February, 2009

Is the South Ready for

South-South Cooperation?

by Melissa Andrade, International Policy Centre for Inclusive Growth

There are high expectations that South-South cooperation will bring many benefits. But are governments in the South really prepared to cooperate? Do they have the capacity to do so? Doubtless they do in trade policies, for instance, but many gaps persist in the field of social development.

North-South cooperation has been built on a complex institutional architecture. Over the years, multilateral and bilateral cooperation agencies have developed an underpinning for cooperation, with financing guidelines, specialists, lines of research, regional offices and logistical arrangements. In the South, this management expertise is not always present to facilitate the exchange of best policy practices.

Adapting policies from one context to another calls for much experience, planning, knowledge of the foreign context and dialogue based on mutual expectations. Apart from the ministries working on foreign policy, developing countries still lack the means to engage in effective cooperation. High level politicians have the vision of ensuring that all countries are better placed in the global arena, but line ministries still lag behind the top vision.

Consider some of the challenges ahead. In the South there is little systematic capacity development to enable countries to deliver cooperation, and little investment in expanding governments' capacity to cooperate (Andrade, 2009). Staff shortages are common and international cooperation is subordinated in the face of so many domestic demands. The institutional arrangements are inadequate to sustain effective and timely cooperation with new partners. For example, the Mercosur Social Institute, which aims to promote South-South cooperation on social development, was created only at the end of last year.

Communication is also a hurdle. China is very much Chinese, just as Brazil is very Brazilian and India very Indian. This is not to say that each country should not celebrate its own culture and national identity, but there is a fundamental need to relate to the experiences of others—not only to transmit one's own experience, but also to learn. Usually there are language barriers. Understanding a country's legislation may also be challenging for someone from elsewhere. There is also a need to improve the flow of information on successful policies in the South. A visit to the websites of ministries of social development in countries of the South reveals that little information is available except in the national language, mainly dedicated to domestic issues. Governments are not thinking globally; their audience remains national.

Cooperation benefits from a two-way process in order to avoid repeating the North-South dialogue. This means learning not only from middle-income countries but also from low-income ones. Such an approach is opening new possibilities of learning beyond intraregional experiences. There is now more exchange than ever before between Latin America and Africa, and between Asia and Africa.

What does the future hold? This process of learning about other countries in the South will become crucial. Why do cash transfer schemes work so well in Brazil and South Africa but are having difficulties expanding in other low-income countries? How could Chile develop an integrated database for targeting the beneficiaries of social policies, while in other countries the flow of information remains so problematic? These issues, explained in IPC's *Poverty in Focus* publication on cash transfers, will have to be addressed in preparing the global players in the South.

As new donors emerge there will be a greater need for accountability and public opinion will become increasingly important. Just as British and Swedish citizens are concerned about how their money is spent in recipient countries, so Brazilian, Chinese and South African citizens will want to know the same. Where is all the effort on cooperation going? What results are being achieved? Questions such as these will inevitably arise in the rapidly industrializing countries.

Cooperation in the South will have to develop its own body of knowledge, including the design, implementation and evaluation of cooperation programmes. It will also have to articulate a coherent message and accelerate programme implementation as noted by the UN General Assembly in 2007.

Given the global appetite for promoting South-South cooperation, the current and future challenges are becoming more evident. Until Southern countries develop the capacity to address these constraints, triangulation will still be needed to help build links. What is needed is more investment, not only in the technical part of cooperation but also, and especially, in building the capacity of developing countries to cooperate and transfer knowledge in areas beyond "hard policies". Building a multipolar setting has its costs, and it is crucial to create a new institutional architecture to back up these emerging South-South partnerships.

References:

Andrade, Melissa. (2009). 'Africa-Brazil Cooperation on Social Development: Challenges and Perspectives', paper prepared for the conference 'Redefining South-South Cooperation: Africa on the Centre Stage', Mumbai, 23–25 February 2009.

Hailu, Degol and Veras, Fabio (2008). (eds) 'Poverty in Focus', No. 15, August, Brasilia, International Poverty Centre.

