BRICS in Africa

Proceedings report of a symposium hosted by the Institute for Global Dialogue (IGD) associated with UNISA, and South African BRICS Think Tank (SABTT)

03 July 2017, Johannesburg

Published in October 2017 by the Institute for Global Dialogue associated with UNISA
3rd Floor Robert Sobukwe Building
263 Nana Sita Street
Pretoria
Tel: +27 12 3376082
Fax: +27 86 212 9442
info@igd.org.za
www.igd.org.za

Rapporteurs

Wayne Jumat, *Research Assistant at the Institute for Global Dialogue associated with UNISA*

Arina Muresan, *Researcher at the Institute for Global Dialogue associated with UNISA*

Edited by: Philani Mthembu, *Executive Director at the Institute for Global Dialogue associated with UNISA*

Designed by: Kenny Dlamini, *Research Officer at the Institute for Global Dialogue associated with UNISA*

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List of acronyms and abbreviations

AAGC	Asia-Africa Growth Corridor
AfDB	African Development Bank
ARC	Africa Regional Centre
AU	African Union
BRICS	Brazil, Russia, India, China and South Africa
EXIM Bank	Export and Import Bank
FDI	Foreign Direct Investment
FOCAC	Forum on China Africa Cooperation
IAFS	India-Africa Forum Summit
IAS	India-Africa Summits
IGD	Institute for Global Dialogue
IMF	International Monetary Fund
NDB	New Development Bank
NEPAD	New Partnership for Africa’s Development
NIHSS	National Institute for the Humanities and Social Sciences
OBOR	One Belt, One Road
OECD	Organisation for Economic Co-operation and Development
SABTT	South African BRICS Think Tank
USA	United States of America

Note on the Contributors

Dr. Philani Mthembu, Executive Director, Institute for Global Dialogue (IGD). Prior to joining the Institute for Global Dialogue associated with Unisa, Philani Mthembu pursued a joint doctoral programme (Dr. rer. pol.) with the Graduate School of Global Politics, Freie Universität Berlin (Germany), and the School of International Studies at Renmin University, Beijing (China); he conducted his field research at the latter. The focus of his dissertation was on the rise of emerging powers as sources of development cooperation in Africa. The study was essentially a comparative analysis of the determinants of their development cooperation in Africa using qualitative comparative analysis (QCA), for which he was awarded an overall grade of Magna Cum Laude.

During his time abroad, he co-founded the Berlin Forum on Global Politics (BFoGP), a non-profit organisation dedicated to the promotion of academic, expert, and public understanding of global politics. He is an alumnus of the Managing Global Governance Programme established by the German Federal Ministry of Economic Cooperation and Development, designed for young professionals from emerging economies. As an expert, he has actively participated in various international conferences, symposia, and workshops related to global politics. He received his MA in International Relations at the University of the Witwatersrand, Johannesburg, where he headed the Academic Development Programme for first year students and was elected as an independent candidate to the Student Representative Council.

Ms. Sanusha Naidu, Senior Research Fellow, IGD. Ms Naidu is a foreign policy analyst. Her research interests include Democratisation in Africa; Africa's Political Economy and Development; Africa's relations with Emerging Powers from the South (BRICS and IBSA); South African Foreign Policy Analysis; and the role of track two diplomacy in International Relations. Ms Naidu has a Masters in International Relations from the University of Staffordshire, United Kingdom. She has previously worked at the Centre for Conflict Resolution based in Cape Town and managed the South African Foreign Policy Initiative (SAFPI) at the Open Society Foundation for South Africa. In the past several years Ms Naidu has also managed a programme that focused on Africa's international relations with China and Emerging Powers based at Fahamu from 2008-2010. She has an extensive publications record which includes two edited volumes on Africa-China relations: Chinese and African Perspectives on China in Africa, Pambazuka Press, September 2010 (co-editors: Axel Harneit-Sievers and Stephen Marks; and Crouching Tiger, Hidden Dragon? Africa and China, University of KwaZulu-Natal Press, 2008 (co-editor: Kweku Ampiah). Ms Naidu is a regular media commentator on national and international issues for major news agencies including Al-jazeera News, CCTV, BBC Radio, SABC, and CBS Africa. She is also a regular analyst on South Africa's domestic politics and electoral trends.

Ms. Arina Muresan, researcher, IGD. Ms. Muresan obtained her Masters in Politics in 2017, a BA Honours degree in Politics, obtained in 2012, and a BA Politics, obtained in 2010, from the University of Johannesburg. She is currently a Researcher on South Africa in Africa and International Diplomacy at the Institute for Global Dialogue. Her research interests include public diplomacy in South-South cooperation, and gender politics in African diplomacy.

Introduction

This symposium, focusing on BRICS in Africa, took place on 3 July 2017, in Johannesburg at the South African BRICS Think Tank (SABTT), which is hosted by the National Institute for the Humanities and Social Sciences (NIHSS).

The symposium was an informative and strategic multi-stakeholder discussion that sought to address the topic of situating the future of BRICS in changing global dynamics with a closer focus on BRICS in Africa in relation to trade and development finance, BRICS soft power dynamics and where South Africa fits into this outlook and how it is able to leverage its position. As BRICS countries, such as China, through the Forum on China-Africa Cooperation (FOCAC), and India, through the India-Africa Summits (IAS) intensify their engagement on the African continent, the symposium looked into the role of the BRICS countries in Africa, especially given the potential of the BRICS New Development Bank (NDB) and its Africa Regional Centre (ARC) in Johannesburg. This event thus explored how South Africa uses its position within the BRICS to promote its African agenda and the BRICS engagement in Africa.

Panel discussion

Dr. P. Mthembu, Executive Director, Institute for Global Dialogue

Dr. Mthembu commenced his discussion by framing BRICS in Africa within the broader framework of global governance. He noted that this is pertinent to the discussion of the changing polarity of global order which is shifting from a unipolar moment towards a multipolar order. This has seen the relatively diminishing role of the United States of America (USA), particularly on the African continent. Furthermore, influential ideas about development finance and international development cooperation, which used to be largely shaped by nation states from the Organisation for Economic Co-operation and Development (OECD) are undergoing gradual changes as Southern powers add their own voices and practices to the international development landscape.

Dr. Mthembu indicated that these changes to Africa's international development landscape can partly be attributed to the increasing activity and presence of states such as China, India, Japan, Turkey, and South Korea, among others. Development cooperation has also largely been complemented by the growing summit diplomacy between Africa and its external partners, which have used these Africa summits to build on their relations with the continent.

In relation to the BRICS group, China and India are the most important development partners in Africa. Whilst people have focused predominantly on China, the contributions made by India have also been significant and continue to grow and diversity. The Chinese contributions are often considered to fall within the realm of infrastructure and the extractive sectors of the economy, however their portfolio is more diverse and they are actively involved in manufacturing and the services industry across the continent. India, on the other hand, has historically contributed more towards human resources development, although recent years have seen them diversifying their activities, venturing into infrastructure and development finance through the Export and Import (EXIM) Bank, which provides much of its external loans towards the African continent.

Dr. Mthembu then focused on Brazil and their involvement on the continent, highlighting their focus on development cooperation in Lusophone countries. He indicated that most of this cooperation came about during the Lula and Rousseff administrations, and that they have assisted in the health and agricultural sectors. Dr. Mthembu gave the example where Brazil has assisted cotton farmers to make a transition from raw cotton exports towards more refined and value-added products. Lastly, he indicated that the current political landscape and economic struggles in Brazil have curbed Brazilian involvement in development cooperation on the African continent. Dr. Mthembu then turned his attention towards Russia, where he indicated that Russia has generally not been involved in development cooperation on the African continent since the fall of the Soviet Union; however, it has been expanding its influence in the energy sector, where it possesses considerable comparative advantages.

Dr. Mthembu indicated that BRICS could make a great contribution towards development in Africa through the NDB and its regional centre in Johannesburg. He highlighted that the NDB can have a positive impact if it focuses on regional projects, and that South Africa should push for this agenda within BRICS. This would assist with regional integration and would align with the Kagame Report in terms of regional economic integration.

In conclusion, Dr. Mthembu noted that development in Africa is currently spearheaded by global South actors; and due to this there seems to be an alignment between global South cooperation and the African Union (AU) Agenda 2063. This is demonstrated in the way that China has sought to go forth with its development cooperation, and now there is a multiplicity of view-points on development, which do not emanate from the previous centres of power. Indeed, the potential of the NDB is not only evident in its role as a source of development finance, but in its ability to become a knowledge bank and contribute positively to the development and practice of new ideas on development, drawing lessons from the global South.

Key Points

- The increasing involvement of non-traditional partners, such as China and the remaining BRICS members, has resulted in diversified sources of development finance, ideas and cooperation for African countries.
- China and India, on their own and as part of BRICS, are the most involved in development on the African continent.
- The current political situation that Brazil is experiencing demonstrates that development partners may not be able to provide support indefinitely if they are affected by domestic political and economic conditions.
- The BRICS NDB has the potential to make valuable contributions to development in Africa, as well as highlight BRICS as a formation for an alternative world order and development paradigm, especially through an increased role as a source of development finance.

Ms. Sanusha Naidu, Senior Research Fellow, Institute for Global Dialogue

Ms. Naidu noted that her discussion's main aim would be to highlight the changes that have occurred in China and India from the early periods of development cooperation up to the present. Ms. Naidu indicated that the Forum on China Africa Cooperation (FOCAC) Summit and the India-Africa Forum Summit (IAFS) have developed into fully-fledged development partnerships. Firstly, she pointed out that the trade between African countries, and African countries trade with India and China have been anchored on the basis of a development partnership. Secondly, due to the shifting focus of Chinese and Indian economies towards the production of manufactured goods, there has been a realisation that the African market space needs to be developed for these goods. Therefore, the aim of the development partnership between these two BRICS countries and African countries is to develop African markets and create an environment whereby they are absorptive of the goods. This is particularly necessary given the context of China's overall trade patterns. When one compares the trade that China has with countries in its own region, to the trade that China has with African countries it is evident that China's trade with Africa is relatively minuscule.

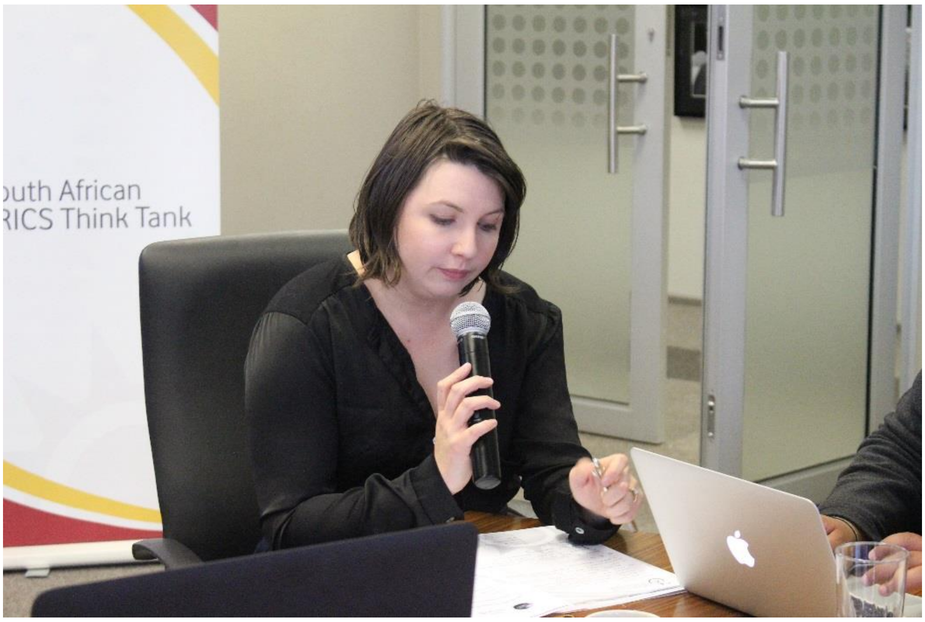
What sectors have catalysed trade amongst Africa and these two countries? It used to be largely extractives but it has become more diversified. Ms. Naidu indicated that India's trade in Africa has been less than that of China, and that its trade has been with strategic countries such as Nigeria, Angola, South Africa, Tanzania and Botswana. She then pointed out that one of the significant things that happened under the Modi government in 2015 was the expansion of the IAS through the inclusion of all African countries, whereas before it consisted of the New Partnership for Africa's Development (NEPAD), the AU, and up to 15 African countries.

What China is really thinking about is how to increase the level and rate of industrialisation in Africa, especially in sectors such as the textiles and tannery industries. Foreign Direct Investment (FDI) has been aimed at the mining sector, in particular; however, China may find it increasingly beneficial for both China and its African counterparts to invest in the manufacturing and technological sectors. Ms. Naidu continued by noting that within the One Belt, One Road (OBOR) initiative of China, East and North East African countries are more strategic to the partnership, which means that China would be able to significantly shorten the distances of its maritime export routes. In this context Nairobi, Kenya, becomes an important destination for trade not only into Africa but also towards Europe and the Middle East. This idea of the OBOR initiative has been promoted by China within BRICS as a trade strategy, however, the cooperation amongst India and Japan has also resulted in what could be considered a competing idea through the Asia-Africa Growth Corridor (AAGC). The difference, as pointed out by Ms. Naidu, is that it appears as if India does not want to impose their initiative within BRICS whereas with China it is the opposite. She concluded her discussion by indicating the following; what is important from an African point of view, is to consider how China's and India's activities and plans are beneficial for the global economic integration of African economies.

Key Points

- The development cooperation, trade and market creation that has been undertaken by China and India within Africa has slowly been undergoing changes.
- The global economic integration of African markets, resources and goods must be a primary concern of South Africa as an African state within BRICS.
- South Africa has to consider where it fits into the trade and development strategies of India and China, and how that affects its role and position within BRICS.

Ms. Arina Muresan, Researcher, Institute for Global Dialogue



Ms. Muresan commenced by considering South Africa's role as a promoter of BRICS and how South Africa has attempted to do this through its public diplomacy. She indicated that public diplomacy is usually aimed at the elite groups inclusive of policy makers and the executive. She emphasised that public diplomacy has usually been perceived as propaganda, but that this perception is slowly changing.

Ms. Muresan questioned the effectiveness of South Africa's foreign policy behaviour in the context of its role in Africa, as it often translates into something that is perceived as negative or in opposition to South Africa's stated values and principles. Furthermore, the tendency to view the outcomes of South Africa's international relations as negative or with suspicion may be linked to the confidence of the South African's public diplomacy and nation branding and the extent to which others may relate to it. She identified part of the problem as the unravelling of the 'rainbow nation' as an idea from which soft power can be exercised. Among other things, she attributes this to sporadic xenophobic violence that the South African government has not been able to curtail, the recent increase in racialized statements from various leaders and social media accounts in South Africa, and the racialized lenses that South Africans are increasingly applying in the analysis of political interaction in South Africa, despite the commitment by South Africa to seek reconciliation, nation building and a non-racial society.

BRICS is viewed by South Africa as an opportunity within Africa that has the potential of assisting with the resolution of African problems at the domestic, continental and global level; particularly as African states have increasingly sought to diversify their strategic relations with countries of the BRICS grouping and more broadly with countries of the global South. Further, Ms. Muresan also indicated that the NDB and its ARC will be important for Africa; and therefore, information about BRICS and its NDB will need to be brought to African countries and people through public diplomacy. This public diplomacy will have to be informative and it will have to build a positive public image of South Africa's involvement in BRICS, while being complimented by practical and uplifting projects that give credence to the public diplomacy.

Key points

- Public diplomacy is a necessity for BRICS and increasing people's awareness about BRICS, especially within Africa.
- South Africa would be well served by focusing on making its public diplomacy more effective.
- South Africa should look to tune in to the perceptions that the African continent (states and people) have about its role in Africa, and then seek to address that.
- South Africa should seek to increase its role as a prominent BRICS member by taking up the role as a promoter of BRICS in Africa.

Q & A Session

The members of the audience showed a particular interest in the following areas; Chinese aspirations of being a world reserve currency, whether China and India have opened their markets to South Africa and Africa, the potential for another scramble for Africa, what South Africa has to offer in BRICS, and whether South Africa really represents Africa in BRICS.

Firstly, China's currency, the Renminbi or Yuan, is already recognised within the basket of currencies within the International Monetary Fund (IMF). Although China will not replace the importance of the US Dollar, this is an important step in the coexistence of strong currencies. For the BRICS partnership, it means that these countries are trying to decrease their dependence on the US Dollar, which links to the debate of the BRICS members using their local currencies for cooperation. In addition, China has been talking about a re-globalisation; this strategy proposes no inwards looking or protectionist approaches. While China may not at present want to be the next superpower, its development, investment and national goals are taking it in that trajectory.

China and India have opened up to the world, however market access for China and India is a sensitive issue. India does apply duty free access to African goods; however, it is important to consider what kinds of goods are gaining duty free access. There is a concern that these products won't contribute to Africa's integration within the global economy. At the moment, there is a debate about whether BRICS should have regional geopolitical and geo-economic strategies. However, Individual members pursue particular strategies. For example, China is openly pursuing its understanding of regional and global integration, through infrastructure development across the OBOR zone, which branches into Africa. This has been met with immense pushback from India, which has similarly decided to compete strategically through the AAGC.

Critics have asked if South Africa can bring anything new to BRICS, or if it has the ability to influence BRICS decisions. While the critiques point to where South Africa may improve in its BRICS relations, it is important to note that South Africa has made a number of positive inputs in the BRICS partnership, namely bringing a stronger civil society focus into BRICS and advocating for the institutionalisation of this facet of BRICS. In addition, South Africa has also pushed strongly for the think tanks to be institutionalised by BRICS members. South Africa has also managed to secure the hosting of the NDB's first regional centre.

These elements add greater nuance to the legitimacy of the BRICS 'project'. From the above, South Africa is playing a bridging and innovation role, but South Africa also has a mediator role as other BRICS countries need and seek South Africa's presence and engagement.

The presence of BRICS members in Africa is also viewed with a combination of optimism and pessimism. It is important to frame this discussion from African positions; is there another scramble for Africa, or is Africa a nice buffet of opportunity for all to grow from? It is important for African countries to know why are these countries interested in Africa and how they can leverage that to their advantage. Post-apartheid South Africa has consistently emphasised that Africa is central to its foreign policy and its future achievements. Thus, certain speeches made by officials link South Africa's membership to BRICS as a gateway for Africa. This is an expectation that is being created which sees South Africa as having a role in promoting Africa's development and future relationships with BRICS members.

Critics argue that South Africa's actions have not promoted BRICS in Africa, and that South Africa should not have created this expectation. Their position is that South Africa may merely be using its geographical positioning as a strategic justification as to why it belongs in BRICS. Although these challenges have not been addressed, Africa has become part of the BRICS indirectly and African countries need to navigate these dynamics. This is evident in the BRICS' outreach to Africa initiated by South Africa. Another challenge may arise once the NDB opens up the membership to the bank, and BRICS Plus, as suggested by China, becomes a reality, which may signal important geopolitical changes. Africa has the potential to be a pioneering continent, however the framing and context of this conversation will need to be increasingly strategic and pragmatic in the context of Africa's relations with all countries and not just the BRICS partners.

Break Away Session 1: Trade and Development finance, BRICS in Africa

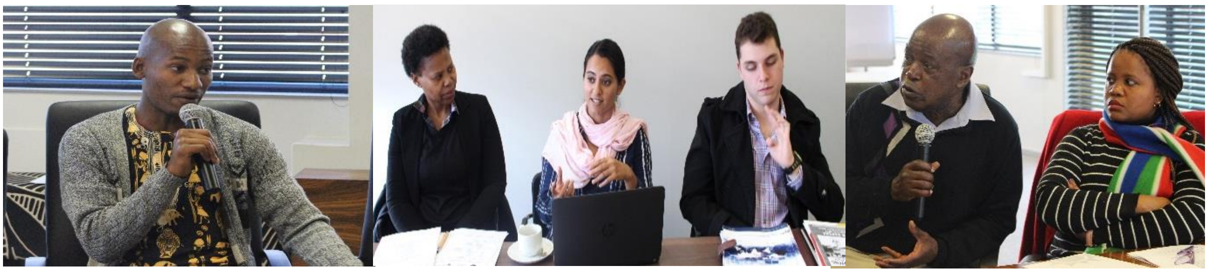
The session commenced by debating if the NDB will be a continuation of the World Bank model and the IMF. One of the critiques of the World Bank is that the Bretton Woods institutions enforce their policies through a number of policy reforms that seek to open markets for banks, which expose many industries within the developing world to negative impacts. Therefore, the question arises: would the NDB have the same policy discourse and management that is present within the World Bank and IMF? He also indicated that the AfDB is a subsidiary of the World Bank, which has been operating for 50 years and has had undesirable effects; furthermore, social and environmental impacts have been devastating for African countries. The extractive industries within resource rich nations have seriously affected its environments and societies. Where are the surpluses of these industries been invested? And how will the NDB revisit its own discourse and bring in critical reforms?

Ms. Naidu took the discussion further, posing the question: to what extent are environmental safeguards incorporated into development projects within the context of BRICS and the NDB? She noted that the NDB has issued its strategy document for 2017-2021 and that it will be of use in order to gauge the incorporation of environmental safeguards. An interesting point was made that there may be some issues that arise between the AfDB and the NDB, and that the NDB will have to face political and policy changes due to the currents of party contestation in countries other than China, such as South Africa.

However, it was highlighted that historically the AfDB has been driven by three aims: 1) country based social projects, 2) the consolidation of debts, and 3) attempting to pay off the debts of African countries to the IMF. Currently, the NDB aims to focus on Infrastructure development, which is a different and welcome opportunity for development.

The Honorary Consul of Bolivia, to South Africa, indicated that China does not need to be part of BRICS to be present in the continent, as it has demonstrated in the Americas. China has played an incredible role in building infrastructure in the Americas. These are projects that are also inclusive of government and the private sector. The experience of Chinese involvement in Bolivia, in the context of Bolivia's strong labour laws, has been controversial. These projects have at times infringed labour policies in many ways and many companies have faced strikes that brought the Chinese companies to a standstill, consequently delaying the delivery of their project targets.

The involvement of China in Africa has been controversial as well, and less restrained by labour laws. African countries have thus not always been able to effectively protect its labour sector and its environment. Moreover, the integration of the countries of the Pacific Alliance that has resulted in the integration of their stock exchanges. If South Africa could link with Nairobi or Nigeria it could be a well-placed source of development for the continent. Furthermore, the tariff and border controls in Africa need to be modernised in a way that would allow for trade to be more speedy and frequent. It was noted that there have been discussions to convert NEPAD into an AU Development Agency, however by the end of 2017 there should be more clarity as to how development would be managed within the continent. In her view, this could be an arm of the AU that could interact with the NDB.



Break Away Session 2: Navigating BRICS soft power dynamics, how can South Africa leverage its position?

A number of guiding points for the session were considered: the currency of soft power, the attractiveness of this currency and South Africa's wield over this currency. There is a link to ideological elements of foreign policy and diplomatic activity, as well as solid public diplomacy and nation branding. While it is clear that there is an ardent commitment to values and norms in terms of South African foreign policy, this emphasis is starting to lose its effectiveness in South Africa's ability to convey its intent. Any inconsistencies and attributed murkiness within its foreign policy application may also be due to overstretching human and financial resources.

It was acknowledged that South African actions and statements express that Africa has a pivotal role in the decisions that are taken. Various stakeholders were concerned over South Africa's assumed role in Africa. Participants indicated that this assumed role of leadership as well as South Africa's intentions towards BRICS and Africa needed to be discussed frankly at higher levels of government. Moreover, South Africa needs to be prepared to act as an advocate against malpractice, exploitation and general wrong doing on the continent, if it is to assume this leadership role.

Some participants noted that South Africa's foreign policy towards BRICS remains unclear, especially because the public is not always aware of reasons why South Africa and Africa benefit from the BRICS partnership. Although the Zuma administration has made this one of the more notable foreign policy achievements, the perception is that South Africa is not playing a big role in BRICS as anticipated.

The bigger question was then posed: If South Africa does not make use of this opportunity, what would it lose? Juxtaposed to a number of international organisations, arising multilateral and bilateral partnerships in Africa, a number of external actors are in the process of shaping the African dialogue. Although the public critique of South Africa's role as a vanguard of African interests provides a bleak outlook for South Africa's ability to wield soft power in the context of the BRICS partnership, there is an opportunity for South Africa to revitalise its image in Africa and BRICS by promoting the potential of BRICS in Africa.

It is important to make use of all soft power sources, particularly those that do not necessarily have an overt impact in politics: to inform youth, students and civil society through people-to-people exchanges, upscaling cultural diplomacy, updated public diplomacy and branding (to craft the desired image), and proactively engaging with the media (to portray the desired image). It was recommended that partnerships, agreements, infrastructure development and trade deals are communicated clearly to the South African public so that they may form an informed opinion of South Africa's possible progress in BRICS. South Africa needs to employ higher learning from the other BRICS members strategies of communicating BRICS to their citizenry; an updated public diplomacy and branding strategy needs to be portrayed through the various mediums and reach a substantial portion of the population. As well as maintaining a focus on South Africa's core activities in Africa, which includes South African support for peace and security on the continent.

Conclusions and way forward

Inter-BRICS relationships and regional dynamics come into play when considering the BRICS's outreach relationships with African countries. The presence of BRICS partners, particularly China, India and South Africa, as well as other non-traditional partners in Africa has contributed to diverse sources of development finance, ideas and cooperation for African countries. However, the internal dynamics of the BRICS members largely affect the degree to which they can engage within BRICS and regionally. Discussions surrounding the BRICS NDB and the future indications that it will open up its membership, has the potential to make valuable contributions to development in Africa.

The discussion had also focused on the optimistic outlook of the NDB and other development financers, such as the AfDB. These alternative sources of funding exemplify the potential that Africa has to realise its development goals through cooperation. However, it is also important for African countries to be aware of the challenges posed by regional dynamics and the regional geopolitical and geo-economic strategies that include, as well as affect, Africa. African countries also need to prioritise the global economic integration of African markets, resources and goods, particularly South Africa, which is strategically placed as an African state within BRICS.

Thus far, South Africa has not expressed an official engagement strategy in BRICS and the agenda on Africa. While this may be an advantage and South Africa may be determining where the partnership is going before it expresses a strategy, it is still vital to consider where it fits into the trade and development strategies of India and China, and how that affects its role and position within BRICS. Soft power is proving to be imperative in this partnership. South Africa should exercise this soft power through its public diplomacy in order to create awareness about BRICS, especially within Africa, as well as shape the evolving perception of BRICS. In order to have an effective public diplomacy strategy, South Africa should address any negative perceptions that the African continent (states and people) have about its role in Africa. South Africa could also use its partnership in the BRICS and geographical location to improve its image in Africa and focus on how South Africa may mediate various BRICS dynamics on the continent.

Appendix: Programme

IGD and SABTT Symposium: BRICS in Africa

Programme, 3 July 2017

National Institute for the Humanities and Social Sciences, 24 St Andrews Road, Parktown, Johannesburg

9:00 - 9:30	Arrival and registration
9:30 – 9:45	Welcome and opening remarks
9:45 – 11:00	Panel discussion: *Dr. Philani Mthembu (Executive Director, Institute for Global Dialogue (IGD))* *Ms Sanusha Naidu (Senior Research Fellow, IGD)* *Ms Arina Muresan (Researcher, IGD)*
11:00 – 11:30	Tea break
11:30 – 12:00	Break away sessions Session 1: Trade and development finance, BRICS in Africa Session 2: Navigating BRICS soft power dynamics, how can South Africa leverage its position?
12:00 – 12:30	Rapporteur session
12:30 – 12:45	Vote of thanks and closing remarks
12:45	Lunch