



Marius Glitz is a trainee at the Konrad-Adenauer-Stiftung in Johannesburg.

SOUTH AFRICA AS PART OF THE BRICS GROUP

THE EMERGING COUNTRIES' GATEWAY TO THE AFRICAN CONTINENT

Marius Glitz

On 26 and 27 March 2013 South Africa hosted the summit of BRICS countries. The focus in the port city of Durban was on relations between the five emerging nations of Brazil, Russia, India, China and South Africa and other countries on the African continent. For its fifth summit the group, of which South Africa has been a member since 2011, accordingly adopted the slogan "BRICS and Africa – Partnership for Development, Integration and Industrialisation". South Africa used the opportunity to portray itself as the gateway to the African continent, in an attempt to change its image as an economic outsider within the group of rapidly growing emerging countries.

The BRICS countries now represent 40 per cent of the world's population and the cooperation between them therefore attracts considerable international attention. For some years the five emerging countries have aroused particular interest on account of their steady economic growth of up to ten per cent, with which they put the traditional western growth markets in the shade. The BRICS states have a combined gross national income (GNI) of some 14.9 billion U.S. dollars; during the last decade they have been responsible for 50 per cent of worldwide economic growth, and they have even weathered the international financial crisis of 2008 and beyond largely unscathed.

FROM BRIC TO BRICS

The acronym BRIC was coined in 2001 by Jim O'Neill, Chief Economist at the giant investment bank Goldman Sachs. In his paper "The world needs better economic BRICs"¹ he commented on the ten-year investment boom that was taking place in the emerging countries of Brazil, Russia, India and China.

In September 2006, the four emerging countries commenced high-level diplomatic talks in New York. In 2009 the leaders of the BRIC countries held their first summit in the Russian industrial city of Yekaterinburg. Three further summits followed: 2010 in Brasilia, 2011 in Sanya (China) and 2012 in New Delhi. In addition there were regular meetings of the ministers responsible for foreign and economic affairs, finance and trade, and other talks at ministerial level.



The President of South Africa, Jacob Zuma (r.), attended the BRICS summit as a full member for the first time in Sanya in April 2011. | Source: Government ZA (CC BY-ND).

On 21 September 2010 the BRIC foreign ministers agreed to invite South Africa to join the group. In April 2011, the President of South Africa, Jacob Zuma, attended the summit in Sanya as a full member. In the same year the BRICS Forum was set up as an international organisation

1 | Jim O'Neill, "Building Better Global Economic BRICs", *Goldman Sachs Global Economics Paper*, 66, 2011.

promoting commercial, political and cultural cooperation between the member states.

Items on the BRICS political agenda include reform of the UN, the IMF and the World Bank, action on climate change, energy security and food security, and attainment of the UN Millennium Development Goals (MDGs).² The range of international issues on which the BRICS states take a stand has grown steadily over the years and now includes matters of security: for example, the group has made known its views on international terrorism, the conflict in the Middle East, the security situation in North Africa, Afghanistan, Iran and Syria. Western military operations in fragile states come under heavy criticism, usually on the grounds that the BRICS – citing the sovereignty of individual states enshrined in international law – support non-intervention in national affairs.

The subject on which there is the greatest political consensus within BRICS is its desire to see a progressive shift away from what the group sees as a western-dominated world order towards a multi-polar one. The largest emerg-

The BRICS are demanding a greater say within the UN as well as in the international financial institutions World Bank and the IMF.

ing countries do not regard themselves as being simply at an intermediate stage of development, somewhere between the centre and the periphery; instead their vision is of “a new model for global relations, one that overrides the old East-West and North-South barriers”.³ As part of this approach the BRICS are demanding a greater say within the UN, the World Bank and the IMF. For example, since the start of the financial crisis the economically troubled West has been more than ever reliant on capital from the major emerging countries; the BRICS are using this fact to press for the reforms to the world financial system that they would like to see.

As yet, however, the BRICS have not been able to agree on a new monetary regime as an alternative to the traditional Bretton Woods system. At the fifth summit held in Durban,

2 | Cf. Fifth BRICS Summit, “About BRICS”, <http://brics5.co.za/about-brics> (accessed 7 Mar 2013).

3 | Vadim Lukov, “A global forum for the new generation. The role of the BRICS and the prospects for the future”, BRICS Information Centre, University of Toronto, 24 Jan 2012, <http://www.bricts.utoronto.ca/analysis/Lukov-Global-Forum.html> (accessed 16 Apr 2013).

South Africa, the group's declaration of its intention to establish its own development bank as its first permanent institution was therefore awaited with interest. The idea of setting up a joint bank to finance social development and infrastructure projects was first put forward at the New Delhi summit in 2012. However, it is uncertain whether the bank, to which each of the five countries is likely to contribute ten billion U.S. dollars in start-up capital,⁴ will be able to drive forward reform of the international financial institutions.

THE OUTCOMES OF THE FIFTH BRICS SUMMIT: AMBITIOUS PROJECTS STILL LACKING IN DEFINITION

South Africa's hosting of the fifth summit this year completed the cycle of rotating chairmanship within BRICS. This was the first time the representatives of the most important emerging countries had met on the African continent. By the time the two-day meeting ended some landmark decisions had been taken, but observers were left unclear about exactly how they would be implemented.

Among the key steps was the expected declaration on the founding of a BRICS development bank. The South African Finance Minister, Pravin Gordhan, announced on the first day of the summit that agreement had been reached on setting up a joint bank to finance infrastructure projects in emerging and developing countries. In the eyes of many observers the BRICS development bank represents at long last the first concrete step in the process of providing the group of five with an institutional framework. Although the BRICS bank with its probable start-up capital of 50 billion U.S. dollars will complement⁵ rather than replace the traditional Bretton Woods institutions, it is likely that it will be more effectively attuned to the needs of developing countries. As yet, however, the BRICS countries have been unable to agree on the bank's location,

In the eyes of many observers the BRICS development bank represents at long last the first concrete step in the process of providing the group of five with an institutional framework.

4 | Cf. Jaibal Naduvath and Samir Saran, "Thinking the Russian choice: BRICS v/s OECD", South African Foreign Policy Initiative (SAFPI), 29 Jan 2013, <http://safpi.org/news/article/2013/thinking-russian-choice-brics-vs-oecd> (accessed 16 Apr 2013).

5 | Cf. Simon Freemantle and Jeremy Stevens, "The BRICS development bank. Cautious optimism", *Standard Bank Africa Macro, EM10 & Africa*, 25 Feb 2013, 2.

the allocation of voting rights or the precise organisational structure. Disagreement on the regional priority of investment projects is also to be expected. In particular, India and South Africa are likely to compete for loans for the infrastructure development that both urgently need.

Many representatives of the BRICS states are of the view that – unlike in the IMF and the World Bank – voting rights should be distributed equally among the lenders and that in consequence all five countries should contribute equally to the bank's start-up capital. South Africa, however, is questioning whether it is even in a position to make a capital contribution of ten billion U.S. dollars, which represents about 2.5 per cent of its national budget. The Chinese economy is 22 times larger than the South African one, which means that China would need to pay only about 0.12 per cent of its national budget.⁶

It must be assumed that it will take some years to set up a functioning BRICS development bank. As an immediate step, the group therefore agreed to set up a joint currency reserve of 100 billion U.S. dollars to maintain members' financial flexibility at times of economic crisis. The BRICS countries also agreed to set up a joint economic council to promote investment between the partner countries. In addition, China and Brazil signed a bilateral swap agreement worth 30 billion U.S. dollars per year⁷ to reduce their dependency on the U.S. dollar in exchange transactions. On the fringe of the meeting China and South Africa consolidated their bilateral trade relations. Before the BRICS summit China's President Xi Jinping met with Jacob Zuma in Pretoria for bilateral talks. One-third of China's trade with Africa arises from its partnership with South Africa, making China South Africa's largest business partner. And South Africa and Russia declared their wish to set up an organisation along the lines of the Organization of Petroleum-Exporting Countries (OPEC) to coordinate their platinum and palladium exports.⁸ All the decisions taken at the summit send out clear signals about the group's desire to reduce its economic dependence on the West.

6 | Cf. *ibid.*, 3.

7 | Cf. Mariam Isa, "Gordhan signals progress as Brics bank takes shape", *Business Day*, 27 Mar 2013, 13.

8 | Cf. Dineo Faku, "SA, Russia plan to sew up world platinum market", *The Star*, Business Report, 28 Mar 2013, 17.

AN ASSOCIATION OF RIVALS

A South African political scientist recently commented to a representative of the Brazilian embassy in Pretoria in words to the effect that "The only thing that unites us is that both our countries are striving for greater political recognition at international level. Otherwise I regard us as rivals."⁹ Experts agree that to a large extent the BRICS countries have differing economic and political interests. The five emerging countries have not yet managed to subordinate their national interests to common goals. The BRICS are often most readily compared with the G8 group. They do not yet have institutional backup in the form of a permanent secretariat and, as in the G8, the annual rotation of the chairmanship exerts a strong influence on the group's political agenda.¹⁰

At political level Brazil and the nuclear power India are particularly keen to have a permanent seat on the United Nations Security Council (UNSC). China, by contrast, would like to challenge the USA's leadership role in a bipolar world order.¹¹ In addition the military rivals India and China are caught up in an arms race as they seek to secure their strategic interests. Border disputes and India's granting of asylum to the Dalai Lama have for decades led to repeated periods of diplomatic chill between the two countries. This highlights the fragile cohesion of BRICS.

The BRICS countries also differ in their fundamentally disparate models of government and in their economic power. China is now the world's second-largest economy after the USA and is more powerful than all the other BRICS countries combined. Brazil has the seventh-largest GNI in the world, while Russia and India follow in ninth and tenth places respectively. South Africa, by contrast, is far down the scale. This is reflected in the fact that 85 per cent of

China is now the world's second-largest economy after the USA and is more powerful than all the other BRICS countries combined.

9 | Discussion the SAIIA media briefing on the BRICS Summit 2013 of the South African Institutes of International Affairs (SAIIA), 19 Feb 2013.

10 | Cf. Catherine Grant-Makokera, "5th Annual BRICS Summit. Not a new case of club diplomacy", SAIIA, 20 Mar 2013, <http://saiia.org.za/feature/5th-annual-brics-summit-not-a-new-case-of-club-diplomacy.html> (accessed 17 Apr 2013).

11 | Cf. Andrea Spalinger, "Die Brics-Staaten ringen um Einfluss", *Neue Zürcher Zeitung*, 30 Mar 2012.

intra-BRICS trade involves China, which accounts for 55 per cent of total BRICS GNI.¹² China is also by far the largest destination for exports from the other four countries, which consist almost entirely of unprocessed commodities. It is the only one of the five to have an internationally competitive export trade in processed industrial goods. Overall there is scope for expanding the trade between BRICS. Each of the BRICS members still has closer economic ties with the USA and Europe than with its partners within the group of five.¹³

Russia, which has the largest per-capita income among the BRICS, is also in some respects the odd one out among the emerging countries. Russia is the largest country in the world in terms of area and has a relatively sophisticated social system that puts it on a par with some industrialised countries. The fact that Russia is now a firm candidate for membership of the western Organisation for Economic Cooperation and Development (OECD) conflicts with the joint interests of the BRICS countries.¹⁴

SOUTH AFRICA'S INTERESTS WITHIN BRICS: ON THE SEARCH FOR RECOGNITION AS A REGIONAL LEADER

South Africa's membership of BRICS has been controversial from the start. When Pretoria was invited to join the BRIC group in December 2010, it was already regarded as an outsider among the new group of five. Economically the country at the southern tip of Africa is by far the weakest member of BRICS. In the past ten years South Africa's trade with the other four emerging countries has increased tenfold, from 3.2 billion U.S. dollars to the current figure of 37 billion U.S. dollars per year.¹⁵ But South Africa still accounts for only 2.8 per cent of intra-BRICS trade and just 2.6 per cent of combined GNI. The country is also struggling to maintain its economic growth

Economically South Africa is by far the weakest member of BRICS. The country is now experiencing "deindustrialisation".

12 | Cf. Simon Freemantle and Jeremy Stevens, "BRICS trade is flourishing, and Africa remains a pivot", *Standard Bank Africa Macro, EM10 & Africa*, 12 Feb 2013, 1.

13 | Cf. Ian Bremmer, "United by a Catchy Acronym", *The New York Times*, 30 Nov 2012, <http://nytimes.com/2012/12/01/opinion/united-by-a-catchy-acronym.html> (accessed 14 May 2013).

14 | Cf. Naduvath and Saran, n. 4.

15 | Cf. Freemantle and Stevens, n. 12, 3.

rate of three per cent. And foreign investors lost confidence in South Africa after the Marikana miners' strike last year, with the result that the country is now experiencing "deindustrialisation".¹⁶ In terms of population and territorial size South Africa also ranks behind its four partners.

South Africa is using its membership of the group of the most powerful emerging countries mainly as a forum to add weight to its foreign policy interests.¹⁷ The South African government hopes that its membership of BRICS will lead to greater international appreciation of its self-appointed role as a pioneer of African development. In addition, since the end of apartheid South Africa has regarded itself with ever-increasing confidence as the advocate of the global South on the international stage. It was for this reason, and to promote African interests more strongly within the BRICS group, that President Zuma invited a number of African leaders to Durban at the time of this year's summit. Within BRICS the South African government has always been particularly eager to present the country as the gateway to the African continent for international investors, and it was this that led to Pretoria joining the group of states.

South Africa can look back on a tradition of internationally oriented statesmen from Jan Smuts to Thabo Mbeki.¹⁸ Mbeki, the second democratically elected president of South Africa, called in his statement on foreign policy for an "African Renaissance" that would establish South Africa as an important international player. Under Mbeki's government Pretoria took its place as a member and key driver of a number of international institutions such as the G20 and the UN. At the start of the twenty-first century the country on the Cape played an important part in the founding of the African Union (AU) and the New Partnership for Africa's Development (NEPAD). Pretoria was also an initiator of the African Peer Review Mechanism (APRM), a system for mutual review of the governance of African countries; it has been involved in a number of peace operations on the continent and has attempted – albeit with modest success – to

16 | Chris Alden and Maxi Schoeman, "South Africa in the company of giants. The search for leadership in a transforming global order", *International Affairs*, 89, 2013 1, 111–129, here: 121.

17 | Cf. *ibid.*, 115.

18 | Cf. *ibid.*, 112 et seq.

mediate in various internal African conflicts. According to the Minister of International Relations and Cooperation, Maite Nkoana-Mashabane, South Africa plans to do even more to promote regional integration in the context of the AU.¹⁹ The appointment of Nkosazana Dlamini-Zuma as chairperson of the African Union Commission in July 2012 means that a South African now heads the most important organisation of African states.



Nkosazana Dlamini-Zuma signs an agreement with the World Bank. The chairperson of the African Union Commission is a South African. | Source: Sarah Farhat, World Bank (CC BY-NC-ND).

However, the main problem of South Africa's foreign policy is that the country is pursuing too many different objectives simultaneously and lacks any distinct foreign policy focus.²⁰ In addition, some policies – according to the South African human rights activist Mamphela Ramphele – are inconsistent with the principles of universal human rights on which the South African constitution is based.²¹ For example, Pretoria has so far remained largely silent on

19 | Cf. Maite Nkoana-Mashabane, "Brics empowers all of Africa", SAFPI, 17 Jan 2013, <http://safpi.org/news/article/2013/nkoana-mashabane-brics-empowers-all-africa> (accessed 17 Apr 2013).

20 | Cf. Narnia Bohler-Muller, "Nuanced balancing act. South Africa's national and international interests and its 'Africa Agenda'", SAIIA Occasional Paper, 120, 2012, 5.

21 | Cf. Mamphela Ramphele, "Rekindling the South African dream", speech marking the launch of the political platform Agang, Johannesburg, 18 Feb 2013.

the issue of flagrant human rights abuses in neighbouring Zimbabwe.

Geostrategically, the focus of South Africa's interests lies in the first instance on the African continent, primarily in its immediate neighbourhood. South Africa conducts almost 80 per cent of its African trade within the Southern African Development Community (SADC).²² This means that – particularly with its immediate neighbours – Pretoria finds itself performing a difficult balancing act as it strives for economic dominance while seeking integration.

On account of its economic power, South Africa has long been regarded in Southern African Development Community as the driver of regional integration.

On account of its economic power, South Africa has long been regarded in SADC as the driver of regional integration – while still remaining saddled with its reputation of aggressive apartheid-era dominance.

South Africa's trade with the BRICS states grew by 29 per cent in 2011 alone.²³ Pretoria sees its value for BRICS as stemming in particular from its wealth of mineral resources and its infrastructure, which in African terms is first class. For South Africa the BRICS partnership therefore opens up important opportunities for tackling the obstacles that hinder its own development.

BRICS AS THE DRIVING FORCE FOR DEVELOPMENT IN SUB-SAHARAN AFRICA?

One of South Africa's particular concerns was to use the fifth summit to place African interests firmly on the BRICS agenda. The country deftly presented itself as a bridge-builder between BRICS and Africa. Following the two-day summit of the major powers, President Zuma invited 15 African leaders and representatives of the eight African regional organisations and the AU to a BRICS Leaders Africa Dialogue Forum Retreat entitled "Unlocking Africa's potential: BRICS and Africa Cooperation on Infrastructure".²⁴

22 | Cf. Freemantle and Stevens, n. 12, 5.

23 | Cf. Fifth BRICS Summit, "South Africa in BRICS", <http://brics5.co.za/about-brics/south-africa-in-brics> (accessed 7 Mar 2013).

24 | "Statement by President Jacob Zuma on the eve of the hosting of the 5th BRICS Summit at Sefako Makgatho Presidential Guest House, Pretoria", South African Government Information, 25 Mar 2013, <http://info.gov.za/speech/DynamicAction?pageid=461&sid=35246&tid=102699> (accessed 2 Apr 2013).

African intellectuals are increasingly criticising the involvement of BRICS on the continent as nothing but calculated *realpolitik*.

In the year of the 50th anniversary of the founding of the Organisation of African Unity (OAU), the African leaders were looking to Pretoria to present a strategy that would enable them to enter into partnership with the BRICS countries on an equal footing. African intellectuals are increasingly criticising the involvement of BRICS on the continent as nothing but calculated *realpolitik*. Before the meeting in Durban the Governor of the Central Bank of Nigeria, Lamido Sanusi, warned his fellow Africans against the dominance of the BRICS states: "Africa must shake off its romantic view of China and accept Beijing is a competitor as much as a partner and capable of the same exploitative practices as the old colonial powers."²⁵

After decades of economic marginalisation, companies all over the world are finding new hope in the growing markets of sub-Saharan Africa, where a number of countries are becoming popular investment destinations. Drawing on the image of the Asian tiger states, reference is already being made to the aspiring lion states of Africa. Emerging countries, with BRICS at their head, are already some way ahead of the West in the search for investment opportunities in Africa.

Here again China is taking the lead. Since the start of the millennium China has stepped up its economic involvement in sub-Saharan Africa, triggering a new race for resources. It is on resources that the economic growth of the BRICS countries is built. In addition, the growth of the urban middle class in Africa is creating new markets for industrial products from the five emerging countries.

BRICS trade with Africa in 2012 was worth 340 billion U.S. dollars – more than the value of trade within the BRICS group. China is responsible for 60 per cent of trade between BRICS and Africa.²⁶ The BRICS countries are now the largest new investors in Africa and are thereby boosting the economic and political importance of the continent internationally. But are they also contributing to sustainable development?

25 | "Africa told to be wary of Chinese exploitation", *Risk Africa Magazine*, <http://riskafrica.com/africa-told-to-be-wary-of-chinese-exploitation> (accessed 3 Apr 2013).

26 | Cf. Freemantle and Stevens, n. 12, 4.

The BRICS countries have similar interests in Africa in connection with securing resources, developing infrastructure and opening up agricultural land; consequently, they are usually in competition with each other. In BRICS-Africa relations, therefore, countries have typically gone it alone, or bilateral agreements have been struck between the individual emerging countries and their African partners. It is noticeable that in the process economic interests are often blended with development activities. Three examples of South-South cooperation featuring China, Brazil and India will now be described.

The establishment of the Forum on China-Africa Cooperation (FOCAC) in 2000 institutionalised China's relations with the African states. Since then there have been four more meetings at ministerial level for the purpose of promoting political dialogue and economic cooperation. With its funding of the AU's new conference and office building in the Ethiopian capital Addis Ababa, China is also presenting itself as a donor of development aid.

Contrary to what is often assumed, Chinese economic interests in Africa are no longer entirely controlled by the state. The China-Africa Development Fund (CADF), set up in 2007, uses its capital of five billion U.S. dollars to support private Chinese investors in Africa.²⁷ In addition, more and more families from the steadily growing Chinese expat community south of the Sahara are setting up small businesses. And China is adding a skilful "soft power" component to its economic links with Africa: it is setting up Confucius Institutes and awarding scholarships to Chinese universities as a means of ensuring that Chinese culture and language spread to the black continent.²⁸

The China-Africa Development Fund, set up in 2007, uses its capital of five billion U.S. dollars to support private Chinese investors in Africa.

Speaking in Tanzania in East Africa on one of his first foreign visits, China's President, Xi Jinping, emphasised his country's interest in strengthening its economic links with Africa. The BRICS summit in Durban was the first multi-national meeting he attended after his inauguration. This

27 | Cf. Tristan McConnell, "Is China building a new Africa?", KPMG High growth markets, 10/2011, 10-18, here: 18.

28 | Cf. Markus M. Haefliger, "Chinas 'soft power' in Afrika", *Neue Zürcher Zeitung*, 5 Jan 2013.

highlights the importance to the Asiatic economic giant of the first official meeting of the emerging countries to be held on African soil.

Brazil was one of the driving forces behind the founding of the Africa-South America Strategic Partnership. The most recent Africa-South America Summit (ASA III) – the third since 2006 – was held in Malabo, Equatorial Guinea in February 2013. Brazil also cultivates its partnership with Africa through the India-Brazil-South Africa Dialogue Forum (IBSA), which was set up in 2003.

Brazilian companies such as the oil drilling giant Petrobras, the mining group Vale and the construction conglomerate Odebrecht are already among the largest private-sector employers in some African countries.

The volume of trade between Brazil and Africa grew between 2003 and 2008 from twelve to 26 billion U.S. dollars.²⁹ Brazilian companies such as the oil drilling giant Petrobras, the mining group Vale and the construction conglomerate Odebrecht are already among the largest private-sector employers in some African countries. Brazil, the largest country in Latin America, focuses on cooperation with lusophone parts of Africa, with which it shares a common linguistic and cultural heritage. Many Africans became aware of the former Brazilian president, Luiz Inácio Lula da Silva, as a result of his extensive “travelling diplomacy”.³⁰ During his time in office between 2003 and 2010 Lula flew to Africa at least once a year and drove forward a substantial expansion of diplomatic missions on the continent. There are now Brazilian diplomats in 34 African countries. As a former Portuguese colony and the country with the second-largest black population in the world (after Nigeria), Brazil draws on its shared cultural roots with Africa and sees itself as having an obligation to make reparations for the horrors of slavery. Lula’s successor, President Dilma Rousseff, is continuing her predecessor’s policy on Africa. Brazil hopes that its clear political involvement will lead African countries to support it in its striving for a permanent seat on the United Nations Security Council.

29 | Cf. Dana de la Fontaine and Jurek Seifert, “Die Afrikapolitik Brasiliens. Was steckt hinter der Süd-Süd-Kooperation?”, in: Franziska Stehnen et al. (eds.), *Afrika und externe Akteure. Partner auf Augenhöhe?, Weltregionen im Wandel*, Vol. 8, Nomos, Baden-Baden, 2010, 157-174, here: 166.

30 | *Ibid.*, 162.

In the area of development aid, too, Brazil is increasing its presence on the black continent. About 55 per cent of Brazil's expenditure on development is now targeted at Africa.³¹ Brazil is particularly active in those areas of development cooperation in which it has achieved a notable degree of success on its own territory – namely agriculture, education and health.³²

India, another BRICS country, is also looking at ways to put its relations with Africa on an institutional footing. From 8 to 9 April 2008 the Indian government hosted the India-Africa Forum Summit in New Delhi. In 2010 the Africa-India Plan of Action (2010-2013) was launched in the Indian capital; through this scheme the Asian regional power provided generous loans to Least Developed Countries (LDC) in Africa.

Trade between Africa and India has increased sixfold in the last five years, rising to nearly 70 billion U.S. dollars.³³ India aims to become the counterbalance to China in Africa. India and Africa can look back on a shared history of anti-colonialism and a striving for independence in the Non-Aligned Movement. Since the start of the new millennium there has been a noticeable increase in Indian business interest in the continent, which is not unrelated to India's growing self-confidence in matters of foreign affairs. Indo-African relations are no longer governed by ideological determinants: India's economic and strategic interests are now coming to the fore.³⁴ Indian companies such as the car manufacturers Mahindra and Tata already have a strong presence in the African market. In addition, India offers IT services of a professional quality which even China cannot yet rival.

Since the start of the new millennium there has been a noticeable increase in Indian business interest in Africa, not unrelated to India's growing self-confidence in matters of foreign affairs.

31 | Cf. Hannah Edinger and Simon Schaefer, "Der Jaguar im Schafspelz?", *Afrikapost*, 4, 2012, 31-32.

32 | Cf. Lídia Cabral and Julia Weinstock, "Brazil. An emerging aid player. Lessons on emerging donors, and South-South and trilateral cooperation", ODI Briefing Paper, 64, 2010, 2.

33 | Cf. Donald Kaberuka, "Africa and India: a shared past, a common future", SAFPI, 5 Feb 2013, <http://safpi.org/news/article/2013/africa-and-india-shared-past-common-future> (accessed 17 Apr 2013).

34 | Cf. Arndt Michael, "Die indische Afrikapolitik. Die wirtschaftliche und sicherheitspolitische Wiederentdeckung des afrikanischen Kontinents im 21. Jahrhundert", in: Stehnen et al. (eds.), n. 29, 139-155, here: 139.

India's trade relations are primarily with Nigeria, Sudan, South Africa and other African countries with a substantial Indian diaspora, including Kenya, Tanzania and Mauritius.³⁵ In the field of security policy New Delhi expresses interest in the Indian Ocean and contributes forces to a number of UN peacekeeping missions on the African continent.

On account of their rapid economic upswing in recent years, the BRICS are regarded by economists worldwide as something of a marvel and in academic circles they are already being studied as a model of development for other countries. The Chinese Beijing Consensus³⁶ provides many developing countries with an alternative development model to the market-friendly Washington Consensus of the global financial institutions. Under the Lula administration Brazil achieved remarkable success in reducing income inequality and improving health care and education through its social programmes Bolsa Família and Brasil Sem Miséria. China has lifted millions of people out of absolute poverty by creating jobs.

With their rising expenditure on development projects, Brazil and China, the former recipients of development aid, are increasingly competing with the traditional western players.

The involvement of the BRICS countries in sub-Saharan Africa contains elements of classical South-South cooperation schemes that reduce the dependence of the countries of the global South on the western industrialised nations.³⁷ As new donors the BRICS, in addition to pursuing their economic interests, are in the process of changing the international image of development cooperation. With their rising expenditure on development projects (Brazil and India each spend a billion U.S. dollars annually, while China spends two million)³⁸ the former recipients of development aid are increasingly competing with the traditional western players.

In sub-Saharan Africa the BRICS operate as partners on an equal footing. In a manner that contrasts with the western donor-recipient relationship that predominated for

35 | Cf. *ibid.*, 145.

36 | Cf. Christina Stolte and Dana de la Fontaine, "Neue externe Akteure in Afrika", *GIGA Focus Afrika*, 7, 2012, 5, http://giga-hamburg.de/dl/download.php?d=/content/publikationen/pdf/gf_afrika_1207.pdf (accessed 14 May 2013).

37 | Cf. de la Fontaine and Seifert, n. 29, 157.

38 | Cf. Cabral and Weinstock, n. 32, 1.

centuries, the five emerging countries make use of the fact that they are unencumbered by any historical baggage as colonialists and in some cases have been European overseas territories themselves. To the delight of many African rulers, the BRICS place high priority on non-intervention in the internal affairs of their trading partners. Unlike western countries, they often do not impose any rigorous link between development cooperation and economic relations on the one hand and unwelcome conditions relating to good governance, human rights and environmental standards on the other.

To the delight of many African rulers, the BRICS place high priority on non-intervention in the internal affairs of their trading partners.

However, it must not be forgotten that the BRICS are first and foremost pursuing their own development interests. At their summit in New Delhi last year, the five partners agreed ten common development priorities for their countries: these include job creation, clean and sustainable energy, food security, reduction of income inequality and attention to the problems of urbanisation.

The benefits for Africa lie mainly in access to affordable technology, loans and new commodity markets in the BRICS countries. This is already enabling some African countries to improve their negotiating position vis-à-vis their traditional western economic partners. At the same time, however, trade relations between BRICS and Africa are also creating some new dependencies. A particular problem is the fact that African countries have as yet no coherent strategy for cooperation with the BRICS group. There is a pressing need for partnership strategies to be drawn up with the involvement of the international African organisations, in particular the AU.

CONCLUSION AND OUTLOOK

The BRICS are widely regarded as epitomising the heightened self-confidence of the global South and the shift in the global political equilibrium that has resulted from their economic rise. At the fifth BRICS summit in Durban in March, decisions on the further expansion of relations between the five major emerging countries and Africa were therefore eagerly awaited. Despite some landmark decisions, the overall impression was disillusioning. Loose agreements

such as that on the establishment of a joint development bank must now be negotiated in more detail before further steps to implement them can follow.

In relation to Africa all the BRICS countries are pursuing their own strategic interests in the fields of securing resource supplies and opening up new markets. As a result the five emerging countries are tending to compete with each other rather than subordinate their interests to common goals. Nevertheless, in economic circles the development activities of the BRICS countries in Africa, which are always also in their own economic interest, are already beginning to change the international image of Africa as the hopeless continent.

The benefit the African countries derive from their partnership with BRICS arises mainly from the diversification of their markets. Nevertheless, there is still little difference between the structure of trade with the BRICS countries and trade with the classical western partners: in both cases unprocessed raw materials are exchanged for services and industrial products.

South Africa regards its membership of BRICS mainly as an opportunity to consolidate international acceptance of its role as a regional leader in Africa. In March this year Pretoria had the opportunity to be seen in its self-appointed role as advocate of African interests. Even within Africa this position is not uncontested and it is not accepted unconditionally by South Africa's neighbours. All eyes are now looking to Pretoria to come up with a comprehensive BRICS strategy that takes the interests of other African countries into account.³⁹ Equally, South Africa must derive benefit for itself from the BRICS partnership and ensure that its role as gateway to the African continent is not exploited by the other, more powerful BRICS countries. It was after all South Africa's regional importance that enabled the economic outsider on the Cape to become a member of the exclusive club of emerging countries.

39 | Cf. Lynley Donnelly, "Brics: SA needs a strategy that works for Africa", *Mail & Guardian*, 26 Mar 2013, <http://mg.co.za/article/2013-03-26-brics-sa-needs-a-strategy-that-works-for-africa> (accessed 14 May 2013).