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New Fractures, Old Wounds: Africa and the Renewal of South Agency

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Abstract: Africa has recently come to the forefront of world politics as part of the emerging South. Its increased prominence in the global discourse as a "new frontier of development" signals the recognition of its economic potential. Indeed, the continent has registered an average 5 per cent annual GDP growth rate over the past decade. However, there is more to the story than that: The rising profile of the African continent also reveals the growing role of a number of its countries in the emergence of a new South agency. It is argued that South–South cooperation is an opportunity. The discussion of the current situation in Africa understood as a continent in all its diversity including sub-Saharan Africa, but also the Maghreb and Egypt, will therefore be placed into this wider context. The renewal of a South agency witnessed over the past decade is somewhat different from the trilateral alliance of Asia–Africa–Latin America formed in the wake of decolonization. Current mega-trends demonstrate that the global South, driven by a number of regional powers, will play a vital role in shaping the twenty-first century. Understanding the complexities of this renewed agency is vital for addressing old wounds that marked the emergence of a South voice in the not-so-distant past.

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The Editors

The "Return" of History[1]

The decades following the end of the Cold War offered a tantalizing glimpse of a new kind of international order, with nation-states coming together or disappearing, ideological conflict melting away, cultures intermingling, and free trade and communications increasing. The modern democratic world wanted to believe that the end of the Cold War did not end just *one* strategic and ideological conflict but all of them. People and their leaders longed for "a world transformed". But that was partly a mirage; the world has not been completely transformed. In most places, the nation-state remains as strong as ever, and so, too, the nationalist ambitions, the passions, and the competition among nations that have shaped history. Despite perceptions, the United States continues to be the sole superpower. Struggles for status and influence in the world and among regions have returned as central features of the international scene. Old forms of competition have also re-emerged, with the world's great powers increasingly lining up according to the nature of their regimes. As these struggles combine and collide, the promise of a new era of international convergence fades. Have we entered an age of divergence (Kagan 2008)?

It may be worthwhile to recall here that in the span of world history, developing countries are a relatively recent phenomenon that emerged about 150 years ago. At the beginning of the second millennium, in 1000 AD, Asia, Africa and Latin America, taken together, accounted for 82 per cent of the world's population and 83 per cent of the world's income. Their dominance, even if somewhat diminished, continued for the next eight centuries. Indeed, in 1820, less than 200 years ago, these three continents that roughly correspond to the so-called "developing world" or "global South" still accounted for about three-fourths of the world's population and about two-thirds of the world's income. The transformation of the world economy began around that time (i.e. around 1820). It was driven by the industrial

1 This text reflects personal views and does not engage the UN. The author wants to acknowledge the research assistantship he received for the preparation of this paper by Babar Kamal and Elena Proden.

revolution in Britain, the advent of colonialism, and the revolution in transport and communication. The rise of Western Europe and the decline of Asia were outcomes of this process. The division of the world into industrialized countries, mostly in temperate climates, and developing countries, mostly in tropical climates, was clear by approximately 1870. The next 80 years witnessed a rapid economic decline, particularly in Asia, as the share of developing countries in world output, manufacturing and trade collapsed (Nayyar 2009). Many believed – most famously Francis Fukuyama – that the world had reached a convergence point of its historical evolution with the Western model that was about to penetrate every single corner of the planet.

Over the past few years, however, both the economic weight and the influence of developing countries in global economic affairs have been growing significantly and changing the narrative. The very concept of "developing countries" used in the past became too rigid to reflect multiple transformations at various speeds in the non-Western world. A new terminology has evolved to identify rapidly growing "emerging economies" that have encompassed not only traditionally understood Southern countries, but also transition economies from the former "East". In 2003, the investment bank Goldman Sachs predicted in a study that the economies of Brazil, Russia, India and China may be among the five most dominant (alongside the US economy) by 2050. Their massive populations, incredible appetite for work and prodigious growth means that they are already responsible for approximately half of the world's economic growth. Their economies are growing four times faster than those of Western countries. Together, Brazil, Russia, India and China ("the BRICs") account for 40 per cent of the world's population and more than one-quarter of its landmass, produce about 15 per cent of the world's gross domestic product (GDP) and hold about 40 per cent of the gold and hard currency reserves. As the world's workshops, they are pumping out billions of dollars' worth of exports each day, to rich nations and to one another. As a matter of fact, the BRICs have become more than an investment category. It is becoming increasingly obvious that they reflect new paradigm shifts in the world economy and constitute an important new alliance on the international scene, leading a new power relation in diplomacy.

Whereas the Goldman Sachs study focused on the BRICs as the biggest emerging economies, the rapidly growing role of Africa in the current reconfiguration of economic power is also recognized. First and foremost, South Africa's economy has since 1994 been transformed through fundamental macro-economic reforms, enabling the majority of South Africans to participate in the mainstream economy. Today, South Africa is debt free and over 70 per cent of its GDP is derived from manufacturing and services.

Direct mining makes up only approximately 6 per cent of GDP, contrary to perceptions. Three million new jobs have been created since 2004. This is significant for any mature economy, but obviously still inadequate to tackle the South African social gap.

The African continent as a whole has demonstrated high growth rates over the decade. It may be worth noting that according to the OECD, the rate of return on foreign direct investment (FDI) is higher in Africa than anywhere else in the developing world. The 2008–2009 crisis is already behind us in terms of growth trends. Even though the global financial crisis did have a negative impact on economic growth in Africa, with its wealth of natural resources, improved macro-economic indicators and greater political stability, the region is expected to continue to recover quickly and to maintain its relatively strong growth rate.

With the dream of the post-Cold War era dividend dissolving, regional powers like Brazil, India, China, Egypt and South Africa have enlarged their spheres of influence both regionally and worldwide. Their struggle for status and influence in the world and within their respective regions has become a central feature of the international scene. The world is still divided and distracted by issues both petty and profound. However, history has returned, to the detriment of Fukuyama's early theories, as he admits himself.

Catch-Up and Renewal

The economic recovery, or catch-up, of developing countries in the world economy, as a group, began around 1950, and this was attributable in part to strategies and policies in the post-colonial era. These policies created the initial conditions and laid the essential foundations for development. In the mid-twentieth century there was a rapid increase in the share of developing countries in international trade, industrial production and total output.

By 2005, the significance of developing countries in the world economy was about the same as it was in 1870. In the aggregate, the decline of developing countries in the world economy during the 80 years from 1870 to 1950 has been nearly made up for during the 60 years from 1950 until the present day. For example, between 1990 and 2009, the real exports of developing countries nearly tripled, while those of developed countries grew by only 75 per cent. Similarly, the share of developing countries in world exports rose from 24 to 37 per cent. During the same period, the developing countries' share of all inward foreign direct investment (FDI) doubled, going from 18 per cent to 36 per cent; and perhaps more surprisingly, their share of outward investment tripled, from 5 per cent to 15 per cent.

The geographical distribution of skills is also shifting. In 1990, for example, developed countries accounted for 40 per cent of all technical tertiary educational enrolments globally; ten years later, that share has dropped to 28 per cent. Much of the catch-up is attributable to about a dozen countries, among whom the most prominent are China, India and Brazil, along with Mexico, the Republic of Korea, certain Southeast Asian countries and South Africa. There still remains considerable room for catching up. Emerging economies accounted for 44 per cent of global GDP in 2009. While projected GDP growth rate for major developed markets in 2010 is 2.3 per cent, emerging markets are expected to grow at 6.3 per cent on average.

As emerging powers "catch up", the American, Japanese and European share of influence will shrink accordingly. Sooner or later – and this debate really is about "sooner" or "later", not about "if" – we will witness major shifts in the global balance of power.

Whatever doubts there may be regarding the ability of the emerging powers to sustain, or even increase, their high growth rates over the medium term, one thing is certain: China, India, Brazil, the Republic of Korea and Africa in general have been first and fast in turning the crisis page and are now in the best position to express their demands. It is also thought that by reaching agreements, coordinating policies and strengthening cooperation, emerging economies will have the potential to lead the rest of the world out of the economic crisis. In any event, the renewal of South agency is already palpable.

Africa on the Rise

In the midst of the debate on the new powers on the rise and uncertainties regarding the achievement of the UN's Millennium Development Goals, the African continent has emerged as a "new frontier of development" (to take the phrase recently used by a member of the Africa Progress Panel and former IMF Managing Director Michel Camdessus; *Les Afriques*, 10–16 June 2010). JP Morgan says that Africa has become one of the regions with the greatest potential for economic growth that is expected to be sustained as the region is projected to have the youngest population (*Le Temps*, 31 May 2010). The Boston Consulting Group has recently come to a similar conclusion, drawing on somewhat different data – namely, Africa's export growth rate of 18 per cent, comparable to the BRIC nations, and the growth rate of the top 500 African companies at more than 8 per cent a year since 1998. The report points to the emergence of a group of so-called "African Lions" (analogous to the Asian Tigers) that comprises Algeria, Botswana, Egypt, Libya, Mauritius, Morocco, South Africa and Tunisia (whose collective per capita GDP of 10,000 USD is higher than that of the BRICs), soon to be joined by Ghana and Nigeria. The fast-growing companies cited in the report are mostly concentrated in eight countries and are portrayed as partners and rivals that are already regional players in mining, consumer industries and services; these companies are about to look "beyond the continent" (*Financial Times*, 1 June 2010).

The pattern of recent African growth demonstrates the strong role played by private consumption. It accounts for 60 per cent of the growth, as opposed to its negative contribution in the 1990s. Government deficit of around 3 per cent in the late 1990s gave way to surpluses of approximately 1.9 per cent in 2008. The average inflation rate was approximately 6.2 per cent in 2008 as compared to the annual 30 per cent in the 1980s. The currency exchange reserves increased from less than 50 billion USD in the late 1990s to 300 billion USD in 2007. FDI inflows increased from less than 10 billion USD in 1995 to 88 billion USD in 2008, with the total FDI stock on the continent at approximately 511 billion USD in 2008. Average external debt decreased from 70 per cent of GDP in the early 2000s to 23 per cent in 2007 (*Les Afriques*, 3–9 June 2010). Africa's total merchandise trade increased from 217 billion USD in 1995 to 986 billion USD in 2008. Its share of global trade also increased from 2.2 per cent in 2000 to 3.3 per cent in 2008 (UNCTAD 2010).

The global economic downturn has had an obvious impact on the continent. The African Progress Panel estimates that the number of working poor has increased from 57 per cent to 66 per cent. In sub-Saharan Africa, exports as a share of GDP decreased from 41 per cent in 2008 to 31.1 per cent in 2009 (IMF 2010). As a result of the crisis, 30–50 per cent of Africa's 2008 export revenues were lost. The crisis has negatively affected trade through both a decline in growth and lower access to trade credit (AfDB 2010). At the same time, forecasts for 2010 and 2011 are quite positive, with expected growth rates at 4.7 per cent and 5.9 per cent, respectively. African nations were among the first to emerge from the crisis with a positive GDP growth rate (2 per cent) in 2009, driven by the demand of the Asian economies' rebound.

Africa and South–South Cooperation

South–South cooperation crystallized in the wake of decolonization and against the background of the Cold War. A number of institutional frameworks were set up, such as the Non-Aligned Movement or the Group of 77. Their aim was to increase the bargaining power and advance the interests of developing countries through increased political mobilization (Morais de Sá e Silva 2010). After a decline during the 1980s, South–South cooperation has been growing significantly again. This is mainly due to the fast economic growth of emerging economies, as well as to the adoption of more outward-looking development strategies, trade reforms – including the growing numbers of regional trade agreements (RTAs) – and the common commitments regarding the UN Millennium Development Goals (MDGs). Disappointment over traditional North–South models of development cooperation also plays a role. This time, South–South cooperation has expanded to include new sectors such as education, health and social protection in addition to trade and industrial development (Morais de Sá e Silva 2010).

Current Africa–South cooperation is centred upon trade, investments, official financial flows, transfer of expertise and knowledge-sharing, and often involves new formal institutional arrangements. UNCTAD recognizes that only in the twenty-first century has South–South cooperation shifted its focus from purely political issues and started contributing more to Africa's economic and social development (UNCTAD 2010).

The share of non-African developing countries in Africa's merchandise trade rose from 8 per cent in 1980 to 29 per cent in 2008 and their share in inward FDI flows to the region increased from 12 per cent in the late 1990s to an average of 16 per cent over the period 2000–2008. The proportion of the region's trade going to Europe and North America has declined. The EU's share of Africa's trade fell from approximately 55 per cent in the mid-1980s to less than 40 per cent in 2008 (UNCTAD 2010).

The increase in Africa's trade with non-African developing economies has been mainly due to trade with Asia, most prominently China. China has become Africa's largest source of imports and second-largest trading partner after the United States. As a result of an almost tenfold increase over the period 2000–2008, the value of China–Africa trade totalled 93 billion USD in 2008. China's share of Africa's external trade is close to 11 per cent. While Chinese activities in Africa in the immediate post-colonial period were driven by political considerations, the re-engagement of China with Africa (marked by the creation of the Forum on China–Africa Cooperation in 2000) signals a new type of partnership centred around trade, investments and concessional loans.

At the 2006 Forum on China–Africa Cooperation (FOCAC) meeting in Beijing, Chinese leadership pledged to implement an extensive development agenda including promises to double assistance to Africa by 2009, provide more loans, debt relief and technical assistance, as well as to set up a China–Africa Development Fund.

China's development assistance most often took the form of big concessional loans for infrastructure projects. Infrastructure and public works accounted for approximately 54 per cent of China's support to Africa in the period 2002–2007. Chinese infrastructure finance commitments increased from 470 million USD in 2001 to 4.5 billion USD in 2007 (33 per cent of Chinese infrastructure finance to sub-Saharan Africa over the period 2001–2007 went to electricity, 33 per cent to transport, 17 per cent to ICT, 14 per cent to general projects and 2 per cent to water), with Nigeria, Angola, Ethiopia and Sudan as the main beneficiaries (UNCTAD 2010).

Chinese investment flows to Africa have increased over the past five years. China's Ministry of Commerce estimated that Chinese investment inflows had reached 552 million USD over the first quarter of 2009, almost twice the value of inflows for the same period in 2008 (Herman 2010).

However, the China–Africa partnership involving high-level meetings has expanded to cover technical cooperation and exchange of expertise in other areas. The last FOCAC meeting held in November 2009 discussed new measures of support to Africa in areas as diverse as climate change, science and technology, response to the financial crisis, poverty alleviation and environmental protection and health, in addition to cultural aspects and "people-to-people exchanges" (UNCTAD 2010).

Brazil's outward FDI flows to Africa have grown as well. Just two examples: Oil giant Petrobas plans to invest more than 2 billion USD in Angola and Nigeria over the next five years, and steel-producing Vale's investment in developing coal deposits in Mozambique is estimated at 1.3 billion USD (Laishley 2009). In general, technology transfer through technical cooperation is a key component of Brazil's aid to Africa. It provides technical assistance through the Brazilian Cooperation Agency. In 2008, 43 per cent of the resources for technical cooperation projects went to Africa, 74 per cent of which went to five Portuguese-speaking African countries. Over the past years, Brazil has extended support to other African countries and currently has projects in 22 countries (UNCTAD 2010). A notable area of technical cooperation is support to the production sectors, particularly agriculture.

Another interesting development is the significant increase in the volume of trade and investment flows between India and Africa. For example, Indian–African trade increased from 7.3 billion USD in 2000 to 31 billion USD in 2008. India's contribution to Africa's development included loans, debt relief, technical cooperation, peacekeeping and infrastructure finance. One example of technical cooperation is the Pan-African e-Network Project that aims to provide e-services in the areas of education and medicine (UNCTAD 2010).

India has invested 1.8 billion USD in greenfield projects in Africa in the last three years. It reconfirmed its promises to provide 500 million USD in grants over the next five to six years and double lines of credit to 5.4 billion USD and to reduce import tariffs on a wide range of agricultural products from Africa. In South Africa alone, India's commercial relations have grown to more than 2 billion USD, and Africans have begun travelling to New Delhi and Mumbai to seek the kind of investment and expertise that they used to seek from the US and Europe. Bharti, an Indian telecommunications company, recently purchased the African assets of Kuwait's Zain in India's second-largest cross-border deal ever for more than 10 billion USD. Bharti is expected to significantly lower the prices and serve the African poor by dramatically changing the lives of local entrepreneurs while boosting a market with the largest potential for growth in the world.

Finally, the example of South Africa shows that African countries are emerging and participating on an equal footing in South–South partnerships. Trilateral collaboration between South Africa, Brazil and India in such areas as public health and energy security is very illustrative. South Africa and India have the first- and second-largest number of HIV-positive people whereas Brazil has developed successful public policies to fight AIDS. Together, these countries managed to push forward the interpretive statement of the Doha Declaration indicating that the Agreement on Trade-Related Aspects of Intellectual Property Rights, also known as TRIPS, should not prevent countries from fighting public health crises, as well as an agreement that allowed developing countries to export local generics to other countries with epidemics of HIV/AIDS, malaria and tuberculosis. Another area is technology-sharing between India, the world's biggest sugar cane producer, and Brazil, 62 per cent of whose energy requirements are met through renewable sources, 10 per cent of which is ethanol produced from sugar cane. India's capabilities in the solar photovoltaic area and South African technology of coal liquefaction could be of reciprocal interest (Flemes 2010). Moreover, these countries have been extremely active in the multilateral forums as a group.

To make Africa–South partnerships work for the benefit of Africa, the continent needs to take a proactive stance and mainstream South–South cooperation in its development policies. African countries should use their political leverage to reach the type of partnerships with emerging South actors that would strike a balance between the economic and strategic interests of the Southern partners and the objective of promoting broader development gains and profound structural transformation of Africa's economy, including through technological progress and capital accumulation (UNCTAD 2010).

Rising Significance of Developing Countries in World Affairs

With their increasing economic weight, developing and emerging countries significantly enhanced their ability to influence global economic policy outcomes and to participate in international economic institutions. At the World Trade Organization (WTO), for example, this has been achieved mainly through forming groups and coalitions (such as the African, Caribbean and Pacific Group; African Group; Caribbean Community; Developing Countries Group; etc.) allowing for improved coordination and preparation of negotiations. The G77 group of developing countries plus China is again playing a greater role in international forums after a sharp decline in influence in the 1980s and 1990s.

Backed by rapid economic growth, growing financial clout, growing populations, and a newfound sense of assertiveness in recent years, the emerging powers are a driving force behind an incipient transformation of the world economy away from an Anglo-Saxon-dominated system and towards a multi-polar one. In recent years, this multi-polarity in the economic sphere has translated into a new negotiating attitude on the part of the South. It started around common interests relating to trade and it became more comprehensive and sophisticated as time passed. The financial crisis and global recession of 2008 and 2009 created the opportunities for a more visible role of emerging and developing countries.

International trade negotiations have demonstrated that developing countries have learned to work together in cohesive groups or coalitions based on their self-identified interests in a coordinated way to defend their interests. The G20, the G33, the NAMA-11 (a coalition of developing countries in the Non-Agricultural Market Access negotiations), the Core Group on Trade Facilitation, the African Group, the African, Caribbean and Pacific (ACP) Group, the Least Developed Countries Group, and the Small Vulnerable Economies Group have all clearly and distinctly pegged their positions in the WTO to a clear preference for linking negotiated concessions to their respective long-term strategic development objectives and ideas. The success of the trilateral alliance IBSA (India, Brazil and South Africa) has been prominent in areas such as public health, pharmaceutical patents and government subsidies positioning within the WTO. IBSA and China have been at the forefront of the G22 bloc of developing countries, which preferred to let the negotiations break down rather than come to an agreement detrimental to its interests.

Another example is a power shift in *international financial governance*. Whereas the emerging economies started voicing growing disenchantment with the Bretton Woods institutions by the beginning of the twenty-first century, the current financial and economic downturn resulted in a call for the major reform of the IMF, which was criticized for being not representative of the new fast-growing world economic powers. Until recently, China – which has grown so fast that it is now the world's second-biggest economy – had only the same number of votes at the IMF as Belgium. The 2008 reform of the IMF has somewhat strengthened the position of China and other emerging economies, with a total shift of 4.9 per cent in quota shares for 54 countries, and tripled the basic votes that have an impact on the voting power of the low-income countries. However, changes to the IMF quota and governance structure were clearly insufficient. The total share of sub-Saharan Africa increased by only 3 per cent and remained at 1.4 per cent of the voting share. China came in at sixth place with 3.81 per cent of the voting share as compared to the United States and Japan, whose shares were 16.73 per cent and 6.23 per cent, respectively (IMF 2008). In 2009, the International Monetary and Financial Committee urged that further reform of the quota and voting structure of the institution be implemented by January 2011. It was expected that, if the new package were to be adopted, China's calculated quota share would rise from 6.38 per cent to 7.47 per cent and it would come out ahead of Japan, whose calculated quota share would likely decrease to 6.99 per cent.[2] India's calculated quota share would grow to 2.18 per cent. However, the US would still hold the highest quota share, 17.8 per cent, and the share of African countries would not change significantly (IMF 2009).[3]

Similarly, the much trumpeted reform of the World Bank governance approved last April will transfer only 3.3 per cent of votes from rich to de-

2 "Calculated quota share", "quota share", and "voting share" represent three related, but distinct, terms used in the context of the reform and solicited power shift within the IMF governance structure. Each member country of the IMF is assigned a "quota" based on a quota formula designed to reflect a member's relative economic weight, quota subscriptions ensuring the main bulk of the IMF financial resources. "Calculated quota share" is a hypothetical quota share that results from applying the formula using the latest data available for all member countries. General quota reviews are conducted at regular intervals by the IMF Board of Governors, and any changes in quotas must be approved by an 85 per cent majority of the total voting power. Finally, a country's "voting share", calculated as a sum of 250 basic votes plus one vote for each Special Drawing Rights (SDR) 100,000 quota is different from, but largely determined by, its quota share.

3 After this paper was prepared, the G20 finance ministers and central bank governors agreed, in October 2010, on a reform of the IMF governance that will bring about shifts in quota shares to emerging markets and developing countries and that is expected to promote Brazil, China, India and Russia to the top 10 shareholders of the Fund, going beyond the initial proposals.

veloping countries. China's share has increased from 2.77 per cent to 4.42 per cent, and it has become the third-largest shareholder after the United States and Japan. India's and Brazil's shares have increased respectively from 2.78 per cent to 2.91 per cent, and from 2.06 per cent to 2.24 per cent. However, the United States still remains the most influential player, holding 16.85 per cent of the total (World Bank 2010). More than one-third of African countries had their shares decreased as a result of the reform. The reforms demonstrate the growing influence of emerging economies, but they still fall short of reflecting the real weight of developing countries.

Today, many emerging economies not only do not need the current international financial institutions in terms of policy or funding, but they increasingly are even in a position to compete with them. For example, Saudi Arabia backstops Lebanon, Venezuela has helped Argentina repay the IMF, Chinese development financing provides an alternative to World Bank lending in Africa. Emerging markets are now net providers of capital flows, financing the large current account deficits of the developed countries, and in particular that of the United States. The financial landscape has been redrawn by the new brokers – Asian and Gulf sovereign and petro-dollar investors – who have moved the power base further to the East and South.

In a similar vein, it is worth mentioning the position of the emerging economies as far as the *international monetary system* is concerned. While for much of its history, the international monetary system has been uni-polar, emerging economies such as Russia, Brazil and China are demanding an end to the dollar's dominance in the international monetary system and call for a new global reserve currency. While the dollar accounts for 65 per cent of the world's foreign-exchange reserves, three-quarters of all reserves are in the hands of emerging economies. In short, a "coalition of the rising states" is flexing its muscles now to shape the debate on the need for the world to have its monetary exchanges based upon some international "spread" of currencies rather than upon a single one.

No less revealing were the negotiations held in December 2009 on one of the most pressing issues of our time – *climate change* – that actually involved decision-making by heads of state in an international forum significantly different from a traditional UN negotiation. The fragile agreement reached in Copenhagen is the result of a more active participation of the developing countries in general and the strong-arm-twisting capacity of new emerging powers. Twice, Africans blocked the preparatory negotiations completely in a show of force seldom demonstrated in these processes. Developing countries – led by China, Brazil, South Africa and G77 Group Chair, Sudan – demanded and received significant compromises from developed countries after changing the final outcome in an unprecedented manner. This case clearly illustrates how the "South agency" is already influencing the international landscape. Significantly, the final agreement was reached through indirect representation that did not include Europe, despite the conference being in Copenhagen, not Japan.

The shifts in *world leadership* represent another example of how South agency is influencing or may influence world politics. It is true that the reform of the UN Security Council, under "open-ended" negotiation for almost 20 years, is still unimpressive. In the last five years, though, it has gained considerable momentum – mostly due to the increasing clout and insistence of emerging powers. It still falls short of progress in redrawing the geographic composition of the body. However, emerging countries, as demonstrated by the example of India, Brazil and South Africa, form alliances to back each other up in their bids as regional representatives to the UN Security Council. Where the progress has been more significant is the real replacement of the G7 by the G20, imposed by the recent crisis. Africa is strongly challenging the fact that the G20 includes only one African state and has, so far, obtained that several others are "invited". This is likely to change. The new model is already addressing issues that go beyond the responsibilities of any one organization, creating new forms of multi-polar legitimacy.

The current crisis has shown there is a need for new rules, institutions and services to help solve the world's major problems and that there is no more world leadership without acknowledging a renewed South agency. As developed countries emerge weakened from the global economic crisis, there may be opportunities for developing and emerging countries to push for policy space with a view to creating greater transparency and inclusiveness in international affairs.

In this emerging reconfiguration, it is important for smaller African countries, and particularly LDCs, to develop strategic partnerships with the emerging economies so as to ensure their policy views are reflected and their interests are properly represented (Malhotra 2010).

New Opportunities

The digital technology revolution that eliminates barriers of geography, distance and time has a major impact on the global economy and represents a new window of opportunity for the South to increase its significance. Technology developments in the past few decades have significantly transformed the way people communicate and how businesses operate across the globe. Of the 6.5 billion people in the world, more than half have mobile phones and almost a quarter have Internet access. In some areas, Africa is showing significant progress. Today, the African cell phone market is the fastest growing in the world. The African telecommunications sector is one of few where indigenous capitalist participation is significant, but it has also attracted the attention of telecommunication giants outside the continent, most notably Indian firms that have recognized this dynamic.

Economies are becoming increasingly reliant on exploiting technologies to create or add value to existing resources. The technological innovation drive obliges everyone to reposition themselves. And the South has come out better from this challenge, so far. Defining the boundaries and contours of intellectual property as well as designing a balanced intellectual property regime is where the real future battle lies, and this is not going to be easy.

Demography, migration and urbanization are other visible terrains of transformation and probable international polarization. And that would need to be addressed holistically, comprehensively and with increasing urgency. These are some of the trends in which South agency will have to manifest itself if the rise of economic power is to be transformed in a sustainable path for the future.

Since the beginning of this century, a true African renewal has been on the screen: dramatic reduction of the number of civil wars, fortification of peace-building and constitutional processes, advances in democratic governance (confirmed by both the Harvard and Ibrahim indexes), historic reserves, one-digit average inflation, and rapid progress on MDG indicators. However, the negative narrative about the continent has not yet changed: ample resonance on the Darfur conflict, major disruptions emerging from Somalia – including piracy – and hunger looming as a result of increases in food prices. One can add the odd *coup* here and there, and some presidents' theatrics as well. This is all true. It is also right to point to social differences and crime in South Africa as amplified by Western media during the World Cup. We can continue the list of bad news, basket-cases and the like. The continent is doomed, said the cover of *The Economist* a decade ago. Let us quote one great African intellectual, Claude Ake, who said:

> At independence the form and function of the state in Africa did not change much for most countries in Africa. State power remained essentially the same: immense, arbitrary, often violent, always threatening. [...] Colonial rule left most of Africa a legacy of intense and lawless political competition amidst an ideological void and a rising tide of disenchantment with the expectation of a better life (Ake 1996: 6).

Claude Ake, who left us prematurely, wanted the historical context to be acknowledged. We can see truth in what he said. However, we have to admit, something is changing in the world and around the continent. Africa is about to have 1 billion people. Something is changing inside it. Let us be prepared to understand the complexities of these trends without falling prey to the customary storyline.

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Neue Brüche, alte Wunden: Afrika und die Erneuerung der *South agency*

Zusammenfassung: In jüngster Zeit ist Afrika als Teil des *emerging South* in den Vordergrund der Weltpolitik gerückt. Seine zunehmende Prominenz im globalen Diskurs als *new frontier of development* signalisiert die Anerkennung des ökonomischen Potenzials des Kontinents. Tatsächlich konnte Afrika im vergangenen Jahrzehnt eine durchschnittliche jährliche BIP-Wachstumsrate in Höhe von 5 Prozent verzeichnen. Aber es geht um mehr: Die wachsende Wahrnehmung des afrikanischen Kontinents ist Ausdruck der immer wichtigeren Rolle einiger afrikanischer Länder bei der Entstehung einer neuen *South agency*. Die Süd-Süd-Kooperation wird wieder als Möglichkeit erkannt. Die Diskussion der aktuellen Lage Afrikas – in all seiner Vielfalt zwischen subsaharischem Afrika, Maghreb und Ägypten – muss in diesem umfassenderen Kontext geführt werden. Die Erneuerung der *South agency*, die im vergangenen Jahrzehnt zu beobachten war, ist nicht gleichzusetzen mit der trilateralen Allianz Asien-Afrika-Lateinamerika in der Phase der Dekolonisation. Jüngste Megatrends signalisieren, dass der "globale Süden", vorangetrieben von einigen Regionalmächten, bei der Gestaltung des 21. Jahrhunderts eine ganz wesentliche Rolle spielen wird. Ein Verständnis für die Komplexität dieser neuen Akteursrolle zu entwickeln, ist die Voraussetzung, wenn man alte Wunden ansprechen will, die in nicht allzu ferner Vergangenheit die Herausbildung einer Stimme des Südens begleiteten.

Schlagwörter: Afrika, Wirtschaftliche Entwicklung, Süd-Süd-Beziehungen, Internationale Beziehungen