

BRICS+ Hype, Hope and Helplessness



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**A brics-from-below reader for the
Johannesburg debates
21-22 August 2023**

**University of Johannesburg
Centre for Social Change and
Centre for Sociological Research and Practice**

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Foreword

This reader, like efforts in 2013 and 2018 – see <http://wwwbricsfrombelow.org> – is a collection meant to cover vital ideological and concrete problems associated with the Brazil-Russia-India-China-South Africa bloc. The University of Johannesburg hosts us this year in both analytical and teach-in discussions, just as did the University of KwaZulu-Natal and University of the Witwatersrand in 2013 and 2018. And just as before, on the day following the debates there are protests scheduled, in this case at Innisfree Park in Sandton.

A series of seminars at UJ's Centre for Social Change and Centre for Sociological Research and Practice since March 2023 informed our choices. The pages ahead cover BRICS+ expansion and financial reform projects, with both mainstream perspectives and critical views. Today, more than ever, disputes about BRICS and a BRICS+ are intense. The mainstream bloc has been bogged down in contradictions, especially given how a 'Global South' framing of the "BRICS versus the West" has left South Africa internally divided, and also seen as the bloc's Achilles Heel due to Vladimir Putin's enforced absence.

On top of that, conservative forces within the BRICS bloc – not just Pretoria, but finance ministers and central bankers from all the others aside from Russia – remain openly frightened of losing access to global financial markets. Acquiescence by the BRICS New Development Bank to Western financial sanctions against 18% owner Moscow, is just one reflection.

Following two introductory papers by editor Patrick Bond and his Brazilian colleagues Ana Garcia and Miguel Borba,

the pages ahead begin with 'hype': the official narrative from South Africa's foreign minister plus the formerly most enthusiastic BRICS proponent, Brazilian journalist Pepe Escobar.

South Africa's major left-of-centre organisations have openly embraced the BRICS as ostensibly anti-imperialist, and in a recent webinar hosted by the National Union of Metalworkers of South Africa (boasting 300,000 members), Phakamile Hlubi-Majola, Fred M'membe and Irvin Jim focused on a central reason to promote the BRICS: *hatred of Western imperial abuses*. Similar sentiments are found in the third-largest party, the Economic Freedom Fighters (with more than three million voters), as well as the South African Communist Party (400,000 members) and the Radical Economic Transformation faction (supporting Jacob Zuma) within the ruling African National Congress. The result is what can be termed 'hype' about declining U.S. power and rising BRICS-bloc ambitions.

A second category of analysis is more circumspect, but still can be characterised by the enormous '*hope*' invested in the BRICS. There is no more prolific a source of such analysis than the Tricontinental Institute led by Vijay Prashad. But others in the West – such as Helena Cobban – sickened by the roles of their own states and corporations are also attracted to the idea that BRICS may assist in defining a genuinely New World Order. Finally, recent analysis by Escobar reveals, in this way of thinking, a more cautious version of hope than even six months' earlier, given the prevailing balance of forces. His evolution is worth understanding.

The third perspective is what might be considered a critique of the BRICS *helplessness* because, as is so often the case within nationalist politics – especially when neoliberalism is the prevailing economic philosophy, as in South Africa and other BRICS – the *talk left, walk right* syndrome is overwhelming. But first, consider some of the facts laid out by Andrew Korybko in two essays. Bond then deep-dives into how helplessly the BRICS New Development Bank mimics and indeed amplifies the worst tendencies of multilateral creditors. Finally, moving towards analysis of concrete geopolitical problems, Michael Karadjis provides a scan of the terrain. Again, the sense in these essays is that the logic of crisis-riddled global capitalism leaves late joiners like the BRICS *helpless to do anything much more than join the system instead of fighting it*.

The most logical sentiment for anyone both aware of these contradictions and possessing humanitarian and ecological sensibilities, is *anger*. There are countless reasons for our fury, but in the next few selections, by Boris Kagarlitsky, Ilya Matveev and Sarah Bracking, the invasion of Ukraine is an obvious starting point. Limited space prevents discussion of more than a few additional outrages within and around the BRICS+ so just two additional countries are assessed: India (by Basav Sen, Arundhati Roy and Salman Khan); and Iran by Behrooz Ghamari-Tabrizi (with a solidarity statement by Angela Davis) in view of the inspiring women's movement.

The concluding essay – by Bond – attempts to answer a complicated question: are the BRICS suffering from the

condition known as 'sub-imperialism?' And in spite of the 'rogue sub-imperial' behaviour of Putin, like a Deputy Sherriff who takes command of a peripheral garrison in a bad Wild West movie due to malevolence found in the headquarters, a broader loyalty to the overall objectives of capitalist trade, investment and finance remain overwhelming. From sub-imperial subservience – remember when Putin asked Bill Clinton if Moscow could *join* NATO in 2000 – there are many who consider what we are now witnessing to be an *inter-imperial* war underway in Ukraine (with further potential in the seas off China's east and southeast coastlines).

This reader lays out as many points of view from the mainstream leftwards as could be rapidly collated. However, the South African media has provided readers with a further world view touched on occasionally in the pages below: the dominant Western neoliberal-economic and liberal-political value system. If that perspective is not fairly enough represented in the pages below, it is simply because it is already in the ether of South African discourse.

Our intent is to assist where so many discussion groups fail, as we have outlined in prior critiques of the 'BRICS FROM ABOVE' and 'Brics from the Middle' perspectives in 2013 and 2018. Hence <http://www.bricsfrombelow.org> is our website to put forward a different, more critical view, in the hope that from this friction will come not just heat but light.

This collection is dedicated to Boris Kagarlitsky, an original brics-from-below supporter who is unjustly imprisoned for speaking truth to power in Moscow.

What are the BRICS and BRICS+ – and why is there such hype, hope and helplessness?

Patrick Bond

This introduction sets out new categories for understanding the bloc consisting of Brazil, Russia, India, China and South Africa, and soon many other countries.

Enormous hype was generated about the Johannesburg summit, centred on two major factors: a challenge to the U.S. dollar, and expansion of the BRICS. The former is a topic taken up under the theme ‘helplessness’ because of how difficult this long-overdue process appears notwithstanding the golden opportunity presented by U.S. financial-sanctions overreach against Russia. Those anticipating a major rush to the dollar exit are reassessing.

The second factor, expansion, was on the cards in 2022 but in that year, at least five factors had reduced the BRICS to acrimonious paralysis. Since then, however, conditions have changed and there is an expectation that a ‘BRICS+’ club will have dozens of new member countries in coming years from current and potential new candidates.

BRICS recover from near oblivion

Emerging from a period in which internal contradictions appeared to cause ‘[spalling](#)’ – in which the BRICS wall came close to toppling – it is useful to recall what was going wrong:

- First, three years of *Covid-19* [prevented](#) BRICS leaders from having in-person summits or from

convening the hundreds of specialist bureaucrat, business, academic and civil society gatherings that had featured in the bloc’s ecosystem.

- Second, from 2019-22, *Jair Bolsonaro’s Brazilian government* retarded the bloc’s progress and wrecked its cohesion, due to his right-wing extremism and pro-Western alignment – e.g. on the critical matter of the South gaining patent waivers for Covid-19 vaccines and treatments. The waivers represented a major World Trade Organisation (WTO) reform proposal, and though they were [vetoed](#) mainly by Europeans on behalf of their drug industries in 2021-22, Angela Merkel and Boris Johnson must have [appreciated](#) Bolsonaro’s [joining](#) the handful of leaders rejecting repeated appeals by Indian Prime Minister Narendra Modi and South African President Cyril Ramaphosa, who spoke for more than 100 countries when demanding vital pharmaceutical products be considered “global public goods.”
- Third, *Sino-Indian turf disputes* regularly [flared](#) high in the Himalayas, reflecting a lack of borderline resolution dating to the early 1960s, leading in 2020 to the death of dozens of troops in hand-to-hand combat. There is no end in sight to military skirmishes over the mountainside land and – due to excessive Chinese dam-building – over southern-flowing river sources. The other extended site of conflict

stretches west to Pakistan from Kashmir, where local resistance continues against Delhi's strict control and Islamophobia, as well as Beijing's desire to control Kashmiris in China. Further west, Beijing is funding \$65 billion worth of corridor infrastructure from Pakistan's Gwadar port to western China, which it considers increasingly vital due to mercantile vulnerabilities in the Strait of Malacca, and in order to gain faster Belt and Road Initiative access to oil imports from the Persian Gulf. But this level of economic commitment to India's primary enemy state – including an area of contested sovereignty within Pakistan – infuriates Delhi authorities, who in turn have repeatedly shut down Chinese corporations' own investments and exhibited extreme levels of nationalist Sinophobia.

- Fourth, *Vladimir Putin's February 2022 invasion of Ukraine* was not just catastrophic in local terms, but also upended global food and energy markets, creating enormous political push-and-pull pressures across the world. Putin nearly caused a constitutional crisis in South Africa due to the prospect of the local courts compelling Ramaphosa to enforce an International Criminal Court [arrest warrant](#) (for kidnapping tens of thousands of Ukrainian children), were he to arrive in person at the 2023 Johannesburg summit. Ramaphosa beseeched the Russian

leader to attend the summit virtually, as a side deal component of the South African's leadership of an ineffectual Kyev-Moscow peace mission by several African leaders in June 2023. Ramaphosa also publicly requested the Russian leader to restore sea access to Ukrainian exports responsible for nearly 10% of the world's grain supply, but Putin ignored that appeal, instead offering free supplies of his own grain to several impoverished countries whose leaders attended the St. Petersburg Russia-Africa summit in late July.

- Fifth, there were *important ruptures* within several BRICS' leaderships, what with the narrow electoral victory of Brazilian President Lula da Silva over Bolsonaro and the failed attempt by the latter's supporters to [carry out](#) a January 2023 insurrection; the June 2023 [mutiny](#) by Putin's former close ally Yevgeny Prigozhin and his Wagner Group of mercenaries; the mysterious [disappearance](#) of Chinese Foreign Minister Qin Gang in July amidst [swirling rumours](#) about an affair with a British spy or simply ineffectual performance; and in South Africa, Ramaphosa's [near-resignation](#) in December 2022 due to a damning inquiry into personal corruption. While Chinese leader Xi Jinping, Modi and Putin appear to have consolidated their personal power, the two weaker BRICS are unstable: Lula [faces](#) a hostile Bolsonaroite-dominated Congress

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and relies upon self-crippling alliances with neoliberals atop his own government; while Ramaphosa's own financial [corruption](#) case and the [unreliability](#) of his deputy president (not to mention his predecessor's [brief jailing](#) on August 12 – on charges related to a French arms dealer's bribes – followed by an immediate pardon), as well as widespread [electricity blackouts](#), will probably result in his party losing majority status and stitching together a coalition government after the mid-2024 election.

Yet in spite of the chaos created in the process, the BRICS' three primary-product exporting economies – Brazil, Russia and South Africa – performed better than expected from mid-2020 after the main lock-down shock, as mineral and fossil fuel prices first crashed but then soared to record levels, and again from March 2022 after Putin's invasion, when commodity prices rose even higher for at least a few more months. Even Russia could therefore bounce back surprisingly quickly from intense Western financial sanctions and the seizure of more than \$600 billion in overseas assets belonging to the state and oligarchs – sanctions which sent strong messages to formerly pro-Western tyrants especially in the Middle East, that their Western assets were not safe either.

BRICS+ emerge

Indeed the financial-punishment overreach by U.S. finance minister Janet Yellen in March 2022 is a major reason for

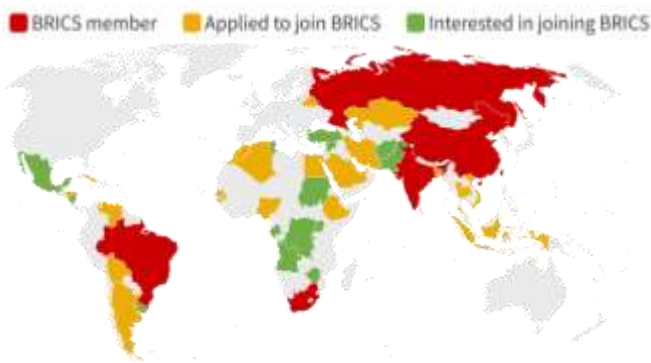
so many BRICS+ candidates now wanting to join a future de-dollarised bloc. They all observe the volatility of political relations with a U.S. State Department that often flipflops, and not only because the “paleo-conservative” Make America Great Again ideology of Donald Trump was replaced with Joe Biden's “neo-conservative” foreign policy in which “democratic” ideals and economic neoliberalism are imposed if necessary, by force.

Regardless of the prospect of Trump returning to power in early 2025, a general dilemma for tyrants is that Washington sometimes whimsically installs and replaces client-regime leaders, without apparent logic. While that has been a long-standing practice, external regime change has become more complex due to the power of financial sanctions.

Particularly revealing was the experience Saudi Arabia had, first in 2020 as one of U.S. presidential candidate Joe Biden's main foreign-policy rhetorical targets (as a ‘pariah’), given Riyadh's bone-saw execution of journalist Jamal Khashoggi in 2018. In early 2021 Biden [announced](#) the Saudi war on Yemen must cease, but [shifted tack](#) and went quiet within a year, as energy prices soared, Biden U-turned and personally [visited](#) Crown Prince Mohammed bin Salman (‘MBS’) to beg Riyadh to raise oil output (to lower prices), which the Saudi leader [refused](#).

Indeed by early 2023, in another [sign of clear disrespect](#) for Washington, Riyadh not only made a preliminary peace deal with Iran, brokered by China, but began a ‘petro-yuan’ trading system to undermine dollar hegemony. In early August,

Washington clumsily attempted to [reverse that particularly important de-dollarisation](#) with a package that also included Trump-era Abraham Accord status – ‘normalising’ Israeli-Saudi ties similar to the UAE in 2020 – which the Saudi leader put on hold until after dust settles at the BRICS summit and the bloc’s newest members are chosen.



With a new BRICS+ beginning to take shape, the most striking features of the candidates now being considered are their extreme carbon intensity and tyrannical political character, personified by MBS. The full list of first-round candidates to join BRICS, named in early August, by South African foreign minister Naledi Pandor, are Algeria, Argentina, Bangladesh, Bahrain, Belarus, Bolivia, Cuba, Egypt, Ethiopia, Honduras, Indonesia, Iran, Kazakhstan, Kuwait, Morocco, Nigeria, State of Palestine, Saudi Arabia, Senegal, Thailand, United Arab Emirates, Venezuela and Vietnam.

It is a hodgepodge with no discernable ideology, but overflowing with anti-social, anti-ecological and financially \$-inoculated self-interests. The big prizes for China and Russia, driving the expansion, would be Saudi Arabia and Iran. If all 23 new candidates are agreed upon, the 28 BRICS+ countries can be assessed in terms

of their relatively pro-Putin leaning (voting against United Nations withdrawal resolutions) or neutral stance (abstaining on the votes, as did South Africa), versus those favouring Ukraine.

In the latter camp are 14 candidate countries in addition to Brazil: Argentina, Bahrain, Bangladesh, Egypt, Honduras, Indonesia, Kuwait, Morocco, Nigeria, Palestine, Saudi Arabia, Senegal, Thailand and the UAE.

In contrast, there are 13 BRICS and BRICS+ candidate governments that were either against or abstained from the February 2023 resolution: Algeria, Belarus, Bolivia, China, Cuba, Ethiopia, India, Iran, Kazakhstan, Russia, South Africa, Venezuela and Vietnam. Hence, from a ratio of four to one in the against-or-abstaining group under the present BRICS, the ratio would potentially switch from 13 to 15.

As for what might be considered genuine, indisputable democracies, there are really only Argentina, Bolivia and Honduras, joining Brazil and South Africa. For good reason, there has been traditional – at least 21st-century – left solidarity with BRICS+ candidates Bolivia, Cuba, Palestine and Venezuela, though the latter has waned in progressive values over the decade since Hugo Chavez’ death, and of course there also remains left nostalgia for the 1960s-era anti-colonial movements of Algeria and Vietnam.

Of concern, as well, are the reactionary regimes that long toiled within the Western sphere of influence: Indonesia, Kuwait, Morocco, Saudi Arabia, Thailand and the UAE. Argentina may join their

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ranks if the October election results in a Bolsonaro-type victor (Javier Milei). Some of their shifts in allegiance from the West to the BRICS are, in each case, reversible depending upon geopolitical conjunctures.

And in many respects, the most dangerously conservative aspect of the potential new bloc is the extraordinary degree to which the candidates are [carbon addicted](#). Latest comparative data from 2021 suggest that not only will the emissions self-interest rise, what with Iran, Saudi Arabia, Indonesia, Vietnam, Thailand, Kazakhstan, Egypt and the UAE adding 3.375 billion tons of annual CO2 from energy and industry, to the existing BRICS bloc's 16.9 billion tons. There are, in addition, other candidate countries whose foreign exchange earnings come largely from oil and gas: Algeria, Argentina, Bahrain, Kuwait, Nigeria, Senegal, and Venezuela.

Yet in the expansion process, standard talk-left walk-right diplomacy can be expected. As Pandor [committed](#), "I certainly would guard against any criteria for expansion that would lead us down a path where we contribute to increasing conflict in the global community or in any part of the world."

Retreat from multilateral reform – as is the BRICS' *sub-imperial duty*

Given the unstable alliances and motley collection of candidate members, neither the existing BRICS nor a BRICS+ bloc can claim momentum towards the fairer world system they often refer to. For example, BRICS summit statements often articulate aspirations for multilateral reform, as well as potential arrangements for

institutional, medical and financial collaborations that would not rely upon the West. But the results are unsatisfying.

One obvious case was pandemic vaccine development, of vital importance in 2020-22 when Covid-19 killed between 7 million (official) and 31 million people, depending upon '[excess death](#)' estimates (which in India, Brazil and South Africa numbered at least three times the official death toll). And yet while the 2018 Johannesburg Summit [promised](#) a BRICS vaccine centre based in that city, but it only [materialised](#) in a tokenistic, virtual mode in March 2022.

Questions remained about the [efficacy](#) of Chinese and Russian vaccines in comparison to the West's mRNA technology (South Africa even [disallowed](#) Sputnik because of dangers for people living with HIV/AIDS). Then there was [nefarious](#) U.S. state-funded (and from 2014-17 [banned](#)) Chinese "gain of function" research on behalf of Big Pharmacorps. After Trump took power in 2017, these were resumed only in Wuhan – in a "[leaky](#)" [laboratory](#) – because the [biohazards were considered too dangerous](#) for North Carolina's Research Triangle site. Chinese records of the Wuhan experiments – and of the first cases of illness that occurred at the lab in late 2019 – remain impossible to access, but this relationship appears to reflect imperial master and sub-imperial serf.

Another sub-imperial duty is to abide by international financial arrangements. Hence, further false hopes for genuine BRICS alternatives to multilateral economic power arose from the International Monetary Fund's abuse of

poor countries' sovereignty and imposition of neoliberalism, austerity and privatisation dogmas – without genuine BRICS opposition:

- The \$100 billion Contingent Reserve Arrangement (CRA) was meant to offer a back-up, but its 2014 design actually [empowered](#) the IMF, by compelling BRICS borrowers which wanted to access more than 30% of their borrowing quota (e.g. in South Africa's case \$3 billion) to first sign up to an IMF structural adjustment programme, thus amplifying Washington's financial leverage.
- When in 2020, the BRICS finance minister facing greatest vulnerability, South Africa's Tito Mboweni, believed that he needed a \$4.3 billion loan to survive the Covid economic crash, [he went to the IMF](#), not the CRA – so that 'alternative' not only was falsely advertised, but only exists on paper.
- Even as the BRICS purchased greater voting power at the IMF and World Bank, reaching nearly 15% by the late 2010s (at the expense of poorer countries like Nigeria and Venezuela whose voting share plummeted more than 40% each), the two institutions' top leaders are still appointed by European and U.S. governments, respectively. BRICS politicians as well as directors at the Bretton Woods Institutions are content to occasionally complain, but since 2012 they have failed to even offer alternative IMF managing

director or Bank presidential candidates.

- The continual "talk left, walk right" BRICS tendencies to complain about Western imperialist power, *but do nothing to change the rules of the neoliberal multilateral order* – and generally welcome IMF and World Bank missions (and in South Africa's case, billions of dollars' worth of new loans).

In short, after a decade in which – since the Durban 2013 BRICS summit – international development finance has been high atop the leaders' agenda, the global-economic 'Washington Consensus' philosophy hasn't changed. Nor have the Bretton Woods Institutions' predatory lending practices. And those ecologically- and socially-destructive – and corrupt – practices are also [evident](#) in the main BRICS accomplishment, the New Development Bank (NDB), which like the notional CRA, quickly became an [official ally of the World Bank](#).

Likewise, with former president Dilma Rousseff recently appointed as president of the BRICS NDB, it was a [sign of the times](#) on 26 July 2023 that, just after meeting Putin, she [tweeted](#), "The NDB reiterated that it is not planning new projects in Russia and operates in compliance with applicable restrictions on international financial and capital markets. Any speculations on such a matter are unfounded." She also [committed](#) to merely a 30% local-currency loan portfolio by 2030, an extremely conservative target in spite of the damage done by hard-currency loans.

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There had been enormous hype about the potential to shift out of the dollar's hegemony, for good reasons:

- The U.S. Federal Reserve had supported Richard Nixon's 1971-73 destruction of the Bretton Woods System's \$35/gold ounce deal (dating to 1944) through a \$80 billion default on that obligation, with the highest, fastest interest rate increases to end U.S.-sourced inflation in 1979, thus causing the Third World Debt Crisis that impoverished billions of people.
- In the 1990s the Fed engaged in dangerous financial deregulation and when that led to real estate markets and many major creditors, speculators and insurers imploding in 2007-08, the U.S. government's 2008-09 bailouts were followed by 2009-13 Quantitative Easing (QE, representing further bailouts).
- After the 2020 Covid-19 lockdowns, the Fed again engaged in QE but then in early 2022 ended it with a series of painful interest rate increases.

By early 2023 critics of dollar overextension noted that two of the U.S. government's three largest-ever bankruptcies hit in early 2023. In February, ebullient Brazilian journalist Pepe Escobar [entitled](#) a popular tweet, "BRICS IT UP, BABY" because "If China, Russia and India agree on a gold-backed currency, that's the END of the fiat dollar... A new currency would lead to the U.S. current account deficit – \$18 trillion – crashing the dollar."



But such hype was unrealistic, so in June, in the immediate wake of a BRICS foreign ministers gathering, monetary rebellion was [squelched](#) by the lead South African diplomat, Anil Sooklal: "We have never spoken about de-dollarisation. What we have done, which is nothing new, we signed an agreement several years ago, an interbank agreement, paving the way to trade in our local currencies." But the latter will be tough going, as a result of enormous trade imbalances within the BRICS, plus vigorous Chinese and Indian exchange controls that make trade-revenue repatriation difficult.

Hence, Escobar more soberly [predicted](#) in early August, "The BRICS are not going to announce a new currency in South Africa, first of all because they haven't even studied the details. It's impossible. Second, because you cannot start a new currency just like that. It's a process that could take as long as ten years. What they are doing and they're going to start improving on, is trade settlements using their own BRICS-member currencies, and expand it to BRICS+."

Escobar [suggested](#) it could take a decade to establish and then it would consist of, "maybe, a new currency which

is going to be basically a trade settlement currency and not a currency like, for instance, the Euro or the British pound. Something completely different: a trade settlement mechanism capable of bypassing the U.S dollar ecosystem which, you know, is all over the world. It's very hard to escape it."



Likewise, Vijay Prashad of the Delhi-based Tricontinental Institute [acknowledged](#) at a seminar at the University of Johannesburg in August: "Nobody right now wants to supplant the dollar. I asked people in the People's Bank of China, 'will the renminbi supplant the dollar?' They're not going to do it. Why? Because the Chinese pride themselves on having capital controls and control over their currency."

That's an extremely important point, given China's impressive ability to slow capital flight after the 2015-16 stock market crashes using those controls, and its laudable banning of cryptocurrencies.

Prashad asked, "Are we going to enter a phase where we have a basket of currencies? You know, maybe that's a long time to come, so people excited online about dedollarisation should calm down."

The so-called gold bugs and other enthusiasts of BRICS potential *anti-imperial* capacities should indeed recognise that the most conservative bureaucrats in nearly every country are in

the finance ministries and central banks – and the BRICS are no exception.

And while at a conference in rural China not far from the Mongolia border on August 18, I happened across Justin Lin, not only a former (2008-12) World Bank Chief Economist, but one of the country's most sophisticated geopolitical observers. I asked if anyone in his circuits had expressed any intentions for the renmimbi to supplant the dollar, whether or not in tandem with the ruble, rupee, rand and real – and he simply shook his head.

The BRICS' reticence to fight imperialism's core basis of financial power should have come as no surprise, because in case after case, including the UN Framework Convention on Climate Change (UNFCCC) – starting in 2009 at the Copenhagen summit where Barack Obama [joined](#) Lula, Wen Jiabao, Manmohan Singh and Jacob Zuma for a *status quo*-oriented deal that they then imposed on everyone else – the BRICS spent the 2010s playing *into* and not rebelling *against*, the so-called Washington-Brussels-London-Tokyo 'unipolar' order.

The G20 – which on September 9-10 will be hosted by Modi in Delhi – is the most logical site for this fusion, especially given his recent dalliances with Biden and Emmanuel Macron (who last month asked to be allowed to join the BRICS summit and was refused). However, first, a talk-left walk-right process within the BRICS is a vital precursor, as events in Johannesburg will surely confirm.

Western imperialism, the BRICS and degenerating South-South relations

Ana Garcia, Miguel Borba, Patrick Bond
New Politics, January 2021

The Biden Administration's international ambitions face various roadblocks, and none so difficult to interpret as 'emerging power' rivalry. Even though subject to profound geopolitical conflicts that drive their leaderships in different directions, the BRICS group retains an extraordinary durability based on the imaginaries of revitalised multilateralism, modernisation and 'development' in the Global South. As they demanded reforms in international financial institutions and created new ones during the 2010s, the BRICS leaders were considered by many as challengers to Western power. In contrast, after considering theories of underdevelopment and recent evidence of deglobalisation and 'delinking,' this article more pessimistically assesses BRICS' foreign direct investment, trade and credit flows to African, Latin American and Caribbean countries. At a time of tumultuous Global-North political and economic upheavals, these relations with the Global South, we argue, have reproduced and amplified both Western imperial and BRICS 'sub-imperial' control over natural resources and labour, generating new South-South hierarchies. Thus, although two of the BRICS, China and Russia, may represent a geopolitical challenge to U.S. hegemony, they have not been capable of presenting a genuine alternative within a world capitalist international division of labour.

Nor have three BRICS – Brazil, Russia and South Africa – broken from dependence upon the extraction of natural resources. Of overarching importance, nevertheless, the BRICS sub-imperial standpoint is apparent when we unpack state-business relations associated with capital accumulation by their main firms.

Joe Biden's election as U.S. president brings respite from a world threatened by Donald Trump's climate-denialist, dictator-coddling, xenophobic, racist, misogynist, rules-breaking regime, at first blush. On second thought, 2021 will also initiate an unwelcome restoration of legitimacy to Western imperialism akin to Barack Obama's rule. Biden's (2020) recent *Foreign Affairs* article began by stressing how since 2017, "the international system that the United States so carefully constructed is coming apart at the seams." In reconstructing imperialism, Biden may draw upon a legislative and public-advocacy record dating to the 1980s based upon consistent service to several internationally-ambitious circuits of U.S. capital:

- *financial*, e.g. through supporting bankruptcy 'reform', austerity in social programs, the Gramm-Leach-Bliley Act deregulating Wall Street, and unprecedented financial sector bailouts;
- *merchant and agri-corporate*, when promoting trade and 'investor rights' deals;
- *technology*, through unleashing Big Data surveillance;
- *medical and insurance*, when favoring Intellectual Property and

opposing public healthcare financing;

- *fossil fuel*, given that his climate policy will resurrect Obama's, based on insufficient emissions reductions, ongoing oil and gas drilling and pipeline transport, a refusal to pay the U.S. climate debt, and renewed reliance upon carbon markets; and
- the *Military Industrial Complex* – for Biden supported every war since the 1980s, leading the authoritative insider journal *Defense One* to celebrate: “Biden may not radically change the nation's military, deviate from the era's so-called great power competition, or even slash the bottom line of the Pentagon's \$700 billion budget” (Benjamin and Davies 2020).

What will stand in opposition to a Biden-administration imperialism, whose toxic ideology only replaces Trump's 'paleoconservative' nationalism with the Obama-style fusion of neoliberalism and neoconservatism? Much hope had been invested in the Latin American 'Pink Tide' but it faded after Hugo Chavez's 2013 death (with Venezuela's subsequent Maduro government surviving but suffering enormously from U.S. sanctions, whereas Bolivia's Movement Towards Socialism returned to power in 2020 after a coup backed by Trump and lithium-dependent battery producer Elon Musk). Since, then, notwithstanding serious crises, the Brazil-Russia-India-China-South Africa (BRICS) network has been of central interest in 21st century international political economy.

This group of countries from the 'Global South' (and East) gathered momentum after Goldman Sachs banker Jim O'Neill initially conceived the acronym BRIC in 2001 in order to identify promising markets. However, it was the U.S.-catalyzed financial meltdown in 2008, that gave the BRICS as 'rising powers' more credibility. 'Core' countries were losing political-economic power on the world stage, while China, along with other so-called 'emerging economies' would challenge the dominant position of the U.S., Europe and Japan.

That economic crash also consolidated the G20, assimilating all five BRICS into the reflation of the global economy, based initially upon both an unprecedented infrastructure build-out in China, and Western central bank Quantitative Easing plus International Monetary Fund funding. In 2009, the first BRIC summit took place in Russia, starting a succession of annual summits that gave body and content to the group. China invited South Africa to join in late 2010.

Despite annual displays of cooperation through leadership summits and hundreds of side meetings, there are still significant asymmetries between these five countries, witnessed, for instance, in trade relations. Brazil, Russia and South Africa are highly dependent on commodities exports, such as crude grains, oil, metals and ore, with China a major buyer. In turn, exports from China to other BRICS are made up of manufactured and semi-manufactured products, creating major trade and financial deficits. A form of the classic North-South manufacturing-commodity function within the

international division of labour appears to be reinforced by trade relations among the bloc's members.

If such a tendency can arise inside the bloc, the BRICS' foreign direct investment (FDI), trade and credit are even more pernicious in the Global South, especially Africa, Latin America and the Caribbean. Ultimately, we question whether the BRICS are capable of reversing historical, unequal relations of trade and investment between 'core' and 'peripheries,' and we identify, in some cases, an uncomfortable middle ground: 'sub-imperialism.'

We conclude that the BRICS will therefore fail to promote new development practices that could lead to a more environmentally sustainable and socially just model. To the contrary, the BRICS appear to be reinforcing old patterns of underdevelopment that amplify extraction of natural resources which, in turn, result in adverse impacts for communities, workers and nature. Although the Covid-19 crisis interrupted many aspects of global capitalism, these features appear more durable.

Despite a potentially constructive geopolitical role that can be played by the BRICS (particularly China) in terms of balancing U.S. hegemony and providing competition to the Western corporations which have dominated FDI in the Global South, the BRICS firms' presence suggests the earlier expectations were overoptimistic. From the standpoint of individual peripheral countries, the current role being played by the BRICS, it seems, is a force of continuity and legitimator of the global capitalist power structure, rather than one of change.

BRICS and competing theories of development

Among diverse analyses of the BRICS over the past decade, leading geopolitical analyst Radhika Desai (2013) was perhaps most enthusiastic: "not since the Non-Aligned Movement and the demand for a New Economic Order in the 1970s, has the world seen such a coordinated challenge to Western supremacy in the world economy from developing countries". Some analysts even expressed hope for a "new Bandung" in the 21st century, referring to a 1955 conference of 29 African and Asian countries that created the Non-Aligned Movement of 120 states (Bisio 2015, Zakaria 2013). More realistically, for Walden Bello (2014), the BRICS were beneficiaries of a corporate-driven globalisation, "owing their rise to the marriage of global capital and cheap labour" in export-oriented manufacturing and extractive sectors. Kees van der Pijl (2017) even considered the BRICS as contender regimes, in the form of state-oligarchic rivals to the liberal West.

Some BRICS leaders have endorsed such a view in order to score political points with domestic constituencies. Most crudely, former South African former president Jacob Zuma claimed repeatedly, "I was *poisoned* and almost died just because South Africa joined BRICS under my leadership" (Matiwane 2017). According to Brazil's former foreign minister Celso Amorim, "BRICS corresponded with the rearrangement of global economic forces, especially after the 2008 financial crisis, and became notorious thanks to the redistribution of

decision-making power within the IMF in favor of its members” (Amorim and Feldman 2011: 286).

However, it is important to ask whether greater voting power within the IMF marked the BRICS as a progressive force, or instead as an *ally* of the Global North. European neoliberal leadership and ongoing commitments to the Washington Consensus menu of pro-corporate economic policy prevailed at the IMF after 2015, when four of the BRICS achieved much greater influence following voting-weight restructuring (only South Africa’s share dropped).

This should not have been a surprise, for as Ray Kiely (2015: 2-3) argued, the BRICS’ rise “owes less to state capitalist deviations from neoliberal prescriptions which originated in the West, and more to the embrace of globalisation friendly policies”. Vijay Prashad (2013:3) termed the BRICS’ agenda “neoliberalism with Southern characteristics... There is no frontal challenge to Northern institutional hegemony or to the neoliberal policy framework. BRICS, as of now, is a *conservative* attempt by the Southern powerhouses to earn themselves what they see as their rightful place on the world stage.”

But there is an even more critical characterisation: the BRICS as ‘sub-imperial’ powers, featuring the super-exploitation of their working classes, predatory relations with regards to their hinterlands, and collaboration (although tensioned) with imperialism, especially as intermediaries in the transfer of both surplus labour values and ‘free gifts of nature’ (unequal ecological exchange)

from South to North. The BRICS’ role in multilateral governance is not anti-imperialist as sometimes advertised, but instead consistent with what Immanuel Wallerstein called the ‘semi-peripheral’ economies’ aspirations to follow Western expansionary precedents, using instruments of (corporate-oriented) multilateral power.

David Harvey (2001) observed that just like imperial powers, new centers of capital overaccumulation need spatio-temporal fixes for their own surpluses that could not be as profitably invested at home. China’s industrial overcapacity crisis is most obvious, but this condition extends both imperialist and sub-imperialist practices “dispersed through an uneven geography of capital surplus distribution” (Harvey, 2007). In a recent debate over the character of contemporary imperialism, Harvey (2018) remarked how minerals and agricultural commodity chains, extractivism and land grabs that follow BRICS firms’ expansions – especially Beijing’s Belt and Road Initiative – are “wrecking the landscape all around the world.” A rigid and fixed concept of ‘North-South imperialism’ can’t account for ever more complex “spatial, inter-territorial and space-specific forms of production, realisation and circulation” of surplus capital over-accumulated in middle-tier economies, Harvey (2018) insists. This is not an abandonment of Rosa Luxemburg’s (1968) 1913 theory of imperialism, but an adaptation for new circumstances.

Likewise, influential Latin American and African theories of underdevelopment deserve revisiting. At the United Nations’

Economic Commission for Latin America and the Caribbean (ECLAC), Argentine diplomat Raúl Prebisch formulated a non-Western view of development economics, taking his insights to the United Nations Conference on Development and Trade (UNCTAD) which in the 1970s was the launchpad for a New International Economic Order quest (Letelier and Moffit, 1977). Prebisch used the core-periphery model to not only challenge Ricardian notions of comparative advantage, but to promote policies that were attractive to trade unions, progressive social movements, the centre-left, and patriotic businesses and policy-makers. By condemning poor countries' specialisation in exporting raw materials – which in turn led to declining terms of trade – Prebisch (1950, 10) showed how “fruits of technical progress” were disproportionately enjoyed by industrialised economies and societies.

In Africa, the most advanced first-generation liberation movement leaders (such as Kwame Nkrumah, Julius Nyerere and Samora Machel) agreed that neo-colonial economic relations needed to be broken, resulting in a 1979 Lagos Plan of Action adopted by the Organisation of African Unity (but rapidly sabotaged by the Bretton Woods Institutions) (Bond 2006). The Egyptian political economist Samir Amin (1990) contributed a theory and programme of strategic ‘delinking.’

In Latin America, the next generation of Dependency School perspectives drew on the core-periphery model but also explained ‘limits of industrialisation’ in the South – which Prebisch (1950: 6) himself had already warned of. The emerging critique was not restricted to trade

relations alone, but to a whole ‘structure of dependence’, as argued by Theotônio dos Santos’ (1970). Contrary to the dominant Modernisation Theories, especially U.S. State Department strategist Walt Rostow’s (1960) ‘stages of economic growth’, Santos (1970, 235) insisted that “to analyze backwardness as a failure to assimilate more advanced modes of production or to modernise are nothing more than ideology disguised as science.”

Within the Marxist strand of Dependency theories, Ruy Mauro Marini (1965; 1972) explained how Southern elites engaged in a so-called ‘antagonistic cooperation’ (Marini 1965: 12) with capitalist centers of accumulation. He added that the ‘super-exploitation of labour’ was retained under dependency due to the need to extract super-profits enough to satisfy both the revenue expectations of international capitalists, as well as the share which corresponds to their minor associates in the periphery and semi-periphery (Marini 1972, 23). One possible outcome was the evolution towards what Marini (1972, 15) dubbed ‘sub-imperialism’, a concept designating “*the form which dependent capitalism assumes upon reaching the stage of monopolies and finance capital*” (original emphasis).

Watching the debate unfold from Senegal, Amin (1974, 22) agreed that Marini’s theory “addresses a very real problem raised here; that of inequality in peripheral development.” If light industry arises in sub-imperial economies (including in Africa), it means “producing not only for their ‘national’ market but also for those of neighboring areas.” In the

intervening period, the most destructive circuits of international capital were amplified, suffocating all but a few Global South break-out spaces (especially the Newly Industrialising Countries of East Asia), several of which became more actively sub-imperial as a transmission belt to the world economy, suffocating their own neighbors in the process.

Overall, Dependency theories were able to show that neither industrialisation to the level of monopolies, nor high levels of economic growth by themselves would automatically reverse the trend towards underdevelopment or to a very distorted kind of development, one that crystallises inequalities instead of mitigating them. “Brazilian capitalism is a monster”, Marini (1972, 20) declared, “but a logical monster.” He explained the coexistence of advanced technology and a sizable luxury goods market alongside the vast majority’s misery. Import substitution industrialisation strategies in post-war Brazil and South Africa were, in particular, biased towards supplying Western-quality consumer goods to a small market within the context of the world’s worst inequality (Nixon 1982).

Unlike the traditions of ECLAC or Dependency, which took the desirability of development for granted, a recent movement encompassing both academic and activist worlds aims to abandon modernising ambitions in favor of a different, non-Western paradigm, such as the *Buen Vivir* (Living Well) articulated by the indigenous peoples from the Andean region. Although it constitutes a plural movement, still under construction, this Post-Developmentalist critique has been

gaining momentum in the past two decades, mainly due to the attention given to resistance by local communities against infrastructure megaprojects threatening their livelihoods and the surrounding environments (Gudynas 2013, Swampa 2013, Escobar 2015, Kothari et al 2019).

Also in this tradition, Aníbal Quijano (1992) introduced the concept of ‘coloniality of power,’ since development had become a ‘ghost’ haunting elite consciences in most Latin American capitals, preventing the return of normative ideals able to inspire their own societies (Quijano 2012, 77). If the notion of development cannot escape its Eurocentric roots, as Quijano argues, then it is mandatory to formulate an “alternative mode of existence, as the de/coloniality of power” (Quijano 2012: 42), such as *Buen Vivir*. The same is true in many African societies where a return to ‘Ubuntu’ mutual aid systems as well as societal reintegration within local ecologies is advocated, instead of ongoing, fruitless efforts at modernisation (Terreblanche 2018).

BRICS firms expand, firmly within – not against – the capitalist world order

This reminder of the big-picture development debates compels us to critique the BRICS’ role: instead of being supportive of alternative approaches, their economic relationship to the rest of the Global South *reinforces* the traditional international division of labour through foreign direct investment and credit, in projects directed to the extraction of natural resources (oil, gas, mining), and infrastructure related to them. Some

might term this process the *amplification of uneven development*: a situation in which Western, dependency-inducing neo-colonialism combines capitalist and non-capitalist relations, as Luxemburg (1968) argued. In today's 'post-colonial' world, there are equally extreme forms in many sites where BRICS-based firms and geopoliticians are the main actors.

China is the world's largest economy (measured in Purchasing Power Parity) and the main power within the BRICS. Chinese foreign investment went through different phases: in the 1990s and early 2000s, it was characterised by large state-owned enterprises' acquisitions focused on natural resources, especially energy and mining. After the 2008-09 Western financial meltdown reinforced rising Chinese power, the BRICS surfaced amidst the growing presence of their private multinationals, including increased investments in extractive industries but also technology, manufacturing, financial services and real estate.

Today, China's Belt and Road Initiative (BRI) has gone beyond Asia and Europe and has included 40 countries in Africa and 18 in Latin America, and offers recipients major infrastructure projects and credit lines (Zhang 2019; Dollar, 2019). Both phases, however, reproduced capitalism's traditional core-periphery dichotomy: while investments in Latin America and Africa are concentrated in energy, natural resources and related infrastructures, investments in the U.S. and Europe are directed to services, telecommunications, media and high-level manufacturing (Jaguaribe 2018: 22-23).

China leads the BRICS' presence in Africa. The Asian giant is now the continent's biggest trade partner and one of its main investors. China is also the largest source of demand for African exports. On the one hand, according to Shen (2013, 3), by the early 2000s, almost all capital from China to Africa represented 'international aid'. But on the other, a flood of cheap Chinese exports was devastating to Africa's small manufacturing sector, destroying the clothing, textile, footwear, appliance, electronic and other sectors in South Africa, Nigeria, Zimbabwe, Zambia and other countries that had earlier attempted import-substitution industrialisation. Most of Africa witnessed a halving of manufacturing output relative to GDP during the 1990s-2000s.

From 2003 onwards, there was more foreign direct investment from China, and in the following dozen years, the stock of Chinese investment in Africa soared from \$491 million to \$32.4 billion (He and Zhu 2018, 10). In 2008, during the world financial crisis, the largest single acquisition in Africa was a \$5.6 billion purchase by the Industrial and Commercial Bank of China of a 20% share in Standard Bank of South Africa. The China Development Bank (CDB) made two other large South African loan commitments initially reported at \$5 billion each: to the parastatal Transnet in 2013 to buy Chinese locomotives mainly so as to export coal, and to the energy parastatal Eskom in 2016 for a coal-fired power plant. Both were bound up in corruption scandals, the first involving payoffs to the infamous Gupta brothers who 'state-captured' the

Zuma government, and the second paying for Hitachi boilers after the Japanese firm had given the ruling party a 25% share of its local branch (Bond 2020).

In Latin America, Chinese loans totaled \$141 billion (80% of which were made by the CDB) from 2005-16, mainly to Venezuela, Brazil, Ecuador and Argentina. Of these, \$74 billion were secured through 'loan-for-oil' collateral, and many denominated in renminbi not dollars (CEPAL 2018, 23-24). The danger is a new form of financial dependency, in which China – whose currency strengthened more than nearly any other (making the loans much more expensive to repay) – is progressively more attached to the region's economies. But this amplifies the more general mode of dependency, as 72% of Latin American exports to China in 2016 were primary commodities. (For the rest of the world these products accounted for only 27% of the region's exports, balanced by low, medium and high-tech manufactures [CEPAL 2018, 41].)

Moreover, Chinese firms are increasingly replacing Western extractive industry corporates that had mastered 'unequal ecological exchange,' another major problem with such asymmetrical trade. The term's use in this instance refers to the uncompensated depletion of non-renewable raw materials, and in Africa, for example, this process leads to a \$150 billion annual wealth outflow, of which a great deal is to China (Bond 2018).

As for FDI, Dussel Peters (2019) estimates that from 2000-18, there were 402 major Chinese investments in Latin America and the Caribbean totaling \$8.203 billion, mainly through mergers

and acquisitions within the raw materials, manufacturing and service sectors. Brazil received most of these investments (ten out of the top dozen), directed mainly to the energy sector, followed by Peru, Argentina and Chile (CEBC 2019, 24). Moreover, China has largely protected its multinational corporations through 128 Bilateral Investment Agreements (BITs) around the world (the second-largest number, behind Germany). Since the 1990s, it has signed 34 BITs in Africa and 15 BITs in Latin America and the Caribbean, in addition to bilateral Free Trade Agreements with Costa Rica, Chile and Peru.

There are important contrasts between China and other BRICS countries, for while the former captured large market shares at the world scale and moved up within global value chains, other countries' investments are linked more to their own regional value chains and infrastructure networks (UNCTAD 2017, 55). Indian annual FDI abroad peaked at \$21 billion in 2008 (with lower rates since), and is mainly focused on natural resources, energy and services. Two of its most aggressive entrepreneurs, Lakshmi Mittal of ArcelorMittal steel and Anil Agarwal of Vedanta mining have played extremely controversial roles in South Africa and Zambia, respectively (van der Merwe et al 2019).

To protect the value of (and income stream from) its FDI, India signed 61 BITs, 12 of which are with African countries and another 4 with Latin America. India has also increased its role in aid, cooperation, technical assistance, peacekeeping missions and improved cultural relations

(Bhatia, 2010). In 2008, the India-Africa Forum Summit allowed the New Delhi government to be in consultations with African heads of state every few years; the 2015 conference attracted 29 leaders. Diplomatic, financial and legal incentives, together with the substantial Indian diaspora in Africa, have also helped attract Indian investments (Cheru and Obi 2011: 99-100).

In Latin America, Indian FDI is generally low, but has grown in the last years through mergers and acquisitions in oil and gas, sugar, pharmaceuticals and mining (CEPAL 2016, 56-57; Paul 2012). Trade relations remain uneven, with Africa and Latin America still mainly exporting raw materials, especially fossil fuels, while India supplies them pharmaceuticals and low and medium-technology products (Anwar 2014; CEPAL 2016, 40-41). In Africa, Indian public and private corporations bought large chunks of land during the early-2010s land grabs, causing conflict with residents (Cheru and Obi, 2011, 103; Anwar 2014).

South Africa is the continent's largest industrial power, and facing stagnation at home, invests prolifically elsewhere in Africa, especially in telecommunications, retailing, manufacturing, mining, tourism and construction. Some investments date to apartheid, when mining houses such as Anglo American, De Beers and a Johannesburg predecessor of BHP Billiton (Gencor) established major operations in newly-independent Zimbabwe and Mozambique (Amisi et. al., 2015). These three firms relocated away from the Johannesburg Stock Exchange (to London and Melbourne) as democracy dawned

during the 1990s. Others moved up-continent including retail leader Shoprite (co-owned by Chinese capital) (Carmody 2015), a company known for shutting down local supply chains so as to import their own South African goods – as simple as tomatoes – to their new shops in countries as far away as Zambia (Miller 2005).

Russian firms in Latin America and Africa specialise in natural resources and related infrastructure (Barka and Mlambo 2011). Despite economic restrictions imposed by Western powers after the 2014 Crimea crisis, increasingly modernised investments are offered in technology industries, defense, nuclear energy and even space exploration. In steel, the firm Evraz – owned by Roman Abramovich (also owner of Chelsea soccer club) – was soon notorious for buying, milking and then in 2016 closing South Africa's second largest steel company. A privatisation program during 2017-19 meant Moscow sold shares in its large multinationals, including those active in Africa and Latin America such as the VTB bank (quickly implicated in a major Mozambican foreign debt fraud case), shipping companies and the world's leading diamond mining corporation Alrosa, and the oil company Rosneft (UNCTAD 2017, 66-69).

Nuclear energy firm Rosatom continues to promise competitively-priced technology to several countries (although the fraud associated with its South African associates Jacob Zuma and the Gupta brothers halted that process in 2017). Although sanctions shut Moscow out of World Bank credits, Vladimir Putin did

nevertheless sign the Washington Convention to access the Bank's investor-to-state arbitration panel, where it has filed more than 20 cases to protect its 79 BITs and 6 investment agreements (including 11 in Africa and 6 in Latin American and Caribbean).

Politically, Russia's engagement with Africa dates to Soviet support for national liberation movements, and diverse diplomatic relations have continued (Arkhangelskaya and Shubin 2013, 31). In 2019, Putin hosted the first Russia-Africa Summit, welcoming 40 African states, co-sponsored with Egypt's military coup leader (and then elected president) Abdel Fatah el-Sisi.

In Latin America, apart from historical relations with Cuba, Russia renewed ties with Venezuela and Bolivia (with the latter even signing a \$300 million Rosatom reactor contract). Russia's arms deals in Africa were nearly \$67 billion in 2011 (Amisi et. al., 2015), and \$14 billion in Latin America in 2013 (Ellis 2015: 14). In early 2020, Foreign Minister Sergei Lavrov visited Venezuela in order to help Caracas "deal with growing US pressure," just a year after Brazil's rightwing foreign minister had unsuccessfully attempted to draw the BRICS into a pro-coup diplomatic stance.. Moscow's economic relations with Europe and China resemble those of a peripheral country, selling raw materials, but when it deals with Africa and Latin America, Russia has characteristics of a 'core' capitalist country, exporting high-tech industrial goods.

Finally, Brazil is the main FDI recipient in Latin America, but also a major investor on the continent. During Lula da Silva's

Workers Party government from 2003-10, the orientation was to 'South-South relations', which in turn set the stage for Brazil's more proactive position in multilateral arenas. The rightwing Congress' unjustified 2016 ousting of his successor, Dilma Rousseff, and the subsequent rise of far-right Jair Bolsonaro to power in early 2019, caused chaos in Brazilian foreign policy, especially Bolsonaro's realignment with Washington at the expense of hard-fought for pro-South diplomatic and economic ties.

Brasilia has an ambiguous position towards Beijing, since Bolsonaro's allies in exporting corporations (especially agri-business) need the Chinese market but the president has exhibited Trump-style Sinophobia. When investing abroad, Brazilian multinationals focus on the extractive minerals and energy sectors, infrastructure, industrial machinery, textile, food and beverages (FDC 2017). The Brazilian National Development Bank (BNDES, in Portuguese) was the main source of funding for the internationalisation of Brazilian corporations, but Bolsonaro's ultraliberal policies reduced its influence.

Brasilia has adopted its own version of a BIT, the Agreement on Cooperation and Facilitation of Investments (ACFI). Unlike BITs, ACFI doesn't provide for 'investor-to-state' arbitration in conflicts with other states or affected communities (Morosini and Ratton 2015). The Workers Party of Lula and Dilma always emphasised negotiated solutions with host states, in which conflicts were kept out of the spotlight, even though in the cases of Vale mining, Odebrecht construction and

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Petrobras oil, both corruption and socio-ecological conflict often proved overwhelming. But the people of Peru grew impatient because Odebrecht bribery of its leaders caused a severe backlash when three of the last four presidents were implicated in taking bribes: two resigned (Alejandro Toledo and Pedro Pablo Kuczynski), and another committed suicide (Alan Garcia).

Conclusion

The rise and fall of the BRICS, seen from Latin America and Africa, can be interpreted drawing upon our continents' radical intellectual traditions, in search of counter-hegemonic knowledge that contributes to structural change in local and global economic affairs. Apart from reproducing core-periphery and dependency relations, the rise of the BRICS reinforced the deeply rooted imaginary of 'modernisation' and 'development' in an epoch when such projects were being challenged by non-Western scholarship as well as by social movements and adversely affected communities from the South. The 'talk left, walk right' problem (Bond 2004) was interpreted by Sam Moyo (along with Amin, one of Africa's great political economists), when writing with Brazil-based Paris Yeros in 2011: the BRICS' political 'schizophrenia' was 'typical of sub-imperialism' (Moyo and Yeros 2011, 20).

While demanding reforms in the Bretton Woods multilateral institutions, the BRICS also created their own financial institution in 2014: the BRICS New Development Bank. But it too appears to

operate much the same as a Western multilateral bank (Bond 2020). In short, the BRICS complement, and don't confront, existing financial institutions and multinational corporations, by virtue of their own assimilation into global capital accumulation patterns.

Moreover, two obvious rightward political shifts – the Modi (2014) and Bolsonaro (2019) governments – created extreme geopolitical tension and curtailed the rise of the BRICS, and the present Sino-Indian border conflict festered in 2020 to the point dozens of troops were killed in hand-to-hand combat.

The geopolitical terrain may be fluid, but in terms of African and Latin American economies, it appears incontrovertible that BRICS firms' and leaders' relations tend to deepen, rather than mitigate, the central features of the world capitalist economy hitherto dominated by the West. To be sure, the Covid-19 crisis introduces major complications, especially when it came to managing social conflicts and health systems (e.g. pharmaceutical markets and research). Inequities are so profound that residents of all the BRICS, aside from China, were incapable of defending their very lives against state incompetence.

As for resistance, beyond merely fighting back against current economic dynamics, progressive activists within the BRICS have a profound challenge: better organising the counter-hegemonic social forces which have potential on the ground, while at the same time exploring the viability of alternative modes of living that protect local communities, peasants and workers from megaprojects carried

out by home-based parastatal corporations and private conglomerates (Bond and Garcia 2015).

As seen above, multinational corporations from BRICS countries, as well as projects financed by BRICS institutions, are reinforcing accumulation patterns that are socially and environmentally predatory, destroying the forms of life and work of populations in their territories. In order to overcome this predicament, South-South relations must be built with profound respect for counter-hegemonic social forces in these own countries, as well as at the global scale. The Latin American and African development theories demonstrate some of the ways of connecting economic theorising to such concrete political struggles.

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Media briefing on South Africa's state of readiness to host the XV BRICS Summit

Minister of International Relations and Cooperation, Dr Naledi Pandor

[DIRCO](#), 7 August 2023

This briefing provides an update on preparations for our hosting of the 15th BRICS Summit in Sandton, Gauteng, from 22 to 24 August 2023.

BRICS is an informal grouping of leading emerging markets and developing countries, namely Brazil, Russia, India, China and South Africa. Together BRICS has around 42% of the world's population, almost 30% of the world's territory, around 27% of global GDP and around 20% of international trade.

South Africa is privileged to be chair of BRICS this year, for the third time since we were invited to join in 2010, our theme is *"BRICS and Africa: Partnership for Mutually Accelerated Growth, Sustainable Development, and Inclusive Multilateralism."*

The theme reflects our vision of BRICS providing global leadership in addressing the needs and concerns of the majority of the world, namely beneficial economic growth, sustainable development and inclusion of the Global South in multilateral systems. Furthermore, our theme reflects our belief in the benefits a partnership with

Africa can bring to BRICS, with our partners eager to explore opportunities to support, and benefit from, operationalisation of the African Continental Free Trade Area...

We chair BRICS in a dynamic global environment where the eyes of the world are on us. Developments in the ICC were the sole topic of discussion around the Summit for most of the year. We have consistently stated that we are aware of our domestic and international legal obligations. We have also been very conscious of the diplomatic implications of the narratives created around these developments.

Our President therefore engaged in wide-ranging consultations with BRICS Leaders and by mutual agreement, President Putin will not attend the Summit in person. The Summit will be attended by the leaders of Brazil, India, China and South Africa and President Putin will actively participate in the Leaders' discussion virtually... Leaders can initiate a discussion on issues of choice such as BRICS membership expansion, reform of global governance, or use of local currencies...

The New Development Bank was established by BRICS members in 2015 to play a catalytic role in providing financial support to emerging markets and developing countries for infrastructure and sustainable development. The Bank has to date approved twelve projects in South Africa, valued at around \$5.4 billion, to improve service delivery in critical areas. In late 2021, the Bank welcomed Bangladesh, Egypt, the United Arab Emirates and Uruguay as new members

firmly positioning the Bank as a preferred global financing mechanism for emerging markets and developing countries.

In March this year, Ms Dilma Rousseff, former President of Brazil, was elected as President of the New Development Bank. Ms Rousseff has a unique perspective as she was Chair of BRICS in 2014 when Leaders signed the agreement to establish the Bank in Fortaleza, Brazil. This will be her first engagement with BRICS Leaders on the management of the Bank. This is an opportunity to share her vision for the Bank in the current economic climate.

This is a very topical discussion as countries of the Global South are reflecting on the need to bring fairness to global financial systems and de-risk our economies and institutions from over-dependence on a single currency.

BRICS economies are at the centre of the recovery of global economic growth and there is a need to ensure that this brings benefits to other economies of the Global South, particularly on the African continent. The developing world is faced not only with food and energy insecurity, the impact of unilateral sanctions on Russia but also the sustained impact of America's trade war with China. The combined economic strength of BRICS should be a catalyst for sustainable global economic recovery and respond to the needs of our businesses and communities.

One of South Africa's key stated objectives of BRICS membership is to leverage its political and economic relations with BRICS members to

address the triple challenges of inequality, poverty and unemployment through increased intra-BRICS trade, investment, tourism, capacity building, skills, and technology transfers.

South Africa's overall trade with its BRICS partners has increased by an average growth of 10% over the period 2017-2021. Total South African trade with BRICS reached R830 billion in 2022 from R487 billion in 2017. Last year, BRICS accounted for 21% of South Africa's global trade. Trade with China remains the dominant force but the share of other BRICS partners also increased by 10% from 2021 to 2022.

South Africa continues to have a trade deficit in its overall trade with BRICS countries. The urgent need for trade diversification as primary products continue to be the largest share of exports, therefore remains.

The Strategy for BRICS Economic Partnership is the guiding document that aims to develop opportunities for market access and facilitate market inter-linkages, promote mutual trade and investment, and create a business-friendly environment, and diversify trade and investment cooperation that supports value addition...

Following the reports from the New Development Bank, BRICS Business Council and the BRICS Women's Business Alliance, the Summit is expected to adopt the eGoli Declaration as the main outcome document of the 2023 BRICS Leaders Summit.

The eGoli Declaration will express BRICS views on contemporary regional and global political, financial and

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economic issues, reflect on the outcomes of mutually beneficial areas of cooperation during the year and the key outcomes of South Africa's Chairship...

BRICS Leaders are also expected to discuss the issue of membership expansion of BRICS. The issue of membership expansion has been discussed at different levels since the first BRIC Summit in 2009. South Africa was welcomed to BRICS as the first beneficiary of expansion in 2010 and invited to its first BRICS Summit in 2011.

The current geopolitical context has driven renewed interest in BRICS membership as countries of the Global South look for alternatives in a multi-polar world.

We have had formal expressions of interest from the Leaders of 23 countries in joining BRICS, and many more informal approaches about the possibilities of BRICS membership: Algeria, Argentina, Bangladesh, Bahrain, Belarus, Bolivia, Cuba, Egypt, Ethiopia, Honduras, Indonesia, Iran, Kazakhstan, Kuwait, Morocco, Nigeria, State of Palestine, Saudi Arabia, Senegal, Thailand, United Arab Emirates, Venezuela and Viet Nam.

We see this interest as recognition of the voice of BRICS as a champion of the interests of the Global South, particularly our agenda of reform and inclusion of the Global South – true to our founding values. As a partnership, BRICS also operates on the principles of openness, solidarity, mutual respect and understanding as well as mutually beneficial cooperation that is seen to deliver tangible benefits...

South Africa's vision for BRICS is to constructively, and in partnership with others, provide global leadership in a world fractured by competition, geopolitical tension, inequality, and deteriorating global security. BRICS should be the catalyst for sustained and mutually beneficial global growth and sustainable development that responds to the needs and demands of the whole world and not just the privileged few. BRICS should lead the way towards the inclusion of Africa and the Global South in a more fair, just and equitable world based on mutual respect and the equal sovereignty of nations.

In 2013, South Africa introduced the BRICS-Africa Outreach to draw African leaders into an inclusive association with BRICS Leaders during the BRICS Summit. The BRICS partners are significant investors in Africa. This Summit will therefore give particular attention to infrastructure development, supported by the New Development Bank, and the African Continental Free Trade Area. The AfCFTA, once fully operational, will unlock the benefits of the continental market and generate mutually beneficial opportunities for both African and BRICS countries.

The BRICS model of cooperation is based on sovereign equality, mutual respect and understanding and mutually beneficial cooperation. This is particularly valued by African States who demand respect and reciprocal trade and investment, and for the goods, products and services from Africa to compete on an equal footing in the global economy.

In 2017, China introduced the BRICS Plus to create a platform for greater interaction and partnerships among countries of the Global South to shape a common agenda. Foreign Minister Wang Yi stated at the time ‘We will widen the circle of friends of the BRICS and turn it into the most influential platform for South-South cooperation in the world.’”

BRICS and the Global South share a common desire for existing global institutional mechanisms to be both strengthened and reformed. Greater participation of countries of the Global South will promote inclusiveness and engender trust.

The President has therefore invited (with consensus support from his fellow BRICS Leaders) sixty-seven (67) Leaders from Africa and the Global South to attend the BRICS-Africa Outreach and BRICS Plus Dialogues. The Leaders cover all the continents and regions of the Global South.

The President has also invited twenty (20) dignitaries that include the Secretary-General of the United Nations, the Chairperson of the African Union Commission, the President of the New Development Bank, the Chairs and Executive Heads of African Regional Economic Communities, African financial institutions, and the Secretary General of the African Continental Free Trade Area Secretariat and CEO of the African Union Development Agency.

The BRICS Africa Outreach and BRICS Plus Dialogues will reflect on the strengthening of the mutually beneficial BRICS-Africa partnership for growth, development, peace and inclusive

multilateralism as well as building mutually beneficial partnerships between BRICS and the Global South in a multi-polar world. To date, confirmations have been received from no less than 34 countries.

According to the IMF, BRICS countries, in terms of purchasing power parity, have a larger share of global economic activity than the G7 countries. This is not a competition, but it is a clear demonstration of the need for the voices of BRICS countries, countries of the Global South, countries of Africa to be heard, listened to and respected in global economic, financial and political governance.

The XV BRICS Summit is the venue and occasion for the voices of BRICS, Africa and the Global South to converge and be heard. We meet to reflect on the status of cooperation, to consider regional and global developments and to assess the status of global governance reform. We plan to leave the Summit with concrete, practical and implementable plans to strengthen the BRICS-Africa partnership and a way forward towards greater inclusion of the Global South in the benefits of global economic recovery and a transformed global order...

We are confident that we will leave 2023 having strengthened the BRICS partnership and having delivered benefits to the people of South Africa, BRICS, Africa and the Global South.

Goodbye G20, hello BRICS+

Pepe Escobar

[The Cradle](#), 17 November 2022

The redeeming quality of a tense G20 held in Bali – otherwise managed by laudable Indonesian graciousness – was to sharply define which way the geopolitical winds are blowing.

That was encapsulated in the Summit's two highlights: the much anticipated China-US presidential meeting – representing the most important bilateral relationship of the 21st century – and the final G20 statement. The 3-hour, 30-minute-long face-to-face meeting between Chinese President Xi Jinping and his US counterpart Joe Biden – requested by the White House – took place at the Chinese delegation's residence in Bali, and not at the G20 venue at the luxury Apurva Kempinski in Nusa Dua.

The Chinese Ministry of Foreign Affairs concisely outlined what really mattered. Specifically, Xi told Biden that Taiwan independence is simply out of the question. Xi also expressed hope that NATO, the EU, and the US will engage in “comprehensive dialogue” with Russia. Instead of confrontation, the Chinese president chose to highlight the layers of common interest and cooperation.

Biden, according to the Chinese, made several points. The US does not seek a New Cold War; does not support “Taiwan independence;” does not support “two Chinas” or “one China, one Taiwan”; does not seek “decoupling” from China; and does not want to contain Beijing.

However, the recent record shows Xi has few reasons to take Biden at face value.

The [final G20 statement](#) was an even fuzzier matter: the result of arduous compromise. As much as the G20 is self-described as “the premier forum for global economic cooperation,” engaged to “address the world's major economic challenges,” the G7 inside the G20 in Bali had the summit de facto hijacked by war. “War” gets almost double the number of mentions in the statement compared to “food” after all.

The collective west, including the Japanese vassal state, was bent on including the war in Ukraine and its “economic impacts” – especially the food and energy crisis – in the statement. Yet without offering even a shade of context, related to NATO expansion. What mattered was to blame Russia – for everything.

The Global South effect

It was up to this year's G20 host Indonesia – and the next host, India – to exercise trademark Asian politeness and consensus building. Jakarta and New Delhi worked extremely hard to find wording that would be acceptable to both Moscow and Beijing. Call it the [Global South effect](#).

Still, China wanted changes in the wording. This was opposed by western states, while Russia did not review the last-minute wording because Foreign Minister Sergey Lavrov had already departed. On point 3 out of 52, the statement “expresses its deepest regret over the aggression of the Russian Federation against Ukraine and demands the complete and unconditional

withdrawal of armed forces from the territory of Ukraine.”

“Russian aggression” is the standard NATO mantra – not shared by virtually the whole Global South.

The statement draws a direct correlation between the war and a non-contextualised “aggravation of pressing problems in the global economy – slowing economic growth, rising inflation, disruption of supply chains, worsening energy, and food security, increased risks to financial stability.”

As for this passage, it could not be more self-evident: “The use or threat of use of nuclear weapons is inadmissible. The peaceful resolution of conflicts, efforts to address crises, as well as diplomacy and dialogue, are vital. Today’s era must not be of war.”

This is ironic given that NATO and its public relations department, the EU, “represented” by the unelected eurocrats of the European Commission, don’t do “diplomacy and dialogue.”

Fixated with war

Instead the US, which controls NATO, has been weaponising Ukraine, since March, by a whopping \$91.3 billion, including the latest presidential request, this month, of [\\$37.7 billion](#). That happens to be 33 percent more than Russia’s *total* (italics mine) military spending for 2022.

Extra evidence of the Bali Summit being hijacked by “war” was provided by the emergency meeting, called by the US, to debate what [ended up](#) being a Ukrainian S-300 missile falling on a Polish farm, and not the [start of WWII](#) like some tabloids hysterically suggested.

Tellingly, there was absolutely no one from the Global South in the meeting – the sole Asian nation being the Japanese vassal, part of the G7.

Compounding the picture, we had the sinister Davos master Klaus Schwab once again impersonating a Bond villain [at the B20 business forum](#), selling his Great Reset agenda of “rebuilding the world” through pandemics, famines, climate change, cyber attacks, and – of course – wars.

As if this was not ominous enough, Davos and its World Economic Forum are now ordering Africa – completely excluded from the G20 – to pay [\\$2.8 trillion](#) to “meet its obligations” under the Paris Agreement to minimise greenhouse gas emissions.

The demise of the G20 as we know it

The serious fracture between Global North and Global South, so evident in Bali, had already been suggested in Phnom Penh, as Cambodia hosted the East Asia Summit this past weekend.

The 10 members of ASEAN had made it very clear they remain unwilling to follow the US and the G7 in their collective demonisation of Russia and in many aspects China. The Southeast Asians are also not exactly excited by the US-concocted Indo-Pacific Economic Framework, irrelevant in terms of slowing down China’s extensive trade and connectivity across Southeast Asia.

And it gets worse. The self-described “leader of the free world” is [shunning](#) the extremely important APEC (Asia-Pacific Economic Cooperation) summit in Bangkok at the end of this week.

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For very sensitive and sophisticated Asian cultures, this is seen as an affront. APEC, established way back in 1990s to promote trade across the Pacific Rim, is about serious Asia-Pacific business, not Americanised “Indo-Pacific” militarisation.

Lining up to join BRICS

It is safe to say that the G20 may have plunged into an irretrievable path toward irrelevancy. Even before the current Southeast Asian summit wave – in Phnom Penh, Bali and Bangkok – Lavrov had already signaled what comes next when he noted that “over a dozen countries” have applied to join [BRICS](#) (Brazil, Russia, India, China, South Africa).

Iran, Argentina, and Algeria have formally applied: Iran, alongside Russia, India, and China, is already part of the Eurasian [Quad that really matters](#).

Turkey, [Saudi Arabia](#), Egypt, and Afghanistan are extremely interested in becoming members. Indonesia just applied, in Bali. And then there’s the next wave: Kazakhstan, UAE, Thailand (possibly applying this weekend in Bangkok), Nigeria, Senegal, and Nicaragua.

It’s crucial to note that all of the above sent their Finance Ministers to a BRICS Expansion dialogue in May. A [short but serious appraisal](#) of the candidates reveals an astonishing unity in diversity.

Lavrov himself noted that it will take time for the current five BRICS to analyze the immense geopolitical and geoeconomic implications of expanding to the point of virtually reaching the size of the G20 – and without the collective west.

What unites the candidates above all is the possession of massive natural

resources: oil and gas, precious metals, rare earths, rare minerals, coal, solar power, timber, agricultural land, fisheries, and fresh water. That’s the imperative when it comes to designing a new resource-based reserve currency to bypass the US dollar.

Let’s assume that it may take up to 2025 to have this new BRICS+ configuration up and running. That would represent roughly 45 percent of confirmed global oil reserves and over 60 percent of confirmed global gas reserves (and that will balloon if gas republic Turkmenistan later joins the group). The combined GDP – in today’s figures – would be roughly \$29.35 trillion; much larger than the US (\$23 trillion) and at least double the EU (\$14.5 trillion, and falling).

As it stands, BRICS account for 40 percent of the global population and 25 percent of GDP. BRICS+ would congregate 4.257 billion people: over 50 percent of the total global population as it stands.

BRI embraces BRICS+

BRICS+ will be striving towards interconnection with a maze of institutions: the most important are the Shanghai Cooperation Organisation (SCO), itself featuring a list of players itching to become full members; strategic OPEC+, de facto led by Russia and Saudi Arabia; and the Belt and Road Initiative (BRI), China’s overarching trade and foreign policy framework for the 21st century. It is worth pointing out that early all crucial Asian players have joined the BRI.

Then there are the close links of BRICS with a plethora of regional trade blocs: ASEAN, Mercosur, GCC (Gulf Cooperation

Council), Eurasia Economic Union (EAEU), Arab Trade Zone, African Continental Free Trade Area, ALBA, SAARC, and last but not least the Regional Comprehensive Economic Partnership (RCEP), the largest trade deal on the planet, which includes a majority of BRI partners.

BRICS+ and BRI is a match everywhere you look at it – from West Asia and Central Asia to the Southeast Asians (especially Indonesia and Thailand). The multiplier effect will be key – as BRI members will be inevitably attracting more candidates for BRICS+.

This will inevitably lead to a second wave of BRICS+ hopefuls including, most certainly, Azerbaijan, Mongolia, three more Central Asians (Uzbekistan, Tajikistan, and gas republic Turkmenistan), Pakistan, Vietnam, and Sri Lanka, and in Latin America, a hefty contingent featuring Chile, Cuba, Ecuador, Peru, Uruguay, Bolivia, and Venezuela.

Meanwhile, the role of the BRICS's New Development Bank as well as the China-led Asia Infrastructure Investment Bank (will be enhanced – coordinating infrastructure loans across the spectrum, as BRICS+ will be increasingly shunning dictates imposed by the US-dominated IMF and the World Bank.

All of the above barely sketches the width and depth of the geopolitical and geo-economic realignments further on down the road – affecting every nook and cranny of global trade and supply chain networks. The G7's obsession in isolating and/or containing the top Eurasian players is turning on itself in the framework of the G20. In the end, it's the G7 that may be isolated by the BRICS+ irresistible force.



Are there global alternatives to a unipolar world system?

[National Union of Metalworkers of SA](#)

13 June 2023

Phakamile Hlubi-Majola: The National Union of Metalworkers of South Africa hosted a discussion in Johannesburg, South Africa led by NUMSA General Secretary Irvin Jim and Socialist Party (Zambia) President and world renowned journalist Dr Fred M'membe in a discussion on geopolitics, the upcoming BRICS Summit and its possible resolutions, the possible expansion of BRICS to include new members like Saudi Arabia, Venezuela and Iran, and China-Africa relations.

NUMSA is the National Union of Metalworkers of South Africa – the largest trade union in South Africa. And part of our agenda as a trade union is to promote socialism to promote the unity of the working class, to promote the the end of the hegemony of the U.S. We denounce imperialism, we denounce capitalism – and this is precisely why we organise this discussion today... The question we're asking this morning: are there alternatives

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to a unipolar world system, a world system which as you know has been dominated by the United States of America, has been dominated by NATO, has been led by the West...

The main topic of discussion before many people seems to be around Putin, Vladimir Putin, and whether South Africa will arrest Vladimir Putin because there's an ICC warrant out for him and part of why we feel it is important for us to have this discussion is because first of all this whole idea that anyone could arrest a leader let alone a leader of a nuclear power like Russia is bizarre, ridiculous, insane and we rejected with the contempt it deserves. There is no way we are going to arrest Putin and we should not arrest people because arresting Putin would spark a Third World war...

Those of us in the Global South who are sick and tired of the dominance of imperialism have been hungry for alternatives. And it is really about time that members of the working class, that members of the Global South, are active participants in discussions about what kind of world order do we want to see, going forward: the strengthening and the consolidation of BRICS is a challenge to the power of the West.

It's a challenge, it's a direct challenge to the U.S., especially considering that one of the discussions that BRICS will be engaging on is the possibility of a BRICS currency.

Are we not sick and tired of the dominance of the dollar? Indeed, so why are we not having these conversations in South Africa. We are the ones who are going to be hosting this very important

summit, and yet we have been deliberately distracted from engaging in these very important issues. They want us to focus on the nonsensical idea of arresting a world leader, which we will not accept.

Fred M'membe: On the African continent there are 29 U.S. military bases. They don't want Putin to come here for the BRICS conference. We should be telling them they must remove their military bases from our continent. That affects our sovereignty...

The last time on this continent we were able to make a substantive change and throw out colonialism, was in the 1960s, 70s and 80s, when we had a Non-Aligned Movement. Which the BRICS is, in a similar vein, to a non-aligned movement, a multi-polar world. We should really be supporting this initiative and we should have the power, and we should mobilise ourselves to be able to stand up to them, because the more of us get together, then the less of a unipolar world we have. And the more we can determine our own path and our own lives, we have to understand it's difficult. When you decide to do so, when you liberate yourself, they kill your leaders...

What are our demands, as members of the Global South, as this BRICS Summit is coming here? What do we want?

You know, one of the demands, for example, should be for the U.S. to remove its military bases. Surely that is some form of imperialism, when some country puts its army base in your country. What the hell is that? So these are some of the things we need to start reversing...

NATO? When it comes to international relations, South Africa has maintained a left perspective. They stand with Cuba, Palestine, and to some extent have positioned themselves as anti-imperialist...

While the government has committed itself to move away from coal, we notice that coal exports from South Africa, and indeed globally, have skyrocketed. Many countries in the world, especially those that are in the BRICS axis, refused to make such commitments. China continues to build coal-fired power stations, with clean-coal technologies. The fundamental question is: why is South Africa not doing the same given the abundance of coal?



Irvin Jim (in documentation prepared for the NUMSA June 2022 Congress): Unlike South Africa which closed its nuclear capability in Pelindaba and allowing Denel (its strategic utility for the security of the country) positioning our country's armed forces into a state of vulnerability turning our army into an army of bakkies and gumboots. From where we stand, South Africa represented by President Cyril Ramaphosa had no position up until there was a debate in Parliament. The DA openly sided with Ukraine. The EFF stood with Russia.

With South Africa, China and Russia all being part of BRICS for President Cyril Ramaphosa to not take a firm stand on the side of Russia and offer unsolicited negotiations and then instead of putting his vote with the forces who were refusing for Russia to be expelled, he abstains. This is a very deliberate confusion created by Ramaphosa and the ANC and we must ask whether they are, in reality not with



The BRICS have changed the balance of forces, but will not by themselves change the world

Tricontinental Institute

In 2003, high officials from Brazil, India, and South Africa met in Mexico to discuss their mutual interests in the trade of pharmaceutical drugs. India was and is one of the world's largest producers of various drugs, including those used to treat HIV-AIDS; Brazil and South Africa were both in need of affordable drugs for patients infected with HIV as well as a host of other treatable ailments. But these three countries were barred from easily trading with each other because of strict intellectual property laws established by the World Trade Organisation. Just a few months prior to their meeting, the three countries formed a grouping, known as IBSA, to discuss and clarify intellectual property and trade issues, but also to confront countries of the Global North for their asymmetrical demand that the poorer nations end their agricultural subsidies. The notion of South-South cooperation framed these discussions.

Interest in South-South cooperation dates back to the 1940s, when the United Nations Economic and Social Council established its first technical aid programme to assist trade between the new post-colonial states in Africa, Asia, and Latin America. Six decades later, just as IBSA was formed, this spirit was commemorated by the United Nations Day for South-South Cooperation on 19

December 2004. At this time, the UN also created the Special Unit for South-South Cooperation (ten years later, in 2013, this institution was renamed as the United Nations [Office for South-South Cooperation](#)), which built upon the 1988 [agreement](#) on the Global System of Trade Preferences Among Developing Countries. As of 2023, this pact [includes](#) 42 member states from Africa, Asia, and Latin America, that are collectively home to four billion people and have a combined market of \$16 trillion (roughly 20% of global merchandise imports). It is important to register that this longstanding agenda to increase trade between Southern countries forms the pre-history of the BRICS, set up in 2009 and presently made up of Brazil, Russia, India, China, and South Africa.

The entire BRICS project is centred around the question of whether countries at the nether end of the neo-colonial system can break out of that system through mutual trade and cooperation, or whether the larger countries (including those in the BRICS) will inevitably enjoy asymmetries of power and scale against smaller countries and therefore reproduce inequalities rather than transcend them. Our latest [dossier](#), on Marxist dependency theory, calls into question any capitalist project in the South that believes it can somehow break free from the neo-colonial system by importing debt and exporting cheap commodities. Despite the limitations of the BRICS project, it is clear that the increase in South-South trade and the development of Southern institutions (for development financing, for instance) challenges the neo-colonial system even if

it does not immediately transcend it. At Tricontinental: Institute for Social Research, we have been closely following the developments and contradictions of the BRICS project from its inception and continue to do so.

Later this month, the fifteenth BRICS summit will take place in Johannesburg, South Africa, from 22–24 August. This meeting comes as two of the group's members, Russia and China, are facing a New Cold War with the United States and its allies, while the other members face immense pressure to be drawn into this conflict. Below, you will find briefing no. 9, published in collaboration with [No Cold War](#), which offers a brief but necessary primer of the upcoming BRICS summit. You can read the briefing below.

The upcoming fifteenth BRICS Summit (22–24 August) in Johannesburg, South Africa, has the potential to make history. The heads of state of Brazil, Russia, India, China, and South Africa will gather for their first face-to-face meeting since the 2019 summit in Brasilia, Brazil. The meeting will take place eighteen months since the beginning of military conflict in Ukraine, which has not only raised tensions between the US-led Western powers and Russia to a level unseen since the Cold War but also sharpened differences between the Global North and South.

There are growing cracks in the unipolar international order imposed by Washington and Brussels on the rest of the world through the North Atlantic Treaty Organisation (NATO), the international financial system, the control of information flows (in both traditional

and social media networks), and the indiscriminate use of unilateral sanctions against an increasing number of countries. As United Nations Secretary-General António Guterres recently [put it](#), 'the post-Cold War period is over. A transition is under way to a new global order'.

In this global context, three of the most important debates to monitor at the Johannesburg summit are: (1) the possible expansion of BRICS membership, (2) the expansion of the membership of its New Development Bank (NDB), and (3) the NDB's role in creating alternatives to the use of the US dollar. According to Anil Sooklal, South Africa's ambassador to BRICS, twenty-two countries have formally [applied](#) to join the group (including Saudi Arabia, Argentina, Algeria, Mexico, and Indonesia) and a further two dozen have expressed interest. Even with numerous challenges to overcome, the BRICS are now seen as a major driving force of the world economy and of economic developments across the Global South in particular.

The BRICS today

In the middle of the last decade, the BRICS experienced a number of problems. With the election of Prime Minister Narendra Modi in India (2014) and the coup against President Dilma Rousseff in Brazil (2016), two of the group's member countries became headed by right-wing governments more favourable to Washington. Both India and Brazil retreated in their participation in the group. The *de facto* absence of Brazil, which from the outset had been one of the key driving forces behind the BRICS,

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represented a significant loss for the consolidation of the group. These developments undermined and hampered the progress of the NDB and the Contingent Reserve Arrangement (CRA), established in 2015 – which represented the greatest institutional achievement of the BRICS to date. Although the NDB has made some progress it has fallen short of its original objectives. To date, the bank has [approved](#) some \$32.8 billion in financing (in fact, less than that has been issued), while the CRA – which has \$100 billion in [funds](#) to assist countries that have a shortage of US dollars in their international reserves and are facing short-term balance of payments or liquidity pressures – has never been activated.

However, developments in recent years have reinvigorated the BRICS project. The decisions of Moscow and Beijing to respond to escalations of aggression in the New Cold War by Washington and Brussels; the return of Luiz Inácio Lula da Silva to the presidency of Brazil in 2022 and the consequent [appointment](#) of Dilma Rousseff to the presidency of the NDB; and the relative estrangement, to varying degrees, of India and South Africa from the Western powers have resulted in a ‘perfect storm’ that seems to have rebuilt a sense of political unity in the BRICS (despite unresolved tensions between India and China). Added to this is the growing weight of the BRICS in the global economy and strengthened economic interaction between its members. In 2020, the global share of the BRICS’s Gross Domestic Product (GDP) in purchasing power parity terms – 31.5 percent –

[overtook](#) that of the Group of Seven (G7) – 30.7 percent – and this gap is expected to grow. Bilateral trade among BRICS countries has also [grown](#) robustly: Brazil and China are breaking records every year, reaching \$150 billion in 2022; Russian exports to India tripled from April to December 2022, year-on-year, expanding to \$32.8 billion; while trade between China and Russia jumped from \$147 billion in 2021 to \$190 billion in 2022, an increase of nearly 30 percent.

What’s at stake in Johannesburg?

Faced with this dynamic international situation and growing requests for expansion, the BRICS face a number of important questions:

In addition to providing concrete responses to interested applicants, expansion has the potential to increase the political and economic weight of the BRICS and, eventually, strengthen other regional platforms that its members belong to. But expansion also requires having to decide on the specific form that membership should take and may increase the complexity of consensus building, with a risk of slowing the progress of decision making and initiatives. How should these matters be dealt with?

How can the NDB’s financing capacity be increased, as well as its coordination with other development banks of the Global South and other multilateral banks? And, above all, how can the NDB, in partnership with the BRICS’ network of think tanks, promote the formulation of a new development policy for the Global South?

Since the BRICS member countries have solid international reserves (with South Africa having a little less), it's unlikely that they will need to use the CRA, instead, this fund could provide countries in need with an alternative to the political blackmail of the International Monetary Fund, which requires developing countries to enact devastating austerity measures in exchange for loans.

BRICS is reported to be discussing the creation of a reserve currency that would enable trade and investment without the use of the US dollar. If this were established it could be one more step in efforts to create alternatives to the dollar, but questions remain. How could the stability of such a reserve currency be ensured? How could it be articulated with newly created trade mechanisms which do not use the dollar, such as bilateral China-Russia, China-Brazil, Russia-India, and other arrangements?

How can cooperation and technology transfer support the re-industrialisation of countries like Brazil and South Africa, especially in strategic sectors such as biotech, information technology, artificial intelligence, and renewable energies, while also fighting poverty and inequality, and achieving other basic demands of the peoples of the South?

Leaders representing 71 countries of the Global South have been invited to [attend](#) the meeting in Johannesburg. Xi, Putin, Lula, Modi, Ramaphosa, and Dilma have a lot of work to do, to answer these questions and make progress on the urgent matters in global development.

Our institute continues to track these developments, neither with the belief that

the BRICS project offers global salvation, nor with the cynicism that dismisses it as nothing new. History is moved, not by purity, but by the world's contradictions.

How BRICS countries help to define a truly New World Order

Helena Cobban

[The Nation](#), 27 June 2023

The international grouping known as BRICS – Brazil, Russia, India, China, South Africa – has maintained a generally low profile on the world scene since its founding in the aftermath of the financial crisis of 2008-09. But last year, the combined economic output of the five BRICS members, measured in purchasing power parity, for the first time exceeded that of the US-led G7. And this year, BRICS is poised to move to a much more powerful role in world affairs: It [looks as if](#) 13 significant other nations from the Global South, including Saudi Arabia and Iran, may be admitted to the grouping at its upcoming summit, slated for late August in South Africa.

The current vitality of BRICS starkly highlights the failure of Washington’s push to strangle Russia economically and politically in response to Moscow’s 2022 invasion of Ukraine. It also, more broadly, indicates that the domination that a handful of Western nations have exercised over global affairs for 500-plus years is now giving way to a very different, much less white-dominated world.

Three key developments underlie the current growth of the group’s heft. One is the anger that nations of the Global South felt at the way Western nations monopolised access to medical supplies and key patents during the fight against Covid. Another is the success in last November’s Brazilian elections of former

president Lula da Silva, which ended the four-year rule of right-winger Jair Bolsonaro: With Lula’s victory, Brazil resumed its commitment to the development-focused and South-oriented policies that have always lain at the heart of the BRICS venture.

The third root of the group’s current vitality is the strong global backlash to the economic sanctions that President Biden imposed on Russia last year. Over recent decades, economic sanctions have been one of the first tools US leaders have used in response to foreign-policy challenges. In the vast majority of these cases – from the sanctions put on Cuba in 1959 through those put on Iraq in the 1990s, or those kept on Iran, Venezuela, Syria, or Afghanistan until today – these sanctions have hurt ordinary citizens very badly while entrenching the hold on power of the governments that US leaders said they wanted to reform or overthrow. (Go [figure](#).)

In the present century, the [list](#) of countries whose leaders and national institutions are on Washington’s “Team Sanctioned” has grown ever longer. In 2018, President Trump slapped trade tariffs on China, which thereby became the founding member of “Team Tariffed.” President Biden has kept those anti-Chinese tariffs in place, while also adding sanctions on several Chinese state entities.

Then, in early 2022, Washington abruptly added Russia, which has a large and robust economic base, to [Team Sanctioned](#). That step paradoxically boosted the efforts that the sanctioned and tariffed nations had long been making

to find alternatives to the tools that Washington has used to enforce its sanctions. The period since February 2022 has seen a rapid rise in the use by these countries' traders of *currencies other than the dollar* to denominate their sales of oil and other commodities. (Welcome to the rise of the [petroyuan](#)!) We have also seen big steps by policy-makers from Team Sanctioned and Team Tariffed in developing payment systems other than the SWIFT mechanism that has long been one of the major tools Washington has used to implement sanctions.

The founding impetus for the BRICS grouping was always, from 2009 on, to build economic coordination among its members. That impetus came into full play after Washington's broad 2022 expansion of sanctions against Russia. But China has also been eager for some years to have its BRICS partners back up the increasingly successful political diplomacy it has pursued in several parts of the world. Back in March, China achieved a huge diplomatic coup when it unveiled a rapprochement between longtime US ally Saudi Arabia and US target Iran that it had been quietly working on for many months. That breakthrough has already resulted in some [valuable steps toward de-escalation](#) in West Asia (the Middle East). It also drew those two countries and the United Arab Emirates, a key Saudi ally, more closely toward the non-US trading system being established by BRICS.

Hence the presence of those three countries' foreign ministers at the BRICS meeting in Cape Town in early June. And hence the likelihood that these three

countries will be among those admitted to full membership of BRICS this August.

Officials in the existing BRICS countries have been generally tight-lipped about which countries will be joining the bloc as it expands, and when. *U.S. News & World Report* names 10 countries besides the three named above that were represented in-person or virtually at the Cape Town meeting, and that may well be admitted to BRICS this August.

The whole of [the statement](#) that the BRICS foreign ministers issued at the end of their Cape Town summit is worth reading. It provides a rich picture of the bloc's concerns and values, stressing that its work is based on "the three pillars of political and security, economic and financial, and cultural and people-to-people cooperation." The statement includes several denunciations of "unilateral economic measures" (the UN's code word for US sanctions).

The ministers made clear (Item 18) that they did not have a unified position on the Ukraine crisis. But they "noted with appreciation relevant proposals of mediation and good offices aimed at peaceful resolution of the conflict through dialogue and diplomacy." They also called for the full implementation of the Black Sea Grain Initiative.

BRICS is a young and distinctive type of grouping in world politics. All its member nations (except Russia) have deep, vivid memories of the harms their peoples suffered during earlier centuries of white, Western rule over their countries. In that, they are similar to the [Non-Aligned Movement](#) of the 1960s. But the BRICS leaders are different from the NAM's in

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that they do not seek to define themselves primarily in relation to the world's large military blocs. Instead, they define their interests and goals in primarily economic terms, sidestepping as much as they can the matter of military alignment or nonalignment. (They showed that in the agnosticism they expressed in Cape Town on the issue of the war in Ukraine.) Indeed, though Washington likes to count existing BRICS member India and several of the candidate members among its allies, most BRICS members and candidate members see little problem in having Russia continue to be one of the bloc's core members.

The current BRICS members represent more than 40 percent of global humanity. That proportion looks set to increase, perhaps dramatically, over the months ahead. (The population of majority-white countries today amounts to less than 12 percent of the world total.) Over the past year, BRICS members, like many other nations of the Global South, have shown themselves capable – to an incomplete but unexpected extent – of resisting the pressures Washington has exerted to have them line up behind its anti-Russian agenda.

Now, as the size and heft of the BRICS bloc seems set to expand further, this expansion will have growing effects on the texture of global politics, in two main ways. First, as we can see in the way BRICS itself has developed, the world they want to build is one in which the shared development of economic ties and infrastructure proves important than military blocs or attempts at military dominance. Second, it will be a world with

a broader, more interwoven distribution of decision-making power, in place of the “angular” (bipolar or unipolar) power structures that have dominated world affairs since 1945.

The coming weeks will see two notable summit meetings of global leaders. In July, the leaders of the NATO countries will meet in Vilnius, Lithuania, where they will assess the results of their campaign to support Ukraine in its war against Russia, and [wrestle](#) with the issue of how and when to implement their longstanding (but vague) promise that Ukraine will be offered NATO membership at some stage. In August, the leaders of BRICS – including, most likely, Russia's President Putin – will be meeting in South Africa, where they'll be reviewing their organisation's path forward and quite possibly admitting some significant new members. Both gatherings will have significant impact on the global dynamics of the coming decades. But the one in South Africa looks set to be the more momentous.

BRICS problems, BRI solutions

Pepe Escobar

[*The Cradle*](#), 24 July 2023

While the five original BRICS states have their geopolitical differences, they are finding enormous common ground on the geoeconomic front as trade volumes surge and trade routes multiply.

As the BRICS approach the most important summit in their history on August 22-24 in Johannesburg, South Africa, some fundamentals need to be observed.

The top three BRICS cooperation platforms are politics and security, finance and the economy, and culture. So the notion that a new BRICS gold-backed reserve currency will be announced at the South Africa summit is spurious.

What is in progress, as confirmed by BRICS sherpas, is the R5: a new common payment system. The sherpas are only in the preliminary stages of discussing a new reserve currency which could be gold or commodities-based. The discussions within the Eurasia Economic Union (EAEU), led by Sergey Glazyev, by comparison, are way more advanced.

The order of priorities is to get R5 rolling. All current BRICS currencies start with an “R”: renminbi (yuan), ruble, real, rupee, and rand. R5 will allow current members to increase mutual trade by bypassing the US dollar and reducing their US dollar reserves. This is only the first of many practical steps in the long and winding road of de-dollarisation.

An expanded role for the New Development Bank (NDB) – the BRICS bank – is still being discussed. The NDB may, for instance, grant loans denominated in BRICS gold – making it a global unit of account in trade and financial transactions. BRICS exporters will then have to sell their goods against BRICS gold, instead of US dollars, as much as importers from the collective west would have to be willing to pay in BRICS gold.

That’s a long way away, to put it mildly.

Frequent discussions with sherpas from Russia and also independent financial operators in the EU and the Persian Gulf always touch on the key problem: imbalances and weak nodes inside the BRICS, which will tend to serially proliferate with the imminent BRICS+ expansion.

Within BRICS, there’s a wealth of serious unsolved dossiers between China-India, while Brazil is squeezed between a list of imperial dictates and President Luiz Inacio Lula da Silva’s natural drive to fortify the Global South. Argentina has been all but forced by the usual suspects to “postpone” its admission request to join BRICS+.

And then there’s the weak link by definition: South Africa. Squeezed between a rock and a hard place, the organiser of the most important summit in BRICS history opted for a humiliating compromise not exactly worthy of an independent Global South middle-ranked power.

South Africa decided not to receive Russian President Vladimir Putin and opted instead for the presence of Foreign

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Minister Sergey Lavrov – as Pretoria first suggested to Moscow. The other BRICS members validated the decision.

The compromise means that Russia will be physically represented by Lavrov while Putin will participate in the whole process – and subsequent decisions – via videoconference.

Translation: Putin tested Pretoria and exposed it to the whole Global South as a fragile node of the “jungle” – actually the Global Majority – easily threatened by the western “garden” gang and not a real independent foreign policy practitioner.

St. Petersburg-Shanghai via the Arctic

This South African decision by itself raises serious questions about whether BRICS-led geopolitics is just an illusion.

Geo-economically though, the group has entered a whole different ball game, illustrated by the multiple BRICS interconnections with the Chinese Belt and Road Initiative (BRI).

Chinese trade with BRI nations increased [9.8 percent](#) in the first half of 2023 – compared to the same period last year. That contrasts sharply with the 4.7 percent overall contraction of trade between China and the collective west: Down with the EU by 4.9 percent, and down with the US by 14.5 percent.

Chinese trade with Russia, meanwhile, alongside exports to South Africa and Singapore, raised exponentially by 78 percent. As an example, late last week, a Chinese cargo [set sail](#) from St. Petersburg loaded with fertilisers, chemicals, and paper products. It will cross the Arctic and arrive in Shanghai in early August.

Zhou Liqun, chairman of the Chinese Chamber of Commerce in Russia, went straight to the point – this is just the start of the “routine operation of the Arctic freight shipping route between China and Russia.” It’s all about “the security of logistical channels” inbuilt in the Russia-China strategic partnership.

The [Arctic Silk Road](#), from now on, will be increasingly strategic. The Chinese can keep it open at least from July to October every year. And as a bonus, a [warming Arctic](#) allows better access to oil/gas resources. A trademark “win-win” – no wonder since 2017 the development of the Arctic Silk Road is part of BRI.

All of the above shows a sharp shift in the Chinese commercial drive towards the Global South. Trade with China’s BRI partners now amounts to [34.3 percent](#) of China’s total global trade in terms of value – and that number is rising.

UAP railway to the Greater Bay Area

On the Russian front, all eyes are on the 7,200 km-long, multimodal [International North-South Transportation Corridor](#) (INSTC) – which alarms the collective west as a de facto replacement of the Suez Canal. The INSTC cuts shipping costs by about 50 percent and saves up to 20 days of travel compared to the Suez route.

INSTC trade – via ship, rail, and roads linking Russia, Iran, Azerbaijan, India, and Central Asia – should triple over the next seven years, as Russian Transport Minister Vitaly Savelyev noted at the recent St. Petersburg forum. Russia will invest over \$3 billion in the INSTC up to 2030.

Increasing trade between Russia, Iran, and India via the INSTC connects to

something that until recently would be regarded as a UFO: the Trans-Afghan Railway.

The Trans-Afghan will emerge as a follow-up to something very important that happened last week, when Pakistan, Uzbekistan, and Afghanistan [signed a joint protocol](#) to connect the Uzbek and Pakistani networks via Mazar-i-Sharif and Logar in Afghanistan.

Welcome to the UAP railway – which could be hailed not only as a BRI but also as a Shanghai Cooperation Organisation (SCO) project – where Tashkent and Islamabad are full members, and Kabul is an observer. Call it a much-needed trade corridor doubling up as a classic Chinese “people-to-people exchange” platform.

The Uzbeks estimate that the 760 km-long railway will reduce travel time by five days and costs by at least 40 percent. The project could be finished by 2027.

The subsequent 573 km-long Trans-Afghan Railway has already got its road map: it’s bound to connect the intersection of Central and South Asia to ports on the Arabian Sea.

All of the above expands Chinese trade in several directions. Which brings us to a fascinating symbiosis in progress between south China and West Asia – symbolised by the [Greater Bay Area](#).

As Saudi Crown Prince Mohammed bin Salman turbo-charges his immensely ambitious Vision 2030 modernisation project, the Greater Bay Area is being hailed by Saudis as no less than “the future of Asia.”

Every investor from Jeddah to Hong Kong knows that Beijing is aiming to turn the Greater Bay Area into a prime global

tech center, centered in Shenzhen, with Hong Kong playing the role of privileged global finance hub and Macau as the cultural hub.

The Greater Bay Area, not by accident, is a key BRI plank. As a whole, the nine cities in Guangdong, plus Hong Kong and Macau (more than 80 million people, 10 percent of Chinese GDP), will be configured as an astonishing first-class economic powerhouse by 2035, largely overtaking Tokyo Bay, the New York Metro Area, and the San Francisco Bay Area.

With Saudi Arabia aiming to become a full member of both BRI and SCO, Beijing and Riyadh will turbo-charge their tech cooperation on top of energy and infrastructure.

All eyes on South Africa next month are on how BRICS will work to solve its internal issues while organising the expansion to BRICS+. Who will get to join the club? Saudi Arabia? UAE? Iran? Kazakhstan? Algeria? The top two BRICS countries, China and Russia keep investing in a geoeconomic roll that has [dozens of countries](#) lining up to join.

South Africa showed that BRICS isn't what many of its supporters assumed

Andrew Korybko

[Substack](#), 19 July 2023

For as much as the ruling African National Congress might sincerely want to host President Putin and accelerate financial multipolarity processes through close cooperation with Russia via BRICS, the “politically inconvenient” fact is that it ultimately chose to submit to Western pressure and not do so. Building upon this observation and the precedent established by the simple thought of sanctions enforcing compliance with foreign demands, BRICS clearly isn't what many of its supporters assumed.

The office of South African President Cyril Ramaphosa [just announced](#) that “By mutual agreement, President Vladimir Putin of the Russian Federation will not attend the Summit but the Russian Federation will be represented by Foreign Minister, Mr Sergey Lavrov.” Last week, [“South Africa’s Deputy President Spilled The Beans About His Country’s BRICS-ICC Dilemma”](#), which in hindsight was meant to precondition the public into sympathising with its plight after coming under immense Western pressure.

As a signatory to the Rome Statute, Pretoria is obligated to comply with the [ICC’s arrest warrant](#) against President Putin. Even though it didn't detain and extradite former Sudanese President Bashir several years back, his international stature was never comparable to the Russian leader's, which is why the West declined to punish it at the time. Now,

however, they have every reason to remind South Africa of its disproportionate dependence on them in order to avoid being humiliated during next month's summit.

[Bloomberg](#) reported on an economist's estimate in early June that “South Africa stands to lose as much as \$32.4 billion in export revenue, almost a 10th of its gross domestic product, should some of its main trading partners retaliate against its unwillingness to take a stance against Russia's war in Ukraine.” Although no Western country conveyed an intent to impose sanctions against South Africa if it doesn't arrest President Putin, at least to the best of the public's knowledge, the threat still remains in theory.

Accordingly, that BRICS country's leadership decided to play it safe by not hosting the Russian leader instead of risking that worst-case scenario, even though there was always the chance that the West wouldn't go through with that out of fear that China could eventually fill the void in their wake. What this goes to show is that multipolar rhetoric like that which is regularly espoused from some South African officials like Foreign Minister Naledi Pandor can sometimes disguise a lack of [actual sovereignty](#).

For as much as the ruling African National Congress might sincerely want to host President Putin and accelerate financial multipolarity processes through close cooperation with Russia via BRICS, the “politically inconvenient” fact is that it ultimately chose to submit to Western pressure and not do so. Building upon this observation and the precedent established by the simple thought of sanctions enforcing compliance with

foreign demands, BRICS clearly isn't what many of its supporters assumed.

After all, a lot of the group's supporters expected that its members would withstand whatever pressure the West puts on them due to what they were told by top influencers in the [Alt-Media Community](#), who described BRICS as a collection of truly sovereign countries that'll surely change the world. It was therefore wrongly assumed that each of them was so serious about this messianic goal that nothing could possibly prevent them from achieving it, not even the Damocles' sword of maximum sanctions.

This false perception was the result of those aforesaid influencers indulging in [wishful thinking](#) after the [NATO-Russian proxy war](#) in Ukraine broke out in early 2022. They appear to have subconsciously considered their misportrayal of BRICS as a means of counteracting Western "doom-and-gloom" propaganda claiming that the return of unipolarity was a *fait accompli*. Regardless of their intent, the outcome is that many among their audience were imbued with unrealistic expectations about the bloc.

No objective observer would ever have thought that Brazil and South Africa have the same level of actual sovereignty as BRICS' [Russia-India-China \(RIC\) core](#). The West had hitherto been reluctant to pressure those two since nothing that their group had done up to that point came close to crossing their red lines. It wasn't until there was a real possibility of South Africa hosting President Putin in spite of his ICC arrest warrant, however,

that this de facto [New Cold War](#) bloc decided to show Pretoria who's boss.

The likelihood of them imposing an unforgettable punishment on that country is extremely high in the event that South Africa defies the West on this issue since the latter would be globally humiliated if that happened. One of its most sensitive red lines would have been crossed, which Pretoria realised and thus explains why it preferred to sacrifice its reputation across the Global South and inflict harm on BRICS' unity than risk the worst-case scenario of maximum sanctions crippling its already struggling economy.

ICC member South Africa consistently abstained from all [anti-Russian UNGA Resolutions](#), yet it still capitulated to the West's implied demands not to host President Putin at the simple thought of sanctions, which suggests that Brazil will certainly do the same when it holds the [2025 BRICS Summit](#). After all, unlike South Africa, Brazil voted to condemn Russia three times at the UNGA and newly re-elected President Lula da Silva even condemned his BRICS partner in a [joint statement](#) with Biden.

With South Africa having proven its political unreliability to BRICS in the face of Western pressure, and there being no doubt that Brazil will also capitulate in two years' time when it's placed in the exact same position, the organisation is revealed to mostly only be relevant right now with respect to RIC. Unlike Brazil, neither China nor India have ever voted in support of an anti-Russian UNGA Resolution, nor are they ICC members like that country and South Africa are.

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Furthermore, each has already proven their resilience to Western pressure by refusing to distance themselves from Russia, which is [all the more important in India's case](#) considering that its ties with the US are much better than China's. The comprehensive improvement of those two's strategic relations with Russia also continues unimpeded in spite of their trade with the West being much greater. All of this proves that their level of actual sovereignty is far greater than Brazil's and South Africa's.

Even though BRICS can therefore be reconceptualised as a financially focused form of RIC+, this insight doesn't mean that those other two countries and whoever else these three partner with through this format in the future have no role to play in accelerating financial multipolarity processes. As was earlier explained, the West isn't likely to threaten punishment against BRICS countries for everything that they do, but only whenever something crosses their red lines or could come close to doing so.

For that reason, while the West might try to dissuade countries from participating in the BRICS+ framework, it probably won't sanction anyone just for that or for gradually diversifying their trade away from the dollar. Only major moves of substantive and/or symbolic significance like ICC members flouting their obligation to arrest President Putin have any credible chance of being met with serious consequences, but even then, it can't be known whether this will happen or might just be a bluff.

In any case, the point is that BRICS isn't a collection of truly sovereign countries

that have the shared messianic goal of changing the world like many of this group's supporters wrongly assumed before Wednesday's news, but just a platform for moderately accelerating financial multipolarity processes. As long as the group slowly pursues its goals without challenging or humiliating the West, then no punishment is likely, otherwise the weakest links will be shown who's boss like South Africa just was.

BRICS Bank confirms it complies with Western sanctions

Andrew Korybko
[Substack](#), 27 July 2023

Those who aren't irredeemably brainwashed and sincerely aspire to understand the global systemic transition to multipolarity as it objectively exists instead of indulging in wishful thinking about it should use this unpleasant development as the opportunity to finally awaken.

The [Alt-Media Community](#) (AMC) has hyped their audience up since the start of the [NATO-Russian proxy war](#) seventeen months ago into thinking that BRICS is supposedly on the brink of dealing a deathblow to the dollar. Top influencers deliberately exaggerated the group's role in advancing financial multipolarity processes in order to generate clout, push their ideological agenda, and/or solicit donations from their well-intended but naive followers.

The reality is that BRICS only envisages [gradually reforming](#) the global financial system through a series of carefully coordinated moves whose effects will take a lot of time to materialise, not radically changing everything by de facto declaring war on the Western-centric financial order with all that entails. After all, apart from Russia nowadays, all of its members are in relationships of complex interdependence with the same lopsided system that they intend to reform.

It therefore follows that none of those other four ever planned to cross their Western partners' financial red lines like

the AMC's top influencers falsely claimed and thus risk catalyzing the mutually disastrous consequences of a so-called "decoupling". Their economies could crash, [Color Revolution](#) threats might then soar, and the resultant international instability could complicate their respective grand strategies. Anyone who expected otherwise was misled as the latest development on Wednesday proved.

Newly appointed President of the New Development Bank (NDB, which is popular known as the BRICS Bank) Dilma Rousseff confirmed in a statement published on her [official Twitter account](#) that "The NDB reiterated that it is not planning new projects in Russia and operates in compliance with applicable restrictions on international financial and capital markets. Any speculations on such a matter are unfounded."

Rousseff used to lead Brazil prior to her ouster in August 2016 as part of the US' rolling regime change campaign there at the time. Her appointment as President of the BRICS Bank by newly re-elected and now three-time President Lula da Silva was spun by the AMC's top influencers as allegedly proving its supposedly secret plans to de facto declare war on the Western-centric financial order. Their audience fell for this lie due to their sympathy for her and [their false belief](#) that Lula is against the US.

They could never have imagined that she of all people would be the one to officially inform the world that the BRICS Bank is complying with Western sanctions against Russia and then rubbish all related speculation about her group's intentions

as “unfounded”. In one fell swoop, it became undeniable that [“BRICS Isn’t What Many Of Its Supporters Assumed”](#), thus shattering the AMC’s worldview and discrediting those of its top influencers who deliberately exaggerated its role in the emerging order.

There’ll of course be some shameless charlatans who’ll predictably claim that Rouseff is just playing “5D chess” in order to “psyche out the West” or whatever exactly as they always allege whenever “politically inconvenient” facts expose their lies, but this is an insult to their audience’s intelligence to allege. Nevertheless, these sorts of conspiracy theories have regrettably become common in recent years after top influencers realised that many people desperately want to believe them for whatever reason.

Those who aren’t irredeemably brainwashed and sincerely aspire to understand the [global systemic transition to multipolarity](#) as it objectively exists instead of [indulging in wishful thinking](#) about it should use this unpleasant development as the opportunity to finally awaken. They’ve had the wool pulled over their eyes by the AMC’s top influencers for far too long, which got their hopes unrealistically high and thus inevitably set them up for the deep disappointment that they’re probably experiencing right now.

The seven steps suggested [here](#) half a decade ago will help them deprogram their minds after all the false narratives that they were duped by “trusted” sources into believing. Together with that, they’d do well to see if those aforesaid sources publicly account for why they got it so

wrong about BRICS. Those who do deserve credit for taking responsibility and trying to improve their work, while those who ignore the latest development or double down on “5D chess” conspiracy theories should no longer be trusted.

As was explained in this analysis [here](#) about the recent arrest of Igor Girkin, “5D chess” and “doom & gloom” (“D&G”) conspiracy theories are equally inaccurate depictions of reality that members of the AMC should always be on the lookout for. Rouseff’s confirmation that the BRICS Bank is complying with the Western sanctions about Russia shatters the false perception about its role in advancing financial multipolarity processes but it also shouldn’t be exploited to extend credence to the second.

This “politically inconvenient” development doesn’t mean that BRICS isn’t important or sold out to the West like “D&G” conspiracy theorists might predictably claim. Rather, it simply confirms what was earlier shared in this analysis regarding that group’s goal of only gradually reforming the global financial system through a series of carefully coordinated moves whose effects will take a lot of time to materialise. Progress is already being made even though the pace isn’t to the liking of many in the AMC.

The shock being felt by those well-intended but naive folks who fell for “5D chess” conspiracy theories about BRICS shouldn’t lead to them becoming so despondent that they “defect” to “D&G” ones, but should instead inspire them to seek the truth about the global systemic transition as it objectively exists. To that end, they should follow the seven steps

that were previously suggested in parallel with diversifying their sources of information and always being careful not to fall for conspiracy theories.

BRICS Banking and the demise of alternatives to the IMF and World Bank

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1. Introduction: will BRICS and the West struggle, or snuggle?

In mid-2014, the New Development Bank and Contingent Reserve Arrangement were born at the Fortaleza summit of the Brazil-Russia-India-China-South Africa network. Frustrations had mounted with the Bretton Woods and related multilateral institutions responsible for both balance-of-payments support and project finance. The financing hopes of New Developmentalism included the supply of credit for both macro- and micro-economic strategies similar to the ideal-type Brazilian experience during the Workers Party era. However, these hopes soon faded and BRICS efforts to reform the Bretton Woods Institutions had, by 2019, become fruitless. A different, more ambitious approach consistent with an older approach, the *dependencia* strategy (also in the spirit of John Maynard Keynes), is now much more appropriate, although the balance of forces in the wake of Jair Bolsonaro's election make this unlikely.

The BRICS bloc has raised expectations for five years – starting with its formal announcement at the Fortaleza summit with hosting by the Brazilian Workers Party – about the potential for an

‘alternative’ institution, working in a manner completely different to the World Bank and other multilateral development banks. By the time of the Fortaleza summit, there was also the potential for a “New Developmentalism” identified by former Brazilian finance minister Luiz Carlos Bresser-Pereira and advanced at the Getulio Vargas Foundation. This philosophy, entailing more active management of international economic relations, including financial and monetary matters, was drawn in part from Brazil’s successful strategy during the late 1990s and 2000s, leading up to the 2011 peak of the commodity super-cycle.

One additional aspect was the sense of not only BRICS’ ascendance, but the decline of Western power and legitimacy, which in turn reflected in how the Bretton Woods Institutions imposed conditionality-heavy credits and reproduced leadership unfairly: always a U.S. citizen leading the Bank, and a European heading the International Monetary Fund (IMF). As Bresser-Pereira (2018) explained, the World Bank fell “into an identity crisis when, in the early 1980s, the American government constrained it to change from a developmental multilateral bank whose policies were oriented by development economics to be the agency charged of making the neoliberal reforms to advance in the developing countries – to change their economic policy regimes from developmental to liberal.” The BRICS’ prospects for global financial reform had, even earlier, been identified in part based upon a gap in the sustainability financing marketplace, with two former World Bank

chief economists – Joseph Stiglitz and Nicolas Stern – writing the original concept paper in 2011.

This dual narrative – drawing attention to the West’s neoliberalism, illegitimacy and decay on the one hand, and the rise of the BRICS as an alternative power bloc on the other hand – is worth considering in detail, using as a case study global financial governance. As Christopher Tapscott, Jose Puppim de Oliveira, Yijia Jing, Alexey Barabashev and Navdeep Mathur (2017, 1) argue, “relatively little comparative research has been undertaken on the respective state building and governance regimes of its member states and on how these might influence the closer integration of their activities in the future.” The same is true internationally, in a context of a division-prone BRICS where different agendas now proliferate. When driving the BRICS agenda forward, China’s capacity to serve its own national interests may be dominant in the long term, but the governments of Donald J. Trump and Jair Bolsonaro have already caused problems for Beijing’s global strategy, as shown below. In 2019, both have the power to choose the presiding officer of the World Bank and BRICS New Development Bank (NDB), respectively.

Prior to whatever orientation Bolsonaro chooses as host of the BRICS in 2019, what is the nature of the challenge to the World Bank and IMF posed by the BRICS’ most advanced institutional innovations – the NDB and Contingent Reserve Arrangement (CRA) – as well as by the BRICS’ foreign economic policy-makers? The ideas of New

Developmentalism and “sustainable development financing” have been rhetorically important. But service to BRICS borrowers – national states and State Owned Enterprises – appears to be of overarching importance, regardless of ideology and sustainability. Reflecting power relations within the BRICS, both new institutions have vital Chinese influences, not least in Shanghai’s headquarters role for the former, and Beijing’s outsized 41 percent financial contribution to the latter.¹ If the analytical dilemma discussed below is whether the new BRICS financial institutions are operating against, or within, existing global financial governance, the ability of China to guide the BRICS reflects its leaders’ “pragmatism and incremental adaptation,” as Yijai Jing (2016, 37) shows in relation to domestic governance.

Yet seen from South Africa, such incrementalism is not satisfying, at a time the West’s self-interested financial agenda parallels its chaotic roles in global climate governance, geopolitics and macro-economic management (Garcia and Bond 2018). These will only intensify with Donald Trump’s uncontested appointment of David Malpass as Bank president in 2019, reflecting the West’s durable power to not only manage multilateral finance and its institutions (including leadership),

¹ The NDB has a notional capitalisation of \$50 billion, but only \$10 billion is, by 2021, required from BRICS taxpayers as paid-in capital, equally divided among the five members. In addition the NDB issues bonds occasionally, such as a 2016 ‘green bond’ in Chinese yuan for the equivalent of \$450 million. The CRA’s capitalisation is \$100 billion, consisting of countries’ foreign currency reserves which are dedicated to on-lending in the case of a member’s balance-of-payments emergency. In addition to China at 41 percent, Brazil, Russia and India have 18 percent shares each, and South Africa 10 percent.

but also set the agenda for an era of increased West-BRICS conflict, given Malpass’ hostility to China. On the other hand, according to the Bank’s former China director Yukon Huang, “China is doing the World Bank a favor by borrowing, because people realise it’s not going to default on those loans.” He does not expect Malpass to make major changes in relation to China during an era of economic turmoil, because “America always goes for a solution which strengthens the global financial system, because that’s America’s strength. The global financial system is essentially America’s financial system” (Igoe 2019).

The power and arrogance of the Malpass appointment is not surprising. As another example of Western malevolence within global financial management, former World Bank chief economist Nicholas Stern (2013) bragged to a 2013 London conference that *he* was the co-instigator of the very idea of a BRICS Bank, for reasons that had nothing to do with alleged sustainability and climate financing (as claimed by Stern and Stiglitz, 2011). Instead, he desired an institutional lock-in between business deal-makers and a dependable cohort of national officials who would respect their states’ contracts with such corporations. He specifically sought ways to avoid policies that adversely affected those corporations:

If you have a development bank that is part of a [major business] deal then it makes it more difficult for governments to be unreliable... What you had was the presence of the European Bank for Reconstruction and Development

(EBRD) reducing the potential for government-induced policy risk, and the presence of the EBRD in the deal making the government of the host country more confident about accepting that investment. *And that is why Meles Zenawi, Joe Stiglitz and myself, nearly three years ago now, started the idea. And are there any press here, by the way? Ok, so this bit's off the record. We started to move the idea of a BRICS-led development bank for those two reasons*" (emphasis added) (Stern 2013).

In a "world turned upside down" (Panitch and Albo 2018) where nothing is as it seems, the critical approach adopted below includes political-economic observations about power within multilateral financial politics. This is achieved partly through an assessment of the Pretoria government's own contributions during the two relevant regimes: Zuma from mid-2009 through early 2018 and Ramaphosa since. During the former's reign, the NDB prepared work on several loans, gaining cabinet approval in late 2015 (Malcolmsen 2016).

One loan was advanced in 2016, but then was not activated by the borrower, the state national electricity firm Eskom. The \$180 million was earmarked for renewable energy transmission lines, which the new chief executive (Brian Molefe) did not want to implement, given the utility's financial crisis and his desire to instead contract for Russian-supplied nuclear energy. After Molefe's departure in 2017, a sudden threat of a default on Eskom's \$3.75 billion loan to the World

Bank in early 2018 – which was resolved at an emergency Davos World Economic Forum meeting (Paton 2018) – and Ramaphosa's ascendance, the renewable energy programme was reinstated, and was one of three loans codified to South Africa's parastatal agencies in 2018. The other two were to the shipping parastatal Transnet (\$200 million for Durban port expansion) and the Development Bank of Southern Africa (\$300 million for unspecified municipal infrastructure).

In 2019, two additional loans were anticipated: \$480 million to Eskom to enhance the largest coal-fired power plant under construction on earth, Medupi (specifically for desulphurisation); and \$220 million (in local Rand currency) for another dam within the Lesotho Highlands Water Project, which provides cross-catchment water supply to Johannesburg. Both projects have been so bribery-riddled in past phases, that the World Bank debarred several international construction companies due to Lesotho corruption (Bond 2002), and the Securities and Exchange Commission fined the main Eskom power-plant builder, Hitachi, \$19 million due to its relationship with a fronting company (with no related experience) which also served as the South African ruling party's main fund-raising arm (Bond 2014a, 2014b). These loans contrast the BRICS NDB rhetoric of sustainability with the realities of corrupt, carbon-centric, crony-based accumulation, with no intention of community consultation (i.e., a bank indistinguishable from the World Bank). From 2016-18, the three South African loans were authorised from the NDB Shanghai headquarters, but

the Africa Regional Centre in Johannesburg deserves most blame for shortcomings, such as non-existent governance safeguards and a refusal to engage in stakeholder participation.²

As for the \$100 billion CRA fund, it may one day become relevant in the event of financial meltdowns and contagion similar to 1998 and 2008, especially in South Africa. But at that stage, the IMF is likely to be even more important, if repayment of the country's now-unprecedented \$180 billion foreign debt is in question. Seen from South Africa, the institutional connections between the Bretton Woods Institutions and the BRICS, not to mention the NDB staff's own backgrounds in Western-oriented banking (whether global banks or Pretoria's Treasury and Reserve Bank) (Bond 2014b, 2016), together

² In August 2017, the BRICS Bank's Johannesburg African Regional Centre branch was hurriedly opened just ahead of the September 2017 BRICS summit in China. In December 2015, the Centre's new director general was suddenly announced: Nhlanhla Nene. But the job was a hot potato, and Nene's appointment was a fig-leaf excuse Zuma gave for firing the pro-business finance minister who then spurned the supposed (but non-existent) offer. There is little doubt that instead of 'deploying' him to this important job, Zuma simply wanted Nene out of the way, because of repeated Treasury opposition to a \$100 billion nuclear energy deal. It was a project that Zuma, Molefe and others in Eskom were intent on concluding with Rosatom, especially following a July 2015 BRICS summit in Ufa where the deal was confirmed. Nene refused on grounds of state poverty, and so for one weekend, was briefly replaced by an ally of Zuma's most corrupt patronage network, run by the Gupta brothers (three immigrants from India). After pressure was exerted on Zuma especially by the Chinese minority shareholders owners of South Africa's largest bank, Standard (Bruce 2016), Gordhan was then installed as Finance Minister (until he was fired in 2017, also for opposing the Zuma-Gupta agenda). Nene was never offered the job and, under the influence of the Gupta brothers, Zuma became a laughing stock for trying this gambit. The Africa Regional Centre in Sandton was slated by Auditor General Kimi Makwetu on grounds of "fruitless and wasteful expenditure" worth millions of dollars – mainly due to empty office space – in November 2017.

suggest a relationship nowhere near as hostile to the Washington Consensus as some leftist politicians and analysts hope for.³

³ The South African chosen as NDB Vice President, Leslie Maasdorp, previously worked at Goldman Sachs, Barclays and Bank of America – as well as leading Pretoria's internal privatisation office. One mega-dam project discussed by Maasdorp as a potential NDB financing target is the Lesotho Highlands Water Project. Dating back two decades, the Project may be the world's most infamous case of construction company bribery in World Bank lending history. More than \$2 million flowed from a dozen multinational corporations to the Swiss accounts of the leading dam official, Masupha Sole, who served 9 years in jail but was then, to everyone's astonishment, reinstated thanks to his political influence. Lesotho's dam water flows to South Africa, even in times (such as 2016) when the country faces ruinous drought. Although the World Bank debarred some of the most corrupt companies (in the process catalysing the bankruptcy of Canada's once formidable civil engineering firm Acres International), nothing was done to punish the firms by Pretoria officials. Maasdorp discussed his own role at the helm of the institution responsible: "I served for example as chairman of TransCaledon Tunnel Authority, which is a state-owned enterprise with a mandate to finance and implement bulk raw water infrastructure projects in South Africa, and played an oversight role from a governance perspective for seven years of large infrastructure projects" (Mnyandu, 2015). Several of the same construction firms that were implicated in Lesotho reappeared in notorious collusion cases involving white-elephant World Cup 2010 stadiums and other mega-projects in which billions of dollars were stolen from South African taxpayers. *South African firms are obviously not alone*; in 2014, the World Bank debarred the China Three Gorges Corporation's subsidiary building dams in Africa after extreme corruption was identified in another African project.

From July 2015 through August 2017, the South African non-executive director serving the NDB was Tito Mboweni of Goldman Sachs, a former Reserve Bank governor (and from October 2018 South Africa's finance minister) best remembered for maintaining extremely high interest rates during his 1999-2009 tenure (Bond 2014c). As soon as he was appointed to the NDB board, Mboweni – then at the BRICS summit in Ufa, Russia – was interviewed by Bloomberg (2015), and argued that a proposed \$100 billion South African nuclear deal with Rosatom, already signed on a preliminary basis by Zuma in 2014, "falls squarely within the mandate of the NDB." This was in spite of enormous local controversy surrounding Zuma's corruption-prone deal-making regarding not only Rosatom but the Gupta family, whose firm Oakbay would have been the main uranium supplier. But then, in his own words, he was

The BRICS have retained a certain credibility as ‘middle power’ accompaniments to multilateralism, to be sure. But in 2019, with Brazilian president Jair Bolsonaro’s new rightwing agenda coming into focus (including his appointment of the next BRICS NDB president), the situation remains fluid. His neoliberal finance minister Paulo Guedes was named chair of NDB at the April 2019 Annual General Meeting. But macroeconomic trends will likely be decisive, and here – just as in the institutional arena that Stern (2013) explained – it again appears that the BRICS are no *alternative*, but instead an *amplifier*, of contradictions created within Western-centric capitalism (Bond and Garcia 2015). It is in that context that we begin the discussion of the BRICS and global financial governance, given that New Developmentalism has been suggested as an antidote to these trends, and has failed to materialise.

2. A difficult ‘New Developmentalism’

Hopes that BRICS countries will offer new strategies and ideas about development and governance are fading, especially in relation to financial markets. The 2014 Fortaleza founding of the NDB raised expectations that the BRICS could

“Fired, you might say!!” (*Citizen* 2017). Instead of a customary roll-over, Mboweni was replaced by the South African Treasury director general, Dondo Mogajane. He had served as a World Bank board member during the institution’s controversy over a corrupt \$3.75 billion loan – its largest ever – to South Africa for the world’s largest new coal-fired power plant, one opposed by everyone from community and climate activists to *Business Day* newspaper and the centre-right opposition party, in part because of extreme corruption that witnessed Hitachi paying a \$19 million fine under the U.S. Foreign Corrupt Practices Act in 2015, for bribing the African National Congress.

generate an exciting new potential: to break the grip on multilateral financial governance by the neoliberal Bretton Woods Institutions, whose conditionality-riddled credit control grew after the 2008 financial crisis. The Western-backed banks came to rule not just impoverished but also emerging economies (e.g., Argentina recently) – just as in the 1980s – and even a few wealthier countries (Portugal, Ireland, Greece and Spain) that recently fell into crisis.

Brazil’s New Developmentalism, in contrast, consisted of rising levels of social inclusion and lower inequality, coinciding with successful export orientation. The New Developmentalism’s promotion of manufactured exports is closely associated with four macro-economic, monetary and fiscal policy factors. First are falling exchange rates, given the bias is to undervalue the local currency and thus keep relative wage rates low. Second is a shrinking state deficit on current (not capital) spending so as to avoid crowding out financing for private sector investment. Third is a commitment to establishing new infrastructure. Fourth is a relatively low real interest rate.

Brazil has many lessons; in the second Lula administration, as Bresser-Pereira (2011) explained, “God was Brazilian,” because thanks to the commodity super-cycle and his New-Developmentalist *Programa de Aceleração do Crescimento*, Lula “did not bring inflation nor adversely affect growth.” The PT “did not fear to displease the rich,” but nevertheless “was fiscally responsible” and “reacted well to the 2008 global financial crisis,” in part by “lowering the real interest rate by nearly

half” and imposing “controls over capital inflow.” Lula, said Bresser-Pereira, “remembered that there is such a thing as the entrepreneur and the national enterprise, or, in other words, that there is a nation, whose strength and ability to compete with the other nations will depend on the clarity and cohesiveness of the political coalition between entrepreneurs, public bureaucracy and workers” (Bresser-Pereira 2011).

In South Africa and a few other emerging-market countries, these ideals motivated debates over needed policy shifts, especially where the early 2000s boom provided sufficient macro-economic space to attempt aspects of New Developmentalism. In Johannesburg phraseology, during the height of Worker Party power, the desire for a ‘Lula Moment’ was expressed by leading centre-left policy academics and trade unionists from South Africa and Brazil alike (Netshitenzhe 2013, Braga 2014, Coleman 2014, Schutte 2014), led by the Communist Party’s Chris Hani Institute (Webster and Hurt 2014). Of South Africans, however, it was only Neil Coleman (2014) from the main trade union federation who took the trouble to sketch out concrete comparisons.

To be sure, Lula Moment advocacy also attracted criticism, especially insofar as it was a strategy encumbered by unsustainable ‘corporatist’ philosophical underpinnings (Morais and Saad-Filho 2013). Comparing with South Africa’s potential, Ben Fogel (2015) complained, Lula “failed to build a new political culture through constitutional and political reforms or by tackling an institutionally

hostile media” and instead, made “alliances with corrupt and reactionary regional power brokers, embracing Brazil’s traditional patronage political culture to gain institutional power at the expense of trade union and social movement allies.”

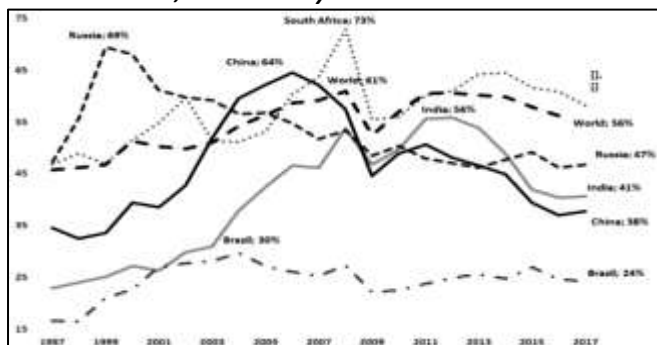
The South African debate coincided with the expulsion of the largest trade union – the 350,000-member National Union of Metalworkers of South Africa (Numsa) – from the country’s main union federation because it was too leftwing. So the contrast was with a potential ‘Numsa moment’ that would have much more radically changed ownership of the economy’s commanding heights.⁴ However, regardless of whether South Africa *should* have pursued this approach, especially in macro-economic terms, by the mid-2010s there was little left to hope for, in either country. South Africa suffered a kleptocracy from 2009-18 under Zuma’s leadership, combining talk-left populist-developmental rhetoric with walk-right neoliberalism and extreme corruption.

⁴ In 2014, Alfredo Saad-Filho argued that contextual differences between the two countries require more nuance in analysis: “The attempt to build a ‘Numsa moment’ in South Africa will face much greater difficulties than those that confronted the Workers Party (PT) and trade unions (CUT) in Brazil, back in the early 1980s. South Africa has *already* gone through the transitions to democracy and to neoliberalism, while the PT and CUT emerged before these two transitions. Political democracy and neoliberalism have had very adverse implications for the composition, organic unity and capacity of mobilisation of the working class almost everywhere. So the challenge is now greater, but the working class movement and the left in South Africa are also much stronger than they ever were in Brazil. The point, then, is to build a political left with working class hegemony, rather than under the intellectual leadership of sections of the middle class, or the economic hegemony of the domestic bourgeoisie, as was the case in the ‘Lula Moment’ in Brazil” (personal communication, February 21, 2014).

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In Brazil, the 2013 turn to neoliberalism by Lula's successor, Dilma Rousseff, meant the domestic bourgeoisie's support for the PT evaporated after widespread 2013-16 protests. These were originally catalysed by leftists dissatisfied by public transport price rises, but were soon taken over by wealthy right-wing elements which by 2016 resulted in a parliamentary coup against Rousseff. So while in the 1998-2004 period, mostly under Fernando Henrique Cardoso's centrist rule, Brazil drove its trade/GDP ratio from 15 up to 30 percent, this measure of integration subsequently fell to 24 percent by 2017 (Figure 1). Indeed the rest of the BRICS trade/GDP ratios also dropped markedly after peaking during the 2000-08 period, even further than the world's drop, from 61 to 56 percent. Matters are now deteriorating further what with Donald Trump's U.S. protectionism, for the World Trade Organisation (2019) recorded dramatic declines in the 2018 WTO Index of trade, including a fall in that index of 6.3 percent (year-on-year from December 2017), as well as -7.9 percent on export orders, and double digit crashes in demand for automobiles (-10.3 percent) and electronics (-12.9 percent).

Figure 1: Trade/GDP ratios decline at world scale, driven by the BRICS



Source: World Bank database

The era of Workers Party rule, resulting in Brazil's relatively more inclusive growth and (briefly) rising export-led growth route, followed Bresser-Pereira's framing. But this was not the only Latin American country offering lessons for development. In addition, there were successful – and far more radical – approaches to global-national-local interfaces especially in relation to finance. These included default on Odious Debts (e.g. by Ecuador in 2009) and tighter exchange controls to halt illicit financial flows (e.g. Venezuela in 2003), as well as (stillborn) proposals for a Bank of the South by Hugo Chavez that would have injected a strong developmental and environmental agenda into South-South cooperation.

All these radical strategies emerged with one overarching concern: acute consciousness of how foreign indebtedness would derail developmental ambitions, as Latin Americans and all other Third World countries recalled from the 1980s-90s era. Bresser-Pereira in 2018 remarked on one of the most crucial features of new, alternative financing strategies, which is to match assets to liabilities when it comes to the currency in which lending occurs.

The NDB, the bank governed by BRICS countries, spelt out the proposal to follow this line of action. Some multilateral banks, particularly the Asian Development Bank, the International Finance Corporation and even the World Bank are already lending in local currency. Why? Would it be the new concern with currency

mismatches and the development of local capital markets?... the Multilateral Banks are turning to domestic currencies because their customers are most of the time private companies that resist to take loans in hard currency to avoid foreign exchange risks. Second, because after the Asian 1997 financial crisis, many countries, particularly the Asian countries, realised the financial crisis risk involved in getting indebted into foreign money and began to accumulate large international reserves. Third, because, after the disastrous attempt to grow with foreign indebtedness (“foreign savings”) that the Washington Consensus proposed from the early 1990s (just after the major 1980s’ foreign debt crisis was overcome), the governments of the developing countries went back to the policy of keeping the current account balanced or with a surplus, as China has been doing for long (Bresser-Pereira 2018, 3).

Unfortunately, again in South Africa, the New Developmentalism’s valid insights were not followed by policy-makers. First, they allowed the NDB to issue the loans discussed below in US dollars, not South African rands; only in March 2019 was the first announcement of a proposed rand bond issued by the NDB. Second, they ran up consistently large current account deficits, for reasons worth remarking upon. The main international economic imbalance in South Africa is not – as is commonly assumed – the trade deficit with China (although that remains large). Indeed, mainly because of the export of

raw materials (minerals and cash crops), semi-processed metals (steel, aluminium and manganese) and (highly-subsidised) automobiles to mainly Western markets, the trade account often reached mild surpluses in the 2010s, including in 2016-18.

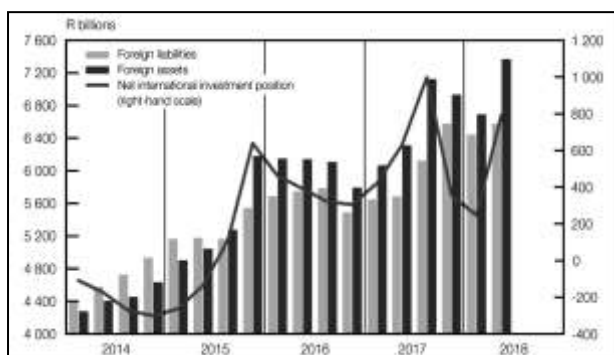
Instead, the cause of the current account deficit was the outflow of profits, dividends and interest (the current account’s ‘balance on income’), mainly to London and other overseas financial headquarters.⁵ Although the current account deficit was 7 percent of GDP in 2009, it recovered thanks to the commodity crash of 2015, which

⁵ South Africa’s debt repayments are becoming increasingly expensive. A major fear expressed periodically is South Africa’s potential inability to service foreign loans, especially those borrowed by the main State Owned Enterprises. As reported in 2018 by *Business Day’s* Carol Paton (2018), “If the World Bank issues a default letter... it will trigger a 14-day recall on its \$3.75 billion loan, which could trigger a recall on Eskom’s \$26 billion debt mountain.” Eskom has by far the largest component worth of state-backed loans, representing a dangerously high contingent liability whose costs are carried by the general citizenry. Eskom is also repaying the World Bank’s largest-ever loan, for the Medupi power plant (the Bank’s last such coal-related lending, due to a belated climate-change policy). Medupi’s \$5 billion worth of boilers were supplied by Hitachi, which in 2015 was fined \$20 million by the US government for violating the Foreign Corrupt Practices Act: bribing the ANC’s investment arm through a 25 percent ownership in a local affiliate. Medupi cost triple its original estimates, at \$15 billion, and was delayed nine years due to numerous design and implementation flaws (including 7,000 welding mistakes on the Hitachi boilers). The high costs – exacerbated by a crashing currency – were passed to poor consumers, whose electricity bills rose far faster than inflation from 2008-17. In mid-2018, Eskom received another \$2.5 billion in loans from the China Development Bank to build the \$15 billion Kusile power plant, also with Hitachi/ANC boilers. That bank’s prior major loan to South Africa was to Transnet (\$5 billion), for corruption-riddled locomotive and Durban crane procurement from China South Rail and Shanghai Zenhua Heavy Industries (via the Gupta family empire) (D’Sa and Bond 2018). Such mega-projects mainly benefit well-connected elites, at the cost of the poorest.

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temporarily lessened the pressure on profit repatriation. Indeed the currency dropped to as low as R17.9/\$ in January 2016, which compelled cuts in imports and assisted South Africa's export recovery. But the current account deficit has still been negative, even in years of trade surplus, in the range of 2-5 percent of GDP from 2016-18. In those years, trading surpluses of \$8.5 billion were registered, yet South Africa suffered \$28.8 billion in net profit and transfer outflow.⁶

Figure 2: South Africa's international investment position, 2014-18 (billions of SA Rands)



Source: South African Reserve Bank *Quarterly Bulletin*, December 2018.

⁶ The central reason for South Africa's vulnerability to high levels of net income payment outflows and currency speculation against the rand is Pretoria's regular relaxation of exchange controls. As one example, in 2018 Treasury granted permission for an additional \$38 billion worth of pension and insurance funds to move abroad. As another example, whereas in 2015 the maximum annual externalisation of funds by wealthy South Africans was \$300,000, it was raised that year to \$750,000. Such loosening weakens the Reserve Bank's ability to defend against currency crashes and financial outflows, given that Pretoria's \$50 billion in currency reserves have not increased over the past decade. As the IMF (2018, 35) warned, "Foreign exchange reserves are assessed to be below adequacy... 70 percent of the assessing reserve adequacy metric adjusted for capital flow measures."

Profit inflows should actually be much higher than outflows, because the net foreign investment position of South African capital has been positive since 2015 (Figure 2), largely because of one major investment made by the largest firm on the Johannesburg Stock Exchange – Naspers – in Chinese firm tech company Tencent. That stake, of nearly a third ownership in what soon became the highest-capitalised firm in Asia, grew from \$25 million to \$150 billion in value over the decade 2009-18. It increased the country's net international investment by 40 percent of GDP from 2010-15 (although income receipts suggest Tencent's dividends are not flowing back into Naspers at anywhere near the rate profits are flowing out of South Africa). Given the extreme volatility of the currency caused in part by this income vulnerability, daily Over-the-Counter Foreign Exchange (OTC FX) market activity is far greater in South Africa than elsewhere, rising to 17 percent of GDP by 2017 (IMF 2018).

In addition to egregious mistakes in international financial relations, South African policy-makers made other errors. Their early-2000s 'developmental state' debate in South Africa did not stress crucial New Developmentalism features, so compared to Brazil, there was far less economic sovereignty. One reason was South Africa's massive deindustrialisation during the 1990s, as East Asian imports decisively outcompeted local clothing, textiles, appliances, electronics and other local manufactured goods once South Africa liberalised trade. Thus in the early 2000s, the developmental debate largely revolved around how to best link up the

so-called 'two economies' (the advanced capitalist sector and informal sector) and how to advance minerals beneficiation (Mbeki 2004, Masondo 2007). The country's \$2.5 trillion natural resource base was seen as the basis for downstream investment, at least prior to the commodity super-cycle fizzling out in 2011. But the crash in world commodity prices (including metals), and in South Africa, electricity black-outs and soaring electricity prices starting in 2008, together hampered further investment in smelting.

As institutional economists have pointed out, South Africa's structural bias remains located within the 'Minerals Energy Complex,' which combines large multinational-corporate mining houses, the state electricity firm Eskom, and associated downstream industries including petrochemicals, metals processing and other sectors that comprise about 20 percent of GDP (Fine and Rustomjee 1996, Padayachee 2010). The bias within the state transport firm, Transnet, is, likewise, to emphasise export of raw ores – especially coal – through expanded port capacity (while closing down or neglecting maintenance for both long-distance and intra-urban passenger services). The fossil intensity of these energy-generation and transport biases has become even worse within Eskom and Transnet.

The inability of Eskom to reduce its reliance on coal-fired power plants and replace generation capacity with renewable sources, and the intensity of Transnet's reliance upon coal exports, are together reflected in the two largest mega-project investments in the 2012-30

National Development Plan (NDP). First, the state – led by Transnet and major mining houses – made a \$60 billion commitment to the export of 18 billion tons of coal (mostly to China and India) along new rail lines, using imported locomotives that can carry 3 kilometer-long ore-carrying trains. Eskom relies on coal from the same areas (Limpopo and Mpumalanga provinces) for 90 percent of its generation capacity, so the expansion of high-volume coal transport benefits its two massive new coal-fired plants (Medupi and Kusile). The second largest mega-project is a \$20 billion expansion of the port-petrochemical complex in Durban, again led by Transnet. These two are the first two priority projects within the Presidential Infrastructure Coordinating Commission's Strategic Integrated Projects (PICC SIPs), developed as part of the National Infrastructure Plan (Bond 2014a).

It is therefore no surprise that the first two BRICS New Development Bank loans to South Africa also reflect these biases. The 2016 and 2018 credits of \$180 million to Eskom and \$200 million to Transnet quickly fell into controversy, and in both cases, projects went into immediate hibernation in part due to the borrowers' systemic corruption, and in part to the failure of both to properly make their projects sustainable. In short, New Developmentalism was still-born, missing a critical mass of patriotic business elites committed to the four components usually considered crucial ingredients.

The vision of Bresser-Pereira (2011) was never realised through the NDB. One leading Asian advocate of the

developmental state, Jomo KS (2019), was wistful when asked about the NDB: “I wish the new multilateral development banks would be bolder, but thus far, they have largely chosen to work within the dominant framework shaped by the Washington Consensus, probably to secure market confidence.” To help understand this failure of nerve in South Africa, we next contemplate how the NDB handled macro-economic context, currency exposure, corruption and climate change within its first three loans.

3. NDB risks: Macro-economic context, currency exposure, corruption and climate change

The problem, we observe next, is not just BRICS elites’ impotence at the scale of global institutional reform, even at peak when Lula’s accomplishments were well recognised. Other risks within the BRICS development finance agenda come from the deteriorating macro-economic environment since the early 2010s, a point at which “deglobalisation” tendencies (Garcia and Bond 2018) and structural fragility associated with financialisation (e.g. \$250 trillion in outstanding world debt) were amplified by US dollar exposure and rampant corruption within BRICS banking. The core economic problem facing three of the BRICS was the collapse of commodity prices after the 2002-11 super-cycle upturn and 2011-15 plateau. This led to junk credit ratings suffered by three borrower countries: Russia from 2015, Brazil from 2015 and South Africa from 2017, as the commodity super-cycle’s demise was accompanied by political problems in each. Russia was

punished with sanctions due its 2014 invasion (or some say ‘liberation’) of Ukraine’s Crimea. Corruption delegitimised key functions of the state in Brazil and South Africa. And indeed those were the three countries which had defaulted on foreign debt within the bankers’ living memory: Russia in 1998, Brazil in 1987 and South Africa in 1985. The exchange rates of their three currencies crashed in 2015, to levels between 32 and 38 percent lower than in 2000 (India had by then risen by 20 percent and China by 30).

On the one hand, this adverse macro-economic situation would logically suggest that poorer countries should no longer attempt to seek a piece of a vanishing pie, namely the prior expanding rate of world trade, which since 2017 went into reverse. Instead, they should seek more balanced, inward-oriented growth, such as was recommended by *dependencia* scholars since the 1950s, including Raúl Prebisch (1950) in Latin America and Samir Amin (1990) in Africa. As a concrete reflection of such a shift, the BRICS cities should no longer be re-arranged to support export-platform economies, of which Durban and Rio de Janeiro were perhaps most infamous (Bond, Garcia, Moreira and Bai, 2016); instead they should have a greater share of infrastructural funds dedicated to meeting basic needs. Since the mid-1980s, such basic needs have been underserved thanks to the method of arranging neoliberal investments in electricity, water and wastewater, roads, ports and other economic infrastructure enhancements. The objective was to attract and serve multinational corporations, for the sake of

increasing revenues from world trade, as advocated initially in the World Bank's mid-1980s Urban Management Program (Bond 2000). But the ability of poor residents to afford corporatised or privatised services was minimal in most user-pay systems.

On the other hand, even as the Baltic Dry Index – world shipping's main indicator of container transport prices – fell from a level of 12,000 in 2008 to less than 1000 over the subsequent decade, there appears to have been increasing not decreasing pressures from the mercantile circuit of capital to expand port investments. This is especially evident in the BRICS where Beijing's Belt and Road Initiative and the Delhi-Tokyo Asia-Africa Growth Corridor both encourage new harbors or existing port expansion. At the BRICS 2017 Xiamen summit, reporters observed a failed merger strategy between the two projects, with South Africa squeezed in between (Singupta 2017, Woody 2018). This confirms that instead of collaboration, the current era may instead witness a form of ultra-competitive economic cannibalism, a point vividly illustrated in debates surrounding South Africa's BRICS NDB-financed port expansion (Bond 2014a).

In this context, macro-economic stabilisation has been in China's self-interest, what with Beijing's ongoing financing of Washington's massive trade deficit (typically the Chinese state holds more than \$1.3 trillion of US Treasury Bills). A trade war with Donald Trump may change this, if it transpires after a brief truce in 2019. But what is ultimately required, to assure durable world

economic stability, is a new currency that could be more democratically managed, in contrast to the US Federal Reserve Board's current bias to serving the interests of the West's largest banks. Indeed in 2013, the Fed's revised monetary policy signalling – known as the “tapering of Quantitative Easing” – adversely affected four of the BRICS' currencies (all except the still-rising yuan), as it drew liquid funding back to the US dollar (Figure 3). Notwithstanding rhetoric about increasing use of BRICS currencies or barter trade, not much more is being done to end the destructive system in which the US dollar has world “seignorage”: i.e., it is the world's reserve currency, no matter how badly Washington officials abuse that power. If China really wants its currency to one day take the place of the dollar, and if Russia wants to find routes out of the current squeeze represented by financial sanctions, the pace at which this is happening is agonisingly slow. (A 2019 “BRICS Pay” strategy of clearing funds on retail purchases without recourse to the dollar is one encouraging sign.)

Can the NDB and CRA contribute to constructive change away from dollar dependency? According to the SA foreign ministry's Dave Malcolmsen, there is strong political will to engage in non-dollar lending. Malcolmsen (2016) reported to Parliament about a 2015 presentation by KV Kamath, the NDB President. Amongst the innovative features of the NDB, “The actual challenge in respect of loan payments for developing countries pertain moreover to that of the currency fluctuation which increases the loan repayment terms (usually in USD) rather

than agreed interest rates for such loans. He emphasised the importance of raising loans in local currencies to lessen such a burden.”⁷

Yet in its first five years, the vast majority of the \$8 billion in NDB loans were dollar denominated, even though these were mainly projects characterised by local-currency expenditures. There were minimal import requirements in loans for transportation (29 percent), energy (26 percent), water/sanitation/irrigation (22 percent), social infrastructure (15 percent), and cleaner production (8 percent). The main borrowers were India (40 percent) and China (25 percent), both of which could produce project inputs locally. In South Africa, it was only in the second half of 2019 that the NDB would raise funds in the local currency, on the most liquid and over-capitalised market in world history, the Johannesburg Stock Exchange, a market whose Buffett Indicator ratio (share capitalisation over GDP) by then had peaked at over 350 percent, three times the world average.

⁷ The real interest rate on the dollar-denominated loans depends upon currency devaluation: South Africa’s crashed from R6.3/\$ in 2011 to R17.9/\$ in early 2016 before stabilizing around R14/\$ in 2017-18. Kamath (cited in Bond 2017) once conceded to *Russia Today*, “The effective costs of borrowing in hard currencies, for any of us developing countries, appears low. It appears to be 2 to 2.5 percent. But when you add the exchange loss, the weakening of the currency over time, you end up paying 12, 13, 14 percent. So that’s your true cost.” Kamath has committed to future lending in Chinese renminbi, Indian rupees, Brazilian reals, and Russian rubles, and considered including South African rands as a potential currency. The NDB’s Eskom lending would have financed locally-sourced materials such as steel and cables (and local labor) for the electricity grid extension. Any such further NDB dollar loan offers make no sense.

Another major factor that will create additional risk to all parties is systematic corporate and state corruption. It pervades all the BRICS, at a level just as high as can be found in the U.S., Europe or Africa. The top four countries in which economic crime occurs, according to PricewaterhouseCoopers (2018), are South Africa, Kenya, France and Russia, with China ranked eighth. *Financial Times* commentator Gideon Rachman (2018) expressed concern that “In all five countries, popular rage about graft is at the very heart of politics.” Moreover, the BRICS “may be spreading corrupt practices more widely. The U.S., EU and UK pride themselves on their sound institutions. But western bankers, lawyers, real estate agents, PR firms (and perhaps even presidents) are often all too willing to share in the proceeds of corruption.” (In South Africa such firms included Bell Pottinger – which as a result of South African corruption went into bankruptcy – and consultancy and law firms KPMG, McKinsey, Hogan Lovells, SAP and others.)

A degree of corruption-denialism exists within the NDB. Asked about the corruption associated with its loan to Transnet in mid-2018, the institution’s Compliance Officer Srinivias Yanamandra (2018) claimed,

At the time of loan appraisal, NDB gives consideration to corruption risks in accordance with internal policies and guidelines, which articulate a zero-tolerance policy against corruption. These policies and guidelines stipulate adequate mechanisms to ensure compliance with highest standards of

ethics, accountability and integrity. The Bank further reckons adverse media news, if any about the prospective borrower, taking into account the country system of law enforcement for handling corruption issues. The Bank supplements internal assessment with a co-operative relationship externally with law enforcement as well as other responsible agencies that deal with matters relating to anti-corruption at national / international level (Yanamandra 2018).

Such 'zero-tolerance' policy claims cannot be taken seriously given the widespread media and law-enforcement attention to Transnet at the time the loan was granted, in May 2018. Recognising the contradiction, Yanamandra (2018) further explained,

The appraisal of loan to Transnet went through the above-mentioned procedures of the Bank. While approving the loan in May 2018, the Bank recognised the ongoing efforts by the South African Government to address corruption issues both at the national level and at the level of Transnet as a particular entity (including through the new Special Investigative Unit set up by the President of South Africa). The Bank further took note of internal developments at the Company (viz., forensic investigations under the oversight of Board Audit Committee and ongoing review of procurement processes). The Bank has also noted the ongoing improvements in oversight of the Company by the Ministry of Public

Enterprises, including through leadership changes that were implemented in recent times.

Such improvements were not adequate to halt a major episode of corruption in late 2018, one so serious as to halt the Durban port's expansion. Although the notorious Transnet Chief Executive Officer Siyabonga Gama's contract was by October 2018 finally terminated due to corruption, a \$500 million component of the Durban port deepening project, commissioned in July 2018, became the source of a controversy over the procurement process. It involved not only the Italian-South African CMI Emtateni Joint Venture, but in particular, Durban's best-known procurement fraudster, Shauwn Mpisane (Cowan 2018). Without disclosing details about the malfeasance, which included a lawsuit by a competitor who raised substantive complaints about the process, Transnet stated, "In the interest of good corporate governance, Transnet has decided to issue a stop work instruction on the Main Marine Construction Works contract pending the outcome of the investigation" (Mkentane 2018). (By May 2019 there was no word on the investigation and the NDB project remained stalled.)

In 2019, a leading BRICS official admitted that the 2016 loan to Eskom – which had been put on hold allegedly by Brian Molefe due to his opposition to solar energy – was actually "saddled with corruption allegations and governance challenges. So that loan was put on ice and never formally concluded" (although it was reaffirmed in mid-2018) (Wright

2019). The character of this particular case of corruption was not revealed. However, like other BRICS countries, South Africa remains bedevilled by procurement fraud, which has been estimated by a leading Treasury official as costing 35 to 40 percent more on each outsourced contract than is reasonable, on \$50 billion in annual corporate procurements (Mkokeli 2016).

In Brazil, Operation Car Wash revealed *mensalão* bribery in Congress and widespread Petrobras patrimonialism. Russian elites, including several close to Putin, were fingered as having multi-billion dollar offshore accounts in tax havens, in the leaked lawyers' emails known as the Paradise and Panama Papers. In India, the extent of citizens' experience with petty bribery has been measured by Transparency International at more than 60 percent of respondents. And China's highest-profile corruption case – the prosecution of former Chongqing mayor (and Xi competitor) Bo Xilai – was seen as a political hatchet job, although to Beijing's credit, many thousands of corrupt officials have been jailed (Zhao 2012).

A final risk is faced by all financiers in the current period: fossil-intensive investments considered to be “stranded assets,” resulting in devaluation of their portfolios. This is not merely an institutional risk, but – due to ongoing species-extinguishing climate change – one that extends deep into the future of global civilisation. Ironically, NDB rhetoric leaves the impression that the 2013-14 leaders of the BRICS, prompted by the institution's illustrious designers Nicolas

Stern and Joseph Stiglitz (2011), had a strong commitment to earth stewardship. In reality, all five BRICS are amongst the world's most unsustainable countries in terms of pollution loads, and naturally this will affect the availability of infrastructure investments (e.g. a high emphasis on ports, railroads and roads, such as in the case of Transnet). Indeed the BRICS are amplifying the inherited Western corporate traditions of externalising environmental costs onto nature and onto the societies surrounding their main industrial districts. Although the NDB's commitment to the vaguely-defined promise of 'sustainability' is a noble sentiment, it has little hope of ever being realised given the broader BRICS project of high-carbon extractive infrastructure.

South Africa alone is engaged in massive new fracking investments, offshore oil and gas exploration (in early 2019 Total discovered a billion oil-equivalent barrels); 18 billion tonnes of coal exports (mainly to India); and coal-fired power generation including two 4800 MW plants now under construction and a 4600 MW plant promised in a Chinese metallurgical complex, as well as several others in the 1000MW range.⁸ South Africa's lack of commitment to cut its historically extremely high carbon addiction was matched by not only U.S. and Canadian failures to cut back

⁸ To illustrate the dangers, recall that the Development Bank of Southern Africa (DBSA) was granted a \$300 million loan by the NDB in 2018 for municipal on-lending. However, that institution also is committed to financing a portion of two proposed coal-fired power plants costing \$2.9 billion (producing 863MW of power), for Japanese, Korean and Saudi Arabian owners. Requested by anti-coal campaigners to halt and reverse these commitments in 2018, the DBSA declined.

emissions, and even Germany's late-2030s' commitment to cut back on coal (which activists and scientists say is far too late). The other BRICS also adopted ecologically-catastrophic policies:

Bolsonaro's commitment to unleashing cattle ranchers, soy farmers, mining corporations and timber interests on the Amazon; Putin's unlimited extraction of Siberian fossil fuels; Modi's massive construction of new coal-fired power plants; and Xi's carbon-intensive Belt and Road Initiative.

In this context, it was reasonable to ask whether the BRICS leaders were really serious about challenging the United Nations Framework Convention on Climate Change, Bretton Woods Institutions and other structures of global power. After all, if revolutionising development finance was the objective, there was an alternative already in place they could have supported: the Bank of the South. Founded by the late Venezuelan president Hugo Chavez in 2007 and supported by Argentina, Bolivia, Brazil, Ecuador, Paraguay and Uruguay, Banco del Sur had acquired \$7 billion in capital by 2013. It offered a more profound challenge to the Washington Consensus, especially after Ecuadoran radical economists led by Pedro Paez (2016) improved the design. Instead, the BRICS appear to favour the stabilisation of the world financial *status quo*, rather than radically changing the most unfair and intrinsically destabilising components.

5. Conclusion

In all the respects discussed above, the NDB is a high-risk institution. However,

this view is not widely shared among establishment observers, as witnessed in the Standard&Poors Global Ratings review of the bank in mid-2018:

We assess NDB's risk management policies as sound and similar to its highly rated peers'. The bank has established prudent risk management policies, especially in terms of liquidity and capital adequacy, and has set various limits for single obligor, country, and sector concentration... we expect the institution to instill sound governance and risk management principles across its operations... we expect NDB to abide by the same high standard as leading peers in terms of governance, procurement, and social responsibility... we estimate that NDB currently, as well as in the foreseeable future, could survive an extremely stressed scenario without market access for 12 months and without withdrawing any principal resources from borrowing members...

In other words, although macro-economic stress is mentioned in passing, S&P (2019) sees no dangers in the conditions that might lead to borrower default, the rampant corruption and the BRICS infrastructure contributions to climate change discussed above. Instead, S&P (2018) advocates that the NDB expand to include other potential members:

We would raise the rating if NDB is able to increase its public policy profile and importance. In this scenario, we envisage a substantial geographical

expansion of NDB's operations through an increase in the number of shareholders with more than token stakes. Also, we expect the loan portfolio to be more evenly balanced, away from the current heavier concentration in loans to India and China.

Perhaps already aware of then-candidate Bolsonaro's antipathy to China, S&P (2018) subtly warned that in the event of "any of the founding members withdrawing their membership, [s]uch a scenario will cast serious doubts on NDB's ability to fulfil its mandate." But in only one other respect was S&P (2018) slightly cautious:

The shareholder structure, with borrowing-eligible members holding all the voting shares, could present a certain degree of agency risk, in our view. This potential conflict of interest and the fact that the shareholders do not rank very high in terms of governance constrains our assessment of NDB's governance and management expertise.⁹

The S&P analysts' neglect of the other major structural risks identified above parallel the failure of credit rating agencies in relation to Enron, Lehman Brothers, AIG insurance and other

⁹ S&P (2018) continued, "However, we note that no member holds veto power. A special majority (four out of five members) is required for milestone decisions, including earnings distributions and increases in capital subscriptions... Although NDB's shareholder structure could present agency risks, we believe the institution will manage potential conflicts through governance best practices and prudent risk management."

calamitous episodes of myopia. The general risks should be obvious, but examination of the three project borrowers from South Africa funded by the NDB in 2016-18 reveals systematic concrete deficiencies. The NDB's renewable energy and sustainability rhetoric appears designed to beguile. Consultation with affected parties is non-existent. Privatised supply of services is common. Hard currency loans – all three of South Africa's – will be extremely expensive to repay as the rand continues its long-term decline. Corruption amongst borrowers – including the two leaders at Eskom and Transnet who signed NDB loans and were subsequently fired for graft – are treated flippantly by a Compliance Officer whose due diligence defence at Transnet was subsequently shown to be extremely weak.

In short, the NDB is not an alternative to a system of development finance that, based in Washington, is rife with problems, and that apparently cannot be reformed. Instead, it appear from the South African case that the ingredients exist for the NDB to *amplify* uneven development through financing some of the country's most notoriously corrupt institutions, for projects which are themselves highly dubious. For these reasons, the NDB was the subject of a protest of more than 100 environmental activists led by four African Goldman Prize winners in July 2018, just at the start of the BRICS Johannesburg summit. This was the first of what will be many more protests against the NDB, it is safe to say, unless it shifts away from the projects and

policies that are doing so much harm to people and planet.

None of these conflicts would have surprised seasoned observers of the divergence between BRICS elites and the needs of their societies and environment. As Indian political economist Prabhat Patnaik predicted so presciently in 2014,

The question of the BRICS Bank cannot be analyzed without reference to the big bourgeoisie of the BRICS countries, as the commentators have almost universally done. In other words the class nature of these regimes has a crucial bearing on the direction that the BRICS Bank will take: whether the BRICS Bank and the CRA will become mere replicas of the World Bank and the IMF with some delegation of authority from the “top” to the BRICS powers, or whether they will expand the elbow room of the countries of the South...

Several BRICS countries in short had connived with the US-led imperialist bloc to sabotage a proposal to bring countries of the South to the forefront of “global economic governance”, and had even resuscitated a near-defunct IMF for this purpose. To imagine that the same countries are now going to stand with the South, through the BRICS Bank, to loosen the hold of imperialism, is utterly fanciful (Patnaik 2014).

Assuming the BRICS and global elites can one day be dislodged, is a different philosophical approach possible? John Maynard Keynes (1933), offered one of the most generous of formulas: “I sympathise with those who would

minimise, rather than with those who would maximise, economic entanglement among nations. Ideas, knowledge, science, hospitality, travel – these are the things which should of their nature be international. But let goods be homespun whenever it is reasonably and conveniently possible and, above all, let finance be primarily national.” That approach implies an older form of developmentalism, one that applies tight exchange controls, that balances an economy’s various sectors through import-substitution industrialisation, that therefore has a great chance to meet society’s basic needs in an environmentally-conscious way, and that welcomes skilled and unskilled labour to its shores.

None of the BRICS are following this strategy at present, but at some stage in future, their countries’ progressive politicians will recognise the need to move in a genuinely developmentalist direction. The reactionary, failing characteristics of the BRICS global financial governance reform agenda and institutions will then fade into history, where they belong.

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The Global South's views on Ukraine are more complex than you may think

The claim that developing countries are neutral about the war or even pro-Russian oversimplifies and distorts a more nuanced reality

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On July 19, South Africa announced that Russian President Vladimir Putin would not be attending the BRICS summit in Johannesburg in late August, ending speculation about whether South Africa would arrest him because of the warrant issued by the International Criminal Court. Russian Foreign Minister Sergey Lavrov will attend instead.

The ICC warrant accuses Putin of illegally deporting thousands of Ukrainian children to Russia. Russia, like the United States, is not a signatory to the ICC, whereas South Africa is, meaning it would have faced a huge dilemma. As South African President Thabo Mbeki put it, “we cannot” invite Putin to the summit and then arrest him, “but neither can we say ‘come to South Africa’ and not arrest him – because we’re defying our own law.”

BRICS is the acronym for Brazil, Russia, India, China and South Africa, which first met as BRIC in 2009, adding South Africa in 2010. It is a loose coalition of relatively large and economically powerful countries undergoing rapid growth, emerging from the Global South into a position in which they aim to challenge the unrivaled domination of the world economy by the

more powerful countries of the Global North. Of these countries, only Brazil and South Africa are signatories to the ICC, whereas Russia, China and India are not, meaning the possibility of Putin being arrested could have caused severe friction within the group – not to mention the dangerous global consequences that could ensue from arresting the head of a nuclear-armed superpower.

This spotlight on South Africa and BRICS raises the vexing question of “neutrality” as to the Russia-Ukraine war. While China, India and South Africa have abstained on U.N. votes to condemn Russia’s invasion, Brazil has formally voted to condemn it. But this vote was attacked by Brazil’s far-right then-President Jair Bolsonaro, who declared “solidarity” with Putin. Such “nonalignment” fits with the stance of ruling elites within the BRICS countries as they position themselves as challengers to the power of the Western states that have led the international defense of Ukraine.

Many commentators have attempted to explain this stance of the BRICS states – and the ambivalent stance of some other relatively powerful states – as representing the views of the entire Global South, the developing world of former colonies. Presuming to speak on behalf of several billion people on three continents, this rendition claims that support for Ukraine is a project solely of the imperial West, and even that “the majority of the world” abstained, because China and India make up two-fifths of the world’s population.

Africa further entered the spotlight in June, when a delegation from South

Africa, the Republic of the Congo, Egypt, Senegal, Uganda and Zambia visited Ukraine and Russia to press both for a ceasefire – which would leave Russian forces in control of one-fifth of Ukraine. Both countries rejected the call – Putin demonstrated his contempt for the pro-Russian “neutrality” of the African states by launching a missile at Kyiv when the delegation arrived – thus highlighting a crisis of irrelevance for countries that led their own fights for independence from colonialism and now refuse to stand with Ukraine as it does the same thing.

To highlight this point: From the mid-17th century, Ukraine was subjugated by the Russian czar’s emerging empire, at a time when Britain, France and other colonial powers were similarly building theirs. In 1863, the publication of most books in Ukrainian, including educational texts, was banned. In 1876, the printing of almost all Ukrainian literature, the production of Ukrainian stage performances, schooling in Ukrainian and the use of Ukrainian in public life generally were outlawed. Despite a brief flowering of Ukrainian culture and the creation of the Ukrainian Soviet republic after the 1917 Bolshevik Revolution, the suppression of Ukrainian culture soon returned under Stalinist rule. Ukrainians overwhelmingly voted for independence in 1991. Putin aims to revive the Russian Empire and openly declares that Ukraine has no right to exist separately from Russia. This is, therefore, a classic anti-colonial struggle.

Western hypocrisy is often cited as an explanation for the refusal of some of the governments in the Global South to stand

with Ukraine’s anti-colonial resistance. This is a valid point. For example, the Western powers supporting Ukraine’s resistance have a different view regarding Israel’s decadeslong brutal and illegal occupation of Palestine as well as the attendant violations of human rights. Not even Putin’s own horrifically brutal actions in Chechnya or Syria evoked the kind of Western reaction we see now in Ukraine. Those are Muslim countries, after all, and Moscow framed these wars as part of the global “war on terror.”

Moreover, there are African conflicts killing huge numbers of people, such as the recent two-year [assault](#) on Tigray conducted by Ethiopia and Eritrea. It is therefore understandable that many Africans would have been offended when French Minister of State Chrysoula Zacharopoulou demanded “solidarity from Africa” against Russia’s “existential threat” to Europe.

Western powers, like Russia, act on the basis of their own interests, which occasionally may coincide with the interests of justice. It is not the fault of Ukrainian civilians getting bombed in apartment blocks that the West is more supportive of them than of other just struggles.

A related contention is that the ambivalence toward the Russia-Ukraine war from some governments in the Global South reflects the anti-colonial memories of their populations. The Western governments now supporting Ukraine’s resistance to Russian imperialism were previously the colonial powers ruling the peoples of the Global South, while the USSR often supported anti-colonial

struggles. This especially resonates in South Africa, whose apartheid policies the U.S. and U.K. were the world's last major countries to break with, whereas the USSR long supported the anti-apartheid struggle.

There are multiple – and obvious – problems with this. Russia is not the USSR. In fact, many African National Congress (ANC) leaders were trained in Ukraine when it was part of the Soviet Union. Russia has a long history as a colonising power and is engaged today in a 19th-century-style colonial reconquest of its former Ukrainian colony. So “anti-colonial” consciousness could well lead to sympathy for Ukrainians. And the numbers don't add up: 140 countries voted to condemn the Russian invasion, the vast majority of them in the Global South, while only five voted against.

Furthermore, the argument that Western hypocrisy is the reason for the ambivalent stance of some governments in the South is problematic. Many of these governments are violently oppressive and care neither about Western hypocrisy nor alleged “principles.” In fact, some of the very beneficiaries of this Western hypocrisy – Modi's India, Israel, Saudi Arabia, Ethiopia – are among those that either abstained, rejected sanctions or carried out actions that otherwise benefited Russia.

But there is a more fundamental problem here: the conflation of ruling elites and governments with their peoples – that is, the assumption that people being exploited, oppressed or even gunned down have the same opinions as their oppressors, indeed that their

oppressors' votes and policies reflect their views at all.

There are several challenges involved with determining the opinions of ordinary people rather than their governments. First, it is likely that the hundreds of millions of extremely poor people throughout the Global South are more concerned with daily survival than having any view on a European war. While this means they may have little specific sympathy for Ukraine, they are unlikely for the same reason to be supporters of their governments' pro-Russian stance, either.

Secondly, “public opinion” tends to be manufactured by the elites in control of major media, so a degree of “support” for government positions may reflect this fact, rather than the policies of ruling elites reflecting anti-colonial memories of the masses.

Thirdly, however, the majority of surveys of popular opinion in the Global South do not appear to bear out this narrative in any case. Rather, they tend to show strong support for Ukraine.

While one cannot vouch for the absolute validity of surveys of mere thousands in countries of millions, they are what we have, and their largely similar results suggest a disconnect between the positions of a number of Global South elites and significant sections of their populations. Tentative evidence from these surveys, despite these caveats, suggests that we need better explanations for the neutralist positions of many Global South elites than the assumption that they reflect their “anti-imperialist” populaces.

What stands out about the major states that either abstained on

condemning Russia or formally voted to condemn, but were in other respects pro-Russian in practice, is their “sub-imperial” nature. The South African researcher Patrick Bond, the Brazilian researcher Ana Garcia and the Portuguese researcher Miguel Borba describe “sub-imperial” powers as “featuring the super-exploitation of their working classes, predatory relations regarding their hinterlands, and collaboration (although tensioned) with imperialism.” By attempting to carve out their own regional spheres of influence, their collaboration with global imperialist powers is also punctuated by bouts of competition, which the late Brazilian economist and sociologist Ruy Mauro Marini called “antagonistic cooperation.” Becoming partial competitors with global imperialist powers does not make these states “anti-imperialist”; on the contrary, as Bond, Garcia and Borba argue, they aspire “to follow Western expansionary precedents, using instruments of (corporate-oriented) multilateral power.”

Their views, votes and actions are thus a reflection of the interests of the elites of these medium-scale powers, rather than any reflection of popular anti-colonial consciousness. Their “multilateralism” reflects their geopolitical positioning – their global bargaining – among American, European, Russian and Chinese imperialisms, taking advantage of the current global conflict over Ukraine to assert their own sub-imperial interests, oppressive rule over internal colonies and regional influence and conquests.

While 140 members of the U.N. General Assembly voted both to condemn

the Russian invasion in March 2022 and later to condemn Russia’s annexation of a fifth of Ukraine, five opposed both resolutions and 35 abstained on both. Therefore, even at a government level, the overwhelming majority of nations of the Global South voted to condemn.

Yes, one-third of African countries abstained, but 60% voted to condemn. And while 43 African heads of state had attended the last Russia-Africa summit in 2019, only 17 attended the summit just held in July – and they essentially told Putin to end the war and warned of the dire consequences for African food security of Russia’s abandonment of the deal that allowed Ukraine to export its grain.

Like most myths, these assertions are based on bits and pieces of half-truths. Since most of the 30 or so nations of the Global North voted to condemn Russia’s invasion, all abstentions were from the Global South, even if they were vastly outnumbered by condemnations from Global South countries. Of the five that voted against the condemnation, Russia and Belarus are “white” Global North countries, while three are from the Global South: Bashar al-Assad’s murderous dictatorship in Syria; North Korea’s deranged police state; the highly repressive Eritrean dictatorship (the first time); and Daniel Ortega’s authoritarian regime in Nicaragua (the second time). In the February 2023 vote to again condemn the invasion on its anniversary, they were joined by the Wagner Group-backed Malian dictatorship.

But countries vote for different reasons. While some larger states

abstained because of sympathy with Moscow or a desire to project their sub-imperial power globally, many poor countries abstained for economic reasons, fearing that a vote to condemn might affect important economic links with Russia. Others, such as Syria, Mali and the Central African Republic, are more like Russian subsidiaries or quasi-colonies under forms of semi-militarised occupation.

The other kernel of truth is that only Western countries have sent arms to Ukraine and activated economic sanctions on Russia. But this is hardly surprising: The world's major arms suppliers are richer countries, and only they can afford the pain of sanctions on a large country such as Russia. For poorer countries, imposing sanctions could mean significant pain, given Russia's importance in global food, fertiliser and energy markets. And the Ukraine war is in Europe, so it is logical that European nations have more of a direct stake, just as African nations all opposed apartheid and Arab states give official support to Palestine.

With the exception of Turkey, no U.S. allies in the Middle East have supplied arms to Ukraine or imposed sanctions on Russia. After the West imposed oil sanctions on Russia, the U.S. pushed Gulf states to increase their oil supply to reduce global prices. In July, the Saudis responded by leading OPEC into cutting oil production by 2 million barrels a day, to their own, and Russia's, benefit. The final snub to the U.S. was Saudi Crown Prince Mohammed bin Salman's lavish December welcome to China's Xi Jinping; the two signed a "strategic partnership." The Sisi

dictatorship in Egypt began construction of Egypt's first nuclear power plant by Russia in July 2022.

Israel's far-right then-prime minister, Naftali Bennett, was the first world leader to visit Putin after the invasion. Following U.S. pressure, the centrist Israeli Foreign Minister Yair Lapid issued an official condemnation, but Bennett demanded that his ministers say nothing, blocked other countries from sending Israeli-made arms to Ukraine and prevented provision of Israeli "Iron Dome" missile-shield technology to Ukraine. When then-opposition leader Benjamin Netanyahu, who had long cultivated close ties with Putin, was reelected in December 2022, his new government's first statement promised to "speak less" about Ukraine.

These are not poor countries lacking bargaining power, but Israel, Saudi Arabia and the United Arab Emirates are not usually considered an anti-imperialist vanguard. When we add other countries with far-right rulers – Putin's ally Viktor Orban in Hungary, Modi in India and Bolsonaro in Brazil, allied with both the U.S. and Russia – the problems with the "anti-imperialist" explanation for softness on Russia are even more apparent.

What is the evidence of any correspondence between the policies of these powerful Global South governments and the "anti-colonial" views of their people, which are allegedly expressed via supporting Russia's (colonial) invasion of Ukraine?

South Africa is a revealing case. In fact, given South Africa's participation in naval drills with Russia and China in February, "all pretense of neutrality has been shed,"

said the South African journalist Redi Thlabi on a [recent episode](#) of the *New Lines* podcast The Lede.

In explaining South Africa's U.N. votes, most reports point to the "traditional ties" between the ANC, which led the fight against apartheid, and the Soviet Union, which supported their struggle. Perhaps the government's vote reflects a popular love for Moscow because of this history? According to Thlabi, even if South Africa were truly neutral, this cannot be justified by anti-apartheid history because, like apartheid, one country invading another is a question of principle, and back then South Africa "needed other nations to support our fight against apartheid" rather than hide behind "neutrality."

Moreover, according to a Gallup survey of Africans in 24 countries conducted in 2021 (before the invasion), only 30% of South Africans had a positive view of Russia, the second-lowest rate on the continent. Indeed, the countries where people recorded relatively low support for Russia's leadership (30%-41%) were mostly in the southern African region – Tanzania, Zimbabwe, Namibia and Mozambique – abstaining countries ruled by governments associated with Soviet-backed anti-colonial struggles in the 1970s and 1980s, connected to the anti-apartheid movement. Hence, in the countries where we would expect to see the highest support for Russia based on this "anti-colonial" narrative, we actually see the lowest.

Bear in mind that these were 2021 figures; drastic drops in support for Russia have been recorded everywhere in the world since February 2022. Also worth

noting is that, while approval of the Russian government was on average higher in Africa (42%) than globally (33%), this was nevertheless lower than approval ratings for the U.S. (60%), China (52%) and Germany (49%). Also notable is that the 42% average approval for Russia in 2021 was down from 57% in 2011, in the decade when Russia's global imperialist adventures became more pronounced. The 2022 invasion will not have helped.

Note also that, despite the higher African average, 30% approval in South Africa was below the 33% global average.

Thus, far from representing popular pro-Moscow sentiment, it would seem safer to suggest that the ANC government's vote represents the global positioning of the sub-imperialist BRICS ruling elite. The working classes and the poor throughout the southern African cone, where governing parties are close to Russia, are brutally exploited by the ruling elites that arose out of the ANC: the Zimbabwe African National Union – Patriotic Front, FRELIMO (Mozambique's ruling party), SWAPO (Namibia's governing party) and the Popular Movement for the Liberation of Angola. In fact, South Africa is the most unequal country on Earth, based on 2023 Gini Index rankings, while Namibia, Mozambique, Angola and Zimbabwe are all among the top 15 most unequal (BRICS partner Brazil is ninth).

It is therefore hardly surprising that many people in these countries share precious little in terms of outlook with the sub-imperialist South African or neighboring neocolonial regimes tied to Russian, Chinese or Western imperialism.

BRICS+ Hype, Hope and Helplessness

Even if one doubts the survey results, why the marked difference with the higher approval rating – between 50% and 70% – for the Russian leadership in West Africa? Russia allegedly gained support there by moving in recent years to oust France from its dominant role, especially in the “War on Terror.” Did the abstention of several West African countries – Mali, the Central African Republic, Guinea and Togo – represent a surge of support for Russia? And, even if so, does this reflect anti-colonialism?

The problem with one imperialist country replacing another is that the initial welcome can turn sour once the new power asserts itself. This being a 2021 survey, one must take into account the global crash in pro-Russia sympathy following the invasion of Ukraine and, in the cases of Mali and the Central African Republic, also how the Russian-backed rulers revealed their brutal fangs in 2022.

In November 2022, the “All Eyes on Wagner” group linked the Russian Wagner paramilitaries in Mali to 23 incidents of human rights abuse since the 2020 coup. This peaked in March 2022, when the Malian military and Wagner executed some 300 civilians in the town of Moura. Similarly, in the Central African Republic, Wagner mercenaries have abducted, tortured and killed people on an “unabated and unpunished” basis, according to a U.N. report, which claimed a Wagner-linked Russian company “secured gold and diamond mining licenses.” Once again, brutality peaked in March 2022, when Wagner massacred more than 100 gold miners from Sudan,

Chad, Niger and the Central African Republic.

Wagner began operating in Africa in 2017, invited by Sudan’s then-dictator Omar al-Bashir and gaining its first gold-mining concession. Russia’s need for gold surged following its Ukraine invasion and sanctions.

Do the communities to which these murdered villagers and miners belong see themselves as part of a pro-Russian Global South uniformly behind the U.N. abstentions of Mali, the Central African Republic and Sudan? Or are these votes better explained as representing the interests of these violent Russian-backed neocolonial rulers?

Another abstaining government was Ethiopia, whose recent two-year war against its Tigray region killed some 600,000 people. Is its abstention a voice “against Western hypocrisy,” despite strong U.S. support for the government? Did Tigrayans get a vote? Eritrea, which joined Ethiopia’s war on Tigray, was the only African state to vote with Moscow in the U.N. Given past Soviet support to the Ethiopian Derg’s brutal war against Eritrean independence, this vote cannot be explained by anti-colonial memories. Isaias Afwerki’s Eritrean dictatorship was accused in a 2021 Human Rights Watch report of “subjecting its population to widespread forced labour and conscription, with no legislature, no independent civil society organisations or media outlets, and no independent judiciary.”

Moving on to Brazil, both the previous, far-right Bolsonaro administration and the current left-of-center government of

President Luiz Inacio Lula have been partial to Russia's viewpoint. Bolsonaro saw Putin (and Trump) as an ideological ally. On the eve of Russia's invasion, he turned up in Moscow to declare "deep solidarity" with Russia. While his government formally voted to condemn the invasion, Bolsonaro blasted that stand, claiming that Ukrainians "trusted a comedian with the fate of a nation." Brazil later abstained in the U.N. Security Council from condemning the annexations in eastern Ukraine. Meanwhile, trade between Brazil and Russia ballooned. While Lula criticised Russia's invasion, he claimed Ukraine was "as responsible" as Russia for the war.

Yet, according to a survey conducted by Morning Consult, "the share of Brazilian adults with a favorable view of Russia plunged from 38% to 13%" since the invasion of Ukraine, "while the share with an unfavorable view surged from 28% to 59%." Meanwhile, 62% of Brazilians say they side with Ukraine, compared with only 6% who side with Russia. This suggests quite the opposite of "pressure from the anti-imperialist masses."

Notably, while several Latin American countries with leftist governments had abstained in U.N. votes, others – Chile, Mexico and Colombia – voted to condemn along with the overwhelming majority. On the occasion of the July 18 summit of the European Union and the Community of Latin American and Caribbean States in Brussels, Chile's leftist president, Gabriel Boric, condemned Russia's invasion as "an unacceptable imperialist war of aggression that violates international law." The proposed resolution on Ukraine was

watered down to reach consensus with ambivalent governments but nevertheless expressed "deep concern on the ongoing war against Ukraine, which continues to cause immense human suffering," with only Nicaragua dissenting.

India's U.N. abstentions represent a mix of traditional Russia-India ties; playing Russia off against China, which India sees as its main rival; and the global positioning of a BRICS sub-imperialist elite. In addition, as with Bolsonaro, the alliance with far-right Putinism is deeply ideological for Modi's Hindu-supremacist ruling party, the Bharatiya Janata Party.

Shortly after the invasion began, members of the Indian extreme-right organisation Hindu Sena demonstrated in support of Putin and his war. Hindu Sena President Vishnu Gupta advocated that India put "boots on the ground" to support Russia. The far-right concept of Akhand Bharat, which envisions the entire subcontinent from Afghanistan to Myanmar as part of an "undivided" nation with India at its core, is reminiscent of Russian ultranationalist views pushed by ideologues such as Alexander Dugin and taken up by Putin, holding that former parts of the Russian Empire belong to Russia. Dubbed "Putin's brain" after Russia's 2014 invasion of Crimea, Dugin is an influential Russian philosopher who champions Russian imperial conquest in the name of what he calls "neo-Eurasianism."

Modi, who was involved in the anti-Muslim pogrom in Gujarat in 2002, heads a deeply chauvinistic regime in a country where the number of billionaires blossoms next to the greatest number of absolute

poor on Earth. Is it really likely that the hundreds of millions of socially and economically oppressed and marginalised women, Dalits and minorities hold the same pro-Putin views as Modi's regime or that these views "reflect" anti-colonial memories from the struggle against Britain?

The value of small surveys is questionable in such a large and diverse country, but from what we have, an Ipsos poll in May 2022 found that, while 6 in 10 Indians supported maintaining relations with Russia and opposed sanctions, 77% believed that sanctions imposed by others were "an effective tactic for stopping the war," while 70% believed "doing nothing will embolden Russia" to extend the war elsewhere. In a Blackbox Research survey in March, only 4% of Indian respondents had a positive image of Moscow, 60% blamed Russia for the conflict and 91% sympathised with Ukraine.

At face value, this suggests at the very least that Indian respondents were more sympathetic to Ukraine than the BJP regime is. Interestingly, support for Russia seems stronger on social media, likely representing upper-middle-class views. Among the justifications expressed, however, "anti-colonialism" does not get a mention; rather, it is all about "historic India-Russia ties," Russia being India's major arms supplier, and stopping Russia from bending too far toward China. But the advanced weaponry that India buys from Russia is not intended for fighting the ghost of British colonialism. It more likely targets the occupied Kashmiris or helps build the arsenal of its anti-China "Quad" alliance with the U.S., Australia and Japan.

With China's population of 1.4 billion, again a survey of relatively small numbers of people cannot tell us much, and the almost total Chinese Communist Party monopoly on media (including social media) makes discerning popular views even more difficult. Still, the Blackbox survey cited above found that a mere 8% of Chinese respondents had a positive image of Moscow and 71% sympathised with Ukraine, while only 10% blamed Russia for the conflict. What to make of this contradiction is unclear, but we can state some general points.

First, is it logical to assume that the colonised Tibetan masses or the Muslim Uyghur population of Xinjiang – where 1 million people are subject to forced assimilation – hold similar views to the Han-chauvinist regime? In a country that boasts over 900 billionaires, how likely is it that the brutally exploited "floating population" of migrant workers – one-fifth of the population, upon whose backs China's "miracle" was built – would tend to agree with their exploiters? Or that the government's policies would "reflect" their "anti-imperialist" views?

Secondly, China's policy of abstaining in U.N. votes while stressing that "the sovereignty and territorial integrity of all countries, including Ukraine, must be respected," is better explained as reflecting the policy of an assertive new imperialist power than as some kind of "anti-imperialist" consciousness of "a fifth of the world's population." In his first post-pandemic trip abroad to Kazakhstan – a former Soviet republic with a large Russian minority – Chinese leader Xi offered strong support to Kazakhstan's

“independence, sovereignty and territorial integrity.” Russia is both an imperial ally and rival, and China prefers it as a vassal rather than an equal – which Putin has all but guaranteed with his Ukraine quagmire.

Xi’s lavish state visit to Saudi Arabia in December 2022, which involved the two countries forging a strategic partnership agreement and Chinese and Saudi firms signing 34 investment deals, was a major move into traditional American and Russian territory. Meanwhile, with Putin’s invasion torpedoing Nord Stream and the strong Russian-German economic relationship, Germany opened the way for a major Chinese shipping group to buy a large stake in the strategic port of Hamburg.

Global surveys tend to back up the findings of national and supranational surveys. An Open Society survey carried out among 21,000 people in 22 countries, most in the Global South, found “strong and widespread support” for the view that peace requires Russia to “withdraw from all parts of Ukrainian territory.” The only exceptions were Senegal (46%), India (44%), Indonesia (30%) and Serbia (12%). The populations most strongly supporting this view included Kenya (81%), Nigeria (71%), Brazil (68%) and Colombia (67%), all higher than in the U.S., Japan, France and Germany. Conspicuously absent was any difference along general Global North/Global South lines.

A partial contrast was provided by an Ipsos survey of 19,000 people in 27 countries, but this focused on questions related to their country imposing sanctions or getting involved militarily. It is

therefore not surprising that the higher levels of support were in Europe, as discussed above. However, the countries where the largest numbers were against any kind of “action” or “interference” included Hungary, Israel, Saudi Arabia and Turkey – hardly a typical list representing Global South “anti-imperialism.”

While these surveys of thousands in populations of millions require a cautious approach, without better data we can tentatively say that none suggests any groundswell of support for Russia or its invasion in the Global South, but rather the contrary. This is despite the tendency of “public opinion” to be defined by elites anyway. The fact that surveyed majorities appear to be more sympathetic to Ukraine than their governments are suggests quite a conscious view among many in the Global South. Again, a reasonable objection is that millions desperately concerned with daily survival are likely to have no opinion on a European war, but this offers even less support to the contention that the views and votes of these governments “reflect” any opinions among their populations.

I therefore return to an explanation that relies not on equating oppressive ruling elites with their populations but rather on the interests of these elites themselves: the sub-imperial nature of the relatively powerful states leading the abstention or otherwise ambivalent faction, whose actions reflect their geopolitical positioning among American, European, Russian and Chinese imperialisms, and who have used the crisis of this global conflict to improve their bargaining positions.

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While this is by no means the final word on the causes of the effective neutrality or pro-Russian orientation of various ruling classes and governments in the Global South, it is more grounded in empirical reality than the narrative according to which these governments merely reflect a popular anti-colonial groupthink in the Global South, translated into support for a white, European colonial project (Russian imperial conquest).

BRICS is in the process of expanding, with a range of countries including Algeria, Argentina, Bangladesh, Egypt, Ethiopia, Indonesia, Iran, Mexico, Nigeria, Turkey, Saudi Arabia and the UAE interested in joining. Some of these applications might be discussed at the upcoming summit in Johannesburg. While there are no formal membership criteria, countries with large populations or economies appear to be the norm for the bloc, making it an alternative to the domination of the world economy by the G7 (the world's seven richest economies).

The BRICS Development Bank sees itself as an alternative to the Western-dominated International Monetary Fund and World Bank, and focuses on infrastructure lending. Some non-BRICS members, such as Egypt and the UAE, have already bought shares in it. Right now, BRICS states are attempting to undermine the dollar's global dominance by trading with one another in nondollar denominations. Whether much will come of this is unclear, but reducing the global dominance of one set of countries and institutions is a desirable goal.

But it is a mistake to confuse this with the idea that the ruling elites of the sub-imperial BRICS countries represent the entire Global South, let alone its billions of people. In itself, BRICS represents a layer between the G7 and the rest of the Global South, and has its own interests – which can conflict with both. Indeed, China's rise is so much more spectacular than that of any other BRICS states that it threatens to turn BRICS into a support club for a new world power. Meanwhile, Russia's repudiation of the grain deal and its attacks on Ukrainian ports are a grave threat to the welfare of the millions of people in the Global South who rely on Ukrainian food exports.

This all reinforces the argument that the neutral or ambivalent stances of the BRICS countries (and similar large states) toward Russia's war against Ukraine represent the interests of these emerging powerful elites themselves, rather than those of the billions of people in the Global South.

A plea to my western progressive friends: Stop helping Putin with your conciliatory and ambiguous statements

Boris Kagarlitsky

[Russian Dissent](#), May 2023

A long-retired Russian military man was discussing current events by phone with a former colleague living in Ukraine. Both resented the war between the two recently fraternal countries and expressed the hope that this madness would soon end. A few days later, representatives of the special services raided the Russian. He did not give out any military secrets, and no one accused him of this. He was charged, however, with publicly discrediting the Armed Forces of the Russian Federation. In turn, the former officer, who knew the laws, objected that the conversation had been a private one. And such a charge was meant to apply to public statements only. “But it was public,” objected the intelligence officers. “After all, we heard it!”

This is not a fragment from a story written by a modern imitator of Franz Kafka or George Orwell, but news that is now being discussed on Russian social networks. There you can also find numerous reports of fines imposed on people who had inadvertently painted their fence yellow and blue many years ago, now risking undesirable associations with the Ukrainian flag, or who thoughtlessly went out into the street in blue jeans and a yellow jacket. It got to the point that the police considered writing a denunciation on a box of apples.

The fruits were guilty of the fact that the same “enemy colors” were present in the package.

Perhaps Western readers may find all these episodes ridiculous. But try to imagine what it is like to live in a state where you can be detained and prosecuted for wearing the wrong clothes, for liking a “seditious” post on social networks, or simply because the incoming police chief did not like your appearance. As a matter of principle, Russian courts do not pass down acquittals (in this regard, the situation is much worse than in Stalin’s time), so any accusation, even the most absurd, is considered proven as soon as it is brought. And this applies not only to political matters, which would be at least somewhat understandable in a war, but in general to any criminal or administrative case.

To my Western colleagues, who, after more than a year since the beginning of the war, continue to call for an understanding of Putin and his regime, I would like to ask a very simple question. Do you want to live in a country where there is no free press or independent courts? In a country where the police have the right to break into your house without a warrant? In a country where museum buildings and collections formed over decades are handed over to churches, heedless of the threat of losing unique artifacts? In a country where schools drift away from the study of science and plan to abolish the teaching of foreign languages, but conduct “lessons about the important,” during which children are taught to write denunciations and are taught to hate all other peoples? In a country which every day broadcasts

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appeals on TV to destroy Paris, London, Warsaw, with a nuclear strike?

I don't think you really want to.

We in Russia also do not want to live like this.

We resist or at least try to preserve our beliefs and principles based on the humanistic tradition of Russian culture. And when we read on the Internet about another call to "understand Putin" or "to meet him halfway," this is perceived inside Russia as complicity with criminals who oppress and ruin our own country.

Such appeals are based on a deep, almost racist contempt for the people of Russia, for whom, according to Western liberal pacifists, it is perfectly natural and acceptable to live under the rule of a corrupt dictatorship.

Of course, when someone tells you that the Putin regime is a threat to the West or to the whole of humanity, this is complete nonsense. The people to whom this regime poses the most terrible threat is (aside from the Ukrainians, who are bombarded daily by shells and missiles) the Russians themselves, their people and culture, their future.

It is clear that Putin and the system he leads have changed over the past few years; these same people in the mid-2010s could look quite decent compared to other world politicians. Certainly, they pursued the same antisocial policy, lied the same way, tried to manipulate public opinion just like their Western counterparts. But the crisis that has been going on for the past three years, the war and total corruption, have led to irreversible shifts, in which the preservation of the existing political

regime turned out to be incompatible not only with human rights and democratic freedoms, but simply with the elementary preservation of the rules of modern civilised existence for the majority of the population.

We must deal with this problem ourselves. How quickly this will happen, how many trials will come along the way, how many more people will suffer, no one can know. But we know exactly what will occur. The decay of the regime will inevitably lead the country to revolutionary changes, which the supporters of the existing government will write about with horror.

And from the Western progressive public, we only need one thing – stop helping Putin with your conciliatory and ambiguous statements. The more often such statements are made, the greater will be the confidence of officials, deputies and policemen that the current order can continue to exist with the silent support or hypocritical grumbling of the West. Every conciliatory statement made by liberal intellectuals in America results in more arrests, fines, and searches of democratic activists and just plain people here in Russia.

We do not need any favour but a very simple one: an understanding of the reality that has developed in Russia today. Stop identifying Putin and his gang with Russia. Realise at last: those who want the good of Russia and the Russians cannot but be irreconcilable enemies of this power.

The split of the elites and the question of expectations

Ilya Matveev

[Ridl](#), 27 June 2023

When Russian troops invaded Ukraine, anti-war protests started all over Russia, but they did not achieve their goal: the number of protesters proved relatively small, and the police cracked down on the protest movement with ease.

Nevertheless, many commentators switched to another possible scenario heralding the end to the war and political change in Russia: a split within the elites.

It seemed that the political and economic elites, for whom the war came as a profound shock (of which we have plenty of indications), would close their ranks against Putin, especially in the face of military defeats. A week after the start of the invasion, opposition politician Dmitry Gudkov [argued](#): “We are going to see a split in the elites in the nearest future.” Leonid Volkov, a member of Navalny’s team, [echoed](#) Gudkov’s prediction: “Putin will lose power because of the conflicts in his entourage.” The “schism of the elites” quickly became a catchphrase, a cliché of sorts.

And just like any other cliché, the “schism of the elites” has taken on a life of its own. For the authorities, it [has become](#) a part and parcel of the paranoid rhetoric that feeds on the search for internal enemies and also an argument against the possibility of any, however cautious, criticism of the unfolding events. In the words of Vyacheslav Volodin, chairman of the State Duma, “our country has never been defeated by external

challenges. All its problems have been caused by treason and a split in the elites.”

Intelligence representative of the Ministry of Defense of Ukraine Andriy Chernyak [said](#): “[Th]e split within the so-called Kremlin elites is not a scenario, but *a fait accompli*”, although “the depth of this split and the readiness of certain groups to act” are still in question.

Drawing on their own anonymous sources in the Kremlin Western journalists have enthusiastically [joined](#) the search for the traces of a split within the elites, this “mythical beast,” as the late political strategist Gleb Pavlovsky [put it](#).

Why the hopes for an elite split?

The infamous February 21, 2022 [Security Council meeting](#), which served as a prologue to the war, clearly demonstrated just how utterly alone Putin was: Security Council members were tongue-tied, some tried timidly to point out the remaining diplomatic options, while Putin responded stiffly and derisively, apparently not too mindful of what his entourage thought or had to say. Subsequent journalistic investigations revealed that even the most senior officials [had not been aware](#) of Putin’s plans to launch the military operation.

Hardly many members of the Russian elite benefited from the full-scale war against Ukraine that began on February 24, 2022, but it is easy to identify those who suffered from it. The very mechanism of converting the proceeds of corruption into foreign assets, which for decades had been an integral and vital part of the Russian state apparatus, came under

a blow. People were losing money and their real estate, as well as the very possibility to travel to the West and be there. For Russia's big business, the economic measures applied by the "unfriendly countries" against Russia also spelled the collapse of their long-standing strategy of internationalisation and integration into the global economy. In return, Putin could only offer patriotic speeches, the preservation of "feeding troughs" inside the country (which, however, were replenished from the assets of the now defunct Western companies), and cooperation with "friendly" countries that was rather dubious in terms of benefits. Moreover, because of the decline in exports, especially in the second year of the war, the total volume of resources available for corrupt looting also began to dwindle.

As time went on, the stakes grew: the more war crimes the Russian army committed, the clearer it became that not only is the war fraught with economic losses, but also with a non-small chance of ending up in the dock at the Hague. Why do not the Russian elites unite against Putin, if the carnage he unleashed was so unprofitable and dangerous for the ruling class? After all, [the 101 of political science](#) teaches us that it is easier for small groups (in this case, the Russian elites) to coordinate and engage in a collective action than it is for larger groups (the population) to do so.

However, we did not get to see that happen in the last 15 months of the war. Representatives of the elite share their fears and anxieties mostly [anonymously](#) but occasionally also publicly as did

Mikhail Zadornov, chairman of the board of directors of Bank *Otkrytie* Financial Corporation. He [noted](#): "With sarcastic joy our TV programs report that the Europeans are freezing. I don't quite see what is here to be so cheerful about. In fact, we're losing markets that we've been building since the Soviet times. It took the last 50 years to build a market and the economic ties that are now in shambles and will be lost to us for several decades to come. Today we have lost these markets." Obviously, many people agree with Zadornov's point, but no one does anything about it.

Is the elite split possible or not?

Let us now turn to Henry Hale's [book](#) *Patronal Politics: Eurasian Regime Dynamics in Comparative Perspective* (2014). Hale is an American political scientist and his *Patronal Politics* is currently the most detailed study of "color revolutions" and regime transformations in the post-Soviet space that we have. He points out that the notorious split within the elites was the trigger behind virtually every single "color revolution" across the post-Soviet space.

Many post-Soviet regimes, Hale notes, had a powerful repressive apparatus at their disposal, met with little serious resistance on the part of the population and looked stable, that is, until they suddenly collapsed. This happened when two factors converged: on the one hand, the leaders of such regimes lost popularity and became "lame ducks," and on the other, they simultaneously faced the near end of the last constitutionally proscribed term in office. That prompted the

question of some form of transition of power (for example, an appointment of a successor), but this question itself generated uncertainty, which contributed to the emergence of alternative centers of power (especially during the elections). As the elites were unwilling to "put all their eggs in one basket," support for the unpopular incumbent (the incumbent leader) dwindled and the number of defectors to the enemy camp increased, and, as a result, power shifted to somebody else's hands. In this scheme elections are important not as the expression of the will of the people, but as an event around which the expectations of the elites crystallise and around which they coordinate their actions.

Putin seems to understand this logic perfectly well, which is why he launched preparations for the transit of power well in advance, back in 2020. The main purpose of "zeroing" (resetting presidential terms proscribed by the constitution, which allow Putin to run for presidency twice more in his lifetime) was to convey the message to the elites that any intrigue or uncertainty of the 2024 elections was completely out of question. After Putin comes Putin and no one else but him. That enabled him to avoid the moment of vulnerability produced by the appointment of a successor or by the creation of two centers of power à la Kazakh pattern. Parenthetically, subsequent defeat of Nazarbayev clan in Kazakhstan showed that Putin's decision was prescient.

Recently Putin once again reminded those willing to listen that he was not

going anywhere and that the 2024 elections are meant to be nothing more than a plebiscite, for people to yet again express their support of him. During his visit to Moscow, Chinese leader Xi Jinping [said](#): "I know that next year there will be another presidential elections in your country. Thanks to your strong leadership in recent years, Russia has made significant progress in achieving prosperity for the country. I am confident that the Russian people will strongly support you in your good deeds." This unequivocal expression of willingness to continue working with Putin was obviously part of Putin's behind-the-scenes agreements with the Chinese side. This position of Russia's main ally as of today is meant to emphasise once again to all the naysayers: Putin is not a "lame duck" and he is here to stay: he is not going anywhere. What's more, Putin's regime, whatever difficulties it may be facing in Ukraine, will have the support of China, which needs Russia on its side in its own increasingly acute conflict with the West.

The problem, then, is not just the Russian elite's fear of Putin (though decades of negative selection have indeed left only cowardly conformists in his entourage). After all, the heads of the security apparatus are just as conformist. If Putin's position were to weaken suddenly and dramatically, they could as easily swap sides and join his enemies instead of punishing them.

The problem is the lack of a focal event around which the expectations of the elites would crystallise and in connection with which the elites could split. The 2024 elections will not be such an event: Putin

has taken care of that. But it could be a series of severe defeats suffered by the Russian army. This would ultimately undo and devalue all the sacrifices the elite has made since February 24, 2022, and could serve as a call to action. Based on Hale's theory, the main issue is the *expectations* harbored by the elites: the regime is only stable as long as the elites are convinced that no one in their ranks will dare to oppose the leader. The defeat of the Russian army could become a game-changing event that shifts these expectations.

The elites' calculation of the benefits and risks of their inaction is also shaped by Western sanctions. So far, Western countries have not made full use of personal sanctions as an instrument of pressure on the elites loyal to the regime. Thus, there are currently about 1,500 people under sanctions, although Alexei Navalny's Anti-Corruption Foundation proposed a much longer list that includes 7,000 names. In addition, Western countries have frozen only a small fraction of the assets held by the members of the Russian elite. Finally, there is currently no guideline or procedure that would allow someone to have his or her name removed from the sanctions list and have personal sanctions lifted in exchange for a loud and clear public condemnation of the Russian aggression against Ukraine and disassociation from the Kremlin. It means that the sanctions offer the elites no incentive to change their behaviour. At the same time, if all these conditions are met, the elites' assessment of the

benefits and costs of inaction could change.

Prigozhin's mutiny and the fragility of power

Some analysts [refer](#) to the disagreements in and around the Kremlin as the "split of the elites": the emergence of a pole of realists who believe that it is time to turn to defense, and a pole of those advocating escalation and insisting on an all-out war till the bitter, or not so bitter, end. Strictly speaking, different opinions in elite circles are not yet a sign of their fragmentation, but as it has now become clear, they can provoke considerable instability.

Previously, [political analysts noted](#) that conflicts like the loud and public confrontation between Prigozhin and the Defense Ministry are not only not dangerous, but also in some ways beneficial to Putin and even encouraged by him, because only he can act as an arbiter in them, which only goes to prove how irreplaceable for the system he is. In addition, such squabbles prevent any of the sides from becoming too strong, precluding any potential challenge to Putin's power from arising. "Divide and rule" is a principle as old as tyranny itself, but no less effective for that.

However, Prigozhin's mutiny has demonstrated that the principle of "divide and rule" has a flip side to it as well. In a situation of mutual distrust and lack of institutional control, one of the players that feels threatened can become a loose canon. This, in turn, may trigger the whole process described by Hale: depending

on the course of the mutiny and Putin's reaction, the elite's expectations change.

Despite the fact that Prigozhin's armed uprising was brought under control and aborted within 24 hours, the elite could not but draw conclusions from what they have just witnessed: Prigozhin aggressively reprimanding Deputy Defense Minister Yevkurov who entered into negotiations with him instead of court-martialing him immediately together with the rest of the "Wagner"; the heavily armed military vehicles sweeping across the country almost unimpeded and nearly reaching Moscow; Prigozhin emerging from the whole affair almost unscathed, releasing voice message again quite nonchalantly, although this time from Belarus, etc.

Along with the situation on the front and the Western sanctions, the Prigozhin's rebellion is affecting the calculus of elite actors. Putin's vulnerability, however temporary, has become public knowledge and public spectacle. And in Hale's logic, the incumbent's vulnerability is a self-fulfilling prophecy. Thus, we can conclude that Prigozhin's challenge to Putin's power will not be the last one Putin is going to face.

Don't mention the war[s]

Sarah Bracking

The mental acrobatics necessary to fit the Russian invasion of a sovereign post-Soviet state – Ukraine – into a geopolitical narrative of BRICS as the inheritor of the Non-Aligned movement of South-South empowerment and positive multi-polarity should carry a health warning of nauseating cognitive dissonance. Apparently it is NATO expansion and the wrongs of imperialism that provide a spurious moral equivalence: what they can do Russia can do, and no-one should complain if somewhere down the line the Global South gets a bigger voice or a bigger piece of the global investment pie.

The intellectual giants of the Non-Aligned Movement, the Group of 77, the New International Economic Order, and African socialism are turning in their graves at these distortions. Most particularly Frantz Fanon, who said that the first step to freedom was to decolonise the mind. How has that possibly happened when resistance to one unipolar imperialist order is to be replaced by a new club tainted by the blood of a current imperialist? Whatever twists and turns one can try, there is the indisputable fact that Russia invaded Ukraine for the most spurious of reasons. And it wasn't the first time.

Ukraine was first invaded by 'Catherine the Great' in 1783, a bloodthirsty tyrant that Putin adores, and then by some other neighbours until she was carved up by Poland and Russia and made subject to the various empires. Pogroms abounded and invasions by Germans, Poles,

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Russians. A partially-recognised Ukrainian People's Republic emerging in 1917-1921, but the Soviet-Ukrainian War followed and the Bolshevik Red Army retook control in 1919. But Ukrainians did all they could to resist the destruction of their culture and nationhood.

Stalin retaliated with laws that stopped the noisy peasants growing food, yes, growing food – between 3.5 and 7 million people died in the 1930s, lying cold in the streets, in a famine so cruel, man-made and political that making bread was a criminal offense. There was no love for Russian occupation. Ukraine has had the most bloody history of brutality, cruelty and occupation by its neighbours than I have ever come across – I read the [Borderland: A Journey Through the History of Ukraine](#) by Anna Reid and simply cried.

So when the Berlin Wall came down a new post-Soviet future started to form. The Ukrainian Orange Revolution of 2004-05 tried to bring independence from Russia, eventually ending with the election of Yushchenko. There were similar revolutions across other post-Soviet nations breaking away from the old Soviet empire, such as in Georgia (the Rose Revolution of 2003), Kyrgyzstan (Tulip Revolution of 2005), and uprisings in Chechnya.

These revolutions were mostly resisted and sometimes violently suppressed by Putin's Kremlin. There were two wars with Chechnya, with a Russian invasion, and ballistic missile strikes on the capital Grozny in 1999-2000. Georgia was invaded in 2008, and to this day, 20% of its land area is illegally occupied by Russia – the so-called regions of Autonomous Republic

of Abkhazia and the former South Ossetian Autonomous Region of Soviet Georgia. Invading and annexing other people's countries has become a bit of a habit for Putin. Crimea is an internationally recognised, territory of Ukraine, which Russia first invaded in 1771, and invaded most recently in 2014, following the Ukrainian Maidan protests that ousted President Viktor Yanukovich, a friend of Russia.

Efforts to move to a more democratic order in Belarus were also suppressed, with hundreds of thousands of people resisting the brutal rule of Lukashenko, supported by Russia since 1994. The imperialist power that is the Russian state under Putin wants to restore the 'Greater Russia' forged by Catherine the Great, a rough land mass of the old soviet empire, and have a critical influence in a wider area beyond that – witnessed in the 25,000 civilian deaths attributed to Russia's intervention in Syria, including the destruction of Aleppo.

Now I know by now there will be chorus of anger that I am picking on 'poor Russia' when the crimes of American and European imperialism are greater, comparable, or more morally noxious. I could equally have written an essay on the genocides and deaths of slavery and occupation caused by the West and NATO. But my point is only that in a Fanonian sense, South Africa deserves so much better than BRICS.

Why be associated with the modern genocide of the Ukrainians? Why swap one imperialist power with another, when there is a third way to true freedom? What of a truly non-aligned movement

built from the principles of pan-Africanism? In a sleight of hand the interests of the South African people, of Africans, of the Global South are said to be those of the BRICS bloc. Fanon said to decolonise the mind: it is possible to not support a violent superpower at all.



Banksy mural on a building destroyed by shelling in Borodyanka, Ukraine features gymnast, November 2022

Why I crashed the White House Garden Party for Narendra Modi

Basav Sen

[CounterPunch](#), 13 July 2023



On June 22, the White House held a “welcoming ceremony” for visiting Indian Prime Minister Narendra Modi on the South Lawn of the White House, where members of the public could register to attend.

I signed up, along with my friends Keya and Apoorva. Our goal was not to welcome Modi, but rather to be a visible presence as dissenting voices. We wore t-shirts with the hand-painted message “Modi=Fascist” under our outer garments and smuggled in printed signs denouncing the Modi government’s human rights violations and persecution of religious minorities.

An overwhelming majority of the crowd of more than 1,000 were Indian American, and judging by their chants and their visible symbols, many were Modi supporters.

It was an intimidating experience, the enormity of which didn’t hit me until after the adrenaline rush had worn off. We had managed to enter one of the most secure

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places on earth with materials that were expressly forbidden, surrounded by a crowd that included many hostile people.

Why did we take this risk?

One hundred years of Indian fascism

The Bharatiya Janata Party (BJP), Modi's political party, is [closely affiliated](#) with an organisation known as the Rashtriya Swayamsevak Sangh (RSS) that was founded in 1925, and Modi himself is a [long-time RSS member](#).

Given this connection, the history of the RSS is highly relevant to understanding Indian politics today. Early RSS leaders and their mentors had [met with Mussolini](#), praised Hitler in [their writings](#) (which the RSS [distanced itself from](#) only after a gap of almost 70 years), and [made speeches](#) claiming Indian Muslims and German Jews had suspect loyalty to their countries.

This isn't just decades-old history. The ruling BJP government under Modi is faithfully following the RSS agenda.

In the state of Assam, the BJP government stripped [2 million people](#) (disproportionately Muslim or [transgender](#)) of their citizenship and put them in [concentration camps](#). In the Muslim-majority region of Kashmir, the government used [internet shutdowns and extreme state violence](#) to stamp out local demands for self-determination.

It [passed a law](#) that facilitated naturalisation by people from neighboring countries, but explicitly excluded Muslims from eligibility, and accused leaders of the movement against this discriminatory law of "[sedition](#)."

When Indian farmers organised the [largest protest movement in history](#) to

protest unjust farm procurement laws, the government reacted with [violence](#) – and used criminal charges to intimidate [journalists who covered the protests](#) and [youth climate activists](#) organising in solidarity with the farmers.

In a particularly egregious case of the Modi government's war on dissent, [several well-known scholars and activists](#) known for their support for equality for Dalits (the lowest castes in the caste hierarchy) have been accused of plotting to assassinate the Prime Minister. It's very likely that authorities [used malware to plant evidence](#) on the computers of the accused.

In typical fascist fashion, the Modi government doesn't merely carry out its own violent agenda, but tacitly encourages "[stochastic violence](#)" by its base. Examples include the [pattern of sexual violence against Dalit women and girls](#) by upper-caste Hindu perpetrators (who often face no consequences), and attacks on [mosques](#) and [Christian churches](#) by mobs tied to the ruling BJP.

Biden's foreign policy blunder

None of this could possibly be unknown to the Biden administration when they rolled out the red carpet for Modi.

The U.S. government's own [Commission on International Religious Freedom](#) has described religious freedom in India as "taking a drastic turn downward, with national and various state governments tolerating widespread harassment and violence against religious minorities." State Department officials have [faced uncomfortable media](#)

[questions](#) about their position on human rights in India.

The administration has made the political choice to ignore these concerns, motivated by [deference to the business interests of U.S. technology giants](#) like Google, Amazon, and Microsoft, who have extensive operations in India – and seeing India as an ally in Washington’s [geopolitical rivalry with China](#).

It’s an incredibly short-sighted position, and harmful to U.S. interests defined in a more long-term and holistic manner.

The Modi government is deeply polarising, and open U.S. support for it in spite of these human rights concerns will inevitably be perceived in India as the U.S. government taking a side in Indian domestic politics.

If India goes through severe trauma but emerges free of the BJP-RSS tyranny, subsequent Indian governments – and large sections of the Indian public – will have every right to be mistrustful of the United States.

For context, the BJP received only [37 percent of the popular vote](#) in the last general election, which was enough to win a decisive Parliamentary majority in India’s first-past-the-post voting system.

The Biden administration may, in fact, be damaging the prospects of good relations with India in the long-term by openly embracing Modi.

Fascism for export

There are also serious potential domestic repercussions in the U.S. that the Biden administration is wilfully ignoring.

Mussolini had said that fascism was not “[for export](#),” but subsequent events in

Germany, Spain, and elsewhere showed that it was. The present political moment in much of the world has sinister parallels with that dark time.

It’s [widely recognised](#) that [fascist politics](#) is [on the rise](#) in the U.S., posing a [serious threat](#) to the survival of U.S. democracy.

It’s also true that the U.S. far right doesn’t exist in isolation from the global far right. My IPS colleague John Feffer has documented the rise of a very [consciously globally interconnected](#) far right, who lack a formal global alliance but have a remarkable degree of ideological coherence and political coordination.

A few critical details are worth noting. Leading U.S. fascist ideologue Steve Bannon [admires Modi](#) and tried (unsuccessfully) to set up an [Indian offshoot of the U.S. right-wing media platform Breitbart](#) to assist Modi’s election in 2019. Bannon even co-chaired the [Republican Hindu Coalition](#), an Indian-American organisation whose very title betrays its ethnonationalism.

Recently, when the U.S. Supreme Court struck down affirmative action, a [political action committee](#) associated with BJP’s [Sangh Parivar](#) family of organisations [tweeted in support of the decision](#).

By embracing Modi, the Biden administration is effectively lending its support to global far-right forces who have no love for pluralistic democracy in India, the U.S., or anywhere else. It isn’t a stretch to say that these international right-wing forces will collaborate with their U.S. counterparts to undermine democracy here. They’re already doing it.

Room for optimism

Coming back to our protest on the White House lawn, we were pleasantly surprised by the reaction of the crowd. Most people ignored us, and two berated us, with one of them proving our point by calling us “Muslims.” However, six people, five of whom were Indian American, expressed their appreciation for our little show of dissent. We gathered that two of them were required to be there by their employers.

After being escorted out of the White House by the Secret Service, we joined a small but energetic protest against Modi’s visit on Black Lives Matter Plaza, North of the White House.

Speakers addressed the [epidemic of violence against Dalit women and girls](#), the [ongoing state-sponsored pogrom against Indigenous peoples in the state of Manipur](#), and the [overall loss of democratic space](#) in the [world’s most populous country](#).

The concerns raised in the streets were [echoed](#) by [several members](#) of [Congress](#) who [publicly refused](#) to [attend Modi’s speech](#) to a joint session of the House and Senate, citing [human rights concerns](#).

Despite the high-level political support in the U.S. for a close alliance with the Indian government in spite of its anti-democratic record, a growing number of voices within the U.S. are becoming increasingly vocal in their opposition. Continued U.S. support for the murderous Modi regime will become a serious political liability for the U.S. government, including here at home.

Modi’s model is at last revealed for what it is: violent Hindu nationalism underwritten by big business

Arundhati Roy

[The Guardian](#), 18 February 2023

India is under attack by foreign powers. Specifically the United Kingdom and the United States. Or so our government would have us believe. Why? Because former colonialists and neo-imperialists cannot tolerate our prosperity and good fortune. The attack, we are told, is aimed at the political and economic foundations of our young nation.

The covert operatives are the [BBC](#), which in January broadcast a two-part documentary called India: The Modi Question, and a small US firm called Hindenburg Research, owned by 38-year-old Nathan Anderson, which specialises in what is known as activist short-selling.

The BBC-Hindenburg moment has been portrayed by the Indian media as nothing short of an attack on India’s twin towers – [Narendra Modi](#), the prime minister, and India’s biggest industrialist, Gautam Adani, who was, until recently, the world’s third richest man. The charges laid against them aren’t subtle. The BBC film implicates Modi in the abetment of mass murder. The Hindenburg report, published on 24 January, accuses Adani of pulling “the largest con in corporate history” (an allegation that the Adani Group strongly denies).

Modi and Adani have known each other for decades. Things began to look up for them after the 2002 anti-Muslim

pogrom, which raged through Gujarat after Muslims were held responsible for the burning of a railway coach in which 59 Hindu pilgrims were burned alive. Modi had been appointed chief minister of the state only a few months before the massacre.

At the time, much of India recoiled in horror at the open slaughter and mass rape of Muslims that was staged on the streets of Gujarat's towns and villages by vigilante Hindu mobs seeking "revenge". Some old-fashioned members of the Confederation of Indian Industry even made their displeasure with Modi public. Enter Gautam Adani. With a small group of Gujarati industrialists he set up a new platform of businessmen known as the [Resurgent Group of Gujarat](#). They denounced Modi's critics and supported him as he launched a new political career as Hindu Hriday Samrat, the Emperor of Hindu Hearts, or, more accurately, the consolidator of the Hindu vote-bank.

In 2003, they held an investors' summit called Vibrant Gujarat. So was born what is known as the Gujarat model of "development": violent Hindu nationalism underwritten by serious corporate money. In 2014, after three terms as chief minister of Gujarat, Modi was elected prime minister of India. He flew to his swearing-in ceremony in Delhi in a private jet with Adani's name emblazoned across the body of the aircraft. In the nine years of Modi's tenure, Adani's wealth grew from \$8bn to \$137bn. In 2022 alone, he [made \\$72bn](#), which is more than the combined earnings of the world's next nine billionaires put together.

The Adani Group now controls a dozen shipping ports that account for the movement of 30% of India's freight, seven airports that handle 23% of India's airline passengers, and warehouses that collectively hold 30% of India's grain. It owns and operates power plants that are the biggest generators of the country's private electricity. The Gujarat model of development has been [replicated at scale](#).

"First Modi flew in Adani's plane," the bitter joke goes. "Now Adani flies in Modi's plane." And now both planes have developed engine trouble. Can they get out of it by wrapping themselves in the Indian flag?

Episode one of the BBC film *The Modi Question* (I appear briefly in the documentary as an interviewee) is about the 2002 Gujarat pogrom – not just the murdering, but also the 20-year journey that some victims made through India's labyrinthine legal system, keeping the faith, hoping for justice and political accountability. It includes eyewitness testimonies, most poignantly from Imtiyaz Pathan, who lost 10 members of his family in the "Gulbarg Society massacre", which was one of several [similarly gruesome massacres](#) that took place over those few days in Gujarat.

Pathan describes how they were all sheltering in the house of Ehsan Jafri, a former Congress party member of parliament, while the mob gathered outside. He says that Jafri made a final, desperate phone call for help to Narendra Modi, and when he realised no help would come, stepped out of his home and gave himself up to the mob, hoping to persuade them to spare those who had come to him

for protection. Jafri was dismembered and his body burned beyond recognition. And the carnage rolled on for hours.

When the case went to trial, the state of Gujarat contested the fact of the phone call, even though it had been mentioned not just by Pathan but several other witnesses in their testimonies. The contestation was upheld. The BBC film clearly mentions this. Vilified though it has been by the BJP government, the film actually goes out of its way to present the BJP's point of view about the pogrom, as well as that of the Indian supreme court, which on 24 June 2022 dismissed the petition of Zakia Jafri, Ehsan Jafri's widow, in which she alleged there was a larger conspiracy behind the murder of her husband. The order called her petition an "abuse of process", and suggested that those involved in pursuing the case be prosecuted. Modi's supporters celebrated the judgment as the final word on his innocence.

The film also showcases an interview with the home affairs minister, Amit Shah, another old pal of Modi's from Gujarat, who compares Modi to Lord Shiva for having "swallowed poison and held it in his throat" for 19 years. After the supreme court's "clean chit", the minister said: "Truth has come out shining like gold."

The section of the BBC film that the government of India has acted most outraged about was the revelation of an internal report commissioned by the British Foreign Office in April 2002, so far unseen by the public. The fact-finding report estimated that "at least 2,000" people had been murdered. It called the massacre a preplanned pogrom that bore

"all the hallmarks of ethnic cleansing". It said reliable contacts had informed them that the police had been ordered to stand down. The report laid the blame squarely at Modi's door. It was chilling to see the former, but obviously still cautious, British diplomat who was one of the investigators on the fact-finding mission choosing to remain anonymous, with his back to the camera

Episode two of the BBC documentary, less seen but even more frightening, is about the dangerous divisiveness and deep fault lines Modi has cultivated during his tenure as prime minister. For most Indians it's the texture of our daily lives: sword-wielding mobs, saffron-clad god-men routinely calling for the genocide of Muslims and the mass rape of Muslim women, the impunity with which Hindus can lynch Muslims on the street, and not only film themselves while doing it but be [garlanded and congratulated](#) for it by senior ministers in Modi's cabinet.

Though The Modi Question was broadcast exclusively for a British audience, and limited to the UK, it was uploaded by viewers on YouTube and links were posted on Twitter. It lit up the internet. In India, students received warnings not to download and watch it. When they announced collective screenings in some university campuses, the electricity was switched off. In others, police arrived in riot gear to [stop them watching](#). The government instructed YouTube and Twitter to [delete all links and uploads](#). Those sterling defenders of free speech hurried to comply. Some of my Muslim friends were baffled. "Why does he want to ban it? The Gujarat massacre

has always helped him. And we're in an election year."

Then came the attack on the second tower.

The 400-odd-page Hindenburg report was published on the same day the second episode of the BBC film was broadcast. It elaborated on questions that had been raised in the past by Indian journalists, and went much further. It alleges that the Adani Group has been engaged in a "[brazen stock manipulation and accounting fraud scheme](#)", which – through the use of offshore shell entities – artificially overvalued its key listed companies and inflated the net worth of its chairman.

According to the Hindenburg report, seven of Adani's listed companies are overvalued by more than 85%. Based on these valuations, the companies reportedly borrowed billions of dollars on the international markets and from Indian public sector banks [such as the State Bank of India and the Life Insurance Corporation of India](#), where millions of ordinary Indians invest their life savings.

The Adani Group responded to the Hindenburg report with a [413-page rebuttal](#). It claimed the group had been cleared of wrongdoing by Indian courts and that the Hindenburg allegations were malicious, baseless and amounted to an attack on India itself.

This wasn't enough to convince investors. In the market rout that followed the publication of the Hindenburg analysis, the Adani Group lost \$110bn. Credit Suisse, Citigroup and Standard Chartered [stopped accepting Adani bonds as collateral](#) for margin loans. The French

firm TotalEnergies has paused a \$4bn green hydrogen venture with the Adani Group. The Bangladesh government is reportedly seeking a reworking of a power purchase agreement. Jo Johnson, a former minister in the British government, and former prime minister Boris Johnson's brother, [resigned as a director](#) of London-based Elara Capital, one of the companies mentioned in the Hindenburg report as tied to the Adani Group.

The political firestorm caused by the Hindenburg report brought squabbling opposition parties together to demand an investigation by a joint parliamentary committee. The government stonewalled, alarmingly indifferent to the concerns that managers of international finance capital might have about India's regulatory systems. In the continuing budget session of parliament, two opposition party MPs, Mahua Moitra of the All India Trinamool Congress, and Rahul Gandhi of the Indian National Congress, both of whom have raised questions about the [Adani Group](#) years before the Hindenburg report, stood up to speak.

Among the [questions Moitra raised](#) were: how did the home ministry give security clearance to the "A" Group for operating ports and airports while refusing to divulge the identity of one of its shareholders? How did the group amass about \$5bn in foreign portfolio investments from six Mauritius-based funds, all which have the same address and company secretary? On what grounds did the public sector State Bank and the Life Insurance Corporation continue to anchor investments in the group?

For his part, Gandhi [noted](#) the prime minister's travels to Israel, Australia and Bangladesh, and asked: "In how many of these countries that you visited did Adani get a contract?" He listed some of them: a defence contract with Israel, a billion-dollar loan from the State Bank of India for a coalmine in Australia, a 1,500MW electricity project for Bangladesh. Last, and most pertinently, he asked how much money the BJP received from the Adani Group in secret electoral bonds.

This is the nub of it. In 2016, the BJP introduced the scheme of electoral bonds, which allow corporations to be able to fund political parties without their identities being made public. Yes, Gautam Adani is one of the world's richest men; but if you look at its rollout during elections, the BJP is not just [India's, but perhaps even the world's, richest political party](#). Will the old friends ever let us look at their account books? *Are there separate account books?*

Moitra's questions were ignored. Most of Gandhi's were [expunged from parliament records](#). Modi's reply lasted for a full 90 minutes.

He did what he does best – cast himself as a proud Indian, the victim of an international witch-hunt that would never succeed, because he [wore the protective shield](#) made up of the trust of 1.4 billion people that the opposition could never pierce. This figure (a politician's equivalent of inflating the value of his shares) peppered every paragraph of his spongy rhetoric, ridden with derision, barbs and personal insults. Almost every sentence was greeted with desk-thumping from the

BJP benches accompanied by the chant of "Modi! Modi! Modi!"

He said that however much filth was thrown at the lotus – the BJP's election symbol – it would bloom. He never mentioned Adani once. Maybe he believes it's not a debate that should concern his voters because tens of millions of them are unemployed, live in abject poverty on subsistence rations (delivered with his photograph on the packaging) and will not remotely comprehend what \$100bn even means.

Most of the Indian media reported Modi's speech in glowing terms. Was it a coincidence that in the days that followed a number of national and regional newspapers carried a [front-page advertisement](#) with a huge photograph of him announcing another investment summit, this one in the state of Uttar Pradesh.

Days later, on 14 February, the home minister said in an interview, on the Adani matter, that the BJP had "nothing to hide or be afraid of". He once again [stonewalled the possibility of a joint parliamentary committee](#) and advised the opposition parties to go to court instead.

Even as he was speaking, office premises in Mumbai and Delhi were being surrounded by police and raided by tax officials. Not Adani's offices: [the BBC's](#).

On 15 February, the news cycle changed. And so did the reporting about the neo-imperialist attack. After "warm and productive" meetings, Modi, President Joe Biden and President Emmanuel Macron announced that India [would be buying 470 Boeing and Airbus aircraft](#). Biden said the deal would support

more than a million American jobs. The Airbus will be powered by Rolls-Royce engines. “For the UK’s thriving aerospace sector,” Rishi Sunak, the prime minister, said, “the sky is the limit.”

So the lotus blooms on, in a bog of blood and money. And the truth most definitely shines like gold.

Stop Modi’s visit to South Africa

Salman Khan

[GoPetition](#), 8 August 2023

The Kashmir dispute has been dominating the India-Pakistan relationship ever since the birth of the two states in 1947. It has also played a significant role in border disputes between China and India over Aksai Chin (a portion of Kashmir). Kashmir lies between three of the most populous countries of the world: India, China and Pakistan, covering a land mass of over 80,000 square kilometres – almost the size of the United Kingdom, inhabited by over 17 million people.

The struggle over the Kashmir valley has been one of the most prolonged disputes of the last century. Since the controversial arrival of Indian forces in Kashmir on 27 October 1947, the territory of Jammu and Kashmir (often referred to simply as Kashmir) has been divided by a ceasefire line or Line of Control (LoC) between sides under Pakistani and Indian control, respectively. Since 1947, India and Pakistan have failed to reach a consensus on the territory of Kashmir. Instead, they have fought three wars (1948, 1965, and 1971), and almost had a nuclear showdown in 1999 (known as the Kargil War). There have been two United Nations (UN) mandated ceasefires, in 1949 and 1965 and 58 United Nations Security Council (UNSC) resolutions. Most recently, the world witnessed another stand-off between the two nuclear arch-rivals in a suicide attack in the Pulwama region on 14 February 2019, in which 40 Indian paramilitary police were killed.

presidentrsa@presidency.gov.za,
minister@dirco.gov.za

Dear Hon. President Cyril Ramaphosa and
Hon. Minister Pandor,

We write to you to draw your attention toward the recent tensions against Muslims & Christians in India and a silent genocide in Kashmir where 14 million Kashmiris have been put under brutal martial law since 4th August 2019.

The European Union Parliament EUP on 11 July 2023, adopted a resolution 2023/2781(RSP) ... to take "all necessary" measures to stop the violence in Manipur and protect religious minorities, especially Christians.

It has been long 76 years since the illegal occupation of Kashmir started when Indian forces with the help British Royal air force and British Imperial armed forces landed into the Srinagar on 27th October 1947 this invasion perused by a mass uprising and civil unrest in Jammu Kashmir and PM Nehru took the case of Jammu and Kashmir to United Nation Security Council to seek the resolve on the matter.

After listening to Indians complain and right to reply from Pakistan, the UNSC issued a famous resolution 47 of 21st April 1948. The UNSC resolution 47 explicitly instructed Indian union to give a people of Kashmir a right of self-determination by hold a free and fair plebiscite which PM Nehru accepted it and agree to hold plebiscite with three months but he subsequently delayed it until 1954 and then he amended the Indian constitute by invoking article 370,35a to give Kashmir a semi-automatous status.

On the 5th August 2019 Indian government led BJP Hindutva illegally abrogated of Article 370,35a which was a unilateral decision by all means and categorised by the international community as a farce.

The legislation was introduced alongside a presidential order that takes from the region and its people some political autonomy and hereditary rights by revoking Article 370 of India's Constitution.

The changes will also lift a ban on property purchases by non-residents of Kashmir, opening the way for Indians outside the territory to invest and settle there. The local Muslim population has long feared such measures would change Kashmir's demography, culture and way of life. The fall out is affecting Muslims in Greater India.

An indefinite security lockdown has kept most of the region's 14 million people in their homes and in the dark about the changes. Critics have already likened Kashmir's proposed new arrangement to the West Bank or Tibet, with settlers – armed or civilian – living in guarded compounds among disenfranchised locals.

The procedure adopted to revoke the special status and autonomy of Jammu and Kashmir appears to be incompatible with judgments and observations of high courts and the Indian Supreme Court, who have clarified that the President of India would need the agreement of the government of Jammu and Kashmir to change its status. This was ignored.

We, the peace-loving citizens and civil societies of South Africa implore in the

name of justice, fair- play and humanity and ask you to put a stop to the ongoing tyranny, violence and oppression by the Indian army against the defenseless and innocent Kashmiri people in general and Freedom fighters in particular and the Muslim population of India.

We collectively deplore Indian PM Modi's election campaigning and politicking at the cost of Indian Army losses and civilians in Kashmir and other parts of India. Electioneering cannot and should never be rest on bellicose war mongering. This current standoff at the border is a reflection of Indian internal policies failure, especially in dealing with the question of Kashmir's future.

The incident of 14th Feb 2019, which led to the dangerous standoff and which introduces Nuclear War possibilities, lies in the unresolved dispute of Kashmir. The Indian state apparatus and armed forces have used all sort of coercive and brutal tactics to kill, torture, maim, rape and abduct thousands of peace-loving Kashmiris and Indian Muslims. Brutal violence breeds further violence.

History has proven again and again that no power on the earth ever has succeeded to rule against the will of people. The people of Kashmir want their right of self-determination as enshrined in UNSC resolution 47 of 1948, which is accepted by Indian PM Nehru in 1948, but the free and fair plebiscites, is being denied for last 74 years.

The Indians need to ask a very pertinent question to their-self and their rulers that with the presence of over 890 000 armed troops and curfew like life in Kashmir for last 74 years have not quell

the un-quenching thirst of Kashmiri people for their Freedom with a colossal loss of over hundred thousand Kashmiris, then perhaps it is time for reconciliation and mediation to bring a peace in Kashmir and Indian to consider peaceful settlement of Kashmir and an honorable exit.

We further would like to place on record that Indian state apparatus and Indian armed forces are in direct violation of the following International conventions, treaties and agreement:

- ICCPR International Covenant on Civil and Political Rights 16 Dec 1966
- ICESCR International Covenant on Economic, Social and Cultural Rights
- CEDAW Convention on the Elimination of All Forms of Discrimination against Women
- CESCR Committee on Economic, Social and Cultural Rights
- VDPA Vienna Declaration and Programme of Action (World Conference on Human Rights, 1993
- CEFRD Convention on the Elimination of All Forms of Racial Discrimination
- DRC Declaration of the Rights of the Child 1923
- DRIP Declaration on the Rights of Indigenous Peoples, Universal Declaration on Human Rights
- AUHR Africa Charter on Human & Civil Rights
- SAHRC Bill of Rights of South Africa
- Indian Constitution Article 21-A Indian Constitution Article 51-A Indian Constitution Article 45
- Indian Constitution Article Right to Education Act, 2009

BRICS+ Hype, Hope and Helplessness

The indigenous and native population of Jammu and Kashmir must be accorded opportunities to exercise their natural right of self-determination, that was promised by no other than the first Prime minister of Independent India i.e. Bharat Pandit Jawaher Lal Nehru to the International community; this is accordingly enshrined in the UN resolutions. Also, we are and surely you too are convinced that, following measures are imperative in order to achieve our noble and well-intended objectives viz. peace, prosperity and creation an atmosphere in our region so that people in Indo- Pak sub-continent may be able to lead an anxiety free and dignified life.

Though we vehemently support and welcome the recent efforts from both the sides and consequent developments and the peace initiatives but at the same time we have to understand and admit that, the dialogues and Confidence Building Measures are meaningless and futile attempts unless the following steps are taken in good faith.

It had been long 76 years of Indian illegal occupation of Kashmiri land, and many subsequent dialogue have been proven fruitless, so we urge to the following,

1. We are petitioning to the Department of International Relations and Cooperation to review its invitation to Prime Minister Modi to visit South Africa during BRICS Conference during 23rd August to 25th August 2023 under the lights of above mention human rights violations and atrocities committed

against minorities and especially in Indian illegally occupied Jammu and Kashmir.

2. We are appealing for the release of all Kashmiri political leaders especially Yasin Malik, Khurram Pervez and many others. There more than 30,000 political and civil rights activist behind jail in Indian illegally occupied Kashmir.

3. We are appealing to your office to instruct NPA special investigative unit to expedite investigation on the case open against Prime Minister Modi for his alleged role played in extra-judicial killing of innocent Kashmiris in Indian illegally Jammu and Kashmir IIOJK during is tenure and Prime Minister.

4. We are requesting the reversal of revoking of article 370, 35a with immediate effects.

5. We are requesting the uplifting of the internet black out and blocked of telecommunication in Jammu Kashmir.

6. The opening of a formal inquest on the 48 pages UN Ohchr report on Kashmir which was released on 8th July 2019 which was compiled by the offices of UN Offices of Human Rights commissioner.

7. The opening of a formal inquest on the 53 pages UN Ohchr report on Kashmir which was released on 14th June 2018 which was compiled by the offices of UN Offices of Human Rights commissioner.

8. An independent inquiry into the brutal killing of PhD scholar Maman Wani in Indian occupied Kashmir by Indian Armed forces on 12th Oct 2018.

9. An independent inquiry into the brutal killing of PhD scholar Burhan Wani in Indian occupied Kashmir by Indian Armed forces on 6th July 2016.

10. The immediate and unconditional withdrawal of Indian troops comprising 890,000 armed personnel from occupied Jammu and Kashmir. Military presence in especially civil area is second highest besides Palestine.

11. The unlawful detentions and un-arbiter unabated summary extra-judicial and wanton annihilation of the Kashmiri people should be stopped without further loss of time.

12. An atmosphere should be created conducive to the normalcy in the region. This is only possible if the dreadful shadow of trigger-happy Indian soldiers is forth-with removed from the civil areas.

13. The people of Jammu and Kashmir should be returned back their hitherto legitimate but usurped political, social socio-economic, religious and all the other human rights, as prescribed by the

14. United Nation's Charter of "Universal Declaration of Human Rights" which had been ratified by the Indian Government.

15. The basic human right viz. freedom of speech and freedom of expression has been curtailed by the occupation authorities and these should be henceforth restored to the people of Jammu and Kashmir, the Muslims of India be treated with peace and understanding.

16. In the prevailing horrifying and draconian environment religious congregational meetings and assemblies cannot be imagined, hence a need to nullify those unjust "laws" actions generally against Muslims in India.

17. Austerity and modesty of the unblemished Kashmiri and Indian Muslim noble ladies must not be violated by the

Indian occupying forces. Aggressors are these days using this as a degrading weapon, this should be stopped immediately.

18. The International Human Rights agencies, SA Human Right Commission SAHRC and other NGOs should be given easy access to the Indian occupied Kashmir and greater India for fact finding mission and independent investigation.

19. The International Fact Finding Missions should be allowed unconditional access to the illegally occupied Jammu and Kashmir and other areas of conflict and turmoil.

20. Each and every Kashmiri must be given opportunities for fair and unbiased just hearing before trial or resorting to extra-judicial executions in the form of "Fake Encounters".

21. The multilateral composite dialogues must resume without pre-conditions. The aim should be to find fair, just and amicable solution to the problem which is consuming energies and financial resources for the past more than half a century and which could have been utilised to provide food, shelter, education and health facilities to our down trodden masses. It can only sincerely be prayed and hoped that, some tenderhearted and humane approach will be taken so that, sooner than later, our cherished sub-continent would be in a position to offer peace, tranquility to ALL of its inhabitants.





BRICS+ brutes... from Tehran

Among the candidates that are most likely to be considered for early membership in an expanded BRICS, is Iran. The Persian Gulf has long been a site of intense geopolitical, military and fossil-fuel tensions, but also of patriarchy.

The latter was symbolised by Mahsa Amini's murder on 22 September 2022, by Tehran's 'morality police,' because she was not wearing the required *hejāb* head covering. The subsequent upsurge of social concern, and state repression of solidarity protests, were both formidable.

What are the implications for broader progressive social-change movements in Iran, and everywhere who want to express solidarity with oppressed Iranian women, workers and democrats, especially in view of the anticipated BRICS Summit attendance of President Ebrahim Raisi?

It is a vital point of concern because in mid-2023 the Persian Gulf appeared on the verge of another flare-up, as U.S. imperialism bears down on Iran. The Pentagon and State Department have, for at least fifty years, relied upon two vital sub-imperial allies in the Middle East, and the U.S. government is desperately hoping they cohere via Donald Trump's Abraham Accords aimed at normalising Zionist apartheid:

- **Israel** as generally loyal, thanks to billions of dollars of annual aid and the [interpenetration](#) of Washington-Tel Aviv ruling elites; and
- **Saudi Arabia** as a potentially-rogue sub-imperialist not only because in 2018 its crown prince and *de facto* leader Mohammed bin Salmon Al Saud – a.k.a. MBS, retranslated as Mr Bone Saw – arranged that *Washington Post* journalist Jamal Khashoggi would be chopped (quite literally) in the Saudis' Istanbul embassy, but Washington has also been furious in the wake of the surprising Beijing-facilitated Riyadh rapprochement with Tehran early in 2023. Yet on the other hand, Washington was pleased with the early-August Jeddah-hosted conference on Ukraine which promoted the [need to return to pre-2022 borders](#), a point even China's representative there agreed to.

The situation is fluid, but the main point is that Iran, too, once had very obvious [sub-imperial status](#), until 1979. After the U.S./UK "Operation Ajax" and "Operation Boot" overthrow of the democratically-elected government of Mohammad Mosaddegh in 1953, Shah Mohammad Reza Pahlavi was a reliable Washington ally and mass murderer of

Iranians. Since the 1979 revolution that installed a Shia theocracy, Tehran was one of Washington's [leading opponents](#).

But even the most eloquent critic of U.S. imperial policy against Tehran, Code Pink's Medea Benjamin, [tweeted](#) in 2022, "Let's hope the protests in Iran against the death of Mahsa Amini force the Iranian government to disband the 'morality police' and let women dress the way they want to." But it was not to be.

Solidarity with Iranians

Angela Davis

[Democracy Now!](#),

6 October 2022



I want to offer my heartfelt solidarity to all those in Iran who have decided that Mahsa Amini's death at the hands of the Islamic Republic shall not be in vain. As one of the many scholar activists in the United States who has identified for a very long time as an ally of progressive and radical movements in Iran, I offer my condolences to Mahsa Amini's family and friends, and I say thank you to all those whose militant refusals directed at the regime, along with its morality police, have created the occasion for Mahsa Amini's name to reverberate around the world. In her name, people are standing up and are saying no to the repression meted out by the Islamic Republic... They are harbingers of hope, of hope not only for the people of Iran, but for all of us who want an end to racial capitalism, misogyny, economic repression, and who strive for more habitable futures for all beings on this planet. Long live Mahsa Amini.

Trita Parsi, an Iranian-Swedish who founded both the Quincy Institute for Responsible Statecraft and the National Iranian American Council, recently summed up the fast-shifting underlying power relations:

Saudi Arabia has [requested a security pact](#) with the U.S. in order to agree to normalise with Israel and abandon the Palestinians. Biden may wisely not go for that, but as part of wooing the Saudis, he believes he has to show that he's willing to commit to war in the Middle East – a commitment few in the region believe the U.S. has. Stationing U.S. Marines on oil tankers may be designed to signal to Mohammed Bin Salman that Biden is serious about defending Saudi Arabia against Iran and that the (very brief) era of the U.S. withdrawing from the Middle East is over. It is impressive how MBS has played Biden. He is successfully pushing the U.S. president to reverse the many policies Saudi Arabia opposed: rejoining the JCPOA, reducing U.S.-Iran tensions, and bringing American troops home from the Middle East. In return, Israel gets normalisation while it continues to annex Palestinian land. And America gets to once again enjoy the short straw of having to live on the verge of war with Iran.

On [Democracy Now!](#) in August, he correctly blamed U.S. provocation:

The Iranians taking some of these ships in the Gulf of Oman and the Persian Gulf is, without a doubt, a problem that

needs to be addressed, but the root of this problem is that the Biden administration has continued Trump's maximum-pressure strategy on Iran and has been confiscating vessels with Iranian oil, saying that this is the implementation of U.S. sanctions. But U.S. sanctions and U.S. laws do not apply to international waters. And as a result, the maritime security of the Persian Gulf has been threatened by these actions and by the response of the Iranians. If we truly want this to end, the easiest way is to stop confiscating the Iranian oil. And that way, there will be no reason for the Iranians to do what they have been doing.

How to address Iran's presence within the BRICS+? There are certainly some anti-imperialists who will celebrate growing Pretoria-Tehran relations, whether military – since Iranian naval ships recently docked in Cape Town – or in geopolitical terms. One stalwart of the pro-Palestine Boycott Divestment Sanctions movement, Mandla Mandela, was in Tehran a year ago, [receiving](#) a so-called "Islamic Human Rights Award" from the regime.

But it will be up to women, of all persuasions, races, classes, ages and nations, to promote the kinds of solidarity they have already garnered within Iran at such great cost to [men beheaded](#) for that support.

How the Islamic Revolution gave rise to a massive women's movement in Iran

Behrooz Ghamari Tabrizi

[CounterPunch](#), 9 November 2022

Let me start with a straightforward proposition that is everywhere on social and mass media these days: The Islamic Republic's patriarchal repression of women reached a tipping point after the murder in custody of Mahsa (Zhin) Amini by the Guidance Patrol on September 16, 2022. A revolt, led by young women, engulfed the entire country under the banner of *women, life, freedom*. At the root of this movement is the anti-women core of the Islamic regime and the struggle of Iranian women against it since its very beginning in 1979. The whole nation – inside and outside the country, the global community, the progressive Left as well as the hawkish Right, stand in solidarity with this movement. The protests that began against the compulsory *hijab* and the demand for abolishment of the Guidance Patrol, has now become a full-fledged intersectional revolt for regime change in Iran, led by women.

This indeed is true that the Islamic Republic instituted draconian patriarchal policies after the revolution on 1979 that stripped the very basic formal rights that women had been granted under the *ancien régime*. These measures formally reduced women to second-class citizens in matters of marriage, custody, inheritance, crime and judiciary, dress code, segregation, and many other spheres of social life. Yet, despite all this, women's

social mobility and presence in public sphere grew exponentially in the past four decades. Ironically, this is in part an effect of the unintended consequences of these policies. Women learned very quickly how to navigate the new terrain, push the boundaries of the new institutions, and *in practice* gain access to rights and privileges from which the Islamic Republic deprived them. The recent revolt could not materialise without the remarkable agentive presence and mobility of women who carved out a space for ceaseless social and political engagement during the past four decades. Women are revolting because they refuse to continue the struggle in a field the boundaries of which are drawn in the dilapidated spirits of patriarchy. Their gains have reached a hard as well as a glass ceiling that needs to be overcome.

The Iranian revolution succeeded in ending the monarchy on February 11, 1979. On February 26, only two weeks after the victory of the revolution, Ayatollah Khomeini annulled the Family Protection Law of 1967 and its 1975 amended version, which had given women more rights in divorce and matters of custody under the Shah. Since its inception, the clergy by and large had opposed the law's basic premises, which they believed violated the Islamic views on women's role in family. Khomeini knew that the unity and uniformity that his leadership afforded the revolutionary movement would not remain uncontested for long after the triumph of the revolution. He knew that the spirit of Islam and the symbolic revolutionary language with which it inspired millions of Iranians

of many creeds and classes needed to be translated into a body of institutional projects of postrevolutionary state-building. So, he seized the opportunity to put women under the control of their menfolk.

Despite such overt assaults on women's rights, most political parties continue to address women's issues in the frame of revolutionary politics, nationalism, class struggle, and anti-imperialism. For the first few months after the revolution, except for the National Front, the oldest liberal organisation in Iran, and small Trotskyist group, Left and liberal parties remained ambivalent about women's issues. They failed to recognise the remarkable contribution of women to the revolutionary struggle and the need to check the assault on their rights. At the time, most of the women's organisation operated as an appendix to different political parties to further the anti-imperialist struggle and tied women's issues to greater demands for social justice.

The establishment of the Islamic Republic proved inconsistent with fundamental women's formal and legal rights. Despite earlier assurances, on the eve of March 8, 1979, less than a month after the triumph of the revolution, Ayatollah Khomeini called upon the Provisional Government to uphold Islamic dress codes in its offices. His pronouncement scandalised many who played a significant role in the revolutionary movement, including several members of his own Revolutionary Council. This was the second time, after the abrogation of the Family Protection

Law, in three weeks that issues of women's right had become a point of contention in the postrevolutionary power struggle. That was why the festive preparations for the first postrevolutionary International Women's Day turned into a rally with specific women's rights demands such as the recognition of women judges and, most importantly, a call against compulsory *hejāb*. Thousands of women gathered in Tehran University and the next day in front of and inside the hallways of the Ministry of Justice chanting: *In the Spring of freedom, absent is the rights of women.*

Instituting compulsory *hejāb* even in the tightly controlled parliament and implementing it throughout the country was not an easy proposition. It took another four years for the mandate to become an enforceable law. Different factions inside the government as well as influential clerics in seminaries raised questions about the wisdom of such a law, its religious justification, as well as its feasibility. Nevertheless, the new law went into effect on August 9, 1983.

The institution of compulsory *hejāb* and other patriarchal measures in cases of travel, marriage, custody, inheritance, criminal laws, etc. all of which formally reduced women to second-class citizens, gave yet more credibility to feminist concerns that the Islamic republic would entirely force women out of the public sphere. Comparisons were made with Reza Shah. Some argued that whereas he liberated Muslim women by the "unveiling law" that banned the *hejāb* in public spaces in 1936, the Islamic Republic was now forcing women back into the private

sphere where they would be subjected to the repressive domestic patriarchy. Yet curiously – these contrasting policies produced paradoxical results on the ground. Reza Shah's "unveiling" did not liberate women, and the Islamic Republic's repressive measures did not imprison women at home. Ironically, it was under Reza Shah's "unveiling law" that a great majority of women in urban areas were forced to stay at home, either because they chose not to appear in public without a veil or were not allowed to leave their homes by their fathers or husbands. Under the Islamic Republic, despite the institution of repressive anti-women laws, rather than being imprisoned in their homes, women gained unprecedented mobility in the country and year after year increased their presence in the public sphere.

These were unintended consequences, but they were quite substantial. As a consequence of the restrictions imposed on women in public places, a new system emerged of what I call *patriarchy by proxy*. The new laws created the possibility for a great majority of socially conservative Iranian families who were previously reluctant to see women's participation in social affairs, to trust the new "Islamised" public sphere as an extended domain of patriarchal/religious order. The state became the ultimate guardian of patriarchy and by becoming so, paradoxically, sanctioned an unprecedented mobility among rural and urban women. Despite barring women from entering key political and judicial positions of decision-making, women

entered and shaped the conditions of those spheres in significant numbers.

In practice, gender politics and policy under the Islamic Republic have been far from the mere enactment of literal readings of the Qur'anic verses or a replication of women's repression in Saudi Arabia. There is no doubt that the postrevolutionary regime instituted formal and legal apparatuses in order to constitute a *homo Islamicus*. But in its *realpolitik*, the Islamic Republic negated the anxieties that it would implement a literal reading of the Qur'an and expunge women from the public and restrict their lives to the domestic sphere. A quick look at the human development indexes in relation to women's status in education, health, sports, artistic and cultural production, and civic engagement shows that the women in Iran have the most visible presence in public sphere in its history. These changes were not the result of top-down state policies, but rather the consequence of a contentious engagement between different factions within the polity, women's community and civic institutions, and political parties and activists.

From the time of revolution in 1979 to the latest reports in 2019, women's literacy rate rose from 36% to 97.93%; share of women students in higher education rose from 15% to 60%; women's life expectancy rose from 55 to 77; infant mortality decreased from 90 per 1000 to 10 per 1000. None of these could have been possible without a remarkable presence of women in public space and their involvement in policy planning and implementation.

The significant presence of women in the public arena created unanticipated shifts in gender relations in the country, conditions that forced even the most patriarchal factions in power to advocate unlikely propositions regarding women's role in society. In 2006-2007 school year, women comprised 60% of incoming class of university students, and that trend continues. The conservatives of the 8th Parliament introduced legislation for affirmative action for men to catch up with women in higher education. The conservative parliamentarians, who otherwise insist that the place of women is at home to raise a virtuous family, argued that women who use resources of free public universities had to commit to a 10-year employment (public or private) after graduation. The paradox there is self-evident.

Another measure that contributed to the remarkable shift in family structure and gendered relations in public and private spheres was an aggressive family planning and population control program that was instituted in 1989. Although the Islamic Republic repealed the family planning and protection laws of the old regime soon after assuming power, in a significant shift, in 1988, the government introduced and carried out one of the most efficient family planning programs in the economically developing world. Dictated by the perceived necessity of containing an unchecked rise in population, the program successfully reduced the population growth rate from the high of 3.4% in 1986 to 0.7% in 2007. During the same period, the number of children per family dropped from 6.5 to

less than 2. Before his death in 1989, Ayatollah Khomeini endorsed the new program thus affording religious legitimacy to this ideological reversal. As the Canadian-Iranian anthropologists [Homa Hoodfar](#) has shown, without national consensus-building, a massive mobilisation of women, both by government agencies as well as non-governmental agents, promoted with effective religious justification, and offered through an efficient delivery service in birth control and contraceptives (such as distribution of free condoms), and premarital sex-education programs, this ambitious family planning project could not have been realised. Called by many "[The Iranian Miracle](#)," the program was so successful that, fearing the emergence of an aging population, the authorities are now trying to encourage families to have more children.

The purpose of this brisk history is not to draw a sanguine picture of women's conditions in contemporary Iran. The complexities of how government and non-governmental actors interact on these issues, how the expansion and containment of state power shape the social realities of women of different classes and ethnicities, or how religious doctrines and convictions hinder or facilitate women's mobility cannot be fully detailed here. Rather, I want to show that the Islamic Republic instituted policies and imposed patriarchal laws that produced unintended consequences in gender relations and women's mobility. For an uprising to materialise, there needs to be a socially mobile, politically conscious, and subjectively free population. Iranian

women have long been the fierce political actors we see on the street, not the oppressed, shadowy, veiled subjects that are the meat and potatoes of foreign misperception and paternalism. Yes, a mighty patriarchy shaped social order in Iran, like many other places in the world, but women were never its hapless captives. That image, the helpless veiled women, while effective in gathering support in global liberal feminist circles who believe that [Muslim women need to be saved](#), does not correspond to the practice of those women's everyday lives and fails to credit two generations of Iranian women for their political creativity.

At its core, *Women-Life-Freedom* is a movement for dignity and sovereignty of the subject. It is a movement that has changed the political culture of defiance and expressions of dissent. Its radical creativity – posters, songs, graffiti, and imaginative forms of collective action, has opened *in practice* the possibility of thinking of politics anew. The transformative acts of insubordinate bodies and liberated souls has made party platforms and unruffled sermons ineffective and obsolete.

While Iranian women and their male allies fight against the state's brutal crackdown, their aspiring revolt, with its novel singularities, faces instrumentalisation by regional and global actors, facilitated through a misreading of Iranian women's history of deliberate and agentive action. While the global reach of this movement through the media operates as an instrument of its effective dissemination, paradoxically, it also subjects it to a discursive violence. We

should not misread the core principles of *Women, Life, Freedom* as being a simple “[desire for the west](#)” by a population who are simply fed up. Under such a misreading, a whole host of unsavory interests, from neocolonial expansionists to ethno-nationalist separatists, from delusional monarchists to all those who still lament being on the losing side of the 1979 revolution, try their best to claim ownership of this movement. Yet Iranian women on the ground have been the very actors who historically have created the conditions of possibility for their protest. They have opened space for themselves and their daughters in the face of a state desire for repressive patriarchy. Over decades they have succeeded to take advantage of the unintended consequences of state policies; they are not merely reacting – they are instead determined.

Today’s massive women’s movement in Iran represents one of the great achievements of the 1979 revolution – a revolution that generated hope-bearing, conscious subjects who have perpetuated themselves for more than four decades – despite and in the face of all manner of repression. The paradoxical effects of the Islamic Republic policies brought women to the centerstage of social transformation in Iran. Now that transformation has reached a point of frontal war with the state. Iranian women today hold key positions in journalism, artistic and cultural production, civic engagement, political organising, higher education, scientific communities, local political offices, etc. Daughters of those women irrevocably demand an extension and

expansion of their mothers’ positions without any patriarchal restrictions, either by the state or inside their homes. Those demands will only be realised through the transformation of the state, or by rethinking the meaning of the state. How this transformation will unfold and with what means is yet not known, but its inevitability is evident. How fortunate we are that these generations of women taking the lead.

Conclusion: *Is BRICS suffering from the condition known as 'sub-imperialism?'*

Patrick Bond

In the spirit of Brazilian dependency theorist Ruy Mauro Marini, the Brazil-Russia-India-China-South Africa BRICS summit underway this week should be [understood](#) as the “sub-imperial” powers’ “antagonistic cooperation” with the U.S.-EU-UK-Japan-multilaterals’ overarching imperialist control.

As an example, members of the G20 – including the BRICS states plus several of the new BRICS+ candidate members – agreed, when the body was launched in late 2008, to coordinate bailouts of what were then crashing international financial markets. And ever since they have behaved in near-perfect harmony – aside from Russia being hit with deserved financial sanctions and asset seizures for its ongoing attempt at Ukraine’s colonisation (hopefully to eventually be turned over for reparations).

But the roots of the imperial/sub-imperial fusion are to be found in the 1990s consolidation of the neoliberal policy project. Since then the West’s control of multilateral financiers, the WTO and UNFCCC have well served not only their, but also the BRICS,’ largest corporations. Such a sub-imperial status, Marini [suggested](#) in 1972 when describing Brazil, represents “the form which dependent capitalism assumes upon reaching the stage of monopolies and finance capital.”

To illustrate, in a posthumous 2019 book, Egyptian Marxist Samir Amin [was](#)

[scathing](#) about South Africa, which, “freed from odious apartheid, is now confronted with a truly formidable challenge: how to go beyond the facade of multiracial democracy to transform society profoundly? The choices of the ANC government have, up to now, evaded the question and, as a result, nothing has changed. South Africa’s sub-imperialist role has been reinforced, still dominated as it is by the Anglo-American mining monopolies.”

Back in 2015, Amin had already penned an essay on “Contemporary Imperialism,” where he [offered](#) this metaphor: “The ongoing offensive of United States/Europe/Japan collective imperialism against all the peoples of the South walks on two legs: the economic leg – globalised neoliberalism forced as the exclusive possible economic policy; and the political leg – continuous interventions including preemptive wars against those who reject imperialist interventions. In response, some countries of the South, such as the BRICS, at best walk on only one leg: they reject the geopolitics of imperialism but accept economic neoliberalism.”

Imperialism’s invitation to join – not fight – global corporate power

BRICS countries – led by China – have long promoted corporate power within the multilateral system that they were joining (and increasingly financing), and in the process engaged in more profitable predatory extractivism when sourcing raw materials from poor countries. Pursuing this agenda, their displacement of overaccumulated capital also entailed, as David Harvey (as early as 2003) had

[remarked](#), becoming imperialism's "competitors on the world stage. What might be called 'sub-imperialisms' arose... Each developing centre of capital accumulation sought out systematic spatio-temporal fixes for its own surplus capital by defining territorial spheres of influence."

When it came to China's 'going out' as far as Latin America, Simon Rodriguez Porras and Miguel Sorans from Venezuela's left opposition [complained](#) that "The relationship of Chavism with Chinese sub-imperialism would acquire characteristics of true submission. Not only was participation in joint ventures given to Chinese companies, a large external debt was also acquired with China, part of it through future oil sales, to finance infrastructure works contracted with Chinese companies, and also the import of Chinese products."

Still, Tricontinental Institute director Vijay Prashad is correct to [demand](#) "a great deal more translation into our current period to assess whether the BRICS states – with their separate tempos – are sub-imperial in Marini's sense. They are certainly not imperialist states."

They are not yet, to be sure, largely because the Pentagon's 800 foreign bases and nearly \$900 billion in annual spending have no military competitor, even if Russia has more nuclear weapons. But two other critical scholars, Sam Moyo and Paris Yeros, in 2011 [pointed out](#) the BRICS' separate and very diverse material realities: "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 'sub-imperialism'."

Cases of military schizophrenia include:

- Brazil's Lula (followed by Dilma Rousseff) deploying 36,000 [troops to Haiti](#) on behalf of the U.S. and France, suppressing local dissent for 13 years starting in 2004;
- Russia's desire, expressed by Putin to U.S. president Bill Clinton in 2000, to [join NATO](#) – and the current crop of Wagner mercenaries' increasingly important role in [African natural-resource resource looting](#) in the Sahel region and Central Africa, which amplifies these countries' ongoing contributions to global value chains (the way Wagner also unsuccessfully attempted in Mozambique in 2019 on behalf of TotalEnergies);
- India's membership in a 'Quadrilateral Security Dialogue' with the U.S., Japan and Australia, [against China](#); or
- South Africa's 2021 army deployment to [protect 'Blood Methane' investments by TotalEnergies and ExxonMobil](#) in northern Mozambique against Islamic-fundamentalist insurgency, in a manner reminiscent of the roles – as gendarme for resource extraction – that the same army played in the [Central African Republic](#) in 2013 and subsequently in the eastern [Democratic Republic of the Congo](#).

The situation is fluid, because as Justin Podur [argued](#) recently in *Black Agenda Report*, while "each sub-imperialist is a

special case, in Africa, South Africa has been analyzed as a sub-imperialist...,” neither China nor Russia “fit the sub-imperialist mold. They may exercise hegemony – or contest it – in their regions, but they do not do so under the umbrella of U.S. hegemony.”

True, but while political forces remain in flux as various crises continue to unhinge prior verities, it can be argued that China has many sub-imperial tendencies of super-exploitation (through the hukou migrant labour system), collaboration with Western-dominated, neoliberal multilaterals and regional expansion. And the Chinese economy still remains beset by [overaccumulated capital in need of a spatial fix](#).

So while Beijing is *not* (as Prashad notes) an ‘imperialist’ power today by most measurements including relative control of multilateral institutions, nevertheless Xi in 2017 did firmly [signal](#) his government’s desire to pick up the capitalist-expansion baton passed along at the World Economic Forum, just as corporate-neoliberal Barack Obama was replaced by protectionist-xenophobe Donald Trump. As a sign of the times in 2023, the latter’s Sinophobia has only been amplified by his successor, Joe Biden, who is intent on decoupling China from high-tech circuits of capital – in turn signaling again how a U.S. relationship with a generally-reliable sub-imperial partner could become a far more serious inter-imperial rivalry, especially if Taiwan or South China Sea become sites of military competition.

The Russian case is certainly more difficult to characterise, mainly because of

the [rogue character of sub-imperialism](#) as practiced by Putin. His invasion of Ukraine broke the rules of how far a regional gendarme was typically allowed to roam (though he had gotten away with it in Crimea eight years earlier), as did his [default](#) on foreign debt in June 2022.

On the latter point, though, Finance Minister Anton Siluanov’s firmly-expressed case is that Russia [wants](#) to repay debt: “The current situation has nothing whatsoever in common with the situation in 1998, when Russia did not have enough means to cover its debts. Now there is money and there is also the readiness to pay.” In May 2023 Siluanov [attempted](#) to restore creditworthiness through Eurobond debt repayments in spite of Western sanctions.

And as Putin would regularly point out, the imperial powers *also* went rogue in late February 2022 by quickly stealing \$650 billion of Russian central bank and oligarch funds carelessly left in Western banks (in violation of rudimentary property rights) and by cutting Russia out of the interbank payment system. Moreover, earlier rogue-imperial behaviour included the unnecessary eastward expansion of NATO against promises made by early-1990s Western leaders to Russian counterparts, as well as Washington’s failure to abide by the Minsk Accord when all other parties were willing.

The double burden of imperialism and sub-imperialism

In this context, could the BRICS 2023 summit in Johannesburg be the “mega-game-changing” moment that Escobar

[hopes for](#), given BRICS+ expansion plans? And if so, in what direction?

All the signposts point in an ominous direction. In *Open Veins of Latin America*, Uruguayan writer Eduardo Galeano [described](#) how, against Paraguay, the ruling elites of Brazil and Argentina “took turns since 1870 enjoying the fruits of the plunder. But they have their own crosses to bear from the imperialist power of the moment. Paraguay has the double burden of imperialism and sub-imperialism.”

And so do the rest of us: as Galeano [remarked](#), “Sub-imperialism has a thousand faces.” The BRICS’ two-faced approach – when confronted by imperialism’s political and economic legs, as Amin put it – will continue to baffle many who believe the sub-imperialist leaders when they talk left, and are blinded when they walk right.

Nearly all the BRICS exhibit features of extremism, so it is perfectly appropriate that the host site is Johannesburg, the [world’s most unequal city](#) led by one of the world’s most [criminal corporate elites](#), within the [world’s most unequal country](#). Categories in which BRICS elites excel, even if not to the degree Washington and its allies pioneered and imposed on so many others, include:

- *wars, violations of sovereignty*
- *worsening inequality, poverty*
- *exploitation, unemployment*
- *pandemic mismanagement*
- *looting Africa’s resources*
- *climate change, ecocide*
- *violence against women*
- *abusive high technology*
- *ensorship, surveillance*

- *austerity, neoliberalism*
- *false ‘de-dollarisation’*
- *human rights abuses*
- *LGBTQI+ repression*
- *venal corruption*
- *sub-imperialism*
- *BRICS+ tyrants*

The only hope remains the expansion of brave vibrant social movements that have emerged in a thousand struggles within and around the BRICS+ countries in recent years, including but not limited to from Brazil’s landless, to Russian anti-war activists, to India’s diverse people’s movements, to China’s prolific social-justice protesters along with Uyghers, Tibetans and Hong Kong democrats facing repression, to South Africa’s still-militant workers, shack-dwellers, public-health advocates and students.

And stir in new BRICS+ inspirations: Algerian progressives reviving the Arab Spring in 2019, Argentina’s anti-debt and anti-gas activists, Bolivia’s indigenous and environmental communities, Egyptian human rights advocates, Honduran progressives, Iranian women, Kazakh anti-authoritarians whose early-2022 protests were brutally suppressed, Nigerian environmentalists and social movements, Palestinian activists sick of Fatah’s conciliation to Israeli apartheid, Senegalese democrats, and many more... all desiring a world without exploitation, oppressions and planetary suicide.

Those opposed to imperial *and* sub-imperial power also have a thousand angry faces, and must now gain muscles to match.

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Why? BRICS leaders and corporates endanger us all!



**We
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- WARS AND HUMAN RIGHTS VIOLATIONS
- INEQUALITY AND AUTHORITARIANISM
- CLIMATE CHANGE AND ECOCIDE



BRICS

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2023

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JOHANNESBURG SOUTH AFRICA

a BRICS reader for the 2023 Johannesburg debates

Edited by Patrick Bond with contributions from:

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BRICS
really

**change
the world?**

Western-dominated, pro-corporate
multilateralism is simply unable
to resolve the 'polycrisis' ...



so, who should?!

- wars, violations of sovereignty
- worsening inequality, poverty
- exploitation, unemployment
- pandemic mismanagement
- looting Africa's resources
- climate change, ecocide
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