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## *Integration in the Global South: What role for IBSA Dialogue Forum?*

Mehmet Özkan\*

Recently we have seen that the middle-sized states are coming together in several forums. The WTO meetings and India-Brazil-South Africa (IBSA) dialogue forum are among those to be cited. Such groupings are mainly economy-oriented and whether they will have political output needs to be seen, however, in the future if globalization goes in a similar way as today, we might see more groupings. Those groupings should be seen as reactions to unjust and exclusive globalization. The IBSA Dialogue Forum members have enhanced their relations economically by signing bilateral trade agreements and acting together on economic issues in global forums. If they can hold together, they are creating a market more than ¼ of global population and, if successful, it has a chance to be the engine of growth in the South. Moreover if they can create the biggest market in the South, they would also be influential in the being of the voice of the South. In that sense, this paper addresses the possible ways to develop relations between the IBSA members and economic development in the South, furthermore, implication of the IBSA on global governance and development can be as critical as its contribution to economic development, since the global governing bodies have legitimacy crisis.

**Keywords:** South-South relations, the IBSA Dialogue Forum, pivotal middle power, economic development, international institutions.

*Mehmet ÖZKAN*  
*PhD Scholar*  
*Sevilla University, Spain*  
*e-mail: metkan82@hotmail.com*

\* Mehmet ÖZKAN is a PhD Candidate at Sevilla University, Spain focusing on how cultural/religious elements shape the foreign policy mentality in the non-western world, namely in South Africa, Turkey and India. His articles appeared in various journals including in The Journal of Modern African Studies, Review of African Political Economy and Insight Turkey. His personal website is <http://works.bepress.com/mehmetozkan/>





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# Integration in the Global South: What role for IBSA Dialogue Forum?

## Introduction

With the globalization process, economy and politics are so intertwined that both cannot be analyzed separately. Economic development, international security, global governance and representation also need to be analyzed from an interdisciplinary perspective in order to understand fully ongoing international political economy. In this paper, the role of India-Brazil-South Africa Dialogue Forum (IBSA) will be analyzed from the perspective of global economic system and economic development in the South. Although it was initiated in 2003 with a modest manner, the IBSA has been the engine of the South since then. What are the implications of the IBSA for global economy, development and governance in the North-South agenda in particular is the main question that this paper tries to answer. It is organized in three parts. First, a general but concise analysis of the problems that global economy faces today is introduced, in the context of poverty, globalization and international institutions. Second, the theoretical pinning of the paper, pivotal middle power is elaborated; third, the IBSA is analyzed in the lens of the discussion outlined in the first section by paying special attention to the North-South relations. What follow in the last section is the implications of pivotal middle power activism and the IBSA Dialogue Forum and conclusion.

## Global Economy, Governance and Globalization

With the advent of globalization, there has been a growing contest in the domain of international economic governance between developed countries and the rest. Trans-nationalization of market forces has brought “disturbing rise in poverty and inequality”,<sup>1</sup> while increasing aggregate global economic wealth. From this perspective, international economic institutions have been seen as reflection of the interest of powerful, not poorer, states.<sup>2</sup> Given the fact that the global norms and rules that underwrote the institutional architecture of international economy are still driven by “northern agendas”, it spawns southern resentment toward the existing institutions.

The ongoing process of political contest and transition with regard to global economy is directly related to global governance and might have far-fetched implications for

1 Robert Hunter Wade, “The Disturbing Rise in Poverty and Inequality: Is it all a ‘Big Lie’?”, David Held and Mathias Koenig-Archibugi (eds), *Taming Globalization: Frontiers of Governance*, Cambridge, Polity, 2003, pp. 18-46.

2 Ngaire Woods and Domenica Lombardi, “Uneven Patterns of Governance: How Developing Countries are Represented in the IMF”, *Review of International Political Economy*, vol.13, no.3, 2006, pp. 480-515.



global governance norms and institutions. As emphasized by Higgott,<sup>3</sup> the global governance agenda is still “driven by an understanding of governance as *effectiveness and efficiency*, not as greater representation, accountability and justice” (emphasis in original). This is not only prone to generate new forms of resistance, but also to search for new alternatives.

The interconnectedness among different regions, as many researchers<sup>4</sup> have recognized, is a response to the globalisation. Globalisation as a threat and opportunity needs to be problematized from international economy perspective as well as international global order. First, one needs to address the changing structural configuration of the global economic developments. There is a dramatic growth in the role of the major developing economies. While the G8 economies are currently dominant, major structural change in GDP and global demography are coming about. China, India, Mexico, Brazil and South Korea are in the top of 10 largest economies. In fact, in last 25 years, emerging market economies had growth rates substantially higher than those of G8 members.<sup>5</sup> Secondly, the demographic structure of the global economy needs to be taken into account. The most populous and fastest developing countries in the world, China and India, are not member of G8; but they are only part of G8 outreach (so-called G8+5) along with Brazil, Mexico and South Africa. From cultural and civilizational perspective, none of the civilizations, be it Confucianism or Islamic or Hindu, has representation at G8 summits where major decisions regarding the international economy are taken. Furthermore, it is argued that by 2050 global population will increase by fifty percent, from 6 to 9 billion people. Expectedly, three-billion-person increase will take place mostly within the developing world and if the current structure continues, international economic system will be excluding an increasingly large proportion of the world’s economy.<sup>6</sup>

Implications of those abovementioned issues are mainly two. First of all, there is a growing problem of representation in current decision-making process, thus a legitimacy problem exists at the very heart of the institutions. Second, related to first one, the way the governance and multilateralism are understood is not democratic in essence. In fact, the current structure of international political economy can be defined as “institutionalist” in essence, but far from having a “multilateralist” perspective. It operates within and through “multilateral institutions” that are established over the

3 Richard Higgott, “Multilateralism and the Limits of Global Governance”, paper presented at United Nations University conference on “Learning from the Crisis: Where do we go for Global Governance?”, Buenos Aires, Argentina, 19-21 May 2004, p.7.

4 See Barry Buzan, Ole Wæver and Jaap de Wilde, *Security: A New Framework for Analysis*, Boulder, CO, Lynne Rienner, 1998, p. 113-115; and Peter J. Katzenstein, “Regionalism in Comparative Perspective”, *Cooperation and Conflict*, vol.31, no.2, 1996, p. 126-127.

5 Colin I. Bradford and Johannes F. Linn, “Global Economic Governance at the Crossroads: Replacing the G-7 with the G-20”, Policy Briefing 131, Washington DC, The Brookings Institution, April 2004, <http://www.brookings.edu/comm/policybriefs/pb131.pdf> (Accessed 17 May 2008), p. 2-3

6 In order to solve this issue, there is an increasing demand to replace G8 with the G20. For example, Bradford and Linn call this “an opportunity for all”, see Colin I. Bradford and Johannes F. Linn, “Global Economic Governance at the Crossroads: Replacing the G-7 with the G-20”, p. 7; Higgott argues that it is “rational and just”, see Richard Higgott, “Multilateralism and the Limits of Global Governance”, p. 31; and for the importance of G20 from a world order perspective see Anne-Marie Slaughter, “Government Networks, World Order, and the L20”, John English, Ramesh Thakur and Andrew F. Cooper (eds), *Reforming from the Top: A Leaders’ 20 Summit*, New York, United Nations University Press, 2005, pp. 281-295.



years, but the injunction to behave multilaterally always applied more to the junior partners in these institutions than to the senior ones. The core question is whether the greater globalization will bring about a greater representation of the “globe” within the global system, or it will serve as a machinery to protect and re-define the hegemony of centre over periphery.

### Toward a New Concept: Pivotal Middle Powers and Global Politics

Pivotal Middle Power is a relatively new concept consisting of some old and new theories. Before analyzing and defining the possible areas where the pivotal middle powers could play a critical role, the concept of the “pivotal middle power” should be clarified. It is a combination of the pivotal state and middle power. To be pivotal, a state must, at a minimum, be physically impressive, have a large population, be strategically located, and possess economic power. In addition, a pivotal state will have the “capacity to affect regional and international stability”, however, its collapse would result in “transboundary mayhem”, but its prosperity and stability “would bolster its region’s economic vitality”.<sup>7</sup>

On the other hand, to be a middle power, in addition to size, population, and geo-strategic location, a state must have middle-rank economic and military capabilities and emphasize multilateral diplomacy and involvement in international organizations. Furthermore, a middle power could become active in second-order issues such as peacekeeping and peacemaking operations. Being a ‘good international citizen’ and complying with the general interests are also regarded as key behavioral patterns of middle powers. In world affairs, middle powers act as catalysts, facilitators and managers.<sup>8</sup> Pivotal state theorists do not emphasize the military capability of such states. The middle power approach, by contrast, pays special attention to military capability because middle powers could play a leading role in security issues both at regional and global levels. Pivotal states are, by contrast, important for their regions’ economic vitality and development.

The theoretical basis of this article lies in the combination of the concepts “middle power” and “pivotal state”, to produce the “pivotal middle power” concept. The lack of military power in the case of pivotal states and the regional economic importance of middle powers are one of the reasons why the two are merged. The other reason is that the pivotal states concept is mainly formulated to propose a new framework for US policy in the developing world. This concept is, therefore, an analysis from “above”. The middle power concept is, by contrast, based on a state centric approach designed to evaluate the role of the middle powers in the international system and to put forward an analysis from “below”.

This study considers the pivotal middle power to be a key state that is able and willing to project power and influence developments beyond its borders -regionally and internationally- and one to determine the fate of its region to a certain extent. This

7 Robert Chase, Emily Hill and Paul Kennedy, “Pivotal States and US Strategy”, *Foreign Affairs*, vol.75, no.1, 1996, p. 37.

8 Andrew F. Cooper, Richard A. Higgott and Richard K. Nossal, *Relocating Middle Powers: Australia and Canada in a Changing World Order*, Vancouver, University of British Columbia Press, 1993.



study will also identify a pivotal middle power by its active involvement in security issues such as peacekeeping and peacemaking operations and its leading role with regard to regional economic development and integration. The distinguishing feature of pivotal middle powers is their ability to play a role at regional and international levels. Classical middle powers such as Canada and Australia, due to their geographical locations have had a limited role to play at regional level. In the case of Canada, the regional domination of the US as a superpower prevents it from playing a leading role regarding economic and security issues. For Australia, being a separate continent, forces it to play its role at international level.

Pivotal middle powers are, furthermore, regional powers. They occupy the “heartland” of their regions. The role of the pivotal middle powers cannot, however, be limited to their regions. It is somehow a mixture of both. Another feature of pivotal middle powers is their ability to link between the issues of regional and international ones. They are aware of the fact that a regional issue could easily have repercussions at the international level and *vice versa*.

In recent years, pivotal middle powers have sought more influence at global level through institutional participation. For example, for decades both India and Brazil have demanded a permanent seat on the UN Security Council. For many years they have been among the main contributors of troops for UN peacekeeping missions. In 2004, the UN Secretary General’s High Level Panel on Threats, Challenges and Change proposed the expansion of the UN Security Council with new permanent members without a veto. Along with Germany and Japan, India and Brazil formed the G4 initiative in order to promote these reforms.<sup>9</sup> Despite the failure of the reforms in 2006, it has showed the interest and growing inspirations of pivotal middle powers in global politics.

In general, the levels of priority given to the South-South relations have fluctuated in recent years. While it was a foreign policy priority in developing countries’ in the mid-1990s, South-South relations dropped down the agenda to become more of an ideological talking point than a policy action plan at the turn of the century.<sup>10</sup> More recently, South-South relations seem to have acquired a fresh breath of life and began rejuvenating through forums such as the IBSA, G-20+, and NAC, etc. This was only made possible with involvement and leadership role of pivotal middle powers from different regions.

In recent years, South-South relations have been the most successful in multilateral foray on a diversity of issues ranging from trade to security. The leaderships of South Africa and Brazil in this venture have pioneered this collaboration. As a result of this the Countries of Southern Cone of South America and their counterparts in Africa have found common ground and effectively collaborated to influence outcome. So far such collaborations have limited a number of countries in the developing world. It is perhaps because of the fact that experiences indicate smaller, and more focused coalitions would be a better arrangement to be more influential. With fewer members

9 Ruchita Beri, “IBSA Dialogue Forum: An Assessment”, *Strategic Analysis*, vol.32, no.5, 2008, p. 816.

10 Lyal White, “South Atlantic Relations: From Bilateral Trade Relations to Multilateral Coalition Building”, *Cambridge Review of International Affairs*, vol.17, no.3, 2004, p. 526.



and greater accountability, the task of setting objectives would be easier and relatively more constructive. Whatever the reason may be, South-South activism in general has been limited to African and Latin American countries, along with India from Asia, despite the fact that there are more countries from different continents joining through multilateral forums to establish a truly South-South cooperation.

### IBSA Dialogue Forum and Its Implications for Global Economy

On the 6<sup>th</sup> of June 2003, the foreign ministers of Brazil, South Africa and India met in Brasilia to set up the India-Brazil-South Africa Dialogue Forum (IBSA) after informal talks between their respective head of state during the G8 meeting in Evian. The basis for these talks was the shared characteristics of these three semi-peripheral powers. All are strong democracies, from three different regions of the developing world, and have a dynamic engagement with global multilateral initiatives (Miller 2005, 53). Presidents Thabo Mbeki of South Africa, Lula da Silva of Brazil and Prime Minister Atal Bihari Vajpayee of India formally launched the IBSA during the UN General Assembly in September 2003. The leaders of the three states have consciously advanced themselves as campaigners for an emerging developing world. The IBSA initiative is motivated in the following way in the declaration: "In the past few years, the importance and necessity of a process of dialogue amongst developing nations and countries of the South has emerged".<sup>11</sup> Different from previous third world initiatives that aimed alternative and independent multilateral orders; this does not seek to create new geopolitical divisions. Instead the IBSA initiative consists of a group that, in the words of Brazilian Foreign Minister Celso Amorim, "spread[s] goodwill and the message of peace" and is "not against anyone".<sup>12</sup>

Especially after the Doha Ministerial meeting in 2001 within the WTO structure, trade officials of the developing countries (with the participation of under-developed countries) have sought to give substance to South-South cooperation through the promotion of special trading arrangements, and requests from the developed countries. The key player in this endeavor has been India from Asia, Brazil from Latin America and South Africa from Africa. After initiating several groupings during WTO negotiations over the years,<sup>13</sup> the establishment of the IBSA Dialogue Forum can be seen as repercussion of earlier groupings that is willing to play an important role between South and North relations. Following this approach was the creation of the IBSA Trilateral Commission in the aftermath of their participation in the G8 summit of 2003. It aimed to formalize relations and provide a forum for coordinating strategy between these leading industrial countries of the south.

Put succinctly, the IBSA initiative should be seen as an endeavor to ratchet up three pivotal states' global bargaining power. This initiative is guided by the desire

11 Brasilia Declaration, 6 June 2003, clause 2, [www.ibsa-trilateral.org/brasil\\_declaration.htm](http://www.ibsa-trilateral.org/brasil_declaration.htm) (Accessed 20 May 2007).

12 Quoted in R. Devraj, "India, Brazil, South Africa Ready to Lead Global South", IPS-Inter Press Service, 2004.

13 Peter Draper and Razan Sally, *Developing-Country Coalitions in Multilateral Trade Negotiations*, May, LSE International Trade Policy Unit, 2005, <http://www.lse.ac.uk/collections/internationalTradePolicyUnit/Events/May2005/draper-sallyjnu1.doc> (Accessed 30 May 2007); and Amrita Narlikar and Diana Tussie, "The G20 at the Cancun Ministerial: Developing Countries and Their Evolving Coalitions in the WTO", *The World Economy*, vol.27, no.7, 2004, p. 948-954.



for cooperation between states that enjoy similar positions in global politics. The forum builds on already existing and fairly strong ties between the IBSA members, namely India, Brazil and South Africa. Economically, first, the IBSA might be seen as a concentrated effort by three rising powers to increase their bargaining power at global level. While they recognize the expansion of economic growth, employment and social development, they “expressed their concern that large parts of the world have not benefited from globalization. They agreed that globalization must become a positive force for change for all peoples, and must benefit the largest number of countries”.<sup>14</sup>

Bearing this in mind, the key objective of the IBSA has become to make the international economic system responsive to the needs of developing world and to advance the global governance that is required and crucial if globalization is to be advanced with equity. Put simply, making neo-liberalism work for all is a central message.<sup>15</sup> Secondly, before they initiated the IBSA, there have been negotiations for a fixed preference agreement between MERCOSUR<sup>16</sup> and SACU<sup>17</sup> as a means toward establishing a future free-trade agreement for some time, as well as a preferential trading deal between India and MERCOSUR on reducing tariffs on selected products in bilateral trade, that was concluded in January 2004. In this regard, establishment of the IBSA has moved one step further from the already existing economic relations between the three states.

The main driving theoretical force behind the coalition building among developing countries is that they believe in liberal economic order at institutional level and their behaviors can be seen as “reformist” but not “transformative”. Developing countries focus on the importance of formal and informal institutions in producing political outcome. However, they tend to see institutions are not fixed, but as changeable elements from time to time through new initiatives, ideas and perceptions. Theoretically, the establishment of the IBSA Dialogue Forum may be understood at best as a reflective grouping against the “global apartheid”<sup>18</sup> and a movement that seeks to create channels to make their voice heard. Therefore, the IBSA is a product of constructivist perspective that locates the institutions at the very centre of their understanding of international economy, however their central aim is not *really* to alter the constitutive and regulative norms of the international system as argued by various academics.<sup>19</sup>

14 Brasilia Declaration 6 June 2003, clause 13.

15 Ian Taylor, “South Africa, the G-20, the G-20+ and the IBSA Dialogue Forum: Implications for Future Global Governance”, paper presented at United Nations University conference on “The Ideas-Institutional Nexus Project: The Case of the G-20”, Buenos Aires, Argentina, 19-21 May 2004, <http://cijonline.ca/publications/docs/argentina.taylor.pdf> (Accessed 15 December 2005), p.17.

16 MERCOSUR is a trading zone between Brazil, Argentina, Uruguay and Paraguay, founded in 1991 by the Treaty of Asuncion, which was later amended and updated by the 1994 Treaty of Ouro Preto. Its purpose is to promote free trade and the fluid movement of goods, peoples, and currency.

17 SACU is a custom union among the countries of Southern Africa. It came into existence in 1969 with the signature of the Customs Union Agreement between Botswana, Lesotho, Namibia, South Africa, and Swaziland. It entered into force on March 1, 1970, thereby replacing the Customs Union Agreement of 1910.

18 Patrick Bond, *Against Global Apartheid: South Africa Meets the World Bank, IMF and International Finance*, London, Zed Books, 2004.

19 For example see Abdul Nayef, “IBSA Forum: The Rise of “New” Non-Alignment”, *India Quarterly*, no.61, no.1, 2005, p. 1.



Cox's<sup>20</sup> argument that the nature of political economy, its institutions and ideas about how it operates (or should operate) changes over time seems apparent after the 9/11 events. Poverty, underdevelopment and exclusion are cited, among others, as breeding ground for terrorism in the third world. Therefore, in the wake of September 11 in order to achieve a "secure" world, a chastened North appears more willing to consider development concerns of the South.<sup>21</sup> This is an opportunity as well as a necessity in bridging the increasing gap between the North and the South. In this environment, the expectation is that the IBSA could play the key role in defining the South's concerns for poverty eradication, debt relief and the other problems of the South. This defines a role for the IBSA not only from their regional development perspective, but also from an international systemic one.

Central to development of investment, a critical element for economic development, in an area is the acquisition and deployment of capital.<sup>22</sup> In the current global economic structure, production of goods is mainly concentrated at so-called "regions" where transportation, distribution and other facilities are readily available. Similarly, Foreign Direct Investments (FDIs) are attracted to the same "regions", rather than the underdeveloped ones.<sup>23</sup> If the IBSA Dialogue Forum can create a kind of new "region" in the Third World, it is likely to be the new attraction for FDI among themselves and across the globe, that might contribute economic development.<sup>24</sup> Furthermore, given the fact that investments concentrate mainly the areas close to the "regions", if not in the region itself, the IBSA's contribution in that sense would not be limited only to attract FDI and investment in the member states. A significant FDI and investment attraction can also be observed in the underdeveloped areas surrounding the IBSA members. However, there is no guarantee that this will be a smooth process in the near future.

Overall, the IBSA initiative raised expectations of many that it will be the "voice" of the developing world. Started with economic imperatives, the political and security related issues are coming more frequently to the table as they go along during the initial period. Economically, expectation was that *if* it holds together, it could create a market of 1.2 billion people and amount to a US\$1.2 trillion domestic market and foreign trade of US\$300 billion.<sup>25</sup> Politically, the IBSA Dialogue Forum is unique in its form, because it is a transcontinental agreement among three far-flung members of the developing world. However, the IBSA seems to have less common political ground

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20 Robert W. Cox (with Timothy J. Sinclair), *Approaches to World Order*, Cambridge, Cambridge University Press, 1996, p. 49-59.

21 Chris Alden and Garth le Pere, *South Africa's Post-Apartheid Foreign Policy-From Reconciliation to Revival?*, Adelphi Paper 362, The International Institute for Strategic Studies, London, 2003, p. 75.

22 Robert O'Brion and Marc Williams, *Global Political Economy, Evolution and Dynamics*, New York, Palgrave Macmillan, 2004, p. 178.

23 Region is used here as an area that is conducive to FDI attraction. The attraction of FDI between 1990 and 1998 to Sub-Saharan Africa and South Asia has become one of the least ones, where South Africa and India are the key players. See the statistic of World Bank, cited in Robert O'Brion and Marc Williams, *Global Political Economy, Evolution and Dynamics*, p. 169.

24 Prabir De, "Deepening IBSA Trilateral Cooperation: The Role of Communication Services", *India Quarterly*, vol.61, no.4, 2005, pp. 71-92.

25 Ian Taylor, "South Africa, the G-20, the G-20+ and the IBSA Dialogue Forum: Implications for Future Global Governance", p. 20.



than any average regional organization simply because the three countries have linked what they do have in common, namely socio-economic conditions and political positions within their respective regions, to promote their internal and external strengths. In order to tailor a mutually beneficial framework, the IBSA can be effective if the organization focuses on commonly held issues and works to realize goals within spelled-out categories. Initially, the IBSA was expected to be a successful political format representing the interests of these three emerging regional behemoths with worldwide responsibilities in the years to come.<sup>26</sup> However, now this optimism is not that high among observers as it was at the beginning. This may be attributed to its weaknesses on several fronts. This weaknesses needs to be dealt with seriously for its success.

One can speak of two fundamental weakness of the IBSA. Firstly, there is a feeling that the IBSA member states do not know or realize their real potential. They seem to take a passive, or apologetic, approach to issues. They are not brave enough in pushing their agendas and being pro-active. It is highly possible that they do underestimate their potential and power in global politics. This is directly related to psychological elements rather than material ones. Even from the beginning, the IBSA members did not believe that they could *really* be successful. This can be best explained by the thoughts of Alex de Tocqueville on the nature of revolutions/changes. He once argued that revolutions do not arise when the people are poor or in a very bad conditions, however, it arise mostly when there seem a chance or belief that revolutionaries can change the system. The IBSA members alone and together have not really had such a belief of changing some negative side of the existing international economy-political system.<sup>27</sup>

To register as weakness of the IBSA, secondly, it seems that they focus too much on upper (international) level, and neglect each other's comparative advantages. They also probably less understand each other's domestic/regional politics. For a possible success of IBSA, member states should focus both upper and down level at the same time and coherently. Lastly, neither the IBSA members nor the IBSA as an organization has a normative political philosophy or agenda to propose. They all want globalization work for them too. From a philosophical perspective, this is the weakest link in the IBSA. They all embrace and support neo-liberal policies in international economy. They might offer some modest changes in ongoing system, but do not challenge the system as a whole in any way. They want to keep the main tenets of ongoing system. They work within the existing and dominant theoretical framework that prevents them to produce or offer new alternatives.

## Conclusions

In the current global economic and political system, pivotal middle powers seem to possess a range of economic, military and political power resources, thus they have some capacity to contribute to the production of international order, regionally and

26 See Kaia Lai, "India-Brazil-South Africa: The Southern Trade Powerhouse Makes its Debut", Council on Hemispheric Affairs, 15 March 2006, [www.coha.org](http://www.coha.org) (Accessed 30 June 2008).

27 See Mehmet Ozkan, "Regional Security and Global World Order: The Case of South Africa in Africa", Research Journal of International Studies, no.5, 2006, pp. 79-100.



globally. They share the belief that they are entitled to play a more influential role in world affairs.<sup>28</sup> The India-Brazil-South Africa Dialogue Forum based its existence on economic imperatives from the beginning to represent the South and advance the agenda of developing world in the global economic system. If the activities of the IBSA show nothing else, they show that the prospect for innovation and variety in coalition building in the South is much greater and vivid. As Higgott and Cooper<sup>29</sup> concluded in their analysis of Cairn Group, sometimes innovative entrepreneurial and technical leadership might provide a substantial counterweight to and support existing system. Although it is yet to be seen, the IBSA is the key grouping in the global economy in general, and in the South in particular, to watch in coming years with possible far-reaching implications.<sup>30</sup> They could be the engine(s) of the economic development and voice in the developing world if the weaknesses have been dealt with appropriately. Furthermore, if they can create an “inter-regional zone” characterized by security and economic opportunities, it is highly likely that such a zone will attract more FDI, creating an economic imperative for development in the South. If such groupings can hold together, without distractions from the third parties, as Taylor<sup>31</sup> aptly argues, it might have interesting and important implications for global politics, especially on those related to global economy and development. Holding together and expanding with the new members (such as China) are possibly the key issues of the IBSA Dialogue Forum today, if it wants to be a new power-base in global politics not only economically, but also politically.

With regard to China’s possible entry to the IBSA,<sup>32</sup> one needs to look at the broader context. Today China has more structural influence on the existing international political economy than those of the IBSA members. China is member of UN Security Council and economically an increasing global power. Therefore, the IBSA might need China more in order to be more influential in international politics than China needs. Looking from this angle, one could say that China is not forceful to get an IBSA membership, but wants to stay close to newly developing powers of the south. In any case, the IBSA needs a psychological and discursive change for its success. Realizing their potentials individually and together, rather than underestimating them, could be a good starting point. Focusing upper and down level in a coherent way and interlinking them is another policy that should be followed.

28 Andrew Hurrell, “Hegemony, Liberalism and Global Order: What Space for would-be Great Powers?”, *International Affairs*, vol.82, no.1, 2006, p. 2.

29 Richard A. Higgott and Andrew F. Cooper, “Middle Power Leadership and Coalition Building: Australia, the Cairn Group, and the Uruguay Round of Trade Negotiations”, *International Organization*, vol.44, no.4, 1990, p. 632.

30 There are debates whether China wants to be part of the IBSA Dialogue Forum. If that happens, the IBSA certainly qualifies for this judgment, for example, see Siddharth Varadarajan, “From IBSA to CHIBSA? BRIC to BRICS? Not yet”, *The Hindu*, 16 April 2010.

31 Ian Taylor, “South Africa, the G-20, the G-20+ and the IBSA Dialogue Forum: Implications for Future Global Governance”, p. 20.

32 See Raja C. Mojan, “IBSA to BRICSA: China churns the new alphabet soup”, *Indian Express*, 16 April 2010; and Sanusha Naidu, “The China factor in IBSA”, 15 October 2008, <http://www.pambazuka.org/en/category/comment/51208> (Accessed 20 September 2010).



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