

BRICS – quo vadis?

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ABSTRACT

The BRICS countries gained importance on the international stage with two opposing scenarios from the literature dictating discussions. The first proclaimed that BRICS would become a major economic force globally, while the second perceived it as a mere symbolic type of gesture with minimal impact. Based on this, should the group be able to fully converge and unite, the first may become true, but if the second narrative becomes reality, the group may diverge with limited impact globally. To become an economic entity that has significant influence in international affairs, unity rather than diversity is imperative. Following a desk-top literature approach in this study, it seems to indicate that BRICS forms a heterogeneous coalition, focussed on advancing members' individual, rather than collective interest, using the benefit of being aligned with a potential economic powerhouse. Therefore, it seems as if the second scenario, seems more plausible.

Keywords: BRICS; developing countries; challenges; internal cohesion

1. Introduction

The origins of the South-South tradition of development cooperation go back to the Bandung Conference of 1955. The Bandung conference comprised 29 Asian and African countries (Latin America was not involved) and sought to promote economic cooperation. Communication preceding the conference explicitly stated that there was no intention to form an economic bloc. However, South-South providers have been caught up in Cold War and North-South dynamics in different ways at varying times (Xiaoyun & Carey, 2014). The 'Bandung Spirit' encapsulated the approach based on the non-interference and non-alignment, enhancing the feeling of solidarity and challenging the deepening global inequality (Gray & Gills, 2016).

South-South Cooperation (SSC) signifies the vision of solidarity among the emerging or developing group of countries within the global system. The approach is based on the belief that development may be achieved by the 'poor' themselves through mutual assistance to one another. The establishment of BRICS, amongst others, serves as a potential vehicle to take up this promise. The idea is that a transformation is required, alleviating the dependence on the dominant global North. Since 2003, a vast amount of publications appeared on the various aspects of BRICS, presenting possible predictions and forecasts. These publications covered topics ranging from economic growth, international trade, savings, and investment to the subsequent impact of BRICS on the rest of the world (Basu, 2007; Duan, 2010; Sally, 2010; Ranjan & Agrawal, 2011; Luckhurst, 2013). Among these studies, one group of researchers deem the rise of BRICS as a challenge to the hegemonic power of the United States of America (USA). Another group defends the continuation of the current global status quo with

equal enthusiasm. They argue that the BRICS are mixed up in their own domestic challenges, mistrust, no real interest in leading global affairs, and still need to assume a true leadership position by the rest of the developing world. The breadth of its bargaining power in international negotiations is still an open-ended question whose answer depends, amongst others, on the group's internal cohesion.

The paper will provide an overview of the emergence of the BRICS forum while exploring potential challenges and threats posed by and among the BRICS countries. The paper will attempt, based on available literature, to determine whether the grouping is a potentially fully-fledged united mechanism engaging in the global economy as a united force or whether the fragile internal cohesion prevents it from any meaningful contribution as a bloc towards an improved global economic environment.

The rest of the paper is organised as follows: Section 2 discuss the formation of the BRICS grouping as a brief background to the study, while Section 3 describe the global governance and economy and BRICS' role. In Section 4 the political and economic challenges among BRICS members are discussed with Section 5 exploring the status quo and potential future of BRICS, including a critical review of issues among BRICS members. The conclusions drawn from the analysis is discussed in Section 6.

2. Development of BRICS

The BRICS grouping was formed in 2006 with its first formal summit in 2009 with South Africa only joining in 2010. From a strategic point this forum, which includes Brazil (South America), Russia (Eastern Europe), India (the Subcontinent), China (Far East), and South Africa (Africa), represents dominant regional economies. China and Russia are the more assertive members, with China being a very large market and a growing economic and political power and Russia a major energy supplier (Leal-Arcas, 2008). Brazil and India are perceived as 'middle-powers' while South Africa is merely a regional power. The combined political-economic mass of Russia and China, both being permanent members of the United Nations Security Council and nuclear superpowers, seems to provide credibility to BRICS as a potential dominant global forum.

To fully appreciate the BRICS group of countries, an understanding of the IBSA forum (India, Brazil and South Africa) should also be addressed briefly. IBSA was established on 6 June 2003, focussing on issues of common concern such as the reform of the United Nations (UN), possible security threats, social equity, and inclusion (Arkhangelskaya, 2011). This forum combined these like-minded, market driven economies which broadly shared a common economic and development vision. The establishment of IBSA signalled a more active, almost aggressive stance of the South (de Arruda & Slingsby, 2014). However, almost 14 years later, it seems that the forum now faces a growing sense of insignificance, especially in the wake of the growing prominence of the BRICS grouping.

By the mid-2000s, Brazil, Russia, and South Africa could all identify with the developmental-multipolar discourse of China and India. The concepts of development and multipolarity seem to be the true cornerstones of the BRICS initiative creating the conditions of possibility for the emergence of BRICS (Mielniczuk, 2013). These include non-intervention, technology transfer to promote development, poverty alleviation, reform of the Security Council, restructuring institutions of economic governance like the International Monetary Fund (IMF) and World Bank, respect for international law, warnings against the

dangers of a unipolar world, etc. Conformity to these social entitlements within the BRICS grouping is key to understanding the emergence of BRICS. However, this does not imply that all these countries have the same understanding of the concepts. Russia is more multipolar than developmental, while in South Africa the order of intensity of these aspects is the contrary. China and India place a different meaning on human rights than the one shared by Brazil and South Africa. This simply means that while countries may share the same developmental-multipolar set of social entitlements, they may have a different approach to it (Mielniczuk, 2013).

3. Global governance and BRICS

Global governance has emerged as shorthand to denote a shift of power and authority. The feeling is that developing countries must have a greater voice and representation in international financial institutions. Given the group represents about 43% of the world's population, 18% of global trade, and 20% of the world's GDP, BRICS has become a reality that deserves some level of attention in the global arena (Mielniczuk, 2013). In 2009 the Russian President, Medvedev, declared that the quest for more space at international forums cannot be effectively solved without the involvement of the BRICS countries. A joint statement by the BRICS countries was that the leadership positions like the World Bank president and the IMF director should be appointed through an open, transparent, and merit-based selection process.

The BRICS countries positioned themselves as the new pillars of stability within the future global economy and turned into the de facto representatives of the developing world. This heightened status was not based on specific projects developed by BRICS, but achieving growth rates consistently higher than the developed world increased their prominence. Global discussions could no longer claim legitimacy and inclusiveness without inviting the BRICS countries. In the years prior to the first BRICS summit, the USA went to war in the Middle East, Europe faltered, Asia rose and the institutions that governed the world were evidently no longer up to the task. The financial crisis contributed to the reduced legitimacy of the USA and this provided a window of opportunity for BRICS in international affairs. The conventional power exerted by the USA seemed to reach its limits by the costly and ill-conceived military engagements in Iraq and Afghanistan. The US National Intelligence Council's 2004 Global Trends report predicted that the USA would remain the single most powerful actor economically, technologically, and militarily. However, the 2008 report predicted a world in which the USA plays a prominent role in global events, but as one among many global actors (Stuenkel, 2014). This prediction seemed to agree that the rest of the world is starting to catch up.

3.1. BRICS and the global economy

The growth and expansion of the middle class in developing economies through economic and financial globalisation has left a remarkable and discernible impact on the global economy (O'Neill, 2008; Das, 2009). This structural shift is expected to have a serious impact on the global economy in the future, with some 70 million people entering this group annually (income group between \$6000 and \$30 000) (Das, 2009). Domestic consumption will be a major contributor to the growth of the real gross domestic product (GDP) in developing economies, becoming a vehicle of economic prosperity. It is widely projected and shared by researchers that by 2030 the four original members of BRICS would rank among the seven largest economies in the world (Mahmood, 2015). Compared to developed

economies where the purchasing power of the middle class is shrinking, discretionary spending on essential goods is increasing in developing countries. Given this scenario, the BRICS grouping is perceived to be in a win-win situation as well as a status enhancer for the initial four countries (Stuenkel, 2014).

The BRICS countries gained much through the process of corporate-driven globalisation, using the dual of global capital and cheap labour. According to Bello (2014), there is no question that all BRICS countries are capitalist regimes, although a large central machinery is able to keep control. China, using the Communist Party leadership is the ideal capitalist state, embodying a new kind of capitalism, with ‘disregard for ecological consequences, disdain for workers’ rights, everything subordinated to the ruthless drive to develop and become the new world force’ in the words of Slovenian philosopher, Slavoj Žižek (Bello, 2014). Brazil, India, and South Africa, on the other hand, are electoral democracies with relatively powerful central bureaucracies and Russia inherited the old super-centralised Soviet state. It seems clear cut, according to Bello (2014), that all the BRICS countries are capitalist regimes, prioritising profits over welfare, loosening restraints on market forces, spearheading the integration of the domestic to the global economy, following conservative fiscal and monetary policies, exhibiting close cooperation between state elites and dominant forces in the economy and, most importantly, relying on super-exploitation of their working classes as the engine of rapid growth.

This coalition of countries has moved to a position where their representatives have gained some weight in decision-making on the international scene. Although developing economies in general are concentrated in regions with large populations, they were successful in increasing the per capita GDP closer to that of developed countries (Radulescu et al., 2014). China’s growing presence and engagement with the global South is seen as a key catalyst of the resurgence of the SSC. To get a sense of the size of the BRICS group of countries, some economic and social variables are shown in

Table 1. BRICS countries.

	Population (mil) (2016)	GDP constant 2010 (US\$), billion (2016)	GDP per capita constant 2010 (US\$) (2016)	% GDP growth, (2016)
Brazil	207 653	2248.1	10 826	-3.6
Russia	143 965	1627.9	11 099	-0.2
India	1 324 171	2464.9	1 861	6.8
China	1 403 500	9505.3	6 894	6.7
South Africa	56 015	419.5	7 504	0.3

Source: World Bank.

The integration of the BRICS countries into the global economy employed foreign capital to accumulate technology and management expertise to wean them off foreign financial support. The large consumer demand from the USA was a main driver of the Chinese export-oriented economy, which enabled China to accumulate massive foreign exchange reserves to the value of \$3.14 trillion in 2013 of which \$1.29 trillion were invested in US treasury bonds (Gray & Gills, 2016). This makes China the largest holder of US debt, however, the US dollar dominance poses a considerable point of vulnerability for the BRICS grouping as most are characterised by high levels of public debt, denominated in foreign currencies.

It is noteworthy to mention that the BRICS' cause was given some legitimacy in 2012 when the BRICS countries supported the IMF by contributing to the \$430 billion bailout. Brazil, Russia, and India each contributed \$10 billion, South Africa \$2 billion, and China a staggering \$43 billion. Through this China became the third largest member country within the IMF, with Brazil, Russia, and India among the 10 largest shareholders in the Fund. In addition, two of the 24 IMF directorships moved from European countries to developing countries (Gray & Gills, 2016).

4. Challenges among BRICS

At the start in 2009, the differences between the BRICS countries far outweighed their commonalities and it seems as if current events are adding more obstacles among them, thereby restricting the potential to realise success (Stuenkel, 2014). These differences make the concept a rather ambitious project. China has much greater economic power compared to the rest of the grouping, ensuring its presence in the group as vitally important in terms of the group's sustainability. Russia, Brazil, and South Africa are large commodity exporters, while China is a major commodity importer. China's economy centres on manufacturing with an aging population, probably limiting future growth. China supports the Doha round while India is sceptical. While Brazil and Russia benefit from high energy prices, India, being a major energy consumer, suffers. However, India has a very strong service sector and is a software powerhouse becoming a fast industrialising country. Russia is an energy resource base with 20% of the world's gas and oil resources, with its biggest challenge being its dramatic population decline. South Africa has a large mineral base and is one of the leading rare mineral producers (Käkönen, 2013).

On the political and cultural side the BRICS members are diverse, with China and Russia being authoritarian states and Brazil, India, and South Africa being formally democratic states (Käkönen, 2013). China, Russia, and India possess nuclear weapons, while Russia and China are also both permanent members of the UN Security Council, reluctant to change the status quo (Stuenkel, 2014). Brazil and India are pushing for a more fundamental redistribution of institutional power in the current global governance structures. On the financial side, the BRICS carries no weight without China, albeit it's economic slowdown. There is also an unresolved border conflict between China and India as well as overlapping spheres of interest in the Indian Ocean. Taken individually, China is influential in many aspects, but collectively as a group the impact is merely marginal (Lo, 2016). Given the potential dominant influence of the two assertive authoritarian BRICS states, China and Russia (UN Security Council members and nuclear superpowers), affecting the latent inner-BRICS unity, it is deemed necessary to explore both briefly in the next section.

4.1. China's economy

Global trade growth has been on the decline for the past couple of years (Hong et al., 2016). China, as the main economic force of BRICS, is also experiencing a decline in economic growth dropping to its lowest levels since 1992, with the GDP declining to 6.2% in the second quarter of 2019 (He, 2019). Another current threat is the emerging trade conflict between China and the USA. The two largest economies in the world seem to be on a collision course to what may become a full-scale trade war. The USA recently announced an increase in tariffs on \$200 billion of consumer and other goods from 10 to 25%. China responded by increasing tariffs on \$60 billion of US made goods (Minerd, 2019). The latest figures increased to \$250 billion on Chinese goods and threats of tariffs on \$325 billion more

with China setting tariffs on \$110 billion worth of US goods (Wong & Koty, 2019). Although the consequences of this envisaged ‘trade war’ are manifold, it may impact on lower economic growth, import price inflation, and sourcing new markets to the detriment of both countries and globally. Chinese leaders are of an opinion that the USA is not merely trying to restore trade imbalances but rather prevent China from moving up the value chain (Minerd, 2019). By not backing down, China’s stance in the trade war may therefore be to gain some credibility as a global force. China wants to be portrayed as a good regional and global player, conveying the message that the West should be more responsive to Chinese interests, granting China the international influence it merits.

4.2. China’s Belt and Road Initiative (BRI)

Infrastructure development initiatives like the BRI may potentially heighten China’s image as an economic force but it may also contribute to increased tension among BRICS members. China’s BRI is arguably its most ambitious global project to date, which aims at improving the cross-border transport infrastructure between China and Europe with the involvement of about 63 countries (Herrero & Xu, 2017). This proposed network of infrastructure partnerships will cut across the energy, telecommunications, logistics, law, IT, and transportation sectors. The five major goals of this initiative are policy coordination, facilities connectivity, unimpeded trade, financial integration, and people to people bonds. Although the first four goals are self-evident from an economic perspective, the last goal confirms Chinese President Jinping’s vision, indicated in his speech in 2015 (Winter, 2016). Culture is a very important factor within China’s strategy to secure influence internationally by building a competitive advantage in an increasingly Sino-centric economy (Winter, 2016).

4.3. Russia’s economy

Russia is also experiencing economic challenges which may impact on its role within BRICS. In the wake of current international sanctions against Russia, a weaker currency, rising interest rates, pension ‘reforms’ and an increase in VAT, forecasts from the Russian Economic Development Ministry predicts a 1–2% growth rate up to 2030 (Inozemtsev, 2019). The outcome predicts further hardships for normal citizens which poses potential problems as the Russian state has prepared itself for a showdown with its own citizens. The international sanctions were imposed by the USA and European Union (EU) against Russia during the crises involving the Ukraine in early 2014. The sanctions appear to have a larger impact on countries with strong economic ties to Russia. According to the Austrian Institute of Economic Research, the ongoing sanctions against Russia could exceed 90 billion euros in export revenue and more than two million jobs in the EU over the next couple of years (Ashford, 2016). Representatives of the USA and the EU will consider lifting the sanctions if Russia withdraws all armed forces from the Ukraine. However, it seems unlikely as the EU leaders agreed to prolong the sanctions until 2020 (Stone & Carroll, 2019). Furthermore, predictions are that Russian oil production could decrease from the current 10.5 million barrels per day to 7.6 million barrels per day by 2025 which will harm the Russian economy (Ashford, 2016).

Ashford (2016) is of the opinion that the sanctions have been counterproductive as Putin’s approval rating increased from 63% (2014) to 88% (October 2015), making it easier for Putin to sell its anti-Western narrative. The authoritarian nature of the Russian regime and anti-Western propaganda probably makes the government less exposed to the full effect of the economic decline (Oxenstierna & Olsson, 2015). In addition, the sanctions have encouraged

Russia to create its own financial institutions, which may carve away some of the USA's economic influence. After a suggestion to cut off Russia's access to the Society for Worldwide Interbank Financial Telecommunication (SWIFT) payment system, the Russian Central Bank announced starting negotiations with the other BRICS countries to create an alternative. In an effort to lower its dependence on Visa and MasterCard, Russia is pursuing setting up its own credit-card clearing-house. Whether the other BRICS members would continue its association with a country under heavy sanctions by the USA, especially if it impacts negatively on their own relations with the USA, needs to be seen.

4.4. Other current global conflicts

The current conflict in Syria is also contributing to more tension among the BRICS members, with Russia one of the main parties supporting the Syrian government. This support is contrary to the BRICS proposal for a 'Syrian-led, Syrian-owned' negotiation process as the only legitimate solution. Given India and China's economic interest in the Middle East, it could lead to a negotiable solution with Russia. However, Brazil and South Africa are not in favour of military action in Syria. In addition, given the current Venezuelan crisis, the BRICS members are not necessarily in unison regarding their approach to the conflict. Russia, China, and South Africa are currently in support of Venezuela's Maduro, opposing US intervention, with Brazil supporting the US-backed opposition leader Juan Guaidó, isolating itself somewhat from the other BRICS members. India is rather tight-lipped about the affair, remaining somewhat neutral. Despite USA sanctions against Venezuela, India also continued to import oil until recently, temporarily pleasing the USA. Furthermore, a comprehensive counter-terrorism approach by all five BRICS members are unlikely, unless China and India can come to some agreement regarding the issue of terrorism (Financial Express, 2019).

Given the different perspectives regarding international issues, it is obvious that relations among this group of countries will be somewhat distorted and intertwined, creating a complex mixture of cohesion and discord. The rest of the paper will try and entangle the various perspectives impacting on the group's delicate internal cohesion.

5. BRICS – status quo

The group of BRICS countries have numerous challenges among them or within the broader developing world. However, they also share some similarities, amongst others, they are all developing countries with relevant global status, high potential, and are able to exert influence on the governance of the global economy (Radulescu et al., 2014). Therefore, it is important to note that the BRICS forum may make very attractive strategic economic and political partners for not only the South, but also for the North. However, some of the exceptionally favourable conditions that developing economies enjoyed over long stretches during the 2000s are not likely to return soon. Waning potential output growth in advanced economies will lead to weaker demand growth for developing economies. The entry and emergence of the BRICS countries onto the international scene has certainly created new challenges and new opportunities for a fairer, more efficient, and more legitimate system of global trade and governance. Although the BRICS countries portray themselves as model countries in the South, there are numerous incidences of domestic exploitative practices. Much of the criticism is directed towards China, mostly because of its practice of bringing Chinese workers into Africa instead of hiring local labour, flooding retail markets with Chinese products, and supporting repressive regimes with economic assistance (Bello, 2014). This creates some tension, rather than cohesion, among BRICS members.

According to Nayyar (2013), there are also significant inequalities among members with Brazil, India, and South Africa running substantial trade deficits with China. Furthermore, a near-colonial pattern of trade exists among these countries with the exportation of primary commodities to China and the import of manufactured goods from China, an approach not conducive to industrialisation. China, Russia, and India are all nuclear powers and geopolitical heavyweights, with Brazil an aspiring superpower but with its colonial past, historically suffering from syndromes of underdevelopment. Brazil, with one of the highest rates of inequality in Latin America, experienced riots throughout the country during 2013. The trigger came in the form of transportation fare hikes, deteriorating public services, the displacement of urban residents, corruption, and the erection of infrastructure for the Soccer World Cup. India has its own problems with serious ethno-linguistic, cultural, religious, leftist extremists, and separatist forces, adding regional conflicts with their neighbours.

For Russia, the establishment of the BRICS grouping was seen as a diplomatic coup becoming part of a group of economically dynamic countries. This may explain Russia's eagerness to institutionalise the first BRICS summit, thereby seizing an opportunity to position itself among some of the most dynamic economies, enhancing its international status (Stuenkel, 2014). Russia has a large territory and well-educated and well-trained workforce as well as huge reserves of resources. However, the country's population has been shrinking with its mortality levels nothing short of a catastrophe. In addition, its facing substantial problems with corruption, political divisions, ethnic and religious unrest, and radical separatists' movements inside the country (Luckhurst, 2013).

China has moved towards a liberal free market economy with impressive growth but it has huge underdeveloped human resources. In China protests from labour are evident, caused by a variety of reasons from land grabs to official corruption to environmental degradation. After a successful strike in 2010 by workers of a Honda plant in Nanhai, a new era of resistance was born with thousands of poorly paid garment workers in Zengcheng striking in June 2011, followed by some 30 000 workers in Dongguan, near Guangzhou in 2014, arguably the largest producer of branded footwear in the world. China is undeniably the epicentre of global labour unrest and also very aware of its failure to cultivate a domestic market stimulated by extreme asset and income redistribution (Bello, 2014). In South Africa, the 2012 Marikana uprising exposed a developed-country infrastructure coexisting with one of the world's most unequal income structures, its influence over the rest of the continent questionable at best and not perceived a natural peer of the other members (Pant, 2013).

Nayyar (2013) feels that BRICS have failed to coordinate their actions and their relationship is more based on political or economic rivalry, and less by unity. Against this backdrop, the analysis will now focus on the future role and aspects impacting on their future relations.

5.1. Future of BRICS

As globalisation and an export-led approach is under pressure currently, the question is what the future holds for the BRICS. The biggest challenge of becoming more integrated with each other as well as other developing countries would probably be the fact that the gains would be sub-optimal if the integration is amongst highly unequal societies with restricted demand. To implement policies aimed at drastically reducing income inequality and creating vibrant domestic markets may stir up emotions causing more social and labour unrest (Bello, 2014).

It seems that much more lies behind the decline in the growth rates of the BRICS countries than a mere economic failure. The main reason appears to lie within the very structure of the group. In a time when the USA were pre-occupied with its internal troubles and the Eurozone caught up in the financial crisis, it opened up the door for the BRICS to finally emerge as a major global player. However, it is starting to lose its shine since the initial expectations. China, India, and Russia are contesting for regional leadership and supremacy (Luckhurst, 2013). Brazil, Russia, India, and South Africa are showing suspicion about the growing and dominant role of China within BRICS. In addition, they are worried about the influx of Chinese investment and cheap imports, threatening domestic industries, local jobs, and destroying a number of industries in Brazil, India, and South Africa. On the security front, Russia and India are concerned about China's growing military power and its domination of the Asian Security landscape. Lastly, Sino-India ties have deteriorated over the past years because of serious policy differences between China and India vis-à-vis their policies and interests in South Asia (South China Sea dispute), while China's economic power is strangling South African manufacturing (Pant, 2013; Mahmood, 2015).

The structural disparity between China and the rest of the BRICS countries remains the core issue. China's economy is larger than the rest of the BRICS countries combined, making the very idea of a coordinated BRICS effort a bit of a fallacy. Furthermore, China's growth model of investment and exports remain acute as are fears of China dominating the NDB, manipulation of the Chinese currency, and causing problems for the manufacturing sectors of other members (Pant, 2013). In addition, Brazil's slump in economic growth, the lack of confidence by domestic and foreign investors in Russia's economy, India's bad-performing currency and fears of a credit rate downgrade and South Africa's internal problems and yet undefined role. The problems of good governance and rising socioeconomic inequalities continue to suffuse all five BRICS countries. There are some concerns that the epicentre of the next global economic shock will come from the BRICS themselves (Pant, 2013).

A big reason for the BRICS' incapacity flows from the fact that they hold different views on global issues. India, Brazil, and South Africa are struggling to enter the power politics, reflected in the debate over restructuring the permanent membership of the UN Security Council. China remains one of the biggest obstacles to changing the permanent membership. BRICS failed to challenge the Western dominance of the IMF and World Bank during the 2012 leadership changes of France's Lagarde. BRICS members like to emphasise their independence, however, they engage in an environment that is increasingly economically and socially interdependent (Pant, 2013). Even within their own neighbourhoods, it is not evident that the BRICS members are considered the leaders. The anti-Chinese coalition emerging in the East and Southeast Asia, India's dominance of the South Asian region making it a target of resentment from its smaller neighbours, Brazil's leadership in South America is challenged by Argentina's rejection of the Brazilian candidacy for permanent membership of the UN Security Council, Russia's neighbours are still irritated by the Soviet behaviour during the Cold War era and South Africa is not always present in African problems like the Libyan crisis (Pant, 2013). Gosovic (2016) points to the need to address suspicions and doubts among other developing countries concerning the 'big players of the South'.

As China is growing in stature, the other members might arguably be more than willing to balance it with some other force, even the USA, being the most important partner for all five BRICS nations individually. The current US-China threatening trade war may also cause some BRICS countries to reconsider their global and trade alliances. Furthermore, they have all turned away from the Western way of modernisation in a sense by choosing a more

indigenous path to modern societies. However, there are challenges caused by distrust among members based on the Sino-Russian and Sino-Indian rivalry (Käkönen, 2013). The Sino-Russia relationship seemingly holds because it serves their specific interests (Lo, 2016). China sees BRICS as being able to share its sovereigntist approach with India participating to increase its weight in global negotiations. Russia, being the least typical BRICS member, is not so much an emerging power but a former superpower, keen to restore some of it and therefore use BRICS as a strategic tool. Brazil is connected to its interest in advancing south-south trade and maybe also as a forum for sourcing alternative financing for domestic economic development. South Africa is getting a chance to increase its prestige, especially in the African context, and being the catalyst to promote growth on the continent. Some observers therefore state that the BRICS nations represent an impossible alliance or an odd grouping (Stuenkel, 2014), whereas others feel that BRICS forms a heterogeneous coalition, focussed only on advancing its individual national interests (Käkönen, 2013). The ties among BRICS members seem to have more to do with additional bilateral agreements between members than with any higher level of integration among them (Laädi, 2011).

Despite the criticism against mainly China, the rise of the BRICS countries provides a safety net in the geopolitics of development. Lo (2016) is of opinion that the Sino-Russian relationship is vital for BRICS' future impact and success. Russia perceives the grouping as the foundation of a non-Western order with a central role for itself. According to Onis & Gencer (2018), the remaining three BRICS members (Brazil, India, and South Africa) are important regional and global middle powers, although their general capacity is restricted by their underlying domestic problems. This includes extensive corruption, major inequalities, and stagnant growth in the case of Brazil and South Africa. Their disproportionate dependence on the authoritarian members (China and Russia) also constrain their democratic capabilities. It seems that the key to 'BRICS success' is the effective interaction between its two principal members, namely Russia and China.

5.2. A critical review

The first decade of BRICS cooperation was marked by the rapid expansion of themes discussed by the grouping. Since its first summit, in 2009, BRICS has established more than 30 cooperation areas of which the most prominent are: economy and finance; health; science, technology & innovation; and security and business. Given these initiatives, the New Development Bank (NDB), created in 2014, is arguably one of the only concrete results of cooperation (<http://brics2019.itamaraty.gov.br/en/about-brics/main-areas-of-cooperation>). Proof of this is the NDB approved loan of \$1 billion to South Africa in June 2020 to help the country's fight against the coronavirus (Covid-19) pandemic (<https://www.iol.co.za/business-report/brics/brics-bank-approves-1b-covid-19-emergency-assistance-programme-loan-to-sa-49656459>). However, during the 11th BRICS Summit in Brazil in November 2019, discussions still focussed on vague topics such as coordination of business opportunities, economic complementarities, and areas of cooperation (<https://sdg.iisd.org/events/11th-brics-summit/>).

A closer look at some of the more specific aspects identify even more contentious issues impacting on the relations among the BRICS members. China's Belt and Road Initiative (BRI) can significantly impact on Asia and certain parts of Europe, with more than one BRICS member also involved. India's location is very strategic and therefore its active participation in this initiative is a very important condition to ensure success. India can therefore not be excluded or by-passed in any Asian initiative (Banerjee, 2016), although

according to Khan (2019), the initiative has drawn scepticism from both Washington and New Delhi. Russia also becomes part of this issue, through two theoretical concepts. These include theories dating from 1905 (Mackinder) regarding the 'Heartland' (former Eastern Europe, now Eurasia) and the 'Rimland' (the strip of coastal land encircling Eurasia) raised by Spykman. According to Mackinder, who forecasted that whoever controls Eurasia controls the 'Heartland' and thus the world, whereas Spykman (1938) said that the Rimland's domination allowed control of the Asian continent. Both areas currently form part of the two principal arms of the BRI, with a single entity like the Shanghai Cooperation Organization (SCO) having the potential to control it, however, the SCO is dominated by China and Russia (Banerjee, 2016). There is thus potential for conflict between BRICS members as it creates a commanding position for China over Asia's heartland, although the strategic involvement of India and Russia can severely impact on its potential success.

According to Chatzky & McBride (2019), India has tried to convince local countries that the BRI is a plan from China to dominate Asia in creating unsustainable debt problems for Indian Ocean countries as the BRI is partly financed through the Asian Infrastructure Investment Bank (AIIB). A study by Moody's (2019) indicates that many BRI projects are funded via loans from banks in China. Hart-Landsberg (2018) accentuate this view by stating that approximately 90% of the Belt and Road projects are being built by Chinese companies. According to this study, a growing number of countries are becoming reluctant to participate, either scaling back or cancelling BRI projects. Other issues include the South China Sea dispute between China and India. Through the maritime Silk Road, China will get access to maritime facilities in the Indian Ocean area, including harbour facilities, marine logistics, security of transportation at sea, and access and control over marine resources and naval support facilities it currently lacks (Banerjee, 2016). India, on the other hand, is building mighty and rapidly expanding navy capabilities to promote its geopolitical, strategic and economic interests on the seas, especially the Indian Ocean region. A study by Herrero & Xu (2019), measuring the perceptions of 74 countries regarding the BRI, included all BRICS members. It is evident from this study that the other BRICS members are not necessarily in favour, further damaging the cohesion among BRICS members.

The main question is thus not what separates the BRICS, but rather what holds it together? Russia is mostly committed towards maximising the BRICS' potential as it is a non-Western framework and its influence in BRICS is greater compared to the UN Security Council (Russia was suspended from the G-8 in 2014 where it was the only non-Western member). China seems to be in dire straits given the current contracting markets of Europe, trade war with the USA, and enormous expectations regarding the BRI. India deliberately keeps a low profile due to strong US links, Brazil has continuing weaknesses and problems of distance, limiting its influence with South Africa merely sugar-coating Africa's presence (Lo, 2016). It is important to keep in mind that BRICS did not necessarily emerged as a group whose strength lay in the individual capacity of each member, but rather as a pragmatic relationship, pooling its global influence and potential impact.

6. Conclusion

BRICS faces numerous challenges and uncertainties, both internally and externally, which could jeopardise and limit its global impact. It appears as if the forum is not yet a united front but rather an odd diversified forum where individual interest still dominate. To many it seems as if BRICS is rather rhetoric used to negotiate a stronger bargaining position for individual members. The four smaller members seem to piggy-back on the grouping for the sake of

pursuing their own self-interest. China, assuming the questionable support of the other members, appear to enjoy the ‘self-appointed leadership’ position within BRICS, thereby amplifying its global status.

Russia and China still diverge fundamentally over certain global issues. For Russia, BRICS represents the foundation of the new world order where the USA no longer dominates. China, although it may agree with Russia to mitigate the US dominance, do not necessarily agree with the way Russia envisaged the new order. China’s formal position is that BRICS can complement existing international structures, not replacing it. It is further unclear whether China is pursuing international economic development as a primary goal or assuming a geo-political role through BRICS. Its investment in the AIIB and BRI initiative seem far greater compared to the NDB of BRICS. It seems as if China merely appreciates the group as a way of advancing its influence globally. India’s concern with the rise of China may convince them to forge new alliances with democratic Asian powers such as Japan and also clearly support the USA as a strategic partner. Brazil and South Africa still struggle to get their own house in order and their ability to overcome their endemic corruption crises and re-activate economic growth. In the meantime, they choose to remain within the ‘safe space’ provided by BRICS.

After a decade, BRICS seem like a loose, non-prescriptive and non-binding forum where members can largely do what they want, with little pressure to develop and deliver speedily. To achieve success, BRICS need to define their primary role and create trust among them, crucial to ensure a capability of collective action. It seems that members neglect the collectivity of the group, even when some members are not necessarily pleased with the individual member’s action. The accompanying opportunities and potential benefits of collective association within BRICS currently keep it together despite the fragile internal cohesion. The public unity of BRICS has ostensibly been preserved, mainly because the members have largely confined themselves to declarations of principles, hardly taking on concrete commitments.

Although the BRICS group is undeniably an economic force to reckon with, it is questionable whether that translates into smooth relations among them. It is difficult to find a common denominator between members to make BRICS a real concrete and successful international organisation. They have so far failed in creating alternative institutions or creating a solid platform for developing countries to consolidate their power on the global stage, away from the West’s dominance. As the final verdict as a united global force of significance still needs to be established, BRICS seems to be a ‘participant’ under construction, busy shaping its own pragmatic strategic profile.

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