India's Engagements in Africa at the Multilateral Level

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ABSTRACT One of the noticeable trends in the post cold war era is the adoption of an independent an active foreign policy approach by the regional global powers. Multilateralism has gained increasing prominence in international relations today. This paper examines the importance of two multilateral groups namely India, Brazil and South Africa (IBSA)and Brazil, Russia, India, China, South Africa (BRICS) also India's growing cooperation with African countries at the multilateral level. All the member states in these groups have the distinguishable features of being in the middle power category in international relations. To enhance its relationship with Africa in mutually beneficial basis, both these forums are equally important for India. Both these groups have distinct working agendas even though all the members of IBSA are also members of BRICS.

INTRODUCTION

Since the 1990's, India's foreign policy has seen a transformation in tune with the changing global scenario. Multilateralism, which has gained renewed salience in international relations today, is an aspect of Indian foreign policy as well. Theoretically, multilateralism involves justice, obligations and a sort of international rule of law. According to Keohane (1991), "Multilateralism is the practice of coordinating national policies in groups of three or more states, through ad hoc arrangements or by means of institutions'. India has actively engaged in coordinating its policies with several multilateral forums like ASEM (Asia-Europe Meeting), BIMSTEC (Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation), G-8,G-05, G-20, IBSA (India. Brazil and South Africa), IOR-ARC (Indian Ocean Rim Association for Regional Cooperation), ACD (Asia Cooperation Dialogue), etc. and Brazil. Russia, India , China and South Africa (BRICS). It shows its willingness for multilateral cooperative arrangements to solve shared problems and challenges of globalization. This is in sharp contrast to the Cold War era which was marked by ambiguity among Indian foreign policy makers with regard to transnational cooperative arrangements. In the post Cold War period, one can observe an inclination on the part of global regional power centre to adopt an independent and active foreign policy approach. For example, the three middle-level powers, India, Brazil and South Africa formed India- Brazil and South Africa Dialogue (IBSA) Forum at Brasilia in 2003**.**

IBSA is a coordinating mechanism amongst three emerging democratic countries, which have agreed on to construct of a new international contour which would bring their voice together on global issues and deepen their ties in various areas. This activism on the part of these countries of the South has resulted in the creation of a 'trilateralist' diplomatic partnership. Its formation represents a major policy synchronization that essentially brings together three continents to strengthen multilateralism and reinvigorate South–South co-operation.

BRICS has been formed by the middle-level emerging economies - Brazil, Russia, India and China, later South Africa - to challenge the domination of industrial countries of the West in global and financial governance. It is the brain-child of investment-bank theories and conjectures championed by the 2003 Goldman Sachs report, 'Dreaming with BRIC: The path to 2050' (Goldman Sachs 2011). In the Yekaterinburg Summit of BRICS, held in June 2009, the BRIC leaders called for establishment of a multipolar world order. However, no serious attempt was made to explain what this means exactly, or to show how global governance would be anchored in their structures. The group directly attacked Bretton Woods's institutions and talked about reforms of the international financial institutions in the backdrop of changes in the international system.

While the success of IBSA and BRICS as economic or ideological strategies of the South is far from proven, its impact on India's multilateral level engagements with African countries is quite tangible. For India, these two groups are extremely important considering that both aim to collectively boost bargaining power and clout on global issues, and also strengthen economic and political ties among the member-countries on the lines of South-South co-operation. In fact, India took the initiative to call for improving the importance of BRICS and IBSA.

This paper concerns itself with the importance of IBSA and BRICS as multilateral groups and also examines India's growing multilateral level cooperation with African Countries.

IBSA AND BRICS

When we try to measure the importance of the states involved in the IBSA and the BRICS groups, it is obvious that they have been categorized as intermediate states, in order to capture their emerging status at the global level. All the states involved in these groups have attributes of middle power category of International relations disciplines. They are regional powers, have international influences but do not have great power status. Most scholars have accepted a definition of middle powers that is based on their international behaviour rather than on their material power. According to the behavioral definition, middle powers engage in middle powermanship: '[…] the tendency to pursue multilateral solutions to international problems, the tendency to embrace compromise positions in international disputes, and the tendency to embrace notions of 'good international citizenship' to guide diplomacy'(Cooper and Nossal 1993). In effect, the category of middle powers is a more effective way to explain common patterns of foreign policy strategies and behaviour of the IBSA and BRICS member-countries than to compare their material capabilities.

Let us briefly consider the objectives IBSA and BRICS. to see how the member-countries influence the foreign policy behaviour of the respective states

IBSA

Created in 2003, the IBSA Dialogue Forum is playing an increasingly important role in the foreign policies of India, Brazil and South Africa. In Brassilia Declaration, the Foreign Ministers of Brazil, South Africa and India gave special consideration to the importance of respecting the rule of International Law, strengthening the United Nations and the Security Council and prioritizing the exercise of diplomacy as a means to maintain international peace and security,' (Brassila Declaration 2003) The forum provides the three countries with a platform to engage in discussions for cooperation in the field of agriculture, trade, culture, and defense among others. The IBSA Dialogue forum facilitates regular consultations at senior officials' level, government (summit) levels as well as amongst academics, intellectuals and other members of the civil society. It is also seen as an endeavor to challenge the international system by Pivotal Middle Powers through peaceful convincing. instead of other means.

In the first IBSA Summit in 2006, Indian Prime Minister Manmohan Singh, former South African President, Thabo Mbeki and former Brazilian President, Lula da Silva reaffirmed their commitment to the promotion of peace, security, human rights and sustainable social and economic development in the world.

The genesis of IBSA lies in the disappointment with the lack of progress of multilateral negotiations of the international trade regime. The Declaration cited three major reasons as the basis for closer cooperation: shared democratic credentials, developing country status and desire to act on a global scale. While the IBSA initiative may be seen as an effort to increase the bargaining power of developing nations, the cooperation between South Africa, India and Brazil equally focuses on concrete collaboration areas. Trade, energy security and transport are only the most prominent issues of IBSA's sector collaboration. IBSA can be characterized as both a strategic alliance for the pursuit of common interests of developing countries in global institutions but also as a platform for bilateral, trilateral and interregional South-South cooperation.

Over the years, the three member-countries of IBSA have engaged in regular high level visits, gatherings and bi-annual summits. The original agenda too has expanded to include issues such as nanotechnology, oceanography, climate change and HIV/AIDS. In fact, they are able to bring together their technological and economic strengths to strengthen trilateral cooperation and obtain common positions on international issues.

At the 5th IBSA Summit, held in Pretoria. South Africa in October, 2011, the Prime Minister of India, the South African President and the Brazilian President released a declaration which highlighted that the basic pillar of IBSA is the shared vision of the three countries that democracy and development are mutually reinforcing and key to sustainable peace and stability. The objective was to give greater voice to democratic values of the countries. Significantly, a plan of action and mechanism are in place for sectoral co-operation between the three countries (Tshwane Declaration 2011).

So far the progress of the IBSA activities can be divided into 4 tracks: i) Political coordination, ii) Sectoral coordination through 16 working groups, iii) IBSA fund for Alleviation of poverty and hunger and iv) Involvement of other actors beyond executive, for example parliamentarian, constitution counts, civil society, businessman and opinion makers.

In all these spheres significant results have been achieved. These countries have taken common positions in many of the global issues in the platforms like Human Rights Council, World Trade Organization, Antarctic Treaty, Conference for the Reconstructions of Palestine etc. In sectoral cooperation all the 16 working groups are active with the objective of deepening the mutual knowledge and exploring common points of interests in sectoral areas. Moreover, IBSA's sectoral collaboration aims at mutually reinforcing the economic strength by synergizing their complementarities in the areas of industry, services, trade and technology. Optimistic estimators foresee the creation of an IBSA market of 1.2 billion people, US$ 1.2 trillion of GDP and foreign trade of nearly US$ 400 billion in the long term.

The Trilateral alliance is willing to construct the hard core of South - South cooperation that is thought to spill over to their respective regions and to promote inter and cross national economic ties. The IBSA countries have created a Trilateral Business Council to facilitate contacts and promote commerce across their regions. IBSA's sectoral cooperation appeals to exploit synergies in issues areas of mutual interest by sharing expertise and best practices of the three countries. For IBSA fund each country currently contributes with US$ 1 million per year (IBSA n. d.).

At IBSA, security issues, particularly maritime, are quickly finding a prominent place in this trilateral arrangement. In fact, as early as 2003, the foreign ministers of the member-countries had proposed cooperation amongst their defence establishments – resulting in the first meeting among the three navies in February 2004. For the Indian Navy, this was indeed a good step forward since it had no experience of multilateral interactions with the African and the Latin American navies, unlike the latter who have been engaged in Atlasur (Atlantic South) series of exercises since 1993 involving the navies of South Africa, Argentina, Brazil and Uruguay.

During their interaction in early 2007, Vice Admiral J Mudimu and Admiral Suresh Mehta, Chiefs of the South African and Indian Navies respectively, had stressed the need to 'formulate a system of regional cooperation in the Indian Ocean Region, to combat threats emanating from non-state actors, particularly those related to terrorism, armed robbery and piracy'. What emerged was the trilateral IBSAMAR I naval exercise held between May 5 – 16, 2008 (IBSAMAR I 2008). Thereafter, in 2010 the Indian Navy participated in IBSAMAR II(IBSAMAR II 2010). The naval exercises have been structured with the aim of sharing best practices in various facets of naval operations. In fact, IBSAMAR is a manifestation of the transformed global geopolitical and security landscape since the end of the Cold War.

Beside security issues, the post-2003 witnessed acceleration in total merchandise trade of IBSA as well as in intra-IBSA trade, in spite of the geographical distance between the three countries. The total trade of IBSA has more than tripled from US$ 9695.05 million in 2007 to over US$ 30,056.80 in 2011, reflecting a favorable growth performance of both exports and imports (see Table 1). The share of intra-IBSA export in the total IBSA exports has also increased considerably.

BRICS

The acronym, BRIC, was coined by Jim O'Neill of Goldman Sachs way back in 2001. He predicted that by year 2050, Brazil, Russia, India and China would become bigger than the present six most industrialized nations in dollar terms and would completely change the power dynamics of the past 300 years. In 2010, BRIC

Table 1: Total India, Brazil and South Africa (IBSA) -Trade

Exporting country	*Destination*	*2007*	*2008*	*2009*	*2010*	*2011*
India	a) South Africa	4.711.75	6.266.10	7.493.87	7.732.99	11.052.91
	b) Brazil	2.441.60	3.475.85	3.837.39	5.852.25	7.573.04
	Total (a+b)	7.153.35	9.741.95	11.331.26	13.585.24	18.625.95
Brazil	a) India	3.127	4.665	5.606	1.681	9.28
	b) South Africa	2.28	2.528	1.692	454	NA
	Total (a+b)	5.407	7.193	7.298	455.681	2601.85
South Africa	a) India	877.7	1.159.80	302.3	1.81.4	665.2
	b) Brazil	1.658.60	1.661.10	NA	NA	217.7
	Total (a+b)	2536.3	2.820.90	302	1.81.4	8829
Total IBSA Trade		9.695.06	12.570.04	11.338.56	14.040.92	30.056.80

Source: UNCTAD. www.comm.nic.in; www.dti.gov.za; www.wto.org

was expanded into BRICS, to include another rising power. South Africa. These six emerging powerful countries are not an obvious set. They are dissimilar in their internal politics, economic power, cultural and linguistic traditions, development challenges and power projections. Despite a range of differences between them. BRICS has outstripped most expectations in recent years, in forming a promising political grouping.

For example, one of the concrete outcomes in the Durban summit of BRICS, held in 2013 was the confirmation of plans to establish the BRICS Bank with the announcement of a $100 billion contingency fund signed off in the Contingency Agreement Fund, for use in emergencies, and as an alternative to the IMF.The summit also saw a $30bn currency swap deal between China and Brazil and the establishment of the BRICS Business Council.

With a combined GDP of $8.7 trillion (6.2 trillion euros) in 2010, the BRIC economies (minus South Africa, a later addition), have accounted for 30% of global economic growth. During the same period, the other significant achievement is that the BRIC collective trade with the world increased almost six-fold from $790 billion to $4.4 trillion (Ahmed 2011). Moreover, according to an IMF estimate, the projected combined GDP of BRICS will reach $21 trillion, exceeding that of USA which is estimated to reach $18.8 trillion. Because of the growing influence of their economies in global trade, the BRICS countries are vocal about changing dollar supremacy in international trade transaction. In addition to their contribution to global trade, the BRICS economies have contributed to an increase in trade among developing countries, which is growing three times faster than the trade growth rate among advanced economies.

Furthermore, BRIC economies have contributed up to 60% of trade between low income countries (LIC) and non-LIC emerging economies, with bilateral trade between the BRICS and LICs increasing by about 25% annually in the past decade. The rapid growth of BRIC economies has helped create the global commodity boom of the past decade and contributed to a significant improvement in the terms of trade for LICs.

BRICS and Africa

Even though trade and investment remain the principal driving force behind BRIC's relations with African nations, factors like age-long historical ties and diaspora networks have also strengthened diplomatic ties between African countries and Brazil, China and India. Over the last decade, all four BRIC member-states have established themselves as increasingly influential players across Africa. Given the large scope of their engagement, this may turn out to be one of the most significant developments for the region in recent years. According to Standard Bank of South Africa, BRIC member-states, and not the developed economies, are redefining Africa's role in the global economy, a direction driven by solid commercial needs and shared interests**.** Between 2000 and 2008, BRIC-Africa trade has snowballed almost ten-fold, from around $20 billion to over $180 billion a 34 % compounded annual growth rate. Collectively, the BRICs are now easily Africa's largest trading partners, with African trade constituting around 2.9%. 6.4% and 6.3% of China. India and Brazil's total trade. respectively (Freemantle and Stevens 2010).

The importance of Africa to BRICs is reflected in the frequent visit of Presidents and Prime

Ministers of these countries to Africa. For example, Chinese President Hu Jintao is the most frequent flyer to Africa since 2002, followed by Brazil's President Lula. India's Prime Minister and high powered delegates also paid several visits to Africa since 2003. In June 2009, in the midst of the worst recession in almost a century. Russia's President Medvedev paid the most comprehensive visit ever by any Russian head of state to Africa. More often than not, these high-level visits have been marked by the signing of a raft of bilateral trade and economic co-operation agreements between the African countries and BRICs.

The diplomatic efforts of BRICs in Africa are further complemented by the presence of official embassies throughout the continent. In this regard, China is the most represented in Africa, with Chinese embassies in 47 African countries. In return, 40 African countries have official embassies in China. For its part, India maintains embassies in 30 African countries, with 37 African countries having embassies in India, while Russia has a strong official infrastructure across Africa, serviced by embassies in 37 African countries. In turn. 29 African countries are represented in Russia, Brazil had embassies in 28 African countries, up significantly from the 13 countries it was officially represented in when President Lula came to power in 2003.

Among the African countries, South Africa was admitted to the exclusive BRIC Forum at its second Summit held in Brazil on 16th April 2010, BRICs, especially China, India and Brazil. have strong economic relations with South Africa – for them. South Africa has been a gateway hub of BRIC's spread to other parts of the continent. In fact, the Goldman Sachs Report of 2003 has highlighted the economic importance of South Africa, stating that with its enormous potential consumer market with larger middle-income group, abundant supply of natural resources, well developed financial parameters, good communication and network and effective energy and transport sectors. South Africa plays an important economic and political role in the African continent (Reserve Bank Report of South Africa 2003).

Moreover, while the developed economies are clawing their way out of recession. investors and economists alike are currently evaluating the merits of alternatives in the emerging markets, and the increasingly significant economic bloc formed by the BRICS nations. South Africa's entry into the BRIC club is symptomatic of this trend towards frontier markets and the surge of interest in Africa in particular.

The involvement of BRICS in Africa is fast changing the dynamics of the continent's relationship with the rest of the world. According to the Goldman Sachs Report, "BRICs' engagement with Africa is not a unilateral act of goodwill; it makes perfect economic and strategic sense". Once branded as a marginalized and hopeless continent in the 1990's. African economies have recorded 5.16% rate of growth in 2010.

Africa's total merchandise trade increased from US $217 million in 1995 to US $508 million in 2010. Its share of global trade has also increased. although modestly from 2.2 per cent in 2000 to 3.3 per cent in 2010. Their abundant natural resources, expanding consumer markets and growing clout in the global affairs provide BRICS an opportunity to gain a firm foothold in countries which. coming from a low base. are likely to grow much higher than average rates (Africa Economic Outlook 2010).

The most interesting aspect of BRICs' engagement in Africa is the speed with which they have expanded relations with African countries. China-Africa trade increased from US $3.5 billion in 1990 to over US$100 billion in 2010. China is now Africa's second most prodigious trade partner (behind the US). India's trade with African countries, which is currently valued at US $ 36 billion, is expected to increase to US $150 billion by 2013. Brazil has also shown a significant increase in its trade with Africa, especially after President Lula came to power in 2003(Africa Economic Outlook 2010).

In 2008, Brazil's trade with African countries accounted for US $ 26 billion. With regard to Russia, following a stagnant period during the 1990s, it began to revive its ties with African states in the latter stages of former Prime Minister Vladimir Putin's leadership. It took several initiatives to boost its trade, which stood at US $ 6 billion in 2008.

To promote trade and investment across a broad spectrum, BRIC banks are making a strong foothold in Africa. The first and significant BRIC investment in Africa's banking industry came in 2008 when Industrial and Commercial Bank of China (ICBC) bought a 20 % stake in South Africa's Standard Bank in 2007, paying US $5.5 billion. Among other Chinese banks exerting influence in Africa is Bank of China, the country's most international bank, which entered into a pact with Ecobank, which operates in 31 African countries. Export-Import Bank of China, a state entity which promotes trade and investment, has approved loans worth US $20 billion in Africa (including North Africa).

In 2008, Brazil's Bradesco and state-controlled Banco de Brasil announced a new African holding company with Banco Espirito Santo (BES), a Portuguese firm active in Angola, to service a growing number of Indian companies doing business across the continent. SBI has existing joint ventures with banks in Mauritius and Nigeria. India's ICICI Bank, Bank of India, and Export-Import Bank of India also have representative offices in South Africa (BRICS Bank 2011). Broad macroeconomic reforms across Africa have inspired increased levels of FDI from traditional and emerging commercial partners throughout the continent. While trade figures provide the most compelling indicator of BRIC-Africa ties. FDI from BRICs is increasing in volume. According to the FDI Markets, India was the largest of BRICs to establish overseas investment projects in Africa between 2003 and 2009.

The Tata Group, India's largest multinational group, was the second most active investor during 2003-2009, investing in a total of 23 projects. second only to Kenya Commercial Bank. While India may have invested in a greater number of projects, the cumulative value of these investments (US $25 billion) trails China (US $28.7 billion), Brazil (US $10 billion) and Russia (US $9.3 billion) are a distant third and fourth, respectively. In addition, the average annual growth of Chinese FDI projects in Africa between 2003 and 2009 stood at 58.2% compared to 42.7% recorded by India. The average capital investment of each BRIC between 2003 and 2009 was US $400 million (Brazil), US $330 million (China), US $197 million (Russia) and US $192 million (India). Thus, India may be the most active investor in Africa, but in terms of size of capital investments China leads.

In analyzing the implications of BRICS-Africa economic engagement, it appears that both sides have benefited much from the co-operation. Many African countries are enjoying rapidly rising earnings due to BRICS countries demand for their exports. India and China's involvement in Africa is also leading to investments in infrastructure, financial services, manufacturing and retail, and in specialized market niches that have been ignored by investors from developed countries. Agricultural development and other technical assistance are also increasing, and Africa's access to cheap credit and diverse, inexpensive consumer goods is growing. Infrastructure construction is widely seen as one of the most positive benefits of the BRICS investments in Africa, given the widespread lack or poor condition of such facilities in Africa till now. Similarly, to the extent that BRICS countries provide credit to Africa without conditions, such resources may help African governments to autonomously fulfill their sovereign, self-defined development goals.

CONCLUSION

Thus both IBSA and BRICS forums are important for India to enhance its relationship with Africa in mutually beneficial basis. Although all the members of IBSA are also the members of BRICS, both the groups have distinct working agendas. In IBSA forum, India brings out joint strategies to common problems and raises issues of human rights, climate change, agricultural subsidies, global governance in different international forums. India also benefits from this cooperation by stabilizing its international environment, helping other developing countries. strengthening its identity as a developing country, coordinating its position with other BRICS to maximize leverage.

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