

IBSA Partnership for Shared Prosperity and Inclusive Globalization- Report of Third IBSA Summit Academic Forum



The IBSA Academic Forum met in New Delhi on 13-14 October 2008 with participants from India, Brazil and South Africa coordinated by RIS. The Meeting was inaugurated by Shri Pranab Mukherjee, Honourable External Affairs Minister of India, who expected the Academic Forum of IBSA to evolve over time into a think-tank of the IBSA.

The participants agreed that South-South cooperation had emerged as a viable development strategy in the new millennium with the emergence of countries such as Brazil, India and South Africa in different continents with sizeable markets, natural and human resources, technologies and expertise. IBSA represents an important milestone in the area of South-South Cooperation bringing together three leading democracies in the developing world representing three continents. The potential of their partnership is underpinned by the synergies and accumulated development experience that can be shared for mutual benefit.

The Forum addressed three themes for a detailed discussion under the broad theme of IBSA partnership for shared prosperity and inclusive globalization. These include global economic governance and development, food and energy security, and potential and challenges for IBSA economic cooperation. Besides, it reflected on the future directions of the Forum to make it more effective. Some highlights of the discussion are as follows.

1. Global Economic Governance and Responding to the Financial Crisis

Global economic governance was discussed in the context of US financial crisis and the flagging Doha round of trade negotiations. The US financial crisis is turning into a global financial crisis with trillions of dollars of wealth having been lost in last few months. With high risk aversion, the banking system is freezing up and enterprises are finding it difficult to raise funds for their operations. The risks of a global recession are rising alarmingly. Besides

seeking long pending reform of the global financial architecture, the South has to take bold steps for responding to the situation. These may include reviving the ideas of creating a new financial architecture of the South such as a South Bank by pooling a part of their reserves to mobilise funds for infrastructure investment and other public goods and create a southern SDR as a unit of account and a parallel currency for facilitating mutual trade. The Forum felt that for the South and IBSA to exercise its due role in the global trade negotiations and reshaping the world economic order, it has to develop a global vision, be willing to collectively underwrite the creation of public goods and leverage its markets and resources in an aggressive fashion.

2. Food and Energy Security

The Forum discussed the shared concerns and challenges with respect to energy and food security in the South. In view of the shared goals of the IBSA countries in energy sector including cleaning the fossil fuel sector, develop renewable energy sources, enhancing energy efficiency, synergies in their capabilities (viz. biofuels in Brazil, coal-to-liquid technology in South Africa, wind power in India), and in view of asymmetries in the energy markets, IBSA countries could fruitfully cooperate in the energy sector. It could include exchange of development experiences and technologies and pooling resources for joint research besides playing a more important role in the global energy governance. The academic community of IBSA could also assist in this respect by mapping out the strengths and gaps of different countries. This could be facilitated by building IBSA wide research networks.

Another area of fruitful cooperation is for development of low carbon pathways including support for green enterprise development so as to minimise burden on their natural resources. Joint research for development of biofuels was suggested for developing alternative biofuels which minimize

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This Policy Brief reproduces the Report of the IBSA Academic Forum which was presented to the Third Summit of the IBSA Leaders on 15 October 2008 in New Delhi.

**Third IBSA Summit
Academic Forum
IBSA Partnership for Shared Prosperity and
Inclusive Globalization**

13-14 October 2008, Hall No. 3, Vigyan Bhavan, New Delhi, India

Programme

Monday, the 13th October 2008

10.30-11.15 : Inaugural Session
Welcome Remarks: **Dr Nagesh Kumar**, Director-General, RIS
Statement by **Dr. Paulo G. Gagundes Vizentini**, Centre of Strategy and International Relations, UFRGS, Brazil
Statement by **Mr. J.A. Velaphi Bhali**, Global Partnerships, Government of Republic of South Africa
Chairperson's Remarks: **Dr Arjun Sengupta**, M.P. and Chairman, RIS
Launch of RIS Publication *Trinity of the South: Potential of India-Brazil-South Africa (IBSA) Partnership* (New Delhi: 2008) by **Shri Pranab Mukherjee, Hon'ble Minister for External Affairs**
Inaugural Address: **Shri Pranab Mukherjee, Hon'ble Minister for External Affairs**
Vote of Thanks: **Shri Nalin Surie**, Secretary (West), MEA

11.45-13.00 : **Session I: Global Economic Governance and Development**
Chair: **Dr Nagesh Kumar**, Director-General, RIS
Speakers: India: **Dr Ramgopal Agarwala**, Senior Advisor, RIS
Brazil: **Dr. Claudio Costa Pinheiro**, Campinas State University
South Africa: **Professor Adam Habib**, Deputy Vice-Chancellor, University of Johannesburg, South Africa
Discussant: **Dr. Arif A. Waqif**, Adjunct Professor, ICFAI School of Public Policy, Hyderabad
Open Discussion

14.30 – 16.00 : **Session II: IBSA and the Food and Energy Security for Development: Focus on Energy Security**
Chair: **Mr. Narendra Singh Sisodia**, Director-General, Institute for Defence Studies and Analysis (IDSA)
Speakers: India: **Dr. Rekha Krishnan**, Visiting Fellow, Centre for Research on Energy Security, The Energy Resources Institute (TERI)
Brazil: **Dr. Paulo G. Gagundes Vizentini**, Centre of Strategy and International Relations, UFRGS, Brazil
South Africa: **Professor M. Jeenah**, Pro-Vice-Chancellor, Nelson Mandela University, South Africa
Discussants: 1. **Professor A.K. Pasha**, Centre for West Asian and African Studies, Jawaharlal Nehru University
2. **Dr Sachin Chaturvedi**, RIS
Open Discussion

16.15 - 17.30 : Session III: IBSA and the Food and Energy Security for Development: Focus on Food Security

Chair: **Professor G.K. Chadha**, Member, Economic Advisory Council to PM

Speakers:

India: **Dr Ashok Gulati**, Director in Asia, and **Ms. Kavery Ganguly**, Senior Research Analyst, International Food Policy Research Institute (IFPRI), New Delhi

Brazil: **Dr. Paulo G. Gagundes Vizontini**, Centre of Strategy and International Relations, UFRGS, Brazil

South Africa: **Professor M. Jeenah**, Pro-Vice-Chancellor, Nelson Mandela University, South Africa

Discussant: **Professor Jacob John Kattakayam**, Dean, Faculty of Social Sciences & Director, UGC-Academic Staff College, University of Kerala

Open Discussion

Tuesday, the October 14th 2008

10.30 – 12.30 : Session IV: Economic Cooperation in IBSA: Potential and Challenges

Chair: **Dr. Nitin Desai**, former Under Secretary General, UN

Speakers: India: 1. **Dr S.K. Mohanty**, RIS

2. **Dr. Dinesh Abrol**, National Institute of Science, Technology and Development (NISTADS)

Brazil: **Dr. André Nassif**, Economist, Brazilian Development Bank (BNDES)

South Africa: 1. **Professor Adam Habib**, Deputy Vice-Chancellor, University of Johannesburg, South Africa

2. **Professor M. Jeenah**, Pro-Vice-Chancellor, Nelson Mandela University, South Africa

Discussant: **Professor Vijay Kumar Kaul**, Department of Business Economics (University of Delhi)

Open Discussion

12.30 : Concluding Session : Future Directions of IBSA Academic Forum

Rapporteurs : **Dr. T. Nirmala Devi**, Director, Centre for SAARC Studies, Andhra University, Dr. Anshuman Gupta, RIS and Dr. Gurpreet Singh Bhatia, RIS.

the negative impact on food security and eco-system while create employment in rural areas and help prevent exodus to urban areas.

Mutual cooperation could also assist to address the food security situation. Among the proposals made include setting up of IBSA 'virtual food banks' for enabling IBSA members to draw upon each others' strength and grain stocks in a period of crisis. IBSA could also benefit from mutual cooperation for fostering the potential of new technologies (such as biotechnologies) for enhancing yield and productivity of agriculture. Joint initiatives in agriculture biotechnology may be undertaken for shared objectives.

3. Potential and Challenges for IBSA Economic Cooperation

A mapping of the patterns of industrial structures and technological specialization between IBSA countries finds significant opportunities for inter-

as well as intra-industry trade and technological cooperation. A comprehensive economic cooperation arrangement bringing together India, members of MERCOSUR and SACU customs unions can be mutually beneficial. The Forum noted that sectors such as food processing, chemicals, pharmaceuticals, gems & jewellery, automotives, machine tools, energy, IT besides other services offered considerable opportunities for sectoral cooperation. For fully exploiting the potential of economic cooperation, transport connectivity needs to be strengthened.

The Academic Forum noted substantial opportunities for scientific and technological cooperation in IBSA bringing together industry-academic linkages. For facilitating this, exchange of researchers in various fields and mobility of students needs to be promoted besides collaborations between research institutions and business enterprises so that ecosystems conducive

for competitive industrial development are created. Given their rich traditional knowledge and biodiversity, cooperation for exploiting their mutual strengths in indigenous knowledge systems could be fruitful.

4. Future Directions for IBSA Academic Forum

The participants from all the three countries felt that IBSA Academic Forum provides a valuable opportunity for them to pool their heads together to reflect on issues of contemporary relevance in the emerging global order and establishing their professional linkages. They felt that such collaboration of academic and policy research communities in the three countries could evolve into

a 'think-tank' to contribute fruitfully to the IBSA process by providing analytical and policy inputs. A more structured, interactive and conducive process should be evolved to facilitate this with the three governments nominating a policy think-tank each for coordinating the collaborative activities and meetings between them. The coordinating institutions should remain in touch throughout the year, for identifying the themes for discussion and speakers well in advance to facilitate preparation of well researched policy papers for a meaningful dialogue for contributing to the official process. To further promote awareness of the IBSA process as well as interaction between research communities, study centres/websites could also be set up in different regions at the existing institutions.

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