

Brics – emerging power essay sample



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BRICS is an acronym for the group of emerging market countries including Brazil, Russia, India, People's Republic of China and South Africa. Earlier the group consisted of only four countries, namely Brazil, Russia, India and People's Republic of China and was named as BRIC. South Africa joined the group on December 24, 2010 and the enlarged group was named BRICS.

Though the BRIC countries met for their first official summit on 16 June 2009, in Yekaterinburg, Russia discussions and exchange of views had begun in September 2006, at a meeting of the BRIC foreign ministers. Four high-level meetings followed, including a full-scale meeting in Yekaterinburg, Russia, on May 16, 2008.

The first official BRICK summit, conducted on 16 June 2009 was attended by Luiz Inácio Lula da Silva, Dmitry Medvedev, Manmohan Singh, and Hu Jintao, the respective leaders of Brazil, Russia, India and China. The focus was on improving the global economic situation and discussing how the four countries can better work together in the future, as well as a push to reform financial institutions. An important issue was how emerging markets countries could be better involved in global affairs in the future. A key outcome was the suggestion for a new global reserve currency that would be ' diversified, stable and predictable'.

The second BRIC summit took place in Brasilia, Brazil on April 16, 2010. The leaders discussed various current issues including Iran's nuclear programme, the furtherance of the BRIC as an international body, the global economic situation, reform of financial institutions, the financial G20, and significantly issues related to global governance.

South Africa could sense the importance of being a member of BRIC and hence sought membership during 2010. The process for formal admission began as early as August 2010. South Africa was officially admitted as a member nation on December 24, 2010 after being formally invited by the BRIC members. The enlarged group was renamed BRICS with the “ S” for South Africa appended to the acronym. President Jacob Zuma of S. A. attended the first BRICS summit in Sanya, Hainan province, China in April 2011. At the conclusion of this summit, the leaders issued a joint statement known as the Sanya declaration.

Some international financial agencies including Goldman Sachs expressed surprise at the inclusion of South Africa in BRICS. However it became clear that the admission of S. A reflected the addition of the emerging African Continent to Asia, South America and Europe represented by the BRIC grouping.

In keeping with the changing global order, the ambition of BRICS is to seek a multi-polar, democratic and equitable world order based on international law, equality, mutual respect, cooperation, coordinated action and collective decision making on economic and political issues.

The three summits of BRICS held till date have provided strategic outcomes. Firstly, BRICS has emerged as a major player in global affairs. The member countries have progressively realized this after the idea of BRICS became popular. They are encouraged by this recognition and want to play a greater role in global affairs.

The group intends to contest the prevailing economic and political hegemony of the US and its western allies. Their demands for a multi-polar world and a fair global order are directed towards the end. They also want to restructure the economic order to gain effective space. The BRIC leaders believe that their combined strength and unity of purpose would enable them to realize the goal.

The BRIC leaders demanded reforms of the International Monetary Fund (IMF) and the World Bank. Participating in the Doha development round of trade negotiations they called for fighting global poverty and terrorism and early conclusion of climate change negotiations on the basis of principles of common but differentiated responsibility.

However, the group faces some constraints. Firstly, the entire BRICS thesis revolves around the economic projections as well as the combined strength of its members. BRICS projections are based on the assumptions that resources are limitless will be available when needed, both of which are debatable.

Given the nature of their economic rivalry and divergent views on bilateral, regional, and global issues, continuing cooperation is a difficult task.

Differences between India and China on political as well as economic issues in Asia are thorny aspects which have to be carefully dealt with

Moreover the external strategic linkages of these countries may obstruct the progress and functioning of the BRICS entity. The two countries' relations with the U. S. poses a tricky challenge. It is clear that BRICS has the potential to establish a powerful economic counter to the G8 group which comprises

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the developed economies of North America, Europe and Japan It has been predicted that by 2025, the combined economies of the BRICS will be half the size of the G8, and in 40 years, will likely be larger. The rankings of national economies within the group will definitely change considerably.

The Fourth BRICS Summit was hosted in New Delhi on 29 March 2012 under the overarching theme of “ BRICS Partnership for Global Stability, Security and Prosperity.” The Summit has imparted further momentum to the BRICS programme.

Two agreements namely- “ Master Agreement on Extending Credit Facility in Local Currencies” and “ BRICS Multilateral Letter of Credit Confirmation Facility Agreement”- were signed by the Development Banks from BRICS countries.

The 2013 BRICS summit will be the fifth annual summit, an international relations conference to be attended by the head of states or heads of government of the five member states Brazil, Russia, India, China and South Africa. The summit will be held in Durban, South Africa in March 2013.