

India, Brazil, South Africa (IBSA) – New inter-regional multilateralism in the South?

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India, Brazil, and South Africa play significant roles in their respective regions and have increasing international influence. In September 2003 the three governments formalised this relationship, creating the IBSA Dialogue Forum. This document analyses the global and trilateral potential of South-South dialogue, comparing and contrasting these countries, and evaluating the forum's progress.

In recent years the roles of India, Brazil, and South Africa in international relations have changed. All three are gaining influence on a global level. The table below indicates that India, Brazil and South Africa have enough resources and capabilities to influence regional and international developments. On the other hand, their power capital is limited, which prevents them from exerting global influence in a unilateral manner.

Table 1

	Size of the Economy (GDP, in billion US\$)	Human Development (Rank)	Military Expenditure (% of GDP)	Territory (km ² , million)	Population (million)
India	785.47	126	2.9	3.287	1094
Brazil	794.10	69	1.6	8.515	186
South Africa	240.15	121	1.4	1.219	45
US	12460	8	4.1	9.629	296
EU	9810	n/a	1.7	2.506	310
China	2230	81	2.0	9.598	1304
Japan	4510	7	1.0	0.378	127
World	44380	n/a	2.5 (average)	133.941	6434

Source: World Development Indicators, World Bank, July 2006; and, United Nations Development Programme, Human Development Report, 2006.

While emerging powers have significant economic and demographic potential, all three are far from being considered great economic powers. However, they could gain weight in the international scene by increasing trilateral coordination and economic cooperation, acting as an agglomerate of Southern economies. With respect to military strength, India is a 'great power' due to its nuclear weapon arsenal.

Aside from demographics, economics and military capacity, Brazil and India are continental powers. Population and territory may help countries with global aspirations to advance their status in the international system; however, these are not decisive factors. For example, none of the three aforementioned powers participate in international decision-making fora, such as the United Nations Security Council (UNSC),¹ the Organisation for Economic Cooperation and Development (OECD) or the Group of Eight (G-8).

¹ India, Brazil, and South Africa have been on the UNSC as rotating members, but are not permanent members with the veto power.

Inter-regional multilateralism in the South

'Old' and 'new' multilateralism

For emerging powers like India, Brazil, and South Africa, international fora and multilateral institutions are essential frameworks for the projection of their power on the international scene. Thus, they tend to build multilateral alliances with countries that have common international interests and objectives. In this manner, middle powers seek to increase their visibility, voice and decision-making power through institutions traditionally dominated by the great powers such as the United Nations (UN) and the World Trade Organisation (WTO).

During the Cold War, Southern or Third World countries founded, among others, the Non-Aligned Movement (NAM) and the Group of 77 (G-77). These fora, which bring together a large number of diverse developing countries, no longer feel the need to challenge the great powers. Their main objective was to increase the international relevance of developing countries and emerging powers, and to create a 'fairer', multipolar world.

The **Non-Aligned Movement** (NAM) was formalised in Belgrade during its first official meeting in 1961. India, the most distinguished member of the forum, had a leadership role in NAM from the very beginning. The initiative was created during the Cold War for countries that did not wish to ally themselves either with the US-dominated West or with the Soviet-oriented East. NAM members, under the auspices of India, sought to minimise the power of the Eastern and Western blocs, working together within the UN and in other international organisations.

NAM had the objective of being a coherent and influential alliance much like NATO and the Warsaw Pact. But, as political 'non-alignment' became ever more questionable, the official logic, purpose and survival of the movement lost part of its *raison d'être*. In particular after the collapse of the Soviet Empire, the very concept of 'non-alignment' came into question. Many member countries – especially India – had and still have good relations with both Russia and the US.

During the Havana Summit in September 2006 the non-aligned states reopened the debate about the possibility of revitalising the NAM.² At present, the movement aims at countering the weight of great powers, in particular the US. However, at the same time several members have close relations with the US. Despite encompassing two thirds of UN member states, NAM cannot take joint positions with respect to many crucial questions, thus undermining its potential global impact.³

The **Group of 77 (and China)** works as a platform within the UN for the articulation of the needs and grievances of developing countries. The G-77 was created in 1964 as a framework for political cooperation among members of the UN General Assembly, the Economic and Social Council (ECOSOC) and other UN specialised agencies.

Since January 2007 the group is presided over by the Pakistani representative to the UN, and counts 132 member states. First and foremost, the group has an economic focus that seeks to improve the conditions of developing countries. Together members hope to achieve more bargaining power in their fight for sustainable development, the reduction of poverty and a fair new World order.

Although the G-77 still exists as an alliance of developing countries and emerging powers within the UN context, the movement has lost relevance in recent years.

The group often has great difficulty in taking a joint stance and converging global views, different strategies, national and international policies, especially due to its large number of members.

² Current Secretariat, 'XIV Conferencia Cumbre de Jefes de Estado o de Gobierno del Movimiento de países no alineados', <http://www.cubanoal.cu>.

³ Current Secretariat, 'Países Miembros', <http://www.cubanoal.cu>.

While the G77 and the NAM are characterised by large numbers of developing countries, created in the seventies, **the IBSA alliance** currently comprehends only three (large) middle powers that to a large extent exert regional and global influence. This new type of 'Southern multilateralism' does not propose a radical change in the world order, rather it seeks to take advantage of existing international rules to promote a more just, representative and equitable distribution of power in the international system.

The IBSA forum is composed of countries that have more common interests than NAM or G-77, and is thereby more likely to achieve significant agreements within the trilateral alliance. Its aims and reach are pragmatic and realistic, as opposed to NAM's vague rhetoric.

This relevant difference aside, Cold War fora and IBSA have decisive points in common. They coincide in the general objective of construing more influence for the South, while undermining the predominance of the US and other great powers, which make most of the decisions in international politics.

IBSA Dialogue Forum

In January 2003, Thabo Mbeki, South African President, advanced the idea of an alliance with Brazil and India to increase these emerging powers' impact at the global level, and to enhance trilateral cooperation between them.⁴ Following several informal meetings by the heads of government during the June 2003 G-8 summit in Evian,⁵ the Foreign Ministers of India, Brazil, and South Africa formalised the 'IBSA Dialogue Forum' in the Brasilia Declaration. Since then, these three states have held annual meetings and signed several agreements on sector specific and global cooperation.

In September 2006, Presidents Luiz Inácio Lula da Silva and Thabo Mbeki, and Indian Prime Minister Manmohan Singh, participated in the first IBSA summit in Brasilia. The three heads of state coordinated stances for the 61st General Assembly of the United Nations, where South Africa was elected non-permanent member of the Security Council for the first time in its history. At the same time, their foreign ministers signed five documents, trilateral agreements and memoranda to foment trilateral cooperation in the crucial sectors: trade, transport, energy and social development.

Table 2

IBSA DOCUMENTS AND AGREEMENTS
Brasilia Declaration (Brasilia/ September 2003)
Cooperation agenda (New Delhi/ March 2004)
Memorandum of Understanding on Trilateral Cooperation in Agriculture and Allied Fields
Memorandum of Understanding on Biofuels
Agreement on maritime transport, commercial goods and other maritime transport issues
Action plan for trade facilitation (Brasilia/ September 2006)
Memorandum of Understanding on a Framework for Cooperation on Information Society

This dialogue forum is an alliance of countries with a similar global vision, with shared interests, values, capabilities, needs and grievances. Nevertheless, despite a common starting point, it would be wrong to assume that IBSA is an agreement among equals.

⁴ Valor Econômico, 'A aliança Índia-Brasil-África do Sul', 15 September 2006.

⁵ G-8: US, Germany, UK, France, Canada, Italy, Japan, and Russia (since 1988).

Each country has to face its own domestic socio-economic problems. High Gini coefficients⁶ show that socio-economic inequality is particularly worrying in Brazil and South Africa. According to the UN's human development rating, Brazil has a higher ranking than India and South Africa, reaching the 69th position (out of 177 countries), while the latter two were classified 121st and 126th, respectively. South Africa's ranking is low despite its high per capita income due to the HIV/AIDS epidemics it suffers, which brings life expectancy below 50 years of age.

Despite India, Brazil, and South Africa's differences, the IBSA forum acts with a coherent group attitude. Undoubtedly, the alliance is based on shared values. All three countries are large Southern democracies, characterised by cultural, religious, racial and lingual pluralism. In strategic foreign policy documents these states commit to human rights, international law, multilateralism, and the promotion of democracy, peace and stability. Also due to their status as emerging powers (or large middle power, in the case of India) Brazil, India and South Africa have common objectives with respect to the international system. In the first place, the IBSA forum is characterised as a community of shared values and global aims. Furthermore, aside from a common world vision, these powers seek to improve sectoral specific trilateral cooperation, making them a triangular community of shared interests.

Sectoral specific Cooperation

In the Brasilia Declaration the foreign ministers emphasised the significance of trilateral cooperation as an instrument to promote social and economic development, and confirmed their intention to intensify triangular collaboration.⁷ In recent years, India, Brazil, and South Africa have identified potential spheres of cooperation.⁸ Their objective is to exchange experiences and complementary resources. A good example of this is the proposal to build a new airplane combining the three countries expertise. Brazil has the industrial infrastructure; South Africa supports the project with minerals and aeronautical communications know-how; and India can offer design and technology.

Trilateral trade, energy and transport cooperation

In the period 1985-2005, international trade quadrupled, going from US\$ 2.3 billion to over US\$ 10 billion. This spectacular increase in the flow of international commerce is mainly due to economic liberalisation and deregulation in developing countries. In the same period, South-South trade as a percentage of global trade tripled, going from 4.1 to 11 percent.

India, Brazil, and South Africa have sought to encourage ***trilateral trade*** through the proliferation of contacts and bilateral or trilateral agreements. In recent years, official visits among these three powers have incorporated vast business delegations. Another important step in this direction is the IBSA Business Council⁹, launched in March 2005 in South Africa during informal meetings of the three foreign ministers.¹⁰ The first IBSA summit in Brasilia included many academic and business seminars with the objective of encouraging trilateral economic relations.

⁶ The Gini coefficient measures the inequality. 100 stands for total inequality and 0 for total equality. The dates of the UNDP show that the Gini coefficient of India is about 32,5, of Brazil about 59,3 and South Africa about 57,8.

⁷ IBSA Trilateral, Brasilia Declaration, www.ibsa-trilateral.org/brasil_declaration.htm.

⁸ IBSA Trilateral, Areas of Cooperation, www.ibsa-trilateral.org/areas_cooperation.htm.

⁹ The following collaborated to create the IBSA Business Council: *Confederação Nacional da Indústria* (Brazil); Confederation of Indian Industry, Associated Chambers of Commerce and Industry of India, and the Federation of Indian Chambers of Commerce and Industry; and, the Business Unity South Africa.

¹⁰ <http://meaindia.nic.in/pressrelease/2005/03/10pr01.htm>.

Also, the three governments signed the Action Plan on Trade Facilitation for Standards, Technical Regulations and Conformity Assessment,¹¹ which could be considered a first step towards a trilateral free trade agreement.

Despite various obstacles, such as distance, language, transport costs, and lack of direct flight routes, trilateral commerce has grown more than twofold in the 2003-2006 period, going from US\$ 1.98 billion to US\$ 4.31 billion. This increase in trade volume is especially substantial due to Brazil-India bilateral relations, since the figure for India-South Africa trade remained relatively stable.

Table 3

Trade Volume 2003 (US\$ million)				Trade Volume 2006 (US\$ million)			
	INDIA	BRASIL	S. ÁFRICA		INDIA	BRASIL	S. AFRICA
INDIA	-	1038886	6476	INDIA	-	2410524	6113
BRASIL	1038886	-	935381	BRASIL	2410524	-	1894189
S. AFRICA	6476	935381	-	S. ÁFRICA	6113	1894189	-
TOTAL	1980743			TOTAL	4310826		

Source: SECEX (Brazil) and Department of Trade and Industry (South Africa)

Although the trilateral trade volume has risen, it is unlikely that India, Brazil and South Africa will sign a free trade agreement in the near future. On the one hand due to the aforementioned transport and technical obstacles, on the other, because of their different integration levels in the global economy that hinder a significant increase in trilateral trade and thereby undermine the consolidation of a potential free trade agreement. The fact that both Brazil and South Africa participate in regional blocs, Southern Common Market (MERCOSUR) and Southern African Customs Union (SACU), respectively, also adds to the complexity of the process. Bi-regional negotiations have currently come to a standstill between India and MERCOSUR, India and SACU, and SACU and MERCOSUR.

Another obstacle is the lack of complementarity among the three economies. In particular, India and South Africa produce similar goods in the agricultural sector and thus compete for access to OECD markets.¹² Also, Brazil and India clash over agricultural and services trade. While India is interested in a speedy liberalisation of the service sector trade, it is not concerned with a similar policy in the agricultural area. Despite abstaining from the creation of an ambitious customs union, there are specific sectors within the framework of the IBSA alliances that are very promising.

The **energy sector** is significant in all three countries. Although Brazil reached self-sufficiency in oil in 2006, none have substantial oil reserves. Given their condition of emerging powers, they should increase their energy demands within the next few years. Consequently, India, Brazil, and South Africa have a strong desire to develop and exploit alternative sources of energy.

Energy sector trilateral cooperation has significant long-term potential, especially in the development of renewable energy. India, Brazil, and South Africa share optimal conditions for developing solar energy, although only India has experience in this field. At present the most important energy resource for the IBSA alliance is ethanol,¹³ in which Brazil is already a global leader. India and South Africa also produce and consume this type of biofuel, albeit in smaller quantities.

India is the second largest producer of sugar cane in the world, behind Brazil. Fifty-five percent of Brazil's sugar cane production is transformed into ethanol, which corresponds to one third of the world's alternative fuel output. Still, the five thousand gallons of

¹¹ www.ibsa-trilateral.org/announcement.html.

¹² Gilberto Dupas, 'South Africa, Brazil and India: divergence, convergence and alliance perspectives', in Fabio Villares (ed.), *India, Brazil and South Africa-Perspectives and alliances*, São Paulo, 2006, p.334.

¹³ Ethanol is biofuel derived from wheat, sugar cane and other agricultural products.

ethanol produced by Brazil substitute only one percent of the world's gasoline demand. Nevertheless, global economic growth is applying upward pressures on the price of oil, which, in turn, makes the search for environmental solutions all the more pressing. In this sense, renewable energies – ethanol among them – are becoming an interesting alternative, despite the fact that it will require significant changes in national energy matrices. Thus, a key issue will be the adaptation of the automobile industry to this new context.

Brazil has vast experience in the plantation and production of sugar cane. Brazilian know-how, technology, and natural conditions make it the cheapest country in the world for the production of ethanol. In the long term, Brazil-India-South Africa energy sector cooperation will be mutually advantageous. Alternative energy will reduce reliance on oil and IBSA could promote the development of the market for renewable energy. Recently, these three countries signed a biofuel sector agreement. The United States have also shown great interest in this sector – in March 2007 an agreement was signed between the US and Brazil for the development of ethanol.

Transport is a key issue with regards to the potential for trilateral cooperation. During the Brasilia summit, India, Brazil, and South Africa signed an agreement on maritime transport, and IBSA is also preparing an agreement on civil aviation in order to establish direct, regular flight connections between the three countries. IBSA cooperation creates significant prospects in the transport and energy areas. Given that concerning the goods trade the three countries have scarce complementarity and compete for market share in the OECD; the main focus of IBSA trilateral cooperation should be energy and transport, sectors that present a higher probability of successful agreements.

Security

During their first meetings, the foreign ministers of IBSA countries have highlighted the 'new threats to security', including terrorism, drug trafficking and related criminal activity, organised international crime, illegal arms trade, natural disasters, and health safety issues, in particular HIV/AIDS.

On 1 February 2004 the first meeting of defence ministers took place in Pretoria, South Africa, with the objective of discussing common areas and possibilities for trilateral cooperation in the field of defence and security. However, no concrete initiative came out of it, and the meeting did not go beyond positive rhetoric. India has important defence resources and is a nuclear power, factors that distinguish it from Brazil and South Africa. The three IBSA countries have strongly divergent opinions on regional security, security, influence and profits in the military industry. Therefore, trilateral cooperation in this area is likely to be limited.

Cooperation in the social sphere

The 2003 Brasilia Declaration commits the IBSA allies to fight against poverty and hunger, problems that seriously affect themselves and their neighbours. The IBSA Facility for Poverty and Hunger Reduction Fund was created in 2004, aimed at creating concrete initiatives to reduce poverty and hunger throughout the world.

This trilateral initiative emerged within the South-South cooperation framework of the United Nations Development Programme (UNDP). The IBSA Fund's directorate¹⁴ selects projects, which are then administered and controlled by UNDP. This initiative is designed for the implementation of concrete initiatives in poor and developing countries. The novelty here is that IBSA's Fund is financed by emerging powers, which, to a certain extent, belong to the developing world themselves.

¹⁴ The IBSA Fund directorate is composed of representative from India, Brazil, and South Africa, and one representative from UNDP.

This project was first implemented in 2005 in Guinea Bissau, one of the poorest rural countries in the World. IBSA seeks to foment the sustainable development of Guinea Bissau's agriculture. Although India, Brazil, and South Africa have a much higher development level than Guinea Bissau, all three have had similar experiences and accumulated knowledge in combating rural poverty and improving agricultural production. This project was successful, reducing the rice production deficit, increasing the production of horticulture, developing small and middle farms, and lending institutional support.¹⁵

In early 2006, the IBSA Fund began its second project, in Haiti, where it dealt with refuse collection in Port-au-Prince. This initiative was aimed at promoting the development of Haiti, which suffers a post-conflict scenario with high levels of urban violence, unemployment and lack of basic infrastructure. Albeit smaller in size in comparison with the initiatives of industrialised countries and international organisations, IBSA's projects have a different focus, which incorporates its own experiences as 'Southern powers'. In 2006 the IBSA Forum was awarded an UN prize for South-South cooperation¹⁶, for its work in Guinea Bissau and Haiti. This award is proof of the global support that such initiatives enjoy. Apart from the Fund, IBSA also has many workgroups that deal with development and social issues.

While these initiatives are innovative and promising, they face a scarcity of resources. This undermines a potential larger impact, which would be more effective if carried out in collaboration with the North. North-South initiatives would benefit from the local experience of emerging powers, such as IBSA countries, while at the same time having access to financial resources and know-how from northern industrialised countries, such as the European Union (EU). With development cooperation as an important pillar of EU foreign policy, North-South cooperation between the EU and IBSA could yield better results.

Another important project within the social sphere is the exchange of knowledge and successful experiences in the **fight against HIV/AIDS**. The percentages of HIV/AIDS victims (15-49 years old) in Brazil and India are 0.92 and 0.54, respectively. South Africa's case is a lot worse, with the same figure amounting to 18.78%.¹⁷ The virus is a serious demographic, economic and social threat, especially because its effects are more accentuated within the 25-30 age bracket; that is, working family heads. The socio-cultural consequences of such a threat are incalculable.

Although the IBSA countries are not the poorest in the world, a considerable proportion of their respective populations live in poverty,¹⁸ residing in marginal or criminal areas that are more prone to the outbreak of epidemics. All three states have applied different strategies and solutions to deal with this issue, yielding different results in each case. While Brazil is a success story, South Africa is catastrophic, and India faces an emerging disaster.¹⁹ Trilateral cooperation, taking advantage of Brazil's know-how and India's low cost production of generic medication might yield favourable results in the fight against HIV/AIDS. However, the potential for success contrasts with the lack of a clear, common strategy.

¹⁵ Ministry of External Relations Brazil, 'South-South Cooperation brings closer visions and tighter partnerships', *Revista Brazil – a brand of excellence*, September 2006.

¹⁶ <http://tcdc1.undp.org/Documents.aspx?docId=21>

¹⁷ World Bank, *Statistical Data*, <http://devdata.worldbank.org/data-query/>.

¹⁸ According to UNDP, 79.9 percent of the Indian population lives with less than US\$ 2 a day, and 34.7 percent with less than US\$ 1; 21.2 percent of Brazilians live on less than US\$ 2 a day, and 7.5 percent with less than US\$; the same figures for South Africa are 34.1 and 10.7 percent, respectively. <http://hdr.undp.org/hdr2006/statistics/indicators/24.html>.

¹⁹ See data and detailed reports at the WHO, *HIV/AIDS country information*, www.who.int/hiv/countries/en.

India, Brazil, and South Africa, and their respective regions

India in South Asia

The Asian region is clearly dominated by China, the most populous country in the world and about to become one of its largest economies. If we consider the south of Asia as a 'sub-region', then India is the most relevant state, given its territorial extension, population, size of the economy, and military resources. Still, India's role in the sub-continent is difficult to define.²⁰

The nineties saw a significant change in India's regional policy. Previously, India used military power and its neighbours were seen as part of its national security strategy. India's regional policy was dominated by complex neighbourhood relations, like border conflicts with China and the Kashmir dispute with Pakistan.

The liberalisation of the economy in 1991 and a change of government resulted in India starting using a soft power approach.²¹ Since then, India is one of the main advocates of regional economic integration, carefully monitoring and contributing to the progress of the South Asian Association for Regional Cooperation (SAARC). Moreover, New Delhi is progressively playing a leadership role in matters of regional security.²²

With respect to its bilateral conflicts with China and Pakistan, India has recently proven serious about trying to find viable solutions. India's regional relevance is recognized by the US, which has intensified cooperation with India through a strategic partnership aimed at counterbalancing China's influence in the region.

Despite being recognised as a regional power, India faces serious challenges in its neighbourhood. Pakistan and China, both question India's regional representation and leadership. The internal and regional division of the subcontinent along religious lines as well as deteriorating relations between Afghanistan and Pakistan are a threat to the Indian state. In this sense, it is important for India to overcome religious extremism and promote the development of modern states in its region.

In order to enhance regional economic integration under its leadership, India needs to deal precisely with these issues, overcoming internal and regional divisions, and solving its conflicts with China and Pakistan. If India manages to do this, it would become a reference point for other global power centres, such as the US and Europe.²³

At present, bilateral relations between the EU and India are based on shared values and interests, such as democracy and the safeguarding of peace. A strategic relationship was established in the fifth EU-India summit in 2004; and, in 2005 they adopted the Joint Action Plan, which turned existing strategic relations into operational initiatives.²⁴ Although current bilateral relations are satisfactory, there is a lot of potential to intensify cooperation, especially in the economic and regional security and stability spheres.

Brazil in South America

In quantitative and material terms – population (35 percent of Latin America and the Caribbean), territory, economic size, and military capacity – Brazil can be classified as a regional power. Its role as a pacifying power is projected on to the whole Andean region.

²⁰ A more detailed analysis of India's regional policy can be found in Christian Wagner, 'From Hard Power to Soft Power? Ideas, Interaction, Institutions, and Images in India's South Asia Policy', *Heidelberg Papers in South Asian and Comparative Politics*, Working Paper N° 26, marzo de 2005.

²¹ Wagner (2005), *op. cit.*, p. 2.

²² C. Raja Mohan, 'India y el equilibrio de poder', *Foreign Affairs (Spanish edition) I*, 7:1, 2007, pp.76-87; p.78.

²³ Brahma Chellaney, 'Un modelo de democracia para el mundo en vías de desarrollo', *Vanguardia Dossier*, 12, July/ September 2004, pp.63-67.

²⁴ European Union, 'The India-EU Strategic Partnership – Joint Action Plan', New Delhi 2005, http://ec.europa.eu/comm/external_relations/india/sum09_05/05_jap_060905.pdf

Brazil has bilateral relations with each country in the region and has mediated in different intra- and interstate conflicts, involving Colombia, Venezuela and Bolivia.²⁵

Brazil is the engine of regional integration through the Common Market of the South, MERCOSUR, and the South American Community of Nations (CASA). With respect to regional security, Brazil has intervened in several crises in Bolivia²⁶; it has created the Group of Friends of Venezuela; and offered to mediate and facilitate dialogue between Uribe's government and the guerrillas in Colombia. President Lula's focus on a regional policy of diplomacy and the promotion of democracy and stability has changed the priority status that commercial and trade relations had in previous administrations.

Despite Brazil's relevance to development, democracy and stability in South America, the EU has not yet established close ties. At present, bilateral relations seem to be stalled, due to the complex negotiations between MERCOSUR and the EU. Given that Brussels and Brasilia share many common objectives with regard to South America – democracy, peace, regional integration, and development – it is of great interest that the two parties intensify cooperation between each other, and overcome commercial disputes.

On the other hand, Brazil and the US are steadily intensifying commercial relations. George Bush's March 2007 visit to Brazil yielded several agreements to promote development cooperation and the production of biofuels. Although not yet fully implemented, biofuel cooperation has future potential. Brazil and the United States together produce 70 percent of the world's biofuel, and are seeking to strengthen the global market for this product. As mentioned above, ethanol or biofuels are increasingly attractive alternatives to countries that are largely dependent on oil and gas. Furthermore, the significance of renewable energy resources is growing, since more governments and states are beginning to recognise the need to protect the environment.

Aside from their commercial cooperation, both countries have an ambiguous relationship. While they compete over influence in the American subcontinent, both share areas of interest and cooperation, for example in Haiti. They however clearly disagree over the Andean region, as can be seen in Colombia.²⁷

South Africa in Southern Africa

In contrast with Brazil and India, South Africa does not have a clear geographical or population preponderance in the region.²⁸ Its economic weight in the Southern African Development Community (SADC) is considerable. The South African economy represents 76 percent of the Community's GDP.²⁹ But, in general, South Africa's role in southern Africa is characterised more by its regional activity than its material capabilities.

It is worth emphasising the change that came about in South Africa's regional policy after the end of *Apartheid* in 1994. Before that, South Africa was a source of instability, and its regional policy included hostile military activity towards its neighbours, Angola and Mozambique. The transition to democracy in the mid-nineties changed South Africa's foreign policy, which became concerned with promoting and protecting human rights, democracy and development, peace and regional stability. South Africa's participation in peace missions in the sub-region is centred on diplomatic action, political dialogue, and mediation in intra-state conflicts.³⁰

²⁵ For a more detailed description of Brazil's role in the Andean region see Susanne Gratius, 'Brasil en las Américas: ¿Una potencia regional pacificadora?', FRIDE Working Paper, March 2007, www.fride.org.

²⁶ Brasil mediated in Bolivian political crises in 2003 and 2005. For more information see Sarah John de Sousa, 'Brasil y Bolivia: "Conflicto" sobre hidrocarburos', FRIDE Comment, November 2006, www.fride.org

²⁷ For more information see Gratius, op. cit., March 2007.

²⁸ South Africa's territory represents 18 percent of the SADC's, and 29 percent of SADC's population belongs to South Africa.

²⁹ Stephen Gelb (2002), 'South Africa, Africa and The New Partnership For Africa's Development', The Edge Institute, p.14, www.the-edge.org.za/pdf/sanepad.pdf

³⁰ South Africa participated, as a leader in some cases, in UN and AU peace missions in Ethiopia/Eritrea, Congo, the Ivory Coast, etc.

Still, South Africa's role as a pacifying power and regional stabiliser is questionable, as it faces serious challenges.³¹ Despite the clear multilateral rhetoric of the recent governments, South Africa's commitment to peace, democracy and human rights remains incoherent.

In the Zimbabwean conflict, South Africa repeatedly backed the three-time re-elected government, although the democratic value of these elections was questionable, and the government was involved in grave human rights violations.³² Immigrant xenophobia, inequality, crime, and its stance on African refugees are other factors that undermine South Africa's legitimacy as a regional leader.³³

Despite these domestic and external problems, South Africa is recognised internationally as a power of great relevance in the region. Moreover, it will soon cease being a partner (aid recipient) country of development cooperation in the ACP framework (African, Caribbean and Pacific Group of status) and will obtain strategic partnership status in its relations with the EU. Europe realises that closer bilateral ties with Africa serve to promote democracy, peace and stability in this continent. The joint programme of the next three EU presidencies already comprehends closer cooperation with the African Union in the prevention of inter- and intra-state conflicts.³⁴

India, Brazil, and South Africa in the global context

All great (and emerging) powers, including the (still) superpower, US, will have to confront new threats that will require multilateral cooperation. Climate change, a looming energy crisis, transnational crime, and terrorism are non conventional threats that will push states, even the most powerful ones, to increase cooperation. This context led the current G-8 president, German Prime Minister Angela Merkel, to invite India, Brazil, South Africa, Mexico, and China to a dialogue with the 'club of the rich and powerful' during the G-8 summit in June 2006 in Heiligendamm, Germany. In order to tackle new global security threats, it is necessary that new emerging powers share global responsibilities with the Group of 8.³⁵ Some have gone as far as to argue that the G-8 should be expanded to include the aforementioned Southern powers, creating a G-13. Although the incorporation of these emerging powers into the G-8 is still unlikely, the structural changes that are beginning to take place on the international scene are undoubtedly favourable to the objectives of India, Brazil and South Africa.

On the occasion of the St Petersburg G-8 Summit in 2006, the three IBSA countries alongside China, Mexico and the Democratic Republic of Congo adopted a common stance. The resulting document highlighted several international challenges in the fields of energy, education and public health, calling for more international cooperation to fulfil the Millennium Development Goals. India, Brazil, and South Africa are gaining relevance as the spokesmen for developing countries at the global level. This is especially the case with the India and Brazil's diplomatic service, which is highly professionalised and very efficient, distinguishing them from other Southern countries.

³¹ For more detailed information on South Africa's regional policy see Laurie Nathan, 'Uncertain Hegemon: South Africa's Foreign Policy in Africa', *African Renaissance*, 2:6, November/December 2005, pp.11-21.

³² More detailed reports on the crisis in Zimbabwe and South Africa's role at www.crisisgroup.org/home/index.cfm?id=1233&l=4

³³ Ingrid Palmay, 'Refugees, Safety and Xenophobia in South African Cities: The role of local government', Center for Study of Violence and Reconciliation, www.csvr.org.za/papers/papalm4.htm

³⁴ Rat der Europäischen Union, 'Vermerk des künftigen deutschen, portugiesischen und slowenischen Vorsitzes für die Delegationen' – Betreff Achtzehnmonatsprogramm des deutschen, des portugiesischen und des slowenischen Vorsitzes", 17079/06, Brussels, 21 December 2006.

³⁵ Angela Merkel, 'G-8 for sharing global responsibility with emerging economies – Angela Merkel', *South Bulletin*, 1 February 2007.

IBSA in the United Nations

Southern middle powers argue that the distribution of power in the UN does not accurately reflect the current international context. This power distribution is considered undemocratic, since it does not adequately represent the three IBSA regions. Brazil is the 14th largest UN donor (representing 1.52 percent of the total budget). Given that India and South Africa contribute 0.42 and 0.29 percent, respectively, Brazil's contribution is significant. Since the nineties, and in India's case since the foundation of the UN, the IBSA countries have actively participated in General Assembly meetings and debates, always advocating a more just, stable and balanced international system.

India, Brazil, and South Africa actively seek to fulfil the Millennium Development Goals,³⁶ encouraging sustainable development in their respective regions. For instance, Brazil plays a special role with regard to the eradication of hunger and poverty. A Brazilian initiative, supported by France, Chile and Spain, and the then UN Secretary General, Kofi Annan, established the *Action Against Hunger and Poverty* forum, in 2004.³⁷ What is more, the three IBSA powers have recently been selected as members of the UN Commission on Human Rights (CHR). In the Brasilia Summit, India, Brazil, and South Africa agreed to coordinate their contributions to the Council.

Alongside their significant contribution to the various UN agencies, the governments of India, Brazil, and South Africa seek to promote UNSC reform. Despite the fact that none of these states have a permanent seat in the Security Council, their participation in UN peace missions is increasingly relevant. India is at present one of the main contributors to UN peacekeeping missions and peace support operations in Africa and Asia. South Africa, albeit its smaller military capabilities, actively supports UN missions in Burundi and the Democratic Republic of Congo. Brazil's contribution has been limited, especially in Africa. Uruguay has traditionally been the foremost Latin American contributor to UN mission in terms of personnel. Nevertheless, the United Nations Stabilization Mission in Haiti (MINUSTAH) is an exception – Brazil has taken the military leadership and is represented with 1213 troops and policeofficers.

Overall, the IBSA countries' contribution is substantial, especially since they can offer their own experience in development. As safeguarding peace is one of the main objectives of the IBSA alliance, its members therefore demand stronger representation in decision-making bodies in the UN particularly the UNSC.

Table 4

Missions	India	Brazil	S. Africa
Burundi (ONUB)	9		918
Ivory Coast (UNOCI)	12	7	
Ethiopia and Eritrea (UNMEE)	1564		4
Haiti /MINUSTAH		1213	
Lebanon (UNIFIL)	648		
Liberia (UNMIL)		1	
Dem. Rep. Congo (MONUC)	3550		1394
Sudan (UNMIS)	337	7	
East Timor (UNMISET)		2	
Total	6120	1230	2316

Source: UN Department of Peacekeeping Operations

³⁶ www.un.org/spanish/millenniumgoals/

³⁷ www.globalpolicy.org/socecon/lotax/general/2004/0920newyork.pdf

In order to further advocate UNSC reform, Brazil and India joined forces with Germany and Japan, establishing a G-4. South Africa is not a part of the G-4 due to a lack of cohesive AU support for Pretoria becoming a UNSC permanent member. At any rate, the reform process remains in a standstill. What is more, all the G-4 members do not have full support of their respective regions with respect to their UNSC aspirations. Brazil's candidacy to a permanent seat is opposed by Mexico and Argentina; while India faces China and Pakistan's opposition.

World Trade Organisation

IBSA was formalised in September 2003, the same month in which India, Brazil, and South Africa actively participated in the Fifth Ministerial Conference of the WTO in Cancun, supposedly representing the most developed countries. Leading the G-20, these three powers have since advocated the improvement of trade conditions in the global market so that developing countries may benefit from their comparative advantages in agriculture, and in some industrial and service sectors. The G-20's main grievance and principal demand is the removal of 'non-tariff barriers' to agricultural trade (such as the abundant agricultural subsidies in the industrialized world). Undoubtedly, the Southern coalition has gained much visibility in international political economy. Despite the standstill in negotiations with EU and the US; the IBSA states, and other G-20 members have effectively succeeded in making their grievances heard by industrialised nations.

On the other hand, IBSA's role in WTO negotiations suffers from a lack of coordination and coherence. This is due to two main reasons. First, the three IBSA powers do not effectively represent all G-20 countries. Less developed countries are not interested in the reduction of agricultural subsidies in industrialized countries, since they are net importers of such products and reduced subsidies would increase import prices. Second, the interests of Brazil, India and South Africa do not always coincide. For example, South Africa is a lot more flexible than India with respect to agricultural subsidies and, in contrast to India, is willing to make concessions in exchange for reduced subsidies. Although problems as the above hinder IBSA's leadership in WTO negotiations, it is important to emphasise that in some specific areas IBSA's middle powers fulfilled their objectives with the support of other developing countries.

Since the evident failure of the 2003 Doha negotiations, Brazil and India have been a part of the WTO internal negotiation group that also encompasses US, EU, Australia, and Japan. Other developing countries are represented by Brazil and India. On 4 March 2007 India, Brazil, the EU, and the US resumed negotiations in London on the trade of agricultural products, industrial goods, and services.

A success story for India, Brazil, and South Africa is the WTO TRIPS (Trade-related aspects of intellectual property rights) agreement. On this occasion, they managed to minimize the negative effects of TRIPS, undermining the creation of more patents that would have significantly increased the costs of HIV/AIDS medication, and thus had a severe impact on Africa in particular. Now, national governments have the possibility of obtaining licenses to produce medication without consulting the 'patent holder'. Moreover, since 2003 countries can export generic medication to states in crisis that suffer from HIV/AIDS, malaria or tuberculosis epidemics. Although IBSA cooperation within the framework of the WTO may help to solve more problems in the future, these three countries can already boast a few significant success stories.

Conclusions and Perspectives

The IBSA alliance is, in the first place, simply the formalisation of existing bi- and trilateral relations between India, Brazil, and South Africa. While the roles of the individual members in their respective regions differ considerably, IBSA has a significant global relevance.

Although the impact of such trilateral cooperation is insignificant outside the energy, transport and public health sectors, the influence of India, Brazil, and South Africa in international organisations and institutions is increasing.

The new power vacuums in international relations coupled with recent global threats are leading great powers to recognise the need to cooperate with Southern powers in energy matters and regional peace support operations.³⁸

Up until now, the EU has not paid attention to the IBSA alliance. At present, the Union only has close ties and a strategic relationship with India. However, there are areas in which intensified cooperation between the EU and IBSA would be mutually beneficial, since all three are relevant and diplomatically represented interlocutors in international relations.

On the one hand, Europe is interested in a global market for renewable energy, and seeks to gradually substitute oil and gas for alternative energy sources. This is a potential field of cooperation.

On the other, the EU and IBSA have several global objectives in common. Both seek to promote peace, security and stability throughout the world. Europe could export its 'successful' regional integration experience, and should support India, Brazil, and South Africa in their ambitions to boost their regional role in democracy promotion and peace support. At present, IBSA's trilateral project is just beginning, but it might be successful in specific areas of cooperation. If India, Brazil, and South Africa adopt common stances, they might fulfil the necessary pre-conditions to increase their influence on global stage.

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³⁸ Chris Abbott et al., 'Respuestas globales a amenazas globales – Seguridad sostenible para el siglo XXI', *Working Paper 27*, FRIDE, September 2006. www.fride.org