



the BRICS *come to Durban* *what we can expect from the* *March 2013 summit* *of subimperial powers*

OUR OBJECTIVE IS TO ADVANCE SOCIO-ECONOMIC AND ENVIRONMENTAL JUSTICE BY DEVELOPING CRITICAL KNOWLEDGE ABOUT, FOR AND IN DIALOGUE WITH CIVIL SOCIETY THROUGH TEACHING, RESEARCH AND PUBLISHING.

South Africa's 'Social Movements United' march from Alexandra Township to the World Summit on Sustainable Development in Sandton, 31 August 2002

CENTRE FOR
CIVIL SOCIETY

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presented to the
UKZN Development Studies Seminar
6 March 2013



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Cartoons by Zapiro

Durban's hosting of BRICS, 26-27 March 2013

International Convention Centre

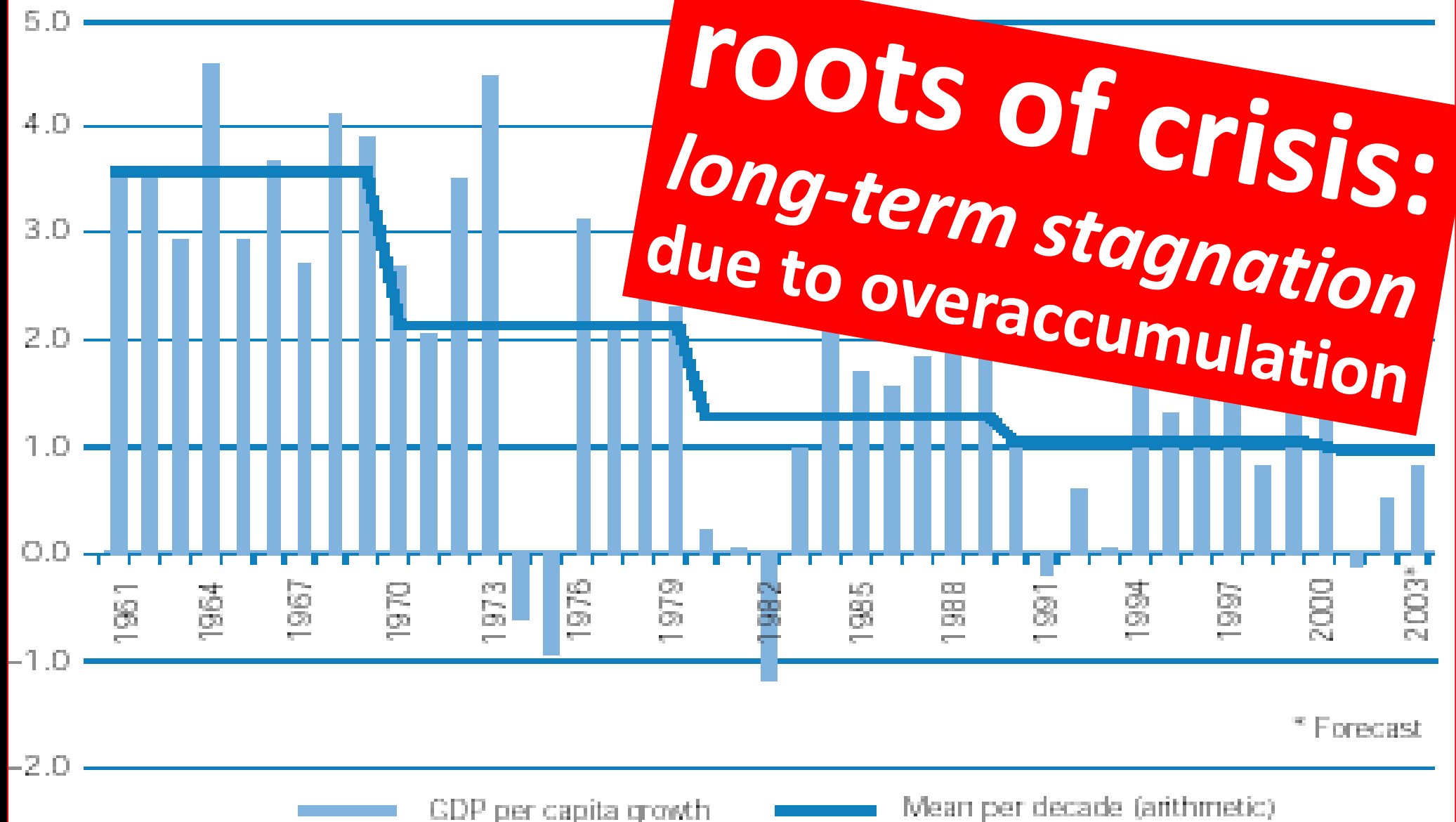
- BRICS within the crises of neoliberalism
- scrambled Africa:
Durban 2013 = Berlin 1885?
- BRICS as (incoherent)
subimperialist bloc
- *'brics-from-below'*
alternative (@ Diakonia)



<http://davidharvey.org>



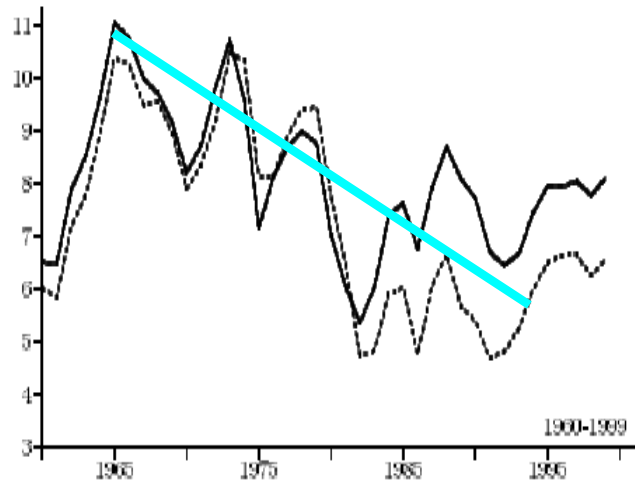
World GDP per capita growth, 1961-2003 (annual change in per cent)



Sources: World Bank, *World Development Indicators 2003* (online version) and World Bank, *Global Economic Prospects 2004*.

‘overaccumulation’ and financialisation: sources of decline in US manufacturing profits

Figure 3 US, nonfinancial corporations: Profit rates prior to the payment of real interest (—) and after (-----), %

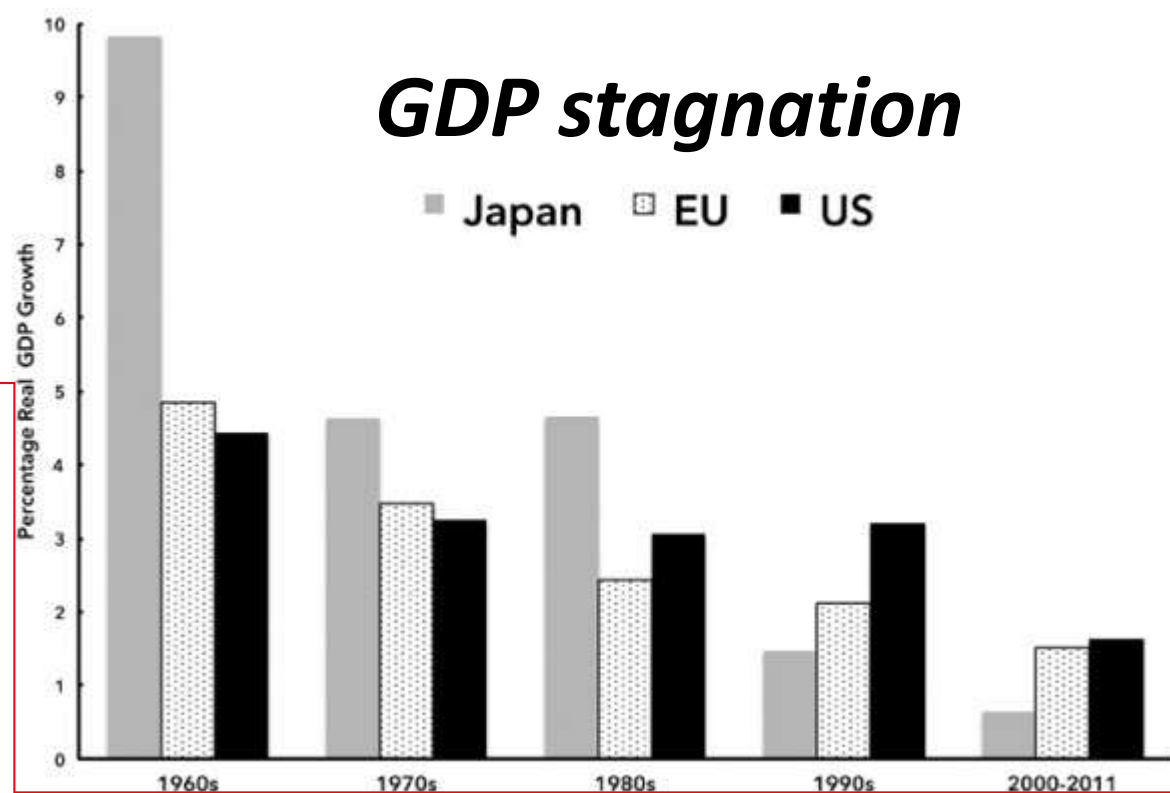


In the first series, profits are equal to the net product minus the cost of labor, and business and profit taxes. They are divided by the net worth (total assets minus debt). For the second series, real interest is subtracted from profits, i.e., interest minus a correction for the depreciation of debt resulting from inflation.

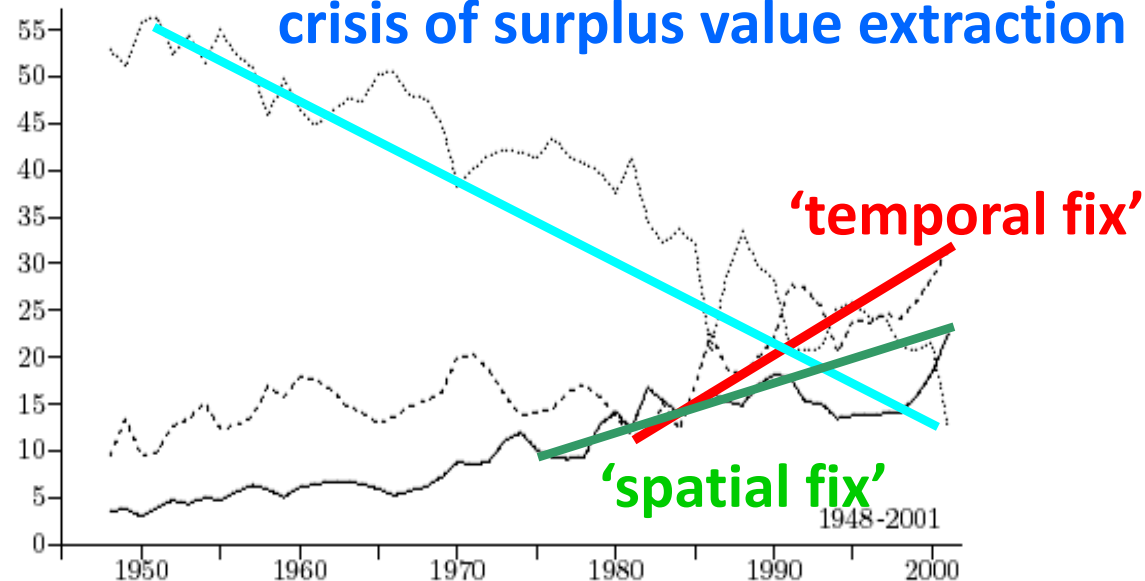
- **US corporate profits derived much less from manufacturing products;**
- **much greater sources of profits from abroad;**
- **profits also came more from returns on financial assets.**

Source: Gerard Dumenil and Dominique Levy

GDP stagnation



crisis of surplus value extraction



Rest of the world: (—); Financial sector: (-----); Manufacturing: (.....)



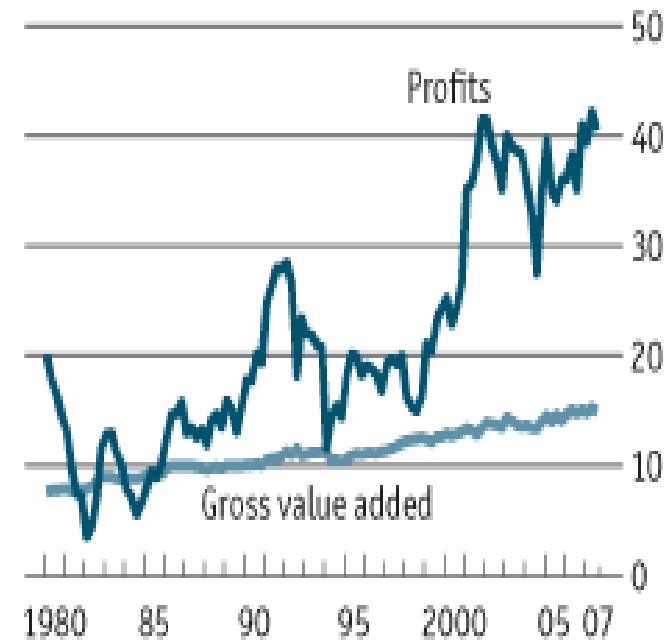
Ugandan marxist Dani Nabudere (1929-2011) 'financialization' thesis vindicated



The Crash of International Finance Capital and The Rise and Fall of Money Capital



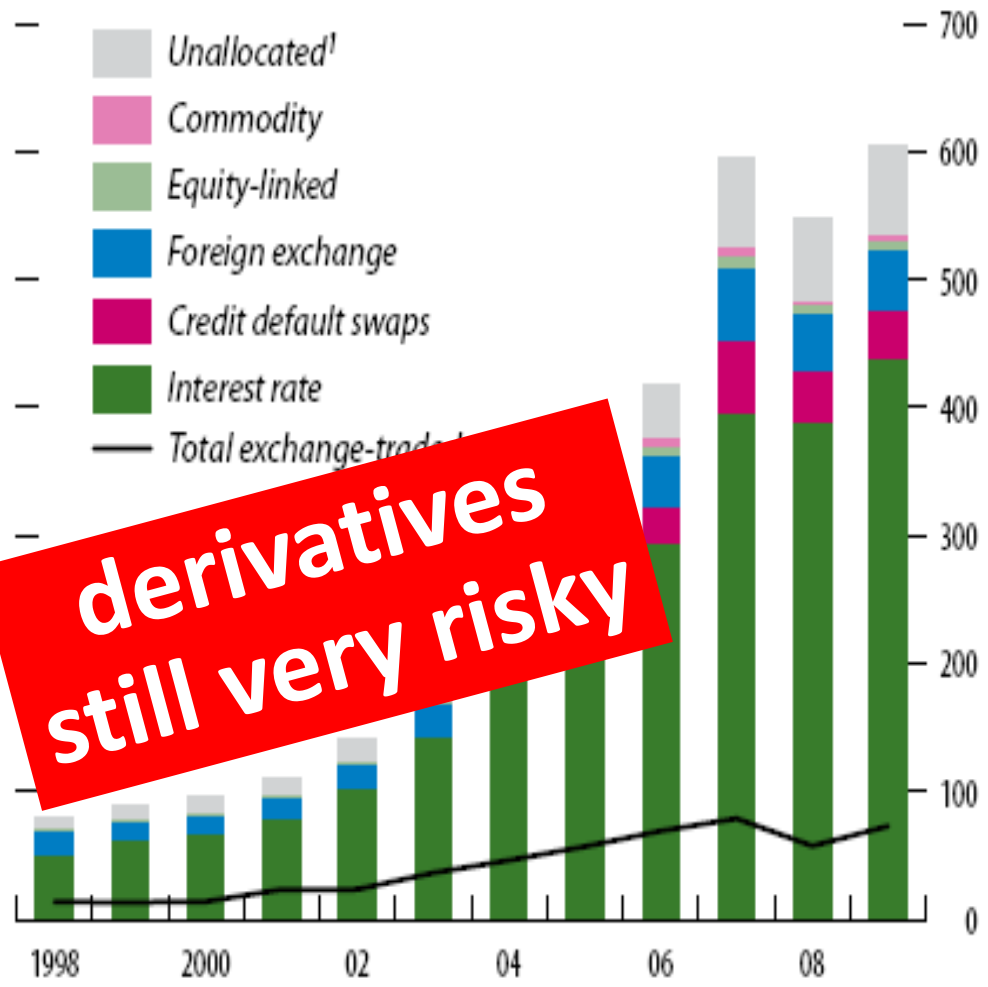
Finance industry profits and gross value added
As % of US corporate total



source: *The Economist*

neither are derivatives or 'Quantitative Easing' bailouts

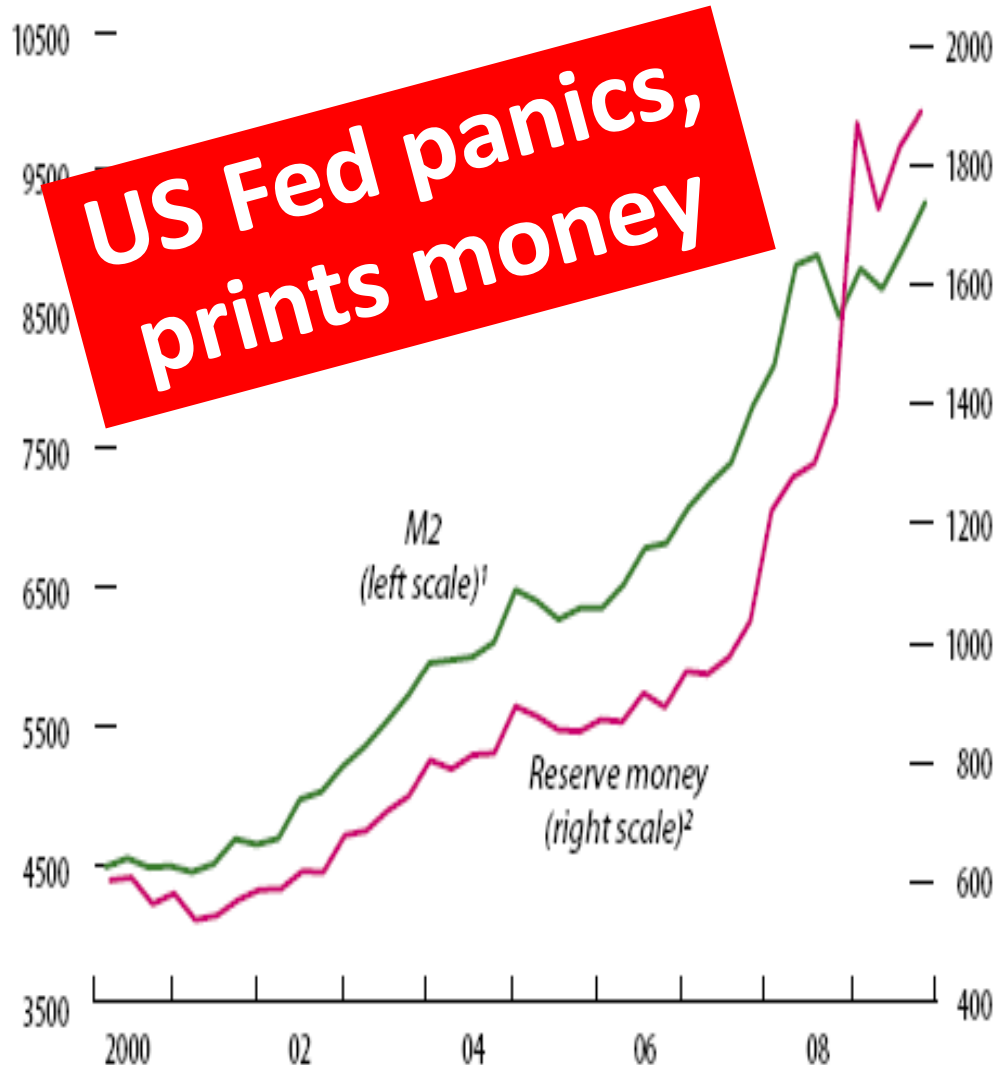
Figure 3.1. Global Over-the-Counter Derivatives Markets
(In trillions of U.S. dollars; notional amounts of contracts outstanding)



Source: IMF, *Global Financial Stability Report*, April 2010

Figure 4.1. Global Liquidity

(In billions of U.S. dollars; GDP-weighted; quarterly data)



wealthy governments' debt
reaches (political) ceiling

*vast increase
mainly reflects
bailout of US
and European
banks in late
2008*



sub-prime disaster *isn't going away*

S&P/Case-Shiller Home Price Indices



Source: S&P

banks getting desperate

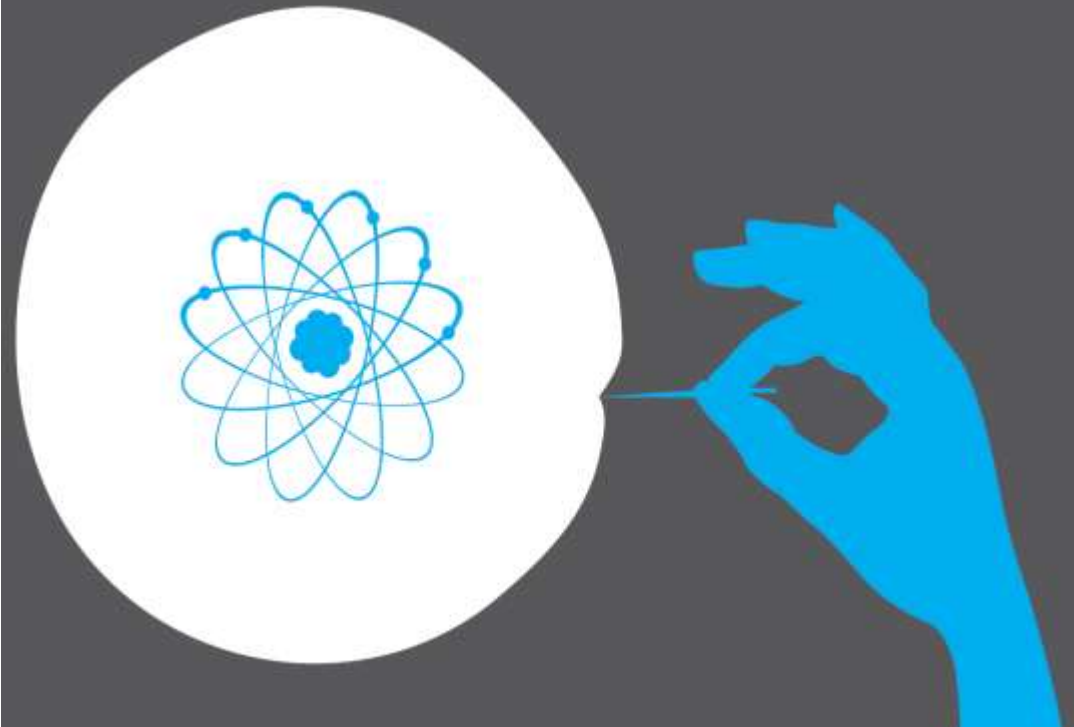
***UK Climate Change Minister
Greg Barker, 2010:***

"We want the **City of London**, with its unique expertise in innovative financial products, to lead the world and become the **global hub for green growth finance**. We need to put the sub-prime disaster behind us"



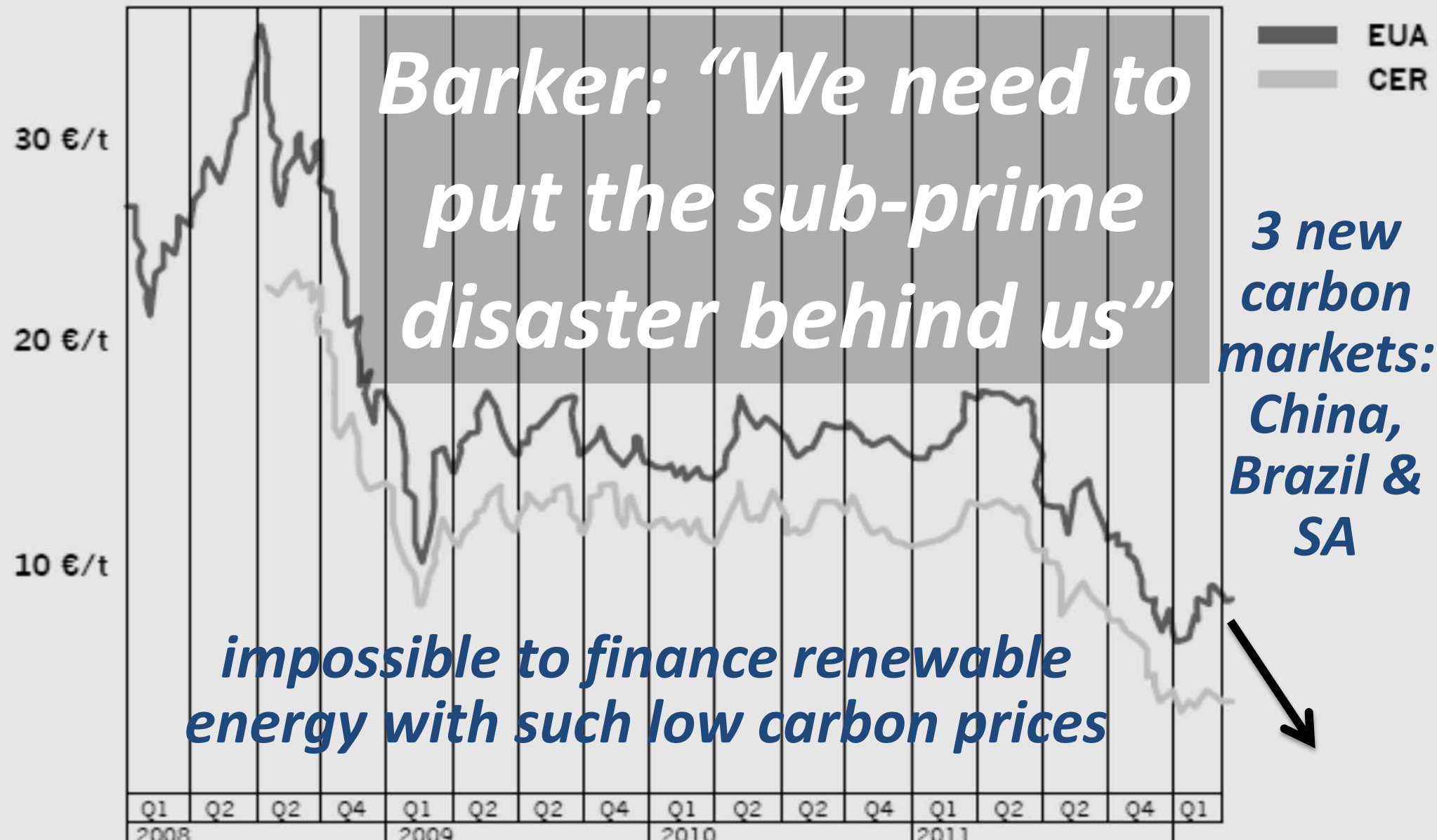
Unburnable Carbon –

Are the world's financial markets carrying a carbon bubble?

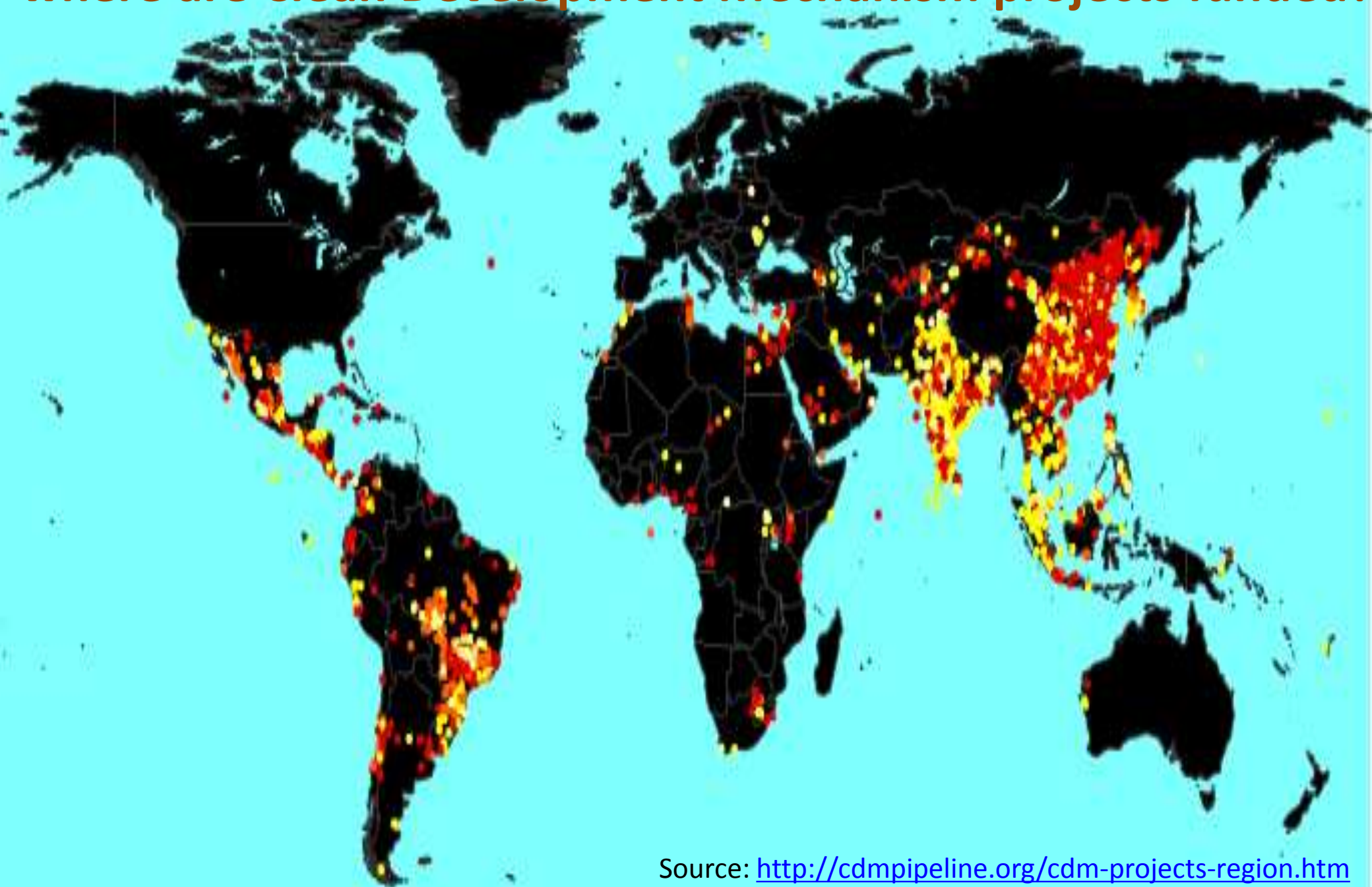


emissions market crashes, 2008-12

2009 VAT fraud, 2010 resale fraud, 2011 theft-closure

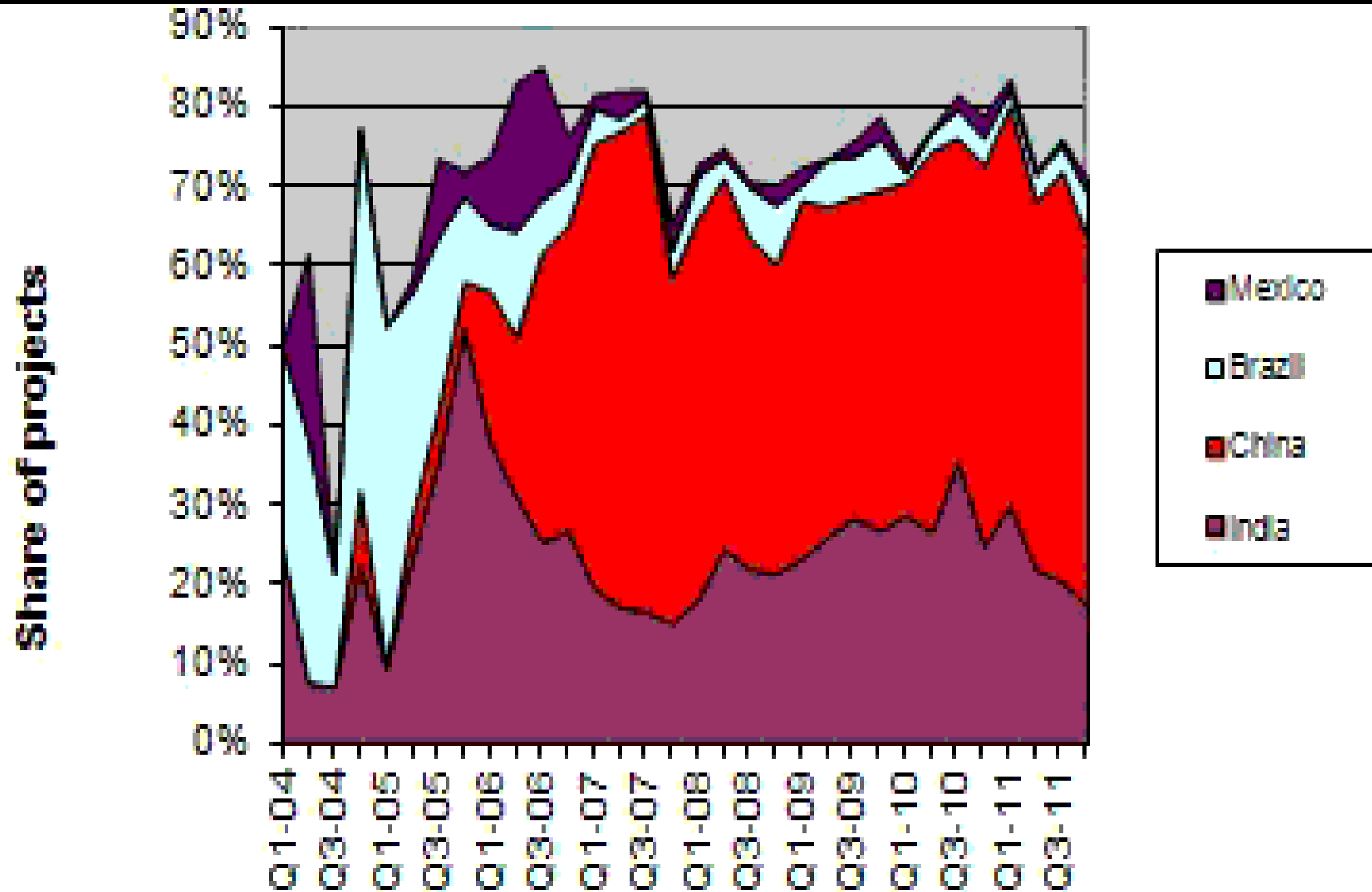


where are Clean Development Mechanism projects funded?



Source: <http://cdmpipeline.org/cdm-projects-region.htm>

China and India have been garnering 60%+ of CDM projects



The CDM in Africa

Cannot Deliver the Money

Why the carbon trading gamble won't save the planet from climate change, and how African civil society is resisting

A report by the University of KwaZulu-Natal Centre for Civil Society and Dartmouth College Climate Justice Research Project



www.cdm-africa.org

EJOLT. Environmental Justice Organisations, Liabilities and Trade
ICTA Autonomous University of Barcelona
22 February 2012

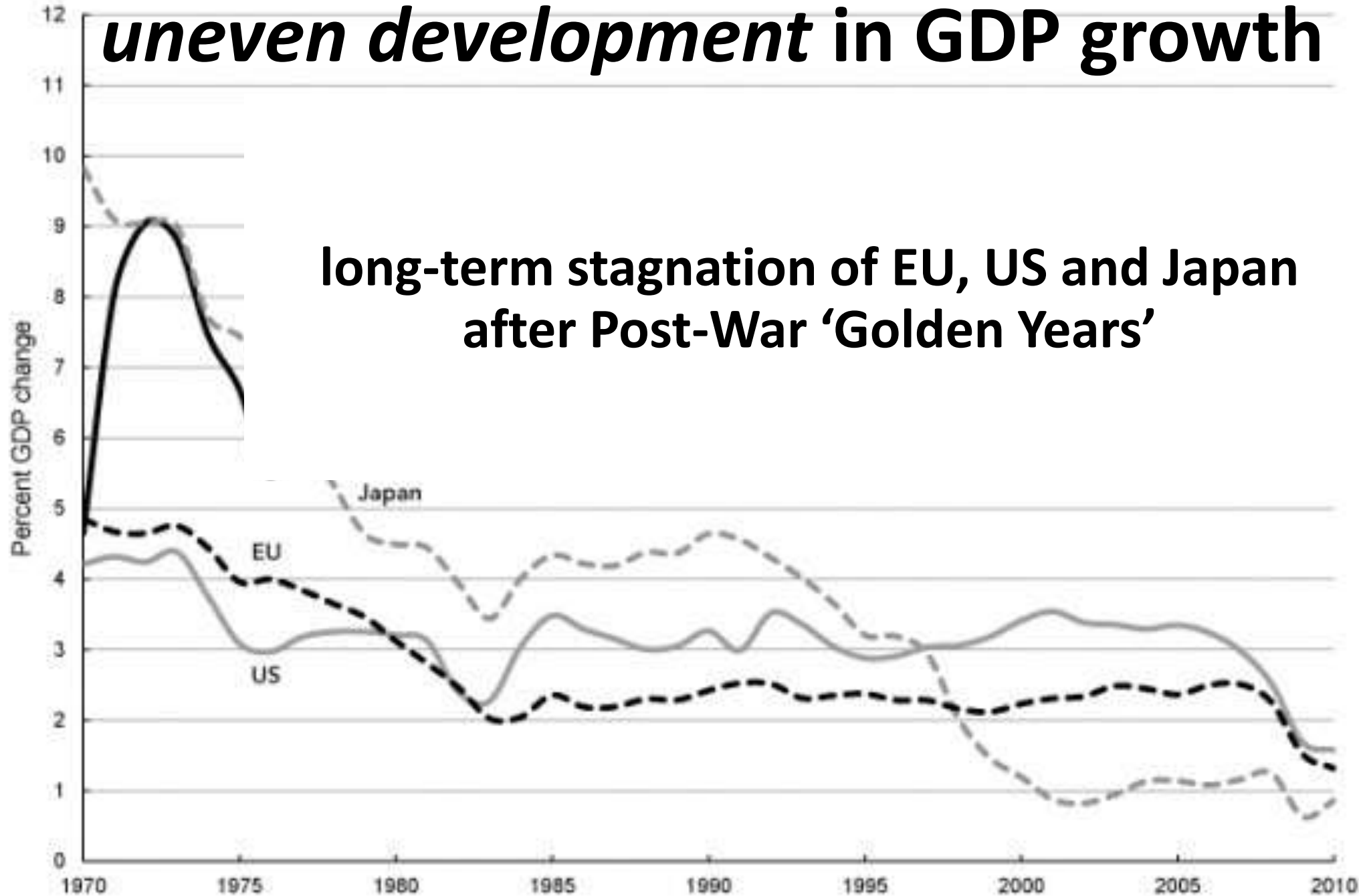
European Commission FP7.
Deliverable 4.1
Durban, South Africa and Hanover, US

2012 report by Centre for Civil Society and Dartmouth College for

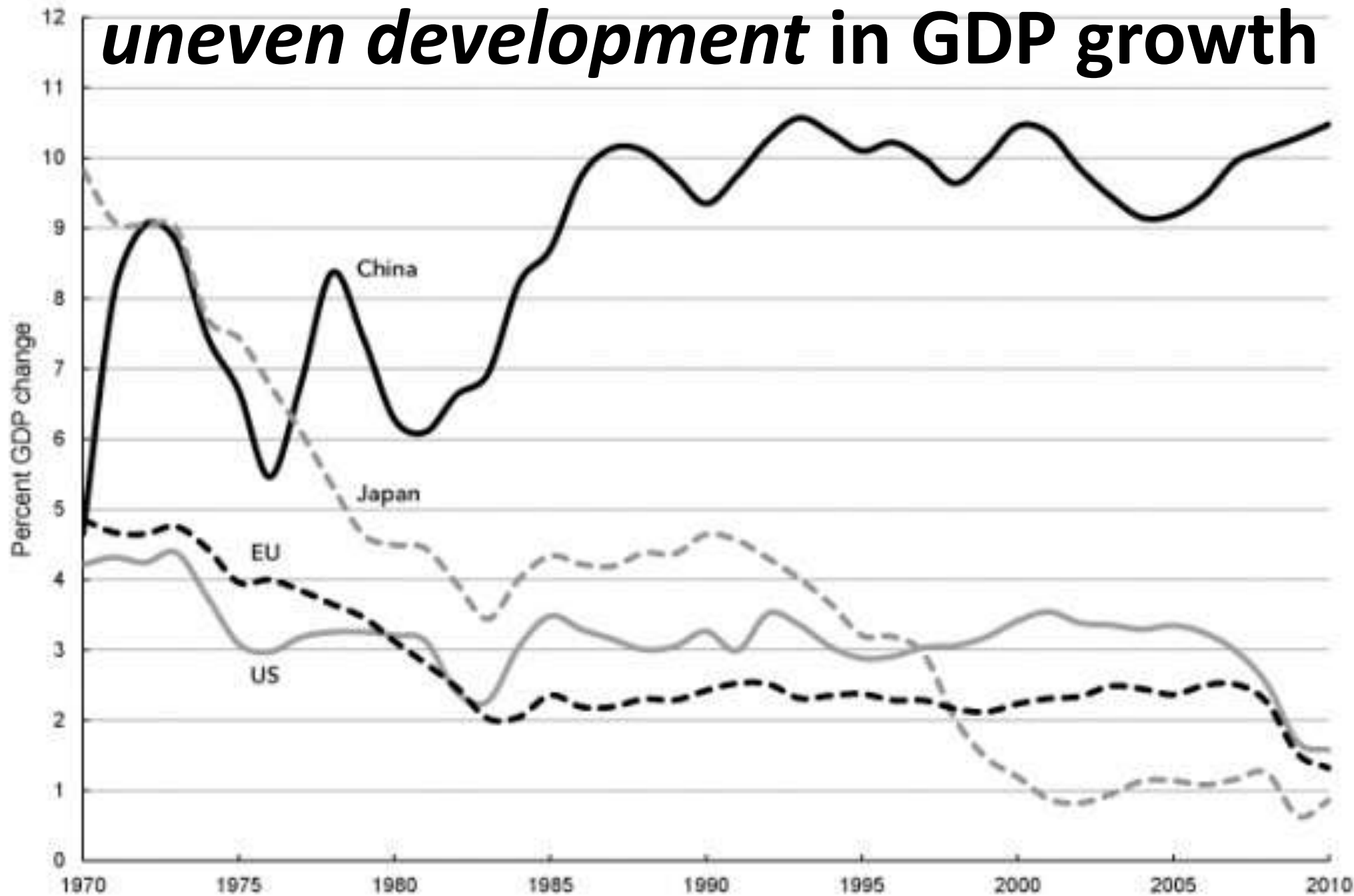
"the system should be decommissioned and at minimum, a moratorium be placed on further crediting until the profound structural and implementation flaws are confronted. The damage done by CDMs to date should be included in calculations of the 'climate debt' that the North owes the South, with the aim of having victims of CDMs compensated appropriately."

uneven development in GDP growth

**long-term stagnation of EU, US and Japan
after Post-War 'Golden Years'**



uneven development in GDP growth



in context of global crises, enter BRICS

**“a new global
economic geography
has been born”**

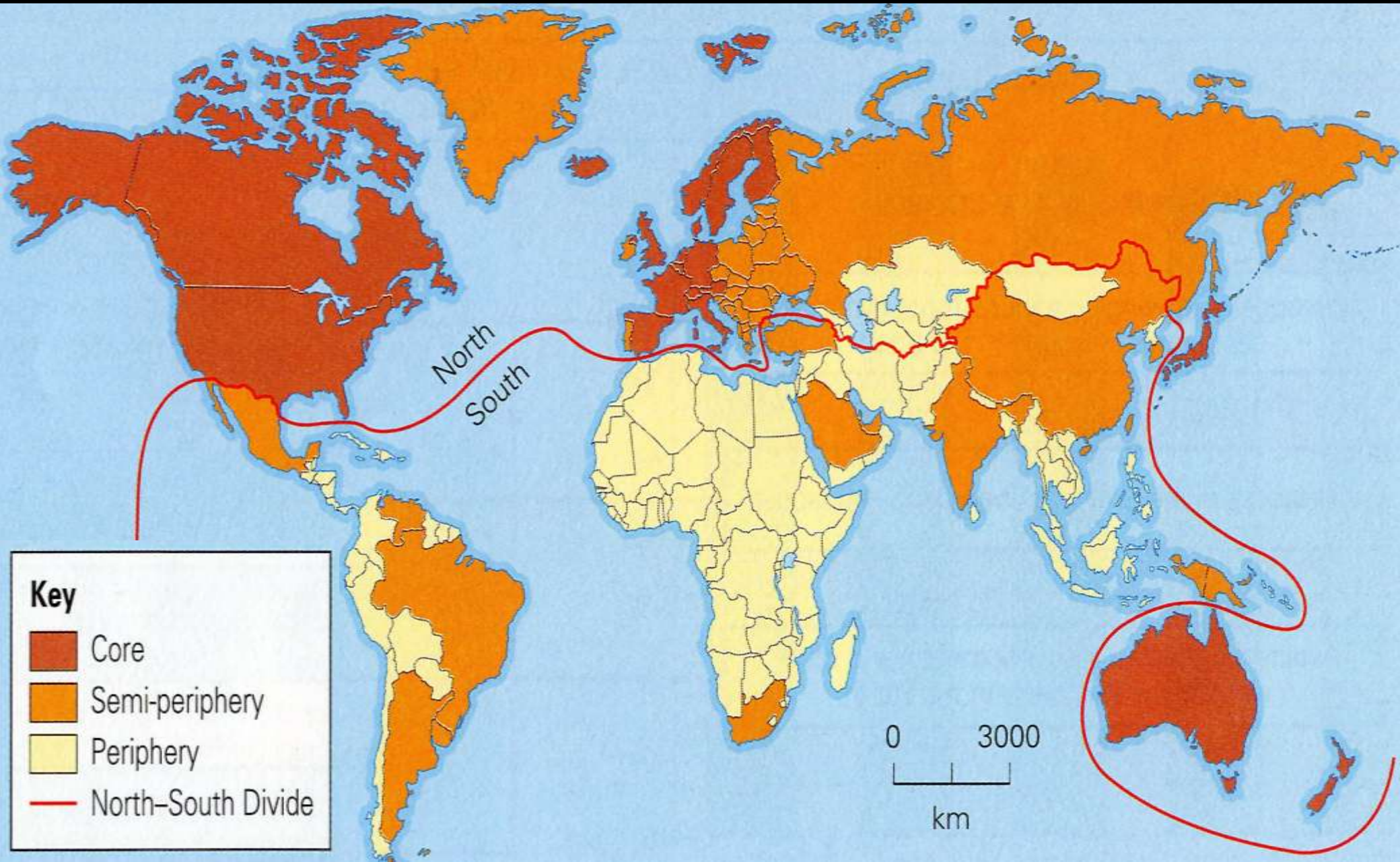
**– President Lula da Silva,
BRICS Brasilia Summit, 2010**



*why not **Mexico, Nigeria, Egypt, Turkey, Iran, Pakistan, Bangladesh, Indonesia, Vietnam, South Korea, Philippines?***



and why not entire semi-periphery?



why BRICs? answer from New York/London: *building-block 'bricks' of 21st century world capitalism*



SOUTH AFRICA (added in 2010)

THE GREAT AMERICAN BUBBLE MACHINE

From tech stocks to high gas prices, Goldman Sachs has engineered every major market manipulation since the Great Depression — and they're about to do it again

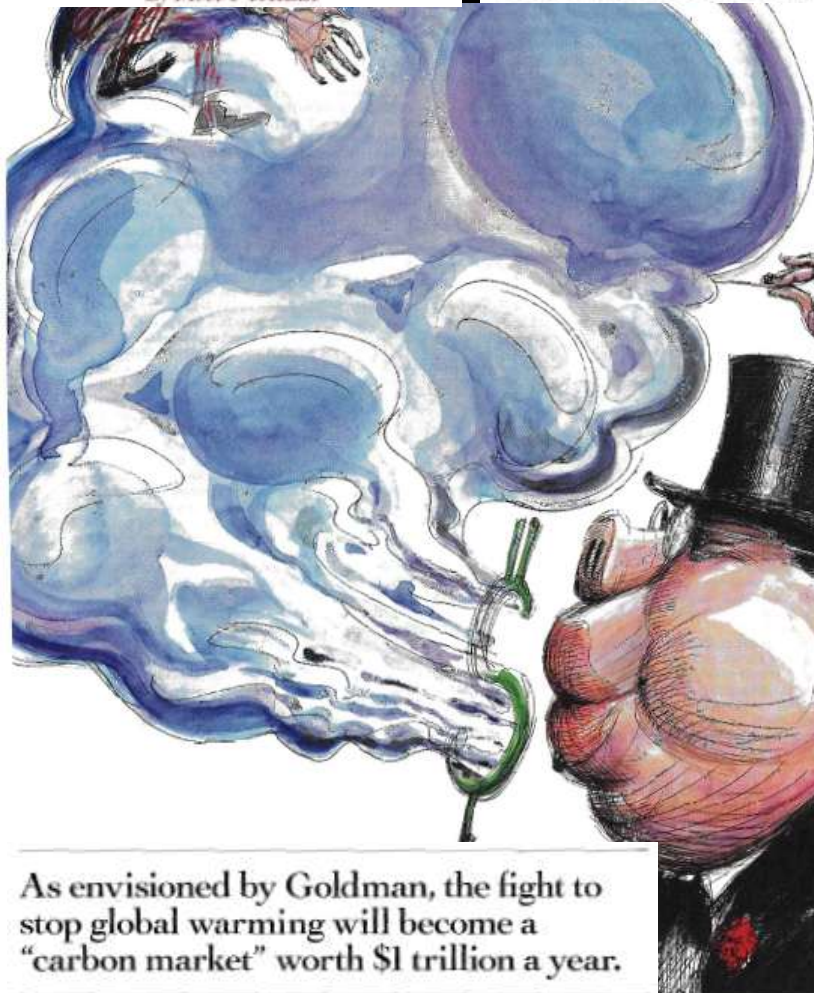
By MATT TAIBBI

IF AMERICA IS NOW CIRCLING THE DRAIN, GOLDMAN SACHS HAS FOUND A WAY TO BE THAT DRAIN.

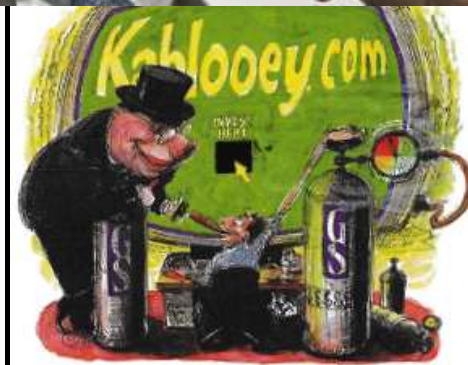
GOLDMAN SCAMMED HOUSING INVESTORS BY BETTING AGAINST ITS OWN CRAPPY MORTGAGES.



is BRICS the latest GS bubble?



GOLDMAN TURNED A SLEEPY OIL MARKET INTO A GIANT BETTING PARLOR — SPIKING PRICES AT THE PUMP.



As envisioned by Goldman, the fight to stop global warming will become a "carbon market" worth \$1 trillion a year.

	Brazil	Russia	India	China	South Africa	Total BRICS	World	BRICS in the world
Area (km2)	8.514.877	17.098.242	3.287.263	9.596.961	1.219.090	39.716.433	510.072.000	7,79%
Area - land (km2)	8.459.417	16.377.742	2.973.193	9.569.901	1.214.470	38.594.723	148.940.000	25,91%
Population (mi)	192	143	1.200	1.341	50	2.926	7.021	41,67%
Work Force	104	75	487	816	18	1.500	3.262	45,98%
GDP - nom (US\$ bi)	2.517	1.884	1.843	6.988	422	13.654	70.280	19,43%
GDP - growth	2,9%	4,1%	7,4%	9,2%	3,1%	5,3%	3,7%	
GDP - PPP (US\$ bi)	2.309	2.376	4.469	11.316	555	21.025	78.980	26,62%
GDP per capita - nom (US\$)	12.917	13.235	1.527	5.183	8.342	4.666	10.010	
GDP per capita - PPP (US\$)	11.846	16.746	3.703	8.394	10.977	7.186	11.800	
Export total(US\$ bi)	256	394 *	242 *	1.552 *	97	2.541	18.150	14%
Import total (US\$ bi)	226	239 *	363 *	1.423 *	100	2.351	17.990	13%
Trade total (US\$ bi)	482	634 *	605 *	2.975 *	197	4.892	36.140	14%

Source IMF, 2011; Economist Intelligence Unit Country Report, march/2012; Sece x.

26% of land area
42% of population
46% of work force
19% of nominal GDP
26% of purchasing power
parity GDP



world GDP (2011)

Country	GDP (PPP) \$Million
World	78,897,426
BRICS	20,990,530
European Union	15,821,264
United States	15,094,025
China	11,299,967
India	4,457,784
Japan	4,440,376
Germany	3,100,080
Russia	2,383,402
Brazil	2,294,243
United Kingdom	2,260,803
France	2,217,900
Italy	1,846,950

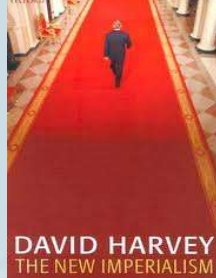
World GDP*

% change on a year earlier



*Estimates based on 52 countries representing 90% of world GDP. Weighted by GDP at purchasing-power parity

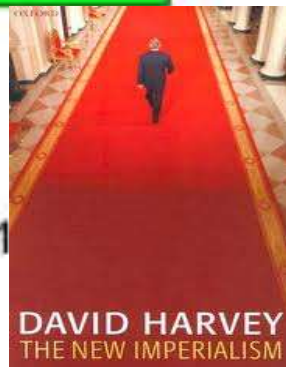
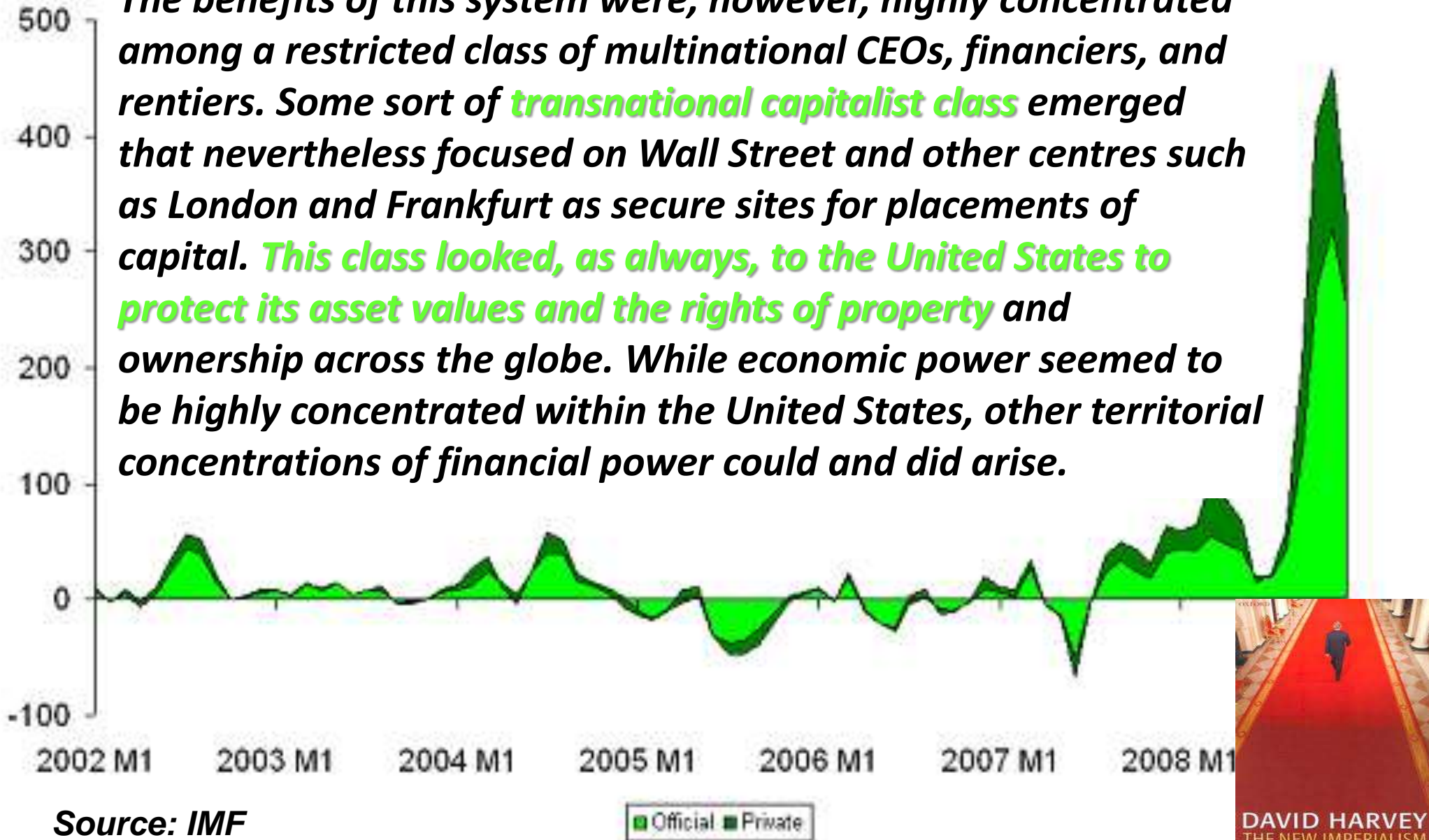
Source: *The Economist*



*The opening up of global markets in both commodities and capital created openings for other states to insert themselves into the global economy, **first as absorbers but then as producers of surplus capitals**. They then became competitors on the world stage. What might be called **'subimperialisms'** arose... **each developing centre of capital accumulation sought out systematic spatio-temporal fixes for its own surplus capital by defining territorial spheres of influence...***

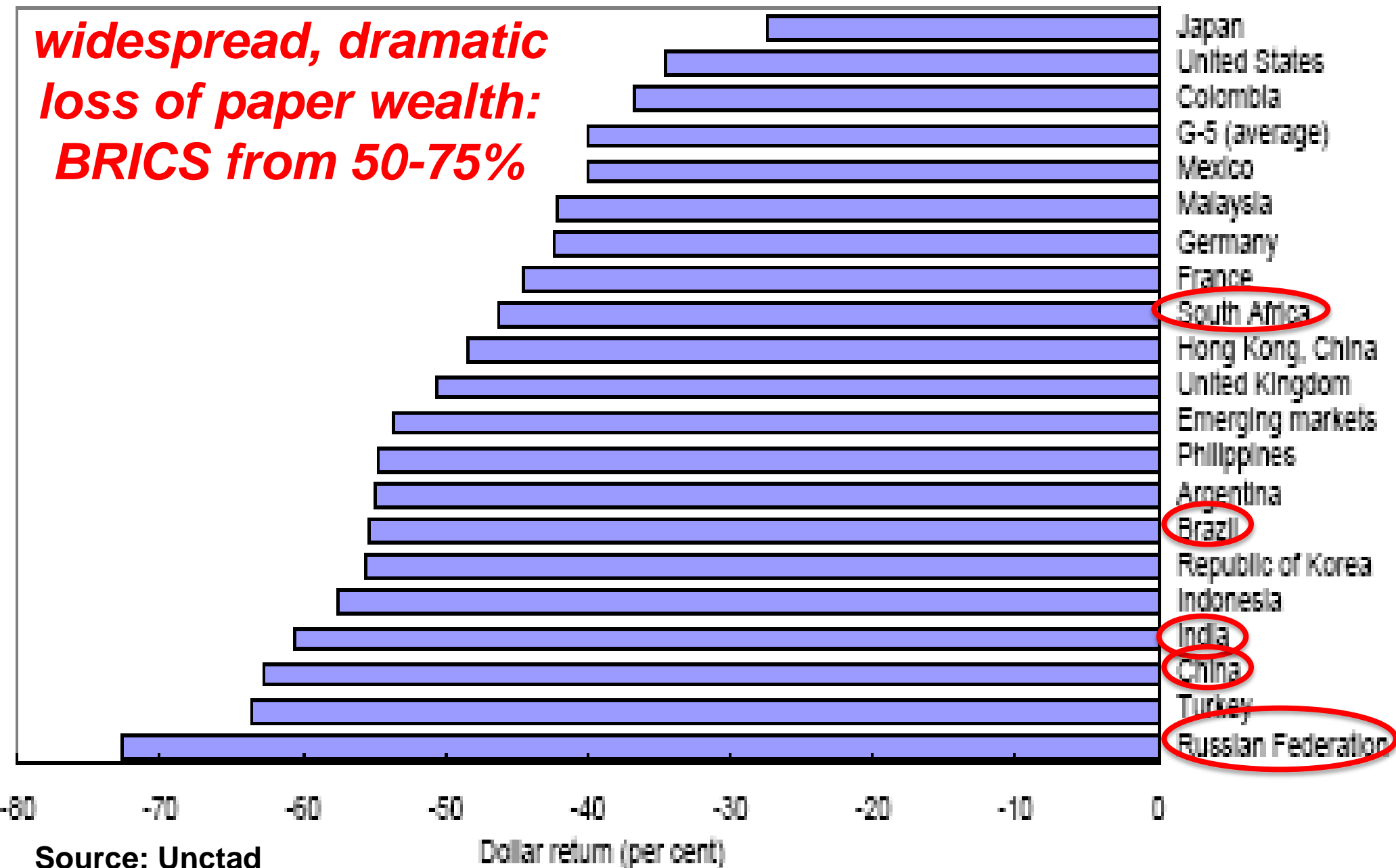
Foreign T-bill purchases:\$ billion, rolling 3m sums

*The benefits of this system were, however, highly concentrated among a restricted class of multinational CEOs, financiers, and rentiers. Some sort of **transnational capitalist class** emerged that nevertheless focused on Wall Street and other centres such as London and Frankfurt as secure sites for placements of capital. **This class looked, as always, to the United States to protect its asset values and the rights of property** and ownership across the globe. While economic power seemed to be highly concentrated within the United States, other territorial concentrations of financial power could and did arise.*



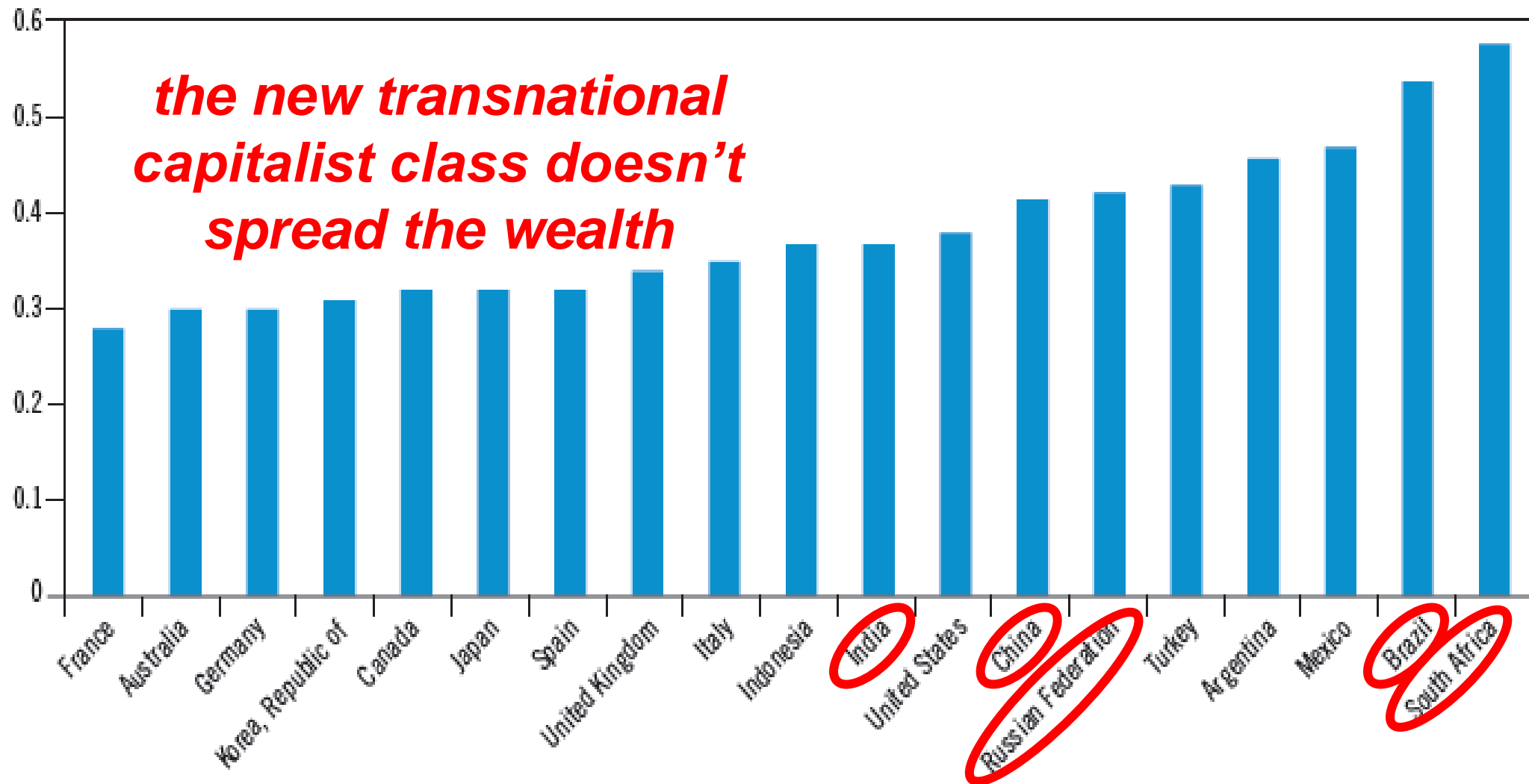
stock market volatility: all markets in 2008

*widespread, dramatic
loss of paper wealth:
BRICS from 50-75%*



extreme BRICS inequality (2011)

the worst Gini coefficients amongst large societies



Durban's hosting of BRICS, 26-27 March 2013

International Convention Centre

- scrambled Africa:
Durban 2013 = Berlin 1885?



**FIFTH
BRICS SUMMIT**

DURBAN, SOUTH AFRICA
26 - 27 MARCH 2013

*BRICS and AFRICA: Partnership for
Development, Integration and Industrialisation*

Berlin, 1884-85
'Scramble for Africa'



Britain, France, Belgium, Portugal, Germany, Italy, Spain





- African Lakes (Malawi, 1891)
- Northern Rhodesia (Zambia, 1894)
- Rhodesia (Zimbabwe, 1895)
- Zululand (KwaZulu-Natal, 1897)
- Boer republics (RSA, 1899-1902)

*“We must find **new lands** from which we can easily **obtain raw materials** and at the same time **exploit the cheap slave labour** that is available from the natives of the colonies. The colonies would also provide a **dumping ground for the surplus goods** produced in our factories.”*

- Cecil John Rhodes



***“I am sure that
Cecil John Rhodes
would have given
his approval to this
effort to make the
South African
economy of the
early 21st century
appropriate and fit
for its time.”***

***- Nelson Mandela, launching
Mandela Rhodes Foundation, August 2003***



Stratfor (known as private-sector CIA)
South Africa's history is driven by the interplay of competition and cohabitation between **domestic and foreign interests exploiting the country's mineral resources**. Despite being led by a democratically-elected government, **the core imperatives of SA remain**

- maintenance of a liberal regime that permits the **free flow of labor and capital to and from the southern Africa region**, and
- maintenance of a **superior security capability able to project into south-central Africa**.



*January 2013: Pretoria
deploys 400 troops to the
Central African Republic
during a coup attempt
because **‘We have
assets there that
need protection.’**
- deputy foreign minister
Ebrahim Ebrahim,
referring to minerals*

*. K Patel, ‘The world according to Dirco
(v. Jan 2013)’, Daily Maverick, 25
January 2013.*

what is *subimperialism*?

Ruy Mauro Marini (Brazil 1965):

‘It is not a question of passively accepting North American power (although the actual correlation of forces often leads to that result), but rather of *collaborating actively with imperialist expansion, assuming in this expansion the position of a key nation.*’



Resource Curse politics

'collaborating actively'

Resource Curse? tyrants needed!

~~Zine El Abidine Ben Ali, Tunisia – 1987-2011~~

~~Hosni Mubarak, Egypt – 1981-2011~~

~~Moummar Gaddafi, Libya – 1969-2011~~

~~Meles Zenawi, Ethiopia – 1995-2012~~

Teodoro Obiang Nguema Mbasago, Equatorial Guinea – 1979-present

Jose Eduardo dos Santos, Angola – 1979-present

Robert Mugabe, Zimbabwe – 1980-present

Paul Biya, Cameroon – 1982-present

Yoweri Museveni, Uganda – 1986-present

King Mswati III, Swaziland – 1986-present

Blaise Compaoré, Burkina Fasso – 1987-present

Omar al-Bashir, Sudan – 1989-present

Idriss Deby, Chad – 1990-present

Isaias Afewerki, Eritrea – 1993-present

Yahya Jammeh, Gambia – 1994-present

Paul Kagame, Rwanda – 1994-present



Gaddafi



Deby



Mswati



Compaore

with rare exceptions, Obama nurtures Africa's tyrants



Zenawi



Gomes



Wade



Yanneh



Obiang



Kagame

Nouakchott, Mauritania

The United States flew PC-12 surveillance aircraft from here to track al-Qaeda in the Islamic Maghreb. The flights ended in 2008 after a coup.



Camp Lemonnier, Djibouti

The U.S. military targets al-Shabab in Somalia and al-Qaeda in Yemen from this key base.

Nzara, South Sudan

The U.S. military says it is planning to base surveillance planes here.

Arba Minch, Ethiopia

The United States flies Reaper drones from here over Somalia.

Victoria, Seychelles

The U.S. military flies Reaper drones over East Africa from this island base.

Ouagadougou, Burkina Faso

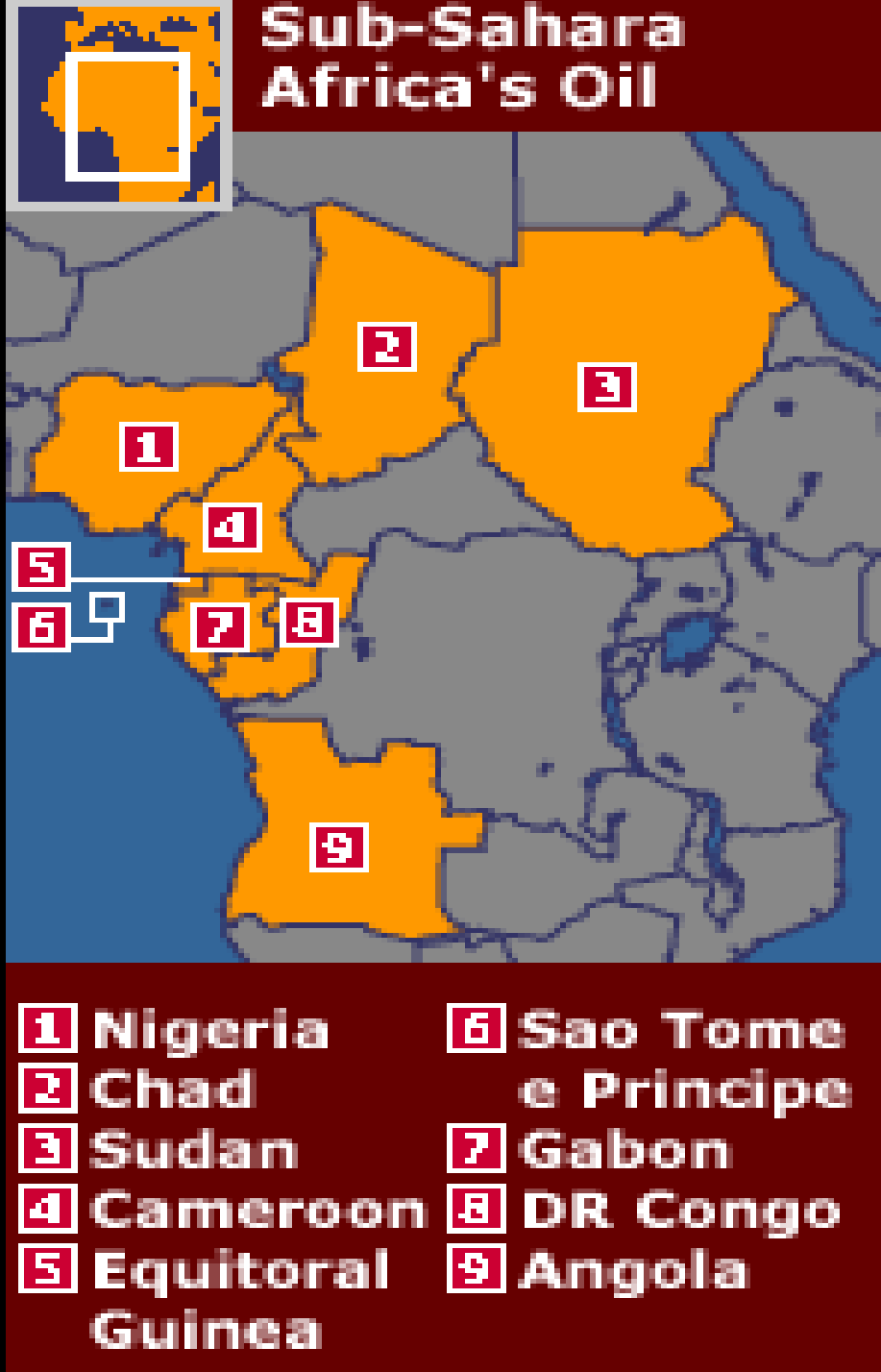
The United States flies PC-12 surveillance aircraft from here north to Mali, Mauritania and the Sahara.

Entebbe, Uganda

The United States flies PC-12 surveillance aircraft from here over territory used by the Lord's Resistance Army.

Manda Bay, Kenya

More than 100 U.S. commandos are based at a Kenyan military installation.



Africa's existing oil

- substantial reserves
- oil and wars: Sudan, Angola, Chad, Congo
- US imports more than 20% from Africa

<http://www.catholicrelief.org/images/oil/Africa-Map-Web-PS0301-Da.jpg>

(credit: Horace Campbell)

Despite the political risk, Western oil companies are queuing up to explore

Sierra Leone

An "active petroleum system" discovered by Anadarko 1125km west of the Jubilee field



Uganda

Up to 2bn barrels found under and around Lake Albert

Tanzania

Already a gas producer, and further prospecting occurring in the Rovuma basin

Mozambique

Anadarko committing over \$250m over the next few years in exploration.

Liberia

Several prospecting licences for auction

Côte d'Ivoire

Vanco's Orca 1-x exploratory well will reveal offshore potential

Ghana

Potential upside of 1.8bn barrels in the Jubilee field, and 1.4bn barrels in Tweneboa-1

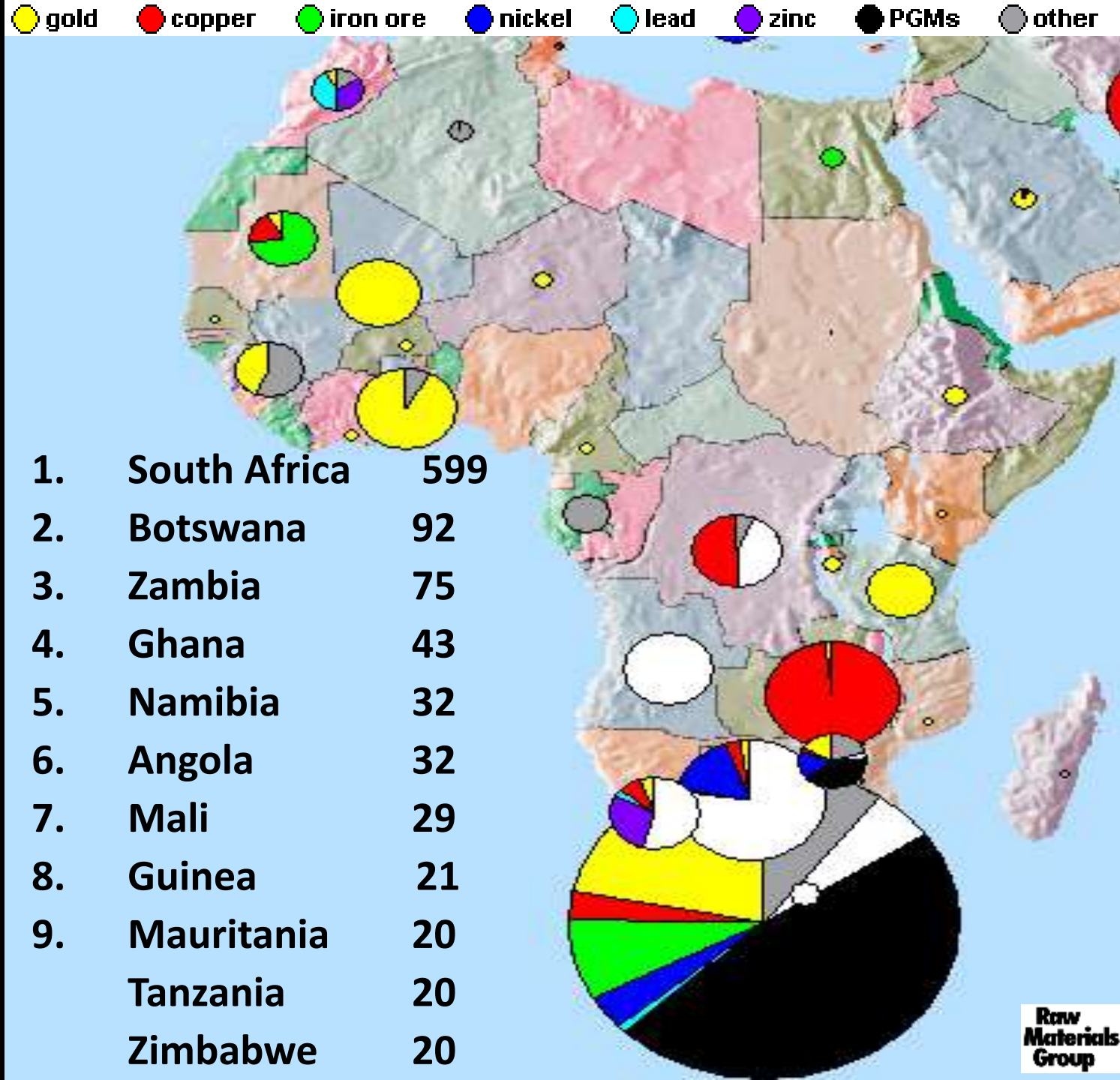
DRC

Political turmoil means exploration is still years behind its neighbours

Madagascar

TOTAL drilled an estimated 80 wells in 2009

Africa's mining production by country, 2008



**possible BRICS unity
what do they all want here?**

useful Africa

Source: *Le Monde Diplomatique*, Feb 2011

- Pretoria's Marius Fransman:
"Our presence in BRICS would necessitate us to push for Africa's **integration into world trade.**"
- DBSA's Michelle Ruiters:
"Our main focus is... financing **large infrastructure cross-border projects**, specifically because we find that most of the **blockages** that exist around infrastructure delivery are those on the cross-border list."



time for a BRICS Bank?

commercial banks' low
appetite for political risk



'country risk'

Economist Intelligence Unit 2010

- Development Bank of Southern Africa
- China Development Bank
- Banco Nacional de Desenvolvimento Economico e Social (BNDES)
- Russia's Vnesheconombank
- Export-Import Bank of India

SADC deputy executive secretary João Samuel Caholo: “There is resentment towards the DBSA in certain quarters because it is in South Africa, and South Africa is the only shareholder. SADC has **no say** in what the DBSA does and although the bank does work on a bilateral level with SADC countries, we need our own bank.” (June 2012)



**commercial banks' low
appetite for political risk**

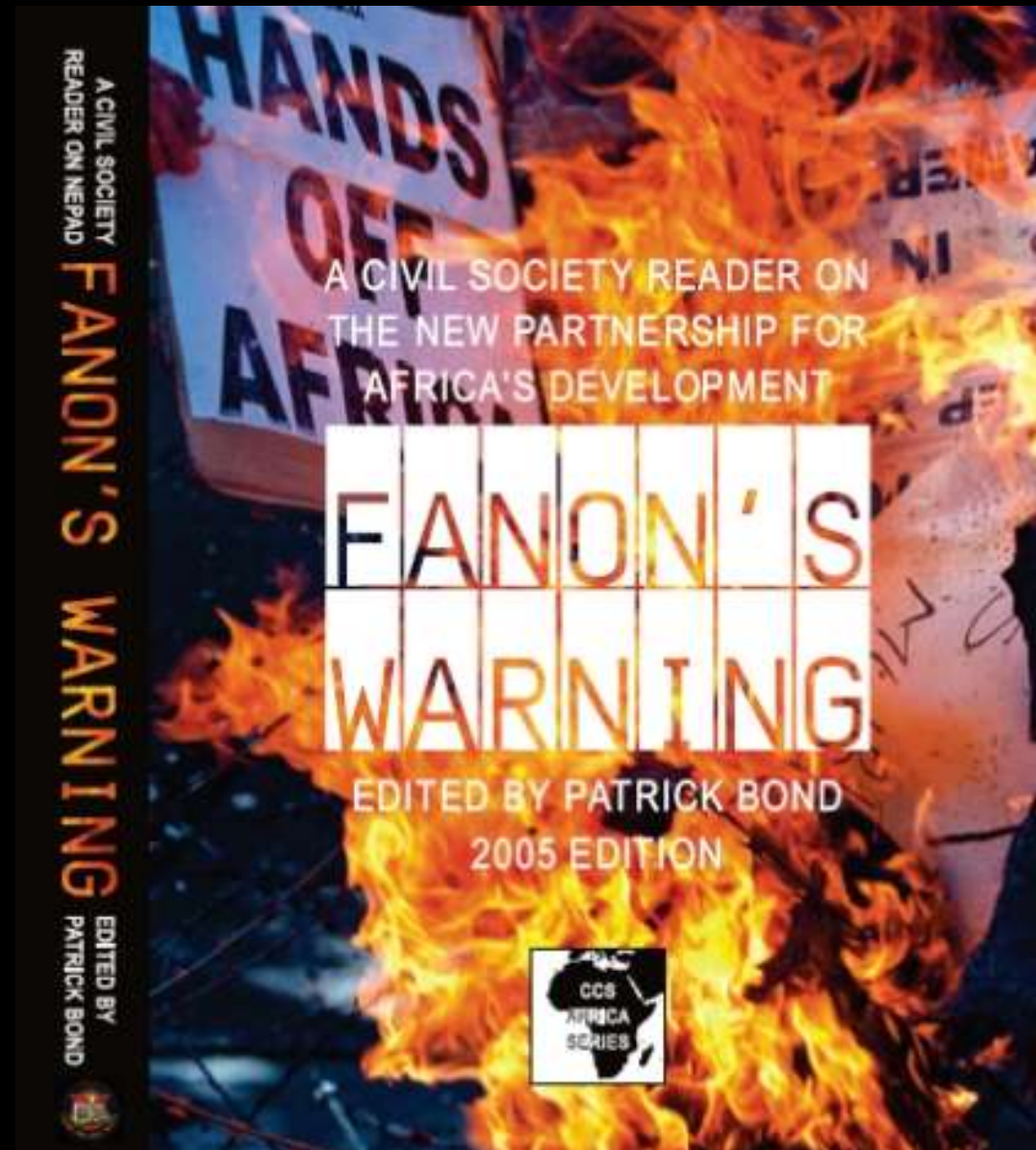
DBSA CEO Patrick Dlamini reporting on R370 mn loss in 2012: “We can no longer allow the DBSA to be associated with **shoddy work**” (December 2012)

what, exactly, do 'integration' and
'blockage' and 'shoddy' and 'no say'
mean, in such a ridiculously

Resource-Cursed region like ours?

- much worse **extractivist** 'Dutch-Disease' bias,
- **exported profits** and current-account deficits,
- **corrupted politics** (e.g. Marikana, Marange),
- forced **displacement** and worsening **migrancy**,
- **climate** chaos and energy abuse (especially SA),
- air/water **pollution** and water scarcity

NEPAD warmup: a 'new' Partnership for Africa's Development?



NEPAD: abolishing – or polishing – global apartheid?



***New Partnership
for Africa's
Development is
'philosophically
spot on'***

***- Walter Kansteiner, US
State Dep't, 2003***

Council for the Development of Social Science Research in Africa and Third World Network-Africa

‘Declaration on Africa’s Development Challenges’ 26/4/02 *critique of New Partnership for Africa’s Development*

The **most fundamental flaws of Nepad**, which reproduce the central elements of the World Bank's *Can Africa Claim the 21st Century?* and the ECA's *Compact for African Recovery*, include:

- (a) **the neo-liberal economic policy framework at the heart of the plan**, which repeats the structural adjustment policy packages of the preceding two decades and overlooks the disastrous effects of those policies;
- (b) the fact that in spite of its proclaimed recognition of the central role of the African people to the plan, the **African people have not played any part in the conception, design and formulation** of Nepad;
- (c) notwithstanding its stated concerns for social and gender equity, it adopts the **social and economic measures that have contributed to the marginalisation of women**;

Codesria and Third World Network-Africa

'Declaration on Africa's Development Challenges'

- (d) that in spite of claims of African origins, its **main targets are foreign donors**, particularly in the G8;
- (e) its vision of **democracy** is defined by the needs of creating a **functional market**;
- (f) it under-emphasises the **external conditions fundamental to Africa's developmental crisis**, and thereby does not promote any meaningful measure to manage and restrict the effects of this environment on Africa development efforts. On the contrary, the engagement that it seeks with institutions and processes like the World Bank, the IMF, the WTO, the United States Africa Growth and Opportunity Act, the Cotonou Agreement, will **further lock Africa's economies disadvantageously into this environment**

‘good governance’: NEPAD’s Zim test

Dave Malcomson of NEPAD secretariat (responsible for int’l liaison and co-ordination):

‘Wherever we go, Zimbabwe is thrown at us as the reason why **NEPAD’s a joke.**’

Business Day, 28 March 2003



**'collaborating actively'
with climate catastrophe**



Copenhagen Accord, COP 15, December 2009

*“they broke
the UN”
(Bill McKibben,
350.org)*

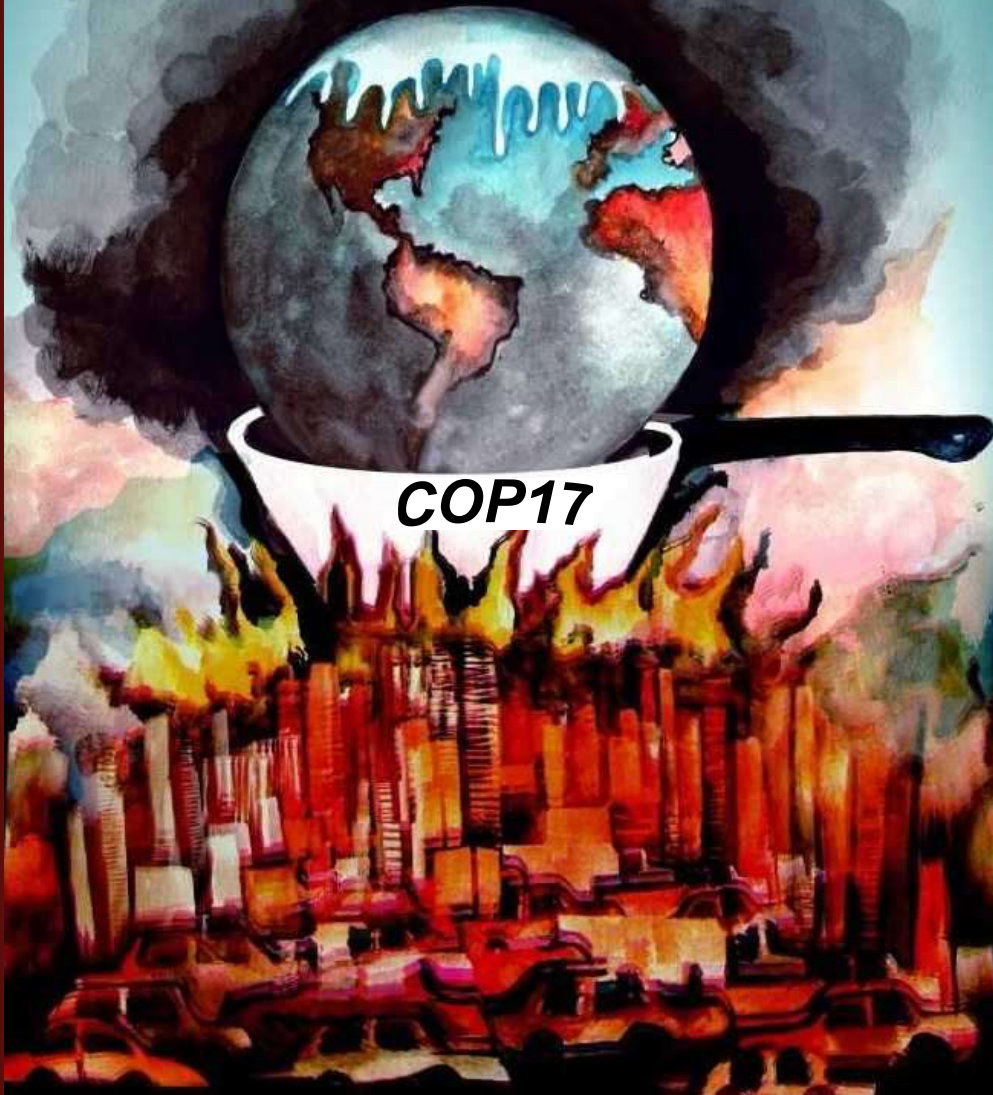
- Jacob Zuma (SA)
- Lula da Silva (Brazil)
- Barack Obama (USA)
- Wen Jiabao (China)
- Manmohan Singh (India)

*USA+‘BASIC’:
non-binding;
4 degree
increase*



**‘collaborating actively’
with climate catastrophe**

*allowed US sabotage,
no new emissions cuts*



Durban's COP17 'Conference of Polluters'

SA in the chair

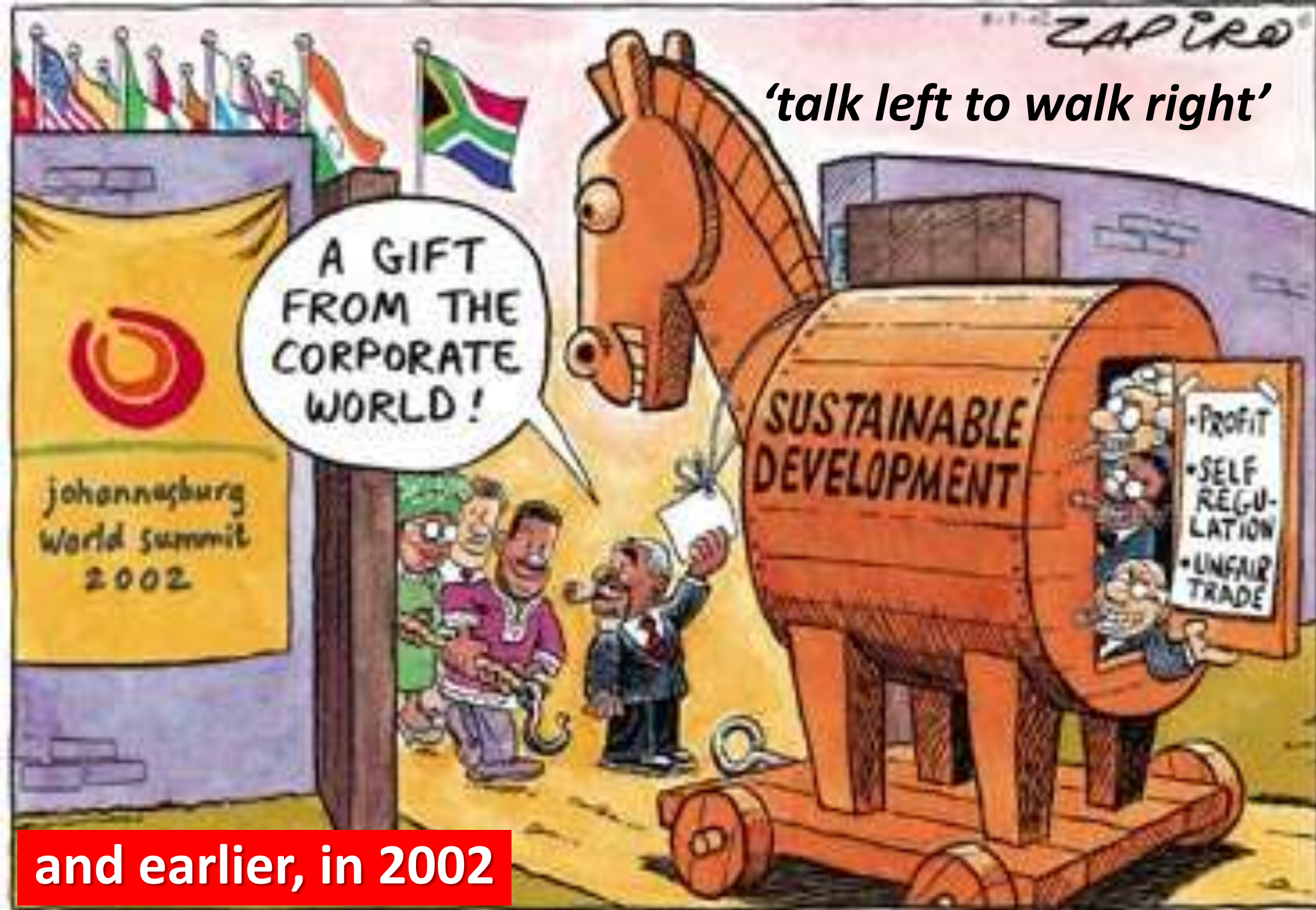


Durban COP17: 'Africa's Climate Summit'



confirmed 21st-c. climate-related deaths of 180 million Africans (Christian Aid)

'talk left to walk right'



and earlier, in 2002

A TIMETABLE TO
REDUCE EMISSIONS ?!
..NOT UNTIL THERE'S MORE
EVIDENCE OF GLOBAL
CLIMATE CHANGE!

johannesburg
world
summit



© ZAPIRO

Environmental Performance Index and Pilot Trend Environmental Performance Index

Countries rapidly declining in EPI

95	India
...	...
98	Namibia
...	...
100	China
...	...
123	Turkmenistan
124	South Africa
125	Iraq
126	Kazakhstan
127	Kyrgyzstan
128	Estonia
129	Bosnia & Herzegovina
130	Saudi Arabia
131	Kuwait
132	Russia

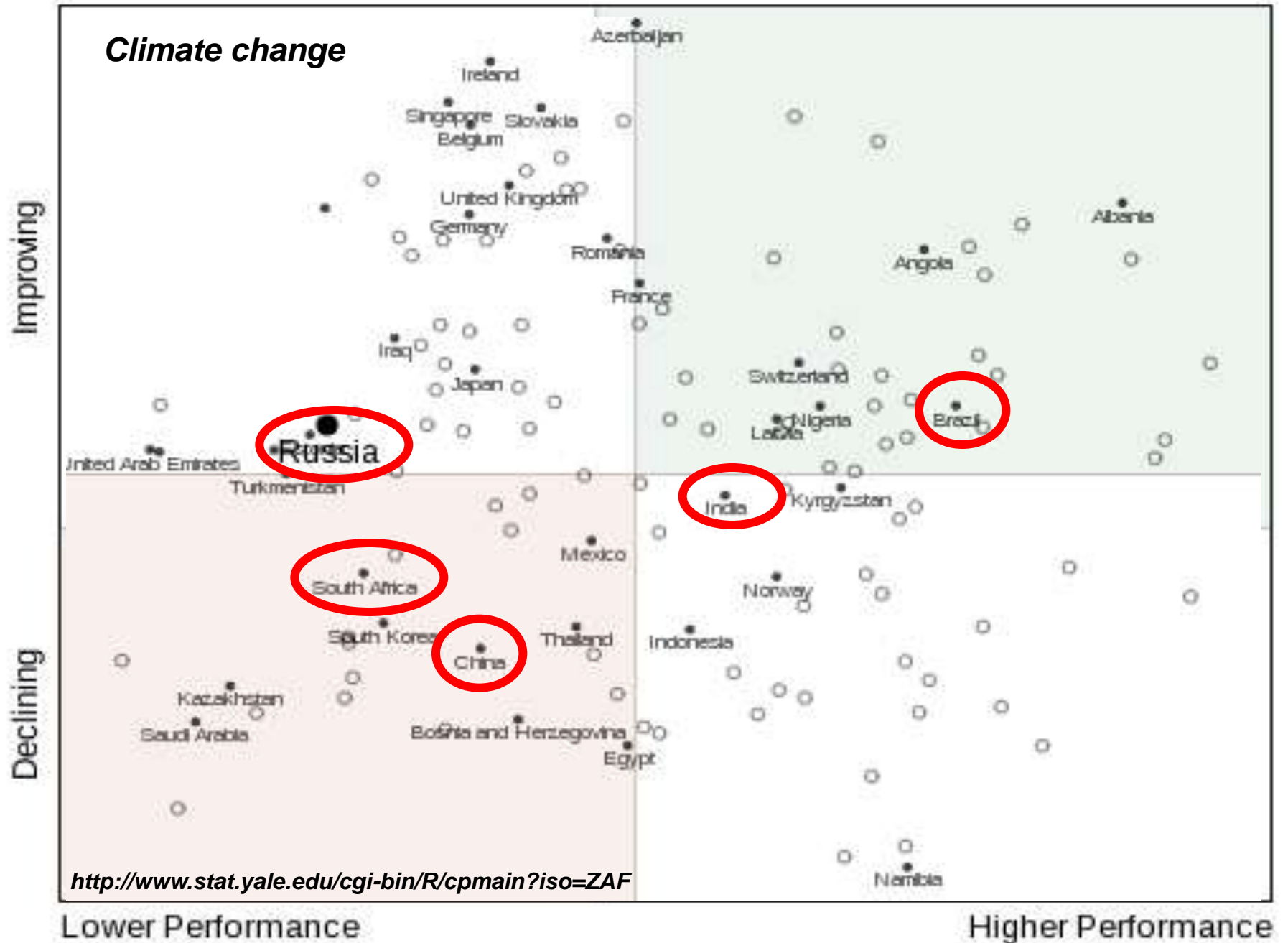
BRICS: unsustainable development



Environmental Performance Index trends, 2012

■ strongest performers ■ strong performers □ modest performers ■ weaker performers ■ weakest performers

EPI Performance Score versus Trend Score



Durban's hosting of BRICS, 26-27 March 2013

International Convention Centre

- BRICS as (incoherent)
subimperialist bloc



**FIFTH
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DURBAN, SOUTH AFRICA
26 - 27 MARCH 2013

*BRICS and AFRICA: Partnership for
Development, Integration and Industrialisation*

mainstream perspective:

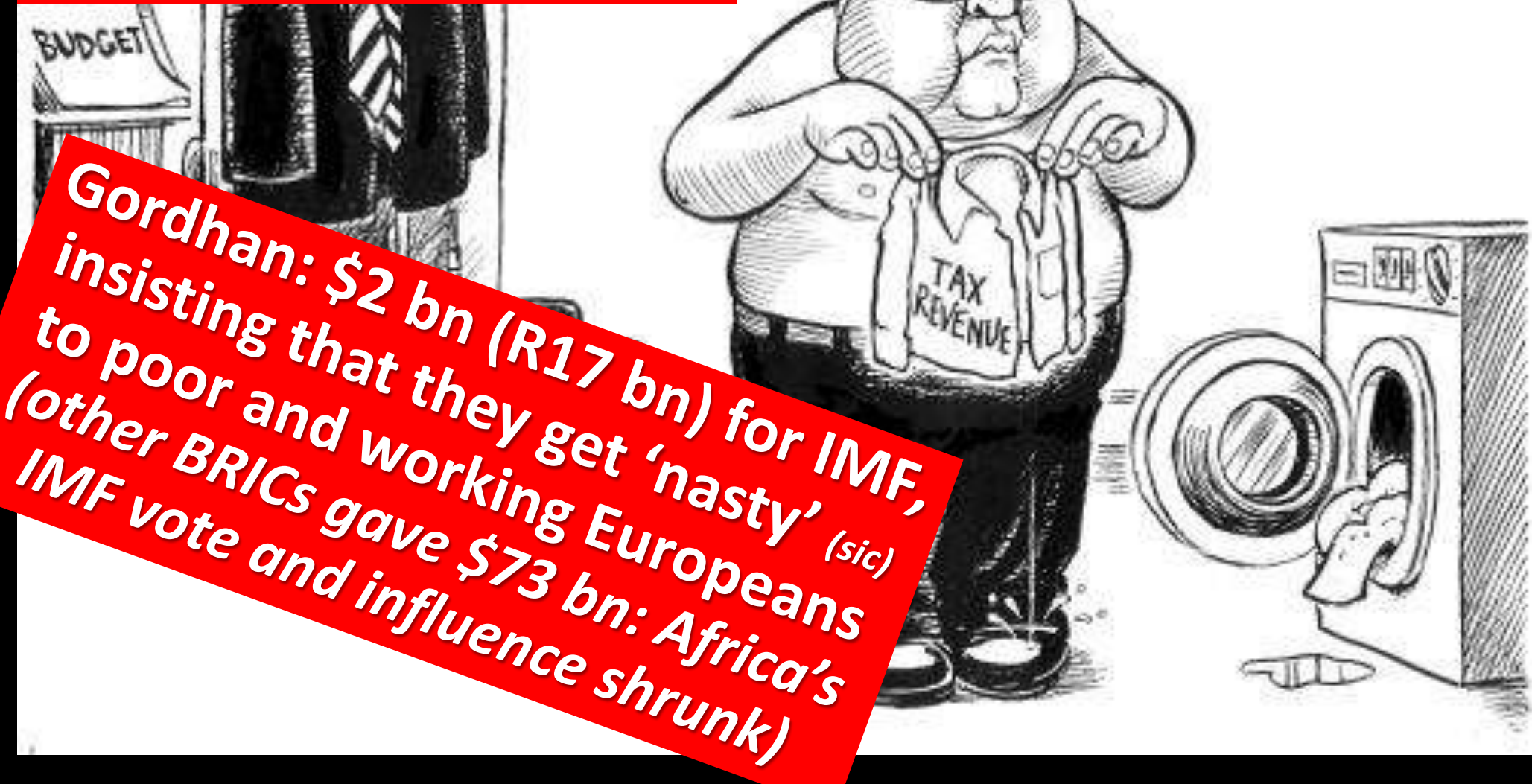
- *South Africa is a **'Middle Power'**, and Pretoria attempts to constructively **'lead'** Africa while acting in the continent's economic and political interests (Maxi Schoeman),*
- *Pretoria is **'building strategic partnerships...** in a constant effort to win over the confidence of fellow African states, and to convince the world community of its **regional power** status' (Chris Landsberg),*
- *thus seeking **'non-hegemonic cooperation'** with other African countries (John Daniel et al)*

subimperialism seen from SA

- *open advocacy and practice of **neoliberalism in local economic policy** terms ('There Is No Alternative'), albeit sometimes with a tokenistic welfarist component to diminish the socio-political insecurity that results from state-services shrinkage;*
- *service as a **regional platform for accumulation** drawn from hinterland neighbours;*
- ***legitimation of the Washington Consensus ideology and its multilateral institutions** (most recently with respect to recapitalization of the International Monetary Fund),*
- *playing the '**deputy sheriff**' function in regional geopolitical terms; and*
- *engaging in confusing (and often confused) '**talk left, walk right**' moves in foreign policy so that critique of the West accompanies **practical conciliation with the overall reproduction of world power.***

SA corporates' extraction, retail-based deindustrialisation, NEPAD/APRM, land-grabbing, neo-colonial infrastructure, Bilateral Investment Treaties

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THE FIMFL 18-2-10



Gordhan: \$2 bn (R17 bn) for IMF, insisting that they get 'nasty' (sic) to poor and working Europeans (other BRICs gave \$73 bn: Africa's IMF vote and influence shrunk)

BRICS and international finance

what role for recapitalised IMF?



Pravin Gordhan

Moneyweb radio: “Many **African countries went through hell** in the 70s and 80s because of **conditionality** according to these loans. Are you going to try and insist that there is similar conditionality now that the boot is on the other foot, as it were?”

Gordhan: “Absolutely, the IMF must be as proactive in developed countries as it is in developing countries.

The days of this unequal treatment and the nasty treatment, if you like, for developing countries and politeness for developed countries must pass.”



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Ref: M 3/1/1 (389/09)

Dominique Strauss-Kahn
Managing Director
International Monetary Fund
Washington, D.C.
U.S.A.

Dominique

REPORT OF THE COMMITTEE OF EMINENT PERSONS ON IMF GOVERNANCE REFORM

Thank you for the opportunity you gave me to chair the Committee of Eminent Persons on IMF Governance Reform. The Committee has completed the report you commissioned, which is attached, but by way of background, allow me to elaborate on our intent and on the recommendations we proposed.

Our objective from the outset was to come up with a broad package of reform measures that would help bring the Fund back to the centre of the world economy by enhancing its capacity to respond to the evolving needs of its membership through improvements in the Fund's institutional framework. The Fund's ability to relate effectively to many of the countries that need its help – whether temporary or otherwise – needs work. In large part that is because the relationship between the Fund and its membership, as reflected in the Fund's governance structure, has not kept pace with changes to the distribution of economic activity in the world economy. Ultimately, the IMF's ability to act in the global interest will hinge on a governance structure that is adaptable, commensurate with the weight of emerging market countries in the global economy, and gives those states that utilise IMF services, particularly low-income countries a meaningful voice in its decision-making bodies.

To achieve this, we recommend the following measures:

(vii) And finally, increasing the Fund's resources to address the crises: Pending a quota increase, the Fund's lending capacity must be expanded through bilateral lending or an equivalent expansion of resources. The Fund must also be able to Borrow. Temporary financing, however, is not a substitute for a permanent increase in the long-term. We therefore recommend a substantial SDR allocation.

Implemented to ensure the Fund is better able to respond to the challenges of globalisation, and remains a credible and effective part of the international financial and monetary system. My appeal is for the Fund's recommendations the rationale underlying this reform exercise – the Fund's legitimacy and effectiveness through a package of measures – is not

I hope this report will serve the purpose you had intended. Please thank your staff on my behalf for their assistance and cooperation in drafting the report.

Yours sincerely,

Trevor

TREVOR A. MANUEL (MP)
MINISTER OF FINANCE

Date: 24 March 2009

Manuel led a committee
whose recommendations
gave the IMF a \$750
billion recapitalisation at
G20 London meeting,
April 2009

BRICS agenda: polish chains of global apartheid

BRICS are the main reason Africa's vote cannot increase at Bretton Woods Institutions



CHAIRMAN

DEVELOPMENT COMMITTEE
(Joint Ministerial Committee
of the
Boards of Governors of the Bank and the Fund
On the
Transfer of Real Resources to Developing Countries)



March 29, 2004

Dear Colleague:

I am writing in follow-up to the discussion, which the Development Committee held at its last meeting in Dubai, on the issue of Voice and Participation.

At that time, it was widely recognized that this was a multi-dimensional issue, requiring progress on a range of issues over time. At the institutional level, important steps have been taken over recent years to increase transparency, decentralize operations, and to strongly promote country ownership of programs through the adoption of the Poverty Reduction Strategy in low-income countries.

Our Executive Boards have initiated steps to strengthen capacity in the offices of the two African Executive Directors, to help build capacity in national capitals and to promote the use of communications technologies to enhance dialogue between Washington and capitals. A new Analytical Trust Fund is being established to provide additional policy and research support to the African chairs.

While these are all necessary and important steps, many Members considered that additional efforts with respect to voting rights and the operation of the Boards should be pursued, recognizing that these raised sensitive and complex political issues and that time would be required to build the necessary political consensus.

While asking our Executive Boards to report to us at our Annual Meetings on all their relevant efforts, we also indicated that we would consider a roadmap on process and procedures at our Spring meeting.

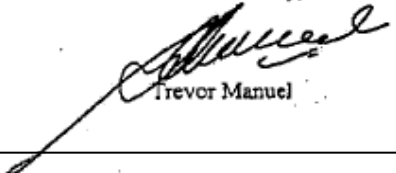
With respect to voting rights (at both the Bank and Fund), there was a clear sense that agreement can only be reached on a package of measures, and that this was only likely to be achieved in the context of agreement to increase Fund quotas. Views differ on the timing of any such agreement, but it is likely to be postponed for some time. I would therefore propose that we use this time to consider and reach tentative agreement on a number of building blocks that could subsequently be incorporated in any decision on a Quota increase and subsequent adjustment of IBRD capital shares. Over the next year, our Boards should be asked to report to us on options for addressing the issue of Basic Votes – an issue on which virtually all Members agreed that

action should be taken. Over the subsequent year, the Boards should be asked to report to us on options for addressing those situations where countries' quotas/capital shares are egregiously out of line with their economic strength. These building blocks would then be available to be incorporated in negotiations on an eventual quota increase and any future decisions on Bank capital shares.

With respect to the Boards, we (or our Boards) have discussed whether adjustments should be made to their current composition and structure. A wide range of views has been expressed and there is no apparent consensus on changes at this time. I would therefore like to propose the establishment of an independent "Eminent Persons' Group" to consider the composition, structure and functioning of the Boards and to report to us at our 2005 Spring Meeting. Being independent would allow such a group to not be constrained by country positions, thereby leaving us the freedom to accept or reject, in whole or in part, any of their recommendations. I would hope that we could identify 6 – 8 people as members of this Group who have had extensive experience at the national level and at the institutions. A report in about a year's time would then leave us with about 6 months to consider any changes that we might wish to introduce before constituency elections are held in 2006. If there is broad agreement with this approach, I would proceed to propose terms of reference and membership for such a group.

I encourage you to reflect on this "roadmap" going forward and I would welcome your views. I have also asked Lesetja Kganyago to discuss this with Deputies when they meet on April 6th in London. I hope we might reach agreement on this process by the time we meet in Washington in April.

Yours sincerely,


Trevor Manuel

**and India, Brazil and SA
cannot join UN Security
Council because Russia and
China won't support them**

South Africa as BRICS' most aggressive proponent of *financial liberalisation*



South African Reserve Bank

Address by Daniel Mminele, Deputy Governor, South African Reserve Bank, at the G-20 Study Group, "South Africa and the G-20 – Challenges and Opportunities",

31 October 2012, Southern Sun Pretoria

*South Africa aligns itself with different groups to ensure that decisions on key issues reflect **our country's best interest**. With regard to quota and voice **reform in the IMF**, for example, South Africa is mostly aligned with emerging-market economies.*

*However, with regard to the **financial transactions tax** that was mooted by the Europeans, **South Africa opposed this proposal** and was supported by a few other advanced economies. **South Africa is aligned with advanced economies on the issue of climate finance**, while other developing countries generally feel that this issue is best addressed at the United Nations.*



Occupy Nigeria!

**a fake Power Bloc?
divided-and-conquered
sub-imperialism**

Moscow backed
Washington's choice:
Jim Yong Kim

**in 2012, BRICS could not even
agree on World Bank leadership**



Brasilia's choice:

Jose Antonio Ocampo

ZAPIRO
INDEPENDENT NEWSPAPER
EST. 1964

hierarchy of sub-imperialists

SA WELCOMES
PREMIER WEN JIABAO

COMPLIMENTS.
VERY TASTY!

THANKS.
..ER.. COULD WE
OFFER YOU A
LITTLE LESS?..

CHINA

JOBS

SA TEXTILE
INDUSTRY



would Dalai Lama get a visa?



Paris Yeros and Sam Moyo on BRICS subimperialisms:

- *Some are driven by **private blocs of capital** with strong state support (Brazil, India);*
- *others, like China, include the direct participation of **state-owned enterprises**;*
- *while in the case of South Africa, it is increasingly difficult to speak of an autonomous domestic bourgeoisie, given the **extreme degree of de-nationalisation of its economy**, post-apartheid.*
- *The degree of participation in the Western military project is also different from one case to the next although, one might say, there is a **“schizophrenia”** to all this, typical of **“subimperialism”**.*

Durban's hosting of BRICS, 26-27 March 2013

International Convention Centre

- *'brics-from-below'*
alternative (@ Diakonia)



BRICS Summit, Durban International Convention Centre, 26-27 March



new Russian & Chinese leaders since 2012

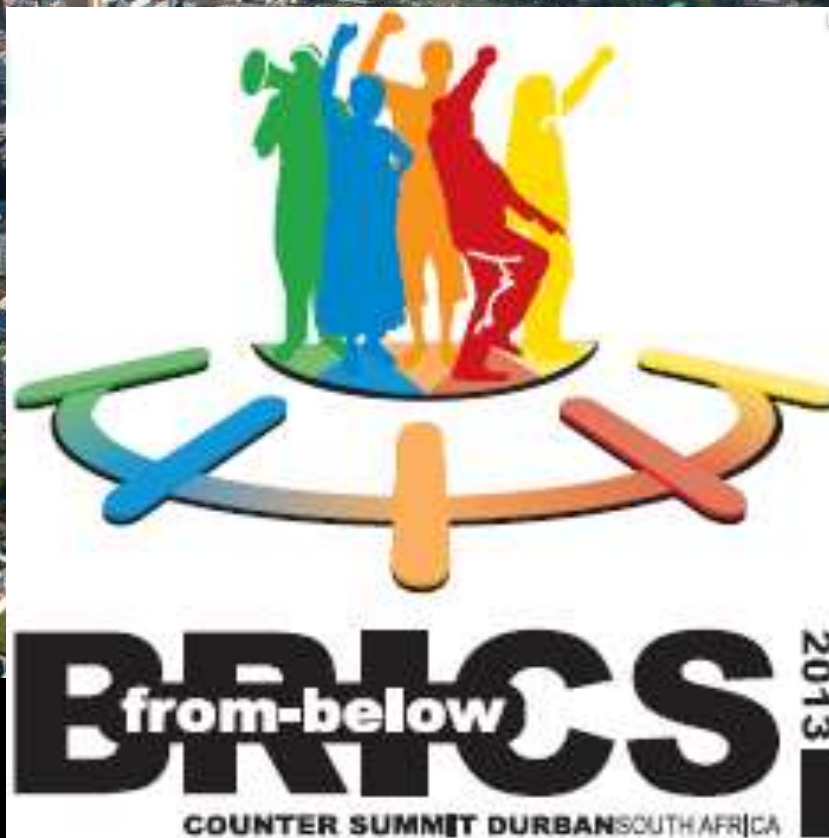


venue

The Hilton
(hotel for the 1%)
meeting of African elites
on 26 March

BRICS Summit, Durban International Convention Centre, 26-27 March
(meeting moves to Zimbali resort late on 27 March)

Occupy ICC!
new site for struggles
at biggest African
convention centre



Occupy COP17, Dec 2011



**Rural Women's Assembly at
the Occupy COP! site, 2 Dec**





*Rural Women's Forum march for Climate Justice at COP17,
Durban, South Africa, Friday, December 2, 2011*



Global Day of Action, Durban, South Africa, Saturday, December 3, 2011

**Occupy COP17! went
inside ICC, 9 December**





1) *political and civil rights violations include*

- internal militarisation,
- prohibitions on protest,
- rising media repression,
- official secrecy,
- debilitating patriarchy,
- homophobia,
- activist jailings, torture,
- even massacres (including Durban where a police hit squad has executed more than 50 suspects);

2) *socio-economic attacks on the majority*

- severe inequality,
- poverty,
- disease,
- unemployment,
- violence against women (including migrant labour)
- service non-delivery,
- mal-education,
- prohibitions on labour organising;

3) **regional domination** via

- *extraction, processing and marketing of hinterland raw materials,*
- *military hegemony,*
- *promotion of neoliberal 'Washington Consensus' ideology which reduces poor countries' policy space;*

4) a **maldevelopment** model that is

- *labour-exploitative,*
- *consumerist-centric,*
- *overly-financialised,*
- *eco-destructive,*
- *climate-threatening,*
- *nuclear-powered,*
- *politically-corrupting*
- *generating record corporate profits, but*
- *reaching crisis levels*

a call to rebuild BRICS, bottom-up, at Durban summit

- *critical civil society* – brics-from-below – should share views
- *bottom-up unity* of peoples in BRICS and their hinterlands
- *collaborate* on analysis, advocacy and activism
- *meet in the spirit of the World Social Forum*
- *draw world's attention to most dangerous BRICS state policies, to corporate and parastatal power plays, and to these countries' extreme uneven development*





*official SA logo
and slogan:*

**working together
Saving Tomorrow Today**

revised evidence-based logo, slogan:



warming together

Stealing Tomorrow Today



FIFTH BRICS SUMMIT

DURBAN, SOUTH AFRICA
26 - 27 MARCH 2013

*BRICS and AFRICA: Partnership for
Development, Integration and Industrialisation*



FIRST brics-from-below SUMMIT

DURBAN, SOUTH AFRICA
23-27 MARCH 2013

*brics-from-below and AFRICA:
Partnership for Society and Nature, not
Oppression, Inequality and Eco-destruction*

brics-from-below!

join a civil society summit during the
Brazil-Russia-India-China-South Africa
heads-of-state summit in Durban, March 22-27

with

groundWork, Friends of the Earth-South Africa (<http://www.groundwork.org.za>)
the South Durban Community Environmental Alliance (<http://www.sdcea.co.za>)
and the University of KwaZulu-Natal Centre for Civil Society (<http://ccs.ukzn.ac.za>)



Monday 25 March:

- * ***brics-from-below summit, Day 1*** at Diakonia – what are the eco-social-labour struggles within BRICS ?
- * evening event will be a public debate between ***brics-from-below*** and BRICS corporations

Tuesday 26 March:

- * ***brics-from-below Summit, Day 2*** at Diakonia - what are BRICS doing in Africa and at global scale?
- * a special series of talks will occur on the ***BRICS Development Bank*** arranged by Mais Democracia (Brazil NGO)
- * evening event (including WSF video link) with public debate between ***brics-from-below*** and BRICS leaders

Wednesday 27 March:

- * Diakonia as main morning site for ***brics-from-below*** meetings of visiting groups
- * ***brics-from-below*** to visit International Convention Centre around lunchtime

where does it all happen?

MARCH 22: UKZN Sneddon Theatre hosts *Time of the Writer*

MARCH 23: South Durban hosts *brics-from-below*

MARCH 24-27: Diakonia, City Hall and ICC





South Durban Community Environmental Alliance



Institute of Globalisation and Social Movement Studies, Moscow



aglob

Глобальная аналитика



APARTHEID

AMATEUR!

GLOBAL
APARTHEID

SUBSIDISED
OVER-CONSUMPTION

TRICKLE
DOWN

IMF

WTO

WORLD
BANK

APARTHEID

AMATEUR!

GLOBAL
APARTHEID

SUBSIDISED
OVER-CONSUMPTION

TRICKLE
DOWN



BRICS 2013

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