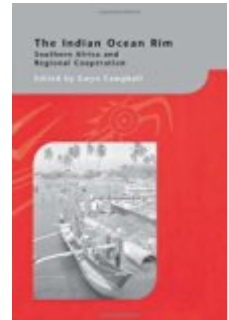


Gwyn Campbell, ed.. *The Indian Ocean Rim: Southern Africa and Regional Cooperation*. London: RoutledgeCurzon, 2003. 268 pp. 112.30, cloth, ISBN 978-0-7007-1344-8.



Reviewed by Paul Bischoff

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This book reflects the search for an Indian Ocean Region (IOR) at the start of the 1990s, a Southern response to growing northern regionalism and the perils of further exclusion for countries of the South this posed. With the Indian Ocean Rim Initiative (IORI) of 1993 in mind, the book looks for historical and social antecedents and tentatively begins to build an economic and developmental case for Indian Ocean regionalism.

Gwyn Campbell in the introduction tells us that the Indian Ocean was home to the emergence of one of the world's earliest complex, long-distance commercial networks, upheld by a number of important trade diaspora across this vast region. Some, like the Hadhramaut, Indian and Chinese remain important economic forces (p. 31). Chapters 2 and 3 sketch the historical parameters of commercial networks. Chapter 2 (by Nigel Worden) does this by drawing on comparative historical insights into the early urban social and economic dynamics of Port Louis and Cape Town, as well as their links as coastal cities, examining their importance in forging early regional economies of trade with Mozambique and Mada-

gascar, and further afield. Chapter 3 (by David Warburton) looks at the development and reach of the Hadhramis of Yemen into India, East Africa, Singapore and Indonesia, before and after the imposition of a Pax Britannica on the Indian Ocean, and points to the continued existence of this cross-regional diaspora.

Regarding the present period, there are problems of defining the IOR as a bordered area as well as who can join the IORI. For example, should states adjacent to littoral states be let in? But forging South-South relations is problematic in itself, in that the continuing relations of dependence encourage bilateral North-South relations, rather than multilateral South-South relations among IORI states. This is not surprising since the six most-industrialized countries make up the only net exporters of capital after 1990, whilst the top one hundred transnational corporations (TNCs), which dominate foreign direct investment (FDI), are all based in developed countries outside the IOR (p. 20). What then to do to challenge the domination of international economic policy by the North be challenged (p. 31)?

Within the IOR, the Gulf region, the emergent industrial countries and African and Chinese diasporas, are sources of extra-Western funds (pp. 21-22). Further, within the IOR, contributors stress that government intervention (rather than any open market model) is appropriate to counter the negative effects of globalization. This involves government channeling of FDI into different areas of the country in order to mitigate pre-existing forms of polarization (p. 26). It also requires government identification of agricultural, technological and environmental needs that are best suited to advance the interests of its less-developed country (LDC) members (pp. 23-29). In addition, a more advanced cross-regional approach to development planning is needed (p. 26). Moreover, non-military security issues dealing with the production, distribution and transit of heroin span the area, while an Australian proposal for an Indian Ocean Zone of Peace (IOZP) would allow the three middle powers to arbitrate in sub-regional conflicts, roles still performed by the United States and France, and, possibly, by an ascendant China in the future (p. 30).

Chapter 4 (by Judith Streak) traces the history of cocoa production in the IOR. A comparative analysis of emerging production costs among the world's five leading cocoa producers allows the author--albeit from the vantage point of the mid-1990s--to make some tentative remarks about the potential export market and future demand for the IOR region; here Indonesia is singled out.

Chapter 5 (by Andreas Lombardozzi) seeks to evaluate the potential of IOR integration from a developmental perspective. A case is made for a developmental state to guide the market process, to secure meaningful sectoral cooperation and promote regional integration in order, *inter alia*, to achieve economies of scale in resource management, transfers of technology, a raise in productivity, protection of infant industries, an equitable distribution of regional income, the establishment of regional development funds and an

increase in Third World bargaining power through the creation of cohesive trade blocs (pp. 82-83). Given the asymmetries in development within the IOR, the author suggests a number of ways in which both cooperation and trade integration can be accommodated but notes that this also may mean that the LCDs within the IOR must establish a strong bargaining position and incorporate principles of "variable geometry" vis-a-vis the more developed IOR members such as Australia, Singapore or Malaysia (p. 85). To this end, the creation of suitable institutions is discussed.

Chapter 6 is concerned with South Africa's commitment to sub-regional integration. But noting that South Africa and its regions are all interested in greater South-South cooperation, the author investigates the possibilities and modalities of South Africa and/or the Southern African Development Community (SADC)/Southern African Customs Union (SACU) all joining the IORI.

Given South African foreign-policy orientation towards African integration, South Africa's membership in IOR is hotly contested, domestically. But Marina Mayer, discussing the modalities of SACU and SADC being brought into IOR in chapter 8, makes the interesting point that finding themselves within IOR may lessen South Africa's economic predominance within Southern Africa, something that is an obstacle to any take-off stage on Southern African integration (p. 111). Chapter 8 looks at SACU's competitiveness within IORI. Based on data that is ten years old, the findings are that the trading partners which offer the greatest possibility for the enhancement of SACU's role in regional trade are South Asia, East Africa and the Middle East (p. 133), but that, overall, the prospects are not promising. In light of anecdotal evidence, showing that SACU has increased its trade with all these regions in the period since, these findings could be reviewed once again and the conclusions may now look somewhat different.

Chapters 9 and 10 (by Marc Flior and Ariella Kuper respectively) give renditions of the gold mining industry in the period 1980-95, and of the iron and steel industry in South Africa, with no direct reference to IOR. Chapter 10 examines data on comparative IOR industrial development, with a view "to developing a sufficiently flexible framework to enable each member to design trade and industrial policies that maximise their potential dynamic comparative advantage" and suggests a research agenda to this end (p. 181).

Chapter 12 (by J. J. Truter) investigates the prospects for regional cooperation in Southern Africa and South Africa, the IOR and agriculture, pointing to bilateral protocols, marketing and research practices as they existed in the early 1990s. Chapter 13 (by C. S. Rwejuna) relates to Tanzanian-South African relations, and the initial investments and potential for bilateral cooperation which existed up to the mid-1990s. Chapter 14 (by Jaysen Ramasamy) is on Mauritius and how to use the IOR to stave off stagnation and, not unlike Singapore, advance to the next stage of service-oriented development intended to serve the IOR region. As such, the country places high hopes on regional formation and wishes to host the headquarters of any IOR secretariat (pp. 212, 218). Chapter 15 (by Gwyn Campbell) looks at the IOR and its economic groupings. It finds that the economic balance of power is in favor of the eastern side of the Indian Ocean, meaning that it has considerable sway over the structure and policy of the IOR (p. 220). All sub-regional groupings within IOR are looked at, as well as the Asia Pacific Economic Conference (APEC) which overlaps with the region. The possibility of an IOR lobby group within the Commonwealth is discussed. Chapter 16 (by Andre Ulpat) is on South Africa and France in Africa and the Indian Ocean, and looks at bilateral economic aid, and political relations in and around 1994, as well as South Africa's ties with Francophone states within IOR and the implications of France's political and military presence in the Indian Ocean area. Chapter 17 (by Gwyn

Campbell and R. R. Subramanian) looks at the IOR and the strategic importance of the Indian Ocean region after the Cold War, pointing out that the importance of the region has lessened. All the same, as of 1995, sixteen major military conflicts were taking place in the IOR region or its hinterland. An emergent China and potential flash-points at the eastern entrance to the Indian Ocean and the South China Seas, conflicts in South Asia, the Gulf region and the Asean Regional Forum, as it operated in 1997, are discussed. By way of a conclusion, the question of whether the IOR should embrace a regional defense organization is posed.

According to the editor, this book is largely comprised of papers delivered at a conference on "France, South Africa and the Indian Ocean" at the University of the Witwatersrand as far back as 1995. Whilst some of the material seems to have been updated in and around the late-1990s, the result is one where one is never quite sure whether any reference to "current" actually means going back to either the early or the late 1990s (p. 4). At the very least, some preface on recent major developments, such as South Africa's recent Free Trade Agreement with the European Union (EU) and whether this now still "obliges South Africa to consider new emerging markets such as the IOR countries for primary products" (p. 195) as before when she was excluded from the Lome Agreements), would have been necessary.

Given conventional uses of regional cooperation in the sub-region, the subtitle--*Southern Africa and Regional Cooperation*--appears rather stretched. For the sub-region, regional cooperation is primarily understood in terms of regional bodies such as SADC, SACU and the Common Market for Eastern and Southern Africa (COMESA) on African *terra firma*. Not only does the IORI embrace littoral states on the Asian side bordering the Indian Ocean, to date it contains no more than a handful of Southern African members, notably

continental South Africa and Mozambique and island states such as Mauritius and Madagascar. Even with Tanzania as a nominal Southern African state (for reasons to do with the Southern African national liberation struggle, Tanzania is a member of SADC) thrown in, all this hardly adds up to a critical mass of *Southern African* cooperation within IORI as suggested by the title. But, given the number of chapters which deal exclusively with South Africa, maybe the latter is meant to "stand in" for Southern Africa, something underlined by the realization that any greater South African involvement within IORI is predicated on the participation of all of SACU and preferably also SADC within this greater extra continental scheme of cooperation (p. 117).

Some of the papers therefore bear little obvious resemblance to the theme at hand. From their titles, five of the seventeen chapters (namely "Prospects for the South African Tourist Industry", "The Gold Mining Industry and the South African Economy 1980-1995", "The Role of the Iron and Steel Industry in the South African Economy", "A Future Common Agricultural Regime for Southern Africa" and "Forging Economic and Political Relations between South Africa and Tanzania") largely do not, in any explicit way, relate to the main theme of the IOR. Rather curiously, no background is given for the contributors and there is no general index nor glossary.

Notwithstanding the region's great trade complementarity (p. 14) and potential geopolitical significance as a pan-Indian Ocean grouping, containing at its core three powerful respective regional players (Australia, India and South Africa) who were instrumental in the first talks on the subject in 1993 (p. 2), there has been little movement in terms of the IORI since the adoption of a draft resolution in Mauritius of the Charter of the Indian Ocean Rim Association for Regional Cooperation on March 7, 1997 (p. 138).

Given South Africa's African-oriented foreign policy, aimed at African regionalism and African

renewal since the late 1990s (culminating in the advancement of the New Economic Partnership for Africa [NEPAD] and the creation of the African Union [AU] in 2002), and given the strained relations with the Howard government in Australia over the deliberations of the Mbeki, Obasanjo and Howard troika within the Commonwealth regarding the suspension of Zimbabwe in 2003, and even apart from the relatively high costs of membership outweighing any benefits (p. 2) South Africa's participation within the IORI would seem for the moment to have been certainly dampened.

But, as the editor points out, regionalism as a bargaining tool in negotiations with Northern institutions is one of the *raison d'être* for IORI (pp. 1-2) and the bogey of regional trade fortresses persists. An emerging middle power such as South Africa which has taken multilateral bargaining to heart and which may in the future be stymied by the lack of progress within SADC or NEPAD could, at some stage, return to the idea of IORI, SACU or/and SADC in tow. Similarly this might be the case both for India, currently drawn into the "ASEAN plus One" fold, and for a conservative Australia (initially unable to add security issues to IORI because of Indian opposition (p. 10)) preoccupied with the Bush Administration's "War on Terror" and politically unlikely to want to join forces with states such as South Africa and India, who have taken far more cautious and skeptical stances towards the United States and who have attempted to drive hard bargains with the West at trade negotiations in Doha.

Given the assessment that Southern Africa may, after all, not have the wherewithal to create a common market within Southern Africa, a partnership with other countries within a larger, economically more powerful region, such as the IOR (p. 198), remains a possibility. Therefore, despite the dated nature of this publication, this is a rare and hence useful reference book for (political) economists, students of (Southern) regionalism and strategists who wish to apply the idea of a de-

developmental state to future regional integration in general and the Indian Ocean Rim in particular.

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