South-South Cooperation in the 21st Century: New challenges

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Foreword

Human history has been a continuous pursuit of a race between desire and capability. While desire outpaced capability most of the times, leading to accumulation of dreams to be achieved, there are a few instances of capabilities outstripping the desire. Such epochal phases in history are identified as revolutions – technological, economic, social or even political. In our long journey into the present generation and even thinking beyond, the mismatch between desire and capabilities and the means identified to take care of such deviations may be identified as the driving force behind the changes that already happened and will occur in the future. However, one has to be careful about the dangers of our increasing capabilities having a potential to put stress on our desires.

A number of such epoch making revolutions have been chronicled in history. While the first set of revolutions enhanced human capabilities to facilitate unfulfilled through increased control over nature – the capability to kill wild animals using sharpened stones to survive on their flesh, the capability to light fire, the capability to domesticate wild animals, capability to grow grains through settled agriculture.

The increasing trend in desires also fed the increased capability of some communities in warfare, not only to have access to natural resources owned by the vanquished but also to their human resources. Trade followed the wars, sometimes the other way round as well and thereby set in the colonization that further aided the spurt of industrial revolution in explosive cycles. The technological revolutions were also given necessary boosts by social and political revolutions. Emergence of nation states with the enclosure movement in Britain as its precursor created a strong case for establishing private property and a social system that hinges on exchange of such private assets through a market system that builds on competition and "efficiency", and operates independently of other basic human values of compassion.

The present pandemic, on the one hand, and the threats to our planet, on the other, pose a challenge and puts a question mark to the belief on our unrestricted capability to harness our desire on the back of the epoch making revolutions we experienced in the last two and a half century. The quest for artificial intelligence and our resultant faith on creating machines with capability to think like or even better than human beings to solve critical and complex problems that are beyond human comprehensions are making us quite confident about extending the horizons of our desire and capabilities to the level never ever imagined so far, beyond the most imaginative sci-fi literature. We have been given the hope of being immortal in a few decades from now. Technologies exist to recreate clones of any living beings. Made to order babies with desired genetic structures may be a reality sooner or later. Machines will be made to think like creative geniuses of the past – a Shakespeare, a Rembrandt or may be, even a Beethoven.

However, in the process many species will lose their habitats and may become extinct. Scarcity of food and other basic minimum necessities of life, like water, health care and energy may become increasingly inaccessible to a vast majority of Homo sapiens posing a threat to their existence. Encouraging property rights on knowledge and money – identified by Karl Polanyi in 1944 in his book entitled, The Great Transformation as fictitious commodities that were never thought to be created for buying and selling will endanger the existence of land (nature) and labour, the other two conspicuous commodities identified by him. One must not lose sight of the Polanyi Paradox unleashed in 1966 about the doubts on the gains from artificial intelligence and robotics.

The present volume is making its presence felt at a critical juncture in the history of man-made epochs when it tries to provide a rationale for cooperation in a world extremely obsessed with competition. All the contributions call for having faith in the logic of sharing, rather than first extracting resources from possession of others and then giving a minor share of the proceeds as benevolent "global" citizens. This volume is a fitting way of looking at alternatives that would keep the planet livable for all, leaving no one behind.

The papers contributed to this volume capture a wide ranging array of issues, through the lens of South-South Cooperation (SSC). While arguing for establishing SSC as a new development paradigm, a few other contributions emphasize the role of knowledge exchange and rethinking a South-led perspective to innovation policy to help develop such a cooperative paradigm. Consistent efforts by the citizens of Palestine towards SSC in spite of themselves fighting a grim battle of existence, chronicled in one of the

contributions, have added immense moral and intellectual value to this collection. The examples from Brazil, Afghanistan and Madagascar provide a ringside view of SSC in practise.

On a personal note, I feel immensely honoured, privileged and happy to have been given the opportunity to write a foreword to this volume. I still vividly recollect the wide ranging debates and discussions that we had taken part in for three weeks in November 2019 where all the contributors to this volume joined me as co-learners in our pursuit to appreciate the power of SSC in changing the world for the better. The interactions were organised by the Research and Information System for Developing Countries (RIS), thanks to all possible support from the Ministry of External Affairs, Govt. of India under its Indian Technical and Economic Cooperation (ITEC) programme.

I firmly believe that this is the first of many such volumes to come from the contributors as they get deep into their understanding of the nuances of following a "cooperative" model of holistic development of the planet and its inhabitants as opposed to the prevailing faith on the ability of a "competitive" spirit to turn us to a life that forces us to continuously chase the dream of bridging the gap between desire and capability.

Milindo Chakrabarti
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New Delhi
April 2021

Introduction

With the year 2021, the third decade of the 21st century begins in the middle of the second wave of the COVID-19 pandemic. The world suffers the consequences of a virus that has been politically manipulated from its origin and conditioned to a generalized opinion in the West that blames China without considering the degree of global responsibility for the collateral effects of other destruction processes that seriously affect health, such as progressive and irreversible climate change on a global scale; intensive deforestation on all the continents of the planet; the total decline of the quality of life in all the peoples of humanity in the South and North of the Orb; the extermination of animal species and alteration of their habitats.

To this unfavorable environment for vital conditions on the planet, we add the cycle of absurdities we have witnessed in the heart of Western democracy. The integrationist disagreements present in the European Union, political disagreements in the Americas and their aftermath; the radicalisms of political blindness under the nonsense of supremacism and racism faced by the radicals of the dogmatic left-wing who do not hesitate to innovate their

political controls and position themselves between caudillo style militarism and the dogma of outdated ideologies; diseases of power that are disguised with nationalisms, decadent populisms, cult of personality, corruptions sown at all levels and a slow will to act when it comes to assuming responsibilities within the framework of world power and its mechanisms of domination deployed between multilateralism and multipolarity.

We find ourselves wandering in political systems with great internal administrative obstacles, economic blockades, and sanctions that coexist between economic wars, globalizing international laws, liberalisms, and deglobalizing ferments that besiege the aspirations of many called "emerging" economies and democracies. As the Spanish professor Roberto Velasco indicated at the time:

> ... we are in the presence of a darkness and gloom of the economic world stuck in tax fraud, open and insidious corruption, human trafficking, legitimate drug trafficking parallel to the traditional cartels and the new ones within the producing and exporting areas, money laundering, prostitution, financial scandals among other evils that beset us on a daily basis and lack a frontal penalizing action and sincere fight against a rising evil in the international community.

Today we are additional witnesses of the chaos derived from global warming, humanity is close to self-destruction and there are no agreements in the spaces of global power, the only thing that is insisted on is maintaining a predatory character typical of the voracious capitalism of the West, along with the economic models of socialist markets and forms of savage capitalism in old Europe and the Asian world. Some countries on the African continent are going the same way; others plunge into detrimental official actions of

burning and destruction caused in the jungles of the Brazilian Amazon or the destruction of the Orinoco Belt among the cases with the highest level of depredation in *Our America*.

In this regard, James Lovelock denounces what we have caused to the living earth and warns us of the already irreversible damage to the Earth. His book "*The Revenge of the Earth*", "*The theory of Gaia and the future of humanity*" or the thesis "*The Inconvenient Truth*. *The planetary crisis of global warming and how to face it*" presented worldwide by Al Gore, represent the end of a way of life that the current generations of human beings and those to come will face with great catastrophes and new pandemics that are more contagious and deadly, resulting from the great industrial interests, new minority groups belonging to the WASP clans (white, Anglo-Saxon and Protestant). As well as, interests of nationalist nature conditioned to conservative projects, among others that have exacerbated their exclusive intentions, engendering a rivalry that passes through the filter of new worldwide elites that are governed by madness and trials in terms of economic, political, social, and religious models.

We have undermined the economic forces that have sustained civilizations. Biomes are seriously affected; energy demands and the looting of raw materials in the South and North of our planet have led us to the top of the economic plans initiated since the times of conquest, colonization, neocolonialism, and the apparent illusionistic and agonizing victories of capitalism in the 20th century, and now in the 21st century. The great global economic systems aspire to scratch the traditional and "rare minerals", which is what the planet has left, without addressing the consequences already foreseen by several scientific studies. Some continue

with the illusion of the space race and conquest of space (Mars) for a new humanity, others conceal or remain silent in the face of the catastrophes to come.

In this context, Anthony Giddens and Wil Hutton warn us about another reality in their work "*On the Edge*. *Life in global capitalism"*, where the present and the future are foreshadowed, leading to a world scenario that can no longer be sustained. Therefore, some appeal to the need of applying an economic decrease since economic resources are finite and it is apparently necessary to rationalize and innovate when dealing with nature. Others such as the Venezuelan professor and researcher, Elías Capriles (co-founder of the Center for Africa and Asia Studies), suggests that

> The solution cannot be limited to substituting fossil fuels for other sources of energy (some even more dangerous), but requires abandoning the ideal of development and ever-increasing consumption. And this can only be achieved through a spiritual transformation that restores our fullness.

In this perspective, we invite the study of his work *Individual, society and ecosystem. Essays on Philosophy, Politics and Mysticism*; published by the Publications Council of the University of Los Andes-ULA (Mérida-Venezuela).

Therefore, the South-South must address all these realities from its own geopolitical dynamics, without underestimating the lessons learned from the mistakes made in cardinal areas of the planet. It is necessary to rectify and reorient the development model that the South-South has currently deployed. We are faced with the current dilemma of repeating the same mistakes or understanding ourselves under the premise of frank dialogue to promote a different economy with a "fair and equitable" distribution of wealth. It

must also consider the political positions of the civil society communities in front of the State in order to maintain a balance and renewal of the environment that guarantees the continuity of the evolution and history of humanity itself.

From the South-South, we have had thinkers who remind us and insist on the balance and equity of the fruits of the collective actions of their peoples. However, the modernization experienced in the post-independence periods leads us to gravitate in the parasitism of a permanent underdevelopment crisis and fractures in political and economic projects conditioned by nationalist minorities, liberals, egomaniacal politicians, coups d'état that do not yield favorable results within their actions. On the contrary, they leave the peoples submerged in a greater deepening of crises and inequalities. It is useless to concentrate efforts in technical planning for economic development in the South-South itself if large sectors of the population are immersed in poverty and their life expectancy is decimated every day by the impossibility of materializing a direct and realistic social investment.

This year, 2021, the South-South is faced with the need, in times of the COVID-19 pandemic, to rethink new directions in the so called multilateralism widely debated and preached by powers such as China, India, South Africa, Central Asian nations, the Middle East and Latin American voices.

This book, whose title is "*South-South Cooperation in the 21st Century: New challenges*", has two references that opened the doors to its gestation: the first, took place in New Delhi-India, last December 2019 within the framework of a diploma course called: Learning South-South Cooperation (LSSC), offered by the Ministry of Foreign Affairs of India through the Indian Technical Economic Cooperation (ITEC)

whose beginnings date back to September 16, 1964 (57 years ago) in the period of the presidency of Sarvepalli Radhakrishnan and Prime Minister Jawaharlal Nehru, whose death occurred on May 27 of that same year. In this ITEC offer, technicians and academics from different regions of Asia, Africa, the Middle East, Central Asia and Latin America participated, giving origin and stamp to the spirit of the reflections presented here.

We have the participation of eight authors of this magnificent program. The visions and reflections represent another step in the process of knowledge production on this area of South-South studies, from each national reality exposed.

In this perspective, the annual initiatives carried out by India through ITEC represent a unique international leadership from the Hindustani South to the developing world. It is a matter of training, assisting, guiding and cooperating by virtue of their accumulated experience, technical and political capacity demonstrated at the time of articulating actions not merely paradigmatic but tangible and visible by the work and struggle developed in 74 years of independence and national consolidation that leads the Indian nation.

The second reference is inspired by the historical event of the Afro-Asian Conference of Bandung in Indonesia (1955); the first space for constructive dialogue in the South-South of the 20th century and an example to the other southern parts of the world. This year 2021 commemorates 66 years of this great meeting, unique in its historical time. In the words of Kaldone Nweihed (2015), Palestinian-Venezuelan (died on February 20, 2020), professor and prolific researcher at the Simón Bolívar University (Caracas-Venezuela), author

of the term: *Humania del Sur*, and proponent of the name of our periodical publication *Humania del Sur,* Journal of Latin American, African and Asian Studies, referring to the Afro-Asian Conference of Bandung, he told us: "… it was inscribed in universal history as the cradle of the first meeting and consequent understanding between the countries of Asia and Africa that, until the day before, they had been colonies. The nations of the 'world that did not count' versus those of the 'world that counted'".

Beneath this background, encounters and dialogic spirits for the Center for Africa and Asia Studies and the Research Group on Development and Democracy Studies of the Faculty of Economic and Social Sciences of the University of Los Andes, it is an honor to present to our readers the book *South-South Cooperation in the 21st Century: New challenge*, which is structured as follows: From India, Amika Bawa and Kartikeya Dwivedi, work on the "*Banking on Knowledge: The Role of Knowledge Exchange in Enhancing the Quality of Capital Flows*". Bright Chalwe from Lusaka-Africa, discusses the role of "*Rethinking Innovation Policy: The Global South Perspective*". Duha Aldweik, from the historical and contemporary land of Palestine, presents us the cooperation model: "*The Palestinian International Cooperation Agency's experience in SSC: Challenges and Achievements*". Pabline Araujo Reis addresses the experience of the Latin American giant in "*A South-South approach for trade and investment operation: the Brazilian case*". Asifa Qarizada analyzes an interesting relationship between security and South-South cooperation with her contribution "*Securing Afghanistan through South-South Cooperation*". Researchers Razafimandimby Nampoina, Raoelison Dina and Rakotonirna Voahangy from the insular land of Madagascar, study the role of international association and its cooperation

in contributing to the development of the countries of the South with the proposal: "*South-South cooperation in Madagascar's development: the cases with India and China*". From Northwest Africa, Mustapha Jouili, from Morocco, focuses his reflection on the old and new existing rhetoric in South-South cooperation, highlighting the realities that move the floor of the debate and the analyses conditioned by the center-periphery axes. Finally, from the Andean lands of Mérida-Venezuela, Rafael Gustavo Miranda Delgado guides us and provides the basis for an understanding of the South-South in terms of its challenges and stakes.

In sum, we present different South-South experiences from a contemporary perspective in the 21st century. We do not intend to impose conclusions, we only aspire to contribute on highlighting that there are solid constructive actions from the South, with determined wills of action that merit feedback on the cooperation from this geopolitical cardinal point, with a differential sense, compared to the traditional models in the current economic systems. Unfortunately, the peoples from the South continue to demand justice and greater transformative political will from their ruling classes. The challenge for this region of the world is to accelerate a sustainable integration in a realistic sense.

When we say, together with Mario Benedetti, "The South also exists", we refer to a position that is not only vindictive, it also means the approach and historical facts derived from multiple dialogic scenarios, whose guarantees are concentrated in the tactical and strategic vision of the South. Today, hope is placed on the credibility of new political thoughts and contemporary economic models typical of the existing debate at the theoretical level and the dynamism of the South.

This scenario has evolved with advances in terms of understandings, cooperation agreements, progressive political will, increasing actions of awareness of interdependence; however, there is also a great diversity of situations of strong social debt, unequal exchanges, growing social imbalances that make impossible the feeding, quality education, health, the use of decent housing, among other fundamental rights that continue to be a pending and common agenda in all areas of the South that merit rectification, revision, and a true democratizing action. This way, people's rights will not be part of a demagoguery legitimized in speeches of manipulation of electoral conjunctures or the Third World rhetoric that emerges massively at the presidential level in the annual meetings called by the United Nations.

The existing poverty cannot be ignored any longer in the old and new divisive realities existing in the South-South. Nor can we act illusively like countries of the North with luxurious lifestyles and expansionist behaviors if we belong to the world of economies classified as "emerging". It is appropriate to remember that the major decisions in the governance system in the South depend on the permanent international review of the voices of the South itself that respond to the spirit of making a responsible commitment to the human dignity of all.

"In a modern world, no country can solve its affairs alone", said Nelson Mandela in his speech at the Summit of the Gulf Cooperation Council in Abu Dhabi in the United Arab Emirates on December 7th, 1998. Similarly, there is no valid political project in the South if the emerging economy does not allow the majority of the population to benefit from it. Therefore, it is essential to restructure it and put it

at the service of the people. For that, the role to be played by the business sector must be agreed in each reality of the South and its responsibilities shared to create lasting social prosperity, economically feasible in a market characterized by the balances of their contributions, innovations, and national commitments. The new rich of the South-South cannot copy the decadent models of the past and the recent present of the rich of the North; their future as a wealthy social class will depend on the filter through which their actions and credibility are manifested in front of the laws, the actions and investment deals to create jobs for the working masses. This with the purpose of avoiding deaths due to indigence or starvation, typical of a poverty that continues being the victim of national actors that prevent socioeconomic changes.

In the 21st century, the South-South has the great opportunity to make a difference by building, in a just, libertarian and rights and duties-based way, substantial changes in life that will lead to thought and action that will add paradigms to eradicate its own imbalances and will not be indifferent to the extreme poverty evidenced in the degradation and violence present in those who live it every day.

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South-South Cooperation in the 21st Century:
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Banking on Knowledge: The Role of Knowledge Exchange in Enhancing the Quality of Capital Flows[1]

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Abstract

The chapter explores the concept of knowledge in development finance. It is done primarily through providing a view inside the functioning of the Multilateral Development Banks (MDBs) from a variety of lenses including stakeholder and experts. It is assumed that knowledge is a key asset in the successful implementation

1 This chapter has been developed from the Master's dissertation work of Amika Bawa at O.P. Jindal Global University, Sonipat, India. The Authors would like to thank the contribution of Professor Karin Costa Vasquez (Dissertation Mentor) and interviewees Mr. Sergio Suchodolski (New Development Bank), Ms. Lingga Suyud (World Bank), Mr. Daan Boom (Community and Corporate Learning for Innovation) and Mr. Enrique Maruri (Oxfam International), for their invaluable inputs and support for this academic research. Additionally, gratitude needs to be extended to Ambassador Mohan Kumar (Chairman, RIS), Professor Sachin Chaturvedi (Director General, RIS), Professor Milindo Chakrabarti (Visiting Fellow, RIS) and the RIS family for giving us the opportunities to put theory to practice, to better understand the role of 'knowledge for development'.

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of resources aimed at development. However, empirically there is a disparity between the practice of knowledge creation, documentation and the exchange of relevant inferences for future projects. The research looks at case studies across major MDBs namely the World Bank, Asian Development Bank and the African Development Bank. Their knowledge sharing mechanisms and understanding of the concept of knowledge, articulated through methods of interviews and evaluation of the project and performance reports. The findings of the paper reforms the question of what is the role of knowledge in the functioning of the lending activities of these banks and what motivates them to adopt their current knowledge strategies? How can future projects be structured factoring in the existing knowledge for stronger development impact? These are pressing questions that will not only impact the functioning believe that the emerging institutions, such as the BRICS led New Development Bank (NDB), are key stakeholders in the same context, knowledge sharing mechanisms and their prudence is an area of effort that is extremely costly to ignore. The findings throw light on gaps and learnings for strengthening South-South knowledge exchange.

KEY WORDS: Knowledge Exchange, Multilateral Development Banks, Development Cooperation

INTRODUCTION

In 2015, the Organization for Economic Cooperation and Development (OECD) projected an overall increase of USD 2.7 billion in global aid by 2018, due to higher lending activity by multilateral agencies[4] (OECD 2015). As of 2017, assistance from developed countries totaled USD146.6 billion, out of which USD 26 billion was directed towards least-developed countries reflecting a slight increase as opposed to previously declining trends (OECD 2018). However, this trend was said to experience a decline to about USD143.2 billion in net Official Development Assistance (ODA) flows in 2018 (OECD

4 Multilateral agencies, as per the OECD, include global and regional development banks, global funds and programs.

2019). These statistics reflect the canvas of financial transfers from developed and multilateral agencies to developing countries, and if attempts are made to capture the ongoing engagements amongst developing countries under South-South Cooperation, the canvas would stretch significantly. Recognizing this the Global Partnership's Second High-Level Meeting Outcome Document, also known as 'Nairobi Outcome Document', highlighted a need for demand-driven knowledge exchange to complement development engagements and capital flows for the achievement of mutually acknowledged development goals (GPEDC 2016). The push for knowledge exchange on a multi-stakeholder level reflects upon a gap between the aid disbursed and its implementation and outcome. Development research has further highlighted knowledge exchange and learning by multilateral development banks, international organizations and national agencies as a 'driver for development (Vazquez 2013)' playing a crucial role in catalyzing cooperation on the ground not only in North-South[5] cooperation (NSC) but also in South-South[6] cooperation (SSC).

5 North-South Cooperation has been the relations between traditional donors, such as developed countries, where the developing and underdeveloped countries are the recipient. The exchange is linear top-down transfers. Today both the trends of International Development Cooperation are evolving with emerging patterns of engagement between developed and developing countries (Modi 2011).

6 South–South Cooperation is 'a process whereby two or more developing countries pursue their individual and/or shared national capacity development objectives through exchanges of knowledge, skills, resources and technical know-how.' (Framework of Operational Guidelines on the United Nations Support to South-South and Triangular Cooperation in Vazquez 2017) South-South engagements are seeing an increasing role of engagements amongst actors that also include NGOs, Civil Society Organizations, Multilateral Development Banks, and private entities. Thus knowledge exchange amongst South-South actors builds upon 'peer-learning, capacity development and ownership of development choices' (Vazquez 2013).

Multilateral Development Banks (MDBs)[7] have been prominent players in the field of development cooperation by lending to governments and sub-national government resources for their development activities. These resources include loans as the most common lending instrument, followed by technical assistance, guarantees, equity, grants and knowledge exchange (Humphrey 2014). The comparative advantage of MDBs is recognized through the leveraging of 'experiences [from] previous development projects to the benefit of other countries' (Humphrey 2014). Simultaneously, MDBs can use this knowledge to make their lending competitive by tailoring and channeling loans to meet the development demands efficiently. Experts[8] have pointed to the ability of MDBs to act as brokers for facilitating the transfer of knowledge, innovation and development learning from the source of knowledge to those who demand the said knowledge.

Emerging institutions such as the BRICS-led New Development Bank (NDB) identifies the need for knowledge exchange, particularly demand-driven, as a mechanism to 'improve efficiency and effectiveness in sustainable development and infrastructure projects' (NDB 2017). The Bank's General Strategy 2017–2021 and Environment and Social Framework, aspire the NDB as a 'platform for South-South Cooperation', based on knowledge dissemination amongst its development partners. Similarly, the Islamic Development Bank's 2018 launched knowledge mechanism called 'Reverse Linkage' aims to create backward and forward linkages wherein the MDB takes the role as a facilitator

7 Multilateral Development Banks are 'financial institutions created [...] to provide financing and technical assistance for the purpose of development (Humphrey 2014).'

8 See in References: Vazquez 2013; Task Team on South-South Cooperation (TT-SSC), UNDP, OECD, & World Bank Institute 2015.

for Southern Development. The mechanism is a 'blend of capacity development and technical cooperation enabled through the transfer of capacity to empower countries towards their autonomous development (Bawa, 2018)' for effective exchange of learnings and improved knowledge to-and-fro.

Multilateral development banks are increasingly engaging in knowledge exchange for development financing. With new MDBs following this trend, it is imperative to question the relevance and need for knowledge exchange and articulate an approach can be capitalized upon in the creation of knowledge–driven institutions. This chapter explores this need to better understand the motivation of becoming a knowledge platform and what does it mean from a Southern development lens. An attempt is made to address this through a comparative qualitative case study of three MDBs who have been undertaking knowledge exchange as part of their operations and their role in knowledge-based development – World Bank, Asian Development Bank and the African Development Bank.

Beginning with an attempt to de-clutter various dimensions and definitions of 'knowledge' to understand its role in development. The section on the case studies is organized around the following aspects – discourses on knowledge exchange and its need of the institution; study of institutional documents to understand 'what does knowledge exchange mean' for the particular institution; assessment of the internal and external tools of knowledge exchange to better understand 'knowledge exchange in practice'. This chapter aims to shed light on gaps and highlight best practices that could possibly inspire emerging institutions and strengthen South-South knowledge-driven cooperation.

The findings, its analysis and learnings provide an insight into the motivations, challenges and way forward for MDBs to undertake knowledge exchange. Conclusively, reflections are made based on the literature and findings on whether knowledge exchange by the MDBs has emerged with new and better ways of practice; or there has been no incremental positive change and the trend of being a knowledge institution is due to reasons beyond organizational and development impact; or has knowledge exchange resulted in only a partial understanding of the practice highlighted by a one-way transfer of knowledge.

Dimensions & Perspectives on Knowledge

Tracing the genesis of the term and its role in development cooperation demands a reflection into the fields of economics, business and organizational sciences, and international relations. It is from these various fields that 'knowledge' has acquired the dimensions of factor of production and innovation; competitive advantage; and source of power and ownership.

Knowledge has always been a part of the production processes and economic growth, however never deeply considered as a factor of production by traditional economists like Schumpeter (1934). Factors of production are the inputs, such as land, labor, and capital, used in the production of goods and services to obtain an output. Knowledge was claimed to defy the basic laws of scarcity, diminishing returns, and ownership in economics (Akude 2014). Knowledge is considered imperishable whereby 'use by one [...] does not diminish use by another' and cannot be owned whereby one cannot exclude another in its use (Morduch 2008). Knowledge also increases instead

of decreases in marginal returns, having incremental value unlike other factors of production (Akude 2004). Post the Great Depression and growth in computer and information technology, economists started to engage more deeply with the concept of knowledge (Akude 2014). Drucker (1959), Machlup (1962) and Bell (1973) delved into the realm of ideas to study the direct relationship between knowledge, economic production and social development (Akude 2014). The knowledge narrative seeped into the government planning of the United States (Machlup 1962) and other Western economies and subsequently was taken up by the Four Asian Tigers – Hong Kong, Singapore, Indonesia and Taiwan (Akude 2014). These economies uncovered the linkages between knowledge accumulation, education and development. A comparative study of the growth trajectories of Hong Kong and Singapore, concludes to the understanding that the 'acquisition of knowledge, rather than the accumulation of raw [land, labor and capital] factors of production' was the force behind long-term growth (Young 1992). In a more recent publication, Menkhoff (2011) in a study of Asia's knowledge-based economies asserted the role of knowledge as an important factor drawing upon knowledge intensive sectors of infrastructure, fisheries, water management amongst others.

Knowledge as a factor of production links to knowledge as a source of innovation based on research and development. Knowledge can be understood as a mechanism for increasing productivity, linked to long–term economic development. The centrality of knowledge to human, organizational, and socio-economic development, has left researchers with an array of understandings that often conflate the term 'knowledge' with 'information.' Smith (2001) provided a clear definition for information as 'data that has relevance,

purpose and context'. Attempting to differentiate between data and information, Akude (2014) defined information as 'purposefully processed data'. Information is then the base, formed by selective data, which is acted upon by human capacity and cognitive abilities of understanding, insights, social learning, expertise and biases, transforming information into knowledge (Nonaka 1994; Hendriks 1999, Deane 2000; Wang & Noe 2010).

Knowledge, taking it a step further, can most succinctly be defined as the 'sense people make of information' (Deane 2000). Most simply, it can be understood as information plus know-how. This transformation of information into know-how, contributed towards the understanding of knowledge having an innovative dimension, with discoveries being made from the wheel to the smart phone (Hendriks 1999).

The role of knowledge as a source of competitive advantage for organizations has developed in the field of business and organizational sciences (Dougherty 1992). John Akude (2014), in a study of the literature on knowledge in development highlights three levels of knowledge sharing: micro, meso and macro. The micro or the individual level; meso or organizational learning level; and macro or inter-organizational learning, focus on the knowledge exchange within and amongst organizations. The competitive advantage factor focuses on creating internal systems that most efficiently use the individual level knowledge, held amongst the employees of a firm, to best capture knowledge for overall organizational development (Deane 2000; King & McGrath 2004). Within an organization, knowledge flows in the forms of tacit and explicit knowledge. Tacit knowledge is undocumented, personally held, context-specific knowledge that is available at the micro level and

has not been 'systematically expressed' (King & McGrath 2004; ADB 2004). Explicit knowledge is documented, codified and systematic knowledge packed in various forms of documentation and visual representation made available at the meso and micro levels (King & McGrath 2004; Smith 2001; ADB 2004).

Literature has pointed to the understanding of knowledge as a leverage resource, owning to its competitive advantage for an organization's working as well as its services (Luthra & Pan 2010 and Zheng 2005 in Akude 2014). Knowledge acquisition, its movement, sharing and application in projects and activities of the firm makes it a living and growing entity. Allowing the firm to have and maintain an advantage over its contemporaries. The macro level deals with the global dimension of the use of knowledge by international organizations for development. The focus comes on 'knowledge production and sharing' for global cooperation, building upon the impact of development (Akude 2014). It is thus the translation of experiences, information and know-how, packed as knowledge products or imbedded in projects contributing towards the macro-level of knowledge sharing.

Upon questioning matters of ownership of knowledge, two chains of thought have developed amongst the existing literature. On one hand, knowledge is understood as a 'public good' that one can associate with the analogy of 'light' making knowledge limitless, non-excludable and impreshiable – 'having the capacity to travel the world and transform lives' (King & McGrath 2004; World Bank 1998; Stiglitz 1999). On the other hand, knowledge is viewed as a source of power, given its competitive advantage, that cannot be shared freely given the innovative cognition used to create know-how (Hendriks 1999; Ipe 2003). One can also say, the know-how

is the capacity to make sense of information, thus acting as an electric switch that directs and limits the use of 'light'.

Building on this analogy of an electric switch makes sharing of knowledge a behavioral choice on the side which possesses the knowledge over the side wishing to acquire it (Ipe 2003; Rouse 2005). A behavioral choice creates dichotomies of have and have-nots, in line with the economic laws of ownership, which can create the illusion of scarcity, shifting power in the hands of those who have knowledge at the expense of those who do not. Foucault's concept of 'subjugated knowledge', draws upon the knowledge existing in underdeveloped and indigenous communities (Rouse 2005). Historically, this subjugated knowledge was overlooked and the knowledge emanating from developed regions was underscored by making a comparison between traditional and modern knowledge, highlighting the latter as the dominant knowledge. Subjugated knowledge, argued Foucault, are the voices of the local silenced by the dominant voices of modernity (Rouse 2005). It is in the so-called ownership of knowledge that makes knowledge a source of power – a focus of most international relations theorists.

When looking at the dimensions of knowledge, its acquisition and use by an actor, international relations theory leads one to a dichotomous relationship between knowledge and power. The philosophical works of Plato, Aristotle, Machiavelli and Kautilya, all attempt to understand the use of knowledge for the ruling authority. In the *Republic*, Plato engages with the Socratic claim of knowledge as a source of virtue for the philosopher king. The Cave Allegory articulates the ability of an individual to move beyond the shadow of ideas, defined by knowledge acquired through human senses, into the realm of true knowledge, which is intangible,

intrinsic and intuitive (Pangle 2014; Matassa 2013). Aristotle developed a more inductive approach to learning, focused on the ability of human senses to gain and acquire knowledge, giving tangibility to Plato's philosophy. Fixating on the tangible, Kautilya's *Arthshastra* (Shamasastry 1961) and Machiavelli's *The Prince* (1532) developed a treatise for the rulers to follow based on acquiring self-knowledge for statecraft. Knowledge has historically played a significant role in human development and the understanding of the power, both for understanding the self or for rule over others.

In contemporary literature, the relationship between power and knowledge has been reflected upon by the poststructuralist and postmodernist theorist such as Michel Foucault. In the work *Genealogy of Power,* Foucault establishes a link between knowledge and power, arguing that "all power requires knowledge and all knowledge relies on and reinforces existing power relations" based on which the world is constructed (Baylis, Smith & Owens 2017). Foucault further developed his concept of knowledge, which is produced through discourses that gives power to one side over the other. These socially constructed discourses result in the alteration of the concept of 'knowledge' by dichotomizing one construction of knowledge as dominant and the other as subjugated.

In international political economy, knowledge as power is reflected mainly in the agency of actors in the international system to extract a bargaining or competitive power from the possession or ownership of knowledge. In the works of Susan Strange, her theory of Structural Power draws upon this agency of actors. The theory explores the 'power [of actors] to shape and determine structures of the global political economy' (Holden 2009). Here power is 'synonymous

simply with influence (Cohen & Laporte 2004)', which can be exercised either by the agents of the international system such as development organizations, by nation–states over the agents, or can be inherent to the structures of the agents themselves. Strange develops her theory based on four existing structures of production, finance, security and knowledge (Strange 1990; Brown 1999).

Knowledge, as a contributor to structural power, has two dimensions. One is the aspect of sharing information, scientific learning and know-how which is done explicitly. The other holds the ability to influence perceptions, norms, values and even alter belief-systems through the type of knowledge shared. According to Strange, knowledge is made up of 'what is believed, what is known and […] the channels by which [… it is] communicated or confined (May 1996)'. The power from knowledge is then derived from the control (or ownership) and access of the institution over the dissemination of knowledge. This control and access over knowledge and what becomes known makes knowledge itself a tool to exercise power, akin to the analogy of a switch conducting the access to light.

An example is the Structural Adjustment Programs pushed by the World Bank and International Monetary Fund (IMF), highlight the power of institutions to focus on a particular belief system of an open economy and the channel of communication linked to funding support for developing countries (King & McGrath 2004). The narrative of power in the SAPs is evident in the imposition of a particular type of knowledge and value system imposed by an institution over developing economies (King & McGrath 2004).

Knowledge in development financing[9]

The tradition of North-South Cooperation (NSC), 'synonymous to financial aid (Vazquez, Xiaojin & Yao 2016)' emerged as a pattern of engagement between the Western developed countries and developing and underdeveloped countries post World War II. This engagement is identified as a vertical relationship between the developed North and the developing South and institutionalized through the creation of the Organization for Economic Cooperation and Development (OECD), IMF, World Bank and aid agencies. Herein, the flow of resources was from developed to developing countries. By 1998, the World Bank's *World development report 1998/1999: knowledge for development* brought to the fore role of knowledge flows, albeit one-way, claiming that '[p]oor countries – and poor people – differ from rich ones not only because they have less capital but because they have less knowledge' (World Bank 1998). The report argued that a deficit of knowledge in poor regions is the cause of their underdevelopment, pushing for knowledge from 'rich' countries to be shared with 'poor ones' (King & McGrath 2004). Building upon the concept of knowledge as a 'public good', institutions began creating space in development cooperation wherein aid providers could reimagine themselves as knowledge providers.

Knowledge became a way of repackaging 'aid' post the critique of the Structural Adjustment Programs and the tied conditionalities of NSC. The *World Development*

9 This chapter limits development financing to the study of MDBs and the projects and loans financed by them for development impact. The focus is on the use of knowledge in development lending as looked at in the case studies as well as organizational effectiveness for development banks. Broadly, the short literature review (building upon the work of Akude (2014) in Knowledge in Development) lays down how knowledge has been assessed or adopted as a tool, complementing the lending activities in development cooperation.

Report on Knowledge for Development (1998) coupled with the understanding of knowledge as a public good, factor of production and organizational competitive advantage, put the concept at the heart of development discourses giving birth to the World Bank as a knowledge bank. This view was further elaborated in the *World Development Report* (1998), where development institutions emerged as managers of the body of knowledge; spaces for overcoming the knowledge deficit; and brokers for the transfer of knowledge (King & McGrath 2004). This agenda dominated the institutions of Northern-led development cooperation, while the parallel South-South tradition defined by the engagement amongst emerging and developing economies rested on a model of mutual learning, horizontal use of knowledge and the need to learn from 'practical experiences of others […] and best practices' (Vazquez 2013).

The countries of the South have focused on engaging with their peers primarily in the form of 'economic integration, cultural exchanges, [capacity development] and technical cooperation (Cruz 2010).' A Working Paper for the G-20 Development Working Group, *Scaling Up Knowledge Sharing for Development* (2015), identified knowledge sharing as the additional 'leg' complimentary to financial and technical cooperation. The paper expressed that '[t]here is a growing recognition that the knowledge on what works and does not work […] can be found increasingly in developing countries' (TT-SSC et al. 2015). This acknowledges that knowledge for development can be found in the developing regions of the world as well, and does not necessarily have to come from the developed or rich countries. Moreover knowledge exchange needed to move beyond one-way transfers, towards the sharing of experiences and good practices to acquire the 'how-to' along with the 'know-how' for development and policy reform.

Sumner & Mallet (2013) made an attempt to study the literature on foreign aid to sketch out lessons and findings for the 'new' or the Southern players in the field. To find an 'appropriate way of "doing aid" in the future (Sumner & Mallet 2013)' the research highlights a demand–supply gap, wherein the demand for knowledge transfer has adequately not been met by the supply side. This demand–supply gap has also been identified by the Task Team on South-South cooperation (TT-SSC et al. 2015) and Vazquez (2013), wherein both the demand side and the supply side need to address structural issues to overcome the knowledge deficit and create a 'knowledge exchange marketplace (Vazquez 2013).' The demand side or the recipients of knowledge, need to recognize their knowledge needs in line with their development priorities to 'fully convert knowledge exchange into learning' (Vazquez 2013). The supply side or the providers of knowledge, need to 'capture, package, coordinate and share' knowledge understanding the demand of the recipient and allowing for the contextualization of that knowledge (Vazquez 2013). Sumner & Mallet (2013) in unraveling the emerging 'Aid 2.0' agenda highlight the role of SSC, typically within the same region, to ensure a positive knowledge exchange. The Task Team on South-South Cooperation (TT-SSC et al. 2015), Cruz (2010) and Vazquez (2013) have highlighted the role of regional development banks and civil society organizations as having 'brokering or intermediary' capacity in overcoming this demand-supply gap.

Another debate revolves around the questions of 'what and whose knowledge is to be shared' to overcome the gap. The *World Development Report on Knowledge for Development* articulates the poor countries are knowledge deficit, with marginal discussion on indigenous knowledge

as a gap that could be overcome with assistance from the developed North (World Bank 1998). The assumptions being that knowledge held in the developed countries is the need for development, ignoring the cultural and social context of the knowledge itself. Further nourishing the 'what' and 'whose' knowledge debate and positioning western and indigenous knowledge as binary systems. Addressing the politics of knowledge, King & McGrath (2004) argue that the agencies sharing the knowledge have an impact on the knowledge being shared, given political forces that influence the production and use of knowledge. Thus in the 1990s and early 2000s, the World Bank's use of knowledge was critiqued as an effort to advance the interests of traditional powers of the North (Broad 2007). The narrative of knowledge deficit that the World Bank drew upon rested on the lack of knowledge in underdeveloped areas and hence the vertical transfer from the developed regions. This view creates an A/Not–A dichotomy, where 'A' has the knowledge and hence a hegemonic status and 'Not–A' as knowledge deficit and lacking the attributes of A. The assumptions held in this dichotomization of knowledge reflects the indigenous knowledge as 'subjugated' knowledge.

Focus towards local and indigenous knowledge systems has been emerging prominently in NSC, while has been a part of SSC since time immemorial. John Briggs (2005) in *The use of indigenous knowledge in development: problems and challenges*, reflects upon the binary tensions emerging from the Western versus indigenous knowledge systems. Briggs (2005) provides a pragmatic view concluding that indigenous knowledge is often romanticized by critical development and post-development writers. Contrary to this Powell (2006) highlights the importance of local knowledge and participation. Powell's argument rests on

the role of development institutions to invest in gaining access to knowledge at the local level for the effective development outcome as well as addressing the knowledge demands more efficiently (2006). What is needed is not the focus on the source of the supply of knowledge, rather the understanding that 'what is worth sharing […] and not worth sharing' should be based on the demand for knowledge – 'who is receiving the knowledge (Vazquez 2013)'. Briggs (2005) complimenting this demand focused view proposes a hybrid form of knowledge system this is not assumed to be static and is continually updated based on socio-political and cultural contexts of its application. With the changing landscape of development cooperation, knowledge exchange is happening in multiple direction creating a web like flows between South–South, North–South, North–South–South (triangular cooperation), demanding a more balanced relationship between knowledge providers and recipients.

Development or aid effectiveness is also heavily drawn upon when studying the literature on knowledge in development finance. The Paris Declaration, 2005, primarily looked at the role of traditional Northern aid providers to assess development effectiveness, overlooking the role of the developing Southern recipients of cooperation (Anon. 2013). This frames the argument of effectiveness in 'North-South' terms negating the contributions of South-South development partners (Vazquez 2017). An attempt to overcome this gap was made at the Accra Summit, 2008, highlighting the role of emerging Southern economies, as intermediaries (emerging economies) with characteristics of a provider and a recipient. Subsequently created, the Task Team on South-South Cooperation then focused on integrating these emerging southern providers in the development effectiveness agenda, which was still NSC

focused (Anon. 2013). The Global Partnership for Effective Development Cooperation's 2016 Monitoring report for the first time attempted to assess the development effectiveness of operations of MDBs, however its approach to is still vertical North-South as opposed to horizontal based on SSC or triangular engagements between all stakeholders involved (Vazquez 2017).

For an overall view, experts and theorists have acknowledged the imbalance perpetuated by an individual-level focus on knowledge exchange or its flow within organizations. Sufficient stresses and academic research has not been conducted to overcome this and reflect on the global dimension and need for knowledge exchange . There is a demand, primarily within developing countries to obtain know-how and how-to from the development experiences of peers.

Another imbalance is evident in the focus of academic literature on the transfer of knowledge from North to South highlighted in the works of King & McGrath (2004) and Easterly 2008. Abdenur & Fonseca (2013) in *North's Growing Role in South–South Cooperation: keeping the foothold*, draws upon the northern influence on South-South knowledge production and sharing continuing this trend. The role of traditional institutions such as the World Bank towards supporting SSC, primarily to understand the changing development framework and form effective policies is focused upon by Abdenur & Fonseca (2013). Recent literature on South-South Cooperation is moving towards highlighting good practices to reflect on how knowledge exchange is being undertaken by the emerging economies of the BRICS countries and Southern institutions such as the NDB, the Islamic Development Bank and even through

sub tier knowledge exchange mechanisms. A knowledge sharing model that is indigenous to the South and the needs of the developing countries should not be limited to sharing a particular-type knowledge, as has been witnessed in traditional aid approaches and should be driven by mutually agreed development goals in line with the Sustainable development goals.

As the literature on knowledge in development and development financing evolves, the scope for highlighting the role of MDBs as brokers, producers and co-creators of knowledge becomes evident. The study of these MDBs, the context of their development and eventually highlighting practices that can be learnt from or developed further becomes crucial as new development actors emerge. Before this can be done, one needs to take a step back declutter the alphabet-soup around knowledge exchange and its various levels.

Demystifying Knowledge Terminologies

One of the major gaps in the study of knowledge sharing is identified in the constant overlap in terminology, lacking clarity in the definitions of knowledge sharing, knowledge transfer and knowledge exchange. An initial attempt is made here to better understand the flow of knowledge from provider to recipient and its intermediary levels to create a feedback loop for effective learning.

Sharing of information is often conflated with sharing of knowledge, which is then assumed to be knowledge transfer and exchange without effective evaluation of its application. A distinction needs to be made between knowledge sharing, transfer and exchange. Wang & Noe (2010) put forth the

view that knowledge transfer involves both 'the sharing of knowledge by the knowledge source and the acquisition and application of knowledge by the recipient.' Then, transfer of knowledge can be said to involve organizational effectiveness and development impact, internal in respect to acquisition and external through application by the organization. The element of the know-how needed at the point of knowledge acquisition reflects upon the capacity and information gaps that exists amongst the receivers of knowledge, reflecting the knowledge gaps in development cooperation (Deane 2000).

Cumulatively, knowledge sharing can be understood as the process of a joint endeavor between the providers and recipients, as opposed to a one-way downstream action. However sharing yet reflects an individual gain either on the side of the producer or the side of the recipient. Knowledge transfer forms the intermediate process upon effective application of knowledge through projects and programs, aided by the role of MDBs, and allows for the complete acquisition of knowledge by the recipient. Knowledge exchange is then the complete process through which capacity development happens at both the ends of the chain - providers and recipients. This step then becomes the true embodiment of horizontal mutual gains and reflects solidarity. The concepts have been clarified below.

- Knowledge = information + know-how.
- Knowledge Sharing = conscious sharing of knowledge (information + know-how) by the provider + capacity to acquire knowledge (information + know-how) by the recipient.
- Knowledge Transfer = conscious sharing of knowledge (information + know-how) by the provider + capacity to acquire knowledge (information + know-

how) by the recipient + acquisition and application of knowledge by the recipient (aided by institutions).

- Knowledge Exchange = conscious sharing of knowledge (information + know-how) by the provider + capacity to acquire knowledge (information + know-how) by the recipient + acquisition and application of knowledge by the recipient (aided by institutions) + acquisition and application of (improved) knowledge and capacities (creating a feedback loop) by the provider.

Knowledge Brokering with MDBs

'What, Why and How' is the focus of this section through a comparative study[10] of the World Bank, Asian Development Bank and African Development Bank[11] to better understand – What motivates MDBs to adopt a knowledge agenda? Why is knowledge exchange relevant for a lending institution? How is knowledge being exchanged by MDBs? The exploring

10 The study uses scholarly literature, press-releases, news and multimedia reports, unpublished reports, original documents along with information drawn from semi-structured interviews with key stakeholders/experts. The interviews have been conducted electronically between 4th April, 2018 and 25th April, 2018, with consent by parties on the use of the information. The contributions however have been kept anonymous unless in use for direct quotation.

11 Prior to selection of the three case studies, a matrix was created where by a spectrum of institutions involved in knowledge services ranging from developed country and traditional global aid institutions (USAID; World Bank) to regional development banks (AfDB; CAF) and in-country knowledge partners (China's Development Research Center) were assessed. The matrix categorized the cases based on South-South cooperation or North-South cooperation; the geographical scope of the institution; institutional structure; and availability of information. This categorization was used to select the most relevant cases and an attempt was made to cover the geographical scope of the developing and emerging economies. The similarities to the New Development Bank's (an emerging knowledge platform) objectives in terms of institutional structure; development lending and role towards South-South cooperation were a determining factor in the selection of the ADB and AfDB. The World Bank was selected given its initiative role in articulating the knowledge agenda in development cooperation.

of differences, similarities and trends is then applied to an analytical study of the broader trend of knowledge exchange being taken up by MDBs. The phenomenon being studied is 'knowledge exchange' and thus the context of the working of the MDBs[12] and their adoption of a knowledge agenda becomes crucial to understand the its motivation. The selected cases allow for an initial mapping, assessment and analysis of the different ways knowledge is shared and a macro-perspective is taken on to better understand the challenges, advantages and disadvantages for knowledge in development financing.

The cases address a subset of questions such as – What does knowledge exchange mean for the bank? How is this understanding incorporated in the structures of the bank? What tools are used by the bank for internal and external knowledge sharing? How is it being shared? Is it demand driven? An attempt is made to adhere to the chronology of events but the focus is to draw upon data that addresses these questions. The case studies are then analyzed in light of seven dimensions of structural challenges; relationship between knowledge and lending; the packing of knowledge; the demand-supply gap; the issue of indigenous and context-based knowledge; the development effectiveness narrative; and the overall analysis of the relationship between knowledge–power.

World Bank

The World Bank was set up to overcome the investment–gap that was recognized as a challenge for developing

12 The term has been adopted to broadly understand the nature of development banks, not making a comparison between multilateral or regional development banks. The focus is on the use of knowledge amongst development lending institutions.

countries after the World Wars and evolved to focus on knowledge-gaps along with its traditional role as a lender. Between 1996–1999 with the reiteration of the principle of knowledge as a public good by Joseph Stiglitz (1999), Chief Economist, and its acceptance by James Wolfensohn, President, the Bank was institutionalized as a knowledge bank. The word "institutionalized" is crucial to understand the need to articulate 'knowledge' as a recognized service of the World Bank, as knowledge was also being used prior to it becoming a 'knowledge bank' but never capitalized upon. Wolfensohn noted that valuable knowledge gained through projects and packed as reports and documents was lying waste, 'boxed and buried in storage' (Cohen & Laporte 2004).

With the articulation of a knowledge bank, the World Bank launched a "networks" initiative that was to address development issues and allow for the flow of knowledge within the institution (World Bank 2011). However it was the publishing of the 1998-99 *World Development Report: Knowledge for Developmen*t (hereafter WDR), that was the first self-recognition by the Bank itself and its role towards knowledge exchange for development impact. With the launch of the WDR, the World Bank began adopting practices and creating internal systems for knowledge exchange amongst staff, development partners and its clients. The World Bank *Strategic Framework, 2001* asserted country-specific and global knowledge as goals for the Bank and knowledge transfer is articulated through instruments of advisory services, thematic groups and research networks, and aid coordination (Cohen & Laporte 2004). The structural evolution of the World Bank then progressed with the setting up of the Bank's management information systems (2003) for knowledge deliverables and products; The Independent Evaluation Group (2003); The Organizational Effectiveness

Task Force (2004); The Quality Assurance Group (2003–2007) to assess the economic sector work in context of country strategies; and the Knowledge Strategy Group (2009) which prepared a knowledge strategy and identified knowledge product lines (World Bank 2011). More recently, interview with experts have pointed towards an Office for Knowledge Management, that will attempt to create a centralized structure at the global level for the World Bank.[13]

The World Bank 2010 Knowledge Strategy, *Transforming the Bank's Knowledge Agenda: A Framework for Action,* and the Knowledge and Learning Council were created after a decade of the institutionalization of knowledge as a core service provided by the bank. The strategy lays out three core challenges to be addressed, first to strengthen interconnection between global and country programs; second to ensure quality (technical) of the knowledge products for development impact; and third to 'exploit' the opportunities created through brokering and collaborating (2010 Knowledge Strategy (KS)). These challenges then base the strategy on three pillars for knowledge exchange that focus on internal knowledge mobility; development impact and the role of the World Bank as a "global connector of Knowledge" (2010 KS). The strategy makes no attempt to define what "Knowledge" or "Knowledge Exchange" means for the World Bank, building on the broad concept of 'knowledge as a public good' articulated in the 1998 WDR. Further the Knowledge Council, made up of Senior Management and a teams of Vice Presidents, were to manage the World Bank's knowledge portfolio (2010 KS). The Knowledge and Learning Council lays down the thematic knowledge priorities of the Bank, working in collaboration with the former World Bank

13 Interview conducted between 4 April – 25 April 2018.

Institute (WBI), the networks initiative, the Development Economics Vice Presidency (DEC) and other departments and partnerships of the Bank. Internally, the World Bank has two groupings of its staff, a core knowledge team at the global level and knowledge coordinators at regional level, which are thematic groups or communities of practice.

Knowledge is shared by the World Bank through classification of core activities, non-core knowledge activities and core-like partnership activities, with each activity focusing on both internal and external knowledge exchange (World Bank 2011). The core activities are the knowledge products for a) technical assistance b) economic and sector work c) flagship reports such as the world development reports d) external training and capacity development e) research f) impact evaluations g) global monitory h) new product development and i) internal reports. Non-core activities are the formation of strategies for operational purposes and reports in respect to quality and management (Doemeland & Trevino 2014). Internal products aim at supporting the knowledge flow and development of new products at the micro or meso level of learning within the Bank. External products are client–demand focused through identified 'product lines' that are for impact evaluation to assess development interventions; technical assistance programs, external trainings or creation of strategies and reports. Most external training was done by WBI while the networks initiative and thematic groups have been focused on internal knowledge sharing. In addition to the World Bank takes out a line of research, global monitoring and development reports primarily done by the DEC, in its recognition of knowledge as a public good and to contribute towards development debates and advance knowledge tools (World Bank 2011).

Following the 2010 Knowledge Strategy, the Knowledge and Learning Council produced the first knowledge assessment report to review the Bank's knowledge services. The report – *The State of World Bank's Knowledge Services: Knowledge for Development, 2011* – noted that the 2010 fiscal input of the Bank towards knowledge services totaled to USD606 million with an estimation of annual spending towards knowledge services to approximate USD 4 billion (Doemeland & Trevino 2014). The report highlights initiatives and gaps in the bank's knowledge activities, out of which a key paradox emerges. A "Knowledge Paradox", as per the 2011 report, is evident in the inability of the World Bank to reconcile between an increasing gap between knowledge exchange internally, for organizational effectiveness, and externally, for development impact. Internal knowledge exchange[14] is evaluated as insufficient in terms of the Bank's capabilities and lacking incentive amongst staff while the clients cited the Bank's external exchange efforts as its most valuable output (World Bank 2011).The Paradox can be linked to the inability of the staff to quantify the contribution of knowledge exchange when measuring inputs, unlike lending activities which can be quantified. A greater attention and measurement of results can help resolve the paradox. Interestingly, the 2012–2013 expenditure on products for external clients was approximately 74 percent with only 15 percent towards internal knowledge products (Doemeland & Trevino 2014). Experts have also pointed to the need to focus on the creation of a knowledge ecosystem as a "career" for the Bank as opposed to a "service" that will allow for the World Bank

14 Also called knowledge management by institutions and experts, to differentiate from external knowledge exchange and draws upon the role of knowledge identified by business and organizational sciences at the micro and meso levels.

to reconcile with the paradox.[15] Another perspective highlights the need to embed knowledge activities through a more structured people-to-people contact, thematic meetings, training programs and brown bag lunches that internally incentivize collaboration of results and avoid stand-alone projects.[16]

It is interesting to note that the World Bank's core knowledge services are supported, approximately 40 percent and a total of USD245million, by Trust Funds (2011 report). Trust Funds are vehicles used by development partners to a bank, through which external funding by towards specific activities is managed and administered, in this case by the Bank (World Bank 2017). These funding vehicles create a platform for innovation and transformation as they can be more flexible to the needs of the client (World Bank 2017), however they rely on short-term staff and consultants (King & McGrath 2004). The dependence on floating staff adds to the failure of the Bank to incentivize staff towards long-term internal knowledge exchange as well as risks the ability of a bank to capitalize on tacit knowledge effectively.

The knowledge structure and services of the Bank aim to be demand–driven and contextualise knowledge, through the workings of its thematic groups and through the Country Strategic Programs, economic and sector work, and technical training services. Thematic groups or Communities of Practice (CoPs), are an attempt to engage internal staff and external partners for knowledge exchange on a particular subject. Through the use of workshops, events, brown bag lunches by bringing people together and communicating knowledge. Cohen & Laporte (2004) have pointed out that people-to-people learning is crucial for knowledge exchange, which is

15 Interview conducted between 4 April – 25 April 2018.
16 Interview conducted between 4 April – 25 April 2018.

reflected in evaluations of large knowledge databases and their failure to become popular as they could not tap into the potential of communities. In assessing which World Bank reports are most widely read, 'more than 31 percent of policy reports [published by the World Bank] are never downloaded. Almost 87 percent of policy reports never cited (Doemeland & Trevino 2014).' People-to-people sharing also creates a trust-based relationship that compels engagement as well as the ability to tap into tacit knowledge necessary for the working of a knowledge bank (Cohen & Laporte 2004). A notable example for knowledge sharing through thematic groups can be seen in the World Bank offices in Jakarta, Indonesia.[17] Brown Bag Lunches are used to engage on a timely basis with themes divided internally[18] and presented through discussion on challenges, learning and innovative outlooks. A past engagement of a thematic group on Tertiary Education (in 2002) at a global level highlights engagement between World Bank regional representatives and experts from the OECD and Boston college (King & McGrath 2004). In an attempt to engage with regional groupings there have been spin-offs, such as *Ayuda Urbana*, from major thematic group focused on Urban Services to Poor (King & McGrath 2004) through engagement between World Bank and the Ibero-American cities and experts. This allows for the flow of knowledge from the core to the peripheries with reciprocal learnings to the core. This potential however is more clearer in theory than in practice.

Country Strategic Programs (CSPs) have further allowed for the World Bank to consistently move towards meeting client needs for knowledge products as opposed to a supply-

17 Interview conducted between 4 April – 25 April 2018.

18 Presence of external participants could not be confirmed via interview conducted between 4 April – 25 April 2018.

driven approach traditionally taken[19]. Knowledge delivery systems comprise of 4 incremental steps[20]. First, the identification of the problem by local partners or knowledge centers to create a "shopping list" for dialogue with the bank; second, based on the list consultations are held to customize and design the knowledge services for the country; third, delivery of the knowledge service by the bank; lastly the learning of the bank through a feedback loop to design a new way of doing development. This allows for a more structured approach towards demand–driven knowledge exchange to identify, prioritize and fill the knowledge gaps for development impact . An evaluation of the World Bank's CSPs across 9 countries and 48 programs, identified that a key role of the Bank lies in being a knowledge connector (or broker) for facilitating exchange of knowledge through forums and dialogues to learn of the demands and meet them (IEG 2013). A weakness emerges in the World Bank's inability to clearly build on the incremental steps to customize and contextualize the knowledge. Additionally, weak follow up and monitoring of the country programs further contribute to quality of the knowledge services, highlight failure to carry of step four in the CSPs (IEG 2013). A tension is uncovered in the constantly evolving needs of the clients, relevance of knowledge services to the development challenges of the country and the structured approach of the Bank to prepare the CSPs based on the partnerships (IEG 2013).

Another challenge that the World Bank has faced is in the contextualization of the knowledge needs and the use of indigenous knowledge. The WDR articulates the need for a global knowledge partnership which sees participation by both knowledge providers and knowledge users, however

19 Interview conducted between 4 April – 25 April 2018.
20 Interview conducted between 4 April – 25 April 2018.

the relationship between the two is not identified (World Bank 1998). Moreover the underlying narrative of the WDR has been with a focus on the transfer of knowledge from the developed to the developing countries, with a need to adapt modern knowledge to local context (King & McGrath 2004).

In response to the criticism from development partners, scholars and civil society, the Indigenous Knowledge for Development Program was created in Africa (World Bank 1998a) and the process was extended to other regions of the Bank in 2001. A study simultaneously conducted to measure the progress of this program highlighted that incorporating indigenous knowledge from one specific areas could be made relevant to another (Mohan 2001). For instance African communities could learn from each other of the various ways of land-use and how to increase efficiency from communities in Kenyan (Mohan 2001). Indigenous knowledge focused cross-regional distance learning courses were piloted in 2005, covering multidimensional issues with an aim to use indigenous knowledge to address them (Prakash 2005).

In respect to sharing of indigenous knowledge, the World Bank's role is identified more as a conduit driving the process rather than becoming a partner in the sharing of indigenous knowledge (Mohan 2001). Subsequently a plan for indigenous knowledge was laid down in 2005 post the pilot study, however not much focus has been given to its upgradation of World Bank's activities in respect to indigenous knowledge since the framework (World Bank 2004). The lack of global focus can emerge from the delegation of indigenous knowledge sharing towards the regional offices. An example of the regional offices tapping into indigenous knowledge exchange is evident in the

collaborative engagement between the Indonesian Ministry of Villages with World Bank offices in Indonesia. Interviews with experts have confirmed the use of "movie nights" or inter village forums to share knowledge for development[21]. Inter-village forums, identified by experts, allow for people-to-people exchange of experiences and peer learning while movie nights (primarily documentaries and videos) allow for visual learning in villages which has proven to have a wider impact than knowledge packed in the form of reports and case studies.[22]

The World Bank given its presence in over 100 countries, has a comparative advantage over other MDBs to play a more prominent role as a conduit or broker for knowledge exchange. While the World Bank has been widely praised for its knowledge production and flagship reports (World Bank 2011), a constant demand for a brokering role is evident in the evaluations (IEG 2011) highlight a more prominent role of the Bank as a connector than just a producer. Evaluation studies have highlighted that as a broker the focus in on 'knowing the knowledge source' and connecting it to the demand for the knowledge (IEG 2014; Carvalho & Heath 2015). The global presence of the World Bank makes it a natural broker, provided internal knowledge sharing systems are made more fluid to allow for this.

Knowledge platforms have been a way for the World Bank to act more as a conduit in knowledge exchange. In 2011, the Knowledge and Learning Council funded 6 knowledge platforms focusing on cross-sectoral issues such as green growth and urbanization, allowing for collaboration amongst think tanks, civil society organizations, researchers, practitioners and the bank staff. Creating a multilayer of

21 Interview conducted between 4 April – 25 April 2018.
22 Interview conducted between 4 April – 25 April 2018.

engagement between the bank staff and the development community in collaboration with private partners such as NASA and Google (World Bank 2011). The logic of platforms builds on role of thematic groups, but differ on terms of being multi-sectoral 'beyond sectoral and regional boundaries [to] make new connections (World Bank 2011)'. Initial assessment identified various dialogue events and CoPs as a form of engagement of these 6 platforms (World Bank 2011). Over the years knowledge platforms such as the Global Partnership for Social Accountability Knowledge Platform (2014); Knowledge Platform: Environmentally Sustainable Infrastructure Construction for Latin America and the Caribbean (World Bank 2017a); and Global Platform for Sustainable Cities (World Bank 2016) and used both ITC and CoPs to allow for a flow of knowledge for development. The World Bank has been more of a broker, allowing for a multi-stakeholder engagement which puts practitioners in touch with knowledge holders. Thus making the World Bank a conduit for capacity building and sharing know how.

Asian Development Bank

Established in 1966, the Asian Development Bank (ADB) emerged as a financial institution focused on ending poverty and improving the quality of life in Asia Pacific (ADB 2018). Currently, the ADB has 67 members, out of which 48 are regional members. In 2009, the ADB tripled the institutions capital base from USD 55 billion to USD 165 billion and by 2011 the Bank's assistance towards Asian development was at USD 21.7 billion (Devex 2018). In 2008, the ADB adopted a long-term strategic framework called the Strategy 2020, envisioning the development of Asia–Pacific through inclusive growth, environment

sustainability and regional integration (Devex 2018). Knowledge is identified as one of the main instruments towards the ADB's pursuit of this vision. The Strategy 2020 identifies knowledge solutions for both internal organizational learning and external development learning as a 'catalyst for propelling development [...] and enhancing its effects (ADB 2008).'

The narrative of knowledge for the ADB goes back to 2002-2003, with the creation of a new vice presidency for knowledge management (Boom 2005). The Vice Presidency aimed to profile the ADB as a knowledge institution and by 2004, the ADB's Knowledge Management Framework was approved[23]. The Knowledge Management Framework[24]evolved out of ADB's 2001–2015 Long-Term Strategic Framework, which envisioned the Bank as a 'primary source of development knowledge' for the region (ADB 2004). Broadly, the Knowledge Management Framework (hereafter Framework) focused on improving, updating and expanding five aspects of the ADB, namely organizational culture, research agenda, Information and Communication Technology (ICT), communities of practice and external knowledge sharing (Boom 2005). The Framework was followed up with a 2009 Knowledge Management Action Plan, with a focus on sharpening and strengthening internal operations and external partnerships.

23 Interview conducted between 4 April – 25 April 2018.

24 Note: The use of the term framework instead of strategy was to overcome bureaucratic hurdles in the levels of approval for instilling knowledge management in the functioning of the Bank. The term 'strategy' which is more critical to the functioning of a Bank did not survive as it required board approval for every policy outcome, the use of the term framework on the other hand allowed the President of the Bank to approve/sign off on policies without undergoing bureaucratic barriers (based on interview conducted between 4 April -25 April 2016).

The Framework defines knowledge as 'understanding the why, what, how, who, when and where' in relation to taking action and gives it two components, knowledge as the product of the organization and knowledge as the reasoning applied to raw data (ADB 2004). The Framework also attempts to clarify what it understands by 'Knowledge Management' which is the use of knowledge to achieve organizational objectives. Using this understanding the ADB positions itself having the capacity to complement its lending services to meet the knowledge demands of Middle Income Countries as well as enhance learning within the organization (ADB 2004). The Framework further articulates the role of the ADB to effectively capture and pack lessons and good practices, transfer them to member countries and 'help' member countries adopt this knowledge to meet their context (ADB 2004; Boom 2005). The understanding of 'broker' is drawn upon the tacit knowledge and its transformation into explicit knowledge, with no specific of the source of the tacit knowledge. Simultaneously, the Framework also acknowledges the role of the ADB to capture the good practices and lesson and transfer and apply them to its developing member country. This positions the ADB as a 'broker' of knowledge, given the understanding of knowledge as a 'public good (Stiglitz 1999)' within the Framework. The Framework clarifies the definitions of a "knowledge worker", which is the goal of every ADB staff member, for organizational development through "knowledge management" (ADB 2004).

By 2007, the term "finance" was incorporated into the knowledge narrative, mainly to reassert the role of the ADB as a foremost financial lending institution (ADB 2013). The institutional document titled, *Knowledge Management Direction and Action Plan (2013-2015): Supporting 'Finance*

++' at the Asian Development Bank, used knowledge as a leverage to amplify its lending services making them more competitive where knowledge and finance were provided as a complete package for development effectiveness (ADB 2013). Knowledge then became complimentary to the financial service of the bank, as opposed to an embedded factor in the overall internal and external development goals.

The ADB's knowledge exchange can be viewed at two levels. First is the internal sharing, or knowledge management, for organizational effectiveness. Second is the sharing and buy-in amongst its members through its five sub-regional offices covering Central and West Asia; South Asia; South East Asia; East Asia; and Pacific[25] and each with fifteen sector and thematic groups on critical areas such as energy, water, and transport (ADB 2018b), At the first level, knowledge is shared through thematically created "Communities of Practice" to create an internal drive and buy-in for the Bank's knowledge services. The communities of practice were initially a voluntary practice of the ADB, but realizing its resourcefulness it became institutionalized in 2009-9 which then allows for their scrutiny by the independent evaluation process[26]. Further, Brown-Bag, Blue-Bag and Lunch seminars with dedicated programs allow for inter and intra team knowledge sharing and learning[27]. One of the benefits of such seminars is to translate the tacit knowledge held amongst the bank staff into explicit knowledge which is formal codified knowledge. An example of a successful knowledge sharing program of the ADB is the annually held Water Week, with a focus on sharing all knowledge related to water[28]. Since 2010 the

25 Interview conducted between 4 April – 25 April 2018.
26 Interview conducted between 4 April – 25 April 2018.
27 Interview conducted between 4 April – 25 April 2018.
28 Interview conducted between 4 April – 25 April 2018.

program has moved beyond just the organizational learning to spill over towards external knowledge sharing with increasing participation in ADB's Water Week as well as the ADB participating in the 7th World Water Forum, Republic of Korea (ADB 2015), and the World Water Week's 'Eye on Asia' convened by the ADB at Stockholm (ADB 2017).

At the second level, the ADB claims to addresses the demand for knowledge through the dissemination of its knowledge products to external audiences. These knowledge products are identified as tangible outputs, activities and services and development knowledge sharing (Independent Evaluation ADB 2012). The flagship knowledge products of the ADB include the *Asian Development Outlook*, *Asian Development Review*, thematic Studies, policy and strategy reviews and statistical data to name a few. These are supplemented by knowledge by-products such as loan-related knowledge transfers, best practices embodied in loans projects and research information for policy and processes. The ADB acknowledges that its Knowledge Products are demand driven, based on the identification of knowledge needs by the sub-regional offices. An example of this is the creation of a Regional Knowledge Hub for Climate Change, in partnership with Tsinghua University, China (ADB 2018c). The Independent Evaluation for the ADB (2012) points to the need to prepare knowledge products and services 'jointly with interested development partners […] with close involvement of the [member] government[s].' This involves the linking of the Country Strategies with the knowledge products and services bringing a more demand-driven approach.

One key achievement in ADB's so-called demand driven approach to knowledge sharing, similar to the World Bank,

is in the creation of Country Strategies or Plans. The ADB appoints country directors as "knowledge custodians" for designing and implementing country-specific knowledge plans (ADB 2014). There has been a gap identified between the stakeholder's opinion and that of ADB team in respect to being in sync with the needs of the country strategy plans.[29] The ADB's evaluation points to its activities being 'mostly supply-driven' as it often 'fails to recognize the changing patterns and needs' of member resulting in the aforementioned gap (Independent Evaluation ADB 2012). One of the reasons for this can be due to the prime focus on the knowledge needs of Middle Income Countries (clearly identified in the Framework) at the cost of lower income member countries and fragile states.

Since 2012, the ADB has been working on a new knowledge management agenda after independent evolutions conducted of its knowledge capacity (Independent Evaluation ADB 2012). In light of the Midterm Review of the Strategy 2020 and the subsequent evaluations, the ADB is moving towards a unified "One ADB" approach to knowledge sharing. This "One ADB" approach aims to create a space where all stakeholders, internal such as staff and consultants and external such as member countries and development partners can jointly work towards creating knowledge solutions (ADB 2014). This approach aims to address the process-related challenges in respect to embedding knowledge in projects, linking projects to ensure knowledge flows and capturing the needs and use of knowledge by member countries and their impact.

29 Based on internal literature shared via interview conducted between 4 April – 25 April 2018.

African Development Bank

The African Development Bank (AfDB), established in the 1960s is a Multilateral Development Bank made up of 53 regional (African) member countries and 25 non-regional member countries (AfDB 2018). The AfDB aims to transform Africa through sustainable and inclusive development and hence undertakes lending activities along with mobilization of resources to promote investment (Abdul-Karim 2011). It does so through two 'lending windows', one to middle-income member countries where lending is at market-based rates and the other to lower-income and poorer member countries, where lending is at a concessional rate. As compared to other regional MDB's like the Asian Development Bank, the African Development Bank has a very small share in lending amounting to USD 6.3 billion in 2013 (Humphrey 2014). One of the ways the AfDB can increase its lending, particularly towards middle-income countries is through improving the quality and diversity of its knowledge services (Humphrey 2014). A report by the OECD notes that the' comparative advantage of MDB's is their ability to transfer knowledge, leveraging experiences of previous development projects [and thus allowing for a more] meaningful engagement' between the bank and its members (Humphrey 2014).

Knowledge sharing and exchange, termed as Knowledge Management by the AfDB, established itself as a service complimenting the lending activity of the Bank in the early 2000s. In 2005, the AfDB laid out its initial Knowledge Management Strategy and in 2006 it established the Office of the Chief Economist. The Office of the Chief Economist was given the responsibility of making the AfDB a "knowledge bank" (Abdul-Karim 2011). In 2008, the AfDB came out

with its second Knowledge Management Strategy taking the vision forward and based on its evaluation launched its most recent Strategy in 2015, covering up to the year 2020. The latest strategy rests on the vision of AfDB's President Dr. Kaberuka to enhance the Bank's internal and external knowledge capacity to 'determine how best Africa draws dividends from the new global economy (Abdul-Karim 2011).' Other structures complementing the knowledge sharing goals of the AfDB are the African Development Institute, a Knowledge Dashboard and the Knowledge Management Fund, along with the premier knowledge products such as the African Development Report and African Economic Outlook (AfDB 2015). Jones (2011) asserts AfDB's institutionalized approach to knowledge comes from the recognition of its power to play a catalytic role through 'high quality evidence based research' for its members. This coupled with innovative research support to AfDB's regional and operational priorities for enhancing the organizational and development effectiveness of the bank (Jones 2011).

AfDB's Revised Bank Knowledge Management and Development Strategy, 2008-2012 articulates the role of the Bank as a "knowledge bank" with 4 strategic pillars – knowledge generation for development effectiveness; leveraging knowledge through partnerships; enhance knowledge dissemination and sharing; and enhancing application of knowledge (AfDB 2008). With the 2008 strategy, the AfDB started to define its role as a knowledge bank, in line with the intentions of the World Bank, which is complimented by being a 'Knowledge Broker.' As a knowledge broker, the AfDB envisioned itself as a space for linking different entities' that otherwise would not have a relationship (Jones 2011; AfDB 2013). The focus was on creating the Bank as a link between the producers of knowledge and consumers of knowledge. One

of the advantage a MDB brings as a broker is to overcome the 'brokering bottlenecks (TTSSC G20 Paper)' to match demand and supply of knowledge, as well as incentivise knowledge sharing by engaging with strategic activities and complementing the role of policy makers (Vazquez 2012). The focus then of the AfDB was to share and exchange knowledge for development, in line with the vision of the Bank for Africa's transformation.

The AfDB 2008 strategy further identified the role of knowledge as a competitive advantage to the Bank, making its lending more productive for the borrowers. This reflects the ongoing understanding of Knowledge having a competitive advantage, amongst organizations, making their services compete with those of private entities.[30] Further the revised knowledge management and development strategy laid down broad characteristics of trustworthiness, credibility, political neutrality; and expertise, to highlight what 'brokering' meant for the institution (AfDB 2008). Complementing this, the AfDB's Strategy for 2013–2022, focuses on improving the quality of Africa's growth, ensuring 'growth is shared and not isolated (AfDB 2013a).' To ensure inclusive growth, the strategy draws on AfDB's role more as a knowledge broker than as a knowledge generator (Humphrey 2014).

The 2008 Knowledge Strategy and the 2013 AfDB Strategy, both highlight the critical role of knowledge sharing however neither of them spells out how this will be operationalized in the internal and external functioning of the Bank. In 2012, statistics gathered on AfDB's services reflects a below-average client assessment of AfDB statistics and research, primarily due to the perception of the material either being irrelevant or not up-to-date (Humphrey 2014).

30 Interview conducted between 4 April – 25 April 2018.

The Independent Development Evaluation (IDEV) of AfDB's strategies and the its economic and sector work, highlight the need for the AfDB's knowledge services to be more demand-driven as opposed to taping into 'funding opportunities' which are identified as making knowledge supply-driven (IDEV 2016). The evaluations have reflected upon the need to align knowledge products with the regional and country strategies and build more upon providing knowledge services in line with the core sectors and themes of AfDB.

Binging this critique to the fore, the AfDB's Knowledge Management Strategy 2015-2020 (KMS) lays down a stronger more structured vision to continue making the AfDB a primer knowledge institution (AfDB 2015). This recent strategy makes it the objective of the Bank to align its knowledge agenda with the priority areas of infrastructure, private sector development, regional economic integration along with gender, agriculture and food security. The KMS 2015–2020, condenses AfDB's role under two main pillars focusing on organizational effectiveness and development impact in Africa (AfDB 2015). The former, aims to tap into existing tacit knowledge within the Bank to make it explicit for knowledge exchange with its member countries and development partners. The quality of the knowledge services of the AfDB have also been addressed in one of the core pillars of the 2015 Knowledge Strategy through better capturing of tacit knowledge, however no clear roadmap identifying 'how' it will improve quality has been given.

The focus then for both quality of product and output needs to be more demand–driven, to give the consumer what is needed. KMS 2015–2020 aspires to overcome the criticism of 'working in silos' by reflecting on the need to work with regional centres and field offices in a cohesive manner

(AfDB 2015). Learning from other MDB's KMS 2015–2020, highlights the need to have communities of practice that can synergize the demand needs with the supply of knowledge and bring internal cohesion for the AfDB. Prior attempts have been made by AfDB to launch a CoP on Land Policy in collaboration with the UNECA and the African University but their potential has not been capitalised upon (AfDB 2011).

Further KMS 2015–2020 builds upon the productive, competitive and innovative advantages of knowledge exchange, incentivizing the Bank to create a conducive environment for knowledge sharing. Knowledge and Innovation are viewed as features for development that need to complement AfDB's lending role through a 'funding ++' approach (AfDB 2015; AfDB 2015a). Another aspect identified is the need to build on existing knowledge assets such as publications, policy dialogues, capacity building programs, knowledge management and ICT platform, while strengthening existing partnerships and creating space for new partnerships (AfDB 2015a).

AfDB's knowledge agenda is anchored in the Chief Economist Complex, with other knowledge pillars like the Development Research Department and the African Development Institute, as its subsets. Currently, Development Research Department within the Bank is the focal point for knowledge production with a prime focus on internal knowledge management. As per the research department director, Teitope Waheed Oshikoya, the need for knowledge for the Bank at the moment is to delve into "home-grown knowledge" with no clarification of what 'home-grown' means or guidelines towards harnessing it (AfDB 2017). Oshikoya further identifies knowledge as one of the capitals of the Bank and foundational to organizational effectiveness

as well as to address the issues of the continent (AfDB 2017). While there is recognition for knowledge for both internal and external impact, the focus of the Chief Economist Complex has primarily been towards the production of economic products such as African Economic Outlook or statistical information on African development (AfDB 2010). With such an economic focus, the AfDB overlooks the importance of cross-cutting practices that will support the Knowledge Strategy's aim to study thematic areas of gender, food security and education[31]. Expert interviews point to the inability of AfDB to effectively tap into its capacity in knowledge exchange. AfDB's knowledge management is at a very nascent stage with a need to focus on internal processes. Currently, the AfDB is working towards prioritization of its knowledge products in line with the Bank's high priority areas (AfDB 2017).

Analysis & Learnings for Emerging Knowledge Platforms

The three case studies helped identify two main steps in respect to knowledge sharing (not exchange) whereby the first lays the foundation and internal structures for knowledge use and the second is engaging with countries based on their knowledge demands and allowing for sharing and transfer to take place.[32] Comparatively, the World Bank and the ADB have developed their knowledge agenda on both these levels while the AfDB is still working on laying its foundation, as evident in its KMS 2015–2020. All three institutions focus on knowledge sharing and knowledge transfer, not delving deep into 'knowledge exchange' which is the two way movement of knowledge, something that is

31 Interview conducted between 4 April – 25 April 2018.
32 Interview conducted between 4 April – 25 April 2018.

now being taken up by emerging knowledge actors such as the Islamic Development Bank through its Reverse Linkage Mechanism. This is primarily due to a lack of post project impact assessments to ensure a complete exchange of knowledge.

The assessment of the evaluation studies of the three case studies highlight similarities in challenges faced within an institution across time, as well as amongst the three institutions studied. For instance, all three cases highlight a need for demand-driven approach to knowledge sharing in their knowledge frameworks and strategies, yet all evaluations reflect a supply-driven knowledge trend. A lack of formal articulation of objectives for a knowledge bank on the part of the MDBs leads to the ambiguity as close to none efforts have been made to define what the elements or components of a 'knowledge bank' or a knowledge institute are, but all three pursue the goal of becoming one.

Evaluation studies and the various frameworks and strategies of the MDBs however do reflect a slight difference in being a knowledge bank and yet incorporating learning. The latter is then read in the context of a bank to learn for organizational effectiveness, pointing to an assumption that a knowledge bank is primarily focused on external knowledge sharing. The documents studied do not highlight or note any differences in the roles of a knowledge producer, co-creator and broker - but on different occasions identify themselves as one, the other or all three. One key finding has been the constant focus of evaluations and self-recognition by the banks to gain prominence as a 'knowledge broker' given the comparative and competitive advantages of MDBs to learn from their various projects.

The findings are analyzed through the seven mentioned dimensions, i.e. i) structural challenges and the knowledge paradox; ii) the relationship between knowledge and lending; iii) the packing of knowledge; iv) the demand-supply gap; v) the issue of context-based knowledge; vi) the development effectiveness narrative; and vii) the overall analysis of the knowledge–power relationship.

The structural challenges emanate from the 'knowledge paradox' debate articulated in the study of the World Bank, which draws upon the discrepancy between the internal and the external knowledge sharing structures. This discrepancy is also evident with a gap in literature on macro or global (external) knowledge sharing being done by the institutions. The discrepancy emerges from the inability of MDBs to incentivize knowledge exchange amongst its staff, various teams and departments for increased internal cohesion. This trend is noticeable in all three case studies. Lack of internal knowledge sharing has resulted in stand-alone projects and duplication of efforts can be counterproductive to the organization's efficiency. There is a need to embed knowledge exchange amongst the different levels of staff, based on their responsibilities and relationship with the various teams. When knowledge functions are embedded into job descriptions and monitored through key performance indicators, organizations can more effectively mainstream knowledge exchange in operations (Vazquez 2018).[33]

Doemeland & Trevino (2014) have identified internal knowledge exchange crucial for 'effective policy advice' and can be channeled through better internal systems, stronger trust amongst teams, 'cross-support' between experts of

33 Based on discussions held with supervisor, Karin Costa Vazquez, between February – May 2018.

one team to assist another on a specified task. One of the challenges identified in the paradox in the World Bank reports, and evident in the working of the ADB and AfDB, is the lack of incentive amongst the staff due to inability to quantify progress through knowledge exchange efforts. Moreover, there needs to be a balance in the focus of knowledge services for internal and external consumption as organizational effectiveness is crucial to carry out targeted and context–specific development for stronger impact. This reflects a more favorable approach of internal staff towards increasing loans and lending services.

Knowledge and lending have emerged as two services of an MDB, more complimentary than antagonistic to each other. Knowledge exchange through the study of knowledge strategies and reports highlight the understanding of knowledge as a public good. This narrative of a public good is then articulated as an ancillary service of a bank's prime lending activity. Knowledge also has the dimensions of being innovative and critical for new development learnings and giving MDBs a competitive advantage. A shift is evident in the evolution of knowledge in ADB and AfDB under the 'Finance ++' which aims to use knowledge to be driven by lending activities. Evaluations reports mainly of the World Bank consistently highlighted that the banking lending instrument will be more 'relevant and produce better results' if country or context level knowledge is embedded. A report, studying the World Bank's knowledge products on public expenditure and its relevance for development policy operations (DPOs), highlights that over 68 percent of DPOs that were informed by the knowledge product and measured positively on DPO effectiveness (Bogetic et al. 2015). Moreover lending activity also supports the knowledge services where by monetary power makes it possible banks to act on the knowledge

accumulate through learnings, further allowing for better impact of the lending (Cohen & Laporte 2004). This helps reconcile the struggle between using knowledge to increase lending capacity (AfDB) or moving toward a Finance ++ approach to push MDBs should focus on becoming a 'knowledge and lending bank' that will address the needs of all its clients and partners rather than just the Middle Income Countries.[34]

Focus needs to be on the way knowledge is packed to address the demand, use and quality of knowledge products. Studying the total number of policy reports published by the World Bank between 2009–2014, only '13 percent of all policy reports [were] downloaded at least 25 times while about 32 percent [were] never downloaded' (Doemeland & Trevino 2014). A further analysis towards the difference between the reports downloaded and citied and those not, the report uncovers that those policy reports that clearly intend to inform government policy and focus on multiple sectors were preferred (Doemeland & Trevino 2014). This reflects a need to focus on the 'demand for and use' of the knowledge product as opposed to having a diversity of reports that are still buried and stored away. Moreover, the interviews conducted in this research revealed that the form of sharing of knowledge needs to be more deeply considered as in the 'smart-phone era. The use of application as opposed to print documents has been more beneficial in knowledge use during project implementation.[35] Another aspect for in-the-field knowledge use has been in through the use of visual multimedia, particularly in villages, given low literacy levels to study and read complex knowledge

34 All three MDBs highlight the knowledge services to be directed or meet the demands of the MICs. Why the specific focus towards MICs as opposed to other member countries could not be looked into this research.

35 Interview conducted between 4 April – 25 April 2018.

documents.[36] All three case studies reflect a lack in capability to tap into relevant tacit knowledge and produce quality products, where by quality is reflective of the need of the product by the client.

Supply–driven knowledge continues to dominate the knowledge services of the MDBs. For efficiency in the flow of knowledge from the source of knowledge to the point of consumption of the knowledge, the demand of the consumer needs to be focused upon. Independent evaluations have critiqued the knowledge systems of the three MDBs to be supply-driven focusing on the supply-side as opposed to the changing and evolving need so of the clients. The AfDB has further been critiqued to focus on knowledge to tap into funding opportunities for the Bank instead of to the knowledge needs of its members. One of the ways the demand-supply gap can be reconciled is with a stronger focus on the role of the MDB as a broker. Member countries too have consistently demanded for a stronger role of MDBs as brokering institutions. A trend is evident in the World Bank moving towards capitalizing on the role of a broker, however in the case of the AfDB the trend is moving towards producing more 'in-house' and 'home-grown' solutions that move the institution towards being a producer or co-creator of knowledge, with no clarification made on how it will do so.

The Country Strategies and Communities of Practice have been steps towards providing customized knowledge services driven by the demands of the member countries, yet the exchange continues to be a top-down one-way effort as opposed to two-way learnings. Inability of the MDBs to reach this point of a two-way engagement is primarily due to weak follow up and monitoring and evaluation of plans,

36 Interview conducted between 4 April – 25 April 2018.

projects and policy operations. Interviews shed light on the fact that knowledge-based development is a long term process and for knowledge to be completely embedded and acquired by the communities on-ground can take from 5-10 years post project implementation. Thus a need to make knowledge as a part of the post-project evaluations is crucial. In reality, once projects reach completion very low resources are directed towards monitoring and evaluations.

Knowledge structures of the MDBs lack clarity on how indigenous knowledge is tapped into and used for knowledge exchange within and outside the banks. All three MDBs reflect on the need to tap into local and indigenous knowledge solutions through increased engagements between developing countries and appropriately pack this knowledge based on the context and needs of the demand. McNamara (2002) pointed out that the focus of the banks need to be on 'whose knowledge gets learned and adapted [… to find] appropriate and locally relevant knowledge, not [an…] abstract best practice' (in King & McGrath 2004). In the use of indigenous knowledge, the AfDB and World Bank conflate the understanding between indigenous and local, wherein local can be applied to knowledge emanating from local institutions while indigenous reflects traditional knowledge passed down as tacit learnings within communities (King & McGrath 2004). The ADB on the other hand, makes no clear recognition of tapping into indigenous knowledge however constantly reasserts its role to provide to and learn from[37] developing partners with no focus on indigenous knowledge particularly. MDBs need to focus primarily on providing

37 Technical Assistance initiatives have been made by the ADB to learn from indigenous experience sin developing countries such as climate resilience study of Nepal (https://www.cbd.int/financial/micro/nepal-resilience.pdf) however no clear path on the use of this knowledge and the application of this for projects by the bank have been made.

demand and context–specific knowledge, whereby the source can be either indigenous knowledge emanating from traditional societies or knowledge emanating from modern research. Tapping into indigenous knowledge however adds to the richness, given that it has been subjugated and overlooked, to the knowledge amassed by the MDBs giving them a strong competitive advantage amongst their contemporaries with a diversity of knowledge sources.

Addressing the politics of knowledge King & McGrath (2004) argue that the agencies sharing the knowledge have an impact on the knowledge being shared, given political forces that influence the production and use of knowledge. Critique of the World Bank's use of knowledge as an effort to advance the interests of traditional powers of the North (such as the US), returns to the power–knowledge relationship and the politics of intellectual property rights related to ownership of knowledge.

MDBs aiming to boost knowledge exchange for stronger South-South engagement should not be limited to the use of knowledge for development effectiveness. The narrative of development effectiveness focusing on maximizing impact on the ground comes up in all the MDB's strategies as a goal of their knowledge services. This is primarily because the effectiveness debates focus primarily on the supply-side flow of knowledge and have not clearly reflected upon the role of the recipients in knowledge exchange. This continues the NSC agenda and flow of knowledge vertically from developed to developing countries. The case studies in their strategies have identified the need to have a demand-driven approach assess the development effectiveness of operations of MDBs, however development effectiveness is still vertical North-South as opposed to horizontal based on SSC or triangular engagements

between all stakeholders involved (Vazquez 2017). It then becomes crucial to ask whether knowledge services are being framed by the MDBs to fit to the criteria of the effectiveness agenda.

KNOWLEDGE IS POWER; KNOWLEDGE PLUS MONEY IS POWERFUL; HOWEVER UPON APPLICATION TOWARDS DEVELOPMENT, KNOWLEDGE CAN BE EMPOWERING. Sharing, transfer and exchange of knowledge draws upon the various power relations between the haves and have-nots of knowledge. First picking up on the Foucauldian view of subjugated knowledge dominant by modern perspectives of knowledge. This is evident in the critique of the WDR and the World Bank in general to advance interest of its Northern developed stakeholder countries and the imposition of a modern knowledge over traditional methods (World Bank 1998; Broad 2007). Such an approach overlooks the demand-driven need for knowledge exchange, resulting in a vertical movement of knowledge from modern societies to traditional societies.

Second is the view of Susan Strange where knowledge as a structural power has the ability to influence structures and belief systems, resulting in the use of knowledge to have power-over others. The sharing of know-how, whereby the MDB as a broker, producer or co-creator influences the type of knowledge that flows to the demand-side is done through the various instruments and information it shares outside the organization. The focus of the MDBs knowledge products and the type of services it provides can strongly influence the receiving clients. An evaluation of World Bank supported Satellite Remote Sensing for Agricultural Projects done in Indonesia reflects that the project was not based on the capacity or needs of the villages. Moreover, the ground

reality reflects a lack of knowledge amongst the consumers of the project in respect to the use and repair of equipment, which was too costly for them to import. An assessment by the Ministry of Public Works upon conducting the evaluation questioned the Indonesian government in its acceptance of the project in the first place which was not in line with the on-ground demand or addressed the knowledge gaps in development.[38] This reflects the imposition of a supply-focused sharing given the influence of the World Bank as an institution given the strong influence of the countries that hold majority voting rights and monetary stake in it. Here it is both the structure of the institution as well as the role of an external actor to influence the structure to acquire power.

Ability of institutions to influence perceptions, norms, values and even alter belief-systems, wherein knowledge has structural power, is evident in the similarities of structures created by the World Bank and the newer AfDB strategy 2015 trying to align itself to the ADB approach. The creation of 'One ADB' and a global level office for Knowledge Management highlight a similar trend, reflecting the influence of institutions over each other. What is important for MDBs to note is that each operate at different levels – global and regional, and have different commitments to their partners and priorities as a development institution. Thus, structures should be learnt from and adapted, a form of knowledge exchange for organizational development, as opposed to replicated.

The knowledge–power dichotomy does not hold much ground however in the realization of the complete two-way knowledge exchange, as that would result in creating a balance in power relations between the knowledge provider and knowledge recipient. For an MDB working as a

38 Interview conducted between 4 April – 25 April 2018.

knowledge broker, this also creates a learning environment through the complete transfer of knowledge and feedback of the knowledge applied to its projects, to evolve newer development approaches. Thus knowledge exchange if applied to development properly, will empower both the provider of knowledge and the recipient of that knowledge.

Learnings for Emerging Knowledge Platforms

As the New Development Bank lays its foundations for knowledge sharing and exchange[39] it makes an effort to move towards South-South knowledge exchange with a focused approach of understanding 'knowledge as guiding' and having a positive impact on the projects of the bank.[40] For an emerging MDB, the relevance of knowledge exchange becomes known through the understanding of knowledge as a source of innovation – making the bank's resources competitive through a diversity of knowledge and learnings, and as a development institution engaging in horizontal development through demand-driven two-way knowledge exchange. Some learnings that can contribute to the ongoing efforts of MDBs are noted below.

Understanding a knowledge bank/knowledge platform: The case studies reflect a gap in the clarification of what it means to be a knowledge bank. It is imperative that the Bank identifies some indicators that characterize its vision and objectives of being a knowledge platform as this will allow for it to better streamline knowledge engagement, internally and externally. The World Bank is the only institution out of the three case studies that uses a platform structure as one of its

39 Use of position papers, results frameworks, events, policy guidelines, and co-financing initiatives with established banks.

40 Interview conducted between 4 April – 25 April 2018.

spaces for knowledge exchange. This space can most succinctly be understood as a community of practice on a larger scale, however having a multi-sectoral focus.

Focus on the processes of knowledge exchange: The case studies reflect an ends-based approach, where in the knowledge products of the bank are focused upon rather than the processes of knowledge exchange. This is reflected in the gap between the needs of the clients and the understanding of the needs amongst the staff, evident in the case of the ADB, as well as the lack of incentive amongst the staff to share knowledge. Failure to address process–related challenges can result in miscommunication between the headquarters and the on-ground staff, creating programs out of projects. With emerging institutions focusing on identifying themselves as project-oriented (such as the NDB), such an approach can be hamper change.

Incentivize knowledge exchange in the workings of the bank: As a new MDB, the BRICS-bank aims to maintain a lean structure based on staff having diverse backgrounds in areas of expertise as well as institutional experiences.[41] Learnings from the World Bank accrue to the understanding that internal staff need to be incentivized to share knowledge, primarily through people-to-people forms of engagement. This is critical as most knowledge internally is tacit and can be shared more fluidly through physical engagements as opposed to reading of literature, making it relevant for cross-sectional work of the bank. This is also necessary to avoid a culture of working in silos amongst the teams. The ABD Water Week presents itself as a good practice, which reflects the ability of an MDB to build momentum around its focus areas in the international fora as well.

41 Interview conducted between 4 April – 25 April 2018.

A demand-driven and diverse knowledge approach: As a conduit for capacity building and sharing know-how the MDB can play a key role in bringing knowledge practitioners, knowledge holders, and knowledge recipients on one platform. For this to be efficient and productive the needs of the recipient need to be clearly identified by the conduit so as to direct the 'knowledge that is needed'. Moreover as a South-South institution, the role of a conduit becomes more prominent in the learnings of indigenous ways of doing development adding to the diverse knowledge of the institution. This gives the bank a strong competitive advantage over its contemporaries.

The Right Packing: Knowledge has been known to be lost when not used, or boxed and stored. Tapping into newer forms of engagement and knowledge sharing with the use of ICT and visual learnings is needed. Learning through visual representations, movies, videos, applications have shown more positive exchanges as the literacy of the recipient or the access to the codified material is not a challenge. This was evident in the good practice by the Ministry of Villages and World Bank Offices in Jakarta, addressed in the case studies. This right packing will also allow the bank to better understand local communities, how they interpret knowledge and tailor projects based on context.

Knowledge as complementary to lending and core to the operations of the bank: A demand-driven approach taken by the Bank will allow to tap into the borrowing needs of the recipients and allow for customization of loans based on identified knowledge gaps. Operationally, this will bring efficiency in projects and result in the intended development impact through complete knowledge exchange.

There is a need to create a space that is accommodative of the role the emerging knowledge banks wish to play as well as to the needs of its member countries. This in itself will be a form of knowledge exchange amongst institutions, leading to the development of "new" ways of sharing.

Conclusion

A knowledge 'bank' based on this research can be understood as following a path of exchange (not transfer) whereby once existing knowledge is transferred to a project, there is scope for expecting a return on the knowledge investment, in order to grow the original learning pool. Thus knowledge, holds within itself the power to empower upon exchange. The paper concludes that knowledge exchange and lending have emerged as two services core to the operations of a multilateral development bank. The effective way to achieve this would be to encourage the importance of post-project impact assessments while simultaneously improving feedback mechanisms allowing knowledge to be more fluid from one project to another. The way knowledge is categorized, thematized and presented to the rest of the world is key to achieve this. The structures of sharing need to be developed in a way that directly caters to the needs of the recipients. This is especially important that if new, emerging and rebranding MDBs don't make overt efforts at maintaining their political neutrality would recreate conditionalities for recipient states akin to the Structural Adjustments or worse, generate new forms of conditionalities based on separate interests. This would not just hamper the capital flows but also the exchange of knowledge that could otherwise be used productively by both parties. This study has demonstrated that new and

better ways of knowledge exchange are emerging and need to be built upon, however knowledge continues to move in a unidirectional flow primarily from the perspective of the providers as opposed to the demands of the receivers. Knowledge exchange has positively shaped the role of MDBs making them more directed in their development approach as well as prevent stand-alone projects. None the less, MDBs need to evolve with the development needs of their clients and work towards the application of knowledge in development, to empower themselves along with others.

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Rethinking Innovation Policy: The Global South Perspective

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Abstract

The 2030 Agenda and the Sustainable Development Goals (SDGs) have established a compass for Science technology and Innovation (STI) policy to indicate the broad guidelines of transformative change to be supported by public intervention. Innovation policy is thus generally considered as public action that impacts and shapes technical change, and different kinds of innovations. Innovations are new conceptions of economic significance of a material or intangible nature. They may be novel but are usually new combinations of existing elements. A useful approach is to segment innovations into new products and new processes. Product innovations may be goods or services while process innovations may be technological or organisational. Some product innovations (i.e. investment goods) are transformed into process innovations in their 'second existence'. Innovation policy may comprise of elements of R&D policy, technology policy, education policy and infrastructure policy. Innovation policy could also be a part of what is often referred to as industrial policy. While Industrial policy is, or may be characterised by public support to old and ailing industries, the term innovation policy arouses associations to change, flexibility, dynamism and the future or sustainability: Innovation policy should serve as an economic life saver. Because of the dynamic nature of innovation and the boundless characteristics of technological innovations, countries cannot be self-reliant in building their innovative and technological capacity. Technology transfer for instance can take place within our countries' borders and outside our periphery. Innovation systems can also be national or regional and in some cases international, as countries seek to

* Disclaimer: All views expressed in this chapter are personal and relevant sources of other people's work are duly acknowledged.

participate in Global Value Chains. The chapter has highlighted the scenarios and rationales for innovation policy making, considered the relevant target groups, demonstrated the need for innovation policy reviews, explored possible collaboration mechanisms among countries of the Global South, and how they can improve their innovation policy framework by taking of advantage of the new pillar of knowledge sharing among the countries of the Global South.

KEY WORDS: Innovation policy, Technology transfer, Global value chains, Global South, SDGs.

INTRODUCTION

The 2030 Agenda and the SDGs have established a compass for Science technology and Innovation (STI) policy to indicate the broad guidelines of transformative change to be supported by public intervention. Specific national development goals, plans and strategies have been established by governments, incorporating sustainable development objectives within them. This is more crucial as the global pandemic (COVID-19) changes the rules of the game. As STI policies begun to evolve into the innovation system model, the new approach recognised that knowledge production does not automatically result in innovation but requires absorptive capacity and demand for knowledge. Further, innovation system literature introduced the concept of system failures that hamper innovation. System failures were considered to include inadequacies in the capabilities of actors such as firms and knowledge actors, learning, linkages and networks of actors, as well as the framework conditions of the enabling environment, including regulatory and policy frameworks (UNCTAD 2019).

To traverse the complexity of the SDGs, STI policy can prioritize several SDGs, or link SDGs with existing long-term

development goals. Consequently, STI policy aligned with the 2030 Agenda and the SDGs needs to focus on transformation. It must seek to internalize and reflect economic, social and environmental dimensions of sustainable development, and to take responsibility for social and environmental impacts of innovations and technologies it directly or indirectly enables or inhibits (UNCTAD 2019). The diverse nature of the SDGs requires countries especially those from the Global south to devise policies and development plans towards driving the efforts of attaining the SDGs at national level while leveraging the opportunities through bilateral or multilateral cooperation mechanisms such as South-South Cooperation (SSC).

South-South Cooperation an Overview

South–South cooperation (SSC) originated in the 1950s. In terms of a working definition, SSC can be broadly defined as cooperation at bilateral, multilateral, regional, or interregional levels that is initiated, organized, and managed by developing countries themselves, with the objective of promoting political, economic, social, cultural, and scientific development (Meibo & Tang 2013) The United Nations Conference on Technical Co-operation among Developing Countries, held in Buenos Aires in 1978, clearly highlighted SSC as consisting of technical and economic cooperation between developing countries (UN 1978) South–South development assistance therefore, refers to the development assistance offered to another developing country by a country of the global South. Since the beginning of the twenty-first century, a group of emerging economies (the BRICS countries) has become the strength of South–South development assistance in the new era. The development

assistance extended by these countries, falling under the framework of SSC, has its own unique characteristics regarding the scale of and approaches to aid, regional and sector distribution, aid channels and aid management. This is largely associated to their differences in historical conditions, development situation, environment, and so on despite some features being commonly observed in SSC.

SSC also places emphasis on Technical Training and Capacity-Building, and hence South–South development assistance also underscores strengthening the capacity of recipient countries in order to enable them to make their own decisions and to achieve sustainable development. In South–South development assistance, capacity-building is listed as one of the principles in the conference documents of the Buenos Aires 1978, Nairobi 2009, Bogota 2010, and Delhi 2013 conferences (Besharati et al., 2015). However, according to Pineda (2019), "currently, what is clear is that the world of 1978 and the introduction of the idea to build bridges for enhanced Southern cooperation through the first Buenos Aires Plan of Action, has changed, so we need to change the approach as well to accommodate for the evolution of SSC." Through SSC knowledge sharing has become one of the most dynamic dimensions of SSC and has developed into a third pillar of development cooperation, complementing finance and technical assistance.

Rethinking innovation policy

Innovation policy should be considered as public action that impacts and shapes technical change, and promote different kinds of innovations aimed at mitigating impacts of human activity on the environment. Innovations are new conceptions of economic significance of a material or

intangible nature. They may be novel but are usually new combinations of existing elements. A useful approach is to segment innovations into new products and new processes. Product innovations may be goods or services while process innovations may be technological or organisational. Some product innovations (i.e. investment goods) are transformed into process innovations in their 'second existence'. Innovation policy may comprise of elements of R&D policy, technology policy, education policy and infrastructure policy. At the same time innovation policy could be a part of what is often referred to as industrial policy. While Industrial policy is, or may be characterised by public support to old and ailing industries, the term innovation policy arouses associations to change, flexibility, dynamism and the future or sustainability (Edler, et al., 2016).

As already stated, innovation policy is considered as any form of public intervention aimed at supporting the creation and diffusion of innovation, while an innovation is regarded as a new product, service, process or business model that is meant to be utilised commercially or non-commercially (Edlar et al, 2016). In this regard innovation policy should serve as an economic life saver. Due to the dynamic nature of innovation and the boundless characteristics of technological innovations in particular, countries cannot be self-reliant in building their innovative and technological capacity. For instance, technology transfer can take place within our countries' borders and outside our periphery. Consequently, innovation systems can also be national or regional and in some cases international, as countries aspire to participate in Global Value Chains. The expectation is to devise innovation policy frameworks which are aligned to the challenges placed upon us by globalization.

Innovation policy making- scenarios and rationales

As countries develop their innovation policies, it is important to realise that innovation systems develop over time, evolving together with their economic, political, social and environmental settings. Hence, there is no simple benchmark for building and managing innovation systems that can be replicated between countries. However, through benchmarking the best practices, innovation policy making should take into account the general objective of creating innovation systems, identifying the common features such as recognizing actors, connections and the framework settings, and creating an environment for learning (UNCTAD, 2019). In discussing the rationale for innovation policy making, the question that arises; relates to public policy intervene in the process of production and diffusion of innovation. Edler et al (2016), considers three drivers of innovation policy which have been highlighted and discussed below:

The first rationale is anchored around market failure. This rationale assumes the availability of a market equilibrium and optimal level of inputs, outputs and activities, with technology being an exogenous factor. Policy in this regard, has to mediate occurrence of market failures that would result in sub-optimal levels of knowledge and innovation generation to achieve that market equilibrium. The main argument rests on appropriation imbalance that the benefits of scientific knowledge, as a main input for innovation and as a public good, can and will be used, not only by the knowledge generator, but by other actors (externalities). The reality is that the creator of knowledge cannot appropriate all its benefits alone, which leads to a disincentive to optimal knowledge production, as private returns are lower than public returns. The need for public policy, therefore, is to

enable knowledge production in public organisations, to financially support knowledge production and innovation activities in firms and start-up activities and to help protect intellectual property to incentivise private knowledge production and exploitation (Edler et al., 2016).

The second school of thought (rationale) follows an innovation systems approach that is rooted in evolutionary economics. This is not dependent on the existence of an equilibrium in the market, but rather regards innovation as an interaction of system components within specific framework conditions, whereby the generation of knowledge and innovation is dominated by constant interaction and learning (see for example, Lundvall, 1988, 1992; Smits et al., 2010). The foregoing conceptualises the idea of functions of innovation policy and policy problems in the innovation systems. The main idea of innovation policy is therefore to support wide capabilities, exchange, cooperation and interaction so that complementarities and specialisation can be combined, for the production of knowledge and innovation as well as promoting their uptake by producers and users (Edler et al., 2016).

Lastly the third rationale is based on the notion that science and innovation can contribute to resolving societal missions and challenges. In some countries, this has habituated the organisation of innovation policy. This rationale to innovation policy has birthed what is known as 'mission-oriented' in contrast to 'diffusion-oriented' systems in which innovation policy is structured to upgrade the innovation capabilities and system conditions for innovation in a horizontal manner, across the system. Mazzucato (2011), contends that the underlying contention of this approach is that it assumes a primary duty of the state to provide

direction for technological development and innovation in order to satisfy state needs such as defence, security, and citizen needs (health, education, etc.), take risks and help to create the types of markets that are preferred by society. Despite the above outlined general rationales for innovation policy, reality is normally more complex. Indeed, the linkage of rationales to policy intervention is complex and policy interventions will frequently draw on a mix of these rationales. Furthermore, policy makers have bounded rationalities; they are often unable to acquire the information and knowledge needed to comprehensively contextualise the instrument and define the failure or problem they seek to address (Linder & Peters 1989).

Target groups and actors in the innovation system

Generally public policies have become highly sophisticated over the years, taking into account the diversity of factors and actors that intervene in the process.

According to Edler et al (2016) the major *target groups* of innovation policies include the various actors involved in generating innovations from the supply side and potential adopters, and users of innovations from the demand side. The target groups of innovation policy instruments on the supply side would mainly be companies as the main generators of innovations, and supply-side policy instruments often exist as incentives to companies to collaborate with public sector organisations or other users of innovations. As a result, the demand-side interventions often support the creation and strengthening of linkages between supply and demand leading to universal effects on markets in a wider sense (Edler et al. 2016).

Specific actors include companies and entrepreneurs which are at the centre of the innovation system. These have a critical role in connecting different types of knowledge to bring innovative technologies, goods and services to the market. Thus innovation policy should seek to continuously increase their capacity to identify, adopt, assimilate and diffuse existing knowledge and technologies. In addition, the policy must ensure that technological learning is not limited to formal systems of R&D. There is need to recognise that learning by doing and by interacting with users, clients and suppliers also play a crucial role in many contexts. It should be clarified that companies are not the only innovators and they do not innovate in isolation. They need to increasingly engage themselves in learning and participating in innovation networks and invest in creating linkages with other companies and innovation stakeholders (UNCTAD 2019[1]).

Other actors include the research systems which are also very critical to the innovation process. For example, researchers can offer various supporting services, from testing new technologies to fully fledged R&D. Their ability to learn and apply knowledge to innovation processes is central to technological learning and building the local knowledge base. Others actors are the intermediary organizations that are responsible for mitigating a fundamental systemic failure concerning the connection between the generators of scientific and/or technological knowledge and users of knowledge among the others (UNCTAD 2019).

The education system as actors in the innovation system enhances the quality of human capital available to companies,

1 Disclaimer: All views expressed in this chapter are personal and relevant sources of other people's work are duly acknowledged UNCTAD has been specifically active in supporting country specific STI policy reviews in various countries

governments and research institutions. A modern education system should be relevant to the changing needs of industries, workers and consumers, and to the challenges of addressing Sustainable Development Goals (SDGs). In this regard an opportunity exists for collaboration among countries in the global south to build education capacity among themselves through flexible education policies and enhance the innovation systems through qualified human capital. Other entities such as civil society, non-governmental organizations, social enterprises and engaged citizens are also crucial for focusing innovation policy on meeting societal challenges. For example, civil society can mediate between technology developers and marginalized groups and promote innovations that meet their needs. In case of the global south, civil society can be useful in testing, promoting and diffusing innovations designed to benefit the most disadvantaged communities. This is usually achieved through lobbying and advocacy (UNCTAD 2019).

Most countries in the global south are classified as developing countries characterised by emerging innovation systems, usually with the private sector dominated by small and micro enterprises. The informal sector is often relatively larger than in advanced economies. Startups in modern production activities outside the informal sector may be few and find little support. It is desirable to note that building absorptive capacity and technological progression often relies on access to, and assimilation of, foreign knowledge and technology by local actors (UNCTAD 2019). Countries, particularly those from the global south should take advantage of the different levels of development and engage their counterparts in training and development in order to enhance the local capacity. Innovation policies should thus create room for international engagements aimed at

enhancing local capacities in knowledge generation and technological progress.

Need for Innovation Policy Review

Innovation policy reviews are necessary over a period to enable the various stakeholders to reach a clear understanding of the key strengths and weaknesses of their innovation systems and identify strategic priorities and policy options for their development. Rather than the early focus on economic growth, the new practice should be focused on paying attention to the potential of innovation in ensuring a shift towards more inclusive and more environmentally sustainable patterns of development (UNCTAD 2019).

Policy reviews are a necessary ingredient to the policy development process in that reviews can cater for local contexts and address relevant societal challenges by; identifying the local policy needs; removing impediments to the innovation process; strengthening linkages among the local actors; identifying new needy areas for innovation and creating opportunities for linkages with international partners-regional and international networks (UNCTAD 2019).

The other justification for innovation policy reviews relate to innovation system failures which are common in most jurisdictions and require interventions, without which they cannot transition to new modes of operation. Most innovation systems; are inadequately diverse; lack linkages between formal and informal players; demonstrate lack of capabilities especially among informal actors; consist of historic institutions and structures which are dominated by traditional 'exclusive' innovation (Foster & Heeks 2015).

Policy towards inclusive and sustainable innovation

Many types of innovation can respond to the economic, social and environmental dimensions of sustainable development. An appreciation of the need for transformative change at the socio-technical system level requires innovation policy that is able to embrace various forms of technological, social and institutional innovations, ranging from the incremental to the radical, and from low-tech to high-tech. This includes many other forms of innovation, such as social innovation, inclusive innovation, and grass roots innovation (UNCTAD 2019). However, inclusive innovation policy should attract the attention of the governments in developing due to the following characteristics:

Policy for inclusive innovation increasingly tends to favour the global south by focusing on orienting formal innovation systems towards the poor. It makes it clear that formal actors require policy backing in order to improve their focus on more marginal groups within their innovation priorities and practices. This causes for specific policy support that positions actors and reduces market risk to encourage more inclusive innovation such as supporting global partnerships and local innovative research (Foster & Heeks 2015). Through these kinds of policies, policy makers can look to specifically formulate markets to support existing formal innovators, and helping systems transition to a more inclusive role.

Linked to the above inclusive innovation policies promote grassroots Innovators; these are individuals, groups, informal businesses already conducting small-scale innovation and have key knowledge of marginal settings. It becomes relevant that policies support and amplify various knowledge flows to support inclusive innovations that have

hitherto been underplayed. Given the often marginal nature of the actors involved in the innovations systems, policy can play a pivotal role in encouraging and selecting innovations as well as building networks, to provide advocacy and linkages between local activities that are already innovative and larger firms to support better flow of innovations (Foster & Heeks 2015). It is also necessary to have intermediaries coordinate and strengthen linkages between grassroots innovation and formal actors; translating, absorbing and serving as key diffusers of innovation, so policy additionally needs to support these actors in the innovation ecosystem. Such policies hence look to improve system weaknesses in networks and linkages within inclusive innovation systems.

Inclusive innovation policy is also capable of improving absorptive capacity of low-Income groups by recognizing that key innovators, informal sector actors and entrepreneurs need to be supported in building skills to absorb and adapt innovations through top-down or bottom-up sources that meet the diverse needs of marginalised groups. In addition, by providing support for complementarities resultant ecosystems of low-income actors can support continuous learning and adaptations. Consequently, such policies help to enhance system multiplicity and appropriation within innovation systems (Foster & Heeks 2015).

Another characteristic of inclusive innovation policy is the focus on driving more effective use of innovations among low-income groups. The thrust is to ensure that policy is capable of supporting the use of innovations within marginal communities. This is achieved by guiding and highlighting good practices and helping to expand the impact of innovations as they are diffused and adopted. The catch here is a policy approach that supports markets on the demand

side, championing more affordable and expansive use of innovations within low-income communities. Wider intervention and support (such as through NGOs, CBOs and informal sector business development agencies) can be utilised to build the skills and knowledge necessary for effective use of innovations. Such policies assist to correct failures around capabilities of innovation users within systems (Foster & Heeks 2015).

Last but not the least, is the need to reduce structural barriers to inclusive innovation. Often times, policy and institutions can themselves become a barrier to inclusive innovation. A key intervention is to remove economic, social or spatial barriers that might obstruct or limit the potential for inclusive innovations, and learning. This principally relates to policy barriers, but also government rules and norms that marginalise low-income actors not just from innovation itself, but also more generally from economic and social activity (Foster & Heeks 2015). Thus policy attention in this area should be wider enough to encompass basic economic and social policies and institutions since these create the framework for inclusive innovation.

Arguing in favour of inclusive innovation, Dosi et al. (1988), postulates that innovation is considered as a principal driver of economic growth, resulting in a view of innovation that only centres on large-scale technical transformation of nations. The OECD (2013) further notes that the STI driven innovation has supported the economic core not the periphery, and has since promoted inequality and exclusion. This innovation has also largely assisted, formal firms not informal microenterprises; has developed goods and services for rich not poor consumers; and has fostered industrial economic development while innovation for wider societal problems has been neglected.

In strengthen the case for south-south cooperation on innovation policy making the chapter has drawn its justification from current aspects of innovation policy related to Intellectual property rights (IPRs) which emerged prior and post the Trade-Related Aspects of Intellectual Property Rights (TRIPS) of 1995.

Since the adoption of TRIPS in 1995, the developed countries mentioned in the agreement had been trying to strengthen international IP beyond usual minimum standards. However, the difficulty of moving this maximalist agenda forward within the TRIPS Council forced them to adopt a forum-shifting strategy for advancing TRIPS-plus standards in other forums (Menezes 2018).

Consequently, the IP agreements negotiated after TRIPS reflect two interrelated dynamics that conform to the maximalist agenda. These agreements on the one hand, form part of a broader strategy for negotiating TRIPS-plus agreements while on the other, reflecting a typical forum-shifting strategy. The negotiation of TRIPS-plus agreements in preferential or multilateral forums produces important regulatory impacts on IP, limiting the policy space countries require for developing appropriate developmental strategies and policy frameworks. Given this, the TRIPS flexibilities, which are important to ensure degree of balance between private protection and the public domain, have been jeopardised by the TRIPS-plus agreements (Gallagher 2005; Ruse-Khan 2005; Correa 2005; and Sell 2011). This strategy for improving protection through preferential negotiations also has an important international political effect: the fragmentation and emptying of multilateralism, reducing

the capacity of countries in the global south to co-ordinate policy (Bannerman 2010; Geiger 2012).

Without a coordinated policy framework on intellectual property innovation policy making among countries of the south, it would be difficult to participate in global trade dominated by agreements that are pushing the maximalist agenda. Typical examples include the ones pursued by the USA in desiring to enhance the protection of IP, increase international harmonisation, and limit or eliminate the flexibilities in respect of private rights contained in TRIPS. The agenda is championed by negotiating agreements that increase the latitude of what is considered the subject of protection and the duration of rights, and firming the enforcement mechanisms. This agenda has originated from the biased perception of private organisations that IP violations have increased radically in recent years, damaging economies and the welfare of citizens, and that TRIPS was too flexible about the enforcement of rights and the protection of new and emerging technologies (Fink 2009).

In advocating for a coordinated approach on innovation policy issues, SSC can help in enhancing collaboration mechanisms and fight for a common cause. For example, by rallying behind global initiatives such as the World Intellectual Property Organisation's (WIPO) Development Agenda, countries in the global south can derive meaningful economic and social gains from the IP system. This is because the Development Agenda's main principles and objectives are opposed to the strengthening of IP rights within and outside WIPO and focuses more on preserving flexibilities, exceptions, and limitations to IP. However, initiatives responding to the demands for strengthening IP regulations within and outside multilateralism have been fragmented

and uncoordinated due to lack of collaboration by countries of the global south. The aim has been for achieving the desires of the non-developed countries to maintain and deepen the remaining flexibilities in the multilateral IP regime. IP flexibilities allow countries to adapt their national IP systems to specific national demands and to implement key public policies for social and economic development (Menezes 2018).

South–South countries should in this regard assist fellow developing countries in strengthening their national IP innovation systems in order to become TRIPS compliant and tap from the benefits provided by the TRIPS flexibilities. Given this, the flexibilities agenda is directly linked to the need of some developing countries to secure their freedom and capacity to make use of TRIPS flexibilities in order to adapt their national IP innovation systems to their specific development needs (Menezes 2018). In this regard, China, India and South Africa have in recent years adopted or reformed their existing legislation in order to make proper use of the flexibilities contained in the agreement. Therefore, collaboration among developing countries should be a fundamental strategy for limiting the maximalist agenda, and evolving the flexibilities agenda instead. This second agenda by the global south should focus on advancing a general understanding of and norms for exceptions and the limitations of rights, and increasing policy space for drafting national legislation (Menezes 2018).

Innovation policy lessons from the COVID 19 pandemic

The challenges brought about by the Corona virus disease also known as COVID-19 with its genesis in China during the last quarter of 2019, raises questions about the relevance

and effectiveness of our current models of innovation policy framework which is undoubtedly inward looking and domestically oriented. The challenges brought by the pandemic call for governments across the globe and more so for those in the global south to leverage the international and regional capacity in innovation development. One such example is India and Brazil's membership to a working group setup among high level officials such as Ministers and Chief Scientific Advisers from the following countries: Australia, Canada, Germany, Japan, New Zealand, South Korea, Singapore, United Kingdom, Spain, Portugal and USA (Chaturvedi 2020[2]). The objective of the working group which was setup in the context of triangular cooperation is to enable sharing of research results and information on how science can assist in the decisions and measures that governments could take to face the Corona virus that causes COVID-19. For instance, in order to strengthen India's international cooperation, the Prime Minister of India, Narendra Modi and his Swedish counterpart Stefan Lofven agreed on the possibility of collaboration and data sharing between researchers and scientists of the two countries through a bilateral agreement, a positive move by one of the countries from the Global south towards contributing to the global efforts against COVID-19. Furthermore, apart from initiating a $10 million SAARC Fund, India also hosted SAARC e-ITEC network training programme on COVID-19 management for healthcare professionals (Chaturvedi 2020). More than 150 SAARC participants joined the course that began on 17th April, 2020. Therefore, modern Innovation policy making must start to open opportunities for international cooperation among the countries of the

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global South in the areas beyond science, technology and innovation (STI).

Conclusion

The policy dialogue about innovation has generally held that the state should facilitate the creation, transfer and diffusion of knowledge. In terms of skill formation policies, there must clear understanding that a skilled workforce is an essential conduit for the creation, transfer and diffusion of knowledge and provides a basis for innovation to occur. Generally, the formulation of skill formation policy in a context of uncertainty and instability in economic prosperity, coupled with fast-changing technologies, a shortened product life cycle across multiple markets and deepened global competition, is complicated. Further, the waves of new technologies make skill-sets obsolete, and the on-going period of slow economic growth disincentivises organisations and governments to finance new skills because of intensified uncertainty about returns on investment. To acquire the relevant skills, countries of the global south ought to take advantage of a new global development cooperation landscape championed by SSC. The progression of SSC leaves important lessons about its strategic role in improving ownership and strengthening national capacities. Nations that have successfully included South-South and Triangular initiatives in their national cooperation strategies have also evolved their level of engagement to go from activities to projects and from projects to medium and long-term programmes in relative short periods. This trend demonstrates the transformative power of SSC and its contribution to institutional change and strengthening.

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The Palestinian International Cooperation Agency's experience in SSC: Challenges and Achievements

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Abstract

This paper is submitted as a Palestinian contribution to the publication project called: "South-South cooperation in the 21st century: new challenges". Hereby, this paper studies the Palestinian role in contributing to the global efforts in confronting the collective challenges the world is facing, starting from the COVID-19 pandemic, passing by the destruction of nature, climate change, conflicts and wars, poverty and hunger, inequality in major numbers of cities and countries, and last but not least, the rising threat of corruption worldwide (Fedorak 2014, p. 30-70). The responsibility lies within the states of the Global South to face these global challenges. Starting from participating in international cooperation themed conferences, to adopting the 2030 agenda, focusing on sharing technical assistance and transferring knowledge through South-South & Triangular cooperation mechanisms to enable development projects to be completely and perfectly implemented whenever and wherever needed. This paper highlights the role of Palestine as a state of the Global South, which shows a unique model of cooperation despite the continuous challenges Palestine goes through, in illustrating stories of success by cooperation-themed activities especially after the creation of the Palestinian International Cooperation Agency "PICA" in 2016, as an expression of gratitude towards the friendly nations that have supported Palestine throughout the years. Additionally, this paper points out the strengths and weaknesses of PICA's experience, which generates PICA's achievements and challenges in implementing cooperation projects.

Keywords: PICA, Palestine, International cooperation, South-South cooperation, technical assistance, development, public diplomacy, SDGs.

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Introduction

In the context of debating about sustainable development issues in local societies, it is important to highlight the contributions of the countries of the south in supporting their counterparts to transfer their modern development experiences based on international charters and treaties.

The State of Palestine as an active member state in promoting SSC has been offering all its capabilities and potentials to participate in the ongoing global efforts to finding solutions to enhance prosperity, security, and development in the region.

Drawing on the already existing goodwill of the Palestinian people in the world, the powerful story combining the narrative of the historical occupied land, and people whose modern daily struggles are known worldwide. A unique experience is formed in shapes of unprecedented public diplomacy potential for showing solidarity in-between countries of the south. All this can be leveraged for stronger branding and provides Palestine an opportunity to prove that development cooperation is not privileged for donor countries.

Palestine's strategy in promoting SSC

Palestine's role in Building Bridges of Cooperation

The participation of countries of the south and other international entities, in pushing the wheel of development forward, was not a new concept (Chrisholm Khamsi 2009). The "Palestinian Liberation Organization" (PLO) sought

from its inception, to achieve the unalienable rights of the Palestinian people through resistance and through diplomatic and political methods, creating highly skilled Palestinian trained personnel in order to be deployed to specific positions that included exclusive tasks and responsibilities worldwide.

Participating in South-South cooperation mechanisms has been on the Palestinian agenda since the early 1970s, "supporting the collective strategy of self-reliance through various cooperation agreements" (Dhungel 2011). Moreover, supporting this concept, the "Samed" Foundation, the public diplomacy tool for the PLO, was established in 1970 after achieving international recognition as the legitimate representative of the Palestinian people (PICA 2019, p. 6-7). This created additional international commitments and responsibilities, in conjunction with the complex political situation at that time, to support the Palestinian refugees and to foster the growth of the Palestinian economy. "Moreover, after the BAPA was held in 1978, "Samed" started increasing their activities on the international scene by becoming more involved in the political, cultural, and social fields. For example, "Samed" built the "SENZA" hospital in Tanzania in 1984, as part of its contributions to the process of the development of the south," (PICA 2019, p. 6-7), in addition to other success stories that illustrated how "Samed" expanded their programs worldwide through different projects which served the Palestinian national mandate and partner countries.

Accordingly, the concept of South-South cooperation expanded rapidly, and its presence in the international development discourse became very strong. "Countries and agencies for development and international cooperation

have provided examples confirming the success of this proposal, Cooperation between countries of the South today started expanding beyond mere humanitarian assistance and goodwill endeavors, by bringing cooperation to massive trade and investment" (Task team on SSC 2011, p. 0-3), as well as knowledge sharing and capacity building" (Chaturverdi, 2016).

The Establishment of PICA "The Palestinian International Cooperation Agency" in 2016

According to the traditional concept of international cooperation for development that was crystallized after the decolonization phase, "the stable countries of the North were usually relied upon to push the development cycle to the newly independent states in order to enable them to manage their institutions and resources" (PICA 2019, p. 7).

However, a spectrum of the international community with its organizations and unions presented a new proposal, which offered new development mechanisms relying on the cooperation of the countries of the South to share experiences and resources among themselves, in order to achieve the goals of sustainable development through building bilateral, tripartite or multilateral partnerships. Since then, the state of Palestine has been tirelessly seeking to mobilize its available outstanding expertise worldwide, by providing technical assistance to the friendly countries of the south in need, with the aim of promoting South-South cooperation.

Therefore, guided by a vision of "solidarity through development", the state of Palestine presented a unique

model in international cooperation, which contributes to achieving sustainable development goals, on a global scale through the establishment of the Palestinian International Cooperation Agency (PICA). PICA was created to fulfill the Palestinian political mandate as a fully recognized state, with the aims of employing and transferring Palestinian expertise and knowledge to the countries of the South (PICA's annual report 2017).

Hereby, the Palestinian International Cooperation Agency (PICA) was established by a presidential decree by the President of the State of Palestine, H.E. Mahmoud Abbas on January 2016, as the main public diplomacy tool for the State of Palestine. And since then, PICA started actively promoting its international missions, highlighting the humanitarian dimension of its contributions, "working as a national coordinator for South-South and North-South Cooperation" (PICA 2019, p. 7).

PICA started implementing its projects actively in the form of development and technical assistance, through transferring Palestinian knowledge to the countries of the South, contributing to humanitarian relief efforts, and providing investment opportunities to the partner parties locally and internationally. Depending on the knowledge sharing of Palestinian expertise and building partnerships instead of financial grants, the traditional concept of development, the missions were implemented successfully, guided by a national responsibility towards the international community in facing international crisis and challenges.

"The Palestinian international cooperation agency ever since is serving as a public diplomacy tool that coordinates outreach to diverse geographic areas" (PICA 2019, p. 8), to forge stronger relations with the south and the notion

of Palestinian statehood, and promoting South-South cooperation.

PICA's role in BAPA+40 2018

"The Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries adopted in 1978 at the United Nations Conference on Technical Cooperation Among Developing Countries, provided countries of the South with a framework to reinforce their cooperation among them with a view to collective self-reliance" (United Nations National Assembly 2018, p. 2). Being a part of the Global South, Palestine started participating actively in South-South cooperation projects PICA, which became Palestine's national coordinator for South-South and North-South cooperation since then.

40 years after BAPA was held, many developing countries are economically empowered and most are cooperating on achieving sustainable development in accordance with the 2030 agenda for sustainable development agenda, adopted in 2015. For that reason, the responsibility to lead international cooperation agendas and maintain commitments became an obligation that lies within both national and regional actors.

Therefore, a second High-level United Nations Conference on South-South Cooperation was held in Buenos Aires, Argentina, 20-22 March 2019, on the occasion of forty years passing after the BAPA conference. It was held after the General Assembly recognizing the need to strengthen and further invigorate South-South cooperation, decided by resolution 71/244 of the 2nd of February 2017, to convene a high-level United Nations conference on South-South cooperation on the occasion of the fortieth anniversary of the

adoption of the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation among developing countries (TCDC) (BAPA+40 United Nations conference in South-South cooperation, 2019).

Palestine as part of the Global South, expressed its ultimate commitments to fulfill its role as an effective member in contributing to setting the global agenda of technical cooperation among developing countries, by pointing out the current challenges and obstacles. The Palestinian input was illustrated on the international field through local and international partnerships, which had an influential contribution to the sessions of the conference, strengthening the role of South-South Cooperation and implementing the 2030 agenda for sustainable development.

For that reason, PICA has been tirelessly appointing all its capabilities ever since, to have an effective participation at the conference, while preparing for a joint side event with the Moroccan International Cooperation Agency AMCI (PICA's annual report 2019), "as a panel discussion on South-South Cooperation Role in Strengthening the Health Sector in Africa", which reviewed the regional South-South and triangular cooperation in the context of the BAPA+40 conference, ways of implementing the global SDGs through technical cooperation among developing countries and promoting South-South cooperation through projects implementations. PICA also participated in many side panel discussions, such as the panel discussion organized by the Islamic Development Bank IsDB, where they shared success stories and lessons learned from the programs related to South-South Cooperation (participating in a panel discussion 2019).

PICA's responsibilities in promoting South-South Cooperation

PICA's framework

"PICA, using the Palestinian expertise in multiple sectors, aims at implementing development programs and delivering technical assistance to developing countries with the aim of promoting South-South Cooperation", through these four main pillars:

- Technical Cooperation and Knowledge-sharing
- PICA works under the framework of thematic professions such as doctors, nurses, professors, engineers, business entrepreneurs, and agricultural experts etc., which hereby form the platform of specialties that Palestine offers as technical assistance.
- Relief and Humanitarian Fast Responses
- Based on PICA's vision to engage in post natural disaster response and intervention operations and as part of the international civil protection mechanism, PICA has established Palestinian Rapid Response and Rescue team (PRRRT) in 2017, which will be highlighted later on, for a closer observance.
- Promoting Investment Opportunities and Private Sector Engagement
- PICA considers the private sector as a fundamental partner in its strategies and development programs. That's why collaborating with the private sector should always be in accordance with the global efforts aimed at achieving a more prosperous, inclusive, and sustainable world by 2030, by focusing on four main elements; facilitation and networking, transfer of

knowledge and skills, public-private partnerships, and philanthropy and charitable activities.

- Policy Leadership
- PICA provides contributions in a strategic way to international development policy-making to the IsDB and the Organization of Islamic Cooperation (OIC) roadmap formulation as well as promoting resilience and the Humanitarian-Development nexus and development effectiveness. For more details, review PICA's annual report (2017, 2018, and 2019).

Moreover, rooted in these four thematic pillars of PICA's capacity, support is deployed based on demand from partner countries and international organizations. The agency through these themes aims to develop bilateral, triangular and multilateral cooperation in the targeted countries, including cooperation between the countries of the South, and the countries of the North, in order to reach a more equitable world.

The Agency also seeks to contribute to strengthening South-South cooperation and triangular cooperation using human resources and diverse experiences in achieving the 2030 Sustainable Development Plan.

PICA also aims mainly to contribute to the preparation and realization of national development plans, implementation of cooperation programs that serve the goals of sustainable development, and the strengthening of the Palestinian identity abroad.

PICA's Partnerships to achieve the SDGs

The Agency's partnerships are the primary vehicle for enhancing its activities, developing its capabilities, and

mobilizing financial resources. Since its creation, the goal has been to create and consolidate strong local, regional, and international partnerships for the State of Palestine. Therefore, the Agency works closely with global, regional, and local initiatives and organizations to strengthen a global partnership network through a multi-stakeholder approach.

After this mandate is settled, PICA has signed a number of international cooperation agreements, bilateral and multilateral partnership agreements with international organizations, development agencies, and regional institutions that deal with the four pillars of intervention (post-disaster reconstruction, technical assistance, investment, and policymaking). Moreover, PICA works closely with governmental and non-governmental institutions, civil society organizations, academia, research institutions, and the private sector at the national and international levels. “Besides perception, creativity and accountability, a key factor in PICA's success is partnership” (UNOSSC, PICA 2018, p. 22-25).

One of PICA’s main partners is the Islamic Development Bank IsDB. This partnership enables Palestine to contribute to proposing strategic policies and plans related to the role of development and technical cooperation agencies between the member states of the IsDB, implementing regional, international development agendas, and enhancing development cooperation among the member states through plans and programs. After that, PICA signed its first strategic partnership with the United Nations Development Program (UNDP). Within the framework of this agreement, the UNDP and the Program of Assistance to the Palestinian People (PAPP) provided support for cooperation and aid work that PICA would develop within the State of Palestine.

Ever since, PICA was able to hold dialogue sessions and discussions with many counterpart agencies, such as the Turkish Agency for Development and International Cooperation (TIKA) and the Department for International Development (DFID), where it was agreed to establish a joint committee between the two governments (PICA 2019, p. 12-18). Moreover, exploring prospects for cooperation meetings were held with the Austrian Agency for Development, the Indian, Brazilian, Thai, Italian, and Korean governments, and other agencies and countries.

In the same concept, PICA signed a Partnership and Cooperation Agreement with the African Union Commission (AUC) in January 2017 in Addis Ababa, which defined the framework for cooperation between the two institutions; including cooperation in various areas of development such as health, agriculture, energy, environment and water, promoting women's participation, human rights, and other agreed programs and activities. Among the parties that are aligned with the African Development Plan and the AU Agenda of 2063 (UNOSSC and PICA 2018, p. 23).

The previous successful partnerships did not stop PICA from aiming at a more expanded and diverse international platform of partnerships. More cooperation agreements with agencies of the countries of the south were signed, such as the Chilean Agency for International Cooperation (AGCI), the Ministry of Health in Mozambique, Poland, the Ministry of International Cooperation in Sudan, the Tunisian Agency for Technical Cooperation (ATCT) and ministries of Economy and Foreign Affairs of the Bolivarian Republic of Venezuela, and the wide range of other agreements with members of the international community (PICA's annual report 2019).

PICA's continuous challenges

Constant difficulties

The Palestinian International Cooperation agency faces a number of challenges and difficulties in implementing its activities, mainly referring to:

- Funding: financial support is considered one of the main challenges for the agency due to the lack of a stable and sufficient source of funding.
- Despite the presence of the government's modest budget, there are many other international organizations and agencies that provide funds to individual projects according to the project's themed relevance to their mandate. Although it cannot be considered as a sufficient source of funding, this appears as an important obstacle in some major tasks.
- Occupation: Occupation is a major obstacle for the agency, especially with regard to the movement of delegations when participating in missions abroad, which sometimes leads to preventing delegation members from traveling, and obstacles to obtain the required authorizations for the transport of work-related equipment (PICA 2019, p. 32).
- Moreover, in the same concept, it is important to point out the difficulties of benefiting from and communicating with the expertise in the occupied Gaza Strip, which is an integral part of the occupied territories of the state of Palestine.
- Post-Covid-19: After the presence of this global pandemic, this situation generated new circumstances, which the agency must deal with. This affected the projects' time-plan implementation by continuously

postponing these projects especially the delegation's movement from Palestine to the targeted country as it is restricted due to the absence of a Palestinian airport because of the ongoing occupation, and therefore, our delegations travel through Jordan, a crossing country, towards the final destination.

- The adoption of a systematic strategy of South-South cooperation by the national community referring to the current difficult circumstances.

Overcoming Challenges

Consequently, PICA always seeks to fulfill its international requirements as a cooperation agency, by applying several solutions to encompass any challenge the agency may experience, as follows:

- Referring to the financial challenge due to the absence of a stable and sufficient source of funding, PICA seeks to strengthen its strategic partnerships with international organizations, regional development agencies, and financial institutions. Having said that, these partnerships support the funding process of the agency's projects, benefiting from the recognized reverse linkage mechanisms, which rhymes with their own interests and needs and fulfills the biggest goal of all, a more developed world.
- Referring to the challenges caused by the current situation post the COVID-19 pandemic, concurrently with the absence of a clear national adoption of South-South cooperation strategies, PICA along with its local and international partners are working actively and tirelessly to overcome this rough situation, by preparing an intensive schedule to be adopted

for a strong come-back agenda of all SSC projects worldwide.

- Finally, yet importantly, referring to the challenges caused by the occupation, PICA is actively working to find daily solutions to overcome these obstacles through both national and international partnerships.

PICA's Achievements

PICA's comparative advantages

PICA, regardless of the daily-faced challenges, has multiple comparative advantages that allow the agency to play an effective role in the international cooperation field, which mainly are:

- Applied knowledge and human capital, which form the Palestinian experience, where flexibility and the "experience of displacement" of the Palestinian people focus on the relationship between humanity and development. This is reflected in the Agency's work, by benefiting from the experiences of the Palestinian human capital in knowledge sharing and implementation of development projects, which are used to work in a complex and unstable environment, enabling those experiences to understand the needs of the countries of the South and quickly adapt to the environment and problems of the countries of the South and the least Developed Countries.
- The agency relies in its work on a network of specialized Palestinian experts in their various locations in Palestine, and those who are based in the diaspora. The diaspora counts highly skilled individuals, resource persons who speak a range of

diverse languages, local cultural knowledge, and the potential for financial contributions from high net-worth individuals, companies, and others. In addition to this immediate potential, engaging the Palestinian diaspora is a gateway for PICA to open doors with communities, governments, the private sector, and more in the cooperation countries.

- Partnerships: since partnerships are the most important feature of the international work of PICA, the agency was able to achieve a very wide number of partnerships at the local, regional and global levels. Based on the agency's core philosophy of sharing resources, even when those resources are scarce. This approach lies in the principles of South-South cooperation and reflects the greater vision of global solidarity and partnership. The following is an analysis of the experience of the Palestinian Agency for International Cooperation in achieving its development role through building partnerships and implementing development projects in partner countries.
- Last but not least, innovation; PICA has shown through its past and simple experience since its establishment, that innovation along with the previously mentioned points of strengths that enables it to become highly capable in implementing cooperation projects especially when managing risk and unpredictable crises. In addition, a crucial point where PICA is aiming at getting the comparative advantages from, PICA has launched an initiative called “Busala Innovation Challenge” in partnership with the Higher Council for Innovation & Excellence (HCIE). Its creation serves as a multi-stakeholder

initiative that aims to provide a platform for Palestinian innovators and entrepreneurial teams to apply, test and scale their innovative solutions and help address global development challenges. In other words, the initiative seeks to cooperate with partners from the public, private, and civil society sectors to co-organize annual competitions and Hackathons that enable the participants to offer creative solutions that target one or more of the SDGs, which also serves the 2030 agenda, and the global efforts in creating a more resilient world. *For more details, please review (PICA 2019, P25-26).*

PICA's Missions

PICA, using the Palestinian expertise and know-how, has implemented many projects and in different regions, such as Africa, Asia, the Arab world, Latin America, and other geographical locations. Its initiatives reflected a strong impact on the fields of its contributions.

In addition, PICA presents a unique model of technical cooperation agencies, by emphasizing the Palestinian existence and empowering the Palestinian country as a recognized partner to enhance international development, despite the challenges imposed by the occupation, which results in depriving Palestinians of accessing their natural resources. Despite that, PICA is working to achieve a dual mission, which is primarily providing aid and technical support to developing countries, strengthening South-South cooperation in the field of international development, and contributing to relief and humanitarian assistance, disaster recovery, and relief operations.

- Humanitarian assistance: PICA's first initiative was to lead a relief delegation that included 19 doctors and nurses to help the victims of the earthquake that struck Ecuador in the middle of April, providing humanitarian aid and medical services to the earthquake victims. Dispatching the Palestinian Rapid Response and Rescue Team to Dominica immediately after the hurricanes IRMA and MARIA. The team consisted of 36 members made up of specialist doctors, rescue workers, paramedics, and members of civil defense, experts in humanitarian relief, and shelter experts. Also providing assistance to support Indonesia after the tsunami that struck the country in September 2018 which led to thousands of victims fleeing their homes after this disaster. Following this incident, PICA decided to provide medical support, supplies and tools, tents and generators that would support 4,000 people who fled the disaster.
- In the health field: In 2016, (the mission was a technical mission including health, agriculture, and energy teams) a Palestinian medical delegation consisting of 11 doctors from various specialties provided their services to the Mauritanian doctors, through improving the capabilities and skills of doctors in hospitals in Mauritania. This project comes in accordance with the priorities set by the Arab-African Summits and the implementation of the 2030 Sustainable Development Goals, the most important of which are the second, third, and seventh goals, which are the complete elimination of hunger, good health and well-being, and clean energy at reasonable prices.
- In this context, the Agency sent a delegation of 20 ophthalmologists in groups, consisting of five

members for each mission, to African countries, including Mozambique, Mauritania, Guinea, Chad, Côte d'Ivoire, and Sierra Leon. This mission was aimed at providing health care services free of charge to people who suffer from low vision due to cataracts, within the framework of tripartite cooperation with both the Islamic Development Bank and the Tunisian Eye Club. The Islamic Republic of Pakistan host the head of our orthopedic program to share his experience and knowledge in chiropractic surgeries to medical specialists in Lahore to be fully trained and capable of performing delicate pediatric spinal cord surgeries in the long term. In Rwanda, clinical and physical care services were provided within the framework of implementing solidarity through the development process. Moreover, in Botswana, a delegation consisted of three specialized doctors in emergency, plastic surgery, and vascular surgery, where they shared their knowledge and experience intensively with the newly graduated doctors in the fields of emergency, trauma, and burns.

- In the agricultural field: technical support was provided to the Bolivarian Republic of Venezuela in reforming and operating vital agricultural projects through technical assistance, knowledge transfer, and creation of new investment opportunities, through developing greenhouse farms in order to generate vegetables, and operating a poultry facility for the purpose of producing eggs. In addition to its role as a general diplomatic tool to coordinate communication with diverse geographical regions and establish stronger relations with countries that express their solidarity with Palestine and support the concept of establishing the Palestinian state.

In other fields, it is also important to mention that PICA had deployed technical assistance to the Kingdom of Lesotho in the field of communications, information security, and e-government. PICA had also provided technical assistance to the Republic of Mali and the Republic of Zimbabwe in the fields of media and journalism, and in the solar energy field to Kenya. In addition to many other stories of successfully implemented projects that are difficult to be detailed. *For more information and details about PICA's missions, please visit PICA's official website www.pica.pna.ps.*

It is also worth mentioning that the evolving aid and mounting development challenges caused by the financial and energy crises demand an urgent and critical review of existing aid modalities (Polonenko, Tok, Besada 2019). This global phenomenon's impact is going to be much more significant in the future given the increasing effects of global economic and demographic imbalances, globalization, and climate change (Asian Development Bank 2012).

Referring to the previously implemented projects, it clearly shows that the south is becoming a major player in world industry and trade through these cooperation programs, which push the industrial development wheel. Developing countries accounted for 24.5 per cent of world manufacturing value (Dhungel 2011).

PICA's experience in establishing the Palestinian Rapid Response and Rescue team

Based on PICA's vision to engage in post-natural disaster response and intervention operations and as part of the international civil protection mechanism, PICA has established the Palestine Rapid Response and Rescue team

(PRRRT) in 2017. The team is comprised of specialized doctors, rescuers, emergency medical technicians, civil defense members, and humanitarian relief and shelter experts. PRRRT provides specialized trained individuals to intervene regionally and worldwide in the following fields:

Pre-hospital services (emergency medical response and ambulance services), medical treatment, research and rescue, shelter and non-food items, water and sanitation, and Psychosocial support (PICA's official website).

In the humanitarian field, PICA participates through offering rapid response and assistance to disaster-affected countries by the rapid response and rescue team of the State of Palestine. Its first initiative was to lead a relief delegation that includes 19 doctors and nurses to help the victims of the earthquake that struck Ecuador in the middle of April 2016.

The Palestinian Rapid Response and Rescue Team were also dispatched to Dominica in the immediate aftermath of Hurricanes IRMA and MARIA. The team consisted of 36 members made up of specialist doctors, rescue workers, paramedics, civil defense members, humanitarian relief experts, and shelter experts (PICA's official website).

The agency also provided assistance to support Indonesia after the tsunami that struck the country. Indonesia suffered in September 2018 from a tsunami that led to thousands of victims fleeing their homes after this disaster. After this incident, the Agency dispatched the Palestinian Rapid Response and Rescue Team to the affected islands to provide medical support in this emergency. PICA provided supplies and tools that would support the affected people near the disaster, provided tents and generators that would support 4,000 people who fled the disaster (UNOSSC, PICA 2018, p. 21).

The previously mentioned missions focused on providing aid in the humanitarian field to fulfill PICA's commitment to the SDGs, focusing on the third goal of the sustainable development goals "good health and well-being". Therefore, PICA participated actively in these international efforts by providing relief and humanitarian support to the stricken areas and supporting the continuous efforts made by the governments of the affected countries and international entities to overcome the effects of the deadly disasters.

Conclusion

The continuous pursuit of all societies to meet their development needs in promoting SSC is a presumed and fundamental matter, and formulating sustainable development strategies is an inevitable priority for governments, implemented through institutions specialized in international cooperation but formed by institutions that are specialized in internal affairs. However, it is indisputable that the same countries' contribution to the global development agenda is a victory for the role of the countries of the Global South in drawing up international development policies.

There is no doubt that the model of the State of Palestine in contributing to the international development efforts is very unique, having been able to endure international responsibilities towards the international community in spite of the current facts which include occupation which is plundering its resources and capabilities.

Therefore, Palestine can give and share, by exchanging knowledge, experience, and human capital, which is strictly and almost exclusively: "the Palestinian volunteer expertise"

and allying with international donors specialized in international cooperation to contribute to the success of the Palestinian missions in the light of the current limitations.

In conclusion, the purely human dimension promotes the agency's work to the international community and especially to the countries of the Global South, and despite the ongoing challenges caused by the Israeli occupation, Palestine continues to give, share, and show solidarity with other nations, under its ultimate slogan "Solidarity through development for a more resilient world".

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A South-South approach for trade and investment cooperation: the Brazilian case

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Abstract

The international investment protection regime, which is based essentially on the 1960's model of bilateral investment treaties (BITs) represents a limitation on the political spaces of the States and the imposition of unequal costs on developing countries. Based on this perception, developing countries launched an ongoing process of reorientation of the regime, proposing and implementing new strategies. This article analyses this process under the lenses of South-South Cooperation, using the Brazilian model of Cooperation and Facilitation Investment Agreement as a case study.

Keywords: Foreign Investment Protection, South-South Cooperation, Bilateral Investment Treaties, Cooperation and Facilitation Investment Agreement, Brazilian foreign policy.

Introduction

After the end of World War II and with the advent of the United Nations, international cooperation started to be structured and became an important instrument of development assistance. International cooperation took the form of financial aid, flowing from developed countries to developing countries, on a North-South basis. However, since the middle of the last century, there has been a growing perception that these traditional instruments of cooperation are no longer enough to meet the needs of developing countries. In this sense, South-

South Cooperation (SSC) gained importance as a development instrument for countries from the Global South[1].

The purpose of this article is to show how collaboration can bring mutual benefits to developing countries and counterbalance the inequality of power with developed countries, taking the Brazilian proposal for a Cooperation and Facilitation Investment Agreement as a case study.

For this purpose, the article was divided into three parts. The first one describes the historical evolution of SSC over the past seventy years, from the Bandung Conference, in 1955, to the consolidation of the concept in the United Nations system. Examples of SSC approaches coined by different developing countries are highlighted, including the Brazilian perspective. The use of SSC as an instrument of foreign policy and the challenges imposed on SSC in Brazil by the rise of a nationalist government with an inward look are briefly commented.

The second part takes the trade and investment modality of South-South Cooperation to illustrate how developing countries can find in solidarity alternatives to better meet their development goals. The section analyzes the emergence of the international investment protection regime and the efforts of developing countries to present new strategies to replace the traditional model of bilateral investment treaties (BITs).

The last part of the article examines the Brazilian proposal for a Cooperation and Facilitation Investment Agreement as an innovative instrument for cooperation in the field of international investment protection.

1 "The use of the term South to refer to developing countries collectively has been part of the shorthand of international relations since the 1970" (UNPD, 2004)

South-South Cooperation: from Bandung to a commitment to development

The origins of South-South Cooperation (SSC) go back to the 1950s, more specifically to the African-Asian Conference held in Bandung, Indonesia, in 1955. Governments from twenty-nine countries from the Global South, representing 54 percent of the world´s population, gathered in Indonesia with the common purpose of opposing colonialism in all its forms and promoting cultural and economic cooperation among the participants.

In Bandung, developing countries discussed the role of the Third World, economic development, and the principles of self-determination, respect for sovereignty, non-aggression, non-interference, and equality. Those principles became the foundation for the establishment of the Non-Aligned Movement in the Belgrade Conference of 1961, another milestone for SSC.

In 1964, in response to the demand for development opportunities from developing countries, the First United Nations Conference on Trade and Development[2] took place in Geneva. According to the Final Act:

> The United Nations Conference on Trade and Development was convened in order to provide, by means of international co-operation, appropriate solutions to the problems of world trade in the interest of all peoples and particularly to the urgent trade and development problems of the developing countries (UNCTAD 1964).

2 UNCTAD became a permanent intergovernmental body under the UN General Assembly.

During the Conference, countries from Africa, Asia, and Latin America joined forces to create the Group of 77, giving voice for "the countries of the South to articulate and promote their collective economic interests and enhance their joint negotiating capacity on all major international economic issues within the United Nations system, and promote South-South cooperation for development."3 (G-77 1964)

In 1974, a Special Unit for Technical Cooperation among Developing Countries was established within the framework of the United Nations Development Program (UNDP) to promote South-South and triangular cooperation. Four years later, in September 1978, the United Nations Conference on Technical Cooperation among Developing Countries took place in Argentina. As a result, the 138 States represented in Buenos Aires agreed by consensus on a Plan of Action for Promoting and Implementing Technical Cooperation among Developing Countries, another milestone for South-South Cooperation.

The Special Unit for Technical Cooperation was renamed Special Unit for South-South Cooperation in 2004, reflecting the growing importance attached to the subject, and then to the United Nations Office for South-South Cooperation (UNOSSC) in 2012.

South-South Cooperation as explained by the UNOSSC refers to:

> A broad framework of collaboration among countries of the South in the political, economic, social, cultural, environmental and technical domains. Involving two or more developing countries, it can take place on a bilateral, regional, intraregional or interregional basis. Developing

3 Retrieved from G77.org/doc/ in April 12, 2020

> countries share knowledge, skills, expertise and resources to meet their development goals through concerted efforts. Recent developments in South-South cooperation have taken the form of increased volume of South-South trade, South-South flows of foreign direct investment, movements towards regional integration, technology transfers, sharing of solutions and experts, and other forms of exchanges. (UNOSSC, n.d)

For the United Nations (2016), SSC is:

> A process whereby two or more developing countries pursue their individual and/or shared national capacity development objectives through exchanges of knowledge, skills, resources and technical know-how, and through regional and inter-regional collective actions, including partnerships involving Governments, regional organizations, civil society, academia, and the private sector, for their individual and/or mutual benefit within and across regions. South-South cooperation is not a substitute for, but rather a complement to, North-South cooperation.

In this sense, South-South Cooperation can assume different forms, such as political coalition, trade promotion alliances, regional integration, project financing, transfer of technology, experiences sharing, training, and technical cooperation.

Indian academics, for instance, define South-South Cooperation as a commitment to development in the partner country, based on the principles of non-conditionality, mutual benefit, respect for sovereignty, national ownership, horizontality, and demand-driven actions (Chaturuverdi 2016). The Indian develop compact model, a framework of the country's external assistance, establishes five convergent modalities of SSC: capacity building, grants, technology, concessional finance, and trade and investments (RIS 2019).

For Chinese scholars, SSC can be understood as cooperation between developing countries mainly in economic issues. The objective of SSC is to achieve autonomy for developing countries and to create a fairer international order (Warmerdam & Haan 2019). The guiding principles of SSC defined by China are similar to those followed by India: respect for national sovereignty and ownership, partnership among equals, non-conditionality, non-interference, mutual benefits, and counterbalance to North-South Cooperation. China focuses on economic cooperation initiatives, such as loans, grants, investments in infrastructure, and renewable energy, but its agenda also includes technical cooperation.

South-South Cooperation is also defined as the horizontal exchange of knowledge and experiences originating from collaborating developing countries[4]. It is based on the sharing of experiences among countries that face the same kind of challenges in their respective development processes and emphasizes the promotion of development on a solidarity basis. South-South Cooperation focuses on the development of capabilities and on the generation and expansion of knowledge to promote local autonomy and quality structural changes (ABC 2013).

The importance attached by Brazil to South-South Cooperation as an external relations instrument has increased significantly over the past twenty years. Particularly from 2003 to 2015, during the governments of Presidents Lula da Silva and Dilma Rousseff, South-South relations became a priority to the Brazilian foreign policy. Based on the idea that "we cannot be an island of prosperity surrounded by a sea of poverty and social injustice" (Silva 2010), Brazil made a move towards the South. This move was pragmatically

4 As defined by the Brazilian Cooperation Agency.

based on the assumption that acting together as a group with other developing countries could relieve the pressure from powerful countries. Collective action counterbalances power and gives developing countries some bargaining space – that's the same rationale that rested on Brazil´s traditional preference for multilateral arrangements.

In this sense, Brazil has strengthened ties with Latin America, the Caribbean, Africa, the Middle East, and some Asian countries. Special attention has been paid to South America and the Community of Portuguese-Speaking Countries (CPLP). The cooperation projects with these developing countries have focused mainly on areas such as agriculture, education, justice, health, environment, information technology, urban development, biofuels, and professional training.

Nevertheless, the inauguration of President Jair Bolsonaro in 2019 represented a turning point for Brazilian foreign policy. Bolsonaro was elected with the promise of approaching Brazil to the North and distancing it from the South, especially from Latin American center-left governments. Bolsonaro also promised to move Brazil away from the traditional multilateralism of Brazilian diplomacy to privilege bilateral relations, abandoning the alleged "globalism"[5] of his predecessors.

Although it is too early yet to analyze the long-term consequences of this shift, South-South Cooperation may no

5 The term "globalism" and the anti-globalist movement emerged as a political rhetoric for the extreme- right, first in the United States, then in other countries, to oppose globalization to nationalism. In the US, anti-globalism rhetoric appeared in presidential campaign slogans such as "Make America Great Again" and "America First". Former President of the United States, Donald Trump, said at the opening of the 74th Session of the United Nations General Assembly that "the future does not belong to globalists, the future belongs to patriots" (2019).

longer play a prominent role as a foreign policy instrument, given Bolsonaro's nationalist rhetoric and his inward-looking agenda. Like Brazil, several countries are experiencing the rise of nationalist and populist governments, whose rhetoric brings challenges to the multilateral system and international cooperation. Many countries are turning inwards to defend self-interests, opting for bilateral or unilateral strategies instead of collective action.

It is noteworthy, though, that cooperation among peoples for the progress of mankind, rather than a governmental choice, is a State policy obligation under the Brazilian Constitution[6].

South-South Cooperation in Brazil has been mostly focused on the technical dimension, which is coordinated by the Brazilian Cooperation Agency (Milani 2014). However, it also has a strong political dimension that includes multilateral negotiation, formation of political coalitions, promotion of regional integration processes, interregional dialogues, and financing of infrastructure projects through subsidized loans. The investment agreements that are the object of this article are part of this political dimension.

Paving the way for a balanced Investment Protection Regime

Cooperation on Trade and Investments, one of the five SSC modalities according to Chaturvedi (2015), refers to duty-free trade preference, trade permits, trade facilitation,

6 Brazilian Constitution, Article 4. Brazil´s international relations also rely on the constitutional principles of national independence, prevalence of human rights, non-intervention, equality among States, defense of peace, peaceful settlement of conflicts, repudiation of terrorism and racism, and granting of political asylum.

business facilitation, trade promotion and trade services, regulatory capacity, investment funds, development of supply chains, regional and sub-regional trade agreements, and tax preference for Foreign Direct Investment (FDI), among others.

Brazilian cooperation efforts have been embracing foreign trade and investments in various forms. For instance, Brazil has signed many commercial agreements with developing countries as an individual country (i.e. Suriname, Venezuela, Mexico) or with its MERCOSUR partners (i.e. Egypt, India, Palestine, Cuba, Colombia, Peru, SACU)[7]. MERCOSUR, itself, represents a major integration effort. Founded in 1991 by Brazil, Argentina, Paraguay, and Uruguay with the purpose of establishing a common market, the South American bloc represents today a central instrument for cooperation and development in the region. In 2014, the bloc released the International Cooperation Policy of MERCOSUR, defining modalities and priorities of cooperation that go beyond the commercial and economic dimensions.

Brazil is also making progress with its BRICS partners in the implementation of a trade and investment cooperation agenda in order to increase economic growth and sustainability (BRICS 2019). The BRICS are putting efforts into promoting collaboration in areas such as e-commerce, Micro, Small and Medium Enterprises (MSMEs), regulation, and intellectual property rights, as stated in the Joint Communiqué signed by the Trade Ministers in November 2019 - when the countries also signed a Memorandum of Understanding among BRICS Trade and Investment Promotion Agencies.

7 A comprehensive list of international commercial agreements signed by Brazil is available at http://www.mdic.gov.br/comercio-exterior/negociacoes-internacionais/796-negociacoes-internacionais-2%20%3E

In the field of investments, Brazil has made a major contribution to the debate on reforming the international investment protection regime. Currently rooted in the traditional model of bilateral investment treaties (BITs), the regime is considered by South countries as incapable of meeting their needs, and thus it has been under strong criticism since the 2010s.

In order to comprehend this debate, it is important to understand the emergence of the regime and its context. According to Kenneth J. Vandevelde (2009), the protection of investments overseas has evolved over three distinct historical periods, namely the Colonial Era, the Postcolonial Era, and the Global Era.

The Colonial Era comprises the late eighteenth century until the end of World War II. In this period, international economic agreements were mainly Friendship, Commerce and Navigation treaties (FNC) that focused on trade. The agreements, in some cases, included protection of individual property of foreigners in the national territory of the partners, such as compensations for expropriations. At that time, investments were protected mostly by customary law, diplomacy, and military power.

The Postcolonial Era started after World War II, when some agreements began to include property protection to corporations and dispute resolution clauses that recognized the jurisdiction of the International Court of Justice to resolve cases. At this period, many developing countries started to close their markets to foreign investments and substitute imports. Countries from the socialist bloc that emerged after the War promoted expropriations of national and foreign private assets, raising awareness regarding investment protection.

The traditional model of Bilateral Investment Treaties (BITs) was developed as a response to these concerns. BITs were designed to create a system of protection for investments from developed countries in the territory of developing countries (Vandevelde 2009). Indeed, the first BIT between a developed country and a developing country was signed during this period, by Germany and Pakistan, in 1959.

BITs provisions have usually included strict rules for compensating expropriations that favored the investors. Beginning in the 1960s, the BIT provisions started to include investor-state arbitration clauses, allowing private individuals or corporations to submit arbitration claims against a State, without requiring the prior exhaustion of bilateral conversations.

Disputes were usually submitted to *ad hoc* arbitrators. In 1965, however, the International Centre for Settlement of Investment Dispute (ICSID) was established within the framework of the World Bank to facilitate conciliation and arbitration of investment disputes between States and investors. According to the ICSID Convention:

> The jurisdiction of the Centre shall extend to any legal dispute arising directly out of an investment, between a Contracting State and a national of another Contracting State, which the parties to the dispute consent in writing to submit to the Centre. When the parties have given their consent, no party may withdraw its consent unilaterally (1965).

Most of the BITs signed after 1965 stipulate ICSID as the forum for resolving disputes between investors and States.

The Global Era began in 1990 and was marked by the explosion of BIT agreements, as a reflection of the liberal movement that followed the collapse of the Soviet Union. The number of BITs increased from 389 by the end of the 1980s to 2181 in 2002. Free Trade Agreements also peaked during that decade; many of them included chapters on investments. For Vandevelde (2009), the mix of trade and investment provisions on the same treaties illustrates that the two subjects were now perceived as complements, not as alternatives.

The BITs signed during the 1990s expanded the protection of foreign investors including new institutional mechanisms and provisions. Besides, they intended to define liberal rules for admission and establishment of foreign investors in the host State and to expand the degree of liberalization applicable to investment flows between the contracting parties to the agreements (Brazilian National Confederation of Industry 2015).

A fourth era in the history of the international investment regime may be added to the original analysis described above: the "Era of Reorientation" (UNCTAD 2015). By the late 2000s, criticisms of the model began to be raised by both developing and developed countries, especially concerning the lack of corporate responsibility and the limitations imposed on domestic policies. By 2019, the debate around reforming the international investment protection regime already involved at least 50 countries and 4 regional integration blocs discussing new models of investment protection (UNCTAD 2019).

Developing countries were becoming both importers and exporters of capital and begun to perceive the BITs as an unfair game based on the surrender of their sovereignty. Particularly for them, BITs carry heavy costs and represent limits on political space. In fact, while Free Trade Agreements

are signed by states with a similar level of development, the traditional BITs are signed between developed and developing countries, on a North-South basis. The results are arrangements that reflect an unfair balance of bargaining power between countries of unequal levels of development. It is noteworthy that BITs between developed countries are almost non-existent.

Controversies about the effectiveness of BITs as an investment attraction instrument also started to emerge. Some considered that the impact of BITs on a country's FDI flows could only be considered while analyzing the context of its political, economic, and institutional environment (Rose-Ackerman 2009). BITs, in this sense, could help attract investment by working as a commitment to the partner. However, the most relevant aspects on which investors rely when deciding on investments abroad are political and macroeconomic stability. Factors such as market size, infrastructure, tax policy, and the business environment also have an enormous influence on investment decisions.

In fact, countries with weak domestic institutions, in general, do not start to receive significant additional FDI flows after signing BITs. From the investors´ point of view, the Treaties are merely a complement to internal stability (Hallward-Driemeier 2009).

The opposite may also occur. Despite not having signed any BIT, Brazil is one of the major FDI importers and received $61 billion in 2018, figuring as the seventh biggest receiver in the world and the fourth among developing countries (UNCTAD 2019).

Since the beginning of the "Era of Reorientation", around 2008, several countries - including developed countries

- started to review their signed BITs, terminate them, or propose new models.

In 2012, India launched a review process of its BITs, as a result of public opinion pressure after a wave of claims by foreign investors hit the country, demanding billions in compensation over India´s public policies that allegedly violated their interests. By that time, India had signed 83 BITs based on a model established in 1993 that relied on an asset-based definition of investment.

The new proposal, presented in 2015, was designed as a result of the country's experience with the investor-State arbitration system and adopted an enterprise-based concept of investments. The Most Favored Nation clause was excluded from the new model to avoid litigating investors to import protection provisions granted by agreements with third countries. The new model maintained the national treatment clause of equality between national and foreign investments and the investor-state dispute settlement provision. The new model required, however, the exhaustion of local remedies before the submission of a claim to arbitration.

The 2015 model also listed issues that should be exempted under the agreement, such as measures related to taxation, intellectual property rights, state subsidies, government procurement, public health and safety, environmental protection, and financial stability (Singh 2015). New obligations related to corruption prevention, taxation, and transparency were applied to investors.

Critics of the model adverted that the new provisions do not consider Indian investments abroad, because it was designed mainly to attract foreign investments to India rather than safeguarding Indian FDI (Eximbank India 2014).

South Africa started to review its investment agreements in 2013. Many BITs with European countries were terminated, and the first draft of the Protection of Investment Act was released that same year. The bill was concluded in 2015 but only entered into force in July 2018.

The Protection of Investment Act stipulates that new investment treaties will be subject to the South African Constitution and national legislation. Because there is no expropriation provision, investor property may be expropriated without compensation, as the government may take any measures under the national legislation to redress historical inequalities, in order to uphold the values and principles of the Constitution, to promote cultural heritage, to foster economic development, and to protect the environment (Mhlongo 2019).

The Act also stipulates that disputes between the State and investors must be resolved by a mediator appointed by the Department of Trade, or by the Judge President of one of the divisions of the High Court, in the case of the Department being party to the dispute. International arbitration can only be requested after the exhaustion of domestic remedies and the due administrative processes.

South African BITs revision was heavily criticized by its partners. The European Union Chamber of Commerce and Industry in Southern Africa released a paper in 2015 stating that the withdraw of BIT with EU members, besides creating a negative signaling effect, "have also increased the cost of doing business in South Africa for investments from member state investors where an increased (risk insurance) premium is associated with investing in countries with which there are no BITs in place" (EU Chamber 2015).

Regarding the Act, the EU Chamber wrote:

> By limiting the rights and expectations of committed and long-term investors and the predictability of changes which may affect their investments, including expropriation, the current Bill could invariably attract short-term investors, who do not pay much attention to investment frameworks, either because of the short turnaround time of their investments, or because they enjoy other preferential arrangements (EU Chamber 2015).

UNCTAD also became part of the debate and launched its annual World Investment Review under the topic "Reforming International Investment Governance" in 2015. The document acknowledged that:

> Growing unease with the current functioning of the global international investment agreement (IIA) regime, together with today's sustainable development imperative, the greater role of governments in the economy and the evolution of the investment landscape, have triggered a move towards reforming international investment rule making to make it better suited for today's policy challenges. As a result, the IIA regime is going through a period of reflection, review and revision (UNCTAD 2015).

In this sense, UNCTADs Road Map addressed five key reform challenges: "safeguarding the right to regulate for pursuing sustainable development objectives, reforming investment dispute settlement, promoting and facilitating investment, ensuring responsible investment, and enhancing systemic consistency" (UNCTAD 2018).

For UNCTAD (2015), "the question is not about whether to reform or not the regime, but about the what, how and extent of such reform". It is a recognition of the importance and urgency of the ongoing process.

The reorientation process may be accelerated by an unforeseen external factor: the outbreak of COVID-19 crises in 2020. As a response to the health emergency, many countries have taken drastic measures, including financial packages, lockdowns, social containment, curbs on exports, and forced business closures. These measures have deeply affected foreign investors, who may claim compensations for their losses under investor-State clauses if a BIT is in force. The coronavirus crisis may shed light upon the urgent need to keep reforming the regime and to consolidate the reorientation process.

The Brazilian contribution

In the context of the reorientation debate, Brazil submitted to its southern partners, in 2015, a proposal for a new model of investment agreement. The proposal came specially from Brazil's awareness about the investor-state dispute settlement system, controlled mainly by big investors – OECD estimates that legal and arbitration costs for the parties have averaged over 8 million dollars and exceeded 30 million dollars in some cases (Gaukrodger and Gordon 2012), limiting the access of small and medium investors to the system.

The burden imposed on the developing countries by lack of transparency on court decisions and the imposition of heavy penalties on the States represents a challenge for investment attraction policies. The numbers corroborate Brazil´s concerns: according to UNCTAD's Investment Hub (2019), 550 of the 674 dispute settlement cases concluded by December 2019 were against developing countries – 40 percent of them, or 271 cases, against Latin American countries.

Brazil signed fourteen BITs during the era of BITs proliferation, in the 1990s. However, only six agreements were sent to Congress, and none of them was ratified, as a result of strong political opposition to their terms. The main controversial points were related to the narrowing of political autonomy, their incompatibility with the constitutional definition of investments, and the preferred treatment offered to foreign investors in contrast to domestic ones. Brazil became the only major economy with no agreement regarding foreign investment protection.

Nevertheless, in the late 2000s and early 2010s, Brazilian companies were profoundly increasing their investments abroad, especially in Latin America and Africa. The country became an FDI exporter, with stocks reaching 300 billion dollars in 2013, the second-highest among developing countries, only after China (CNI 2015). The growth of the outflow urged the creation of a risk mitigation and investment facilitation mechanism that could contemplate both Brazil's position as a recipient and an exporter of investments while considering the domestic needs and the priority given by Brazilian foreign policy to the Global South.

In the meantime, other developing countries were also expanding their investments overseas. From 2011 to 2014, outflows increased by 31 percent, while developed countries decreased their FDI by 29 percent (CNI 2015). Global South countries were increasing their share in the world's outflows, exceeding one-third of it in 2015. Therefore, these countries began to consider their interests as investment exporters (UNCTAD 2015).

In response to this demand, in 2012 the Brazilian Chamber of Foreign Trade (CAMEX) established a strategic technical group to draft a proposal for fostering investments and trade.

The group came up with the first model of a Cooperation and Facilitation Investment Agreement (CFIA), designed not only to attract foreign investments to Brazil but mainly to protect Brazilian investments in other developing countries.

The model was developed with the support of major international organizations in the investments field and was based on benchmarking studies and extensive consultations to the Brazilian private sector, which at the time had some experience as investment exporters. It was also inspired by South Korea's Foreign Investment Ombudsman experience[8]. Thus, the Brazilian proposition offered a new approach, embracing both States' and investors' interests, in a more balanced manner and without threatening State sovereignty.

From the investor perspective, the proposed model offered transparency, non-discrimination, most favored nation, and national treatment clauses, maintaining the same protection offered by the BITs, as clear expropriation rules. As for the States, the CFIAs respect their development strategies and their regulatory policies. The preamble of the agreement incorporates legislative autonomy and public policy space, focusing on reciprocal benefits for the parties.

As seen before, under most of the traditional BITs, investors can initiate arbitration against a State in case of disputes. The Brazilian model excludes this possibility – the only way an investor can start a dispute settlement is through its State´s action.

8 The South Korea Foreign Investment Ombudsman was created in 1999 by the Foreign Investment Promotion Act. Its mission is to "collect and analyze information concerning the problems foreign firms experience, request cooperation from and recommend implementation thereof to relevant administrative agencies, propose new policies to improve the foreign investment promotion system, and carry out other necessary tasks to assist foreign-invested companies in resolving their grievances" (The Office of the Foreign Investment Ombudsman, n.d.)

The CFIA aims to prevent disputes to arise. In this regard, it establishes an institutional governance structure, with a Joint Committee composed of government members of both countries, where the parties can share investment opportunities, common agendas, and cooperation strategies to foster investments and prevent disputes.

The Joint Committee is responsible for analyzing any controversy that may occur. To initiate the procedure, the country of the interested investor shall submit a request to the Committee. Investors or their representatives shall be invited to participate whenever possible. If the dispute cannot be resolved after negotiations and consultations, one or both parties can submit the case to State-State arbitration. Because Brazil is not a member of the ICSID, the claim shall be submitted to an *ad hoc* tribunal.

The CFIA model also proposes a focal point, or Ombudsman, inspired by the South Korean model, responsible for centralizing foreign investors' questions and concerns regarding investments, address concerns and mediate disagreements.

Another novelty of the model is regarding expropriation clauses. None of the CFIA signed up to the date includes clauses allowing indirect expropriation. Direct expropriations are accepted only under conditions: in the public purpose; in a non-discriminatory manner; on payment of effective compensation; and in accordance with due process of law. In this case, compensation shall be paid without delay and equivalent to the fair market value, among other conditions.

The main innovation brought by the Brazilian model, though, is the focus on cooperation rather than litigation. Indeed, the model ratifies the need for establishing a partnership to ensure broad mutual and reciprocal benefits

for the parties. A specific section of the CFIAs is dedicated to cooperation. The section requires the Joint Committee to develop working cooperation agendas comprising areas of mutual interest, always respecting the development strategies of each part. Additional protocols can be attached to the Agreements, giving room for a gradual construction of cooperation initiatives and turning the CFIAs into living documents.

The working agendas on Annex 1 of the CFIA between Brazil and Angola (2015), for instance, include programs on money transfers, visa procedures, technical and environmental regulation, sectoral legislation, and institutional cooperation. The CFIA Brazil-Mozambique (2015) includes cooperation on visa facilitation, licenses, and certifications. With the working agendas, the Agreements became dynamic instruments of cooperation.

According to Morosini and Badin (2015), simple measures as cooperation on visa policies and commercial flight regularity are basic needs for any investor and are even more important for those investing in developing countries. The absence of such measures limits investment flows.

Although Brazilian efforts to prevent disputes are valuable, for some critics the proposed model does not offer any effective solution to those disagreements that may not be solved through negotiation. Hamilton and Grando (2016) point that when the investors fear they will not have access to a neutral and effective dispute settlement system, they may decide to move the investment to another country.

Hamilton and Grando (2016) also suggested that States' actions may be biased towards foreign policy strategies, which can be either an advantage or a disadvantage for the

investor. Thus, when the State of the investor is not involved, the process tends to be less affected by foreign policy. From another perspective, in a State-State system, the export State may have to carry the political and economic burden of the dispute, assuming the interests of enterprises as national interests (Garcia 2017). Therefore, the development level of the State and the size of the national investor will define whose interests will prevail.

Despite these concerns, the CFIAs represented a major contribution to the debate on reforming the international investment system. However, they are not the only proposal on the table. In addition to Brazil, other developing countries are making efforts to rethink and renew the regime, presenting new approaches or strategies. As a result, an extremely diverse regime of protection is being shaped, combining different types of arrangements to suit different realities. The impacts of these arrangements still have to be checked.

Conclusion

South-South Cooperation has gained strength in recent years as aid flows from developed countries have been reduced and as other modalities of cooperation, besides financial aid, have become more relevant. Cooperation between developing countries has also been encouraged by the growing understanding that common problems require shared solutions. Thus, the exchange of experiences and knowledge, technology transfers, increased trade, and higher flows of direct investment has become an important tool for promoting national development.

Developing countries have found in South-South Cooperation a way to obtain mutual benefits through solidarity, respect for national sovereignty, and policy autonomy. The reform of the international investment protection regime, which represents a limitation on the political spaces of the States and the imposition of unequal costs on developing countries, illustrates the attempts in this regard.

The Brazilian CFIA model arose in this context of reorientation as an alternative for Southern countries on their investment promotion and attraction strategies. In 2012, when CAMEX started to design the model, South-South Cooperation had been at the core of Brazilian foreign policy for almost ten years, and the emphasis on a cooperation agenda brought by the proposal reflects this.

The rupture with the traditional principles of Brazil's foreign policy by President Bolsonaro and the rise of nationalist governments globally pose strong challenges for SSC and may affect ongoing cooperation initiatives. However, until now, the Brazilian option of CFIAs as an investment protection instrument has not been affected - it is important to remember that the development of the model was widely supported by the national business community, interested in the internationalization of Brazilian companies.

In fact, the CFIAs network is in continuous expansion. From 2015 to now[9], fifteen agreements have been signed with seventeen countries (Angola, Argentina, Chile, Colombia, Ecuador, Ethiopia, Guyana, India, Malawi, Mexico, Morocco, Mozambique, Paraguay, Peru, Suriname, United

9 April 20th, 2020. Consultation system available at https://concordia.itamaraty.gov.br/pesquisa?tipoPesquisa=2&TituloAcordo=acordo%20de%20cooperacao%20e%20facilitacao%20de%20investimentos&TipoAcordo=BL

Arab Emirates, and Uruguay). In 2019 alone, three new agreements were signed by President Bolsonaro. The most current one was signed with India, in January 2020.

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Securing Afghanistan through South-South Cooperation Support

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Abstract

This study examines the security issues and challenges that Afghanistan is facing over the recent decades and how South-South Cooperation can help in ending these challenges and bringing peace to the country. Through this study, we can figure out that one of the main challenges that threats Afghanistan's future is lack of peace and security issues. The peace process would not be possible without the support of the international community and South-South Cooperation where international aid and support have made an immense alteration in the country and substantial improvements in development outcomes have been observed in Afghanistan. We propose a methodology of North-South-South collaboration where created nations intently cooperate with the creating scene to help least created and war-torn nations like Afghanistan.

Keywords: Afghanistan; Safety; Developing; Triangular cooperation; South-South Cooperation

Introduction

Currently, Afghanistan faces security issues that are challenging, and indeed, rattling the democratic political system. The main security challenges of Afghanistan include; terrorism as a regional and international powers' tool to deter each other in Afghanistan, civil unrests resulting from a number of socio-political developments including ethnic

disagreements and national resource contentions, and considering the current status of Afghanistan, the developed nations should work with developing partners to assist war-torn countries like Afghanistan.

The Afghan civil war was an example of such a security breakdown resulting from failure to manage ethnic and social problems. Recent international debates have also raised the need to see security in the broader sense as the struggle to secure the most basic necessities of life; food, fuel, medicine, and shelter.

This broader human security is important for the attainment of physical and national security and overall peace and development as social unrests arising from security have been one of the main concerns of the Afghan governments during the course of the history of the country. Part of this problem goes back to the authoritarian nature of the government in Afghanistan in the past. Although, the Afghan government approach to security has changed in terms of policy during the recent years and the space has been open for constructive dialogue between the government and its political opposition groups, the tendency for completion to escalate to conflict is high due to weak institutions to manage the competition in the country. And the ultimate solution to put an end to this problem is to turn democracy into a culture and way of life acceptable and workable for the people of Afghanistan.

Over the past thirteen years, Afghanistan has become a center of international cooperation. More than fifty countries, along with many international and regional organizations, have been partnering with the Afghan government to secure and develop Afghanistan. These countries and organizations

represent both the Global South (developing & least developed countries) and the Global North (developed countries), in an unprecedented environment of international partnership to support the stabilization and reconstruction of Afghanistan.

The current talks between the representatives of the Taliban and the US Government in Qatar are an important step but peace and stability are still beyond reach. Afghanistan's reconstruction and durable development require a satisfactory level of security and tackling issues such as unemployment, corruption, and armed violence.

Social conditions of Afghanistan

The social and economic development of Afghanistan is progressing slowly as it has been significantly hampered by the last 36 years of war, conflict, invasion, and occupation.

As the SCA (2018) points out:

> Any statistics on Afghanistan are approximate at best, principally due to two factors. One, we do not know how many people live in the country. The difference could be 7-8 million, depending on the source, which means that all statistics where one variable is the population will show an automatic error rate of 20% - 25%. And two, that statistics collection methods are extremely inadequate - often consisting of surveys in only 8-10 districts (of 360) which are then inferred to cover the entire country.-

Afghanistan is the world's 169th poorest country out of 187 using the UN Development Program (UNDP) (2018) Human Development Index and is ranked as Asia's poorest country.

According to the World Bank (2019), one-third of the population lives on an income of less than USD 100 a month, the average income in 2014 was USD 670, and Afghanistan came 171st out of 191 countries in the world. In Sweden, the average income in 2014 was USD 61 600 and in neighboring Pakistan, USD 1 410.

The majority, 70% of the population, lives in rural areas outside the cities and semi-urban centers. Approximately 4 of 5 poor people live in rural areas. According to a government survey in the mid-2000s, about one-third of the population has agriculture as their main source of income, about half of those living in rural areas. Around half of the farmers engaged in agriculture are subsistence farmers. Many also practice animal husbandry. There are also about 2.5 million nomads, some of whom have settled permanently (SCA 2018).

According to the World Bank (2019), 96% of public spending in Afghanistan in 2013 was financed by foreign donors. In January 2014, the US Congress took a decision to halve American aid, which accounts for a considerable share of financial support to Afghanistan.

Nonetheless, since 2002 increasingly people have gained access to social services. Substantial social progress has been made especially in education, health, and communications. Women and girls are taking their place in public life, even if the process is slow and there is a long way to go to equal participation in life outside the home. Afghanistan is evolving toward a more modern society, but the pace of development differs in different parts of the country, especially between urban and rural areas (SCA 2018).

There are many sources of concern for the future. How much of the progress made in the various sectors can be maintained in the future when foreign aid is reduced?

Nationally, severe poverty has declined slightly in recent years. However, in north-eastern Afghanistan, it has increased dramatically (from about a third to half of the population), while poverty was reduced in the north and the west. The number of urban poor has increased, although the gap between town and country at large remained constant. One reason is that many poor people moved to the cities. The poorest areas are in the mountains in the northeast, east, and west central regions, where half of the country's poor live.

In comparative studies of social conditions in 2008 and 2012, many in both poor and non-poor families have improved living conditions in the form of access to clean water, sanitation, and electricity; more heads of families can read and write and all minor children are attending school. Meanwhile, the gap between the number who gained access to social services among the poor and better-off families increased. This while there was increased access in both groups. The expanding gap between poor and better-off in society is very obvious as it concerns access to education (SCA 2018).

According to the World Bank (2019), income inequality increased. Between 2008 and 2012 the situation for the poorest 20% of the population deteriorated, while the wealthiest 20% improved their living conditions.

All these problems are the scenario that has allowed the emergence of the main security challenges in Afghanistan.

The security challenges of Afghanistan's reconstruction and development

Since 2001 numerous remaking and help endeavors have been conducted in Afghanistan but their genuine effect is constrained by the security setting and debasement. Outside fabric and monetary help were influenced by theft and misappropriation. Numerous illustrations can be effortlessly found in Kabul or all over the nation. In Kabul's Parwan-e-seh locale, the main street was in an awful shape and looked as in the event that it had been built amid the 1970s or the 1980s. Agreeing to a few neighborhood inhabitants, the street had been built during the 2000s and the principal cause of its despicable condition was debasement: the street was 9 cm-thick, whereas it was assumed to be 18 cm-thick and its support was nearly nonexistent. In numerous rustic localities, schools were built with the money related to bolstering from remote nations, NGOs or organizations but an imperative portion of these reserves have vanished. As a result, these schools are frequently unfinished or gravely built buildings where the furniture, windows, warming framework, decent toilets or electricity are missing (Jacquet 2019).

The current security setting is basic, the Taliban controls from 44% to 61% of Afghan locales and the Islamic State is conducting fear-based oppressor assaults within the nation. The current transactions are an imperative step but their result will not bring a steady and prompt peace. A division of the Taliban has embraced this handle and concurs to participate in it as the complete Taliban development remains partitioned. A few Taliban groups need a full withdrawal of outside troops and of all remote nearness, as well as the resignation of the current Afghan government.

This precondition cannot be fulfilled because it would put the current Afghan government in danger and trigger an unused stage of struggle. Such plausibility would not make an appropriate setting for recreation. In addition, since the drop of its Syrian and Iraqi Caliphate, the Islamic State has found a modern force in Afghanistan and a few Taliban groups have vowed steadfastness to Abu Bakr al-Baghdadi, whereas others deny doing so and are involved in a fierce competition with ISIS.

Thus, this peace agreement depends on the political order of Afghanistan, which is a precondition for reconstruction and development. For the stability agreement, it must be satisfactory to all parties. It should be remembered that all Afghan parties to the agreement have ties to foreign and neighboring countries, so they should reassess their agendas and interests in Afghanistan. Common interests and a joint approach must be sought, at least in the basic elements such as the reconstruction of the country. It is the only way to guarantee a sustained rebuilding process (Jacquet 2019).

Rural areas deserve special attention. The country in general and rural areas in particular, has the agricultural sector as its most important sector and base of the economy. Agriculture must be supported, especially concerning the eradication of opium poppy cultivation. The elimination of this crop must be accompanied by assistance to farmers in their transition to legal cultivation. While significant efforts have been made to transition to legal crops and opium poppy production has declined, results are limited by corruption, widespread poverty, threats from criminal gangs, corrupt officials, or Taliban commanders against farmers (Jacquet 2019).

Taking into consideration such challenges, a few specialists contend that opium poppy development and

opium production ought to be permitted which agriculturists might lawfully offer their production to the pharmaceutical industry. Such an elective may give steady incomes to a portion of Afghan country populaces. Additionally, education and professional training play a preponderant role, especially in areas that provide material support to the country, such as agronomy and engineering.

Moreover, the reconstruction and improvement of Afghanistan will advantage from the Belt and Road Initiative, China's modern Silk Road, but it requires as well genuine security enhancements and a coherent territorial approach from remote and worldwide powers. The new Great Game in Central Asia that opposes the USA to Russia and China could, in this viewpoint, anticipate Afghanistan from harvesting the benefits of exchange with China and prevent its advancement. Competition between worldwide or territorial powers can take a savage frame, particularly when it will come to the control and the abuse of deliberately mineral assets and rare-earth components whose esteem seems to reach $3 trillion.

The current energy and mineral international market characterized by increased demand from traditional and emerging powers, in a scenario of finite and scarce resources, has become a generator of tensions, and Afghanistan has not been exempt. Competition for these Afghan resources can hamper already weak governance, promote corruption and accentuate the so-called resource curse.

Mineral assets are a vital resource for the nation and its improvement but the nearby mining industry is dark and Afghanistan's Ministry of Mines and Petroleum is influenced by debasement. Besides, unlawful mining benefits different criminal packs and the Taliban. Therefore, as Jacquet (2019) highlights:

> State control upon this sector should be increased, sound legal standards should be enforced, corruption should be punished and transparency should be supported. Moreover, there should be a comprehensive and coherent strategy ensuring that Afghanistan will not just own its resources but it will also use the revenues generated by minerals or oil for its development and reconstruction.

Additionally, there is needed to be a multidimensional methodology taking into consideration these issues and bolstered by the United Nations, outside powers included in Afghanistan and territorial powers or neighbors. In arrange to succeed there ought to be a common and profoundly modern approach whereby remote powers and territorial powers ought to discover common ground and common objectives or at the slightest, interface. Afghanistan is influenced by the geopolitical competition contradicting the USA to Russia and China but too by the US-Iranian emergency, as well as the Indo-Pakistani contention. Iran and the previous Soviet republics of Central Asia (Kazakhstan, Turkmenistan, Uzbekistan, Tajikistan, and Kyrgyzstan) ought to be included in this joint approach. Saudi Arabia and Qatar ought to not be cleared out aside but the impacts of their past impact and their future part ought to be addressed. This approach is clearly as well idealistic but the long-term improvement and steadiness of Afghanistan can be as it were guaranteed by a veritable commitment of all parties.

Role of Developed nations in Securing Afghanistan

Developed nations should work with developing partners to assist war-torn countries like Afghanistan.

Over the past thirteen years, Afghanistan has become a center of international cooperation. More than fifty countries, along with many international and regional organizations, have been partnering with the Afghan government to secure and develop Afghanistan. These countries and organizations represent both the Global South (developing & least developed countries) and the Global North (developed countries), in an unprecedented environment of international partnership to support the stabilization and reconstruction of Afghanistan.

It is obvious that unless Afghanistan is assisted in addressing the shared challenge of insecurity facing South Asia, the country and the region can hardly prosper together, for development can only take place in an environment of peace. This is a lesson that the Europeans learned the hard way, after the First and Second World Wars. Asia must learn from the Europeans and the many integrated mechanisms of cooperation, including the European Union, they have developed to ensure effective security and development cooperation with one another. These mechanisms underpin Europe's sustainable peace and prosperity.

In terms of development aid effectiveness, Afghanistan has mixed experience with the North and South countries in the donor community. Both sides have certain advantages and certain disadvantages. India and the United States stand out as two good examples. As a developing country itself, India has significant expertise and experience in poverty reduction and development with relevant application in Afghanistan. Similarly, India's approach to aid implementation is demand-driven, based on the specific needs of the Afghan government, in line with its development priorities (Mohammad 2014).

However, India lacks the kind of aid resources the U.S. as a developed country has at its disposal, while the U.S. lacks

India's relevant development expertise and experience in the Afghan context. Consequently, the U.S. government has relied on private contractors, which often waste aid resources and have proven counterproductive to the Afghan-U.S. shared objective of helping Afghanistan become self-reliant.

While Afghanistan strongly supports South-South development cooperation, Afghans believe that in a globalized world where interdependencies between the Global South and the Global North continue to increase only, we must begin thinking in terms of North-South-South cooperation. How does such necessary cooperation work in practice? Afghanistan's experience is instructive (Mohammad 2014).

Findings

One of the main challenges that threats Afghanistan's future is the lack of peace and security issues. The peace process might not be possible without the support of the international community where international aid and support have made an immense alteration in the country and substantial improvements in development outcomes have been observed in Afghanistan and particularly in expanded access to water, sanitation and electricity, education, and health services, macroeconomic management remains strong, government revenues have grown consistently since 2001 but, at the same time, Afghanistan continues to experience insecurity and political uncertainty which is the biggest challenge, hence to address this issue the government of Afghanistan does not only need the international support but also the South-South Cooperation's back.

At the moment the negotiations between the US and the Taliban have concluded by the signing of the "Agreement for

Bringing Peace to Afghanistan" on February 29, 2020, but the process of a political settlement is only beginning. Meanwhile, the duration and extent of continued international security support are being questioned. Current international security and civilian grant support pledges are due to expire in 2020, creating uncertainty regarding future aid levels and the sustainability of security and development expenditures, and Afghanistan is in very need of international community support especially the South-South Cooperation support.

Recommendations

We propose a methodology of North-South-South collaboration where created nations intently cooperate with the creating scene to help least created and war-torn nations like Afghanistan. This is a win-win for everybody, with the focus on recipients profiting the most regarding help adequacy. Only a model, for the expense of flying ten Afghan experts right to the U.S. or on the other hand Europe for preparing, beyond what 100 Afghans can be prepared significantly more expense adequately in India or Indonesia.

The Afghan government looks forward to working with its South-South Cooperation accomplices to recognize territories of collaboration where their inclinations merge and to make the best of one another's guide assets and specialized abilities to make sure about the fate of Afghanistan in a progressively serene and prosperous world.

The South-South cooperation can also play a key role in the upcoming pledging conference of Afghanistan that is going to be held in November 2020 by providing its commitment towards Afghanistan's peace and security.

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South-South cooperation in Madagascar's development: the cases with India and China

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Abstract

South-South cooperation is becoming one of the main subjects in the field of international development, and particularly in order to reach Sustainable Development Goals (SDGs). Within this international partnership, this cooperation is considered as a means to contribute to the development of Southern countries such as Madagascar. However, the adoption of the SDGs has led to seeing development more as an aspect of cooperation than as a traditional approach to development assistance. Thus, marking the concerted action by the international community to achieve certain common objectives in terms of sustainable development, public development assistance from South-South cooperation is progressing step by step and will play a key role in the implementation of the 2030 Agenda and the achievement of the SDGs.

Key words: Development, South-South Cooperation, South countries, Madagascar.

Introduction

Madagascar has faced tumultuous instability over the years. The political crisis in 2009 has negatively affected economic growth and development efforts, and strained Madagascar's relations with international donors. However, it has been recognized that the return to constitutional order in 2012 has fostered cooperation which allowed an economic revival and recovery of an alarming socio-economic situation. Thus, the increase of international partner's supports demonstrates that Madagascar is once again a favorable environment conducive to foreign investment. As a result, the quick economic recovery was seen as a sign of confidence by the public and foreign investors to the government.

This research aims to answer the question: Does South-South cooperation (SSC) contribute to the development of Madagascar? As part of the study and research, the research methodology adopted is: a) consultation of documents on South-South cooperation; b) review of literature; c) meetings with Officials in charge of international cooperation especially South-South cooperation, and c) data and information collection at the concerned Departments in charge of the management and coordination of aid, with the Embassies, especially, China Embassy and India Embassy.

Theoretical framework of South-South Cooperation

The post-war context changed the international situation. The onset of the Cold War further split the world into blocks and shook a political slump that led to decolonization. This is how a movement emerged from the South, the Global South.

From a political and economic point of view, the rise of the countries of the South in the ranks of world power is meteoric. China, India, Brazil, and South Africa are models that have reached a remarkable and unique level of development. Despite the bipolarity of the world scheme, the institutionalization of the Southern system has enabled these countries to assert themselves in the global geopolitical arena. The Bandung Conference (1955) is a turning point for South-South Cooperation. It has in fact made it possible to lay the foundations for cooperation as well as decolonization. However, it is important to point out that several southern countries are already independent even before the Bandung Conference. These are Afghanistan, Egypt, India, Indonesia, Lebanon, Libya, etc.

Thus, unlike traditional cooperation, the SSC is guided by the principles of respect for national sovereignty (national territorial integrity, non-interference in domestic affairs), non-conditionality, national ownership and co-responsibility.

So, SSC is a form of cooperation particularly relevant for developing countries to find solutions and opportunities in order to deal with common development challenges. This cooperation can cover different areas which is governed by principles.

Thanks to their non-membership in the United States' capitalist bloc nor the USSR's Communist bloc, the South countries could maintain their political and economic independence (Xiaoyun LI and Jin XIAO 2017).

Noting the hegemony of Western countries within the newly created global institutions, the countries of the South have particularly expressed their interest in promoting development cooperation. Indeed, the International

Monetary Fund (IMF) and the World Bank are all under Western leadership. The objective of this cooperation between countries of the South was therefore a question of political, economic and social independence to the detriment of Western countries.

By the way, in the 1980s, the IMF put in place draconian political and macroeconomic conditions for countries wishing to receive loans from this institution. Nevertheless, political and economic repercussions were felt in certain countries after they had implemented the desired measures. For a few years now, due to its experiences, the IMF has established relaxed measures and conditions are set on a case-by-case basis according to each country. If the country does not meet the minimum requirements, the institution suspends its aid.

The conditions imposed by the IMF consist of making political and economic reforms. These reforms will help fill the gap that led the country to request IMF loan financing and repay the organization at the same time. The aid also consists in balancing the balance of payments without hampering the development of the requesting country.

SSC Swot analysis	
Strengths	Weaknesses
· Experiences and sharing of good practices · Diversified of resources (economic, cultural, human, technological)	· Embryonic system despite the progress of some southern countries · Lack of synergy for effective coordination · Lack of financial resources to sustain partnerships
Threats	Opportunities
· Political crisis and internal disturbances · Influence of northern countries in the conduct of international business (trade, finance, logistics)	· Rise in the strength of Southern countries · International openness through globalization · Adoption of internal policies aimed at opening partnerships between countries of the South
Source : Authors' interpretations	

Outcomes

The development assistance is important for Madagascar's development especially for its economic recovery and for its fight against poverty. However, only some improvements have been noticed over the course of a decade.

Obtained results by Madagascar through the South-South Cooperation

Given the circumstances, the Malagasy population, and particularly the low-income social stratum, is economically and socially vulnerable. It had to adapt to health measures including confinement, and restrictions on economic activities.

Before the coronavirus pandemic, Madagascar recorded sustained growth (4.4% in 2019) with the development of tourism, the increase in investments and exports, as well as the progress of reforms. However, the global health crisis has shaken up activities and socio-economic progress. GDP per capita has currently decreased to 503 USD in 2020, while it was 537 USD in 2019[1] (Ministry of Economy and Finance 2020).

The recession is felt right down to households, so much that it is similar to the cyclical crises that Madagascar often faces. To illustrate, economic growth for 2020 would be -3.8% (Ministry of the Economy and Finance 2020). In addition, other factors further slowdown development, including climatic hazards: cyclones, drought, and famine, particularly affecting the population of the South. On average, three cyclones ply Madagascar each year.

In terms of the human development index, Madagascar is among the lowest in the world. Madagascar is ranked 164th out of 189 countries and territories, with a score of 0.5282. Despite this, the country has made clear progress in 30 years: increasing life expectancy from birth, access to education as well as GDP (UNDP 2020).

Thus, unemployment, loss of income, social concerns, continued inflation with the gradual depreciation of the ariary, are the situations requiring emergency measures. Government initiatives are multiplying so Madagascar can resume the path of growth. It should be noted that Madagascar has an even

1 Ministère de l'Economie et des Finances. (2020). Projet de loi n° 016/2020 portant Loi de Finances pour 2021.

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lower income in 2010 than compared to 1960[3] (World Bank Group 2015).

In fact, different actions are to be undertaken: health and food emergency measures, short and long-term socio-economic reforms for sustained growth. For the year 2021, the Malagasy authorities are forecasting a very ambitious growth rate of 4.5%, and a limited monetary depreciation of 3.936.7 ariary (Ministry of Economy and Finance 2020).

According to its history, SSC between Madagascar and its partners is still in an embryonic phase. Indeed, SSC represents about 26% of Official Development Assistance. Madagascar's partners are China, Egypt, India, Indonesia, Thailand, and Morocco. Among these countries China and India are Madagascar's main partners. By all means, Madagascar is also a member of many international organizations in the political and economic fields such as the African Union (AU), the Common Market for Eastern and Southern Africa (COMESA), the Southern African Development Community (SADC), the Indian Ocean Rim Association (IORA), and the Indian Ocean Commission (IOC).

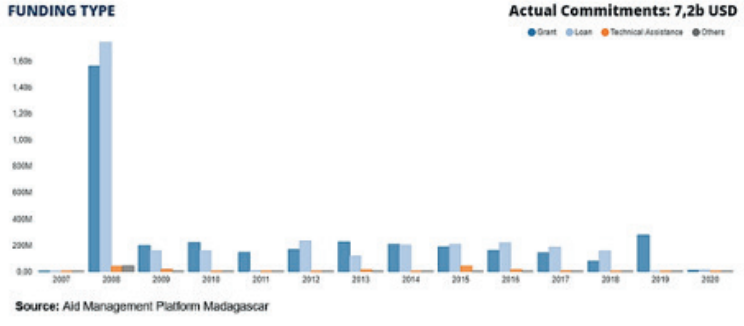
Within the framework of SSC, several areas of cooperation can be considered by the Stakeholders. Without being exhaustive, it may involve financing for development projects, technology transfer, donation of materials and equipment, capacity building (through agricultural, fishing, farming, military, environmental training, etc.) as well as the granting of scholarships for students. In addition, SSC contributes to the socio-economic development, particularly by supporting the actions of Madagascar within the framework of the SDGs' achievement. It is important to specify that the ambitious and

3 World Bank Group (2015). Madagascar Systematic Diagnostic. Available at: https://openknowledge.worldbank.org/handle/10986/23113

transformational 2030 Agenda for Sustainable Development is hard to achieve without the synergy of the Global South. In recent times, it appears that development projects have taken into account the eradication of poverty, including health, income, education. The aid granted is not always intended to fight against poverty or to improve the economic development. If used properly, through the existence of an action plan, its impact can however be significant.

The following sectors can be presented here after:

- SDG 2: End hunger.
- SDG 3: Promote health and well-being.
- SDG 6: Guarantee water and sanitation, sustainable water resources management.
- SDG 9: Build resilient infrastructure, promote industrialization and encourage innovation.



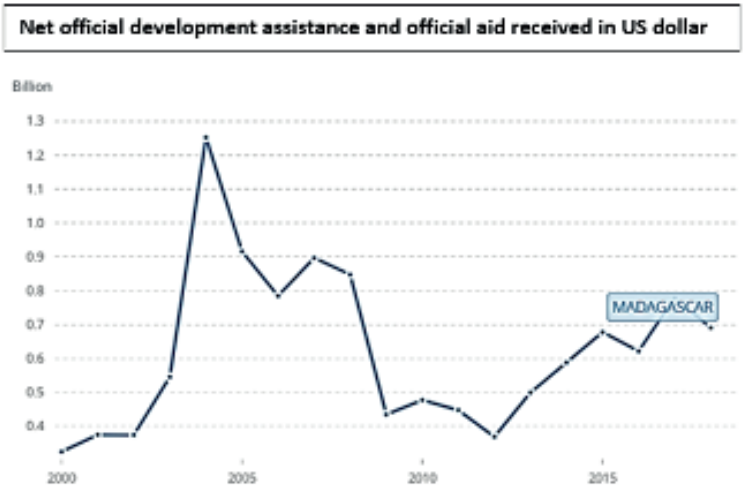
Source: Aid Management Platform Madagascar

Despite government efforts to develop the country, major obstacles in two axes have been identified:

- Connectivity at regional and national levels: These include, among other things, road construction projects that take a long time to happen despite

the importance of the investments. As a result, the inaccessibility of roads for transporting goods is a recurring situation that farmers constantly face. In addition, access to energy and water, a basic source of household fulfillment and development, is still low. In general, 13% of the population has access to electrification while the rural electrification rate is currently 6%[4] (World Bank, 2020) and the rate of access to drinking water is 35%[5] (Lovy Rasolofomanana 2019).

- Development of human capital: Labor is a key factor in productivity. In spite of this, the human factor is facing a crisis: accessibility to basic and higher education, the development of scientific research, the match between training and employment, the quality of health services.



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South-South Cooperation: Madagascar-India

As highlighted, India is one of Madagascar's main partners. This great Asian country of India has had strong historical links with Madagascar since the end of the 18th century. In fact, since the establishment in the 18th century of the first Indian traders in Madagascar, the Indian community has taken a significant place in the world of business and commerce. This rise was especially observed towards the end of the 19th and the beginning of the 20th century.

Currently, there are approximately 17,500 people of Indian origin in Madagascar, including 2,500 people with Indian passports. The Indian community mainly carries out its activities in the field of industry, commerce, or real estate. The settling of the first Indians in Madagascar, particularly those coming from Gujarat, dates from the 1780s. Large-scale international companies have also emerged thanks to investments made by Indian families, and which have been continued from generation to generation.

Thus, while preserving and promoting Indian cultural values, the Indian community, as well as the diaspora, plays a very important role in the socio-economic development of Madagascar. Diplomatic and consular relations in India and Madagascar began in the 1950s. The Indian Government opened a Consulate General in 1954. Upon Madagascar's accession to independence, the Consulate General became an Embassy.

India and Madagascar have an excellent diplomatic relationship. The two countries support each other in several areas. Although the political change that took place in 2009, Malagasy Authority was not supported by the overall international community. Nonetheless, the return

to constitutional order in 2014 made it possible through a come-back to a context of normality.

Nowadays, the results with India are positive. The Honorable Nath Ram Kovind, President of the Republic of India, visited Madagascar from March 14 to 15, 2018. During the said visit, bilateral agreements were signed by the two parties including the memorandum of understanding in the field of defense cooperation.

The Government of Madagascar has supported India's candidacy for a permanent member of the United Nations Security Council, as well as other candidacies in UN and international organizations (India as observer to the IOC, and Djibouti Code of Conduct).

The Government of India for its part is assisting Madagascar with donations, training, and economic development.

Disaster relief assistance

Following the visit of the President of the Republic of India to Madagascar, the Government of India made a donation of two million dollars to meet the needs of the Natural Disaster Management Agency of Madagascar (BNGRC). Madagascar had a difficult year in 2017. After the passage of cyclone ENAWO, the plague as well as the famine (particularly in the south of Madagascar), a donation of 1000 metric tons of rice and 100 tons of medicines was accorded by India for the benefit of the Malagasy population. In January – February 2020, with the "Operation Vanilla" undertaken by the Indian navy ship Airavat, India gave assistance in order to rescue the Malagasy flood victims in the northern part of Madagascar caused by the passage of Cyclone DIANE by setting up a

medical camp with relief materials, temporarily providing food, water. India delivered also materials (February 2020) and donated 600 tons of rice (March 2020) to support the heavy flood victims at the beginning of 2020. Among others, in May 2020, more than 300 kilos of medicines have been delivered to Madagascar to deal with the coronavirus pandemic, as requested by the Malagasy government. Nevertheless, aid following natural disasters cannot be considered as reducing poverty. It has been noted that in remote localities, the population victim of natural disasters awaits aid in order to meet their daily needs.

Development assistance

India constantly supports Madagascar in its development process as enhancing rice productivity initiatives. In fact, India approved (2019) 80.72 million line of credits to support four regions' rural development (irrigation and farm mechanization). Also, Indian and Malagasy Government set up since 2018 a Centre for Geo-informatics Applications in Rural Development.

The table below shows India's support under SSC for 2017

Cooperation Type	Title of the initiative	SDGs	Start Date	Completion Date	Amount (US$)
Economic Cooperation	Project for the acquisition of plant equipment and accessories as well as the construction of two fertilizer plant buildings	2 : Zero Hunger	August 2017	December 2017	2 500 000,00
Source: STPCA – Madagascar					

Capacity building assistance

Established in 1964, the ITEC program is one of the pillars of India's contribution to SSC. 158 countries from Africa, Central and Latin America, Eastern Europe, the Pacific participate in this program managed by the Indian Ministry of Foreign Affairs to support the needs of developing countries. It should be noted that the ITEC program covers donations of equipment, the deputation of Indian experts to partners countries, disaster support, personal training (civil and military), study trips. The ITEC program is an ongoing program which mainly supports the capacity building of the Malagasy public administration

So, under technical cooperation, India provides training for Malagasy citizens. Below the summarize of training funded by India from 2016 to 2019:

Scholar-ship	Year (allotted and utilized)							
	2016-2017		2017-20118		2018-19		2019-20(up to 31 Dec, 2019)	
	Allotted	Utilized	Allotted	Utilized	Allotted	Utilized	Allotted	Utilized
ITEC	50	66	70	80	80	97	107	60
IAFS	-	78	-	29	-	19		9
CV Raman	1	1	1	1		0	--	
FSI Course	-	01	01	01	01	01	01	0
ICCR	12	17	12	3	12	10	12	7

Source: Embassy of India to Madagascar

As shown in the table, the places allocated to Madagascar increase over the years. This demonstrates the mutual interest in the desire to promote a relationship of technical cooperation and the sharing of experience and good practices.

South-South Cooperation: Madagascar-China

Ranked as the second-largest economic power and the world's largest industrial power, China currently ranks first in merchandise trade. Faithful to its political system, China has taken a giant leap in development since the founding of the People's Republic in 1949.

Sino-Malagasy diplomatic relations were established in 1972, while the commercial partnership dates back to the 14th century. China has become one of Madagascar's key partners, and is helping in many areas.

Cooperation efforts between the two Parties are mainly concentrated in the sectors of education, health, agriculture, livestock, infrastructure, industrialization, youth promotion, sport, and trade. It should be pointed out that trade between the two countries is booming. In 2018, China represented 14.1% of Madagascar's foreign trade, or 977 million USD[6].

The table below gives some illustrations of China's support under 2017 SSC

Cooperation Type	Title of the initiative	SDGs	Start Date	Completion Date	Amount (US$)
Transfer of technology	Donation of drugs and medical materials	3: Good Health and Well-being	January 17	December 17	213 151,44
Project financing	Donation of rice	2: Zero Hunger	January 17	December 17	4 567 530,95
Transfer of technology	Technical cooperation of the Mahamasina Sports Palace (10th phase)	9: Industry, Innovation and Infrastructure	January 17	December 17	22 837,65

6 Available at: http://mg.mofcom.gov.cn/

Transfer of technology	Donation of materials for disaster victims for the Natural Disaster Management Agency of Madagascar (BNGRC)	3: Good Health and Well-being	January 17	December 17	456 753,09
Transfer of technology	Technical cooperation of the Ivato International Conference Center (4th phase and 5th phase)	9: Industry, Innovation and Infrastructure	January 17	December 17	346 371,10
Transfer of technology	Technical Cooperation of Anosiala Hospital (Phase I)	3: Good Health and Well-being	January 17	December 17	369 843,18
Source: STPCA – Madagascar					

For reminding, the SDG 3 aims to achieve food security and improve nutrition and agriculture. As Madagascar is facing starvation and drought (Kere), the authorities and partners of the "Great Island" are working to tackle these issues and concentrate cooperation efforts in this area. As a matter of fact, it contributes to poverty alleviation and food security in Madagascar.

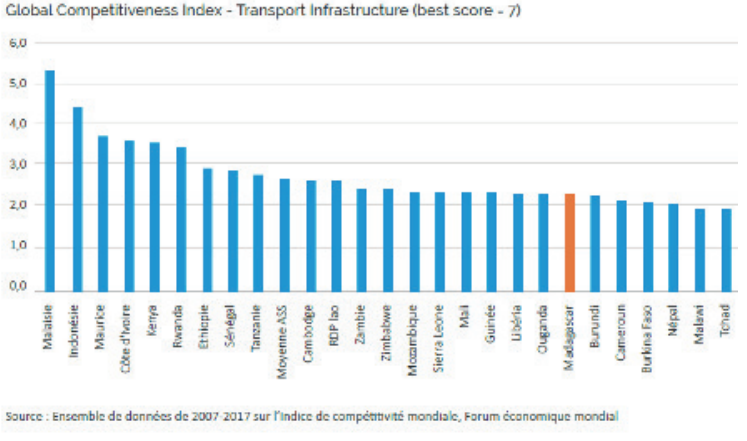
During this year, it emerges that as of April 2020, around 1.6 million people are facing famine and that 500,000 of them suffer from severe food insecurity requiring urgent assistance. In another hand, an agricultural sector development project has been concluded in 2019 between the Malagasy Ministry in charge of Agriculture, Livestock and Fisheries, and the Chinese Ministry of Agriculture and Rural Affairs. The project, for a period of two years, is estimated at 1,435,055 USD. This project consists of initiating the

Malagasy population in hybrid techniques and supporting local production for rice cultivation, initiated in the Alaotra region.

Especially to end hunger, the promotion of China's hybrid rice in Alaotra has been steadily contributing to increase the overall food production in the country. For livestock, the partnership looks for animal health and breed improvement. This Sino-Malagasy partnership aligns with government policy on agricultural development.

We can also mention that China funded an aid project for 200 boreholes to provide drinking water for 200,000 people in the Atsimo-Andrefana and Menabe regions (South and West part of Madagascar).

Road construction and rehabilitation are currently ongoing projects. Hereby presented the Madagascar's Global Competitiveness Index for the Transport infrastructure:



Source : Ensemble de données de 2007-2017 sur l'indice de compétitivité mondiale, Forum économique mondial

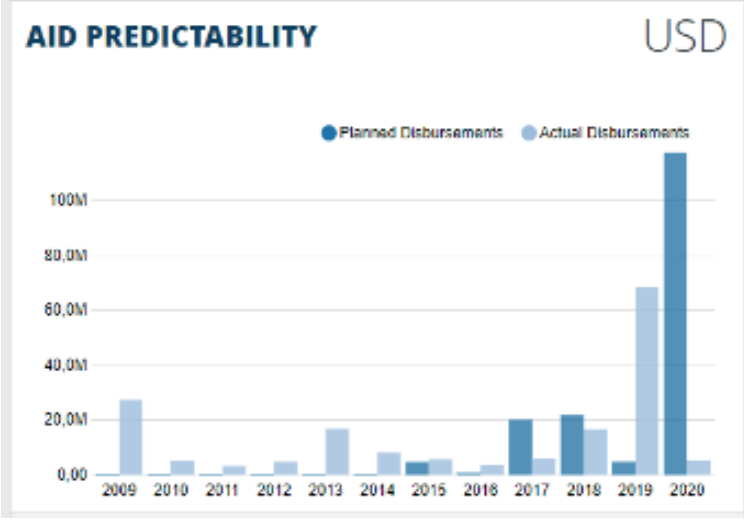
Nowadays, the road connecting the city of Ambilobe to the city of Vohemar (national road n° 5A, northern part of Madagascar), about 151 km, is currently being built via a concessional loan granted by China. The works are being carried out by the company "China Road and Bridge Corporation", and are scheduled to be completed in 2021. Also, the expressway of Toamasina, from the Port to the national road n°2, is approximatively 9,8 km (4-lane highway, two-way).

The funding comes from China's government (EXIM Bank of China) through a preferential loan worth 205.5 billion Ariary refundable within 30 years with a 1,5 % interest rate.

The construction of the "egg road" (Mahitsy, 30km northwest of Antananarivo) is supported by the Chinese government. This 19km project connects numerous rural communities and constitutes a very important axis for the local and national population: 40% of the eggs produced there are consumed nationally. This will therefore strongly support the economy and the development of agriculture and livestock as a whole.

Source: Aid Management Platform - Madagascar

So, as shown in the graph below, China provides support particularly in the infrastructure, then social, administrative, and productive sectors:



Source: Aid Management Platform - Madagascar

Over the past three years, China has increased its support assistance. Notwithstanding, the context of COVID-19 has upset forecasts and spurred investments.

In the field of medicine, China has funded a project to establish a traditional Chinese medicine center within the Anosiala Hospital Center. The practice of traditional Chinese medicine can greatly contribute to the development of the local health system. "At only $22 per day, the Malagasy national health system is among the worst funded in the world" [7] (World Health Organization 2014).

7 Available at: https://www.earth-changers.com/purpose/health-well-being

Recently, on December 11, 2020, China offered a donation of materials and basic necessities worth 140,000,000 Ariary, in favor of the famine victim in Southern Madagascar. This action proves the sympathy and support of the Chinese Embassy in Madagascar to the Malagasy people.

Discussions and recommendations

Technical assistance, advisory services, and the sharing of good practices and experiences from China and India with Madagascar are the backbone of this cooperation and can lead to the development of the country through the relationships and interactions between partner countries.

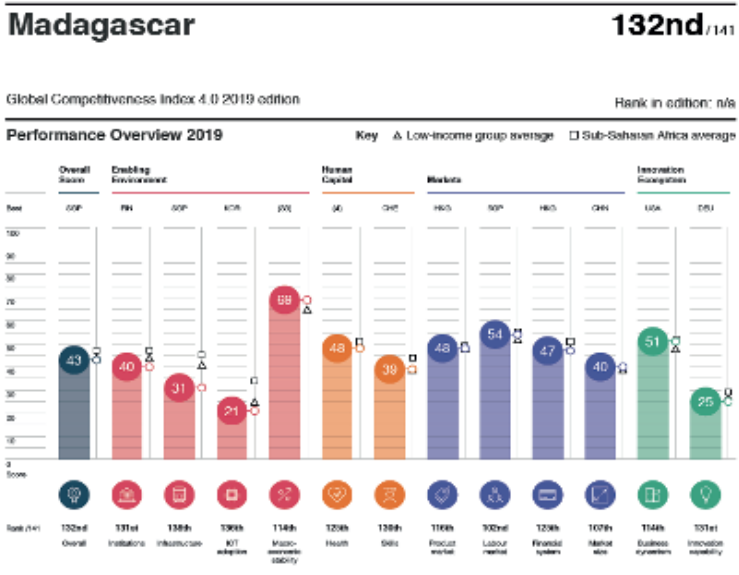
However, even if China is classified 28th rank and India 68th rank in the Global competitiveness index, Madagascar is only ranked 132 out of 141 countries in 2019 [8] and the poverty rate is very high.

Madagascar is considered as one of the few countries in the world that have experienced a significant decline in socio-economic development without the country experiencing war or major internal unrest. The current level of development is considered to be even lower than when Madagascar achieved independence: 77.6 % of the population lives in extreme poverty, with less than 1.90 USD[9] per day (World Bank 2020). Finally, Madagascar has a corruption perception index that is deteriorating, with a score of 24/100 for 2019[10] (Transparency International 2020).

8 Global competitiveness index 2019, Word economic forum report

9 World Bank. (2020). Madagascar Country Economic Memorandum: Maximizing the Upturn to Foster a More Resilient Economy.

10 Transparency International. 2020. Indice corruption perception 2019. Available at: https://www.transparency.mg/ipc2019



Source: Global competitiveness index 2019, Word economic forum report

Taking into account all these indicators, Madagascar has a lot to do to solve the internal problems. In fact, the SSC is not the main solution. This solution should be found within the country with the commitment and the will of all development actors, in particular, the State.

Within the context of Madagascar's international policy, it would be appropriate to put in place a policy related to SSC in order to obtain the expected results in terms of economic diplomacy. In addition, it is necessary to bring together the actors of SSC for concerted action so that there is synergy in terms of actions, to determine the real needs and capacities of the country.

Indeed, SSC should aim to bring together partners to support development. This form of cooperation should be

an opportunity to diversify the development partners while promoting the capacities and opportunities expertise of Madagascar within the international context.

In the 1990s, development models were particularly reconsidered. The economic growth of China and India has prompted a rethink that development starts from a single model and on a case-by-case basis.

Concerning Madagascar's context and according to the above-mentioned SSC, the governance model must be revised. Everything stems from good governance. It is important to:

- Diversify technical and financial partners by reviewing possibilities of extending funding sources to ensure permanently the maintenance of infrastructures.
- Improve the quality of public transport (transport equipment and human capital).
- Rationalize investments dedicated to human capital, including the promotion of the gender and youth approach. The level of education is a key factor for development. Thus, increasing the level of education of women and girls may increase the level of human development, productivity as well as the level of income.
- Fight poverty sustainably and promote development, a holistic view of the subject: from health to education, to public administration governance is needed. Well-trained and healthy human capital is a development factor. China and India show interest and importance in their cooperative relations with Madagascar.

Conclusion

Despite huge efforts deployed by the Government of Madagascar for the cooperation to be successful, the main problems presented above do not allow to achieve the expected objective for efficient and effective SSC. In fact, bad governance represents a real threat to the SSC program implementation.

The number of problems encountered by the Malagasy government, in implementing SSC is among the main reason why Madagascar is ranked only 132 out of 141 countries in the Global Competitiveness Index (2019) compared to that of China and India classified respectively 28th rank and 68th rank despite a few years of cooperation and interactions.

To sum up, given that Madagascar remains an open country and the dynamism of development and partnership is evident, the successful outcomes in SSC should require the political will and the effective commitment of all stakeholders such as the State, teachers-researchers, administrative staff, and decision-makers.

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South–South Cooperation: A new development paradigm

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Abstract

The recent resurgence of the SSC and the growing activism of emerging powers within international institutions have sparked renewed interest in the historic promises of the SSC, reviving at some point the hope of a new phase of challenge to hegemonic policies and neo-colonialism of the global North and the building of alternatives to the dominant development model. This contribution argues that contemporary SSC no longer fits into the historic Bandung project and it is rather deeply embedded in the dominant neoliberal development paradigm. The new SSC rhetoric associates a new role to the State, specifically apolitical, and conveys a neoliberal conception of development problems as technical agenda. The principles of sovereignty and development as an emancipatory political project are abandoned. Furthermore, although they are draped behind a discourse of solidarity and respect of sovereignty, South-South relations only reproduce the same logic of the dominant neoliberal model with all its harmful social and environmental effects. Finally, despite their growing role in international institutions, the "emerging powers" aim less to challenge the dominant international order than to open a path for further integration into global capitalism and more active participation in a changing international division of labor thus reproducing the classic pattern of center-periphery polarization.

Keywords: Development paradigm, South-South Cooperation, BRICS, Global governance.

Introduction

In July 2014, a new step towards the construction of a multipolar world was taken with the meeting in Brazil of the BRICS (Brazil, Russia, India, China, South Africa), and the constitution of a new Bank and a Development Fund. These events were followed by a joint meeting of the BRICS, UNASUR (Union of South American Nations) and CELAC (Community of Latin American and Caribbean States). These initiatives bring together "emerging countries" with significant financial reserves with other countries, whose situation is less privileged, in a South-South relationship. This resurgence of South-South Cooperation (SSC) has sparked renewed interest in its historic promises to transform the world order (Gray & Gills 2016). The recent economic and diplomatic achievements of several key countries of the South have given impetus to a debate and a growing consideration of the potential of a new phase of challenge or construction of alternatives to hegemonic and neocolonial policies of the Global North.

SSC originally came from the Bandung Conference (1955), promoting a vision of emancipatory, State-led development. To this end, it envisioned a wide range of initiatives for economic, political, cultural, and technical cooperation among developing countries whose independence had not resulted in a fundamental improvement in their relative economic position. Dependency theories emphasized the persistence of asymmetries and systemic constraints that reproduced the international center-periphery hierarchy and hollowed out the sovereignty of Southern States reducing them to subordinate positions in the world capitalist economy.

Therefore, development (of the South) was conceived as a process that encompasses an enormous complexity of social transformations and referring to a long-term historical project aimed at liberating peoples and nations from the vestiges of colonialism, poverty, and underdevelopment. SSC aimed to pursue these historic changes through an approach of mutual benefit and solidarity among the disadvantaged in the world system and a transformation of the entire world order to reflect their mutual interest vis-à-vis the imperialist domination of the North. The SSC was fundamentally an anti-hegemonic political project.

The recent resurgence of SSC is in part linked to the relative rise of emerging powers, in particular, the BRICS (Brazil Russia, India, China, and South Africa) as assistance providers. The relative stability and economic growth have enabled many of these countries not only to reimburse their debts to international organizations such as the International Monetary Fund (IMF) but also to accumulate resources that they could direct towards development cooperation. (Abdenur & Da Fonseca 2013). These emerging actors often declare themselves as partners of SSC, opposing their practices to those of donors in the North and mobilizing a discourse based on solidarity, complementarily, and sovereignty.

However, in practice, contemporary SSC no longer embodies the radical potential of the original formulation. Conveying a depoliticized conception reducing development to simple actions of collaboration and expertise exchange, the SSC *« is little more than a liberal norm retaining only echoes of its origins in the 1955 Bandung Conference* » (Engel 2019). Moreover, far from existing separately and in antagonism with the traditional aid system dominated by the

North, the SSC is gradually internalized by this system while the principles of sovereignty and anti-hegemonic political solidarity, as well as the demands for a New International Economic Order (NIEO), have been lost. In other words, SSC started as a counter-hegemonic project but has evolved over time to become technically driven and depoliticized, much more in line with traditional aid practices (Morvaridi & Hughes 2018).

On the other hand, policies and ideology of neoliberal economic globalization reflected a deeply rooted faith in linear material progress, through innovation and application of modern science and technology, with the presumed ability to create unlimited increases of production. However, this optimistic paradigm of globalized economic development has both created and left unresolved many redistributive, socio-political, and increasing ecological problems and crises (Gills 2010). In a context of worsening inequalities, climate change, and intensifying ecological stress, the debate on development in the South and the nature and orientation of SSC takes on a new dimension. This requires in-depth reflection on the meaning of development and the search for alternative lifestyles and human relations with nature. The question is whether the recent resurgence of SSC is the bearer of a new paradigm which, in addition to historic promises of solidarity and mutual development, incorporates a new vision of the social and the relationship to nature.

One of the presumed indicators of the recent SSC resurgence is the increase of foreign direct investment (FDI) flows, in particular from the BRICS to the other countries of the South. These FDI have most often been accompanied by a tendency to accelerate the phenomenon of land grabbing and the expansion of extractive industries. Thousands of

hectares are transformed into monocultures with all the negative effects on the environment and local populations are evicted from their lands and pushed towards unemployment and poverty (Damtew 2019; Ferrando 2014; Sosa Varrotti & Gras 2020). In addition, the expansion of extractive activities with new unecological methods has resulted in very harmful environmental effects (Bernardi 2019; Cooney 2016; Deshaies 2016). These practices lead us to apprehend that South-South relations are always expressed in the classic framework of development with little or no consideration for ecological and social externalities, to say a modernization captured by the capitalist market logic.

In the Bandung spirit, and with the goal of completing the "Global South" emancipation, the request for a NIEO has been a major concern of the SSC. This NIEO was to be achieved through the reform of the institutions of world governance but also through the establishment of new international trade rules making it possible to break with the historically constructed center-periphery polarization. At this level, many observers see in the increasingly important role of the BRICS in international economic and political affairs a challenge from the South to world capitalism and the dominance of the hegemonic powers of the North. However, evidence shows that South-South trade only reproduces the traditional pattern of North-South trade (Nayyar 2016; Taylor 2016) while BRICS activism is less aimed at challenging the dominant international order than opening up space for further integration into global capitalism (Robinson 2015).

This contribution argues that contemporary SSC no longer fits into the historic Bandung project and it is far from setting the milestone for a new development paradigm in the South. Following this introduction, the first section

presents a brief overview of the historical evolution of CSS. The second section emphasizes international development cooperation. It explains how the adoption of a neoliberal conception of development as a technical agenda and the redefinition of the role of the State have contributed to the depoliticization of the CSS and its internalization by the traditional aid system. Drawing on critical literature relating to the recent resurgence of South-South FDI flows, the third section argues that the underlying conception of South-South relations is still expressed in the classical development framework, with little or no consideration for ecological and social externalities. The fourth section focuses on the role of emerging powers in global governance and their ability to challenge the dominant order. Finally, a few remarks are advanced as a conclusion.

A brief history of SSC

For more than six decades, the SSC agenda has been affected by several regional and international events (Cabana 2014). However, it can be argued that South-South Cooperation began with the "making of the Third World" as a group of countries that struggled to overcome their colonial heritage and were in a hurry to take sides in the Cold War (Escobar 1995). The historic 1955 Bandung Conference is rightly seen as the first step in the SSC formation as a global political movement intended to challenge the political and economic system dominated by the North.

Gathered in Bandung in 1955, delegations from 29 newly decolonized African and Asian countries affirmed the end of the colonial era and demanded the establishment of egalitarian relations with the former metropolises and equal participation in international affairs. The final *communiqué*

of the Bandung conference not only promoted technical cooperation among Afro-Asian countries but also defined a variety of areas in which participants agreed to expand economic and cultural cooperation and support their collective development. The goals of emancipation were also visible in the support for human rights, equality, state sovereignty, and non-interference in the internal affairs of countries. The latter point targeting not only the Cold War superpowers but also the colonial powers (Engel 2019). The nations gathered in Bandung have in effect rejected the model of colonial and semi-colonial globalization that the Western powers had constructed for their exclusive advantage. Overall, the Bandung Conference declared the will of the Asian and African nations to regain their sovereignty and achieve their independence through a coherent and self-centered development process for the benefit of all the popular classes, a necessary condition to escape the domination of the historic imperialist centers (Amin 2015).

It is in the "Bandung spirit" that the Non-Aligned Movement (NAM) was founded in 1961 at the Belgrade conference where 25 countries decided to escape the polarization logic of the Cold War. The NAM came to strengthen South-South solidarity, to fight against the worsening of global inequalities, and to face the imperialist hegemony of the North (Gray and Gills 2016). Emphasis was also placed on political solidarity, and the NAM countries unanimously supported peoples' struggles in remaining colonies (Portuguese colonies, Zimbabwe), and against apartheid in Africa and occupied Palestine. Thus, far from being a mere mechanism for technical and economic cooperation, SSC was more a political emancipation project.

As the first institutional framework, NAM was strengthened in 1964 by the creation, at the United Nations and in particular

at the United Nations Conference on Trade and Development (UNCTAD), of the Group of 77 (G77). The NAM and the G-77 were instances of political mobilization and collective bargaining where the demand for a new international economic order (NIEO) by the countries of the South was born. The objective was to complete the "emancipation" of the "Global South" by creating institutional frameworks, legal regimes, and redistributive mechanisms correcting historically constructed center-periphery disparities. The NIEO was to be achieved by correcting the imbalances in the terms of trade between the North and the South (UNGA 1974) and the recognition of countries' sovereignty over natural resources (Biel 2000). The calls to the NIEO succeeded in provoking «*a debate about the real and desirable basic structure of world economic relations*» which *«has ranged inevitably into domestic and transnational structural issues*» and «*mobilized a fresh challenge to the intellectual hegemony of liberal economics and its claims to an exclusive "rationality"*» (Cox 1979). In December 1974, the United Nations General Assembly adopted the Charter of Economic Rights and Duties of States and an action program for the creation of an NIEO was approved.

SSC emerged at a time when development thinking was supportive of such ideas and a vision of State-led emancipatory development (Rapley, 2002). It has been particularly influenced by structuralist and neo-Marxist dependency theories and the recommendations of the United Nations Economic Commission for Latin America (Bello 2004; Golub 2013). Therefore, it was a matter of promoting economic autonomy; tackle unequal trade, and regulate multinational firms while emphasizing countries' sovereignty over their natural resources and their right to nationalize key industries (Golub 2013). All this considered, the State should assume a major responsibility in the control of this process.

However, although it lasted more than 30 years, this initial period did not allow the countries of the South to achieve the hoped-for economic autonomy and political independence (Morais de Sa e Silva M. 2010). The results of South-South cooperation efforts have been limited to a few preferential trade agreements and a few development projects that largely involved China and India (Engel 2019).

Indeed, the process failed to have a "tricontinental" dimension and only brought together countries from Asia and Africa. The Latin American states, with the exception of Cuba, have remained on the sidelines and have been dominated by the United States through the "Organization of American States." Moreover, the Bandung-inspired experiences underestimated the fundamental importance of inventing superior forms of democracy, which in turn condition the management effectiveness in the economic and political spheres (Amin 2015). At the same time, a number of countries that joined NAM considered the possibility of further development within the framework of the deployment of the world capitalist system. It is also important to note that Bandung and NAM were fought by the imperialist countries. With the complicity of local reactionary forces, *coups d'état* were organized and put an end to a number of state systems inspired by Bandung and "national-popular" experiences (in Indonesia, Egypt, Mali, Ghana, and in other countries).

These factors, along with the specific contradictions to each of the different Bandung-inspired experiences, prepared the ground for the counteroffensive of the imperialist triad (United States, Europe, and Japan). This counteroffensive was clearly formulated in 1981 at the G7 meeting in Cancun, when Reagan, speaking about countries of the South and

the East, declared that «*we know what they need better than they do themselves*». The 1980s are indeed those of the ebb of the Third World and correspond to a period of demobilization in the history of SSC (Morais de Sa e Silva M. 2010). With the two oil crises of the 1970s leading to substantial increases in international interest rates, most developing countries entered the 1980s buried in foreign debt and racked with high inflation.

In this context, proponents of neoliberal policies and Bretton Woods institutions argued that the global economic crisis was the product of inappropriate national policies and distortion of the economy by State interference. As more developing countries sought IMF relief, structural reforms were imposed on them as conditionalities. These included opening their markets to international capital, privatizing State-owned enterprises, and focusing on the export of primary products. The priorities of developing countries became the fulfillment of a list of instructions prescribed by the international financial institutions on which they depended for external financing. The *bourgeoisie* of the countries of the South were thus in their majority "compradorized". They were ready to abandon SSC ideals and focus on their own enrichment and the debt crisis and structural adjustment disciplined those who did not repudiate these ideals and also many of those who did (Engel 2019). We, therefore, entered a second period, a world without Bandung dominated by the collective imperialism of the Triad (Amin 2016).

During this second phase, global cooperation was reduced due to the crises of the mid-1970s, the debt crisis of developing countries, and the neoliberal structural adjustment programs that followed (Washington Consensus). For SSC, this is a period that has seen its agenda atrophy, progress has been very slow and multilateral economic

cooperation between countries of the South has diminished (Kumar, 2008). Indeed, the countries of the South have been concerned about how to manage the negative impacts of structural adjustment such as the increase in inequalities and poverty and the dismantling of social services but also the increasingly uncontrollable movement of international financial flows that have contributed to serious financial crises (Morais de Sa e Silva 2010).

However, despite the contraction of the SSC, an institutional structure slowly developed with the Buenos Aires Plan of Action (BAPA) of 1978. BAPA was working for a change in approaches of development assistance and for strengthening the national and collective autonomy of developing countries as the foundation of a NIEO. Thus it is clearly indicated that «*the resultant Plan is a detailed blueprint for major changes in approaches to development assistance and for a dramatically heightened emphasis on national and collective self-reliance among developing countries as foundations for a new international economic order*» (UNDP 1978). BAPA was supported by the creation of a special UN unit for SSC.

Although counter-hegemonic ideals are clearly emphasized, SSC was reduced almost exclusively to technical cooperation programs among developing countries. The initial emphasis on cultural cooperation, the creation of progressive structures of global governance, and the struggle against northern hegemony have been lost. This corresponds to a shift of SSC from a counter-hegemonic ideal to a liberal norm based on the instrument of technical cooperation (Engel 2019).

Since the financial crisis of 2008 and the contraction of developed economies that followed, SSC has experienced

a new dynamic. This is evidenced by the increase in trade flows and foreign direct investment between the countries of the South. This resurgence of SSC is linked to the exhaustion of the neoliberal economic paradigm synthesized in the "Washington Consensus" and the failure of structural adjustment programs uniformly imposed "from above". Southern States no longer believe in universal recipes and are exhausted by economic and political conditionalities that undermine their sovereignty.

This renewed South-South activism is also a reflection of the accelerated growth of several emerging countries, mainly in Asia, and of the resumption of South-South diplomatic cooperation, which presents itself as a series of initiatives relaunching the challenge of the international order hierarchies. The "IBSA" initiative (India, Brazil, and South Africa), also called G-3, is characteristic of this. Launched in 2003, the IBSA aims to change international power relations in the areas of trade and security by combining commercial pragmatism with the invocation of the principles of free trade and third-world symbolism. This initiative was extended by the establishment of regional financial mechanisms to compensate for the shortcomings of the Bretton Woods institutions. The initiative later expanded to include Russia and China and formed the BRICS group. The group met for its first summit in 2009 in Russia and has since held annual summits.

On a strictly political level, one of the factors in the revitalization of the SSC is linked to the rise, in Latin America, of progressive governments, brought to power by a wave of popular protests against the impacts of neoliberal globalization and decades of neocolonial hegemonic domination of the continent and its countries by their

powerful neighbour the USA. Initiatives have thus seen days such as the Bolivarian Alliance for the Peoples of Our America (ALBA) founded in 2004, on the principles of solidarity, complementarity, justice, and cooperation, in opposition to the proposal of Free Trade Area of the Americas (FTAA), promoted by the United States. It is also the Community of Latin American and Caribbean States (CELAC) created in 2010 as an alternative to the Organization of American States (OAS) and whose objective is to promote the integration and development of Latin American countries. In this context, some Latin American states in particular Venezuela and Cuba, which were attempting to challenge development paradigms in a more substantial way, gave the SSC a pronounced anti-imperialist and emancipatory political lean and structural economic implications (Gosovic 2016). Due to their own economic and political crises, these states declined in influence and the BRICS countries became the main rulers of SSC. This gradually shifted it in more traditional directions (Bazbauers and Engel 2016).

Depoliticization and internalization of the SSC

SSC emerged in the context of the anti-colonial liberation movements and dependency theory of the 1960s. The development of the South was conceived as a state-led challenge against the imperialist domination of the North. Political struggle is thus assumed to be an appropriate means of dealing with development problems, in accordance with the principles of justice, sovereignty, and emancipation. Hence SSC's original rhetoric was specifically politicizing. The theory of dependence provided the intellectual foundations through its analyses in terms of "center-periphery". The unequal exchange allowed the coercive

extraction of surplus value from the periphery (Global South) for the benefit of capital accumulation in the center (Global North). Development and underdevelopment are then the products of the same process: the historical mission of capital is to provoke underdevelopment in the periphery and development in the center (Frank 1971; Emmanuel 1972; Amin 1973). The peoples and States of the South thus represent key political actors in the transformation of the global economic process (Amin 2009).

The neoliberal turn of the early 1980s and structural adjustment programs disempowered the southern state, thus promoting a depoliticized conception of development as a mere technical agenda (Hout and Robison 2009; McMichael 2016). This leads to a rather instrumental approach to development programs and projects, which tends to pay little attention to political struggles and power relations and defines governance in fundamentally apolitical terms (Hout 2012). In this sense, neoliberalism constitutes an ideological counterattack not only against the dependency theory but against the whole enterprise of development economics (Moravirdi and Hughes 2018).

At the root of this depoliticized approach of development, there is a redefinition of the nature and supposed functions of the State. The crucial transformation concerns the transition from a developmentalist State, representative depository of sovereignty over economic resources, to a "regulatory" or "competitor" State. Thus, in East Asia, «*pivotal to these new forms of statehood is the emergence of the new regulatory state, which is directed towards the production of economic and social order within a globalized economy. In particular, this model shifts the function of the state from the direct allocation of social and material goods and resources to the*

provision of regulatory frameworks within the economic order » (Jayasuriya 2005). Sovereignty over resources is abandoned in favour of the neoliberal model privileging the allocation of resources by the market supposed to be more efficient and "the regulatory State" refrains from developing political agendas based on the material interests of citizens, and confines itself rather in a technical market regulation agenda (Moravirdi and Hughes 2018). Development practice is now seen as an expert activity and not a political act, and the development "industry" continues to function as an "anti-political machine" (Hout 2012).

It is in this spirit that the United Nations Office for South-South Cooperation defines SSC as «*a broad framework for collaboration among countries of the South in the political, economic, social, cultural, environmental and technical domains. Involving two or more developing countries, it can take place on a bilateral, regional, subregional or interregional basis. Developing countries share knowledge, skills, expertise and resources to meet their development goals through concerted efforts* » (UNOSSC 2020). This definition differs widely from the historical conception of the SSC. Indeed, the Kuwait Declaration on Technical Cooperation described the SSC as «*a historical imperative brought about by the need for a new international order. It is a conscious, systematic and politically motivated process developed to create a framework of multiple links between developing countries»* while pointing out that « *traditional technical assistance (TA) has generally reinforced earlier forms of dependence ... It has also led to incorporating developing countries into a scientific technical and economic system dominated by the highly industrialized world* » (CODESRIA 1977). In the same way, the 1978 BAPA underlined the anti-hegemonic character of the SSC as well as the preeminent role of the State as guarantor of national

sovereignty and representative of the interests of the people. As a result, the SSC was considered as «*facilitating not only the spread of expertise, but also political solidarity between Southern states vis- à -vis an exploitative and 'neocolonial' set of Northern state and private interests* » (Morvaridi and Hughes 2018). The definition of UNOSSC, mentioned above, constitutes in this respect a complete break with the historical conception of the SSC. The principles of sovereignty and anti-hegemonic political solidarity, the decisive role of the state as well as the demands for a NIEO are sacrificed at the altar of a depoliticized conception which reduces the SSC to simple actions of collaboration and exchange of expertise. This process of depoliticizing the SSC is further deepened by its "normalization" and internalization in the traditional aid system through a multitude of arrangements, the most important of which is triangular cooperation.

One of the key instruments now associated with the SSC is triangular cooperation that UNOSSC defines as «*collaboration in which traditional donor countries and multilateral organizations facilitate South-South initiatives through the provision of funding, training, management and technological systems as well as other forms of support*» (UNOSSC 2020). Indeed, the field of development cooperation has undergone profound changes in recent decades (Abdenur and Da Fonseca 2013; Morvaridi and Hughes 2018). On the one hand, the global economic crisis of 2008 put many traditional donors in the North under budgetary pressure leading them to redefine the volume and direction of aid flows. On the other hand, stimulated by economic growth and stability, "new donors" such as China, Brazil, and India have broadened their partnerships abroad, giving rise to a considerable development of SSC. There is also a growing questioning of the normative dimension of

the aid of the North; the Development Assistance Committee (DAC) of the OECD is increasingly challenged by South-South providers who do not always adhere to its principles. In this regard, "new donors" are generally described as doing aid differently from traditional DAC donors and away from conditionality.

Faced with these changes, donors from the North have sought entry points into SSC, and forums traditionally focused on North-South assistance have devoted more space and effort to it. Triangular cooperation, or forms of cooperation that integrate actors from the South and the Global North, has become increasingly important (Abdenur and Da Fonseca 2013). Multilateral organizations historically dominated by northern countries have also increased their commitment to SSC by establishing structures and programs specifically dedicated to this modality. For example, the Facility for the exchange of South-South experiences whose mission is to finance the sharing of knowledge and expertise between developing countries was created in 2008, within the World Bank Institute (WBI). United Nations agencies, such as UNESCO, UNIDO, UNCTAD, WHO, and FAO, have followed a similar trend and put in place strategic and operational mechanisms to promote SSC. For its part, the OECD, which brings together the main donors from the North, created in 2003 the Working Group on Aid Effectiveness (WP-EFF) and high-level forums on the effectiveness of aid organized around him. The WP-EFF, considered as the main forum for discussion of aid effectiveness issues and development priorities (Mawdsley, Savage & Kim 2013), expanded in 2005 to include beneficiary countries and extended its membership to South-South providers and civil society organizations in 2009.

Several reasons are advanced by donors from the North to justify their enthusiasm for South-South and triangular cooperation. These reasons focus on complementarity, cost-effectiveness, and mutual learning (Ashoff 2010). However, this growing role of the North in SSC is linked to broader geopolitical reasons. In particular, flushed out in many places by South-South suppliers, donors from the North seek to keep a "foothold" in the global South. Specifically, «*the North's attempts to engage more directly with SSC reflect a growing power struggle in two interrelated dimensions. Within the field of international development cooperation, these ongoing efforts reflect Northern donors' urgent need to learn about, engage with and, ultimately, influence the way that South – South providers undertake development cooperation, including both principles and practices*» (Abdenur & Da Fonseca 2013). Triangular cooperation gives traditional donors a more explicit role and control over related activities enabling them to influence the standards and practices of providers and beneficiaries of South-South cooperation. It also helps frame development not as a common struggle for sovereign progress, but as a series of problems to be addressed through technical interventions (Morvaridi and Hughes 2018). Indeed, in its original historical form, the SSC posed an existential threat to the capitalist world dominated by the North; it is therefore about creating a new common sense around SSC as a technical assistance standard, which could then be tamed and reshaped to fit the existing world order (Engel 2019).

In addition, "SSC and triangular cooperation" formula allows traditional donors to indulge a sort of "legitimacy by association" in the face of growing protests but also, and above all, to free development aid from the question of politicizing North-South relations. This was the objective of the various

High-Level Forums on Aid Effectiveness leading to the "Global Partnership for Development" and the "New Deal" concluded in Busan in 2011. Thus «*international co-operation can no longer be understood as simply a relationship between "rich" and "poor" governments, but rather it is a complex network that includes middle-income countries that are both donors and recipients (South – South cooperation), multilateral organizations, international financial institutions, and non-governmental bodies such as the private sector and civil society organizations* »(Busan 2012: 19). Such a conception of cooperation and development masks the North-South, rich-poor, center-periphery categories of the dependency theory as referential for the "historical SSC". Development aid is supposed to be an equal enterprise between the voluntarily contracting parties and the development of the South is no longer conceived as a political project of struggle against imperialist hegemony but rather reduced to a technical task to be accomplished within the framework of the "Global Partnership" in a multipolar world where the notions of the "Global South" or the "Third World" no longer have any meaning. The former World Bank President, R. Zoellick, expressed it clearly by saying «*If 1989 saw the end of the Second World with communism's demise then 2009 saw the end of what was known as the Third World. We are now in a new fast-moving multipolar world economy... where North and South, East and West, are now points on a compass not economic destinies »* (Zoellick 2010).

While challenging traditional aid modalities, 'emerging donors' appear to «*find it harder to hold into the distinctive ideational space that many have insistently projected between themselves and the donors of the OECD-DAC*» (Mawdsley 2019) and did not stay away from this internalization process of the SSC. In January 2009, the China-DAC Study Group was created

following the initiative of the International Poverty Reduction Center in China (IPRCC). The group includes Chinese academics and officials as well as representatives of several DAC members and observers with the objective of sharing experiences and promoting learning on growth and poverty reduction in China and African countries (Xiaoyun & Laird 2009). In November 2015, the Indian Ministry of External Affairs (MEA) and the British Department for International Development (DFID) signed the "Statement of Intent on Partnership for Cooperation in Third World Countries" which reaffirms the commitment of the two countries to deepen their cooperation in developing countries (Paulo 2018). In 2016, the World Bank and the New Development Bank (formerly the BRICS Development Bank) announced an agreement for project co-financing, knowledge exchange facilitation, and advisory services (Mawdsley 2019).

Thus, far from existing separately and in antagonism with the traditional aid system dominated by the North, SSC is progressively internalized by this system. For "emerging donors", it seems more likely to succeed by mobilizing the SSC South-South solidarity discourse. They refer to the radical formulations of dependency theory of the 1960s and 1970s exploiting the radicalism of that era as support for the legitimacy of a hybrid form of aid that can foster deeper forms of neoliberalism. Thus, depoliticized and normalized, the CSS ended by transforming into a tool of capitalist expansion, just less controversial (apparently) than traditional aid modalities.

SSC captured by the logic of the capitalist market

During successive BRICS meetings, South-South relations have certainly introduced a new dynamic, with infrastructure projects, credit facilities, and knowledge exchanges.

However, there has been little or no transformation of the development philosophy. Growth, trade, and prosperity have been advocated, with little regard for their ecological and social costs. The basic conception of South-South relations is always expressed in the classical framework of development, with the same concepts and the same measures, with little or no consideration for ecological and social externalities, that is to say, a cooperation captured by the logic of the capitalist market. Of course, there is a certain awareness of the internal contradictions of the dominant model, hence the adoption of some measures aimed at reducing the environmental burden as well as helping people to get out of poverty; however, at varying degrees, there is continuity of the same approach.

The objective often declared by the BRICS is the creation of a new pole against a monopoly globalization dominated by the imperialist powers and the international institutions which are at their service (the World Bank, IMF, WTO, etc.). Thus, while China insists above all on the need to respect the sovereignty of host countries, all the BRICS claim to promote alternative strategies based on equality, solidarity, and mutual development. Admittedly, the sovereignty of host countries and their independence are conceived differently by donors from the North and the BRICS when it comes to official development assistance, but the approaches converge significantly when it comes to foreigners direct investments (FDI) and access to a precious resource, namely land (Ferrando 2014).

The private appropriation of vast tracts of land is certainly not a new phenomenon in the history of humanity (Roudart and Mazoyer 2015). Marx already spoke about "land grab" as a prerequisite for the development of large-scale capitalist agriculture. During the past two centuries, land grabbing was mainly linked to the process of direct colonization

and military occupation. However, the recent global wave of land grabbing has its own characteristics; it is the result of the contradictions of the financialized globalization of capital and the attempts to resolve them by opening up new opportunities and sites for capital accumulation (Harvey 2003). Since the 2000s, the convergence of the global food, energy, financial and environmental crises has led to a strong revaluation of land ownership (Borras et al. 2011, p. 209) attracting financial investors looking for alternative assets for accumulation of profits. Added to this are the expansion of agribusiness and the constitution of financialized, consolidated, and vertically integrated value chains expressing great interest in land control (Huber 2017; Sosa Varrotti and Gras 2020). As a result, for more than two decades we have witnessed a sharp and growing global competition for land control; a "land rush" supported by international institutions under the depoliticized label of "large-scale land investments". The phenomenon accelerated especially after the food crisis 2007/2008 and the financial crisis of 2008 to the point that it took the form of a genuine agrarian neocolonialism (Pouch 2018).

According to Land Matrix data, 83.2 million hectares of land in developing countries have been the subject of investor grabbing, of which 56.2 million are located in Africa, 17.7 million in Asia, and 7 million in Latin America. Land grabbing is being developed on a large scale, not only by multinationals and investors from the North but also by the BRICS, such as India in Ethiopia and Cambodia, China in the Philippines, Peru or Cameroon, Brazil in Mozambique, and South Africa in Angola, Mozambique or Madagascar. For China and India, the search for land abroad is in particular motivated by a concern for food security in a context where the propensity of their upper-middle classes to consume

larger quantities of animal products and cereals is growing while their economic growth has encroached on agricultural land, especially areas close to large cities (Martin and Palat 2014). Brazil is motivated by the expansion of its agribusiness sector where large agribusiness companies have sprung up, which have access to large areas of land and are keen to increase their land control, not only at the national level but also in foreign countries (Huber 2017).

BRICS land grabbing

Country	Total land grabbed	Regional areas	Target countries
Brazil	28.000 ha	Eastern Africa: 28.000 ha	Mozambique, Ethiopia
India	1.924.509 ha	Central Africa: 15.000 ha Eastern Africa 1.761.800 ha Northern Africa: 8.020 ha South East Asia: 139.689 ha	Cambodia, Indonesia, Lao, Philippines, India, Cameroun, Ethiopia, Mozambique, Madagascar, Sudan
China	1.140.683 ha	Central Africa: 10,000 ha East Africa: 126,171 ha South America: 348,972 ha South-East Asia: 628,139 ha West Africa: 26,000 ha	Cambodia, China, Sudan, Lao, Philippines, India, Bolivia, Peru, Argentina, Benin, Cameroon, Ethiopia, Mali, Democratic Republic of Congo (DRC), Uganda, Zimbabwe
South Africa	1.412.968 ha	Central Africa 340,000 ha East Africa: 367,174 ha South America 55,794 ha West Africa 650,000 ha	---Colombia; Angola; Benin; Ethiopia, DRC, Mozambique; Madagascar.

Source: Ferrando. T, 2014

The occupation of foreign lands has been supported and facilitated by the legal and economic incentives that the BRICS offer to their domestic investors, but also by the proliferation of Bilateral Investment Treaties (BITs) concluded between the BRICS and other countries of the South. These highly pro-investor content BITs combined with the free movement of capital offer investors the possibility of creating regulatory competition between peripheral countries to become more attractive than their neighbors and the result of which is a subordination of local communities to the interests and economic needs of the investor. The "sovereignty of the host countries" put forward as a principle governing cooperation is, in fact, instrumentalised to facilitate access to land. Therefore, «*South-South investment contracts in land replicate the same content as North-South agreements. One of the most striking elements contained in the contracts involving Brics investors is the use of sovereignty in order to define land as void and immediately disposable, particularly in the case of Sub-Saharan Africa*» (Ferrando 2014).

In this way, what is often presented as forms of SSC does not in any way present alternative development paths to those promoted by investors from the North, or by development agencies and international financial institutions. Thus, by way of illustration, in Congo, contracts established between the local government and Chinese companies prohibit workers from going on strike (Houtart 2015). In Ethiopia, a study has shown that, if Indian and Chinese investments have generated some employment opportunities, but it is at the cost of a ferocious overexploitation of the labor force: wages well below the poverty line, no days off, annual or sick leave, no security…(Addis et al. 2020). Meanwhile, while Ethiopia relies heavily on food aid, the government has offered large-scale plots of land at competitive prices to investors to grow

biofuels and forcibly evicted communities from the land they depend on for their livelihood in a flagrant violation of the right to adequate food (Damtew 2019). In Ghana and Mozambique, the interventions of China and Brazil in the agricultural sector are similar to those promoted by other international agencies and donors and agro-industries and instead reflect the dominant trends that favor market penetration, capital accumulation, and the submission of smallholders to existing forms of market accumulation (Amanor and Chichava 2016).

In total, it is well-established that land grabbing as a form of expansion of global capital in search of profit is bound to have negative economic and social effects. Thousands of hectares are transformed into monocultures and local populations are evicted from their land and associated resources. The "land investments" which are draped behind a discourse of solidarity and South-South cooperation only reproduce the same logic of the dominant neoliberal model. Land grabbing as a form of neocolonialism is not a question of names and origins, but simply a question of the overall expansion of the capitalist system. The people of Africa or Latin America do not care who is ravaging their land or polluting their waters: the United States or the local consortium, or the BRICS companies.

As for the environmental dimension, the South, as a whole, reproduces today the same model of relations with nature by transforming it into merchandise according to pure capitalist logic. In concrete terms, more international trade means more transport, more consumption of energy and natural resources, more emissions of harmful gases, increasing pollution of the oceans. The growing volume of international trade and growing concerns about global

pollution over the past decades have indeed given rise to an increasingly extensive literature. Globalization and the concomitant growth in international trade since the late 1990s have profoundly reorganized global production activities and associated harmful gas emissions (Vale, Perobelli and Chimeli 2017). Pollution induced by international trade is increasingly driven by increased South-South trade, especially imports by China and India from other countries of the South (Meng et al. 2018). Climate change mitigation efforts are thus in part compromised by cross-border pollution from international trade.

The BRICS are among the largest emitters of greenhouse gases in the world due to their huge production and consumption of fossil fuels (Downie and Williams 2018**)**. They emit prolific levels much higher than the United States or the European Union in absolute terms and as a proportion of GDP. China, for example, is now the largest consumer of energy in the world and has overtaken the United States to be the largest emitter with almost 30% of global greenhouse gas emissions (IEA 2017). India's emissions have also increased dramatically and now rank third in global greenhouse gas emissions, followed by Russia, Japan, and Brazil (CAIT 2017). Certainly, on a per capita basis and in historical terms, industries and agriculture in the BRICS have not been as guilty of greenhouse gas emissions as the wealthy Western countries, however, in 2009 the leaders of the "BASIC" countries (Brazil, South Africa, India, China) joined Washington in foiling the UN's global strategy of mandatory emission reductions and promoting the further financialization of the climate strategy through extended carbon trading (Bond 2013).

The increase in South-South trade flows has also been accompanied by a reorganization of production. Some

production activities are relocating from China and India to other low-income southern countries, in particular the production of raw materials and intermediate goods in energy-intensive sectors in Latin America. The implementation in Latin America of measures proposed by the Washington Consensus, in particular those relating to the liberalization of the capital market, and the application of the structural reforms recommended by the IMF and the World Bank have drawn a scheme for stimulating foreigners' investment quite functional for business. This process is accompanied by the opening of sectors traditionally closed to foreign firms, the implementation of a tax policy that is not very demanding with regard to companies in terms of taxes, royalties, and lack of control of capital (Gutiérrez Haces 2016). Since the mid-1990s, mining in Latin America has experienced a new phase of expansion with the proliferation of BITs concluded not only with investors from the North but also from "emerging economies" of the South (Deshaies 2016).

In this context, Indian investments in Latin America have accumulated nearly US $ 15 billion over the period 2011-2017. The sectoral distribution of these investments shows an increase in the share of the "agriculture and mining" sector from 52 percent in 2011-2012 to 78 percent in 2015-2016 (EXIM BANK 2018). Moreover, to facilitate access to foreign resources for these companies, China launched its "go out" policy in the early 2000s, authorizing more broadly foreign investments and supporting its companies in this direction. Chinese companies are moving rapidly into Latin America, and have invested over $ 110 billion over 2003-2016. Investments in the extractive industries accounted for more than 60 percent of total Chinese FDI in the region from 2003 to 2012, and 37 percent in the following four years 2013 to 2016 (Avendano et al. 2017).

The result is a "re-primarization" of the economies of Latin America and an increase in their international dependence, thus reproducing the traditional center-periphery pattern. In addition, the expansion of extractive activities, with new methods which are not particularly ecological and very harmful for local populations, such as open-pit mines. Thus, Chinese agreements and companies in Latin America are increasingly seen as the face of new environmental destruction, they are endemic to environmental degradation, high carbon emissions, and social conflicts. Various operational and planned projects cover some of the biodiversity hotspots, national reserves, national parks, and places where indigenous communities make a living (Bernardi 2019). In Brazil and Argentina, the environmental problems associated with mining concern the production of toxic waste, particularly due to the increased use of toxic chemical reagents as well as the chemical treatment of thousands of tons of rock and solid waste and liquids it generates. In addition, the trend of open-pit mines and large-scale mining only exacerbates the situation with various forms of chronic contamination and accidents that impact the air, soil, and water, deforestation and irreversible changes in the water table, etc. These are all problems that generate negative effects on public health (Cooney 2016).

Overall, the few examples presented above make clear that behind the apparent success conveyed by the data on trade and foreign direct investment lies a SSC deeply embedded in the existing global capitalist development paradigm. The Global South is reproducing the model of capitalist globalization without considering social and environmental aspects.

BRICS, Global Governance, and SSC

The existing international economic order has been shaped by the imperialist powers, in particular the United States as a key player in globalization and neoliberal economic restructuring (Helleiner 2001; Gill 2002; Cox 2008; Layne 2009). The institutions of global economic governance (WTO, IMF, World Bank) and their neoliberal policies were intended against the countries of the South and thus served to perpetuate the inequalities between rich and poor countries (Gallagher 2007).

Several observers have emphasized the growing role of the BRICS in international economic and political affairs as a challenge from the South to global capitalism. For some, the BRICS represent a "new Bandung project" and their rise offers a progressive, even anti-imperialist, alternative for humanity (Escobar 2013; Desai 2013; Martin 2013). It is widely recognized that emerging powers are beginning to play an increasing role in global governance, including in international institutions, traditionally dominated by established powers. Nonetheless, disagreements remain over the nature and extent of the challenge that emerging powers pose to the liberal order of governance.

International organizations remain the main seats of global governance in which international rules are drawn up, decisions are made and agreements are applied. The geopolitical challenge represented by the rise of the BRICS is for some an institutional manifestation of the efforts of emerging powers to assert themselves in global governance, coveting to gain greater political power within the institutions of global governance and to question the dominance of the North (Armijo & Roberts 2014). However, it seems that, in

their actions within these institutions, the BRICS are guided much more by "national interest" than by so-called South-South solidarity (Gray & Gills 2016).

As the central institution of global economic governance, the WTO historically functioned as a "club of the rich" dominated by the United States and a few advanced industrialized states. These states shaped a liberal trade order that suited their own interests while developing countries were severely marginalized (Narlikar & Wilkinson 2004). However, far from rejecting the principles of global free trade, the "contemporary SSC" has instead sought reform of the WTO (Gray & Gills 2016). At the WTO ministerial meeting in Cancun in 2003, the Group of 20 developing countries asked for concessions on agricultural and governance issues and it was the reluctance of developed countries to respond to these requests that played a decisive role in the failure of the Doha Round negotiations. For the IBSA group, while criticizing the protectionist policies of the G8 and mobilizing a discourse on "Third World solidarity", it underlined the need to move the Doha round forward. The argument is that liberalization has not gone far enough and that a world without the WTO or other multilateral institutions would only endorse the capacity of the North to extract concessions from weaker states in the South (Taylor 2009).

Based on a discourse of development and social justice, Brazil has created a coalition of developing countries - the G20 - with the objective of ending the domination of the United States and the European Union at the WTO. The initiative helped to destabilize the traditional power structure at the WTO and put an end to the American and European cartel on the definition of the agenda, thus making the reduction of European and American agricultural subsidies a central issue

in the Doha Round. This Brazilian activism has been widely greeted as a major victory for developing countries and the G20, and it was seen as a successful example of SSC (Baldwin 2006; Clapp 2006; Hurrell & Narlikar 2006). However «*rather than challenging the neoliberal agenda of the WTO, Brazil has emerged as one of the most vocal advocates of free market globalisation and the push to expand and liberalise global markets*» (Hopwell 2013). Indeed, far from an alleged South-South solidarity, Brazilian activism was motivated by the rise of its sophisticated agro-industrial sector, which has become one of the most competitive agricultural producers in the world and is one of the major exporters of a large and growing number of products (Hopwell 2013; Robinson 2015). Export expansion is a common goal of both the state and agribusiness, which forms the basis of their alliance in the pursuit of agricultural trade liberalization at the WTO (Hopwell 2013). Thus, «*states and business actors from the Global South are becoming important new protagonists in global economic governance*» and «*Brazilian and Southern opposition to the subsidy regime for agriculture in the North has constituted not opposition to capitalist globalisation but precisely opposition to a policy that has stood in the way of such globalisation. Brazil has sought more, not less, globalisation: a global free market in agricultural commodities*» (Robinson 2015).

In response to the problems initially raised by the NIEO, the BRICS group also sought to reform international financial institutions to give emerging powers more influence in their actions. It was therefore a question of reforming the governance of the IMF to increase the quota allocated to developing countries and to end the compromise by which the leadership positions of the IMF and the World Bank are respectively limited to Europeans and Americans. However,

coordination between the BRICS is limited or non-existent for this purpose. They neither have an articulate collective voice nor exercise collective influence (Nayyar 2016). The BRICS have all, for example, declared their opposition to the European monopoly on the leading position of the IMF. However, following the departure of Dominic Strauss Kahn, China and Brazil have supported Christine Lagarde the preferred candidate of the USA. China was hoping to nominate a Chinese candidate for the second IMF position as Brazil sought the FAO leadership. Similar differences arose around the presidency of the World Bank following the departure of Robert Zoellick in 2012. Brazil supported the candidacy of the progressive Colombian economist Jose Antonio Campo, South Africa supported the neoliberal Nigerian Minister of Finance Ngozi Okonjo-Iweala while China, India, and Russia backed America's preferred candidate Jim Yong Kim.

Even more, the BRICS, which have regularly expressed their dissatisfaction with the governance of the IMF, collectively spent $ 75 billion on the recapitalization of the organization in 2012 but they did not negotiate changes in its rules, which reduce the leeway for developing country borrowers, and even less attempt to reduce the democratic deficit within the institution (Nayyar 2016). Following the G20 quota and governance agreement reached in October 2010, the voting power of the BRICS increased dramatically. China would become the third-largest member country of the IMF, with Brazil, India, and Russia among the 10 largest shareholders of the Fund, but this increase in voting power did not imply any real change in the agenda of the institution.

In 2007, “El Banco del Sur” (Bank of the South) was founded by Venezuela and supported by Argentina, Bolivia, Brazil, Ecuador, Paraguay, and Uruguay. The “Banco del Sur”,

which already had $ 7 billion in capital in 2013 (Rosales and Furio 2013), was a progressive alternative to the Bretton Woods institutions especially after radical Ecuadorian economists led by Pedro Paez improved the conception. But the initiative has been repeatedly sabotaged by BRICS "conservative bureaucrats" (Bond 2018). In 2014, the BRICS group created the New Development Bank (NDB). The initiative aims to provide a multilateral institution that can provide developing countries with access to capital for infrastructure and industrialization projects without resorting to traditional institutions such as the World Bank. Also, the Contingent Reserve Arrangement (CRA) is created as a liquidity provider for the BRICS and other poor countries in the event of balance of payments difficulties. The CRA is generally seen as a competitor to the International Monetary Fund (IMF) and along with the NDB is viewed as an example of increasing SSC. But as Bond pointed out, the ARC actually empowers the IMF because, if a member country needs more than 30% of its borrowing quota, it must first address to the IMF to get a structural adjustment loan and accept all conditionalities including the much-hated policy prescriptions. It is also significant that the NDB and ARC loans are in US dollars rather than in the currencies of the BRICS countries themselves which rather seems to reinforce the “exorbitant privilege” of the United States (Bond 2016, 2018).

International trade was also a major concern of the SSC and the NIEO claims. The debates of the 1960s and 1970s focused on promoting the autonomous development of the countries of the South, in particular through technological upgrading that could end dependence on commodity exports and imports of manufactured products and break with the historically constructed center-periphery polarization. The

Global Partnership Agreement reduces development to mere GDP growth allowed by a 'new framework' allowing «*developing countries increasingly integrate, both regionally and globally, creating economies of scale that will help them better compete in the global economy*» (Busan 2011: para. 28). This emphasis on the integration of supply chains, directly contradicts the earlier aspiration for national economies under popular control, while limiting the possibility for states to apply interventionist industrial policies (Movaridi & Hughes 2018).

South-South trade has, since the beginning of the 1990s, shown strong and sustained growth, and its share in world trade has increased from 7.4% in 1990-91 to 10.2% in 2000-01, then to 15.4% in 2009-10 to reach 28% in 2019 thus modifying the geography of international trade. This growth in trade was seen as a sign of the dynamism of the SSC offering the countries of the South new possibilities for sustained development. Indeed, given that 80% of Africa's exports are basic products, the emergence of China and other emerging economies whose late industrialization has led to a surge in world commodity prices (Taylor 2016) leading to encouraging economic growth rates in regions like sub-Saharan Africa for the first time since the early 1970s (ADB 2015) sparked widespread perceptions of a successful "Africa Rising" like the Asian miracle (McKenzie 2016) and a positive assessment of the impact of Chinese aid closely linked to trade agreements on commodities.

However, the fall in raw materials prices since 2014 has resulted in a significant slowdown in GDP growth in a range of resource-dependent economies in Africa, revealing the continued vulnerability of African economies (Bailey 2016). Indeed, the relations of China and India (and the other

BRICS) with their suppliers of raw materials are linked to the need to import basic products. At the same time, the raw material suppliers to Chinese and Indian manufacturing industries find themselves inundated with manufactured goods in return, impeding their own industrial development and trapping them in the production of commodities. Behind a so-called SSC then hides an almost colonial trade scheme, which can hardly be considered conducive to industrialization, and even less indicative of a partnership for development (Nayyar 2016). This is more like the classic North-South dependency relationships described by dependency theorists than the solidarity relationships envisioned by the SSC in the early 1970s (Taylor 2016). Over 40 years ago, D. Harris wrote that as a «result of their colonial legacy, the present-day economies of the African countries are characterised by a lop-sided dependence on the export of raw materials, and the import of manufactured goods» (Harris 1975).

Thus, it is quite clear that the current division of labor between the BRICS and the other countries of the South, reflected in the composition of trade flows, is no different from the old structure of North-South trade; it reproduces the traditional center-periphery model but while modifying its geography. Indeed, one of the fundamental characteristics of 'neoliberal globalization' is that the erosion of spatial transmission costs has led to the integration of theoretically 'national' economies into a global trading network dominated by multinational corporations and operating across state borders, involving business entities that are interdependent through a network of global supply chains (Stephen 2014). The spatial division of production processes into substeps has facilitated the participation of developing countries in global production sharing networks. In particular, the

current economic integration is no longer limited to OECD countries, but also involves major emerging global players like the BRICS. International trade and foreign investment are becoming the main channels connecting BRICS economies to global value chains. As a result, the international division of labor characterized by the concentration of finance, technology, research, and development in traditional central countries and low-wage assembly (as well as raw materials) in traditional peripheral countries practices are giving way to a global division of labor in which productive activities are dispersed both within and between countries (Robinson 2015). In particular, lower-value manufacturing activities have been relocated from the old North to emerging economies, to take advantage of a low-wage workforce and more "flexible" regulations in the South as the high-tech research-development and consumption remain largely concentrated in the North (Morvaridi & Hughes 2018). In this context, China, and to a lesser extent India, have emerged as the largest suppliers of labor-intensive manufactures to the world market; Brazil and South Africa are important suppliers of natural resource-based manufactures while China, India, and Brazil are new suppliers of some capital goods (Chen 2012; Nayyar 2016; Seniuk 2019). BRICS trade relations and their interest in SSC are therefore linked to the need to import commodities from other southern countries. The latter remain locked in what Edward Leamer called the «raw-material corner» (Leamer 1987) with little margin for industrial advancement or skills upgrading. It is in this sense that «*South-South cooperation is increasingly similar to North-South trade as emerging power such as Brazil, India and China are transforming themselves into major poles of the global economy, and as disparities within the Global South increase*» (Stuenkel 2013).

The emergence of the BRICS and their ability to challenge the dominant international order has been the subject of extensive literature. Relying on Rosa Luxemburg's analysis of imperialism as opening up non-capitalist areas to exploitation, Patrick Bond argues that the BRICS are actively collaborating in imperialist expansion, assuming in this expansion the position of a key bloc, whose own interests also lie in the sub-imperialist stabilization of international financial power relations, for the advancement of their own strategies of regional domination (Bond 2016, 2018). According to Bond, as sub-imperialist powers, the BRICS extend the same neoliberal practices into their regional spheres of influence, thus legitimizing the Washington Consensus in ideological and concrete terms, including by facilitating multilateral trade, investment, and finance agreements. But as Tandon pointed out, the "sub-imperialism" thesis remains too empiricist and results in numerous theoretical and analytical contradictions (Tandon 2014). Thus, for example, countries like Kenya or Uganda which re-export Chinese products and therefore serve as a relay for Chinese transnational capital in the region can be considered as sub-imperialist powers.

Against approaches centered on the "nation-state", William I. Robinson adopts a perspective of "world capitalism" which sees the world, not in terms of nation-states struggling for hegemony, but in terms of social forces and transnational class (Robinson 2015). As a qualitatively new stage in the evolution of capitalism, globalization is characterized by the emergence of a globalized production and financial system and the rise of a truly transnational capital and therefore of a transnational capitalist class whose interests lie in global rather than local accumulation. This restructuring implies the transnationalization of the

state, i.e. the absorption of national states into expansive transnational institutional networks whose function is to impose capitalist domination beyond national borders while hegemony and imperialism do not concern nation-states as much as transnational capitalist groups. The BRICS are involved in accelerated integration into globalized production and financial structures, and the interests of their capitalists and elites lie in deepening this integration with respect to previous national circuits. What appear to be the struggles of the South against the North are best seen as the struggles of emerging transnational capitalists and elites to break into the ranks of the global elite and participate in the ongoing global restructuring. The BRICS protagonism aims less to challenge the dominant international order than more to open up space in the global system for more extensive integration and less asymmetric global capitalism.

In very similar terms, to understand the nature of the challenge that emerging powers pose to global governance, Matthew D. Stephen proposes a historical materialist approach that analyzes these powers not as states negotiating a place "under the institutional sun" but as social formations, that is to say as "state-society complexes", anchored in a global political economy. This approach emphasizes the changing nature of global capitalism, the nature of state-society relations within emerging powers, and the role of transnational class structures in the formation and nature of emerging powers' engagement in global governance (Stephen 2014). Thus, in the context of neoliberal globalization, the social (capitalist) forces of emerging powers are increasingly integrated into transnational production networks. The result is an increased dependence of these powers on existing institutions of global governance, forcing them to collaborate with established powers. But, their specific

forms of "state-society complexes", that is to say, their statist forms of capitalist development put them in tension with the liberal principles of world governance. As a result, it is not the order of world governance itself, but its more liberal characteristics, which are contested by emerging powers. As a result, the rise of new powers (BRICS) leads to a hybrid order of governance that is both transnationally integrated and less liberal.

Overall, certainly the BRICS, as key players in the current SSC, do not represent an alternative to global capitalism and neoliberal hegemony and are also engaged in the control and repression of the global working and popular classes than their northern counterparts. However, their emergence heralds the transition to a more multipolar and balanced system within the world capitalist order.

Conclusion

In the post-World War II context, the SSC emerged as an anti-hegemonic political movement designed to challenge the political and economic system of global capitalism dominated by the North. Initiated by the Bandung conference, this movement embodied the will of the countries of the South to regain their sovereignty and achieve their independence thanks to a coherent and self-centered development process and a restructuring of the world order making it possible to overcome historically constructed center-periphery disparities. For several reasons, these ambitious efforts failed, and the neoliberal turn of the early 1980s resulted in the atrophy of the SSC's agenda. The "Washington Consensus" and neoliberal structural adjustment programs have effectively placed the countries of the South under the tutelage of the Bretton Woods institutions as key players

in neoliberal globalization and symbol of the collective imperialism of the Triad.

It is in the context of this neoliberal globalization that the "emerging powers" of the South have, over the past two decades, consolidated their position as dynamic poles of the world capitalist economy, developing regional and transcontinental links that reconfigure global trade, investment, and financial flows and usher in a movement towards a polycentric and plural world system. This breakthrough of the "emerging powers" and their growing activism within international institutions have sparked renewed interest in the historic promises of SSC, reviving in some the hope of a new phase of challenge to hegemonic and neocolonial policies of the Global North and construction of an alternative to the dominant development model.

However, beyond the data conveyed by international statistics on trade, investment, and financial flows, the current SSC does not recover the radical potential of the original formulation and is rather deeply embedded in the dominant neoliberal development paradigm. Indeed, the new rhetoric of South-South cooperation associates a new role to the State, specifically apolitical, the main objective of which is to promote growth through an efficient allocation of resources and to organize the integration of the national economy in global value chains. The result is a neoliberal conception of development as technical issues that can be resolved through collaborative action and the exchange of expertise. The principles of sovereignty and development as an emancipatory political project are abandoned. Furthermore, although they are draped behind a discourse of solidarity and respect for sovereignty, South-South FDIs only reproduce the same logic of the dominant neoliberal

model with all its harmful social and environmental effects. This is evidenced by the land grabbing by BRICS investors, which authorizes a ferocious exploitation of the labor force and deprives local populations, in poor countries of the South, of their land and the resources associated with it. Also, the expansion of extractive activities concomitant with the increase in these investment flows only exacerbates the degradation of the environment thus transforming nature into a commodity according to pure capitalist logic. Finally, despite their growing role in international institutions, the "emerging powers" aim less to challenge the dominant international order than to open a path for further integration into global capitalism and more active participation in a changing international division of labor (IDL). Moreover, it is their integration into the IDL as suppliers of labor-intensive manufactured products that condition their trade relations with other countries of the South, thus reproducing the classic pattern of center-periphery polarization.

But, what about the historic Bandung project? Otherwise is this project still relevant?

No need to remind the social, economic but also ecological disasters that the model of hegemonic neoliberal globalization has caused and continues to do so. In the South but also in the North, inequalities in income distribution are widening further. In the relocated industries controlled by multinationals and local contractors, the overexploitation of cheap labor is on the rise. A systematic plundering of the natural resources of the countries of the South is organized for the exclusive benefit of multinationals and transnational financial groups. These resources also include vast tracts of agricultural land, and thousands of peasants in the South are dispossessed of their sources of income and pushed into the

slums. The previously constructed public service systems (health, education, housing, transport) are dismantled by neoliberal policies and structural adjustment programs thus aggravating the impoverishment and exclusion of the popular masses. Disasters are also ecological: increase in greenhouse gas emissions, global warming, deforestation, pollution, depletion of resources, and extinction of species…

This obviously brings back into question the continuity of the neoliberal model of globalization that is not, politically, economically, and socially acceptable. Witness the growing workers' and popular protests in Latin America and Africa and recently the popular revolutions in certain Arab countries. Even the BRICS have been hit in recent years by an explosion of mass struggles against rising capitalist exploitation, repression, and corruption, what Bond calls "BRICS from below" struggles.

These various protests create the conditions to return to Bandung as a project of solidarity between the oppressed popular classes. But as Samir Amin clarified, it is not a "Bandung remake" (Amin 2013) but rather a project of solidarity and alliance, not between States, but between the progressive and popular movements of the South for the construction of a common front against the neoliberal hegemony and imperialism of the Triad. A progressive challenge to the contemporary neoliberal world order is unlikely to come from groups such as the BRICS, but through the building of a bottom-up, counter-hegemonic network. As Robinson pointed out, in order to not become the '*cheerleaders*' of repressive states and transnational capitalists in the 'emerging' South, critical scholars will be better off by aligning with struggles 'from below' of popular and working class forces (Robinson 2015). However, this also

raises many questions about the concepts of development, sovereignty, freedom, democracy, social justice... In short, is it a question of reproducing, in a logic of catching up, the same model of actually "developed countries" or to create the conditions for a transition to a higher stage of human civilization?

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Conclusions: about the new challenges of South South Cooperation (SSC)

Rafael Gustavo Miranda Delgado

The contemporary Global Order is characterized by the highest connections, reciprocity, and interdependence between the various actors, where the agency capacity of the actors has been pluralized and fragmented, and the problems have been globalized. Therefore, cooperation is especially important. In this context, the emergence of the Global South is the most significant phenomenon; it has reconfigured the dynamics of power, international institutions, the international political economy, and the ways of cooperating.

South-South Cooperation (SSC) has been based on the common interests of development and the claim of asymmetric relations; it already has a significant tradition that can be dated to its beginning in 1951 with the Bandung Conference. The SSC can be normatively understood as the intentional process where the countries of the Global South (GS) exchange capacities, knowledge and, experiences, to achieve their objectives with shared efforts and in concerted actions. In recent years, political initiatives with an awareness of common challenges, and especially the economic growth of various middle and regional powers of the GS, have

revitalized the CSS, and reconfigured the political economy of international cooperation. Emerging donors from the GS have expanded the resources available for cooperation, strengthened the capacity for action of recipient countries, and questioned traditional styles of cooperation.

Cooperation in knowledge exchange is of special interest to the GS. As Bawa and Dwivedi point out in this book, knowledge exchange occurs when there is a process through which the development of capacities occurs at both ends of the chain, in providers and recipients. This includes the conscious exchange of knowledge by the provider; the ability to acquire knowledge by the recipient; acquisition, application of knowledge by the recipient; and acquisition, application of knowledge and skills by the provider, improving information and knowledge in a feedback loop. In this way, horizontal mutual benefits are given and solidarity is reflected. Thus, it is recognized that providers and recipients can develop knowledge for development.

Multilateral Development Banks (MDBs) have traditionally played a prominent role in development cooperation; have increasingly participated in the exchange of knowledge. This gives them a significant comparative advantage to act as intermediaries to facilitate the transfer of knowledge, innovation, and development, serving those who demand such knowledge from the source of knowledge. MDBs can play a more prominent role in the Development Agenda as platforms for the exchange of knowledge, as a better articulation of its objectives (Bawa and Dwivedi, in this book).

In their comparative analysis of the World Bank, Asian Development Bank, and the African Development Bank; Bawa and Dwivedi in this book, note that while knowledge

frameworks and strategies recognize the importance of demand-driven knowledge sharing, evaluations reflect that the exchange is being driven by supply. The three study banks aspire to become Knowledge Banks but lack a formal articulation of the objectives for this. It is imperative that MDBs identify some indicators that assess their vision and aims of being a knowledge platform. The three cases also show a lack of ability to take advantage of relevant tacit knowledge and generate quality products, where the quality reflects the customer's need for the product. Until now, the perspective of the bidder and not that of the claimant continues to be favored. The importance of post-project impact evaluations should be promoted while, at the same time, feedback mechanisms should be improved, allowing knowledge to flow more fluidly from project to project. Learning through visual representations, films, videos, and applications have shown more positive exchanges, as the literacy of the receiver or access to coded material is not a challenge. MDBs must evolve with the development needs of their clients and work towards the application of knowledge in development to empower themselves together with others.

In the particular case of the World Bank, it stands out that since the end of the 1990s it became Knowledge Bank. It is the only institution of the three banks that uses a platform structure as one of its spaces for the exchange of knowledge where they bring together professionals, holders, and recipients of knowledge. It has a presence in more than 100 countries, which gives it a comparative advantage to act as an intermediary for the exchange of knowledge. Since the 2000s, after the creation of its management information systems, its services seek to be demand-driven and contextualize knowledge, through the work of its thematic

groups and the Strategic Country Programs (SCP). However, it has presented limitations to contextualize knowledge, to carry out the follow-up, monitoring of SCPs, and it continues to present vertical logics when understanding the transfer of knowledge. This is especially relevant as evaluation reports consistently highlight that the bank lending instrument would be more relevant and produce better results if knowledge at the country or context level were integrated (Bawa and Dwivedi, in this book).

The orthodox development models, and in particular the economic policies suggested by the World Bank, conceived a homogeneous development agenda, fundamentally based on liberalization and privatization, without taking into account the economic and political particularities of each country. The empirical evidence shows how each developed country of the global North applied a set of different policies to reach its level of development and likewise, in the GS, it should be noted that there is a very wide economic and political heterogeneity, that there are several Souths, and that the CSS should address these specificities and try to reduce the socio-economic gaps within and between countries. Knowledge transfer is one of the main tools for this objective. Local elements must be included, such as the way of generating knowledge; they generate agendas of plural developments and greater relevance for each reality.

In the area of innovation policies, Chalwe in this book argues that specific policies are needed to strengthen the absorption and adaptation capacity of knowledge, because the innovation process is not achieved automatically after the production of knowledge. Another fundamental argument in favor of policies for innovation is the quality of knowledge as a public good, which generates positive externalities that can

be exploited by various actors without implying additional costs. Innovation is not carried out in isolation, requires learning and innovation networks, and creating links with other actors and stakeholders, which coincides with what was stated above about the feedback of the real exchange of knowledge in the GS.

For GS countries, cooperation in the area of innovation is of special importance, because their innovation systems are relatively new and dominated by the private sector. Innovation policies within international cooperation aim to promote a wide range of skills exchange, with the premise that science and innovation have the capacity to solve social problems. To find this objective, it is essential to privilege the local approach, since, in this scale, you can have direct interaction with the actors, their demands, and needs. For this reason, the SSC must promote the creation of local capacities in the generation of knowledge and technological progress, overcome the barriers that prevent its diffusion, and create networks with other local, national, and international actors (Chalwe, in this book).

Additionally, the SSC in innovation must take into account that the majority of the GS population are employed in the informal sector since at present innovation policies focus on the formal sectors. The opportunities and experiences that are generated outside this sector do not get more support, there are no major policies that coordinate the innovations of these two sectors, ignoring social innovations and grassroots innovation. For this reason, innovation policies in SSC must have an inclusive and sustainable approach (Chalwe, in this book).

For example, as Miranda (2018) points out, innovation in sustainable energies, and its corresponding diffusion and adaptation is a historic opportunity to build a

positive relationship between economic growth and the sustainability of ecosystems and to ensure an energy matrix to which all have access and can expand their capabilities. The SSC in innovation also contributes to the generation of employment, the attraction of investments, the exchange of technology, and the increase in productivity.

The SSC in inclusive innovation can coordinate efforts, build links, and exchange experiences and knowledge between local innovators and international actors, promoting the generation, dissemination, and adaptation of knowledge, and solving the characteristic problem of lack of access to capital of the local innovators from GS. SSC in inclusive innovation can also reach people in a state of vulnerability or poverty, helping to achieve the GS's ethical priority objectives (Chalwe, in this book).

Thus, innovation understood as the ability to create new economic activities or new ways of carrying out existing activities is essential to generate economic growth and reduce poverty. However, this relationship is not automatic, even with the *Schumpeterean* effect of destructive creation, there can be an inverse relationship between innovation and poverty reduction. Therefore, this inclusive innovation approach in SSC is of special importance.

Another characteristic of the Contemporary Global Order is the greater importance of regionalisms and as regional powers that seek to project themselves at a global level, they have significant incentives to legitimize themselves with regional and global public goods policies, and with a more constructive relationship in general (Miranda 2019a).

Brazil is one of the main regional powers with global aspirations of the GS. Brazil is the most populated and

extensive country in Latin America. Its foreign policy has sought to strengthen and institutionalize its international relations in South America with MERCOSUR and UNASUR, with Portuguese-speaking countries with the Community of Portuguese-language Countries (CPLP), and globally with the BRICS and the IBSA forum. Contemporaneously, with the presidential administrations of Lula da Silva and Dilma Rousseff, Brazil has become a normative leader of the CSS, characterized by critical globalism (Miranda 2020; Hoyos and Miranda 2019).

Araujo in this book highlights the priority nature of the CSS during the administrations of Lula da Silva and Dilma Rousseff. The SSC promoted by Brazil was characterized by a high contribution of Foreign Direct Investment (FDI) that positions it as the SG's largest investor, for the technical approach coordinated by the Brazilian Cooperation Agency, and by a political dimension that included multilateralism, regional integration and intraregional dialogue for the better positioning of the SG in the negotiations of the contemporary Global Order. Of special importance, were its efforts to reform the international investment protection regime, where currently rooted in the traditional model of bilateral investment treaties (BITs), leaving the needs and agency capacity of the GS countries on the sidelines, limiting the access to the system for small and medium investors.

Brazil proposed a new investment agreement model, the Cooperation and Facilitation Investment Agreement (CFIA), designed to attract and protect FDI, offering transparency, non-discrimination, the most favored country clause, and respecting development strategies (Araujo, in this book).

However, Araujo in this book warns that the change of government and the reorientation of the foreign policy

of the current president Jair Bolsonaro may break with multilateralism and the priority that the CSS had been.

Diplomatic efforts for greater convergence are critical to changing the international political economy. In the current international economic institutions of the Bretton Woods, the interests of the countries of the Global North are overrepresented. For the GS's needs to be incorporated into international institutions, they need a greater agency capacity to transform these institutions, which will only be achieved with joint efforts.

Additionally, it is necessary to highlight the importance of FDI for economic growth and the institutions to attract FDI. Riverol and Miranda (2017) found in their comparative empirical analysis of the growth of emerging economies, that the most significant variable to understand this phenomenon is FDI, and that the attraction of FDI depends on variables such as political and macroeconomic stability. They also point out that the identification of FDI as the most significant variable of economic growth reveals the high level of interdependence of the actors in international economic relations which generates positive incentives for the construction of global governance with their respective institutions that allow cooperation, especially cooperation between emerging countries such as CSS.

The institutionalization of the foreign policy of the countries and the CSS is fundamental for that foreign policy is of the State and not only of the government. Therefore, the projects of the CSS have a long-term horizon. The institutionalization of the CSS allows the actors to have confidence in the stability and continuity of the various agendas. In this matter, the State of Palestine has made important progress.

As Aldweik points out in this book, the Palestinian International Cooperation Agency (PICA) was created by presidential decree in 2016 as the main instrument for Palestinian foreign policy and is in charge of coordinating South-South and North-South cooperation. PICA is heir to the international initiatives carried out since the 1970s by the Palestinian Liberation Organization (PLO) has taken a significant vocation towards the South from the Buenos Aires Plan of Action for Promoting and Implementing Technical Cooperation (BAPA) among Developing Countries adopted in 1978 at the United Nations Conference on Technical Cooperation Among Developing Countries.

Can be identified four pillars of PICA actions: Technical Cooperation and Knowledge-sharing, Relief and Humanitarian Fast Responses, Promoting Investment Opportunities and Private Sector Engagement, and Policy Leadership. PICA promotes good practices of contributing its cooperation based on requests from partner countries and international organizations; adopting its cooperation in bilateral, triangular, and multilateral forums, including countries of the South and North. PICA has diversified and decentralized its partners, including governments, non-governmental organizations, research institutes, and private sectors, at the local, regional, and international levels. The main actions that PICA carries out include exchanging knowledge, experience, and human capital. PICA has also stood out for its creativity and transparency, which has made its cooperation highly effective. Additionally, PICA contributes to the realization and execution of the national development plan, which allows greater coherence between national objectives and international cooperation (Aldweik, in this book).

Finally, Aldweik in this book highlights that, even though the State of Palestine is under occupation and cannot dispose of its natural resources, Palestine continues to give, share, and show solidarity with other nations.

Also on the subject of institutions, from the perspective of Madagascar, Razafimandimby, Raoelison, and Rakotonirina in this book point out that, although the political situation in the country has been very unstable, since the return to constitutional order in 2012, the environment has been more favorable for investment, which is demonstrated by the greater number of donors, its main partners being India and China. However, Madagascar is one of the countries in the world with the lowest human development; it is one of the few countries that have suffered a significant socioeconomic decline that has not been the product of a warlike conflict. The authors attribute these difficulties and the lack of efficiency of the SSC to poor government.

Therefore, it is important that SSC does not address its objectives in isolation, and takes into account the context where it will be deployed. Greater attention should be paid to transparency, national and international accountability, the incorporation of civil society actors for the process of monitoring and oversight of cooperation. Additionally, the promotion of political order can be a prerequisite for efficiency in development policies, and the professionalization of the national bureaucracy a fundamental element for the procedure of development policies.

Good Government has two fundamental dimensions, the first referring to the sensitivity of the rulers to the demand of the governed, that is, a good Government is democratic, and a second dimension referring to the efficiency of public administration, the bureaucracy. Good governance and

political institutions, in general, are essential to achieve development. The empirical evidence shows that the heterogeneity and growing complexity of the GS countries merit paying more attention to elements such as the policy formation process, which are built on the relationship of the State with non-state economic agents. Political institutions and political processes are those that shape economic institutions, they are the framework variables that condition long-term development, and the evolution of institutions are the fundamental sources of economic and political changes. Formal institutions are the only instrument to alter economic dynamics (Miranda 2017, Miranda 2019b, González and Miranda 2019).

The political order is not only an instrumental objective to achieve development; it can be understood as the fundamental and primary objective of any society. For this reason, the SSC agenda cannot leave this issue aside, one of the most significant cases being that of Afghanistan.

As Qarizada points out in this book, Afghanistan faces a complex security scenario that includes terrorism, regional and international powers tool to deter each other in the country, civil unrests resulting from several socio-political developments including ethnic disagreements and national resource contentions. . The Afghan civil war was an example of such security breakdown, resulting from failure to manage ethnic and social problems. The most recent forty years of Afghanistan's history has been marked by wars, invasions, and occupations. Afghanistan is one of the poorest countries in the world, and the poorest in Asia, its state is still very weak, 96 percent of its public spending comes from international donors, the Taliban control about half of the country's districts, and Daesh generates terrorism

repeatedly. Additionally, interests. Afghanistan is affected by the geopolitical competition opposing the USA to Russia and China, and also by the US-Iranian crisis, as well as the Indo-Pakistani rivalry. Iran and the former Soviet republics of Central Asia (Kazakhstan, Turkmenistan, Uzbekistan, Tajikistan, and Kyrgyzstan) should be included in this joint approach. Saudi Arabia and Qatar should not be left aside, for the effects of their past influence and their future role should be questioned.

The SSC must understand security in a broadway includes the guarantee of the basic needs of citizens. In Afghanistan, since the early 2000s, important advances have been made in basic skills, education, and health. Afghanistan has become a center of international cooperation more than fifty countries, along with many international and regional organizations, have been partnering with the Afghan government to secure and develop Afghanistan. These countries and organizations represent both the Global South and the Global North, in an unprecedented environment of international partnership to support the stabilization and reconstruction of Afghanistan (Qarizada, in this book).

Additionally, as Qarizada points out in this book, the fundamental premise for the reconstruction of the country is to achieve peace. All parties have ties to foreign and neighboring countries, so coordinated cooperation of all the actors involved is needed, which makes the common interests evident.

The internal security of countries can be considered a Global Public Good (GPG). Due to the greater interdependence and trans-nationalization of threats, criminal networks, terrorism, and pandemics, the absence of political order in any State can bring regional and global instability. Therefore,

cosmopolitan cooperation, which includes countries of the Global South and the Global North, is necessary. In this context, the SSC, if fixes to its normative elements, has a primary role, since its geographical and cultural proximity allows its cooperation in security matters, not to be seen as an interference with the sovereignty of the recipient, and the latter it may have a greater sense of ownership.

Finally, the SSC should not only be concerned with the political order at the national level but also at the international level. In this book, Jouili makes a critical analysis of the SSC in contemporary times, highlighting that it does not incorporate the original values of solidarity and emancipation, reducing itself to technical elements, increasingly similar to neoliberal policies. For example, the emergence of the powers of the GS has repeated logics of economic growth with significant environmental consequences. Their international trade and FDI have reprimarised the other economies of the South, generating incentives for extractivism, monoculture, leaving them in the most important link, down the value chain with serious damage to ecosystems. Consequently, the State has been reserved a merely technical function within the development process. The SSC has repeated the practices of the North-South Cooperation (NSC). The SSC has forgotten its objective of reforming international relations and building a New International Economic Order even the traditional international economic order has internalized the SSC.

Thus, Jouili in this book advocates a re-politicized agenda, where the values of emancipation are retaken in a contemporary perspective, and that the State and the society of the GS have a primary role in the development process. He also highlights that SSC should promote an alternative development paradigm, which includes solidarity between

societies, mutual development, and a more harmonious relationship with ecosystems.

Consequently, there are some warnings to be made. The SSC has significant potential to achieve a more just global order, where the interests and needs of the GS population are better served, with a sense of solidarity and shared responsibility. However, for this potential to be realized, political will and capacity are necessary. In contemporaneity, the main dimension of union and interdependence between the GS has been the economic one, and this is characterized by its volatile nature. To give content and continuity to the CSS, greater diplomatic efforts are needed, with a vision of the State and not only of the government.

The rise of countries like India and Brazil in the international economy and their greater prominence in the institutions and groups of global governance does not automatically translate into benefits for the GS. There has been evidence of the lack of coordination capacity of the GS countries in these instances and for set common objectives. So, one of the main challenges facing SSC is the scene of a fragmented GS.

The GS must propose an agenda of priorities and prioritize common objectives over individual interests, to give meaning and coherence to the SSC, and that serve to harmonize positions within the plurality of visions and interests in a framework of solidarity. The SSC agenda must be comprehensive and differentiated, due to the multiple and interdependent objectives in a wide plurality of contexts. Within these objectives, greater space should be given to others of social esteem to which the SSC has paid less attention due to their problematic conception, such as democracy and human rights. To meet these multiple and complex objectives, greater attention must be paid to

coordinating and harmonizing SSC in new global governance that fairly weighs the objectives of the GS.

The SSC has been resilient through the years' thanks to the common history of colonization and for sharing the contemporary challenges of development and autonomy. As this book has highlighted, there is awareness of the importance of shared effort and concerted actions to achieve objectives. Therefore, despite its limitations, the SSC continues to be a privileged instrument to face the great contemporary challenges of the GS.

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Contents

The contemporary Global Order is characterized by the highest connections, reciprocity, and interdependence between the various actors, where the agency capacity of the actors has been pluralized and fragmented, and the problems have been globalized. Therefore, cooperation is especially important. In this context, the emergence of the Global South is the most significant phenomenon; it has reconfigured the dynamics of power, international institutions, the international political economy, and the ways of cooperating.

South-South Cooperation (SSC) has been based on the common interests of development and the claim of asymmetric relations; it already has a significant tradition. The SSC has been resilient through the years' thanks to the common history of colonization and for sharing the contemporary challenges of development and autonomy. As this book has highlighted, there is awareness of the importance of shared effort and concerted actions to achieve objectives. Therefore, despite its limitations, the SSC continues to be a privileged instrument to face the great contemporary challenges of the Global South.