Newsletter

# BASIC South Initiative

Quarterly Issue - 3

# India in the BRICS

***By Jayati Ghosh***

***Much of recent South-South interaction (including amongst BRICS) has been corporate-led, which has determined the focus on trade and investment and the encouragement of particular patterns of trade and investment. To the extent that companies everywhere have similar interests (the pursuit of their own profits) it is not surprising that older North-South patterns are replicated. But surely the focus should be to democratise the interaction itself, to work out the ways in which the patterns of trade and investment flows can be altered to emphasise the creation of decent employment.***

Strange things happen in the world. Imagine a grouping of countries spread across the globe, which gets formed only for the simple reason that an analyst for an investment bank decides that these countries have some things in common, including future potential for growth, and then creates an acronym of their names! Bizarre but true.

The original categorization of the BRIC countries (by Jim O'Neill of Goldman Sachs) contained only Brazil, Russia, India and China – subsequently South Africa was added to the group. And while the origin of the grouping may be odd, and the countries are indeed remarkably diverse, there are some commonalities that are important. Subsequently, in fact, these countries have since shown significant interest in meeting periodically, working together, finding some synergies and new ways of co-operation.

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So trade between BRICS countries soared after they became recognized as a combination (although of course this is a period when trade between developing and emerging markets in general has grown much faster than aggregate world trade).

Investment links have been growing too, mainly through Chinese involvement in different countries and some interest shown by large Indian capital. And more recently there have been other moves that suggest an appetite for newer and further forms of close economic and political interaction and co-ordination.

The meeting of the BRICS Financial Forum definitely signaled some steps forward, such as an agreement to encourage trade between members denominated in bilateral currencies. The heads of development banks of the five countries also spoke of working together to push for a different global financial architecture, as well as cooperation in areas such as developing "green" economies.

In fact there is great potential in these five countries not just combining to address global issues, but perhaps even more significantly, in learning from one another. In the discussions at the Financial Forum it became evident how much India has to learn from Brazil and China in the matter of development banking. From the early 1990s, India has set about destroying the potential of its own development banks, in both agriculture and industry – but there is still scope for their renewal and rejuvenation. And the example of Brazil, and in particular BNDES, in entering areas and promoting activities that would not occur purely through the incentives determined by the market, could provide some guidance about how this can occur even in a very open and largely market-driven economy.

Similarly, there are areas in which other BRICS countries could learn from India, while the description of the work of the South African Development Bank illuminated the strategy of creating financial structures and mechanisms to promote the "green economy" through environmentally desirable activities and technologies. There are also immense possibilities for technology sharing and even co-ordinating technology development, in a world where intellectual property rights still largely controlled by Northern multinational companies have emerged as a major constraint on development.

But it is not only comparing experiences of the recent past and learning from each other's approaches that may be important. Despite their many differences, the BRICS countries do face some common challenges, and the very urgency of these challenges points to the benefits of co-operation to develop creating new strategies. At least four such challenges deserve mention, as do some possibilities of combined action to confront them.

The first is the fact of the continuing global crisis and the near certainty that the Northern economies (the US and Europe in particular) are unlikely to provide much positive stimulus to the global economy. For all the BRICS, these countries still dominate as export destinations and the domino effect of declining Northern markets must be accepted. So clearly, there is need to diversify exports, a process that has already started but still needs to go a long way. Of course bilateral currency trade would encourage more trading activity between the BRICS, and this is desirable.

In particular, the time is clearly ripe for some sort of "Marshall Plan" for the developing world, and the BRICS countries (particularly China and Russia) are uniquely positioned to take this process forward.

But the current state of the global economy suggests the need for greater ambition. This would involve developing mechanisms to finance imports by countries with low incomes and low levels of development, simultaneously delivering markets to other developing countries and more development potential to the recipient countries.

The other challenges are more internal, but surprisingly common across the BRICS. The recent growth process has been substantially associated with increasing income and asset inequality (other than in Brazil, which once again provides some lessons for the others, but where Gini coefficients still remain among the highest in the world). It is now more evident that such inequality is socially and economically dysfunctional, and also that it gives rise to political tensions that can be even more damaging. So there must be measure to address this.

Inadequate productive employment generation has been a central feature of the past growth process, and is clearly linked with the growing inequality. Economic policies within BRICS countries must be concerned with this, and in particular with how to promote more opportunities for decent work.

Another major aspect of inequality has been the inequality in access to basic social services and utilities. The strategies of privatisation and reduced public spending in such areas in all the BRICS countries have not only reduced access for the poor but also created tremendous inequalities. It is increasingly necessary for innovative strategies to promote more universal provision of necessary services and utilities.

Finally, recent growth in all the BRICS countries has been associated with a construction and real estate boom, and it is interesting to note that this boom is also in the process of winding down in all five countries. This creates all sorts of difficulties, both in terms of the employment losses as well as the health of the financial sector, and it is particularly galling given the continued shortage of adequate mass housing. All of these countries will need effective strategies to deal with this challenge, even while they continue to promote affordable and better quality mass housing, and so surely there are opportunities here for creative policy thinking that can be shared.

Much of recent South-South interaction (including amongst BRICS) has been corporate-led, which has determined the focus on trade and investment and the encouragement of particular patterns of trade and

investment. To the extent that companies everywhere have similar interests (the pursuit of their own profits) it is not surprising that older North-South patterns are replicated. But surely the focus should be to democratise the interaction itself, to work out the ways in which the patterns of trade and investment flows can be altered to emphasise the creation of decent employment.

This is especially important at present because the idea that the BRICS economies can somehow "decouple" from the North to save the world economy in the ongoing crisis is a non-starter. Together they still account for less than one-fifth of global GDP at market exchange rates and an even smaller share of world exports. Their growth is heavily influenced by the winds from the North: despite recent more rapid expansion, both capital and trade flows tend to move in unnervingly similar ways.

While some greater impact can be expected from China and Russia, India in particular is unlikely to play a big role in changing global economic fortunes. India's share of world GDP is only around 2 per cent, so its impact on the world economy is still tiny. More tellingly, most assessments of India's economic performance misunderstand the basic factors behind this growth. This was strongly related to internal and external liberalisation measures that generated booms in some domestic economic activities. Largely because of these, India became a favoured destination for international (mainly financial) investors.

Capital inflows in the form especially of portfolio investment and external commercial borrowing sparked a retail credit boom and this (combined with fiscal concessions) spurred consumption among the richest sections of the population. This was combined with strategies to allow private investors favoured access to natural resources in a modern form of "primitive accumulation". All this led to rapid increases in aggregate GDP growth, even though compressed public spending on basic needs, poor employment generation and persistent agrarian crisis reduced wage shares in national income and kept mass consumption demand low. There was a substantial rise in profit shares in the economy and proliferation of financial activities, even as human development indicators remain abysmal.

This is not so different in essentials from the now well-known story of speculative bubble-led expansion, which has ended in tears for so many other emerging and developed countries. Much of this is now already unraveling, as indications from the slowdown in important sectors, the growing evidence of the extent to which the previous growth was based on corrupt practices, and the social and political tensions resulting from increased inequality and material insecurity.

Even so, the future of the Indian economy need not be grim. Rather, there is enormous potential for substantial growth, but only if the current strategy is abandoned in favour of a more inclusive wage and employment-led approach. Ultimately, sustainable economic diversification to higher value added and ecologically viable activities remains the key to growth and development not just in India and the other BRICS countries but in other developing countries as well. This period of global flux actually provides a valuable opportunity to encourage and develop new ways of taking such strategies forward through co-operation.

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# G-20: Brazil and the world need to act with vision

***By Marcelo Furtado***

In September 2011, I was part of the Yale World Fellows program and attended a function at the university with one Henry Kissinger. Being in the presence of a privileged witness to the Cold War era and its impact on today's world, I felt compelled to ask him two simple questions. First, what was his opinion about the G20? Second, what does the world expect from Brazil?

The first answer was straightforward. Kissinger said that the politically correct response would be to recognize that world leadership would have to be shared with the rising powers that are now among the top 20 global economies. But speaking honestly, Kissinger said he was under the impression that the move from the G8 to the G20 would neither contribute to better decisions nor faster responses to crises. The likely outcome would be paralysis. There is no proper governance, coordination or leadership in the G20. The newcomers bring their domestic agendas to the organization but have little practice "thinking with a global hat." The group is not used to working together and has yet to learn how to set aside differences in favor of forging a common interest, something the more homogenous G8 has managed with relative ease for many years.

So, Kissinger summarized, the G20 might become a talking shop with no leadership or little concrete action. This could merely create the misleading impression that power is being shared and exercised more widely.

Of course, the G20 emerged not because of a conscious desire to enlarge the circle of world power, but rather because there was a need for immediate damage control due to the 2008 financial crisis provoked mainly by the G8 economies. The fact of the matter is that the G8 needed their emerging economy counterparts to ensure the world that together we could get ourselves out of a fearsome crisis, contain its impact and spare the emerging nations from calamity. For that the world needed to act together, trust each other and eventually fill the financial gap with resources from those new members of the club whose economies were in much better shape. In short, the G20 was a call for leadership, vision and action.

After June's Rio+20 summit, the world still continue to face numerous economic, social and environmental challenges. And so far, government and business leaders have dealt with these problems the old fashioned way. To lift countries out of economic recession, they have financed "business as usual" sectors, leading to further social and environmental unrest. To fix the climate crisis, they have prescribed paralysis, ignoring the urgent need to establish a truly new model of development based on renewable energy and zero deforestation.

Since the first Rio Earth Summit in 1992, countries like Brazil, China, India, Indonesia and South Africa have gained considerable economic power. Though the need to eradicate poverty persists, these countries are in some ways doing better than their highly industrialized counterparts - there is high unemployment in Madrid and full employment in São Paulo; recession grips the UK while China continues to grow in the high single digits. Among these new economic powerhouses, Brazil holds a special place.

Perhaps no other country in the world has the means - financial stability, a mature democracy and the right environmental assets - to implement a new vision to ensure a pathway to sustainability with prosperity.

The "emerged" countries now want more seats added to the table where global power is discussed. They are right to do so. But in this new world order, countries such as Brazil can no longer only simply demand action from the rest of the world; they must also ask what the world expects of them. My answer to the question I posed to Kissinger is simple: with power comes responsibility - a responsibility Brazil must face at the G20.

Brazil exemplifies the dilemma we are all facing: in 2012, Brazil became the sixth-largest economy in the world. During the last decade, Brazil was rightly hailed as a global leader in sustainable development for its success in significantly reducing deforestation while simultaneously bridging the gap between the rich and poor.

These achievements, however, remain under threat. Just a few weeks ago, the Brazilian Congress approved a radical new Forest Code law that offers amnesty to many forest criminals and increases the amount of rainforest open for destruction. For the first time in many years, deforestation in some Amazon states seems to be on the rise. Brazil's Institute for Applied Economic Research, a government economic think tank, has estimated that additional emissions likely to result from the new law will make it impossible for Brazil to reach the emissions reduction target former President Luiz Inácio Lula da Silva committed to at the 2009 United Nations climate summit in Copenhagen.

During the next decade, the question of how Brazil will deal with its oil also will be crucial to whether Brazil will be a sustainability leader or a laggard. If Brazil goes ahead with its planned pre-salt oil development, it will be among the five largest oil producers in the world by 2020, with emissions from oil reaching the same level as those coming from deforestation today. We know that climate change will undermine our economies if left unchecked. The question Brazil needs to address, therefore, is not how much oil we have in our reserves, but how we deliver prosperity for our people in a world that can no longer afford to burn fossil fuels.

Brazil has the ability to show the way forward. Our energy mix today - though far from perfect given our reliance on large hydro and nuclear power plants - is one of the least carbon-intensive in the world. If we invest the money that currently goes to deforestation and oil exploration into zero deforestation and a renewable energy revolution, we can deliver clean energy for all, zero deforestation and decent green jobs. The recent boom in wind, small hydro and biomass indicates the kind of future we want the country to deliver. Of course, these new sources of energy also need to have social and environmental safeguards to ensure they do not contribute to deforestation, slave labor and biodiversity loss.

Governments can overcome the multiple crises we face by taking immediate transformative steps to deliver an energy revolution and zero deforestation. Brazil should not hide behind the difficulty of reaching a global consensus but take the lead in showing the world that just, clean and green development is possible.

The UN summit in Rio should not be about how the world disagrees about a resolution full of brackets and deletions, but how the world can build for future generations. By the end of the Rio summit, I cannot predict if the euro will still be the single currency of the European Union, but greater issues are predictable. Africa will still need clean water, Asia will need food, the Americas will need clean energy, the Middle East needs peace - this is where our focus needs to be.

Governments gathering in Mexico or Brazil must respond to the urgent need to ensure a fair, just and sustainable planet. We are tired of conferences full of empty words and baloney - let's move beyond greenwash, bluewash or brainwash and take the debate from air-conditioned rooms to the streets.

Oh, and what of my second question to Kissinger? Well, he paused and repeated my question to get it right and perhaps buy time to search for an answer: "What does the world want from Brazil? Good question, I will think about it." I did not expect an elaborate response, but I also did not expect silence. True, his latest book was on China, not Brazil, but his muteness was very telling. Clearly, he did not perceive Brazil as a major player, and he had no significant example in mind to illustrate positive or negative behavior.

The answer to this question, however, should be that concrete actions demonstrate vision and leadership. Brazil and the rest of the G20 need to take actions that will address the challenges of just, sustainable and peaceful development. That is more important than words in a resolution.

**Marcelo Furtado is the executive director of Greenpeace Brazil. He can be reached at marcelo.furtado@greenpeace.org**

# What are the ecological costs of China's future food imports?

***By Tom Levitt***

***China's growing agribusinesses and demand for soybeans and meat is bringing intensive farming and the risk of further deforestation in Brazil and beyond.***

The dynamics of Chinese agriculture are changing. While it may still be largely self-sufficient in food, the country is expected to enter an era of rising food imports and in particular, animal feed. But how ready is China to take responsibility for the environmental impact of this growing overseas food footprint?

Over the past two decades, China has seen a monumental surge in soybean imports. By 2030, China is expected to consume 72 million tonnes of soybeans from overseas – more than one-quarter of the world's total soybean production today.

The impact, environmentalists fear, is greater pressure on uncultivated forested land in Brazil, the world's second largest soybean producer after the United States and a major exporter to China. In 2011, more than 67% of Brazil's soybean exports were sent to China. By no coincidence, the South American country is now emerging as a major focus of investment for China's expanding agribusinesses.

Inside China, the country is fast approaching the limit of its own available farmland resources – the so-called "red line" for food security of 120 million hectares of arable land, set by the government. China's solution, according to Deborah Brautigam, a professor at American University and senior research fellow at the International Food Policy Research Institute, has been to import cheaper agriculture commodities like soybeans and maize while saving its farmland for higher-value exports like fish and vegetables.

The other force driving the rise in soybean and maize imports is a corresponding rise in meat consumption in China. Increasingly that meat is coming from large-scale commercial farms -— not small-scale or household farmers -— and dependent on animal feed rather than food waste.

In a detailed assessment of likely trends for Chinese agriculture in 2030, Laixiang Sun, professor at the School of Oriental and African Studies in London, says he expects to see pig and poultry numbers in intensive farms increase by "at least 2.5 times between 2000 and 2030". This type of intensive livestock farming relies on cheap agricultural crops.

What this means, says Sun, is that while China will still be able to feed itself with domestic supplies of grain, overall self-sufficiency in food in China was likely to fall. He expects imports of maize to reach 16 million tonnes by 2030 and imports of soybean to rise to around 72 million tonnes by 2030.

## China's overseas food footprint: a new threat to the Amazon?

The rapid expansion of soybean cultivation in Brazil over the past two decades has contributed to huge increases in the rate of deforestation in the Amazon – one of the world's most biodiverse regions and home to 10% of all species known to scientists.

Soy production accounted for about 10% of total deforestation in the Amazon between 2000 and 2005, according to estimates from Columbia University. In the next five years, that figure dropped to 2% as new production moved to previously cleared cattle pasture.

While it may not always be a direct cause of deforestation, soybean production can still be an indirect driver, suggest observers, by raising land prices, pushing land users into forested areas and creating impetus for infrastructure improvements like roads which, then promote further forest clearance.

"The agribusiness sector wants more. The hunger for development made Brazil the third largest exporter of agricultural products...but the economic model chosen for the region ignores the Amazon environment and its people," says Greenpeace Brazil, which is campaigning for zero deforestation in the Amazon by 2015.

Tragically, the competition for lucrative farmland and resources in the Amazon region is also linked to violence and death. The Brazilian land rights group Catholic Land Pastoral estimate 1,600 activists have been murdered in the Amazon state of Para over the past 25 years. It says the killings – mostly targeted at small subsistence farmers and indigenous peoples - are usually carried out by gunman hired by loggers, ranchers and farmers, just 1% of murder cases have led to convictions.

"A battle has been declared that is expressed in the violence against those considered obstacles to development and progress," say the Catholic Land Pastoral.

Deforestation has another globally significant impact. As well as being home to critically endangered and unique wildlife and other biodiversity, the Amazon rainforest is also a major carbon sink, absorbing carbon dioxide and helping to stem global warming. Further deforestation could reverse that, with forest clearance resulting in the release of carbon held in the soil and trees.

### China's agribusiness boom

China's link to deforestation in the Amazon may not end with imports of Brazilian soybeans, thanks to the growing expansion of Chinese agribusiness companies at home and abroad. Although still relatively small in comparison to US commodity giants like Cargill, the companies have the support of the Chinese government as they seek to buy agricultural assets.

One of China's largest state-owned feed importers, the Chongqing Grain Group, announced last year it was spending US$500 million (3.2 billion yuan) to build a soybean plant in Brazil, which reportedly, could be followed by a further multi-million-dollar investment in soybean plantations.

Another, Sanhe Hopefull Grain & Oil, is reported to be putting US$7.5 billion (48 billion yuan) into soybean processing facilities in Brazil in a deal that also includes constructing a railroad.

Greenpeace's Amazon spokesperson Marcio Astrini told chinadialogue he still hoped China's growing influence in Brazil would not lead to a fall in environmental standards in the country. "We believe that Chinese investments shouldn't be too different and should respect the environment."

As they expand their global reach, Chinese agribusinesses are also changing the landscape of farming back home. The new face of agriculture in China is no longer the household farmer but people like Liu Yonghao, president of the US$8.8 billion agribusiness New Hope Group and China's fourth richest person. His company claims to process 750 million fowl and 8.5 million pigs a year and already owns 16 feed factories outside of the country.

Professor Sun still expects small-scale livestock farms to persist, taking advantage of support for their use of local labour in rural areas, where intensive farms have comparatively less need for workers. But others suggest the incentives for such types of farming are fast disappearing.

"I anticipate that large-scale corporations will soon take over the vast majority of China's household pork production (probably in a decade or two)," says professor Li Jian, from the University of Iowa, who has studied the decline of rural pig farming in China.

"Major traditional values of pig farming are vanishing, for example, few farmers now depend on pig manure for farming and fewer and fewer families depend on raising pigs for holiday feasts etc. Under such new socioeconomic conditions, fewer and fewer farmers will find pig farming a profitable and attractive production."

The accelerated exodus of rural livestock farmers will not only see more large-scale intensive farms - with associated problems of pollution and reliance on imported animal feed - but also bring more people into urban areas, worsening existing urban environmental problems such as air pollution and congestion. The World Bank estimates agriculture's share of employment will continue to fall, from around 30% today to 12% by 2030.

"Smallholder farmers are capable of producing the food necessary to feed their country, but face increasingly difficult barriers" concludes a recent report, from the international NGO Grain, which campaigns for farmers' rights.

"Government decisions to rely on agricultural commodity imports serve the interests of agribusiness and its need for cheap sources of feed but threaten the land, livelihoods and local food systems of communities across the globe," it adds.

### Amazon now, Africa next?

After the Brazilian Amazon, Chinese agribusiness is expected to join other international speculators in exploiting forested and biodiversity-rich land across Africa. But, despite a glut of media coverage about "land-grabbing" deals, (some of which has been reported in chinadialogue) Chinese involvement in land deals in Africa is, so far at least, minimal.

"I had an expectation to see much more Chinese involvement in African agriculture. Basically it hasn't happened. They have been going to Asia and South America instead," says professor Brautigam. She says high-profile land deals involving sugar plantations in Ethiopia and biofuels in the Democratic Republic of Congo have not progressed, with China sticking to smaller deals, driven by commercial interests rather than food security.

While Chinese interest in agriculture in Africa remains unfulfilled in the eyes of some observers, its investments elsewhere, particularly in Brazil, are growing. It must now decide whether feeding its citizens at home can be achieved without leading to environmental damage overseas.

**Tom Levitt is managing editor at chinadialogue.**

# United States OPIC and Exim Bank – use of climate finance to kill the Indian solar panel industry

*By Kushal Pal Yadav*

The United States Overseas Private Investment Corporation (OPIC) and the US Exim Bank have evaded any response to the central contention of the recent release from Centre for Science and Environment (http://www.cseindia.org/content/us-using-climate-finance-kill-indian-sol... ). Both have chosen to remain silent on use of climate 'fast start financing' to give subsidised loans to Indian project developers who buy equipment from US producers, thus undermining the Indian domestic manufacturing industry.

Under the Copenhagen Accord adopted in December 2009 climate meeting, 'fast start financing' is supposed to be: "Scaled up, new and additional, predictable and adequate funding as well as improved access shall be provided to developing countries, in accordance with the relevant provisions of the Convention, to enable and support enhanced action on mitigation…". Subsidised loans from OPIC and Exim Bank can neither be called new nor additional. It is ethically wrong for an institution like Exim Bank, with has an explicit mission to finance projects that benefit US exports, to count this financing under climate 'fast start finance' which were supposed to be trust building measures between developed and developing countries. On the contrary, these very cheap loans are destroying the Indian manufacturing sector while helping US manufacturing industry -- and also additionally touted as US climate finance commitment! And most certainly, such cheap loans and mandatory requirement to buy from US manufacturers is not in the spirit of the United Nations Framework Convention on Climate Change.

Both banks have remained silent on the issue of counting the entire amount of loan as aid under climate finance, instead of the difference between interest rates in subsidised loans and commercial loans. This is nothing less than creative accounting.

"Companies compete against companies and not against countries," -- an Exim Bank spokesperson has been quoted in media stories. If that were the case, then why did the US government put anti-dumping duties on Chinese manufacturers of solar equipment? And if the same logic is followed, there is a strong case for putting anti-dumping duties on US manufacturers in India as they are also getting an unfair advantage of cost benefit compared to Indian manufacturers.

According to an OPIC spokesperson quoted in media reports, "And as a matter of agency policy, OPIC only provides financing for a project when it is unavailable from local or foreign private-sector financial institutions. In other words, we don't compete with local markets." But in India, OPIC is competing with domestic financial institutions as loans from domestic institutions for solar sector are certainly available, albeit at a much higher rate. So by providing loans at a cheaper rate, the American banks are edging out Indian manufacturers.

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### India set up Climate Change Finance Unit

With funding emerging as a crucial component in fight against climate change, the Finance Ministry has created a special unit which will provide guidance and inputs to the Environment Ministry to help it bolster India's voice in international negotiations.

http://www.financialexpress.com/news/climate-change-financing-unit-set-up/981053/

### South Africa Lifts Fracking Ban

South Africa's government said Friday it has lifted a moratorium on shale-gas exploration in an isolated, nature-rich region, though any production is still many years away. South Africa, estimated to hold the world's fifth-largest reserves of shale gas, last year put a temporary halt on exploration for shale gas whose extraction many companies say would entail hydraulic fracturing.

http://online.wsj.com/article/SB10000872396390443589304577637382738533386.html

### Europe considers suspending airline emissions charge

China and India have prohibited their airlines from participating in the European trading system (ETS) because it will require airlines that fly to and from Europe to buy permits for all the carbon they emit en route, a measure they say infringes on their sovereignty. Beijing has also blocked purchases of European aircraft by its carriers – prompting alarm from Europe's aircraft maker Airbus, which sees China as its fastest-growing market.

http://www.guardian.co.uk/environment/2012/sep/12/europe-airline-emissions-charge?newsfeed=trueSouth

### Brazil Oil Spill: Petrobras Charged With Crimes At Duque De Caxias Refinery

A prosecutor from Brazil's Public Ministry has charged state-run oil company Petrobras with environmental crimes for a spill at its Duque de Caxias refinery that allegedly contaminated the mangroves and estuary of Guanabara Bay off Rio de Janeiro.

http://www.huffingtonpost.com/2012/09/24/brazil-oil-spill-petrobas_n_1910436.html?utm_hp_ref=green

### Are the BRICS institutionalizing their cooperation?

Over the past years, more than 50 BRICS' ministerial meetings have taken place all over the world. Assessing the tangible outcomes of these encounters is difficult, but given the considerable opportunity cost they generate, they are proof of the BRICS' governments' conviction that closer cooperation will bring real benefits. After all, ministers and heads of government would quickly stop flying around the world to meet their BRICS counterparts if they believed the outfit had no future.

### South Africa: Cabinet Approves Draft Brics Strategy

Cabinet approved the draft Brics strategy which builds on the fourth Brics Summit outcomes. The strategy is to guide the engagement of South Africa by identifying objectives and opportunities within this group of member countries. It unpacks the three levels of engagements at a domestic, regional and international level.

http://allafrica.com/stories/201209211234.html

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Tom Levitt
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Solar Feed

*BASIC South Initiative (BSi) is a core group of civil society organizations in the global South, which has come together to create partnerships with like-minded BASIC NGOs/social movements and networks that recognize this new power dynamic. Its aim is to amplify and bring new Southern voices, and resistance from the ground up, to move the BASIC countries to take a joint responsibility for their ecological footprint through coordinated actions for environmentally sustainable, socially just and climate-resilient development, and to demand transparency and accountability in the national and international institutions, and decision making processes at all levels of governance.*


## BASIC South Initiative (BSi)

***Amplifying voices from the South***

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