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# Lexicon and Syntax of Development Cooperation

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## South-South Cooperation: A Live Experiment in Collective Action

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Collective action is referred to an exercise that involves participation of a number of actors in an effort to achieve a common objective that will benefit all those engaged. The process towards such collective action to initiate South-South Cooperation began in 1955 with the hosting of the Afro-Asian Conference in Bandung. Make no mistake; participation in a collective action involves some costs to be borne by each of the participants as they agree to be constrained by certain rules of the game to achieve the ultimate objectives. Thus from a conceptual perspective, a successful collective action process has to ensure that the cost incurred due to participation in a set of activities is less than the cost that would have to be incurred had there been collective inaction.

To elaborate, Bandung conference was an effort to create collective action against colonization. All the newly independent nations engaged in decisive collective action to ensure that the world is gotten rid of the ills of colonization and that the newly decolonized countries are not recolonized by any other means in the coming days. The conference identified ten guiding principles to be followed in letter and spirit by the participant nations. Quite obviously, as the fear of recolonization dissipated and most of the colonies became independent by the early 1970s, collective action around protection of political sovereignty gave way to actions to ensure economic development among the Southern nations. Such pressure to engage in a new set of collective action followed Singer-Prebisch's economic dependency theory

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in 1949 wherein they argued that the developing countries act as the supplier of primary commodities to the developed world and consume the finished products created in the developed economies and plethora of studies empirically verified their arguments during the following couple of decades. UNCTAD was established in 1964 with a mandate to “maximize the trade, investment and development opportunities of developing countries and assist them in their efforts to integrate into the world economy on an equitable basis.” The proposal for a new world economic order was raised by the UNCTAD during the early 1970s and given an operational shape by the Buenos Aires Plan of Action (BAPA), 1978. BAPA called for Technical Cooperation among Developing Countries (TCDC) (please mark, not among Southern countries!) to achieve the following objectives:

- a. “To foster the self-reliance of developing countries through the enhancement of their creative capacity to find solutions to other development problems in keeping with their own aspirations, values and special needs;
- b. To promote and strengthen collective



*Raul Prebisch (1901-1986)*



*Hans Singer (1910-2006)*

- self-reliance among developing countries through exchanges of experience, the pooling, sharing and utilization of their technical resources, and the development of their complementary capacities;
- c. To strengthen the capacity of developing countries to identify and analyse together the main issues of their development and to formulate the requisite strategies in the conduct of their international economic relations, through pooling of knowledge available in those countries through joint studies by their existing institutions, with a view to establishing the new international economic order;
- d. To increase the quantum and enhance the quality of international co-operation as well as to improve the effectiveness of the resources devoted to over-all technical co- operation through the pooling of capacities;
- e. To strengthen existing technological capacities in the developing countries, including the traditional sector, to improve the effectiveness with which such capacities are used and to create new capacities and capabilities and

in this context to promote the transfer of technology and skills appropriate to their resource endowments and the development potential of the developing countries so as to strengthen their individual and collective self-reliance;

- f. To increase and improve communications among developing countries, leading to a greater awareness of common problems and wider access to available knowledge and experience as well as the creation of new knowledge in tackling problems of development;
- g. To improve the capacity of developing countries for the absorption and adaptation of technology and skill to meeting their specific developmental needs;
- h. To recognize and respond to the problems and requirements of the least developed, land-locked, island developing and most seriously affected countries and
- i. To enable developing countries to attain a greater degree of participation in international economic activities and to expand international co-operation.”<sup>1</sup>

Besides recommending actions for the countries to be taken up at national, sub-regional and regional levels, BAPA also recommended the following actions at the global level.

1. The enhancement of national and collective self-reliance
2. The exchange of development experience
3. The fostering of global technical collaboration
4. The improvement of information flows
5. Control of the “brain drain” from developing countries

6. Measures in favour of economically or geographically disadvantaged developing countries
7. Measures in favour of newly independent countries
8. The strengthening of transport and communications among developing countries
9. Maximization of the use of developing countries’ capacities
10. Activities for technical co-operation among developing countries by the organizations of the United Nations development system in their respective fields
11. Internal arrangements for technical co-operation among developing countries in the organizations of the United Nations development system
12. Strengthening the capacity of the UNDP for the promotion and support of TCDC
13. Support by developed countries for technical co-operation among developing countries
14. The harmonization of development assistance with technical co-operation among developing countries
15. Intergovernmental arrangements and
16. Financial arrangements for technical co-operation among developing countries.

Needless to add, this set of actions prepared the basis of second phase of collective action among the developing countries to realize the then goals of achieving self-reliance through import substitution policies.

40 years down the line, the global economic order has undergone sea changes. The global economy has been privatized, liberalized and globalized, thanks to the

fact that many of the developing countries had to pass through prescriptive structural changes under “Washington Consensus”. In a liberalized world, the need for collective action among the Southern partners is all the more necessary. The first meeting of the Summit Level Group for South-South Consultation and Cooperation, held in Kuala Lumpur in 1990, underscored the need for third cycle of collective action that took shape in the form of cooperation in capacity building, trade, development finance, grants, sharing of technology and humanitarian assistance among the Southern countries. The rules of the game, though implicit since the Bandung

Conference, were made explicit in Nairobi in 2009. The non-negotiable guiding principles of SSC emerged to direct efforts in SSC without any ambiguity.

Now that we are planning a Summit in 2019 to chalk out the road map of SSC at BAPA+40, a new strategy that goes beyond TCDC and involves collective action in South-South value chain may make SSC more powerful. This is all the more relevant, given the apparently emerging interest in favour of protectionism in some of the developed nations, while Southern nations are engaging themselves increasingly in global trade.

<sup>1</sup> Plan of Action adopted at the United Nations Conference on Technical Cooperation among Developing Countries (TCDC) held on 12 September 1978 available at [http://hdrnet.org/516/1/buenos\\_aires\\_PoA\\_fro\\_technical\\_cooperation\\_among\\_developing\\_countries\\_1978.pdf](http://hdrnet.org/516/1/buenos_aires_PoA_fro_technical_cooperation_among_developing_countries_1978.pdf)

## upcoMiNg EVENts of iNtErEst

### **workshop on investing in the sDgs through south-south and triangular cooperation: promoting conducive policy and legal environments in Europe and the commonwealth of independent states on 15-16 May 2018, prague**

United Nations Office for South-South Cooperation (UNOSSC) and the United Nations Development Programme (UNDP), in partnership with Yingke Law Firm are co-hosting this workshop. This event aims to scope the contributions of South-South investment in Europe and CIS region, identify challenges and good practices in policy and legal areas that can facilitate better South-South investment for sustainable development, and discuss regional integration efforts within the region and the implementation of the Belt and Road initiative and their contributions to sustainable development.

The objective of this event is to identify and formulate a research agenda to be carried out by the members of the South-South Global Thinkers: Global Coalition of Think Tank Networks for South-South Cooperation with an aim to inform better policy-making to promote investment within the region and beyond. The final research developed will be used to influence policy discussions on South-South and triangular cooperation including discussions in preparations for the upcoming Second High-level United Nations Conference on South-South cooperation to be held in Buenos Aires in March 2019.