whole group until those positions are endorsed by the whole group. We ask are three countries enough to represent the developing world? Do you want to tell me that Pakistan, Indonesia and Malaysia are not important Asian countries in the G-77? Is it only India?⁴⁴

Diverse Perceptions, Competition for Influence

There are also diverse interests and perceptions among the three countries. One of the main areas of cooperation of IBSA is promoting intra-regional trade. There is no doubt that trade volume has grown in the recent years. From a mere \$200 million in 1998, Indo-Brazil trade reached \$2.5 billion in 2005. Similarly, in the last one-and-a-half decades, the Indo-South African trade has grown from almost nil to \$2 billion. While officials are optimistic that once the trilateral free trade agreement is signed things will improve, a reality check reveals that the three countries still do more business with the industrialized countries than amongst themselves. Furthermore, in terms of gaining the export share of the G-7 countries, all three are competitors rather than partners. On trade-related issues, the main priority for Brazil is to access the US market for its agricultural exports. Moreover, India is not willing to open up its domestic markets for agricultural imports, while South Africa and Brazil have no problems in this regard.⁴⁵

Diverse Domestic Pressures

Domestically, the IBSA countries face diverse reaction towards this experiment to forge South-South cooperation. In India, the IBSA engagement

appears to have earned the Singh government brownie points over its coalition partners, particularly the Left. The Left parties were quite critical of the government's policy towards the United States. Hence the IBSA dialogue was welcomed as an attempt to 'revive an independent foreign policy'.⁴⁶ In Brazil, on the other hand, the domestic debate critiques the Lula government's stance on South-South cooperation. It appears that the local elites view 'ties with the industrialized nations more profitable than with those with the South'.⁴⁷

Africa: A Theatre of Competition?

Africa appears to be emerging as a theatre of competition among the IBSA member states. Brazil's leadership has been emphasizing increasingly the importance of Africa in its foreign policy. Lula, while addressing the delegates during the Africa-Latin America summit in Nigeria in 2006, stated that Africa was of the highest priority for Brazil and claimed that since his assumption of office he had 'visited 17 African countries and received 15 of the region's leaders, in addition to having re-established 12 Brazilian embassies'.⁴⁸ While Brazil's Africa policy dates back to the 1960s, it has really come to prominence under President Lula.⁴⁹

In less than five years, Lula has visited Africa seven times. His last tour was in October 2007.⁵⁰ Lula has used the 'African card' quite frequently during his visits and claims Brazil is the 'second largest African country', on the basis of it having the largest population of people of African origin after Nigeria. Such an assertion of Brazil's African identity may be seen as an attempt to address the historical discrimination against Afro-Brazilians, as most of Lula's visits to Africa have been in keeping with his government's affirmative action in favour of Afro-Brazilians.⁵¹ However, one cannot negate the strategic importance of these visits.

In 2006, Lula began his Africa tour with Algeria, the largest supplier of oil to Brazil. In fact, Brazil's business interests in Africa are growing, and it is fast surpassing Portugal as the largest trading partner of former Portuguese colonies in Africa. An example is the trade, which has grown six-fold since 2002, between Brazil and Angola, Africa's second largest oil producer. Brazil is also showing interest in the rest of Africa, in particular South Africa and Nigeria. Moreover, during his tours to Africa Lula has focused on winning the support of Africans on the enlargement of the UN Security Council and Brazil's candidature in particular.⁵²

While Brazil seeks to court the Africans, India is not far behind. India's relations with Africa are historic, and these ties were rejuvenated with high-level visits to Africa during 2007.⁵³ External Affairs Minister Pranab Mukherjee visited Ethiopia in August 2007, followed by the visit of the leader of the ruling Congress party, Sonia Gandhi, to South Africa. In October, Prime Minister Singh visited Nigeria and South Africa. The latter trip was primarily to attend the summit of the IBSA Dialogue Forum.

This closeness is reflected in the burgeoning trade between the two regions. India's bilateral (non-oil) trade with Africa has grown more than ten-fold from \$967 million in 1990–1991 to \$11.8 billion in 2005–2006.⁵⁴ The government has launched a number of Africa-centred initiatives in recent years: for example, the Focus Africa initiative, launched in 2002 to increase trade with Africa, and the Techno Economic Approach for Africa–India Movement (TEAM 9) initiative, launched in 2003 to build ties with the Francophone and Lusophone countries in Africa.⁵⁵ Most significant was the India Africa Forum summit held in April 2008.

Finally, a series of India–Africa conclaves have taken place in partnership with Indian industry with focus on joint ventures and transfer of technology and skills. These conclaves discussed projects on various fields, including infrastructure, information technology, agriculture, banking, small and medium industry, and energy. In the energy sector, Indian companies like OVL have invested in assets in Sudan, Ivory Coast, Libya, Egypt, Nigeria, Nigeria-Sao Tome Principe Joint Development Area, and Gabon.⁵⁶ A private sector company, Reliance, has also invested in equity oil in Sudan and has acquired a majority stake in Gulf Africa Petroleum Corporation, an East Africa-based oil retail distribution company.⁵⁷ The revitalized India–Africa strategy rests on the tripod of technology, training, and trade.

Like India and Brazil, in the post-Apartheid era South Africa's economic role has developed rapidly across the African continent. Alden and Soko suggest that in the last ten years, South Africa has become a significant investor in the African continent, challenging the position of multinational corporations from the United States and Europe.⁵⁸ South Africa's trade with Africa has risen by more than 300 per cent since 1994. According to the statistics available, its total trade with Africa increased from \$1.7 billion in 1994 to around \$7.1 billion in 2003.⁵⁹

South Africa's forays into Africa have been spurred by the high priority given to the continent in its post-Apartheid foreign policy. This has been informed by the logic that good governance, political stability, and sustainable development across the African continent are essential for the well-being of South Africa. As Nelson Mandela had said, 'South Africa cannot escape its African destiny. If we do not devote our energies to this continent we too could fall victim to the forces that brought ruin to its various parts.'⁶⁰ Initiatives such as the 'African Renaissance' and NEPAD have helped in the expansion of South African economic and political influence across the continent.

Thus, all three IBSA countries appear to be competing for increased influence both economically and politically in the African continent. This obviously brings forth new challenges to the sustainability of their trilateral relations.

The China Factor

While the IBSA countries may be considered dominant within their respective regions, they have to deal with competition from other powers, notably China, for the leadership of the South. China has often claimed to be the 'largest developing country of the world'. China has been active in forging partnerships all across Asia, Africa, and Latin America, offering economic aid and political support, promising to be an 'all weather friend'.⁶¹ China's policy of dumping cheap Chinese goods across the neighbourhood of IBSA countries has created problems for their industries.⁶²

Conclusion

The flurry of meetings and action plans suggests that IBSA is a happening forum and has a lot of promise. IBSA leaders have found an opportunity to meet twice at summit level and meet informally on the sidelines of other multilateral events, particularly the UN General Assembly or the G-8 summit. This invariably helps the leaders in improving their 'comfort levels' with one another. The very fact that the IBSA countries have been able to come up with common positions on some issues and also have been able to shape the proceedings of key meetings is also commendable.

The credit for the dissolution of the WTO meeting at Cancun goes to the IBSA countries. Nevertheless, beyond these regular meetings, the IBSA

leaders have failed to translate their statements into real action. Similarly, while IBSA sectoral cooperation is expanding rapidly, it appears the cooperation is more at the bilateral than at the trilateral level. In fact, there has been substantial improvement in relations between India and Brazil ever since IBSA came into being. However, there are several challenges to this partnership. The IBSA countries have diverse opinions on several issues and also have varied domestic pressures that can unravel the cooperation. These three can also be seen as competitors, especially in the African region. The rise of China and its claim as the leader of the developing world adds to the problems of the IBSA countries.

The IBSA partnership is still in its formative years and the best is yet to come. There is a need for intense consultation and communication to fructify the goals of IBSA. In the mean time, India and its IBSA partners need to ensure that they build on the successes achieved till now and recognize the fact that there will be significant challenges along the way.

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