

THE BRICS APPROACH TO NATION-STATE SOVEREIGNTY

A Review Essay of Recent Commentaries

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Introduction

The origin of the acronym, BRIC, attributed to Goldman Sachs, is used to denote the set of rapidly developing countries consisting of Brazil, Russian Federation, India and China. South Africa was added later to form BRICS.¹ Since then much of the interest in the BRICS Forum, as the official summit of leaders of the five nations is called, has declined as a result of several factors: (1) the belief that the BRICS are bound together mainly by a narrowly defined sense of sovereignty,² (2) the BRICS are too dissimilar in foreign policy objectives, economic and political institutions and cultural experiences to remain a viable forum of influence even in the medium term,³ and (3) growth in emerging markets and developing economies is less dependent on advanced economies over the long run, but in the short run “they dance together.”⁴

This review essay is intended to critically examine each of these three factors to determine if individually or collectively they are likely to inhibit the influence of the BRICS (and if so, is that desirable?), or alternatively, whether it is possible to accommodate changes in objectives, in shared cultural experiences and in patterns of convergence to a multi-polar and interdependent set of political structures that retain sovereign elements but with less autonomy than currently exists. It is suggested further that the BRICS make a desirable case study to test the possibility of these accommodating changes. A similar sharing of cultural experiences, as well as patterns of converging, will be needed both within and among the current member-states of the OECD⁵ in order to achieve both the desired quantity and quality of economic progress in the future. The concept of state sovereignty is obviously

¹ Goldman Sachs Global Economics Department, “Book: BRICS and Beyond”, November 2007 at <http://www.goldmansachs.com/our-thinking/archive/BRICs-and-Beyond.html>).

² Zaki Laïdi, “BRICS: Sovereignty Power and Weakness,” *International Politics*, Vol. 40, No. 5 (September 2012) pp. 614-632. Available for purchase at: <http://www.palgrave-journals.com/ip/journal/v49/n5/pdf/ip201217a.pdf>.

³ Fraser Cameron, “The EU and the BRICS”, *The Diplomatic System of the European Union*, Policy Paper 3, February 2011 at http://dseu.lboro.ac.uk/Documents/Policy_Papers/DSEU_Policy_Paper03.pdf.

⁴ Kermal Dervis, “Convergence, Intrdependence and Divergence”, *Finance and Development*, September 2012 at <http://www.imf.org/external/pubs/ft/fandd/2012/09/pdf/dervis.pdf>.

⁵ Current membership of the Organisation for Economic Co-operation and Development is available at: <http://www.oecd.org/about/membersandpartners/>.

changing and this evaluation may shed some light on the nature of the change, as well as its likely status in the future.

The Origin and Significance of the Sovereignty of Nation-States

Sovereignty is generally viewed as the outcome of a doctrine that supports acquiring or preserving political independence of a nation-state, or a region that aspires to become a nation-state. It is not a natural right; it is necessary to request it. The relevant concept of sovereignty arose from the Peace of Westphalia, which consisted of a series of peace treaties signed between May and October 1648. They resulted in a new political order in central Europe and this was extended to other nations through the emerging system of international diplomacy. It guarantees, by mutual consent, that nations for which sovereignty has been granted will be able to exercise unilateral control over their own policies and the associated issues that are important to them, and to operate without external influence in their internal affairs.⁶ There are exceptions: limited outside influence may be granted by treaty, and in exceptional circumstances the “duty to protect” may be invoked. The latter is more controversial.

At the United Nation’s 2005 World Summit, heads of state unanimously affirmed that “each individual state has the responsibility to protect its populations from the four mass atrocity crimes [genocide, war crimes, ethnic cleansing and crimes against humanity].” They agreed further that, when appropriate, the international community should assist nation-states in exercising the responsibility to protect by building their appropriate capacities before crises and conflicts break out. However, when a nation-state is “manifestly failing” to protect its population from the four specified crimes, the heads of state confirmed that the international community was prepared to take collective action, through the Security Council and in accordance with the Charter of the United Nations. The authority to invoke the last resort and intervene militarily rests solely with the United Nations Security Council and the General Assembly.⁷ Despite this required oversight, the affirmation was sufficient to link “responsibility to protect” to a “right to intervene”, even after an effort was made to avoid using the latter expression in official documents.⁸

⁶ Kyle Bagwell, “National Sovereignty in an Interdependent World,” *NBER Working Paper 10249*, January 2004, p. 1. Available for purchase at: <http://www.nber.org/papers/w10249>.

⁷ Office of the Special Advisor on the Prevention of Genocide, The United Nations Department of Public Information, 2012. Available at: <http://www.un.org/en/preventgenocide/adviser/index.shtml>.

⁸ Steven Haines, “Humanitarian Intervention: Genocide, Crimes Against Humanity and the Use of Force,” Chapter 18 of George Kassimers and John D Buckley, eds., *Ashgate Research Companion to Modern Warfare*, a portion of which is available online at: <http://books.google.ca/books?id=gnxWaFyEE0QC&pg=PA307&dq=%22Humanitarian+Intervention:+Genocide,+Crimes+against+Humanity+and+the+Use+of+Force%22&hl=en&sa=X&ei=U18OT5L-Gq230gGF9IG-Aw&ved=0CDEQ6AEwAA#v=onepage&q=%22Humanitarian%20Intervention%3A%20Genocide%2C%20Crimes%20against%20Humanity%20and%20the%20Use%20of%20Force%22&f=false>. Additional references may be found in the Chamber’s page on Transparency and Accountability in National Governments, subsection “[Accountability for Crimes Against Humanity](#).”

The Possibility of a Wider Perspective for Sovereignty

Zaki Laïdi's main point in the article cited in footnote 2 above, is that the key element in the glue that holds the BRICS together as a group of nations is their strong defence of the sovereignty of nation-states. As he states it:

The BRICS form a coalition of sovereign state defenders. While they do not seek to form an anti-Western political coalition based on a counter-proposal or radically different vision of the world, they are concerned with maintaining their independence of judgment and national action in a world that is increasingly economically and socially interdependent (p. 615).

Laïdi states further on the same page that five nations have formed a defensively strong coalition but remain relatively weak offensively since they each pursue "narrow national objectives. [...] This narrow attachment to sovereignty is both their strength and their great weakness." Accepting the premise that the principle source of cohesion is a concept of sovereignty based largely on national self-interest, then his conclusion would seem to follow. But several questions pop up fairly quickly if we adopt a more critical view of the premise:

- Can the narrow attachment to sovereignty be widened?
- Is it feasible to define a sovereign independence-of-thought and to seek a wider scope for strategic autonomy that acts to broaden the national objectives without necessarily being committed to them?
- Can such a quest be linked to a desire to build a more just and equitable global order?

If it is an objective of one or more of the BRICS to move beyond the narrow attachment,⁹ then it would change the nature of the relevant premise and consequently the conclusion.

A major concern for each of the five BRICS is that the "right to intervene" may one day become conventional policy, and may be applied for the purpose of imposing a regime change in cases for which crimes against humanity are alleged but not firmly established. It is not that the BRICS disagree in principle with the "responsibility to protect", but rather that they seek to preserve it as a last resort and make it subject to a more measured form of scrutiny than sometimes results from the liberal philosophy of many Western nations. The BRICS are concerned that civil unrest in their own nation-states may lead to allegations of a failure to protect, and hence open the way for external intervention. They seek to avoid the last of these at almost any cost.

⁹ These questions follow the "defining principles of India's international policy" as described by Synil Kilnani: "By that we refer not to an old ideology, but to enduring principles. Three in particular: That our actions should not be governed by ideas and goals set elsewhere, that we expand our scope for strategic autonomy, and that we use our accruing national power to build a more just and equitable global order." Available from a podcast, "Opening Remarks," dated 28 February 2012, at: <http://www.cprindia.org/workingpapers/3844-nonalignment-20-foreign-and-strategic-policy-india-twenty-first-century> or as text from "India Should Aim to Be Powerful and Set New Standards," dated 5 March 2012, at <http://www.rediff.com/news/slide-show/slide-show-1-india-should-aim-to-be-powerful-and-set-new-standards/20120305.htm#2>.

Although the difference between this view and that of many Western nations may be considered a difference in morality or philosophy, it is more properly viewed in the context of different cultural experiences. Specifically, the BRICS have generally experienced past intrusions that became highly disruptive,¹⁰ and in retaining a collective memory of these experiences they are prone to believe that similar intrusions are possible and, possibly, are already being planned. To the extent that this adequately describes the nature of the group cohesion for the BRICS, it is then more a matter of *self-preservation* than *self-interest*. This new perspective is sufficient in itself to widen the attachment to sovereignty.

We are all hard-wired from ancient times to promote self-preservation in order to perpetuate the species. So the BRICS are no different in that respect than any other group of nation-states, and there is no apparent reason to treat them differently. Additionally, if the other nation-states allow customised paths for the development of the means whereby the BRICS can protect the human rights of their citizens then some of the pressure caused by the fear of intimidation and manipulation might be removed. It could change a rigidly defensive stance into a willingness to engage in dialogue within an agreed-upon program. If that occurs, it would most certainly be considered an even wider view of sovereignty.

Independence of Thought and Strategic Autonomy

Is it feasible to define sovereign independence-of-thought and to seek a wider scope for strategic autonomy that acts to broaden the national objectives without necessarily being committed to them? The notion of strategic autonomy is more conveniently developed through theories of alliances in international politics. According to James D Morrow, in his statement of alliances and asymmetry in 1991:

[T]he dominant view sees alliances as tools for aggregating capabilities against a threat; nations form alliances to increase their security by massing their capabilities against a common enemy. The need for the alliance ends when the threat passes. This view will be called the capability aggregation model of alliances.¹¹

Morrow suggests that the framework of aggregating capability to meet threats is unnecessarily restrictive and should be replaced with one that allows the use of alliances to pursue changes in prevailing foreign policy status. Weaker parties to the alliance offer concessions that increase the stronger ally's freedom of action while increasing their own protection from external threats:

¹⁰ Perhaps the best example of this is offered by Rana Mitter, professor of Chinese history at Oxford University, in the book entitled, *China's War with Japan, 1937-1945: The Struggle for Survival*, Allen Lane, June 2013. For reviews, see: "The Start of History: The Sino-Japanese War", *The Economist*, 22 June 2013 at: <http://www.economist.com/news/books-and-arts/21579797-how-struggle-against-japans-brutal-occupation-shaped-modern-china-start-history>; or Richard Overy, "China's War with Japan, 1937-1945: The Struggle for Survival by Rana Mitter", *The Guardian*, 6 June 2013 at <http://www.guardian.co.uk/books/2013/jun/06/china-war-japan-rana-mitter-review>.

¹¹ James D Morrow, "Alliances and Asymmetry: An Alternative to the Capability Aggregation Model of Alliances," *American Journal of Political Science*, Vol. 35, No. 4 (November 1991), pp. 904-933. Available to read online after registering at: <http://www.jstor.org/stable/2111499>.

In this view a nation will judge the attractiveness of an alliance by comparing the benefits of the ally's ability to advance its interests to the costs of advancing the ally's interests. When the former exceeds the latter for both nations, they will want to form an alliance.¹²

The principal motivating factor for a nation-state, or a group of nation-states, to seek independence-of-thought is to retain an appreciable degree of autonomy with various forms of alliance agreements and treaties into which they enter. Some loss is of course expected since the agreements and treaties entail a commitment to conform to group decisions that were arrived at in a prescribed way.¹³ In relation to the BRICS, this is directed mainly at limiting the loss of autonomy with relation to Western-dominated influences in most of the global inter-governmental institutions.

This is consistent with the desire of the BRICS to establish their own development bank.¹⁴ The second document cited in footnote 14 indicates that the principal purpose of such a bank is for “mobilising resources for infrastructure and sustainable development projects for BRICS and other emerging economies to supplement the existing efforts of multilateral and regional financial institutions for global growth and development.” It would therefore reduce, but not eliminate completely, their dependence on development funds under the control of the World Bank or controlled by bilateral aid donors.

Achieving a More Just and Equitable World Order

Every nation-state, and every separate culture within the nation-states, is likely to place “just and equitable global order” within a context that is derived from their separate cultures. Greater commonality of shared cultural experiences will necessarily create greater contextual similarity. It follows that a greater amount of shared experiences will ultimately supply the desired link, but cultural experiences are acquired slowly. The longer span of time elevates the importance of the measurement, or estimation, of the associated benefits and costs of achieving a more just and equitable global order.

Most mainstream theorists follow one of the two major traditions of Enlightenment thinking in reference to justice and equity. One is the “social contract” following Thomas Hobbs, John Locke, Jean-Jacques Rousseau, Emmanuel Kant and enunciated more recently by John Rawls.¹⁵ The other follows from the other Enlightenment tradition of reducing *injustice* in ways described by Adam Smith, Marquis de Condorcet, Mary Wollstonecraft, Jeremy

¹² *Ibid.*

¹³ Morrow, *op. cit.*, footnote 11, developed a model of alliance choices using trade-offs between autonomy and security and through this he provides a useful definition of the two concept.

¹⁴ Ilya Arkhipov, “BRICS Move on Development Bank at Summit in SA,” *Business Day Live*, 19 March 2013. Available at: <http://www.bdlive.co.za/africa/africanbusiness/2013/03/19/brics-set-to-move-on-development-bank-at-summit-in-sa>. And “Statement by BRICS Leaders on the Establishment of the BRICS-led Development Bank,” Durban, South Africa, 27 March 2013. Available at: <http://www.brics.utoronto.ca/docs/130327-brics-bank.html>).

¹⁵ Amartya Sen, *The Idea of Justice*, Allen Lane, 2009, p.6. Citations for the classical writings in what Sen called “transcendental institutionalism” are given in various endnotes to his chapters.

Bentham, John Stuart Mill, Karl Marx and presented by Amartya Sen.¹⁶ This literature is far too extensive to be reviewed adequately in this essay, and it will hopefully suffice to point out two implications of Sen's treatise on justice. First, Sen's approach is likely to be more effective for the purpose of evaluating any efforts by the BRICS to achieve incremental improvements in justice and fairness. This follows from the emphasis Sen places on seeking what is necessary to remove injustice rather than to characterise the perfectly just institutions that follows from Rawls' work. Second, as Sen states throughout the book, it is essential that the reference points for such incremental improvements be global.

The Impact of Dissimilarity Among the BRICS

It is generally accepted that alliances are easier to form, and tend to remain more stable, with members that reflect a relatively high degree in similarity in relation to important characteristics such as foreign policy, basic economic objectives and associated policies, as well as in language and culture. The lack of similarities among the BRICS has been widely discussed. For example, Antoine Van Agtmael stated the following in *Foreign Policy*:¹⁷

The BRICS are part of the G-20, but not a true power bloc or economic unit within or outside it. None is fully accepted as "the" leader even within its own region. China's rise is resented in Japan and distrusted throughout Southeast Asia. India and China watch each other jealously. Brazil is a major supplier of commodities to China and has relied on it for its economic success, but the two powers compete for resources in Africa. Russia and China may have found common cause on Syria, but they compete elsewhere. And though intra-BRIC commerce is growing rapidly, the countries have not yet signed a single free trade agreement with each other. Then there's South Africa, which formally joined this loose political grouping in 2010. But being a member of the BRICS doesn't make it an equal: South Africa doesn't have the population, the growth, or the long-term economic potential of the other four. Indonesia, Mexico, and Turkey would have been other logical contenders – or South Korea and Taiwan, for that matter, which have comparable GDPs but much smaller populations than the original BRICS.

The BRICS are also nowhere near economically cohesive. Russia and Brazil are way ahead in per capita income, beating China and India by a huge amount – nearly \$13,000 compared with China's \$5,414 and India's \$1,389, according to 2011 IMF data. And their growth trajectories have been very different. What's more, the BRICS face stiff competition from other emerging powerhouses in the developing world. While China and India seemed to have a competitive edge for a while due to their low labour costs, countries like Mexico and Thailand are now back on the competitive map. And while growth in the BRICS seems to be slowing, many African countries are receiving more foreign investment, may be more politically stable, and are at long last moving away from slow or no growth toward much more robust economies.

Despite dissimilarities and potential conflicts of interests the ties between BRIC foreign ministers were completed at the meeting held in Sao Paulo, Brazil on 7 November 2008 and

¹⁶ Sen refers to this literature stream as "realisation-focused comparison," *op. cit.*, p. 8.

¹⁷ Antoine Van Agtmael, "Think Again: The BRICS," *Foreign Policy*, Vol. 196 (November 2012) pp. 76-79. Available at: http://www.foreignpolicy.com/articles/2012/10/08/think_again_the_brics.

the first summit was convened in the Russian Federation the following year.¹⁸ Similarities make alliances less painful, but limit the benefits derived from them. Evidence for this is difficult to obtain for the countries in question as no benefit-cost analyses are known to have been undertaken. Nevertheless, experience with other nation-state alliances, and with other forms of alliances, adds support to the notion that diversity is necessary for significant benefits to accrue. For example, with perceptions of greater threats to national security, multilateral alliances are expected to display greater diversity than bilateral or trilateral alliances among the set of multilateral members, but the risk of a greater loss of autonomy and greater costs in maintaining the alliance is often considered to be more than offset by the ability to seek help from multiple allies.¹⁹

Major benefits may be gained simply through the exchange of information, knowledge and experiences. A study of the organisational design of alliances indicated that specialisation, formalisation and centralisation of alliance institutions and organisations contribute significantly to the success of business alliances.²⁰ In contrast little is gained with alliances among similar and often competing businesses, unless considerable effort is made to ensure that:²¹

- strategies of the alliance firms converge as their competitive objectives diverge;
- the alliance firms are relatively small compared to the industry leaders; and
- each alliance partner is generally confident in its ability to gain knowledge from the other, while at the same time defending against competitive compromise.

The total effect of these influences on the BRICS alliance cannot be determined, but interest here is mainly in showing that at least some diversity is desirable in order to accumulate benefits.

Convergence, Interdependence and Divergence

According to Kermal Dervis (page 12 of source cited in footnote 4 above), the new convergence of developing countries has been influenced by:

¹⁸ The President of Russia, "First BRIC Summit," Yekaterinburg, June 2009. Available at: http://archive.kremlin.ru/eng/articles/bric_1.shtml.

¹⁹ Kai He and Huiyun Feng, "Why Is There No NATO in Asia? Revised: Prospect Theory, Balance of Threat and US Alliance Strategies," *European Journal of International Relations*, Vol. 18, No 2 (2010), pp. 227-250.

²⁰ Sascha Albers, Franz Wohlgezogen and Edward J. Zajac, "Strategic Alliance Structures: An Organisation Design Perspective," *Journal of Management*, online version published 29 May 2013. Available for purchase at: <http://jom.sagepub.com/content/early/2013/05/24/0149206313488209.full.pdf>

²¹ Gary Hamel, Yves L Doz and C K Prahalad, "Collaborate with Your Competitors – and Win", *Harvard Business Review*, January 1989. Available online for reading or purchase of copy at: <http://hbr.org/1989/01/collaborate-with-your-competitors-and-win/ar/1>.

- globalisation, especially through strengthened trade links, rising foreign direct investment and technological diffusion;
- demographic transition with slower population growth, a large ratio of working age population to the total population and greater capital intensity; and
- a higher proportion of income invested in these nation-states – 27 per cent over the past decade compared to 20.5 per cent for advanced economies.

Despite the delinking of long-term growth patterns, strong linkage in the business cycles for developing and advanced economies has been apparent since the Asian financial crisis in 1997-1998. This linkage is attributed to trade and, in historical terms, the exceptionally large and complex global financial system. These trends are likely to continue and they will act to “weave the world economy into an interdependent whole.”

Divergence occurs with the distribution of global income. The factors influencing this trend include the nature of technological change, especially the speed at which it is dispersed, the premium placed in increasingly higher levels of skill and the mobility of capital in contrast with the relative immobility of labour. These have led to increased income concentration at the very top of in many of the largest countries, both advanced and developing.

This has two important implications for this analysis of BRICS and nation-state sovereignty. First, it is likely that the world will become more multi-polar and interdependent with access to global markets offering a continued potential for rapid economic growth. For many developing nation-states the offer will be too good to refuse. To realise this potential, international co-operation will be needed to minimise the effect of conflicting policies of one nation-state on other nation-states and to ensure that the benefits of global economic activity are distributed in a just and equitable way. If the BRICS aspire to be in a position to have, at some future time, a degree of influence on the necessary co-operation, it is well that they begin to gain experience in how to co-ordinate their sovereign activities with other nations. The BRICS summit may be one such way of doing this.

The second implication is the likelihood that the BRICS will gradually converge as part of the convergence, interdependence and divergence nexus. The last of these is more worrying for them than for advanced nation-states since their more rapid rates of economic growth per capita will tend to put flashing lights on income inequalities simply because they are likely to be more pronounced and perhaps also more widely spread. This normally tends to reinforce a narrower view of sovereignty in order to quarantine their respective nation-states from economic and financial disturbances made by other nations. But that, in turn, will reduce co-ordination of policies and hinder co-operation in making the transition to advanced economic status. The BRICS need to know how to manage this transition and they can only learn by doing – hopefully with a minimum of mistakes. It is important for them, and for the world at large, that they project the notion that their alliance is not dead yet and that they will continue to seek a more self-perpetuating fusion of state sovereignty and strategic alliances.