The Rise of BRICS- A Multipolar World?

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Abstract:

Key Words: BRICS, World Order, Regionalism, Interregionalism, Emerging Powers.

With the rise of new groups of emerging powers, the world in the 21st century is witnessing a shift in power calculus. The BRICS has certainly created a new constellation in the world system. It has emerged as a new region of their own with certain shared similarities and common objectives. Since its formal inception in 2009, the group has been trying to create a niche in international system and stresses on forming a multipolar world. The countries together demand for a revival in the traditional setting of the United Nations Security Council, reforms in the international financing system such as the World Trade Organisation, the World Bank and the International Monetary Fund and have initiated a new discourse of the Global South on the Responsibility to Protect and Climate Change. The introduction of the BRICS Development Bank has been one of the prime contributions of the group thus, showcasing their willingness and capabilities in accepting the responsibilities that comes with the growing power. Highlighting the BRICS as a new interregional grouping of the emerging powers, the paper will assess the achievements and divergences of the group and its efforts to raise its status and create a multipolar world.

Introduction

The world order has witnessed a regular transformation from period to period. Its consistent nature of revolving depicts the power cycle dynamics in international relations. Following this theoretical analysis of power cycle, the BRICS grouping imprints its potential arrival. With the growing political and economic importance to the grouping and economic slowdown of the established powers, raises pertinent questions of whether the group has arrived finally? Leading to an interrogation if, BRICS can be an important factor in turning the current phase of world order from that of unipolarity to multipolar world.

The BRICS grouping is highly looked upon by the governments of the five countries. There is a greater amount of stress led on insisting the significance of the grouping for engaging at
the bilateral, group level and global level cooperation’s among the member countries. According to former Indian Prime Minister Manmohan Singh “BRICS has demonstrated the shared will and capacity to engage with each other as well as with the world community in addressing and seeking sustainable solution to global economic and political challenges and concerns for the promotion of global stability and well being” (MEA 2012).

There is a visible shift in the platform for discussing the major global issues. The G20 has taken a prominent position in discussing the current crisis, which was earlier managed by the G7 countries. This has raised a great level of speculations among the developed world community. The changing dynamics of the balance of economic power has also led to the transformed political and soft power. This growing phenomenon is evident through the formation and successful organisation of the grouping such as the BRICS (Acharya 2014), (Stuenkel 2015).

The emerging powers move beyond the regional domain. As the world is witnessing a geographical diffusion of power, the emerging powers have engaged themselves in improving their economic and political powers along with the hard power capability. It clearly seems that social and economic transformation in the interregional groupings of the emerging countries like the IBSA, the BRICS, the G20, and Brazil-South Africa-India-China (BASIC), combined with their large populations as well as their diplomatic and political rise, underpins the ever more visible shift in the global balance of power. Antkiewicz and Cooper mention that “such power shift calls for change in the current world order and with the global financial crisis; the future global economic and political leadership must include the participation of the biggest countries of the South” (Antkiewicz and Cooper 2011: 300).

The rising share of new groupings in international system is a result of the gradual process of regionalization. States that share a geographical proximity and aim for a security and economic engagements have led to the formation of progressive regional groupings that has surpassed to all the regions of the world. With the process of globalization and complex system of international trade, the movement of regionalism surpassed from old regionalism to the new form of regionalism that engages in not just political issues but also economic, cultural etc. The phenomenon of interacting beyond the regional capacities also flourished thorough the phenomenon of interregionalism. Both the processes of regionalism and the interregionalism have observed intensification across the world in the 21st century. The trend towards interregionalism has been more intense in the coming decades. With the fall of the
cold war, liberalization of the economies, and emergence of the post colonial countries the old interregionalism got further transferred to the ‘New interregionalism’ focusing issues related to trade, investment, culture and security.

Genesis of BRICS

The Brazil, Russia, India, China, South Africa (BRICS) interregional grouping is seen as one of the most ambitious endeavours of the emerging powers and through it these countries are trying to play more active role in international politics. Many scholars now stress on the rising paradigm of the BRICS countries. The countries which were seen as mere talk shop for some years have now attracted major attention from the officials, academics and the media from all over the world.

BRICS was formed in the year 2006 and comprises of total membership of five countries namely Brazil, Russia, India, China and South Africa. The BRIC idea was first conceived in 2001 by Goldman Sachs which is one of the influential companies in the world, as part of an economic modelling exercise to forecast global economic trends over the next half century. It was first used by the Goldman Sachs in their Global Economic Paper No. 66, “The World Needs Better Economic BRICs The grouping was initially envisioned as an economic model that would create an alternative in finance structure of the world which was based on the growing GDPs of these countries. Eventually the members of the grouping broadened the scope and objectives of the grouping to more issues of international importance that also had relevance to the emerging powers of the Global South. The grouping got more popularised after the publishing of the second work by the Goldman Sachs in the year 2003 titled’ Dreaming with the BRICs: The Path to 2050”, declaring it as both economic and political entity to reckon with (Wilson 2003). South Africa was later added to form BRICS grouping in 2010 (Fourth BRICS Summit 2012). With the inclusion of South Africa the grouping attained a comprehensive characteristic by adding a region of Africa which is relatively lesser represented at the global arena leading Goldman Sachs to declare the first ten years of the 21st century as “BRICS Decade”, (Wilson 2010).
Overview of BRICS 2010

<table>
<thead>
<tr>
<th>Rank in World</th>
<th>Country</th>
<th>GDP (US $ billion)</th>
<th>GDP in PPP (US $ billion)</th>
<th>Share in World GDP (in per cent)</th>
<th>Per Capita GDP (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Brazil</td>
<td>508</td>
<td>2,090</td>
<td>3.3</td>
<td>3,464</td>
</tr>
<tr>
<td>2</td>
<td>Russia</td>
<td>-</td>
<td>1,465</td>
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</tr>
<tr>
<td>3</td>
<td>India</td>
<td>326</td>
<td>1,538</td>
<td>3.1</td>
<td>378</td>
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<tr>
<td>4</td>
<td>China</td>
<td>390</td>
<td>5,878</td>
<td>3.9</td>
<td>341</td>
</tr>
<tr>
<td></td>
<td>South Africa</td>
<td>112</td>
<td>357</td>
<td>0.9</td>
<td>5,456</td>
</tr>
</tbody>
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Source: IMF Database.

The Finance Ministers of BRIC met in 2006 to discuss the possibility of establishing an interregional grouping of the four countries drawn from different regions. The first summit of the BRIC grouping was held in 2009 in Russia, signifying the need for many developing nations to meet in new formats. In the first summit the members laid emphasis on the need to develop an alternative financing system, and in the second summit held in 2010 in Brazil, the group pressed the need for a stable and predictable currency system. The third summit held in Sanya, China, in 2011 was significant for the induction of South Africa in the grouping, which made BRIC into BRICS. The fourth summit was held in New Delhi in 2012 and in 2013, the fifth summit was held in Durban, South Africa. The grouping preferred to focus on giving credits and trade payments in each another’s national currency, and also proposed for political negotiations to resolve crises in Syria, Libya and Iran.

The grouping envisions its role in reforming the financial institutions. In its fifth Summit in 2013, the member-countries decided to set up the BRICS Development Bank to mobilise resources for infrastructure and sustainable development projects in BRICS and other developing countries. They also established a $100 billion Contingency Relief Arrangement.
(CRA) to forestall short-term liquidity pressures, provide mutual support, and further strengthen financial stability. The member-states have taken common stand on various global issues such as the situation in West Asia and the global economic recession. It has also created the BRICS Business Council and Consortium of Think Tanks.

**BRICS as an Interregional Grouping**

How do regions and countries in a grouping come together? What is the nature of such formations? How has it helped uphold principles of sovereignty and modern state systems? Louise states that “interregional grouping has come about because of the presence of certain identifiable traits which regional units, zones, states or territories share. Such groupings are smaller than international system of states, but larger than any individual state or non-state unit. Their nature is of a permanent or temporary kind, whether institutionalized or not”. (Louise 2005: 24).

The growing process of regionalism is an indication of changing world scenario in the 21\textsuperscript{st} century. States broke away with older alliances and tried to form new and multiple allegiances to realize selected objectives. With the ideological freedom, many states that were colonized for a long period achieved a full sovereignty and there was a rise of new states on the world map. The newly independent states adopted democratic mode of action that helped in increasing their participation and engagements with other states forming a regional identity to achieve common goals and motives.

According to Hettne “the regionalism in its older shape was primarily shaped through the bipolar cold war context, which was inward oriented as well as observed a protectionist outlook in the economic integration process. The newer form of regionalism obtained a more outward, comprehensive and multidimensional features. It comprised state as well as non state actors in the overall process of regional integration” (Hettne 1999).

The notions of regionalism and its variants can be elaborated through various theoretical framings. The realist school of thought links security dilemma and integration theory on which the regionalism is relied. The threat of the external powers raises a question of state security and integrity that can be protected through a collective association of the states within the region (Acharya 2002). The liberals mention the need of complex economic integration as the reasons of regional level interactions. The states through the regional and interregional cooperation can engage in comprehensive economic interactions and also
address the interdependence through institutionalized set up (Bel Balasa 2002). According to social constructivists, “is the politics of identity that acts in a way to prioritize shared experience, learning and reality. For instance, Asian Way identity led to the formation of the ASEAN, bringing the Asian countries for the identity of sharing similarity and being different from other regions” (Katzenstein 2002).

If one wants to gain a deeper insight into the processes of regional integration of the countries, understanding interregionalism would be the key. Interregionalism highlights the integration of the countries and different regions in a bigger regional set up sharing similarities and have common objectives to achieve. While the old interregionalism was primarily dominated by the European Union the New interregionalism has attained a much wide-ranging character. Since the 1990’s almost all the countries and all the regions are engaged in an interregional interactions. Relations with regional organizations in other regions, relations with a third state in other regions and direct or indirect involvement in other interregional mechanisms are the three forms of external relations practiced by regional organizations in interregionalism (Hanggi 2006: 34). The prime concern of the interregional groupings in the 21st century is primarily related to the member countries’ aspiration to attain the emerging powers status. Asia is undergoing tumultuous structural change similar to what Europe experienced in the 20th century.

Achievements and the Differences among the BRICS Members

Through active participation in the BRICS forum, the member countries aim to play a bigger role in world politics. In order to make international institutions like WTO, IMF and World Bank more representative, BRICS members demand for an alternative candidate from the developing world as the Presidentship of these institutions is always appropriated by the developed Western countries. BRICS countries meet with the bigger goals of addressing the global economic condition, reforming financial and regulatory institutions and improving cooperation with each other on a host of international issues which would have a direct impact on these countries and would also affect much of the developing world (BRICS Delhi Declaration, 2012). Saran and Sharan has reported that “BRICS is trying to stay independent on discriminately multilateral channels such as WTO; it is systematically trying to create frameworks offering policy and development options for the emerging and developing world. (Saran, Sharan, 2012: 11). The BRICS countries expressed concern over rising protectionism, especially subsidies in agriculture by few developed countries. It has discussed the impasse in
Doha rounds of WTO and remains fully committed to an early conclusion of negotiation (ENS Economic Bureau 2012: 15).

Through the BRICS forum the three countries articulate its views on restructuring and reforming of international institutions. In order to make them more democratic and representative, it has been very vocal in demanding a permanent seat at the United Nations Security Council (UNSC). It has tried to bring together emerging economies to stabilize the global financial market and create an enabling environment for rapid economic development by reforming the Bretton Woods Institutions. With regard to the Nuclear Non-Proliferation Treaty (NPT), India has taken a tough stand by rejecting the NPT regime. At the same time, it opposes the further spread of weapons of mass destruction.

The member countries can immensely benefit from the BRICS approach to strengthen its commitment to multilateralism in respect to economic and political problems, and has also committed to invest more in the UNCTAD to help the developing countries. Furthermore, it has initiated the proposal to establish a bank to play a strong role in rebalancing the world economy and has assured that the ‘BRICS Bank’ would not be a competitor to the World Bank and International Monetary Fund but provide funds for the projects that do not find favour with these institutions. The proposed BRICS Development Bank will extend credit to member nations during crisis and for infrastructure development at lower costs (Dikshit 2012 b: 1). In the BRICS Summit of 2012 it was revealed that “the member countries have greater advantages in the form of ‘BRICS Exchange Alliance’ in which major stock exchanges of BRICS countries will offer investors index-based derivatives trading options of exchanges in domestic currency as this will allow investors within BRICS to invest in each other’s progress, expand the offerings of the individual exchanges, facilitate a greater liquidity, while simultaneously strengthening to deepen financial integration through market determined mechanisms” (Saran and Sharan 2012: 10).

The Syrian crisis has been a matter of concern for the countries of the world as it has led to a large scale loss of lives. In the 12th BRICS Summit “the group backed the ‘Six Point Plan’ proposed by former UN Secretary General Mr. Kofi Anan, for an immediate and comprehensive ceasefire and to have a Syrian led inclusive process to create a new environment for peace. BRICS members, along with the IBSA group suggested the ‘Responsibility While Protecting (RWP)’ procedure initiated by Brazil. It is seen as a mediator policy between the US and the European Union, EU’s recommendation of military
intervention on the one hand, and the Russian and Chinese opposition to the military action on the other. RWP is seen as a compromise that sets certain criteria of last resort, proportionality and balance of consequences before the UNSC. It is the process which legitimizes to intervene in another country that is unable or unwilling to preserve the lives of its citizens. Leading this process also provides economic and geopolitical recognition to the emerging countries. With avoiding the scenario of mass killing, the emerging powers also try to strike a balance between protecting threatened population while deducing the negative implications of military intervention over their economic and political national interest” (Stuenkel 2012, 2015).

BRICS member showcased a unified grouping during the Crimean crisis. The members generated a strong support to Russian government and foiled the attempt of the western powers to ouster the country from the G20 Summit which was held in Australia 2014. India, Brazil, China and South Africa also strongly criticised the policy of sanctions towards the Russian government and called it a discriminatory tool. The members strictly condemn the move of the Australian government by claiming G20 as a joint body of all the member countries and no one country to unilaterally decide to ouster any member (BRICS Foreign Ministerial Meeting 2014).

However, the member countries positions and role in engaging through the forum has been limited. It leads o several confusion and showcases shortcomings in the objectives behind joining interregional grouping of BRICS. They may be related to power and position in the international system. There is an indication that through these interregional groupings, the BRICS members seeks to strengthen the cause of the Global South. However, its member’s
initiatives in this context have been very limited, and the states from the Global South view the groupings as a new imperial policy of the emerging powers. Further, in order to increase its global influence, all the BRICS has also sought to get closer to the developed world. It has developed strategic partnerships with a number of countries including the United States.

BRICS have experienced limitations in dealing with various global issues. There are differences among the member-countries of these groupings, which lack of proper institutional process of decision-making, rules to guide the member-countries, etc. They have shown their divergent views on issues such as climate change, the Nuclear Proliferation Treaty (NPT), the UNSC reform, etc. For example, in the BRICS, Russia and China have not openly supported the demand of India and Brazil for a permanent UNSC membership. These countries have also recorded variations in economic growth and developments. For instance, the Chinese economy is far ahead of South African and Indian economies. Russia and Brazil are large commodity exporters. Brazil is a non nuclear state, while Russia, China and India possess nuclear weapons. Along with the social and cultural differences, the political background of the member-countries is also different. There are democracies and communists in the grouping. China and India have an unresolved border dispute and both have competing interests in the Indian Ocean. The two countries share a strategic triangle among each other which is also shared by Pakistan. The relation between the two countries is time and tested over the close proximity of the Chinese government with the Pakistan that is a declared enemy of India. China is one of the prime trading partners in weapons to Pakistan. It has initiated a build up of several ports and roads in Pakistan, the Gwadar port to be built in the coastal region near Karachi is also accused as a move to encircle India by China which is described as a ‘String of Pearl’ along with building ports and defence bases in countries surrounding India (Chellaney 2010). India and China also has a long standing border issues with the borders such as Sikkim and Arunachal Pradesh (Dixit 2003). India is also considered as an Asian Pivot by the American strategists that can create a very strong counter to the Chinese in the region. Both the countries have serious contentions in the Indian Ocean region. The competition among the two is quiet fierce over the establishments of bases and in extending its trade routes through the ocean.

BRICS and the Multipolar World Order

The Ministry’s of the five countries stressed on realising BRICS engagements in creating a multipolar world order. As put forth by an Indian diplomat Shivshankar Menon BRICS group
has its prime objective of forming a polycentric rather than monocentric world. Menon says that these countries “the emerging powers of the east have greater potential and the opportunity to lay a benchmark in achieving a non western power that can also create an alternative in managing global affairs. These countries can make the most of the current economic downturn and the upheavals in the various parts of the world (MEA 2009).

International politics is always defined in a power relation framework. The world system has mostly been dominated by one superpower; this is very much evident from the formation of nation-state system. Possessing military and economic predominance, Great Britain enjoyed a superpower status in the 18th century, and in the 20th century it was the United States. However, the power cycle theory proves that a gradual decline of one superpower leads to the rise of another potential state.

These power shifts were quite evident even during the period of Cold War and post Cold War. The rise of new powers were visible with their growing potential in military was a remarkable feat to bank upon. The countries like Soviet Union reached its peril during the Cold War phase with showcasing its advanced military arsenals and nuclear capabilities. Germany and Japan along with the Korean establishments also showcased a growing chart in the economic and military gains in the second half of the World War II phase. With the moving times the countries of the eastern world such as Singapore, Indonesia, Nigeria and the BRICS world have attained gradual growth in economic growth, using profound technological leap these countries have gained a sustainable economic height that is defined by their Agriculture, Manufacturing, and service sectors. 1990s has been remarkably a decade of rise of the non-western countries marking a noticeable power shifts (Chellaney 2012:8).

According to Ferguson “Interregional grouping has led to the growth in alliance formation, which is prevalent in the power cycle theory of the world system”. This gradual rise of the non-western powers can be relatively aligned with the slowdown of the economies of the US and Europe. The US has undergone a phase of structural deficits that has laid to a large part of dependence on foreign capital to finance excessive private and public consumption. This has limited its imperial role in the world providing an opportunity to the growing economic markets of the other countries to make a mark in the international system (Fergusson2004: 35).

The change in the current global system from unipolar to multipolar is evident with the entry of the new members which are more diverse, multi cultural, following various political
ideologies, and also having economic disparities (Serfaty 2011). On the backdrop of incidents like 9/11 terrorist attack in the US also proved that even the superpower cannot single handily tackle the different challenges and has to incorporate other powers along the way thus, encouraging a setting of ‘unimultipolar’ world. (Huntington 1999).

Conclusion

Hanggi mentions that “regional grouping acts as a link between groups of states. Each state represents a region which according can be ‘constructed’ or even ‘imagined’. The prime focus for these groups of states to come together is for the purpose of specific interregional interaction (Hanggi et al., 2006: 42). Interregionalism is playing a significant role in the present global system. The world order has always been determined on the basis of power cycle among the countries possessing political and economic supremacy. Interestingly, with the rapid economic growth registered by many developing countries from the South in the last two decades, a tectonic shift in the world political structure has become clearly visible and duly recognized by the scholars from both the developing as well as the developed world alike. This changed scenario manifests itself more clearly in the form of economic dependence of the crises-ridden Western world on the developing countries of Asia, Latin America and South Africa. In the context of this new development, this phenomenon which is responsible for the enhancement of partnership among states from different regions is increasingly gaining ground.

BRICS can be considered as an important geopolitical entity in the new century. The member-countries have achieved significant economic growth; they share about 30 per cent of the global territory and 45 per cent of the world’s population. At the time of its formation in 2009, they enjoyed a 15 per cent of the world economy and 42 per cent share of global currency reserves. BRICS provide a suitable platform for its members to address the issues regarding establishment of a new political and economic order. They present a reformist outlook by demanding a key role for the developing nations in global decision-making.

With the media and academic attention the grouping has also been criticised by the leftist ideologues for the very nature of their rise as emerging power showcases its sub-imperial nature. High activism of the group members like China and India in Africa and Latin America is seen as second turn of great scramble of these regions. The members are also criticised by the least developing countries for their weak representation of the Global South.
The member countries such as China and India have also displayed an equal amount of distrust in security concerns, border issues and maritime exercises. China’s regular proximity with Pakistan has always been a concern for India. India also adheres to being an America’s Pivot in Asia. India accuses China of encircling its territory and limiting it within Asia through the ‘String of Pearl Theory’ for its high activism in the neighbouring countries of India.

BRICS countries suffer extensive economic disparities among its citizens. The current economic slowdown in China, Brazil is also leading to gradual decline in their international importance. The high end corruption in Brazil has brought the country to a standstill with impeachment of its President leading to political instability. The outbreak of the Zika Virus also demonstrates incapacity of the countries in its health sector. All the five countries are also experiencing challenges of large ageing population, hunger, sanitation, housing, security, pollution and gender disparity.

Although, the BRICS members have several challenges to face at the national and international level, the member countries have raised an alternative common voice at the Global forums. The members zest in organizing a common platform for addressing several common issues proves the possibility of a world order that is not dictated by single player. The group’s initiative of establishing a monetary bank, lending system in form of CRA, stress on local currency trade, support to Russia’s engagements in Crimea, Syria has all proved the group is yet to stay there. For larger level engagements the group can enhance its bi-lateral, group level and global level interactions. The group should have intense interactions in handling the emergent issues and share their expertise in handling health scare like Zika. There should be a greater trust at the security level among India and China and enhance trade through engagements in Asian Infrastructure Investment Bank (AIIB), One Belt One Road (OBOR) projects. These countries should also win the trust of their neighbouring countries and engage them in this endeavour. The group will enjoy support and acceptance from the rest of the smaller countries only if more projects and aid is supplied to the countries with most needs, the NDB should be more active and helpful to the states with greater needs.
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