



Inspiring new ways

BRAND SOUTH AFRICA RESEARCH REPORT

*The BRICS brand: from economic concept to
institution of global governance*

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1. EXECUTIVE SUMMARY

- In a period of isolationism, and threatening trade wars, the BRICS nations have, in a proverbial counter-cyclical fashion, been increasing interaction, seeking more opportunities for trade, and deepened interactions beyond state-to-state engagements covering several domains of economic, and socio-cultural action. This is what leads some analysts to argue that, in an ironic twist of geopolitical fate in the 21st century, five developing nations are becoming the protectors of free global trade, advocates of globalisation, activists for protection of the global climate, and a force that advances the cause of a just, equitable, and an integrated multipolar international order;
- The BRICS and member states are distinguishing themselves as actors seeking a fair and equitable system of global political- and economic governance;
- The geographic and internal diversity of the member states is an asset that strengthens cooperation and increases the soft power impact of the BRICS and individual member states;
- BRICS is distinguishing itself as a consistent advocate of transformation of global governance, and opposition against unilateralism and powers that undermine a rule-based multilateral world political- and trade system;
- Since inception there has been more than 160 formal meetings between BRICS members, and adopted 60 documents implemented through various working groups and coordination mechanisms;
- Between the 2009 and 2017 the BRICS nations have made a total of 406 commitments;
- Commitments by year - 2009 = 15; 2010 = 31; 2011 = 38; 2012 = 32; 2013 = 47; 2014 = 68; 2015 = 130; and 2016 = 45;
- The BRICS Research Group finds a staggering high level of compliance by BRICS members when it comes to the implementation of summit decisions. On average they find that BRICS members implement 70% of summit decisions. This indicates a high level of commitment to making the BRICS a reality through increased and deepened interactions between member states;
- In terms of the BRICS brand this report indicates that scholars are increasingly acknowledging the BRICS as multilateral brand. Important in this regard is the analysis of the soft power of the BRICS collective, and how the institutionalisation of the organisation is contributing positively to entrenching it as a unique manifestation of global governance in a volatile geopolitical and international economic arena;
- BRICS Nation Brand valuations also underline the fact that the collective brand, as well as member states' Nation Brands play a major role in their respective regions, and globally: China = \$10,209bn; Brazil = \$798bn; India = 2,046bn; Russia = \$832bn; South Africa = \$222bn;
- In conclusion it is found that this research report links the following concepts: institutionalisation of the BRICS, its emergence as institution of global governance, soft power, and the development of the BRICS as brand. This means that as the BRICS is institutionalised, as it implements Summit decisions, as it establishes shared institutions (e.g. the BRICS New Development Bank), as it furthers the cause of a multilateral, fair, just, and inclusive global governance system, as it seeks peaceful resolution of international conflicts – it builds the (BRICS) brand, and enhances the soft power of both the BRICS as institution and the individual member states.



2. INTRODUCTION

South Africa's hosting of the tenth BRICS Summit in 2018 is a significant moment. It presents an opportunity to reflect on the evolution of the BRICS in the past decade. This research report captures findings related to three aspects, being: firstly, the emergence of the BRICS as an institution in the global governance arena; secondly, how the institutionalisation of the BRICS contributes to the development of the BRICS brand; and thirdly, how this BRICS brand presents a unique case of compound soft power, or, as alternatively referred to - the *multilateralization of soft power*.

The development of the BRICS brand (based on the institutionalisation of the organisation) takes place in a post Global Financial Crisis world characterised by turbulent change: increasing trade protectionism (witness US imposition of import tariffs and overtures of trade wars), isolationism and economic nationalism (BREXIT and increasing popularity of anti-EU political parties in Europe), anti-globalisation, and epically destructive proxy conflicts in crisis-prone regions (witness developments in Ukraine, Syria, Yemen, Somalia, and to a lesser degree Libya). The aforementioned conflicts unfold in regional environments already destabilised by decades of ongoing external intervention, and internal conflict, including countries such as Iraq, and Afghanistan.

However, through BRICS interactions, the member states have been putting their proverbial money where their mouths are, and consequently BRICS nations have been bucking trends of anti-globalisation, and counter-integrationist discourses that have emerged in the northern hemisphere, and in so-called 'advanced nations,' in the past decade.



On this topic Cedric de Coning argues that,

“No analyst foresaw, nor did the BRICS themselves, that in less than a decade, these actions would bring them to a point where the BRICS has become an important force in defence of global governance, economic globalisation, free trade, and collective climate action.”¹

This is due to the fact that nations who, in the 20th century, were advocates of globalisation, free (unrestricted) global trade, regional integration, and rule-based systems of global governance, have made stunning about turns on such issues. Trade protectionism, resistance against regional integration projects, imposition of tariffs, and economic-nationalist interventions have come to dominate policy behaviour.

This is why de Coning’s conclusion above is an apt place to start this updated, revised and expanded report on the development of the BRICS, and its institutionalisation. Essentially this report explores how the increased formalisation of intra- and inter-BRICS interactions, the establishment of institutions such as the BRICS New Development Bank, increased interaction on platforms such as the Business Council, and Think Tank structures, also lead to the development of the BRICS brand, or collective image, of the five member states.

In a period of isolationism, and threatening trade wars, the BRICS nations have, in a proverbial counter-cyclical fashion, been increasing interaction, seeking more opportunities for trade, and deepened interactions beyond state-to-state engagements to cover several domains of economic, and socio-cultural action. This is what leads some analysts such as de Coning to argue that, in an ironic twist of geopolitical fate in the 21st century, five developing nations are becoming the protectors of free global trade, advocates of globalisation, activists for protection of the global climate, and a force that advances the cause of a just, equitable, and an integrated multipolar international order.

In order to arrive at a preliminary scoping of the concept ‘the BRICS Brand’ and how it has evolved in the past decade, this research report interrogates:

- **Converging diversities - a short history of the BRICS** – wherein three phases of the development of BRICS is explored for context on the evolution of the BRICS as a multilateral developmental brand;
- **From Economic Concept to Global Governance Institution** – based on research conducted by the BRICS Research Group, this section explores how the group has achieved a 70% implementation/ compliance rate in terms of implementing Summit decisions. It furthermore interrogates research that indicates how the BRICS is surprising commentators with the speed of its institutionalisation;
- **BRICS Agreements, Commitments, & Compliance** – provides concrete evidence on how the BRICS is deepening interactions and platforms of political, economic, policy, academic exchange;
- **Themes emerging from the Summit Declarations** – explores key Summit decisions and commentary on the global governance role of the BRICS in contemporary geopolitics;
- **The BRICS brand & compound soft power – will the sum be more than its constituent parts? –** Referred to as ‘compound soft power’ in academic literature, this section explores the collective impact of the BRICS. This analysis views the collective soft power resources of the BRICS as a form of power augmentation that is also referred to as a ‘multilateralisation effect.’ Increased institutionalisation, deepening interactions among members outside of summits, and the impact coordinated actions have for the collective brand of the BRICS is explored in this section of the report.²

Based on assessments of the BRICS, Chatin & Gallarotti (2016), for example, argue,

“The bloc has also transformed into a diplomatic forum representing increasing power, value and capacity of action for the member states, this attributing to them a distinctive standing and an image associated with a ‘special mark’. Along the same lines, Montbrial stresses that the BRICS have become a ‘real brand,’ to which the states composing the group dedicate great attention.”³

In order to arrive at some conclusions about the development of the BRICS brand (and its compounded soft power – as will be argued later) the research report reviews the impact increased institutionalisation of the BRICS stands to have on this multilateral brand borne from the shared vision of its five members. This report therefore digs behind the news headlines to highlight research on the successes, implementation of decisions, and the track record of the BRICS.

Essentially it is argued below that the successes and increasing institutionalisation of the BRICS is establishing the organisation as a new brand advocating developmental multilateralism on the horizon of global governance. Due to the collective impact of cooperation among the members, as the BRICS brand grows and develops (through among other things – institutionalisation) the nation brands of the five member states stand to benefit not only in terms of trade and economic interactions, but also due to the impact the BRICS brand stand to have on global governance.

3. CONVERGING DIVERSITIES: A SHORT HISTORY OF THE BRICS

Analysts express surprise at some of the successes of the BRICS. This is particularly true in the context of the formation of the BRICS' New Development Bank. It is asked how five developing nations, each with their own domestic developmental and social challenges, as well as unique regional dynamics, could in the space of a few years come to such a high level of cooperation and mutual understanding. This surprise stems from several analyses that highlights what differentiates the BRICS member states from each other. For example, Li & Marsh argue that,

"...despite efforts to unite these nations, the BRICS countries differ greatly in terms of their diverse languages, political systems, cultures, media systems, and financial regulations. In terms of politics, China is ruled by one party, whereas India, Brazil and South Africa are democratic countries... Although China, India and Russia have a shared history of socialism or socialist legacy, South Africa and Brazil have historically been more involved with capitalism."⁴

In the history of the development of the BRICS as institution, detractors- or BRICSceptics, tend to lean towards the above analysis. Such approaches usually cite points of divergence, and difference between the member states as a hindrance to the development and effectiveness of the organisation.

However, a compelling case can be made that in fact, the differences between member states, can actually be a positive feature that enables soft power augmentation for each member state, via the platform of the BRICS. Gallarotti argues in this context,

"The findings in this analysis suggest that these processes are able to enhance soft power in the context of blocs made up of even extremely diverse memberships. In fact, diversity can sometimes make the power augmentation all the greater. Indeed these processes create new types of soft power that modify the individual soft power resources of the member nations in ways that make the soft power of the bloc different from the sum of its individual parts."⁵

While divergent opinions will always exist as to whether differences between the member states will enhance - or undermine the development of the BRICS, Gallarotti's perspective, to be explored in more detail below, makes a compelling case to understand how, in a relatively short period of time, the BRICS has made major strides in terms of institutionalisation, and ultimately the development of the BRICS brand and its compound soft power effect.

But, in order to contextualise the development of the BRICS, let's ask – where does it come from? Oliver Stuenkel provides the following breakdown of the phases of BRICS' development⁶:

Figure 1 – Phases of BRICS Development



The section below will reflect on some key developments and successes of the BRICS. It can be argued that while the BRICS may have a relatively short history, the achievements and record of implementation of decisions by member states have positive long-term implications for the institutionalisation, the soft power projection of member states, and ultimately the development of the BRICS brand as a whole.

4. FROM ECONOMIC CONCEPT TO GLOBAL GOVERNANCE INSTITUTION

The third phase of the BRICS is, as outlined in Fig. 1 above, characterised by the institutionalisation of the organisation. Based on analysis of the performance of the organisation this section explores the evolution of the BRICS from a mere economic concept, to a new institution of global governance.

The BRICS Research Group, in the 2014 BRICS Fortaleza Summit Compliance Report, indicates that:

"The role of the BRICS in the global governance system is steadily increasing, as the countries have transformed a purely economic concept of BRIC into a new global governance institution. Also, in spite of the recent economic slowdown, the BRICS countries collectively constitute almost a third of the global gross domestic product and are likely to outperform the G7 in several years."

THE BRICS IN NUMBERS

BRICS represents 26% of the planet's land mass;

In 2001 Goldman Sachs projected that by 2014 BRIC (SA not yet included at that stage) will account for 14,2% of global GDP. The BRICS outperformed that projection by accounting for 18% of the world's GDP in 2014;

According to the World Trade Organization (WTO), the BRICS share of global exports more than doubled between 2001 and 2011, from 8% to 16%; and the total BRICS exports grew by more than 500%, while total global exports grew 195% in the same period;

Between 2002 and 2012, intra-BRICS trade increased 922%, from US\$ 27 to 276 billion, while between 2010-2012 BRICS' international trade rose 29%, from US\$ 4.7 to 6.1 trillion dollars.

When zooming in on South Africa's total trade with the BRICS it emerges that total exports and imports from BRICS peers have increased in value.

When zooming in on South Africa's total trade with the BRICS it emerges that total exports and imports from BRICS peers have increased between 2010-2016. Figure 1 shows that imports increased from R 115,429,000,000 in 2010 to R 269,000,000,000 in 2016 while exports increased from R 88,387,011,609 in 2010, to R 158,945,094,128 in 2016

In similar vein, the BRICS Research Group, in the 2016 Goa Summit Compliance Report, argue that for the BRICS to stay relevant in the global economy, it has to deepen and widen cooperation and collaboration. To this end the BRICS Research Group finds that since establishment members have had 160 meetings at different levels. These include ministers of trade, finance, foreign affairs, health, agriculture, statistical authorities, and competition commissions. These meetings led to the adoption of about 60 documents which in turn is given effect through a number of working groups, contact groups and related platforms to coordinate activities.

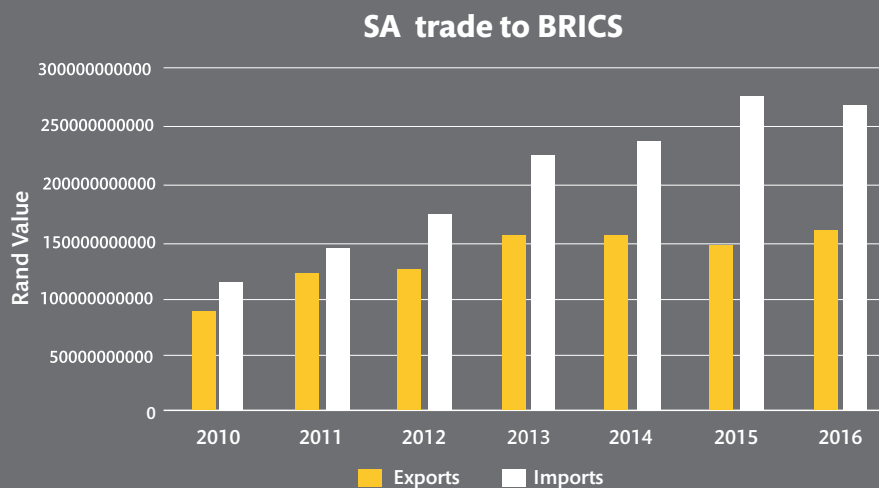
The BRICS Research Group furthermore finds that not only has the speed of institutionalisation been high, but between 2009 and 2016 BRICS made 406 commitments in total. Additionally, and as evidence of ever deepening levels of cooperation, BRICS leaders, through Summit decisions, delegated 30 mandates to intra-BRICS institutions⁴.

This trend towards increased intra-BRICS cooperation is also reflected in trends in intra-BRICS trade, which has increased significantly over the past decade.

Further analysis of the trade patterns reveal that South Africa exported and imported mostly from China and India. This is unsurprising seeing that China is the proverbial engine room of intra-BRICS trade in its capacity as second largest economy in the world.

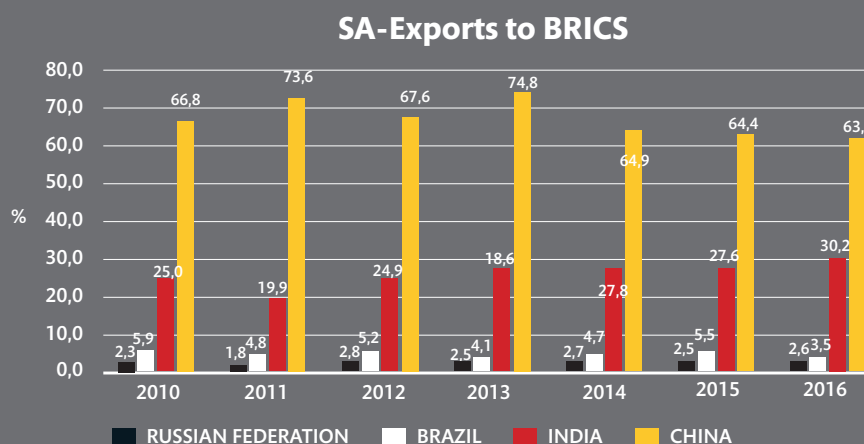
The figures below show that South African trade with BRICS nations has certainly grown over the years, but it has been largely driven by Chinese and Indian demand. China has averaged 64.3% of exports from South Africa to BRICS in the last three years, while India is second with an average of 28.5% in the last three years, Imports indicate a similar trend, as China and India led the way.

Figure 2 - South Africa - BRICS Trade



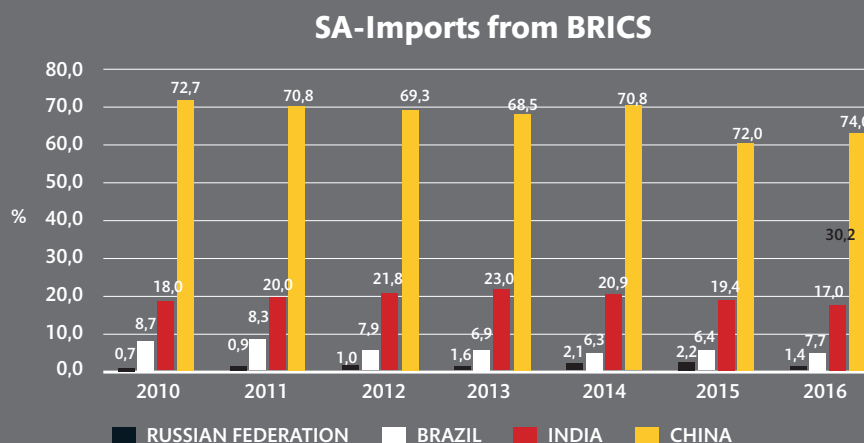
Trade Statistics from the department of trade and industry, 2018⁹

Figure 3 - South Africa - BRICS Trade



Trade Statistics from the department of trade and industry, 2018¹⁰

Figure 4 - South African imports from BRICS



Trade Statistics from the department of trade and industry, 2011¹¹

5. BRICS AGREEMENTS, COMMITMENTS AND COMPLIANCE – THE MAKING OF A GLOBAL GOVERNANCE INSTITUTION

The BRICS Research Group highlights the fact that the BRICS is transforming into more than a mere economic club.

Instead it is argued that it is emerging as a new global governance institution. In this context the BRICS Research Group provides concrete data to back up the assertions regarding implementation of decisions by means of a methodology utilised by the G8 and G20 to monitor compliance and performance.

THE BRICS RESEARCH GROUP FINDS THAT MEMEBERS MADE THE FOLLOWING NUMBER OF COMMITMENTS

2009 = 15; 2010 = 13; 2011 = 38; 2012 = 23;
2013 = 47; 2014 = 68; 2015 = 130; AND

Essentially the BRICS Research Group tracks the number of commitments members make through Summit declarations. The research then proceeds to analyse the actions member states take to implement these commitments.

The increase in number of commitments speaks to the increasing levels of interaction between members, and hence a significant deepening of relations and intra-BRICS interactions. As noted earlier, the commitments made- and implemented by member states, have far reaching implications in that it solidifies, and institutionalises collaboration and cooperation among member states. This furthermore has implications for the development of the BRICS as a brand in the contested space of global governance. The latter speaks to the point made above, being that the organisation has long graduated from being a mere economic concept, and is taking shape as an institution of global governance.

Figure 5 below outlines the issue areas that BRICS have made specific commitments on. But, more interesting than the increased number of commitments made, is the range of sectors, issues, and cooperative activities these cover. It ranges from nuclear non-proliferation, health, sport, climate change, to terrorism, to name but a few.

BRICSceptics tend to argue that the differences between the BRICS members could pose an obstacle to the development and effectiveness of the institution. Clearly, the range of issue areas covered by BRICS Summit declarations are not random, and reflect real convergence of interests and policy at a multilateral level. This done in the context of member nation's mutual respect for the unique internal- regional, and global diversity the peer nations represent.



Figure 5 - Distribution of BRICS Commitments across Issue Areas, 2009 - 2016¹²

Issue Area	2009	2010	2011	2012	2013	2014	2015	2016
Energy	5	9	1	2				
Finance		3	1			6	6	5
Climate Change		1	6	3	1	1	1	1
Macroeconomic policy		1	5	1	5	6	6	4
Trade		3	5	9	4	4	5	2
International cooperation	1	2	5	3	6	8	30	7
Socioeconomic	1	1	3	2		7	5	2
Development	1	5	1	3	10	4	4	2
Natural disasters	1	1	1					
Food and agriculture	3		1	1		1	17	
ICT			2			1	17	3
Science and education	1	1	1			2	5	
Health			1	1		1	6	2
Human rights			1		1	2	5	
Accountability	1		1					
Regional security	1		1	4	8	6	6	4
Terrorism			1	1	2	2	1	4
Culture		1				3	1	2
Sport		1						
IFI Reform	1	2	1	2	9	8	3	2
Nonproliferation					1			1
Crime and corruption						4	10	3
Environment						1	1	1
Tourism							1	
Total	15	31	38	32	47	68	130	45

Notes: IFI = INTERNATIONAL FINANCIAL INSTITUTION; ICT + information and communications technology

Now it may be asked, 'so what,' many commitments may have been made, but how much of those become a reality? It is for this reason that the findings of the BRICS Research Group provide important indicators pertaining to the concrete actions members take to bring life to, and make the BRICS real, through implementation of decisions.

It may be worthwhile to note that overall compliance trends in the organisation are quite high. From historical data it is indicated that the BRICS reaches an average level of compliance of more than 70%. The following compliance levels emerge by member state:

Figure 6 - BRICS Compliance Score, 2011 - 2016¹³

	Brazil	Russia	India	China	South Africa	Average	
Trade: E-commerce	+1	+1	+1	+1	+1	+1.00	100%
Development: African Union	+1	+1	+1	+1	+1	+1.00	100%
Terrorism: International cooperation	+1	+1	+1	+1	+1	+1.00	100%
Corruption: International cooperation	+1	+1	+1	+1	0	+0.80	90%
Health: Antimicrobial resistance	0	0	0	+1	+1	+0.80	70%
Macroeconomic policy: Global value chains	+1	+1	+1	+1	+1	+1.00	100%
Tax: Automatic exchange of Information	+1	+1	+1	+1	+1	+1.00	100%
Regional Security: Afghanistan	-1	0	+1	0	-1	-0.20	40%
Climate change: Natural gas	+1	+1	+1	+1	0	+0.80	90%
Information and communication technologies		+1	+1	+1	+1	0	+0.80
	+0.70	+0.80	+0.90	+0.90	+0.60	+0.78	89%
	85%	90%	95%	95%	80%		

As a relatively young multilateral organisation, the high compliance levels by member states is a positive indicator. Meaning that levels of cooperation are not only high, but that buy-in into the organisation and its objectives, is of strategic importance for all member states. This implies, once again, that the BRICS brand is being developed and shaped through cooperation among developing nations.

Bearing high levels of commitment compliance in mind, let us consider the following statement Andrew Cooper and Asif Farooq makes in an analysis of the BRICS' decision to establish a New Development Bank,

'The BRICS countries of Brazil, Russia, India, China and South Africa made a significant progress with the creation of the New Development Bank (NDB) and cemented the group's institutional link among its members. Since this initiative was first brought to the fore, by India at the 2011 New Delhi Summit, there was scepticism about the capacity of the BRICS members to deliver on the proposal, not only because of broad differences in strategic interests but also due to the lack of institutional capacity to navigate those differences'¹⁴

The BRICS is not only performing well in terms of compliance. But, given the short period of time it took for the members to arrive at the point of creating a complex multilateral mechanism such as a development bank, the BRICS is surprising observers with its successes and clear focus on making its decisions tangible in an institutional form.

Global Operating Environment of the BRICS

Extracts from the Second BRICS Business Council Annual Report (2014-15):

'The current world economic situation is characterized by low growth, low trade flows, low investment, combined with high equity prices and high debt levels. According to the United Nations World Economic Situation and Prospects 2015 Report (Update as of mid-2015), growth of world gross product is projected to improve slightly from 2.6 per cent in 2014 to 2.8 per cent in 2015.'

Individual Risk Factors in the Global Environment are:

'...related to the impact of the upcoming monetary policy normalization in the United States, ongoing uncertainties in the Euro area, potential spill-overs from geopolitical conflicts and persistent vulnerabilities in emerging economies. These individual risk factors are interconnected and could be mutually reinforcing, potentially leading to a weaker than expected expansion of the global economy. The broad-based weakness in investment worldwide not only holds back current growth, but also reduces potential growth in the future.'

It is in a global environment characterised by economic volatility and increased regional conflicts that the BRICS, as multilateral organisation, has managed to open a unique space for itself through cooperation, and implementation of commitments aimed at creating an institutional base.

More than benefitting the BRICS collective, the ability to cooperate, and then deliver on decisions reflects positively on the global governance capabilities of the member states. Add to this the emerging dimension of institutionalisation (through the formation of the Development Bank) the success of the BRICS collective/brand thus indirectly enhances the global governance reputation of member states. In a period of intense social transformation and conflict in particular regions such as North Africa, the Middle East, and Central Europe, cooperation among states will increasingly become a necessity and not a luxury.

The BRICS, as an organisation, and individual members, emphasise the principles of cooperation and multilateralism in their international relations engagements. It is for this reason that, in addition to exploring the process of institutionalisation of the BRICS, some research has been devoted to the possible implications an institutionalised BRICS will have on international trade.

One such report by Joseph Purugganan, Afsar Jafri and Pablo Solon, entitled BRICS: A global trade power in a multi-polar world, argues,

'The emergence of the BRICS has raised questions about the role these countries would play on their own and collectively in global trade and economic governance. This chapter examines BRICS trade policies, how these have been advanced in various platforms such as the WTO and bilateral trade negotiations, and whether or not the institutionalisation of the BRICS and their individual and collective actions constitute a break from the status quo, thereby opening up possibilities for more equitable alternative'¹⁵

The question raised by this report deals, among other things, with the issue of how the BRICS members will position themselves individually, and as a collective group under the banner of the BRICS in global trade and economic governance. The collective impact of the group can, in turn, and some would say in a more ideal international world order, accrue benefits to members and the group.

6. THEMES EMERGING FROM SUMMIT DECLARATIONS

This section merely highlights and profiles some key issues contained in Summit declarations. The aim is to underline the diverse range of issues the member states have reached agreement on.

In terms of Economics and Trade - the Ufa declaration, for example, particularly focuses on issues such as the establishment of the BRICS New Development Bank; guiding principles of ongoing BRICS cooperation; dialogue among export credit agencies to enhance intra-BRICS trade; BRICS trade & investment cooperation framework; and support for intra-BRICS currency swaps.

In a period of threatening trade wars, and several policy interventions by advanced economies that threaten open, free, and unrestricted world trade, the BRICS nations remain focused on increasing interactions and to work towards a fair world trade regime.

Through its interactions and Summit decisions **the BRICS, as a group of developing nations, also call for deepening South-South interaction.** During the year that the Russian Federation acted as host of the BRICS, it emphasised the need for increased interaction, cooperation and solidarity among developing nations and regions. This was made real through the combined meetings of the BRICS and the Shanghai Cooperation Organisation. By bringing these important organisations with members from developing regions, and heads of state together, the goal of south-south cooperation was advanced significantly.

The snapshots below provide further examples of issue areas covered by Summits. The aim is not an exhaustive list, but an illustration of the geopolitical, international economic, and BRICS-specific interventions aimed at driving interaction and transformation of the global governance landscape.

SNAPSHOT 1

TRANSFORMATION OF GLOBAL GOVERNANCE

In several Summit declarations since 2010, members continued with a call for the transformation of global financial governance institutions.

In the GOA Summit declaration, the following statements were made on global governance: "We note the global character of current security challenges and threats confronting the international community. We reiterate our view that international efforts to address these challenges, the establishment of sustainable peace as well as the transition to a more just, equitable and democratic multi-polar international order requires a comprehensive, concerted and determined approach, based on spirit of solidarity, mutual trust and benefit, equity and cooperation, strong commitment to international law and the central role of the United Nations as the universal multilateral organisation entrusted with the mandate for maintaining international peace and security, advance global development and to promote and protect human rights. We underline the importance of further strengthening coordination of our efforts in this context."

8th BRICS Summit – GOA Declaration

"We agree that BRICS countries represent an influential voice on the global stage through our tangible cooperation, which delivers direct benefits to our people. In this context, we note with satisfaction the operationalisation of the New Development Bank (NDB) and of the Contingent Reserve Arrangement (CRA), which contributes greatly to the global economy and the strengthening of the international financial architecture."

2017 GOA DECLARATION ON UNILATERAL MILITARY ACTION

WE CONDEMN UNILATERAL MILITARY INTERVENTIONS AND ECONOMIC SANCTIONS IN VIOLATION OF INTERNATIONAL LAW AND UNIVERSALLY RECOGNISED NORMS OF INTERNATIONAL RELATIONS. BEARING THIS IN MIND, WE EMPHASISE THE UNIQUE IMPORTANCE OF THE INDIVISIBLE NATURE OF SECURITY, AND THAT NO STATE SHOULD STRENGTHEN ITS SECURITY AT THE EXPENSE OF THE SECURITY OF OTHERS.

SNAPSHOT 2

DIALOGUE AMONG EXPORT CREDIT AGENCIES TO ENHANCE INTRA-BRICS TRADE

A very important aspect of the future of the BRICS remains the creation of mechanisms to enable and increase ease of doing business among member states. The Ufa declaration indicates that a platform for the discussion of trade cooperation amongst BRICS countries will involve BRICS Export Credit Agencies (ECAs), namely ABGF, ECGC, ECIC SA, EXIAR and SINOSURE.

To this end the BRICS countries have agreed to the establishment of an annual BRICS ECA meeting with the purpose of exploring opportunities for cooperation and future joint action to promote exports among BRICS and to other countries. The inaugural meeting for this new format took place on the side lines of the Ufa Summit.

In terms of further practical interventions aimed at deepening financial and trade interactions the Ufa declaration reaffirms the important role the BRICS Interbank Cooperation Mechanism plays in expanding the BRICS countries financial and investment cooperation.

From the 2017 Xiamen Summit it is clear that investment and trade cooperation remain a critical feature of BRICS interaction.

Accordingly, in 2017 members agreed to improve and broaden trade and investment cooperation mechanisms and the scope thereof. BRICS Trade Ministers Meetings have thus far identified cooperative frameworks, roadmaps and outlines on trade and investment facilitation and connectivity, enhanced policy sharing, information exchange, capacity building, through enhanced joint efforts on trade and investment facilitation, trade in services, E-commerce, IPR, economic and technical cooperation, SMEs and women economic empowerment. Furthermore, the members at the 2017 Summit welcomed the setting up of a BRICS E-Port Network that will operate on a voluntary basis and the establishment of the BRICS E-commerce Working Group.

SNAPSHOT 3

INTERNET GOVERNANCE

BRICS leaders acknowledged the need to promote, among others, the principles of multilateralism, democracy, transparency and mutual trust, and stand for the development of universally agreed rules of conduct with regard to the network. It is necessary to ensure that UN plays a facilitating role in setting up international public policies pertaining to the Internet.

To this end, BRICS members express their support for the evolution of the Internet governance ecosystem. Such a system should be based on an open and democratic process, free from the influence of any unilateral considerations.

SNAPSHOT 4

CENTRAL & EASTERN EUROPE

BRICS leaders acknowledged the need to promote, among others, the principles of multilateralism, democracy, transparency and mutual trust, and stand for the development of universally agreed rules of conduct with regard to the network. It is necessary to ensure that UN plays a facilitating role in setting up international public policies pertaining to the Internet.

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SNAPSHOT 5

AFRICA & MIDDLE EAST

It is notable that African peace & security challenges are given high priority. Examples include statements on the Democratic Republic of Congo – with a strong call for support of the ongoing UN peacekeeping operation and singled out the need for action against the FDLR. This is the next big obstacle after the M23 rebels were defeated by the UN Intervention Brigade in 2013/14.

In terms of Libya, the 2015 Summit declaration indicated:

“We express serious concern about the escalation of the armed conflict in Libya, highlighting its extremely negative consequences for the Middle East, North Africa and the Sahel region. We note that the military intervention in this country in 2011 led to the breakdown of integrated state institutions, effective army and law-enforcement bodies, which in turn contributed to the rise of activities of terrorist and extremist groups. We underline the urgency to safeguard the sovereignty of the country and its territorial integrity, and we reaffirm the need to overcome the dissensions between Libyan political forces and to achieve an agreement on the formation of a National Unity Government as soon as possible.”

Further indication of BRICS support for issues impacting on the African continent from the 2017 Summit express concern over the challenges faced by the African continent in achieving independent and sustainable development and in wildlife conservation. Members reaffirmed their commitment to strengthen cooperation with Africa to help the continent address illegal wildlife trade, promote employment, food security, infrastructure development and industrialization. Additionally, the BRICS reaffirmed support for African Union's implementation of Agenda 2063 in pursuit of its continental agenda for peace and socio-economic development.

The 2016 GOA Summit declaration continues to focus on these and related peace & security issues, being:

“We are deeply concerned about the situation in the Middle East and North Africa. We support all efforts for finding ways to the settlement of the crises in accordance with international law and in conformity with the principles of independence, territorial integrity and sovereignty of the countries of the region. On Syria, we call upon all parties involved to work for a comprehensive and peaceful resolution of the conflict taking into account the legitimate aspirations of the people of Syria, through inclusive national dialogue and a Syrian-led political process based on Geneva Communiqué of 30 June 2012 and in pursuance of the UN Security Council Resolution 2254 and 2268 for their full implementation. While continuing the relentless pursuit against terrorist groups so designated by the UN Security Council including ISIL, Jabhat al-Nusra and other terrorist organisations designated by the UN Security Council.”

SNAPSHOT 6

2016 XIAMEN SUMMIT DECLARATION ON PRACTICAL ECONOMIC COOPERATION

“We note that practical economic cooperation has traditionally served as a foundation of BRICS cooperation, notably through implementing the Strategy for BRICS Economic Partnership and initiatives related to its priority areas such as trade and investment, manufacturing and minerals processing, infrastructure connectivity, financial integration, science, technology and innovation, and Information and Communication Technology (ICT) cooperation, among others. We welcome the first report on the implementation of the Strategy for BRICS Economic Partnership, and the broad package of outcomes delivered by the sectoral ministerial meetings. We commit to use all policy tools –fiscal, monetary and structural –and adopt innovation-driven development strategies to enhance resilience and potentials of our economies, so as to contribute to strong, sustainable, balanced and inclusive global growth.”

SNAPSHOT 7

EMPHASIS ON MULTILATERALISM, SUPPORT FOR AN OPEN WORLD TRADING SYSTEM, AND RESISTANCE AGAINST PROTECTIONISM

Due to the shared vision of a multilateral, as opposed to unilateral, engagements in world affairs, the BRICS Summit declarations often emphasise the importance of the United Nations, and particularly calls for the member countries and world order to function on the basis of multilateral approaches.

During the 2017 Summit, and in a period where trade protectionism and trade wars between major world economies are taking shape, it is significant that the 2017 Summit declaration clearly calls for an inclusive world economy that will enable nations to benefit from globalization. In this regard BRICS called for commitment to a rules-based, transparent, non-discriminatory, open and inclusive multilateral trading system. Furthermore, the declaration states:

"We recommit to our existing pledge for both standstill and rollback of protectionist measures..."

CONCLUSIONS: SOFT POWER AND THE BRICS BRAND – WILL THE SUM BE MORE THAN ITS CONSTITUENT PARTS?

The sections above interrogated a range of issues, including:

- Three phases of the development of BRICS – indicating that the BRICS is evolving as an institution in highly contested global governance spaces;
- The institutionalisation of BRICS which provides the foundation not only for the development of the BRICS brand, but also as a platform through which member states can enhance their soft power projection and influence in world affairs;
- How mechanisms of interaction have increased, and how the establishment of institutions such as the New Development Bank, Contingent Reserve Mechanism position BRICS as a flagship of the world's major emerging nations;
- The increasing number and range of issues covered in Summit commitments furthermore illustrate the fact that while the member states may be extremely diverse in both internal composition and global interests, convergence of interests is possible, and that in fact the diversity enhances the significance and potential impact of their cooperation via BRICS;
- The 70% compliance rate of members to implement commitments.

The above frames a broad overview of the evolution of the BRICS to date. But the question remains, can one speak of a unique BRICS brand, and if such a brand was to exist, what is its impact and ultimate value?

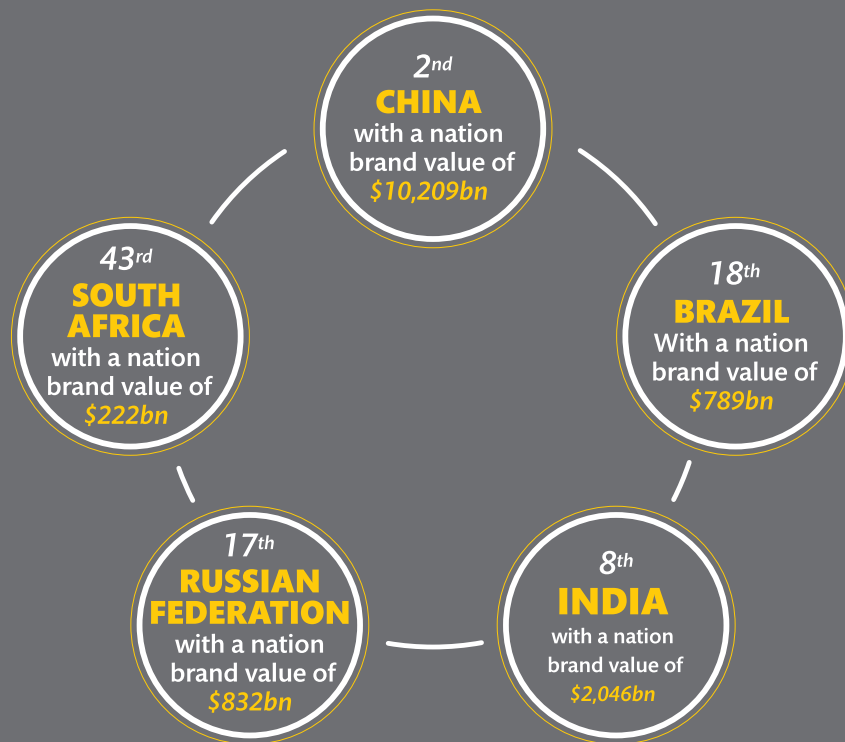
To answer the above question reference has to be made to Chatin and Gallarotti's research where they argue compellingly in favour of the emergence of the BRICS as a brand. Accordingly, they argue,

"Thakur argues that the BRICS serve as a flagship of the major emerging nations, permitting the member states to acquire prestige from participation in the bloc. Brazilian Ambassador Carneiro Leao also suggests that the group stands out and detaches itself from the other developing nations as 'special emerging powers.' In fact, the bloc creates distinctive standing and adds value to member states. The bloc also transformed into a diplomatic forum representing increasing power, value and capacity of action for the member states, thus attributing to them a distinctive standing and an image associated with a 'special mark'. Along the same lines Montbrial stresses that the BRICS have become a 'real brand,' to which the states composing the group dedicate great attention."

In conclusion it can be stated that this research report links the following concepts, being: institutionalisation of the BRICS, its emergence as institution of global governance, soft power, and the development of the BRICS as brand. Gallarotti argues that the diversity and geographical spread of the BRICS nations enhances their ability to disperse soft power influence. This means that as the BRICS is institutionalised, as it implements Summit decisions, as it establishes shared institutions (e.g. the BRICS New Development Bank), as it furthers the cause of a multilateral, fair, just, and inclusive global governance system, as it seeks peaceful resolution of international conflicts, it builds both the brand, and enhances the soft power of both the BRICS as institution and the individual member states.



Fig. 6 – BRICS Nation Brand Valuations & Rankings¹⁶



The rankings BRICS members achieve in the Brand Finance Nation Brand Valuation exercise clearly indicate that each member has a very strong and unique global brand value and positioning. From the perspective of the respective nation brands it emerges that the collective BRICS brand can be a whole that is indeed much more than the mere sum of its parts. This is especially true if the BRICS is analysed through the lens of soft power and the extent to which it enhances the soft power projection of individual member states.

This is once again where the achievements thus far, as noted in the BRICS Research Group report, together with the concrete steps members are taking to implement, and give life to the decisions of the BRICS, is an important indication that a resilient and formalised institutional platform will be able to potentially amplify the collective impact of the member nations.

From the perspective of the individual nation brands it can then be argued that, as a collective that cooperates and actively searches for new areas/dimensions of trade, cultural, and increasing global political collaboration, the BRICS can to a large extent begin to be analysed as a collective brand.

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