

EVIDENCE REPORT

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Rising Powers in International Development

Rising Powers in International Development: Learning Events 2014

Louise Oakley

February 2015

The IDS programme on Strengthening Evidence-based Policy works across seven key themes. Each theme works with partner institutions to co-construct policy-relevant knowledge and engage in policy-influencing processes. This material has been developed under the Rising Powers in International Development theme.

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RISING POWERS IN INTERNATIONAL DEVELOPMENT: LEARNING EVENTS 2014

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1 Learning Event One: Five Fingers or One Hand? The State of the Debate in the BRICS

4 June 2014, DFID offices, Whitehall

Objective

Researchers from the Rising Powers in International Development programme presented findings from the recently published State of the Debate country studies on international development cooperation in the BRICS countries (Brazil, Russia, India, China, South Africa). The objective was to generate awareness, understanding and knowledge among DFID (Department for International Development) staff of the increasingly important role of the BRICS countries in shaping prospects for poverty reduction in low-income countries. The seminar was held at the DFID offices, Whitehall, and was widely promoted to all DFID staff, including country offices who could connect via video and phone conference.

Speakers

Dr Jing Gu, IDS
Dr Alex Shankland, IDS
Dr Hayley MacGregor, IDS
Yunnan Chen, IDS

Participants

| | | |
|---------------------------|------------------|---------------------|
| Jenni Eatough | Christoph Merdes | Rocio Moreno Robles |
| Anfal Saqib | Clare Robathan | Dan Bradley |
| Hugo Gorst-Williams | Hannah Gough | Rhona Birchall |
| Kate Atkinson | Jaya Singh Verma | Daniella Donatti |
| Prudence Buxton | Kathryn White | Helen Gorie |
| Aurore Dupin de Saint Cyr | Lucy Cowan | Joe Egerton |
| Barbara Hendrie | Toni Lawless | Rebecca Baldwin |

Discussion

The session was opened by Alex Shankland presenting the Brazil study, including the historical background, current trends and implications for the future. Brazil has a longstanding engagement in South–South cooperation, including in Africa. There is limited domestic constituency but a strong impulse towards a global South orientation. Massive expansion of official technical cooperation programmes began under Lula¹ between 2003 and 2010. Official data show that Brazil's total aid may be over US\$1bn per annum but South–South cooperation modalities and exclusion of BNDES (Brazilian Development Bank) lending limit the usefulness of this data.

Current trends have seen the expansion of technical cooperation with Africa reversed under President Dilma Rousseff, since 2011. The official cooperation agency, ABC (Agência Brasileira de Cooperação [Brazilian Cooperation Agency]), has had a budget cut and priorities have been reoriented to Latin America. Engagements of business and civil society with Africa continue to expand, while government capacity to coordinate continues to erode. The Brazilian protests in June 2013 generated increased sensitivity to the accusation of diverting scarce resources overseas and resulted in partial withdrawal from dialogue with civil

¹ Luiz Inácio Lula da Silva (known popularly as Lula) was President of Brazil 2002–11. A founding member of the Workers' Party, he is regarded as one of the most popular politicians in the history of Brazil.

society on development cooperation. However, recent experience suggests a gradual opening-up of space for discussion. Scenarios beyond the 2014 elections include a move back to a more self-confident foreign and development cooperation policy with possible reform, or replacement of ABC back on the agenda.

Jing Gu presented the China study, focusing on key issues, key actors and key drivers. To the Chinese mindset, national development and foreign aid are two unrelated issues. The recent White Paper on Foreign Aid outlines principles on aid and development, indicating that aid does not equal development. China's aid programme is mainly organised by the Department of Foreign Aid within the Ministry of Commerce (MOFCOM). China adopts a state-centric approach to the provision of aid. China's aid is based on principles of equality and mutual benefit, non-conditionality, quick results, and aid as a road to self-reliance. In comparison to traditional donors, Chinese aid does not impose policy conditions, is delivered through projects rather than budgetary support, focuses on infrastructure and the productive sectors, and links aid to trade and investment activities.

Hayley MacGregor presented the South Africa study. South Africa, the newest member of the BRICS, is in a unique position in the international development landscape as both an African recipient and donor. South Africa has a long-established tradition of South–South cooperation and a history of playing the role of advocate for African concerns. South Africa's development cooperation focuses heavily on financial assistance, peace-building work, and building institutions and infrastructure. Implications for the future include strengthening the multiple roles South Africa can play in the region and on the continent; strengthening civil society's oversight role in promoting transparency and accountability; and harnessing South Africa's potential as a partner for trilateral programmes.

Yunnan Chen presented the India State of the Debate study. India's development cooperation focuses heavily on the concepts of South–South cooperation and mutual benefit. Modes of aid include technical cooperation, lines of credit, trade and investment. There is a growing role of business actors in development cooperation, with a shift to big firms and a public–private partnership model. Indian civil society provides an engaged and sometimes critical voice. The media is supportive of development cooperation but there is low public debate.

Yunnan Chen then discussed similarities and differences between the studies. A strong shared theme is BRICS as 'partners' not 'donors': development does not have to equal aid. There is a common geographical focus on the 'near abroad' and Africa. There are differing levels of civil society and non-state actor engagement but a shared growing role of business actors. The 2014 BRICS Summit held in Brazil expressed various tensions and uncertainties, including faltering growth in the Brazilian hosts, the Crimean crisis, a new Indian government and Chinese bet-hedging. Despite this, the BRICS grouping is gaining global credibility, and there is significant momentum behind the newly announced BRICS Bank.

2 Learning Event Two: What is the State of the Debate on Development in Brazil, China and India?

16 October 2014, Chatham House

Objective

This high-profile event was hosted by the Royal Institute for International Affairs at Chatham House and was attended by academics, policymakers, media, and civil society organisations, together with Chatham House members. Researchers from the Rising Powers in International Development programme presented findings from three of the recently published reports within the series of State of the Debate studies on international development cooperation. The objective was to present learnings from the studies and stimulate debate about the increasingly influential role of the BRICS in the global development landscape.

Speakers

Dr Jing Gu, IDS

Dr Alex Shankland, IDS

Dr Emma Mawdsley, Department of Geography, University of Cambridge

Chatham House discussants

Dr Gareth Price, Senior Research Fellow

Professor Shaun Breslin, Associate Fellow, Asia Programme

Professor Victor Bulmer-Thomas, Associate Fellow, Americas Programme

Participants

| Name | Institution |
|----------------------|--|
| Artur Borowski | King's College London |
| Nathalie Brunet | UNHCR |
| Jennifer Constantine | IDS |
| Chris Dixon | Global Policy Institute |
| Jenni Eatough | DFID |
| Orlando Edwards | Great Britain China Centre |
| Peter Ferdinand | Warwick University |
| Henry Freeman | Adam Smith International |
| Derek Honeygold | International Economics, University of Hertfordshire |
| Ibrahim Issaq | Poverty Concern |
| Roger Jeal | Visiting Lecturer, City University |
| Chulsoo Kim | South Korean Embassy |
| Emese Kovacs | PEN International |
| Andrew Leung | Andrew Leung International Consultants |
| Merlin Lineham | frontiermarketstrategy.com |
| Danilo Marcondes | University of Cambridge |
| Anna Moller-Loswick | Saferworld |
| Louise Oakley | IDS |
| Christian Ploberger | University of Birmingham |
| Shahid Qadir | Third World Quarterly |
| William Rhind | Member/Gandhi Foundation |
| Patricia Romero | Africa Practice |

(Cont'd.)

Participants (cont'd.)

| Name | Institution |
|-------------------|---|
| Samah Salman | Strategic Planning Manager |
| Ryan Schroeder | Embassy of the United States of America |
| Marco Vieira | University of Birmingham |
| Richard Watts | Development Initiatives |
| Jonathan Whittall | Médecins Sans Frontières |
| Emilie Wilson | IDS |
| Ibrahim Yukseltan | Embassy of Turkey |
| He Zhang | Development Research Center of the State Council, China |
| Hou Zhanbo | Overseas Development Institute |

Discussion

Jing Gu opened the session with a brief overview of the Rising Powers in International Development programme and the State of the Debate studies. She then presented key findings from the China study. China's approach to aid significantly differs from that of Western donors and is still evolving, and awareness of differences in ideologies behind aid and development remains key to future successful aid cooperation. The institutional context of China's development cooperation is complex, and Western donors and external partners must take these differentiated political roles into consideration in order to effectively pursue trilateral development cooperation. The business sector and state-owned enterprises are an increasingly salient presence in China's development cooperation, in Africa and elsewhere. Development cooperation between China and the West is definitely not simply a bilateral issue, and the willingness of the recipient countries should be considered.

Shaun Breslin offered remarks on the report, focusing on external perceptions of China's development cooperation. There has been an assumption that the 'rising power' countries would approach development cooperation along the lines of Western donors, which has not been fulfilled. Perhaps we need to rethink our definitions and institutions to take this into account. China's development cooperation story is actually similar to others, such as South Korea. The attention on China is based on the fear that China will change the global liberal order. China is creating a space for developing countries to receive assistance without adhering to the principles of the Washington consensus.

Emma Mawdsley of Cambridge University presented key findings of the India study on behalf of the report's authors. Indian development cooperation is based on India's own development experience and is viewed as sustainable and inclusive, demand-based, non-conditional, and mutually beneficial. It focuses on debt relief, trade and lines of credit. India's motivations include aspiration as a global player and implicit competition with China. There are close links between development cooperation and business although clarity on the demand for investment is required. There is broad support for South-South cooperation within civil society, but low public debate and media coverage. Policy priorities include developing policy clarity, building transparency, engaging with civil society and sharing experiences internationally.

Gareth Price offered comments on the study, focusing on India's own experience of receiving and giving aid, and the widespread criticism in India of its interaction with Western aid agencies and Northern non-governmental organisations.

Alex Shankland presented the Brazil study, giving an overview of the history of Brazilian development cooperation, institutional frameworks and decision-making bodies and processes. Brazil has a longstanding engagement with South-South cooperation. The Lula presidency saw an expansion and pluralism of these efforts, with a focus on the near abroad. The current Dilma presidency has gone from a surge of activity to a stall. There is a history of solidarity-led civil society engagement with South-South cooperation but growing frustration

at exclusion from the official development model. There is limited public awareness but a generally favourable public view of development cooperation. There is growing academic interest and activity in this arena, among universities and thinktanks. These pressures have led to current tensions to reform the legal and institutional framework; to live up to Lula's promises; and to respond to civil society demands for inclusive models and adherence to human rights criteria.

Victor Bulmer-Thomas offered some remarks on the Brazil study. We should not exaggerate the extent to which Brazilian development cooperation is different from or more innovative than traditional aid programmes, especially if loans are taken into consideration. There is limited public awareness of development cooperation. The key issue is that the Brazilian economy is not growing, so its development programme cannot currently be sustained.

There followed lively open debate with the audience, including questions around the role of the BRICS in shaping the Sustainable Development Goals; multilateral engagement of the BRICS with international financial institutions and between themselves; the role of the BRICS Bank; the relationship between security and development; and the need for increased attention to sustainability and the environment.

3 Learning Event Three: China and Brazil in African Agriculture

5 November 2014, DFID, Whitehall

Speakers

Professor Ian Scoones, IDS

Henry Tugendat, IDS

Participants

Helen Gorie, DFID

Vincent Gainey, DFID

Darren Evans, DFID

Rachel Lambert, DFID

Gerry Duffy, DFID

Toni Lawless, DFID

Jenni Eatough, DFID

Hannah Gough, DFID

Discussion

Ian Scoones and Henry Tugendat presented the preliminary results of the ongoing IDS research programme 'China and Brazil in African Agriculture'. Over the past two years, the research has been tracking both Brazilian and Chinese engagements in Africa in Ghana, Ethiopia, Mozambique and Zimbabwe. A variety of interventions are looked at – from 'private' investments to state-led aid projects to technology transfer initiatives to training programmes. By examining what actually happens on the ground as a development intervention unfolds, the research focuses on the 'development encounters' between Chinese/Brazilian technicians, project coordinators, scientists and trainers and African 'beneficiaries' at different levels and in different sites. The aim is to get beyond the simplistic rhetoric of 'South–South' cooperation and 'mutual advantage' to find out how such encounters play out in practice, and what the underlying political dynamics are.

The preliminary results highlight many lessons, contradictions and challenges. The research shows how 'imaginaries' of Africa, of development and of successful agriculture travel as part of development cooperation, but must often be revised when simple visions do not work out. It demonstrates how simplistic ideas of technology or policy 'transfer' are unlikely to work, given the complex, contextual negotiations that play out in project settings. It shows how the assumed power and influence of external 'rising powers' in Africa may be tempered through such encounters as resistance, negotiation and adaptation. In addition, learning continues in project settings, and feeds back into intergovernmental negotiations that highlight considerable 'state agency' on behalf of some African governments. And it shows how training and capacity building are crucial to developing longer-term links, and positive relations between Africa, China and Brazil, and how very often projects and programmes are only elements in a much longer game of interaction based on aid, trade and commerce. Overall, the project highlights the complex politics of new aid and investment arrangements with so-called 'rising powers' in Africa, with many aspects challenging standard stereotypes of such engagements.

The session was opened to plenary, and questions were raised around the quality versus quantity of Chinese training courses for African officials, the difference between Chinese investments and other traditional powers engagements in African agriculture, and the role of the New Alliance for Food Security and Nutrition.



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