

# Pooling Strengths

How BRICS countries can play a bigger global role  
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The upcoming BRICS Summit in Brazil in mid-November is themed as BRICS: Economic Growth for an Innovative Future. Priorities of the BRICS nations include strengthening cooperation in science, technology, innovation and the digital economy, and invigorating collaboration against transnational crime, especially organized crime, money laundering and drug trafficking.

When Jim O'Neill, then Chairman of Goldman Sachs Asset Management, published the Building Better Global Economic BRICS report in 2001, he forecast that the economic weight of the four original BRICS countries—Brazil, Russia, India and China, before the addition of South Africa—would continue to expand, raising important issues about the impact of their fiscal and monetary policies on the world economy.

In September 2006, five years after the report's release, the foreign ministers of the four nations met in New York on the sidelines of the General Debate of the U.N. General Assembly, in a prelude to a series of high-level meetings. A summit meeting was held in Yekaterinburg, Russia on June 16, 2009, and with the inclusion of South Africa in 2010, the BRICS cooperation organization with its five member states was launched.

## Bearing fruit

The BRICS countries account for 26% of the world's land area, 42% of the world's population, nearly a quarter of the world's

economy and more than 10% of the world's total foreign trade and investment. In addition, they account for well over 10% of the world's voting power in the World Bank and the International Monetary Fund. Together, this demonstrates the huge impact of BRICS cooperation on the world.

Remarkable achievements have been made in recent years, and the leaders of the five countries hold an annual summit and informal meetings on other occasions for dialogue and consultation on major international issues of common interest. In addition, government departments within the group have held numerous meetings on how to cooperate further. Amid rising uncertainties in the world, such dialogue and consultation are conducive to promoting pragmatic cooperation.

The New Development Bank (NDB), which was founded by the BRICS countries and officially opened on July 21, 2015, has financed 35 projects totaling \$9.3 billion. In August 2017, the NDB launched its Africa Regional Center in Johannesburg. The bank will reportedly approve at least \$32 billion in loans by 2021, along with bond issuances.

## Critical issues

The prospects for BRICS cooperation are promising; however, a number of priority areas need to be identified. During the first BRICS Summit, a joint statement containing only 15 articles was issued. But in recent years, joint statements and declarations issued at the end of these leaders' meetings usually contain around 100 articles, covering almost every aspect of international and national affairs.

The expansion of cooperation areas should be encouraged, as the determination of the BRICS countries to strengthen cooperation continues to grow. At the same time, they must decide on priorities to avoid the possible fragmentation of BRICS cooperation.



A booth at the 2017 China International Fair for Investment and Trade in Xiamen, in southeast China's Fujian Province, promotes investment in BRICS countries.

It should be noted that BRICS has yet to create a charter, and there is no legally binding mechanism, no permanent secretariat and not even a clearly stated purpose for cooperation.

Along with identifying priorities, the progress and implementation of various projects should be carefully monitored to minimize the discrepancies between top-level designs completed at the leaders' meetings and actual results.

The BRICS mechanism should be moderately institutionalized to increase the effectiveness of cooperation. Establishing a permanent secretariat, a first step toward becoming institutionalized, is necessary to coordinate different views and monitor projects. A permanent secretariat can also handle administrative affairs closely related to the functioning of BRICS, avoiding the predicament where the rotating presidency has the most input and say.

As its international prestige continues to grow, BRICS may attract other emerging economies, especially since its member states have always adhered to the principle of openness and inclusiveness and are willing to strengthen cooperation, and it's quite conceivable that a number of like-minded economies will be invited. Since the Xiamen Summit in 2017, the group has adopted the

BRICS Plus initiative, which invites leaders of relevant countries as guests to join the discussions.

There are 11 emerging economies within the Group of 20 including the BRICS countries, and excluding the European Union, the G7 countries and Australia; BRICS might consider reaching out to the other six emerging economies.

## Hi-tech focus

One important feature of the current international landscape is the rapid advance of the technological revolution. The extensive application of the Internet of Things, virtual reality, artificial intelligence (AI) and robotics has changed almost every aspect of human society, provided new impetus for economic development and brought about changes in the main battlegrounds of competition among countries.

Scientific and technological capabilities have become increasingly important factors in determining the competitiveness of a country. BRICS countries have different but complementary advantages in scientific and technological innovation, and the importance of strengthening cooperation in this field cannot be underestimated.

To promote BRICS cooperation in science,

technology and innovation, the most productive areas of cooperation should be better identified. This can include the application of specific technologies, while basic or theoretical research could also be an option. In the current frontiers of global science and technology, AI and 5G are undoubtedly some of the best areas for joint efforts.

Principles acceptable to all five countries are needed. Based on the experience of BRICS cooperation over the past decade, as well as the different states of science and technology development in the five countries, discussions on future development, joint efforts in research and development and the sharing of the fruits of success can be the guiding principles for BRICS cooperation in the field of science and technology.

The five BRICS members should unequivocally reject hegemony. Some developed countries use their strength to suppress the development of science and technology in emerging economies. The BRICS countries should unite in strong condemnation of such practices.

Over the past few decades, BRICS countries have developed rapidly in science and technology. But in some high-tech areas such as chip making, there is still a high reliance on products from developed countries, which restricts improvement of scientific and

technological capacity as well as the overall national strength of these countries.

Thus, members need to integrate innovation capabilities and initiate more key projects like the BRICS Institute of Future Networks. The five countries could set up a BRICS chip research institute, as well, aiming to make breakthroughs in chip development and manufacturing.

While formulating or revising international rules guiding cooperation in science and technology, the five nations should also strengthen consultation and communication with other countries. Some current international rules are not necessarily neutral and may even be unfavorable to emerging economies or developing countries, while rules have yet to be established in certain areas.

At the same time, the group needs to properly handle the relationship between bilateral and multilateral approaches. As the strengths of the nations complement each other, BRICS cooperation should be the integration of the scientific and technological know-how of all five countries, and collaboration involving all of them. ■



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