

South-South Cooperation or Southern hegemony? The Role of South Africa as a 'superpower' and donor in Africa

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Introduction

The Bandung principles, rightly ambitious in their nature, present an aspired and ideal form of South-South development cooperation (SSDC) complete with the critical fundamentals of collaboration including mutual interest, peaceful co-existence, respect for national sovereignty, non-interference in internal affairs, equality amongst developing partners, respect for national independence, cultural diversity and identity, and local content. With the application of and respect for these principles, countries in the global South that have been exploited for many decades by the rich and dominant global superpowers can come together and presumably build a strong solidarity force that can foster self-initiated development and shield them from the bullying by former colonial masters. Such a force would be critical in reducing the imbalances inherent in the current global governance system, which perpetually undermines the poor and maintains their permanent state of poverty and inequality.

Decades of exploitation, marginalization of the poor and ineffective aid, amongst others, have led to disgruntlement and challenged the South to come up with an alternative framework for global engagement hence the increasing SSDC discourse. Regional integration, although largely infiltrated by donors using aid resources as leverage, is one such effort to build and strengthen the one-voice approach. Across Africa, the East African Community (EAC), Economic Community of West African States (ECOWAS), Maghreb and Southern

Africa Development Community (SADC) are prioritizing this approach which eventually builds into the African Union, ideally to consolidate the African voice, position and action.

At a more international level, the recent rise of the Brazil, Russia, India and China (BRICs) and the India, Brazil and South Africa (IBSA) groups are worth noting. These countries share a lot in common including similar socio-economic challenges, colonial histories, developing economies, and strategic geographical and global positioning. Through these blocs, those in the South are collaborating on a wide range of areas including science, technology development, education, health, and cultural exchanges. To date, some of the initiatives and benefits range from collective experiences, technology and economic collaboration, common positions in international fora, trilateral cooperation, project funding for initiatives like introducing a new rice seed to Guinea-Bissau, implementing solid waste collection in Haiti, refurbishing health centre in Cape Verde and developing new sports complex in Palestine (WWICS 2009). Despite noting some challenges, especially around resources and unequal terrain, these countries are determined to champion the SSDC project for the long-term.

This report aims to interrogate the nature of the existing SSDC. It acknowledges that the Bandung spirit is most noble and loaded with good intentions. However, the report questions whether these principles are the most ideal framework for achieving the SSDC vision aiming to give the poor muscle in the international arena

and fostering self-determined development in the South. It also questions the extent to which South-South relations are truly equal and mutually beneficial and, most importantly, whether they are indeed a force for the South or in fact a new form of hegemony seeking to further undermine the poor and weaker nations thus consolidating the current global imbalances. The report has a special focus on the role of South Africa as a major proponent of SSDC in the continent and as a donor to other African countries.

'The Big Brother'

South Africa is Africa's biggest economy, with a gross domestic product (GDP) of approximately US\$467 billion (2007). It rapidly grew under the apartheid regime upon the discovery of vast gold deposits in the 19th century in the Johannesburg area commonly referred to as '*Egoli*', the place of gold. South Africa is classified as a medium-income country according to the United Nations Development Program (UNDP) Human Development Index (HDI). The country holds a unique position not just in SADC but also across the African continent and similarly internationally where it often represents Africa. It possesses Africa's strategic economic and military might and is politically stable thus the responsibility to both foster and lead South-South cooperation in Africa. The rest of the African countries sit at the bottom of the HDI ranks, have small economies, severely weak institutional and administrative capacities, are mostly dependant on foreign aid, and have more than half of their populations living below the poverty line hence little hope and capacity to champion SSDC.

South Africa could be to Africans what America is to the rest of the world – the land of opportunity. Most SADC economies can only minimally, if

at all, make significant contributions to the ideal SSDC partnerships without being undermined or marginalized by the bigger and stronger economies like South Africa. Because it teams up the strongest amongst the weak, the current SSDC framework thus seems to be more of a club for the Southern elite rather than a genuine South-South alliance meant to strengthen the weak.

South Africa's donor efforts date back to the apartheid era when it gave aid to some African countries seeking favors and votes within the United Nations (UN). This transformed significantly in the post-apartheid era and more specifically under former President Thabo Mbeki's administration. Mbeki pioneered an African Renaissance Agenda in which he sought a new and leading role for South Africa in fostering the regeneration of the African continent. The African Renaissance Fund (ARF) has through the New Partnership for Africa's Development (NEPAD) given aid to several African countries for peacekeeping, technology development, research and education, amongst others. Other support for projects in the areas of agriculture, justice, public service, public works, trade and industry has also been given.

It must be noted however that South Africa's aid has hardly been coordinated. The country currently does not have a formal mechanism in place to coordinate both internal and external development aid thus both impact and statistics are difficult to trace. Figures for aid going out of the country have been estimated between 1 and 3 billion ZAR, (2006), (up to US\$500 000) or approximately 0.18% of the annual budget. On the other hand, aid coming into the country forms only 1% of the national budget. Compared with other African countries that depend on development aid of up to 50% of their national budgets, external aid does not hold a central position in South Africa.

Apart from making efforts to put in place mechanisms to administer both incoming and outgoing aid, the country is currently leading the debates on the aid effectiveness (AE) agenda and sitting in the technical committees within the Organization for Economic Cooperation and Development (OECD) AE processes. There is also ongoing discussion on the establishment of a development agency, South Africa International Development Agency (SAIDA).

Because of its strategic economic and military might and approach, South Africa has assumed a 'big brother' role in Africa. But this role is highly revered more from outside the continent than from within. The international community puts constant pressure and high expectations on South Africa to lead and guide the rest of the continent. It is expected to champion democracy, security efforts and socio-economic development. The country has in turn taken up and used this position and the expectations to spread its wings across the breadth of the continent for example through peacekeeping efforts in Burundi, Sudan, the Horn, Democratic Republic of Congo (DRC) and Zimbabwe amongst others. Economically, its corporate operations such as Game, Woolworths, Engen, Shop-Rite, and the Anglo American and DeBeers mining giant operations have mushroomed across the continent. In Bond and Kapuya's words, this role and expansion is due to South Africa's state power being used to lubricate otherwise difficult markets (Bond and Kapuya 2006).

Depending on who is talking, this role has prompted various reactions from arrogant, undermining, aloof, careless, to exemplary, needed and strengthening – thus, at different levels and places, South Africa's role is either being shunned or embraced. The key question for most Africans is whether or not South African corporations are unlocking Africa's production

and trading potential and if they are strengthening Africa's private sector. Literature analyzing the behavior of these corporations and whether or not they are behaving any different from the transnational corporations (TNCs) indicates that they are not interested in strengthening Africa's private sector and human resources and have their focus on profit-making. Reports of worker exploitation are commonplace with low wages, contract workers and poor working hours characterizing working conditions for locals employed by South African corporations. Nearly all products and goods are imported as finished goods from South Africa denying local production and manufacturing opportunities and also undermining small – to medium-scale producers/businesses who often cannot survive the competition. Key management positions are usually held by South Africans.

South African interests of economic expansion are no better than the exploitative aims of TNCs. Thus, in Africa, South Africa's role is not always taken positively, and such a view undermines its so-called leading role in forging genuine partnership under the spirit of SSDC.

The African elite seem to embrace South Africa's role as they benefit from superior jobs, education, shopping and services they would ordinarily not easily access in their own countries. The poor, on the other hand, shun this role as they feel exploited, especially in the workplaces, and are undermined and unwelcome by South Africans and their corporations both in and outside South Africa as the corporations' operations mushroom across the continent.

The explosion of the Afrophobic attacks – generally referred to as the xenophobic attacks across South Africa in 2008 and 2009 in which mostly poor Africans (Zimbabweans, Mozambiqueans, Congolese, Somalis) especially

those living in informal settlements and poor townships were brutalized, leaving more than 70 dead – are an example of the unwelcoming behavior of sections of South African society (and by extension, of corporations) towards fellow Africans. The attacks did not target any other races despite huge contingents of foreign whites, Chinese, etc. in South Africa. This South Africa for South Africans attitude contradicts the spirit of the country's Constitution which asserts that South Africa is for all who live in it, according to the "rainbow nation" term that was coined. But the current context in the country undermines the noble intentions of the Constitution which has been widely criticized as only good on paper. The South African government has yet to take concrete action regarding the issue of xenophobia so attacks have continued to erupt throughout 2009 and into 2010.

South Africa is well aware of the rest of Africa's attitude towards it, sometimes described as the new imperialism and hegemony. As early as 2004 the South African government publicly noted with concern that "many South African companies working elsewhere in Africa come across as arrogant, disrespectful, aloof and careless in their attitude towards local business communities, work seekers and even governments." Yet the South African government has exerted minimal efforts to improve this image. As witnessed in the recent mining, environment and climate change debates, South Africa seems to prioritize its economic development agenda regardless of the high costs both internally and externally. Such agenda far outweighs social development and concern towards fellow Africans and allows South African corporations to get away with aggressive behavior towards other African countries. Such an agenda takes a high toll on

the poor of South Africa and the entire continent and also on the spirit of SSDC.

In their paper, "South Africa in Africa," Adebayo, et al, raise the fundamental question on the nature of partnership and leadership that South Africa is pursuing as well as the interaction it has and should foster with its neighbors and the rest of Africa. First, they question the country's fitness to govern the rest of the continent given that the country itself has not yet been liberated and transformed from the apartheid legacy. Apartheid is still heavily embedded in the country's administrative and operational structures. An International Race Relations Institute study revealed in 2009 that 60% of the country's economy is still in white hands and a huge number of management positions across the corporate sector is still in white male hands. In 2009 there were also mass strikes across the country with some large corporations being accused of still exercising race based remuneration for similar work, fifteen years into democracy. Without real transformation of the people owning the means of production, the authors argue, apartheid can only be spread across the continent in the name of expanding the country's role in Africa. (Adebajo et al 2007)

The Black Economic Empowerment (BEE) initiative, an affirmative action programme targeted at mainstreaming black South Africans into the center of economic activity, has dismally failed and instead created a new layer of black elite locally known as the 'black diamonds' – mere replacement of the rich white further marginalizing the majority poor. Blacks often serve as fronts for the white elite in big companies with no power or influence in corporate South Africa and by extension across

Africa. Thus, unless revamped, South Africa's expansion across Africa under such a framework regenerates economic and social colonialism and departs significantly from the genuine spirit and vision of a Bandung as it gives Africa back to the hands of a few white elite who control the resources and economies. Clearly, while South Africa aims to play a key role in development aid and SSDC in the African continent, it is not unfounded to conclude that currently it may not be ready for this crucial role. South Africa needs to transform and strengthen itself first to ensure that its structural weaknesses are not replicated in the continent, thus further weakening the African opportunities for genuine SSDC as enshrined in the Bandung principles.

To what extent does South African aid differ from traditional Western aid?

As mentioned above, the consolidation of South Africa's big brother role has required it to emerge as a major donor in the continent. Approximately 70% of South African aid is currently targeted for SADC member states and, across the continent, the aid targets "general improvements in governance and local priorities such as conflict prevention, peacekeeping, resolution, mediation, post-conflict reconstruction, and research for development." (SAIIA, 2008) On the other hand, traditional Western aid has largely been criticized as being ineffective and undesirable, for being donor-driven, tied and linked to strategic political and economic interests of the donor countries rather than the needs of the poor. Despite decades of billions of aid, no positive and significant change or impact is visible on the ground.

Calls are therefore growing for a new framework to ensure that development aid is more effective than it currently is. Seeking to be a different kind of donor, South Africa is under pressure to foster a different model of aid delivery and it tries "to avoid following the traditional North-South donor hierarchies by fostering cooperative engagement with its African partners." (SAIIA, 2008) This ambition is not always easily achieved as South African expertise and input is often more visible/dominant even where projects are collaborated with other countries indicating that much like the traditional western tied aid, the big brother interests and priorities sometimes do get in the way of South Africa's aid delivery. Technical Assistance (TA) concerns raised by such reports as Action Aid's 'Real Aid' studies indicate that in some cases more than one third of development aid goes back to donor countries in the form of tied aid and technical expertise. By dominating its expertise even in collaborative projects, South Africa is unfortunately perpetuating the traditional western aid delivery mechanisms and needs to guard against that if it is to champion the spirit of mutual respect under the Bandung principles.

Under the broad framework of governance and democracy, conflict prevention and resolution, socio-economic development, integration, humanitarian assistance, and human resources development, South Africa has supported a number of projects across Africa through loans and grants and other financial and technical assistance under the African Renaissance Fund (ARF) pioneered by Former President Thabo Mbeki. (See **Tables 1 and 2**)

Table 1. ARF Grants, 2004-2005

Grant	Value (R'000)
Institution and capacity-building project for Southern Sudan	7,100
Burundi Peace Process	10,000
DRC pre-election public support program	3,500
South African women in dialogue	3,500
Zimbabwe parliamentary election observers	5,000
DRC post-conflict reconstruction and development	25,000
Total Grants	54,100

Table 2. ARF Grants, 2005-2006

Grant	Value (R'000)
African Institute of South Africa, Terrorism Commission	1,700
Liberian disarmament and elections	25,750
Independent Electoral Commission, DRC Observer Mission	11,000
Humanitarian assistance to the Western Sahara (SADR)	10,000
DRC pre-election support	10,000
DPSA	1,400
Total Grants	59,850

SAIIA 2008, extracted from African Renaissance Fund Annual Reports, 2004-5 & 2005-6

Other projects in agriculture, finance (training of Reserve Bank officials in DRC), education support, and public sector reform processes have been embarked on across the continent. Although still minor, trade is also another factor contributing to South African development aid in Africa. South Africa is the biggest trader to most African countries especially in the SADC region.

Despite the challenges of weak aid delivery capacity, structures and impact, South Africa is making efforts to be a better development aid partner. It must also be highlighted that more needs to be done to cement these efforts and potentials for genuine SSDC. The proposed establishment of an aid agency and the active role the country is playing in the OECD Aid Effectiveness platforms are positive initiatives that the country is taking to ensure that its aid performs better and aligns with the Paris

Declaration principles of harmonization, ownership, alignment, and managing for results.

At the moment, because of the previously and largely uncoordinated structure of South African aid, a clearer picture of the proper functioning and impact of the aid is missing. For example, the exact total figures and specific types of projects, loan interests and repayments are missing. The various government departments seem to have had discretion to target and fund projects with little coordination with the rest of government on making progress, reporting and impact assessment. The ruling party agreed in 2007 to increase development assistance to range from 0.2 to 0.5% of the gross domestic product (GDP). (SAIIA 2008) Better impact is likely to be achieved especially with the establishment of the proposed aid agency as delivery and managing the aid will be more coordinated. However,

whether or not South Africa attaches any other conditionalities to its aid other than the technical assistance is not yet clear at the present. Given that South Africa is under pressure to develop its own human resources and further its strategic interests it is highly likely that its aid may still retain conditionalities.

Taking after other South-South partners?

At a broader level, development aid by other SSDC proponents such as China, India and Brazil is bigger and more contested than South African aid. For example the motivations for Chinese aid have not come too disguised in the partnership and SSDC language. As noted by Davies and Jansson in their article “Are African governments ready for China,” the need for raw materials and the search for new markets are China’s major rationales for engaging with Africa. China’s trade with Africa has risen – for example it grew to a record US\$106.84 billion in 2008 up 45.1% from 2007 (China Daily) – as a result of the unleashing of the China-Africa policy and the Africa-China Summit in 2007 in which nearly all African heads of states embraced China as a welcome relief from traditional Western donors.

China’s aggressive foreign policy emphasizes commercial ties and securing access to the commodities it requires to fuel its economic growth. Its engagement with Africans is uncompromisingly through the “three vectors of trade flows, foreign direct investment and technology transfers and aid.” (Davies and Jansson 2008) The China-Africa discourse remains a contested terrain with the African elite having embraced the “Look East Policy” as a counter force to traditional Western aid. Civil society, on the other hand, view this relationship as corrupt and exploitative benefiting only the

African elite through shoddy deals. The African elite have also chosen to interpret and welcome Chinese aid as aid without conditionalities as it chooses to ignore internal affairs and violation of human rights much to the relief of those in power.

While this also directly relates to the Bandung principles of respect for national sovereignty and non-interference in internal affairs, South Africa has in recent years come under heavy criticism for embracing the same principle and adopting a Quiet Diplomacy approach on the issue of Zimbabwe. Civil society in Southern Africa contend that the Zimbabwean crisis is unnecessarily prolonged – causing the suffering, deaths and violation of human rights of millions of Zimbabweans – because South Africa, the chief mediator, has chosen to not interfere in critical internal affairs in its quest to find a “sustainable solution” for Zimbabwe, undermining the true spirit of partnership and good neighborliness. A good neighbor and partner, however, cannot sit and watch its neighbor suffer and die without offering a hand just because it cannot be involved in internal affairs. The principle of non-interference undermines the African spirit of community, togetherness and Ubuntu, and by extension the spirit of SSDC and Bandung. South Africa has also been criticized in its approach on Angola, where its hunger for Angolan oil has led South Africa to ignore human rights violations in the country as it seeks, “oil first, human rights later” (Mail&Guardian 21-27 August 2009), which is evidence that it is adopting a similar approach to that of China.

On the other hand, India’s foreign policy and engagement with Africa is also clearly stated as motivated by the following seven key variables: “India’s quest for strategic autonomy, its aspiration to status transformation, its desire

to play a role in shaping the global system, its need to access technology denial regimes, its hunger for energy, its regional imperatives, its search for a continental role and its Diaspora policy.” (Sahni 2007) Clearly, amongst those championing for SSDC, India and China are on the same page and have the same ambitions while South Africa’s stance seems unfocused – on one hand taking the Chinese inclination, but on the other hand also endeavoring to engage its fellow Africans on an equal partnership basis. This is a dilemma that is due to the different levels of development evident across the SADC region and the rest of Africa.

The terrain for the SSDC platform is also uneven and unfavorable to South Africa and Africa which is not as economically and politically strong to stand on an equal footing with SSDC partners such as India, China and Brazil. Thus although it has potential for better collaboration, the current SSDC platform is flawed and needs to be strengthened to ensure that the partners can foster the SSDC agenda in an equitable manner and to avoid further undermining the weaker members and therefore the formation of a new Southern hegemony disguised under a pseudo-SSDC partnership agenda.

Still, the SSDC partners have a lot to learn from each other – for example, from Brazil’s inclusive social development agenda with its mix of “delicate social policies and progressive economics that has in time matured into a model of developmental success.” (Mail & Guardian 21-27 August 2009) This model has potentially a lot to teach and transfer to Africa and especially South Africa being top-ranking on the global inequality index. President Lula da Silva’s Zero Hunger policy is successfully combating

hunger and malnutrition with the end-view of empowering the needy and ultimately integrating them into the formal economy. It is an approach South Africa urgently and desperately needs to adopt. Brazil’s sustained economic growth has brought confidence in the market which has been resilient amidst the global crunch. In Brazil, the number of people living under US\$1 a day dropped by 21% from 15.4 million to 11.3 million between 2003 and 2008. (M&G, 2009) Clearly, this case presents many lessons for South Africa and Africa to embrace in the spirit of Bandung. The challenge is for the SSDC partners to learn and implement the lessons from each other for a better South.

A simple definition of “collaborate” is “to work jointly on an activity or project,” which assumes a common vision and agenda for the involved parties and an inherent willingness and capacity to work/input towards the successful achievement of that goal. The term also assumes that the parties have equal capacity to contribute to the activity without one dominating the other.

Yet in a world where capital rules, where the terrain remains unequal, and where competition and pressure get in the way, the spirit of Bandung is often challenged as each one champions their own priorities and strategic interests making the Bandung vision all the more elusive.

The African concept of ubuntu would seem the most ideal approach to achieve the vision that Bandung originally set out. Ubuntu is premised on the notion of sharing and equality amongst all and the collective responsibility of the society. The challenge is to what extent the SSDC pioneers are or would be willing to embrace

the true spirit of collaboration embedded in the ubuntu concept. As it stands this is a challenge to achieve as it is an open secret that the ambitions of some of the so-called SSDC pioneers such as China and India – and driving their foreign policies – are the strong desire for strategic autonomy, to play key roles in shaping the global system, access to international and more specifically African resources. In Africa, South Africa seeks a dominant continental role.

In his book, “The Architects of poverty”, Moelesi Mbeki laments that the elite in Africa (South Africa being Africa’s key elite nation) are responsible for designing and maintaining the poverty and exploitation on the African continent. With the economic self-interest of South Africa, to what extent will it deliver its aid promises and foster closer ties with the rest of Africa along the Bandung principles?

Conclusion

There is no doubt that an alternative framework of collaboration for the benefit of the poor is required to counter the existing exploitative nature of North-South engagement. SSDC is one such initiative. Bandung is undoubtedly a noble intention—one which can be used as a departure point for genuine SSDC for a better South—yet it needs to evolve into a more relevant present-day development agenda more than 50 years

since its conception. It needs to elaborate more on critical issues including environment and climate change, gender justice, human rights, aid effectiveness, and present more concrete and practical actions for members to adopt and implement. It also needs to address the issue of resource gaps to ensure that its efforts come to fruition. Most importantly, it must develop a clear framework of engaging its weaker partners to ensure that it does not become a Southern elite club. The South needs to participate in the global agenda as an equal partner to the North and must bestow upon itself the responsibility to develop such. On-going efforts towards this dream and vision are commended but a lot more needs to be done – for example building its human and administrative capacities and controlling its own resources, amongst others – before significant progress is made.

On its part in the African continent, South Africa could be well-positioned to take a lead role as an SSDC partner and donor, yet it clearly needs to first evolve from its current skewed economic development model, inherited from the apartheid era, and build its weak institutional capacity before it can unleash its role and presence across Africa. Its failure to make profound changes in structure does compromise its SSDC approach hence its generally being regarded by its fellow Africans as an arrogant big brother unleashing a new wave of imperialism in the continent.

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