

Capacity Development BRIEFS

SHARING KNOWLEDGE AND LESSONS LEARNED

SOUTH-SOUTH CAPACITY DEVELOPMENT: THE WAY TO GROW?

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A growing body of evidence suggests that learning and cooperation among developing nations is increasing in both frequency and complexity and expanding from just economic cooperation to include a variety of topics: health, education, communication, research, and development. Due to shared backgrounds and challenges, people in developing nations are banding together as peers to find new and innovative solutions to development issues. Reviews of technical cooperation suggest that South-South learning is often more effective in developing capacity than one-way knowledge transfers from the North. This brief identifies trends in this phenomenon for practitioners of capacity development and highlights some successful cases of South-South learning and cooperation.

Since the mid-1990s, the global South has seen dramatic growth.¹ The number of people living below US\$1 a day has fallen by more than 390 million since 1981.² Countries are approaching their development goals with a new sense of confidence. Even in Africa, annual growth has surpassed 5 percent in 15 countries, accompanied by diversification of economies and exports. The improved economic performance reflects some important political and economic policy changes throughout the developing world. One such indicator is the fact that China will this year, for the first time, spend more on research and development (R&D) than Japan and so will become the world's second highest investor in R&D after the United States.³

Since the 1990s, developing countries are increasingly looking to learn from each other and "leapfrog" some of the development obstacles in their way. A number of middle-income countries in developing regions have become important providers of technical cooperation, for example, Egypt, South Africa, and Tunisia in Africa; China, India, Indonesia, Malaysia, Singapore, and Thailand in Asia; Brazil, Chile, Colombia, Cuba, Mexico, and Venezuela in Latin America; and Cyprus, Malta, Poland, and Turkey in the Mediterranean and Europe.

Expanding trade among developing countries has also contributed to these knowledge exchanges through increased travel, improved communications, and migra-

tion. At present, 43 percent of the South's trade is with other developing countries, which accounts for about 11 percent of global trade. South-South trade is also growing at a rate of around 10 percent a year, which is double the growth rate of global trade.⁴

What Is South-South Cooperation Really About?

South-South learning and cooperation is about developing countries working together to find solutions to common development challenges. This approach promotes closer technical and economic cooperation among developing countries by employing experts from the South, sharing best practices from the South, and helping to develop a sense of ownership of the development process.

¹ The "North-South" distinction used in this brief refers to the socioeconomic division that exists between the wealthy developed countries, known collectively as "the North," and the less developed countries or "the South."

² See Shaohua and Ravallion (2004).

³ See OECD (2006).

⁴ See South-South trade statistics at United Nations Conference on Trade and Development (UNCTAD). <http://www.unctad.org>.



South-South Cooperation, One Definition

South-South cooperation fosters “self-sustaining development, involving deepening relations among developing countries, while conducting technical and economic cooperation.”⁵

South-South learning promotes shared interests and addresses common concerns. It is also a means by which developing countries can diversify and expand their development options and economic links and a powerful tool for building new partnerships, in the process creating more democratic and equitable forms of global interdependence and global governance.⁶

China’s growing economic clout has allowed it to grow in prominence as a donor and provider of know-how to developing countries. Although some countries have complained that some of these exchanges are old-style one-way transfers, developing countries are generally welcoming this exchange with a highly successful peer.

International organizations such as the World Bank and the United Nations often facilitate the process of consultation and dialogue. Other important players include development agencies such as the Japan International Cooperation Agency (JICA), Department for International Development, and regional institutions such as the New Partnership for Africa’s Development, Association of South East Asian Nations (ASEAN), and Africa Capacity Building Foundation. The extent of interaction is increasingly not limited just to governments, extending to powerful civil society institutions in these countries. It is in the interest of international development institutions to pay closer attention to this growing phenomenon and evolve new policies for greater engagement.

Global Trends Supporting South-South Cooperation

Developing nations have been exploring means to cooperate and aid in each other’s progress for over 40 years. The 1964 formation of the Group of 77, an advocacy group for developing countries within the United Nations, and the creation in 1966 of the United Nations Development Program were among the significant early signs of strong South-South collaboration. Only recently are these groups becoming successful in sharing solutions to common problems and learning from successful peers. This success can be attributed to the growing acceptance of the legitimacy of peer learning and also rapid technological progress, which has made global communication vastly more effective.

A number of other initiatives have contributed to the growth of exchanges among developing countries. These include the following:

- **The Shanghai Conference.** The Scaling Up Poverty Reduction Initiative is part of a global learning process that allows key development actors to share their experiences and policy lessons learned around the world. The initiative led to several activities during a nine-month period that drew on leading-edge information and communication technologies. A series of case studies, multi-country interactive videoconferences, online dialogues, and field visits resulted in a working conference in Shanghai in May 2004, hosted by the Government of China. Since then many new post-Shanghai learning activities have taken place. The activities are sponsored by the World Bank Institute in cooperation with other multilateral and bilateral donors.⁷
- **Japan’s pioneering role.** Japan began providing technical assistance as a donor nation, when it joined the Colombo Plan in 1954. Based on its experience after World War II, Japan recognized the importance of South-South cooperation and ever since, JICA has been working to enhance its support for capacity development.⁸ (See box.)

ASEAN: A Success Story

Founded in 1967, a time when the Vietnam War was seen as a threat to regional stability, ASEAN has achieved the rare feat of bringing former enemies into a framework of cooperation. The cooperation led to closer economic, cultural, and political ties among the countries and has resulted in several joint projects, for example, ASEAN Cooperation on Agriculture and Forestry, Transport, and Infrastructure, and ASEAN Regional Forum for Security. Its members include the founding countries, Indonesia, Malaysia, Philippines, Singapore, and Thailand, as well as Brunei Darussalam, Vietnam, Lao PDR, Myanmar and Cambodia, all of which joined more recently. The ASEAN region has a combined population of about 550 million, a total area of 4.5 million square kilometers, a combined gross domestic product of almost US\$ 700 billion, average per capita income of \$1,267 and in the past 30 years growth averaging 5 percent to 7 percent.

Source: ASEAN. “Overview, Association of Southeast Asian Nations,” <http://www.aseansec.org> (accessed Feb. 18, 2007).

⁵ Drawn from JICA’s task force on South-South cooperation, which sought to clarify the concept initially proposed by UNDP in 1974.

⁶ See UNDP (2004b).

⁷ For more information, see <http://info.worldbank.org/etools/reducingpoverty/index.html>.

⁸ See JICA (2006b).



Sharing the Secrets of Success: Some Examples

- **Learning from Brazil in the fight against AIDS.** The Brazilian response to the HIV/AIDS epidemic has been used as a learning tool for other Latin American nations trying to tackle the disease. Brazil is also helping Botswana design and implement an integrated strategy to combat HIV/AIDS.
- **Microfinance expertise from Bangladesh.** The Association for Social Advancement, a Bangladesh nongovernmental organization has provided technical assistance for establishing 15 microfinance institutions in the Philippines for delivery of microfinance services to more than 25,000 clients. With 1.5 million members, this association is widely acknowledged as a model of good practice in microfinance, because of its unique accounting methods, standardization, and efficient cost structure.
- **Managing water resources.** India is increasingly promoting technical cooperation with other developing countries, for example, the Water Resources Development and Management Center at the Indian Institute of Technology. The objective of the center is to train engineers from Asia, Africa, and other developing countries in various aspects of water resource engineering. Since its creation in 1951, the center has trained 2,032 serving engineers

Japan's Support for South-South Learning

- **"Third country" training program.** With assistance from donor countries and aid organizations, a developing country accepts trainees from other developing countries with shared characteristics in order to transfer development expertise and skills. In fiscal 2003, 151 third-country group training courses were conducted in 38 countries.
- **"Third country expert" dispatch.** With support from donor nations and aid organizations, an expert from one developing country is dispatched to another developing country to transfer expertise and skills. In fiscal 2003, 113 experts from developing nations were dispatched to other developing nations; 50 percent of them were from Latin America.
- **Partnership program.** This is a framework through which the governments of Japan and other developing countries (partners) agree to support jointly the efforts of other developing countries and regions. As of December 2004, Japan had concluded partnership programs with 12 countries: Argentina, Brazil, Chile, Egypt, Indonesia, Jordan, Mexico, Morocco, the Philippines, Singapore, Thailand, and Tunisia.
- **Hosting international conferences.** JICA along with UNDP has hosted several joint conferences to promote dialogue and establish cooperation between developing countries. Such conferences were held in Okinawa in 1998, Tokyo in 2001, and South Africa in 2002.

Source: JICA (2006a).

from 38 countries in the field of water resource development and irrigation water management.

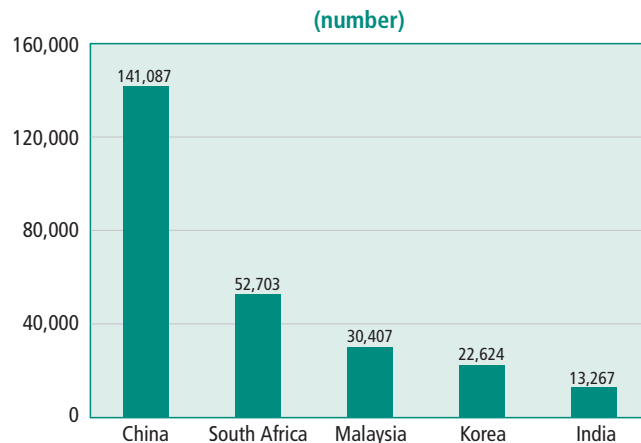
- **Agricultural Research for Africa.** The West African Rice Development Association (WARDA) has succeeded in discovering new crop varieties, called New Rice for Africa (NERICA), created by crossing African and Asian rice species and combining the best attributes of both. West African farmers played a key role in developing these crops and ensuring their suitability for farmers who cannot afford fertilizer or pesticides.

Conclusion

The increased pace of globalization has convinced many developing countries to try to learn not only from developed countries, but also other developing countries. As the illustrations above show, South-South learning and cooperation is expanding along with increasingly lucrative South-South trade. The information technology revolution and the end of the Cold War have dramatically altered the imperatives for South-South learning. The induction of business, civil society, and NGOs into the South-South process has energized it and broadened predominantly economic and technical cooperation to include social and cultural initiatives.

China, in particular, is seeking to increase its influence among developing nations by supporting not only investment, but capacity development projects in Africa, Latin America, and Asia. The Chinese have emerged as one of the biggest lenders in Africa and are promoting student exchanges between African and Chinese univer-

Higher Education in the South: Foreign Students in 2005



The number of international students in India increased from 5,841 in 1997 to 13,267 in 2005. More than 90 percent of overseas students in India came from developing countries.

Source: Association of Indian Universities (2004) and Institute for International Education (2006).

Cooperating in Education

Links to Asia by Organizing Traineeship and Student Exchange (LAOTSE) is an international network of leading universities in Europe and Asia, established during the Asia-Europe Meeting University Dialogue held in Kuala Lumpur on March 18, 1998. LAOTSE partners arrange exchange programs for students and senior lecturers, as well as organize an annual summer school. Participating universities include ones in China, Denmark, Finland, France, Germany, India, Indonesia, Iran, Republic of Ireland, Japan, Malaysia, Singapore, South Korea, Sri Lanka, and Thailand. The network is named after Laotse, a famous Taoist Chinese philosopher, who is believed to have lived in the 4th century BC. This successful initiative demonstrates how North-South exchanges have had to adjust to Southern countries' desire for knowledge sharing and exchange, instead of knowledge transfer.

Source: Wikipedia: The Free Encyclopedia. "LAOTSE." <http://en.wikipedia.org/wiki/LAOTSE> (accessed Feb. 18, 2007).

sities. China and other newly emerging donors would do well not to repeat the mistakes of the old North-South model. The new donors will need to recognize the advantage of interacting with other developing nations as peers and encourage equitable partnerships, rather than one-way knowledge transfers.

To remain a major actor in the global development scenario, the World Bank and other international development organizations will need to adjust to the new environment, in which developing countries are major suppliers of knowledge and capacity services. It is clear that the South is looking to its peers for knowledge and assistance and the World Bank and its partners can leverage these interactions between the developing nations and support the emergence of a knowledge sharing paradigm.

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