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INDIA'S INFRASTRUCTURE BUILDING IN AFRICA: SOUTH-SOUTH COOPERATION AND THE ABSTRACTION OF RESPONSIBILITY

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ABSTRACT

A growing debate concerns the developmental implications of booming relations between 'Southern' powers and countries across Africa. Whilst mainstream commentary worries about nefarious influences, others explore supposedly increasing 'African agency', a term capturing the ability of African states to define their international relations. South-South Cooperation, given its supposed principles asserting sovereignty, non-interventionism, and demand-led projects, is understood to boost such agency. This article analyses such claims with a detailed case study of Indian governmental infrastructure financing in Africa, the Nyabarongo Dam in Rwanda, filling a significant gap concerning under-researched India–Africa relations. Originally, South-South cooperation was rooted in a programme that combined technical cooperation with a radical political critique of global power and a call for reform. However, this study of India's concessional finance suggests that in its twenty-first century manifestation, South-South Cooperation is often decoupled from a political programme, leaving only open-ended, depoliticized state-to-state cooperation initiatives. The article demonstrates that whilst India's development cooperation generated useful opportunities, it acted to empower

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companies and exacerbated the Rwandan state's structural regulatory weaknesses. The article traces this to the policymaking practices of India's development cooperation, showing that a decoupling of political ambitions results in a narrow state-to-state focus with an abdication of responsibility for development outcomes, marginalizing accountability to average African citizens.

ON 5 MARCH 2014, ON THE BANKS OF THE NYABARONGO RIVER in the western Rwandan hills, a large group gathered to listen to President Paul Kagame open the government's new hydropower dam. This was an important occasion, marking the completion of what was the country's largest power project. Nyabarongo Dam was also the biggest infrastructure project built by the Rwandan Patriotic Front (RPF), the country's de facto rulers since the 1994 genocide. However, this occasion was also notable for the presence of a group of Indian officials who had gathered for the ceremony, as Nyabarongo Dam also represents the first Indian-financed and built dam in Africa. Indeed, this dam became a flagship for the financier, the Indian Exim (Export-Import) Bank, which provided a US$80million loan. The dam was one of the larger projects funded in the first decade of the Indian government's concessional lines of credit (LoCs) development cooperation scheme. This project was also momentous for the contractors, being Baharat Heavy Electrical Limited's (BHEL) first time managing dam construction and Angelique International's first time leading civil works on any major construction project, let alone a large dam.

Therefore, the Nyabarongo Dam marked India joining the ranks of physical infrastructure builders in Africa having earlier predominantly focused on cooperation activities such as training. This is representative of a major shift, as India and other so-called 'rising' or 'Southern'[1] powers transform the continent's international relations and geography of development. The growth of South-South Cooperation between countries in Africa and partners ranging from China and Brazil to Turkey and the Gulf States has sparked a major academic debate.[2] Some scholars have

1. Terms 'emerging' or 'rising' power, prompt questions of when they have 'emerged' or 'risen' whilst. 'new' powers/donors overlooks past activity.
2. Giles Mohan and Ben Lampert, 'Negotiating China: Reinserting African agency into China-Africa relations', *African Affairs* 112, 446 (2013), pp. 92–110; Ian Taylor, *Africa rising?: BRICS—diversifying dependency* (James Currey, Oxford, 2014); Emma Mawdsley, *From recipients to donors: Emerging powers and the changing development landscape* (Zed Books, London/New York, 2012); Chris Alden, Daniel Large, and Ricardo Soares de Oliveira (eds.), *China returns to Africa: A rising power and a continent embrace* (Hurst, London, 2008); Jon Phillips, 'Who's in charge of Sino-African resource politics? Situating African state agency in Ghana', *African Affairs* 118, 470 (2019), pp. 101–124.

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asserted the emancipatory potential of South-South Cooperation,[3] constructed in opposition to colonial or neo-colonial, paternalistic ties and involving respect for sovereignty and a rejection of significant conditionality and interventionism.[4] The policy space opened-up in South-South Cooperation is argued to strengthen African agency, a notoriously difficult term to define but one stemming from examination of international relations and broadly conceptualized as the ability of states in Africa to 'advance [their] chosen development agenda and gain optimum deals' according to Cobus van Staden, Yu-Shan Wu, and Chris Alden.[5] Others reject the idea of strengthened African agency, either arguing that the activity of China especially, amounts to a nefarious influence, masking exploitation and imperialist intentions.[6] Conversely, the neo-dependency perspective,[7] argues that South-South Cooperation merely continues the global economy's structural inequalities, maintaining Africa's weaker position and lack of agency, or that it operates to expand the frontier of capitalist extraction.

In these debates, the agency tends to be seen normatively as a positive. Moreover, imprecision remains over which actors and actions the agency refers to and over the decision-making practices involved in approving and implementing South-South Cooperation. This is particularly true of India's development activity in Africa, where there is a significant lack of case studies. Therefore, this article's research on India's Line of Credit scheme and the case study of Rwanda's Nyabarongo Dam, makes an important empirical contribution. Moreover, the case underpins a conceptual argument contesting the often-asserted principle that South-South Cooperation, given its openness and limited conditions, generates greater development opportunities through increased African agency. Originally, South-South cooperation was rooted in a programme that combined technical cooperation with a radical critique of global power structures and a focus on addressing global inequality through independent development. In its twenty-first century manifestation, however, South-South Cooperation appears to have lost its political project of critique and reform, leaving

3. Mohan and Lampert, 'Negotiating China'; Marcus Power, Giles Mohan, and May Tan-Mullins, *China's resource diplomacy in Africa: Powering development?* (Palgrave Macmillan, Basingstoke, 2012).
4. Fantu Cheru, 'Emerging Southern powers and new forms of South–South cooperation: Ethiopia's strategic engagement with China and India', *Third World Quarterly* 37 (2016), pp. 592–610; Samir Amin, 'The implosion of global capital: The challenge for the radical Left' (paper presented at: 'Trade Unions, Free Trade and the Problem of Transnational Solidarity', Centre for the Study of Social and Global Justice, University of Nottingham, 2011).
5. Cobus van Staden, Yu-Shan Wu, and Chris Alden, 'In the driver's seat? African agency and Chinese power at FOCAC, the AU and the BRI', *South African Institute of International Affairs (SAIIA) Occasional Paper* (2018), p. 5.
6. Demonstrated by the recent debt-trap diplomacy narrative; E.g. George Bowden, 'MI6 boss warns of China "debt traps and data traps"', London, *BBC News*, November 2021.
7. Ian Taylor, *Africa rising?*; Pádraig Carmody, 'Dependence not debt-trap diplomacy', *Area Development and Policy* 5, 1 (2020), pp. 23–31.

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only open-ended, depoliticized cooperation initiatives. The article, therefore, builds a less normative understanding of agency as a positive for development, showing that whilst such initiatives present some opportunities for African states, they equally empower companies who can take advantage of the regulatory absences entailed by open-ended development cooperation to pursue profit, internationalize, and implement projects for which they have little experience or technical capability. The open-ended, depoliticized nature of such initiatives can exacerbate the structural weaknesses of recipient governments in terms of their ability to regulate projects and ensure a decision-making process focused on development outcomes. Consequently, this can worsen the socio-environmental and economic cost of governments' modernizing development missions.

The article, therefore, builds on the neo-dependency perspective, which primarily focuses on the constraints generated by Africa's weaker economic position and structural disadvantage. However, the argument here has a different emphasis, demonstrating that opportunities for African agency are present, but are frequently constrained by corporate agency as much as the structural weaknesses of African states. Thus, the opening-up of African agency should not be seen normatively as a universal positive. Moreover, the article, whilst recognizing the influence of the ideational framework of South-South Cooperation, asserts a critical understanding of the concept's contemporary occurrence by demonstrating a shift from earlier radical roots. Analysis shows that South-South Cooperation today has lost its political programme and marginalizes average African citizens from policymaking processes, including those negatively affected by its projects. This problematizing of African agency is additionally significant given the ongoing shift in South-South Cooperation towards corporate finance of infrastructure, from an earlier twentieth-century emphasis on education, capacity building, and technology exchange.

It is important to caveat these conclusions with a recognition of the dynamic nature of South-South Cooperation. India and other Southern powers' practices are shifting as they learn from experience, whilst professed norms of South-South Cooperation are under pressure from domestic expectations and global events.[8] Southern powers' development activity is not only shaped by the high-level corporate and governmental policymaking focused on here, with experience in particular places shaped by the encounter with specific local geographies and people. This is particularly true of more democratic countries such as Kenya, where civil society protest was instrumental in blocking a Chinese-financed coal

8. Emma Mawdsley, 'South–South Cooperation 3.0? Managing the consequences of success in the decade ahead', *Oxford Development Studies* 47, 3 (2019), pp. 259–274.

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plant.[9] Indeed, India's LoCs programme, the focus of this article, underwent an important change in 2015 analysed in detail by the author elsewhere,[10] which curtailed the role of the inexperienced infrastructure companies studied here and rendered the policymaking pathways different from those illustrated below. This evidence of evolution and bottom-up agency shows the need for analytical nuance and appreciation of the multiple actors within labels like 'Africa' and 'India'. Moreover, the article does not wish to insinuate that a better 'western' set of international relations, and development engagement, exists.

Research for this article studied three levels of decision making: the international level of Indian actors, the national level of the Rwandan government, and the local level, including the engineers on-site and households in the affected communities. This enabled analysis of policymaking through a process-tracing methodology following each actors' rationales and step-by-step decisions. For the international and national level, a purposive sampling strategy was used, targeting Indian civil servants and corporate officials engaging with Africa and the government's concessional finance scheme, and, in Rwanda, on the country's electricity strategy and the Nyabarongo Dam. This involved 63 semi-structured interviews, conducted between 2013 and 2020, with civil servants, politicians, donors, consultants, ambassadors, researchers, and construction companies on multiple trips to Delhi, Mumbai, and Kigali. Fieldwork around the dam site occurred in 2013 and 2014. It involved 39 semi-structured interviews and participatory techniques like field walks and map drawing, targeted at three villages that were selected to capture the spectrum of impacts on the surrounding area. After reviewing the literature on the agency in South-South development cooperation, the article proceeds by detailing the practices of India's concessional credit scheme, showing its official, and unofficial, modes of operation. It describes how limited conditionality in decision-making enabled the rise of four inexperienced infrastructure builders, one of whom was involved in the Nyabarongo Dam. The dam is then studied in detail, with the consequences of lower conditionality and the involvement of an inexperienced contractor demonstrated.

The Nyabarongo Dam was chosen as it is one of the flagships of India's South-South Cooperation with Africa and the government's significant concessional-finance scheme. It is India's first financed and built dam in Africa and one of the largest standalone centralized national infrastructure schemes India has supported. The dam, therefore, generates insight into

9. Anita Plummer, 'Kenya and China's labour relations: Infrastructural development for whom, by whom?' *Africa* 89, 4 (2019), pp. 680–695.
10. Barnaby Joseph Dye, 'Uneven convergence in India's development cooperation: The case of concessional finance to Africa', *Third World Quarterly* 43, 1 (2022), pp. 166–186.

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India's concessional finance scheme, and through that, is representative of the Southern powers more widely: India's scheme bears considerable similarity to China's Exim Bank and Brazil's National Bank for Economic and Social Development (BNDES) in its open-ended decision-making process and the confinement of conditionality to procurement content from the 'home' country. The Nyabarongo Dam, whilst containing important specifics, is therefore indicative of concessional infrastructure finance by Southern Powers which forms a central component of twenty-first century South-South development activity.

Debating the rise of southern powers: between neo-dependency and African Agency

South-South Cooperation started as a radical response to colonialism whereby newly independent countries such as India, China, Ghana, and Malaysia sought to protect their newfound freedom, and further decolonization efforts, by forging ties between themselves whilst supporting their own development through technical cooperation schemes. As Mawdsley[11] examines, South-South Cooperation was a key tenant of the Non-Aligned Movement (NAM) that formed in the 1950s as an alliance intended to support members' independence and increase their foreign policy clout in the Cold War West versus East binary. Crucially, as Morvaridi and Hughs[12] analyse, cooperation initiatives were accompanied by a political project that called for global power imbalances to be reshaped, later advocating new developing country institutions such as the G77[13] and producer cartels[14] that could reform the global economy and international policymaking. This political project was heavily influenced by dependency theory, which is premised on the idea that developing countries can only progress in isolation from existing economic and political powers.[15] Thus, a combination of political principle and ideology meant that South-South Cooperation followed a framework and rhetorical emphasis on the goal of sovereignty and therefore projects that are demand-driven, with non-hierarchical negotiations and mutual benefit for both sides secured for example by employing companies from the donor state. Projects tended to focus on emergency grants, technology transfer, and education, with

11. Mawdsley, *From recipients to donors*.
12. Behrooz Morvaridi and Caroline Hughes, 'South-South cooperation and neoliberal hegemony in a post-aid World: South-South Cooperation in a post-aid World', *Development and Change* 49, 3 (2018), pp. 867–892.
13. The G77 grouping brings developing countries together to coordinate at multilateral fora.
14. Called for in the G77 1981 Caracal Declaration.
15. These ideas are the founding principles behind the UN Conference on Trade and Development (UNCTAD).

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technical training programmes or scholarships.[16] State institutions tended to deliver South-South Cooperation and infrastructure was rarer, with perhaps the most prominent exemplar in the African context being the Tanzania-Zambia 'freedom' railway built by China between 1970 and 1975.[17]

With the economic debt troubles of the 1980s, the ascendency of market-led economics and political transitions and domestic strife in major states like India and China South-South Cooperation spending reduced. However, the economic rise of a number of Southern countries in the twenty-first century triggered a resurgence. The volume of South-South development cooperation meeting the OECD's (Organisation of Economically Developed Countries) definition grew from an estimated $14billion in 2010[18] to $29.5 billion in 2018.[19] However, this definition does not capture the full extent of cooperation given reporting inconsistencies and given the fact that the OECD's definition[20] excludes tied domestic content procurement, a condition commonly found in South-South concessional finance (note that this is typically the only key condition). The governments of Brazil, China, and India, perhaps most prominently, have used South-South Cooperation as a rhetorical framework for their growing spectrum of engagements, legitimizing their current programs by referencing a longer history of activity and asserting their benign, developmental intentions.[21] Moreover, South-South Cooperation is the rhetoric used to explain the relatively hands-off policymaking approach of these powers' development initiatives, justifying policies of non-interventionism, mutual benefit, and respect for sovereignty. This rhetorical continuity, however, masks significant differences. Over the past 2 decades, infrastructure projects have become South-South Cooperation's greatest financial component and most visible manifestation, partly to support the internationalization and profits of corporations, including state-owned and private firms.[22]

16. Mawdsley, *From recipients to donors*.
17. Jamie Monson, *Africa's freedom railway: How a Chinese development project changed lives and livelihoods in Tanzania* (Indiana University Press, Bloomington, Indiana, 2011).
18. Kang-Ho Park, 'New development partners and a global development partnership', in *Catalyzing Development* (Brookings Institution Press, Washington, DC, 2011).
19. OECD, 'Other official providers not reporting to the OECD', in 'Other official providers not reporting to the OECD', *Development Co-operation Profiles* (OECD Publishing, Paris, 2020).
20. Official development assistance—definition and coverage, <https://www.oecd.org/development/financing-sustainable-development/development-finance-standards/officialdevelopmentassistancedefinitionandcoverage.htm> (29 March 2022).
21. Mawdsley, *From recipients to donors*.
22. David Harris and Simona Vittorini, 'What does "development cooperation" mean? Perceptions from India and Africa', in Kate Sullivan de Estrada (ed.), *Competing visions of India in world politics: India's rise beyond the West* (Palgrave Macmillan, London, 2015), pp. 94–110. David Harris and Simona Vittorini, 'Taking "development cooperation" and South–South discourse seriously: Indian claims and Ghanaian responses', *Commonwealth and Comparative*

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These changes, and the rise of Southern Powers, have sparked a major, unresolved debate about what the developmental impact of growing South-South Cooperation is, particularly for Africa. The literature has tended to assert four arguments in relation to this: one accuses Southern powers of exploitation; a critical reaction to this asserts new opportunities for, and/or the appreciation of, African agency; the neo-dependency school stresses structural constraints on such agency; and another perspective analyses recent convergence between the West's traditional donor establishment and Southern powers.

The first group have frequently held mainstream prominence in the media, and these sentiments have been asserted numerous times by European and American politicians, perhaps most overtly under Trump's presidency. China is particularly picked out for critique, portrayed as solely pursuing resources and political influence in articles like 'Rogue Aid' and 'The Return of African Empire', luring gullible African elites with investment and aid.[23] An often more nuanced strand of academia has asserted that China's practices on the continent constitute a form of neo-colonialism, comparing Chinese practices to other Western powers and asserting their exploitative nature.[24] More recently, and not least given mounting USA–China contestation, foreign-policy practitioners accuse China of debt-trap diplomacy whereby cheap loans are extended to levels beyond the recipients' means to repay, which can then be used to gain leverage or direct control of projects.[25] However, critical scholars have contested these negative accounts, pointing out their broad generalizations and lack of detailed evidence.[26] In opposition to the homogeneity suggested by

Politics 56, 3 July 2018, pp. 360–378; Barnaby Joseph Dye and Mathias Alencastro, 'Debunking Brazilian exceptionalism in its Africa relations: Evidence from Angola and Tanzania', *Global Society* 34, 4 (2020), pp. 1–22.

23. Moises Naim, 'Rogue Aid: What's wrong with the foreign aid programs of China, Venezuela, and Saudi Arabia?' *Foreign Policy*, (15 October 2009); Ryan Kelly, 'How China's soft power is building a neo-Colonial System In Africa', Ketagalan Media (9 October 2017); Benedict Peters, 'Viewpoint: Why we should beware of China's "new colonialism"', London, *New African* (22 May 2019).

24. Priyanka Menon, 'The return of empire in Africa?' *Harvard Political Review*, 28 March 2012; Charis Enns and Brock Bersaglio, 'On the coloniality of "new" mega-infrastructure projects in East Africa', *Antipode* 52, 1 (2020), pp. 101–123; Mark Langan, *Neo-colonialism and the poverty of 'development' in Africa* (Springer Berlin, Heidelberg, New York, 2017).

25. George Bowden, 'MI6 boss warns of China "debt traps and data traps"', *BBC News*, 30 November 2021, <https://www.bbc.co.uk/news/uk-59474365> (30 March 2022); The infamous exemplar being Sri Lanka's Hambantota port, taken over by a consortium in 2017, owned 85 percent by China Merchant Ports. Overviews of this by: Cliff Mboya, 'China won't seize assets from African countries, but won't forget the debts', Pairs, *The Africa Report*, 14 December 2021, <https://www.theafricareport.com/156470/china-wont-seize-assets-from-african-countries-but-wont-forget-the-debts/> (30 March 2022); Jeremy Mark, 'China's real "debt trap" threat', *Atlantic Council*, 13 December 2021, <https://www.atlanticcouncil.org/blogs/new-atlanticist/chinas-real-debt-trap-threat/> (30 March 2022).

26. Deborah Bräutigam, *The dragon's gift: The real story of China in Africa* (Oxford University Press, Oxford, 2011); Mawdsley, *From recipients to donors*; Power, Mohan, and Tan-Mullins, *China's resource diplomacy in Africa: Powering development?*

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'China–Africa' or 'India–Africa' relations, scholars have unpacked these labels, pointing to the importance of differentiating an array of, sometimes competing, governmental, corporate and individual actors involved in relations with Africa and their complex, differing rationales and practices.[27] At least with regard to China, empirical studies have proliferated, with research projects for example on agriculture,[28] dam building,[29] and the ongoing extensive work of John Hopkins University's China-Africa Research Initiative, who have recently debunked exaggerated claims of debt-trap diplomacy.[30] Notably, such detailed research does not exist regarding other major Southern donors such as India. Studies rejecting the emerging powers' nefarious influence tend to assert the importance of African agency. This term is well-established and builds on studies of relations with Western donors,[31] including work of Jean-François Bayart[32] and Christopher Clapham,[33] to refer to the ability of recipient governments, even if relatively weak or compromised, to resist and shape international relations and individual projects. South-South Cooperation is often argued to boost such agency, something typically viewed normatively as positive: Its open-ended, minimal-conditionality principles are supposed to provide recipients with more policymaking scope, escaping the paternalism associated with North-South engagement. Thus, the logic goes, the rise of Southern Powers' and their limited conditionality, especially in terms of concessional finance, furthers existing African agency, at least partially breaking the market-focused Washington Consensus.[34] Acknowledging African agency has therefore successfully nuanced scholarship.

However, another line of argument stating that Southern powers are reinforcing the status quo, contests the positivity of this literature, and the assertion that South-South Cooperation boosts African agency. This

27. Bräutigam, *The dragon's gift*; Chris Alden and Daniel Large, 'China's exceptionalism and the challenges of delivering difference in Africa', *Journal of Contemporary China* 20, 68 (2011), pp. 21–38; Alden, Large, and Oliveira (eds.), *China returns to Africa*.
28. E.g. Lidia Cabral and Ian Scoones' 2012–2016 ESRC Project 'Rising powers in African agriculture: Are China and Brazil bringing new paradigms to agricultural development cooperation?' (Institute of Development Studies, University of Sussex).
29. E.g. Frauke Urban's 2012–2016 'China Goes Global: A comparative study of Chinese hydropower dams in Africa and Asia' (School of African and Oriental Studies).
30. Deborah Bräutigam, 'A critical look at Chinese "debt-trap diplomacy": The rise of a meme', *Area Development and Policy* 5, 1 (2020), pp. 1–14.
31. Lindsay Whitfield (ed.), *The politics of aid: African strategies for dealing with donors*, (Oxford University Press, Oxford, 2009); Paul Mosley, Jane Harrigan, and John Toye, *Aid and power: The World Bank and policy-based lending* (Routledge, London, 1995).
32. Jean-François Bayart, 'Africa in the World: A history of extraversion', *African Affairs* 99, 395 (2000), pp. 217–267.
33. Christopher Clapham, *Africa and the international system: The politics of state survival* (Cambridge University Press, Cambridge, 1996).
34. Amin, 'The Implosion of Global Capital: The Challenge for the radical Left'; Bräutigam, *The dragon's gift*; Cheru, 'Emerging Southern powers and new forms of South–South cooperation';. Giles Mohan and Marcus Power, 'New African choices? The politics of Chinese engagement', *Review of African Political Economy* 35, 115 (2008), pp. 23–42.

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includes the neo-dependency perspective that emphasizes the limitations entailed by Africa's structural inequality. A prominent contributor here is the late Ian Taylor,[35] who highlighted Africa's dependence on primary raw commodities, its need to import secondary manufactured goods and limited access to low-cost private finance. Here, the policymaking agency of ruling elites is not refuted, but rather understood as highly constrained to a narrow range of decision-making by structural factors. Pádraig Carmody and Peter Kragelund[36] also assert the significance of structural weaknesses in their examination of Angola and Zambia's resource dependency, which finds ruling elites confined to bargaining at the margins over commodity deals rather than undertaking economic structural transformation. This is again related to their international economic position but also to the capacity of the state, something focused on by Jon Philips[37] whose analysis of Ghana's oil sector argues that bureaucratic weaknesses, and the absence of domestic specialist manufacturing and knowledge, forces governments to engage a relatively homogenous group of companies, donors and multilateral banks on an unequal footing.

This debate therefore questions the meaning of agency: as Cobus van Staden, Yu-Shan Wu, and Chris Alden[38] argue, it leaves much imprecision over exactly what we mean by agency, where it is located and which actions it constitutes. Does it refer to the theoretical chance to act, or is it based on evidence of policy deviation? If a project is unlocked by Southern actors' finance, but simultaneously constrained by the recipient's governmental capacity, technical experience or by the contractor's norms and expectations, would this still constitute evidence for increased African agency? Should this be seen as universally positive? Relatedly, a fourth perspective, not mutually exclusive with the second or third line of argument, asserts convergence between current international economic powers and development actors, pointing to how this limits any individual state's agency. Peter Kragelund,[39] for instance, argues that policy space has not opened to the extent of the Cold War, with broad agreement over market-led capitalism and at least membership of associated enforcing institutions, such as the World Trade Organisation. Convergence appears to be increasing, including in the development sphere and despite growing US-China contestation. For example, over the last decade, the governments of China, India, and

35. Taylor, *Africa rising?*
36. Pádraig Carmody and Peter Kragelund, 'Who is in charge? State power and agency in Sino-African relations', *Cornell International Law Journal* 49, 1 (2015), pp. 1–23.
37. Phillips, 'Who's in charge of Sino-African resource politics?'
38. van Staden, Wu, and Alden, 'In the driver's seat? African agency and Chinese power at FOCAC, the AU and the BRI'.
39. Peter Kragelund, 'Towards convergence and cooperation in the global development finance regime: Closing Africa's policy space?' *Cambridge Review of International Affairs* 28, 2 (2015), pp. 246–262.

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Brazil created similar organizational architectures for government development cooperation and are increasing monitoring and assessment of their initiatives, often directly adapting practices of the OECD's Development Assistance Committee donors. Moreover, all countries in the United Nations signed up to the Sustainable Development Goals.[40] Furthermore, in response to critiques over socio-environmental challenges, China instituted mandatory impact-assessment checks on its Exim Bank finance in 2008[41] whilst Brazil adopted similar measures in 2012.[42]

Scholars have used recent evidence of convergence to contrast past radical South-South Cooperation with Southern Powers' current cooperation investments and infrastructure schemes like China's Belt and Road Initiative or India's Asia-Africa Growth Corridor. The latter are portrayed as fundamentally premised on advancing frontiers of capitalist extraction for global trade flows and production chains.[43] Moreover, this historical contrast demonstrates the extent to which corporations have grown in importance, now becoming fundamental to the delivery of South-South Cooperation. Thus, in its current manifestation, public goods are turned into private profit under the explicit aim of internationalizing firms.[44] This critique is particularly relevant to India[45] given the prominence of corporations, often in the extractive and infrastructure sectors, in its Africa engagements and the evidence below about the importance of companies in shaping subsidised loans. Moreover, those asserting the South-South Cooperation framework, as illustrated by India's current Prime Minister Modi,[46] have tended to focus on mutual benefit and commercial relations rather than tying the framework to a critique of the global order, as happened in the earlier incarnation. Thus, Behrooz Morvaridi and

40. Mawdsley, 'South–South Cooperation 3.0?'
41. Oliver Hensengerth, 'Chinese hydropower companies and environmental norms in countries of the global South: The involvement of Sinohydro in Ghana's Bui Dam', *Environment, Development and Sustainability* 15, 2 (2013), pp. 285–300.
42. For the BNDES, see Kathryn Hochstetler, 'The Brazilian National Development Bank goes international: Innovations and limitations of BNDES' internationalization', *Global Policy* 5, 3 (2014), pp. 360–365.
43. Seth Schindler and Juan Miguel Kanai, 'Getting the territory right: Infrastructure-led development and the re-emergence of spatial planning strategies', *Regional Studies* 55, 1 (2021), pp. 40–51; Barnaby Joseph Dye, Seth Schindler, and Deusdedit Rwehumbiza, 'The political rationality of state capitalism in Tanzania: Territorial transformation and the entrepreneurial individual', *Area Development and Policy* 7, 1 (2021), pp. 42–61.
44. Harris and Vittorini, 'What does "Development Cooperation" mean? Perceptions from India and Africa'.
45. Ian Taylor, Justin van der Merwe, and Nicole Dodd, 'Nehru's neoliberals: Draining or aiding Africa?' in Justin van der Merwe, Ian Taylor, and Alexandra Arkhangelskaya (eds.), *Emerging Powers in Africa* (Springer International Publishing, Cham, Switzerland, 2016), pp. 107–128.
46. Harris and Vittorini, 'Taking "development cooperation" and South–South discourse seriously'.

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Caroline Hughes[47] conclude that South-South Cooperation 'hijacks the critical force of dependency theory, harnessing the terminology of the 1970s and a nostalgia for state-led development to an ideological fix that in-fact shores up the neoliberal world order'.

This article rejects the implication that South-South Cooperation is mere cover for materialist interests, rather demonstrating that its ideas and principles are influential in policy implementation of particular programmes. However, analysis demonstrates that decoupling political ambitions from sovereignty-first, technical cooperation schemes can result in an abdication of responsibility, leaving open-ended programmes with minimal conditionality that are focused solely on engaging recipient states and supporting companies, thereby marginalizing average civilians.[48] This line of argument, therefore, refutes the notion of African agency as inherently positive. The following analysis of the Exim Bank's Line-of-Credit/IDEA (LoC) policymaking processes demonstrates such abdication of responsibility and the subsequent section traces the consequences of this for the Nyabarongo Dam.

The exim bank's IDEAS line of credit scheme: handing power to recipients?

India's subsidized credit scheme grew out of rising economic India-Africa engagement forged largely by the private sector in the 1990s.[49] As part of a gradual increase in government support for such relations, in 2003, a standardized, subsidized LoC scheme was started. The government's Export-Import (Exim) Bank administered the programme, which crystallized as the Indian Development and Economic Assistance Scheme (IDEAS) by 2005. It is a key pillar of India-Africa relations, expanding ties between country and continent, and Indian governments have consistently heralded IDEAS LoCs through the rhetoric of South-South Cooperation. Announcement about IDEAS' budgets headline India-Africa Forum Summits, the flagship diplomatic event involving top-level political leadership, with the first 2008 summit proclaiming an additional $5.4billion in loans, which increased to $10 billion in 2015 and a further rise was planned for the Covid-cancelled 2020 summit. Implementation has not met these ambitions, with Figure 1 showing the fluctuating volume and value of LoCs,

47. Morvaridi and Hughes, 'South-South Cooperation and Neoliberal Hegemony in a Post-aid World', p. 867.
48. Giles Mohan and May Tan-Mullins, 'The geopolitics of South–South infrastructure development: Chinese-financed energy projects in the global South', *Urban Studies* 57, 7 (2019), pp. 1368–1385.
49. Notably the Federation for Federation of Indian Chambers of Commerce and Industry (FICCI) and the Confederation of Indian Industries (CII), supported by the government's Focus Africa scheme.

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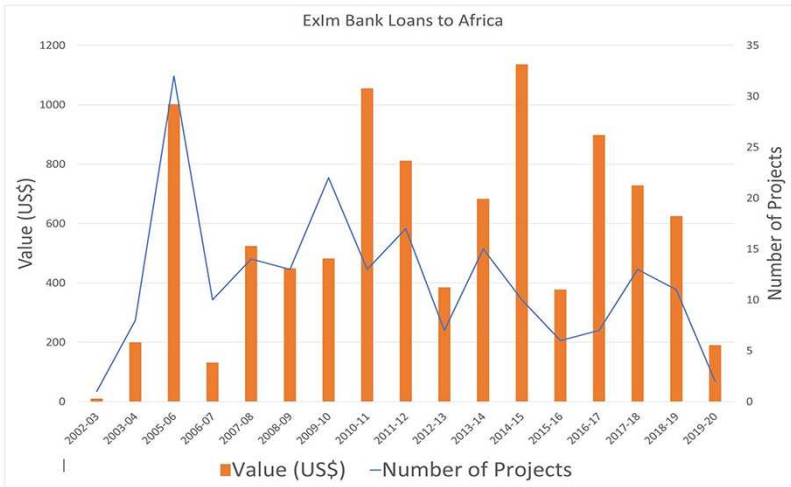

Figure 1 Annual LoC finance volume.
Source: Author's Database Complied Using Public Exim Bank Data.

but lending reached $9.678 billion by 2020.[50] The LoCs work through a subsidy that enables the Exim Bank to reduce its normal interest rates to typically 1.5 percent for least developed countries.[51] The loans have been especially significant for infrastructure building in Africa, as Figure 2 demonstrates: such projects require longer-term subsidized capital to pass economic feasibility tests given that their benefits aim to underpin future longer-term economic growth, not short-term financial gain.

Officially, the LoC's decision-making process, depicted in Figure 3, is supposed to follow the principles of South-South Cooperation. After an African government's request, in the 'first instance, the political aspect'[52] is reviewed, meaning that the Ministry of External Affairs (MEA) assesses the requests based on the relationship with that country and political priorities at the time. This first stage essentially confers political approval, after which a committee including the MEA, and later the Development Partnership Administration (DPA), the Department of Commerce and a relevant line ministry focus on improving the proposal—formalized in a 'Detailed Project Report (DPR)' from 2010. As many of the plans were 'sketchy' given some countries' 'lack of capacity',[53] the Indian government

50. Author's calculation using Exim Bank statistics.
51. Following World Bank categorisations (Interviews, Senior Officials, MEA, Delhi, 2016; Senior Officials, Exim Bank, Mumbai, 2016; Saxena, 'Lines of Credit').
52. Interview, Senior Official, MEA, Delhi, India, 2016.
53. Interview, Senior Official, MEA, Delhi, India, 2016.

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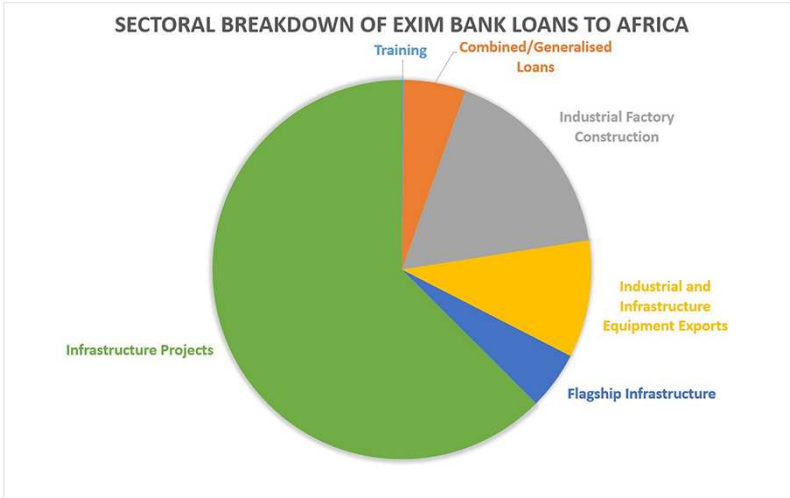

Figure 2 LoC loans by sector.
Source: Author's Database Complied Using Public Exim Bank Data. Flagship infrastructure refers to high-profile projects like government offices, conference centres, and national stadia.

could ask civil servants and state-owned enterprises to improve the feasibility of submitted plans, something that might last up to a year.[54] Next, the Exim Bank agrees financial terms, including the percentage of the loan spent on Indian content (typically 70 percent) and the loan repayment period (usually 20 years) and finally the African government handles the contracting to Indian companies.[55] Crucially, the Indian state does not examine developmental outcomes or potential negative impacts. This is underlined by the near absence of rejections, with the MEA reportedly approving all but a couple of requests handed to them: 'we don't refuse (LOCs) frequently … our endeavour is to accept and if problems [appear], work with [the recipient government to sort them out]';[56] its 'hard to say no … something we have struggled with'.[57] With the IDEAS budget never used up, and early political authorization, projects were approved without scrutiny of the involved companies or of the proposals' feasibility or its

54. Interviews, Senior, Junior Officials, MEA and Exim Bank, Delhi and Mumbai India, 2016 and 2020.
55. ExIm Bank, *Handbook on government of India supported Lines of Credit operated through Export-Import (Exim) Bank of India*, (Exim Bank (India): Mumbai, 2017).
56. Interview, Official, MEA, Delhi, India, 2016.
57. Interview, Senior Official, MEA, Delhi, India, 2020.

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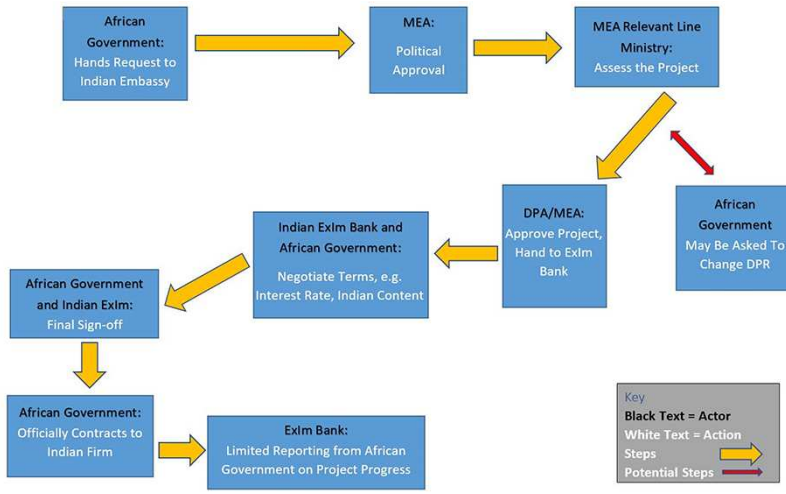

Figure 3 The official LoC decision tree.
Source: Author's creation.

potential negative or positive impacts. IDEAS therefore followed an open-ended, state-to-state negotiation, depoliticizing India-Africa engagements by avoiding analysis of developmental impacts and using the rhetoric of win-win benefits.

This official practice was rationalised through South-South Cooperation rhetoric. Interviewed senior officials argued that they respected recipients' sovereignty and handed them power,[58] stating the 'government does try to not dictate … [there is] no deliberate policy or allocation' towards sectors';[59] the 'priorities [are those] of partner countries … [we] let them determine' what the LoCs will be.[60] Alongside these principles, strategic imperatives were a key driver. Interviewees within and outside government agreed that the MEA was the key driver and controller of this process: 'the MEA treats [LoCs] as a diplomatic instrument'[61] for building goodwill with governments. These good relations could then achieve strategic objectives like the import of natural resources, chiefly oil and coal,[62] or

58. Interviews, Former and Senior MEA Officials, Delhi, India, 2016 and 2020.
59. Interview, Senior Official, Exim Bank, Mumbai, India, 2016.
60. Interview, Former Senior Official, MEA, Delhi, India, 2016.
61. Interview, Senior Official, MEA, Delhi, India, 2020.
62. Aparajita Biswas, 'India's Energy Security Issues and African Oil', in Ruchita Beri and Institute for Defence Studies and Analyses (eds), *India and Africa: Common security challenges for the next decade*, (Pentagon Press in association with Institute for Defence studies and Analyses, New Delhi, pp. 106–122).

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votes in multilateral negotiations from those in the World Trade Organisation to the Conference of Parties on climate change.[63] This shaped the initial decision to hand project conceptualization, procurement, and monitoring to the recipient, with Indian officials' attention not therefore on individual projects' outcomes but rather the state-to-state relationship. Thus, Indian officials abdicated responsibility to assess a project's development potential, economic viability and negative impacts. These were left to the recipient state, theoretically increasing their agency. The main exceptional condition to the loans, the requirement that 70 percent of the LoCs should be spent on Indian goods and services, echoes South-South Cooperation principles of mutual benefit in a horizontal partnership and reflected the state's strategic desire to internationalize Indian companies.[64] Rather than a political project of emancipation and post-colonial reform, South-South infrastructure cooperation thus aimed merely to deliver diplomatic advantage alongside strategic objectives like the internationalization of Indian businesses.

Corporate agency in the line of credits: plucky entrepreneurs or crooked cowboys?

However, the officially-mandated process was not often followed. Another modality, depicted in Figure 4, started with government-to-government meetings whereby Indian officials suggested projects. This contradicts the supposed principle of recipient-led engagement but also occurred elsewhere in the country's development cooperation, such as the Pan-African E-network scheme initiated by India's President Kalam in 2007.[65]

A more common modality, shown in Figure 5, involved an Indian company triggering engagement in the IDEAS scheme by making unsolicited bids, effectively advertising IDEAS. As one company official involved described: we would find out 'what is their (the government's) requirements were [and then based on that] … we offered them what we could give' .[66] You couldn't 'take in all sectors … [so just engage in their] first or second priorities'.[67] Thus, Indian companies were often 'suggesting solutions' to broad sectoral priorities identified by recipient governments; 'We were there to give them ideas'.[68] Typically, an MoU then cemented corporate-state deals before a funding request was officially submitted to

63. Saxena, 'Lines of Credit'.
64. Interviews, Senior Officials Exim Bank and MEA, Delhi and Mumbai, India, 2016 and 2020.
65. Ministry of External Relations, Pan African e-Network Project (PAENP), (Ministry of External Affairs, Government of India: Delhi India, 2013).
66. Interview, Senior Managers, Angelique International and OIA, Delhi, India 2016 and 2020.
67. Interview, Senior Official, OIA, Delhi, India, 2016.
68. Interview, Senior Official, OIA, Delhi, India, 2016.

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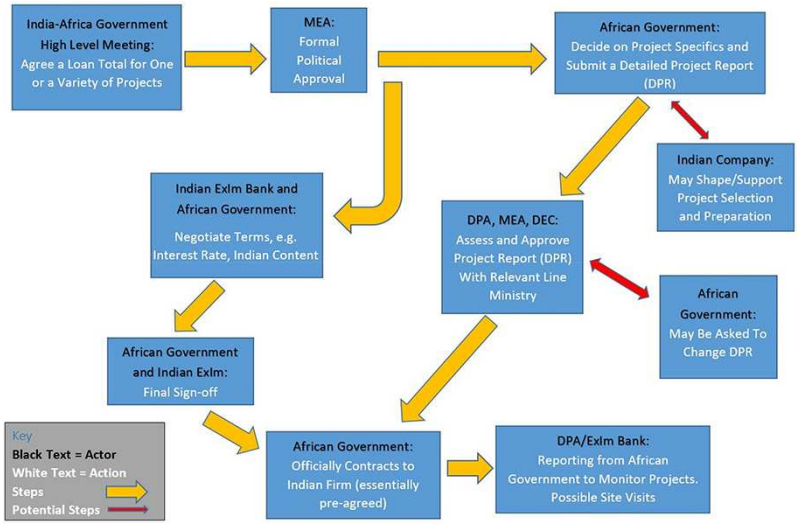

Figure 4 Depicting and Indian government-led LoC process. *Source:* Author's Creation.

an Indian embassy. The engaged firm sometimes went on to support planning, including in the preparation and improvement of documentation, and could lobby the Indian government,[69] 'getting projects presented that India would approve': they were 'project developers and project doers'.[70] Both corporate and state-led modalities, show how a demand-led principle intended to empower recipients in-practice revealed their frequent structural weaknesses and empowered companies. Governments in Africa often relied on the Indian state or private firms to design and plan projects.

Despite having little to no experience as international or domestic infrastructure builders, four companies took advantage of this modality: Angelique International, Overseas Infrastructure Alliance (OIA), Jaguar Overseas, and Lucky Exports. Publicly available sources suggest that Angelique, OIA, and Jaguar Overseas alone were involved in 57.5 percent of India-Africa LoCs up to 2016.[71] The four companies adopted a similar practice of aggressively seeking projects, hiring networks of agents in Africa, and undertaking unsolicited bids.[72] Angelique and OIA also employed retired ambassadors, given the respectability this conveyed.[73] Nyabarongo

69. Interview, Senior Official, FICCI, Delhi, India, 2016.
70. Interview, Former Ambassador, MEA, Delhi, India, 2016.
71. Author's calculation by value of LoCs.
72. Interview, Senior Official, Angelique International, Delhi, India 2016.
73. Interview, Former Ambassador, Delhi, India, 2020.

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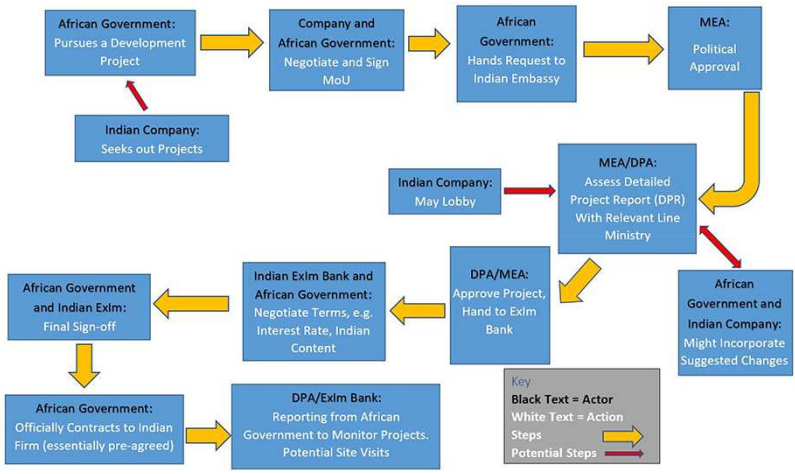

Figure 5 The Corporate-Led LoC decision tree.
Source: Author's Creation.

Dam is a good example of this private-sector initiative. At first, Kigali was engaged in negotiations with KfW, the German Development Bank,[74] and Infraco, a firm financed by Western donors.[75] As a senior Rwandan official narrated, '[we were then] approached by an Indian company … [they] wanted to come and fund with an Exim bank [loan] … they [said they] could handle the Exim Bank'.[76] Angelique's lower bid and promise of Exim funding won.

Controversially, the four 'entrepreneurial' companies' determination to secure projects led to public corruption allegations,[77] arrests,[78] and suspensions.[79] One anonymous former official admitted that corruption was necessary to secure contracts in most places, even 'in Ethiopia [where it is] hard because people won't tell you who [you need to pay]'.[80] Such controversies helped trigger a crucial change in the operation of the LoCs

74. Albert Butare Minister of State in charge of energy and communications and Government of Rwanda, 'Energy status of the country 2007', Rubavu, Rwanda, 2007.
75. UK (DfID), Netherlands (Foreign Ministry) and Switzerland (Economy Ministry).
76. Interview, Senior Official, Rwandan Energy Agency, Kigali, Rwanda, 2016.
77. *The Wire*, 'India's aid diplomacy is worth $24 billion. But how well is the money being spent?' 16 June 2017, <https://thewire.in/diplomacy/india-lines-of-credit-aid-diplomacy> (7 April 2020).
78. Times of India, 'ED raids former Indian diplomat on suspicion of "line of credit" fraud', New Delhi, *Times of India*, 2016.
79. Angelique is suspended from receiving World Bank funds (Issuance of Sanctions Board Decision No. 102, <https://www.worldbank.org/en/about/unit/sanctions-system/sanctions-board/brief/issuance-of-sanctions-board-decision-no-102> (29 March 2022).
80. Interview, Senior Indian Infrastructure Company Official, Mumbai, India, 2020.

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post-2015 whereby the Exim Bank now undertakes tendering, preventing the 'entrepreneurial' modality discussed above, and ensuring only larger, experienced infrastructure companies can bid. Additionally, the MEA increased planning requirements, with money provided to support extra studies.[81] Whilst demonstrating the continuing evolution of South-South Cooperation, these changes maintain a state-to-state focus, aiming to achieve technical implementation improvements whilst leaving outcomes to recipients. Thus, the LoC's decision-making process underlines the absence of a political programme. Rather, this South-South Cooperation initiative places state sovereignty first, focusing on diplomatic goodwill and corporate internationalization whilst mandating minimal regulatory oversight. Although proclaimed to be empowering recipients, this tended to hand Indian corporate actors greater initiative, whether in starting negotiations or project planning. Particularly when involving opportunist, inexperienced firms, this greater corporate agency created constraints around the quality of technical implementation and the realisation of recipients' development ambitions, as the following case of Nyabarongo Dam demonstrates.

South-South cooperation in action: the case of Nyabarongo dam

It could be argued that Indian finance increased the Rwandan government's agency. The state-owned Nyabarongo Dam was amongst the first large energy projects prioritized by the government, particularly after a 2004–2005 power crisis. However, partly given IMF concerns over the country's weak financial position, progress to secure financing did not match development ambitions and, by 2006, there was no deal with Western donors despite regular power cuts and rising electricity demand (although such options were on the table by 2007). Indian finance thus came as a bonus, perceived as a quicker, cheaper option. This fits the established South-South Cooperation narrative that an increase in the number of development financiers, with different lending modalities, produces better outcomes for the recipient. Additionally, in contrast to the assertion of South-South Cooperation masking mere exploitation, some local-level benefits stemmed from the Nyabarongo Dam. This includes a bridge, which replaced a reportedly-dangerous river-crossing coracle and Rwandan employment, which averaged one-third of formal employees,[82] something pushed for by the government. This proportion increased with training so that by the end of construction, the majority of workers were

81. Dye, 'Uneven convergence in India's development cooperation'.
82. Interview, Nyabarongo Dam On-Site Engineers, Rwanda, 2013. 140–160 Indian workers employed during a peak of 200–250 on site (Interviews, Nyabarongo On-Site Engineers, Senior Manager, Angelique International; Rwanda and Delhi, India, 2014 and 2016).

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Rwandan.[83] Additionally, the Indian contractors hired casual day labour locally, amounting to 250 people, or 300 during peak construction.[84] Although such labour was effectively confined to young and healthy men who were not needed for farming, this employment spread benefits locally by increasing economic demand in the valley.[85]

The government also stipulated that one village should get electricity directly from the dam and the President pledged to electrify the whole valley through the national electrification scheme. Moreover, the Rwandan government acted independently to compensate for the dam's displacement of 4000 households' fields and/or dwellings, showing that such mitigation measures can happen without a specific stipulation by the financier. The dam's contractors also made decisions leading to positive impacts. Angelique supported some sporadic corporate social responsibility efforts, donating to a local school and allowing residents to use the on-site clinic.[86] Unlike many infrastructure projects, the construction site was not fenced-off, allowing farming on unused land. Easy intermingling of the Indian and Nepalese construction workers with the Rwandan population also supported the creation of shops and bars.[87] With limited security, another inadvertent benefit was thefts of concrete and other materials, that were then visibly evident locally.[88] Another decision[89] made by the companies was to procure food locally for the canteens.

Decisions made by the Rwandan state and Indian contractors, therefore, resulted in this South-South Cooperation project generating some benefits which might not have occurred under European finance and contractors whose project sites are often characterized as more geographically sealed-off:[90] Indian cooperation delivered cheaper infrastructure construction at a time of national need and produced some, albeit unequal, local-level benefits. The contracted companies were particularly key to creating such benefits, although most of these positive outcomes were not planned. For example, the Indian contractors' practices contrast with a norm witnessed in a number of Chinese, World Bank and OECD-financed dam

83. Observation at the Nyabarongo Dam Site, 2013 and 2014, Rwanda. Interviews, Nyabarongo Dam On-Site Engineers, Rwanda, 2014.
84. Interviews, Nyabarongo Dam On-Site Engineers, Rwanda 2014.
85. Barnaby Joseph Dye, 'The return of "high modernism"? Exploring the changing development paradigm through a Rwandan case study of dam construction', *Journal of Eastern African Studies* 10, 2 (2016), pp. 303–324.
86. Interviews, Engineer, Angelique International and Nyabarongo On-site Managers, Delhi, India and Kigali, Rwanda, 2014 and 2016.
87. Dye, 'The return of "high modernism"?'
88. Observation at the Nyabarongo Dam Site, Rwanda 2013 and 2014; Interviews, On-site managers and interviews in villages surrounding Nyabarongo Dam, 2013–2014.
89. Interview, Engineer, Angelique International, Delhi, 2016.
90. James Ferguson, 'Seeing like an oil company: Space, security, and global capital in neoliberal Africa', *American Anthropologist* 107, 3 (2005), pp. 377–382.

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projects, conceptualized by Mohan[91] as an enclave, whereby the construction site is cut off from local populations, with imported labour, food, and everyday items. Additionally, benefits generated were spread unequally. Opportunities were primarily confined to those nearer the main site offices or those with larger field plots, pre-existing savings or in good health. Furthermore, non-local Rwandans took many of the dam's formal jobs and set-up some of the new shops. This case, therefore, evidences the degree to which LoCs involve depoliticised development, with displacement overlooked in the approval process and the majority of local benefits stemming from incidental implementation decisions, not high-level negotiations and deliberative planning. Contracted companies, at least as much as the Rwandan government, had agency in generating these unequally-distributed impacts with local groups largely excluded from narrowly-concentrated decision-making. This is further demonstrated by analysis of negative impacts.

Local-level negative impacts

Alongside its positives, Nyabarongo Dam created significant socio-environmental harms, which can be traced to the LoCs' decision-making, its elite-centric distribution of agency and the Rwandan government's preference for speed over implementation studies as well as its structural bureaucratic limitations. First, the compensation scheme had major shortcomings. For its size, Nyabarongo affected a large number of people. Compare, for instance, its 4000 affected households for 28 MW against the 685 households displaced for the downstream 80 MW Rusumo Falls Dam.[92] This is particularly pertinent as research found that the compensation scheme missed out many whilst leaving others unable to re-establish their livelihoods. Corruption occurred early on in property registration, causing some to miss out.[93] Additionally, recipients reported that land prices did not account for agricultural value.[94] These shortcomings can be partly traced to structural factors concerning Rwanda's constrained national budget and the lack of experience and expertise in the Rwandan bureaucracy tasked with delivering compensation: The handling agencies were established, or substantially restructured, in 2008[95] and 2010[96] whilst

91. Giles Mohan, 'Beyond the enclave: Towards a critical political economy of China and Africa', *Development and Change* 44, 6 (2013), pp. 1255–1272.
92. Barnaby Joseph Dye, 'Continuity or change in the infrastructure turn? Reform of the technicians' realm in a World Bank dam', *The European Journal of Development Research,* 32 (2020), pp. 627–651.
93. Interviews, Nyabarongo Dam On-Site Engineers, Rwandan Senior Civil Servants; Rwanda, 2014 and 2016.
94. Dye, 'The return of "high modernism"?'
95. EWSA (Electricity Water and Sanitation Authority).
96. Rwandan Environmental Management Authority (REMA) took five years to establish.

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Nyabarongo was the first large, displacing infrastructure project, let alone dam, for the post-genocide regime. Equally, the IDEAS LoC deal did not regulate the Indian contractors. Thus, there was no accountability for a stone quarry that, in blasting rocks, also flung them onto surrounding villages and houses and caused subsidence. The farmers and house owners with damaged property were not compensated. Rwandan officials, whether correctly or incorrectly, blamed this on the Indian companies which they reportedly could not control.[97]

Thus, the dam's negative impacts were partly caused by the empowerment of companies without conditionality but also stem from the exclusive handing of decision-making power to the ruling elite. The Rwandan state is highly centralized and illiberal, with a small group of politico-military families controlling key policymaking levers.[98] This elite has embraced high modernist ideology, conceptualized by academics as an influence over agricultural and energy policy specifically.[99] For rural areas, this ideology rationalizes plans for the transformation of supposedly backward peasants through villagization schemes, standardized, nationally-determined monocrop planting, and the banning of traditional thatch huts. Such an ideology is historically ingrained in Rwanda, and also many neighbours such as Tanzania and Uganda.[100] High modernism helps explain the lack of consultation: the primary form of local-level engagement appears to have been 'sensitisation', aimed at explaining the dam and compensation scheme rather than incorporating local knowledge and feedback on how to support those affected. This differs from 'best practice' that is supposed to involve extensive local-level engagement, participatory studies prior to construction and an ambition to leave those displaced better-off.[101] India's LoCs, with their conferring of decision-making power on the Rwandan elite, did not check such ideology.

97. Interviews, Nyabarongo Dam On-Site Engineers, Rwanda, 2014.
98. Will Jones, '*Murder and create: State reconstruction in Rwanda since 1994*' (University of Oxford, unpublished DPhil Thesis, 2014).
99. An Ansoms, 'Re-engineering rural society: The visions and ambitions of the Rwandan elite', *African Affairs* 108, 431 (2009), pp. 289–309; Christopher Huggins, *Agricultural reform in Rwanda: Authoritarianism, markets and zones of governance* (Zed Books, London, 2017); Barnaby Joseph Dye, 'Ideology matters: Political machinations, modernism, and myopia in Rwanda's electricity boom', *Energy Research & Social Science* 61 (2020), pp.1–11.
100. Dye, 'Continuity or change in the infrastructure turn?'; Heather J. Hoag, *Developing the rivers of East and West Africa: An environmental history* (Bloomsbury, London, 2013).
101. Dye, 'Continuity or change in the infrastructure turn?'; Thayer Scudder, *The future of large dams: Dealing with social, environmental, institutional and political costs* (Earthscan, London/Sterling, VA, 2005).

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Inexperienced contractors and construction quality issues

Alongside negative local-level impacts, the dam suffered technically from the contractors' inexperience and the absence of pre-construction studies, both of which were enabled by the IDEAS' open-ended project support. Nyabarongo Dam represented a first for Angelique. Established in 1996 alongside a textile-manufacturing firm,[102] the family behind Angelique International reportedly got their breakthrough with a $5million contract to supply education equipment in UN-controlled Kurdistan.[103] With the 2005 operationalisation of IDEAS, Angelique gambled that offering subsidised finance would counteract qualms over inexperience.[104] Additionally, its 'generalist' aggregator business model supported the company's growth:[105] 'our idea to have so many sectors- to not be a single project company' ;[106] 'Angelique doesn't over-expertise in one field'.[107] Thus, the firm by 2015 was engaged in four dams (see Table 1), an IT business park, power transmission lines, and agricultural initiatives. Thus, the firm lacked specialist experience, especially regarding large dams. Simultaneous to Nyabarongo Dam negotiations between 2006 and 2007, Angelique started the Indian-financed Salma Dam in Afghanistan, but as a junior partner,[108] responsible for the powerhouse and specific hydro-mechanical components, not the main dam structure.[109] Nyabarongo therefore represented their 'first high value, high manpower project',[110] their first time as a turnkey contractor for a major infrastructure project, let alone a dam: '[Nyabarongo was] far bigger than what the company (initially) could handle … (which) shows the daring nature of management'.[111] Consequently, the other Indian firm, the large state-owned BHEL, responsible for electro-mechanical installation, were also overall project managers,[112] although they had not managed dam construction previously.

The clearest impact of this inexperience concerned quality control. The Rwandan government mitigated against this by appointing an internationally-regarded supervising engineering firm (a role known

102. *The Economic Times of India*, 'Angelique International Limited', 8 April 2020, <https://economictimes.indiatimes.com/company/angelique-international-limited-/U18109DL1996PLC075132> (7 April 2020).
103. Interview, Senior Official, Angelique International, Delhi, India 2016.
104. Confirmed by interviewed CII and FICCI Senior Official, Delhi, India, 2016, 2020.
105. Interview, Former Ambassador, MEA, Delhi, India, 2020.
106. Interview, Engineer, Angelique International, Delhi, India, 2016.
107. Interview, Senior Manager, Angelique International, Delhi, India, 2016.
108. Junior to two companies: WAPCOS and SSJV Engineering.
109. *Angelique International News*, 'Angelique International Limited News of Salma Dam Project, Afghanistan, Asia', 14 May 2019, <https://economictimes.indiatimes.com/company/angelique-international-limited-/U18109DL1996PLC075132> (7 April 2020).
110. Interview, Engineer, Angelique International, Delhi, India, 2016.
111. Interview, Engineer, Angelique International, Delhi, India, 2016.
112. Interviews; Former Senior Rwandan Official, Senior Officials, BHEL, 2016.

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Table 1 List of Indian financed dams in Africa (Source: Author).

Company	*LOC issue year*	*Country*	*Project description*
ANGELIQUE INTERNATIONAL	2005–06	Chad	Tractor and agriculture equipment assembly plant including supply of tractors and implements
	2005–06	Mali	Extension work of 150/30 KV Kalabancoro substation and renewal work of 30/15 KV Sotuba substation.
	2011–12	Swaziland	IT park
	2011–12	Togo	Supply of equipment and construction works for development of 1000 ha of rice, sorghum and maize
	2011–12	Mali	Mali—Cote d'Ivoire interconnection project (phase—III)
	2014–15	Tanzania	Potable water project (construction of water facilities in Nansio Town, Ukerewe, Tanzania (lvwatsan-ii)
OVERSEAS INFRASTRUCTURE ALLIANCE	2010–11	Ethiopia	Tendaho sugar factory
	2005–06	Ethiopia	Design, manufacture, testing and supply of equipment's and material for 132 KV power, transmission lines, substation and distribution projects in Ethiopia
	2011–12	Tanzania	Lindi water supply and sanitation project
	2011–12	Tanzania	Rehabilitation of Chalinze water treatment plant, supply and installation of secondary and tertiary distribution network and construction of reservoirs in Chalinze Villages
JAGUAR OVERSEAS	2005–06	Benin	Completion of rural electrification project
	2008–09	Central African Republic	Setting up a modern dry process cement plant of 400 TPD capacity and procurement of 100 buses for internal transport
	2008–09	Mozambique	To finance IT park project which will comprise construction of building and (a) incubator facility, (b) research and learning centre and (c) technology park and administrative facility
	2009–10	Mauritania	Milk processing unit

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as owner's engineer). Their evaluation report on the project identifies Angelique's inexperience as a major issue; the company did not have construction-quality procedures and was essentially learning on the job.[113] The report labels the first Angelique manager (2010–2011) incompetent, recounting that sections of work needed re-doing. On-site engineers responsible for ensuring standards remarked that quality enforcement was consistently 'a challenge' with the contractors' 'lack [of] … experience of any project types'.[114] This improved with the hiring of a quality control manager but contributed to a delay from 2013 to 2015 and a budget overrun from $97.7 million to $11.1 million. Inexperience also affected safety. The appraisal report stated that 'the consortium's approach to safety has overall been poor … it is clear that unlike Western contractors, safety was well down on their list of priorities'. Officials told of frequent accidents, despite calls for standards and procedures to improve, and two people died during construction work.[115] Arguably, given Angelique's inexperience and low-cost business model, these issues are not surprising. Again, they underline the consequences of the pre-2015 IDEAS LoCs not assessing contractors or stimulating standards. Environmental standards were also affected. Angelique's adherence to protocols on handling soils and pollution was reportedly poor according to Rwandan authorities ('the construction companies are not environmentally sensitive'[116]), with soil dumping in the river and oil spills. An official from Angelique seemed to acknowledge this: 'There was a concern that … if we are so (environmentally) conscious, Nyabarongo would not get built'.[117] The Rwandan government were in a weak position, with the environmental agency only operational in 2010, after construction started, despite inauguration in 2005. Thus, from a technical perspective, the absence of conditionality or assessment of project outcomes negatively affected the Nyabarongo Dam's performance.

Absent assessments

Another issue preventing regulation after 2010, according to involved officials,[118] was the government's prioritization of speed. Given ongoing power crises and steep megawatt targets, civil servants and ministers were pressured to increase installed megawatts to serve the capital city and booming

113. Aecom (Formerly RSW Inc.), *Final appraisal report for the completion of Nyabarongo Hydro-Electric Project*, (Aecom, Dallas TX, 2015).
114. Interviews; Officials, Nyabarongo Dam On-site Engineers; Rwanda, 2014 and 2015.
115. Interviews, Officials, Nyabarongo Dam On-site Engineers, Rwanda, 2014 and 2015.
116. Interview, Senior Official, Governmental Environmental Organisation, Kigali, Rwanda, 2016.
117. Interview, Engineer, Angelique International, Delhi, Rwanda 2016.
118. Interviews, Nyabarongo On-Site Officials, Rwanda and Delhi, India 2014 and 2016.

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service industry,[119] including staff at the nascent environmental agency. This magnified existing bureaucratic issues stemming from the newness of Rwanda's environmental bureaucracy and limited in-house engineering experience given that Nyabarongo was the first large dam undertaken by the post-genocide RPF state and many of its comparatively-young civil servants. These factors, alongside budgetary constraints entailed by Rwanda's low-income status, resulted in the commissioning of a cursory environmental assessment.[120] Additionally, with India's IDEAS-LoCs not stipulating a requirement for impact assessments or environmental surveys, and in contrast to international norms, no studies were commissioned on socio-environmental impact assessment or on sediment, topography, and hydrology.

This affected the dam's design and seems to have harmed its technical performance. Although engineers on-site insisted that there would be 'no (sediment) maintenance issue [because of] flushing (through the sluice gates)',[121] once completed, officials reported that the dam's reservoir 'filled up with sediment'.[122] Whilst sluice gates have some ability to clear sediments, especially from immediately behind dam walls, their effectiveness depends on dam management.[123] This almost always involves using high flows in the rainy season to wash-out sediments, a strategy that contrasts with Nyabarongo's subsequent operational prioritisation for hydropower, which involves providing a constant steady output and storing some wet-season water for the dry season.[124] The situation sufficiently worsened to the extent that by 2016, just two years after commissioning, authorities planned to deploy a dredger,[125] and implement a large-scale erosion-management plan.[126] Additionally, topographic studies appeared to be of poor quality, with the reservoir several kilometres longer than estimated: 'When they started [filling the reservoir], the distance flooded [was supposed to be] … 22km but goes up to 25km';[127] 'Topography studies [were] not very accurate … normally when well done, then very easy to

119. Dye, 'Ideology matters'; Interviews, Senior and Junior Officials, Rwanda's Infrastructure Ministry and Energy Agency, 2016.
120. Interview, Official, Governmental Environmental Organisation, Kigali, Rwanda, 2016. Confirmed: interviews; senior Rwandan government officials, Kigali, Rwanda, 2016.
121. Interview, Senior Nyabarongo Dam On-Site Engineer, 2014 (reiterated by others).
122. Interview, Official, Rwandan Dam Investor, Kigali, Rwanda 2016; Confirmed by interviewed Rwandan government officials in Kigali (2014).
123. Correspondence with experienced civil engineer, June 2018.
124. Interviews, Senior Nyabarongo Dam On-Site Engineers, Rwandan government, Rwanda, 2014.
125. Eng. Jean Claude, Kalisa, 'Challenges in Hydro-power Production in Rwanda', in a conference titled '*Challenges in Hydro-power Production in Rwanda*', (Rwanda Water Portal: Kigali, Rwanda, 2019).
126. RNRA, *Upper Nyabarongo catchment rehabilitation plan* (Rwanda Natural Resources Authority, Integrated Water Resources Management Department, Kigali, Rwanda, 2017).
127. Interview, Official, Rwandan Government, Kigali, Rwanda 2016.

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know when the flood (meaning the reservoir) will reach'.[128] This resulted in an additional emergency compensation process in 2014–2016[129] for those suddenly losing agricultural land. Supervising engineers also queried hydrology studies. Prior to the dam's design, the government did not commission updates in hydrology studies conducted in the 1990s to account for climate change.[130] New recordings were only made during construction between 2010 and 2014, too late to influence the infrastructure's design.[131] Officials in Rwanda's environmental management authority[132] and energy engineers[133] suggested this could explain the excessively low level of Nyabarongo Dam's reservoir in the dry season after completion, causing the plant's electricity generation to reduce by as much as half.

The lack of studies before the dam's construction, or their poor quality, therefore add to critiques about the standard to which the dam was built, as they seem to have negatively affected the infrastructure's technical functioning and socio-environmental outcomes. These issues resulted in costly mitigation projects whilst reducing the volume of power generated. We can trace these impacts to the LoC's hands-off approach and empowered inexperienced Indian contractors. It is likely that certain socio-environmental impacts would have resulted from the ruling elite's high modernist prejudices and favouring of rapid top-down modernization over time-intensive impact assessments. However, the fact that standard technical regulatory practices and development impact assessments were not mandated, or financially supported by the Indian donor organizations, exposed the Rwandan state, its structurally constrained budget and nascent bureaucracy.

Conclusion

Who had agency over decisions about the Indian-Rwandan Nyabarongo Dam's construction and what impacts did these have? This article's evidence suggests that rhetoric of South-South Cooperation, of respect for sovereignty and mutual win-win outcomes matters in shaping particular policies, coinciding with strategic interests in building relations with recipient governments (not necessarily their populations) and internationalizing domestic firms. Collectively, this underpinned practices of minimal conditionality and a decision-making process that focuses only on undertaking projects, not on development outcomes. The elite-centric distribution

128. Interview, Senior Official, Rwandan Government, Kigali, Rwanda, 2016.
129. Interview, Official, Rwandan Government, Kigali, Rwanda, 2016.
130. The consultancy Sogreah conducted these.
131. Aecom, *Final appraisal report for the completion of Nyabarongo Hydro-Electric project*.
132. Interview, Senior Official, Rwandan Government, Kigali, Rwanda, 2016.
133. Interviews, Former and Current Senior and Junior Officials, Rwandan Government, Kigali, Rwanda, 2015 and 2016.

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of agency this entailed did unlock a key, previously-prioritised power-generation plant for the Rwandan government that it had hitherto been unable to construct. However, the opportunity for greater agency was not necessarily positive for Rwanda's development and was shared with Indian corporations. For the Nyabarongo Dam, Angelique initiated the involvement of Indian finance and reportedly constrained the dam's technical quality during construction, not least owing to its inexperience. Additionally, dam-project management was novel for BHEL. Equally, alongside the Rwandan government's compensation regime, these companies' decisions, for example around construction-site access, local procurement, and rock blasting, significantly determined the project's complex positive and negative impacts. In addition, any 'African agency' gained by Rwanda was structurally constrained. Crucially, the article asserts that such structural constraints not only lie in trade, investment, and economic dynamics, but matter in terms of limited bureaucratic capacity and experience. Here, Rwanda's lack of an environmental agency at the project's start, coupled with this being the first infrastructure project for the government on this scale, contributed to the absence of standards in planning and implementation, arguably harming the dam's performance.

This article, therefore, linked the Nyabarongo Dam, a flagship of the IDEAS-LoCs, to the policymaking process of India's concessional finance scheme, itself representative of the other Southern powers' development-finance programmes. Evidence here consequently amounts to a critique of South-South Cooperation in its current guise. The framework has travelled from its radical roots in anti-colonial liberation movements, decoupling a political project from technical cooperation schemes that are now presented apolitically as 'win-win' development. This case study demonstrates that such decoupling acts to privilege recipient elites, emphasizing the degree to which there is an abdication of responsibility in South-South Cooperation. This leads to two key conclusions. The framework in its current guise contains bold rhetoric about its laudable goals of public development, but the reality is more private: corporations are the key beneficiaries of these publicly funded schemes, providing additional opportunities for profit-making and for their establishment in new markets. The case of the Nyabarongo Dam and the IDEAS scheme, given the centrality of India's concessional loans to its South-South Cooperation, reveals the way in which private firms often drive the country's development activity in Africa, in terms of the initiation of deals and in projects' technical construction and socio-environmental outcomes. In this regard, India is likely further along the spectrum compared to other Southern development actors but scholars

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have also conceptualized corporations' strong influence in Brazil's concessional finance in Africa and the independent agency of China's state-owned enterprises in its Southern engagements.[134]

This leads to a second conclusion further problematizing African agency. South-South Cooperation may be more open-ended and contain less conditionality, but the policy space this creates is a boon to companies from home/donor countries, at least as much as recipient states. Moreover, the abdication of responsibility over monitoring and developmental impacts can worsen the recipient state's structural constraints, making it harder to regulate contractors or achieve stated objectives, as demonstrated in this case with regard to technical dam planning studies and environmental management. These conclusions, therefore, build on, but are somewhat distinct from, the neo-dependency perspective. African agency is present, as represented by Rwanda's ability to undertake a government-priority project. However, the policy space generated by open-ended concessional finance is not understood as a universal positive. Rather, it appears to unlock projects, and construction practices, with higher social, economic, and environmental costs. Arguably then, the type of corporate and governmental African agency unlocked by South-South Cooperation, should not be considered a universal positive. It is important to caveat these conclusions with the fact that South-South Cooperation continues to evolve, as demonstrated by India's 2015 major reforms that excluded one of Nyabarongo's contractors, Angelique International. However, this article's analysis of India's concessional credit indicates that South-South Cooperation's current manifestation depoliticises what are contentious projects and practices.

134. Mathias Alencastro, 'Economic diplomacy, Lula style: The case of Odebrecht in Angola', in Mathias Alencastro and Pedro Seabra (eds), *Brazil-Africa Relations in the Twenty-first Century: From surge to downturn and beyond* (Springer International Publishing, Cham, Switzerland 2021), pp. 55–72; Dye and Alencastro, 'Debunking Brazilian exceptionalism in its Africa relations'; Taylor, *Africa rising?*; Jing Gu, 'China's private enterprises in Africa and the implications for African development', *The European Journal of Development Research* 21, 4 (2009), pp. 570–587.

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