EMERGENCE OF THE BRICS: COUNTERING HEGEMONY OR TOTAL GLOBAL SHIFT?

BY: - LUCIA DHAFANA
(STUDENT NO: - B1335552)

A Dissertation submitted to the Faculty of Social Sciences and Humanities in partial fulfilment of the requirements for the award of the Master of Science Degree in International Relations.

SUPERVISOR
MR R. CHIPAIKE

30TH OCTOBER 2015
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DECLARATION

I, Lucia Dhafana, do hereby declare that this dissertation is the result of my own investigation and research, except to the extent indicated in the acknowledgements, references and by comments included in the body of the report, and that it has not been submitted in part or in full for any other degree to any other university.

________________________  ______________________
Student’s Signature        Date

________________________  ______________________
Supervisor’s Signature     Date
DEDICATION

This dissertation is dedicated to Ivannah and Jacinta. May they be inspired by the pace I have set for them.
I am grateful, firstly to the Almighty God for seeing me this far, blessing me and good health throughout my studies. I give you all the glory. Secondly, I am grateful to my supervisor, who guided me through the strenuous journey of juggling as employee, student and mother, despite his also very busy schedule. Thirdly, I am grateful to Dr Heather Chingono for the inspiration, insightful contribution during her busy moments, and for awakening in me, passion to extend my knowledge frontiers. Fourthly, my parents, Mr & Mrs Dafana for who I am today, you deserve more out of life. Fifthly, my husband, Benjamin, for the encouragement, and unceasingly loving the family during my studies. I also extend my gratitude to my current employers, Bere Brothers Legal Practitioners for giving me a chance to progress with my passion even when duty called, and also for providing with printing facilities. Lastly to my study group peers at BUSE, Wadzanayi, Shamie, Emily, Eunice, Fortue & Sheu for the encouragement and spirit of perseverance. We all managed to get there.
# TABLE OF CONTENTS

## PRELIMINARIES

<table>
<thead>
<tr>
<th>ITEM</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Main Title page</td>
<td>1</td>
</tr>
<tr>
<td>Subtitle Page</td>
<td>2</td>
</tr>
<tr>
<td>Declaration</td>
<td>3</td>
</tr>
<tr>
<td>Dedication</td>
<td>4</td>
</tr>
<tr>
<td>Acknowledgement</td>
<td>5</td>
</tr>
<tr>
<td>Table of Contents</td>
<td>6</td>
</tr>
<tr>
<td>List of Appendices</td>
<td>8</td>
</tr>
<tr>
<td>Dissertation Release form</td>
<td>9</td>
</tr>
<tr>
<td>Abstract</td>
<td>10</td>
</tr>
<tr>
<td>List of Abbreviations</td>
<td>11</td>
</tr>
</tbody>
</table>

## CHAPTER ONE: INTRODUCTION

1.1. Background to the study                        12  
1.2. Statement of the problem                        14  
1.3. Aim of the study                                 15  
1.4. Objectives of the study                         15  
1.5. Research Questions                              15  
1.5.1. Research Sub-questions                        15  
1.6. Assumptions to the study                        15  
1.7. Significance of the study                       16  
1.8. Limitations of the study                        16  
1.9. Delimitations of the study                      17  
1.10. Definition of terms and Abbreviations          17  
1.11. Summary                                        18  

## CHAPTER TWO: LITERATURE REVIEW

2.1. Introduction                                    19  
2.2. Theoretical Framework                           19  
2.3. Hegemonic Stability Theory                      21  
2.3.1. 21st century application of the hegemonic stability theory, is US still a hegemony? 23  
2.3.2. The Future of Hegemony                        24  
2.4. Balance of Power                                25  
2.5. South–South Cooperation                        26  
2.5.1. Challenges of South–South Cooperation         28  
2.6. BRICS’ importance and implications to the world order 29  
2.6.1. China                                         31  
2.6.2. Brazil                                        33  
2.6.3. South Africa                                  34  
2.6.4. India                                         35  
2.6.5. Russia                                        35  
2.7. BRICS’ commitment to multilateralism             39  
2.8. BRICS: Implications for the world order         42  

Page 6 of 99
2.9 A glimpse into the future 42
2.10 Conclusion 44

CHAPTER 3: RESEARCH METHODOLOGY
3.1 Introduction 45
3.2 Research Paradigm and Design 45
3.3 Research Population 46
3.4 Purposive Sampling 47
3.5 Research Instruments 49
3.6 Data Collection Methods 50
3.7 Data Collection Procedure 51
3.8 Data Presentation and Analysis 52
3.9 Ethical Considerations 53
3.10 Summary 54

CHAPTER 4: DATA PRESENTATION, ANALYSIS AND DISCUSSION
4.1 Introduction 55
4.2 Formation of the BRICS 55
4.3 BRICS is diversifying and hedging against Western influence 56
4.4 BRICS’ inability to speak for others, they have their own differences 61
4.5 Relevance of the BRICS if grievances are addressed 68
4.6 BRICS promoting South-South Cooperation versus North-South trade 71
4.7 ‘Untied Aid: Implication on institutional governance 73
4.8 BRICS’ future in the global economy 74
4.9 Summary 77

CHAPTER 5 – SUMMARY, CONCLUSION AND RECOMMENDATIONS
5.1 Introduction 78
5.2 Summary 78
5.3 Conclusions 80
5.4 Recommendations 83
5.5 Suggestions for future research 84

REFERENCES 86

APPENDICES 95
# LIST OF APPENDICES

<table>
<thead>
<tr>
<th>APPENDIX</th>
<th>DESCRIPTION</th>
<th>PAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>i.</td>
<td>Introductory Letter from the University</td>
<td></td>
</tr>
<tr>
<td>ii.</td>
<td>Interview Guide for BRICS member countries</td>
<td></td>
</tr>
<tr>
<td>iii.</td>
<td>Interview Guide for the European Union</td>
<td></td>
</tr>
<tr>
<td>iv.</td>
<td>Interview Guide for the World Bank</td>
<td></td>
</tr>
<tr>
<td>v.</td>
<td>Interview Guide for the Independent Informant</td>
<td></td>
</tr>
</tbody>
</table>
NAME OF STUDENT: LUCIA DHAFANA (REG NO:- B1335552)

TITLE OF DISSERTATION: - EMERGENCE OF THE BRICS: COUNTERING HEGEMONY OR TOTAL GLOBAL SHIFT?

I certify that the above named student was under my supervision. I further certify that I have sufficiently supervised her and that she has fulfilled all the requirements that I set before her as the supervisor. In my professional judgment, the dissertation is of sufficiently high standard to meet the standards of the Master of Science Degree in International Relations as offered at Bindura University of Science Education. I support the submission of this dissertation for marking.

Name of Supervisor:- MR R. CHIPAIKE

Signature: .................................................... Date:- ..............................................................
ABSTRACT

This study was concerned with establishing the implications of the emergence of the BRICS, by examining its relevance globally. It also examined how BRICS influences composition and structure of the multilateral institutions around the world. Eight representatives from the BRICS member embassies, European Union, World Bank and International Monetary Fund and an independent academic constituted the sample. The study employed a descriptive method, using interview guides as instruments. The study revealed that the BRICS are countering hegemony, and their bank overshadows the relevant of the World Bank and the IMF. Further, the BRICS are creating parallel structures, and institutions to counter the power the US and its Western allies have. Its thrust is on increasing the developing world’s amount of money to ensure that there is adequate money, impacting positively to the developing world. This trims overreliance on the US, and its control. Of major importance to them is the creation of parallel institutions. Respondents were of the view that there was a lot of subjugation, trade agreements perpetuated by the US and the Western countries and most are keen to change within UN, World Bank and the IMF, and go for the all encompassing BRICS, which in itself is driving towards a UN of some sorts, eventually. Respondents said Bretton Woods institutions are hypocritical, exclusive, unaccountable, not transparent and undemocratic. BRICS’ emergence has so far witnessed economic growth through South-South Cooperation, by providing options and discipline to the global environment, facilitation co-financing initiatives. Geopolitically, this can be a first in expressing a unified voice of the emerging markets to end the hegemony of stronger developed economies through the IMF and the World Bank. Such institutions could amplify the bargaining power of emerging economies in global markets. Their territorial and demographic dimensions influence global economic development, hence constitute strategic alliances. The study recommends that multipolarity is the best approach to solving the economic and political challenges the world is in at the moment. Further, successes in addressing hearty issues ensure prosperity not only for the BRICS but the world at large. Based on findings from the study, there is need to do away with the donor-recipient models as these have failed. There is also need for defined collateral for securing debts rather than offering tied aid based on political ideologies. The various respondents felt that states develop on different stages, hence democracy cannot be imposed. The BRICS should have clear expansion strategies so that goals of building another world based on peace and real international solidarity is realised. There is need to democratise the UNSC and ending the veto power of the five permanent members, which is long overdue.
# LIST OF ABBREVIATIONS

(i) BRICS – Brazil, Russia, India, China, and South Africa  
(ii) NAFTA – North American Free Trade Area  
(iii) UNSC – United Nations Security Council  
(iv) NDB – New Development Bank  
(v) GATT – General Agreement on Tariff and Trade  
(vi) NATO – North Atlantic Treaty Organisation  
(vii) OECD – Organisation for Economic Cooperation and Development  
(viii) DAC – Development Assistance Committee  
(ix) CRA – Contingency Reserve Arrangement  
(x) FOCAC – Forum on China-Africa Cooperation  
(xi) WTO – World Trade Organisation  
(xii) AIIB – Asian Infrastructure Investment Bank  
(xiii) EXIM – Export Import Bank of China  
(xiv) ASEAN – Association of the Southeast Asian Nations  
(xv) SCO – Shanghai Cooperation Organisation  
(xvi) G7 – Group of 7  
(xvii) G77 – Group of 77  
(xviii) G20 – Group of 20  
(xix) EU – European Union  
(xx) IMF – International Monetary Fund  
(xxi) GDP – Gross Domestic Product  
(xxii) ABC – Brazilian Cooperation Agency  
(xxiii) IBSA – India, Brazil, and South Africa  
(xxiv) RIC – Russia, India and China  
(xxv) CMIM – Chiang Mai Multilaterisation  
(xxvi) ADB – Asian Development Bank  
(xxvii) MIKTA – Mexico, Indonesia, South Korea, Turkey and Australia
CHAPTER ONE

1.0 INTRODUCTION

1.1 BACKGROUND TO THE STUDY

The BRIC idea was conceived by economist Jim O’Neill of Goldman Sachs Asset Management in 2001, as a modelling exercise forecasting global economic trends over the next half century. It became BRICS in 2010 when South Africa joined (O’Neill: 2001). BRICS symbolises the collective economic power of Brazil, Russia, India, China and South Africa (BBVA: 2012). BRICS has emerged an important group in terms of economic and demographic parameters, comprising of rivals in international markets. Its importance in global economic and political affairs is reflected by foreign direct investment inflows and outflows, trade openness, current account balance, foreign currency reserves, and economically active labour force, which make it a formidable force to reckon with. The broad objective was to build a more democratic international system founded on the rule of law and multilateral democracy (Singh & Dube: 2010). The immediate focus, however, was to ease the burden of soaring global food prices. The BRICS resolved to work with other countries, to strengthen international security and stability. At their 2009 summit, Russia called for a more democratic and multipolar world based on the rule of international law, equality, mutual respect, co-operation, co-ordinated action, and collective decision making of all states and largest emerging-marketing economies.

As the world increasingly divides into blocs, powerful economies of the United States and the European Union have sought to forge links with neighbouring countries and deny access to rivals. The formation of free trade zones is one of the major issues facing the world trade system. This may increase protectionism, or promote trade liberalisation. Economic blocs seek political relevance and economic masculinity, like the EU, North American Free Trade Area (NAFTA), G-7, Group of 20 (G-20), Group of 77 (G-77), and Asia-Pacific Economic Co-operation Forum (APEC) amongst others. The BRICS on the other hand is assumed to be counteracting hegemony and western influence by trading in other currencies other than the United States dollar, increasing financial regulation and establishing a stable, reliable and broad-based international reserve currency system (Andreasson: 2011:1167). BRICS countries are distinguishable by their large, fast growing economies (International Monetary Fund: 2013). BRICS’ emergence could promote South-South trade relations as opposed to the traditional North-South relations (Ben:
The North houses richer, developed nations and the South has poorer less developed countries. It can also be assumed that the BRICS are striving for more political influence, challenging traditional Western donors such as the EU, and US’ hegemony. All BRICS countries are members of major international and multilateral institutions, such as the World Trade Organisation (WTO), the United Nations (UN), the G-20 and the UN Framework Convention on Climate Change, and are very active participants therein. According to the Guardian dated 28/3/13, creation of the New Development Bank is intended to rival the Western dominated IMF and the World Bank. The rise of China and India as economic powers significantly transformed international relations, shifting the balance of power from West to East (Arkhangelskaya: 2015). Chen (2014) is of the opinion that the NDB demonstrates the viability and dynamics of the BRICS and China’s global leadership. The BRICS enjoys a wider geographical spectrum compared to other economic blocs. Chen (2014) however argues that the NDB is not currently challenging the international liberal economic order. Ultimately, the competition between the NDB, IMF and the World Bank should be about efficiency rather than a struggle between liberal versus alternative economic philosophies. The most likely relationship will be complementary rather than conflicting. Evans (2014) opinionated that the NDB should adopt the best open and transparent processes, and environmental and social rules, if they are to do it differently as the world needs plenty of development capital, and infrastructure investment to fulfil people’s rights to basic needs. At the minimum, the bank’s rules should prohibit investment in activities that cause, contribute to, or exacerbate human rights violations. This presents BRICS with the opportunity to global leadership (Evans: 2014).

BRICS’ emergence challenges North-South relations, with profound implications for Southern development, which previously has been selectively applied by the West. The BRICS gazes towards Africa as a significant component of future growth, primarily due to the continent’s largely untapped markets and huge resource wealth. The BRICS frequently highlight issues of poverty, public health, youth development, gender equality, decent work, and social security as crucial indicators of the effect of global economic reforms (Moore: 2012). There is however a risk of overlooking some key assumptions about South-South co-operation when this label is linked to the BRICS. These include: the belief that trade between South states would be less exploitative than that between South and the North, and that economic interactions between Southern states would be more responsive to Southern development. However, it is by no means assumed that these
assumptions will be borne out by the BRICS’ interactions. Moore (2012) points out that, for one thing, all of the BRICS are implicated in the new ‘Scramble for Africa’, with South Africa being smeared as acting as a gateway to Africa, which constitutes a key variable in the needs of rapidly growing economies. Critiques feel that BRICS are dependent upon the economic health of the advanced industrialised economies, through trade and investment, among other factors, as lesser developing countries, therefore de-linking will only be achieved to a limited extent (Moore: 2012).

South-South Co-operation became solace for developing countries to de-link from the West, forging stronger economic ties among themselves, which they assumed would be less exploitative and more relevant to their development (Moore: 2012). Despite having interests for alliances to strengthen South-South Co-operation, the most apparent critique is that there are just a few voices still heard, oftenly from comparatively rich Southern states like Brazil, South Africa and Venezuela (Crawford & Fiorentino: 2007). NDB’s rise could mitigate some shortfalls that have long existed, or could just be another anarchic world unfolding. BRICS’ future has been predicted to include Indonesia, Turkey, Mexico and Germany, as candidates for full membership while Egypt, Argentina, Iran, Nigeria, Syria and Bangladesh have expressed interest in joining the BRICS (RIA Novosti: 2013). Failure to admit more members does not phase out BRICS’ relevance, as groups like the G-7 trimmed by suspending Russia over its Ukrainian involvement. Findings of this study will hint on BRICS’ relevance or survival within the international fraternity.

1.2 STATEMENT OF THE PROBLEM

BRICS’ emergence is viewed as a threat to established Bretton Woods Institutions, the World Bank, and the International Monetary Fund, which were set up in 1944 to help rebuild the shattered post-war economy and to promote international economic cooperation. Having already existing institutions in place will prove a mountainous task for the BRICS to get support from developed countries, who are allies of the US and Europe, who directly control the key institutions, like the IMF, the World Bank, United Nations, the WTO, and also members to the equally powerful G-7 (Barzun: 2011). The North fear losing a stranglehold on hearty issues like shareholding, and voting power. BRICS’ advocacy for comprehensive reforms within the UN for effectiveness, efficiency, representativeness, and leadership restructuring to democratise it to international standards founded on the rule of law and multilateral democracy, slips hegemony further to the
doldrums (Singh & Dube: 2010). Controlling these key institutions is good enough soft power for the US over the world, which unipolarity is being challenged now. This could further break US and the West’s global chokehold on finance and development. The NDB’s emergence regulates the global financial system, and promotes economic integration, opening mutual credit lines denominated in local currencies, which is a direct challenge to the worthiness of the dollar as the leading global reserve currency. China and India’s involvement signals the rise of the East and promotes South-South Cooperation, challenging Western hegemony (Lukyatov: 2011). The study will critically weigh in and assess whether the BRICS’ emergence is challenging hegemony.

1.3 RESEARCH QUESTIONS
The study will seek to answer the following questions;
- Do BRICS have enough in common to sustain a shared institution like the NDB?
- Will the existence of the BRICS pose a challenge to Bretton Woods institutions?
- How will the BRICS dilute or affect operations of multilateral institutions?
- Will BRICS’ emergence produce different outcomes from the existing North-South relationship?
- Are BRICS member nations using economic statecraft for political leverage?

1.4 AIM OF THE STUDY
To assess whether BRICS’ emergence has implications on international development in view of the already existing agents of globalisation, and examine whether it is challenging hegemony or it is entirely a shift on global economic power.

1.5 OBJECTIVES OF THE STUDY
- To explore the role of BRICS on international development.
- Examine BRICS’ relevance globally, amid other equally powerful economic blocs.
- Analyse how BRICS influence composition and structure of the multilateral institutions around the world.
- Analyse the impact of BRICS on the emerging economies development.
- Assess new power relations between BRICS and the Bretton Woods Institutions.

1.6 ASSUMPTIONS TO THE STUDY
- The emergence of the BRICS constitutes a threat to Bretton Woods institutions.
• The BRICS will neutralise the composition of the global multilateral institutions.

• BRICS’ presence will lead to reforms in order to balance than deter the world trade system whilst the IMF, World Bank, Asian Development Bank and the New Development Bank play a complementary role.

1.7 SIGNIFICANCE OF THE STUDY
The study will assist in ascertaining BRICS’ relevance in the international system, and how it is viewed by competitors. Insights will be provided on how competitors should view the BRICS, and if there are any policy changes to be made. These changes will be premised on recommendations and findings highlighted in this study. The study will also benefit the United Nations, United Nations Security Council, World Bank and the IMF, and the BRICS themselves on how best to restructure their institutions if they are to sustain their relevance in a world where change is nigh. The study will also assist the BRICS by availing to them what other economic blocs and countries are planning for policy formulation and implementation. It is also important for policy makers from various institutions and economists, and the literature derived from this study could be used to compare the existing facts against the future of already highlighted areas of interest, to record progress in the global world. It will also contribute in filling the knowledge gaps between what is known now, and what shall be covered in future, concerning the BRICS, and other economic blocs and supra national bodies like the European Union.

1.8 LIMITATIONS OF THE STUDY
The researcher encountered challenges in accessing embassy ambassadors, who were key to her sample, and are endowed with spokespersons authority. The researcher had to agree to their suggested meeting dates and time. For those who cited busy schedules, the researcher was referred to chosen representatives and proceeded with interviews. Where requests for interviews were out rightly turned down, the researcher sought recourse with their South African based counterparts. There was one embassy where the researcher was referred to the home country, and had to do a skype interview the authorised spokesperson who was said to be fluent in English. One other embassy, the researcher resorted to simplifying the English used to counter linguistic barriers, after the respondent disapproved the presence of an interpreter. Reluctance to attend to the requests of the researcher by some respondents was watered down by an introductory letter from the University requesting for assistance in form of participation for areas related specifically to the study.
1.9 DELIMITATIONS OF THE STUDY
The study covered economic, political, social issues as envisaged by the formation of the BRICS bloc. Data for the study was collected by incorporating respondents selected from five embassies of BRICS countries, the EU, the World Bank and the IMF, and an academic in international economic relations issues. The total sample was limited to eight only because of the number of countries affiliated to the BRICS, as well as those within the hegemonic aspirations realm, which constitute the entire population. A review was made of the literature related to the study, searching on what has been covered so far concerning the BRICS, looking at the existing gaps on the same subject. For comparison purposes, the study also incorporated basic information relating to economic blocs like the EU, G-7, APEC, and NAFTA. All areas mentioned in the study have relevance to international development study in collaboration with the emergence of the BRICS.

1.10 DEFINITION OF TERMS
- Hegemony is the single power's possession of 'simultaneous superior economic efficiency in production, trade and finance.' (Gilpin: 1987).
- The World Trade Organisation is a system based on the rule agreed at the Uruguay Round of Negotiations, from 1986 to 1994. Countries that have acceded to the WTO and its rules become part of the domestic system of their respective nations (www.cfr.org).
- Interdependency is a high level of transaction flowing across international boundaries and reciprocal costly effects associated with these transactions (Keohane & Nye: 1998).
- Bretton Woods System was a monetary management system that established a new monetary order among the US, Canada, Western Europe, Australasia, and Japan (Mason & Asher: 1973). The Bretton Woods agreement was responsible for the set up of the IMF, the World Bank and the United Nations, as an attempt to avoid worldwide economic disasters such as the ones experienced in the 1930's.
- Globalisation is the process of international integration arising from the interchange of world views, products, ideas, and culture (World Economic Forum: 2010).
- Anarchy is the absence of a central or super-ordinate authority (Wendt: 1992).
- South-South Cooperation is a term historically used by policymakers and academics to describe the exchange of resources, technology, and knowledge between developing countries, also known as countries of the global south (Shikha & McClawey: 2011).
Polarity is the distribution of power amongst great powers. It is thus a key concept in realist theory. The world can have a unipolar, bipolar, tripolar or a multipolar system, and in this study, assumptions were that BRICS’ emergence poses a challenge to the unipolar system currently in place (Monteiro: 2012).

The United Nations is an intergovernmental organisation to promote international co-operation. A replacement for the ineffective League of Nations, the UN was established on 24 October 1945 after World War II, to prevent such another conflict. At its founding, the UN had 51 member states; there are now 193. It is financed by assessed and voluntary contributions from its member states. Its objectives include maintaining international peace and security, promoting human rights, fostering social and economic development, protecting the environment, and providing humanitarian aid in cases of famine, natural disaster, and armed conflict (www.un.org).

1.11 SUMMARY
The first chapter dwelt upon the background to the study, where all basic information relating to the BRICS was laid out, giving a lead to where the study is headed. The statement of the problem followed where a summarised version of why the study is being carried out embeds. It points out reason for undertaking this study. Afterwards, the aims of study, objectives of the study, and research questions followed. Assumptions directly connected to the study were incorporated, as well as importance of the study, limitations, delimitation and definition of terms that featured regularly throughout the research study. The next chapter covers review of related literature, where comparison of current information and what has been written before shall be made, assessing whether there are any existing gaps towards what is assumed to be the findings.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 INTRODUCTION
The BRIC idea was conceived by Jim O’Neill in 2001, and became BRICS in 2010 when South Africa joined. The bloc comprises of rivals in international markets. Economic blocs have emerged, as brainchild of nations seeking political and economic masculinity. There are such blocs like the EU, NAFTA, G-7, G-20, G-77 amongst others. The BRICS is assumed to be counteracting hegemony and western influence by trading in other currencies other than the United States dollar, increasing financial regulation and establishing a stable, reliable and broad-based international reserve currency system (Andreasson: 2011:1167). This might change the global economic face. BRICS countries are distinguishable by their large, fast growing economies, (IMF: 2013). They promote South-South trade relations as opposed to the traditional North-South relations (Ben: 2012). The North houses richer, developed nations and the South has poorer less developed countries. It can also be assumed that the BRICS are striving for more political influence, challenging traditional Western donors such as the EU, and the hegemonic status enjoyed by the US. This study seeks to establish the relevance of the BRICS in international development.

2.2 THEORETICAL FRAMEWORK
A theoretical review will examine BRICS’ relevance in the contemporary international system. The review is based on a realist perspective, zooming in on balance of power and the hegemonic stability theory. Balance of power justifies the existence of nuclear power, military bases as opposed to liberalists who encourage building of institutions, perceived as the only way of bringing peace. Realism depicts international affairs as a struggle of power among self-interested states and is generally pessimistic about the prospects for eliminating conflict and war. Emphasis is on states as the most important players in international relations, whose main interest are power and survival. Classical realism tradition views human beings up to statehood, breeding an environment of conflict, competition and self-interested co-operation. By contrast, neo-realists believe that balance of power is important, advocating for a bipolar system (Wendt: 1992). Waltz ignored human nature and focused on the effects of the international system. The international system consisted of a number of great powers each seeking survival. Because the system is anarchic, each state has to survive on its own. Multilateral organisations like the UN are subservient to the
interests of powerful nations. However, liberalists like Immanuel Kant (1724-1804) and David Ricardo (1817) beg to differ. They hold that state preferences, rather than state capabilities, are the primary determinants of state behaviour. Unlike realism, where the state is seen as a unitary actor, liberalism allows for plurality in state actions. Liberalism argues that international institutions can allow nations to successfully cooperate in the international system. They say, international organisations like the UN, international regimes such as the Bretton Woods system and the GATT were calculated both to maintain a balance of power as well as regularise cooperation between nations. Kant (as cited in Zweig: 1967) did not envisage the founding of a world government, or even the pooling of sovereignty, but rather a looser federation of free states governed by the rule of law. The liberal concepts of interdependence and world society suggest that in the contemporary world the boundaries between states are becoming increasingly permeable. Waltz (1979) argued that that this condition would lead weaker states to balance against rather than bandwagon with more powerful rivals.

According to Wallersteirn (2014), core countries focus on higher skill, capital-intensive production, and the rest of the world focuses on low-skill, labor-intensive production and extraction of raw materials. This constantly reinforces the dominance of the core countries. For a time, certain countries become the world hegemon; during the last few centuries, as the world-system has extended geographically and intensified economically, this status has passed from the Netherlands, to the United Kingdom and (most recently) to the United States of America. Wallerstein characterises the core nations as most economically diversified, wealthy, and powerful (economically and militarily) with strong central governments, controlling extensive bureaucracies and powerful militaries and stronger and more complex state institutions that help manage economic affairs internally and externally. Occasionally, there has been one core nation with clear dominance over others. According to Immanuel Wallerstein, a core nation is dominant over all the others when it has a lead in three forms of economic dominance over a period of time: Productivity dominance allows a country to produce products of greater quality at a cheaper price, compared to other countries. Productivity dominance may lead to trade dominance. Wallersteirn says semi-peripheral nations are those that are midway between the core and periphery, and keep themselves from falling into the category of peripheral nations and at the same time, they strive to join the category of core nations. Further, semi-peripheries act as buffers between cores and peripheries and thus "partially deflect the political pressures which groups primarily
located in peripheral areas might otherwise direct against core-states” and stabilise the world system. In the 21st century, nations like Brazil, Russia, India, Israel, China, South Korea and South Africa (BRICS) are usually considered semi-peripheral. On the same note, others would want to believe it is global governance at play. Global governance or world governance is a movement towards political integration of transnational actors aimed at negotiating responses to problems that affect more than one state or region. It tends to involve institutionalization. These institutions of global governance, the United Nations, the International Criminal Court, the World Bank, tend to have limited or demarcated power to enforce compliance. The modern question of world governance exists in the context of globalization and globalizing regimes of power: politically, economically and culturally. Global governance is not a singular system. There is no "world government" but the many different regimes of global governance do have commonalities (Nevzat: 2014).

Anarchy prevailed because there was no sovereign authority that could enforce the rule of law and ensure that ‘wrongdoers’ were punished. Realists argued that it was impossible to set up a genuine world government because states would not give up their sovereignty to an international body (Wendt: 1992). They argued that war could not be avoided completely. Only in this way can war be properly deterred or at least controlled (Carr: 1946). A semblance of order and security can be maintained by shifting alliances among states which prevent any other state from becoming overwhelmingly powerful. International institutions and law play a role, but are only effective backed by force of effective sanction. Classical realism rooted international conflict and war in the imperfect human nature whilst neo-realism emphasises on the structure of the international system as opposed to human nature. Neo-realism or structural realism is a development of realism advanced by Kenneth Waltz (1979). Waltz (1979) contends that the effect of structure must be taken into account in explaining state behaviour. Structure is twofold, that is, ordering principle of the international system which is anarchy and the distribution of capabilities across units. Waltz (1979) also challenges traditional realism’s emphasis on traditional military power, instead characterising power in terms of the combined capabilities of the state.

2.2.1 HEGEMONIC STABILITY THEORY

The concentration of economic power gives shape to the system: for the latter to be orderly, there must be an actor able, because it has the requisite resources, to perform certain fundamental functions. The concentration of power must be backed by the
willingness of the most powerful actors to undertake a hegemonic role so that the economic order can be produced. This hegemonic role consists in the assumption of certain responsibilities towards the entire system, that is, in the carrying out of functions whose result is a public good for all the actors in the system: international economic stability. The role of the stabiliser of the system potentially brings the interests connected with the hegemonic role into conflict with the short-term interests of the most powerful actor, the consequence being that the hegemony’s responsibility also implies that sacrifices may have to be made in terms of national interests.

The first distinctive feature of hegemony is the constant linkage between concentration of (economic) power and international stability: the latter can be produced only by an actor endowed with superior resources, given that the other actors will avoid contributing to the production of a public good (Kindleberger: 1986:11). The second feature is that the concentration of (economic) power is not a sufficient condition for hegemony to exist: the latter requires that the most powerful actors must want to assume responsibility for the production of the particular public good that is international economic stability. Hegemony is characterised by an actual exercise of power whereby the hegemony uses its own resources to perform functions of collective interest (Kindleberger: 1986:13). Hegemony can be defined as a single power's possession of 'simultaneous superior economic efficiency in production, trade and finance' (Gilpin: 1987). Furthermore, hegemony’s superior position is considered the logical consequence of superior geography, technological innovation, ideology, superior resources, and other factors. Hegemonic stability theory indicates that the international system is more likely to remain stable when a single nation-state is the dominant world power or hegemony (Goldstein: 2005:107). Thus, the fall of an existing hegemony or the state of no hegemony diminishes the stability of the international system. When hegemony exercises leadership, either through diplomacy, coercion, or persuasion, it is actually deploying its "preponderance of power." In this case, hegemony becomes the state's ability to "single-handedly dominate the rules and arrangements of international political and economic relations" (Goldstein: 2005:83). It can be used to understand and to calculate the future of international politics through the discussion of the symbiotic relation between the declining hegemony and its rising successor (Luke: 2015). The central idea behind hegemonic stability theory is that the stability of the global system, in terms of politics and international law, among others, relies on the hegemony to develop and enforce the rules of the system.
In order for a nation-state to rise to the level of hegemony, there are some attributes it must or is more advantageous to have (Covarubbias: 2015). It must have political strength, military force, and superior national power that is necessary for its ability to forge new international laws and organizations. In terms of military force, a standing defensive army is not enough, but a superior navy, or air force. This explains why hegemonies are geographically situated on peninsulas or islands. The US has massive seaboards, and its neighbours are strong allies, and relatively reliable. The modern invention of nuclear weapons and superior air force provide highly reliable security, setting it apart from the rest of the world. Secondly, hegemony must have a large and growing economy. Usually, unrivalled supremacy in at least one leading economic or technological sector is necessary. Thirdly, a hegemony must have will to lead, and the will to establish a hegemonic regime, as well as the capability to lead and enforce the rules of the system, perceived as mutually beneficial for other great powers and important state-actors (Milner: 1998).

Neo-realism posit that anarchy creates power hungry states who will each attempt to install themselves as regional and global hegemonies. Hegemony supports the system so long as it is in their interests. The system is created, shaped and maintained by coercion. Whilst neo-liberals like Andrew Moravcsik (1998) argue that the hegemony wishes to maintain its dominant position without paying enforcement costs, so it creates a system in which it can credibly limit the returns to power and credibly commit to neither dominate nor abandon them. This is done through institutions, which are hard to change, more convenient to continue using than to revamp. These institutions favour the hegemony, but provide protection and a stable world order for the rest of the world. The more open this world-order, the less likely that there will be a challenger. With the decline of the hegemony, institutions don't automatically die, because they were constructed in a way that benefited all stakeholders; instead, they take on a life of their own. The classical liberal interpretation of hegemony is motivated by 'enlightened self-interest'; the hegemony takes on the costs because it is good for all actors, thereby creating stability in the system, which is also in the interests of all actors (Berridge: 1992).

2.2.1.1 21st century application of hegemonic stability theory, is the US still hegemony?

Hegemony is the ability of one party to affect outcomes such that their preferences take precedence over the preferences of other parties (Starobin: 2006). The question of whether the U.S. is still hegemony is tied into whether or not it has lost power. Keohane (1984) sees power as tied into resources and production. The US GDP is now lower relative to others
as there are growing economies with considerable amount of GDP such as BRIC countries. This implies a loss or decreased power of US as hegemony. Although resources are an important determinant of power, they are not always determinative. Those in support of the unipolar system might argue that the U.S. is still hegemony because it possesses structural power. This non coercive or attractive form of power is key to Keohane and Nye's (1998) concept of soft power. The resourceful United States has also been influential in moving many countries towards embracing the free market. For instance, through institutions such as the IMF, the US has pushed Latin American nations to undertake economic programs in accordance with its own foreign policy interests.

2.2.1.2 The future with a new hegemony

U.S. still ranks top of the world economically and militarily. The emergence of new giants threatens U.S. hegemony by creating new power centres all over the world. The single greatest competitor of U.S. is China as they are growing rapidly with “no equal in modern history.” With the second highest gross domestic product at purchasing power parity, China poses a significant challenge to U.S. economic primacy especially with the expectation that U.S. national debt could explode to 717% of GDP by 2080 according to Congressional Budget office (Murray: 1998). China’s economic power, not limited to but including industrialization and modernization, is rapidly burgeoning with high consumption and increasing foreign investment (Mosher: 2002). Mosher (2002) insists that China is building up its armed forces “to break America’s back in Asia and thus end America’s reign as the sole superpower in the world.” However, many argue that China has a symbiotic relationship with US. If US declines, it is likely that China also may be in jeopardy. John Gulllick (2005) points out that China’s prosperity is deeply ensconced in the 'China produces and lends, the US borrows and spends’ framework. China’s economy is export heavy as its driving force lies in “export processing measures”. The export dependent structure could severely dampen economic growth if demand for Chinese exports is reduced by another economic crisis in the US. Thus, China’s economic woes are one of the barriers to its hegemonic aspirations. Critics of the BRICS are of the view that the hegemonic stability theory reigns. The central idea of this theory is that the stability of the international system requires a single dominant state to articulate and enforce the rules of interaction among the most important members of the system. Hegemony’s capability rests upon the likes of large, growing economy dominance in a leading technological or
economic sector and political power backed up projective military power. Supporting the current state of affairs upholds the world systems theory’s emphasis, which states that the world system cannot be understood in isolation and that a holistic approach is needed. Societies could be conceived as mini-systems, self-contained economic, political and social units with a single culture. The theory can be considered a variant of structuralism that conceptualises world order as being structured into a core, periphery and a number of intermediary or semi-peripheral states. The BRICS could spell out attention for the peripheral in the South. The bloc is more than just about economic relations, it could also be diversity and hedge against western influence (Lukyatov: 2011).

2.2.2 BALANCE OF POWER

Balance of power predicts that states try to prevent the rise of hegemony (Brooks & Wohlforth: 2008). It further predicts that changes in international power and state specifically provoke counter balancing actions to maintain the stability of relations between states. A balance of power system functions most effectively when alliances are fluid, when they are easily formed and broken on the basis of expediency, regardless of values, religion, history and form of government (Hagan et al: 1996:83). Occasionally a single state can plan a balancing role, shifting the support to whatever state or alliance is strongest. Roughly, equal distribution of power amongst states ensures that none will risk attacking another, as there is no responsible power over the other. Balance of power creates a peaceful state of affairs, formation of alliances is important in power balancing. It however fails to explain roles of other non-state actors as it views the state as the main player. The BRICS’ emergence could be preventing dominance of hegemonic tendencies (Barzun: 2011). States engineer such balance to counter threats from powerful states and so ensure their own survival. For realists, the primary aim of the ‘balance of power’ is to preserve the security of major states, if necessary by means of war.

Power concentration is more likely to prevent war than power parity. Power concentration within pairs of nations interacts with power concentration at the international system level. Where the system is characterised by a trend toward increasing concentration, or where the system moves from anarchy toward hegemony, the local-pair wise power balance matters much less than where the system is characterised by decreased concentration. If there is a nation ascending toward or even maintaining hegemony then local power balances among other nations hardly matter. The hegemony is capable of constraining others (Geller: 1992).
Although hegemony is one way to neutralise the severe and frequently irreconcilable conflicts of interest arising out of the security dilemma and the territorial delimitation dilemma, it is not the only one. At the core of the balance of power theory is the idea that national security is enhanced when military capabilities are distributed so that no one state is strong enough to dominate all others. If one state gains inordinate power, the theory predicts that it will take advantage of its strength and attack weaker neighbours thereby providing an incentive for those threatened to unite in a defensive coalition (Paul: 2004). Some realists maintain that this would be more stable as aggression would appear unattractive and would be averted if there was equilibrium of power between the rival coalitions. When confronted by a significant external threat, states may balance or bandwagon. Balancing is defined as allying with others against the prevailing threat (Brooks & Wohlforth: 2008).

There is a longstanding debate among realists with regard to how the polarity of a system impacts on which tactic states use, however, it is generally agreed that balancing is more efficient in bipolar systems as each great power has no choice but to directly confront the other. States choose to balance by placing their survival at risk if they fail to curb a potential hegemony before it becomes too strong; to ally with the dominant power means placing one’s trust in its continued benevolence. Secondly, joining the weaker side increases the likelihood that the new member will be influential within the alliance. Relative power capabilities keep on changing and US hegemony will invite power balancing (Paul: 2004). Such balancing is being witnessed today through such economic blocs like the BRICS. Just as the US formed NATO during the Cold War, the Soviet Union formed WARSAW Pact, the BRICS has just emerged, and won’t be the last economic bloc to be formed challenging the status quo.

2.3 SOUTH-SOUTH COOPERATION

South-South Cooperation is a relationship between and among the developing countries (Davies: 2010). Gurria (2010) posits that providers of South-South Cooperation largely regard themselves as peers in mutually beneficial relationships and reject the traditional relationship of ‘donor and recipient’. Essentially developing countries pursue their individual or collective development objectives through a cooperative exchange of knowledge, skills, resources, and technical knowhow. It is axiomatic that South-South Cooperation should be initiated, organised and managed by developing countries themselves, possibly with the support of a donor country or multilateral institution such as
a United Nations Agency, acting as a third partner in the configuration known as “triangular cooperation”. De Sa e Silva (2010) noted that most developing countries have found that South-South Cooperation places more emphasis on technical cooperation and knowledge transfer than on the conditions of the donor-based projects, programmes or budget supports. This is so because developing countries are much more comfortable working with other countries like them. BRICS countries’ agreements come with few if any conditions in contrast to the financial support from the North, which is almost invariably subject to a range of stringent and taxing conditions. South-South Cooperation promotion benefits BRICS’ survival because the former instils a sense of ownership of the projects and activities undertaken. Participants willingly share information, experiences, expertise, research facilities and take responsibility by contributing to their implementation both in cash and kind (Kakonge: 2014). This can be advantageous where developing countries share a common problem regardless of the relationship between the countries in question.

Developing countries stand to gain from South-South Cooperation in particular when confronting a common problem, even if the countries concerned are at different stages in tackling the problem. Due to growing economic diversity and vast difference in the size of the countries of the South, no standard models of South-South Cooperation have emerged. Some of the larger economies have begun to see South-South Cooperation as a component of their foreign and economic policy in their relations with smaller economies of the South (Kakonge: 2014). For the smaller countries, South-South Cooperation is not a substitute for North-South Cooperation, but a useful complement for promoting development and trade. According to Kwa (2010), South-South has been boosted by regional integration, whereby sub-regions come together to eliminate tariffs among themselves so that goods and services can move more freely. Different approaches to structuring South-South Cooperation and aiding development co-exist in the international system, namely the view of the Development Assistance Committee of the Organisation for Economic Cooperation and Development (OECD/DAC), the UN System including the Bretton Woods institutions, which is influenced by OECD/DAC, the G77 at the UN, that does not accept the OECD approach of conditionality of aid and is influenced by the Chinese now, and that of the Chinese government, through the International Poverty Reduction Centre in China (Mendes: 2014:6). Southern countries seek to preserve the Westphalian principle of respect for sovereignty, implying non-interference in the domestic affairs of other states, a norm included in the UN Charter and perceived as safeguarding international order. However,
these principles and norms often clash with ensuring respect for human rights, for instance in situations of humanitarian intervention. Washington does not seem to worry about the Chinese presence in the South itself, but fears that the US may lose its dominance as the global superpower. The right approach is not to attempt to stop China from becoming more powerful in global relations but rather to make China’s rise compatible with developing countries’ interests, in terms of economic development, wellbeing and good governance. Instead of thinking in terms of North-South or South-South divide, the world should be worried in bringing the North and South to work together.

2.3.1 CHALLENGES OF SOUTH-SOUTH COOPERATION

South-South Cooperation is not a panacea for all developmental ills and it often comes at an unacceptable cost, or is fraught with other unwelcome consequences. Thus, one of the major challenges faced by South-South Cooperation is that the middle income countries in the South that provide with technical assistance often project a conventional donor-recipient relationship. The process of South-South Cooperation success stories suffers from a lack of publicity. As Gurria (2010) argues, research on South-South Cooperation largely focuses on financial flaws or on a limited number of emerging economies. Principally, the shortcoming in South-South Cooperation is lack of funding. As a rule countries are unable to implement South-South ventures without financial assistance from a third party. This normally means a UN Agency, or bilateral donor. There are a few developing countries which can now perform third party function. Countries like Brazil look at Africa as a promising market for its manufactured or semi-manufactured products and services. The resulting interactions are commercial and not true South-South Cooperation (Kakonge: 2014). In summary, Kakonge (2014) said,

“South-South Cooperation is promising but should be viewed with care. Its potential benefits are multiple and considerable, by helping one another developing countries can also help themselves, taking advantage of geographical proximity, and trading local strengths. Countries must avoid the emergence of new donor-debtor relationships by ensuring that cooperation remains reciprocal and that, if there is an imbalance, it is offset by third part contributions, in a triangular cooperation scenario”.

He further said,

“The criterion of cost-effectiveness should be rigorously applied, to prevent unviable South-South Cooperation ventures being mounted as vanity exercises or for purely political advantages. In consequence, a new and more sustainable form of cooperation
is needed especially for those countries which do not belong to the new emerging economies. Given the challenges faced, it is fair to say that South-South Cooperation complements North-South cooperation but is not a substitute”.

2.4 BRICS’ IMPORTANCE AND IMPLICATIONS TO THE WORLD ORDER

BRICS has been working on two big projects: the NDB and a Contingency Reserve Arrangement (CRA), which is a US$100 billion reserve pool acting as a “fire wall” to shield BRICS against financial risks. Interestingly, the BRICS Bank founded in the same timeframe as the Chinese-led Asian Infrastructure Investment Bank, announced in October 2013 (Wacker: 2014). Although initial capitalisation may not be an accurate indication of their ultimate size, both banks are being capitalised at US$50 billion. The goals of the AIIB and the NDB are basically the same, that is, to close the gap in infrastructure financing in emerging and developing countries. China would have a leadership role in the AIIB and BRICS Bank where the US leads the World Bank. The two Banks are touted as complements not competitors to the traditional institutions such as the World Bank and the Asian Development Bank. But both, the World Bank and the Asian Development Bank are expanding their infrastructure lending, so competition is inevitably ensuing (Wacker: 2014). A wide range of economic and political factors determine power in international relations. Countries with more financial and economic resources are naturally more important players in the global economy and politics (Mendes: 2014:5). By advocating for reform at the UN and the World Bank and the IMF, the BRICS has openly challenged the US and the West who dominate those institutions.

The BRICS on the other hand has provided critiques with reason to believe in their hunches, as there is no cohesion within the bloc. Each BRICS member prefers to pursue its own geopolitical and economic interests and take part in an ever-growing set of regional and international platforms, alliances, and clubs. At the same time, the deteriorating global economic situation pushes the BRICS countries to defend their national markets and resort to protectionism. The reluctance on the part of national governments to give up any part of their political and economic sovereignty, coupled with the entangled system of each country’s external obligations, prevented them from forming supranational bodies. Faced with the threat of long-term domestic instability caused by a number of institutional failings, each BRICS member decided to go it alone and entered into alliances with the G7 countries based on the calculation that influence within a specific region could be
exchanged for a chance to influence the global agenda. One of the criticisms levelled against the BRICS is the lack of an institutional basis, at least beyond the summit meetings. The BRICS does not have a permanent secretariat or formal organisation (Ding: 2011). The strain amongst the BRICS countries is revealed in the various bilateral relations within the group. China and India compete against each other for global markets, while Russia and Brazil face similar problems in the global energy market (Canrong: 2011). Russia and China on the other hand pursue different policies towards Asian neighbours North and South Korea, Japan, Taiwan and the Middle East (Weitz: 2011). They have also not agreed on the pricing of Russian natural gas. In addition to strained bilateral relations, there is little investment within the BRICS. The BRICS have not allocated much funding to multilateral initiatives and for most BRICS countries, their most important trading partner is a non-BRICS country. It is hard to collaborate on energy policy, as Russia and Brazil are leading suppliers, while China and India are amongst the leading consumers (Anderlini: 2011).

With divergent national interests and objectives, politics could obscure the ability of the BRICS to become a real force in global decision making. When Christine Lagarde was nominated IMF’s Managing Director, BRIC members supported her over South Africa’s Trevor Manuel, clearly displaying lack of internal cohesion (Naidu: 2013) While changes are being proposed to leadership structures at the World Bank and IMF, increased presence for the BRICS at the UN is not on the immediate horizon. Russia and China have not explicitly endorsed their support for the aspirations of their fellow BRICS to be permanent members of the UNSC. In the same vein as the other permanent members of the UNSC, China and Russia will not support any initiative that limits their veto power or extends that power to other countries (Patrick: 2010). China has resisted elevating India’s, Brazil’s and South Africa’s status in the UNSC, whilst the group claims commitment to a greater role in general in the UN (Weitz: 2011). Multilateralism only goes so far. BRICS solidarity notwithstanding, China and Russia enjoy a spot on that exclusive five-member body and will not be keen to see their power there diluted. The BRICS is never meant to be the only bloc as each member also belongs to various other organisations, blocs, or groups. The members are not like-minded countries, and are in fact rivals in international markets, attempting to meet their own national interests (White: 2011). They however, have the similar objective of economic growth and a desire to reform international institutions to better represent emerging economies. In the UNSC vote on Libya, in 2011, the BRICS
membership, with the exception of South Africa all abstained voting on Resolution 1973 on the no-fly zone. Assuming the BRICS learnt from the Libyan experiences, on Iran and Syria, the group stood firm on its non-interventionist stance, preferring that the situation be resolved without military intervention by the UN (Challaney: 2012).

However, the resolution in support of the Arab League’s plan for the removal of the Syrian president, Bashar al-Assad, India, Brazil, and South Africa voted in support of the resolution while Russia and China voted against the resolution (Ben: 2012). In the WTO, the largest number of complaints against the Chinese has been initiated by Brazil, with India also seen as a threat to Brazilian producers in the steel and software sectors. Reaching the desired commitment of increased and integrated trading relationships among the BRICS will be achieved only through a process of confrontation, negotiation and co-operation (Martinov: 2011:75). The real battle with trade and investment in the BRICS trade and investment arena lies in the ability to resolve bilateral trade tensions. Success in achieving this will help strengthen the group’s standing in the international economic negotiations (Draper: 2011). BRICS also suffers the challenge of financing and investment. Caution should be exercised however, when it comes to expansion of the BRICS. Current members need to be given time to consolidate as a group and find common positions on issues of international importance. Because of differences on economics, values, political structures and geopolitical interests, the group is incapable of playing a leading geopolitical role in the world (Dresen: 2011). Nevertheless, the political reality of the BRICS, and the strength of that political reality, when its members choose to rally together, should be acknowledged. This is so because the BRICS have had relative success in the WTO, with India, Brazil and South Africa demonstrating their ability to unite, through the agriculture G20 coalition, on a common agenda enough to turn negotiations (Draper: 2011).

2.4.1 China

China has steadily stepped up international engagement, and is basically member of all international organisations and institutions and a significant investor in virtually all world regions, with global interests (Wacker: 2014). The growing importance of China at the global stage is reflected by its role in the G20 and the BRICS. These developments are manifestations of a global power shift that has implications for global governance and the industrialised nations of the global North, and South-South Cooperation. Politically, the UN remains the main organisation and platform for China. The Germany Institute of Security Affairs (2014) opined that the importance of BRICS to China is controversial.
when compared to regional institutions and groupings such as Asia-Pacific Economic Cooperation (APEC) (its major trading partners), Association of Southeast Asian Nations (ASEAN)-plus formats and the Shanghai Cooperation Organisation (SCO) (where China can control the agenda) (Vines: 2010). BRICS appears to have less existential importance for China. Organisations that include China’s direct neighbours have a higher ranking from the Chinese perspective, since its development and modernisation process requires that neighbouring countries at least refrain from forming an alliance against it. BRICS, therefore is more a “nice to have” than an absolute must. “Global Common Goods” was presented as the main driver of BRICS, and provides more legitimacy for China’s actions (GISA: 2014). China is playing a less assertive role in BRICS than in the SCO. If the G20 develops into a real coordination mechanism, there might be less Chinese interest in BRICS. Another factor shaping the future of BRICS might be the development of US-China relations (Wacker: 2014:5).

China’s South-South relations are observable in different parts of the South, but its implications for the world order are more noticeable in Africa and Latin America, traditionally more exposed to Western influence (Mendes: 2014:7). It avoids open competition with other countries and occupies empty spaces where it is easier to establish a presence, seizing opportunities that are not taken by others. It uses peaceful coexistence, that is, mutual respect for sovereignty and territorial integrity, mutual non-aggression, non-interference in each other’s internal affairs, equality and mutual benefit, and peaceful coexistence (Vines: 2010). It has adopted a no-strings attached policy which provides unconditional aid. Multilateral forums are used as complementary channels of soft power instruments to show that China has a voice in developing countries. “Resources-for-Infrastructure” deals guarantee China natural resources in exchange for building much-needed infrastructures, especially in Africa. Mendes (2014:39) alludes that from a realist perspective, as China becomes more powerful, some countries including the US and European countries may lose power, which to some extent, is a natural process that will be hard to stop. China’s South-South relations reflect its perception of the international system, contesting the hierarchy of power in the main political and economic forums, for instance within the UN system and in the WTO, clearly opposing Western dominance. The BRICS, is attracted by China’s vision of multi-polar world order and is staking a claim for a new order which they expect to shape, one that eschews the “universal” rules espoused by the North, which are now viewed with increasing scepticism (Mendes: 2014). China
values the role of the BRICS on the global stage and enjoys full membership and great influence in the forum (Haibin: 2015). The feeling of unfair treatment at the Bretton Woods institutions is the reason why China and the BRICS strongly support an egalitarian G20 as the main forum of international economic cooperation. The scarcity of such kinds of multilateral forums is one of the reasons why China remains so committed to the BRICS process. As China’s relative economic growth has continued apace, its dominance within BRICS has become increasingly entrenched. Almost regardless of its intentions, its size and national power make it the unavoidable hegemony of BRICS. It is the largest single nation trading partner of Russia, Brazil, and South Africa, and, as of 2011, was India's largest import market and second largest trading partner. Whereas BRICS aimed to pool together their investment funds to create a rival to the Western-dominated World Bank, the truth of the matter could be that China Development Bank and other state institutions are by themselves rivals to the World Bank(Keck: 2013).

2.4.2 Brazil

Brazil is the largest sovereign state in Latin America. A federal republic, it is the world's fifth-largest country, by both geographical area and total population. Its unique environmental heritage makes Brazil one of 17 mega-diverse countries, and is the subject of significant global interest and debate regarding deforestation and environmental protection. Brazil is a developed country, and its economy is the world's ninth-largest by nominal gross domestic product and seventh-largest by GDP (PPP) as of 2015. A member of the BRICS group, Brazil until 2010 had one of the world's fastest growing major economies, with its economic reforms giving the country new international recognition and influence. Mendes (2014:30) is of the opinion that Brazil is the most important partner in Latin America and China became Brazil’s top partner and investor. They have equal relations, sharing the world stage reserved for emerging power with the visibility that BRICS and G20 offer, and hold common world views regarding leadership in international institutions, thus challenging the current hierarchy of power in the international system (Wonacott: 2011). Brazil has a competitive trade relationship with China especially for the export of manufactured goods to third markets such as the US and Latin America. The two countries are competing for food, with China attracting much more, despite Brazil’s strong institutions, democracy and market friendly policies (Pereira et al: 2011). Brazil's national development bank plays an important role for the country's economic growth. Brazil is a founding member of the United Nations, the G20, BRICS, Unasul, Mercosul, Organization of American States, Organization of Ibero-American States, CPLP and the Latin Union.
One of the world's major breadbaskets, Brazil has been the largest producer of coffee for the last 150 years. Additionally, Brazil has no contested territorial disputes with any of its neighbours and neither does it have rivalries, like Chile and Bolivia have with each other. Brazil's international relations are based on Article 4 of the Federal Constitution, which establishes non-intervention, self-determination, international cooperation and the peaceful settlement of conflicts as the guiding principles of Brazil's relationship with other countries and multilateral organizations. Brazil's foreign policy is a by-product of the country's unique position as a regional power in Latin America, a leader among developing countries, and an emerging world power. Brazilian foreign policy has generally been based on the principles of multilateralism, peaceful dispute settlement, and non-intervention in the affairs of other countries. An increasingly well-developed tool of Brazil's foreign policy is providing aid as a donor to other developing countries. Brazil does not just use its growing economic strength to provide financial aid, but it also provides high levels of expertise and most importantly of all, a quiet non-confrontational diplomacy to improve governance levels. Total aid is estimated to be around $1 billion per year that includes: technical cooperation of around $480 million ($30 million in 2010 provided directly by the Brazilian Cooperation Agency (ABC)) an estimated $450 million for in-kind expertise provided by Brazilian institutions specialising in technical cooperation

2.4.3 South Africa

For the BRICS, the significance of including South Africa in BRICS may be mainly due to the fact that it is seen as the door or gateway to the rest of the African continent. South Africa’s presence amongst this group has puzzled many since there are other countries with stronger economies. South Africa’s presence amongst the BRICS countries is in part due to China, which views the country as a stepping stone to reach the rest of Africa, in its drive to deliver on its foreign policy, Forum on China Africa Cooperation (FOCAC) (Anderlini: 2011). South Africa is richly endowed with natural resources but is also keen to expand its manufacturing base and to export more value-added products. Its biggest challenge is that of inclusive growth and employment. South Africa’s infrastructure drive is linked closely to the theme of regional integration based on the realisation that South Africa’s development and growth is also dependent on that of the region. For South Africa, it would be noble to address the challenges closer home before thinking of challenging hegemonic tendencies, unless done in alliance with powerful nations in the BRICS.
2.4.4 India

India is busy constructing new ports and airports, subways, freight rail, power generation and tolled highways, and has devoted 8% of its gross domestic product to infrastructure projects. The challenge that India faces in its infrastructure drive include a bourgeoning population, which puts pressure on infrastructure, and attracting investment in infrastructure, owing to a difficult investment environment fuelled by poor regulatory frameworks and bureaucratic red tape (Draper: 2011). The long outstanding territorial conflicts between China and India are not an issue to easily ignore, especially considering that these conflicts have been there for a very long time now, which leaves them with grey areas on their bilateral relations as individual nations, who are supposed to contribute effectively to the BRICS as a bloc, sufficient enough to voice in the global forum.

2.4.5 Russia

Russia’s economy is export oriented, based on its energy resources. Its economic trajectory is unsustainable in the long run and is looking forward to diversify its export basket and to venture into manufacturing (Schrooten: 2011). Its accession to the WTO was expected to boost inward trade and investment, but, given the state capitalism dynamics in the country, the future trade policy trajectory is not yet entirely clear (Draper: 2012). Russia suffers from serious underdevelopment in the infrastructure sector. Having inherited the bulk of its infrastructure from the former Soviet Union, harsh climatic conditions, inadequate investment from both the state and the private sector in the infrastructure sector, and corruption have left the country’s infrastructure in a state of severe disrepair. The government has come up with an infrastructure development programme upto 2030 and plan on making significant investments into the infrastructure sector (Adelaja: 2012).

Having outlined the various factors at the advantage of each member and the challenges the face, there are conclusions however which are derived from same. The BRICS therefore is being used to pursue a fairer world order rather than challenging a specific power. Lukyanov (2011) posits the situation as follows; “China prefers infiltrating into the status quo in order to quietly transform it later. India is busy addressing specific problems with specific Western countries, the US, Germany and France. Brazil is using the situation to strengthen its positions in the Western hemisphere. South Africa is away on the periphery. Russia is trying on all hats at once, seeking to be everywhere and with everyone.” Among the more specific actions and recommendations announced at their 2011 summit in China, were an agreement of development banks in BRICS countries to open mutual credit lines denominated in local
currencies, a warning over the potential for ‘massive’ capital inflows from developed nations to destabilise emerging economies, and support for a ‘broad-based international reserve currency system providing stability and certainty’. This implies a challenge to the worthiness of the dollar as the leading global reserve currency (Bradlow: 2010). Representing around 40% of the world’s population and nearly one quarter of its economic output, the BRICS countries would seem to be well justified in calling for reforms within the Bretton Woods institutions. The NDB would be different from the similar arrangement at the World Bank and the IMF as each member has a say in the running of the bank, and they would contribute equally to the capital of the bank. With the World Bank and the IMF, the US is the largest donor and naturally has a say on funds allocation. A different view would however reveal some of the impracticalities of the New Development Bank’s set up if they are to set up a one hundred billion facility and expect each country to contribute equally. This would be a mirage for South Africa for example, even if the economy was at its best. The incapability of certain members to raise their share of the required contribution directs the group back to what they want to run away from. China is able to contribute even the entire amount alone, automatically elevating it to hegemony status for the group, promoting an already started economic fight of ‘the giants’ between the US and China, notwithstanding the possibility of the latter surpassing the US in the near future. The BRICS common agenda of pushing international economic governance away from neo-liberalism and Western dominance manifested when they complained that austerity in the West was holding back world growth and that the World Bank’s unconventional monetary policy encouraged speculation worldwide rather than growth domestically (Keck: 2013). The rise of BRICS is changing power dynamics in world affairs. The US is increasingly being challenged in the world sphere by the BRICS, who are flexing their power and demanding a larger role in decision-making processes. There are some researchers though, like Panitch (2014) who are of the opinion that the NDB would not pose a real challenge to US dominance of global markets. They feel the BRICS would be not much different from other economic blocs like the G20 and the G7.

Created by the US Treasury in the wake of the Asian financial crisis at the end of the 1990s, the G20 was designed to get the major “emerging market” states to take responsibility alongside the G7 for the “new international financial architecture”. In this wake, the BRICS’ formation has been premised on the need to advocate for reform at the Bretton Woods institutions, reflecting discontentment amongst emerging powerful economies amid exacerbated need for more voice in global affairs. Despite other researchers thinking that the
BRICS Bank would not pose a real challenge, there is also a possibility that this might signal a clear challenge to the US-led world order, reflecting a fundamental change in global economic and political power (Draper: 2011). The world power structure has never been static. A great crisis often leads to an accelerating change in the structure. At the same time, crises originating from newly-emerging economies always help consolidate the dominant position of hegemonic countries. The global economic crisis is changing the world's power relations. Such change will have a profound impact on monetary markets and policies, trade relations as well as the role of the developing countries. Amid all hype, hegemony would always do everything possible to curb the emerging countries from endangering its dominant position and its core interests. The most preferable thing would be to defeat the emerging countries. In a world where the advanced western countries continue to wield the greater global political and economic power, the less developed countries must strive to break their dominance if they want to improve their economic interests in the international arena. This was the motive for the establishment of the multilateral mechanism by the BRICS. Of the five BRICS countries, two are from Asia, one each from Eastern Europe and Latin America and the fifth from Africa, representing the largest economy on that continent (Andreasson: 2011). The BRICS countries face conflict of basic interests though. Some of them are strong in manufacturing while others are rich in natural resources. How to address such differences and devise win-win mechanisms is a major challenge facing the BRICS group in the years ahead. The financial crisis in the world has accelerated the process leading to the establishment of a new balance of power in the world economy, with BRICS countries running towards a new leadership.

Today BRICS represents a club of emerging powers attempting to increase their political and economic integration in response to new global challenges. What makes BRICS different from other clubs is its potential. The BRICS account for around 20% of global GDP, they are home to 40% of the planet’s population, and their aggregate share of global trade totals 17%. This can be explained by the fact that there are great distances separating the BRICS countries, and not just geographically. In comparison, the European Union is certainly a different sort of alliance in this sense; it fosters both political and economic integration in response to numerous domestic and foreign challenges (IMF: 2013). The IMF and the World Bank’s distribution of voting rights is completely out of sync with reality and does not account for the shifting economic balance between the developing, and the developed countries. With the current radical change across the entire global landscape, no single country in the world is capable of overcoming these challenges alone. It is obvious that against the backdrop of the
changing landscape, alliances and coalitions would have to transform as well. BRICS’ combined economic, technological, human, and cultural potential shows that the five countries are capable of implementing projects on a vastly different scale jointly and efficiently. The BRICS Development Bank remains the only significant instrument of economic integration, which nevertheless, is predominantly used for financing politically motivated projects (Lukyanov: 2011). The EU and the US still remain the five countries’ main trading partners, which prevents them from discussing truly pressing issues. The BRICS countries are among each other’s top ten trading partners and have embarked upon the development of a common currency.

The NDB reflects the introduction of more options for international funding than to sever ties with the World Bank and the IMF. The bank was much needed especially considering the claims made by some third world countries that the conditionality of IMF and World Bank loans are interventionist in nature. It plays an important complementary role to the other developmental banks that presently exist, and adds to the efforts of others to fight against poverty and underdevelopment (Ding: 2011). The world order has changed with the rise of the larger emerging economies, including China, which is reducing the Western ability to set and shape the world agenda. The West and Europe in particular, have little choice but to accept and embrace this new situation and look for benefits and fresh opportunities arising from it by engaging in further dialogue. Mendes (2014) says that much European action in the countries of the South also suggest a no strings attached policy; when their interests are at stake, European governments deal with authoritarian governments and the human rights rhetoric only applies when strong interests are not involved. The less strategically important a country is, the less raw materials and fuels it has, the more likely it is that rules that are set up for the provision of aid and the conditionality attached to it is being adhered to. When it goes in the other direction, the rules are more likely to be bent.

The EU is strongly represented in Africa, is its largest donor and has a lot of trade flows and investment with the continent, and is worried with China’s presence in the South, which affects its geo political and economic area of influence. European countries with old colonial ties in Africa and Latin America have been concerned about the perceived threat to their companies. The NDB, headquartered in Shanghai, would finance infrastructure and development projects. This would be the biggest rival yet to the World Bank and the IMF, as well as the economic architecture designed by the U.S. in Bretton Woods in 1944. China is working hard to establish it because it may shortly bypass the U.S. to become the world’s biggest economy (based on
domestic purchasing power). In a nutshell, the NDB is more of a complementary institution especially if all concerns raised at the UN, World Bank and the IMF are addressed (Ding: 2011). But if not, there could be more reason for them to establish more out of the BRICS to counter the World Bank and the IMF especially. More countries will rally behind the BRICS if they deem their policies in sync with realities of the global village. Hegemony on the other hand is not a permanent status and the US might be overtaken just like other nations before. The only difference this time would be a hegemony coming out of a bloc than a country. It will be promotion of a multipolar system as opposed to the unipolar system. A preview at history will show that other nations once enjoyed the hegemonic status, and might as well give evidence to today’s events. In 1494-1580 it was Portugal, 1580-1688 Holland, 1688-1792 Britain, 1815-1914 Britain, 1945-1971 US (Milner: 1998). On the same note, the BRICS could become a new platform to meet global challenges. The vast majority of international institutions that are active today were set up after World War II with one single goal in mind: to create a system of governance that would entirely rule out the possibility of a global armed conflict. By extension, international organizations could be broken into two categories depending on the type of their integration, political or economic, where the integration was implemented as a response to contemporary challenges.

2.5 BRICS’ COMMITMENT TO MULTILATERALISM

The matrix within which the BRICS find themselves entangled in can be quite confusing if one is to allocate a tag to their grouping. It is complicated bilateral set up which has member countries advancing their interests in the name of an alliance. This even complicates the vision of challenging western hegemony, because the BRICS themselves have so many issues to solve before the go global to face other international players. And looking at the members, China seems to be the only strongest, and it might be perceived too that China is using the BRICS platform to settle its agenda with the hegemony. The BRICS is committed to multilateralism, so they say. To show their commitment to the Bretton Woods System, the BRICS has often called for comprehensive reform of the UN to make the body more effective, efficient, and representative (White: 2011). The institutionalisation and expansion issue for BRICS also raises issues of the other two groups involving some, but not all, of the BRICS, members namely RIC (Russia, India and China) and IBSA (India, Brazil and South Africa). RIC brings together Asian big powers while IBSA is more about South-South solidarity and concerned with advancing and developing the country agenda (Varadarajan: 2012).
Summarised, the BRICS reflect a form of complicated bilateralism rather than multilateralism. This explains their joint voice on reform at Bretton Woods institutions. Only that they have adopted some of the features in the Bretton Woods System, by coming up with their own bank. A fairer analysis at the BRICS would bring us back to the current scenario where the US dominates the system. China could be another US in the making. Other groups existed before, like the Non Aligned Movement (NAM), but now struggling to maintain relevance with the changing global affairs. The NAM is a group of states not formally aligned with or against any major power bloc. As of 2012, the movement had 120 members and 17 observer countries. Founded in Belgrade in 1961, it was largely conceived by India's first prime minister, Burma's first Prime Minister; Indonesia's first president, Egypt's second president, Ghana's first president; and Yugoslavia's president. All six leaders were prominent advocates of a middle course for states in the developing world between the Western and Eastern Blocs in the Cold War. The phrase itself was first used to represent the doctrine by Indian diplomat Menon in 1953, at the UN. The NAM is against any major power bloc. Because the NAM was formed as an attempt to thwart the Cold War, it has struggled to find relevance since the Cold War ended (Modelski: 1987). In 2004, Malta and Cyprus ceased to be members and joined the European Union. Belarus remains the sole member of the Movement in Europe. Azerbaijan and Fiji are the most recent entrants, who joined in 2011.

The BRICS has differed from others already because of its non-interventionist approach to promote South-South Cooperation. The existence of the BRICS should not be frowned at or ignored, as they can surprisingly unravel the international economic community. In 1973 the major oil producing countries decided that if they worked together they could control the supply and price of oil by forming a cartel called OPEC. OPEC was able to charge oil consumers four times as much almost overnight. The effects were fuel shortages and panic. The oil crisis was significant for two reasons. First, it signalled the increasing importance of economics in international relations. Second, both the immediate impact and aftermath of oil crisis provided a powerful demonstration of just how vulnerable states could be even while their borders were policed, defended and secured (Calvocoressi: 1991). Clearly, states existed in a world where the economy was becoming increasingly internationalised. With such interdependence, states increasingly lacked control. The oil price rises of 1973 (and again in 1979) are just one reason why it became clear that a concentration on the military capabilities simply did not capture the full complexity of international relations. The rise of economics has more weight to the claim that states were not the only actors of significance in international
relations. So, whereas at the height of the Cold War in the 1950 and 1960s, liberals approaches failed to make any serious inroads into the dominance of realism in the discipline, during the 1970s and 1980s the ‘liberal’ perspective, and more specifically liberal-pluralism became integrated into the international relations mainstream (Berridge: 1992). If BRICS is to come up with a united front and concentrating on the economics of the world, they might pull a global surprise unexpectedly. What is commonly shared by these countries as the meeting point is what holds them and pushes their agenda forward. Their main agenda is to push for reforms within Bretton Woods institutions, and challenge Western hegemony which dominates these institutions, and by so doing, they could successfully do so, especially through integrating the ‘next eleven’\(^1\) or even more.

The BRICS support for multilateralism is further apparent in their bid to change the leadership structure at the IMF and World Bank. Brazil’s President Rousseff (2011) said that the governance structure of the IMF and World Bank should no longer be a systematic rotation between the US and Europe. The IMF shifted six percent of voting rights to developing countries; biggest shift in voting rights in IMF history (Soliani: 2011). What has made the BRICS countries want reforms at the Bretton Woods institution is a genuine concern. The World Bank is a UN international financial institution that provides loans to developing countries for capital programs and poverty reduction, both based in Washington, D.C., and works closely with each other. Traditionally, the President of the World Bank has always been selected from candidates nominated by the United States. In 2012, for the first time, a non-US citizen, Jim Yong Kim was elected president (Kilby: 2002). The BRICS is united by rejection of the neo-liberal model, plan to create their own institutions (Desai: 2013). Undoubtedly, the differences in economic weight between the BRICS and the inevitability that China will dominate in some respects must be worked around (Desai: 2013). Comparing the structure of the IMF and the World Bank and that of the BRICS Bank brings not much of a difference.

Despite the shared responsibilities, there will be an overarching authority by virtue of power and financial muscle, hence the duplication of the hegemonic tendencies the group is attempting to do away with.

\(^1\) The Next Eleven are the eleven countries, Bangladesh, Egypt, Indonesia, Iran, Mexico, Nigeria, Pakistan, the Philippines, Turkey, South Korea and Vietnam, identified by Goldman Sachs Jim O’Neill as having a high potential of becoming, along with the BRICS, among the world’s largest economies in the 21st century. The states have promising outlooks for investment and future growth. The criteria used were macroeconomic stability, political maturity, openness of trade and investment policies, and the quality of education (Goldman Sachs Global Economic Paper 153: April 2007).
All five members of BRICS are current members of the UNSC, Russia and China are permanent members with veto power, while the rest are non-permanent members currently serving on the Council.

While the BRICS have different priorities and are often competing for investment and access to market, they share a commitment to state sovereignty and to a multi-polar world in which no singular country dominates (Ding: 2011). The whole process of global decision-making needs to be revised. Lukyanov (2011) notes that Russia, along with the other BRICS, believes that the West should not dominate world affairs. This support of multilateralism can be witnessed in influence of the BRICS in the Doha Trade Round and in the call for a new leadership. The round was initially started to provide more access for developing countries to U.S. and European markets. However, the rise of the BRICS countries, led U.S. and European negotiators to demand increased market access for industrial goods in developing countries in return for decreased barriers for agricultural products from developing countries (Miller: 2011). The BRIC countries also felt that past round of trade negotiations were skewed in favour of U.S. and Europeans and that rich countries should make unilateral concessions in this round (Elliot: 2011).

2.6 A GLIMPSE INTO THE FUTURE

The BRICS nations enjoy full sovereignty, are capable of conducting an independent foreign policy not restricted by any alliance or association and have sufficient economic potential to sustain it. Despite their cumulative potential and power of individual members, sustainability of international organizations depends on how well it can rise to modern challenges (Lukyanov: 2011). BRICS could become a new platform to meet global challenges. The majority of international institutions that are active today were set up to create a system of governance that would entirely rule out the possibility of a global armed conflict. By extension, international organizations could be broken into political or economic, where the integration was implemented as a response to contemporary challenges. Whether the BRICS countries can succeed will depend on how adequately and intensively they are able to rise to these challenges by transforming their structures for political and economic cooperation. The possible BRICS development scenarios are most likely to be as follows; maintain the status of a ‘club of emerging nations’ that exists to discuss a global agenda formulated by other countries and supranational alliances; increase its ability to influence the global agenda using
political integration tools such as expanding its membership and building a political alliance; step up economic growth and trade between the BRICS countries by way of intensifying their economic integration and building a full-fledged economic union. Thanks to its growing economic power, this union will be able to find answers to the challenges faced by these countries; and pursue not only economic but also political and cultural integration. Economic integration, if boosted to a significant degree, will enable members to achieve sufficient global competitive edge to address global problems faced by all of humanity (Dressen: 2014).

Development of other more dynamic organizations caused the BRICS to focus more on alternate platforms, while experts predict that the BRICS Summit in 2030 will be the last. After continued ignoring of calls to reform the world’s political and financial institutions, the BRICS countries focused their efforts on strengthening their political clout by way of creating a full-fledged international organization, to convey to the developed community the agenda of the developing nations that are still struggling with economic problems and bearing the burden of structural reform. To increase their weight and ability to respond to key global agenda issues, the five countries preferred to put aside their historical disagreements and signed a breakthrough agreement on ways to ensure mutual security. Each country prefers to search for answers to common global economic challenges on its own or through existing international platforms. The BRICS’ political agenda has become a mere function of its economic development, while the member nations follow a paradigm whereby a strong and sustainable economy may overcome political challenges of any magnitude. The union is built on the concept of sustainable development and a new approach to innovation including technological development. Its primary objective remains the pursuit of deeper economic integration. The main supranational body of the BRICS nations is the Economic Commission based in Shanghai to which both the Development Bank and the Monetary Fund report. The limited potential offered by initiatives to grow trade inside the ‘Big Five’ underscored the need to consolidate their economic and political tools to address broader global challenges.

The BRICS countries have become the main agent to address universal challenges and are not forced to pursue objectives falling outside their political and economic interests. Economic, digital, cultural, and educational contacts between the BRICS countries are on the rise. The success of the BRICS countries depends on how well they will face today’s global challenges and on their ability to develop a consistent integrative strategy and use their available resources efficiently. The future of BRICS might involve more countries, starting with the next eleven as
envisaged by Jim O’Neill. Today more than ever needs new international institutions capable of addressing global challenges. The BRICS symbolize the growing power of the world’s largest emerging economies and their potential impact on global economic and, increasingly, political order. Even with no confidence about BRICS’ future, the US and the West should engage with BRICS. There has been an improvement in the United States’ willingness to listen to other countries, a greater willingness than the European Union (Dresen: 2014) South-south cooperation, since the Bandung Conference\(^2\), represents a powerful instrument to raise consensus internationally and especially within supranational organizations.

2.7 SUMMARY

If the North wants to continue to sustain a strong presence in the South, they should adjust and get into win-win arrangements. Economically, they should have more value addition in the South. Politically, relations should be based on mutual respect rather than talking down, and dialogue instead of instructions. The West and Europe moved at their own pace changing social values, but with the South, they threaten with sanctions if what they want is not done. This does not bode well for relations. Instead, they should emulate some of the policies that are being used or adopted by the BRICS to improve relations. The realities of the world order now dictate need for readjustment. Imposing conditions for cooperation is not a solution anymore as alternatives can be easily initiated, contributing to more competition which is verily welcome. This also exposes Western hypocrisy because practically where strong interests are at stake, conditions have not been implemented. Focus should be on Southern interests and talking on an equal-to-equal basis, to try and fulfil those interests.

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\(^2\) The Bandung Conference (or Asian-Africa Conference) was a meeting of third world countries in April 1955 in Indonesia, whose purpose was to discuss peace, the role of the third world countries in Cold War, promotion of Afro-Asian countries economic and cultural cooperation, and decolonisation (Mendes: 2014:6). BRICS could be indirectly resuscitating the conference, now including Russia. They share the same goal of fighting Western imperialism holding back their ill designs in Asian and African continents which are rich with resources.
CHAPTER THREE

3.0 RESEARCH DESIGN AND METHODOLOGY

3.1 INTRODUCTION
Methodology could simply be defined as the process used to collect information and data for the purpose of making business decisions. The methodology may include publication research, interviews, surveys and other research techniques, and could include both present and historical information. It implies more than simply the methods intended for data collection. It is often necessary to include a consideration of the concepts and theories which underlie the methods. When describing methods it is necessary to state how research questions/hypothesis will be addressed, in enough detail for the study to be replicated in a similar way in another situation. Every stage should be explained and justified with clear reasons for the choice of particular methods and materials. Phillips and Burbules (2000) define research as the process of making claims and the refining or abandoning some of them for other claims more strongly warranted. Through the constructivist approach, meanings are constructed by human beings as they engage with the world they are interpreting. Qualitative researchers tend to use open ended questions so that participants can express their views (Crotty: 1998). Thus, qualitative researchers seek to understand the context or setting of the participants through visiting this context and gathering information personally. They also make an interpretation of what they find, an interpretation shaped by the researcher’s own experiences and backgrounds. The basic generation of meaning is always social, arising in and out of interaction with a human community. The qualitative research process is largely inductive, with the inquirer generating meaning from the data collected in the field. The chapter will centre on the research paradigm, research design, population, sampling procedure and instruments employed during data collection.

3.2 RESEARCH PARADIGM
The approach employed for this study is qualitative research. The research problem and the audience determined the design settled for. Qualitative research is an inquiry process of understanding based on distinct methodological traditions of inquiry that explore a social or human problem (Creswell: 1997). The researcher builds a complex, holistic picture, analyses words, reports detailed view of informants, and conducts the study in a natural setting. Qualitative researchers rely on a few cases and many variables (Creswell: 1997). The
justification for using qualitative research is because of the need to present a detailed view of the topic. This is especially achieved by using open-ended questions, and letting participants explore into detail. Contemporary qualitative research has been conducted from a large number of various paradigms that influence conceptual and meta-theoretical concerns of legitimacy, control data analysis, ontology, and epistemology. Guba & Lincoln (2005) identify five main paradigms of contemporary qualitative research, positivism, post positivism, critical theories, constructivism and participatory or cooperative paradigms. Trustworthiness is central in qualitative research.

As a scientific research, qualitative research consists of an investigation that seeks answers to a question, systematically uses a predefined set of procedures to answer a question, collects evidence, produces findings that were not determined in advance, produces findings that are applicable beyond the immediate boundaries of the study, and seeks to understand a given research problem from the perspective of the local population involved (Pope & Mays: 2000). It often requires institutional human subjects’ approvals in the field (Goldfrank: 2010). The strength of qualitative research is its ability to provide complex textual descriptions of how people experience a given research issue. It is effective in identifying intangible factors, such as social norms, socioeconomic status, gender roles, ethnicity, and religion, whose roles in the research issue may not be readily apparent. Qualitative methods are typically more flexible, allowing greater spontaneity and adaptation of the interaction between the researcher and the study participant (Nkwi et al: 2001). A qualitative approach is one in which the inquirer often makes knowledge claims based primarily on constructivist perspectives (that is the multiple meanings of individual experiences, meanings socially and historically constructed, with an intent of developing a theory or pattern. It also uses strategies of inquiry such as narratives, phenomenologies, ethnographies, or case studies. The researcher collects open-ended, emerging data with the primary intent of developing themes from the data.

3.3 RESEARCH DESIGN
A research design is an outline of how an investigation will take place. The design in this study typically included how data was collected, what instruments were employed, used and the intended means for analyzing data collected. The design employed was descriptive and observational. The descriptive research design provided answers to the questions of who, what, when, where, and how associated with a particular research problem, but also a descriptive study could not conclusively ascertain answers to why. Descriptive research was used to obtain
information concerning the current status of the phenomena and to describe "what exists" with respect to variables or conditions in a situation. Descriptive studies can yield rich data that lead to important recommendations in practice. The study’s approach was to collect a large amount of data from the embassies, the World Bank and the IMF, European Union and the independent informant for detailed analysis and comparison thereafter. However, with descriptive research design, the results cannot be used to discover a definitive answer or to disprove a hypothesis. Because descriptive designs often utilize observational methods [as opposed to quantitative methods], the results cannot be replicated. The descriptive function of research is heavily dependent on instrumentation for measurement and observation. On the other hand, observational design draws a conclusion by comparing subjects against a control group, in cases where the researcher has no control over the experiment. There are two general types of observational designs. In direct observations, participants know that they are being watched. Unobtrusive measures involve any method for studying behavior where individuals do not know they are being observed. An observational study allows a useful insight into a phenomenon and avoids the ethical and practical difficulties of setting up a large and cumbersome research project. In this study scenario, publication patterns of other writers, and analysts were monitored in comparison to the information collected from interviews. Observational studies are usually flexible and do not necessarily need to be structured around a hypothesis about what you expect to observe [data is emergent rather than pre-existing]. The researcher is able to collect in-depth information about a particular behavior. With observational design, results can be generalised to real life situations. Observational research is useful for discovering what variables may be important before applying other methods like experiments. These observational studies, though do not tell that reliability of data is low because seeing behaviors occur over and over again may be a time consuming task and are difficult to replicate. In observational research, findings may only reflect a unique sample population and, thus, cannot be generalized to other groups. There can be problems with bias as the researcher may only "see what they want to see." There was no possibility to determine "cause and effect" relationships since nothing was manipulated. Sources or subjects may not have been all equally credible. Any group that is knowingly studied is altered to some degree by the presence of the researcher, therefore, potentially skewing any data collected.

3.4 RESEARCH POPULATION
A population is defined as a large collection of individuals or objects that is the main focus of a scientific query. It is a group of individual persons, objects, or items from which samples are
taken for measurement (Marshall: 2003). Individuals or objects within a certain population usually have a common binding characteristic or trait. The population that was involved in the sample has an economic binding factor, and comprised of all BRICS member countries, the Bretton Woods institutions (World Bank and International Monetary Fund), and economic blocs with equally industrialised or politically empowered nations. They have an important role to play in the international economic system. Due to the large sizes of populations, researchers often cannot test every individual in the population because it is too expensive and time consuming. As a result, researcher relies on sampling characteristics. The sample of the population was derived from eight participants. Five of the participants were derived from BRICS member countries, Brazil, Russia, India, China and South Africa, one from the World Bank and the International Monetary Fund, one from the European Union, and an international economic relations academic. The World Bank and the IMF came in as Bretton Woods institutions which are majorly controlled through shareholding ratios by the hegemony, US and the Western countries most of which are members of the European Union. The five embassies representatives represented their member countries as well as the alliance and speak for the New Development Bank which is a brainchild of their alliance, whilst the European Union stood for other economic blocs or alliances and the Western countries which are members to this bloc. Sampling arises from the inability of the researchers to test all the individuals in a given population. It was felt by the researcher that the sample would be representative of the population. And the justification for selecting eight respondents was based on the fact that the BRICS member countries are only five at the moment, and Bretton Woods institutions are the World Bank and the IMF, with IMF being more of a subsidiary of the World Bank, the European Union represented other economic blocs, and an independent informant with a partial view towards all areas concerned. The sample allows researchers to conduct the study of individuals from the population so that the results are used to derive conclusions that would apply to the entire population.

Population can be categorised into target or accessible population. Target population refers to the ENTIRE group of individuals or objects to which researchers are interested in generalising conclusions (Denzin & Lincoln: 2005). The target population usually has varying characteristics and it is also known as the theoretical population. Accessible population is the population to which the researchers can apply their conclusions. This population is a subset of the target population and is also known as the study population. Researchers draw their samples from accessible population. There are at least two considerations, that is how large
does the sample need to be to allow for the identification of consistent patterns and how large must a sample be in order to assess an appropriate amount of diversity or variation that is represented in the population of interest (Patton: 2001).

3.4 SAMPLING PROCEDURE

Only a subset of a population is selected for any given study. Research objectives and the characteristics of the study population (such as size and diversity) determine which and how many people to select. The researcher used purposive sampling, which is a non-probability technique (Savin-Baden & Major: 2013). Purposive sampling groups participants according to preselected criteria relevant to a participant research question, sample sizes, which may or may not be fixed prior to data collection; depend on the resources and time available, as well as the study’s objectives. Purposive sampling is most successful when data review and analysis are done in conjunction with data collection. Participants were selected from embassies of BRICS countries, European Union, the World Bank and the IMF, and an academic. Purposive sampling is also called convenience sampling.

A sample is a set of respondents selected from a larger population for the purpose of a survey. Sampling can involve several steps, with decisions to be made for each step. Qualitative studies often use purposeful or criterion-based sampling which is a sample that has the characteristics relevant to the research question (Bogdan & Taylor: 1987). Differences in sampling strategies are due to the different goals of each research approach. Qualitative research typically starts with a specific group, type of individual, event, or process. As in the qualitative study of BRICS, the researcher purposefully chose the sample of eight respondents from the previously identified organisation and or individuals. The goal of this qualitative research was stated as ‘in-depth understanding’. The strategy to be adopted was driven by the research questions or purpose, time frame of the study and resources available. This strategy was ideal because the respondents involved had one thing in common, national interests. They have foreign policies and are keen to survive in an anarchic world. Even supranational bodies like the European Union also have foreign policies, and equally suited in this category where BRICS member countries are. Interviewing these cases offered information related to aspects of the process or system that could be improved (Pelto & Pelto: 1997:152). The selected cases were based on ease of accessibility, and saved on time and resources, without necessarily compromising the quality of the study. This may however, also yield information poor cases because cases are picked simply because they are easy to access, rather than on a specific
strategy or rationale. The researcher had to persuade some of the BRICS respondents to fully
define their answers, as they shared a protective kind of approach when giving out information
about the bloc. This same attitude was also noticed in organisations interviewed for the hegemonic
side. Purposive sampling was used because the population is more of self defined, especially for
the BRICS member countries. For the hegemonic status, more issues have arisen since the launch
of the New Development Bank in comparison to the World Bank and the IMF, and these
institutions’ major funder are the United States, which is the current hegemon. The US is also
working closely with its Western allies, who are also members to the European Union. And for
neutrality, an independent informant had to be brought in for an impartial view.

Sampling is economical, time serving, ideal for too large populations, and those that are
inaccessible. Sometimes a sample may be more accurate than a census, but there could also be
bias and error in sampling. Interviews were carried out with representatives of the eight
identified respondents. The use of open-ended questions gave respondents room to expand on
their explanations and reasons for their answers. Oral interviews will benefit both parties as
there was room for clarification and further questioning since some embassies are of non-
English speaking nations. These instruments were ideal as they gave room for further
questioning, thus allowing the respondents time to think over their responses before
commending (Nkwi et al: 2001). Other than the interviews that were held, the researcher
reviewed publications of literature related to the BRICS. Comparison was made of the
information collected from the selected representative embassies and various institutions,
leading to findings, and recommendations based on the responses.

3.5 DATA COLLECTION METHODS
Having administered fluid interviews with the respondents, the researcher also reviewed
documentaries on the BRICS, and cases relating to economic blocs that existed before or
parallel to the BRICS. Emphasis should be made however, that choosing a qualitative research
design demands high tolerance for ambiguity. For a clearer and comprehensive coverage of the
study, the researcher collected data using the narrative forms to ensure all facts were captured
in their direct form. The reviewed literature helped the researcher to ascertain what became of
other economic blocs. The existing phenomenon also tends to influence analysis of
information at hand. The researcher brings to the choice of a research design assumptions
about knowledge claims. Like knowledge claims, strategies have multiplied over the years as
computer technology has pushed forward data analysis and the ability to analyse complex
models, and as individuals have articulated new procedures for conducting social science research (Lindlor & Taylor: 2002). The data was sorted, thus reducing large amounts of data to a few themes or categories. The responses from interviews which had some coherent themes were categorised together to come up with findings for the next chapter.

Interviews by humans or computers can be better in capturing information about how the respondents reacted to the individual questions. Interviews could be structured, semi-structured, or unstructured. The study employed structured interviews. Structured interviews can be used as a qualitative research methodology (Koale & Brinkman: 2008). They are best suited for engaging in respondent or focus group studies in which it would be beneficial to compare or contrast participant responses in order to answer a research question. For structured qualitative interviews, it is usually necessary for researchers to develop an interview schedule which list the wording and sequencing of questions. Interview schedules are sometimes considered a means by which researchers can increase the reliability and credibility of research data (Lindlof & Taylor: 2002). While the structured interview made use of rigorous set of questions which does not allow diversion, semi structured interviews allow new ideas during interview as a result of what the interviewee says. However, specific topic to be explored during interview should be thought about well in advance. It is beneficial for interviewers to prepare a guide, which is an informal grouping of topics and questions that the interviewer can ask in different ways for different participants. Guides help researchers to focus on interview context, and to the people they are interviewing (Patton: 2001). This saves time and accommodates a larger sample due to time allocation.

3.6 RESEARCH INSTRUMENTS

The research instruments used were in-depth interviews, structured on guides for guidance during the interview process. The researcher further reviewed literature of existing documentaries and archival records on the BRICS, and any other relative economic bloc that contributes to this study to ascertain if there are gaps existing. The backbone of qualitative research is extensive collection of data typically from multiple sources of information. At this stage, there is need to consciously consider ethical issues. Interviews are essential sources of case study information. The interviews were guided conversations rather than structured questions. Although the researcher pursued a consistent line of inquiry, the interview questions were fluid rather than rigid, as posited by Rubin & Rubin (1995). Rigidity limits respondents from exploring, and since the study wanted to obtain more and relevant information on the
BRICS, time was allowed for obtaining more, since there was a bit of time for that. Interviews become necessary when researchers feel the need to meet face to face with individuals to interact and generate ideas in a discourse that borders on mutual interest. Specifically, with research interviews, the researcher identifies a potential source of information, which potential was identified in the BRICS countries embassies, the EU, World Bank and the IMF, and an academic. The interaction was structured in a manner that brought out relevant information from the respondents. The creation of cordial atmosphere was vital to the success of such interactions. Apart from face to face interviews, others were conducted over the phone and the computer terminal video conferencing technology, skype. The researcher opted for the structured interviews which are formal because, interview questions were posed to the interviewee visited and the responses were recorded on a standardized schedule created by the researcher. In structured interviews, the interviewer follows a set pattern usually adhering as much as possible to the order of questions on the interview guide whilst posing the questions in a formal manner. The researcher also made an effort to ensure that the atmosphere of the interviews were congenial to establish interviewer-interviewee rapport, on all face to face interviews.

3.7 DATA COLLECTION PROCEDURE
The most common procedures used for data collection are primary and secondary data collection. Under primary data collection, there are questionnaires, self-administered questionnaires, interview administered questionnaires, and open ended interviews. There are also focus group discussion, and observations. Under secondary data collection, it is basically collecting data from documents, records and reports of others. When carrying out a study, it is therefore important to compare all these procedures, find out their comparative advantages and disadvantages before you finally settle for a particular data collection procedure. However whichever procedure you use, certain guidelines regarding ethics in data collection, management of data collection and designing of data collection instruments will have to be kept in mind. The researcher made use of both primary and secondary data collection. Primary data collection was used on interviews, and secondary data collection was employed mainly on literature review. To ease the process of primary data collection, the researcher got an introductory letter from the University which she used to access participants. The letter was sent to the eight respondents, five to the BRICS countries embassies, one to the World Bank and the IMF, one to the European Union, and the other one to the independent informant. Upon response, requests for interview appointments were made. During secondary data collection, comparison was made to see if there were any gaps that existed between what was discovered
and what has been written so far by other researchers and analysts. Afterwards, data analysis and interpretation followed, and paved way for findings, conclusions and recommendations.

3.8 DATA PRESENTATION AND ANALYSIS
Collected data was presented in form of various texts, pictures, graphs and charts. Tables, for comparison purposes could also be used to present and interpret data (Glaser & Strauss: 1976). Qualitative research often categorises data into patterns as the primary basis for organising and reporting results, and this particular study employed the various texts in a narrative form. Information that related to the same area or subject was grouped together and categorised into texts. This is instrumental in the analysis of documents and materials (Racino & O’Connor: 1994). In some researches, data is coded for easy categorisation. Coding is an interpretive technique that both organises the data and provides a means to introduce the interpretations of it into certain quantitative methods. Most coding requires the analyst to read the data and demarcate segments within it, which may be done at different times throughout the process (Saladana: 2012). For this study, codes were not allocated as the responses could easily be summarised based on the context of the response. The interview questions fed into each other, hence the continuity of the narrative form on responses. However, more important than coding are the qualities such as the ‘theoretical sensitivity’ of the researcher. A frequent criticism of coding method by individuals from other research tracks is that it seeks to transform qualitative data into empirically valid data, which contain actual value range, structural proportion, contrast ratios, and scientific objective properties, thereby draining the data of its variety, richness, and individual character. Analysts respond to this criticism by thoroughly expositing their definitions of codes and linking those codes soundly to the underlying data, therein bringing back some of the richness that might be absent from a mere list of codes (Strauss & Corbin: 1990).

3.9 ETHICAL CONSIDERATIONS
Research ethics deals primarily with interaction between researchers and the people they study. Informed consent needs to be obtained for each data collection activity. Informed consent is a mechanism for ensuring that people understand what it means to participate in a particular research study so they decide consciously and deliberately whether to participate. It is one of the most important tools for ensuring respect for persons during research (National Commission for the Protection of Human Subjects Report: 1979). Formal informed consent is necessary for all qualitative research methods except participant observation (Weijer et al: 1999: 277). Professional ethics deals with additional issues such as collaborative relationships among researchers, mentoring relationships, intellectual property, fabrication of data, and
plagiarism. Standards for research ethics help ensure that researchers explicitly consider the needs and concerns of the people studied, that appropriate oversight for the conduct of research takes place, and that a basis for trust is established. There is need for beneficence, justice, to ensure fair distribution of the risks and benefits resulting from research, and respect for communities (Weijer et al: 1999: 280).

The population sample, having consented, was requested to freely participate, with assurance of no harm through information gathered. Permission was sought from the embassy representatives to use BRICS related information obtained from them during the interview process. Confidentiality and anonymity was guaranteed to participants and information obtained was solely for academic purposes. Relevant citations and referencing were made to ensure that all sources are acknowledged. Persons were told the purpose of the research, what was expected of them, including the amount of time likely to be required for participating, expected risks and benefits (Bernard: 1995). The researcher also provided her full details, accompanied by the letter from the University, so that she could be contacted for questions, queries or challenges related to the research. The respondents from some organisations verified with the University to ascertain the authenticity of the study, whose co-operation was being requested from them. This, according to Denzin & Lincoln (2000) is the ideal set up. They say that contact information should be readily available to counter prejudice of any form. Lastly, information was provided in a language understandable to the respondents, conversant to the fact that respondents were non-English speaking. Informed consent may be written or oral, and there is need to protect one’s confidentiality (Marshall: 2003:283).

3.10 SUMMARY

This chapter looked at the methods that were used to collect data, the samples, and instruments employed for gathering data. Data interpretation and analysis followed. The population involved was defined, and ethical considerations were allayed. The research instruments, which were in form of in-depth interview guides for the different categories of respondents, were used. Archival records were also used, especially when comparing with other economic blocs was considered important, what they achieved against what is perceived to be the intention of the emergence of the BRICS. The next chapter looks at data presentation, analysis and discussion, where the findings from the interviews are availed in detail for the purposes of analysing what the sample population said or opinionated about the emergence of the BRICS.
CHAPTER FOUR

4.0 DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1 INTRODUCTION

In this chapter, the main findings of this study are presented, analysed and interpreted. The researcher presented findings from interviews held with the embassies of BRICS countries, the European Union, the World Bank and IMF, and an academic within the international economic relations field. The academic’s view was necessary, to seek impartiality. The interviewer used structured open ended questions to solicit for more information from the respondents. The information was analysed and discussed to assess whether any gaps exist between what is already known and what was brought up in interviews. As an ethical consideration, no names are mentioned anywhere in this chapter, but responses, analysis of the context in which they were said, and the implication to the study’s concerns. The chapter ends with a summary.

4.2 FORMATION OF THE BRICS

What was notable from the interviews held was that BRICS’ role on international development is very significant, and that the BRICS members share the same values of the international system, which to them should be idealistic in nature. They also commit to challenge and denounce unipolarity which dominates major strategic institutions like the UN, World Bank, IMF, and the WTO. The Brazilian representative said that their broad objective was building a more democratic international system founded on the rule of law and multilateral diplomacy. The respondent further stated that their immediate focus as the BRICS was to ease the burden of soaring global food prices. By so doing, the BRIC countries resolved to work together with other countries to strengthen international security and stability. The Russian respondent emphasised that in 2009, at their first summit in Russia, the BRIC called for a more democratic and multipolar world based on the rule of international law, equality, mutual respect, cooperation, coordination action, and collective decision making of all states. To ensure easy operation they created their own financial institution, the BRICS Development Bank (now New Development Bank) which opened in Shanghai in July 2015 to finance infrastructure projects, mainly in BRICS countries. The bank will start operations at the end of 2015 or early 2016 with the first loan disbursements expected in April 2016 (www.ndbbrics.org). The NDB is envisioned as an answer to the current international financial system, which is dominated by the West (Evans: 2014). It is
desirous to contribute to an international financial system conducive to economic and social development respectful of the global environment. The Chinese representative highlighted that the NDB can make the sustainable growth of developing countries a reality; and as China, can share their experiences, infrastructure production capacity and funds which can also be obtained through co-financing arrangements with such institutions like the AIIB, and the ADB with other members. The South African representative concurred by saying that the goal of the NDB is to mobilise resources for infrastructure, and sustainable development in BRICS and other emerging economies, and developing countries”. He further underscored that most African countries are in need of this aid. The independent informant proffered her opinion, and said, “it is quite clear that the BRICS’ emergence is countering US hegemony, and as the BRICS, they will have a different perspective.

The combination of the member countries itself, from Latin America, Asia, and Africa is an ultimate objective to counter US hegemony. It should be understood that hegemony is quite broad. It could be a counter from ideological, political, economic, or cultural. The BRICS is coming with its own ideology”. She further stated that, considering that they have around 40% of the world population, this will make sense (IMF: 2013). The countries command a huge population. Taking a look at the BRICS’ economic output, the past two to three decades economic output has been half of US’ economic output. And now the output is almost or equivalent to that of the US. This alone is important for the future perspective. The countering could be more pronounced in the economic sense. She further stated that analysts should not forget Goldman Sachs’ (2003) supposition that by 2030, China’s economy will have expanded to almost the same size as the US, and by 2050 it should have overtaken the US’. This should hint on BRICS’ reality, because China is just one member of the BRICS, what more when they are all combined. Greater global shift is dawning on the world shaking the nerves of hegemonic tendencies.

4.3 **BRICS IS DIVERSIFYING AND HEDGING AGAINST WESTERN INFLUENCE**

The power relations between the BRICS and the Bretton Woods institutions have been put to test. The Brazilian respondent averred that their emergence is against a pattern that has dominated the world after the World War 2, not necessarily the western influence. They desire the democratisation of the Bretton Woods Financial System, denying multilateral institutions from abusing their powers. The South African respondent claimed,
“we as the BRICS, are saying, it must be more inclusive. As it stands there is no African country with permanent membership within the UNSC”. The respondent further said, “the NDB would complement the efforts of the BRICS, not only BRICS, but also mainly African countries hence promoting South-South Cooperation”. Brazil’s representative reinforced this idea, and said, “to us as the BRICS, with or without the West or the US, the BRICS will be stronger”.

BRICS is important especially on the emerging economies development. This concurrence was also upheld by the World Bank representative, who emphasised that nations are economically struggling, and politically challenged. As such, nations will come out stronger with more reason to seek and maintain alliances, promoting economic growth. Brazil and India’s representatives asserted that by establishing the NDB, they would not renounce their foreign policies as nations neither will they sour already existing relations. This is so because member countries have their banks already to take care of their individual needs and key developmental issues. Brazil has the Brazilian Development Bank (BNDS), India has the Industrial Development Bank of India (IDBI), China has the EXIM (Export-Import Bank of China), South Africa has The Development Bank of Southern Africa (DBSA) and Russia has the Russian Development Bank. The Chinese respondent re-emphasised that the main goal of the NDB is to complement the Bretton Woods institutions, and develop infrastructure in developing countries. “The NDB will supplement the existing international financial system in a healthy way and explore innovations in governance modes as echoed by our Finance Minister Lou Jiwei at the official opening ceremony of the NDB” (timesofindia.indiatimes.com). Interestingly, the Russian respondent inquisitively said, “but even if we are to counter hegemony, what is wrong with that, do you think the world is peaceful at the moment?” Analysis into the Chinese representative’s sentiments on exploration of innovations in governance and supplementing the financial system in a ‘healthy’ way says much about challenging hegemony, which is cunningly acknowledged by the Russian representative.

Upon launching of the NDB, the World Bank Group President, Jim Yong said,

“The NDB joins a growing number of multilateral institutions, including the Asian Infrastructure Investment Bank (AIIB), that are working to address the world’s huge infrastructure needs” (www.ndbbrics.com).

He further said, the World Bank Group is committed to working closely with the NDB and other multilateral institutions to share their knowledge and to co-finance infrastructure
projects (Herrington: 2015). These types of partnerships will be essential to reach their common goals to end extreme poverty by 2030, boost shared prosperity and to reduce inequalities (www.worldbank.org). The Brazilian respondent reiterated that they are an emerging bloc, but are not emerging economies. “We are equally competitive, and BRICS independently has so much to show for it. What has emerged is the BRICS, not the countries. There is need to separate the two, to avoid misleading assumptions. The BRICS and the NDB are bringing new concepts”, different from those of already existing Bretton Woods institutions.

The Indian respondent said they have been marginalised in the global financial landscape especially at the World Bank and the IMF. He said the NDB is intended as a solution to that problem. It will be an alternative to the existing US-dominated institutions. This interestingly clashes with the Russian respondent’s view, especially with their emphasis that the bank is “designed to supplement rather than supplant the current system”. NDB President, Kamath insisted that the NDB’s objective is not to challenge the existing system as it is but to improve and complement the system in their own way (Fuller: 2015). The fact that they are bringing in new concepts with hopes to improve and complement the financial system ‘in their own way’ creates more questions than answers. One is bound to ask, in own way, different to whose? Obviously, this phrase betrays their claim of supplementing than supplanting the Bretton Woods system. The independent informant said, the diplomatic talk cannot do much to hide the real message or intention underneath what they will be saying. The challenge is clearly displayed from the onset by ensuring that shareholding is distributed evenly. Like much of the BRICS interactions, the NDB is devoted to the idea of equality.

Each participant country will be assigned one vote, and none of the countries will have veto power and the leadership positions are spread out among the member countries (Soliani: 2011). The Indian representative further said, “unlike the World Bank, which assigns votes based on capital share, in the NDB each participating country will be assigned one vote, and none of the countries will have veto power”. The NDB could offer finance with low interests rates and conditions as compared to the World Bank and the IMF, benefiting developing countries. The South African representative said, the NDB increases cooperation, reaching out, and widening the playing field. He further stated that, not only should we be concentrating on the NDB, but also South-South Cooperation.
Within the realm of South-South Cooperation, there will be access of commodities from BRICS countries through South Africa, benefiting Africa at large, and trade liberalisation as espoused in the WTO. The essence of reaching out and widening the playfield says much about the Bretton Woods’ conduct.

The European Union respondent however said that head quartering the bank (NDB) in Shanghai causes China to wield an outsized influence. The EU respondent said, “we are made to view the NDB as a de facto extension of what Joshua Cooper Ramo (2004) called the “Beijing Consensus”, whereby China dangles tied aid for resource diplomacy”. The respondent further stated that the Bank might be overshadowed by the AIIB, another multilateral financial institution championed by China, and share similar missions. But the independent informant objected to these views, saying, a reason could be proffered as to why the AIIB overshadowed the NDB, there was a massive publicity with the Obama administration guaranteed by its ill-advised attempt to block the US ‘allies’ from joining the AIIB. This was questioned though by the Chinese representative considering that there are many EU member countries who are shareholders to the AIIB (ec.europa.eu). The EU respondent’s insistence is supported by the European Political Strategic Centre (EPSC): (2015) which says; “the body dubbed the NDB, will have a capital of $50 billion, with 20% contributed by China.

Headquartered in Shanghai, the NDB has a similar mandate to the AIIB, namely to support infrastructure and sustainable developmental projects in BRICS countries and other emerging markets. The so called Contingent Reserve Arrangement (CRA) will have a capital base of $100 billion, 41% of which is contributed by China, and tasked with cushioning short-term liquidity needs, a function similar to the IMF and the European Stability Mechanism in the euro area context. The World Bank and IMF representative and the independent informant could not agree either as they highlighted that the AIIB, with 57 founding members is larger, and courts developed countries among its members including US allies like Germany, the UK, and South Korea. The Brazilian representative said, “the NDB is a rare practical achievement for the BRICS, which clearly rebutted the notion that they are just but a name, with nothing in common”. The World Bank and IMF respondent said, “due diligence should be taken when dealing with issues as diversified as these, as there are media houses who want to record sales, who would write anything to impress the readers, and the sponsors. The various media exploit the public on their assumption of the
hypodermic effect the media has on people. The media is analysing more of the individual countries than the bloc itself”, which is misleading. The World Bank and IMF representative further said,

“If coordination is done well within the financial systems, with good banking practices and sharing social and environmental norms, they will complement one another on co-financing. The only challenge will arise if these are different. In that case co-financing will become difficult, because they cannot have different sets of rules. With the World Bank, the difference is only on shareholding, rules have to be negotiated depending on countries. It is only that the World Bank and the IMF are more Western. And for the US as a significant shareholder, what delays its implementation sometimes is not because they do not want to, but the ratification process filters on how the governments have to act on their citizenry’s requirements, through Senate and the Congress. If nothing is ratified by these key arms in the US, then nothing passes”.

It would appear then that the US is sort of running a world government through controlling these critical institutions. Wielding economic power has implications an almost every aspect of the system. The World Bank and IMF representative concluded her remarks by saying, there will be multilateral efforts in providing funding and infrastructure in the developing world. If anything, it might encourage reform in the Bretton Woods set up, especially through Russia and China who are UNSC permanent members. China’s efforts are not all that different from the US’ policy after the WW2, when the World Bank was established in order to ‘multilateralise’ development funds. US concern is less about the bank’s governance and transparency than it is about its insecurity about its global influence. Russia as a country has its foreign policy issues with the US because of its annexation of Crimea, and judging the BRICS based on the US’ opinion of Russia will be unfair. Just as Russia justifies its reasons for countering encirclement, the US too has its own reasons and interests at stake. Countries make decisions, but these cannot be used as yardsticks for belonging to various other groups. Viewed differently, the potential for the BRICS and G20 going head to head could well lead to a reform of the international system.

The South African representative concurred with the independent informant, when they said that the practice of setting conditions on loans is often dressed up with various justifications in official rhetoric. They hook poor countries with cheap goods and a lot of talk and later up their demands. It is not an endearing modus operandum. Demanding
privatisation by the Bretton Woods institutions was not the best approach, and coming up with a one-size-fits-all for the South was just so wrong (White: 2011).

The independent informant stated that,

“the diplomats are being subtle in their approach because they do not want to dent their standing. The NDB overshadows the relevance of IMF and the World Bank. It is a parallel structure. BRICS is forming parallel institutions to counter the power the US and Western countries have. The BRICS will even benefit more from the existence of the Asian Development Bank, and the AIIB. These two financial institutions want to increase the developing world’s amount of money to ensure that there is adequate money, which impacts positively the developing world. Previously, the US had preponderance of power by the authority it had.

She further said, by introducing these latest institutions, Latin America and Africa for example, stop depending on World Bank and IMF and substitute with the NDB, resulting in the US losing control of all those countries. The independent informant underscored, “Very importantly, the issue is on creating parallel institutions, backed by the AIIB, which also funds the Silk Road initiative. Why this is so? China has thirty percent shares within AIIB, and most importantly, the US has refused to be part of the AIIB, possibly because they are not the initiators and they would not have a leadership role, which is what they have always wanted, which is pathetic”. She concluded by saying she feels not joining the AIIB was a misstep for the US. She said, “we would say the AIIB is promoting the BRICS hegemony politically, economically and geo politically, more specifically for China and India”. A closer analysis to her assertion reveals that if the US had agreed to join the AIIB, it would have given them a better standing in as far as commanding authority within the Asian region is concerned, and for any issues that would directly involve China and the BRICS. But now, in its absence, this directly benefits BRICS, which in turn challenges US hegemony. The US will not have adequate money to keep its position, and having parallel institutions to the World Bank and the IMF which they directly control has implications too on the future of these institutions. If anything, they will have to offer the best, which the US might not be prepared to offer for now, hence allowing the BRICS to penetrate without difficulty.

4.4 BRICS’ INABILITY TO SPEAK FOR OTHERS, WITH ITS OWN PROBLEMS.

The Brazilian respondent said that, as BRICS they have more than adequate to sustain a shared institution. Uneven membership exists everywhere. The Russian respondent said
“the World Bank and the IMF have uneven shareholding structures; the UNSC where we are permanent members has its own issues, with the US dominating on most of these platforms.” The EU representative retorted, saying, the same can also happen with the BRICS, where China can come out as the natural leader and enjoy the same status. The respondent further said the BRICS set up is complicated because the countries involved have governance issues to take care of before they engage into something big. Financially, countries can never compete equally, but combined expertise and creation of alliances is very important and powerful in the international system (Kakonge: 2014). He further said, "Countries must avoid the emergence of new donor-debtor relationships by ensuring that cooperation remains reciprocal and that, if there is an imbalance, it is offset by third part contributions, in a triangular cooperation scenario. The criterion of cost-effectiveness should be rigorously applied, to prevent unviable South-South Cooperation ventures being mounted as vanity exercises or for purely political advantages. In consequence, a new and more sustainable form of cooperation is needed especially for those countries which do not belong to the new emerging economies. Given the challenges faced, it is fair to say that South-South Cooperation complements North-South cooperation but is not a substitute” (Kakonge: 2014).

The Chinese representative said the EU, and the US could have this feeling due to growing competition amid emerging blocs like the BRICS. This was rebutted by the EU respondent whose view was that Brazil for example hardly promotes democracy in international development affairs, but rather emphasises national sovereignty (www.dandc.eu). The EU respondent felt that despite the BRICS nations’ proclamation that they are at par and are capable of sustaining a shared institution, South Africa is Africa’s second biggest economy after Nigeria, but when compared with its BRICS allies, it is a lightweight. The country seems to be promoting regional integration, peace and security in Africa; its development efforts only concern the Southern Africa, not the world at large. If anything, it has been argued by the EU respondent that South Africa is Africa’s gateway to Africa providing a platform for resource diplomacy. This is however ironic, because the EU has been involved with Africa for a very long time now without question (Wonacott: 2011). There is nothing that suggests that the EU is not capable of resource diplomacy too. The World Bank and IMF representative also acknowledged that the BRICS states have more than enough to sustain shared institutions. This is reinforced by IMF’s 2013 report acknowledging that BRICS countries are distinguishable by their large, fast growing
economies (IMF:17/4/13). The independent informant said the development gap for the five BRICS nations is not too large and there is risk of exaggerating issues based on personal judgements which have no concrete backing. She said the countries all have huge populations in their continents. Even if clashes arise, they will definitely overcome them. She further said countries like China, Russia, and India to some extent have some communist ideology to share, and should not be too difficult for them to interact. They actually could have more in common than we know, are powerful economies with a potential to grow and expand further in the regions they are based, and combining their economic, political, and cultural ideologies gives birth to a huge entity in the form of the BRICS. The Russian respondent dismissed the views, saying this is nonsensical thinking.

The Brazilian and South African representatives concurred that this assumption is just a fallacy because the countries involved cannot be ignored. The Indian respondent said having differences is normal and not unusual. He further said, when the US and the West differed on the Ukrainian crisis, their alliance never ceased (edition.cnn.com). South Africa has infrastructure and mineral resources, and represents pan Africanism, and the bloc enjoys a geographical advantage over others (www.gov.za). According to the South African government website, BRICS’ emergence will help the country and the continent to address its socio-economic challenges. The Brazilian representative however cautioned that there is need also for the bloc not to be arrogant. There is an element of incoherence though, even for the so called developed and torch bearers, which makes it ironic for them to criticise the BRICS so much.

The AIIB case for example, highlights the lack of a common strategy among EU member states as well as between the EU and its closest allies. The European Union website (ec.europa.eu) acknowledge that the founding of the AIIB having been announced as far back as autumn 2013, providing a comfortable timeframe in which a more coordinated EU response could have been organised, but never materialised. Whilst the US was busy demonising the AIIB, its EU allies were busy becoming members. The Russian respondent said, “it is high time the world knows that we are an example of how international control is skittering away from those nations that fail to adapt to a changing world”. The Indian respondent added on to these views, “we each contributed $10 billion to the NDB, so what major differences are there? Each member cannot increase its share capital without agreement of the other four (www.ndbbrics.com). This was our primary requirement”.

Page 63 of 99
Emphasis is on equality, bordering on their grievance on the bureaucratic issues within the Bretton Woods institutions.

The population of BRICS member nations is 42.6% of the global population, and the countries involved have a big percentage of world natural resources (Kakonge: 2014). Analysts want the world to turn their back on the lack of legitimacy and transparency reigning at the moment within the Bretton Woods institutions, and this is fatal. There is need for legitimacy, transparent and more democratic institutions. The BRICS respondents emphasised the importance of their shared vision, mission, and a sense of equality. The Indian representative said this explains why the capital amount of the NDB was reduced to $50 billion instead of $100 billion so that there is equal participation. Further, roles for the NDB officials will be distributed to match the geographic significance of the bloc. The headquarters is in Shanghai and the first president will be from India (www.ndbbrics.com). The World Bank and the IMF respondent acknowledged that the BRICS are capable of speaking to and for the developing world as they have already displayed their capability through South-South Cooperation initiatives. At their Durban, 2013 BRICS Summit they agreed to set up a collective development, known as the BRICS bank (now NDB), and in addition to a financial reserve fund (CRA), modelled upon the Chiang Mai Multilateralisation (CMIM) to support developing countries if they have an initial capital of US$50 billion, and the reserve fund will pool together US$100 billion, with $41 billion from China, $18 billion each from Russia, India, and Brazil, and $5 billion from South Africa (Bretton Woods Project: 2013).

The EU representative voiced that BRICS nations are on the opposing side of the important arguments like the DOHA, to which the Brazilian respondent argued that they have the ability of overcoming this, after which they will be more successful. The EU respondent’s sentiments are also shared by Sahoo (2015), who says, India’s less-than-stellar human rights record in Kashmir and a large part of the northeast and regions affected by left-wing extremism keep the country from speaking out on human rights protection externally. The Brazilian representative further said overcoming difficulties strengthens them, and the fact that they are working together means that global interests prevail. The Russian representative said, the BRICS is not a political enterprise, but a powerful bloc that actually encapsulates emerging-economy realities and aspirations of today’s world, which in a way was upheld by the World Bank and the IMF’s representative who said “negativity towards
the BRICS might be unhelpful, this could possibly be an expression of power and leadership in a world where the economic centre of gravity is shifting”. The five BRICS countries are home to 21% of the world’s economy and nearly half of the world’s foreign exchange reserves, but have been marginalised in the global financial landscape (Lukyatov: 2011). Lukyatov (2011) said that the bloc is more than just about economic relations. It could also be diversity and hedge against Western influence. The South African respondent said, the scenario at the World Bank was not desirable. He further said, “the five BRICS nations have a total of only 13% of voting rights, while the US alone holds 15,85% (UN University: 2001). According to a UN University report on global governance, a very large proportion of voting rights in the World Bank are rested in the hands of a very small number of industrialised countries, the major shareholding in terms of their paid-up capital (UN University: 2001). A similar picture can be seen at the IMF. Demonising the BRICS and mythical conclusions do not help at this juncture. Despite claims by the EU representative that the bloc cannot be the voice of the voiceless, in 2013, the BRICS abstained from a vote at the UN General Assembly condemning Russia’s annexation of Crimea (thediplomat.com). In addition, the Indian representative said, “we are on record for rebutting Australia’s suggestion to ban Russia at G20 meetings. The BRICS succinctly said; “the custodianship of the G20 belongs to all member states equally and no one member state can unilaterally determine its nature or character”.

The independent informant offered her sentiments, and said; assuming that the BRICS have no position within the international system could be wishful and quite misleading. She said, “the international community is really buying the BRICS idea. There was a lot of subjugation, trade agreements perpetuated by the US and the Western countries and most are keen to change within UN, World Bank and the IMF. The current UN is a bit fallacious, and this elevates the BRICS which is all encompassing. BRICS is developing universalism, taking the world at large unlike the US used to do, focusing on Western countries and disregarding others. BRICS as a bloc is presenting that, and is driving towards a UN of some sorts, eventually. If so, then what is going to be important in the future would be who were the original founders in the first place, without US, and where will the US stand,. This is important. BRICS is heading to a different type of the UN because it is all encompassing”.

The independent informant further said, the formation of the NDB, ADB, and the AIIB will do good to the international economies.
“The BRICS is introducing multipolarity over unipolarity. But this is dependent on factors like economy, politics, but whatever the case, there is an impending shift in the world order from unipolarity to multipolarity. Multipolarity in itself will act as a very strong weapon in minimising US power and influence. What is peculiar about multipolarity is that everyone is being taken with them by the BRICS, so US is not only facing challenges against five countries but so many other countries of the world”.

The Silky Road initiative for example speaks for itself, which links the central part of China into America, Asia, Europe then Africa. This jells well China’s initiative of the One Belt One Road Initiative, which incorporates both road and maritime to link the world. The European Commission through its website (ec.europa.eu) differed though as they claimed, the Chinese ‘Silk Road’ initiative which aims to create land and sea transport infrastructure linking Asia to Europe, will be largely financed via the China Development Bank. The EU representative emphasised his claim that China could be using this platform to promote its hegemonic wishes, to which the Brazilian representative acknowledged China’s significance economically, and highlighted that no one can afford to ignore it even the US itself. “China of course is large in most aspects, but cannot go at it alone, one way or the other we need each other to function effectively internationally”. However, the Russian said, “our coming together dismisses the relevance of the EU representative’s analysis. We are not China, but the BRICS”.

Interestingly, the Chinese representative boastfully stated that they are the single greatest competitors at the moment especially to the US, and their rapid growth has no equal to match in modern history. He however minced his views, declaring that the BRICS is a bigger project than China, and their status in the BRICS equals the importance of each member involved. This concurs with Murray’s (1998) view that China poses a significant challenge to the US economic primary, and has been the single greatest competitor of US with “no equal in modern history”. Clamouring upon China is meant to divert the attention from the BRICS, and its capabilities. The EU respondent however insisted that without China, the BRICS are a toothless tiger. The respondent referred the researcher to the EU website, and said the sharp increase of development financing by BRICS, often intertwined with trade and foreign direct investment arrangements is mainly due to Chinese engagement (ec.europa.eu). “Policy is made in three ministries (finance, foreign affairs and trade), and there is no separate international development policy”. The Indian and South African respondents said these are views of sceptics of China’s involvement in Africa,
where ironically the same EU is involved with its EU-EPA foreign policy. The World Bank and IMF representative proffered a possibility, saying the EU representative’s opinion could be because Beijing cooperates with autocratic regimes, and fears a domino effect on their alliances. The representative cited the Sudanese and Zimbabwean examples, saying despite various reports of injustices and rampant human rights abuses, the Chinese government chose to ignore all these, concentrating on issues that benefit them (Condon: 2012). This reinforces the EU representative’s doubts. The World Bank and IMF respondent said, it is ironic though that there is a feeling amongst some Westerners that if Beijing and western powers cooperated, risks to peace and security would be reduced in countries with fragile statehood. The assumption here of course is the West and its US allies would think that if they cooperate they would be able to tame China. Countries with more financial and economic resources are naturally more important players in the global economy and politics (Mendes: 2014:5). There is need for the West and the US to enter into dialogue with these fragile states, instead of promoting UN’s subservience to them. Ignoring them gives China and the BRICS of course more reason to engage them, than adopting a refereeing attitude. The current states of affairs need not self-appointed prefects, rather engage in dialogues and negotiate way forward for the good of the world.

The pre-eminence of China and India as major manufacturing countries with unrealised potential has been widely recognised by most respondents. The World Bank and the IMF representative said this could possibly be the reason why some have mixed China’s capability as a nation, with the BRICS’ intentions. The respondent further cautioned that the media wants the world to believe there is animosity between the US and China, which is not. There is more to be gained economically by having a relationship between the two nations, than not. She further allayed that this explains why a general dislike of China and its approaches towards certain economic or political issues by others has led them to be. If anything, China’s status benefits the BRICS and elevates the BRICS in international development. Gullick (2005) differs with the World Bank and IMF representative though, and opinionated that the BRICS is a Chinese project for countering hegemony and that China’s economic woes are one of the barriers to its aspirations. The independent informant said there is no need to single out China from other members, if anything, the world should be realising that the BRICS are just an agent of change, and are playing a priestly role for the developing and marginalised countries worldwide (Archer: 2003).
4.5 BRICS’ RELEVANCE BEYOND ADDRESSED GRIEVANCES

The Chinese representative said the BRICS will still be relevant as they are complementing the international system rather than competing with them. This respondent’s sentiments were however not supported by their Indian counterpart who said, “the US and its Western allies with their control of Bretton Woods institutions must know that either they reform or the BRICS goes without them.” The Indian respondent said the G-20’s significance appealed in the 2008 global crisis, the same might happen with the BRICS. The BRICS and the NDB are coming in as alternative democratic institutions. This view was also upheld by the academic, who could not only end at provision of alternative, but said, in the end, BRICS’ financial institution in collaboration with the ADB and the AIIB will be the people’s choice. The World Bank and IMF representative also said the US has been too stubborn for a while now, and what is needed is taking heed of the call to reform, if not, the US and the West are condemning themselves to become irrelevant players. Eventually the BRICS will have more economies in their corner, and this is too clear for anyone to judge what will happen afterwards.

The World Bank and IMF representative further said, “the NDB is actually bigger than the World Bank, hence the need to rid negativity. Even the countries involved are powerhouses”. She concluded her remarks by saying; “what should be appreciated globally is that the BRICS have a financial institution, not an aid fund, so there is no reason for not believing in them. It would not be good if there was one bank. The World Bank and the IMF cannot do everything, and are not good at everything. They are not a world government, but just a bank”. The Brazilian representative said as an institution in its infancy, they are still harmonizing the legalities and finer details, which is work in progress, but buttressed the fact that the BRICS is here to stay. The Chinese respondent said as BRICS, they will have so much to learn from the World Bank and the IMF where positive influence exist and hinted progressive adjustments where needed. Asked on the possibilities of a currency dilemma, the Chinese representative could neither refute nor accept the World Bank and IMF representative’s suggestion that it would not be surprising if it is the Yuan, or could also be anything. This however cannot be an issue not to be overcome by an institution of such magnitude, when all policy matters have been set. The Brazilian and South African representatives said, financial areas need care and are too technical, not only for the BRICS, but the world at large. They also said, in any set up, there are political decisions and strategic interests to be considered. This obviously stalls
progress, but finally achieving results through unity of purpose. Interestingly, the EU respondent said,

“we gave ourselves a controlling stake within the institutions (especially the World Bank and the IMF), we funded them, and have to set the rules of the game. All we have to do is to stay on top of that game, and throw the other players a crumb once in a while.....”.

The independent informant weighed in and said this is probably the reason why the US could not join the AIIB, because they were not the initiators. This would deny them a leading role, bringing to the front the issue of interests. Despite Britain, Australia, Germany and France being close allies of the US, they joined the AIIB (Kuo: 2015). Kuo (2015) said, despite US efforts to pressure them not to join the bank, its official roster includes many of Washington’s closest allies, as well as for the five permanent members of the United Nations Security Council, half of the EU, and all ten members of the Association of Southeast Asian Nations (ASEAN). Talk of permanent interests not friendship! The Indian respondent however said the EU respondent’s view could be so because ‘voting power is allocated based on the economic strength of a country, decisions will therefore not be made based on emotions and what people want, but what the richest want’. The South African representative said while the world concentrated on bickering and wishing the BRICS away, the bloc now substantially contributes to the international system. He said, BRICS members have even participated in UN peacekeeping missions at a time when Western nations and the US are scaling down their contributions. The Russian representative said, “we did the obvious, and it is logical that under those circumstances one looks for alternatives”. As the BRICS, there was that need to attain a meaningful and respected position within the international community. Fuller (2015) iced these sentiments when she wrote; “the inadvertent generosity of Western nations truly becomes apparent, because not only did they provide the BRICS with a reason to look for alternative ways of acting on the world stage, they also considerably gave most of the rest of the world a reason to join them. For a very long time, the US and other Western states, which together control most aspects of IMF and the World Bank lending for example, abused their position at those institutions in the service of their own interests”.

It is clear therefore that the introduction of the New Development Bank for example snubs the irregularities at the IMF and the World Bank, and shunning further abuse by powerful US and the Western influence they have on the institutions. The independent informant said under such circumstances, BRICS which brings in universalism and is all encompassing take a lead. This is what the world needs at the moment. By advocating for reform at the UN, the World Bank and the
IMF, the BRICS have openly challenged the US and the West who dominate those institutions (Mendes: 2014). The Brazilian respondent said they regard themselves as peers in mutually beneficial relationships. This is supported by Gurria (2010) who says providers of South-South Co-operation respect the traditional relationship of donor and recipient. Essentially developing countries pursue their individual or collective development objectives through a cooperative exchange of knowledge, skills, resources, and technical knowhow. It is axiomatic that South-South Cooperation should be initiated, organised and managed by developing countries themselves, possibly with the support of a donor country or multilateral institution such as a United Nations Agency, acting as a third partner in the configuration known as “triangular cooperation” (www.uneca.org). The independent informant said the BRICS’ relevance never ceases because of the policies they have introduced already, which are all encompassing. The currency wars, the voting rights issues at the Bretton Woods institutions among others just make the need for the BRICS more relevant (ec.europa.eu).

Sarcastically, the South African representative quoted Fuller (2013) verbatim, “the NDB does not need to be fair, it does not need to be perfect, it does not even need to have that much cash to succeed. All it needs to do is be better than the IMF and the World Bank, and that is not going to be a particularly challenging task”. This statement alone is a clear indication of how the BRICS intend to offer better than the Bretton Woods Institutions, and be people’s favourites. Winning people’s hearts gives them some advantage as it entails more choice and less preference for the old guard. BRICS are already in the global market, they have natural resources, agriculture, and iron. Brazil has food production and hunger alleviation mechanisms set in place (Kakonge: 2014). Their significance would be missed, food prices would be much higher, hunger, and poverty even with China’s manufacturing side (Kwa: 2010). The force is there already; the BRICS are interfering in a fun way, thus through diverting, bringing in a more democratic institution that would be impossible if it was initiated by individual nations. BRICS will provide that much needed economic power behind other nations sitting around. The World Bank and IMF respondent said, considering that the BRICS is open to prospects of more members into the bloc, it shows the uncertainty surrounding the future and possibly a complete shift to what the international system anticipates. The idea is to consolidate the bloc and translate the political decisions into feasible entities like the NDB. By cutting across the geo political and geographic divide, the BRICS have differed already with other blocs. What is needed are clear cut policies governing the alliance to provide precedence and establishment of a permanent stature. This would effectively provide parity with such bodies like the EU, which have the benefit of the geographical location of its members (Andreasson: 2011).
The Indian representative echoed that the World Bank has been criticised for imposing conditions and a rigorous process when lending to developing countries, leading to an additional cost for borrowing countries. Interestingly, the World Bank and IMF representative said, in an effort to provide variety and real challenge,

“the NDB could come up with strategies to purge bad debtors, by securing physical assets as collateral than pressing interventionist conditions. Creating a collateral security based system safeguards them from non-performing loans, and provides recovery through disposals or takeovers”.

The respondent further said their own institutions (the World Bank and the IMF) have been too relaxed due to absence of real alternatives. The best possible way forward at the moment for the Bretton Woods institutions is to accept reform initiatives, creating conducive environments for international engagements than playing a watchdog role, which they have enjoyed unchallenged for years before the launch of such institutions like the BRICS’ New Development Bank, which could prove to be an endless nightmare.

4.6 SOUTH-SOUTH COOPERATION VERSUS NORTH-SOUTH TRADE

The World Bank and IMF representative said the BRICS has proved its capability to promote South-South Cooperation so far already. It is providing infrastructure especially in Africa through better roads, rail, and building water projects (Sahoo: 2015). The Brazilian representative said “the BRICS is connecting Africa to the entire world through its infrastructure provision initiatives”. The South African respondent said this has been exacerbated by the fact that developing countries complain that loans and aid from the World Bank, IMF and the EU come with strings attached. Demand for new infrastructure is climbing across the world, but some rich countries are increasingly hesitant to lend (Lean: 2011). The Chinese representative said, “through improved infrastructure, the NDB can make the sustainable growth of developing countries a reality, and China can share its experience”. Unfortunately, aid is about power, and sadly in the South, this remains skewed to the outsider, wherever they come from. There is a feeling amongst the Westerners (Europeans especially) that there is need to address the diverging interests of the BRICS by drafting differentiated policies. Because of their lack of trust and belief in the BRICS it can also be presumed from the suggested subgroups that the US and the West would want to try as much as possible to isolate Russia, which is part of the BRICS (Varadarajani: 2012). The BRICS are very capable of promoting South-South Cooperation, and the EU respondent opinionated that cooperation with sub-groups of the BRICS looks
promising, for instance with BASIC (Brazil, South Africa, India, China) or IBSA (India, Brazil, South Africa). The subgroups, it is argued by the European Union Parliament, are more coherent than the BRICS umbrella itself (www.europarl.europa.eu). The World Bank and IMF representative differed, as she believes the BRICS are already promoting South-South Cooperation. The Brazilian respondent said Brazil is already doing so through agricultural mechanisation and poverty alleviation. The representative said despite the corruption scandal that hit Brazil in 2014, it has proved they have what it takes for cooperation. Brazil has a vibrant civil society and ever-watchful press. Proof of democratic vibrancy is to be found in Brazil’s frequent street protests. Notwithstanding some negative impacts, such citizen activism holds much promise for Brazil’s political institutions (Sahoo: 2015). Perhaps most interesting are Brazil and India’s similar stances on democracy support. These two large democracies share enviable track records of conducting free and fair elections and ensuring peaceful transfer of powers, and they are major role models in their own regions. Yet both have shied away from taking a clear stand on supporting democracy in their neighbourhoods (Sahoo: 2015). Their similar historical experiences, difficulties in dealing with big powers, and continued adherence to principles of sovereignty and non-intervention militate against their taking a firm stand on democracy support. Nevertheless, Brazil has acted inconsistently, defending democratic principles in some countries facing regime crises, such as Paraguay in 2011, while eschewing critical statements about the erosion of democracy in countries such as Bolivia, Ecuador, and particularly Venezuela (Feldmann: 2011).

As De Sa e Silva (2010) notes, most developing countries have found that South-South Cooperation places more emphasis on technical cooperation and knowledge transfer than on the conditions of the donor-based projects, programmes or budget supports. This is so because developing countries are much more comfortable working with other countries like them. BRICS countries’ agreements come with fewer conditions in contrast to the financial support from the North, which is almost invariably subject to a range of stringent and taxing conditions. South-South Cooperation promotion benefits BRICS’ survival because the former instils a sense of ownership of the projects and activities undertaken. Participants willingly share information, experiences, expertise and research facilities and take responsibility by contributing to their implementation both in cash and kind (Kakonge: 2014). This can be advantageous where developing countries share a common problem regardless of their perceived or existent relationships. Thus, the BRICS promote South-
South trade relations as opposed to the traditional North-South relations (Ben: 2012). The South-South countries’ common problem are the grievances emanating from the Bretton Woods System, and interventionist approaches adopted by the US and its Western allies whenever they extend any form of assistance or engage developing countries.

The independent informant said the BRICS are playing an agency role, as they signify the emergence of the East versus the West to a certain extent. This is also reinforced by the number of Asian or Eastern countries in the AIIB, which shall prove instrumental in co-financing roles with the NDB in future. This now simply means a shift from the West to the East in future. Of the fifty seven members, thirty seven are from Asia (www.voanews.com). It is therefore not about China being the biggest of the members in the BRICS, but rise of the East. She said, what is going to make the plight of the US very difficult is because the BRICS has support all over the world.

“It is all encompassing, stretching from Latin America, Asia and Africa. The world supports the BRICS because they are a refreshing initiative. The rigidity associated with the Bretton Woods institutions, the denigration of not being Western, and the unfairness, countries are just tired of that hence the support. The African continent and other Southerly regions are countering hegemony under the auspices of the BRICS, which has the support of the world. Their blueprint has actually sold itself successfully”.

Looked differently, there is need for cautioning also. In Africa, there is awareness that there is need for massive infrastructural investment that will strengthen international African trade and break the deformed patterns of extraction of resources. However, Africans will be vigilant to ensure that the ‘development’ plans of BRICS do not reproduce the five decades of ‘development’ that Africa has witnessed since independence (www.pambazuka.org).

4.7 ‘UNTIED’ AID: IMPLICATION ON INSTITUTIONAL GOVERNANCE

Just as China has been accused of ignoring touchy governance issues, the EU and the US have not been found clean. The World Bank and IMF representative said that human rights issues do not inform the foreign policies of China and Russia for example, to the same extent as they do the policies of other large states such as Japan, India, the EU states and the United States. The respondent further said that there is also the possibility of conflict over Taiwan in the case of China, or Ukraine in the case of Russia. This impedes progress by limiting government finances, increasing social unrest, and limiting potential domestic
economic demand. Factors such as international conflict, civil unrest, unwise political policy, outbreaks of disease and terrorism are all factors that are difficult to predict and that could have an effect on the destiny of any country. The EU respondent maintained his stance that the BRICS nations have no hope of acting together as a coherent bloc in world affairs, and that any cooperation will be the result of forces acting on the individual nations. Governance issues of the BRICS might always remain an unresolved equation because whenever they realise that a vote is against their interests, they have either abstained or vetoed against the resolution at the UNSC, especially the permanent members, China and Russia, and this has an effect on the BRICS too (ec.europa.eu). The World Bank and IMF representative however said that governance issues might not be a key factor because China for example is not into governance, but interested more in investing, infrastructure development to provide for its ballooning industrialisation needs. The respondent further said, care should be exercised as there is a possibility that if untamed, differences in governance issues where they exist could hamper progress. What is of importance though is, most of the countries are in the developing world which gives them an edge in terms of avoiding clashes and ability for tolerance. The independent informant said the BRICS nations’ economic capability is not dismal in terms of gross domestic product and output and viewing them with suspicion is detrimental to promoting the fallacies that have existed within the global arena.

4.8 BRICS’ FUTURE IN THE GLOBAL ECONOMY

The BRICS have been on the forefront of using their economic weight to induce change, which is challenging traditional Western donors, particularly the EU (Wonacott: 2011). The Chinese respondent said that whilst playing its complementary role, the BRICS through the NDB will also ensure that where aid and development have failed due to conditions, they provide options, promoting South-South Cooperation. The World Bank and IMF representative acknowledged that the BRICS are welcome, and said

“this can also be further promoted by coming up with strategic partnerships and decisions, venturing into capacity building, and infrastructure development”. “It is not competition, the world just needs this. There is not enough money in the world, and any new streams of income which promotes sustainability will be so much welcome to enable co-financing”.

Even if the BRICS are to proffer a co-financing role, in the end there will naturally be need for leaders, which will come out of the most supported and publicly favoured institution, deemed ‘people-oriented’. The Russian respondent chipped in saying dominance in any scenario is unacceptable and as equally capable nations, are tired of being overshadowed by the US and its
Western counterparts, to which the EU respondent said these are sentiments of a former super power which cannot stomach the fact they once were a force to reckon with. The seemingly unrepentant Russian representative said, they as the BRICS need not repeat the mistakes done in the past. One can decipher that the makers of the past mistakes implied here are the US, through their majority control within the Bretton Woods institutions. “The Bank will not only look for financing, but important and bankable projects”. Sasi (2015) underscored that the NDB is a financial institution challenging the World Bank where five BRICS nations have sought more clout in decision making; hence their relevance has nothing to do with institutions already serving the space they find themselves in. The NDB President said that the BRICS countries needed new developing partners, and the NDB Bank was one such partner for starters (Sasi: 2015).

The Russian representative said, “the world is turning while the US and its allies are hitting the brakes, remaining in the comfort zone that does not require them to face the dawning reality, that calls for nothing but highest levels of compromise and co-operation”. There is a concurrence amongst BRICS representatives (South Africa and India) that pretending the BRICS is insignificant is not an option. Discussions about the rapidly transforming world, the role and influence of the BRICS and Europe's relations with emerging powers appear to be off the EU’s agenda (Sasi: 2015). The Russian representative said that bodies like the EU fear running the risk of becoming irrelevant on an increasingly crowded global stage. He further said,

“for the moment, most Europeans seem to fall into two categories: those fearing the rapidly changing world order, and those hoping the world will not change too much and that the BRICS will fade away. There are some, wiser people in the middle who may not be enthusiastic about the changes to the global status quo; but also know that times are changing fast and that Europe and the US need to adapt, adjust and accommodate”.

It was on the advice of such people that despite strong pressure from the US not to do so, several EU countries decided to join the Asian Infrastructure Investment Bank set up by China.

Fuller (2015) said that while many Europeans voice fear that China is "buying up" European assets, cooler heads are urging the EU to join forces with China's ambitious One Belt One Road Initiative to boost domestic growth and jobs. Similar arguments for and against cooperating with emerging nations are likely to come to the fore as Europeans discuss membership of the NDB. NDB’s CEO, Kamath said other multilateral lending institutions such as the IMF, the World Bank and the Asian Development Bank are partners rather than rivals. Yet many continue to be suspicious. The US and Japan have not yet joined the AIIB and many
EU policymakers continue to voice fears that the new banks will fall short of Western standards of transparency and accountability (www.indianexpress.com). The Russian respondent said, “the Old Guard is welcome on board, but the world is moving on and they will not stop for the laggards”. Russia, given its tense relations with the US and the West following the Ukrainian crisis, has taken the toughest line in its dealings with Europe and the US. Russia’s Foreign Minister Sergei Lavrov underscored in Ufa, Russia, emerging nations represent a "new polycentric system of international relations" and demonstrate new global centres of power (www.indianexpress.com). BRICS’ emergence will definitely have an impact on the global landscape as it comprises of former and future superpowers. The Chinese respondent said, “if the world wants to ignore winners of the global economic game, let them do. By exposing developing countries to an impossible web of harsh conditions and crony capitalism, it should not be too surprising that these camps (BRICS and the needy countries) might someday get together”. Getting together of aggrieved parties always has consequences, especially if the grievances have been left to culminate into giants.

The South African representative said, it is not just about the BRICS. An array of newly empowered nations and groupings are challenging European and US dominance of the post-World War II order. Mexico, Indonesia, South Korea, Turkey and Australia are part of MIKTA which claims to act as a bridge between old and new powers (Islam: 2015). New Zealand says it is the champion of "small nations" without whose support nothing can be achieved on the global stage. The G20 remains relevant as a forum which brings together industrialized and emerging countries. And then there is also the Shanghai Cooperation Organization (SCO) which the EU and NATO policymakers also tend to shrug off as a "paper tiger". They should not. Underlining just how significantly the world has changed, the five BRICS countries and the six SCO members which are China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan, joined by India, Pakistan, Afghanistan, Iran and Mongolia, which have observer status, held a joint summit in Ufa, Russia (Evans: 2014). This could provide the strongest alliance ready for challenging any possible hegemonic tendencies ever to exist. The best decision would be not to detest the new world order out there. The World Bank and IMF representative ushered in that the BRICS’ relevance should not be ignored, but expressed concern that the BRICS seems to provide more financing to low income countries with weaker institutions and governance. The representative further said, “the economies involved are powerhouses. India is progressing well. Half of the world lives there, digitalisation is overtaking so many things, impacting on manufacturing. The global economy is not static. A
shift will definitely be there, though it might be difficult to define for now”. The representative however refuted allegations of political control from Bretton Woods institutions, saying there are no political rules in the World Bank, “countries like Zimbabwe have been stopped from borrowing not because of political reasons, but because they could not service their debts”. The independent informant said the BRICS through their financial institutions should not use the credit worthiness as that applied by the World Bank and the IMF. The giving of loans is not to be based on political or ideological strings, and should not be interventionist in nature. She said this has been done by other blocs, and has failed. They should not make the countries they will be helping be dependent on them, because the aid model has failed (Roberts: 2011). It did not work because there was a lot of corruption, unfairness, hence the aid model failed to capacitate people. Asked whether it would be possible for the BRICS to end up in the same predicament, the respondent said, the reason for forming the BRICS was, they did not want to be dependent, why then would they need other countries depending on them. They are setting an exemplary institution, heading towards a UN of its own sort.

4.9 SUMMARY
Differing views have been obtained from the interviewees. Some responses were subtly made, possibly due to reluctance by respondents to be quoted as having said that, despite the assurances during the interview process. Others were uncompromising. Despite the various views, they seem to be pointing to one conclusion, that the BRICS are actually countering hegemony. The countering process is changing the global outlook, bring in new players. The creation of the New Development Bank is just one of the arrows pointing against US hegemony amongst other issues. The fight against hegemony is not going to be the BRICS’ alone, but other strategic alliances like the AIIB, and the SCO. Whilst the emergence of the BRICS has received mixed feelings, there is still denial within the Western institutional setups and the US agencies that the BRICS is here to stay. The researcher observed that despite some of the institutions being controlled majorly by the US and the West, they still have an independent view, and subscribe to what they believe is the right ideology irrespective of their allegiance. The creation of the BRICS ushers in a mirage of a future UN of its own sort, which could be all encompassing, and possessing universal features which are ideal in nature. As utopian as this idea might appear to the current hegemony, this could prove a reality as a shift on the international community dawns. The last chapter encompasses conclusions, and recommendations based on the findings from the interviews, which sums up the entire research, with the last part of the chapter providing clues for possible further research.
CHAPTER FIVE

5.0 SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 INTRODUCTION
This chapter summarises the research process by linking the data collection findings with the study objectives. This summary puts into context and justifies the study’s relevance to the identified problems. Having undertaken to research on the emergence of the BRICS, whether it is countering hegemony or reflecting a total global shift, findings will be availed based on what the participants to this study contributed. The conclusions provide a logical summation of distinct, clear and actionable outcomes of the research. This chapter ends by giving recommendations which come from the conclusions and also inform on worthy areas of further research. Considering that the international system is dynamic, further research will definitely be needed as other alliances are likely to be created, and new statuses being achieved by some countries and or groups, with the predictions posited by the Goldman Sachs economists.

5.2 SUMMARY
This study was concerned with establishing whether the emergence of the BRICS is challenging hegemony or brings with it a total global shift. The qualitative research paradigm was chosen for this type of study, and the research was carried out using interviews for data collection. The sample was made up of eight participants, who included one representative from each BRICS member nation, one from the European Union and another one from the World Bank and the IMF, as Bretton Woods Institutions. The researcher also sought views of an independent informant who is an academic, with an impartial view. During the course of conducting the interviews, the researcher faced the challenge of availability with some respondents especially ambassadors of the embassies who have very busy schedules, while some were not very forthcoming to attend to the researcher. Where the representatives were continuously busy, reference was made to their deputies and or authorised representatives. With some participants, the researcher had to do with skype interviews. This proved to be effective as respondents could do so at the time best convenient for them, and this also became a solution to the barrier of differences in times for international conversations. Telephone interviews were administered on one participant from a regional embassy in South Africa after the locally available ambassador
seemed unwilling to assist the researcher. Other respondents voiced concern on their suspicions that the researcher could be gathering policy formulation data for competing institutions. The researcher assured the respondents that their responses would be treated in confidence and would be recorded in the research anonymously. The letter of authority from the University was also used to pacify would be respondents who later consented and provided the researcher with the much sought time to interview them.

Overall, what emerged from the interviews pointed to the conclusion that the emergence of the BRICS is countering hegemony? The BRICS are pointing to a UN of its own sort, mainly so because the BRICS is introducing universalism, and are all encompassing as opposed to the US which was selective and denigrating in most instances. Almost all respondents were in agreement that there is not enough money for the world, and the emergence of the BRICS’ New Development Bank is most welcome and long overdue.

The emergence of such institutions like the AIIB was also cited as another vehicle that is promoting the BRICS’ rise to hegemony. The BRICS will also rise to hegemony through nations of the world (Fuller: 2015). In future, the reigning hegemony will definitely lose control of the nations they previously controlled through their conditional aid, and this also signals the rise of the East as predicted by Lukyatov (2011). The BRICS has the support of the world, and this has left developed countries in the North with a mixed feeling towards alliances and membership to some of the institutions which are emerging, for example the AIIB, which the US has snubbed, primarily based on leadership and future control issues. Also, the view shared by authors of different publications on the BRICS has turned to be subjective, depending on the authors penning opinions. Those mainly from the South and the developing world are in support of the BRICS, whilst those pro-US and the West have oftenly criticised the BRICS and its institutions. There have been however some contributions from such respondents from the World Bank and the IMF who acknowledged the relevance and importance of the BRICS, and said the world needs this, as there is no world government

The new power relations between the BRICS and the Bretton Woods institutions could be complementary to a certain extent, but the main goal is to finally challenge hegemonic tendencies within these institutions. During the study, the researcher explored the role of the BRICS on international development, and concluded that the BRICS are contributing to
South South Cooperation, and providing a voice for the semi-peripheral and peripheral nations. The relevance of the BRICS globally is unique on its own, as each body has its own policies, purposes, with the major intention for the BRICS being to building a more democratic international system founded on the rule of law and multilateral democracy. These grievances amongst others have a role to play and influence the decisions made at such institutions like the United Nations, and might indirectly lobby for restructuring of the UN and or the United Nations Security Council in future.

5.3 CONCLUSIONS

Based on the findings in chapter four, the following conclusions could be made. The emergence of the BRICS is a clear counter to hegemony, shifting the global terrain because of a change in international players. The face of the international economy is changing irrespective of the differing opinions the public might have. There has been a call not only from the BRICS, but the world at large that the Bretton Woods institutions should practice what they preach. If the BRICS are to continue effectively supporting peace, human rights and democratic development, they need to become more inclusive, accountable, transparent and democratic. It was also highlighted during the study that the sizes of the BRICS nations is not very relevant to the potential of the BRICS, as there is room for expansion, starting with the next eleven. There are no blocs even in size, for example, the G7, G20 and the European Union. Those pro-US and the West assume that asking for a more balanced world is anti-Western, which might not be the case. The BRICS represent desire for more recognition and accommodation on negotiation tables in international affairs. The emergence of the BRICS has so far witnessed economic growth and development especially on low income countries through South-South Cooperation. The BRICS’ priority is economic growth, which eventually leads to poverty reduction and social improvement. Fostering growth in trade and manufacturing is more relevant to development than insisting on human rights standards and good governance.

Major players/funders in the NDB and the Bretton Woods institutions have different guiding principles, hence the current differences even if resolved, some will always crop up later, because the US and the West would want to retain a controlling and leading role in the institutions. The BRICS’ countries seek to preserve the Westphalian principle of respect for sovereignty, implying non-interference and national sovereignty, a norm included in the UN Charter and perceived as safeguarding international order, while the
World Bank and IMF reaffirmed pro-democracy and conditional aid to foster good governance. The BRICS as emerging donors are changing the dynamic of traditional aid through South-South Cooperation arrangements, but did not push back the EU and US agencies in areas they were already established or partnered. The BRICS do not constitute a homogeneous alliance, but are united more by the purpose of their emergence. This alliance’s strength is witnessed by the uniting of opposing ends. China is the next super power and Russia is a former super power, putting them at different angles altogether, but they chose otherwise and came up together as BRICS members. What they have is a common enemy, undemocratic institutions under the auspices of ‘pro-democracies’. The BRICS detest interference with sovereignty and democracy issues which they say hinders development. To them, democracy does not come first before development. The emergence of the BRICS provides options and discipline to the global environment. The world is not static, and as industrialisation fuels up, so is the need for more institutions to support and facilitate co-financing initiatives. The introduction of the NDB should make the World Bank, IMF and the Asian Development Bank more honest, and power of Western Non-Governmental Organisations will be reduced and held in check. Absolute power of the US corrupts absolutely. The BRICS’ survival is imminent because of its ability to avert poverty by controlling soaring global food prices. Brazil is one of the largest exporters of agricultural goods, and providing technical assistance on agricultural development. Technical cooperation is much more accentuated than financial aid. The desire by the BRICS to work with UN members show their vision for the future, and the possibility of having more nations in their corner should they form another multilateral institution parallel to UN. This also cements its thrust on promoting South-South Cooperation through provision of less stringent financial bailouts to developing countries. The BRICS has a better advantage over other players as it is spread out globally, covering the most important and critical continents of the world for economic and cultural ideologies.

The creation of the NDB partly reflects China’s growing dissatisfaction with the existing global multilateral financial frameworks where the country (rightly) feels under represented and are unhappy over the slow pace of reform in addressing this imbalance. The AIIB could partially be an economic vehicle, which in reality, maybe used for the pursuit of a larger wider geo-political interests in the region and the world. This concern is reflected in the refusal, to date, of the US and Japan to join the AIIB. The BRICS’ emergence might require the establishment of a new world economic and political order, possibly leading to
enhanced engagement with other groups such as the OECD for advancing mutually beneficial discussions, within and outside BRICS. With time, the AIIB and NDB will become real alternatives to the US-led World Bank and the Japanese led ADB, same with the BRICS Contingency Fund which will overtake the IMF. By providing equal votes in NDB there is already a new framework in place opposing the bureaucratic system of the IMF and the World Bank. The NDB becomes another arrow against the US-dominated liberal international order. Geopolitically, the formation of the NDB and the CRA can be seen as a first in expressing a unified voice for the emerging markets to end the hegemony of stronger developed economies through the IMF and the World Bank. Such institutions could amplify the bargaining power of emerging economies in global markets. Politics and economics are inseparable. One is the indicator of the other, so claiming that the BRICS is just a political enterprise might be a misguided notion. Even the US, as big as it might be is interested in engaging with small countries or deemed minority actors in the global affairs. States are rational actors, as they grow in power; they demand their rightful place and legitimacy in the world, and no particular authority can deny that, especially in the absence of a world government. The BRICS might not have a political clout compared to the G7 but is significant. If it was not, China and Russia would quit this platform because they have the UNSC permanent seats to voice themselves. From the refusal to reform IMF voting rights to US efforts to discourage countries from joining the AIIB, attempts by individual countries to limit China’s influence in global or regional bodies may end up being responsible for the creation of these ‘parallel institutions’ in the first place. This is especially supported by the EPSC who said “Chinese actions are not restricted to the economic and financial spheres, they seem to have a clear geo-political and geostrategic component. The plethora of initiatives that are ostensibly economic, AIIB, NDB, the ‘Silk Road’, are clearly aimed and overtly used to increase global influence and political reach.

To a lesser extent, the BRICS alliance has been viewed to be a means through which China exercises its power outside the US-dominated international institutions. Economic and foreign policy issues are too complex to be viewed as “following US leadership”, or, “pushing back against US leadership”. Rather, China in the BRICS is promoting economic and political development of emerging markets, which have by definition not a part of a Western developed-nation group and should therefore be viewed positively and not as a threat. The promotion of economic activity in various global regions helps to generate growth elsewhere, as growth is not a zero-sum game. The BRICS are changing the
architecture of international development cooperation, through trade and financial flow.
Their strong economic dynamics, territorial and demographic dimensions, are influencing
global economic development, hence constitute a strategic alliance. What is certain is that
the BRICS are countering hegemony, whether they are doing it for China or themselves,
but hegemony is being countered. Short of an unforeseen event, the emergence of the
BRICS on the global stage is real and here to stay.

5.4 RECOMMENDATIONS
From the above conclusions, the following recommendations could be made;

- Providing room for multipolarity is the best approach to solving the economic and
  political quagmire the world is in at the moment. Having a unipolar system reigning
defeats the purpose of having multilateral institutions like the UN, as they are
subservient to the interests of those in control, the US, and the West. There is no a
world government, hence the need for many players for diversity.

- A multipolar world is a better one, for the world in general, and less draining on the US
  itself. The multilateral institutions like the NDB, AIIB, ADB, and other initiatives will
give the world competition and provide the developing world with options apart from
the so-called “Washington Consensus”.

- Rather than denouncing the BRICS, more will be achieved by creating synergies for
  co-operation and creating productive alliances and partnerships. It is evident that they
are increasingly becoming important actors, and coalitions would serve the world best.

- Success in addressing hearty issues will ensure prosperity not only for the BRICS but
  the international community at large. This will also open up opportunities for
representativeness at the UNSC.

- There is need for countries to align themselves with those institutions they share the
  same ideologies with to avoid clashes, and ensure their interests are preserved, because
as different nations, the world can never come to an agreement. Rather alliances will
create competition, paving way for discipline and order eventually.

- There is need to do away with the donor-recipient models as these have failed.
  Countries should be encouraged to be self-dependent to avoid over reliance on other
nations, or annexation of other states by powerful nations. Those countries in perennial debt with the Bretton Woods institutions have been exposed to harshest conditions offered by the lenders as conditions for debt restructuring or recovery strategies.

- There is need for clearly defined collateral by global financial institutions for securing debts rather than offering aid based on political ideologies. States develop in different stages, hence democracy cannot be imposed.

- For the BRICS to be a real alternative, it should have clear strategies about expansion so that the goals of building another world based on peace and real international solidarity can be realised. Initiatives of accommodating new members should be upheld, with clearly outlined policies governing their institution(s).

- There is need for the democratisation of the UNSC and ending the veto power of the five permanent members, though tricky, because neither China nor Russia is enthusiastic about the democratisation of the UNSC.

- The New Development Bank, as the provider of funding facilities and co-financer for possible future international transactions, must have as its first priority the health and safety of the planet and the health and safety of humans everywhere. This will ensure their relevance on the international scene, which is so desperate for such humanity oriented initiatives.

5.5 SUGGESTIONS FOR FUTURE RESEARCH

Further research should be conducted on establishing the position of the US on the international stage after the completion of the One Belt One Road Initiative, as well as the Silky Road Initiative. Its snub of the membership to AIIB spells a different future for the US at large, and this could lead to a new path for the economic giants in future. There is also a possibility of union among certain blocs within the South (BRICS, MIKTA) to make a bigger bloc, which could have implications too on hegemony in a huge way. The likelihood on the set up and influence of the Bretton Woods institutions if the US is no longer hegemony, and the future of the BRICS afterwards could be an insightful piece of
research work. What could come up will be a multipolar world initiated by a bloc rather, than a single nation as is currently the situation. The shifting landscape cannot be refuted completely, because only the winds of change can determine that, not personal feelings or opinions. Considering that the Goldman Sachs economists predicted the ascendancy of the BRICS in phases, it too could provide a fertile ground for scholars to proffer theories and references as they position their hunches, not mentioning those that would have cropped up, countering or complementing the BRICS. Narrowly, there is also a possibility that the institutions like the New Development Bank and the AIIB could also be used for the pursuit of China’s wider geo-political ambitions in the region and the world at large (Kuo: 2015). China’s shares in the AIIB constitute thirty percent ownership, whereas within the NDB, they have already pledged to contribute $41 billion dollars for the Contingency Reserve Arrangement, with Brazil, India and Russia each contributing $18 billion, and South Africa $5 billion. This naturally gives China an upper leverage against all other members. The world is changing and the hegemony is under the greatest threat from the BRICS with no equal in modern history. Proponents of the hegemonic stability theory have been put to task, as the world seems geared for a balance of power through alliances.
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APPENDICES

INTRODUCTORY LETTER FROM THE UNIVERSITY

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BINDURA UNIVERSITY OF SCIENCE EDUCATION

Date: 5.7.2015

TO WHOM IT MAY CONCERN

RE : REQUEST TO UNDER TAKE RESEARCH PROJECT IN YOUR AREA

This serves to introduce the bearer, LUCIA BHAFANA ..........................................., who is a MASTERS IN INTERNATIONAL RELATIONS student in the Department of PEACE & GOVERNANCE, Bindura University of Science Education and is carrying out a research project in your area.

Your usual co-operation and assistance is therefore being sought.

Thank you for the continued support.

Yours faithfully,

KATSIINDE TJ (MR)
CHAIRPERSON – PEACE AND GOVERNANCE

APPROVED/NOT APPROVED ........................................... DATE .................
DIRECTOR
EMERGENCE OF THE BRICS: COUNTERING HEGEMONY OR TOTAL GLOBAL SHIFT?

INTERVIEW GUIDE FOR THE BRICS

1. What are the main reasons behind formation of the BRICS economic bloc?

2. What does the future hold for the BRICS, economically and politically?

3. How true is the assertion that the BRICS and its New Development Bank is also a way to diversity and hedge against western influence?

4. Some analysts claim the BRICS cannot speak for the developed world, because it has its own differences as a bloc. How far true is this assertion?

5. Having come across claims are that the BRICS is just a political enterprise, does the BRICS bloc encapsulates emerging-economy realities and aspirations?

6. Considering that China’s GDP is much bigger than the incomes of the other four combined, is it true then that without China, the BRICS is a toothless tiger, economically?

7. BRICS has been vocal about the “vote” and “voice” in the Bretton Woods institutions. If these ostensible political grievances are addressed, will the Bank be still be relevant?

8. How well do you think the BRICS’ emergency will promote the South-South trade as opposed to the old model of North-South trade?

9. If the BRICS’ is to make a significant entry into the global market, what do you think the institution has to do differently, that has not been done by other blocs?
EMERGENCE OF THE BRICS: COUNTERING HEGEMONY OR TOTAL GLOBAL SHIFT?

INTERVIEW GUIDE FOR THE EUROPEAN UNION

1. Do you think the New Development Bank is a done deal, and if so, do they have enough in common as nations economically, to sustain a shared institution?

2. The European Union has been focused on developmental aid since formation. In your opinion, will the New Development Bank bring anything new to the global arena?

3. The EU has been accused of giving conditional loans and aid. China is known for extending loans and resources without conditionality on touchy subjects like governance. Do you foresee it applying this system to the NDB? What effect will it have on the institution’s governance issues?

4. How easily do you think the NDB will make inroads in areas where the European Union institutions already exist?

5. Do you foresee any major global economic shift happening within the next five years due the emergence of the BRICS?

6. Do you think the BRICS bloc encapsulates emerging-economy realities and aspirations?

7. BRICS has been vocal about the “vote” and “voice” in the World Bank and the IMF. If these ostensible political grievances are addressed, will NDB still relevant?

8. Do you think the world trading system is headed for global economic shift with the emergence of the BRICS, or it is just one of ‘those blocs’ coming to pass?

9. How well do you think the BRICS’ emergency will promote the South-South trade as opposed to the old model of North-South trade?
EMERGENCE OF THE BRICS: COUNTERING HEGEMONY OR TOTAL GLOBAL SHIFT?

INTERVIEW GUIDE FOR THE WORLD BANK AND THE IMF

1. Do you think the New Development Bank is a done deal, and if so, do they have enough in common as nations economically, to sustain a shared institution?

2. Is the NDB likely to be welcome by developing countries?

3. China is known for extending loans and resources without conditionality on touchy subjects like governance. Do you foresee it applying this system to the NDB? What effect will it have on the institution’s governance issues?

4. How easily do you think the NDB will make inroads in areas where the Bretton Woods institutions already exist?

5. Do you think the NDB poses a challenge to the World Bank and the IMF?

6. Do you foresee any major global economic shift happening within the next five years due the emergence of the BRICS?

7. Do you think the BRICS bloc encapsulates emerging-economy realities and aspirations?

8. BRICS has been vocal about the “vote” and “voice” in the WB & the IMF. If these ostensible political grievances are addressed, will NDB still relevant?

9. Do you think the world trading system is headed for global economic shift with the emergence of the BRICS, or it is just one of ‘those blocs’ coming to pass?
EMERGENCE OF THE BRICS: COUNTERING HEGEMONY OR TOTAL GLOBAL SHIFT?

INTERVIEW GUIDE FOR AN INDEPENDENT INFORMANT (ACADEMIC)

1. In your opinion, what are the main reasons behind formation of the BRICS?

2. How true is the assertion that the BRICS and its NDB is also a way to diversity and hedge against western influence?

3. Some analysts claim the BRICS cannot speak for the developed world, because it has its own differences as a bloc. How far true is this assertion?

4. Considering China’s GDP, is it true then that without China, the BRICS is a toothless tiger?

5. BRICS has been vocal about the “vote” and “voice” in the Bretton Woods institutions. If these ostensible political grievances are addressed, will the Bank be still be relevant?.

6. How well do you think the BRICS’ emergency will promote the South-South trade as opposed to the old model of North-South trade?

7. If the BRICS is to make a significant entry into the global market, what should the institution do differently, that has not been done by other blocs?

8. Considering differences in political and economic capabilities of the countries involved, is the no possibility of clashes on governance issues revolving around the NDB for the BRICS member countries?