

LECTURE BY PROF ANIL SOOKLAL

THE ROLE OF BRICS IN SHAPING THE EMERGING INTERNATIONAL ORDER

Wednesday, 1 June 2022 from 14:00-15:00

Abstract: The current rules based international order and its structures favour the Global North, its political and economic interests as well as values. BRICS, a partnership forum between Brazil, Russia, India, China and South Africa, was established as a forum of like-minded, progressive emerging market and developing countries committed to the need to restructure the global political, economic, and financial architecture to be more equitable, balanced and representative. Over the last 15 years, the cooperation within BRICS has grown substantially across all three pillars of cooperation, namely political and security, financial and economic, and social/people-to-people cooperation. This cooperation has shown the depth of mutual interests and common values across the diverse membership of BRICS. However, there is significant pushback against an increased voice and representation for developing countries in norm-setting bodies and institutions such as the United Nations Security Council, the World Bank Group and the World Trade Organisation. The response by the Global North to the situation in Ukraine demonstrates how the structures of the international system of global governance can

be manipulated by the Global North despite the disproportionate economic and social impact on the countries and people of the Global South. The response by the Global North further highlights how conflicts and interests of the Global North are treated with an urgency and with resources that are not available to similar longstanding conflicts in the Global South. This lecture will examine the role BRICS has played in shaping the current international order, critically examine the challenges and obstacles to BRICS ambitions for global economic and political governance reform and discuss opportunities for BRICS to reshape the emerging international order given broad developing country concerns about the abuse of the system by the Global North.

Professor Francis Pietersen, Rector and Vice-Chancellor,

Professor Corli Witthuhn, Vice-Rector,

Ladies and gentlemen,

I would like to thank you for this invitation to address this distinguished gathering at your esteemed university. This is a timely moment for our discussion as global developments are shining a spotlight on the fault lines in the international order.

For a number of years now, South Africa has been working with friends across all regional groups to be catalysts for change in our respective

regions, actively mobilising others to support real reforms of the United Nations to make it more inclusive and responsive to the needs of the developing world.

In 2019, we endorsed the Alliance for Multilateralism initiative which states that, and I quote,

“No single country, no matter how powerful and wealthy, can seek to assume for itself the global unilateral monopoly on seeking solutions to all the world’s problems. The multilateral system should be based on common and shared values. It should set norms and standards that should find universal application without exception and should be at the service of humanity and not the narrow interests of the few. The outcomes of multilateral negotiations should be fair and balanced, and benefit all.”

But only a few years later, we find that our Alliance partners believe that the multilateral system should be at their exclusive service during times of conflict and hardship for their region. We find that there is no room for discussion or dialogue on issues that touch their primary security interests.

One of President Biden’s favourite phrases at the moment is that the world is at an inflection point in history, which he defines as a moment “where things are changing so rapidly that we have to be in control.” He speaks of a battle for supremacy between democracies, represented by America,

and autocracies, represented by China in its trade war and now Russia in its actual war.

I do believe America and the West do view this moment as a battle for supremacy, due to the zero-sum lens they apply to international relations.

We have also seen an escalation of tensions with certain members of the international community manipulating the United Nations system, The Bretton Woods institutions and even sporting federations, to purposefully exclude Russia and Russian citizens from as many international and multilateral bodies and processes as possible.

The rhetoric is not just limited to Russia. For the USA the battle for supremacy is with China. It is perhaps no coincidence that this inflection point occurs almost exactly 200 years after China dominated the global economy with almost 40% of the world's GDP in 1820.

The trade war against China echoes that applied to Japan in the 1980s over fears that the US would lose its number one economic spot.

Many in the developed world style themselves as defenders of an international rules-based order, with the UN at the centre, defenders of human rights and fundamental freedoms, defenders of multilateralism, and defenders of the United Nations Charter and its principles.

In its reactions to the Russia-Ukraine conflict, NATO has returned to the old antagonistic paradigm of the Cold War.

Multilateralism is being deliberately weakened amidst attempts to change the agendas of international organisations to serve the interests of only a few.

Perhaps, ladies and gentlemen, this is the real inflection point.

If the United Nations guarantees the shared ideals and common aims of the peoples, how do we ensure that these ideals and aims are not merely aspirational but achievable?

Do we allow the rules, rights and privileges of multilateralism to only apply to a privileged few?

Who will step in to safeguard the relevance and importance of inclusive multilateralism?

Who will take up the reins where they have been abandoned by those who professed to be the champions of multilateralism?

Who will ensure that the emerging international order is more fair, just, inclusive, equitable and representative?

I will argue that BRICS has an opportunity to shape and play a leading role in the emerging world order.

I will outline the role BRICS is playing in shaping the current international order, and examine how BRICS has used its common values on reform to develop mutual interest across a broad range of issues.

I will also critically examine the challenges and obstacles to BRICS ambitions for global economic and political governance reform, and discuss opportunities for BRICS to reshape the emerging international order given broad developing country concerns about the abuse of the international system by those who continue to shape and control the current world order.

It is ironic that the countries that possess military or economic might, reserve the right to make and enforce the rules, but are also the first to break them.

The historical narrative on BRICS begins long before 2001 when a Goldman Sachs analytical report first popularised the acronym when discussing BRIC countries as the likely future leaders of the global economy.

The cooperation between BRICS members doesn't begin at the first meeting of BRIC Foreign Ministers in 2006, nor at the first BRIC Leaders' Summit in 2009, nor at the BRICS Summit in 2011 when membership was expanded to include South Africa.

We as BRICS share a common history of struggle against imperialism, colonialism, exploitation and underdevelopment. The foundations of South-South cooperation were laid at the First Africa – Asia Summit in Bandung, Indonesia in 1955 where Asian and African leaders agreed to develop socio political , economic and cultural co-operation and demanded increased representation for developing countries in the United Nations. South Africa was represented at the Summit by Moses Kotane and Maulvi Cachalia of the ANC

The Conference took place during the collapse of colonialism, independence struggles, and at the height of the Cold War. The Bandung Conference resulted in the formation of the Non-Aligned Movement which remains the template for South-South cooperation and solidarity today, particularly its principles towards creating a more inclusive and equitable international environment.

NAM and its sister formation, the Group of 77 and China, brought the demand for democracy in global governance into international organisations such as the United Nations. The developing world introduced a rich diversity of voices and opinions to multilateralism, and crucially began to question the structure, procedures and decisions of these organisation.

We are driven by shared interests as we share a common vision of the world of the future, namely one in which countries of the Global South have a say in organisations, as well as the opportunity and the power to reshape the global structure and rules to benefit all including the Global South.

It is no coincidence, that the debate was moved outside the global governance system when the G7 was established in 1975 to discuss and coordinate solutions to major global issues. The G7 consolidated power and influence in a limited number of States with a vested interest in maintaining the status quo and preserving economic and political power.

When the G7 (then the G8 with Russia) decided that it needed the buy-in of leading emerging market and developing countries to give its decisions legitimacy, Brazil, China, India, Mexico and South Africa were invited to the Outreach 5. However, the Outreach 5 were never included in the full agenda of the G8, their participation being limited to topics such as climate change and development.

It is not surprising that many countries in the developed world try to undermine the relationship between BRICS members, highlighting the political differences and ignoring the commonalities and shared vision. The response, however, has never been the obvious one, which would be to make existing bodies more inclusive and representative.

In 2023, the G7 will mark fifty years since the informal grouping first met, and it remains the same exclusive elite club as it began. China and India remain on the margins while smaller economies such as Italy and Canada remain seated at the High Table pronouncing on global economic and financial decisions.

Dear Friends,

It should not have been a surprise when leading emerging market and developing economies began to coalesce outside of the Outreach. India, Brazil and South Africa agreed to form IBSA in 2003 to promote cooperation amongst countries of the Global South. Russia, India and China also met as RIC at various levels since 2003, focusing on regional security.

Interestingly, it was the G8 member Russia who initiated the first BRIC Ministerial Meeting in September 2006 on the margins of the United Nations General Assembly Session in New York with a focus on expanding multilateral cooperation between leading emerging market and developing countries.

The First BRIC Summit was then held in Russia in 2009, where the Leaders outlined the goals of BRIC in their media statement, namely to, and I quote,

“Promote dialogue and cooperation among our countries in an incremental, proactive, pragmatic, open and transparent way. The dialogue and cooperation of the BRIC countries is conducive not only to serving common interests of emerging market economies and developing countries, but also to building a harmonious world of lasting peace and common prosperity.” End quote.

The Leaders also took up the call for global economic governance reform by calling for emerging economies to have a greater voice in international financial institutions and for a more diversified global monetary system.

South Africa recognised that the global environment at the time presented an opportunity for a greater political and economic role for BRICS and other emerging powers. South Africa was then invited to the BRICS Leaders Summit in China in 2011.

Ladies and gentlemen,

With the addition of South Africa, the five members of BRICS collectively account for 41 percent of the world’s population, 26 percent of the planet’s land across four of the continents, 25 percent of global GDP and 20 percent of world trade.

This demonstrates why BRICS was founded as a forum of like-minded, progressive emerging market and developing countries committed to the

restructuring of the global political, economic and financial architecture to be more equitable, balanced and resting on the important pillars of multilateralism and international law.

Our diverse economies, development paths, populations, biodiversity, natural resources, cultures and histories also provide fertile ground for practical BRICS cooperation.

This diversity also generates its own challenges, particularly in trying to align diverse government levels, bureaucracies and processes to find a home for new areas of cooperation.

However, BRICS members have approached this cooperation in a spirit of openness and solidarity with the genuine intention to find mutual interests and common values, in a manner that continues to defy the pessimistic predictions of many in the Western world.

Over the last 15 years, cooperation has grown exponentially across a broad range of sectors, and now covers three pillars, namely political and security, economic and financial, and social and people-to-people cooperation. When South Africa chaired BRICS in 2013, we held around 40 meetings at various levels across all the pillars. China, as Chair of BRICS for 2022, has around 180 meetings on the calendar.

Our cooperation is not serviced by a permanent secretariat or office. The Chairship of BRICS rotates annually among the member states in the order of the acronym. The Chair sets the priorities and calendar of events for the year, as well as hosting the Summit and all related meetings.

The Terms of Reference for BRICS encourage the Chair to develop its annual priorities in close consultation with other BRICS members, based on the Chair's agenda as well as previously agreed decisions.

The coordination is managed through a Sherpa and Sous-Sherpa network, of which I am the Sherpa for BRICS in South Africa. All BRICS decisions are taken in consultation with other BRICS members and are based upon consensus.

Ladies and gentlemen,

The political and security pillar is the backbone of the cooperation with our Leaders usually meeting twice a year. Once for the BRICS Summit and once on the margins of the G20 Summit. Our Ministers of Foreign Affairs and International Relations also usually meet twice a year. Once for a Standalone meeting and again on the margins of the United Nations General Assembly.

While changing domestic, regional, and global dynamics can pose challenges to common positions in the political and security pillar, the

BRICS members agree on more than they disagree. And BRICS consistently claims its space in meeting to discuss political and security issues of global relevance, even when the discussions may be frank and robust. BRICS constantly and consistently calls for a deepened international consensus on multilateralism, respect for international law and a reformed global order that is more equitable, inclusive, and representative of current global realities.

For South Africa, it is important that likeminded voices of the Global South are heard in global peace and security issues, and South Africa aims to explore concrete ways towards projecting a stronger and more united progressive BRICS voice on these issues wherever possible.

For example, despite having diverse positions in the UN on the Middle East Peace Process and the Russia-Ukraine conflict, BRICS recently issued consensus statements on both. On the Russia-Ukraine conflict, BRICS supported dialogue and mediation as the only path to peace.

Ladies and gentlemen,

BRICS cooperation is not only ideological. It is practical and aims to provide tangible benefits to its people.

The economic and financial pillar is where South Africa leverages our partnership with the locomotives of global economic growth towards

addressing our triple challenges of poverty, inequality and unemployment, as well as South Africa's post-pandemic economic recovery, through increased trade, investment, tourism, capacity building, skills, and technology transfers.

South Africa's trade with BRICS increased by an average growth of 10% between 2017 and 2021. For South Africa, over 17% of its 2021 exports were destined for BRIC countries while it sourced over 29% of its total imports from its BRIC partners. Total South African trade with BRIC reached R726 billion in 2021 up from R487 billion in 2017. Trade with China remains significantly larger than other BRIC nation, accounting for 73% of South Africa's exports to BRIC. Trade diversification remains a priority for South Africa and multiple opportunities exist for South African trade with BRICS.

Implementation of the BRICS Action Plan for the Strategy of BRICS Economic Partnership aims to enhance intra-BRICS economic interaction and cooperation, including opportunities for market access, creating a business-friendly environment for investors and entrepreneurs in all BRICS countries, and supporting value addition.

In support of economic recovery, BRICS has agreed to strengthen collaboration in catalytic sectors such as energy, information technology, science, technology and innovation, agriculture and the green economy.

These are all important sectors identified in South Africa's Economic Reconstruction and Recovery Plan.

Significant achievements have been made in the area of financial cooperation with the establishment of the Contingent Reserve Arrangement and the New Development Bank. The Bank is the only formal institution established by BRICS to date but it plays a critical catalytic role in providing financial and project preparation support for infrastructure and sustainable development projects in South Africa and Africa.

South Africa has benefited from eleven approved projects to date, valued at approximately \$5.4 billion, which aim to improve our service delivery in critical areas. The Bank also demonstrated its flexibility in rapidly approving \$2 billion for each BRICS member under the COVID-19 Emergency Loan Programme to fund the fight against the pandemic and to support our economic recovery.

Ladies and gentlemen,

The importance of the social and people-to-people cooperation pillar was revealed in the BRICS response to COVID-19. BRICS is not a forum for political point-scoring or a race to profit off the pandemic. Instead, we

focused on collaboration aimed at ensuring benefits flow to all, including Africa and the poorest of the poor.

All tracks of the BRICS cooperation were reprioritised to address the health, economic and social devastation of the pandemic. The pandemic reminded us of the importance of research and innovation in the development of a vaccine and the need to ensure affordable access to quality and effective healthcare and diagnostic tools.

The launch of the BRICS Vaccine Research and Development Centre in March this year is an important example of BRICS best practice in international health and science cooperation to prepare for future crises. The operationalisation of the Centre delivers on the agreement made during the Johannesburg Summit under South Africa's Chairship of BRICS in 2018. This will be further bolstered by the work towards establishing a BRICS Integrated Early Warning System for preventing mass infectious diseases risks.

BRICS is also a platform for sharing and learning and is open to new ideas and directions. BRICS education cooperation has resulted in the establishment of the Network of BRICS Universities in 2018. Another unique aspect of BRICS is the establishment of the BRICS Think Tank Council, BRICS Academic Forum and the CIVIL BRICS forum. Other track

III structures supporting BRICS cooperation including annual meetings of youth, labour, political parties and parliaments.

Ladies and gentlemen,

South Africa has chaired BRICS twice so far, in 2013 and 2018. During both Chairships, South Africa focused on the partnership between BRICS and Africa. In 2013, we met under the theme: BRICS and Africa: Partnership for Development, Integration and Industrialisation. And in 2018 we met under the theme: BRICS in Africa: Collaboration for Inclusive Growth and Shared Prosperity in the 4th Industrial Revolution.

Importantly, it was also South Africa who introduced the BRICS Outreach Dialogue during its 2013 Chairship with the invitation of key African Leaders. This was further expanded on by China during its Chairship in 2017 with the introduction of the BRICS Plus Leader's Dialogue.

These initiatives are in keeping with the founding principles of BRICS to enhance engagement and interaction with the Global South. This concept was further expanded during our recent Foreign Ministers meeting which saw Foreign Ministers of 9 Emerging Markets and Developing Countries in dialogue with BRICS Foreign Ministers for the first time.

As BRICS we walk the talk on increased voice and representation. We recognised already in the founding document of the New Development

Bank that it could only develop into a credible global finance institution through the gradual expansion to other emerging markets and developing countries.

South Africa therefore welcomed Bangladesh, Egypt, Uruguay and the United Arab Emirates as new members of the Bank in the first phase of expansion at the end of 2021.

Our engagement with BRICS Plus Leaders and Foreign Ministers has highlighted that emerging markets and developing countries have very consistent messaging and demands on the need for increased representation and voice in today's global governance institutions.

South Africa believes that BRICS needs to build on this and partner with other organisations of the Global South as a force multiplier for real change. A common vision of actively shaping the international order to reflect the needs and aspirations of the Developing World needs to lead to tangible outcomes.

Ladies and gentlemen,

Last year, the BRICS Ministers of Foreign Affairs and International Relations, adopted a Joint Statement on Strengthening and Reforming the Multilateral System. It stated that an intertwined world, truly effective and representative multilateralism is no longer an abstract ideal to be evoked

in matters of war and peace alone, but an essential tool for ensuring successful governance of matters of everyday life and promoting the well-being of people and a sustainable future for the planet.

Also last year, the UN Secretary-General gave us hope with his global vision of inclusive and transformed multilateralism. He proposed that the international community adopt a common agenda for humanity that would see us collectively address climate change, conflict, poverty and insecurity in a manner that promotes inclusion, shared development and equality.

However, recent global events and growing regional conflict have eroded this vision. Instead, the world is even more divided.

We are concerned that the world's attention and resources are being shifted away from the Sustainable Development Goals and from the most needy and vulnerable.

Developing countries do not have the same ability to withstand external shocks, as Developed Countries, however it is the Global South that disproportionately continues to bear the economic and social impact of the pandemic. It is the Global South that disproportionately bears the economic and social effects of the crisis as well as the impact of the unilateral economic measures imposed.

South Africa does not view BRICS as a rival of the Global North. We do not wish for a battle for supremacy over our international institutions.

Our vision is of BRICS taking up the reins where they have been abandoned by those who professed to be the champions of multilateralism.

Conclusion

Ladies and gentlemen,

Following the outbreak of the Russia-Ukraine war, questions have been raised about the future of BRICS, and whether BRICS has a role in shaping the emerging global architecture?

My response is a strong affirmative.

BRICS was founded on the core principle of shaping an international order that is more fair, just, inclusive, equitable and representative.

It is also focused on strengthening and reforming multilateral systems, with the UN at its centre.

It is paramount that the Global South are no longer outliers or merely witnesses to an evolving global architecture.

BRICS is a powerful voice of countries of the south. The BRICS Outreach and BRICS Plus have been embraced by the countries of the South who

have been interacting with BRICS over the last decade, including the African Union and other regional organisations of the South.

It is important that BRICS remains true to its founding principles and continue, now more so than ever, to champion the core interests of the Global South, especially overcoming political, economic and financial marginalisation.

Furthermore, BRICS must continue to address the key developmental challenges of poverty, underdevelopment and inequality, which have been relegated to the margins by most in the international community.

BRICS must become a force multiplier in addressing the key challenges of the developing world.

South Africa's vision for BRICS has never been to create an exclusive elite club, but to harness our common vision and resources to benefit our people through tangible mutual cooperation and to actively shape the world to the benefit of all.

We do not view BRICS as a forum of containment or contestation, but rather as a forum of cooperation for the mutual benefit of the international community.

We should guard against being drawn into major power contestation. However, we should challenge those that seek to perpetuate their hegemonic ambitions on the global stage.

To draw on the wisdom of Thucydides, the 5th century BC Greek historian and general who noted that “When a great powers position as hegemon is threatened by an emerging power there is significant likelihood of war between the two powers. He further notes that “The strong will continue to do what they can, and the weak will continue to suffer what they must.”

The global south is no longer weak. Nor will we continue to perpetuate suffering imposed upon us.

The BRICS has an important role to play in shaping the emerging international order at this critical juncture in human history.

There has been much speculation in recent times about who will shape the emerging international order. We are witnessing a flurry of new geopolitical alignments and alliances, some of which breaches the traditional north – south divide. On the eve of the Russia -Ukraine war, President Xi and President Putin met on the margins of the opening ceremony of the Beijing Winter Olympics on 4th February 2022, where they declared that there were” no limits to their strategic partnership”. On the 24th of May 2022, the leaders of The Quad met in Tokyo for the 4th time in the past year during which they launched the Indo- Pacific

Economic Framework involving the Quad and 9 other countries from the Indo Pacific. In September 2021, Australia, UK, US launched the tri-lateral security pact. AUKUS. Recently both Sweden and Finland have stated their intention to seek NATO Membership. The Russia – Ukraine war has witnessed an accelerated pace of shuttle and virtual diplomacy seeking to wield influence, strengthen alliances as well as forge new spheres of influence by the major powers.

BRICS must continue to champion the interest of the South whilst also working in partnership and cooperation with the global community including countries of the North that share a common vision of creating a global order that is underpinned by multi polarity, a rule based international order, international law and a reinvigorated reformed and strengthened multilateral system with the UN at its centre. We must return to the ideals of the UN Charter and build a people centred world order as so succinctly stated in the preamble of the UN Charter.

--- “ to reaffirm faith in fundamental human rights , in the dignity and worth of the human person, in equal rights in men and women and of nations large and small --- and practice tolerance and live together in peace with one and another as good neighbours”

Dear Friends we must work collectively to build a better world and a better life for all. We must remain optimistic and hopeful just as we did during the dark days of our own struggle for freedom and democracy.

Thank You