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لما بعد النيوليبرالية: أصوات من الشرق الأوسط وشمال إفريقيا
Beyond Neoliberalism: Voices from MENA

Three Perspectives of BRICS Analysis:

A Suggested Methodology

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The formation of BRICS is one of the main events that has shaped globalization in the twenty-first century. Originally established by Brazil, Russia, India, China and South Africa, the political and economic platform emerged in the late 2000s. The emergence of BRICS reinforced the entrenched imaginary of "modernization" and "development" in the Global South, giving rise to some optimism about the ability of these countries to provide na alternative to Western hegemony.

The BRICS economies have played a significant role in globalization, both as recipients of foreign direct investment (FDI) and as foreign investors, as home-grown private and state enterprises have expanded into multinational corporations with a far-reaching footprint. In 2018, these five countries collectively accounted for twenty percent of global investment inflows and twenty-four percent of world GDP (UNCTAD, 2019). Despite the challenges posed by the COVID-19 pandemic, China led global outward investment in 2020, recording $133 billion in FDI (UNCTAD, 2021). Brazil consistently ranks among the top ten recipients of FDI inflows, while Russia and India have consistently ranked among the top twenty in both FDI inflows and outflows in recent years (UNCTAD, 2019; 2020; 2021; 2022; 2023). Kiely (2015) argues that the rise of BRICS has led to greater integration of these countries into Western-based globalization rather than less: "the rise of these countries owes less to state capitalist deviations from neoliberal prescriptions which originated in the West, and more to the embrace of globalization friendly policies" (Kiely 2015, p. 2-3).

Nevertheless, the BRICS countries, and especially China and Russia, are at the center of current debates around deglobalization. Baumann (2022) characterizes deglobalization as involving trade protectionism, the restructuring of global production chains and the rise of nationalism, all of which lead to the gradual relocation of production units. Tooze (2023) sees deglobalization as a "polycrisis" involving economic and non-economic shocks which has featured significant involvement from the BRICS countries, particularly China. Brancacio and Califano (2023) note a reversal of roles, with China advocating for increased free trade while Western countries are advocating increased protectionism, including "friend-shoring". García-Herrero and Tan (2020), however, argue that deglobalization is not entirely new and is less pronounced in the global financial system than in trade and investment, despite attempts by the US and China to decouple their financial flows and delist Chinese companies from the US stock market.

We can analyze the BRICS countries along at least three dimensions. The first and most common is the top-down view in which we analyze the international system as composed of nation-states seeking to maintain or increase their power in an environment of inter-state competition. This approach is largely confused with geopolitical analysis, in which the BRICS countries are seen as seeking to accumulate economic, political and military capabilities vis-à-vis the United States and Europe.

In the wake of the 2008 financial crisis, the BRICS countries sought to act in a coordinated manner in multilateral forums to demand the reform of global governance institutions. This issue has been a point of tension with the Western powers, which have sought to delay or even prevent such reforms in the institutions created in the post-war period. These actions taken by the BRICS countries have raised expectations around their "counter-hegemonic" potential. Optimistically, Desai (2013) notes that "not since the Non-Aligned Movement and the call for a new economic order in the 1970s has the world seen such a coordinated challenge to Western hegemony in the global economy from developing countries." For Bello (2014), the role of BRICS is seen as positive for the Global South,[2] as it would provide a counter-pole in negotiations with Western countries and institutions. Van der Pijl (2017) sees the BRICS countries as a bloc of "contender states" that have individually gone through illiberal contender experiences, and rely on finance capital in a qualitatively different way than the liberal heartland, becoming state-oligarchic rivals to the liberal West.

[2] At the time of Bello's writing, BRICS was still seen as a coalition of the Global South. There was little debate about this categorization, how to define BRICS or its political implications. Waisbich, Roychoudhury and Haug (2021) raised some discussion on this topic in a special issue of *Third World Quarterly*. Much more discussion is needed, however, as noted at the end of this essay.

Since Russia launched its occupation of Crimea in 2014, geopolitical tensions between BRICS countries and the West have increased. After the election of Donald Trump as president in 2017, the United States turned its attention to containing China's technological expansion (Weinland, 2022). By 2022, following Russia's invasion of Ukraine, the world has been portrayed as being engaged in an "West vs. East" rivalry. From this perspective, BRICS is increasingly becoming a geopolitical alliance rather than an economic one.[3] The group's priority agenda is no longer just to reform multilateral financial institutions but to build new alliances and create institutions that will lead to a "multipolar world." Thus, the BRICS organization has become a magnet for countries that do not fit into the structures of the US-dominated international order. Many of these countries have officially requested to join (Garcia and Ibanez, 2023).

Two issues define the current geopolitical moment for the BRICS organization: its expansion to include new members and its reduced dependence on the U.S. dollar. Expanding the organization has always been on the agenda for China, which promoted the inclusion of South Africa in 2011. Now Russia too is advocating for expansion. In 2023, six countries were invited to join the bloc: Argentina, Saudi Arabia, Egypt, the United Arab Emirates, Ethiopia and Iran (Brasil, 2023). It is noteworthy that the new members include Saudi Arabia, historically an ally of the United States in the Middle East, and Iran, which suffers under U.S. sanctions.

With the aim of reducing their dependence on the U.S. dollar and creating trade and credit mechanisms in local currencies, "India has started buying Russian oil in renminbi, Saudi currency and rubles. Russia and China traded Russian oil, coal and metals in renminbi. Russia and a group of African countries began talks on establishing settlements in national currencies, eliminating both the U.S. dollar and the euro" (Li 2023, 9). Brazil and China have announced the creation of a clearing house to facilitate commercial transactions and loans in renminbi (Sanches, 2023). As part of its retaliation to Russia's invasion of Ukraine, the United States has frozen Russia's international reserves. This action has driven an increase in the share of the renminbi in trade between China and Russia (Li, 2023). Finally, the New Development Bank has set a goal of providing 30% of its financing in the local currencies of its members by 2026 (NDB 2021a). By the end of 2021, twenty-three percent of the bank's cumulative approved loans were in local currency; in China, seventy percent of the loans in the Bank's portfolio were denominated in renminbi in that year (NDB 2021b, 39).

We can also look at the BRICS from a horizontal dimension by analyzing intra-bloc relations to identify convergences and asymmetries among the countries. Over the past fifteen years, the BRICS partners have undergone institutional and thematic densification, creating new institutions and expanding the scope of intra-bloc cooperation (Ramos, et. al, 2018). Examples include annual meetings of foreign ministers on the sidelines of the United Nations General Assembly, regular meetings of sectoral working groups on topics such as health (Moore, 2022), meetings of finance ministers and central bankers at the G20 summits and the creation of two new joint institutions: the New Development Bank (NDB) and the Reserve Contingent Arrangement (ARC). In addition, BRICS goes beyond a grouping of states by recognizing other non-governmental bodies, such as the BRICS Business Council, the Council of Think Tanks, the Academic Forum, the Civil BRICS, and the "Brics from below"[4] (Bond and Garcia, 2015; 2021).

However, previous research has illustrated the economic asymmetries between the countries given China's economic dominance (Garcia, 2020). For example, in terms of trade relations, three of the BRICS countries–Brazil, Russia and South Africa–have trade surpluses with China, but their exports consist mainly of primary agricultural and mineral products. India, the only BRICS country with a trade deficit with China, also tends to export primary products and pharmaceuticals to its East Asian partner. China's intra-BRICS exports, on the other hand, range from telephone parts and data processing machines to semiconductors (Trade Map, n/d). Intra-BRICS trade relations resemble the traditional international division of labor with China at the center. This pattern is also reflected in FDI flows between BRICS countries.

[3] As Amr Adly pointed out in an insightful commentary on this essay, the new membership of Egypt, Ethiopia and Iran goes decisively in this direction because these countries were brought in despite their lack of economic weight. This was also the case with South Africa in 2010, when it was invited by China to represent the African continent despite lacking the same economic weight as other founding members.

[4] "Brics from below" (in South Africa) or "People's Forum on BRICS" (in India) are independent social movement meetings that take place on the sidelines of the BRICS Summits of Heads of State and gather grassroots organizations and social movements that raise critical voices against the actions of BRICS multinational corporations and financial institutions. Cf. https:/peoplesbrics.wordpress.com; https:/www.bricsfrombelow.org.

Other recent studies have analyzed and compared China's engagement with Brazil and South Africa (Garcia et. al. 2023). China has been the main trading partner of both countries since 2009 as well as a leading sources of loans and FDI. Brazil and South Africa have become important political partners of China in their respective regions as well as in BRICS and other multilateral arenas, such as the Forum on China-Africa Cooperation (FOCAC) and the China-CELAC Forum. From a historical perspective, it is significant in Latin America and Africa to develop diverse economic partnerships with the aim of counterbalancing the political and economic omnipresence of the United States and Europe, respectively, in these regions. However, to what extent can South-South investments generate new potentialities for development on more equitable and sustainable socioenvironmental grounds? Or, on the contrary, to what extent do South-South investments reproduce the traditional international division of labor, generate practices of natural resource and labor exploitation and create new asymmetries? Case study analyses of the Manaus Industrial Park in the Brazilian Amazon and the Musina-Makhado Special Economic in the Limpopo Province in South Africa suggest that, within the capitalist mode of production, South-South investment fails to provide a positive economic alternative for local workers, communities and the environment (Garcia; Thompson; Brito, 2024).

The third dimension for analyzing the BRICS countries is based on their relations with other developing countries at the individual and regional levels. This bottom-up perspective considers each BRICS country to be a regional leader seeking to influence and accumulate economic power over others on the periphery. Bond (2016) considers the countries to be sub-imperial powers characterized by super-exploitation of labor and collaboration (albeit in tension) with imperial powers. Bond builds on Harvey's idea of newly developing centers of capital accumulation that need temporal-spatial fixes to dispose of their surplus capital (Harvey 2007).

According to Harvey (2018), a flood of foreign direct investment from China is flowing across Africa and Latin America, putting Chinese (and Indian) companies at the center of mineral and agricultural commodity supply chains, extractivism and land grabs. Examples include Brazilian mining companies in Mozambique (AIAAV 2021; Marshall 2015), Chinese oil and mining companies in South America (Martínez, 2014; Rodriguez and Bazán, 2023) and Africa (Lee, 2017), Russian mining companies in Zimbabwe (Amsi et. al. 2015), and infrastructure projects for which communities have been forcibly displaced in Africa and Latin America (Delgado, 2017; HRW, 2023).

Carmody (2015) argues that South African and Chinese capital generally work together to exploit natural resources and dominate the African continent. In Latin America, relations with China are sometimes perceived as an alternative to U.S. imperialism, potentially fostering more autonomous political spaces for regional integration initiatives and institutions free from U.S. interference (Boron cited in Svampa and Slipak, 2015). However, others have characterized the region's relationship with China as being unequal and dependent on trade and investment flows that guarantee the supply of raw materials for China's industries and facilitate the opening of markets for its exports of high-tech products and services (Menezes and Bragatti, 2020; Slipak and Ghiotto, 2019).

In recent years, scholars have delved deeper into the issues of investment facilitation and protection agreements between countries in the Global South, taking a closer look at BRICS countries' investments in and free trade agreements with African and Latin American countries (Garcia, Misra and Lannes, 2023; Garcia and Curty, 2022). A bilateral investment treaty (BIT) is a legal instrument signed between two nation-states to protect investments and investors in each other's territory from nationalization, expropriation and other equivalent measures being taken without adequate compensation. The context of decolonization and the Cold War were key factors in the formulation of this type of asymmetric agreement. A consensus was reached during the debates on the UN New International Economic Order in the 1970s and an accepted formulation was inscribed in the treaty dispositions that persist to this day (Vandevelde, 2009).

The number of BITs signed between developing countries has been increasing since the 2000s. If we follow the development of BITs signed by BRICS countries, we find that China is now the world leader in investment agreements, with 145 treaties signed and 124 in force. In Latin America and the Caribbean, China has fifteen BITs and four free trade agreements (FTAs), while in Africa it has thirty-four BITs (UNCTAD, n.d.). It is true that the BRICS countries have pushed for reforms of the international investment regime in different ways. Brazil, for example, has developed an entirely new model that does not include investor-state dispute settlement. Both South Africa and India have terminated old-generation treaties, with South Africa having developed a new domestic law to replace bilateral treaties and India having developed a new, restrictive model. Russia has also established new guidelines for negotiating BITs. However, China has taken advantage of the Western-based treaty model and has not developed a reformed or alternative BIT model. Instead, China adapts the traditional model for each partner with whom it negotiates (Morosini and Ratton, 2018; Barth 2018; Sauvant and Nolan, 2015).

Despite the reformist approach of four of the BRICS founders with regard to relations with Latin American and the Caribbean as well as African countries, all of the BRICS countries, with the exception of Brazil, based their BITs in the traditional model. This choice reinforces the model's rules and principles that guarantee rights to foreign investors at the expense of the sovereign right of states to regulate in the public interest issues fundamental to societies, such as the environment, health, labor and macroeconomic stability (Garcia, Misra and Lannes, 2023; Garcia and Curty, 2022).

These three dimensions for analyzing the BRICS countries must be seen as complementary. Each presents a specific view of reality and no single view presents the full picture of current changes and conjunctures in global capitalism. The proposed methodology aims to reposition the debate beyond the "North-South" and "West-East" dichotomies. In this sense, we agree with Walter Mignolo (2011), who highlights the rise of the Global South amid growing tensions between two trajectories, "re-Westernization" and "de-Westernization," both of which are underpinned by capitalist economies. Mignolo emphasizes the hegemonic struggle between East and West for control over the colonial matrix of power, which encompasses knowledge, subjectivity, gender, sexuality, economy and authority, and intersects with racism and patriarchy. Rather than offering an alternative to capitalist oppression, both East and West operate within capitalist frameworks shaped by different local histories.

In this way, a deeper reflection on the category of the Global South, and its different meanings and uses, is necessary. As Darnal (2023) suggests, the Global South is not merely a geographic, economic or developmental category. It encompasses diverse states that seek to promote decentralization and multipolarity in the global political economy as well as to reduce the dominance of the United States and Northern Europe in the international order. But, it necessarily always politically and economically progressive? While the current narrative of the Global South serves to foster a sense of common identity among developing countries, it must be scrutinized in order to establish a more equitable and mutually beneficial South-South agenda. This goal means improving the uality of South-South cooperation. For example, the relationship between Brazil and South Africa needs to be improved through exchanges and the elaboration of joint strategies based on development programs that put people's needs before profit. South-South technology transfer and effective cooperation in areas such as health, the environment, agriculture and energy are fundamental to achieving better social and working conditions for the majority of our populations, including women, indigenous peoples, blacks, farmers and workers. The BRICS platform may be a potential multilateral space for progressive social forces to advance these agendas, but there is still a long way to go.

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