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# **Is South-South Co-operation still Possible? The Case of Brazil's Strategy and Argentina's Impulses Towards the New South Africa and Africa<sup>1</sup>**

IN THE 70s, the countries of the South launched the idea of South-South cooperation to strengthen their capacity of negotiation with the North, through cooperative efforts aimed at solving issues of trade, development and the new international economic order. The success of the political bargaining that took place during the petrol price shock of 1973 served as a model of productive negotiation. However, the overall project of cooperation failed because of its loose nature and broad scope: the fallacy of the argument was its basic assumption that all underdeveloped countries had more commonalities that they really had, and that all solutions could be uniformly applied to each of them with equal success.

In the 80s, the debt crisis might have offered a good opportunity for coordinated action. However, bilateral actions implemented by developed countries together with private creditors, in addition to the indebted countries' economic frailties, dissolved the attempts of multilateral cooperation; although, Latin American countries were still able to develop agreements regarding common policies for conflict resolution in the region.

The debt crisis and the end of the Cold War in the late 80s hindered the Southern states' capacity for multilateral negotiation and bargaining power due to the East-West conflict. During the 90s, the effects of globalization exemplified that there were new winners and losers, but that almost none of the winners were among the developing countries.

Nowadays, the countries in the South are facing essential challenges, such as the dislocations produced by rapid social changes and the dissolution of traditional patterns of social life, major economic restructuring caused by globalization trends and domestic crises, and the broken promises of recovering democracies.

In this context, the idea of the South-South cooperation has reappeared on the agendas of some states, with modifications dictated by their past experiences. A new selective cooperation is developing in terms of actors and themes. Thus, it is possible to make progress in functional cooperation in fields such as democracy, social justice, development, trade, investment, environment, and security problems. An alternative is to take advantage of all the opportunities in the sphere of bilateral and multilateral relations, and gradually build a community of like-minded countries, through a critical dialogue and better mutual understanding.

The task seems to be very complex because, despite having problems in common, greater and mutual knowledge is needed to cope with the various constraints arising from the international system and the domestic setting. Furthermore, we need a more sophisticated theoretical and methodological approach in an increasingly polarized world that is also facing the threats of violence, terrorism and war. We also need to deepen our discussions about the most appropriate policies for constructing and consolidating horizontal ties between states, regional organizations and social movements, in order to promote and defend specific interests in the international arena.

Even though this study deals with inter-governmental relations, it is important to recognize the increasingly significant role that our civil societies are playing in order to react to what seems to be a "unique thought and an irreversible trend". These social movements, expressed in the World Social Fora, condemn the negative effects of neoliberalism and the northern states' attitude towards free trade. While the industrialized countries link the refinancing of the foreign debt of our countries to the implementation of neoliberal reforms and free trade, they protect their markets, denying free access to our products.

It is interesting to note that these same positions have recently been defended by the G22 (or G20+) at the inter-governmental level in Cancun, under the leaderships of Brazil, India, South Africa, Argentina and China. This group is a broad-based coalition with a new positive force aiming at showing our colleagues of the developed world on what and how we disagree.

This new force, including countries from Africa, Asia and Latin America, is emerging as an alternative to the mainstream in developed countries, bringing some hope to the people of our regions. Nevertheless, a lot must be done, since our countries have now very little leeway, both at the systemic level and at the domestic one. The post Cold War international scenario does not offer any certainties and is increasingly unstable, both in terms of reaching a lasting peace and of improving the economic conditions for the development of our people. Neither are internal conditions very favorable, due to the negative consequences resulting from the neoliberal model of the 90s, which, among other effects, produced a minimization of the state, depriving it of the minimum conditions required to watch over the welfare of its people.

However, the acceptance of our present conditioning as inevitable only leads to stagnation. Therefore, we should advance in the search for possible options to extend the negotiating ability of public and private actors, as there is nothing worse than inaction. Although such a proposal may seem idealistic *vis-à-vis* our countries' schizophrenic external agendas and our shortage of human and material resources, the aim of this paper is to make clear, through a case study, both the limitations and the possibilities of promoting and widening South-South cooperation.

The following analysis, referring to Argentina's and Brazil's foreign policies towards South Africa in the framework of their relations with African states, is located in the context of this general proposal and has the aim of promoting avenues of research within South-South cooperation.

## **Argentina and Africa: a relation shaped by impulses**

The foreign policy of Argentina towards the African states, from their independence until the end of the 90s, shows a pattern of relationship oriented by what I call "impulses". These impulses generated an inertial process, thus creating a spasmodic relationship. By "impulses" I mean external actions, normally without continuity, showing short periods of good understanding. These impulses were generated by a particular necessity or opportunity that was the basis of the approach. Thus, the intended objective turned out to be the content of the political action. That is why it is possible to talk about impulses with ideological, political or commercial objectives, according to the current needs of the decision-making units.

The political objectives aimed at creating an institutionalized diplomatic network in the framework of the principle of universality of international relations. Consequently, some embassies were opened (five in North Africa and nine in Sub-Saharan Africa), diplomatic missions were carried out, and framework agreements were signed. At this level, and generally speaking, the aim of the approach was to convince African states of Argentina's reasons to claim the Malvinas, and in exchange, to defend several African demands within international organizations.

Commercial objectives were present in almost all impulses as a result of Argentina's need for new markets, taking into consideration the protective measures of the European Economic Community –now European Union - particularly since the implementation of the Common Agricultural Policy. But the ups and downs of the trade relation were due to the level of activism of private actors, and almost never a consequence of a political decision on trade policy, as the different Argentinean governments have never been keen on drawing up trading strategies. The strategic objectives were closely related to a Cold War scheme, attaching importance to the relationship with "Anticommunist, White South Africa", particularly during military regimes.

Therefore, impulses led to an erratic foreign policy towards African states, with a low profile, according to the level of significance of South-South relations within Argentina's foreign priorities, which were directed towards the US, Europe, and sometimes Latin America. The African states were left aside, and so were the Asian ones. But when there was an impulse, normally generated in Buenos Aires and directed towards any African state, the Argentine government usually received a complaint from its African partner with regard to Argentina's relations with racist South Africa. On the other hand, and in opposition to this usual tendency,

the relation with South Africa showed a scenario of mutual impulses, particularly during the last military government in Argentina (1976-1983).

This policy propelled by impulses reflects a particular decision-making process. Considering the low priority of African states in Argentina's Foreign Policy, decisions have been taken at an intermediate level in the decision-making structure, at what is called the routine level. At the same time, some initiatives to increase relations at a bilateral and a multilateral level (in the framework of the Non-Aligned Movement or the United Nations) were due to the goodwill and imagination of officials in the Ministry of Foreign Affairs or, at that time, in the Department of Industry and Foreign Trade. The recommendations of some of our representatives in the UN, the energy of some ambassadors located in African capitals –which most of the time had to strive against Buenos Aires' inertia– and the activism of representatives of local firms (who wanted to do business in Africa), should also be taken into account. Even though those initiatives could sometimes grow and become external actions, they were not necessarily successful, due to the lack of coordination among the different governmental agencies.

Thus, the impulses reflected different initiatives generated in Buenos Aires, but without continuity, as they were not a part of any formal foreign policy initiative. Their intensity was directly related to the objective proposed, thus defining the location of the action in the decision making process according to Argentina's global priorities. This explains why the majority of the decisions related to African states were taken at the routine level. The most relevant exception was the breakdown of diplomatic relations with South Africa in 1986, and their subsequent re-establishment in 1991. This high-level decision-making process, together with the mutual impulses, makes South Africa's case exceptional in the framework of Argentine-African relations (Lechini, 1995).

During the 80s, with the re-establishment of democracy in Argentina, this policy shaped by impulses seemed to change. Alfonsín's government (1983-1989) began to implement an African policy within the Non-Aligned Movement. In that context, though trade and military relations continued, Argentina broke of diplomatic relations with Pretoria, putting an end to a dual policy toward African states and an ambiguous policy toward South Africa.

The dual policy refers to the differences shown between the multilateral and the bilateral fields. That is to say, Argentina backed resolutions condemning Apartheid in international organizations, and simultaneously maintained normal bilateral relations with the government in Pretoria. Ambiguous policy refers to the lack of definition on the part of Argentina when it was under pressure to adopt a position between Black Africa and South Africa. Although the tendency was to improve the relationship with Sub-Saharan Africa, Buenos Aires did not take up radical attitudes as regards Pretoria, ignoring the African demands to break off diplomatic relations with South Africa's White government –an issue always present in Black African countries' external agendas<sup>2</sup>.

Alfonsín's administration initiated a period of increased contacts with Sub-Saharan Africa. It was believed that an alliance among the countries of the southern hemisphere could help secure areas of relative power on the basis of policies of cooperation. Foreign Minister Dante Caputo began to shape an African policy under the assumption that increasing both bilateral and multilateral political relations would also increase trade relations and foster South-South cooperation. His interest was also shown through diplomatic actions such as sending missions to Africa, opening new embassies, signing agreements, and developing activities in the sphere of scientific and technological cooperation.

However, in the 90s, with president Menem at the helm (1989-1999), Argentina's African policy vanished. The main features of his foreign policy were an "acritical alignment" with the United States and the acceptance of the requirements of the Washington Consensus. Belonging to the Non-Aligned Movement was considered irrelevant, as was association with African countries. Having lost the possibility of blackmailing either the East or the West, they were considered incapable of giving appropriate answers to a competitive and exclusive globalization. Thus, a period barren of strategies or actions intended for African countries –with the exception of North Africa– started, followed by the closure of embassies (Tanzania, Ethiopia, Ivory Coast, Zaire and Gabon) under the argument of budgetary constraints. Yet, despite the low profile of African countries, diplomatic relations with South Africa were re-established in 1991, even when the democratic transition process did not, at the time, allow to predict the successful way out that took place in 1994. A new partner was chosen.

## Argentina and South Africa in the nineties

A new impulse towards South Africa was born, with a tendency to increase commercial links and to receive investments, but showing a certain void in political-diplomatic relations. This vacuum could have been justified during Menem's initial years in charge of the administration, by taking into consideration South Africa's internal political process. Yet, it cannot be justified at a time when a new democratic, multi-racial government took power with Nelson Mandela as the elected president.

As soon as Mandela took office, Menem made explicit his strong will to visit South Africa. The trip took place on February 25, 1995. But the presidential visit did not show definite results. Taking into account the democratic changes in South Africa, a higher density of diplomatic relations was expected, particularly in comparison to Brazil. Much more could have been done between both countries in the building up of a common political agenda.

The conditions existed to generate a rapprochement that made the development of common agreed policies feasible. However, it was only another new impulse, which, although allowing an increase in commercial relations –in many cases carried out by transnational actors– was not part of a policy design, due to the lack of political will. The Argentine foreign policy had other priorities.

After the impulse resulting from the presidential trip, relations with South Africa reverted to nothing more than a series of sporadic actions, with increasing density depending on the goodwill of the officials in different areas, but without producing relevant political consequences. This can be verified by analyzing the mutual visits as well as the moments in which they occurred. The top level of South African officials who visited Argentina during those years showed a high political interest from Pretoria<sup>3</sup>.

In this context, it is important to note the South African interest, shared by Brazil, in strengthening the commercial links through negotiations with MERCOSUR. An example was president Mandela's visit to Argentina for the meeting of MERCOSUR's presidents– and the associated countries, Chile and Bolivia– held in July 1999 in Ushuaia. Three bilateral agreements were signed on that occasion: an Agreement on Reciprocal Promotion and Protection of Investments, a Memorandum of Understanding on Consultations about Common Interest Issues, and an Accord on Cooperation and Mutual Assistance in the Fight against Narcotic and Psychotropic Substances' Illicit Production and Traffic<sup>4</sup>.

Even though the density of the political-diplomatic relation was not in accordance with its potentialities, a different analysis can be carried out using the concept of "micro relations". This concept refers to "relations taking place at a different level, that of smaller bureaucratic units and private actors". Accordingly, the bilateral relation has been growing, and thus creating a network of interactions across the South Atlantic Ocean.

One relevant area refers to the blossoming of interactions between the Argentine and South African navies, centered around the South Atlantic and with strategic economic cooperative connotations. With the end of the East-West conflict and the alignment with the United States, the Argentine government turned to a cooperative security agenda. In that context, the objective was to strengthen the relations in the South Atlantic through the participation in the ZPCSA (Zone of Peace and Cooperation in the South Atlantic) and military cooperation in the so-called Atlas Sur Operations.

With the political-diplomatic relation repaired and the links among the respective navies bolstered, previous contacts turned into definite cooperation in February 1993, through the first combined naval exercises in Argentine waters<sup>5</sup>. These so-called Atlas Sur Operations began to take place every two years. They consist of anti-submarine and anti-aircraft exercises, tactical and refueling maneuvers, and shooting at surface and aerial targets.

The first operation, Atlas Sur I, was carried out between Argentina and South Africa in 1993. Brazil and Uruguay took part in the following ones<sup>6</sup>: Atlas Sur II, in front of Cape Town's coasts, in 1995; Atlas Sur III, on the occasion of the South African Army 75<sup>th</sup> Anniversary and with the presence of the Chief of the Navy Admiral Carlos Marrón, in 1997; Atlas Sur IV, on Latin American coasts, in 1999; and Atlas Sur V, at Simmonstown, South Africa, in 2002. Atlas Sur V

also coincided with the 80<sup>th</sup> Anniversary of SAN. Atlas Sur VI was scheduled for 2005, and will be hosted by Uruguay.

Despite the budgetary constraints experienced, all the participating members have shown a continuing commitment towards Atlas Sur. In this cooperative context, it is important to note that the Atlas Sur operations are the only regularly scheduled exercise program of South Africa's Navy with foreign partners. In addition, Argentina's and South Africa's Armies signed an Agreement on Cooperation in Peace Times, in Buenos Aires, on October 6, 1997, passed by law 2514/99 in 1999.

Although the Argentine governmental answers to South African initiatives could be considered lukewarm, private firms developed intense negotiations. During those years, Argentine companies visited South Africa to explore new possibilities backed by agendas supplied by the Argentine embassy. Officials promoted the country not only in the academic but also in the business field, expounding on the Argentine economy and on the possibility for investing and developing bilateral trade.

Therefore, from the Argentine perspective, the most outstanding area was bilateral trade, with figures tripling from the beginning of the 90s until the end of the decade, showing a favorable trade balance for Argentina –except for 1993– and making South Africa an important market in the region. Although in the first quinquennium Argentine exports quadrupled, one cannot establish a direct relation between this increase and the re-establishment of diplomatic relations<sup>7</sup>. Argentine imports also increased remarkably during the first three years of the decade, fluctuating less than exports afterwards. But the effect of imports from South Africa in the whole of Argentina's imports from Africa is noteworthy, having stood 92.49% in 1990 and 83.50% in 1992, but falling to less than the 50% during the second quinquennium, and to only 19.19% in 2000.

Due to its significance, it is worthwhile to mention the continuity of Argentina's participation in SAITEX, the most important multi-modal fair in the region. A silver medal was obtained in 1994, and a bronze one in 1995. For 1998, the Argentine stand gathered 32 exporting companies together with the Bilateral Trade Chamber. In the following year, it signed up only one firm, because Argentina changed the participation criterion. After five years of a worthy performance in this fair, the decision was to direct energies at more specific ones<sup>8</sup>.

On the other hand, the growth of South Atlantic contacts allowed an expansion of air links: to Malaysian Airways' two flights per week between South Africa and Argentina, South African Airways added –since November 30, 1995– another weekly flight between both destinations, with a stopover in São Paulo<sup>9</sup>.

Academic contacts have also been increased, and most of the time with the backup of the Ministries of Foreign Affairs. The core issues discussed refer to the analysis of the varied possibilities of comparing and linking the two respective integration processes, MERCOSUR and SADC, to which I will refer later.

To sum up, Argentina's diplomatic relations with South Africa show some particularities, which make them different from those with other African states. Up to Alfonsín's government, mutual impulses generated a certain density of relations. The breakdown of diplomatic relations provoked a watershed, with the subsequent absence of political relations and impulses. But bilateral trade continued on separate avenues and was not strongly affected. The breaking-off of diplomatic relations was not an impulse; it was part of the general strategy of the foreign policy of Argentina at that time. The objective was to recover the credibility lost in the international setting under the military governments, and to defend the Human Rights cause.

The quick re-establishment of diplomatic relations decided by Menem turned that policy into an impulse. Even though during his administration a higher density of bilateral relations took place, South Africa was not included among Argentina's priorities. That is why the external actions were transformed into a new impulse, aiming at very specific objectives and missing a good opportunity to build common South-South political agendas. This impulse, with its peak during Menem's visit to South Africa, is much more connected with the way in which the president built his own image, under the assumption that this image was the final representation of his country, which deserved a place among the most important nations in the world.

During the 90s, the pattern of relationship developed as follows: the goal of the South African rapprochement was to learn from the Argentine experience in the privatization process

and economic reform, and the Argentine goal was to attract South African investments in mining and to increase exports by selling agricultural commodities.

With the coming of Fernando De la Rúa to the presidency in Argentina (1999), and despite the set of proposals of the Alliance that took him to power, substantial changes were not observed either in foreign policy or in relations with the states of the African continent.

The internal political and economic crisis that culminated with the president's resignation obliged all government agencies to use their energy for its management, both in its domestic dimension as well as in its international implications (Lechini, 2001). With president Eduardo Duhalde's inauguration on January 1, 2002, a certain internal stability was attained. However, after having declared a default, the negotiation of the foreign debt consumed almost all the energy of the government, leading to a reactive and inertial foreign policy.

## **Brazil's African policy**

Brazil's relations with African states are different from those of Argentina, because *Itamaraty* constructed an African policy, with ups and downs, in the framework of a global strategy of its integration into the world. Although in the 60s both Brazil and Argentina began to design strategies with regard to the new African states, with Argentina even taking the lead, over the years their approaches showed different features. Brazil designed and implemented a set of political and diplomatic actions aiming at building a "critical mass" of commonalities, and Argentina created a spasmodic-like relation.

Though Brazil's African policy was characterized by Brazilian academics as a diffuse process, it turns out to be coherent in comparison with Argentina's impulses. Impulses in Brazil were "accumulative" and made possible the existence of a certain density of relations between Brazil and Africa, in what can be considered an "incremental policy". Unlike Argentina, impulses were generated at the upper levels of the decision-making process.

Thus, Brazil's foreign policy shows many more continuities than Argentina's, even with the changes in regimes (there were democratic and military regimes in both countries). In this context, the Brazilian Ministry of Foreign Affairs, *Itamaraty*, was able to maintain a great level of independence, even with different governments, in comparison with Argentina. With all possible nuances, there is a certain continuity in the design and implementation of Brazil's foreign policy, connected with the internal development project: national development through imports substitution.

As African states had a place in Brazil's foreign design, political actions resulted in the construction of an African policy. That explains the higher density of first diplomatic and then commercial relations. The rapprochement with African states had a political nature in the context of South-South relations, and a pragmatic commercial nature due to the interest in diversifying trading partners. This rapprochement, justified with a principle –the development of South-South solidarity– was inserted into a global strategy: the purpose was to have an international presence through the diversification of external relations and the building of alliances with the new states in the South, thus allowing Brazil to have a say in global issues. Perhaps these new relations can also be explained through the impossibility, at that stage, of having better relations with Latin American states, and particularly with Argentina, owing to the hypothesis of conflict between both countries' military governments.

Even though Brazilian officials resorted to a "cultural discourse" or "cultural diplomacy" recalling Brazil's African heritage –it is the country with the biggest African population outside Africa–, new actions were necessary in order to convince African states of Brasilia's intentions. Embassies were opened, and high-level missions were sent. Technical and academic cooperation was developed, and research centers were established. The seventies were termed as the "golden period" of Brazilian-African relations (Saraiva, 1996).

However, this policy had external conditionings. Although Portugal was very keen on any Brazilian development in the colonies, Brazil decided to recognize Angola's and the other Portuguese colonies' independence in spite of external and domestic pressures. On the other hand, the relation with South Africa showed varied angles. As in the case of Argentina, the African states always demanded the breakdown of relations with the racist government. Nonetheless, Brazil did not need to appeal to such a drastic action to show its commitment

towards African states and South Africa's people. This could be explained by the fact that Brazil had generated such a density of relations that not even the shadow of a doubt was left regarding Brazilian intentions.

The evolution of Brazil's policy towards South Africa in the most general framework of Brazilian-African relations also showed oscillations. Nevertheless, a lower profile was being defined, according to the improvement of Brazilian's relations with African states and the deterioration of South Africa's domestic situation. Therefore, South Africa's domestic policy became a participant variable in the development of Brasilia's relations with Pretoria. As in the Argentine case, the strongest impulse stemmed from South Africa with its "outward policy", holding strategic and commercial objectives.

In the bilateral relation Brasilia gave tepid answers to South African impulses –until the middle of the seventies– which were understood by academics as ambiguities (Vilalva and Gala: 2001: 55), hesitations (Penna, 2001), oscillations, contradictions (Saraiva, 1996) or ambivalences. Thus, the policy towards South Africa presented oscillations, as a consequence of the difference between principles and specific interests. It was a feasible adaptation of the clear and continuous objectives of national development. With these oscillations, Brazil tried to separate the approach to Black Africa from the traditional friendship with South Africa. Vilalva and Gala (2001: 40) illustrate this with the image of "two doors opening to Africa: *the black door and the white door*", the idea being clearly unfolded in the divergent opinions of Delfim Neto, the Treasury Minister, and Gibson Barboza, the Foreign Minister.

With the return to democracy in Brazil, Sarney's government passed the so-called Sarney Decree of 1985, which added new prohibitions to previously existing ones, banning cultural and sports exchanges, and oil, arms and military equipment exports. This decision, as well as the breaking of diplomatic relations that would be implemented by Argentina the following year, were the answer of both Latin American governments –now democratic– to the aggravation of repression by the white South African government, not only within the country but also in the Southern African region.

### **Brazilian policy towards South Africa after 1994**

During the 90s, the Brazilian-African "honeymoon" showed its limits. Foreign Policy suffered some changes, particularly because of the end of the import substitution model and the new neoliberal orthodoxy implemented by Brasilia. And even though the diversification of external relations continued to be the objective in order to increase power in the international system, the setting moved from Africa to Latin America and the MERCOSUR. Furthermore, domestic-economic problems both in Brazil and in the African states contributed to the decline in the trans-Atlantic relationship, and the cooperative dreams vanished due to "Afro-pessimism".

At that time, the "grand strategy" turned into a "selective policy", fostering relations with those countries which were in condition to reply to Brazil's new requirements. The South-South cooperation of the 70s was now termed as "a strategic partnership". The African policy was reduced to some countries and to certain issues: bilateral cooperation with South Africa, Angola and Nigeria, multilateral cooperation with SADC –under the MERCOSUR umbrella–, with the newly created Community of Portuguese-speaking Countries and within the Zone of Peace and Cooperation in the South Atlantic. Within this framework, diplomatic and political relations with the new South Africa became increasingly significant. From having no policies towards Pretoria –particularly after the Sarney Decree– Brazil moved forward to considering South Africa as a strategic partner in varied issue areas, and particularly in the multilateral arena. The level of the exchanged visits gives an account of the importance granted to the bilateral relation<sup>10</sup>. President Cardoso's visit to South Africa (1996) accompanied by ranking officials, and the subsequent signing of eight bilateral agreements, showed the increasing importance of these new ties. The strategy had two legs. The political dimension referred to the possibility of developing cooperative efforts in multilateral negotiations. The economic dimension aimed at fostering the existing commercial potentialities<sup>11</sup>.

Comparing the preparatory works, the mission's development and its subsequent results with the visit of president Menem to South Africa the previous year, both government's intentions towards South Africa appear obvious: a high political-diplomatic profile and an outline

of commercial diplomacy in the case of Brazil, and in the case of Argentina a strong presidential urge to be in the limelight.

At any rate, Brazil's bilateral relations with South Africa did not end with the visit of Cardoso. Moreover, they were deepened and on December 13, 2000, it was signed the South Africa and Brazil Joint Commission Agreement<sup>12</sup>, during Mbeki's state visit to Brazil. This Agreement was put into practice with the subsequent bilateral meetings in Brasilia (2002) and Pretoria (2003). The inaugural meeting was held in Brasilia from August 5 to 9, 2002. The Agreement provides for two levels of engagement: political discussions between the principals (i.e. the respective Ministers of Foreign Affairs), and "focal point" discussions on mutual cooperation in various fields, at officials' level.

In this context, it is interesting to highlight that Cardoso and Lampreia laid the foundations of a relation that the new president Lula and his Foreign Minister Amorim would continue deepening and expanding. Consequently, the second meeting was celebrated on May 7, 2003, in Pretoria, and the third on January 2, 2004<sup>13</sup>.

## Commercial multilateralism

Together with the intensification of bilateral relations with the now democratic South Africa, the negotiations for the signing of a Free Trade Agreement between MERCOSUR and SADC also started during Cardoso's administration. Although the only African partner was finally South Africa, Brazil wanted to include Angola, Mozambique and Namibia. With the first, Brasilia conducts significant cooperation and trade; with Angola and Mozambique, cultural and political projects; and with Namibia, it has growing interests.

From the South African point of view, the idea of an association across the South Atlantic was mentioned in all the bilateral meetings with Brazil and Argentina. At the same time, this idea was backed by actions, such as the visit of president Mandela to Ushuaia, during a MERCOSUR Summit on July 24, 1998. Finally, on a new MERCOSUR Summit on December 14, 2000, in Florianopolis, Brazil, the Project for an Agreement for the creation of a Free Trade Area between MERCOSUR and South Africa was signed, with the presence of the new South African president, Thabo Mbeki.

*Vis-à-vis* the aforementioned agreement, the parties constituted a negotiating committee in order to exchange information concerning the existing tariff in each Party, bilateral trade and trade with third countries, the respective commercial policies and the access of each Party to the market (Art. 5). They also arranged to boost commercial promotion activities, to develop combined actions for the fulfillment of cooperation projects in the agricultural and industrial fields, and to promote cooperation in the sector of services, in the areas dealing with vegetable and animal sanitary conditions, and in the standardization and quality of foodstuffs.

As a proof of Latin America's intentions, the first combined commercial mission of businessmen from MERCOSUR's four partners was sent to South Africa on June 24-28, 2002, to promote products abroad<sup>14</sup>. At the meetings, stress was placed on businessmen's interest on the extensive range of opportunities offered not only by the South African market per se, but also as an exportation platform to other Southern Africa markets, to the whole continent and perhaps to the European Union, as from recent EU-South Africa agreements.

At the same time, this commercial mission constituted a challenge and a "test case" for the process of regional integration. The combined commercial promotion offers a window of opportunities that would fulfill a MERCOSUR foundational aim: to integrate in order to compete in the world<sup>15</sup>.

Parallel to the private meetings, negotiators of MERCOSUR's four countries and of South Africa worked in a second round of talks to advance negotiations for the Free Trade Agreement, through the first mutual reductions in tariffs under a case-by-case system<sup>16</sup>.

It was a gradual process. A new meeting took place in August 2002, in Brasilia, where it was resolved to give a formal start to the negotiations for the free trade area, in view of the next meeting that occurred on November 4-5 in South Africa.

However, and despite the strong initial step, the succeeding negotiations have been slow due to the difficulties in agreeing on which sectors would benefit from reductions. To justify the



slow pace, some have argued that South Africa has now included the SACU (South African Customs Union) in the negotiations<sup>17</sup>. In addition, an African lack of knowledge of the modalities of negotiation proposed by the members of MERCOSUR, who attempt to develop an ALADI-type model, has been adduced. The Latin American Integration Association (ALADI) created in 1980 provides for the concession of tariff preferences on specific groups of products, constituting a more modest model of commercial liberalization than the free trade zone. Moreover, as the current MERCOSUR-SACU trade does not have the volume yet to clearly foresee the parties' commercial sensibilities, time would be needed for the identification of products to be negotiated on the part of the respective business communities, which would have to identify their interests. Nevertheless, the final agreement is expected to be signed before the end of 2004.

## **The re-launching of Brazil's African policy**

At this point, it is convenient to clarify that in the case of Brazil, the change of government with the assumption of president Luiz Inácio Lula da Silva on January 1, 2003, promoted the deepening of relations with Africa, and specially with South Africa, not only at the level of discourse but with specific actions. During the first year of Lula's government, the Ministry of Foreign Affairs carried out a tour through several states of Sub-Saharan Africa and organized the Brazil-Africa Forum, and the president visited the continent.

A few months after Lula took office, the Brazil-Africa Forum was inaugurated with a mega-meeting in Fortaleza on June 9-10, 2003. The subjects simultaneously undertaken were: political and social affairs, economy and trade, and education and culture. These summarize the prioritized areas in the re-launching of cooperation. The Forum was organized by Brazil's Ministry of Foreign Affairs in coordination with the Group of African Ambassadors in Brasilia, with the presence of diplomats, officials, scholars and businessmen. A sign of South African interest was the participation of Foreign Minister Dlamini Zuma as part of the African continent delegation, which included, among others, Cape Verde, Gabon, Ghana, Morocco and Angola.

It is worth mentioning that during the meeting Brazilian officials did not abandon the "cultural discourse" based on two pillars: the significance of African culture in the Brazilian ethos, and the great debt that Brazil has with the African continent since the period of slavery.

The event was organized after a visit to the African countries in May by Minister of Foreign Affairs Celso Amorim. This visit was preparatory of the presidential tour held in November 2003, and aimed to show the political will to regain a space in Brazilian diplomacy. Foreign Minister Amorim visited Mozambique, São Tome and Príncipe, Angola, Ghana, Namibia, Zimbabwe and South Africa to "strengthen the dialogue and the coordination between the respective governments". Among the chosen countries, South Africa still occupies the most important place, as a "spearhead" for developing a more solid relation with the other states of Africa – particularly with the Lusophone group of countries.

After underlining the political dimension of his visit to Pretoria, the Foreign Minister stressed the identification and establishment of synergies and the strategic managerial and political convergence between both countries. However, it should be noted that the partners privileged in Sub-Saharan Africa are almost the same than under Cardoso's selective African policy. What it is observed with Lula is a deepening and consolidation of the already established relations with certain partners, rather than an enlargement.

In addition to Amorim's visit, and as part of the strategy of Brazil's new foreign policy, in November 2003 president Lula –together with ten ministers, two secretaries of state and other guests, making up a total of 60 people– visited São Tome and Príncipe, Angola, Mozambique, Namibia and South Africa. About forty cooperation agreements<sup>18</sup> were signed.

This time South Africa also received most of the attention, in accordance with the issues discussed. The definition of a date to end the MERCOSUR-SACU negotiations was one of the results of president Lula's trip. The other was the signing of a bilateral agreement on scientific and technological cooperation including combined research in human, social and natural sciences. This cooperation comprises specific areas, such as agricultural processing, industrial technology, biodiversity, biotechnology, energy, clean technologies, information and communication technologies, materials research, space science and astronomy<sup>19</sup>.

## Enhanced South-South cooperation: IBSA and G20

By selecting South Africa, the Brazilian government went a step further from the traditional strategies adopted in its quest for a new African policy and a strengthening of the foreign relations established by the MERCOSUR. Such a choice suggests the inclusion of South Africa in a trilateral strategy (known as the South-South-South diplomatic encounter) which includes India as well. This initiative is not new: in the 90s Alec Erwin, minister of Trade and Industry of South Africa, had already envisioned the existence of a G7 for the South in order to solidify areas of convergent interests related to multilateral fields, such as the UN and WTO. Regardless of its origin, this idea grew and developed throughout a series of international meetings attended by representatives from the three countries at the highest level, and leading to the final meeting in Brasilia on June 6, 2003, with the presence of the Ministers of Foreign Affairs of Brazil, Celso Amorim; of South Africa, Nkosazana Dlamini Zuma; and of India, Jaswanth Sinha.

In the Brasilia Declaration, the participating ministers stated that “the activities of the Group of like-minded diverse mega countries should gain even greater importance, as they have laid the foundation for strategic South-South cooperation on a structured basis”. They likewise stated that trilateral cooperation should focus on key areas that would guarantee short to medium-term results. The most efficient practices adopted by the three participating countries were to be showcased as examples to other developing countries. Their goal, as expressed in the Declaration, was to make the diverse processes of globalization inclusive, integrative, humane and equitable. A Trilateral Committee was formed to enable such cooperation. The Foreign Ministries would co-chair the meetings and operate as the focal points of activities. The secretariat facilities were to be coordinated by the Secretary in charge of the area at issue and within the Foreign Ministry of the host country.

The Group was formally launched at the 58<sup>th</sup> United Nations General Assembly in September 2003. The then Minister of Foreign Relations of Brazil expressed the significance of this association in these words: “We have thought it would be best to begin with a nucleus that is not too large. Why not three? India, South Africa and Brazil, three great democracies on three continents –that is a good basis for discussion. Here in New York, we have decided to create a trilateral commission within the framework of this G3 to discuss cooperation projects. We shall attempt to coordinate our positions, for example with regard to the International Labor Organization, the World Health Organization and, of course, the WTO”<sup>20</sup>.

The three countries are considered important in their respective regions; they face similar situations and have similar interests. Their objective is to maximize their joint approaches and synergize their efforts in promoting a coherent strategy when dealing with international organizations such as the WTO on issues of public health and pharmaceutical patents. Only by acting cohesively and in unison can they overcome common handicaps on critical issues such as securing agreements on agriculture subsidies, TRIPS and public health. They have also identified the diverse areas of excellence each of their societies possess, especially in the fields of science and technology (biotechnology, alternative energy sources, outer space, aeronautics, information technology and agriculture), thus offering a broad range of potential opportunities for trade, investment, travel and tourism. However, by giving priority to the promotion of social equity and inclusion, they showed their interest in the welfare of their respective societies and, at the same time, one of their weakest points: the social question.

Likewise, they share other topics in the international agenda, such as the strengthening of the UN and their aspiration to secure places as permanent members of the Security Council if its structure were to be reformed and enlarged. Interestingly, the three countries agreed to back up each other's efforts in securing such a place, since each region must solve the disputes arising from similar ambitions of other states. Brazil shares the same purposes with Mexico and Argentina, South Africa with Nigeria and Egypt, and India with Pakistan and Indonesia.

Furthermore, the three countries have also decided to articulate their initiatives for trade liberalization, aware, as they are, of the increased economic vulnerability of developing countries to fluctuations in global prices of commodities. They stressed the importance of a predictable, rule-based and transparent international trading system, which would enable developing countries to maximize their development through gains from enhanced exports of goods and services.

The Fifth Ministerial Conference in Cancun, held in September of 2003, was the appropriate setting, conducive to negotiations. In August, prior to the meeting, Brazil, South Africa, India, China and Argentina began to organize this future alliance among developing countries to articulate positions against agricultural protectionism. Disregarding conflicting opinions and value judgments about the final results of the Cancun conference, it became clear that these three new partners stood on common ground, thus helping to launch negotiations.

On January 28, 2004, the Trade Agreement among South Africa, Brazil and India –now called IBSA– was signed by the three participating countries, as a result of a trip to India made by the Brazilian president. “A trilateral agreement among India, Brazil and South Africa will give our countries the political power within the World Trade Organization to attain the flexibility needed for our products, which are frequently submitted to taxation by the developed countries”, declared president Lula da Silva in his speech to a group of businessmen. During his visit, acting as a spokesperson for the MERCOSUR, Lula signed a draft-agreement with New Delhi to further negotiations for a new trade agreement<sup>21</sup>.

During the course of another meeting held between March 4-5, 2004, the “New Delhi Agenda for Cooperation” was established, and the ministers of the three participant countries continued discussing the adoption of a free trade agreement. At the same time, a Council representing private enterprises was established to maximize the benefits of the already existing preferential trade agreements.

Currently, discussions among IBSA members are expected to follow two main tracks: mutual cooperation in health, defense and trade on the one hand, and collaboration to bolster Southern influence on economic and security concerns in the WTO and UN on the other (Grudz, 2004: 2).

Whether these three strategic partners will deepen this cooperation remains to be seen. If their main goal is to increase their commercial ties and reduce tariffs among them, they will have to make some sacrifices and exhibit a strong political determination not to forsake the agreement. The three economies are competitive when it comes to exporting their products to developed countries. Likewise, if the objective is to strengthen their position in international commercial negotiations and to speak with one voice, time will tell if the expected results are fulfilled after Cancun: the resolution of deadlocks on issues of fundamental interest to developing countries.

However, other countries worry about the exclusionary nature of IBSA, as expansion is intrinsically a political decision. But until now, Russia has not shown interest in joining any group, especially due to its lack of stability in the G8, and China has aggressively pursued its own trade interests unilaterally.

## **Cancun and the G20**

Since its inception, the IBSA group, as a trilateral block, became the hard core of a new group of developing countries, attending the Cancun meeting, in September 2003. These countries defended their position against the protectionist measures of developed countries, prompted by concerns about their less competitive sectors.

During this meeting, a group of countries from the South –later called G22– refused to accept a “pre-cooked deal” which would consolidate the US and EU positions, on the grounds that such an agreement worked against their interests. Voicing their belief that “Trade must be a tool not only to create wealth but also to distribute it in a more equitable way”, they preferred to stop the negotiations rather than to further discussions detrimental to their interests. Foreign Minister Amorim, of Brazil, helped to coordinate G22<sup>22</sup> efforts to present a united front in agricultural matters: “we are confident that a virtuous alliance among those who support free trade and economic development throughout the globe will prevail in steering the Doha Round to a successful outcome, in line with the promises raised at its inception. Brazil will be working actively with all WTO trading partners to make this possible”<sup>23</sup>.

Members of the G22 quickly responded to the criticism of the developed countries that the meeting was a failure because it had yielded no consensus: they argued that Cancun had prevented the industrialized countries from imposing a new agenda and from discarding Doha’s dispositions on agro issues<sup>24</sup>. The G22 emerged triumphant, but it has not held together well since then, due to fragmentation. After Cancun, the G22 was re-named G20+ to reflect

fluctuations in participation. Such fluctuations show the weaknesses of this very heterogeneous group, which includes on one hand strong exporting countries like Argentina or Brazil –which envision the dissolution of all tariff barriers to their competitive agro exports- and on the other very protectionist economies, such as India, China or Pakistan –which strive to maintain their local subsidies in order to protect their small farmers.

The following meeting in Buenos Aires, in October 2003, was attended by 13 countries that passed a motion for “a fair and balanced trade liberalization” within the WTO<sup>25</sup>. Newcomers were Indonesia and Malaysia. Turkey held itself distant, and El Salvador, Colombia, Peru, Costa Rica and Guatemala withdrew. After the visit of the United States Trade representative, aimed at expanding the North American Free Trade Agreement (NAFTA), these Central and South American countries resigned. Although the same objectives defended at the Cancun meeting were ratified in Buenos Aires, the countries attempted to define a less aggressive and more cooperative stance, while weakening its political connotations in order to attract more members and continue future negotiations.

These countries met once again in Brasilia on December 11, 2003, four days before the ministerial meeting in Geneva. This time the goal was to position themselves at the center of negotiations in agriculture. President Lula took matters a step further when he proposed the establishment of a free trade area with China, India and the members of the G20. Brazilian Foreign Minister Celso Amorim defined a system of trade preferences, in goods and in services, not valid for industrialized countries in the WTO.

Two key figures were present at the meeting: Pascal Lamy, the Trade Representative from the UE, and Supachai Panitchpakdi, WTO’s General Director. Their presence meant recognition of the G20 as an entity with bargaining capacity, a well-deserved triumph in the eyes of the Brazilian minister of foreign affairs.

To some, the G20 will never go past the common front of agricultural subsidies established by wealthy countries. Yet, others regard Cancun as a turning point for the emergence of a less autocratic multilateral trading system. “The G-22 has the potential to alter the balance of power. There is no reason why the group cannot develop a program to serve common needs in the fields of industry and services or to further South-South cooperation in investments, capital flow or industrial, social or environmental policies”, wrote Walden Bello. He also argued that the group’s natural ally would be civil society, particularly movements against liberal globalization, which already in 1999, in Seattle, had made a WTO summit fail.

## **Final comments**

Throughout this paper, two models of South-South cooperation became clear in the foreign relations between Argentina and Brazil and the new democratic South Africa. In the case of Argentina, the relation developed through a policy of impulses; in the case of Brazil, through the adoption of an African policy. Although both Latin American states decided to further their relations with South Africa, their styles and objectives differed. Brazil exhibited a multilateral and bilateral political and commercial diplomacy, while Argentina aimed at increasing economic and trading relations.

Brazil’s foreign policy, both at bilateral and multilateral level, was directed towards the search for convergent interests as well as national concerns. Simultaneously, it aimed at forging a “critical mass” of conditions that would allow a better standing in the face of the risks of globalization. The changes of governments did not alter these strategies, but rather enhanced and enlarged them, paving the way for a South-South cooperation of variable geometry.

Marked by the election of two new presidents, Luiz Inácio Lula da Silva and Néstor Kirchner, the year 2003 initiated political changes in Brazil and Argentina, and there seemed to be a new common understanding between these leaders regarding issues like MERCOSUR, the coordination of foreign policies, and the international setting. A new era of synergy between these two neighbors has opened areas of cooperation that would have been unthinkable of in the past.

It is also likely that new avenues of South-South cooperation will be opened as a result of Brazil’s new African policy, launched by Lula, and the deepening of the relation with South Africa, together with efforts to accelerate the signing of the Free Trade Agreement between

MERCOSUR and SACU. These efforts will facilitate a better working relationship among our countries and foster the establishment of commonalities with a spillover effect.

A good example of the new modalities for a more productive South-South cooperation is the way in which Brazil has designed and implemented its insertion in the international system by building strategic relations. In its search for convergent interests in specific areas, it has structured a network of cooperation with the same partners but in different scenarios. In this case study, the relationship with South Africa is the center of its strategy for negotiations. Brazil pushes forward the bilateral cooperation and then drives Argentina, its main regional partner, to negotiate through MERCOSUR on free trade agreements with South Africa and SACU. It repeats the pattern in its relationship with India, and simultaneously sets a trilateral stage (IBSA) to hold common views on issues of converging interests relating to various multilateral scenarios. Finally, Brazil brings all these countries together in the G20.

Even though Kirchner bears a great empathy with Lula, the Argentine government has failed in its attempts to design a clear foreign policy, acting unsteadily, entangled in serious problems such as the negotiations to pay the external debt. With scanty resources of “hard” and “soft” power, officials seem to have forgotten that effective strategic negotiations could open new doors in various international settings, including that of South-South cooperation. By joining forces with Brazil, without ignoring its own national interest, Argentina could widen its margins of autonomy and would be able to generate greater capabilities.

The present crisis of the model implemented in the nineties opens a fresh and necessary forum of discussion. For this reason, this paper is not directed at closing a chapter by showing the weakness of Argentina’s Foreign Policy, but at opening discussions through new perspectives for innovative avenues of research, in the framework of the new settings where processes of globalization and regionalization are taking place.

To be effective, South-South cooperation must be constructed systematically, through specific issue-areas and with precise objectives. Furthermore, we need to cope with the pressures generated by powerful actors, and at the same time to control our natural tendency to disperse efforts. We cannot afford to miss a new opportunity: we have already lost a lot. Countries in the South should be precise in what they need and what they want, and therefore discuss possible agendas of their own, begin building common agendas, and fight off offered or imposed agendas from the North.

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## Notes

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1 The basic concepts reflected in this paper are the result of my PhD Thesis "Argentine Foreign Policy towards Africa in the Referential Framework of Brazil's African Policy. The Case of South Africa in the 90s", defended at the University of São Paulo.

2 However, it should be highlighted that Argentina was not the only state that upheld this ambiguous policy. As it will be observed, Brazil also developed an ambiguous policy which began to be defined during the seventies, as its relations with the states of Black Africa were strengthened. Meanwhile, Chile and Paraguay, with military governments, had been stable and reliable partners of Pretoria. On the other hand, the main developed states acted according to their global interests, combining their economic-commercial pretensions with their strategic perception of the East-West conflict.

3 From the Argentine perspective, it is worth mentioning the official visits of Foreign Minister Guido Di Tella to Mandela's inauguration in 1994; of Alieto Guadagni, Secretary of Industry, Trade and Mining in 1995; of Vice-president Carlos Ruckauf in 1996; of Jorge Rodriguez, Chief of Cabinet, to Mbeki's taking up office in 1999. Meanwhile, from South Africa, the travelers were: in 1994, Vice-president Frederick De Klerk; Deputy Minister Aziz Pahad in 1996; Vice-president Thabo Mbeki in 1997; president Mandela in July 1999; Nkosazama Dlamini Zuma, Minister of Foreign Affairs, in December 1999 –for the assumption of president De la Rúa; the presidential Adviser Essop Pahad in 2000, followed in the same year by Deputy Minister Aziz Pahad.

4 Moreover, due to resolution 1331 of the Ministry of the Interior, signed in July 1998, the decision was made to abolish the tourist and business visa for South African citizens. This is a unilateral regulation equivalent to the one issued in February 1995 by South Africa.

5 Previously Argentine ports had been officially visited by the frigates President Pretorius, President Kruger and by the logistics ship Tafelberg, in 1967, and nine years later by the hydrographical vessel Proteo. The frigate Libertad paid an official visit to Cape Town in 1970.

6 South Africa is an observer in the AMAS (Asociación Marítima del Atlántico Sur, or South Atlantic Maritime Association). This is an agreement signed in 1976 among Brazil, Argentina, Uruguay and Paraguay, which aims for cooperation in maritime traffic. In addition to that, since June 1996, the South African army has been invited by its United States counterpart to take part in the annual combined exercise, UNITAS, with ships of the United States, South America and Europe.

7 South Africa bought soy cakes and residues, sunflower oils and cotton, gold, wheat and chemical wood pulp and sold fuels, mineral oils, foundry products, iron and steel, paper and cardboard, plastic materials, metallurgic minerals and slag and inorganic chemical products.

8 Author's interview with economic adviser Carlos Wydler, Pretoria, May 18, 1998.

9 Those flights had been interrupted in 1985.

10 In May 1995, Foreign Minister Lampreia traveled to South Africa. He also accompanied the president on November 25-28 of the following year. Those who also crossed the Atlantic: Minister for the Navy Rodriguez Pereira (1997); Minister of Justice Cezar Jobim (1997); Secretary of Strategic Affairs Ronaldo Sademberg (1997); General Staff Chief for the Army Gleuber Vieira (1998); Trade, Industry and Tourism Minister José Botafogo Gonçalves (1998); General Undersecretary for Political Affairs Ivan Cannabrava (1999); Vice-president Marco Maciel (1999); Foreign Minister Lampreia (March 1-3, 2000). From South Africa to Brasilia: Foreign Affairs Minister Alfred Nzo (1995); Deputy Minister Aziz Pahad (1996); Vice-president Thabo Mbeki and Industry and Trade Minister Alec Erwin (1997); president Nelson Mandela (July 21-22, 1998) and president Mbeki (December 12-15, 2000).

11 Brazil is South Africa's biggest trading partner in Latin America. South Africa's exports to Brazil reached their peak in 1996 with a total of US\$ 414 million. More than 25% of this amount was represented by alcohol. Major South African exports to Brazil include precious and semi-precious stones and metals, anthracite and coal, iron and steel, miscellaneous chemical products, organic chemicals, aluminum, nickel, synthetic fibers, machinery and mechanical appliances, paper and paperboard. Brazilian exports to South Africa have steadily increased. Major Brazilian exports consist of vehicles and components, aircraft, machinery, mineral fuels, electrical machinery, animal and vegetable fats and oils, meat, ores, slag and ashes, organic chemicals and tobacco.

12 The first step in order to establish a Joint Commission between the two countries was taken during president Mbeki's visit to Brazil in September 1997, when the establishment of an "institutional mechanism" to deepen South African-Brazilian relations was suggested.

13 The following issues are under negotiation: Defense, Sanitary and Phytosanitary Matters, Minerals and Energy, Scientific and Technological Cooperation, Cultural Cooperation, Health and Medicine, Environment, Extradition and Assistance in Criminal Matters. The agreements in place refer to: Double Taxation of Profits Derived from Shipping and Aviation; Cooperation in the Field of Culture; Bilateral Air Services; Cooperation and Mutual Assistance in the Field of Combating the Production of and Illicit Trafficking in Narcotics and Psychotropic Substances and Related Matters; lifting of visas for diplomatic, service and ordinary passport holders for holiday and business visits for a period not exceeding 90 days and transit.

14 Representatives of 35 Brazilian, 24 Argentine and 15 Uruguayan enterprises traveled to South Africa, while there was a minimal participation of Paraguay, with the presence of its chargé d' affaires. MERCOSUR's delegation totaled 74 companies, 10 institutions and 91 people. On the South African side, 180 companies, representatives from government, public and private institutions, members of the media and of the local academic field, attended both the seminar organized on MERCOSUR and the programmed meetings among businessmen.

15 Argentine exports to South Africa consist mainly of food and agricultural products, generally marketed by multinational companies that decide where and how to sell according to their analysis of global markets. Among Brazilian exports industrialized products prevail, with a major participation of enterprises such as Embraer (airplanes) and Daimler Benz (automobile industry).

16 Officials from the four countries met with their counterpart of the Trade and Industry Ministry of South Africa, responsible for MERCOSUR-South Africa negotiations. A proposal from the MERCOSUR's members was discussed to establish a transitory Agreement on Fixed Tariff Preferences. They also talked about a proposal from the South African Foundation to sign a letter of intent to create a "Managerial Forum for contacts and consultations" among the private sectors and, at the same time, the suggestion was raised to include other entities such as SAFCO (representing all the business communities).

17 This integration process, whose origins date back to an initiative of Apartheid South Africa, is led from Pretoria and includes Namibia, Lesotho, Botswana and Swaziland. Brazil and Argentina, together with SACU, would make up a market of 800 billion dollars in GDP.

18 There seems to be a better empathy between the new presidents of Brazil and Argentina, in the context of furthering a complete integration, as was agreed with the signing of the Consensus of Buenos Aires. That is why in

October 2003 president Lula da Silva invited Argentine businessmen to join the more than 120-member Brazilian delegation participating in the Brazilian political-commercial mission to the African continent.

19 Brazil is an important tourist market for South Africa. In the recent past, South African Tourism has upgraded Brazil from a non-significant market to a tactical market. South African Airways has launched a fifth weekly flight between Johannesburg and São Paulo in June 2003, and demand already warrants a sixth weekly flight.

20 Interview to Senhor Ministro de Estado, Embaixador Celso Amorim, to Jornal Le Monde (Brasilia), September 26, 2003.

21 The next meeting between MERCOSUR and India was held in June 8, 2004, in Rio de Janeiro, Brazil. The key questions to discuss were intra-regional South-South trade cooperation and the role of the private sector. Specific areas to be tackled by private actors referred to pharmaceuticals and herbal healthcare, chemicals and biotechnology, agro products, minerals, metals and trade, creative industries, information technology and education, automotive equipment, oil and natural gas.

22 These countries gather a population of 3,300 million people, a bit more than half the planet's, and represent nearly 60% of the agricultural workers, though they are only responsible for 20% of the world's agricultural production.

23 Amorim, Celso 2003 "The Real Cancun" in The Wall Street Journal, September 25.

24 Speaking strictly on trade issues, it is expected that the WTO's 148 countries will agree on new patterns for the reduction of the multi-million-dollar agricultural subsidies starting in 2005. Also in 2005, there will expire the so-called "peace clause" signed in 1995 to preserve the rich countries from possible complaints filed within the WTO due to their protectionist policies. The United States and the European Union want to extend that safe-conduct.

25 This Declaration was signed by Argentina, Bolivia, Brazil, Chile, China, Cuba, Egypt, India, Mexico, Paraguay, South Africa and Venezuela.