WILL BRICS EMERGE AS A GUIDING FORCE IN THE 21ST CENTURY? 
AN ANSWER IN LIGHT OF HISTORY

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ABSTRACT

The decade following the twist of the modern millennium has been characterized by the surfacing of the BRICS countries—Brazil, the Russian Federation, India, China and South Africa—which have come to account for a significant share of economic growth, demand expansion, industrial production and wealth creation in today's world. The triumph of these regional economic powers in achieving unrelenting economic growth has become a reference point both for developing countries to imitate and for industrialized countries to regain economic dynamism. What can other countries learn from the BRICS's development experiences is the subject matter justified in light of history. To answer this important question, similarities and diversities that characterize the development patterns of the BRICS are summarized. All BRICS countries share some commonalities, for example, their rapid structural change, sources of regional demand and production, accretion of industrial capabilities, regional technical cooperation and South-South technology transfer. To gain greater insights into these issues, historical analysis has been employed and thus adds new perspectives to the interpretation of facts. Furthermore, the paper draws policy implications and derives lessons from the BRICS countries' experiences.

INTRODUCTION

It has become the new fact of the twenty-first century that the Western world, we have known is fast trailing its ascendancy to be replaced by a new global system shaped by the so-called BRICS comprising Brazil, Russia, India China and South Africa. This is the way, how many historians, academicians, economists, and students of world politics are now viewing the prospects of the global system. This article does not argument the economic facts, nor does it presume that the world will look the same in 50 years time as it is now. It does, conversely, question the thought that there is an enticing 'power shift' from west to East. Purposely, it makes a number of decisive wiles pertaining to the new tale. Firstly, what is obviously changing in the world and what is underestimated. Secondly, it is accurate that many new economies are pretentious in the world economy, but their careful examination is must and when such an examination is undertaken, it becomes increasingly clear that the rise of BRICS is a daunting challenge to western world.

It is hard to envisage what history will summon up and what it will overlook. BRICS are prompt to rejoice dramatic events that will purportedly mark the start of a new world. In fact, what seems so imperative today might be useless to history, and the new world coming might just look like the old one. As said by British historian Philip Guedalla: “History repeats itself; historians repeat each other”. From western perspective, the economic booming of China and India is unparalleled, but seen from Asia, it is return to normality. Asia largely dominated the global economy until the Western industrial revolution completely reshuffled the floor. Now at this close juncture there arise several questions which need impressive answers. The main question is the divergence in the BRICS. So, given the divergences among the BRICS, it is definitely unbelievable that they will be able to create a power community that is formidable enough to be a guiding force in the 21st century. What the BRICS can hope for their significant influence is to consolidate their trust. To be a guiding force, the need of the hour is the junction of ideas on global governance. Although, the countries have different ideological approaches to global governance, but the economic blend is a necessary step. There seems to be broad consent on the need for substitute world order without proper enunciation of what that order should be. Remembering history, Brazil is using its will power to cement its relations with western side, Russia, as usual, is trying its luck on all hats at once, seeking to be everywhere and with everyone, India is active addressing unambiguous troubles with specific
Will BRICS Emerge as a Guiding Force in the 21st Century? An Answer in Light of History

Western countries – the US, Germany, and France, China prefers to be sensitive enough, in order to quietly transform itself later and South Africa is away on the outside edge. Even though this might be a sweeping statement, it does smack close to home when it comes to the differences among the countries. This is not to talk about the security concerns between China and India, and China and Russia, for instance. There are differences within the group on parameters like economical, political structures and geopolitical interests, but nevertheless, the political reality of the BRICS should be acknowledged.

**BRIC(S) EVOLUTION AND JOURNEY**

Goldman Sachs succeeded in seeking the consideration of financial analysts and investors to a new set of emerging markets in 2001, but the significance of the BRICS as a group that can revolutionize the way economic and political power is exercised globally is swiftly becoming a point of interest among groups involved in policy making and influencing across the world. Starting the evolutionary history, it was in 1989 Brazil emerged from military rule and entangled a sweeping economic stabilization plan to quash hyperinflation and boost privatization; in 1991 India introduced economic reforms, ending the license raj and setting circumstances for unrelenting economic reforms; in 1998 China emerged from the Asian crisis untouched; in 1999 as Russian economy had meltdown in 1998, but strategies were put into play to rebuild and regain its lost economic status; in 2001 Goldman Sachs predicts the rapid rise of Brazil, Russia, India and China (BRIC) in the next 50 years; in 2006 the BRIC foreign ministers hold an informal meeting in New York as tangential to the UN 61st General Assembly. They meet again in 2007 to reinforce and make deeper relationships; in 2007 China overtook Germany as the world’s third-largest economy; in 2008 Brazil joins China and the Persian Gulf states and becomes a creditor for the first time, and introduces a sovereign wealth fund to invest excess capital; in 2009 BRIC continues to maintain its economic growth even during the global financial crisis; India achieves a growth of over 9%; BRIC leaders hold their first summit in Russia, mission for a more democratic and multipolar world based on the rule of international law, equality, co-ordinated action, and collective decision making of all states; in 2010 at the second summit, BRIC calls for UN reforms; China overtakes Japan as the second-largest economy; in 2010 BRIC invites South Africa to join the group; BRIC becomes BRICS. The second BRIC summit was held in April 2011 in Brasilia, Brazil on the issues to include top global challenges which include international terrorism, Weapon of Mass destruction (WMDs), and change in climate, food and energy safety. The Joint declaration issued at the Brasilia Summit in 2010 points out the specific changes sought by the BRIC countries together with voting authority reforms in the World Bank, quota reforms in the IMF and Russia’s proposal for membership in WTO; in 2011 third BRICS summit was held in April 14, 2011 with South Africa as its fifth member in Sanya, China. Stress on agriculture and food safety issues were raised in the BRICS Sanya Summit of 2011. The outcome emerged from this Summit were two specific instruments “Beijing Consensus” and “Action plan for Agricultural Co-operation”. It was further stressed that focus should be on establishing institutional mechanisms for joint work across the BRICS economies; in 2012 fourth summit held in March 29, 2012 in New Delhi, India an awe-inspiring accent on the reorganization of financial institutions and the requirement for a more firm and diversified financial system. This will help in clear international order and fairness in monetary transactions. The Delhi Summit witnessed dramatic changes with some policy measures including the set up of development bank. The thought of a BRICS Bank has generated eagerness across the world. While there is some cynicism about whether the BRICS will in reality be able to comprehend this motivated idea, there is no denying the fact that the establishment of such an organization will fortify the functioning and the weight of the BRICS in the long run; in 2013 fifth BRICS Summit was held in Durban, South Africa, in March 26, 2013, and brought rather open results in contrast to earlier four summits. The core issue discussed in the Summit was "BRICS and Africa: A partnership for Development, Integration and Industrialization". The main focus was on the endorsement of progress and on the improvement of global ascendency institutions. The consultation around the creation of a new development bank aimed with a focus in funding infrastructure and industrialization projects. The negotiations around the formation of a common fund pool with an objective to rescue governments from financial risks and shocks. The plan also incorporated challenges such as economic growth, job conception, and issues connected to international security. The discussions do reflect the growing intra-BRICS harmony and the common purpose to certainly donate to global tranquility, solidity, progress and collaboration. and finally in 2014 at the Sixth BRICS Summit in Fortaleza on 15 July Brazil, to inaugurate the second cycle of BRICS Summits, the theme chosen for our discussions was "Inclusive Growth: Sustainable Solutions", in keeping with the inclusive macroeconomic and social policies carried out by our governments and the imperative to address challenges to humankind posed by the need to simultaneously achieve growth, inclusiveness, protection and preservation. Moreover the projection is that in 2018 BRICS economies overtake the US

**CONCLUSION**

Although G7 countries accepted the G20’s ascendency in economic matters, they have not surrendered their power over the global economic schedule, which is subjugated by the authoritarian and governance issues of most interest to them. The broken up balance of power merely means that the rising powers in the G20 can chip in the discussions on these agenda items and can persuade their prioritization and make feel world their economic weight. The lack of an effective BRICS or emerging power atrium group within the G-20 makes the position of the G-7 more well-established. There exists a loose consultation mechanism among the developing countries as a whole. In short, the BRICS has had a few wins in the G-20, but this has been mutually with other emerging economies, and there is no individuality to their achievements. The BRICS appears to be on its way to realizing the economic laurels by following their strategies. In 1990, starting with a share of a little over 10% in world GDP, and less than 4% in world trade, BRICS now constitutes about 25% of the world GDP and 15% of world trade (BRICS Report 2014). The increase in GDP implies that the economic size of BRICS in terms of its share in
Will BRICS Emerge as a Guiding Force in The 21st Century? An Answer in Light of History

world GDP has expanded by 150% in the two decade periods. In addition, all the BRICS countries have now become active members of major international and multilateral institutions, such as the WTO, the UN, the G-20 and the UNFCCC. Their importance in global economic and political affairs is also reflected by various other indicators, such as trends in FDI inflows and outflows, trade openness, current account balance, forex reserves and economically active labour force, which could make BRICS a formidable force to reckon with in the future. Despite positive expansion on various fronts, some issues that pose impediments for the BRICS countries include inadequate infrastructure; lack of institutionalization; the heterogeneous nature of the group and lack of cohesive identity; the fragile nature of trade and investment linkages among the BRICS countries; and differences within the group on values, economics, political structures and geopolitical interests. Based on current understanding, one can doubt that it is highly unlikely that BRICS countries will be able to craft a power bloc competent of becoming a political and economic guiding force in the coming years. However, the group can definitely expect to augment its weight considerably as the members institutionalize trust and consolidate the BRICS grouping. It needs to be made clear that if not addressed urgently, the issues indicated above could pose serious challenges to the group’s realization of what was predicted by Goldman Sachs. There is a need to facilitate closer co-operation and co-ordination of positions on various international issues, keeping broader interests in mind. BRICS needs to consolidate as a group and to find common positions on issues of international importance. There is a prerequisite for target-driven and time-bound deliverables accompanied by appropriate measures and mechanisms for delivery and implementation that are tied to sufficient monitoring systems. The execution of assurances made is an explicit way of cementing the institutionalization of BRICS. For BRICS to gain formidable ground in its role in global affairs, such as management of the WTO, IMF and the World Bank, there is a need to decide on common candidates and to field or support common candidates for such positions. A breakdown to do so will consolidate the discernment of a lack of harmony and weaken the BRICS position in global affairs. There is also a need to take a common stand in the G-20. This would in turn give them a greater voice and increased representation. To address issues such as food security, there is a need to promote peer learning and to exchange best practices in the BRICS countries. To fruitfully face challenges at the conjugal frontage and at the group level, there is a need to increase expenditure on R&D, especially in the areas of sustainable development, including food security. One way of actualizing this collaboration in R&D would be by taking advantage of the existing co-operation among think tanks in the BRICS. Different institutes that specialize in different research areas could come together and share knowledge in the promotion of R&D. If they can achieve something in surmounting some of their differences, there is a plethora of possibility for the BRICS countries to systematize themselves into a formidable power bloc.

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