

SouthViews No. 211, 30 December 2020 www.southcentre.int Twitter: @South_Centre

> The Making of the South Centre By Branislav Gosovic

A contribution to the institutional history of developing countries' collective action in the world arena on the occasion of the South Centre's 25th anniversary as an intergovernmental organization

Preamble

The South Centre was first established by the South Commission at its last meeting in Arusha, Tanzania in October 1990, as its temporary two-year follow-up office which was to be chaired by its own Chairman, Julius K. Nyerere. In fact, the office was referred to informally as "the Chairman's window in Geneva" and its task was to assist Mwalimu Nyerere to spearhead personally the follow-up process.

The South Centre began to function on 1 January 1991. The South Commission thus became the first among independent international commissions to leave a follow-up structure after ending its activities, a structure with a former head of state, world-renowned leader and personality at its helm. The Centre was given the task to promote the policy and action recommendations contained in the Commission's report "The Challenge to the South," especially its recommendation concerning the establishment of a "South Secretariat", for which it provided a detailed blueprint.

At its Arusha meeting, the Commission also decided to reconvene, in two years' time, as "former members of the South Commission", in order to review the work undertaken by the Centre and to consider further action, if any. At that meeting, which was held in June 1992, the ex-Commissioners commended the work and performance of the Centre and decided to extend its mandate, so as to enable Mwalimu Nyerere to pursue the idea of transforming the Centre into a permanent institution. His endeavours were successful and led to the adoption in 1994 of the "International Agreement to establish the South Centre" as an intergovernmental organization (IGO). A brief essay follows highlighting main points of the Centre's "touch and go" genesis, until the moment when it was formally inaugurated as an IGO in September 1995.

Institutional issue in the South Commission (1987-1990)

One of the important objectives that led to the creation of the South Commission was the hope that its work would, among other things, inspire and spur the creation of a developing countries' own organization, referred to, in the early days, as the "Third World Secretariat". Such an organization was to provide the necessary intellectual and organizational back-up to the Group of 77 (G77) and the Non-Aligned Movement (NAM), a pressing requirement especially because of the growing limitations being placed by the developed countries on the United Nations Conference on Trade and Development (UNCTAD) Secretariat's extending substantive and logistical support to G77, support which was playing a very important role in the early days of the Group's functioning and bolstered significantly its influence and work.

After the experience with the Brandt Commission and the World Commission on Environment and Development (WCED) where North and South representatives often could not reach consensus or see eye-to-eye on basic issues, it was felt that there was a need for in-depth reflection and dialogue by an independent commission of personalities only from the South, who would broadly agree on key challenges faced by developing countries and share their common objectives.

The idea of a "South-South" commission was thus raised and discussed, including in the Society for International Development (SID) North-South Roundtable meetings, to be eventually agreed and formalized at a 1986 conference in Kuala Lumpur, organized by the Institute of Strategic Analysis and Policy Research and chaired by Dr. Mahathir Bin Mohamad, Prime Minister of Malaysia. Prime Minister Mahathir presented the proposal at the Harare NAM Summit in September 1986 which endorsed it. He then flew to Dar es Salaam to meet the former President of Tanzania, Mwalimu Julius K. Nyerere, to invite and convince him to assume the chairmanship of the Commission. Mwalimu Nyerere accepted the invitation and proceeded to organize and establish the Commission, which convened and began its work one year later in October 1987.

The critical need for a proper self-organization of the South in its unequal and often lopsided interaction and dealings with a well-organized North was one of the key concerns preoccupying the Commission. At one of its opening meetings, one of its members argued passionately for the establishment of an "OECD of the South". The response of most other members was reticent, considering the idea as too ambitious for a beginning given the complexities involved in agreeing to establish, locate, finance, manage and operate a major organization of this kind.

Towards the end of its work, the Commission focused its attention on the institutional issue, and recommended in its Report that a "modestly" staffed institution, a South Secretariat, comprised of 30-35 professionals, should be set up to provide technical, intellectual and organizational support for common action of developing countries, "keeping in mind the likely limits on its resources, manpower, and experience at the initial stages and the need to build up its capacity and methods of work over a period of time". Its functions were to be to serve: as a nucleus of a global South network; as a place of contact; as an observer post; and as a lobby for the South. The Commission argued that the institutional and intellectual support that the new institution would offer to the

¹ The report of the South Commission, *The Challenge to the South*, was published in 1990 by Oxford University Press in its original English version. It was also published in Arabic, Chinese, French, Indonesian, Portuguese, Spanish and Swahili. The Annex of the Report entitled "The Commission and its work" includes brief CVs of the Commissioners, the Commission's terms of reference, staff of the Commission, financing, working groups and expert groups, papers prepared in support of its work, and acknowledgements. At its first meeting the Commission decided that it was more appropriate that it should be called "South Commission" rather than "South-South Commission," given that the scope of its work encompassed global issues, North-South relations, and national development, as well as South-South cooperation.

common endeavours of the developing countries was essential and of strategic importance. In this context it is best to quote some pertinent and still relevant thoughts from the Commission's Report:

...The South is not well organized at the global level and has not been effective in mobilizing its shared expertise and experience or its bargaining power. As a consequence, it is at a great disadvantage in its relations with the North. This weakness is also prejudicial in the process of South-South cooperation...

... The existing arrangements for consultations among them – occasional meetings at the political level, backed by meetings of ad hoc working parties and groups of officials from capitals – are inadequate to assess alternative options, to co-ordinate their strategies, or to evolve common negotiating positions in the various forums...

...It is only collectively, and through the effective organization of their strength, that they can hope to safeguard their interests and prevent the North from determining unilaterally how these issues are disposed of....

...the Commission is firmly of the view that the developing countries should establish a wellstaffed secretariat of the South that would provide continuing institutional support for analysis, interaction, negotiations, and follow-up action – the technical foundation for their collective action. The secretariat should deal both with the issues of South-South co-operation and with North-South relations and should become an intellectual powerhouse of the South's collective advance. Its establishment would give fresh momentum to the process of strengthening the solidarity of the South....

However, the Commission was aware that, were this recommendation to be simply left in its Report without a determined follow-up, it was unlikely to be seriously considered, and even less so put into effect. Thus, at its final meeting in Arusha, after its Report was formally launched in Caracas in August 1990, the South Commission considered ways on how to promote the Report and the recommendations it contained. As noted above, it was then decided to set up the Commission's "two-year follow-up office" in the same Geneva premises and to name it the South Centre, with Mwalimu Nyerere as its Chairperson and with his own support office in Dar es Salaam.

South Centre as a temporary follow-up office of the South Commission (1991-1992)

Apart from giving support to Mwalimu Nyerere in his activities and his promoting the Commission's Report, finishing some work not completed by the Commission, in particular on United Nations (UN) reform and on environment-development, and having the Commission's Report translated into different languages and launching it in the regions of the South, one of the Centre's main tasks was to pursue the Report's recommendation to establish the South Secretariat.

Two possible options were on the table at that moment. One was to see what would happen with the institutional follow-up of the Summit Level Group for South-South Consultations and Cooperation, the Group of 15 Developing Countries (G15), formed and inaugurated at a meeting held during the 1989 9th NAM Summit in Belgrade.² The other option was to try to use the Commission's follow-up office, the South Centre as a catalyst for establishing an institution.

² It can be said that the initiative to launch the Group of 15 heads of state was inspired by the work and deliberations of the South Commission, the original idea being to establish a counterpart to the Group of 7 of developed countries

G15 had set up a small temporary mechanism, called the Technical Support Facility (TSF), to service its annual meetings. In order to help, consolidate and facilitate the work of G15, the South Commission invited G15 TSF to share the office space with the South Centre in Geneva, as well as to engage some of the Commission's staff members upon the conclusion of its own work. It was hoped and indeed expected that, in synergy with the South Centre and under the impulse of the heads of state or government involved, action could be taken for TSF to evolve into the South Secretariat recommended in the Commission's Report.

At the second G15 Summit, held in Caracas in 1991, following the recommendation by Mwalimu Nyerere who participated in the Summit as a special guest, the heads of state or government present decided to appoint a very distinguished, highly influential and experienced personality and a long standing leader in the ranks of both NAM and G77, to be the head of the fledgling Technical Support Facility. This appointment however did not materialize for a variety of reasons, and TSF was deprived of a powerful, political leader who possibly could have put it on track to evolve into a South Secretariat. TSF thus continued as a small administrative support office for G15 summits.

The second possibility that remained on the table was to consider whether a longer-term, permanent solution could be found relying on the South Centre. The creation of the two-year follow-up Office was a significant first step. As noted above, unlike other independent commissions, which were content to produce and publish their reports and then wind up their work, the South Commission left a detailed recommendation for establishing a "South Secretariat", an already functioning follow-up structure and a small, experienced staff, and, most importantly, one led by its own member and Chairperson Mwalimu Nyerere who was deeply convinced in the importance of institutional support for collective action of developing countries. A charismatic and committed personality formed in the national, anti-colonial liberation struggle, highly respected and recognized not only in Africa and the South, but worldwide, who enjoyed close rapport with and support of a number of heads of state and highly placed, experienced personalities and experts from developing countries, Mwalimu made the pursuit of the institutional goal into his personal mission.

Mwalimu Nyerere often commented on how his three-years of South Commission experience had helped him broaden his knowledge and understanding of the South, and of global issues of concern to developing countries. Indeed, in the process he evolved into a genuine Third-World and global leader, who rose above the national and regional frames of reference that state leaders rely on and who seldom transcend their horizons for several reasons including lack of exposure to and knowledge of issues and environments beyond what they are familiar with.³ He often repeated that the South Commission's work, interaction and joint reflection with its members and, indeed, with leaders and people from all walks of life in developing countries and also the North, was a great learning opportunity for him in terms of both acquiring fuller knowledge and awareness of global issues and multilateral politics, as well as becoming familiar with a number of developing countries, their individual and common problems, concerns and interests.

and thus contribute to the North-South dialogue. During the discussion among the heads of state involved it was decided however that an important dimension of the Group's work would also concern South-South cooperation. Mwalimu Nyerere, who took part in these deliberations, was asked by the 15 heads of state present at the Belgrade NAM Summit to formally announce on their behalf the establishment of the Group.

³ In this context a footnote may be of interest. Upon his appointment, when considering a possible location for the South Commission Secretariat, Mwalimu Nyerere had London first in mind. For him it was a familiar place. However, as he recounted later, Mrs. Thatcher told him, "Julius, you are welcome but do not expect any financial support from me, nor will your Commission be granted diplomatic status and privileges." Thus his attention turned to Geneva.

During the two-year period that followed, Mwalimu Nyerere, the former Chairman of the South Commission, was very active on the multilateral stage also as the head of the South Centre. He broadened and sharpened his knowledge of and experience in multilateral politics, the workings of the United Nations, and the inner dynamics of both G77 and NAM. In the process, his appreciation grew in the value and inherent potential of even a small mechanism, such as the Centre. With a tiny staff, a method of work that relied on a network of experts and distinguished personalities from the South and some from the North, and with adequate and assured funding for operating expenses, Nyerere, as the Chairperson of the South Centre, made his and the Centre's voice heard and taken note of, not only in developing countries but also on the international scene at large.

Mwalimu Nyerere's deep conviction of the usefulness of institutional backup grew even stronger on seeing the demand for the Centre's support and use of its outputs by G77, e.g., in preparations for the United Nations Conference on Environment and Development (UNCED), and by NAM, in preparations for, during and after its Tenth NAM Jakarta Summit. A number of heads of state and high-level personalities in developing countries were also impressed by the work of the "followup" South Centre, supported and encouraged Mwalimu Nyerere in his enthusiasm for establishing an organization of the South, and agreed with him that the Centre should not be wound up after two years as originally stipulated.

Thus, as noted above, when the former South Commission members met as ex-Commissioners in Geneva in June 1992 to evaluate the follow-up activities, they agreed that the South Centre's mandate, as the South Commission's two-year follow-up office, should be extended to enable Mwalimu Nyerere to continue to seek and find a way to make the Centre into a permanent institution.

There was a shared sense at this meeting that establishing a secretariat of the kind recommended in the Commission's Report was not likely to happen, and even if there were to be a "secretariat", there would be also a need for a "think tank" to provide the intellectual force and act as a power house for the South.

Transforming the South Centre into a permanent institution

The intention, at first, was to establish a non-governmental organization (NGO) based on the model of the independent South Commission and, in view of the positive experience with the Commission and the Centre, to maintain it in Geneva in a multilateral UN setting.

This choice depended on the continuation of the diplomatic status that the Swiss Government had extended on a temporary basis to the Commission and then to the South Centre, as it did to other independent international commissions that had been located in this city. However, an NGO could not be granted this status, a status of great practical importance for the new institution's standing, financial viability, and operation, including for automatically obtaining visas for the developing countries' nationals involved in the Centre's work to enter in Switzerland. In order to qualify for this status, the new institution had to be an intergovernmental organization (IGO), founded by an international agreement deposited with the Office of the UN Secretary-General.

An intergovernmental agreement was thus drawn up, with the legal help of the UNCTAD secretariat and Swiss government experts who saw to it that it conformed with the host country standards. It was fashioned in line with Mwalimu Nyerere's wish that the South Centre, as an IGO, maintains political and intellectual excellence, status and independence patterned on the South

Commission, as well as direct links with and engages in its work heads of state or government and high level personalities of developing countries.

The proposed institution was not meant and equipped to be a "secretariat", though it was seen as a step in that direction. Though small, it was to be available to work for and provide support to the developing countries' common endeavours and their group efforts, such as those undertaken by G77 and NAM. In order to ensure high status and visibility for the Centre, the new institution was to be guided by a Board and its Chairperson. They were all expected to be well-known, respected high-level individuals, similar to those in the case of the South Commission, in order to assure it political influence and respectability with governments of individual countries. The Agreement provided that the national delegates attending the Council of Representatives, the new institution's governing organ, which was to meet triennially unless it decided otherwise, would be high-level political personalities coming from national capitals and with direct links with their heads of state and/or government, who would also follow and be involved in the Centre's work and activities and thus assure continuity, and hopefully act similar to its high-level "focal points" in member countries.

Given the fact that a number of governments had signaled that it would be difficult for them to commit to contribute financially on a regular basis without a protracted domestic procedure, the funding was to be voluntary in nature, so that as many member states as possible would be drawn and able to join the Agreement on the new institution. Thus, the Agreement provided that the South Centre, as an IGO, was mainly to be financed from the income generated by a \$30 million capital fund that would be built up gradually via one-time major contributions by Member States, and did not envisage mandatory, regular contributions.

Mwalimu Nyerere had undertaken to create an institution of the South at the global level and pursued this difficult and complex process of an uncertain outcome with passion and his well-known flair. And, the ultimate success did follow in the end and was made possible by vitally important understanding and support he received from many key individuals and quarters in this final run, very importantly from Indonesia in its capacity as the then NAM Chair country. Indeed, Indonesia engaged the South Centre to undertake a number of activities for NAM and funded these, provided financial support for its operating activities, and eventually, as an outgoing chair of NAM, committed to contribute an annual amount of \$500,000 to its annual budget. This support was of critical importance and also spared Mwalimu Nyerere from what he considered as onerous fund raising activities for a former Head of State.

Indonesia's direct involvement in negotiations with Switzerland also played a role in its acceptance to host the proposed institution of the developing countries and grant it the IGO status enjoyed by the UN and other international organizations in Geneva, including the World Trade Organization (WTO) which was being established during that same period. Before that happened, however, there was a sense of unease due to a delay, especially as Mwalimu Nyerere, stressed by the long wait for the Swiss decision, recalling that the Organization of the Petroleum Exporting Countries (OPEC) was denied hospitality in Geneva and had to locate in Vienna, and suspecting possible displeasure in some quarters for having an IGO of the South headquartered in this city, said that, if the Centre could not be based in Geneva, he would give up and abandon the whole project. Fortunately, the Swiss Government gave a green light to the draft Agreement, and also signalled its willingness to continue via the Swiss Agency for Development and Cooperation (SDC) to provide financial support for the rental costs of the premises of the Centre's office.

This was similar to the welcoming attitude it showed, together with the authorities of Geneva International, when the idea of locating the South Commission in this city was floated in 1986,

thus making possible for the Commission to be established and function in a multilateral environment and in a friendly and welcoming host country, a rather different setting from the one offered by Mrs. Thatcher in London. And, in the case of the South Centre, given the limits on its resources and manpower, it provided a favourable setting for continued institution-building process, "to build up its capacity and methods of work over a period of time" as the South Commission stated referring to the South Secretariat.

On the occasion of the 8th Meeting of Ministers of Foreign Affairs of the Group of 77, chaired by Algeria, held during the UN General Assembly session in September 1994, Mwalimu Nyerere presented the text of the Agreement to G77 and invited Member States to sign it. Forty-four developing countries signed the Agreement, a process in which the delegation of Algeria and Luis Fernando Jaramillo of Colombia, as the Chairperson of G77 in New York during 1993-94, played an important role by helping to convince as many representatives as possible to sign the Agreement. Thus signed, the Agreement had to undergo the process of ratification, or definitive signature by individual countries, which took until June 1995, when the required number of ratifications was reached and the Agreement formally entered into effect, making the South Centre an Intergovernmental Organization.

The South Centre was launched on its new adventure in Geneva in September 1995, when the first meeting of its Council of Representatives was held, which elected Luis Fernando Jaramillo of Colombia as its Convenor and appointed its Board for the period of three years, with Mwalimu Julius K. Nyerere as its Chairman. Very similar to the G77 Ministerial Meeting in New York one year earlier when the Agreement was signed, this was a happy occasion that celebrated the establishment of the first global organization of the developing countries, with a number of personalities present, including the representative of the Group of 77 in New York, who all warmly welcomed the new institution of the South.

The event received coverage in the Geneva media, and the next day, a group of Australian tourists, who read about it, rang the bell at the Centre's door, all enthusiastic, to congratulate on the establishment of "the OECD of the South"! This enthusiasm was also shared by many individuals in the South, including Cheddi Jagan, President of Guyana, who visited the South Centre to sign the Agreement, his Presidential definitive signature being equivalent to Guyana's ratification.

An unfinished task

The making of the South Centre into an Intergovernmental Organization was a "touch and go" process from the very beginning, with an uncertain outcome. However, it was crowned with success, thanks to Mwalimu Nyerere's leadership from the very early days of the South Commission, his perseverance and his deep conviction of the fundamental importance of first class institutional support for collective endeavours of developing countries in the world arena.

He is not likely to have succeeded in spite of his zeal and enthusiasm, were it not for the wholehearted support, understanding, back up and encouragement that he received from all sides, governments and individuals. Among the key personalities, one should mention five who were at his side during his years with the South Centre when it was a follow-up office of the South Commission, and played a major role in the process of transforming it into a permanent organization, his Personal Assistant Joan Wicken and Permanent Representative of Tanzania to the UN in Geneva, Amir Jamal, and members of the South Commission Gamani Corea of Sri Lanka and Widjojo Nitisastro of Indonesia. It is Pak Widjojo, together with his country Indonesia as the Chair of NAM, which provided political backing at a critical juncture, as well as generous

financial support for its activities and operating expenses at a crucial period which made it possible for Mwalimu to sustain and complete successfully this first, take-off leg of institution-building.

Indeed, Mwalimu Nyerere, towards the end began to refer to the South Centre as "my baby", and considered it as one of his important and lasting achievements, possibly of greater impact and practical usefulness to the Global South than the written analysis and recommendations contained in the seminal report of the South Commission.

All along, including in the South Commission itself, it was clear that not everyone shared his enthusiasm of the need to establish an International Organization of the South. Still the Commission arrived at a detailed recommendation to establish the "South Secretariat". It turned out, that even this was too ambitious as some had predicted. Yet, thanks to the establishment of the follow-up office and the efforts outlined above, transforming the South Centre into an Intergovernmental Organization was obtained, an important and tangible advance and a foothold for further and more ambitious undertakings and institution-building.

While the Centre was now launched as an IGO embedded in an international treaty, important, unfinished tasks lay ahead to fine tune, consolidate and stabilize the new institution. In particular, to assure its financing by building up its Capital Fund, to expand the secretariat staff and to appoint the Executive Director once the necessary resources were secured, and to establish and refine through practice its working procedures and rules as an Intergovernmental Organization. Everyone involved, with Mwalimu in the lead, applied themselves with enthusiasm to what was now an institution-building and consolidation task. Important advances were being made, in particular, major initial financial contributions for the Centre's Capital Fund were secured and resources for operating expenses of the Centre were pledged, and the Council of Representatives began to function and met with a number of important personalities present at its second meeting, in New York, including President Mandela of South Africa who addressed it.

This initial, promising trajectory, however, was suddenly and unexpectedly interrupted when the Asian financial crisis started in mid-1997 and Indonesia advised Mwalimu Nyerere that it was forced to end its annual contribution of \$ 500,000 for operating expenses of the Centre. The crisis also impacted unfavourably the inflow of contributions to the Capital Fund, as well as for operating expenses. The important example and precedent set by Colombia of including in its regular budget an annual contribution for operating expenses of the Centre was not taken up as an example to follow by any other member country, as it was hoped.

It was up to Mwalimu Nyerere to overcome the financial predicament. He was never enthused to be the chief and the only fund-raiser, beginning with the South Commission and especially when it came to the South Centre. Often he sighed that on such occasions he felt like going around, knocking on the doors with a begging bowl in his hand, as if seeking alms for himself personally. And he recounted how one leader from the South and great supporter of the Commission and the Centre hurt his feelings when he told him jokingly: "Mwalimu, is all you talk about money?". He also regretted in jest not to have a "rich and generous uncle" to help him out.

Raising funds effectively required Mwalimu Nyerere to travel and address directly Heads of State. However, all too often, they faced budgetary constraints and could not contribute financially. And, having become involved in Burundi peace-making efforts he found less time and energy for travelling and seeking finance for the Centre.

Sudden and unexpected deterioration of his health in 1999 confined him to a hospital bed and prevented him from performing the many pending tasks as he would have liked to do. Mwalimu

Nyerere passed away on the 14th October, 1999, before he could consolidate the Centre as he had hoped and before he could "tie the loose ends" that still remained. Had he lived another few years in good health, with his grand vision, unchallenged authority, global influence and reputation, it is very likely that he would have succeeded in boosting Centre's political standing, reaching the Capital Fund target, expanding the Centre membership, finding and appointing an Executive Director who fit his expectations, building up the secretariat staff, making additional institution-building advances and sorting out the controversies that were beginning to appear in his relating with some local missions of member countries. In addition, he would have worked on overcoming obstacles and reticence in some developing countries and in their bureaucracies to advancing towards a longer-term goal of establishing a major global organization of the South.

The South Centre is alive and well two decades after Mwalimu passed, it has been doing very useful work as a "think tank" for the cause of the Global South and has marked in 2020 its 25th anniversary as an IGO. While its staff and resources have remained more or less at similar levels during this quarter of a century, the Centre as a nucleus, the intergovernmental agreement that established it, and the practice, learning and experience acquired over the years, offer a solid foundation for bolder institution-building efforts by the Global South to continue along the path first charted under the trailblazing leadership of Mwalimu Julius K. Nyerere.

Author: Branislav Gosovic, a former United Nations official now retired, was on the secretariat staff of the South Commission (1987-1990), and then on the staff of the South Centre Secretariat (1991-2006).

* The views contained in this article are attributable to the author and do not represent the institutional views of the South Centre or its Member States.

SOUTHVIEWS is a service of the South Centre providing opinions and analysis of topical issues from a South perspective.

To view other articles in SouthViews, please <u>click here</u>.

To see the previous version of SouthViews, please <u>click here</u>.

For more information, please contact Anna Bernardo of the South Centre: Email <u>bernardo@southcentre.int</u>, or telephone +41 22 791 80 50.

Copyright © 2020 South Centre, All rights reserved.