

# How the BRICS Exert Influence in the Global Politics of Development

Written by Matthias vom Hau

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MATTHIAS VOM HAU, OCT 24 2017

One of the key drivers of the recent transformation of international politics and the transition towards multipolarity is the emergence of so-called BRICS—Brazil, Russia, India, China and South Africa. And indeed, 20 years ago it would have been difficult to imagine Brazil as the main regional leader in Latin America, South Africa as a major player in the World Trade Organization (WTO), or China as the second largest economy in the world. Much of the scholarly discussion has focused on *whether* the BRICS are powerful and here to stay (e.g., Stuenkel 2015), or whether their power is ultimately overrated and the BRICS constitute a largely transient phenomenon (e.g., Korzeniewicz, 2012; Milanovic, 2010). Debates have also centered on what the rise of the BRICS means for areas as diverse as global governance, democratization, trade policy and social provision (e.g., Friedburg, 2005; Macfarlane, 2006; Ramo, 2004; Segal, 1999; Soares de Lima and Hirst, 2006; Stuenkel, 2015).

What has received less attention is *how* the BRICS project power. In response this essay distinguishes four broad strategies of exerting international influence (see vom Hau, Scott, and Hulme, 2012). More specifically, and shown in Table 1, I contrast between strategies that seek to exercise power through agenda-setting within international organizations, with strategies that focus on individual or small groups of countries and work primarily through agreements, treaties or mediation. I also distinguish the geographical scope of international policy making by pinpointing whether a strategy of influence is regionally bounded or global in scope and ambition. It bears emphasis that the different modes of international engagement are not mutually exclusive, individual countries might pursue several strategies at the same time.

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## Four Strategies of International Power Projection

*Issue leading* is centered on policy making in global governance institutions such as the WTO or the United Nations (UN) and involves coalition building and group formation. Issue leadership often entails a multilateralist approach and the provision of intellectual leadership, technical support and political convening facilities. For example, within the WTO South Africa played a crucial role in forging consensus around the 2003 Decision on Trade Related Intellectual Property Rights (TRIPS) and Public Health, both in coordinating a common position among developing countries and then creating consensus around this position with the developed countries (Jordaan, 2012).

Similar to issue leadership, *opportunity seeking* also unfolds on a global scale. Yet, the main focus of engagement are countries, not organizations. Opportunity seeking involves the establishment of close bilateral relations with developing countries perceived as being of economic or strategic importance. These relations may take the form of free trade agreements, bilateral treaties or development partnerships, and are often coupled with strategic investments. China exemplifies this mode of engagement. During the last decade, the Chinese government has pursued an aggressive bilateral free trade agreement strategy that reflects its export-oriented development model. This has been accompanied by a dramatic increase of ODA to developing countries around the world, especially in the form of loans that are linked to promoting exports and securing access to natural resources.

These global modes of international policymaking contrast with more regionally-focused strategies of engagement. *Region organizing* involves leadership in organizations that represent a geographically defined area. This kind of organization provides a forum for the multilateral negotiation of security and economic concerns, and it also constitutes a venue for the ideological construction of a distinct regional identity. Within these organizational contexts, regional organizers often act as agenda-setters and mediators. South Africa is a case in point. The creation of the New Partnership for Africa's Development (NEPAD) has given the country a vehicle for extending its influence within sub-Saharan Africa. South Africa is recognized by member states as a leader on security and development goals, in exchange for maintaining a "soft-soft" diplomacy towards authoritarian African leaders, such as Robert Mugabe's regime in Zimbabwe (Carmody, 2012).

The fourth mode of international engagement is also regional in orientation. *Region mobilizing* focuses on the cultivation of strategic and economic ties with neighboring countries, whether through multilateral or bilateral trade agreements, infrastructural investments, or migration policy. Region mobilizes are usually economically, politically and ideologically well-integrated within a particular region, and often act as mediators for great powers and/or regional entry points for capital and trade. Brazil exemplifies this strategy. The country has recently fostered bilateral relations to shape development within Latin America. Channels of influence include the systematic increase of FDI, government support for the expansion of companies into neighboring markets, and the construction of port and road facilities.

Taken together, the distinction between issue leadership, opportunity seeking, region organizing and region mobilizing introduces a more dynamic and political perspective that allows moving beyond equating the extent of a BRICS country's influence with geographic location, demographic size, and/or its standing within the global income hierarchy.

## Explaining the Adoption of (a) Particular Strategy(ies)

The next question is: How to account for variations in the particular route of international engagement (or combination thereof) taken by each of the BRICS countries? The argument developed in the remainder of this essay certainly does not pretend to be a parsimonious theory, but rather provide a number of initial pointers for future research.

My starting point is that substantial changes in the world economic order and the international state system over the last 20 years have created new *opportunities and pressures* for BRICS countries to become involved in the global politics of development. The end of the Cold War, together with the push towards trade openness, financial liberalization and the resulting intensification of global economic competitiveness constitute the backdrop against

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which these countries have developed new forms of international political engagement. Of particular importance has been the partial decoupling of the Global South from the OECD economies. Though the markets of the US and the EU continue to be of immense importance, the emerging markets in the BRICS are the sites of significant new demand. These shifting power relations have opened up new spaces for international political engagement.

Furthermore, globalization has put new pressures on the BRICS. During the last three decades most states around the world adopted a liberal economic model and opened up their national economies to global market forces. Trade barriers have been reduced, markets have been liberalized, with the result that goods and capital move around the globe in unprecedented volumes with unprecedented speed (Castells, 1997; Held *et al.*, 1999). Recently industrializing countries implemented an export-oriented development model, which entailed the searching for and promotion of new markets. Their dependence on international trade and investment made it imperative for the BRICS to take on a more active role within the global governance of development to facilitate trade, investment and capital flows abroad.

Yet, the new opportunities and pressures confronted by the BRICS alone cannot account for the distinct modes of international policy making found among these countries. It is therefore crucial to unpack how these global changes interacted with specific economic and political contexts at the national level. The intent to build a new regional power base, take on an intermediary role in international organizations, provide ODA, or systematically invest in the infrastructure of other developing countries needs to be understood within the context of domestic politics and the political economy of a particular BRICS country. Of particular importance in prompting particular modes of engagement are therefore natural resource access, state-business elite relations, the nature of civil society networks, and within-nation inequalities.

More specifically, the need to have available natural resources for sustaining economic growth greatly affects the international political projects of states (e.g., Cotula *et al.*, 2009). Economic risers such as the BRICS are concerned about their access to oil, gas and other critical commodities and often seek to expand their influence in potential supplier countries, whether those countries are located in their direct geographical neighborhood or not. Access to natural resources, however, plays little role in motivating issue leadership in global institutions such as the UN, the World Bank, or the WTO. Power projection in the context of international organizations requires attention to domestic politics more broadly. Institutionalist analyses have long argued that sectorally determined business interests (Shafer 1994) and the relative power of different and often contending business groups (Schneider 2004) crucially shape the development policies chosen by a particular country.

It is important to note, however, that business-state relations is not the only vector in domestic politics that shapes engagement within the global politics of development. Non-governmental organizations (NGOs) and social movements constitute formidable political forces in their own right, and are endowed with the potential to shape how international influence is exercised. Conflicts and alignments between state authorities and civil society networks influence which official foreign policy positions are assumed and how a country interfaces with the international (Brysk 2000; Castells 1997).

Finally, the international ramifications of domestic factors are not limited to state-business and state-civil society alignments. The distribution of economic resources more broadly, and its entwining with categorical inequalities and political cleavages (Tilly 1998), often has substantial ripple effects on international policymaking. For example, in post-apartheid South Africa the persistence of stark ethnoracial divisions and the sharp increase in income differentials between rich and poor fostered a peculiar business climate. South African companies seek markets abroad and pressure the national government to promote new investment opportunities in sub-Saharan Africa, while the majority of the population of townships is not even considered part of the economic equation (Carmody, 2012).

## Conclusions

This article has distinguished four major strategies of international engagement that are employed by the BRICS: issue leadership, region organizing, opportunity seeking and region mobilizing. The particular strategy(ies) these countries use to cement their rising economic position and to exert international influence are varied, and depend on

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their particular circumstances and national economic and political characteristics. I contend that this approach helps to move beyond the idiosyncrasies of each BRICS country, while also establishing a flexible tool for tracing forms of international power projection across different cases and time. This inbuilt flexibility provides a distinct advantage over identifying particular countries with a fixed role within the global order – as suggested by established classifications such as “great powers,” “regional powers,” “semi-peripheral countries,” or “anchor countries.”

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