

BUILDING AN AGENDA WITH EMERGING COUNTRIES*

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1 INTRODUCTION

Predictions that the Chinese GDP could supplant that of the United States by 2030 have become common place. But listening to those predictions do not render us necessarily aware of their consequences for everyday life. If they come true, when children born in 2013 reach adulthood, China will be the country with the greatest production flow in the world. Or yet, when the students who have entered our diplomatic academy this year ascend to the upper rungs of their careers, they will face a global correlation of political and economic forces quite different from that faced by all ambassadors trained until today by the Rio Branco Institute (IRBr).

In turn, Indian scholars work with the assumption that, by 2030, the Indian population will become the world's largest and, being younger than the Chinese one, it will add more dynamism to the economy, which will have exceeded that of China by 2050. Being cyclic, the Hinduist time provides for an eternal return and some await the rebirth of an Indian Empire by mid-century.

Predictions should be taken with a grain of salt. Since the end of the Cold War, countless crystal balls went haywire. In a way, human nature tends to project elements of our aspirations and apprehensions onto reality. Those who hold power are reluctant to admit the existence of an ongoing process that will reduce their might. In turn, those who want to change the *status quo* tend to exaggerate the speed and the dimension of what is being changed.

Nevertheless, some features of international relations at the beginning of the second decade of this century should be highlighted, because they indicate new circumstances with which we may have to live, whether we are prepared for it or not. Undoubtedly the most striking feature is the emergence of China, "an essentially unique phenomenon", as noted by Antonio Barros de Castro.¹ The Chinese model of mass consumption, with its high standard of productivity and overwhelming competitiveness, bursts with irresistible

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1. The references to the authors mentioned throughout this article are in connection to presentations made by them at events hosted by FUNAG/Instituto de Pesquisa de Relações Internacionais (Ipri).

power onto the international scene. In the absence of uncontrollable disruptions, such as those resulting from natural disasters or unforeseen catastrophes, China seems destined to occupy a position of foremost importance on the world stage. The Chinese phenomenon can already be perceived in various ways on Brazilian turf. Its importance will grow. Better face the facts and be prepared to deal with them.

However, there is solid evidence that the United States will continue to hold a decisive share of world power, due to its unmatched military capability, to the resilience of its economy and its capacity for scientific-technological innovation. On its turn, although frustrated by its inability to deal with a crisis that has already taken too long, the European Union still is, and will continue to be in the foreseeable future, a natural partner for Brazil.

Furthermore, there are a number of countries that, for their abundance of natural resources, the size of their domestic markets, the stability of their institutions, the dynamism of their economies, and their ability to advocate for the rights of other countries in similar stages of development are now emerging as necessary co-participants of the international decision making process. Brazil is one of these countries, but several others have similar credentials and aspirations. Another ten of them, besides Brazil, are part of the G-20, alongside the G-8 and the European Union. By replacing the G-7 by the G-20 as the premier forum for global economic coordination, the rich countries sent a clear signal that they recognize the need for the contribution of the emerging ones to solve, for instance, problems related to the financial crisis that started back in 2008 and still has no date to end.

These countries are not newcomers to the international arena. On the contrary, they have been active players in multilateral negotiations for a long time and they know the tools of the trade. The difference is that in the face of many deadlocks in sectors that are crucial to mankind, their contribution becomes more relevant in so far as the major players cannot seem to take the initiative to carry out their obligation to lead. It is not in the financial sector alone that the presence of the emerging countries has become necessary to tackling international problems. In fact, in all corners of the world we now see countries in this category getting together to organize a common agenda around the so-called *minilateral groups* dedicated to specific issues, as is the case in BASIC, where Brazil, South Africa, India and China stake out positions in environmental negotiations.

The point is that in addition to our traditional partners – regional neighbors, United States, European Union, Africa – Brazil has no alternative than giving other emerging countries an important place in its diplomatic relations. This article dwells on two such groups of particular relevance for Brazilian diplomacy: IBSA, with India and South Africa, and BRICS, with India, Russia, China and South Africa.

2 IBSA

The former South African president, Thabo Mbeki, who had sophisticated ideas about foreign policy and championed the “renaissance” of Africa, wanted to create a G-8 of the South. He tried to draw the attention of the five guests invited by the G-8 to the Heiligendamm Dialogue Process, and three other countries to be chosen for their representativeness, but his effort did not take flight. When Chancellor Nkosasana Dlamini-Zuma presented the concept to Minister Celso Amorim, on the occasion of President Lula’s first inauguration, the Brazilian Minister argued that it would be difficult to establish solid positions between those eight, and proposed a slimmer group to facilitate their rapport. The matter was brought to the Indian Foreign Minister Yashwant Sinha, who agreed to enter the arrangement. Brazil would probably be satisfied with a quadrangle together with South Africa, India and China. A triangle ended up as the most comfortable shape to work with.

From the beginning, the IBSA dialogue forum stressed the similarities among its members. They represent three continents, in which they occupy strategic regional positions and exercise a certain level of economic and commercial leadership. They share interests in multilateral negotiations at the United Nations (UN), the World Trade Organization (WTO), the Bretton Woods institutions and other fora. They are multicultural and multiethnic societies, and, most of all, they are proud of and committed to their democratic regimes. By coming together, they assumed the challenge of becoming a model, the showcase of a new form of technical, cultural and scientific-technological South-South cooperation, a cooperation with less financial means, but still effective and without mercantilistic designs of pushing products of dubious adaptability to the reality of the recipient countries. The IBSA Fund for the Alleviation of Hunger and Poverty was created to be the executive arm of this innovative cooperation policy.

The creation of IBSA, in June 2003, attracted the attention of the diplomatic community the world over. The curiosity and expectation the three countries arose is an important piece of data in itself. To quote Felipe Fortuna, the diplomat is a creator of symbols and IBSA has become an icon of change, desired or derided upon, but long anticipated by many observers of international relations. For some a mouse that roared, for others a welcome breath of renewal, the fact is that IBSA has caused an impact and stirred hopes that new leaders would bring, not a revolution, but effective progress in the making of the rules of international coexistence in the twenty-first century.

On the eve of its seventh summit, IBSA put together a considerable collection of successes and some frustrations. Success comes mainly from the fact that three developing countries, far apart in geography and history and with little knowledge of each other, are now able to deepen common views on complex political, economic and social issues, each benefiting from the experiences of the other two. A tariff preference agreement was signed and, despite its limitations, has helped to increase trilateral trade considerably, the three are engaged in the process of launching satellites with shared technology, and the IBSA trust

fund develops projects in Guinea Bissau, Haiti, Burundi, Cape Verde, Cambodia, Laos, Palestine and Sudan. Sixteen working groups discuss how to cooperate in various sectors such as science and technology, energy, agriculture, healthcare, social development, besides trade. Civil society forums annually gather elected representatives, academics, journalists, businessmen and experts in the issues of the genre. The best of IBSA is linked to a sincere commitment to take technical cooperation and political dialogue to levels never thought possible before, especially if one takes into account the fact that India and Brazil barely knew each other before 2003.

But it is important to also reflect on what fell short of reasonable expectations, for those factors expose limitations that can thwart even projects of this magnitude. IBSA seeks to promote greater integration of the societies of member countries, but the free flow of people is severely hindered by the lack of quality transport by air and by sea among the three. Formulas to improve air and sea interconnection between the three countries and their respective regions take on a certain urgency for Brazil, given the imminence of the 2014 World Cup. In the trade area, the product by product negotiation of new tariff preferences is an exhausting and frustrating method that keeps at bay the free trade agreement that would open the floodgates for the “great market of the South”. This enlarged market, envisioned by Prime Minister Manmohan Singh, would result from the integration of the Southern Common Market (Mercosul), the South African Customs Union (Sacu), the Southern African Customs Union (Sacu) and India, a grandiose idea that never progressed beyond the level of rhetoric. Sixteen working groups are probably too many to handle; an effort should be made to elect priorities and thereupon work hard to get concrete results. For the IBSA Fund to be even more important, a reassessment of the Brazilian Cooperation Agency (ABC) and the resources at its disposal should be undertaken. The IBSA Fund itself deserves reassessment; first and foremost, the three must come together and devise practical ways to resize the participation of the United Nations Program for Development (UNPD) in the management of technical cooperation projects. Finally, it is time to consider if IBSA should remain enclosed within the triangle, or if it should encourage partnerships with countries with which it would be possible to develop broader and better funded initiatives in specific situations.

None of this means that IBSA should be discontinued or subsumed into another entity. Its role as home base for understandings between Brazil, India and South Africa in international conferences (and even within the BRICS) is a powerful argument in favor of its continued existence.

3 BRICS

Reportedly, when in charge of the Taoiseach of Ireland, Garret Fitzgerald commented at a party meeting: “That’s all right in practice, but how might it work in theory?” The irony of the head of the Irish government, himself a former university professor, targeted intellectuals who opposed some governmental initiatives based on complex theoretical formulations.

Ironies aside, academic studies and analysis have become increasingly useful to foreign policy operators, especially in the case of Brazil, whose diplomats complain that time for reflection is increasingly taken by the broadening of the Brazilian foreign agenda. Brazil's increased prestige create increased responsibilities, frequent meetings and commitments, as well as growing demands of civil society, since domestic and international events interact with growing intensity.

The BRICS have become a subject of scholarly debate for good reason. Globalization intensifies the general anxiety in the face of the crisis that both the United States and the European Union have been experiencing since 2008, and encourages all sorts of speculations about what will come next. The nuances of the world scenario stimulate theorists of disparate trends to debate amongst themselves if BRICS would be the spearhead of a new phase of international relations, marked by increasing multipolarity, or just another passing episode to be absorbed by the power structure created by the Bretton Woods (1944) and San Francisco (1945) conferences.

In a way, the rise of the BRICS irritates the vanity of diplomats and teachers. Individually, over time, the potential of those countries was recognized. Rubens Ricupero recalls that George Kennan, formulator of the containment policy that for 40 years guided relations on both sides of the Cold War, already referred in his book *Around the Cragged Hill: A Personal and Political Philosophy*, 1993, to *monster countries* (United States, Soviet Union, China, India and Brazil). The combination of vast areas, abundant natural resources and large populations destined those countries to occupy a prominent position in the community of nations. But the acronym BRIC, coined by Jim O'Neill in 2001, in an article that urged readers to invest in Brazil, India, Russia and China, provided the final touch that gave credence to an assumption that was long in the collective subconscious: those countries would be essential bricks to the international system in the twenty-first century. The tip came from a banker and was intended for profit-hungry investors worldwide, so it entered easily into the world of the urban investor, the baker in Trieste, the plumber in Pasadena and the dentist in Piracicaba – in short, across a wide range of individuals who, faced with a menu of global investments, hesitated as to the most profitable use of their savings. The icon projected the attractiveness of the four BRIC and so once again attracted the affection diplomatic language has for symbols. Or, to quote Kennan once again, it proved that language helps make policy.

It is worth considering that the transformation of the acronym into a forum for dialogue and political and diplomatic coordination did not follow suit. There was no hurry. The experiences of the four countries in the Heiligedamm Dialogue Process and the G-20 laid the groundwork, until the 2008 financial crisis and the enthusiasm of Russian Foreign Minister Sergey Lavrov brought about the first BRIC summit, not coincidentally in Yekaterinburg in 2009. On April 14, 2010, Brazil hosted the annual summit of IBSA, and the next day, the second summit of the BRIC. South Africa participated in the BRIC business meeting in Rio de Janeiro and President Jacob Zuma was invited by Brazil to attend

the formal dinner to close the BRIC summit, anticipating thus the formal invitation, made in December of the same year for the South African government to become a member of the bloc. On April 14, 2011, in the Chinese city of Sanya, South Africa attended its first summit, putting the 'S' at the end of the acronym. The next meeting of heads of state and government of the five was held in New Delhi on March 29, 2012.

The lengthy statements issued at the end of these meetings underscored the coincidences shared by the five countries on topics of the international agenda, not only in the economic and financial fields, but also in political matters, as well as the possibility of joint projects in agriculture, energy, and science and technology. BRICS' Ministers of Finance and Presidents of Central Banks now have specific forums to actively consult on questions of common interest. Trade Ministers now gather in the BRICS format, at the margins of international meetings, and the same goes for representatives of Supreme Courts. Seminars and workshops congregate academics, businessmen and even the BRICS' Supreme Courts host meetings to foster cooperation among them.

In practice, there is a gradual evolution toward consolidation of a forum with its own agenda. In theory, however, important questions remain on the possible level of cohesion between the members and regarding the group's own relevance. Many observers, like David Rothkopf, stress that China remains the odd man out and that without her, the BRICS would not arouse much interest. The argument underscores some unarguable facts: China has the largest financial reserves, the largest volume and value of exports, the largest market and has been investing around 9% of their GDP in infrastructure ever since the 1990s, so it now has an efficient transportation network, eliminating the risks of energy blackouts and a greatly improved level of education. The Chinese capacity to plan and implement what is planned is highlighted as a characteristic that distinguishes China not only from emerging countries, but from most countries of the world.

The differences within the BRICS do not stop there. In environmental negotiations, it is said that Russia would prevent any possible consensus. From the military point of view, South Africa and Brazil cannot dialogue with Russia, which maintains the only military force comparable with that of the United States, while some of the chronic nightmares of the United Nations Security Council – Kashmir, Taiwan, Tibet – are at the top of the diplomatic menu of India and China. Thus, there would be more room for vetoes than for cooperation within BRICS, as Ricardo Sennes argues, and it is understandable that a "realist" like Henry Kissinger would discard the notion that the five members of the group can ever act as a coherent block.

However, there are also some relevant and objective reasons for the Brics to stick together, besides those listed by George Kennan and Jim O'Neill, to name just those two. With the entry of South Africa, all the emerging regions of the world are represented in the group and this vast constituency increases the representativeness of its members. It is hard to imagine sustainable solutions to problems relating not only to finance, but also trade, the environment and intellectual property, among others, without the participation of these five countries. Global political, economic and financial governance is a powerful bonding agent.

Some journalists have an excessively pessimistic view of the elements of power available to Brazil. Vis-à-vis the Russian military arsenal, the Indian prowess in information technology (IT) or the Chinese market, Brazil would be the weakest link. But world opinion seems to think otherwise. The most widespread opinion abroad about Brazil was accurately captured by *The Economist*: Brazil is *the steadiest of the BRICS*, due to the lack of conflicts with its neighbors and the stability of its economy and its democratic model. The fact is, all BRICS are convinced that they have gained by joining the group BRICS, and by staying together they increase each country's possibilities to achieve the best possible results at international negotiation tables.

The BRICS form an unprecedented body. They come from different regions, they are distant from one another, and have no previous tradition of cooperation. Its future still is, at this point, unpredictable. Nevertheless, the topics they raise are of paramount importance to the world order. They have a wide reaching radius of influence in current international relations, and if they manage to stress their potentialities they may have a long life ahead.

4 CONCLUSION

In theory, the central question is whether or not the BRICS constitute proof of a progressive multi-polarization of world power. There are no ready answers to this question, which is, nevertheless, of obvious importance for diplomatic planning.

In practice, the BRICS are a topic that has gradually entered the Brazilian diplomatic agenda. IBSA provided opportune education, by showing that Brazilian interests in the twenty-first century extend to Asia, to where the dynamic center of the global economy has shifted, and cannot abandon it, with its 1 billion potential consumers and its vast reserves of natural resources. The five BRICS imposed their presence on the international stage due to the individual performance of each. Its decision to be a consultation and negotiation group received an impetus from the 2008 financial crisis and was based on a shared assessment by Brazil and our four partners, that to work together would better promote the interests of each one involved.

To focus on the BRICS does not imply setting aside our interests regarding the United States and the European Union. Nor does it mean that less attention will be paid to our geographical surroundings, or to Africa. On the contrary, these aspects remain a priority. It just so happens that the Brazilian foreign agenda widened and deepened with the country's growth. This phenomenon seems to be irreversible.

The BRICS's collective performance, directed primarily to joint action in the realm of global governance entities, is slowly turning towards the potential for cooperation among its members. In this context, the spotlight, especially for Brazil, will undoubtedly fall on China, that has an uncanny ability to produce, export and invest in other regions, including those closest to us. The international supply base for raw materials, organized by China from its regional surroundings, has moved into Africa and now turns its attentions toward South America. Production chains with its neighbors offer new models to be evaluated. For many reasons,

both proactive and reactive, China has become an irresistible phenomenon. Nevertheless, the truth is that we still have an abysmal deficit of knowledge regarding that country. Indeed, not only regarding China; we do not have enough knowledge about the other BRICS either.

Therefore, close examination, with as much objectivity and depth as possible, regarding the opportunities and challenges offered by the BRICS is necessary and timely. There are two mechanisms in the structure of the group that would provide a greater contribution to mutual knowledge, if they were reassessed and revitalized, than what has been seen so far. They are the academic and business forums that currently only come together on the eve of the summit meetings of the heads of governments and heads of state. If they had a more ambitious and intense agenda, with concerted events, it is likely that their contribution towards the increase of knowledge, business and trade would be much greater.

Ipea and FUNAG can contribute towards reinvigorating these forums by convening its members for discussions, with the goal of identifying divergences and convergences between BRICS and considering practical measures to maximize opportunities. Research and academic discussions are needed to deepen the reflection on the multiple facets of the situation and on ways and means of making the best of it. As we reflect on this, it is important to stress the fundamentals of our international involvement, which make us a nation that is primarily interested in the maintaining of international order, with the improvements made necessary by our evolution and that of our partners. The BRICS, as a whole as well as individually, should be an instrument to support these goals and not a threat to their achievement. The relevance of the group will increase in the proportion that members find harmonious means to resolve possible disputes amongst themselves, before solving the world's problems.

The debates concerning these issues are enriched by the presence of businessmen and experts in business strategy that have been observing the main trends created by the prolonged American economic convalescence, and the long-lasting economic crisis in Europe. They should be joined by representatives of government agencies that participate in the foreign agenda – *the Ministries of Finance (MF), Defence (MD), Industry and Foreign Trade (MDIC), Science and Technology (MCT), Agriculture Husbandry and Supply (Mapa), Culture (MinC), Social Development (MDS)*, among others. The *Committees of Foreign Relations and National Defence (CRE)* of both Houses of Congress should also play an active role in these discussions, that are also very interesting to business and labor organizations, as well as the media.

It is appropriate that this dialogue be as broad as possible, covering the largest number of participants from all regions of Brazil. The country is developing rapidly, as the regional interests become clearer and stand out. The foreign action strategies must, therefore, be made known nationwide.

Finally, this dialogue will be more efficient if it is continuous. Thus, it would be appropriate to organize a calendar of events throughout the year, with incremental revisions that analyze research and discussion feedback.

The BRICS are a work in progress. Their contours are not well defined as yet, its organization is still uncertain, its ideal composition lends itself to varied speculation, its

validity is questionable and even its goals are the cause of controversy. But they are new to the global gameboard and, from the Brazilian perspective, may represent a shortcut to achieving historical objectives. Brazil is probably the best placed country to garner, with strong regional deployment, benefits from its association with China, India, South Africa, and Russia and at the same time, with the United States and the European Union. How best to do this is a major challenge, and one which concerns all of Brazilian society.

The international balance of power is in constant motion. The diplomacy in the twenty-first century has accelerated its dynamics. Decisions are made in real time and in the midst of a globalized reality that affects multiple international and domestic interests at once. Governments have reduced lead time for reflection, while the margin for error shrank in direct proportion to the public's access to online information about government activities. In this context, the mission of organizations such as Ipea and FUNAG as promoters of analysis and debate, together with academia and representatives of civil society, is particularly relevant in a country like ours. Stimulating discussions on strategic issues have become an essential activity for good governance.

Brazil is long committed to having a voice in the forums in which the rules of international coexistence are defined. The traditional Brazilian discourse accentuates, as credentials, the moderation with which Brazil operates in the region in which it coexists with sixteen neighbors, over 16,000 km of borders, in constant peace since March 1870, when Brazilians fought their last war in South American soil (we did fight along with the Allied forces in II World War). The renunciation of nuclear weapons became a constitutional rule in 1988, which singled out diplomacy as a necessary recourse in conflict resolution. Experience has indicated that the most effective antidote against regional conflicts is shared prosperity. Thus, the economic integration of South America is based on our highest diplomatic priorities. Peace and development provide the basic framework with which Brazilian diplomacy works in international forums to engage a consensus. Not any kind of consensus, but a consensus that promotes a more democratic world order, where our voice is heard and the interests of other countries with similar interests are taken into account. In this advocacy, we learned that our voice is better heard when it is part of a chorus in harmony.

These considerations shed light on two aspects worth highlighting here. The first is about Brazilian respect for international organizations created since the end of World War II. We grew in their shadow, having learned to deal with them and recognize that our interests lie in their improvement, not in their dismantling or extinction. The second is that the commitment to expand our participation in these forums increases as, on the one hand, the country's economic successes are recognized and on the other, gaps appear in the global power structure, due to political and economic problems poorly administered by the dominant powers. If there is today, in the words of Gelson Fonseca Jr., "a demand for order and no clear supplier of such", since the United States and the European Union, engrossed in their own problems, do not provide the leadership required, it is natural that Brazil would present its credentials to participate in the management of global affairs.