

An Action Plan for Global South: The Indian Perspective

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Abstract: The main argument of this paper is that the Global South cannot be identified in terms of its geographical perspectives. Rather it has to be linked to its historical legacy attached to the process of colonialism. The historical dichotomy between colonies and colonisers still persists, and that is evident from the recently published report on “Multidimensional Vulnerability Index” prepared by a panel set up by the United Nations General Assembly. All the historically identified colonies fall in the group of vulnerable countries, facing economic, environmental and social vulnerabilities. One has to be careful not to consider countries referred to as colonised for settlement of immigrants from European countries, like the USA, Canada, Australia and New Zealand. The rest of the countries colonised with a view to the extraction of resources—both natural and human—constitute the Global South. A well-thought-out process of collective action among the Global South constituents to operationalise actions and come out of these vulnerabilities is the possible way out.

Keywords: Global South, development compact, G77.

Introduction

History, specifically the history of colonialism has played a pertinent role in the current challenges faced by the Global South (GS). From the emergence of Homo Sapiens in Ethiopia, the GS has observed a number of civilisational legacies across continents of Asia, Africa and Latin America, from Egyptian civilisation to the Mayan one. These rich societies with cultural vibrancies and the prosperity enjoyed by people continued much into the 19th century. Till the 1820s,

the GDPs of China and India together were more than that of the US and Europe (Maddison, 2007). Even the GDP of the countries in the African continent was higher than that of Europe (excluding the USSR) in the year 1000 AD (Maddison, 2007). The only two older civilisations not part of the GS were the Greek (1200 BCE) and the Roman Civilisations, which started around 750 BCE. Any understanding of the GS from today’s perspective must be appreciative of the grand historical legacies of their civilisational might.

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The present paper would like to share ideas about three distinct but interlinked aspects of GS. First objective would be to contextualise the term. Secondly, the paper identifies the present status of GS in the global economy and finally concentrate on the future road map for GS.

What Is Global South?

Recently there have been considerable debates about the way to identify the countries belonging to the GS. Even there are issues raised about the logic of distinctive features of the differences between North and South.¹ It is argued that “there is neither agreement on who this Global South actually is, nor fundamentally on whether the Global South exists at all, given the great heterogeneity and the dynamics of those who are typically classified within it” (Prys-Hansen, 2023). Simultaneously, it is also to be recognised that the term GS is currently on everyone’s lips; there can hardly be any discussion of power shifts and reorganisations of the international system without resorting to it.

Technically, as far as the available literature suggests, GS was first coined by Carl Oglesby (Oglesby, 1969) in 1969. However, the process of expression of solidarity towards a South-centred politico-economic system had been going on for quite some time. The first such attempt was observed in the organisation of the Bandung Conference in 1955, where leaders from a number of decolonised countries from Asia and Africa joined hands together to

call for an anti-colonial cooperation. It framed the core principles underlying the solidarity among these countries as political self-determination, mutual respect for sovereignty, non-aggression, non-interference in internal affairs, and equality. This event also marked the beginning of a desire for promotion of economic and cultural cooperation, protection of human rights and the principle of self-determination, a call for an end to racial discrimination wherever it occurred, and a reiteration of the importance of peaceful coexistence and may be considered as the effort to lay the foundation for the ideas of South-South Cooperation (SSC) that got formalised during the Buenos Aires Plan of Action (BAPA) for promoting and implementing Technical Cooperation among Developing Countries (TCDC). Delegations from 138 States adopted by consensus the BAPA document in 1978. Another important event happened in between. In 1964, the United Nations Conference of Trade and Development (UNCTAD) was set up by the UN General Assembly to promote trade, investment and development in developing countries. It was intended to take care of the growing concerns about the place of developing countries in international trade. Raul Prebisch, well known for his thesis on “dependency Model”² that posed the decolonised developing countries against the features of unequal exchange, was appointed the first Secretary General of UNCTAD. BAPA was an operational model to come out of the dependency syndrome, creating space for collaborative development

cooperation among the developing countries which ultimately emerged in the institutional form of SSC.

These two groupings unified the political and economic perspectives of the decolonised developing countries bound in a spirit of solidarity to press for the establishment of a New International Economic Order (NIEO) in 1973 through the economic declaration of the NAM summit in Algiers, expressing disillusionment that the wave of decolonisation did not bring shared prosperity as the structure of the global economy remained virtually unchanged, if not worsened. Unfortunately, the NIEO argument could not gain enough support from the developed world, and the debt crisis of the 1980s threw the idea to the bins with a rather stronger argument for a structural adjustment programme under the Washington Consensus taking centre stage. This mechanism further widened the gap between the North and South.

Of late the idea that the world is divided into two unequal factions has come back to the global stage and made the term of GS an idea not to be considered irrelevant at all. The emphasis on colonisation as the main feature of the emergence of GS can be explained in terms of some simple features observed in the southern countries even today. For definitional purposes we consider the group of G77 and China as a close representative of the present state of GS. As per the available information, G77 and China were established on 15 June 1964, by seventy-seven developing countries

that signed the “Joint Declaration of the Seventy-Seven Developing Countries” at the end of the first session of the United Nations Conference on Trade and Development (UNCTAD) in Geneva. The number of countries in the group has been increasing, and today, it records 134 countries even though the group is still named G77.³ An interesting feature of this group of countries is the fact that, except Thailand and Liberia, all other nations were colonised either fully or partially by European powers. Thailand was left independent as a buffer between British-controlled Burma and French Indochina, while Liberia was spared because the United States backed the Liberian state, which was established in the early 1800s by freed American slaves who had decided to move to Africa.⁴ The other countries not colonised by the European powers have been Japan and Korea which never joined the G77. However, it should be mentioned that Korea and Thailand were colonised for some period by Japan during the early 20th century.

The Present Status of Global South

The characterisation of countries is now popularly done in terms of their per capita income thresholds. Formalised by the World Bank, all countries in the world are divided into four distinct categories. They are the Low income countries (LICs), Lower middle income countries (LMICs), Upper middle income countries (UMICs) and High income countries (HICs).⁵ Such characterisation also decides the eligibility of a country

to receive the share of developmental cooperation support under concessional terms. Under such characterisation, it is found that all the 26 countries identified as LICs are members of G77. There are 51 countries characterised under LMICs. 49 of them, except the Kyrgyz Republic and Uzbekistan, identify themselves with G77. Of the 54 countries categorised as UMICs, 14 are not part of G77.⁶ Mexico, a founder member of G77, left the group in 1994 to join OECD. Most of the other non-members of G77 emerged after they were formed on the split of their respective countries, namely Yugoslavia (a founder member of G77), Czechoslovakia and USSR (not members of G77). Interestingly, 19 countries, categorised as HICs, are also members of G77. 10 of them graduated to HIC only after 2005, and the rest have been simultaneously members of HIC and G77 for a longer time. Thus it is imperative that G77 is not just considered an economic grouping of countries, but it also engages the political perspectives of the countries in their global relationships. Such political foundation is characterised primarily by the common feature that all the G77 countries were either formally or some of them informally colonised. However, the economic underpinning engaged with the G77 cannot be ignored either. This is because colonialism was fuelled by economic extraction facilitated by political power. It would be safe to argue that the Global South cannot be defined by drawing geographical lines or economic features alone. They are important. However, the most important factor that created the existence and

strength of GS features in terms of their common and shared history of colonialism that was aimed at the extraction of natural resources and even from human beings resident of those regions. Thus, it is evident that it would be difficult to identify the countries of GS by any other parametric identity. It is to be identified with a historical legacy with countries creating a strong collective that would help them fight together in a politico-economic framework against extraction.

The High-Level Panel on the Development of a Multidimensional Vulnerability Index, formed by the United Nations President of the General Assembly, submitted its final report in February 2024 (UN, 2024). The Panel's work sought to respond with a more comprehensive assessment of a country's well-being, moving beyond the confines of Gross National Income (GNI) per capita, the present basis of not only defining development categories of countries but also identifying the conditions for graduation to an upper category only in terms of their per capita income. Estimation of the Multidimensional Vulnerability Index emphasised on the observed vulnerabilities of the countries facing low levels of wellbeing. The conceptual framework of the Report captures two pillars or domains of vulnerability: (i) structural vulnerability, linked to a country's exposure to adverse external shocks and stressors, and (ii) (lack of) structural resilience, which is associated with the (lack of) capacity of a country to withstand such shocks. It

identified three distinct but interlinked sources of vulnerabilities faced by them – economic, environmental and social and simultaneously looked for the corresponding levels of structural resilience enjoyed at the country level. Incidentally, the report captures estimates of vulnerability indices and the lack of vulnerability resilience in 142 countries. We may count them as the truly vulnerable countries in the world today. Out of them, 133 are members of G77 and the rest are non-members. Only Palestine as a G77 country is missing from the list, whereas Armenia, Georgia, Kazakhstan, Kyrgyzstan, Mexico, Turkey, Uzbekistan, Palau and North Korea are considered to be suffering from vulnerability but they are not members of G77. The rest of the countries – none of them is a member of G77 – are not considered worthy to be estimated in terms of their vulnerabilities. This report may be considered, with the exception of the nine countries that are not members of G77, as somewhat a clear endorsement of the almost complete overlap between Global South and the members of G77 and China.

At first glance at the estimates, it is clear from Table 1, that the G77 countries are more vulnerable than the countries that have not joined the group. The results clearly suggest not only the higher level of vulnerability index for the countries belonging to the G77 group but also their lack of structural resilience to absorb the emergent shocks. These comparative estimates show the status of G77 countries compared to some few other countries that are non-members of the group.

If we go to further details evidenced from the report, a clear understanding of the vulnerabilities GS countries suffer from is revealed. The Panel defined three dimensions of vulnerability and resilience, economic, environmental and social (UN, 2024). Economic vulnerability is understood as the risk of harm from exposure to adverse external economic shocks, while environmental vulnerability represents the risk of harm from exposure to natural hazards. Social vulnerability takes care of the risk of harm from exposure to social shocks. On the other hand, structural economic

Table 1: Group Level Results: Comparison Between G77 Members and Non-members

	MVI - Score	Structural Vulnerability index	Lack Of Structural Resilience Index
Members of G77 (133)	53.4	49.8	56.2
Non-members of G77 (9)	45.6	41.0	49.5
All countries (142)	52.9	49.2	55.8

Source: Author's compilation.

resilience relates to the inherent economic capabilities and economic capital of a country and considers factors that strengthen the economy’s ability to absorb the consequences and recover from adverse effects, while environmental resilience focuses on the inherent environmental capital of a country. It pertains to the ecological resources, infrastructure, and systems that contribute to reducing vulnerability to environmental shocks and stressors. Social resilience takes care of the inherent social capabilities and social capital within a country referring to social cohesion, social institutions, demographic

structure and human capital that enhance the capacity to withstand and adapt to shocks and stressors.

It is observed that the G77 countries are more vulnerable than their non-G77 counterparts in terms of all the indicators of vulnerability tried at (Table 2). Relatively they are more vulnerable in respect of economic and social indicators. The indicator of environmental vulnerability is not that wide, even though it is greater with respect to G77. Table 3, on the other hand, reports the estimates of the lack of resilience. Here also it is evident

Table 2: Vulnerability Indicators: Comparison Between G77 Members and Non-members

	Economic vulnerability	Environmental vulnerability	Social vulnerability
Members of G77 (133)	50.6	49.7	42.3
Non-members of G77 (9)	34	45	33
All countries (142)	49.8	49.5	41.4

Source: Author’s compilation.

Table 3: Lack of Resilience: Comparison Between G77 Members and Non-members:

	Lack of Economic resilience	Lack of Environmental resilience	Lack of Social resilience
Members of G77 (133)	51.3	59.2	53.2
Non-members of G77 (9)	38.1	63.5	37.1
All countries (142)	50.8	59.3	52.4

Source: Author’s compilation.

that the GS countries are less resilient in economic and social terms. The lack of environmental resilience is less stark between G77 members and others.⁷ These observations create a clear case of initiation of immediate actions to ensure that the Global South collectively initiate some immediate steps to reduce their vulnerabilities and increase resilience.

The Future Roadmap for Global South

According to Gilmartin, there were three waves of colonialism that were linked to the spread of European might over the globe (Gilmartin, 2009). These three waves of colonialism were also influenced by colonisation for settlement and colonisation for extraction.

The Latin American countries were the first set of countries considered by Portugal and Spain for the extraction of gold and silver. This phase gradually shifted to the settlement of people of European origin in those countries, who established communities, farms, and towns, displacing or assimilating the indigenous population. They also were decolonised early. The second process involved colonisation for permanent settlement as was observed in the USA, Canada and Australia. Europeans in droves started settling there permanently and bringing in slaves from colonies and also engaging indigenous communities in forced labour to facilitate their production system. The third phase of colonisation can be termed as colonisation for extraction alone. Because of unfavourable

weather conditions, such colonies were not found suitable for settlement by Europeans. These colonies spread over tropical Africa and Asia were full with a variety of lucrative natural resources like minerals and forests necessary as inputs to promote the industrial revolution and also provided opportunities to open up markets for the finished products generated in the colonial countries (Ralph, 2022). Exploitation of human resources also went on simultaneously, first through slavery (Inikori, 2022), followed by freeing labour (Wright, 2021) from agricultural practices to serve the manufacturing sector.

The fundamental characteristics of the trade structure have remained unchanged. 95 of 142 developing countries (66.9 per cent) were commodity-dependent during 2019–2021. During 2019–2021, 101 of the 191 UNCTAD member States (52.9 per cent) were commodity-dependent, meaning that commodities constituted more than 60 per cent of the value of their exports, on average. For an additional 14 countries, commodities constituted more than half of exports during the period, but below the 60 per cent threshold.⁸ The substantial differences between the value of import and that of export, aided by the technological differentials, created the main source of development of countries that are tagged as Global North (GN) today. The trend of extraction from labour continues even today as a competitive model of global trade looks for the investment of capital in regions where labour is cheaper and has reduced labour rights (Hickel *et al*, 2024; Gilbert,

2023). The increasing casualisation of labour associated with high levels of unemployment and reduced share of labour in national income across countries are testament to the sustained exploitation of and extraction from labour.⁹

The countries of GS have to respond to such challenges. Such responses are required to include a well-drawn plan for collective action that involves all the southern countries. As the estimates of vulnerability and resilience suggest, the economic vulnerabilities emerge from the continuation of the colonial structure of international trade – exporting commodities and importing finished goods. This structure has to be altered. Initiatives are to be introduced in GS to ensure that the commodities are not exported in raw forms. Processing of commodities within GS for international trade is to be made a primary objective for future development. Surely, it cannot be done in a day. Still a long-term strategy has to be prepared to achieve the goal. Recent research amply suggests that South-South trade is on the rise. The main factors that led to such fundamental changes in the international trade basket from the GS are to be identified and pursued with serious vigour. Such an effort will invariably involve the sharing of technology across the southern states, necessitating the creation of pooled shared funds to be used for such purposes. R&D expenditures are to be made in a collective manner to attain scale efficiency, involving the participation of experts from across the southern countries.

Technology development is based on the creation of capacity. Shared efforts at capacity building among GS countries are always possible and can be highly effective in enhancing the productivity in the southern nations. Such capacity-building exercises will generate skills and knowledge among the southern citizens. Financial support for development is also necessary. A contributory Southern Development Fund may be a possible way out to find solutions to the existing educational and health-related problems. The scope of use of local currencies as much as possible in facilitating exchanges among southern countries may also be thought of earnestly. Emerging Southern countries can play an important role in the provision of low-interest credit to the deserving countries as much as possible. Provision of humanitarian assistance and grants to low-income countries may also be considered as a collective Southern effort.

These processes are to be done simultaneously, not independently of one another. This is the spirit India is consciously trying out while pursuing her goal of development assistance for mutual benefit. The idea proposes a comprehensive “Global Development Compact,” based on India’s development journey and experiences of development partnership. This Compact will be inspired by the development priorities set by the countries of the Global South themselves. Under this ‘development compact’, the focus will be on trade for development, capacity building

for sustainable growth, technology sharing, project-specific concessional finance and grants with humanitarian assistance in an interconnected manner whenever necessary.¹⁰ This idea has to be contextualised in a spirit of collective Southern action. The use of Official Development Assistance (ODA) or the recent efforts at Triangular Cooperation (TrC) will be expected to continue. However, the Global Development Compact will be treated as a GS-owned initiative to accelerate the developmental aspiration of the Southern countries in a complementary way. Such an effort is all the more necessary in view of the realisation that most of the GS nations are facing the risk of getting stuck into a middle-income trap.¹¹

Endnotes

- ¹ See, for example, Hornidge, Anna-Katharina & Axel Berger. (2023). Why “South”/“North” framings are not useful in a shifting world order. CEBRI Journal 2 (8), 217-237. Available at <https://www.idos-research.de/en/others-publications/article/why-southnorth-framings-are-not-useful-in-a-shifting-world-order/>.
- ² For a detailed review of Dependency model see Schmidt, S. 2018. “Latin American Dependency Theory” available at <https://globalsouthstudies.as.virginia.edu/key-thinkers/latin-american-dependency-theory>
- ³ <https://www.g77.org/doc/members.html>
- ⁴ <https://www.vox.com/2014/6/24/5835320/map-in-the-whole-world-only-these-five-countries-escaped-european>
- ⁵ <https://datahelpdesk.worldbank.org/knowledgebase/articles/906519-world-bank-country-and-lending-groups>
- ⁶ Albania, Armenia, Belarus, Bosnia and Herzegovina, Georgia, Kazakhstan, Kosovo, Mexico, Moldova, Montenegro,

North Macedonia, Serbia, Turkiye, and Ukraine are the UMICs that are not part of G77.

- ⁷ For a detailed indicator level elaboration of vulnerability and lack of resilience see the Report of High Level Panel on the Development of a Multidimensional Vulnerability Index (2024) available at <https://www.un.org/ohrlls/mvi>
- ⁸ See for detailed analysis UNCTAD (2023) The State of Commodity Dependence available at <https://unctad.org/publication/state-commodity-dependence-2023>
- ⁹ See ILO (2024). Global Employment Trends for Youth 2024
- ¹⁰ See RIS Diary Special Issue August 2024, available at https://www.ris.org.in/en/ris-diary?field_ris_diary_year_target_id=All
- ¹¹ See The World Bank: World Development Report 2024 available at <https://www.worldbank.org/en/publication/wdr2024>

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