

Interview with Carlos Correa

Carlos Correa*

DCR: Thank you for joining us in New Delhi. You mentioned on stage in the closing panel at the conference on the Global South and Triangular Cooperation organized by RIS that ODA has decreased by 0.71 per cent from 2023 to 2024, of which 30 per cent is deployed in developed countries. This is a surprise, I'm sure, for many. Could you share with us what you told the audience today?

Carlos Correa (CC): Yes. The point I made is that the Global South cannot, depend on what is called “official development assistance”. It is insufficient in the first place. And it is going down, as you may recall a target was set many years ago, at 0.7 per cent of the gross national income from the wealthier countries. And today it amounts to just 0.35 per cent, a half of what it was expected. Many of the least developed countries had actually received less support, and for them this aid is very important. That's why South-South and Triangular Cooperation becomes so important. Although we have always said that it is not meant to substitute North-South Cooperation, the fact is that without South-South and Triangular Cooperation, developing countries will not be able to address many

of their challenges regarding climate change events, poverty and many other challenges they are facing. Therefore, this conference actually addresses one of the important tools for development. This is not just speculation. We have heard about many real examples during the conference. Many years ago, we were talking about the potential of South-South Cooperation. Now we can talk about what it is actually achieving and how it can contribute in the future.

DCR: You also mentioned in your closing speech that you were very pleased to see that the opening panel of the conference on the Global South and Triangular Cooperation was about “Bandung and beyond”. What would you think a 21st century equivalent of “Bandung” principles look like today in today's multipolar context?

CC: Bandung set a number of principles, including the idea that working for the mutual interest and international cooperation was essential. As we know today, the world seems to be increasingly fragmented and there are many conflicts. What RIS has done over the years - insisting that South-South Cooperation is one important tool for development is crucial. Now it has greater recognition

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because the future is there. The future is in international cooperation, broadly speaking, but also in particular with the Global South working together. Bandung set the basic principles for such a cooperation. Of course, the situation has changed a lot since then. Now, we have new challenges, including increased debt, climate change and antimicrobial resistance, for instance. There are many challenges that our countries are facing. Still, the idea of international cooperation is the right way and in particular, cooperation among the countries of the South. Of course, there may be further elaborations and there are calls to revisit the Bandung principles. Indonesia has decided to make a commemoration of the 75 years of the adoption of Bandung. There will be some issues which should be put on the table, including, for instance, transfer of technology that has not been well dealt with by the international community. Still, the Bandung principles may provide the groundwork from which to elaborate.

DCR: You spoke of the fragmentation that we can all witness, whether we are involved in development cooperation or not, and multilateralism is also under scrutiny. What role should institutions such as the South Centre play in reshaping the global governance architecture, the development of public goods?

CC: The South Centre is a manifestation of South-South Cooperation in itself. It was created by developing countries and it works for developing countries. One of

our important areas of work is improving the institutional capacity of developing countries to engage in South-South Cooperation, both as providers and as recipients. In our view, all countries, including small countries, can actually provide technology solutions, for instance, new plant varieties that are resistant to particular pests or drought. Therefore, the South Centre is very much engaged in looking at the right narrative for developing countries to benefit from their own capacities. As it has been mentioned today, the Global South accounts for a significant part of global GDP. Some estimates indicate 46 per cent. The Global South trade has grown immensely. It's more dynamic than North-South trade, and therefore great opportunities are there.

The South Centre is considering how this fragmented scenario can be addressed in the interest of development and what actions need to be taken. We are very much an action-oriented organization. We look at the theoretical frameworks and at the narratives, but in the end we are looking for solutions to problems and this is done in cooperation with many countries. India is leading in many respects, as well as are other countries. Our ambition actually is to get developing countries to work together while understanding that there is diversity, because there are different strategies and policies; our ambition is to find common denominators for countries to work together and be assertive in international relations in a more effective manner.

DCR: Many developing countries are reconsidering their approach to trade-related investment measures in light of environmental and social goals. How can a developmental balance be struck between attracting investment and safeguarding public policy space?

CC: That's a very important issue because many countries, including India have signed in the past bilateral investment treaties with the expectation that they will attract foreign direct investment. But many of them, and India is one case, have suffered from the harmful effects of these agreements because they are essentially imbalanced. They actually give rights to the investors, but no rights to the host States. India has done a very important work in developing its own model for bilateral investment treaties, which put emphasis on the concept of enterprise as opposed to the concept of asset. We need a reform of the international investment regime to provide more balance to these agreements, including some obligations on investors, for instance, in relation to the protection of the environment - which are missing in most of those agreements. There is an important work to be done. The South Centre is actually very active in this field. We are supporting developing countries in the negotiations that are taking place in UNCITRAL in Vienna, sometimes in New York. We need to ensure that the investment regime attracts foreign investors, but at the same time, that it ensures that investment is aligned with sustainable development and the protection of the environment, and more broadly with the interests of the receiving

country, and not just addressing the interests of investors.

DCR: Perhaps from your perspective of the South Centre, which institutional gaps are still limiting the efficiency of Global South cooperation and how can these be bridged?

CC: There are many divergences, as I mentioned, among developing countries in terms of development strategy in the first place regarding, for instance, the role of the market and the State respectively.

DCR: Your country of origin, Argentina, being an example of how it has changed the role of the state recently...

CC: The government is liberal and the president feels that he has to suppress many of the State's functions. But we need the state to perform important functions and also to lead in economic development, in our view. For instance, developed countries are now coming back strongly to implement industrial policies, while in the past they were demanding developing countries to leave everything to the market. But now the United States and the European Union are very active in industrial policies, such as in semiconductors and pharmaceuticals, because they recognize that they have become weak or the competition from other countries is strong. And this is also a message for developing countries - you need industrial and investment policies in order to promote development.

Regarding the gaps and the obstacles for further cooperation, particularly in trade, there are many differences because not all developing countries have the same strength in agricultural production or other areas, and, therefore, it's normal that there be different interests. But in the end there are also common interests. As I mentioned, our ambition is to work on that and show that developing countries can organize in coalitions, in some cases dedicated or focused coalitions, to promote their interests.

DCR: How can the Global South collectively address the growing asymmetries in technology access, particularly with respect to intellectual property and governance?

CC: Technology is an important issue. In fact, the dominance of the countries of the North, in our view, has been based on two elements. One is the dominance of the U.S. dollar in financial transactions and trade, and the second one is in technology. Quite clearly, the intellectual property regime as adopted in the context of the World Trade Organization, actually supports that

dominance. It was established in order to freeze the competitive advantages of the developed vis-à-vis developing countries. That's one of the main issues I believe we need to address.

With some developing countries being more active in developing technologies and innovation, I think the scenario may change. In this respect, South-South Cooperation can play a major role in getting access to technologies that otherwise will not be available because the North's objective is to keep the technology for themselves. What is called 'techno-nationalism' can be seen in many fields. The participation of developing countries in global research and development (R&D) has increased significantly since the beginning of the century. In any case, technology transfer still remains an issue in many negotiations. Developed countries say it should be based on voluntary and mutually agreed terms. We need, however, to look for means to disseminate technologies which are essential for development.

DCR: Thank you very much.