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ABSTRACT

South-South cooperation has become one of the most powerful tools at the disposal of developing countries for integration into the global economy. South-South relations that gained momentum in the aftermath of the Cold War have demonstrated a radical departure from the now archaic modes of engagement characteristic of the Cold War era. A handful of developing countries have emerged as de facto leaders of the South. These are countries that have taken significant rhetorical as well as practical steps towards strengthening South-South cooperation, as a means to counter the global domination of the affluent states of the North. This research report investigates the Post-Cold war adaptation of South-South cooperation exemplified by China and South Africa, and how they cooperate in international fora, with focus on the United Nations and World Trade Organisation. These are two countries that are strong advocates of South-South solidarity, and are regarded as leading powers of the developing world. Although with varying political and economic formations, the two countries have much in common. The most salient commonality is their evolving foreign policies. It is their evolving foreign policies that have enabled China and South Africa to take particular positions in international forums. There is significant commitment to the South agenda and this is demonstrated in UN and WTO engagements. However, there is ample room for improvement. Though committed to South-South cooperation, China and South Africa are still more committed to national interests. For South-South cooperation to move beyond rhetoric and periodic instances of cooperation there is an urgent need to redefine South-South cooperation. A new definition should involve a significant shift from the current abstract characterisation, to one that focuses on specific issues whose progress can be monitored and measured.

Key words: South-South cooperation, China, South Africa, United Nations, World Trade Organisation, New International order.

LIST OF ABBREVIATIONS/ ACRONYMS

ANC	African National Congress
ASEAN	Association of Southeast Asian Nations
AU	African Union
CPC	Communist Party of China
CPA	Comprehensive Peace Agreement
DA	Democratic Alliance
DPP	Democratic Progressive Party
EU	European Union
GATT	General Agreement on Tariffs and Trade
G-5	Group of 5 countries
G-8	Group of 8 countries
G-13	Group of 13 countries
G-20	Group of 20 countries
G-77	Group of 77 countries
IBSA	India Brazil South Africa
ICC	International Criminal Court
IR	International Relations
LDC	Least Developed Country
LMG	Like Minded Group
MDC	Movement for Democratic Change
NAM	Non-Aligned Movement
NEPAD	New Partnership for Africa's Development
NIEO	New International Economic Order
PAC	Pan Africanist Congress

PRC	People's Republic of China
REC	Regional Economic Community
ROC	Republic of China
RSA	Republic of South Africa
SA	South Africa
SACP	South African Communist Party
SADC	Southern African Development Community
SC	Security Council
UK	United Kingdom
UN	United Nations
UNAMID	United Nations African Union Mission in Darfur
UNCTAD	United Nations Conference on Trade and Development
UNSC	United Nations Security Council
US	United States
WTO	World Trade Organisation
ZANU-PF	Zimbabwe African National Union-Patriotic Front

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DECLARATION

1. I know that plagiarism is unacceptable. Plagiarism is to use another's work and pretend it is one's own.
2. Each significant contribution to, and quotation in this Research Report that I have taken from the work(s) of other people has been attributed, and has been cited and referenced.
3. This Research Report is my original work.
4. I have not allowed and will not allow anyone to copy my work with the intention of passing it off as his or her own work.

Signed: N.T. Matshanda

Date: 17 August 2009.

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Chapter 1

1. Introduction and Background.

1.1 Background to the Study.

The period following the end of the Cold War and the demise of superpower rivalry between the East and the West, together with the rise of neo-liberal economic policies brought about a reconfiguration of the international system. This new international order is widely understood as dominated by the rich industrialised countries of the North, with the South becoming increasingly marginalised. The South has more than ever become a distinct geopolitical unit; striving to assert itself in the face of neoliberal dominance of the global economy. This struggle has led to the establishment or revival of regional groupings comprising countries from Asia, Africa and Latin America, the three continents that make up the South, in an effort to promote stronger and more effective South-South cooperation. It is within this context that South Africa and China have increased their rhetoric for stronger South-South cooperation.

Beginning in the early 1990s, the newly emerging world order was largely shaped by the globalisation phenomenon¹, globalisation itself given impetus by the major political and economic changes taking place. Indeed, this period can be described as an international world governed by principles of geo-economics. With debates raging about the costs and benefits of globalisation, the South led by China sought to partake in this new global order, not only to participate but also to restructure it and make it more just. This needed a concerted effort from all developing nations. This required commitment and elaborate organisation, and indeed strong political will from leaders of the developing world. Having the third biggest economy in the world and a permanent seat in the United Nations Security Council, China has positioned herself as a de facto leader of the developing world.

¹ Whiteman, K, and Yates, D. "France, Britain and the United States", in Adekaye, A. and Rashid, I. (eds.), *West Africa's Security Challenges: building Peace in a Troubled Region*, Lynne Rienna Publishers, Boulder&London, 2004, p.374

China is redefining the concept of South-South cooperation; an idea that can be traced back to the 1960s, as an attempt by what was then the ‘Third World’, to establish self-reliance. This was partly a response to the dependency rhetoric of the 1960s, which asserted that developing countries were there to be exploited by the developed nations.

In its redefinition of South-South cooperation, China has sought to stimulate greater political and economic cooperation among the countries of the developing South. With this vision, China has identified Africa, particularly South Africa as a strategic development partner in the hope of a more coherent and consistent South agenda. To a large extent the South has reciprocated positively to China’s advances.

In the past decade South Africa has also become a major player in international affairs, and carries significant authority in regional and world affairs. On 31 December 2008 South Africa concluded its two-year term as an elected member of the United Nations Security Council². The election was possible due to the country’s considerable economic capacity, as well as its political might. South Africa is regarded as a regional and continental hegemon and is therefore highly respected internationally. Regional powers by definition possess the will, means and ambition to conduct foreign policy in their own neighbourhood without close regard to the preferences of the United States or multilateral organizations, including the United Nations³. South Africa fits this description, and has come a long way since 1994, this was evident in the two years participating as an elected member of the Security Council.

After the emergence of majority rule in 1994, South Africa has intensified its efforts as a significant actor in international affairs; this has seen the country flexing its muscles on certain occasions, particularly in multilateral forums. But most importantly, South Africa has been quite vocal in articulating the challenges of developing countries, especially African countries. Former President Thabo Mbeki was active in the revival of the Non-Aligned Movement (NAM) and the Group of 77 countries (G77). It is during these interactions that China and South Africa increasingly saw a convergence of interests, and the potential benefits of South-South cooperation.

² Minister Dlamini-Zuma, “Statement by the Minister of Foreign Affairs on the Conclusion of South Africa’s term as an Elected Member of the Security Council, *Department of Foreign Affairs*, at www.dfa.gov.za/docs/speeches/2009.szum0102.html. Accessed 05/01/2009.

³ Fuller, G.E. & Arquilla, J. “The Intractable Problem of Regional Powers” in *Orbis*, Vol.40, Issue 4, 1996, p.609.

The new global order has compelled many developing countries to invest time and money in regional cooperation efforts. In the past ten to fifteen years there has been a proliferation of regional cooperation initiatives throughout the developing world, the common denominator mainly being the status of being 'developing' countries. Gilpin notes, that today economic regionalism has reached flood tide, and is having a significant impact on the international economy⁴.

The South has rigorously pursued cooperation initiatives; one of the most forward thinking schemes is the India Brazil South Africa Dialogue Forum also known as IBSA. This was the brainchild of the respective Heads of State, all three countries are middle-income countries, and can be regarded as hegemons in their respective regions, indeed in the South as a whole. Other blocs working within the broader context of South-South cooperation include the G77+ China and the Non-Aligned Movement of which the IBSA countries are also members. It is in this backdrop that China-South Africa relations can be contextualised.

The two countries' cooperation at the United Nations (UN) and the World Trade Organisation (WTO) should be viewed in light of the background presented above. The China-South Africa nexus is of great significance in overall South-South cooperation. Both countries adhere to the South-South doctrine and are some of the most vocal advocates of cooperation among developing countries; they can also be regarded as middle-power countries. With this history, commonalities and converging interests and strong bilateral relations, how has this cooperation actually advanced South-South cooperation? This research report seeks to trace this relationship at the multilateral level of the UN and WTO, and investigate how the two countries cooperate and what this has meant for South-South cooperation as a whole. Is it possible to draw conclusions about this relationship pertaining to South-South cooperation?

1.2 Rationale of the study

The rationale behind why this study is worthy of investigation in this dynamic field of International Relations are wide ranging. This study is important for several reasons, as it carries implications for the realisation of a new international order as envisaged by developing countries of the South.

⁴ Gilpin, R.: *Global Political Economy*, Princeton University Press, Princeton New Jersey, 2001, p.3

Stronger South-South cooperation has the potential to alter the current international political and economic order, and it is important to understand the various avenues at the disposal of developing countries that can be exploited to realise this end.

In the second half of 2008, this study became even more imperative. Following the last G8 summit in July 2008 held in Hokkaido, Japan, there have been interesting developments. China and South Africa are among the five countries of the South (G5) that will officially join the world's richest countries the Group of eight (G8) to form the G13. Upon this announcement the G5 reiterated the importance of South-South cooperation, that it cannot be replaced by North-South relations⁵. It is therefore important to investigate further the role of countries such as China and South Africa in international affairs, as they are proving to be players of note, even among the rich industrialised countries of the North.

This study needs to be taken seriously as it has the potential to generate knowledge that can lead to further research on the topic. Further studies can look at how leading developing countries can balance their national interests while remaining committed to greater South cooperation. As argued elsewhere, the institutionalisation of South-South cooperation requires a re-examination of national policies of development in developing countries⁶. Indeed, developing countries have to make the necessary domestic changes in order to be in a position to actively engage the outside world.

Focusing on the UN and the WTO is crucial in assessing the extent to which this relationship contributes to the overall South agenda. Both countries have articulated a desire to reform the two world bodies, in order to be more reflective of the current global make up.

The UN is an institution in which international political dynamics are played out. The UN is chosen in this study as one of the major world political bodies, where matters concerning international politics are deliberated. Power dynamics are also most evident at the UN, where an array of countries is represented. There is the General Assembly and the all-powerful Security Council with only five permanent members, China happens to be one of the five

⁵ Jaura, R. *G8: Add Another Five- In a Way*, at <http://www.ipsnews.net/news.asp?idnews=43166>, Accessed 15/08/2008.

⁶ Yaker, L. South-South cooperation and the NIEO: the institutional problem, in B.T.G. Chidzero and Gauhar, A. (eds.), *Linking the South, The Route to Economic Cooperation*, Third World Foundation, London, 1986, p.233

permanent members, and this is important for the purposes of this study. South Africa on the other hand is campaigning to be the first African country to occupy a permanent seat in the Security Council; this ambition was reinforced by the two year stint as a non-permanent member of the Council. All these factors make it particularly fascinating to see how the two countries cooperate in the UN.

The WTO is the leading world body on international trade issues. International trade has become increasingly important for many countries; it has also become an arena of power politics⁷. For poor countries it provides the possibility to develop and prosper through global trade. This inevitability of international trade is a result of the dominance of free-market principles as prescribed by neo-liberalism⁸. This is precisely one of the main reasons why China finally became an official WTO member country on 11 December 2001, as it would have eventually found it increasingly difficult to do international trade on its own.

1.3 Research question.

In order to focus the study, specific research questions will be addressed in four of the six chapters. However, the overarching research question that this study seeks to answer is: how do China and South Africa as middle-powers cooperate in international fora, particularly in the UN and WTO, and whether this cooperation does, indeed, advance South-South cooperation?

It is expected that this question will implicitly and explicitly reveal whether the two countries cooperate in international fora for their own ends or for the broader South agenda. The international forums are the best means in which to examine this relationship. Mindful of the fact that the West is in a minority in international organisations such as the United Nations⁹, the coming together of developing countries should be taken into consideration.

⁷ Payne, A. *The Global Politics of Unequal Development*, Palgrave, New York, 2005, p.196.

⁸ Bond, P. "The World Bank and IMF reconsidered" in Coetzee, J.K. et al (eds.), *Development: Theory, Policy and Practice*, Cape Town, Oxford University Press, 2001, p.232

⁹ Taylor, I. "China's foreign policy towards Africa in the 1990s, in *The Journal of Modern African Studies*, Vol.36, No.3, 1999, p.451.

1.4 Aims of the study.

This paper has several aims, as it tries to establish and explore China and South Africa in the context of South-South cooperation. As two regional powerhouses and strong advocates of altering the international order through stronger cooperation among countries of the South, it is important to track the countries' record of cooperation in international fora.

The first and most important aim is to assess the extent of cooperation between China and South Africa in two of the worlds' biggest multilateral forums, the United Nations and the World Trade Organisation. Is there noteworthy cooperation between the two countries? If there is, how significant is it? And what kind of issues do they cooperate on; the writer will look at the issues on which the two countries cooperate.

Second, this paper aims to assess whether cooperation between the two countries on these forums does, indeed, contribute to a stronger South with more clout and a louder voice in international issues. Here the aim is to establish whether the countries cooperate for their own ends or for the broader South. This should establish whether South-South cooperation is still at the level of political rhetoric by leaders or has it evolved into a strong policy tool for developing countries to use in their engagements with the rest of the world.

Third, this study aims to understand the role of middle-income or semi-peripheral countries such as China, South Africa, India and Brazil in driving the South agenda. It is these countries that have been at the forefront of advocating change in the international system. These countries have become the de facto leaders of the rest of the developing world. There are several characteristics that make these countries the leaders, and this is worthy of further investigation in understanding the nuances of the developing world.

Finally, the paper aims to locate this study in the burgeoning literature and debates that exist regarding South-South cooperation. A considerable amount has been written about this relationship; however, there are gaps in the existing literature. No extensive study has attempted to look at how these countries cooperate in international forums, particularly the UN and WTO. When this is attempted it is always done in a cursory manner, and not necessarily through a thorough investigation of contextualising the cooperation in South – South cooperation.

1.5 Methodology.

This study is to a large extent qualitative in terms of the research methods that have been used to gather information. In essence, this means this study has not relied on numerical data. A variety of sources have been used in the study, mainly literature. Sources used have assisted in unpacking concepts such as South-South cooperation and middle-income countries.

The research topic required that a large amount of literature be consulted in addressing the topic and answering the research questions. Primary and secondary sources were used throughout this study. Secondary sources include the bulk of the literature, i.e. books, journals (articles), newspapers, and magazines. Primary sources include official government documents and information gathered from personal interviews.

The Wits libraries have been of great assistance in the gathering of information. The library holdings have extensive sources of information available in various forms. Wartenweiler and William Cullen libraries on the East Campus have vast literature on China-Africa and China-South Africa relations, and on the African Political Economy, including South Africa.

The Jan Smuts library which is situated at the South African Institute of International Affairs (SAIIA) is a goldmine in terms of sources relating to China and Africa. The library also has several journals on South-South cooperation, as well as United Nations documents, these can only be obtained from this library.

The library electronic resources have been heavily relied upon. Some of the most comprehensive journal databases can be accessed via the Wits library electronic database; these include JSTOR, Sciencedirect and EBSCO Host. These databases, particularly JSTOR contain some of the most highly reputable scholarly journal in the social sciences.

The internet has been a great source of data gathering, particularly on current affairs. Online newspapers have provided up-to-date data.

The main sources of primary data are interviews. These individuals were approached and contacted electronically via e-mail or telephonically. These are individuals with sizeable knowledge of the topic; indeed, some are experts in their fields of study. The three interviews conducted were with Dr. Garth le Pere executive director of the Institute for Global Dialogue

in Midrand; Dr. le Pere granted me an hour of his time at his office in Midrand. The second interview was with Sanusha Naidu, formerly with the Centre for Chinese Studies at Stellenbosch, she agreed to a telephonic interview as she is currently based in Cape Town. The final interview was with Paula Roque, formerly the project coordinator for China in Africa, at the South African Institute of International Affairs; I met with her in Pretoria.

I will now briefly introduce each of the following five chapters; these chapters are arranged so that they best address the research questions as well as the aims of this study. And it is hoped that the information contained in each chapter does precisely that, through clear and informed analyses.

Chapter 2 contextualises the study in a theoretical framework. This study requires a strong theoretical foundation in order to make sense of the concepts, particularly South-South cooperation, to understand the role of South Africa and China in this context. Functionalism is one of the theories used; the theory of the semi-periphery is the other.

Chapter 3 examines a very important aspect, but one that could easily be overlooked, the foreign policy dynamic. This is important because both countries' foreign policies have evolved in the past two decades, largely influencing their outlook and behaviour in international fora.

Chapter 4 looks at the background of China and South Africa in the UN. The chapter also considers the Non-Aligned Movement as one of the strongest and oldest political platforms of the South. Most critically, the chapter provides concrete examples of cooperation between China and South Africa in the UN.

Chapter 5 focuses on the WTO process. The chapter traces China and South Africa's background in the WTO. The chapter also considers the Group of 77 + China as the largest economic organisation of the South. The chapter also gives concrete examples of cooperation between China and South Africa within the WTO processes.

Chapter 6 is the conclusion and recommendations.

Chapter 2

2. Theoretical Framework.

“Whether applied to national or to international issues, functionalism is a political theory for a positive peace” Mitrany, D¹⁰.

There are numerous International Relations (IR) theories and this is expressed in Stephen M. Walt’s article appearing in *Foreign Policy* “International Relations: One World Many Theories”¹¹. The title and article imply the dynamic nature of the study of International Relations, and the various means in which it can be theoretically analysed. Particularly in IR, it is crucial to make sense of the different forms of relations and interactions that take place within the international system. Walt uses China as an example of a new development in international relations, that there is a need to make sense of China’s ascent, and that this can be done through various theories¹².

This chapter seeks to theoretically locate the dependent variable, which is South-South cooperation. The concept itself will be unpacked and analysed, this is important in order to fully understand the China-South Africa relationship in the context in which it is presented in this study. The writer will discuss two theories that are considered appropriate in understanding South –South cooperation. Functionalism and the theory of semi-peripheral countries will be explored. These will be discussed; special attention will be given on how they actually fit into this study. These theories will serve as a point of reference for the rest of the study.

¹⁰ Mitrany, D. *A Working Peace System, an Argument for the Functional Development of International Organization*, The Royal Institute of International Affairs, London, 1943.

¹¹ Walt, S.M. “International Relations; One World Many Theories”, in *Foreign Policy*, No. 110, Special Edition: Frontiers of Knowledge, 1998.

¹² *Ibid*, p.29

2.1 South-South cooperation

It is generally believed that the notion of South-South cooperation gained prominence shortly after the process of decolonisation, when formerly colonised states became independent. Most of these countries were in the global South, particularly in the two continents, Africa and Asia. Reflecting on the state of cooperation among countries of the South, Ajit Singh notes that the economic emergence of the South has been one of the most important developments in the half century since the end of the Second World War¹³. The concept has evolved over the years, gaining as well as losing momentum over time, depending largely on current conditions in the global economy. In the mid 1980s it became increasingly vital for the South to act in unison and solidarity with each other to the benefit of both their own people and the international community as a whole¹⁴.

Many indicate the 1955 Bandung Conference as one of the key events that shaped the South-South discourse. The conference saw the biggest gathering of developing countries, many of whom had just gained independence, mostly from Asia, but Africa was also represented. At the time African countries were still under colonial rule, with only a few years to independence. The conference stressed the urgency of promoting economic development and cooperation¹⁵, among other things. The newly independent Asian states were facing acute economic difficulties, and African countries were to face the same if not worse difficulties in the following years.

The collective self-reliance of developing countries¹⁶ is central to South-South cooperation. Collective self-reliance proposes that developing countries determine their own growth and development paths by increasing their cooperation with each other in key areas of

¹³ Singh, A. "South-South Cooperation: A Historical Perspective" at Singh, A. "South-South Cooperation: A Historical Perspective", at www.southcentre.org/publications/policyforum/policyforum_11.htm Accessed 21/04/2008.

¹⁴ Yaker, L. "South-South cooperation and the New International Order: the institutional problem" in Chidzero, B. and Gauhar, A. (eds.) *Linking the South, The Route to Economic Cooperation*, Third World Foundation, London, 1986, p.233.

¹⁵ le Pere, G. and Shelton, G.: *China, Africa and South Africa, South-South co-operation in a global era*, Institute for Global Dialogue, Midrand, 2007, p.69.

¹⁶ Patel, S. "Collective Self-Reliance of Developing countries" in *The Journal of Modern African Studies*, Vol.3, No.4, 1975, p.569.

development. The distinguished economic historian, Surendra Patel argues that over time, developing countries have built up much strength; however, what has been problematic is the lack of linkages between these countries¹⁷. Such linkages are the key to complimentary cooperation, as well as for maximising potential benefits from this cooperation.

After losing much currency throughout the 1960s, South-South cooperation made a comeback in the mid to late 1970s. The main reason for this comeback was the economic shocks that the world was experiencing following the oil crises. The revival of the South agenda was embodied in what was called the demand for a New International Economic Order (NIEO). The NIEO was a series of specific demands and considerations embodied in an impressive range and number of official documents¹⁸. The demand for a NIEO was a specific call for a review and restructuring of international economic relations. The context in which this emerged was of course the oil crises, as well as the increasing marginalisation of countries that were at the time referred to as the Third World or developing countries. The call for a NIEO was also seen as a dialogue between the North and the South, in an effort to allow the latter into the global economy on just terms.

Although not necessarily pursuing self-reliance, the call for a NIEO by developing countries is a significant instance of cooperation among countries of the South.

However, in retrospect, it has come to light that this call for a NIEO was a fundamentally flawed exercise. This criticism can be located within the broader critique of South-South cooperation as a developmental doctrine for developing countries. South-South cooperation has been criticised for lack of organisation, and being too big on rhetoric while falling short on action. A fair criticism as the South has failed to reach the desired level of coordination, considering the years of existence of the concept, which is over a half century. Ul Haq, argues, that the South will not commit to any co-operative arrangements unless it is in its long term interest to do so¹⁹. The argument is that there has not been enough incentive for countries of the South to commit to Southern initiatives. The South has been heavily dependent on the North, and therefore has little confidence in cooperation with each other.

¹⁷ *Loc cit.*, p.581

¹⁸ Cox, R.W. "Ideologies and the New International Economic Order: reflections on some literature, in *International Organization*, Vol.33, No.2, 1979, p.258.

¹⁹ Ul Haq, M. Beyond the Slogan of South-South Cooperation, in *World Development*, Vol.8, 1980, p.743.

Most of the South's political, economic and intellectual ties are with the North; with many developing countries looking to their bilateral political ties with the North for their national security²⁰. This has been one of the biggest challenges of South-South cooperation: creating trust and mutual confidence within the South.

The failure of the NIEO initiative can be attributed to this 'dependency' on the North, and the decision to 'negotiate' with the North for a NIEO. The term 'demanding' is rather misleading, as the South was pleading with the North. At the end of the Cold War, it became apparent that there is not going to be a New International Economic Order. Critical of the NIEO negotiations, Ul Haq blames the South for assuming that a New International Economic Order will emerge from the benevolent generosity of the rich nations²¹. The South was criticised for not taking the initiative and coming up with a framework for a NIEO.

This was precisely because of the fragmentation of the South mentioned above. The first mistake was the failure to restructure internally within individual states, then coordinate with each other within the South; this could have brought to the fore a more resolute agenda of the South; with the South speaking in one voice, and with greater collective bargaining at the international level²².

After the Cold War, the South found itself in an even more precarious position vis-à-vis the international political and economic orders. A new world order was emerging, and it was certainly not the kind that was envisaged during the call for a NIEO. The 1980s has been called the "lost decade", for developing countries due to the dismal failure of constructing a strong development agenda.

The last decade of the 20th century saw remarkable changes within the South, but most significant was the revival of the South agenda. South-South cooperation was being revisited, or better yet, it was being redefined. There was an emergence of new actors on the global stage, and most of these actors were from developing countries.

²⁰ Ul Haq, M. *Op. Cit.* 745.

²¹ Ul Haq, M. *Op. Cit.* 744.

²² *Loc cit.*

China has become the de facto leader of South-South cooperation, indeed, it has been noted that the rest of the developing world can learn from China's experiences, both positive and negative²³. This period also saw the ascent to international prominence of developing countries such as India, Brazil, Mexico, South Africa, Turkey and others, assuming middle-power status.

In contrast to the countries of the 1970s that called for a NIEO, these countries had undergone and are still undergoing internal domestic transitions. It was generally accepted, that a new approach to strengthening South –South cooperation would of necessity involve a re-examination of national policies of development²⁴. China in particular came out strong in calling for a restructuring of the international order, as it also suffered from the unequal international economic relations. The difference with previous proposals was that this call for a restructured international order was accompanied by robust debate and interaction within the South. This new group of South-South proponents was taking the initiative in framing the discourse for a more equal and just international system.

It should ,however, be kept in mind that South-South cooperation is a broad concept, and that it is possible to break it down into smaller components. Sanusha Naidu argues that there is a need to understand the diffused nature of South-South cooperation²⁵. The South is not a homogenous unit, but highly diverse and, indeed divided. This paper will use the concept in its broad conceptualisation, and will discuss cooperation between China and South Africa at the macro level of South-South cooperation. This broad level at which cooperation occurs is expected to inform the conclusions reached in this paper.

Over the years, South-South cooperation has manifested in different forums. Below will be a brief introductory overview of two of the most important South platforms that have emerged over the years. These are the Non-Aligned Movement and the Group of 77, which is now known as the G77+ China.

²³ Xiang, H. "China's economic strategy: some guidelines for the South" in Chidzero, B. and Gauhar, A. (eds.) *Linking the South, The Route to Economic Cooperation*, Third World Foundation, London, 1986, p.211.

²⁴ Yaker, L. "South-South cooperation and the New International Order: the institutional problem" in Chidzero, B. and Gauhar, A. (eds.) *Linking the South, The Route to Economic Cooperation*, Third World Foundation, London, 1986, p.233.

²⁵ Naidu, S., Researcher, Southern African Regional Poverty Network, HSRC, formerly with The Centre for Chinese Studies, *Telephone interview with the author*, 15/11/ 2008.

2.1.1 The Non-Aligned Movement.

The NAM is made up of 118 developing countries and aims to represent the political economic and cultural interests of developing countries. The NAM traces its origins to the meeting of 29 Asian and African countries in 1955 in Bandung, Indonesia. At this meeting, Heads of State discussed common concerns, including colonialism and the influence of the West²⁶. Six years later after Bandung, the first NAM summit took place in Belgrade, Yugoslavia. NAM emerged at the height of the Cold War between the superpowers. The threat to world peace presented by the United States and the Soviet Union dominated proceedings. The meeting ruled that member countries could not be involved in alliances or defence pacts with the main world powers²⁷. Therefore, NAM sought to prevent its members from becoming pawns in the Cold War and to distance themselves from the Western and Soviet power blocs.

The NAM has over the years has been one of the main platforms of expression for countries of the South, particularly on political matters, and its voice has been loudest in the United Nations General Assembly. In the 1990s the Movement experienced a revival; this was in the midst of a new emerging international order, which saw further marginalisation of the South. This revival was spearheaded by countries such as South Africa and China, among others. The Movement was no longer concerned with the Cold War, but with the new political realities of a post Cold-War period. In 2006, UN Secretary-General Kofi Anan noted the relevance of NAM, he reflected on the problem of income disparities between the world's poorest and richest countries. He stated that "the collective mission of this Movement is more relevant than ever"²⁸.

²⁶ "Profile: Non-Aligned Movement", *BBC News*, at newsvote.bbc.co.uk/mpapps/pagetools/print/news.bbc.uk/2/hi/asia-pacific/co, Accessed 26/11/2008.

²⁷ *Loc cit.*

²⁸ Anan, K. "Secretary General says Non-Aligned Movement's mission more relevant than ever in light of growing gulf between rich and poor countries" at www.un.org/News/Press/docs/2006/sgsm10636.doc.htm Accessed 26/11/2008.

2.1.2 The Group of 77 + China.

Another important constellation of developing countries is the G-77, which was formed in 1964 in order to advance a common platform in the UN and its Economic and Social Council, which specifically addresses issues of trade and development²⁹. The G-77 in particular, has been one of the major voices representing developing country needs at the WTO. The G-77 also led to the establishment of the United Nations Conference on Trade and Development (UNCTAD), which aimed to represent issues of trade for developing countries and to enable these countries to handle trade negotiations. Since its establishment in the 1960s, the group has been largely working within UNCTAD.

However, in the period leading to and after the end of the Cold War, with the emergence of a new set of international political and economic circumstances, the G-77 became more autonomous and outspoken as well as decisive in its activities within the WTO. This has been possible because the ranks of the G-77 have grown to 132 countries and China has been added, although not as an official member country. The G-77+ China have established a very important mechanism for improving South-South trade³⁰. The more robust nature of the G-77+ China has been transferred to the workings of UNCTAD. On behalf of the G-77+ China, UNCTAD has come to play a very important role in carefully evaluating aid and development issues. The G-77 + China are explicitly used for advancing stronger South-South cooperation, particularly on trade related issues.

Given the complexity of South-South cooperation, one of the ways in which it could be best understood is by locating it within a theoretical context. Why is there a need for South-South cooperation? What purpose does such cooperation serve? These are the questions that should be kept in mind when contextualising South-South cooperation.

²⁹ le Pere, G. and Shelton, G.: *China, Africa and South Africa, South-South cooperation in a global era*, Institute for Global Dialogue, Midrand, 2007, p93.

³⁰ *Loc cit.*

2.2 Functionalism.

With the idea of collective self-reliance central to South-South cooperation, South –South cooperation is therefore viewed as performing a particular function for developing countries. Functionalism is one of the political science theories that explain cooperation among states³¹. In the 1970s the world economy was in intense agony since the War³², it became evident that there is great need for different and more effective solutions, particularly for the ‘Third World’. It became important to find the lines of collective self-reliance of developing countries, or increased cooperation among themselves³³. There was a strong need for a mechanism that would carry out the function of a platform for developing countries of the South. The functional theory best illuminates the logic behind South-South cooperation.

Functionalism has over the years stood defiantly against dominant theories such as the realist and liberal theories of international relations; and has maintained that there is more to international relations than the nation state. Mitrany, one of the foremost proponents of functionalism, argues that the functional approach could eventually enmesh national governments in a dense network of interlocking co-operative ventures³⁴. Mitrany is certainly aware that his functional theory is the most fitting in explaining the nature of international relations. He argues, that the major principles of functionalism are that man can be weaned away from his loyalty to the nation state by the experience of fruitful international co-operation, that international organisation arranged according to the requirements of the task could increase welfare rewards for individuals beyond the level achieved within the state³⁵.

³¹ Mattli, W.: *The Logic of Regional Integration, Europe and Beyond*, Cambridge University Press, Cambridge, 1999, p.40.

³² Patel, S. J. “Collective Self-Reliance of Developing Countries” in *The Journal of Modern African Studies*, Vol.13, No.4, 1975, p.569.

³³ Patel, S. J. *Op. Cit.* p581.

³⁴ Mitrany, D.: *The Functional Theory of Politics*, Martin Robertson & Company Ltd., London, 1975, p.180.

³⁵ Mitrany, D. *Op. Cit.* p. x.

In his seminal work titled “A Working Peace System”, released shortly after World War 2, Mitrany explains functionalism in more detail. He argues, that functionalism is about organising governments along the lines of specific ends and needs and according to the conditions of their time and space³⁶. This suggests that functionalism is a pragmatic approach to international organisation. Inherent to the functional theory is the idea that cooperation will lead to a peaceful world. That the functional approach would help the growth of such positive and constructive common work, of common habits and interests³⁷. Mitrany appreciates the complexity of international relations, hence the proposal of A Working Peace System, which would compel states to develop common norms that would reduce the prospects of conflict. Two of the key themes of the functional theory are international equality and international security.

On international equality, Mitrany argues that this seemingly disruptive and intractable aspect of international relations may well be tamed by specific functional arrangements which would not steal the crown of sovereignty while they would promise something for the purse of necessity³⁸.

There is an acknowledgement that states are not equal, and that this is reflected in the configuration of the international system. Mitrany reflects on how smaller states have found a voice in the United Nations since its formation, particularly when they come together. He argues that smaller states have a difficult time in the actual policy making processes in the UN, but that they have contributed to changes in the balance of power by often acting in regional groups³⁹. Therefore, Mitrany proposes that inequality on the international stage can possibly be overcome through cooperation.

For the purposes of this study, it is evident that the functional theory proposed by Mitrany is the one theory that comes close in explaining South-South cooperation. Though at times overshadowed by the dominant theories, functionalism has emerged as one of the foremost theories of international relations.

³⁶ Mitrany, D.: *A Working Peace System, An Argument for the Functional Development of International Organization*, The Royal Institute of International Affairs, London, 1943, p.20.

³⁷ Mitrany, D. *Op. Cit.* p.27.

³⁸ Mitrany, D. *Op. Cit.* p.29.

³⁹ Mitrany, D.: *The Functional Theory of Politics*, Martin Robertson & Company Ltd., London, 1975, p.200.

According to China and South Africa, South-South cooperation is not an end in itself, rather a means to a more just and peaceful world. This is the goal proposed by the functional theory, particularly the ideas proposed by Mitrany in *A Working Peace System*. The idea that states will develop common norms in an effort to progress to a peaceful world; can be seen as one of the underlying principles of South-South cooperation. This rings true for countries of the South, that have more in common than not.

On international security, Mitrany reflects on the two World Wars, and how they produced a natural outcry for the organisation of international security⁴⁰. The two wars flagrantly exposed the lack of organisation for international security purposes. Mitrany attributes this to a lack of will to act together for common peace⁴¹. The fact that the Second World War even took place, illustrates the level of distrust and disunity in the international system, particularly at the time, and to a certain extent today still. Writing after the Second World War, Mitrany proposes functionalism as a means to counter the effects of such disunity. However, Mitrany cautions against interpreting security in its narrow sense of policing the world against the use of violence⁴². This is one of the areas where international cooperation is most difficult, with states finding it hard to leave their national security to regional or international groupings.

International security is also one of the areas that the South is concerned with. The unilateral nature of some of the rich industrialised countries, such as the United States has left many countries feeling vulnerable. The United States has the power to undermine the decisions of the UN Security Council; this is a fact that has particularly perturbed the South, hence the desire to reconstruct the UN system. Both principles of international equality and international security are pertinent to this study.

Following this theoretical contextualisation we can truly appreciate and understand the need for South-South cooperation, and possibly later in the study we can also understand China and South Africa's motives in the UN and WTO. International (in) equality is one of the founding principles of South-South cooperation. The marginalisation of the South from the

⁴⁰ Mitrany D. *Op .Cit.* p. 180

⁴¹ Mitrany, D. *Op. Cit.* p.181

⁴² *Loc cit.*

international economy and politics facilitated the establishment of South-South cooperation. Mitrany's functional theory has aptly captured the essence of South-South cooperation, and puts in perspective the challenges of developing countries.

Note: small states are measured in size and power.

2.3 The Semi-Periphery.

In contextualising South-South cooperation, it is crucial to take into account the kind of countries that have emerged as the main drivers of this initiative. In the literature on South-South cooperation a discernible pattern emerges regarding the category of countries that are the driving force behind cooperation within the South. This study deems it necessary to locate this category of countries in a theoretical frame, to look at some of the characteristics of these countries, how they emerge and the role that they play on the global stage. One of the best ways in which to theoretically analyse these countries is through Immanuel Wallerstein's notion of the 'semi-periphery'. This approach will be useful particularly in analysing the role of China and South Africa, as both countries exhibit semi-peripheral characteristics.

Analysing the positions of China and South Africa as semi-peripheral states will assist in answering some of the core questions of this study.

The idea of the semi-periphery is derived from the world system theory postulated by Wallerstein, the theory itself a derivative of the dependency theory. The world system theory moves away from the stark bifurcation suggested in the dependency theory that merely distinguishes between the core and the periphery. In explicating the theory, Wallerstein argues, that the theory is based on the assumption, explicitly or implicitly, that the modern world comprises a single capitalist world economy⁴³. The world system theory distinguishes between the core, semi-periphery and the periphery, and that these are parts within the broader world system. The main idea is that the world is an intricate system constituting parts and a whole. Wallerstein states that we need to understand the internal socio-economic profiles and distinctive politics of nation states, but that first we must situate them in the world economy; by situating them in the world economy we can then understand the ways in

⁴³ Wallerstein, I.: *The Capitalist World- Economy, Essays by Immanuel Wallerstein*, Cambridge University Press, Cambridge, 1979, p.53.

which various political and cultural thrusts may be efforts to alter or preserve a position within this world economy⁴⁴.

The notion of a semi-periphery emerged when Wallerstein questioned the conception of a bi-modal system considering the unicity of the system⁴⁵. This bi-modal system left Wallerstein with many unexplained ideas; he then built his conceptualisation on previous ideas of 'subimperial states' and 'go-between nations'. Wallerstein preferred the term 'semiperipheral countries' in order to underline the ways they are at a disadvantage in the existing world-system, and to explicate the complexity of the role which semi peripheral states play within the system⁴⁶. Indeed, it becomes more evident that the semi-periphery has a particularly complicated role within the world system. As an improvement from dependency theory, the semi-periphery allows world system theorists to escape stagnationism⁴⁷, which confined the dependency school, but also to make sense of the dramatic economic development of the East Asian economies.

According to Wallerstein there is a *need* to create a semi-periphery in the system, for political and economic reasons. He states, that a system based on unequal reward must constantly worry about political rebellion of oppressed elements⁴⁸. In order to avert this rebellion, certain political means have to be created, such as the creation off 'middle sectors'⁴⁹. These middle sectors perform a certain function in relation to the core and the periphery; they act as a buffer zone between these two extremes. However, these middle sector countries tend to think of themselves as better off than the lower sectors rather than as worse off than the upper

⁴⁴ *Loc cit.*

⁴⁵ Wallerstein, I. *Op. Cit.* p.68.

⁴⁶ *Loc cit.*

⁴⁷ Graaff, J. and Venter, D.: "Understanding the World System, in Coetze, J.K. et al (eds.) *Development: Theory, Policy and Practice*, Oxford University Press, Cape Town, 2001, p. 81.

⁴⁸ Wallerstein, I.: *The Capitalist World- Economy, Essays by Immanuel Wallerstein*, Cambridge University Press, Cambridge, 1979, p.69.

⁴⁹ *Loc cit.*

sector. Economically, semi-peripheral countries are intermediate, because they are exploited by the more powerful countries, at the same time they exploit weaker peripheral countries⁵⁰.

As much as Wallerstein argues that the semi-periphery performs a stabilising role, it can also be argued, that this exploitation cycle could also be a source of instability.

It is important to also keep in mind the diversity within the South, as mentioned earlier. The South is not homogeneous; there are clear differences in the levels of development as well as prosperity. Two distinct categories are evident, the Least Developed Countries (LDCs) and middle-income countries. This distinction is clearly depicted when noting that the North-South economic gap is narrowing for about a dozen countries but continues to widen for well over 100 others⁵¹. The dozen countries fall within the category of middle-income countries; the other 100 countries are at the very bottom according to the world system theory, and they suffer exploitation by the core and the semi-periphery. China and South Africa fall within the category of middle-income countries, but also within this category there is no uniformity. Middle-income countries are also diverse; China and South Africa are by no means of equal economic or political stature.

2.4 Conclusion.

There are three key aspects of functionalism that will be used going forward in this study. The first is what can be regarded as the fundamental aspect of the functional theory, the idea that cooperation is carried out for the sole purpose of performing a particular function. In this case, that function is the strengthening of the South, through closer cooperation in an effort to bring about a change in the international system. The second aspect of functionalism that will be carried forward is that international cooperation among states has more rewards than individual action. This applies more to countries of the South that have similar needs and circumstances. The third and final aspect that will influence the rest of this study is the notion that international cooperation is usually a response by governments to a set of conditions in a particular time and space.

⁵⁰ Graaff, J. and Venter, D.: "Understanding the World System, in Coetze, J.K. et al (eds.) *Development: Theory, Policy and Practice*, Oxford University Press, Cape Town, 2001, p. 88.

⁵¹ Broad, R. and Cavanagh, J. "Don't Neglect the Impoverished South" in *Foreign Policy*, No. 101, 1995-1996, p.20.

Countries of the South have come together since South-South cooperation became an ideological expression and a response to an inequitable international system.

It is important to keep in mind the ideas emergent from Wallerstein's notion of a semi-periphery. This theoretical analysis of middle-income countries is primarily based on the notion that the world economy is particularly complex and that there is a *need* for such countries to exist in order to counter the adverse effects of a world economy fraught with inequality. This is an important idea that will be constantly referred to in this study, in trying to understand China and South Africa's motives in South-South cooperation.

The existence of a 'single world capitalist' economy has compelled developing countries to participate in this economy, but on a more non-discriminatory basis. This is the desire of semi-peripheral countries. These semi-peripheral or middle-sector countries also have a functional role to play; they act as a buffer between the 'core' and the 'periphery'. It can therefore, be argued that there is a kind of expectation from countries such as South Africa, China, India, Brazil in terms of South-South cooperation. Here we can see how functionalism and the notion of the semi-periphery present complementary theses.

In subsequent chapters the two theoretical perspectives will help in understanding the role and behaviour of China and South Africa in the UN and WTO, not only these two countries, but other middle powers as well.

In summary, this chapter has contextualised the idea of South-South cooperation by analysing and by examining theories that could help understand the South as a geopolitical unit. It was stated that the South emerged out of trepidation by newly independent developing countries in the late 1950s, as they found themselves deeply marginalised from the global economy.

The functional theory placed South-South cooperation into perspective, by offering reason for countries of the South to come together. Wallerstein's notion of the semi-periphery contextualises the function and purpose of middle-income countries such as China and South Africa. We can thus position China and South Africa into this world system that Wallerstein speaks of. In doing that it is apparent that they occupy specific positions and their actions through South-South cooperation and independently reflect a determination to alter their position within the world system.

What is problematic however, is the exploitative cycle that appears inherent in the world system theory. The seemingly inevitable exploitation of the periphery by both the core and semi-periphery raises serious questions for South-South cooperation, whose very purpose is to act as a vehicle for all countries of the South to engage on a more or less equal footing on the international stage. Most importantly, this component of the world system theory has serious implications for the role played by China and South Africa on the African continent.

The next chapter primarily looks at the new international order that characterised international relations in the post Cold-War period. The chapter will also examine some of the domestic and international circumstances that compelled China and South Africa to each evaluate and adjust their respective foreign policies in order to suit the new realities. Functionalism and the idea of the semi-periphery will help to understand how the two countries' foreign policies have evolved over time.

Chapter 3

3. The post Cold-War International Order and the evolving Foreign Policies of China and South Africa.

3.1 The post-Cold War international order.

The period following the end of the Cold War and the demise of superpower rivalry between the United States and the former Soviet Union together with the rise of neo-liberal economic policies brought about a reconfiguration of the international system. This new international order is widely understood as dominated by the rich industrialised countries of the North, with the South being increasingly marginalised. During this period, the South faced challenges ranging from integration into the global economy to chronic underdevelopment, particularly Africa. African countries have continued to struggle with a constant state of underdevelopment and rapidly deteriorating domestic political economies. Africa has been worse off than its Asian and Latin American counterparts. The South has more than ever become a distinct geopolitical bloc; suffering the same fate since the early 1990s, struggling to participate in the new global political economy.

This chapter traces this new international order, but more specifically traces the foreign policies of China and South Africa. If we are to understand the rise of these two countries to international prominence, it is crucial to understand the domestic and international conditions that propelled them to their eminence.

In the past decade South Africa has become a major player in international affairs, and carries a remarkable level of authority. This is due to the country's considerable economic power, as well as its political and military capacities. South Africa is regarded as a regional and continental hegemon. Regional powers by definition possess the will, means and ambition to conduct foreign policy in their own neighbourhood without close regard to the preferences of the United States or multilateral organizations, including the United Nations⁵². South Africa fits this description, and has come a long way since 1994. After the emergence of majority rule in 1994, South Africa has intensified her efforts as an actor in international affairs; this has seen the country flexing its muscles on certain occasions, particularly at multilateral

⁵² Fuller, G.E. & Arquilla, J. "The Intractable Problem of Regional Powers" in *Orbis*, Vol.40, Issue 4, 1996, p.609.

forums. But most importantly, the country has been quite vocal in articulating the challenges of developing countries, especially African countries. Former President Thabo Mbeki was active in the revival of the Non-Aligned Movement and the G77+ China. It is during these interactions that the two countries increasingly saw a convergence of interests.

The new global order has compelled many developing countries to invest time and money in regional cooperation efforts. The past decade has seen the founding of several initiatives by developing countries in an effort to penetrate the global economy. Gilpin notes, that today economic regionalism has reached flood tide, and is having a significant impact on the international economy⁵³, I would also argue that this is also impacting on how the international economy is governed.

The South has rigorously pursued cooperation initiatives; one of the most progressive schemes is the India Brazil South Africa Trilateral Forum also known as IBSA. This was the brainchild of the respective Heads of State, all three countries are middle-income countries, and can be regarded as hegemons in their respective regions, indeed in the entire South. The IBSA forum is primarily concerned with trade cooperation between the member states, as well as increasing inter regional trade. Other blocs working within the broader context of South-South cooperation include the G77+ China and the Non-Aligned Movement of which the IBSA countries are also members. It is in this context that China-South Africa relations can be contextualised.

It is always prudent to start off on a small scale. It is a widely held view, that inter-regional and intra-regional cooperation is one of the most crucial building blocks for stronger South-South cooperation. In the past decade there has also been an increase in bilateral agreements between developing countries. South Africa has some of the largest number of Bi-national commissions with several developing countries, including China.

⁵³ Gilpin, R.: *Global Political Economy*, Princeton University Press, Princeton New Jersey, 2001, p.3

3.2 An Overview of China-South Africa relations.

The China-South Africa nexus in South-South cooperation is of great significance, in fact it is among the most closely observed. China and South Africa have had a working relationship since during apartheid, this was maintained throughout under different guises, and was modified after 1994. This relationship began when China was led by Nationalists in the 1940s and continued during the communist regime under Mao. Despite the communist regime's anti-imperialist and anti-colonialist stance, the apartheid government maintained relations with Beijing⁵⁴.

Beijing has always paid special attention to Pretoria. Throughout the years Beijing kept its ties with Pretoria more or less unaffected by its general anti-colonial tirade in Africa⁵⁵. However, by the late 1950s, Pretoria was becoming increasingly nervous about the PRC's solidarity with the colonially oppressed in the developing world⁵⁶. The PRC's support for the anti-colonial movement was most evident at the 1955 Bandung Conference in Indonesia. China's encounters with representatives of liberation movements also began at Bandung, where its delegates, for example, met Moses Kotane of the African National Congress (ANC) as well as Algerians who formed part of a Maghreb observer delegation⁵⁷.

The Communist Party of China (CPC) had been openly supporting liberation movements in Africa, the party also has a history with the ruling ANC as well as the South African Communist Party. However, these never really flourished due to the PRC's continued relations with apartheid South Africa. The CPC's posturing towards liberation organisations including the ANC and the Pan Africanist Congress (PAC) were guided by the two issues: the ideological polemic as well as Taiwan's position in the UN. With Taiwan a permanent member of the UN, winning support from the African bloc was crucial in replacing Taipei in

⁵⁴ Naidu, S. "South Africa's relations with the People's Republic of China: mutual opportunities or hidden threats?" in Buhlungu, S. et.al. (eds.), *State of the Nation, South Africa 2005-2006*, HSRC Press, Cape Town, 2006, p.460.

⁵⁵ Singh, S. Sino-South Africa Relations: Coming Full Circle, *African Security Review*, Vol.16, No.2, 1997 at [http://file:///E:/Sino-South %20Africa%20Relations%20Coming%20Full%20Cirlce..](http://file:///E:/Sino-South%20Africa%20Relations%20Coming%20Full%20Circle..)

⁵⁶ Naidu, S. *Op. Cit.* p.460.

⁵⁷ le Pere, G. and Shelton, G.: *China, Africa and South Africa, South-South cooperation in a global era*, Institute for Global Dialogue, Midrand, 2007, p69.

the Security Council which Beijing managed to achieve in 1971⁵⁸. Throughout apartheid, Beijing had been strong with anti-apartheid rhetoric, despite noted clandestine economic relations with Pretoria. This suggests that China's economic pragmatism is not a recent phenomenon, rather one that has characterised the country's meteoric rise to powerhouse status since the 1970s.

3.3 China and South Africa's evolving foreign policies.

3.3.1 Foreign Policy

Foreign policy is arguably, the single most important policy of any modern nation-state, with the state being the main executor of this policy. A country's foreign policy has implications for all its other policies. After the end of the Cold War, a new international order emerged; this new order had different dynamics and required the countries of the world to review their foreign policies, as well as foreign policy-making tools. With globalisation becoming the most salient and decisive determinant of international relations, this resulted in the emergence of different approaches to foreign policy. Vale and Mphaisha describe foreign policy as "the sum total of all activities by which international actors act, react and interact with the environment beyond their national borders"⁵⁹.

One of the most dominant approaches to international relations is political realism; in both its classical and neo-realist forms it emphasizes the international environment as the main determinant of state action. This means that in formulating foreign policy, states are reacting to the nature of the international environment. Therefore, the realist or neo-realist perspective assumes that foreign policy making consists primarily of adjusting the nation-state to the pressures of an anarchical world system⁶⁰. This implies that all foreign policy decision makers are driven by the same need and therefore have the same approach to foreign policy making. However, the suggestion is not that foreign policies of states can be predicted or that

⁵⁸ Naidu, S. *Op .Cit.* p.461.

⁵⁹ Vale, P and Mphaisha, C.J. "Analysing and Evaluating foreign policy" in McGowan, P.J. and Nel, P. (eds.) *Power, Wealth and Global Equity: An International Relations Text book for Africa*, UCT Press, Rondebosch, 1999, p.89.

⁶⁰ Kegley, W.C. and Wittkopf, E.R. "Foreign Policy Decision Making: Coping with International Circumstances, in Kegley, W.C. and Wittkopf, E.R. (eds.) *World Politics, Trend and Transformation 5th ed.*, St. Martin's Press, New York, 1995, p.46.

they are the same. Individual state policies will be country specific and multidimensional; the fundamental similarity is the notion of national interest. Because the goal and corresponding decision calculus of states are the same, the foreign policy making process of each can be studied as though it were a unitary actor⁶¹. The realist/neo-realist approach will help in understanding the evolution of China and South Africa's foreign policies, as their policies will be analysed in the context of a changing international system.

There are wide-ranging definitions of foreign policy goals and objectives. Traditionally, the objectives of a country's foreign policy are those concerning security and welfare; however, a number of other objectives are also important, whether in support of these primary aims, or as independent goals⁶². The goals of foreign policy can be described as rooted firmly in the domestic as well as international environments. As Vale and Mphaisha argue, that, in actuality, foreign policy outcomes are shaped by both domestic and international factors⁶³. Those who make foreign policy straddle the two environments; they stand at the point where the two worlds meet⁶⁴.

The outcomes of foreign policy have been debated for many years in international relations scholarship, and in most cases the answer is determined by one's theoretical perspective. Marxists, Liberals and Realists see foreign policy through different lenses. The contending theoretical perspectives, point us to where the first analysis should occur: liberals look inside the state, realists to the international system, and Marxists to both⁶⁵. All three approaches can in fact explain the four clusters of goals a government might seek to achieve in its foreign policy.

⁶¹ Kegley, W.C. and Wittkopf, E.R. *Op. Cit.* p.47.

⁶² Schoeman, M. "Objectives, Structures and Strategies: South Africa's Foreign Policy", in *South African Yearbook of International Affairs*, SAIIA, 2001/2, P.73.

⁶³ Vale, P and Mphaisha, C.J. "Analysing and Evaluating foreign policy" in McGowan, P.J. and Nel, P. (eds.) *Power, Wealth and Global Equity: An International Relations Text book for Africa*, UCT Press, Rondebosch, 1999, p.98.

⁶⁴ *Loc cit.*

⁶⁵ Mingst, K. *Essentials of International Relations*, W.W.Norton and Company, New York and London, 1999, p. 139.

These are mainly, national security, the promotion of political and economic autonomy, the enhancement of public welfare and finally, the enhancement of status or prestige⁶⁶.

3.4 China's evolving foreign policy.

In the period before the end of the Cold War, China's foreign policy towards Africa was largely determined by three factors: the Chinese model, the superpowers, and China's Third World policy⁶⁷. The Chinese model relates to China's developmental model. The trajectory of China's developmental experience has been something of a phenomenon, and China has felt that it is a model that could possibly be emulated by African countries and developing countries in general. The superpowers, relates to the Soviet Union and the United States, and China's struggle against them, there can be no doubt that Africa occupied a central place in Chinese foreign policy and the U.S. and Soviet Union were important factors in it⁶⁸. The third and final factor relates to China's own identification with the Third World of Africa, Asia and Latin America⁶⁹. China has always identified with the developing world, regardless of its potential as a major world power. All of these factors have formed an important part of China's foreign policy, particularly China's Africa policy even more so in the post Cold-War era.

3.4.1 China's post Cold-War foreign policy.

In order to gain a good perspective of China-SA relations in the period following the end of east-west rivalry, it is necessary to understand the evolution of China's foreign policy during this period, particularly the African component. In the immediate post-war period, Chinese relations with Africa were friendly but modest. A new generation of Chinese leaders were confronted with an increasingly complex and changing world. With the emergence of a unipolar world, dominated by the North, particularly the United States, China increasingly saw the United States as hardly a benign superpower. With the cold war over and

⁶⁶ Vale, P and Mphaisha, C.J. "Analysing and Evaluating foreign policy" in McGowan, P.J. and Nel, P. (eds.) *Power, Wealth and Global Equity: An International Relations Text book for Africa*, UCT Press, Rondebosch, 1999, p.98.

⁶⁷ Yu, G. T. "China's Role in Africa" in *Annals of American Academy of Political and Social Sciences*, Vol.432, Africa in Transition, 1977, p.96.

⁶⁸ *Loc cit.*

⁶⁹ *Loc cit.*

superpowers exiting Africa (rather unceremoniously). China saw Africa as a potential source of new markets and resources⁷⁰, as well as a strategic partner in the new global circumstances. China maintained the position that in the ‘complicated’ international system, with the danger of an unrivalled Washington; it was imperative that China and the developing world support each other and work together to prevent the rise of this new hegemon⁷¹.

Christopher Clapham argues that China’s irruption onto the African scene has been the most dramatic and important factor in the external relations of the continent since the end of the Cold War⁷².

In the early 1990s, the PRC embarked on a restructuring of the country’s foreign policy. This was done in order to cope with the new international context and to be in a position to maximise potential gains. It is apparent that Africa occupies a crucial role in the PRC’s achievements of its foreign policy goals⁷³. A strong argument can be made about Africa’s centrality to China’s foreign policy. The three main objectives of Beijing’s foreign policy: preservation of world peace and the promotion of justice, national reunification and economic development⁷⁴, can be examined in the context of China’s relations with Africa.

The first objective is significant for the purposes of this paper, as it relates to China’s alignment with developing countries in an effort to address issues facing the South. The Chinese Government 2006 White Paper titled “China’s African Policy” is a significant document as it provides a detailed outline of China’s proposed formula of engagement on the continent. The White Paper states that Africa encompasses the largest number of developing countries and is therefore an important force for world peace and development⁷⁵. China is

⁷⁰ le Pere, G. and Shelton, G.: China, Africa and South Africa, South-South cooperation in a global era, Institute for Global Dialogue Press, Midrand, 2007, p.22.

⁷¹ Taylor, I. “China’s foreign policy towards Africa in the 1990s”, in *The Journal of Modern African Studies*, Vol.36, No.3, 1999, p.452.

⁷² Clapham, C. “Fitting China In”, in *Brenthurst discussion Papers*, 8, 2006, p.2.

⁷³ Payne, R. and Veney, C. China’s Post-Cold War African Policy, in *Asian Survey*, Vol.38, No. 9, 1998, p.867.

⁷⁴ Payne, R. and Veney, C. *Op. Cit.* p.868.

⁷⁵ “Full text: China’s African Policy” *Chinese Government White Paper*, January 2006, at english.peopledaily.com.cn/200601/12/print20060112_234894.html.

aware of its converging interests with developing countries, particularly African countries, and the White Paper proposes a way of fully capitalising on these areas of convergence. South Africa is one of the countries that China has converging interests with on the continent as well as internationally. The cultivation of close relations with the rest of the developing world has motivated China's quest for international prominence. Beijing perceives itself as a champion of global justice, and believes this will result from the building of a new international political order⁷⁶. It is within this foreign policy framework that China has taken up the mission of reviving and strengthening South-South cooperation.

The second objective of the PRC's African policy is of great significance. This has to do with the issue of reunification and the One China policy. The PRC and Taiwan continue to compete for international recognition as the sole representative of the Chinese people. This is one foreign policy objective the PRC has pursued with vigour and determination. This was also the defining factor establishing China-South Africa diplomatic ties in 1998. Forming half of the Non-Aligned Movement membership and possessing almost one third of votes at the United Nations, the African continent has become a battleground for the recognition struggle⁷⁷. The White Paper states that the Chinese government appreciates the fact that the overwhelming majority of African countries abide by the one-China principle, and refuse to have official relations and contacts with Taiwan and support China's great cause of reunification⁷⁸. This has been an important issue for the PRC, because the recognition struggle has implications for the country's overall international standing. Full recognition allows the PRC to solidify its permanent membership on the Security Council among other things.

The third objective of economic development has been the most salient of the PRC's evolving foreign policy. In the past two decades, China has been experiencing unprecedented economic growth. Since the mid 1970s, China has been undergoing an internal process of domestic economic reform geared towards a more outward looking economic policy. It was not only in the 1990s that China started the reform process. Deng Xiaoping, Mao's successor

⁷⁶ Payne, R. and Veney, C. *Op.Cit.* p.868.

⁷⁷ Payne, R. and Veney, C. *Op. Cit.* p.871.

⁷⁸ "Full text: China's African Policy", *Op. Cit.*

initiated a series of reforms that touched and penetrated every sinew of Chinese society⁷⁹. The dramatic end of the Cold War in the late 1980s together with the reforms that have been taking place made it possible for China to emerge as a notable actor in international affairs leading to soaring growth levels.

As China's economy continues to expand, its leaders who have been pragmatic and innovative have become confident in their country's ability to influence international events⁸⁰. It has been precisely because of the growing economy and increasing international eminence that China has ventured into Africa with a distinct form of engagement. China requires large quantities of resources and markets to sustain its rapidly growing economy; Africa's relatively unexploited energy sources offer the Chinese a unique opportunity to look in through formal and informal means of steady supply of key resources⁸¹.

The overarching principles of China-Africa relations as highlighted in the White Paper are "sincerity, equality and mutual benefit"⁸². These principles serve as a means of bolstering China's activism in redefining South-South cooperation.

Many argue that the efforts outlined in China's Africa policy demonstrates a long-range influence, for it shows Africans and other peoples, a new kind of relationship that emphasises the goal of "developing together"⁸³.

It is within these three key objectives of Beijing's foreign policy that China-South Africa relations can be situated. The PRC embarked on a rigorous campaign in order to influence South Africa to establish diplomatic ties with mainland China after 1994. In fact this campaign started way before 1994 and included numerous goodwill visits as well as outright coercion. But in 2009, the relationship can be said to be noteworthy and highly sophisticated.

⁷⁹ le Pere, G. and Shelton, G. *Op.Cit.* p.31.

⁸⁰ Payne, R. and Veney, C. *Op.Cit.* p.869.

⁸¹ Alden, C., *China in Africa*, David Philip, Cape Town, 2007, p.12.

⁸² "Full text: China's African Policy" *Chinese Government White Paper*, January 2006, at english.peopledaily.com.cn/200601/12/print20060112_234894.html.

⁸³ Haifang, L. "China and Africa: Transcending 'Threat or Boon', *The China Monitor*, March 2006, p.9.

China's former Ambassador to South Africa, Liu Guijin stated, that as a result of concerted efforts from both sides, the two countries have exemplified the true meaning of "strategic partnership"⁸⁴.

Overall, China's post Cold-War foreign policy, including the country's African policy is largely viewed as one characterised by pragmatism. The pragmatic posture has come from awareness among Chinese leaders who came to realise that China is increasingly becoming a part of a larger international environment that provides opportunities for, as well as constraints on, its policy options⁸⁵. This pragmatism is most pronounced in China's engagements with African countries. The main driver of Sino-Africa relations is the economic dynamic, particularly China's quest to source natural resources, particularly oil. The pragmatism can be found in the mutually beneficial means of engagement between China and Africa. China offers African countries much needed infrastructure, technological support, foreign direct investment among other things, and in return it has access to an abundance of natural resources and vast untapped African markets. Indeed, Africa has every reason to believe that China will prove to be a reliable and beneficial trading partner and that the economic relation will continue to intensify⁸⁶.

3.4.2 The Taiwan Factor.

The enmity between Taiwan and the PRC is currently undergoing a significant shift. On 6 November, 2008, Taipei welcomed the first high ranking official from Mainland China in over half a century. Chen Yunlin was in Taiwan to sign a trade agreement with Taiwan that many believe will greatly ease tensions between the rivals⁸⁷. Chen was due to meet Taiwanese President Ma Ying-jeou.

⁸⁴ Ambassador Liu Guijin, "The Chinese Economy and China-South Africa Cooperation", presentation at the Asia and Middle East Business Seminar, Cape Town, 15 February 2005, at www.chinese-embassy.org.za/eng/zngx/tl83555.htm.

⁸⁵ Zhao, S. "China's geostrategic thrust: patterns of engagement" in le Pere, G. (ed.) *China in Africa, Mercantilist predator, or partner in development?* Institute for Global Dialogue and South African Institute of International Affairs, Midrand, 2006, p.39.

⁸⁶ Field, S. "China's Emergence as A World Power: Implications for South Africa and Africa", in le Pere (ed.) *China Through the Third Eye, South African Perspectives*, Institute for Global Dialogue, Midrand, 2004, p.41.

⁸⁷ Foreman, W. "Protestors blockade visiting Chinese envoy ahead of meeting with president" in *The China Post* at www.chinapost.com.tw/print/18918.htm. Accessed on 06-11-2008.

This visit generated a great deal of interest, and indeed, controversy. The Chinese envoy was met with a hostile reception, with about 800 demonstrators swarming around the Grand Formosa Regent Taipei hotel⁸⁸, where Mr. Chen was accommodated. Very few Taiwanese saw the visit in a positive light, the opposition Democratic Progressive Party (DPP) dogged Mr Chen's footsteps with protests, accusing President Ma of selling out to the Chinese⁸⁹. The Taiwanese perceive the easing of relations between the two countries as a threat to Taiwan's independence. Central to the controversy around the historic visit was the question of how Mr. Chen will address President Ma. The Chinese communist leadership does not formally recognise Taiwan's government, with Beijing insisting that Taiwan is a province of China, and Chinese provinces do not have presidents⁹⁰. And so it was, that, Mr. Chen could not bring himself to call Mr. Ma "President"⁹¹.

The main issue behind the seemingly easing relations is business. Negotiators from Taipei and Beijing took major steps toward closer financial cooperation and joint tackling of the international global financial crises⁹². Most eye-catching of the agreements is a big expansion of direct transport links; a new direct air route avoiding Hong-Kong airspace will reduce travel time from Taiwan to Beijing by one hour and save an estimated 40-50% in fuel costs⁹³. The latest agreements offer more substantial business ties than ever before. It can be argued that the PRC has once again demonstrated pragmatism, by focusing on pragmatic engagement, and placing in the back seat the controversial political issues. These developments will have to be closely monitored; it would be worth noting how the easing of tensions manifest in how the two countries' international interaction.

⁸⁸ *Loc cit.*

⁸⁹ "Resisting China's charm offensive" in *Economist.com* at www.economist.com/PrinterFriendly.cfm?story_id=12570579 Accessed 16-11-2008.

⁹⁰ Foreman, W. "Protestors blockade visiting Chinese envoy ahead of meeting with president" in *The China Post* at www.chinapost.com.tw/print/18918.htm. Accessed on 06-11-2008.

⁹¹ "Taipei, Beijing aim for closer cooperation" in *The China Post* at www.chinapost.com.tw/print/181931.htm. Accessed on 06-11-2008.

⁹² "Resisting China's charm offensive" in *Economist.com* at www.economist.com/PrinterFriendly.cfm?story_id=12570579 Accessed 16-11-2008.

⁹³ Taipei, Beijing aim for closer cooperation" in *The China Post* at www.chinapost.com.tw/print/181931.htm. Accessed on 06-11-2008.

3.5 South Africa's post-apartheid foreign policy.

The 'moral' internationalism of South Africa's post-Apartheid foreign policy was most evident in Nelson Mandela's article entitled "South Africa's Future Foreign Policy" which appeared in the December 1993 edition of *Foreign Affairs*. The article essentially summed up South Africa's envisaged foreign policy in the incumbent ANC administration as one that would be underpinned by the respect of human rights. Mandela was conscious of the urgent need for South Africa to 're-engage' with the rest of the world following nearly forty years of international isolation⁹⁴. He mentioned the new pillars of South Africa's foreign policy; these pillars placed South Africa in a position of moral high ground when it comes to issues concerning human rights violations, following the country's experience with apartheid. Indeed, Mandela's declaration on the eve of the 1994 elections that "human rights will be the light that guides our foreign policy"⁹⁵, set the tone for the contours and conduct of the country's future foreign policy.

However, following this moral and highly idealistic stance, the new government, in practice, found itself in a number of foreign policy predicaments. One such that has been described as a debacle is the conflict between East Timor and Indonesia. The Mandela presidency found itself torn between East Timorese resistance movements, with whom they identified with and the government of Indonesia. South Africa abstained on resolutions criticising the Indonesian Government's human-rights violation at the UN Commission on Human Rights in 1997 and 1998⁹⁶. This became the pattern, with South Africa failing to condemn human rights violations in Malaysia, China and Taiwan, due to financial contributions made to the ANC by these governments.

The second instance of ambiguity in the country's foreign policy was over the 1995 crisis in Nigeria, when the military junta of Sani Abacha executed several civil rights activists including the popular activist of the Ogoni, Ken Saro-Wiwa. This crisis must rank as one of the most serious and potentially explosive challenges to confront the new South African

⁹⁴ Mandela, N. "South Africa's Future Foreign Policy" in *Foreign Affairs*, Vol.72, No.5. 1993, p. 86.

⁹⁵ Alden, C. and le Pere, G. "Mandela and the Foreign Policy of Transition" IISS, *Adelphi Paper* 362, 2003, p.11.

⁹⁶ Alden, C. and le Pere, G. *Op. Cit.*, pp.19-20.

government, testing the ANC's foreign policy ideals⁹⁷. The executions were condemned worldwide; South Africa was in a difficult position considering the ANC's close ties with the Nigerian political elite and military establishment. When the government came under pressure to condemn the Nigerian government, its reputation had already suffered tremendously. South Africa was chastised from all corners of the continent, and the country's 'African' credentials were questioned. The new government had to learn the hard way about African *realpolitik*.

It would appear that to date, interest not sentiment governs policy formulation in South Africa's foreign affairs despite the rhetoric of a foreign policy rooted in the respect for human rights. A November 2008 article appearing in the online version of the Economist calls South Africa's foreign policy "the see-no-evil foreign policy"⁹⁸ and largely questions the departure from the immediate post-apartheid position that saw South Africa as a shining beacon of human rights.

Over the years the country's foreign policy has demonstrated a notable shift from the foreign policy mapped by Mandela in 1993. Others have attributed this shift to pragmatism, others call it realist tendencies. It is not always advisable to have a foreign policy based on subjective ideals, considering the turbulent and unpredictable nature of the international system. Pragmatism, by definition, is behaviour disciplined by neither a set of values nor established principles⁹⁹. It is therefore, tempting to advocate for a pragmatic foreign policy.

One other important approach that can be used to analyse South Africa's post-apartheid foreign policy is that of the personality in policy making. This is best illustrated by examining foreign policy under the administration of former President Thabo Mbeki. Leaders, and the kind of leadership they exert, shape the way foreign policies are made and the consequent

⁹⁷ Alden, C. and le Pere, G., *Op. Cit.* p.21.

⁹⁸ "The see-no-evil foreign policy, why post-Apartheid South Africa, once a shining beacon of human rights is cosying up to nasty regimes around the world" in *Economist.com*. at www.economist.com/world/mideast-africa/PrinterFriendly.cfm?story_id12607 Accessed on 15-11-2008.

⁹⁹ Zhao, S. "China's geostrategic thrust: patterns of engagement" in le Pere, G. (ed.) *China in Africa, Mercantilist predator, or partner in development?* Institute for Global Dialogue and South African Institute of International Affairs, Midrand, 2006, p.38.

behaviour of nation-states in world politics¹⁰⁰. Under the leadership of President Mbeki, South Africa followed what Naidu has called a neo-realist approach to international affairs¹⁰¹, this manifested in the country's foreign policy. Under President Mbeki, foreign policy took on a more realist, if not pragmatic approach, which was at times highly criticised. Indeed, even during Mandela's presidency, the influence of the personality was evident although it never flourished, as foreign policy was largely characterised by ambiguity. Evans summed up this phenomenon of the 'hero-in-history' by arguing that the tradition of personal diplomacy initiated by Jan Smuts still persists in South Africa, where the philosophical framework from which policy initiatives emerge remains intact¹⁰².

3.5.1 South Africa's post 1994 policy towards China.

South Africa is China's second biggest trading partner in Africa after Angola. In 2008 the two countries celebrated ten years of formal diplomatic relations. After 1994, relations between the two countries began a lengthy and intricate evolutionary process. Beijing had severed its ties with Pretoria in the 1970s, while Taipei maintained its relations. In 1994, the new government realised that it was faced with a dilemma; indeed, it was a difficult time for politicians and bureaucrats alike. The choice appeared clear; a choice between Taipei and Beijing, in practice the situation was far more complex. Whatever steps the new government was going to take would have serious implications for its own policy objectives and goals.

The flow of official and non-official visitors increased beginning in 1992; these included a South African Communist Party (SACP) delegation and high-ranking PRC government officials¹⁰³. The PRC adopted a much more vigorous two-pronged policy of consolidating existing ties and exploring new areas for co-operation, and simultaneously increasing

¹⁰⁰ Kegley, W.C. and Wittkopf, E.R. "Foreign Policy Decision Making: Coping with International Circumstances, in Kegley, W.C. and Wittkopf, E.R. (eds.) *World Politics, Trend and Transformation 5th ed.*, St. Martin's Press, New York, 1995, p.58.

¹⁰¹ Sanusha Naidu, Researcher, Southern African Regional Poverty Network, HSRC, formerly with The Centre for Chinese Studies, *Telephone interview with the author* on 15/11/2008.

¹⁰² Evans, G. "South Africa in Remission: the Foreign Policy of an Altered State" in *The Journal of Modern African Studies*, Vol. 34, No.2, 1996, p.267.

¹⁰³ Singh, S. "Sino-South Africa Relations: Coming Full Circle" *African Security Review*, Vol.6, No.2, 1997, no pg.

pressure on South Africa to upgrade their diplomatic ties with Beijing¹⁰⁴. Pressure was increasingly applied on the new South African government to recognise the PRC over Taiwan, with which the former apartheid government had ties with. It was this pressure coupled with other dynamics that led to the establishment of formal diplomatic ties between the PRC and the new South African government.

Since 1994, South Africa's foreign policy-making has frustrated commentators who have complained about its incoherence and contradictory nature. What perturbs them most is Pretoria's vacillation between 'realist' and 'moral' internationalism¹⁰⁵. It can be argued that this was a tussle between the ANC's own vision of the country's foreign policy and the realities of a foreign policy required by a state of South Africa's stature and size. The former can be found in what was envisaged to be the ten pillars of the country's new foreign policy written by Nelson Mandela in 1993. The document paid much attention to the issue of human rights; that they extend beyond the political, embracing the economic, social and environmental¹⁰⁶ spheres. This is the moral internationalism referred to above. The realist tendencies manifested in later events such as the Lesotho invasion in 1998.

Due to the historical relations between the CPC, ANC and SACP, it was presumed that Beijing's status would be almost automatically elevated in the new regime. But this was not going to be the case. Speculation on the imminent split in relations between Taiwan and South Africa ran particularly high since the PRC's high profile Minister Qian Qichen, and Vice-Minister, Yang Fuchang paid a transit visit to Johannesburg in 1992¹⁰⁷. South Africa was, however, determined to take its time and weigh its options before making a final decision. The decision was so complicated that Pretoria was even contemplating dual recognition. The new government was never in doubt about the potential benefits of aligning with China; the situation was made more difficult by Taiwan's chequebook diplomacy, which

¹⁰⁴ *Loc cit.*

¹⁰⁵ le Pere, G, Lambrechts, K, and Nieuwkerk, A. "The burden of the future: South Africa's foreign policy challenges in the new millennium, *Global Dialogue*, Vol.4, No.3, 1999, p.1.

¹⁰⁶ Mandela, N. "South Africa's Future Foreign Policy" in *Foreign Affairs*, Vol.71, No.5, 1993, p.86.

¹⁰⁷ Singh, S. *Op. Cit.* p.1.

saw Taipei spending a lot of money on the ANC's election campaign prior to the 1994 elections¹⁰⁸.

That the newly democratic South Africa would extend relations with Beijing was never in doubt, what interested Pretoria's new leadership and the foreign policy fraternity was how this relationship would be expressed in diplomatic terms. Despite numerous commercial carrots and the ideological affinity between the Chinese government and the ANC, Pretoria was to recognise the PRC as the official representative of the Chinese state four years into government¹⁰⁹. The Mandela Presidency had a number of factors to consider, the Two Chinas dilemma forced the Presidency to realise that arriving at a decision was fraught with internal contradictions¹¹⁰. It became a matter of balancing the country's own foreign policy goals with the principles of promoting human rights. The Two Chinas dilemma was a true test of the new regime's ambitious, albeit ambiguous foreign policy.

A number of factors contributed to South Africa's eventual switching of diplomatic ties. As mentioned earlier, China offered South Africa a much more tempting proposal, than did Taiwan. Notwithstanding China's permanent membership at the United Nations Security Council, in the mid-1990s China's economy was already sky rocketing ,and all indications were that China was well on its way to becoming a superpower of note. It is often argued, that the "Hong-Kong factor" played a major part in the recognition struggle. Beijing was determined to use the timing for the return of Hong-Kong as leverage.

Beijing had made it clear that with effect from 1 July 1997, all states that did not have diplomatic relations with the PRC would have to close down their diplomatic missions and

¹⁰⁸ Mills, 1995 in Naidu, S. "South Africa's relations with the People's Republic of China: mutual opportunities or hidden threats? in Buhlungu, S. et.al. (eds.), *State of the Nation, South Africa 2005-2006*, HSRC Press, Cape Town, 2006, p.464.

¹⁰⁹ Davies, M. J. "South Africa and China after One Decade of Relations" in *The China Monitor*, Issue 25, January 2008, p.4.

¹¹⁰ Naidu, S. *Op. Cit.* p.464.

other activities in Hong-Kong¹¹¹. This would have been economically devastating to South Africa. At the time the island was South Africa's fifth largest trading partner¹¹².

With all these political and economic considerations, it was eventually pragmatism that guided South Africa's decision-making.

South Africa's new foreign policy was forced out of ambiguity, and ultimately proved to be more 'realist' than moralistic. In the ultimate analysis, Pretoria could not ignore the rise of China in the global system and the attendant benefits that establishing formal ties with Beijing would bring¹¹³. After reaching agreement on relevant issues, the two countries signed a Joint communiqué on the Establishment of Diplomatic Relations in December 1997, where the South African government affirmed that it would adhere to the One-China policy¹¹⁴. And so it was that on the 1 January 1998, Pretoria formally switched its diplomatic ties from Taipei to Beijing.

The 1st of January 2008 marked ten years of China-South Africa formal diplomatic relations. Since 1998, bilateral co-operation has flourished, and there has been a high flow of high-level visits. Indeed, the first decade of diplomatic relations between the two countries has proved to be highly successful. This is largely due to the many areas of convergence between the PRC and South Africa, from commitment to stronger South-South cooperation and an altered international system to political and economic interests on the continent. Naidu notes that Africa has become a new frontier for both Pretoria and Beijing politically and economically¹¹⁵.

It can be argued that China views South Africa as its gateway to the continent. If other African countries saw South Africa engaged in a fruitful relationship with China, there would be no reason why they could not do the same. South Africa has considerable influence on the

¹¹¹ Singh, S. "Sino-South Africa Relations: Coming Full Circle" in *African Security Review*, Vol.6, No.2, 1997, no pg.

¹¹² Naidu, S. *Op. Cit.* p.464.

¹¹³ Naidu, S. *Op.Cit.*, p.465.

¹¹⁴ *Loc cit.*

¹¹⁵ Naidu, S. "South Africa's relations with the People's Republic of China: mutual opportunities or hidden threats? in Buhlungu, S. et.al. (eds.), *State of the Nation, South Africa 2005-2006*, HSRC Press, Cape Town, 2006, p.470.

continent and can be a trend setter in terms of Sino-Africa relations. However, the countries' interests on the continent also have the potential to become a major area of contention.

High level political visits have acted as an enabler for business ties to grow. Several South African business delegations led by the President or Vice-President have made their way to China in the past decade. These have proven to be fruitful, as at January 2008, bilateral trade stood at US \$ 9.7 billion, with South Africa being China's number two trading partner in Africa, after oil-rich Angola¹¹⁶. The countries have been active in international forums, with the political and trade departments of the two countries working closely together. China and South Africa have also been voting in concert in international forums such as the United Nations and World Trade Organisation. This cooperation is expected to increase, as Davies notes that a strategic partnership requires more than commercial exchange, that the next decade will be driven by strategic political co-operation between Pretoria and Beijing in Africa¹¹⁷. It is this cooperation that will determine whether the countries' converging interests will be cordially managed or contested.

3.6 Conclusion.

The two countries' cooperation at the UN and WTO should be viewed in light of the background presented above. This chapter has attempted to understand the newly emerging international order in the post-Cold War period. This period is important as there were significant domestic changes in several developing countries, including South Africa and China.

The most important of these changes pertinent to this study was the evolving foreign policies of China and South Africa. This enabled both countries to engage differently with the rest of the world, and for them to reconsider their domestic, regional and international roles. For China this was largely the 'go out policy', where China came out of a long period of looking inwards. For South Africa this came in the form of the demise of apartheid.

China's foreign policy has evolved into one of the most unique, yet ambitious of the 21st century. As ambitious as it is, the PRC's foreign policy is not destructive in its path; Chinese

¹¹⁶ Davies, M. J. "South Africa and China after One Decade of Relations" in *The China Monitor*, Issue 25, January 2008, p.3.

¹¹⁷ *Loc cit.*

politicians have crafted a foreign policy that could be perceived as 'benign'. So far this unique policy has worked for the PRC, and has enabled the PRC to engage more constructively with the rest of the world. South Africa, on the other hand experienced turbulence in the initial years following majority rule in 1994. The country was following a rather ambiguous foreign policy, with no clear direction; this led to several awkward incidents. Slowly the country has attempted to define itself within the regional, continental and global contexts, sometimes taking on an Africanist identity. However, this has also not been clearly defined and still exposes the country for lack of a coherent foreign policy.

The nature of the two foreign policies will be demonstrated in their behaviour in the United Nations and World Trade Organisation. The examples used will also demonstrate the continuing evolution of China and South Africa's foreign policies.

It will be a long time before either country has a definite and constant foreign policy. At present both country's foreign policies are dynamic and constantly under alteration.

The following chapter looks at how these foreign policies and the new international context enabled China and South Africa to engage in international organisations. We begin with the United Nations.

Chapter 4

4. China and South Africa in the United Nations.

4.1 China and the United Nations.

China's history in the United Nations (UN) has been tumultuous and characterised by the struggle between the People's Republic of China (PRC) and the Republic of China (ROC), now Taiwan, as the sole representative of the Chinese people. The ROC was one of the founding members of the UN in 1945 and occupied a permanent seat on the Security Council¹¹⁸. The situation changed dramatically with the defeat of Chiang Kai-shek's Nationalists in 1948, and led to their subsequent retreat to Taiwan in 1949, and the establishment of the PRC in October 1949¹¹⁹. The struggle for legitimacy began almost immediately, with the new PRC regime questioning the legitimacy of the ROC as the representative of the Chinese people at the United Nations.

Within the UN there was robust debate over Chinese representation. This was taking place in the midst of the Korean War, the war itself heightening tensions between China and the United Nations which directly influenced the Security Council's rejection of a Soviet motion to accept the PRC and reject the ROC¹²⁰. The following years saw several diplomatic machinations within the UN with attempts and counter attempts to extend or limit the PRC's status within the organisation. The PRC had strong allies in the General Assembly, as well as in the Security Council. The Soviet Union was one such ally, when relations between the two communist countries were still cordial. But the ROC was still a member of the Security Council, and would not be swayed when it came to the PRC. China's posture toward the United Nations during the pre entry period may be characterised as one of "love me or leave me, but don't leave me alone" passing through stages of naive optimism, frustration,

¹¹⁸ le Pere, G. and Shelton, G. *China, Africa and South Africa, South-South cooperation in a global era*, Institute for Global Dialogue, Midrand, 2007, p.73

¹¹⁹ *Loc. Cit.*

¹²⁰ *Loc. Cit.*

disenchantment, rebellion, disinterest, revived hope, and a sophisticated diplomatic campaign to gain her seat¹²¹.

The PRC was particularly nervous about the United States, the former argued, that it appears that the UN had become an adjunct of the US State Department¹²². As early as the 1960s, the PRC saw the power politics that were played out at the UN, largely at the expense of the “Third World”. What is also clear, however, is that the PRC has never been against the idea of the UN, let alone joining its ranks.

The US persuaded the ROC to change its mind regarding China’s membership, reassuring the former that it would continue to retain its seat in the Security Council. What this in effect meant was that the only way the General Assembly could expel the ROC would be through obtaining a two- thirds vote¹²³. From this point on, countries friendly to China, led by Albania, began tabling an annual resolution in the General Assembly to transfer China’s seat in the UN from the ROC to the PRC¹²⁴.

With these changes taking place in the UN, more significant changes were taking place outside the organisation. The late 1950s and 1960s saw the large scale decolonization of many Asian and African countries; and most of these countries were almost immediately joining the United Nations. It will be important here to remember the Afro-Asian solidarity that was emerging, of which the PRC was part of, this Afro-Asian solidarity was best illustrated by the 1955 Conference in Bandung. As a result of the changing international context, on 25 October 1971, the General Assembly finally passed the Albanian proposal by a vote of 76 to 3 with 17 abstentions; of the 76 countries that voted in favour, 26 were from Africa¹²⁵. The resolution effectively withdrew recognition of the ROC and recognised the PRC as the sole representative of the Chinese people. This was the beginning of China’s internal restructuring as well as its ascent to international prominence.

¹²¹ Kim, S.S. *China, the United Nations, and World Order*, Princeton University Press, Princeton, New Jersey, 1979, p.99.

¹²² Kim, S.S. *Op. Cit.* p.100

¹²³ le Pere, G. and Shelton, G. *China, Africa and South Africa, South-South cooperation in a global era*, Institute for Global Dialogue, Midrand, 2007, p.74.

¹²⁴ *Loc cit.*

¹²⁵ *Loc cit.*

On November 23, 1971, China at one and the same time became both a participant and a decision maker in the Security Council, from which she had been excluded for over two decades¹²⁶. The world's attention turned to the PRC, to see what kind of Security Council member it would be, taking into consideration some of the rhetoric that had characterised the PRCs foreign policy, most notably its support for the Third World. China had been presenting herself as a rallying point for Third World unity and emancipation. Many have noted that China's identification with the Third World is also rooted in the country's self-image, national aspirations, and world view¹²⁷. At the time many believed that the rhetoric was merely that, rhetoric, and would not translate to any real action. A Soviet delegate at a General Assembly plenary session accused the PRC of using the 'third world' as a means to achieve its real aims, i.e. as a spring –board”¹²⁸ for immediately becoming a superpower.

Indeed, despite China's arguments about unity within the Third world, there have been compelling factors hindering that unity. Lack of active involvement and participation in the Third World, as opposed to rhetorical support, is only one of these¹²⁹. Indeed, as Kim notes, that upon the PRCs accession to the UNSC, it was interesting to watch and see which geographical-caucusing groups it would join, and that interestingly the PRC joined the Asian group, while declining to be a part of the Group of 77¹³⁰.

The Chinese refusal to take an active and leadership role in any of the General Assembly groupings is an interesting dynamic, one that has carried through to the present. However, things have slightly changed, with China closely associating with the G-77, though not yet a full member. This non-committal stance has often been viewed negatively by others, arguing that China is truly using the “Third World”, and is not really interested in its unity. However,

¹²⁶ Kim, S.S. *China, the United Nations, and World Order*, Princeton University Press, Princeton, New Jersey, 1979, p.194.

¹²⁷ Harris, L. and Worden, R.L. “Introduction: China's Third World Role” in Harris, L. and Worden, R.L. (eds.), *China and the Third World, Champion or Challenger?* Auburn House Publishing Company, Massachusetts, 1986, p.3

¹²⁸ Yakov A. Malik in Kim, S.D. *China, the United Nations, and World Order*, Princeton University Press, Princeton, New Jersey, 1979, p.97.

¹²⁹ Harris, L. and Worden, R.L. *Op. Cit.* p.6

¹³⁰ Kim, S.S. *Op.Cit.* p.193

this non-committal behaviour has not been accompanied by any action to affirm it; instead the PRC continues its activist role for the developing world.

In the 21st century in particular, China has been more decisive in its rhetoric and action regarding the reform of the international architecture and support of developing countries. This has seen China taking on tougher stances and using its veto power in favour of the South. At the 60th General Assembly Session on Security Council Reform in 2005, Ambassador Wang Guangya, China's permanent representative to the UN, reiterated China's position on Security Council reform. He argued that China supports the necessary and rational reform of the Council, including its expansion and the improvement of its working methods, in order to maintain its authority, increase its efficiency and strengthen its role¹³¹. The Ambassador further stressed the anomaly in the number of developing countries in the UN and their serious lack of representation in the SC¹³².

Indeed, at the beginning of the 21st century, China has become a powerful player in world politics. This of course, is commensurate with the country's economic stature which has allowed China to participate in world affairs with high conviction. A good indication is China's involvement in UN peacekeeping, providing over 7, 500 military observers, engineers, medical teams and other specialists in support of UN peacekeeping missions¹³³.

Therefore, it can be said that the PRC is slowly starting to demonstrate tangible commitment to the South, although the level of rhetoric remains, it has been accompanied by significant achievements. It should be noted here, that action does not necessarily denote activity that will be approved of by all and sundry. As it will be demonstrated in the next few pages, and indeed in the next chapter, China has become more active in developing country activities and unity, and can sometimes be viewed as a de facto leader of the South. Some of the actions taken by the PRC have been condemned and criticised, they nonetheless fall under the category of South-South cooperation.

¹³¹ Statement by Ambassador Wang Guangya, *China's permanent representative to the UN, at the 60th General Assembly Session on Security Council Reform*, 10-11 2005, at www.china-un.org/eng/zgh/hg/zzhgg/t220921.htm. Accessed 22/11/2008.

¹³² *Loc cit.*

¹³³ Alden, C. and Roque, P.C. "China and the UN Security Council: From Observer to Activist" in *China in Africa, Policy Briefing, SAIIA*, No. 2, April 2008, p.1.

4.2 South Africa and the United Nations

South Africa was one of the original 51 founding members of the UN, which came into existence on 24 October 1945¹³⁴. During this period South Africa was still a Union following independence from Britain in 1910. At this time South Africa was viewed as an important or potentially important player in international affairs. South Africa had also been one of the founding members of the League of Nations, the predecessor to the UN, under the capable stewardship of Jan Smuts. Following the Nationalist Party victory and the formation of the Republic in 1948, and the subsequent institutionalisation of racist policies, South Africa remained a member of the UN. It was not until 12, November, 1974 that the UN General Assembly decided to suspend South Africa from participating in its work, due to international opposition to apartheid¹³⁵.

While alienating the apartheid regime from international affairs, financial and moral support was given by the UN to national liberation movements. Both the Pan Africanist Congress and the African National Congress obtained observer Missions at the UN with UN financial support¹³⁶.

Vigorous debate took place in the General Assembly regarding the correct action to take against apartheid South Africa. The UN, especially the General Assembly soon became a battleground for a controversy between the adamant opponents of apartheid, mainly in the Third World, and its lukewarm supporters in the West¹³⁷. Eventually, the opponents' views prevailed, resulting in more consensus in favour of formal and strict sanctions against the regime. An elaborate Programme of Action against apartheid was produced and adopted by the General Assembly in 1983, containing admonitions to NGOs; political parties etc. to cease all collaborations with the apartheid regime¹³⁸. Certainly, the UN can be said to have

¹³⁴ "History and Present Status" Department of Foreign Affairs, at www.dfa.gov.za/foreign/Multilaterl/inter/un.htm Accessed 26/11/2008.

¹³⁵ *Loc cit.*

¹³⁶ *Loc cit.*

¹³⁷ Malhotra, 1964, El-Khawas, 1971 cited in Møller, B. "The UN as a Security political actor with a special focus on Africa" in Le Pere, G. and Samasuwo, N. (eds.), *The UN at 60, A new spin on an old hub*, Institute for Global Dialogue, Midrand, 2006, p. 196.

¹³⁸ *Loc cit.*

played a role in the eventual, yet inevitable fall of the apartheid regime. One could also argue that the action was long delayed and came in the dying days of apartheid, when the imminent demise of the regime was already quite apparent.

Most troubling is the fact that it took the UN almost two decades to recognise the violations against human rights so brazenly committed by the regime. This concern leads me to two of the most pressing challenges currently facing the UN, and it would appear, judging by the time it took the organisation to react to apartheid South Africa, these challenges are not new. The UN is notorious for delayed responses in crisis situations, particularly in Africa, this problem can be explained by the second challenge which is the inequality that characterises the organisation. These interrelated challenges have led to the immense suffering of innocent people, and in turn bringing the organisation's credibility to question.

Decision making is primarily made by the rich countries of the North, who in most cases are not bothered by "Third World" mayhem; so long as it does not affect them. Had there been more equality and transparency in the UN, where countries of the South have a voice in decision making, we could have seen decisive action taken much earlier against the apartheid regime in South Africa.

South Africa's own transition more or less coincided with major shifts and changes in the global order. The most egregious of these was the disintegration of the Soviet empire and the unprecedented impact of globalisation on the world economy¹³⁹. The landmark 1994 election paved the way for the complete normalisation of South Africa's relations with the UN¹⁴⁰. South Africa has since its re-admittance actively participated in the United Nations, and indeed, on certain occasions played a major role (some controversial). As mentioned earlier in Chapter 3, the new governments' foreign policy has undergone an evolution, and has been under a lot of pressure. The government has been accused of taking decisions contrary to the tenets that supposedly to underpin the country's foreign policy. Examples will also be provided later in this chapter, of South Africa's stances at the UN. Nonetheless, the country's

¹³⁹ le Pere, G. and Van Nieuwkerk, A. "Facing the New Millennium: South Africa's Foreign Policy in a Globalising World" in Ader, K.G. and Ajulu, R. (eds.) *Globalisation and Emerging Trends in African States*

¹⁴⁰ "History and Present Status" Department of Foreign Affairs, at www.dfa.gov.za/foreign/Multilaterl/inter/un.htm Accessed 26/11/2008.

global status has increased significantly through participation in the various UN bodies, agencies and General Assembly Sessions¹⁴¹.

Though not a member of the Security Council, South Africa has been an important player in that forum. For the first time in its history, South Africa received the non-permanent seat on the Security Council for the period 2007-2008. As a result of this the country became one of the strong voices of the South. South Africa has been vocal on the need for equitable representation for UN members, and the overall restructuring of the UN system.

Having chaired UNCTAD, NAM, the G-77 plus China, as well as the Commonwealth, attests to the trust afforded to South Africa by the international world, but most importantly, by the rest of the developing world. South Africa is also one of the African frontrunners for a permanent seat on the SC. If South Africa and other developing powers succeed in joining this once undemocratic post-World War 2 club, they will be well placed to engage in this mammoth task of redefining the organisation¹⁴².

South Africa is in a good position to influence decisions, though it may not be able to make them; hence the need to join with other developing countries, in an effort to consolidate a South agenda. Indeed, it seems a logical step for South Africa to form tactical alliances with like-minded countries, which stand ready to lead a debate on restructuring and enlarging the UNSC¹⁴³. This is precisely what the functional theory addresses, the coming together of countries to achieve specific goals and objectives and to respond to a set of conditions. Motivated by the reality of inequality in the current global order, South Africa has formed close ties with countries of the South, including China. This is also testament to the other key aspect of functionalism, that cooperation among states or multilateralism has more rewards than unilateral action. South Africa, China, Brazil, India, Argentina and other leading developing countries have been consistent in their practical efforts to promote South-South cooperation.

¹⁴¹ *Loc cit.*

¹⁴² Landsberg, C. "Towards a Development Foreign Policy? Challenges for South Africa's Diplomacy in the Second Decade of Liberation", in *Social Research*, Vol.3, No.72, 2005, p.744.

¹⁴³ le Pere, G. and Van Nieuwkerk, A. *Op. Cit.* p.204.

South Africa's multilateral diplomacy can therefore, also be contextualised within the concept of middle-income powers. The classification of middle-powers as a separate class of countries in the hierarchy of nations stands or falls not on their subjective identification but on the fact that this category of actors engage in some objectively distinct form of activity¹⁴⁴. Historically, the middle power has tended to be in the middle rank of capabilities, but also stands in the middle of situations of conflict¹⁴⁵.

The middle-power theory, however, fails to adequately distinguish between established middle-powers and emerging middle-powers. However, South Africa can be termed a middle power in terms of both its position in a hierarchy of power and influence in world affairs¹⁴⁶. South Africa's involvement and leadership in multilateral institutions as well as its commitment to the reform of international institutions, attests to the country's middle-power status.

4.3 The Non-Aligned Movement as a platform for the South in the United Nations

"The Non-Aligned met and passed resolutions; we refused to be pushed around in the United Nations" Julius Nyerere¹⁴⁷.

The relevance of the NAM has been questioned in the period following the end of the Cold War. The development of non-alignment happened against the backdrop of the Cold War¹⁴⁸. Non-Aligned countries were asserting their individuality and independence from the two power blocs in world politics. Following the end of hostilities between the East and the West, the existence of the movement was questioned. The NAM has in fact, proved to be still relevant, if not more relevant in the current international epoch. At the end of the Cold War countries of the South have been facing a new set of realities, with the new configuration of global power, where there is an apparent systematic exclusion of the South. Indeed, with the

¹⁴⁴ Cooper, in Nel, P., Taylor, I. and Van der Westhuizen, J. "Multilateralism in South Africa's Foreign Policy", *Global Governance*, No.6, 2000, p.46

¹⁴⁵ *Loc cit.*

¹⁴⁶ *Loc cit.*

¹⁴⁷ Nyerere, J. "Third World Negotiating Strategy", in *Third World Quarterly*, Vol.1, No.2, 1979, p.23.

¹⁴⁸ Fourie, A. "Non-Alignment as a Foreign Policy Orientation of the African National Congress", *Politikon*, Vol.19, No.2, 1992, p.81.

East-West dichotomy removed from the international arena, it has become conceivable that the North-South debate will dominate the agenda of international relations¹⁴⁹.

This is currently the state of international relations, where the major debates about the configuration of the international system are taking place between the North and the South.

Non-Alignment is often wrongly perceived as an organisation of passive countries, who are withdrawn from international activity; this could not be further from the truth. During the Cold War, non-alignment may have meant a refusal by countries of the South to be drawn into the superpower ideological war and arms race. Today, non-aligned countries are very proactive. The new international order that gained prominence at the end of the War was particularly hostile to countries of the South; this meant a renewed effort to organised non-aligned states, to face the new challenges. Non-Aligned states have the advantage of numbers, and therefore form the majority in the UN. The NAM has reinvented itself, and is in a position to push for institutional reform in international fora, especially the UN. The biggest challenge, however, is that the NAM is not well-represented in the all powerful Security Council.

Non-Aligned states now numerically dominate the international system. This is a reality that can be strategically used to the advantage of the Movement. Most developing countries are relatively weak and insecure as individual states, with the exception of a few emerging or established middle powers. This vulnerability has encouraged more developing countries to join the ranks of the NAM. With their numbers their only real strength, it was not long before the non-aligned countries formed their own 'power bloc' in world politics¹⁵⁰. Nowhere has the existence of this 'power bloc' been more evident than in the UN. The UN has been used by non-aligned countries to act collectively, and to use their combined strength to advance their concerns.

It appears that the future of the NAM lies in its origins; the development and security of developing countries. Revisiting Jawaharlal Nehru's conceptualisation of non-alignment, as the pursuit of equality in world affairs through pooling the diplomatic resources of Third

¹⁴⁹ Fourie, A. *Op. Cit.* p.84.

¹⁵⁰ *Loc cit.*

World states in international forums¹⁵¹, would be a good starting point. It is evident, that the NAM has a big role to play in the contemporary discourse on South-South cooperation.

The NAM is not only beginning to be vocal in the UN; NAM's efforts to bring about a New International Economic Order (NIEO) based on the ideology of development during the 1970s were especially exerted in the UN¹⁵². The NAM together with the Group of 77 have always managed to keep Third World issues on the agenda in most UN forums and agencies through their numerical strength. It was the same NAM that in unprecedented fashion eventually transferred the ROC's permanent seat in the UN Security Council to the PRC in 1971. Prior to this, the UNSC did not have a single voice concerned with issues of developing countries, the inclusion of China, brought much needed hope.

4.3.1 The post-Cold War International Context and the Non-Aligned Movement.

During this period there has been a robust debate over the viability of non-alignment as a foreign policy orientation. The post-Cold War period has been portrayed as cosmopolitan, unipolar, multipolar or globalised. Pretorius notes that rather than posing challenges to the relevance of NAM, these interpretations can also be seen to justify NAM's continued existence¹⁵³. The newly emerging global context in the early 1990s presented the countries of the world with new challenges and opportunities; countries found themselves confronted with a rapidly globalising world. The Cold War's end inaugurated a new and different ontology of international relations with globalisation as its driving leitmotif and essential structural underpinning¹⁵⁴. Globalisation has therefore been the context in which development debates have taken place¹⁵⁵, it is also within this background that North-South and South-South relations are debated. It is within this framework that the NAM has been revisited and revived to suit current circumstances.

¹⁵¹ Pretorius, J. "Non-Alignment in the Current World Order: The Impact of the Rise of China", *Strategic Review for Southern Africa*, Vol.xxx, No.1, 2008, p.5

¹⁵² Pretorius, J. *Op. Cit.* p.6.

¹⁵³ *Loc cit.*

¹⁵⁴ le Pere, G. and Shelton, G. *China, Africa and South Africa, South-South cooperation in a global era*, Institute for Global Dialogue, Midrand, 2007, pp.21-22.

¹⁵⁵ Payne, A. *Global Politics of Unequal Development*, Palgrave, New York, 2005, p.5

4.4 South Africa and the Non-Aligned Movement.

During apartheid, South African liberation movements were welcomed into the ranks of NAM and participated as observers in its activities. The African National Congress (ANC) in particular, has had close ties to the Movement since the latter's inauguration. The NAM was formerly constituted in Belgrade in 1961, the same year the ANC was forced into exile. The 1961 Belgrade meeting was one of the first international meetings the ANC attended as an exiled movement¹⁵⁶. From then on, the ANC attended all NAM Summits. In all these meetings, the ANC was asking the non-aligned states to support it in the isolation of apartheid South Africa, and it received widespread support from members on this issue¹⁵⁷. This was the beginning of the South-South solidarity that had begun at the Bandung Conference in 1955.

It was no surprise that following the 1994 transition in South Africa, the new government under the leadership of the ANC was warmly welcomed into the ranks of the NAM as an official member country. A definition of the NAM by the South African Department of Foreign Affairs indicates a far bigger role of the NAM than mere non-alignment during the Cold War, "the Movement since its inception in 1961 has played a highly visible and crucial role in representing the interests of developing countries particularly in the eradication of colonialism, supporting struggles for liberation and self-determination, the pursuit of world peace and the search for a more equitable and just global order"¹⁵⁸. This is an all encompassing definition, one that reflects the expansive role that the NAM has come to play in the foreign orientation of many countries of the South. At the NAM's Ministerial Meeting in Cairo in 1994, South Africa officially joined the Movement, soon after the country assumed the Chair of the Movement and hosted the NAM Summit of Heads of State or Government in Durban, in 1998¹⁵⁹.

¹⁵⁶ Fourie, A. "Non-Alignment as a Foreign Policy Orientation of the African National Congress", in *Politikon*, Vol.19, No.2, 1992, p.92.

¹⁵⁷ Fourie, A. *Op. Cit.* p.94

¹⁵⁸ "History and Present Status" Department of Foreign Affairs, at www.dfa.gov.za/foreign/Multilaterl/inter/un.htm Accessed 26/11/2008.

¹⁵⁹ *Loc cit.*

South Africa's assumption of the NAM Chair was significant as well as symbolic. It was significant because it coincided with the coming into power of President Thabo Mbeki, a man who has been hailed as the architect of South Africa's foreign policy since the early 1990s; he was also the main force behind the ANC's foreign policy in exile. The chairing was symbolic because it was in part a celebration of South Africa's independence from apartheid rule, after a long and arduous journey of the struggle for liberation. And many of the Non-Aligned member states had witnessed the devastation caused by apartheid throughout the years. Also, several NAM member states hosted several ANC and other liberation movement exiled leaders and members.

Dr. Garth le Pere notes that, indeed, it was Thabo Mbeki's personal and intellectual interest in international politics that contributed to the country's success in international forums¹⁶⁰.

During the next four historically eventful years, South Africa sought, as Chair to adhere to and advance the principles first enunciated at the 1955 Afro-Asian Conference in Bandung¹⁶¹.

During South Africa's incumbency, the NAM was revitalised, with several critical issues addressed and crucial relations established. The NAM became highly engaged in the Palestinian question, it tackled the challenges to multilateralism and the role of the UN. The methodology and organisation of the NAM and the need for the revitalisation of the Movement were also addressed. Of note, during this time a new relationship was established with inter alia the Group of 8 rich industrialised countries as well as with the European Union¹⁶².

4.5 China and the Non-Aligned Movement.

China's close association with the "Third World" has meant close alliances with organisations representing the South. China was also well represented at the 1955 Afro-Asian Conference in Bandung. However, China's non-aligned credentials have been questioned. Others argued that both China and the Soviet Union were closer in outlook to the non-aligned states, while others believed that China was closer to the developed nations because of its

¹⁶⁰ Dr. Garth le Pere, Executive Director, Institute for Global Dialogue, *Interview with the author*, IGD House, Midrand, 17/11/2008.

¹⁶¹ "History and Present Status" *Department of Foreign Affairs*, at www.dfa.gov.za/foreign/Multilaterl/inter/un.htm Accessed 26/11/2008.

¹⁶² *Loc cit.*

population and potential national power¹⁶³. To make matters worse, China's "developing country" credentials became more questionable when it resisted for a long time formal membership of Third World organisations.

China is not a member of the two major Third World organisations, the politically motivated Non-Aligned Movement and the economically oriented G-77¹⁶⁴. It is only recently that China has assumed a formal observer status in the G-77, but still not as an official member country. China may have her reasons for refusing commitment to formal Third World organisations. However, the country has largely paved path for vigorous "Third World" development. China still portrays solidarity with developing countries, or still has a Third World consciousness¹⁶⁵, regardless of the high levels of economic development that have taken place in that country. Indeed, as Ambassador Guijin noted, that China is still a low-income, developing country, with a per capita DGP of just over \$ 1 000, trailing behind the 100th in the world¹⁶⁶.

What continues to inform China's Third Worldism, despite its unprecedented growth and development, is also the striking contrast with Western approaches to the developing world¹⁶⁷. China's relationship with developing countries has also affected intra-NAM relations. India, another aspiring great power, may just be inspired to re-engage with NAM¹⁶⁸. While China is often seen as an entity separate from the rest of the developing South¹⁶⁹, the country keeps aligning itself with the developing world, and this is usually accompanied by practical solidarity.

¹⁶³ Harris, L. and Worden, R.L. "Introduction: China's Third World Role" in Harris, L. and Worden, R.L. (eds.), *China and the Third World, Champion or Challenger?* Auburn House Publishing Company, Massachusetts, 1986, p.2

¹⁶⁴ Harris, L. and Worden, R.L. *Op. Cit.* p.5

¹⁶⁵ Pretorius, J. *Op. Cit.* p.18.

¹⁶⁶ Guijin, L. Former ambassador of the People's Republic of China to South Africa, in le Pere, G. (ed.) *China in Africa, Mercantilist Predator, or partner in development?* IGD & SAIIA, Midrand & Johannesburg, 2007, p.15.

¹⁶⁷ Pretorius, J. *Op. Cit.* p. 17.

¹⁶⁸ Pretorius, J. *Op. Cit.* p.17

¹⁶⁹ White, L. "Brazil, South Africa and China: Tripartite Cooperation in the Developing World", *South African Yearbook of International Affairs*, South African Institute of International Affairs, 2004, p. 198.

But China's relationship with NAM is not devoid of problems. Growing competition with other developing countries for markets and for available international recognition does not always augur well for closer China-developing country ties¹⁷⁰. With China's breathtaking growth and development levels and increasing international status, it is going to be increasingly difficult for Beijing to claim developing country status. Developing countries are starting to become uncomfortable in the presence of China as areas of convergence between the two are rapidly diminishing. However, I argue, that this can be overcome.

Developing countries need more powerful members in their fold; this has proven to be the case in international trade negotiations, for example. Also, at the moment this discomfort is a result of perceptions about China, China has not done anything that blatantly betrays its developing world- aligned position. China continues to champion issues of the South, and votes as such in the UN and in other forums, and continues with its positive foreign policy in other developing countries such as those in Africa. China's approach and engagement with other developing, particularly African countries remains better off than relations with the Western powers. China's developing country engagement may be for its own selfish national interests, but what has been the determining factor are the terms of engagement, and the positive approach taken.

4.6 Examples of cooperation in the United Nations (Security Council).

Southern cooperation, or to be more specific, cooperation between China and South Africa at the UN has largely centred on issues of reform and South-South solidarity. However, the cooperation that has drawn the most attention is on specific UN resolutions regarding certain countries. This cooperation took place at a critical time for both countries. It coincided with China's increasing activist role in the UN and the country's overall strategy of portraying a certain image as an international actor of note. The cooperation also took place in the context of South Africa's assumption of a non-permanent seat in the Security Council for the period 2007-2008. On 31 December 2008, South Africa bid farewell to the position it had occupied

¹⁷⁰ Harris, L. and Worden, R. L. *Op. Cit.* p.6

for two years. The South African Department of Foreign Affairs issued a statement noting South Africa's tenure as an 'historic success'¹⁷¹.

China is a permanent member of the Security Council, and therefore has considerable power, and can overturn other members' votes through the veto. China's vote in most of the instances to be discussed below carried more weight than South Africa's vote. It is not easy to pass judgement on the voting patterns; however, a particular trend is notable. It is a combination of pragmatism and self interest. This also applies to South Africa. South Africa went in to occupy the non-permanent seat with ambitions of eventually occupying a permanent seat; South African also had to take into consideration its role in Southern Africa, Africa and the world at large. Therefore both countries' voting patterns and stances taken in the Security Council were guided by wide ranging logics.

4.6.1 Zimbabwe

South Africa is known for its attitude towards the Zimbabwe regime under President Robert Mugabe, the highly controversial policy of 'quiet diplomacy'. South Africa has consistently taken a soft approach towards Zimbabwe, opting for a non-confrontational approach. Many have argued that this approach has proved highly ineffective, as the situation has continued to spiral out of control in Zimbabwe. Many placed the responsibility on South Africa to improve the situation in that country based on the geographic proximity, South Africa's regional power status and because of the historic ties between the ANC government and the ruling party, the Zimbabwe African National Union- Patriotic Front (ZANU-PF). South Africa has consistently called for dialogue between the main stakeholders in the Zimbabwean political crisis; this resulted in the Southern African Development Community (SADC) mandating South Africa under former president Thabo Mbeki to lead mediation efforts.

China on the other hand, has not had much responsibility regarding Zimbabwe. However, rumours have persisted over the alleged supply of arms by Beijing to Harare. China is one of the few countries that have not issued sanctions or travel bans on President Mugabe and some of his close cartel. President Mugabe is on record fully committing to the policy of 'looking

¹⁷¹, "Statement by the Minister of Foreign Affairs on the conclusion of South Africa's Term as an Elected Member of the Security Council" *Department of Foreign Affairs* at www.dfa.gov.za/docs/speechs.2009/dzum0102.html. Accessed on 05/01/2009.

east'¹⁷². He has publicly commented that his government looks East where the sun rises and not West where it sets¹⁷³. This rhetoric came in the midst of worldwide condemnation of Mugabe and his government. Overall, Zimbabwe has enjoyed cordial relations with the PRC, also based on historic ties with the latter's support of the liberation struggle. The political and economic situation, has however, deteriorated out of control in Zimbabwe, and calls have been made for different forms of interventionist measures.

On 11 July 2008, a draft resolution calling for sanctions on Zimbabwe, including a travel ban and assets freeze on President Mugabe and twelve other individuals, was not accepted by the Security Council. The draft resolution came following the US and Britain's proposal to impose tougher sanctions on President Mugabe and his closest allies. This rejection was largely seen as a historic diplomatic defeat for the West in the Security Council¹⁷⁴.

The proposal for new sanctions came after the debacle that was the 27 June runoff election in Zimbabwe. The election was initially intended to be a runoff between President Mugabe's ZANU-PF and the opposition Movement for Democratic Change (MDC); however MDC leader Morgan Tsvangirai withdrew days before¹⁷⁵, Mugabe decided to go on with the election, with him essentially being the only candidate contesting the election. And as would be expected, Mugabe emerged the victor and inaugurated himself within one day after the electoral results came out. Following this parody of the electoral process, many felt that Mugabe had gone too far, and needed to be stopped as a matter of urgency.

The United Kingdom (UK) and the US forced the draft resolution to a vote because they counted on the support of nine members needed to secure adoption. In a dramatic show of hands, the draft did indeed earn the requisite nine votes to pass, with five against, but was in the end not adopted because of Russia and China's block¹⁷⁶. In addition to China and

¹⁷² Large, D. "Sudan's foreign relations with Asia, China and the Politics of 'looking east' ", *ISS Paper* No. 158, Institute for Security Studies, Pretoria, 2008, p.1.

¹⁷³ Mugabe, R. SABC news broadcast, in 2007.

¹⁷⁴ Bone, J. and Robertson, D. "West suffers historic defeat as China and Russia veto Zimbabwe sanctions" *The Times* at www.timesonline.co.uk/tol/news/world/africa/article4319552.ece?print=yes&ra. Accessed 05/01/2009.

¹⁷⁵ "Russia, China veto UN Sanctions on Zimbabwe", *CNN News* at www.cnn.com/printthis.clickability/pt/cpt?action=cpt&title=Russia%China2+veto.... Accessed 15/12/2008.

¹⁷⁶ Bone, J. and Robertson, D. *Op. Cit.*

Russia's vetoing of the text, South Africa, Libya and Vietnam also voted against the resolution¹⁷⁷. The US and the UK found the veto incomprehensible, and both began attacking Russia for its decision.

UK Foreign Secretary, David Milliband and US Ambassador to the UN, Zalmay Khalilzad questioned Russia's reliability as a G-8 partner¹⁷⁸. In its defence, Russia argued, that it was casting its veto to prevent the council under the influence of Western members from meddling in the internal affairs of a UN member state¹⁷⁹. Both China and Russia stressed that they did not want to meddle with the dialogue taking place between the Zimbabwean government and the opposition.

Ambassadors Wang Guangya and Vitaly Churkin of China and Russia, respectively, argued that Zimbabwe does not pose an international security threat¹⁸⁰. South Africa's Ambassador to the UN Dumisani Kumalo noted that his delegation had vetoed against the draft resolution because of South Africa's membership in the AU and SADC¹⁸¹. Indeed, this draft resolution came after the conclusion of an African Union (AU) Summit in Egypt, where the AU had failed to take a hard position towards Zimbabwe. South Africa was therefore not in a position to act outside the decisions taken by the AU and SADC.

Regardless of the reasons presented by the parties involved, the eventual blocking of the proposal for tougher sanctions against Zimbabwe was a show of leverage by developing countries. The decision was particularly humiliating for the West. South-South cooperation takes different forms, and some of the decisions will not be popular, but as mentioned earlier different logics guide countries' decisions at the Security Council.

¹⁷⁷ "No consensus in Security Council on Zimbabwe sanctions", *UN News Service* at www.un.org/apps/news/printnews.asp?nid=27358 Accessed 1/12/2008.

¹⁷⁸ "Fury as Zimbabwe sanctions vetoed" *BBC News* at www.newsvote.bbc.co.uk/mpapps/pagetools/print/news.bbc.co.uk/2/hi/africa/7503135. Accessed 05/01/2009.

¹⁷⁹ Bone, J. and Robertson, D. *Op.Cit.*

¹⁸⁰ "No consensus in Security Council on Zimbabwe sanctions", *UN News Service* at www.un.org/apps/news/printnews.asp?nid=27358 Accessed 1/12/2008.

¹⁸¹ *Loc cit.*

4.6.2 Burma/ Myanmar

China has been accused of defending the military junta in Burma. The junta came into power in 1962, and has been in power since. Burma's political history is that of repression, brutality and the stifling of pro-democracy forces in that country. The history of repression is epitomised by the 1988 uprisings. After major democracy uprisings and subsequent massacres in 1988, elections were held in 1990 for a national legislature, won in a landslide by Suu Kyi's National League for Democracy¹⁸².

But the ruling generals refused to turn over power to the elected representatives and many of them and their supporters were jailed or placed under house arrest¹⁸³. Over the years there has been a constant struggle in Burma between the junta and those brave enough to publicly voice their dissatisfaction with the status quo. The response of the junta to such public demonstrations has been nothing short of absolute brutality.

The story of Burma has captured the world's attention. In many capitals and cities of the world, there have been protests and campaigns in support of the oppressed people of Burma. Indeed, the support has been warranted considering the socio-economic conditions and the humanitarian crises in that country. Burma is the poorest country in Southeast Asia after East Timor¹⁸⁴, in terms of gross domestic product. The dire socio-economic situation has been worsening over the years, hence the increase in public protests. It is because of public protests and the junta's response that have put Burma high on the agenda of the UN in recent times.

In September 2007, violence broke out in the capital, Rangoon, amidst renewed public protests. This was followed by the ruling military junta intensifying its crackdown on dissidents¹⁸⁵. The protests had begun in August to address the issue of economic hardship, and had gained momentum with more people involved. Indeed, the protests had taken the form of a wider movement, led by a determined alliance of Buddhist monks, calling for an

¹⁸² "Brief background on Myanmar" *Asian Political News* at BNET.com at findarticles.com/p/articles/mi/MOWD/is2007Sept29/ai493276/print. Accessed 05/01/2009.

¹⁸³ *Loc cit.*

¹⁸⁴ *Loc cit.*

¹⁸⁵ Bajoria, J. "Violence Continues in Myanmar" in *Global Policy Forum* at www.globalpolicy.org/security/issues/burmamyanmar/2007/0927influence.htm. Accessed 15/12/2008.

overthrow of the junta¹⁸⁶. The worst of this round of protests came when troops in Rangoon opened fire on unarmed monks and their supporters making it the bloodiest day of the protests.

The attacks on the monks captured the attention of the UN Security Council, among others. The Security Council held an emergency session to consider a joint call for sanctions from the US and the EU¹⁸⁷. However, Russia and China blocked any suggestion of global sanctions against the Burmese regime. The two countries had attempted to prevent the emergency meeting but failed. With Russia and China blocking global sanctions, George Bush announced new sanctions and European ministers said they would consider toughening the existing package of EU sanctions¹⁸⁸. It was not only China and Russia who felt there was no need for sanctions on Burma. Previously, when a UN Security Council resolution was put forward demanding the junta to stop human rights abuses, South Africa had voted against the resolution, joining China and Russia.

South Africa's decision was criticised, particularly at home. The opposition Democratic Alliance (DA) questioned South Africa's first significant vote since taking up its non-permanent seat on the UN Security Council¹⁸⁹. The DA raised questions about the worrying continuation of South Africa's "quiet approach" to dictatorships and their human rights abuses¹⁹⁰. Many lamented South Africa's foreign policy, as having reneged from its founding principles of 1994 marking the importance and the respect of human rights. China's decisions were equally reproached, however, plausible reasons for the latter's decisions were speculated. China is Burma's biggest economic partner and supplier of defence equipment; in addition, Burmese oil and gas are vital for China's economy¹⁹¹. Burma is also a vital market

¹⁸⁶ *Loc cit.*

¹⁸⁷ Borger, J. and MacKinnon, I. "As Burmese troops open fire at monks, China and Russia block global sanctions", *The Guardian* at www.guardian.co.uk/world/2007/Sept/27/burma.unitednations/print. Accessed 05/01/2009.

¹⁸⁸ *Loc cit.*

¹⁸⁹ "SA Decision on Burma questioned" *The Mail and Guardian* at www.mg.co.za/article/2007-01-05-sa-decision-on-burma-questioned. Accessed 15/12/2008.

¹⁹⁰ *Loc cit.*

¹⁹¹ Borger, J. and MacKinnon, I. *Op. Cit.*

for goods from China's Yunnan province¹⁹². Therefore it made no economic sense for China to impose global sanctions on Burma.

China and Russia argued that their decision is in fact what is best for Burma. They made it clear that they would resist any deeper UN involvement on the grounds that it would interfere with the internal affairs of a sovereign country¹⁹³. China's representative to the UN, Wang Guangya, argued that China acknowledges that there are some problems in Burma, but that these problems at the moment do not constitute a threat to international and regional peace and security¹⁹⁴. Even South Africa's Dumisani Kumalo was at pains to point out that indeed, there is concern about the situation in Burma, but South Africa does not feel that a strongly worded resolution was the appropriate way of engaging with the government of that country¹⁹⁵.

4.6.3 Sudan

The war in the Sudan, between north and south had been one of the longest running conflicts in Africa. Since independence, Sudan has been embroiled in a bloody civil war, with intermittent periods of relative peace. It has not been easy to manage the conflict, partly because of the sheer size of the territory. Sudan is roughly the size of Western Europe¹⁹⁶, making it the largest state in Africa, by land mass. More recently, stability has been made more elusive by the eruption of conflict in the western region of Darfur. The conflict in Darfur has been a major source of contention in African diplomatic circles, as well as internationally. There are divergent views on how best to approach Sudan's intra-state conflicts. Most African countries with the leadership of the AU have rejected any suggestions of drastic measures towards the Khartoum government, rather opting for diplomatic engagement.

¹⁹² *Loc cit.*

¹⁹³ *Loc cit.*

¹⁹⁴ Borger, J. and MacKinnon, I. "As Burmese troops open fire at monks, China and Russia block global sanctions", *The Guardian* at www.guardian.co.uk/world/2007/Sept/27/burma.unitednations/print. Accessed 05/01/2009.

¹⁹⁵ "SA Decision on Burma questioned" *The Mail and Guardian* at www.mg.co.za/article/2007-01-05-sa-decision-on-burma-questioned. Accessed 15/12/2008

¹⁹⁶ Adebajo, A. "From Congo to Sudan: UN Peace-keeping in Africa" in le Pere, G. and Samasuwo, N. (eds.) *The UN at 60, a new spin on an old hub*, Institute for Global Dialogue, Midrand, 2006, p.272.

Internationally, particularly the West, the only way to deal with Khartoum is believed to be drastic measures. However, countries like China and Russia have been cautious and have preferred diplomacy in engaging with Khartoum. With the signing of the Comprehensive Peace Agreement (CPA) on 9 January 2005 between the North and the South, ending the 21 year war, and the subsequent establishment of the Government of South Sudan, there is currently a fragile peace in Sudan, while the Darfur conflict persists.

The CPA has facilitated an important change in its formerly fixed axis of engagement with the central government in Khartoum¹⁹⁷.

China's relations with Sudan warrant special attention. Sudan is an exceptionally complex case, and presents an example where China's undertakings in Africa are being thoroughly tested. There is no doubt about the centrality of oil to the evolution of relations between China and Sudan. China essentially developed Sudan's oil sector from nothing to an oil exporting country. Within four years, following China's initial investment of over \$3 billion and the building of the entire Sudanese oil industry infrastructure under the lead of Chinese engineers Sudan became an oil exporter¹⁹⁸. The relations have expanded and evolved, spanning a number of different sectors. Sudan has become one of China's strongest trading partners in Africa; indeed, Sudan was the third largest trading partner with China in Africa in 2004 and 2005, after South Africa and Angola¹⁹⁹. I mentioned earlier that China-Sudan relations warrant special mention, mainly because Sudan is more than a trading partner with the PRC, but a very large investment.

The government of the PRC has had the misfortune of occupying centre stage in discussions about the conflict in Sudan. With good reason, one might add, because the position of other external actors in Sudan does not come close to that of China. However, at times, the continued focus on Beijing has diverted attention from the central role of sitting government in Khartoum in the conflict, and to a lesser extent, the political circumstances contributing to

¹⁹⁷ Large, D. "Sudan's foreign relations with Asia: China and the politics of 'looking east'" *ISS Paper* No. 158, Institute for Security Studies, Pretoria, 2008, p.12.

¹⁹⁸ Alden, C. and Roque, P.C. "China and the UN Security Council: From Observer to Activist" *China in Africa Policy Briefing*, SAIIA, 2008, P.3.

¹⁹⁹ Large, D. *Op. Cit.*, p.6

the conflict²⁰⁰. Indeed, it would be imprudent to reduce Darfur to oil and natural resources. China has not played an extensive role in Darfur, to date²⁰¹.

However, one thing is certain, and that is Beijing's concern over the situation in Sudan. This concern is reflected in China's votes in the Security Council, and has led to what Large calls 'China's evolving diplomacy'²⁰² regarding Sudan.

During the course of 2006 and 2007 there was a noted shift in China's attitude towards Sudan. Previously, Beijing's support for Khartoum involved a combination of protection and political help. In the most astonishing move, when after three long harrowing years of negotiations characterised in part by Beijing's defence of the regime in Khartoum, China voted along with the Security Council in favour of a decisive resolution that empowers troops to defend civilians²⁰³, as well as authorising a UN- AU hybrid mission to Darfur (UNAMID). Beijing's previous intransigence was based on one of its key foreign policy principles, the doctrine of non-interference in the domestic affairs of sovereign states, which had largely underpinned its relations with Africa. The passing of resolution 1769, with China's vote in favour, was widely welcomed, and prompted unusually positive headlines²⁰⁴. South Africa's voting in favour of the resolution was in line with the position of the AU.

A second important UN Security Council resolution regarding Sudan that I wish to discuss in connection with resolution 1769 is that on Sudanese President Omar Hassan al-Bashir's indictment by the International Criminal Court (ICC). In July 2008, the ICC led by its chief prosecutor Luis Moreno-Ocampo indicted President Bashir for war crimes and crimes against humanity in the conflict in Darfur, and asked the court's judges to issue a warrant for his arrest. The matter appeared before the UN Security Council. Africa was unambiguously opposed to this motion, led by South Africa and Libya; they attempted to have the Council

²⁰⁰ *Loc cit.* p. 7

²⁰¹ *Loc cit.*

²⁰² Large, D. "Sudan's foreign relations with Asia: China and the politics of 'looking east'" *ISS Paper* No. 158, Institute for Security Studies, Pretoria, 2008, p.8.

²⁰³ Alden, C. and Roque, P. C. *Op. Cit.*

²⁰⁴ Large, D. *Op. Cit.*, p.1

prevent the ICC from indicting President Bashir for genocide²⁰⁵. South Africa was largely criticised for offering its support to President Bashir. However, South Africa's position stemmed from that of the AU, which expressed concern over the timing and appropriateness of the ICC's actions, considering internal dialogue taking place in Sudan. China also argued, that indicting Bashir would undermine peace efforts in Darfur and that it supports suspending the indictment²⁰⁶. Others who opposed the indictment include the Arab League.

The two votes mentioned above taken by both China and South Africa are significant as well as related. They are related because UN resolution 1769 displayed an effort to bolster the presence in the 'international community' in Darfur and was a show of commitment by external actors to the ending of that conflict. On the one hand, the indictment of President Bashir by the ICC almost served to reverse resolution 1769. China's voting in favour of resolution 1769 reflects two things: first, it reflects Beijing's concern over its reputation and image in the international context²⁰⁷; second, it shows that Beijing is prepared to recondition its policy of non-interference in order to secure its investments and interests in Africa²⁰⁸.

Resolution 1769 was a colossal step in China's Africa policy, and was said to have sent alarm bells across capitals in Africa. However, it is unlikely that this will dent China's image on the continent, considering the deep level of relations already established and the realisation by African leaders of the potential benefits from Sino-Africa relations. South Africa's voting on the other hand reflects that the country's positions are to a large extent influenced by those of continental and regional bodies, particularly the AU. It took former President Mbeki a while before making a public announcement on the indictment, and this was because the AU was still formulating its own position, which most African countries were expected to acquiesce to.

Many agree that Beijing has been engaging with Khartoum regarding Darfur, even prior to the passing of resolution 1769. Large states, that China's willingness to engage in Darfur

²⁰⁵ "UN Security Council split on Sudan genocide indictment", *Christian Today* at www.christiantoday.com/article/dir/print.htm?id=21014. Accessed 15/12/08.

²⁰⁶ *Loc cit.*

²⁰⁷ Alden, C. and Roque, P.C. "China and the UN Security Council: From Observer to Activist" China in Africa Policy Briefing, SAIIA, 2008, P.3.

²⁰⁸ *Loc cit.*

predated the much publicised US-led campaign over the ‘Genocide Olympics’ that gathered momentum in 2007²⁰⁹. In an interview with Sanusha Naidu, she noted, that China’s taking of a subtle interventionist stance was because of Beijing’s frustration with Khartoum²¹⁰, following a period of diplomatic engagement. Paula Roque, also noted, that China has been engaging with Sudan, however, on its own terms²¹¹. China did not wish to be dictated to on how to engage with Sudan, hence the intransigence on decisions relating to Sudan, and the resistance to calls of sanctions from the West. Roque and Naidu concur that the ICC’s indictment of President Bashir threw China completely off track. Naidu further notes that China had made headway with Bashir, and that the ICC’s indictment threatened to undo this progress. This would explain Beijing’s calls against the ICC’s indictment.

Beijing is never coerced into making any decisions by external actors. China is one of the few countries, and South Africa to a certain extent that is not necessarily phased by widespread international condemnation of their Security Council decisions. This was more evident in the two years 2007-2008 of South Africa’s non-permanent membership in the Security Council. This is evident from the examples furnished in this chapter, most of which were widely unpopular. The debate is currently on, on the success or failure of South Africa’s tenure as an elected member of the council. South Africa is the first to admit success, as Foreign Affairs Minister noted in a statement she made shortly after the expiry of the term, in early January 2009, she noted that “South Africa’s central strategic objective was to help advance the African agenda, but also actively engage on all issues on the Security Council agenda...South Africa also influenced a large number and diversity of Council outcomes”²¹².

The unwavering resolve demonstrated by both China and South Africa in the midst of worldwide condemnation can be attributed to their middle-power or semi-peripheral status. These are countries that are after international prominence, China has good reason to believe

²⁰⁹ Large, D. *Op. Cit.* p.9

²¹⁰ Naidu, S. Researcher, Southern African Regional Poverty Network, HSRC, formerly with Centre for Chinese Studies, Telephone *interview with the author*, 15/11/2008.

²¹¹ Roque, P. C. Senior Researcher, Institute for Security Studies, former Research Coordinator of the China in Africa Project at SAIIA, *Personal interview with the author*, Pretoria, 15/12/2008.

²¹² Minister Dlamini-Zuma, “Statement by the Minister of Foreign Affairs on the Conclusion of South Africa’s Term as an Elected Member of the Security Council”, *Department of Foreign Affairs*, at www.dfa.gov.za/docs/speeches/2009/dzum0102.html. Accessed 05/01/2009.

that it is well on its way to becoming a superpower. South Africa is a regional and continental power and seeks more prominence internationally, prominence which could ultimately lead to a permanent seat on the Security Council. Indeed, to be a super power, a country makes difficult if not unpopular decisions, and most importantly is not coerced or harassed by the more powerful. It can therefore be argued that, this is what China and South Africa have demonstrated, according to the cases presented above and others that have been left out.

4.7 Conclusion.

This chapter has looked at the background and performance of China and South Africa within the UN system. The context was set by looking at the Non-Aligned Movement, the largest political organisation of countries of the South. The relevance of NAM was also examined mainly because of its history, and its relevance was found to be even more pertinent today than it was during the Cold War. Examples of cooperation were analysed. There is a clear pattern of South-South cooperation, as the two countries were voting for South solidarity, but also in defiance of the North.

China has the advantage of being a permanent member of the UNSC. This coupled with the PRC's insistence on its developing country status, developing countries have enjoyed a level of protection on the SC. Zimbabwe, Burma and Sudan, have all enjoyed China's protection. South Africa also had the fortune of being elected to become a non-permanent member of the SC, and used this position to advance its foreign policy objectives. Both SA and China's performance in the SC has sparked controversy. However, it must be appreciated that both countries have demonstrated a high level of South solidarity while on the SC. This solidity becomes problematic when judged in subjective terms, because many argue that South Africa throughout its tenure as a non-permanent member has in fact taken a principled stand in its voting patterns.

It would be misleading to argue that the cooperation demonstrated by South Africa and China, in the examples presented above was wholly motivated by South-South cooperation. It is evident that this cooperation is influenced by an array of factors, of which South-South cooperation is only a part of, there are also regional and continental considerations, particularly in the case of South Africa, and there is also the prime consideration of national interest.

Chapter 5

5. China and South Africa in the World Trade Organisation.

5.1 China in the World Trade Organisation.

China's accession to the WTO has to be contextualised in the PRC's discourse on economic reform, as well as the nature of the current global economy. On 17 September 2001, the WTO successfully concluded negotiations on China's terms of membership of the WTO²¹³. The text of the agreement was adopted formally at the WTO Ministerial Conference in Doha, Qatar in November 2001²¹⁴. The negotiations for China's entry into the WTO took almost fifteen years. With the negotiations finally concluded, China agreed to undertake a series of important commitments to open and liberalise its regime in order to better integrate in the world economy²¹⁵. China officially became a member of the WTO on 11 December 2001.

It appears that it was almost two decades ago that China became aware of the changing global economy, and applied for WTO membership. The international background for China's accession to the WTO is economic globalisation²¹⁶. The need to join the WTO was a sign of Beijing's readiness to adopt free-market oriented economic policies and to be integrated into the global economy. Long Yongtu, who at the time of the negotiations was the Chinese Vice-Minister of Foreign Trade and Economic cooperation, notes that there are advantages as well as drawbacks in joining the WTO, but to join is the unavoidable choice²¹⁷. In order for China to actively take part in global and regional economic cooperation, it has to adapt to the international economic environment brought about by economic globalisation.

China is one of the 23 original signatories of the General Agreement on Tariffs and Trade (GATT) in 1948; however, after China's revolution in 1949, the government of Taiwan

²¹³, "WTO successfully concludes negotiations of China's entry" *World Trade Organisation* at www.wto.org/english/news_pres01_e/pr243_e.htm. Accessed 15/11/2008.

²¹⁴ *Loc cit.*

²¹⁵ *Loc cit.*

²¹⁶ Yongtu, L. "Negotiations for China's Accession to the WTO and the Process of Market-Oriented Reform" in Mengkui, W. (ed.), *China: Accession to the WTO and Economic Reform*, Foreign Language Press, Beijing, 2002, p.37.

²¹⁷ Yongtu, L., *Op. Cit.* pp.37-38.

announced that China would leave the GATT system²¹⁸. In 1986, China notified the GATT of its wish to resume its status as a GATT contracting party. China's accession process to the WTO was guided by a Working Party whose membership consists of all interested WTO member governments²¹⁹. It can be argued that the eventual conclusion of negotiations after fifteen years was given impetus by China's overwhelming position in the global economy and in world trade. In 2000, China was the 7th leading exporter and 8th largest importer of merchandise trade²²⁰, and fast approaching the position of world's second biggest economy.

There are four strategic considerations for China's entry into the WTO. These are articulated by Long Yongtu, who in 2001 was the Chinese Vice-Minister of Foreign Trade and Economic cooperation. These considerations are in line with China's post-Cold War foreign policy, which aimed to position China at the focal point of international affairs:

- I. To take part in the process of economic globalisation. Here the Chinese look back to the father of Chinese economic reform, Deng Xiaoping's proposal to engage in the market economy as an important preparation for China to take part in economic globalisation.
- II. To make the promise of observing WTO rules and opening up the market is conducive to creating a favourable international image for China and a favourable international vision in which to develop the economy. With China's speedy growth, the Chinese government has had to deal with the issue of how to eradicate the idea of China being a threat to other countries. To observe the WTO rules will help to minimise the perception of China as a threat, rather to let other countries see Chinese development as a major opportunity for them.
- III. To enter the WTO and promise to observe and open up the market is an important condition for domestic economic restructuring. China hopes to conduct industrial restructuring on a world basis, rather than be restricted to the domestic market. China also wishes to develop its service trades such as telecommunications by opening to the outside world.

²¹⁸ World Trade Organisation, *Op. Cit.*

²¹⁹ *Loc cit.*

²²⁰ *Loc cit.*

IV. Finally, China believes that entering the WTO is conducive to strengthening the country's international status. The Chinese strongly believe that when the UN restored to China its lawful seat in 1971, it symbolised China's return to the international political arena. The fact that China was not a member of the WTO, which can be compared to a United Nations in economic matters, was incomparable with China's international status²²¹.

With the current Doha Development Round on the verge of collapse, China has been among the countries of the South that have created the impasse. Also, with the global financial meltdown that we saw towards the end of 2008, there is increasing pressure to wrap up the round. Chinese Ambassador to the WTO, Sun Zhenyu argues that WTO members have to be realistic, and should try to have a balanced outcome. The Ambassador also urged developed countries to keep in mind the development mandate of the Doha round, and not to seek their own comfort without considering major concerns of developing countries²²². The impasse is likely to continue, especially in light of the financial crisis, where developed countries could revert to strong stances and more protectionist tendencies, and abandon the so-called development agenda of Doha.

Although China largely collaborates with the Southern bloc at WTO trade negotiations, the PRC has not taken any strong or leadership positions, yet. Dr. le Pere notes that since joining the WTO China has been circumspect in taking a lead for developing countries, as opposed to its more decisive role in the UN²²³. Therefore we cannot talk of China leading the South in WTO trade negotiations. The circumspection can be attributed to China's recent accession to the world body. There is no doubt that China is comfortable and familiar with its position in the UN, however, China is yet to conclude the first decade of its WTO membership. It can be argued, that the PRC is still trying to find ways in which it can best have an impact in the WTO, by incorporating strategies for its own national interests as well as advancing the

²²¹ Yongtu, L. "Negotiations for China's Accession to the WTO and the Process of Market-Oriented Reform" in Mengkui, W. (ed.), *China: Accession to the WTO and Economic Reform*, Foreign Language Press, Beijing, 2002, pp.40-42.

²²² Zhegyu, S. "Chinese Ambassador Calls for realism in WTO trade talks" at www.news.xinhuanet.com/english/2008-11/28/content/423758.htm. Accessed, 03/12/2008.

²²³ Dr. Garth le Pere, Executive Director, Institute for Global Dialogue, *Interview with the author*, IGD House, Midrand, 17/11/2008.

South agenda. It should be noted that taking leadership and being active are two different things.

On the accession of China to the WTO, Payne notes that the country's role in the negotiation of the new round in 2001 could not be predicted, but after Doha, China's role would definitely matter²²⁴. China has been active in the WTO by working within the ambit of the Group of 77, which will be discussed later in this chapter. It is therefore worthy to note, that China openly backed the Like Minded Group (LMG) of developing countries at the 2003 Cancun Ministerial in Mexico²²⁵.

5.2 South Africa in the World Trade Organisation.

South Africa was a member of the GATT and had participated in the Uruguay Round of trade negotiations which was concluded on 15 December, 1993²²⁶. South Africa also ratified the Marrakesh Agreement in December 1994 and thus became a founding member of the WTO when the organisation was established on 1 January 1995²²⁷. Therefore, South Africa has a relatively long history in the GATT/WTO system.

The policy stances of the apartheid era governments towards trade issues were unabashedly protectionist²²⁸. This was driven by the government's need to provide welfare for the white (mainly Afrikaner) minority population. The result was substantial growth in the local manufacturing industry. South Africa's limited domestic market dictated that local production of most capital and many intermediate goods employed in domestic production across all sectors of the economy was uneconomic²²⁹. In the 1970s, the government started to pay some attention to exports; this coincided with the growing recognition by the government of the limitations of inward looking industrialisation strategies for narrow needs.

²²⁴ Payne, A. *The Global Politics of Unequal Development*, Palgrave, New York, 2005, p.188.

²²⁵ Payne, A., *Op. Cit.* p. 189.

²²⁶ "World Trade Organisation, History and Present Status" *Department of Foreign Affairs* at www.dfa.gov.za/foreign/Multilateral/inter/wto.htm. Accessed 26/11/2008.

²²⁷ *Loc cit.*

²²⁸ Blumenfeld, J. "South Africa's evolving foreign trade strategy: Coherence or Confusion? In Buhlungu, S. et.al (eds.) *South Africa 2005-2006 State of the Nation*, HSRC Press, Cape Town, 2006, p.430.

²²⁹ *Loc cit.*

After 1994, the new government faced significant challenges, particularly in selecting an (international) trade policy. Two fundamental issues of a strategic nature faced the new government. According to Blumenfeld, the first of these was where the South African government should focus its trade policy in a new globalising and post-sanctions environment, the choice being between the African hinterland and its global trading partners²³⁰. The second issue concerned South Africa's stance towards global trade, how it should relate to the GATT/WTO and the associated North-South cleavages in trade politics²³¹. Indeed, the government was faced with difficult and crucial decisions to make, as each decision would carry significant implications for the country's reintegration into the world economy. It was not until 2000, that the Department of Trade and Industry produced a Global Economic Strategy which sought to integrate the three distinct terrains of strategy formulation: multilateral, regional and bilateral, within a common framework.

The new government took an immediate interest and sometimes unexpected commitment to the WTO. The first step taken towards rebuilding the country's global trade relations was an offer of a substantial, but phased reform of South Africa's tariff schedule. The offer, made to the GATT Uruguay round, was remarkable for the apparent depth of the proposed reforms; that it was made in advance of the conclusion of the political negotiations over South Africa's future was all the more remarkable²³². It would appear that in spite of the outcome of the political negotiations, there was consensus on the future economic direction of the country.

Initially, post-apartheid South Africa's attitude to the WTO was largely self-interested: the primary concern was to use the multilateral rules system to promote pro-competitive domestic reforms. By the late 1990s, however, this concern had been replaced by an evident ambition to play a more substantial role in multilateral trade negotiations themselves²³³.

Realising its potential power in trade negotiations, and the imbalances that exist in international trade, South Africa sought to offer leadership and support to other developing countries, particularly African countries. South Africa was encouraged from various sections

²³⁰ Blumenfeld, J., *Op. Cit.*, p.434.

²³¹ *Loc cit.*

²³² Blumenfeld, J. "South Africa's evolving foreign trade strategy: Coherence or Confusion? In Buhlungu, S. et.al (eds.) *South Africa 2005-2006 State of the Nation*, HSRC Press, Cape Town, 2006, p.435.

²³³ Blumenfeld, J., *Op. Cit.*, p. 438.

of society on this issue, particularly from academia. South Africa was encouraged to use interactive strategies, by combining forces with other middle powers; for example, that the combined forces of Brazil, South Africa and China are well placed to shift the global focus onto the needs of developing nations²³⁴.

South Africa has since been active in WTO negotiations, and has become one of the strong advocates for reforming the WTO system in an effort to be more representative and just. South Africa's rhetoric for reform in the WTO has, however, not always translated to practice. Patrick Bond argues that Pretoria's reformist tendencies and frustrations with the international system should be viewed in the context of the political power associated with the late 20th century economic crisis and the ideology of 'neoliberalism'²³⁵. South Africa has also lacked consistency in its rhetoric on reform at trade negotiations. On several occasions, South Africa has looked after its own interests at the expense of African and other developing countries.

Following the debacle that was the Seattle Ministerial in 1999; many developing countries were against the launch of a new round of negotiations without addressing the issues that had caused Seattle to fail. However, on arrival in Doha, Qatar, in November 2001, delegates learned that the chairman of the conference had appointed, without consultation, six 'friends of the chair' to act as facilitators for each of the key negotiating areas. All of these six 'friends of the chair' came from countries known to be sympathetic to the launch of a new round, namely: Singapore, Switzerland, Chile, Canada, Mexico and South Africa²³⁶. The issues that had caused Seattle to fail were largely those relating to developing countries, and it was the African bloc that had made sure Seattle fails, and a new round is not formed.

Alec Erwin who at the time was South African Minister of Trade and Industry disappointed observers by accepting the controversial 'friends of the chair' position²³⁷.

²³⁴ White, L. "Brazil, South Africa and China: Tripartite Cooperation in the Developing World", *South African Yearbook of International Affairs*, South African Institute of International Affairs, 2004, p.197.

²³⁵ Bond, P. *Talk Left, Walk Right, South Africa's Frustrated Global Reforms 2nd ed.*, UKZN Press, Scottsville, 2006, p.4.

²³⁶ Payne, A. *The Global Politics of Unequal Development*, Palgrave, New York, 2005, p.182.

²³⁷ Bond, P. *Op. Cit.* p. 52.

South Africa began alienating African negotiators and civil society activists with some of the positions Erwin took at WTO meetings. As the November 2001 Doha agenda emerged, social movement critics united with the more ambitious African delegations, Erwin viewed their arguments with disdain²³⁸. These and other incidents where South Africa was seen to be cosyng up with WTO leaders and the leading capitalist countries of the North, made other African countries uneasy. It was during this period, that talks of sub imperial South Africa began to surface. South Africa's going alone at WTO did not augur well for the continents' unified bargaining position, in fact it compromised it. In the end, critics and the African voice were defeated, and Erwin prevailed. It appears that at times South Africa feels that being part of a unified African stance at trade negotiations may compromise the country's own interests. This does not augur well for advancing South-South cooperation, and most importantly for reforming the system. As the Executive Director of the South centre so eloquently puts it, that "sometimes the South manages to sing in harmony, but when the 'big ones' among them are cajoled into the 'Green Room' process of the WTO, the harmony breaks down into a cacophony"²³⁹.

5.3 The Group of 77 as a platform for the South in the World Trade Organisation.

As previously mentioned in Chapter 3 of this paper, the G77 is another important constellation of developing countries which is economic oriented. It was formed to advance a common platform in the United Nations and its Economic and Social Council which specifically addressed issues of trade and development²⁴⁰. The Group of 77 (G-77) was established on 15 June 1964 by seventy-seven developing country signatories of the "Joint Declaration"²⁴¹. The main aim of the G-77 is to provide a platform for countries of the South to articulate and promote their economic interests and their joint negotiating capacity on all major international economic issues and promote South-South cooperation for development²⁴². The original name of the G-77 was retained for its historical significance,

²³⁸ Bond, P. *Op. Cit.* p.53.

²³⁹ Tandon, Y. "A Case for Radical Reform in the World Trade Organisation" *South Bulletin, Reflections and Foresights*, Issue 28, December 2008, p.3.

²⁴⁰ le Pere, G. and Shelton, G. *China, Africa and South Africa, South-South cooperation in a global era*, Institute for Global Dialogue, Midrand, 2007, p.93.

²⁴¹ "About the Group of 77", *The Group of 77* at www.g77.org/doc. Accessed 15/12/2008.

²⁴² *Loc cit.*

even though the number of member countries has increased significantly, and now includes China, though not as an official member country. Indeed, the formation of the G-77 was historical, as one of major platforms for developing countries at the time; it also emerged shortly after the establishment of the NAM in 1961.

Sharing his reflections on the formation of the G-77, Julius Nyerere noted that the problem of colonisation was perceived politically by the leaders of the nationalist movements, and that not all of them realised that they were also economically colonised²⁴³.

This is an important point Nyerere was making because many countries, throughout the Third World only realised after independence the serious economic challenges they faced. The problem of economic liberation got lost in the political struggle and that is precisely what the colonialists wanted²⁴⁴.

Fanon also lambasted nationalist leaders, arguing that nationalist leaders mobilise people for independence, and for the rest leave it to future events, and that when asked about economic programmes they are incapable of replying²⁴⁵. This partly explains the continued pillaging of natural resources by foreign agents under different guises after independence. Fanon further argues that the nationalists who come into power have nothing more than an approximate bookish acquaintance with the actual and potential resources of their country's soil and mineral deposits²⁴⁶. Indeed, in Africa since independence, political, rather than economic logics have prevailed. Economic challenges have been attempted to be resolved in political terms. Unfortunately, this has prevailed in Africa regardless of the G-77, hence the large disparities in economic development between Africa and its Asian counterparts.

One of the biggest challenges facing the South is not only the asymmetrical power relations, but the diversity of the South as well. The South is of course, not as homogenous as say, the North. The latter has more cultural similarities than the South, and has similar economic interests. Europe speaks with one voice; the South with more than a hundred, what divides

²⁴³ Nyerere, J. "Third World Negotiating Strategy", *Third World Quarterly*, Vol.1, No.2, 1979, p.20.

²⁴⁴ Nyerere, J. *Op. Cit.*, p.23.

²⁴⁵ Fanon, F. *The Wretched of the Earth*, Penguin Books, Middlesex, 1977, p. 121.

²⁴⁶ *Loc cit.*

them is their disparate national interests²⁴⁷. This, however, should not deter South-South cooperation, there is more to gain for the South in cooperating with each other. This is more important in time of crises, such as the current global financial crisis the world is experiencing. The global financial meltdown, which is worse than the 1929 crisis has afforded the opportunity to look afresh at institutions of global economic governance, including the WTO²⁴⁸.

Currently, one of the most contentious issues within the WTO is the conclusion of the Doha Round of trade negotiations. The Doha round was launched in November, 2001 under very difficult conditions, and was dubbed a 'pro development' round, in an effort to appease developing countries that were against its launch. The Doha 'development round' as it is known was nicknamed that way to show that this round of trade negotiations were to favour poor countries ability to develop and prosper from global trade²⁴⁹. Whatever the specific and or rhetorical commitments made to developing countries, the fact remains they conceded the launch of a new round without prior correction of the imbalances of the Uruguay Round²⁵⁰. The round has been characterized by double talk and empty promises. In July 2008, in an effort by the developed nations to reach a deal on Doha, the talks collapsed.

The talks largely reached an impasse due to the stance taken by developing countries not to falter under pressure. The talks reached a dead end after India and the US locked horns on the issue of protection to farmers in the developing countries²⁵¹. It has largely been the resistance of developing countries, most of which belong to the G-77, that has delayed the talks. The Chinese Ambassador to the WTO cautioned that with the financial crisis, the situation is quite

²⁴⁷ Tandon, Y. "A Case for Radical Reform in the World Trade Organisation" *South Bulletin, Reflections and Foresights*, Issue 28, December 2008, p.3.

²⁴⁸ *Loc cit.*

²⁴⁹ Shah, A. "WTO Doha Development Trade Round Collapses", at www.globalissues.org/article/063/wto-doha-dev-round-collapse-2006. Accessed 15/12/2008.

²⁵⁰ Payne, A. *Global Politics of Unequal Development*, Palgrave, New York, 2005, p.181.

²⁵¹ "No dramatic change in pace of WTO talks after Obama election" *Press Trust of India*, www.business-standard.com/india/printage_sam.php?autono=99049&tp=07. Accessed 15/11/2008.

different to that of July, and that to get what nobody got in July, there has to be a level of realism on some of the key issues holding back the talks²⁵².

5.3.1 China and the Group of 77.

There is not much literature on China's unofficial accession into the ranks of the G-77, which is today sometimes referred to as the G-77 plus China. However, it is noteworthy that this significant step coincided with China's accession to the WTO in 2001. Upon joining these intergovernmental world bodies, China has become a force of note, albeit Beijing's reluctance to formally join developing nation organisations.

As noted earlier, the PRC is still undergoing economic reform; the journey is not yet over. China is straddling two economic systems, a version of communism and a version of market liberalisation. The WTO has become a highly significant global trade body, acting as a permanent forum for liberalization of trade in goods and services²⁵³. There is no doubt about the promotion of free market principles by the WTO. China's accession has meant an inevitable move in this direction. It can thus be argued that China is not yet in a position to play a 'leadership' role in any capacity in WTO deliberations. Many have said that China is largely learning on the job, because the country is not yet accustomed to the rules of the game, the game of free market principles.

On the other hand, it is possible to make an argument about Beijing's 'identity crisis', of whether it belongs in the developing or developed world. As one of the largest economies in the world with high levels of growth, possessing the world's largest foreign currency reserves, and so forth, it is very difficult to offer solidarity with poor developing countries, and for the developing countries to genuinely believe this solidarity.

Beijing is finding it more difficult to convince the rest of the developing world that it still belongs in their ranks. Naturally, China's needs in the WTO will be significantly different to those of say, a Benin, Montenegro or Thailand. This is why China has to strike a balance between practical South-South solidarity and its own national interests.

²⁵² Zhegyu, S. "Chinese Ambassador Calls for realism in WTO trade talks" at www.news.xinhuanet.com/english/2008-11/28/content/423758.htm. Accessed, 03/12/2008.

²⁵³ Kapoor, I. "Deliberative Democracy and the WTO", *Review of International Political Economy*, Vol.11, No.3, 2004, p.522.

5.3.2 South Africa and the Group of 77.

South Africa was the chair of the G-77 plus China in 2006. As the chair during the period of 2005-2006, South Africa sought to use this position to further deepen the United Nations' institutional reform agenda and to promote economic reform programmes within the UN system²⁵⁴. During South Africa's tenure as Chair, the plight of developing countries became more apparent, with glaring inequities in the international system. Also, the South was becoming more marginalised from the international system, existing far from where decisions are made. It was these considerations that informed South Africa's diplomacy as chief advocate for the G-77 plus China during its chairmanship²⁵⁵.

An important point made by Patrick Bond, and as suggested in the title of his book "Talk left, Walk right", is that Pretoria has been confused about its identity and where its loyalties should lie. Indeed, this is a feature shared with China. As demonstrated earlier, Pretoria has no qualms joining the rich countries of the North in the controversial "Green Room" at WTO negotiations. Pretoria has on several occasions compromised the 'African bloc' in the WTO. However, Pretoria is also quite comfortable with Charing one of the largest organisations of countries of the South. This is a clear indication that the country is struggling to come to grips with its international identity. Bond argues that Pretoria's global and continental reforms have been systematically frustrated, partly by design and partly through forces beyond Mbeki's control²⁵⁶. Indeed, inside the country, dissatisfaction with Pretoria's local and global initiatives began to grow. It was becoming evident that there is a clear disjuncture between the country's rhetoric as Chair of the NAM, the G-77 plus China, and other developing country initiatives and actual practice.

²⁵⁴ le Pere, G. and Shelton, G. *China, Africa and South Africa, South-South cooperation in a global era*, Institute for Global Dialogue, Midrand, 2007, p.94.

²⁵⁵ *Loc cit.*

²⁵⁶ Bond, P. *Talk Left, Walk Right, South Africa's Frustrated Global Reforms 2nd ed.*, UKZN. Press, Scottsville, 2006, p.10.

5.4 Examples of South-South Cooperation in the WTO process.

Payne argues that the precise terms and conditions by which international trade is conducted cannot but be a major bone of contention in relations between states²⁵⁷. This is precisely the case when these relations are between the rich countries of the North, and their poorer counterparts from the South. Many experts and scholars are in agreement that the inadequate legitimacy rules and lack of rational deliberation in the WTO yields power politics, coerced decision making and unjust outcomes²⁵⁸.

In the following section I will present three distinct instances of South-South cooperation within the broader WTO system. The first two are instances of cooperation that have had a direct impact in the WTO process. The first is the impasse that led to the breakdown of the 1999 Ministerial meeting in Seattle; the second instance is the formation of the Group of 20 developing countries at the 2003 Cancun meeting in Mexico. The third instance is the historic 2000 G-77 South Summit held in Havana, Cuba.

5.4.1 The impasse at the 1999 Seattle Ministerial.

Seattle was a watershed for developing countries within the WTO process. Seattle was meant to launch a new round of trade negotiations, but this was not to be. Going to Seattle, there was a myriad of issues that were left unresolved from the previously concluded Uruguay round. Most of these related to some of the agreements reached to conclude the round, and their implications for developing countries. Therefore, by the opening of the Seattle meeting, these issues were not only well understood, and the source of much anger, but also the basis for a series of quite specific proposals for redress²⁵⁹. One of the key groups to emerge here, and that became a prime actor, was the Like Minded Group (LMG). Its membership had expanded to include the Dominican Republic, Honduras and Zimbabwe, and overall represented a cross-section of regions (Africa, the Caribbean, Central America, South Asia and Southeast Asia)²⁶⁰.

²⁵⁷ Payne, A. *The Global Politics on Unequal Development*, Palgrave, New York, 2005, p.167.

²⁵⁸ Kapoor, I. "Deliberative Democracy and the WTO", *Review of International Political Economy*, Vol.11, No.3, 2004, p.523.

²⁵⁹ Payne, A. *Op. Cit.* p.176

²⁶⁰ *Loc cit.*

Seattle did not portend well for the recently established WTO. The ill-treatment and deliberate marginalisation of developing country delegates served as a wakeup call for countries of the South. At Seattle, democracy, environment, labour conditions, indigenous people's rights and other social struggles were not taken seriously by trade negotiators; most disturbing, Third World delegates were alienated from the high-level 'Green Room' discussions²⁶¹. Indeed, this was rather uncommon, as the launch of a new round is usually the least controversial stage of trade negotiations. However, exceptions do exist, most notably the Seattle Ministerial which was scuttled in part when several developing-country delegates were not invited to meetings of direct interest to them²⁶².

For developing countries, negotiations take place in the context of significant structural challenges in place, which result in asymmetrical deliberative capacities to the detriment of the South. Developing countries have themselves tried to strengthen their deliberative positions; by all accounts Seattle and Doha showed a more active Southern participation than ever before²⁶³.

The LMG was meeting on a weekly basis and dividing up tasks, leading to Seattle²⁶⁴. The LMG was drafting proposals that would allow countries to deviate from their commitments in order to meet 'development' and food security needs²⁶⁵. The LMG remained firm in its hostility to the proposed negotiation of the 'Singapore issues' until the imbalances of the Uruguay Round had been corrected. Indeed, the LMG was the main force driving developing country issues at the Seattle Meeting, as well as a firm opponent to the launch of a new round. To that extent, the LMG resisted the whole notion of a new round being launched at Seattle. In other words, by the time the Ministerial Meeting opened in November 1999, it was obvious there were vast gaps between the positions of the main contending parties and coalitions²⁶⁶.

²⁶¹ Bond, P. *Op. Cit.* p.51.

²⁶² Sampson, 2000 in Kapoor, I. "Deliberative Democracy and the WTO", *Review of International Political Economy*, Vol.11, No.3, 2004, p.527.

²⁶³ Kapoor, I. *Op. Cit.* p.530.

²⁶⁴ Payne, A. *Op. Cit.* p.176.

²⁶⁵ *Loc cit.*

²⁶⁶ *Loc cit.*

It was clear that the EU and the US underestimated the LMG and other smaller formations of African, Asian and Caribbean states. Few expected success at Seattle, yet notably even fewer envisaged the spectacular nature of the failure that unfolded²⁶⁷. The meeting was characterised by disarray both inside and outside the conference hall. The streets of Seattle were littered with protesters from assorted civil society groups, and were being chased and tear gassed by the police. Although this did not have any direct effect on the proceedings inside the conference hall, it gave the media and other observers more interest to what was actually taking place inside. Lack of transparency, among other things, led to a failed meeting. The LMG formally issued very strong statements indicating that, if the same level of transparency persisted, they would withhold their approval from any proposed declaration, thus torpedoing any common statement²⁶⁸. It can also be argued that it was at this meeting that the 'African bloc' began to assert itself. Africa's determination to do away with lack of transparency was instrumental to the impasse created at Seattle²⁶⁹.

Indeed, a number of factors contributed to the ultimate collapse of Seattle. However, it was the combination of the WTO's coming to Seattle with a ministerial draft that reflected so many differences, the deep rift between the EU and the US on key issues, and the mutinous mood of developing country delegates²⁷⁰. It can be argued that developing countries were demonstrating solidarity with the impasse at Seattle. It started at Seattle in 1999; and now the dubious beginnings of the Doha round are currently manifested in developing countries' refusal to wrap up the round. Developing countries are once again demonstrating solidarity, by refusing to wrap up a round that has not yielded any of the proposed 'developmental' pledges.

However, Seattle will always remain where it all started; where developing countries began to strategically stand together as a geopolitical bloc.

²⁶⁷ Payne, A. *Op. Cit.* p. 178.

²⁶⁸ Bello, W. "Debacle at Seattle: A Blow-by-Blow Account", *Business World*, December, 1999, at www.tni.org/archives/bello/debacle.htm. Accessed 05/01/2009.

²⁶⁹ Gonzales, D. "Africa at the first South Summit in Havana" in *Review of African Political Economy*, Vol.27, No.84, 2000, p.341.

²⁷⁰ Bello, W. *Op. Cit.*

5.4.2 The significance of the emergence of the Group of 20 developing countries at the 2003 Cancun Ministerial.

Following the dramatic failure of the Seattle Ministerial in 1999, and the subsequent launch of the Doha Round in 2001, there has been a proliferation of South coalitions in the WTO. The Doha round promised to be a ‘development’ round, one concerned with issues of developing countries. Alas, this promise has not been realised. As the Fifth Ministerial approached in September 2003, there had been no progress regarding the developmental mandate of the Doha round. Developing countries were once again feeling cheated, and thus Cancun presented a platform to assert themselves and to show their dissatisfaction.

Cancun was determined by four areas of dispute: agriculture, position of cotton, strategic products and special safeguard mechanisms²⁷¹. Of all these, agriculture appeared to be the key to the success or failure of the meeting. The EU and the US were particularly tough on agriculture, and agriculture is one of the most important economic activities in developing countries. The EU and US jointly tabled a proposed text on agricultural trade a month before Cancun. The two sought, essentially to consolidate their historically protectionist stances on agriculture by offering only limited concessions to agricultural exporters elsewhere²⁷². This was a reversal of the promises made in Doha, and this was in clear contrast to the rhetoric of a ‘developmental round’ that was to be pro-poor in its approach.

What is of significance and importance to this study is the response of developing countries. Brazil, India and China drafted an alternative text that was then signed by another 18 countries, most from Latin America, but also including South Africa. Although there had been an explicit intention to form a new negotiating group, the signatories eventually came to be known as the Group of 20²⁷³. The draft of the G-20 took a positive line and called for a significant reduction in the domestic support for farmers provided by the big industrialised countries. The G-20 also made sure to take up some of the issues that were raised by what had become a disintegrated LMG.

²⁷¹ Payne, A. *The Global Politics on Unequal Development*, Palgrave, New York, 2005, p.190.

²⁷² Payne, A. *Op. Cit.* p., 191.

²⁷³ *Loc cit.*

Brazil and India drafted the first text together and then collaborated with other countries that were to later join the group. With China on board, the group became one that combined (arguably) all the emerging powers from the developing world²⁷⁴. This coalition was particularly important, as this was the first coalition of note in which China participated in since its accession to the WTO. Not only was China a participating member, but also a founding member of the G-20. One of the important features of the G-20 proposals was that the coalition went beyond being a blocking coalition, but one that set forth concrete proposals.

Narlikar and Tussie call the G-20 agenda a proactive one²⁷⁵, as opposed to a blocking agenda. It appears that the G-20 stood out quite significantly from previous WTO developing country coalitions; and most observers have attributed the group's success to its unique and innovative character.

Admittedly, the initial strength of the G-20 lay in its structure. As far as the EU and the US were concerned, it would have been very difficult for them to ignore a coalition that constituted over two-thirds of the world's population, comprised over 60 per cent of the world's farmers, and was led by a powerful core of emerging powers such as Argentina, Brazil, India, China and South Africa²⁷⁶. However, the coming together of powerful countries was not new, it had been attempted before and such coalitions had failed when it came to the moment of truth. The success of the G-20 lay in the strategies employed, the group had to be very strategic to avoid failure. The chances of failure were also quite high, as the group was quite diverse in its composition, from Least Developed Countries (LDCs) to emerging powers, there was bound to be conflict within, and this is what the group had to avoid. Also, of critical importance was to avoid a situation where the smaller countries are swayed with carrots and sticks by the EU and the US. This was common practice by the big powers, and has been the downfall of many a coalition of developing countries.

²⁷⁴ Narlikar, A. and Tussie, D. *The G-20 at the Cancun Ministerial: Developing Countries and their Evolving Coalitions in the WTO*, Blackwell Publishing Ltd., Oxford, 2004, p.952, at www.latnorg.ar/archivos/documentacion/PAPER_DOC10%20Tussie_E/%20 Accessed 22/12/2008.

²⁷⁵ Narlikar, A. and Tussie, D. *Op. Cit.* p.959.

²⁷⁶ Narlikar, A. and Tussie, D. *Op. Cit.* p.960.

Narlikar and Tussie argue that one of the critical success strategies that assured intra-group cohesion of the G-20 was keeping the core together, the core being China, Brazil and India²⁷⁷.

Had there been discontent among the “Big Three”, it is likely that the group’s cohesion would have faltered. Another strategy that contributed both to intra-group cohesion but also the external legitimacy of the group was the research and careful analysis that underlay its proposal²⁷⁸. With such research, the group understood each member’s needs and recognised potential fault lines and guarded against them. This is an indication of the sophistication of the group, as well as commitment to strategic South-South cooperation.

Although the talks failed, Cancun saw the first instance where developing countries successfully took a unified stance against the rich countries²⁷⁹. According to Payne, the emergence of the G-20 constituted an absolutely critical moment in global trade politics; its membership combined some of the largest and powerful states outside the OECD, namely Brazil, India, South Africa, and most notably China²⁸⁰. It can be argued, that the formation of the G-20 at Cancun has set an important precedent for developing countries at WTO trade negotiations. Not only did the coalition constitute a major weight in economic terms, but also presented some moral weight, which it exercised to its great credit, by emphasising that it represented the interests of over half of the world’s population²⁸¹. But most importantly, the G-20 demonstrated that it is possible for developing countries to form formidable coalitions and to have credible leverage and not succumb to divisive tactics by the rich countries.

Both China and South Africa participated prominently in the G-20 at this meeting. Naturally, both countries participated for different reasons in this coalition. But one reason that is clear for all to see appears to be South-South solidarity. However, we cannot be certain of the authenticity of this solidarity, as South Africa has for example demonstrated behaviour contrary to South-South solidarity. It was at the Ministerial preceding Cancun, that

²⁷⁷ *Loc cit.*

²⁷⁸ Narlikar, A. and Tussie, D. *Op. Cit.* p.961.

²⁷⁹ Shah, A. *WTO Meeting in Cancun, Mexico 2003* at www.globalissues.org/print/article/663. Accessed 15/12/2008.

²⁸⁰ Payne, A. *The Global Politics on Unequal Development*, Palgrave, New York, 2005, p.191.

²⁸¹ *Loc cit.*

South Africa was lured into the 'Green Room' by some of the developed countries. It is such divisive tactics that the G-20 successfully overcame, hence the need to build from that experience. China on the other hand, was making a debut in WTO negotiations, and had no real history. So far, China has proved to be strong in its commitment to South solidarity at WTO negotiations, and has over the past few years been one of the drivers of the South agenda at WTO meetings.

Declaration by the Group of 77 and China on the Fifth WTO Ministerial Conference at Cancun, Mexico (See Appendix 1).

5.4.3 The historic 2000 G-77 South Summit in Havana, Cuba.

The 2000 South Summit held in Havana, Cuba was significant for Africa and South Africa in particular. Former President Thabo Mbeki was the current chair of the NAM, and former President Olusegun Obasanjo of Nigeria was the current chair of the G-77. Africa was at the centre of South-South cooperation, chairing two of the largest organisations of the South. But this Summit was also important for the South as a whole; the G-77 was meeting for the first time at Summit level since its inception. Southern Heads of State or Government were to meet under the banner of the G-77. The 2000 South Summit saw representatives from 121 countries, including 42 Heads of State or Government, 13 Vice-Presidents or Vice-Prime Ministers, 67 Ministers of Foreign Affairs, Royal Highnesses, Ministers or Ambassadors²⁸². The Summit was testament to the changing context of the international system and the monumental challenges this presents to the developing countries of the South.

The G-77 had set an agenda composed of four basic topics: globalisation and the world economy, North-South relations, knowledge and technology and South-South cooperation²⁸³. This agenda reflects some of the most pressing issues facing the South at the beginning of the 21st century. To a large extent, these issues are interrelated; globalisation is arguably the greatest challenge facing the South. The effects of globalisation on developing countries also rest on North-South relations. Globalisation manifests through the continued marginalisation of the South from the world economy. Certainly, the South takes global economic inequality

²⁸² Gonzales, D. "Africa at the first South Summit in Havana" in *Review of African Political Economy*, Vol.27, No.84, 2000, p.341

²⁸³ *Loc cit.*

very seriously. According to Martin Khor of the Third World Network, the Summit's Declaration was a sign of the South's collective awareness of the unjust realities of the world economy²⁸⁴. The South's assertions at the Summit also reflect awareness that any changes in the status quo or as Algerian President and OAU Chair Abdelaziz Bouteflika put it "a democratisation of the global system"²⁸⁵, will require commitment from the North, hence the insistence on cordial North-South relations.

With Africa chairing both the NAM and the G-77, African delegates were feeling empowered at the Summit and therefore quite vocal. They were particularly active in debates on the effects of globalisation. Ugandan First Vice-Prime Minister and former Mozambican President Joachim Chissano argued that the process of globalisation began with colonisation and slavery, President Obasanjo noted that in fact what exists in the Third World is the 'globalisation of poverty and underdevelopment'²⁸⁶. What became clear at the Summit was that neo-liberal globalisation proposed to the South a model of development that developing countries see not only as undesirable²⁸⁷, but also downright unacceptable.

Therefore, the final Declaration of the Summit (see Appendix 2) unequivocally reaffirmed the need to strengthen South-South cooperation under the current international context. The Declaration clearly states that the modalities of production and consumption that predominate in the North are unsustainable and pose a danger to the rest of humanity. It can be said that the Final Declaration is an unambiguous and realistic document that calls for immediate action. The Declaration also looks at the main problems facing the South, and this includes among other things, the debt burden, economic sanctions, the widening technological gap between the North and the South. The action called for in the Declaration was articulated more specifically in the Havana Programme of Action, with specific tasks and targets to realise.

Final Declaration of the South Summit in Havana, Cuba, April 2000. (See Appendix 2)

²⁸⁴ Khor, M. "South Summit: A Defining Moment in G-77 History" at www.twn.org.sg/title/history.htm. Accessed 22/12/2008.

²⁸⁵ *Loc cit.*

²⁸⁶ Gonzales, D. "Africa at the first South Summit in Havana" in *Review of African Political Economy*, Vol.27, No.84, 2000, p.342.

²⁸⁷ *Loc cit.*

It is therefore evident that there has been robust cooperation among countries of the South in the WTO, under the G-77 or other Southern groupings. A good example of this cooperation is the dramatic collapse of the Seattle Ministerial as a result of developing countries who refused to be mistreated and undermined, particularly an incensed African bloc. The galvanising spirit afforded by the first ever South Summit in 2000 laid a concrete foundation for a stronger South agenda; this is reflected in the Final Declaration. There is no doubt that the momentum built in April in Havana carried through to Cancun in September 2003. The formation of the G-20 was significant and set a positive precedent for South coalitions in the perilous environment of WTO negotiations.

However, through all this positivity, there lurks behind it all the spectre of inequality within the South itself. This has the potential to derail South-South cooperation. As has been demonstrated by some smaller countries, including South Africa who have succumbed to pressures from the rich industrialised North, in return for minor country-specific trade concessions, the varying sizes and power of developing countries make them vulnerable to divisive tactics.

5.5 Conclusion.

This chapter has looked at the background of China and South Africa in the WTO system. The Group of 77+ China, formerly the G-77 was used as an example of the largest platform for the South in WTO deliberations. The G-77 was established to deal with the economic concerns of developing countries. Both China and South Africa have played different roles within the organisation. Three examples of cooperation were given, where there was decisive Southern consensus in WTO negotiations, with China and South Africa in leading roles. From this chapter it appears that South Africa is in some instances more interested in Southern solidarity when it means a positive outlook for its national interests. South Africa has displayed erratic behaviour in the WTO, whereas China is edging on in circumspective fashion.

In this chapter it also became evident that developing countries have a particularly difficult time in WTO negotiations. The system has always been unfavourable towards developing nations, mainly because of the condition of chronic underdevelopment. However, at the dawn of the 21st century changes began to occur, with developing countries coming together as a formidable bloc in negotiations. This trend started tentatively, and has been gaining

momentum over the years, with notable results. The strengthening of the G-77 through more robust engagement as we saw in the 2000 South Summit, as well as the addition of China have bolstered the bargaining position of developing countries in the WTO. Developing countries have the numbers in their favour, and have used this to their advantage.

International trade is one of the most important arenas of international engagement and is taken very seriously particularly by developing countries who see it as a means to development. International trade is therefore an integral part of a country's foreign policy. This has been evident in the behaviour of some countries including South Africa in WTO trade negotiations, where collective interest is sometimes sacrificed for the interests of the individual state. This behaviour is not uncommon in international trade negotiations, and it is this behaviour that often derails South-South cooperation. However, there is cause for optimism; this behaviour is slowly being replaced by a stronger South in negotiations, there is an emergent realisation that the structural inequality within the WTO can only be overcome through an unyielding South.

Chapter 6

Conclusion and Recommendations.

In concluding this research report, it is necessary to reflect on the main research question posed by this study.

The study has revealed the extent and nature of cooperation between China and South Africa in international fora. There is substantial cooperation between these two countries and this cooperation is to a large extent possible because of China and South Africa's middle-power status. However, this cooperation is fraught with contradictions and predicaments. In the UN the countries cooperate on political issues concerning them as individual sovereign states, the South and the world at large. In the WTO they cooperate on issues of international trade, concerning them as individual sovereign states and in some instances they cooperate as members of the Southern bloc.

Overall, it is evident that South-South cooperation is not the main driving force behind China and South Africa's cooperation in the UN and WTO, and that current cooperation is not enough to achieve the goals of South-South cooperation. A myriad of motives exist for their cooperation, but the most salient motive is national interest and this is arguably the main determinant of all cooperation, present and in the immediate future. China's main preoccupation is with its 'peaceful rise'²⁸⁸, on its way to becoming a world superpower. South Africa on the other hand is concerned with its regional and continental hegemonic standing and the eventual attainment of a permanent Security Council seat. For both countries, these are two fundamental foreign policy objectives, and these have largely influenced their conduct in the UN and WTO.

In this report it has emerged that the concept of South-South cooperation is still somewhat ill-defined, and is subject to an array of interpretations. One of the main problems lies in the definition of South-South cooperation. This has contributed to the slow progress in the establishment of a formulaic and constructive South agenda. In practice, South-South cooperation is fragmented, with no focal area. It is not clear what one means precisely when

²⁸⁸ Guijin, L. Former ambassador of the People's Republic of China to South Africa, in le Pere, G. (ed.) *China in Africa, Mercantilist predator, or partner in development?*, IGD & SAIIA, Midrand and Johannesburg, 2007, p.15.

speaking of South-South cooperation. This is exacerbated by the fragmentation of the South, as a geopolitical unit. The South comprises a diverse constellation of developing countries with different political and economic formations. This makes it difficult to coordinate practices and to prioritise certain activities.

It is therefore fair to conclude that South-South cooperation is to a large extent still confined to the level of rhetoric, and in its current state of practice is confined to the realm of the international system and international politics. What we see in the WTO is largely guided by political imperatives. That is why in WTO negotiations a middle-income developing country such as South Africa can be easily coaxed to the infamous 'Green Room'. It should be noted, however, that the overall cooperation among countries of the South in both the UN and WTO has been impressive, particularly in the latter. In this study it was demonstrated that in WTO negotiations, for example, it is middle-income countries that are the anchors of South-South solidarity, this is best exemplified by the emergence of the G-20 at the Cancun Ministerial.

China has been shown to play a central role in South-South cooperation. The PRC is known for its rhetoric on South-South cooperation; however, this rhetoric is accompanied by some practical action. The PRC has a long history of engagement with the developing world, and has used this history to gain the trust of developing countries in the current world order. The PRC has used this strategy to make its mark as a major player in international affairs. China's foreign policy is still evolving, as Beijing perceives the main prize to be undisputed superpower status. At the UN and WTO, the PRC has on several occasions proven to be a loyal member of the South. Its unwavering support of the NAM and G-77 is an indication of China's commitment to changing global inequality.

However, the PRC faces a number of challenges in its continued membership of the South; the main being the country's disproportionate power to the rest of the developing countries. This is proving to be a potential area of contestation in the future.

There is a major gap between the economic capabilities of the PRC and the rest of the developing world. This economic strength has by default elevated the country's global political standing. Other developing countries are beginning to question China's commitment to the South agenda, not because of the PRC's actions, rather due to the factual data at their disposal.

However, it is in Africa that China has established a firm presence; and it is on this continent that China's commitment to the South will be truly tested. African governments have opened up to the Asian giant mainly because of the latter's promise not to interfere in their domestic affairs. This is a policy that has hitherto worked immensely well for China. That was until the Sudan case. Sudan is the one African country where China has the largest investments; it is also one of the most unstable countries on the continent.

The conflict raging in the west of Sudan in the Darfur region has brought China to the centre of the crisis. Voting in favour of the passing of UN resolution 1769 mandating the establishment of an UN-AU hybrid peacekeeping mission to Darfur, China transgressed the policy of 'non-interference'. This was an unprecedented move on Beijing's part, and its impact has not yet been established. What has been established, however, is that Beijing will interfere where its core interests are at stake, such as oil and other investments, as in the case of Sudan. China's actions have been attributed to the need to preserve its interests, as well as the need to preserve its reputation. This could be seen as yet another turn in the PRC's evolving foreign policy; the PRC could be re-evaluating some of its policies, in anticipation for the time when the country will become an undisputed superpower.

The report has shown South Africa as playing a key, yet sometimes ambiguous role in South-South cooperation. As a regional and continental power, South Africa has thus become a player of note in international affairs. In the period after 1994, South Africa has been in a process of establishing a foreign policy that reflects the multiple identities and roles of the country. This has proved to be an arduous exercise; this is reflected in the ambiguous and sometimes questionable positions taken by the country in the UN and WTO. The country's post-apartheid foreign policy architecture is yet to be consolidated. South Africa has chosen to be one of the strongest advocates of stronger South-South cooperation, calling for a radical change of the international order.

Despite the occasional ambiguity, South Africa's international profile has thrived over the years. This favourable international profile has resulted in expectations. South Africa is in a difficult position; the country has its own national interests that have to be balanced with external expectations. This is demonstrated in the WTO negotiations, where South Africa has on several occasions abandoned the African agenda, to pursue its own.

On the other hand, in the UN, South Africa has actively taken a position of African and South-South solidarity. This was most notable during South Africa's non-permanent membership in the UN Security Council from January 2007 to December 2008.

From the conclusions reached here it is clear that there is room for the strengthening of South-South cooperation, particularly from two of its strongest advocates, China and South Africa.

This report recommends a clear definition of South-South cooperation. This must be the main point of departure in getting to grips with the concept. There is a need for deeper understanding of the diffused nature of South-South cooperation. What has clouded some of these crucial issues is the rhetoric surrounding South-South cooperation. The rhetoric has been parochial and has masked issues of concern. Bringing together the South on broad issues that occur at the macro level needs to be re-evaluated. There needs to be a breakdown of issues, and cooperation should occur on specifics. A good example of this is the IBSA forum which is focused on economic issues and for the moment does not concern itself much with political matters. The streamlining of South-South cooperation should occur at the G-77 and NAM levels.

Following from the above recommendation, there should be an effort to prevent the monopolisation of the South agenda by certain countries. This is in line with the need for a clearly defined South plan of action. Available evidence suggests that, indeed, China and South Africa have largely benefitted on the current understanding of South-South cooperation. The rest of Asia and Africa are lagging behind the progress made by China and South Africa, respectively. There is a need to regulate a situation, which by all accounts has already started, where the rest of Asia or Africa open their markets for Chinese and South African corporates, while the latter keep their markets closed off.

South Africa should by all means coordinate some of its South-South engagements with the rest of the continent. This can occur at both the regional and continental levels. At the regional level, South Africa should be in communication with SADC in relation to South-South initiatives, and start off with intra-regional cooperation. And, indeed, South-South cooperation need not be trans-continental.

At the continental level, the New Partnership for Africa's Development (NEPAD) should be the main vehicle driving continental cooperation, together with the Regional Economic Communities (RECs). The same applies to China, as opposed to being a threat to regional organisations such as the Association of South East Asian Nations (ASEAN), China needs to boost such organisations, and be a conduit for stronger intra-regional cooperation.

China and South Africa, as economic powers in their respective regions should also drive cooperation between SADC and ASEAN. It is true, that RECs are the future of African development, but the same argument applies to other developing regions around the world.

It is here that the potential for stronger South-South cooperation lies. It is crucial that the focus shifts from parochial bilateral agreements to more robust and all-inclusive cooperation. Focusing on the regional networks reduces the monopolisation of South-South cooperation by a handful of countries, and allows for more profound cooperation among countries of the South. This could eventually lead to South-South cooperation taking place at the level of civil society, and the establishment of a more issue driven South agenda.

The above-mentioned recommendations are made with the view of speeding up the process of establishing stronger South-South cooperation. The ultimate goal is to develop countries of the South to acceptable levels of development and to put an end to the cycle of poverty, also to see changes in the configuration of the international system. South-South cooperation aspires to equality in the international order, and to see the North deposed of its de facto position as world leader.

This study has also raised a number of issues that warrant further study. One of the most critical is the notion of the 'expected' behaviour and role of middle-income developing countries in international fora. There seems to be an unstated expectation from these countries by others within the developing world.

What are the implications of this tacit expectation? The second issue that requires further study is the nature of South-South cooperation; particularly political cooperation as is often the case in the UN. The report mentions this because of the criticisms levelled against China and South Africa in what is perceived as their support for dictatorships. Should there be criteria by which to judge South-South cooperation? And by whose standards should it be judged?

Finally, from 2009 and beyond, there are a number of issues that could potentially change the way China and South African conduct their international affairs. In South Africa, political changes are imminent, with a new administration in place under President Zuma. This means leadership change within the ruling ANC. The three experts interviewed in this report, all expressed a concern about the expected incoming leadership in terms of their commitment to international relations. The new leadership is largely expected to be inward looking, as Roque notes that “things will definitely shift, the new government’s rhetoric is inward looking”²⁸⁹. This could have serious implications for South-South cooperation which has played a crucial role in the growth of many developing countries in recent times, including South Africa’s own.

For the PRC, one of the trends that require monitoring is the country’s role in Africa. Following what has been viewed by many as reneging on its policy of non-interference in Sudan, future Sino-Africa relations warrant close observation. It has become evident that the PRC will interfere when billions worth of its investments are at stake, and that the PRC is concerned about its self-image. There is noteworthy consciousness regarding its self-image. Following the PRC’s continued engagements in Africa should provide an indication of the future foreign policy of the country. Due to its dynamism, it is not easy to predict the PRC’s foreign policy, particularly in the relatively unstable African environment.

²⁸⁹ Roque, P. C. Senior Researcher, Institute for Security Studies, former Research Coordinator of the China in Africa Project at SAIIA, *Personal interview with the author*, Pretoria, 15/12/2008.

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GROUP OF 77 & CHINA

GENEVA

22 August 2003

Declaration by the Group of 77 and China on the

Fifth WTO Ministerial Conference

Cancun, Mexico, 10-14 September 2003

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A call for a multilateral trading system which is responsive to the needs of developing countries

1. We, members of the Group of 77 and China, reaffirm our commitment to the eradication of poverty worldwide as stipulated in the Millennium Declaration and the Millennium Development Goals. Acknowledging that trade is not an end in itself but a means to development, peace and security, we aspire to creating a multilateral trading system which is

responsive to the needs of developing countries.

2. We recognize the significant importance of an open, rules-based multilateral trading system as one of the essential means for the promotion of economic development, the eradication of poverty worldwide and the effective participation and integration of developing

countries, particularly the least-developed countries (LDCs) and small, vulnerable economies, into the world economy. We strongly believe that such a multilateral trading system would play

a crucial role in fostering human progress and fulfilling the development goals and aspirations

of all nations, especially those of developing countries.

3. Mindful that the Doha Work Programme adopted at the Fourth WTO Ministerial Conference placed the economic interests and development needs of developing countries at its

centre, we express strong disappointment over the missed deadlines and the lack of progress in

the negotiations within the WTO, especially on issues of direct interest and economic value to developing countries.

4. We note with concern the contrast between the objectives laid out in the Doha Work Programme and the proposals by developed countries in key areas of interest to developing countries, which fail to take into account our interests and needs.

5. We call for a renewed political commitment of all countries to address the inherent asymmetries and inequalities in the international market place, the structural limitations, inadequate supply capacities and the vulnerabilities of developing countries to the external economic and financial environment and the pressures that arise therein, and to put in

place a development-oriented multilateral trading system, both in words and in action, in order

to ensure that all countries, particularly developing countries, can share in the prosperity that globalization offers.

6. We call on the participants of the Fifth WTO Ministerial Conference to expedite

the Doha negotiations with an aim to the successful conclusion of the Doha Round. We strongly believe that a successful conclusion of the Doha negotiations that is developmentfriendly will not only significantly sustain the confidence of developing countries in the multilateral trading system but will also in the long run benefit the developed countries by creating a vibrant and inclusive global economic system.

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Responsible actions needed

7. **Agriculture:** We stress that agriculture remains a fundamental and key sector for the overwhelming majority of WTO members' economies and that the successful conclusion of the Doha Work Programme negotiations depends largely on the success of agriculture negotiations. We look forward to a successful outcome of the negotiations aimed at

substantial improvement in market access in favour of developing countries and the elimination

of all forms of export subsidies and substantial reduction in trade-distorting domestic support. We reiterate that special and differential treatment for developing countries shall be an integral

part of the outcome of the negotiations so as to enable them to effectively take account of their

development needs including food security and rural development. We also call for effective measures to be undertaken to reverse the decline in agricultural commodity prices, which have

severely affected the economies of many developing countries.

8. We reaffirm the need for implementation of paragraph 4 of the Marrakesh Declaration on Net Food Importing Developing Countries (NFIDCs) and LDCs.

9. We recognize the need of a safety net to assist the NFIDCs and the LDCs in financing short term purchases of major food imports, in times of increasing food import bills,

or if a reduction in good imports at concessional terms makes larger imports necessary. In cases of tariff peaks, food imports should be facilitated by reducing tariffs. We call upon all potential donors to set long term plans to develop and enhance agricultural infrastructure, productivity, and competitiveness of agricultural products in the NFIDCs and the LDCs.

10. **Trade-related aspects of intellectual property rights (TRIPS) and public health:** We affirm the right of WTO members to use to the full the provisions in the TRIPS Agreement which provide flexibility for members to protect public health and promote access to medicines for all. In this regard, we underscore the importance of the implementation of the

mechanism to put into effect paragraph 6 of the Declaration on the TRIPS Agreement and Public Health to enable developing countries, including LDCs, with insufficient or no manufacturing capacity in the pharmaceutical sector to make effective use of compulsory licensing. While noting the unilateral initiatives adopted by some members to address this issue, any proposed solution in this regard should be multilateral in nature and should be agreed

upon in the context of the WTO.

11. **Implementation issues:** We note with great concern the lack of meaningful progress on implementation issues, despite a clear decision taken by the Ministers at the Fourth

Ministerial Conference and the mandate of the Doha Ministerial Declaration. We stress the

need for full and faithful implementation of the Uruguay Round Agreements for the redress of

existing imbalances arising from the Uruguay Round Agreements, and for addressing implementation difficulties faced by developing countries as a matter of priority.

12. Special and differential treatment (S&D): As mandated by the Ministers in paragraphs 44 and 50 of the Doha Ministerial Declaration, we wish to stress once again that special and differential treatment for developing countries is an integral part of all WTO agreements and must be taken into account in all aspects of the negotiations and be embodied in the Schedule of concessions and commitments and as appropriate in the rules and disciplines

to be negotiated, so as to enable developing countries to take account of their development

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needs effectively. We also urge that further progress be made in work towards realizing the commitment made in paragraph 44 of the Doha Ministerial Declaration to strengthen the S&D

provisions and to make them more precise, effective and operational. Any outcome reached should be meaningful and address the concerns of developing countries. Costs of implementation, including adjustment costs of developing countries and newly acceding members among them should be fully taken into account in all multilateral agreements.

13. Market access for non-agricultural products: We call for a full respect for the Doha Ministerial Declaration in the formulation of the negotiating modalities on nonagricultural

products, taking into account that the Doha Ministerial Declaration has clearly mandated a reduction and as appropriate elimination of tariffs, tariff peaks, high tariffs, tariff escalation and non-tariff barriers for all industrial products, in particular products of export interest to developing countries. The special needs and interests of developing and least developed countries, including the principle of less than full reciprocity in reduction commitments, should underpin any modalities that are agreed to in this area of negotiations.

14. Services: We call for greater efforts to operationalise Article IV of the General Agreement on Trade in Services where increased participation of developing countries is envisaged, through, inter alia, liberalization of market access in sectors and modes of supply of

export interest to developing countries, particularly mode 4. Negotiations should be conducted,

in accordance with the Guidelines and Procedures for the Negotiations adopted by the Council

for Trade in Services, on the principle of progressive liberalization, at a pace commensurate to

the level of development of developing countries. In addition, we believe that balance should be maintained between market access negotiations and multilateral negotiations on rule making

in services that would help create a more favourable framework of negotiations for developing

countries and provide a higher level of comfort in negotiating market access commitments.

15. Singapore issues: While there remains considerable divergence in views on the Singapore issues, we believe that each issue should be treated separately and on its own merits.

Any modalities to be decided, by explicit consensus, would need to provide certainty on the structure and precise content of negotiations and must fully take into account the impacts

on/and the needs of developing countries. Many developing countries still require further analysis to be carried out so as to enable them to better evaluate the implication of closer multilateral cooperation for their developmental policies and objectives, and in this context the

provision of technical assistance is necessary.

16. Electronic commerce: Recognizing that electronic commerce creates new challenges and opportunities for trade for WTO members, we stress the importance for developing countries of obtaining improved market access opportunities through electronic commerce. We consider it necessary to continue the examination of issues under the ongoing WTO work programme on electronic commerce, as well as in other international organizations.

We also reaffirm the need to bridge the digital divide and eliminate all restrictions on the participation of developing countries in electronic commerce and access to modern technologies.

17. Small economies: We underscore the mandate to examine issues relating to the trade of small, vulnerable economies, as recognized in paragraph 35 of the Doha Ministerial Declaration. We call on WTO members to complete the Work Programme expeditiously and to

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adopt substantive, results-oriented trade-related measures to ensure the fuller integration of small, vulnerable economies into the multilateral trading system and to address their specific needs. We wish to emphasize the need to take into account the specific concerns of landlocked

developing countries.

18. Erosion of preferences: We reaffirm the need for WTO members to find positive measures to mitigate the negative impact of the erosion of preferences arising out of the on-going market access negotiations, including agriculture and non-agriculture market access negotiations and, in this context, to address the issue of preference erosion.

19. Least-developed countries: Recalling paragraph 42 of the Doha Ministerial Declaration, we call upon developed countries to make commitments on duty-free and quotatefree

market access for all products from LDCs on a secure, long-term and predictable basis with realistic, flexible and simplified rules of origin to match the industrial capacity of LDCs. In order to effectively integrate LDCs into the multilateral trading system, we further call upon

developed countries to support LDCs in building their trade-related supply capacity, including

through diversification of production and export base.

20. Accession of developing countries to the WTO: We call on members of the WTO to continue to expedite the accession of developing countries to the WTO within a transparent, streamlined and accelerated accession process, to speed up the reply procedures, and to ensure appropriate assistance in their accession, taking into account their limitations, their level of development, and WTO provisions related to the protection of public morals.

We

emphasize that the conditions for membership of WTO should be put on a footing similar to that of the existing members. We also emphasize the need for acceleration of the accession process of LDCs, as per the Accession Guidelines adopted by WTO.

Steps to be taken

21. We stress the importance of consistency between national trade policies and

multilateral trade agreements. In this regard, we reiterate our concerns and call for the elimination of the continuing use of coercive economic and trade measures against developing countries such as unilateral economic and trade sanctions that are in contradiction with the United Nations Charter and WTO rules, as well as the abusive application of anti-dumping, technical barriers to trade (TBT) and sanitary and phytosanitary (SPS) measures against products originating from developing countries.

22. While noting the establishment of the Doha Development Agenda Global Trust Fund, we urge developed country members of the WTO to increase their contribution to capacity building and technical assistance activities for developing and least-developed countries in order to strengthen their capacity and develop appropriate infrastructure, including

human resources, to effectively reap the benefits of the multilateral trading system in a manner

compatible with their specific development needs and constraints.

23. We urge the WTO and its members to continue to cooperate and work with the United Nations Conference on Trade and Development (UNCTAD) as the focal point within the United Nations system for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology, investment and sustainable development.

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24. We also urge the WTO to continue to enhance coherence and complementarities with other relevant international organizations and the Bretton Woods institutions to promote the development objectives of a multilateral trading system responsive to the needs of developing countries.

25. We, the Group of 77 and China, call on the participants of the Fifth WTO Ministerial Conference to reaffirm their political commitment made in Doha to foster a new spirit of international cooperation based on the principle of shared benefits but differentiated responsibilities.

26. The success of the Fifth WTO Ministerial Conference depends largely on a genuine spirit of cooperation and the recognition that, in the globalization process, developed and developing countries are interdependent. To ensure the eradication of poverty for people worldwide, we, both developed and developing countries, must work closely together as equal

partners for development.

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GROUP OF 77 SOUTH SUMMIT

Havana, Cuba, 10-14 April 2000

DECLARATION OF THE SOUTH SUMMIT

1. We, the Heads of State and Government of the member countries of the Group of 77 and China, fully convinced of the imperative need to act in close unity for the primary purpose of working for a peaceful and prosperous world, have gathered here in Havana, for the first-ever South Summit, from 12 to 14 April 2000.
2. We remain fully committed to the spirit of the Group of 77 and China, which has helped our countries since the inception of the Group in the early 1960s to pursue a common and constructive course of action for the protection and promotion of our collective interests and genuine international cooperation for development. At this historic event, we reaffirm our commitment to the principles and objectives that have guided the Group from the start. We also rededicate ourselves to strengthening the unity and solidarity of the Group in pursuit of its declared objectives and to reinforcing the role it is called-upon to play in international economic relations.
3. We are fully convinced that it is indeed imperative to gather here at the start of the new millennium, a critical juncture in contemporary human history, to reflect on the rapidly changing world economic situation and to discuss the emerging challenges facing the South in the economic and social spheres and seek a solution to them. We have also been brought together fully convinced that at the dawn of the 21st century, we need to act decisively to map out a better future for our countries and peoples and to work towards the establishment of an international economic system which will be just and democratic.
4. We reaffirm that in our endeavours we are guided by all the principles and purposes of the United Nations Charter and by full respect for the principles of international law. To this end we uphold the principles of sovereignty and sovereign equality of States, territorial integrity and non intervention in the internal affairs of any State; take effective measures for the suppression of acts of aggression or other breaches of peace and encourage the settlement of international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered; refrain in international relations from the threat or use of force against the territorial integrity or political independence of any State or in any other

manner inconsistent with the purposes of the United Nations; develop friendly relations based on respect for the principle of equal rights and self determination of peoples; achieve international cooperation in solving international problems of an economic, social, cultural or humanitarian character, and in promoting and encouraging respect for human rights and fundamental freedoms for all without distinction as to race, sex, language or religion.

5. We emphasize that the process of globalization and interdependence must not be used to weaken or re-interpret the above-mentioned principles, which continue to be the foundation for friendly and peaceful relations among States and for the solution of disputes and conflicts by peaceful means. Furthermore, we stress that those principles inspire us to be fully committed to creating a more just and equitable international economic system that offers security for all people and growing opportunities to raise their standard of living.

6. We are committed to a global system based on the rule of law, democracy in decision-making and full respect for the principles of international law and the Charter of the United Nations. The new global system must reflect these principles.

7. We emphasize that development is the best contribution to peace, and that both are built together. Development is a continuing process, without arbitrary limits, through which we work for the prosperity and well-being of our peoples. Our highest priority is to overcome underdevelopment, which implies the eradication of hunger, illiteracy, disease and poverty. Although this is primarily our responsibility, we urge the international community to adopt urgent and resolute actions, with a comprehensive and multidimensional approach, to assist in overcoming these scourges, and to establish international economic relations based on justice and equity. Development for the well-being of our peoples will always remain the focus of action of the Group of 77, and in this respect we rededicate ourselves to that goal. We recognize the right of developing countries, in exercise of their sovereignty and without any interference in their internal affairs, to choose the path of development in accordance with their national priorities and objectives. We are, however, deeply concerned that international cooperation for development has been downplayed on the agenda of the international community, including the United Nations system. In view of our declared goal, we therefore call on the international community at the dawn of the new millennium to give priority to the development agenda of developing countries and adopt urgent and resolute actions which will help them to overcome the obstacles to their development objectives.

8. In this context, and noting the interdependence of nations and the varying levels of human development worldwide, we stress the need for a new global human order aimed at reversing the growing disparities between rich and poor, both among and within countries, through the promotion of growth with equity, the eradication of poverty, the expansion of productive employment and the promotion of gender equality and social integration. We therefore, pledge to work together to confront these challenges for the benefits of all our people.

9. We note that in recent decades, external factors have constrained the realization of the economic potential of the South. This has adversely affected

external trade and the flow of foreign direct investments (FDI) and other forms of investments. It is thus, imperative to promote a North-South dialogue based on a spirit of partnership, mutual benefit and genuine interdependence in order to expedite the removal of these constraints.

10. We are deeply convinced of the need to create a new spirit of international cooperation based on the principle of achieving shared benefits, but also based on common but differentiated responsibilities, between the developing and industrialized countries. We concur that in order to do this, it is imperative to develop collective and peaceful solutions for the global problems affecting the world today, and this demands a search for concrete mechanisms that will guarantee full and effective participation by the South in international decision-making, on an equal basis. In this regard, the international machinery through which global norms are developed and actions taken must therefore ensure that the countries of the South can participate on an equal footing in decisions which affect them most of all. In particular, the international economic governance institutions must promote broad based decision-making which is essential if we are to have a more equitable global political economy. In the context of interdependence we underline the need for expeditions measures to make the existing mechanisms more transparent, inclusive, participatory, interactive and broad based. Similarly at the national level, we also note that the efforts to promote development require a true partnership that is more inclusive and participatory and which involves all stakeholders, including the private sector and NGOs.

11. We note with concern that the countries of the South have not been able to share in the benefits of globalization on an equal footing with the developed countries and have been excluded from the benefits of this process. Asymmetries and imbalances have intensified in international economic relations, particularly with regard to international cooperation, even further widening the gap between the developing countries and the industrialized countries. We are also concerned that, in the context of widening North-South gap, the social and economic conditions of the least developed countries (LDCs) have been deteriorating. Furthermore, the income gap within countries remains wide; social exclusion and inequalities are widespread; and the number of people living in poverty has increased. Urgent measures should be taken to address the needs of the large majorities of the population, in particular women and children, who are forced to live in extreme poverty, if this is not done, globalization will provide no lasting solutions to the essential problems of developing countries. For most of us, agriculture remains the mainstay of our economies, and the majority of our population still lives in rural areas; globalization has passed them by, but must address their needs.

12. We are concerned by the serious financial problems faced by many of our countries, with the systemic aspect of financial instability, the problems associated with excessive volatility in short-term capital flows, and the absence of an appropriate mechanism to regulate and monitor such flows, as well as hedge funds, and highly leveraged financial institutions. This situation urgently requires a fundamental reform of the international financial architecture, making it more democratic, more transparent and better attuned to solving the problems of development. It also requires the establishment of a clear programme that goes

beyond the mere prevention of crises and includes actions addressing the interrelated problems of finance, trade, technology and development at the international level. The return to apparent normalcy of capital markets after the last crises should not lull us into complacency.

13. Even developing countries with limited or no financial markets suffer badly from financial volatility and contagion through lower commodity prices brought about by declining commodity demand, cross-instability in financial and commodity markets, and the postponement of investment, which seriously weaken their overall economic situation and growth potential. Although financial contagion in these countries does not have systemic consequences, their economies are severely affected, and we therefore call on the multilateral financial institutions to take appropriate and timely supportive action to assist them.

14. As the focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology, investment and sustainable development, UNCTAD should continue to examine these issues and to build a consensus for the reformulation of policies and options on globalization from a development perspective. We strongly reaffirm our commitment to the mandate given to UNCTAD at Bangkok to contribute to the ongoing process of reforms of the international financial institutions.

15. We recognize the need for our countries to continue with their efforts towards economic reforms to enhance sustained economic growth and sustainable development. We also urge the developed countries to take into account the possible negative impact of their domestic economic, monetary and fiscal policies on developing countries and to apply measures that are sensitive to the needs and interests of the South.

16. The world has become more interdependent than ever before. The persistence of endemic poverty and deprivation in the South constitutes a potential threat to the security and prosperity of the world. In this context we welcome the initiative launched for the creation of the World Solidarity Fund and encourage efforts by member States for its establishment. We underline the importance of this Fund in contributing to the efforts in the eradication of poverty.

17. We advocate the restoration of confidence in the multilateral trading system, which should contribute to the economic growth and development of the countries of the South. We insist on the need for the developed countries to fulfil their commitments fully and immediately to implement the provisions for special and differential treatment for the products and services exported by the developing countries, and for the strengthening of the system of trade preferences, which should also address the needs of LDCs and the specificities of a number of small developing countries, while taking into consideration their problems of vulnerability and the risk of marginalization in the global economy. We urge that priority should be given to the liberalization of those service sectors where developing countries have the comparative advantage. In this respect, the key issue of the free movement of natural persons should be adequately addressed.

18. We note with concern that the liberalization of international trade has not provided benefits for all developing countries. There is a need to restore confidence in the multilateral trading system through full participation of developing countries, full and faithful implementation of the Uruguay Round Agreements in their true spirit, and effective attention to the implementation concerns of developing countries. We stress the principle of universal membership of the WTO and call for acceleration of the accession process without political conditionalities.. We urge all WTO members to refrain from placing excessive demands on developing countries seeking accession to WTO. We recognize that there is a need for consultations among developing countries to promote effective participation in the WTO.

19. We welcome the invitation extended by the State of Qatar to host the Fourth Ministerial Conference of the WTO, and we call for an effective participation in this conference so as to achieve the goals and promote the interests of the countries of the South.

20. We underline the urgent need to redress the imbalances in the present WTO Agreements, and in particular, with regard to the right of developing countries to promote their exports, which have been curtailed by the abuse of such protectionist measures as anti-dumping actions and countervailing duties, as well as tariff peaks and escalation. Meaningful and expedited liberalization of the textiles sector, which is of particular interest to developing countries, is another important market access issue which should be addressed by the multilateral trading system as a matter of priority. We also call for the mandated negotiations on agriculture in accordance with the provisions of article 20 of the Agreement on Agriculture. In agriculture the objectives should be to incorporate the sector within normal WTO rules. We also call for the full and prompt implementation of the WTO Marrakech decision on measures related to the possible negative effects of the reform programme on Least Developed Countries (LDCs) and net food importing developing countries. The WTO Agreements should be implemented taking into consideration the need to extend the implementation period of particular Agreements that pose problems to developing countries. The review of Trade-related Aspect of Intellectual Property Rights Agreement (TRIPS) as mandated in articles 27 and 71 should make them more responsive to the needs of the South and to ensure access of developing countries to knowledge and technology on preferential terms. We will work towards harmonizing the TRIPS Agreement with the provisions of the sustainable use and conservation of biodiversity in the Convention on Biological Diversity.

21. We also call upon developed countries fully to implement special and differential treatment (SDT) for developing countries, to strengthen the system of preferences and to give the products and services of special export interest to developing countries free and fair access to their markets. In this connection, we urge all WTO members to grant the request of the European Union and the ACP Group for a waiver for the provisions of article 1, paragraph 1, of the General Agreement on Tariffs and Trade (GATT). We call upon the developed partners also to recognize the need to formulate appropriate measures to address the concerns of other eligible countries through strengthening the Generalized System of Preferences (GSP). Future multilateral trade negotiations should be based on a

positive agenda and should take full consideration of the development dimension of trade and of the specific needs and concerns of developing countries. We call on all countries to support the mandate of the United Nations Conference on Trade and Development (UNCTAD) to assist developing countries in multilateral trade negotiations by providing sufficient resources. While recognizing the value of environmental protection, labour standards, intellectual property protection, indigenous innovation and local community, sound macroeconomic management and promotion and protection of all universally recognized human rights and fundamental freedoms, including the right to development, and the treatment of each issue in its competent international organization, we reject all attempts to use these issues as conditionalities for restricting market access or aid and technology flows to developing countries.

22. We have assessed the successful results of the recently held UNCTAD X Conference in Bangkok, Thailand, and request all countries duly to support the organization in its efforts to contribute to the promotion of the development dimensions of trade in the context of globalization and of the liberalization of the world economy.

23. We further believe that the member countries of the Group of 77 should coordinate their priorities and negotiating strategies effectively to promote their common interests by shaping and directing multilateral trade negotiations to take into account the needs of developing countries so that trade policies serve the objectives of development, and also provide enhanced market access to developing countries.

24. We note with deep concern the continuing decline of official development assistance, (ODA) which has adversely affected development activities in the developing countries, in particular the LDCs, and we therefore urge developed countries that have not yet done so to act immediately to honour their commitment of directing 0.7 per cent of their Gross National Product (GNP) to ODA, and within that target, to earmark 0.15 per cent to 0.20 per cent for the LDCs. We also urge that the provision of official aid should respect the national development priorities of developing countries, and that conditions attached to ODA should be brought to an end.

25. We support the holding of a high-level United Nations conference on financing for development in the year 2001, which should address national, international and systemic issues relating to financing for development in a holistic manner. We call on all countries and relevant stakeholders, particularly the World Bank, IMF and WTO, to attach the greatest urgency and importance and to participate actively in the preparatory process and in the conference itself. We also welcome the offers by Indonesia and Colombia to holding regional intergovernmental meetings in order to provide inputs for the preparatory process for the event. In this regard, we invite the member States of the Group of 77 to consider offering to host the conference.

26. We note with concern the persistence of the external debt problem and its unfortunate consequences in the South, where the vicious cycle of debt and

underdevelopment has become even further entrenched. We are alarmed at the fact that debt servicing has grown at a much greater rate than the debt itself, and that the burden of debt payments has become heavier in many countries of the South, including countries with low and middle incomes. We therefore underline the need collectively to pursue a durable solution for the external debt problem of developing countries, including middle-income developing countries, which also addresses the structural causes of indebtedness. We further call for debt reduction arrangements for middle-income developing countries in order to expedite the release of resources for development.

27. We welcome the expanded initiative in favour of heavily indebted poor countries (HIPC), but consider that it should be extended, expedited and made more flexible, and that new and supplementary resources should be contributed. Debt relief or cancellation should not be at the expense of official development assistance. We advocate seeking renegotiation formulas applicable to middle-income countries, and promote the design of a global strategy for external debt, which addresses the interrelated problems of finance, the economy and development.

28. We note with grave concern the debt burden, which has put the least developed countries in a more vulnerable position, and urge the developed countries to write off their debt so as to relieve the LDCs of the burden and thereby strengthen their capacity to develop and to escape from the vicious circle of poverty.

29. We view with alarm the recent unilateral moves by some developed countries to question the use of fiscal policy as a development tool and to impose their own definition of so-called harmful tax competition. We reiterate the fundamental right of each State to determine its own fiscal policies and in this regard sovereignty of States must be respected. We subscribe to the view that the legitimate struggle against money laundering should not be used as a pretext to discredit genuine offshore financial centres because of their fiscal policies and incentives.

30. The contribution of the transnational corporations (TNCs) to sustained economic growth and sustainable development is determined by their global strategies, characterized by the search for increased competitiveness and ever-higher profits. Such a situation is not necessarily consistent with job creation and the realization of development objectives in many developing countries. Hence, we invite the relevant international institutions to address this dilemma with a view to attaining the proper balance between both objectives. In this context, we request UNCTAD and ILO, within their respective mandates, to study the merger trend among the TNCs and its impact on unemployment as well as its competitiveness impact on Small and Medium-sized (SMEs) in developing countries. We also call on the TNCs to integrate development objectives of the host developing countries into their business strategies.

31. We recognize that within the South, there are a group of countries, categorized as LDCs, which are at a particular disadvantage in the current phase of

globalization and liberalization. Despite the efforts they are making and the attempts being made to help them, they continue to be marginalized in the world economy. We urge the international community to take special initiatives for them, particularly in regard to the eradication of poverty, equitable implementation of the WTO Agreements, free access to their exports in the world markets, debt cancellation, increased ODA, and incentives for FDI flows to the LDCs.

32. We reiterate our support for the initiative of the Group of 77 on the resolution entitled "Prevention of corrupt practices and illegal transfer of funds"¹, adopted by the United Nations General Assembly at its 54th session. We support the demands in that resolution on the need for increasing cooperation at various levels, including the United Nations system, to devise ways and means of preventing and addressing the illegal transfer of funds and repatriation of illegally transferred funds to countries of origin. We also endorse the decision of the African and European leaders who, at the end of their recent summit in Cairo, resolved to take the necessary measures to combat corruption at both the national and international levels and to ensure that illegally acquired and transferred monies deposited in foreign banks are investigated and returned to countries of origin. We call on all countries and entities concerned to cooperate in this regard. We also call on the United Nations to commence preparatory work for the elaboration of a convention on this matter, to be submitted to the Millennium Assembly for adoption.

33. We recognize the special problems of small and vulnerable economies and encourage the relevant international institutions to take into account differences in the level of development and size of the economies of developing countries in order to create opportunities for full participation of the small economies and to increase their level of development. We insist that SDT for all developing countries, including small and vulnerable economies, should be recognized as a fundamental principle of the multilateral trading system.

34. We have recognized the handicaps faced by landlocked developing countries due to unfavorable geographic circumstances, and the concerns of transit developing countries. In the global economy the landlocked developing countries are being increasingly marginalized despite efforts on their part to devise appropriate national strategies. This is resulting in the further deterioration of their economies and already low living standards. We urge bilateral and multilateral donors to grant preferential treatment to landlocked and transit developing countries.

35. We are concerned by the special problems and vulnerabilities of small island developing states (SIDS), in particular the lack of market access and absence of special and differential treatment, which continue to create barriers for these countries to participate effectively in a rapidly globalizing world economy. We express concern that, although great efforts have been undertaken by the SIDS at the national level, there has not been commensurate support at the international level. We call for the strengthening of efforts at the international level in the implementation and follow-up of the Barbados Programme of Action. We emphasize the urgent need to maximize international support through, *inter alia*, strengthening the existing institutional agreements, mobilizing new, additional and

external resources, and improving coordination mechanisms so as to focus and harmonize support for SIDS priorities. We note the regular incidence of natural disasters and their deleterious effects on the development of small and vulnerable economies and call for increasing international assistance for setting up and strengthening national, subregional, regional and international disaster prevention, preparedness and management mechanisms, including early warning systems, taking into account particularly the work accomplished during the International Decade for Natural Disaster Reduction.

36. We express our deep concern over the unprecedented floods in Southern Africa, and Mozambique in particular, that have caused loss of life, extensive destruction of infrastructures, deterioration of the socioeconomic situation and dislodgment and scattering of landmines. The unfolding humanitarian disaster is a further cause of concern. We commend the efforts of the Southern African Development Community (SADC) countries to address the devastating effects of the floods and thank the international community for the support, solidarity and humanitarian assistance rendered to Mozambique. We urge the international community to participate in the International Donors Conference to be held in Rome on 3-4 May 2000, aimed at mobilizing financial resources for the reconstruction of socioeconomic infrastructures and rehabilitation of the victims in Mozambique. We also urge the developed countries to write off the external debt of Mozambique in the light of its current critical socioeconomic situation. We further urge the international community to increase its assistance to mine clearance programmes, taking into account the far-reaching effects of the floods.

37. We are deeply alarmed about the persistent critical economic situation in Africa, exacerbated *inter alia* by a heavy debt burden, low levels of savings and investment, depressed commodity prices, declining levels of ODA, and insufficient levels of FDI. In particular we note with dismay that poverty in Africa has now reached intolerable levels, with negative consequences for the stability of most countries and regions of the continent. In order to reach internationally agreed targets of reducing poverty by half by the year 2015, African economies must grow at a rate of 7 per cent per annum. Present trends must therefore be reversed, starting with the writing off of bilateral and multilateral debts and a substantial increase in financial flows, including ODA. This would enable African countries to resume much-needed investment in human and physical infrastructure, a *sine qua non* for putting the continent back on the road to growth and development. In this context, we welcome the initiatives taken by some developed countries to write off the debts of LDCs and also welcome the Declaration and Plan of Action which emanated from the first Africa-Europe Summit, held in Cairo from 3 to 4 April 2000, and which examined ways and means to increase the integration of Africa into the world economy by elaborating a comprehensive solution to its debt problem, improving its productive and financial capacities, removing market access and supply-side obstacles to the flow of its exports to the international markets, and assisting its efforts to attract a larger share of world investment. We therefore urge the speedy implementation of measures supporting the development efforts of African countries.

38. We are deeply concerned about the spread of HIV/AIDS and of parasitic

diseases in developing countries in general and sub-Saharan Africa in particular. The scourge threatens to undermine great advances achieved in the social and economic fields in developing countries over the past decade. We urge the international community to adopt concrete measures to mitigate the disastrous effects of HIV/AIDS, including by encouraging local production and ensuring access to drugs at affordable costs. Urgent assistance is needed, particularly to intensify information and awareness campaigns to make the causes of the disease and preventive measures well known to the masses. We call for the support of the international community to assist in addressing the challenge posed by HIV/AIDS in particular, but by all diseases in general, such as lack of adequate access to care and treatment for HIV/AIDS, tuberculosis and malaria epidemics. Policies to realize gender equality must be implemented with greater urgency in order to help combat one of the root causes of the spread of the disease. We also call for international cooperation, including South-South cooperation, and the establishment of multi-disciplinary mechanisms at regional and subregional levels to address these challenges.

39. We call for the design of investment promotion policies that correspond to national priorities for development, including capacity-building, technology transfer, infrastructure, the expansion of production facilities, job creation, and the diversification of exports and markets. The international community should support the efforts of developing countries to define FDI strategies for the creation of a favourable climate for investment.

40. We are convinced that South-South cooperation is an effective instrument for optimizing our potential to promote development through, among other things, mobilization and sharing of existing resources and expertise in our countries, as well as complementing cooperation programme with donor countries. We therefore commit ourselves to overcoming whatever factors that have limited this cooperation. We believe such cooperation is imperative in the context of globalization and that it should therefore it should be pursued with determination and political will. We also believe that South-South cooperation is an essential mechanism for promoting sustained economic growth and sustainable development and that it constitutes a vital element in promoting constructive South-South relations and in achieving self-reliance. In view of the foregoing we reiterate our determination to take necessary measures, including the identification of resources and the design of appropriate follow-up mechanisms to exploit its potential fully.

41. In this regard, we commend and support recent initiatives taken by our countries to promote cooperation between Africa and Latin America and the Caribbean, as well as between Africa and Asia, as contained in cooperation agreements, to address issues of desertification, drought and land degradation in joint efforts to implement the United Nations Convention to Combat Desertification, particularly in Africa. We reaffirm our commitment for the full implementation of all the provisions of the Convention and call on developed countries and the international community to fulfil their financial commitments in this regard. We also support the decisions adopted at the African Ministerial Conference on Environment, held in Abuja, Nigeria, on 4-6 April 2000, and welcome the recent

establishment in Tunisia of the observatory of the Sahel and Sahara.

42. We recognize that regional cooperation and integration is the most meaningful approach for the South to face the challenges of globalization and take full advantage of its opportunities. We also commend and support the work of the regional and subregional groupings established among developing countries to promote the sustainable socioeconomic development of their respective member States through regional integration and the harmonization of their economic and social policies. We further welcome and encourage the establishment of appropriate structures at the regional and subregional levels in the developing countries aimed at removing barriers to the free movement of goods, services and capital.

43. We note that the prevailing gap between the North and South in the scientific and technological field is still growing, and that the process of rapid accumulation of knowledge and technologies has not reached the hundreds of millions of people who continue to live in absolute poverty. It is essential to adopt appropriate measures to overcome the technological gap between the developing and industrialized countries and to work towards arrangements that facilitate the processes of technology transfer. While we are committed to promoting the development of science and technology by strengthening our political will, increasing the allocation of resources to that end, developing an appropriate institutional framework, and promoting technology and innovation through advanced, quality education, we urge developed countries to facilitate the transfer of technology, easing the costs and collateral conditions that presently stand in its way.

44. We believe that the prevailing modes of production and consumption in the industrialized countries are unsustainable and should be changed, for they threaten the very survival of the planet. We firmly believe that technological innovations should be systematically evaluated in terms of their economic, social and environmental impact, with the participation of all the social sectors involved, including the business community, Governments, the scientific community, and other groups that have not traditionally been part of this process. We call on the developed countries to fulfil their commitment to provide developing countries with financial resources and environmentally sound technologies on a preferential basis.

45. We advocate a solution for the serious global, regional and local environmental problems facing humanity, based on the recognition of the North's ecological debt and the principle of common but differentiated responsibilities of the developed and developing countries.

46. We recognize that information technology constitutes one of the pillars of technological revolution and represents one of the most powerful development tools of our time. We should take full advantage of this unique opportunity to use information technology for development and to ensure that its benefits reach our people, as the future of the South depends on the inclusion of information technology in its economic and social development programmes. In this context, we underline the need to establish global knowledge partnerships that include

encourage to developed countries to provide developing countries with the necessary assistance.

47. While we believe it is urgent to enhance our access to global information networks and to improve the benefits derived therefrom, we also emphasize the need to preserve our national and regional diversity of traditions, identities and cultures which may be affected by the globalization process, and to achieve a connection to contemporary international information and knowledge that does not entail sacrificing our national and regional cultures and identities. It is thus, it is necessary to pay special attention to the homogenizing tendencies that may threaten this diversity. In this context, we welcome the proclamation by the United Nations General Assembly of the year 2001 as the Year of Dialogue among Civilizations and stress the importance of this initiative as a means of enhancing understanding of diverse cultures and promoting North-South and South-South cooperation in a globalized world.

48. We firmly reject the imposition of laws and regulations with extraterritorial impact and all other forms of coercive economic measures, including unilateral sanctions against developing countries, and reiterate the urgent need to eliminate them immediately. We emphasize that such actions not only undermine the principles enshrined in the Charter of the United Nations and international law, but also severely threaten the freedom of trade and investment. We therefore, we call on the international community neither to recognize these measures nor apply them.

49. We are committed to promoting democracy and strengthening the rule of law. We will promote respect for all universally recognized human rights and fundamental freedoms, including the right to development. We pledge ourselves to provide transparent, effective and accountable governance, responsive to the needs of our peoples, which is necessary for economic growth, peace and prosperity. We reaffirm that every State has the inalienable right to choose political, economic, social and cultural systems of its own, without interference in any form by other States.

50. We express grave concern over the impact of economic sanctions on the development capacity in the targeted countries, in this context noting that Libya has now fulfilled all its obligations in terms of pertinent Security Council resolutions, and we urge the Security Council to adopt a resolution completely lifting the sanctions against Libya. We also call for the immediate lifting of all unilateral sanctions imposed against Libya outside of the United Nations system.

51. We affirm that bringing an end to the Israeli occupation and establishing a comprehensive, just and lasting peace in the Middle East is a prerequisite for economic and social development in the region. We reaffirm our support for the Middle East peace process on the basis of Security Council resolutions 242 (1967), 338 (1973) and 425 (1978) and the principle of land for peace. Peace demands complete Israeli withdrawal from the occupied Palestinian territory, including Jerusalem, and the achievement of a final settlement by the agreed-upon deadline of September 2000, as well as the establishment of the State of Palestine with

Jerusalem as its capital. It also demands complete Israeli withdrawal from the occupied Syrian Golan and the demarcation of the 4 June 1967 line, as well as the unconditional withdrawal from South Lebanon and Western Bekaa to the internationally recognized boundaries. We affirm that measures taken by Israel aimed at changing the legal status and the demographic composition of Jerusalem are null and void.

52. We call on all States in areas of conflict to refrain from attacks against civilian infrastructures, and consider the attacks on such targets as contrary to international law and detrimental to the pursuit of national economic and social development and to international trade.

53. We also express our deep concern over the air attack against the El-Shifa Pharmaceuticals Factory in the Sudan on 20 August 1998, and its negative impact on that country's economic and social development. We express our support and solidarity with the Sudan for its demand for a just and fair consideration of the matter by the United Nations on the basis of international law.

54. We stress the need to maintain a clear distinction between humanitarian assistance and other activities of the United Nations. We reject the so-called "right" of humanitarian intervention, which has no legal basis in the United Nations Charter or in the general principles of international law. In this context, we request the Chairman of the Group of 77, in conjunction with the Chairman of the Non-Aligned Movement (NAM), through the Joint Coordinating Committee, (JCC), to coordinate consideration of the concept of humanitarian intervention and other related matters as contained in the 1999 Report of the United Nations Secretary-General on the work of the Organization. We further stress the need for scrupulously respecting the guiding principles of humanitarian assistance, adopted by the General Assembly in its resolution 46/182, and emphasize that these principles are valid, time-tested and must continue to be fully observed. Furthermore, we stress that humanitarian assistance should be conducted in full respect of the sovereignty, territorial integrity, and political independence of host countries, and should be initiated in response to a request or with the approval of these States.

55. We call upon the international community to provide the necessary assistance to landmine clearance operations, as well as to the rehabilitation of the victims and their social and economic integration into the landmine affected countries. We express concern over the residues of the Second World War, in particular in the form of landmines which cause human and material damage and obstruct development plans in some developing countries. We demand that the States responsible for laying the mines outside of their territories assume responsibility for the landmines, cooperate with the affected countries to get rid of them, and contribute defraying the costs of clearance and provide compensation for any ensuing losses and for reclaiming the affected areas for productive purposes.

56. We also express dismay at the increasing number of children involved in and affected by armed conflict. We call upon the international community to take concerted action to prevent and stop the use of children in armed conflicts and to assist in the rehabilitation of those affected children, as they are the future

generation who would otherwise be able to contribute meaningfully to development.

57. We note with deep concern the increase of all kinds of criminal activities, including illicit traffic of arms, drugs and other products which are used to foster and finance organized crimes and all types of transnational crimes which continue to be a major factor of instability and a threat to development. In this context we are also deeply concerned by the trafficking of women and children, which is not only an offense against human dignity, but also a violation of International Law. We call upon all countries to join the multilateral effort of the international community to develop mechanisms that will strengthen cooperation in terms of prevention and elimination of these activities, so that the stability and prosperity of all economies and societies can be guaranteed.

58. We have appraised the importance of the Millennium Summit, and reaffirm the need for the Group of 77 and the NAM to duly coordinate their positions. In this regard, we endorse the proposal of the Joint Coordinating Committee that within the overall theme of the interactive debate being held at the South Summit on the role of the United Nations in the 21st century, there should be two subthemes, namely, "Peace, security and disarmament" and "Development and poverty eradication", and emphasize the need for developing countries to coordinate their positions to ensure, that their common interests and positions on every aspect of the two subthemes are fully reflected in the outcome of the Summit.

59. We welcome the decision to convene a special session of the General Assembly in the year 2001 to review the implementation of the Programme of Action of the World Children Summit, and express our commitment to participate fully in the preparatory process for the special session with a view to improving the lives of children in our countries. We are concerned that economic and social marginalization of developing countries, especially the poorest nations, is having a deleterious impact on children.

60. In this context, we express our deep concern over the insufficient level of resources for development at the disposal of the United Nations, thus hindering its capacity to fulfil its main economic and social objectives in a manner commensurate with the needs and aspirations of the developing countries. We note with concern the increasing erosion of the role and the contribution of the United Nations to the promotion of genuine international cooperation for development. In this regard, we reiterate that the United Nations has a central role to play in world economic matters by promoting a vital boost to the development of the South and by transforming international economic relations, making them more fair and equitably and pledge our full support and determination to working towards its strengthening in this regard.

61. We believe that in order to realize the goal of universal peace and prosperity, we will need to promote international cooperation that is just and equitable, giving high priority to integrated and comprehensive development, which can be achieved only by working together, both among ourselves and with the developed countries. We can make ourselves heard as a single voice, with the courage, perseverance, boldness and political will needed for the major and urgent

transformations of the international economic system to which we all aspire.

62. In adopting this Declaration, we recognize the need for an action-oriented programme of practical solutions to be implemented within a specific timeframe. To guide us in this process, we adopt the Havana Programme of Action. The Chairman of the Group of 77 is requested to forward this Declaration and the Programme of Action to the President of United Nations General Assembly in order to be circulated as official documents of the Millennium Summit and the Millennium Assembly.

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