

# **BRAZIL, RUSSIA, INDIA AND CHINA (BRIC): RESHAPING THE WORLD ORDER IN THE 21<sup>ST</sup> CENTURY**

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## **Abstract**

In the coming decades, the collective political and military prowess of the BRIC nations – Brazil, Russia, India, and China – will be commensurate with their growing economic power. With the rise of the BRIC countries in the 21<sup>st</sup> century, the unipolar world order that is centered on the United States is shifting toward a multipolar world order that is more representative and equitable. Because the BRIC nations are taking the lead in bridging the socio-economic disparity between the developing and developed countries and playing a larger role as responsible stakeholders, the United States needs to recognize their significant contribution to the global community and accord them a representative voice in reshaping the world order.

## INTRODUCTION: A SHIFTING WORLD ORDER

A significant shift in world order is manifesting in the 21<sup>st</sup> century. An emergence of economic power among the developing countries is altering the distribution of political power in international governance. The most prominent emerging powers are the BRIC countries – Brazil, Russia, India and China – and they are projected to overtake the Group of Seven (G-7) economies by 2032, according to the December 2009 report by Goldman Sachs.<sup>1</sup> In the coming decades, the BRIC countries' collective political and military prowess will be commensurate with their growing economic power. Competition and tensions may result in conflict as the BRIC economies become powerful enough to counter-balance the United States or constrain U.S. unilateralism and interests. Applying Organski's power transition theory, the emerging BRIC nations, particularly China, will have the potential to become powerful nations that can challenge the United States as the dominant nation if they are dissatisfied with the world order.<sup>2</sup> However, this may not necessarily be the case. Liberal institutionalism suggests that regional and global institutions such as the United Nations will be able to act as arbitrators in state disputes and mitigate potential conflicts that may arise when the power shifts toward the BRIC nations.<sup>3</sup> Because states have too much to lose in going to war, liberalism suggests that "globalization, in its aspects as unfretted free trade in a global scale, is a peace producer."<sup>4</sup> Overall, economic integration in the globalized world directly strengthens security.

Assuming that countries of the 21<sup>st</sup> century have learned from the past two world wars the lesson of the huge costs imposed on humanity by major conflicts, the BRIC nations, the United States, and other powers will leverage multilateral institutions to mitigate the risks of conflict. Factors such as the rising economic interdependence of trade relations, the increasing adherence by all to international law, and the presence of established multilateral institutions to address global issues all contribute to risk mitigation. At the same time, it is important that emerging powers are given a representative voice in shaping the world order because representation minimizes dissatisfaction with the status quo and promotes a representative and equitable world order.

In recent years, the BRIC countries have started to lead the developing countries in addressing the dissatisfactions with the current world order by seeking changes in the economics, politics, and military security realms. Because the BRIC nations are taking the lead in bridging the socio-economic disparity between the developing and developed countries and playing a larger role as responsible stakeholders, the United States needs to recognize their significant contribution to the global community and accord them a representative voice in reshaping the world order.

## RISE OF THE BRIC NATIONS

The BRIC term was coined by Goldman Sachs economist Jim O'Neill in 2001 to describe these large emerging economies with fast growth rates. Together, the BRIC economies accounted for about 22 percent of the world economy in 2008, up from 16 percent a decade earlier, based on the measure of purchasing power

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<sup>1</sup> Jim O'Neill and Anna Stupnytska, "The Long-Term Outlook for the BRICs and N-11 Post Crisis," *Goldman Sachs Global Economics Paper No: 192*, December 4, 2009, 3.

<http://www2.goldmansachs.com/ideas/brics/brics-at-8/BRICS-doc.pdf> (accessed April 30, 2010).

<sup>2</sup> Jacek Kugler and A.F.K. Organski, "The Power Transition: A Retrospective and Prospective Evaluation," in *Handbook of War Studies*, ed. by Manus Midlarsky (Boston: Unwin Hyman, 1989), 173.

<sup>3</sup> Cornelia Navari, "Liberalism," in *Security Studies: An Introduction*, ed. by Paul Williams (London and New York: Routledge, 2008), 39.

<sup>4</sup> *Ibid.*, 35.

parity.<sup>5</sup> Between 1999 and 2008, real economic growth averaged 9.75 percent in China, 7 percent in both India and Russia, and 3.3 percent in Brazil.<sup>6</sup> The December 2009 economic forecast conducted by Goldman Sachs projects that the BRIC economies can become as large as the Group of Seven (G-7) economies by 2032.<sup>7</sup> It predicts that China may overtake the United States to become the largest economy in the world by 2027. India may overtake Japan to become the third largest economy as early as 2027, while Brazil and Russia may overtake Japan to become the fourth and fifth largest economies by 2050. Goldman Sachs' economic forecasting is echoed by Frost and Sullivan who also project that other than the United States, the BRIC nations will be the world's largest economies by 2050.<sup>8</sup> Although the BRIC economies have been negatively affected by the global financial crisis of 2008, especially Russia and Brazil, they are rebounding and are expected to maintain sustained growth rates in the coming decades.

International trade is an important driver of growth for these emerging countries. The BRIC countries' share of global trade stands at 13 percent, compared to about 6 percent a decade earlier, and is expected to continue to grow at a significant rate.<sup>9</sup> To facilitate trade and enhance stability in their financial markets, the BRIC nations hold large amounts of foreign currency reserves. All four countries are among the top ten holders of currency reserves, accounting for 40 percent of the world's total reserves. Reuters reported that "if the BRICs were to set aside one-sixth of their reserves, they could create a fund the size of the IMF [International Monetary Fund]."<sup>10</sup> Surpassing all countries, China is the largest accumulator with \$2.4 trillion in reserves, which is enough to buy two-thirds of all the National Association of Securities Dealers Automated Quotations (NASDAQ) companies.<sup>11</sup>

The emerging economies propel their economic growth by leveraging their respective competitive advantage in the world economy. China and Russia have relatively open economies, and exports account for about one third of their respective Gross Domestic Product (GDP). India and Brazil are less open economies, and their exports account for less than a fifth of their respective GDP.<sup>12</sup> In terms of competitive advantage, Brazil is an agricultural and mining powerhouse, and has the potential to be a player in the world energy market if its extraction of deep-sea oil reserves is successful. Russia is the world's second-largest oil exporter, and has a large military-arms export industry. India has a large service industry with strong Information Technology (IT) and outsourcing services sectors, while China is the world's manufacturing center. Not surprisingly, China accounts for almost two thirds of the BRIC economies' share of global trade.<sup>13</sup> While the main reason for this is China's huge manufacturing industry, it is also because China has opened up its economy extensively and benefited from joining the World Trade Organization (WTO) in 2001. Hence, Russia's bid to enter the WTO has significant potential for its economic development.

To commensurate with their growing economic strength, the BRIC nations are rapidly modernizing their military capabilities to catch up on much-delayed technological upgrades that are essential in safeguarding their territorial and economic interests. It is noteworthy that all four countries have nuclear capabilities. Russia, India and China are nuclear weapon states; Brazil had a nuclear weapons program which it abandoned in the 1980s,

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<sup>5</sup> "Factbox-Emerging BRIC powers and the new world order," *Reuters*, June 10, 2009. <http://www.reuters.com/article/idUSN1040024820090610> (accessed April 30, 2010).

<sup>6</sup> *Ibid.*

<sup>7</sup> O'Neill and Stupnytska, 3.

<sup>8</sup> Frost and Sullivan, "Frost & Sullivan Expects Soaring Defence Budgets and Increased Procurement in Brazil, Russia, India and China (BRIC)," *Frost and Sullivan*, October 26, 2009. <http://www.frost.com/prod/servlet/press-release-print.pag?docid=183223047&ctxixplabel=FcmCtx2> (accessed April 20, 2010).

<sup>9</sup> O'Neill and Stupnytska, 8.

<sup>10</sup> "Factbox-Emerging BRIC powers and the new world order," *Reuters*.

<sup>11</sup> *Ibid.*

<sup>12</sup> "The trillion-dollar club," *The Economist*, April 15, 2010.

[http://www.economist.com/opinion/PrinterFriendly.cfm?story\\_id=15912964](http://www.economist.com/opinion/PrinterFriendly.cfm?story_id=15912964) (accessed May 2, 2010).

<sup>13</sup> O'Neill and Stupnytska, 8.

but still maintains its civilian nuclear energy program. Brazil is also currently procuring a nuclear-powered submarine for the purpose of patrolling its offshore oilfields.<sup>14</sup> The BRIC countries' military modernization programs, coupled with their nuclear capabilities, will position them well in protecting strategic access to markets and energy.

A Frost and Sullivan report on defense budgets and military procurement showed that in 2008 the BRIC nations accounted for combined expenditures of about 13 percent of the global spending, while the United States and Europe accounted for about 40 percent and 25 percent respectively.<sup>15</sup> While the BRIC countries' defense spending appears to be dwarfed at the moment, military modernization programs are expected to push up their defense spending significantly in the coming decades. It is noteworthy that the combined number of active and reserve troops in the BRIC nations currently matches the total number of troops in the rest of the world. As such, Frost and Sullivan project that the BRIC countries' military modernization programs and troop upgrades will require their defense budget allocations to escalate faster than in the rest of the world.<sup>16</sup>

In the future, their military modernization programs will impact power relations in their respective regions. Brazil will develop an edge over Argentina in their traditional competition for power dominance in the Latin America, and Brazil's influence may spill over to the African continent where Brazil has investment interests. Russia will be able to enhance its influence in Eastern Europe, Central Asia, and the Arctic. India and China will be able to exert greater influence in the Asia Pacific region and beyond. The plans by India and China to acquire aircraft carriers within the next decade illustrate their desires to project maritime power at extended ranges, enabling the two countries to balance the United States, Japan, and each other within the Asia Pacific region.

The U.S. National Intelligence Council estimates that by 2025, China will be the world's second largest economy and will be a leading military power.<sup>17</sup> According to Frost and Sullivan estimates, China is currently the fourth largest military spender globally with a defense budget of \$70.2 billion, which is equal to that of France, although below both the United Kingdom and the United States.<sup>18</sup> In the future, Chinese is looking to procure two aircraft carriers by 2015 (which are likely to be complemented by Sukhoi Su-33 fighter aircrafts), five Type 094 submarines, and transport aircraft (similar in size to C-17 Globemaster III).<sup>19</sup> These military capabilities will enable China to project force on a sustained basis beyond its coastal periphery within the next 10-20 years.<sup>20</sup>

The U.S. National Intelligence Council predicts that over the next 15-20 years, Indian leaders will strive for a multi-polar international system in which New Delhi will be one of the poles. Frost and Sullivan reported that India's defense budget reached \$27.5 billion in 2008 – a 10 percent increase over the previous year – and made it the ninth largest defense spender in the world.<sup>21</sup> It is noteworthy that Indian defense expenditures have almost doubled in a short period of five years or so.<sup>22</sup> India's key military procurements include two aircraft carriers by 2012, multi-role combat aircraft, future main battle tanks, and unmanned aerial vehicles. India's

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<sup>14</sup> "The trillion-dollar club," *The Economist*.

<sup>15</sup> Frost and Sullivan, "Frost & Sullivan Expects Soaring Defence Budgets and Increased Procurement in Brazil, Russia, India and China (BRIC),"

<sup>16</sup> Frost and Sullivan, "Frost & Sullivan Expects Soaring Defence Budgets and Increased Procurement in Brazil, Russia, India and China (BRIC)."

<sup>17</sup> U.S. National Intelligence Council, *Global Trends 2025: A Transformed World*, November 2008, vi.

[http://www.dni.gov/nic/PDF\\_2025/2025\\_Global\\_Trends\\_Final\\_Report.pdf](http://www.dni.gov/nic/PDF_2025/2025_Global_Trends_Final_Report.pdf) (accessed March 20, 2010).

<sup>18</sup> Frost and Sullivan, "An Executive Analysis of the Defence Budget and Procurement in the BRIC Countries," *Frost and Sullivan*, June, 2009, 84.

<sup>19</sup> *Ibid*, 89-92.

<sup>20</sup> Marvin C. Ott, "Southeast Asian Security Challenges: America's Response?" *Joint Forces Quarterly* 45 (2007), 18.

[http://www.ndu.edu/inss/Press/jfq\\_pages/editions/i45/7.pdf](http://www.ndu.edu/inss/Press/jfq_pages/editions/i45/7.pdf) (accessed April 4, 2010).

<sup>21</sup> Frost and Sullivan, "An Executive Analysis of the Defence Budget and Procurement in the BRIC Countries," 55.

<sup>22</sup> *Ibid*.

military modernization has extended its strategic influence beyond the Indian Ocean Region (IOR) and the Gulf of Arabia to the Malacca Strait.<sup>23</sup>

With the rapid military modernization of China and India, an important dimension of BRIC cooperation is that it allows them to balance each other, promote trust, and reduce strategic miscalculations. While intra-BRIC competition may arise, it is more likely that the BRIC group will be driven to cooperate with each other in keen pursuit of stronger economic development and greater representation in international political governance while they place mutual political skirmishes in the back seat. Thus far, the series of finance and foreign relations ministerial-level meetings since 2006, the inaugural official summit between the BRIC heads of state on 16 June 2009, and its second summit on 15 April 2010 have indicated their strong motivation to cooperate and reshape the world order.

### **RESHAPING THE WORLD ORDER IN THE 21<sup>ST</sup> CENTURY**

According to a joint statement issued after the second summit in April 2010, the BRICs stated that “[they] share the perception that the world is undergoing major and swift changes that highlight the need for corresponding transformations in global governance in all relevant areas. [They] underline [their] support for a multipolar, equitable and democratic world order, based on international law, equality, mutual respect, cooperation, coordinated action and collective decision-making of all States.”<sup>24</sup> This implies that they seek a multipolar world order that is more representative and equitable.

Compared to its first summit in 2009, which solely addressed responses to the global financial crises, the second summit demonstrated the BRIC countries’ commitment to making a more significant impact on the world order. During its second summit, the BRIC nations expressed their shared commitment in the areas of global governance, international economic and finance, international trade, development, agriculture, fighting against poverty, energy, climate change, terrorism, culture, religion, and cooperation.<sup>25</sup> The BRIC economies emphasized that they “believe the deepened and broadened 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.”<sup>26</sup> The wide scope of their commitment suggests that the BRIC nations intend to reshape the world order by addressing dissatisfactions with the current world order in the economics, politics, and military security realms.

#### ***Economics: Bridging the Socio-Economic Disparity***

The main dissatisfaction developing countries have with the current economic world order is that international economic and financial policies are dictated largely by the United States and the other G-7 countries including Canada, France, Germany, Italy, Japan, and United Kingdom. This places enormous decision-making power in the hands of developed countries while the economic interests of developing countries are

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<sup>23</sup> Carlyle A Thayer, “Maritime Strategic Overview of the Asia Pacific Region,” in *Realizing Safe and Secure Seas for All: International Maritime Security Conference 2009*, ed. by Joshua Ho (Singapore: Select Publishing, 2009), 34.

<sup>24</sup> Brazil, Russia, India and China, “II BRIC Summit – Joint Statement,” *Press Information Bureau*, Government of India, April 16, 2010. <http://pib.nic.in/release/release.asp?relid=60398> (accessed May 2, 2010).

<sup>25</sup> *Ibid.*

<sup>26</sup> *Ibid.*

inadequately represented. The Group of Twenty (G-20)<sup>27</sup> are only consulted and represented at international forums when crises happen, such as in the aftermath of the 1997 and 2008 financial crises respectively.

In rallying for more representation by developing countries on the global stage, the BRIC countries stated their strong support for the role of the G-20 as “the premier forum for international economic coordination and cooperation of all its member states” and highlighted that “the G-20 is broader, more inclusive, diverse, representative and effective.”<sup>28</sup> The increased representation of developing countries in international economic governance is envisioned to mitigate discriminating trade policies, sanctions, and coercion. In particular, the BRIC economies stressed that “sustainable development models and paths of developing countries should be fully respected and necessary policy space of developing countries should be guaranteed.”<sup>29</sup> Because of the growing economic weight of the BRIC economies, the G-20 will likely replace the G-7 as the preferred platform for international economic decision making. This is a fundamental change in the economic world order.

Another source of dissatisfaction with the current world order is the socio-economic disparity between the developing and developed countries. The unequal distribution of wealth between the developing and developed countries remains pervasive. Poverty and famine continue to curtail access to affordable food. According to Indian Agriculture Minister Sharad Pawar, this lack of access to affordable food is the root cause of ongoing civil wars in at least 13 countries and food security is an issue that needs to be resolved on a global scale.<sup>30</sup> To alleviate poverty, the BRIC nations called upon the global community to “make all the necessary efforts to fight poverty, social exclusion, and inequality bearing in mind the special needs of developing countries, especially LDCs [Least-Developed Countries], small islands, and African Countries.”<sup>31</sup> To enhance food security, the BRIC nations agreed in March 2010 to “share experiences in providing food to vulnerable populations and victims of natural disasters, as well as swapping agricultural technology to help reduce the effect of climate change on food production.”<sup>32</sup> As the BRIC countries hold approximately 40 percent of the world population, the impact of this cooperation is significant. The BRIC efforts to alleviate poverty through financial and technical assistance and to enhance food security through cooperation and sharing of technology indicate its commitment to improve impoverished countries’ social and economic conditions.<sup>33</sup>

Economic development facilitated by international trade is also important in bridging the socio-economic divide. Unfortunately, the lack of agreement between the developing and developed countries in recent Doha Development Agenda (DDA) negotiations – which focus on development topics such as agriculture, subsidies, textiles and clothing, technical barriers to trade, trade-related investment measures and rules of origin – has led to failure and suspension of talks in 2003 and 2006 respectively.<sup>34</sup> In 2006, the United States got the blame for causing the collapse in trade negotiations when it refused to continue the talks because it felt that developing countries were not reducing trade barriers and opening up their markets in a reciprocal manner.<sup>35</sup> The lack of support and understanding by the developed countries of the need for trade concessions when dealing with developing countries has been an obstacle in bridging the North-South socio-economic divide. As

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<sup>27</sup> G-20 countries include Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, Republic of Korea, Turkey, United Kingdom, and United States.

<sup>28</sup> Brazil, Russia, India and China, “II BRIC Summit – Joint Statement.”

<sup>29</sup> Ibid.

<sup>30</sup> K. Nageshwar, “BRIC Cooperation on Global Food Security, Climate Change,” *India Current Affairs*, March 27, 2010. <http://indiacurrentaffairs.org/bric-cooperation-on-global-food-security-climate-change/> (accessed May 2, 2010).

<sup>31</sup> Brazil, Russia, India and China, “II BRIC Summit – Joint Statement.”

<sup>32</sup> Aleksandras Budrys, “Brazil, Russia, India, China farm ministers meet,” *Reuters*, March 26, 2010. <http://www.reuters.com/article/idUSLDE62P1N1> (accessed May 1, 2010).

<sup>33</sup> Brazil, Russia, India and China, “II BRIC Summit – Joint Statement.”

<sup>34</sup> “Doha Development Agenda,” World Trade Organization, [http://www.wto.org/english/news\\_e/archive\\_e/dda\\_arc\\_e.htm](http://www.wto.org/english/news_e/archive_e/dda_arc_e.htm) (accessed May 6, 2010).

<sup>35</sup> Anup Shah, “WTO Doha “Development” Trade Round Collapse, 2006,” *Global Issues*, July 28, 2006. <http://www.globalissues.org/article/663/wto-doha-development-trade-round-collapse-2006> (accessed May 7, 2010).

representatives for the developing countries, Brazil, India and China are likely to play an increasing role in arbitrating and negotiating DDA policies and creating opportunities to bridge the socio-economic disparity.

To promote economic growth, the emerging economies will seek to enhance intra-BRIC and other regional initiatives through trade liberalization. This will involve resisting trade protectionism within the BRIC economies. However, this may require implementation time because of the protectionist economy in India and to a lesser extent Brazil. While Brazil, India and China are members of the World Trade Organization, Russia is not a member. In solidarity, the BRIC group has articulated its support for Russia's accession to the WTO.<sup>36</sup>

Another initiative to improve intra-BRIC trade has been to explore trading in local currencies to cushion fluctuations in third party currencies such as the U.S. dollar or the European dollar. In the aftermath of the global financial crisis of 2008, the BRIC countries are looking into measures that can improve the stability of the global financial market. A strategy championed by Russia is to replace the U.S. dollar with an alternative currency for global trade, but this has not garnered sufficient support. Another strategy proposed is to conduct intra-BRIC trading in local currencies, and feasibility studies are already underway to adopt this plan. Overall, intra-trade is expected to increase with closer trade-relations, and the use of local currencies in intra-BRIC trade can help shield these economies from fluctuations in external currencies. When such a system proves to be feasible, a similar system may be adopted in the BRIC nations' trade with other developing countries such as the African economies. BRIC economic interests in the African continent reflect their desire to gain access to minerals and resources, and Brazil has invested \$10 billion there since 2003 while China has pledged \$10 billion in credits for 2009-12.<sup>37</sup> In the future, the Chinese renminbi may match the U.S. dollar and the European dollar as common currencies in the global trading system. This will be a significant change in the financial markets.

In 2005, Chinese President Hu Jintao and Russia's former President Vladimir Putin pledged to ensure that all members of the international community can take advantage of social, economic, scientific, informational, cultural, and other opportunities that arise from globalization.<sup>38</sup> The two leaders envisioned that common prosperity would be enhanced through expanding economic, trade, and science and technological exchange. This same commitment is likely to manifest through BRIC cooperation. Climate change and energy security are other issues that the BRIC countries have agreed to explore further. Overall, the BRIC nations are taking the lead in bridging the socio-economic disparity between the developing and developed countries, thereby reshaping a more equitable world order.

### ***Politics: Strengthening Representation in International Governance***

An equitable world order will also need to provide its members with a representative voice in international governance. Thomas Renard argues that "emerging countries will attempt to gain a greater say in global institutions but they will only abide by the rules if they can recognize themselves in these organizations, i.e. if they are no longer perceived as Western tools."<sup>39</sup> Hence, it is important that institutions be representative of the interests of all or a majority of members in order to promote compliance and stability in the system.

The main dissatisfaction of developing countries with the existing international political governance is the disproportionate voting weight given to developed countries at multilateral institutions such as the IMF, the World Bank and the United Nations (UN). Currently, voting rights are not commensurate with the distribution of global economic power; Post-World War II military powers retain a disproportionate vote especially at the UN.

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<sup>36</sup> Brazil, Russia, India and China, "II BRIC Summit – Joint Statement."

<sup>37</sup> "The trillion-dollar club," *The Economist*.

<sup>38</sup> Hu Jintao and Vladimir Putin, "World Order in the 21<sup>st</sup> Century," *Military Technology* 9 (2005), 5.

<sup>39</sup> Thomas Renard, "A BRIC in the World: Emerging Powers, Europe, and the Coming Order," *EGMONT Paper* 31, (Belgium: Academia Press) Oct, 2009, 20.

In addition, these multilateral institutions sometimes lack the legitimacy and capability to affect policy and control mechanisms, as seen in the inability of the UN to curtail U.S. unilateralism in disarming Iraq in 2003.<sup>40</sup> Thus, reforms are essential to achieve a more representative world order.

The BRIC nations have urged for reform of the governance structures at the IMF and the World Bank through realignment of voting powers to commensurate with countries' relative weight in the world economy.<sup>41</sup> The unequal distribution of decision making power is apparent in the case of China – its voting rights in the IMF and the World Bank are less than those of France and Britain even though the Chinese economy is larger.<sup>42</sup> Under pressure from the BRIC and other developing countries, the World Bank agreed in April 2009 to increase the voting power of the Developing and Transition countries (DTCs) at the International Bank for Reconstruction and Development to 47.19 percent, which is an increase of 4.59 percent voting power in favor of the DTCs. With this reallocation, the United States and Japan hold 15.85 per cent and 6.84 percent of the bank's voting rights respectively. Japan accepted the biggest decline in voting power while China received the biggest increase in voting power from 2.78 per cent to 4.42 percent.<sup>43</sup> The change in voting power at the institutional level indicates a gradual shift in political power in international governance from developed countries to developing countries.

The BRIC nations are also calling for a “comprehensive reform of the UN, with a view to making it more effective, efficient, and representative, so that it can deal with today's global challenges more effectively.”<sup>44</sup> A possible approach to reform the UN, according to Peter Singer, is to reconstitute the Security Council by enlarging the permanent membership of the Security Council to make it more representative of the world's population and to replace the veto power with a special majority of the reconstituted council.<sup>45</sup> He justifies that “In the long run, it is hard to see that giving special privileges to a small group of states will be the best way to maintain either the authority of the United Nations, or world peace.”<sup>46</sup> It is noteworthy that the BRIC countries reiterated the importance of India and Brazil in international affairs and advocated for their greater role in the United Nations.<sup>47</sup> The potential challenge that comes with such advocacy is that if India and Brazil are to be considered for seats on the Security Council, Japan and Germany will also have to be considered. This may conflict with China's own interests and derail its past efforts in blocking Japan's aspirations to have a seat on the council.<sup>48</sup> Because it is contentious, proposal for changes to the permanent membership at the UN Security Council will require much deliberation and negotiation. The fact that China and Russia are willing to accept Brazil and India to the high table at the United Nations is a clear indication of the solidarity among the BRIC countries. It also illustrates the extent that China and Russia are willing to accommodate others in fulfilling their commitment to institute a more representative and stable international political system.

### ***Military Security: Enhancing Security of the Global Environment***

The stability of the international political system has to be supported by a secure global environment. In the 21<sup>st</sup> century, states must be prepared to respond to conventional and non-conventional threats as the global security environment continues to evolve. According to Jonathan Pollack, “Wars of territorial conquest may well be an artifact of the past, but major changes in defense technology and military doctrine are redefining national

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<sup>40</sup> Peter Singer, *One World: The Ethics of Globalization Second Edition* (New Haven and London: Yale University Press, 2004), x.

<sup>41</sup> Brazil, Russia, India and China, “II BRIC Summit – Joint Statement.”

<sup>42</sup> Michael A. Glosny, “China and the BRICs: A Real (but Limited) Partnership in a Unipolar World,” *Polity* 42 (2010), 118.

<sup>43</sup> World Bank, “World Bank Reforms Voting Power, Gets \$86 Billion Boost,” *World Bank Press Release*, April 25, 2010.

<http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:22556045~menuPK:34463~pagePK:34370~piPK:34424~theSitePK:4607,00.html> (accessed May 8, 2010).

<sup>44</sup> Brazil, Russia, India and China, “II BRIC Summit – Joint Statement.”

<sup>45</sup> Singer, 145.

<sup>46</sup> *Ibid*, 146.

<sup>47</sup> Brazil, Russia, India and China, “II BRIC Summit – Joint Statement.”

<sup>48</sup> “Factbox-Emerging BRIC powers and the new world order,” *Reuters*.

security strategies, especially for states seeking to protect modern industrial and commercial assets that increasingly determine their well-being.<sup>49</sup> While state-on-state deterrence remains relevant, Francis Fukuyama highlighted that in the post September-11 environment, the major security challenges will continue to come not from great powers but from failed states or from technologically empowered non-state actors.<sup>50</sup> Hence, it is important that all states work together to enhance the security of the global environment.

In May 2009, the U.S. Secretary of Defense Robert Gates stated that “while the United States has unparalleled capabilities, it recognizes that the best solutions require multiple nations acting with uncommon unity.”<sup>51</sup> Even with its unparalleled capabilities, the global system continues to be plagued by conflicts stemming from terrorism, failed states, and piracy. While the United States continues to be the primary provider of global security, there is evidence that the BRIC countries are gradually stepping up as responsible stakeholders to share the burden.

The contribution of military personnel from all four BRIC militaries in the peacekeeping effort in Sudan is a good example. China currently contributes more than 10,000 personnel to the UN Mission in Sudan (UNMIS) which makes it the largest contributor. India plays a significant role as well by holding two out of the five leadership roles in the UNMIS to include the positions of Deputy Special Representative of the Secretary-General and Police Commissioner. Brazil and Russia also contribute military and police personnel to the mission.<sup>52</sup> It is expected that the BRIC nations will continue to demonstrate their responsibility in enhancing global security under the ambit of the UN missions. This underlines their support of the UN as the central agency to deal with global challenges and threats.

Besides peacekeeping, the Russia, India, and China (RIC) also contribute to counter-piracy operations in the Gulf of Aden. Unfortunately, the naval vessels from the three countries operate under individual national tasking and are not integrated into a larger network, such as the Combined Task Force 151 for counter-piracy operations. In the future, the BRIC countries may cooperate more extensively with each other and be able to develop common operational solutions to combat operational challenges. Ongoing bilateral and maritime exchanges among the BRIC navies – between Russia and China, Russia and India, India-Brazil, and less so China and India – indicate that cooperation is valued by members. Further cooperation between their maritime services in countering seaborne threats will enhance their contribution to the security of the global maritime commons.

An additional value that the BRIC countries can contribute to the world is its leadership in nuclear non-proliferation and disarmament, since three out of the four are nuclear-weapon states. Thus far, the group has not issued a collective stance on nuclear-related issues. However, the BRIC countries’ approach in dealing with the nuclear issue may be extrapolated from the stance taken by China and Russia in recent years. In 2005, Chinese President Hu and Russia’s former President Putin expressed that the two countries support the multilateral process of arms control, disarmament, and non-proliferation; They favor the implementation of the Comprehensive Nuclear Test Ban Treaty and support the Treaty on the Non-proliferation of Nuclear Weapons, the Convention on the Prohibition of Biological Weapons, and the Convention on the Prohibition of Chemical Weapons.<sup>53</sup> In a speech delivered in 2006, former President Putin stressed that “It is precisely our countries [Russia and the United States], with leading nuclear and missile capabilities, that must act as leaders in

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<sup>49</sup> Jonathan D. Pollack, “The Transformation of the Asian Security Order,” in *Power Shift: China and Asia’s New Dynamics*, ed. by David Shambaugh (Berkeley and Los Angeles, California: University of California Press, 2005), 332.

<sup>50</sup> Francis Fukuyama, “Challenges to World Order After September 11,” in *Imbalance of Power: US Hegemony and International Order*, ed. by I. William Zartman (London: Lynne Rienner Publishers, 2009), 242.

<sup>51</sup> Robert Gates, “America’s Security Role in Asia-Pacific,” *Military Technology* 11 (2009): 23.

<sup>52</sup> United Nations Mission in Sudan, <http://www.un.org/en/peacekeeping/missions/unmis/> (accessed May 8, 2010).

<sup>53</sup> Hu and Putin, 5.

developing new, stricter non-proliferation measures.”<sup>54</sup> It is unlikely that the stance of China and Russia has changed, since the two leaders continue to retain political clout in their countries.<sup>55</sup> The trajectory is that the BRIC nations, or more specifically RIC, will act as responsible stakeholders by promoting responsible restraint in the use of nuclear weapons and facilitating nuclear non-proliferation, thereby creating a less volatile security environment.

Additionally, China plays a significant role in engaging the Democratic People's Republic of Korea (DPRK) in the Six-Party Talks to denuclearize the Korean Peninsula. On May 8, 2010, during his visit to China, the DPRK leader Kim Jong Il announced that he would be “willing, together with all parties, to discuss creating favorable conditions for restarting the Six-Party Talks.”<sup>56</sup> This is a change in stance from a year ago when he threatened to withdraw from the Six-Party Talks permanently, and illustrates the significant role that China plays in engaging the DPRK in further negotiations.

Thus far, there is a fair amount of military security contributions from the BRIC nations in countering global threats. Their involvements in the UNMIS and the Gulf of Aden indicate their willingness to contribute as responsible stakeholders. With the anticipated economic growth and planned military modernization programs, the BRIC countries will be better equipped to lead and respond to global threats. In addition, with stronger mutual confidence among the BRIC nations and higher levels of interoperability with other partners, their military forces will be able to contribute a larger role in enhancing the security of the global environment. It must be noted that by virtue of its geography, Brazil faces a different regional security environment compared to the RIC countries. Hence, RIC nations are likely to be more involved in trilateral cooperation on security issues. This, however, does not preclude Brazil’s potential contributions to enhancing global security. It does somewhat indicate that Brazil’s aims within the BRIC group are focused on economic and political objectives, while letting the RIC countries confront their own regional security issues.

Overall, the BRIC nations’ cooperative actions in bridging the socio-economic disparity, strengthening representation in international governance, and enhancing security in the global environment demonstrate their growing influence in reshaping the world order. With the rise of the BRIC countries in the 21<sup>st</sup> century, the unipolar world order that is centered on the United States is shifting toward a multipolar world order that is more representative and equitable.

## POLICY RECOMMENDATIONS

Because the BRIC nations are taking the lead in bridging the socio-economic disparity between the developing and developed countries and playing a larger role as responsible stakeholders, the United States needs to recognize their significant contribution to the global community and accord them a representative voice in reshaping the world order. In doing so, the United States will be able to encourage these emerging powers to contribute more actively in the burden-sharing of providing a stable and secure global system. When

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<sup>54</sup> Vladimir Putin, “Transcript: Putin’s Prepared Remarks at 43rd Munich Conference on Security Policy (Delivered February 10, 2007),” *The Washington Post*, February 12, 2007.

<http://www.washingtonpost.com/wp-dyn/content/article/2007/02/12/AR2007021200555.html> (accessed May 1, 2010).

<sup>55</sup> Former President Vladimir Putin is the current Prime Minister of Russia. Due to constitutionally mandated term limits, Putin was ineligible to run for a third consecutive Presidential term. After the victory of his successor, Dmitry Medvedev, in the 2008 presidential elections, Putin was then nominated Medvedev to become the Russian Prime Minister.

<sup>56</sup> “DPRK willing to return to nuclear talks, says Kim,” *China Daily*, May 8, 2010.

[http://www.chinadaily.com.cn/world/2010-05/08/content\\_9824604.htm](http://www.chinadaily.com.cn/world/2010-05/08/content_9824604.htm) (accessed May 8, 2010).

these emerging powers benefit from the system and feel fairly represented, they will be less likely to challenge the status quo.<sup>57</sup>

In 2009, Secretary of State Hillary Clinton said that President Obama has launched “a new era of engagement based on common interest, shared values, and mutual respect.”<sup>58</sup> Riding on this new engagement approach, the United States should be able to more effectively engage the BRIC nations in multilateral and bilateral relations. As pointed out by Susan Shirk, “A multilateral mode would help American learn how to “play well with others,” to achieve its objectives in a world in which gaps between American power and that of other countries is narrowing.”<sup>59</sup> To engage the BRIC nations multilaterally in the economic and development realms, the United States should leverage the G-20 forum. The advantage of this approach is that it allows the dissatisfactions of the BRIC countries to be addressed within the G-20 forum and creates less incentive for the BRIC nations to branch off on their own in pursuit of other agendas. In the political and security realms, the United States should be more involved in multilateral organizations and continue to play an active role in regional arrangements in the East Asia, Asia Pacific and rest of the world. Existing multilateral frameworks may be expanded in scope to engage BRIC multilaterally, to include the Six-Party Talks, East Asia Summit, and the ASEAN Regional Forum.

In concert, the United States should continue to enhance bilateral relations with each of these emerging countries. Maintaining good bilateral relation with fellow democracies India and Brazil is important, especially since the United States will be looking to India as a key partner and a soft-balancer between the United States and China. However, the United States should be cognizant that India’s new multilateralism may be aimed at maximizing India’s autonomy and not at aligning India with any country or international coalition.<sup>60</sup> In addition to the recurrent bilateral trade, nuclear non-proliferation and disarmament, and human rights issues, the United States should engage China and Russia in new dialogues on sustainable energy, climate change, and responsible use of outer-space. This will keep them engaged in new discussions and prevent stalemate on traditional issues. The United States should avoid pressuring China to revalue its currency because it needlessly raises political and economic tensions. Goldman Sachs economist O’Neill believes that China has already decided to revalue its currency in the near term, with or without U.S. pressure.<sup>61</sup>

The United States should be more inclusive of the BRIC countries in its global security initiatives since the four countries are increasing their contributions to global security as responsible stakeholders. The potential contribution from the BRIC nations in the military security realm can be combating terrorism, restoring failed states, and providing maritime security. In addition to their current peacekeeping efforts in Sudan and counter-piracy operations in the Gulf of Aden, the United States should encourage the BRIC countries to leverage their growing financial and military capacity to increase their burden-sharing. An initiative which the BRIC nations can be tapped into is the Global Maritime Partnership (GMP) initiative introduced in 2005 by Admiral Michael Mullen, former Chief of Naval Operations of the United States Navy.<sup>62</sup> The GMP seeks to integrate the capabilities of the maritime services to create a fully interoperable force that provides for a secure global maritime commons. Integrating the BRIC countries into the GMP will encourage these nations to collectively address the growing demands in global maritime security and increase the role they play as responsible

<sup>57</sup> Glosny, 116.

<sup>58</sup> Hillary Clinton, U.S. Secretary of State, “Foreign Policy Address at the Council of Foreign Relations,” *U.S. Department of State*, July 15, 2009. <http://www.state.gov/secretary/rm/2009a/july/126071.htm> (accessed May 5, 2010).

<sup>59</sup> Susan Shirk, “American Hopes: An Agenda for Cooperation that serves US Interests,” *Global Asia* 5, Spring, 2010, 29.

<sup>60</sup> U.S. National Intelligence Council, *Global Trends 2025: A Transformed World*, November 2008, 30.

[http://www.dni.gov/nic/PDF\\_2025/2025\\_Global\\_Trends\\_Final\\_Report.pdf](http://www.dni.gov/nic/PDF_2025/2025_Global_Trends_Final_Report.pdf) (accessed March 20, 2010).

<sup>61</sup> Ana Nicolaci da Costa, “Interview - BRICs should not pressure China on yuan - O’Neill,” Reuters, April 14, 2010.

<http://in.reuters.com/article/businessNews/idINIndia-47694520100414?pageNumber=3&virtualBrandChannel=0&sp=true> (accessed May 9, 2010).

<sup>62</sup> Admiral Michael Mullen, “The Thousand Ship Fleet,” *Pentagon Brief*, October 1, 2005, 1.

<http://www.proquest.com/> (accessed April 5, 2010).

stakeholders. In the future, a rotating leadership role in the GMP may even be explored to mirror the current practice in the CTF 151 chain of command, where the commander of the task force is rotated between different countries. Overall, a more inclusive engagement policy can benefit the United States because the outcome for all countries can be a positive-sum game when a stable and secure global world order is achieved.

## CONCLUSION

The BRIC nations are bridging the socio-economic disparity between the developing and developed countries, strengthening representation in international governance, and enhancing security in the global environment as responsible stakeholders. While the potential of the BRIC cooperation to reshape the world order seems apparent, some skeptics argue that the likely impact of these four countries is limited to symbolism because their commonalities and shared interests are excessively shallow.<sup>63</sup> It is true that some level of mutual economic and military competition exists among the BRIC countries, in particular between India and China where strategic rivalry dates back to their war in 1962. Russia, India and China share a similar regional security environment that is different from Brazil's. Two are authoritarian regimes; two are democracies. However, despite their differences, it is more likely that the BRIC nations will be driven to cooperate with each other in keen pursuit of stronger economic development and greater representation in international political governance. An indication of their shared interest is the prevalence of numerous economic and security cooperation that interconnects these four countries, such as the IBSA (India, Brazil and South Africa), the BASICs (Brazil, South Africa, India and China), and the Shanghai Cooperation Organization (China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan). As such, it is clear that the BRIC countries do share common interests and can work together to reshape the world order.

As reiterated by the former President Putin, "There is no reason to doubt that the economic potential of the new centers of global economic growth will inevitably be converted into political influence and will strengthen multipolarity."<sup>64</sup> In tandem with the enlarging role of the BRIC nations in international economic and political governance, the unipolar world order is shifting toward a multipolar world order that is more representative and equitable. Because the BRIC nations are taking the lead in bridging the socio-economic disparity between the developing and developed countries and playing a larger role as responsible stakeholders, the United States needs to recognize their significant contribution to the global community and accord them a representative voice in reshaping the world order. A more inclusive engagement policy can benefit the United States because the outcome for all countries can be a positive-sum game when a stable and secure global world order is achieved.

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<sup>63</sup> Chris Buckley, "Much-trumpeted BRIC summit ends quietly," *Reuters*. June 17, 2009. <http://uk.reuters.com/article/idUKTRE55G20B20090617> (accessed on 28 Apr 2010).

<sup>64</sup> Putin.