

Alternative Organizations by which Russia is Trying to Impose on the International Stage

Florinel Iftode¹

Abstract: Security or insecurity dominates the current context of international relations. It is a situation generated by the collapse of the Eastern European communist bloc and the USSR in the late 80s and early 90s, or the resistance impact to the New World Order fueled by the negative phenomena of globalization. One of the concerns of any policymakers is to know well the power relations at global and regional levels, as from their substance they will know which are the margins of action, towards one direction or another. Therefore, it will always seek to find out who is stronger and who could take domination on the scenes of international politics. Therefore, we will briefly review the factors that make the countries Brazil, Russia, India, China and South Africa unable to defeat the global dominance of the US and its major allies, only to budge it a little. Vladimir Putin has created two organizations competing to G7 and NATO. Two summits were held in Ufa, Russian Federation: the Summit of the Organization of Shanghai Cooperation (comprised of Russia, China, Kazakhstan, Tajikistan, Uzbekistan and Kyrgyzstan) and the group BRICS (Brazil, Russia, India, China and South Africa). At the summit the organization was invited Belarus president, Alexander Lukashenko, as the leader of a country member in the Eurasian Economic Union countries. The Kremlin is trying to play the leading role in these organizations, but according to the International experts, such attempts did not succeed because Moscow cannot go beyond the shadow of Beijing's de facto leader of both structures.

Keywords: BRICS; security environment; international actors; centers of power

1. Introduction

Power is in the epicenter of the international system. The concepts such as regional powers, great powers, superpower or hyper-power are part of everyday language. The behavior of each state and the dynamics of the international system have their

¹ Associate Professor, PhD, Danubius University of Galati, Faculty of Communication and International Relations, Romania, Address: 3 Galati Blvd, Galati, Romania, Tel.: +40372 361 102, Fax: +40372 361 290, Corresponding author: floriniftode@univ-danubius.ro.

origin in the structure and distribution of world power. The absence of supranational governance determines imperatively the need to regulate the international relations between states, theoretically formal equality between them, representing their fundamental characteristic. In terms of reality, it is quite different, which is essentially characterized by an unequal distribution of power, meaning that the international relations arena is a form of “power politics”. (Cohen, 2009, p. 33)

The unipolar world, that of a single superpower, the US, is difficult to model and we find that “the victory in the Cold War has been more difficult to implement the Wilsonian dream of collective security. In the absence of a potentially dominant power, the main nations do not see the main threat to peace in the same way and they are not willing to take the same risks for overcoming those threats that they recognize. (Kissinger, 2003, p. 163) There are contradictory trends both in the doctrines of states that are major international actors of security and in those of emerging states. For example, in the United States, the nationalistic unilateralism has lost ground for the moment to the multilateralist current. In general, emerging powers now share the concept of “responsible power”, a phrase often heard with some variation in China, India and Brazil, reflecting the recognition that the international interests, together with the need for a stronger representation in multilateral institutions, involve taking to a greater extent the global security responsibility. (Cohen, 2009, p. 132)

2. BRICS - an Opponent for Supremacy of the World Bank and IMF

Regarding the mutations on the Asian continent and the evolution of China on the international stage, it must be noted that, for the first time since the beginning of the 16th century, the greatest concentration of global economic power is not in Europe nor in America, but in Asia. Many American and European experts in geopolitics called this change “the post-Vasco da Gama era”, “the arrival of post-Columbian era” or the “end of the era of Atlantis”.¹ Similarly, the intellectual from Singapore, Kishore Mahbubani, wrote about the developments in Asia, carrying with it an “irresistible shift of global power towards the East” that will transform the world. (Kishore, 2008)

¹ (Bracken, 2000, p. xv; Walton, 2007, p. 1; Cohen-Tanugi, 2008, p. Chap. 2)

However, it remains unclear whether this economic revolution can be incorporated by the geopolitical structures that characterize contemporary Asia. Indeed, the dominant characteristic of contemporary Asian geopolitics is an unresolved tension between the direction of economic growth and strategic alignment. The vital interests of the global superpower, the United States and the great powers China, Japan, India and Russia are engaged in Asia in a climate of change and uncertainty about the future. The rise of Asia at the economic supremacy status takes place against a general geopolitical environment, which has no formal security architecture or effective arms control regime and no adequate structures for conflict resolution. China's rise and the growing multipolarity of Asia as a whole, is a challenge to US supremacy. The concern on the long-term regional security is also enhanced by a process of military modernization in East Asia, Central and South, from weapons of mass destruction to missile defense and information technology.¹

Brazil, Russia, India, China and South Africa known by the acronym BRICS² group will launch an international development bank and a fund for emergency loans, according to Deutsche Welle.

The decision was taken at a meeting of leaders of the BRICS countries held in Brazil. The New Development Bank (NDB) should rival the World Bank and its

¹ (Beasley, 2009) (Gupta, 2008; Acharya & Goh, 2007; Tellis & Wills, 2005)

² The "BRICS" acronym was originally formed in 2001 by economist Jim O'Neill of Goldman Sachs in a report on the prospects for growth for the economies of Brazil, Russia, India and China - which represent together a significant share of world's production and population. In 2006, the four countries initiated an informal diplomatic coordination, with regular annual meetings of Foreign Ministers starting from the general debate of the UN General Assembly (UNGA). This successful interaction has led to the decision that the dialogue was to take place at the level of Heads of State and Government in annual Summits. As the first Summit was held in Yekaterinburg in 2009, the depth and scope of dialogue between BRIC members - who became BRICS in 2011 with the inclusion of South Africa - was further improved. More than an acronym where the developing countries identified in the international economic order, BRICS has become a new, promising political diplomatic entity, far beyond the original concept adapted to the financial markets. After the Yekaterinburg summit, five annual summits took place (Brasilia, 2010; Sanya, 2011; New Delhi, 2012; Durban, 2013, Fortaleza, 2014). The leaders of member countries have held at least one annual meeting. During this period, BRICS has evolved incrementally, in the areas of consensus among its members, thus strengthening its two main pillars: (i) coordination in multilateral fora, with a focus on economic and political governance; and (ii) cooperation between members. Regarding the first pillar, there were efforts to reform the structures of governance at global level, especially in the economic and financial domain - Financial G-20, IMF, World Bank - to receive a special attention, and the reform of political institutions, such as the United Nations. The intra-BRICS cooperation was also gaining density: a vast program was developed, which includes areas such as: finance, agriculture, economy and trade, combating transnational crime, science and technology, health, education, corporate and academic dialogue and security, among others.

division for lending to the private sector, the International Finance Corporation (IFC), making easier and faster the access of the developing countries to finance of great proportions for infrastructure projects¹.

BRICS will establish a reserve of 100 billion dollars in US currency, which will be called Contingent Reserve Arrangement - CRA – the arrangement for the reserve for contingencies. The facility, a kind of IMF, should make emergency funds available to countries facing short-term disruption of the national currency and balance of payments problems, said the Russian Finance Minister, Anton Siluanov.

The two new institutions of BRICS countries should ensure alternative to the developing countries at the World Bank and International Monetary Fund, institutions that the United States has a significant influence. When the IMF and World Bank provide loans, funds are always accompanied by the conditions that reflect Washington's interests and those of allies such as Britain. BRICS countries are trying, through the creation of common financial institutions, to emerge from the influence of the US and to extract other countries out of the US orbit, writes Deutsche Welle.

NDB, where the five countries through equal contributions will provide the initial capital of 50 billion dollars, would grant loans for infrastructure projects, with fewer restrictions and delays than the World Bank. Some analysts believe that NDB might show less caution on the sustainability of the projects that it finances. *“The new bank could contribute to reducing the funding gap of investments in infrastructure in developing countries, but it could open the door wide open for projects that represent the social and environmental disasters”*, according to Andy Mukherjee, analyst at Reuters. The reserve fund would have a parallel mission with the IMF's, namely to provide emergency funding for countries facing a sudden currency crisis, especially dollars, the currency that dominates the global finance and trade. Developing countries may face such crises when investors withdraw large sums of money, for various reasons. Crises may occur due to sudden drop in prices of the main exports of some countries, such as oil or copper.

An important question remains about the differences between the conditions of the loans of BRICS' Fund for emergency and the ones of IMF. For several decades, the IMF grants loans to developing countries if they agree to decrease the state's spending, to open economies to foreign investors, to waive tariffs that protect its

¹ <http://www.businessmagazin.ro/special/brics-ataca-suprematia-bancii-mondiale-si-a-fmi-12941921>.

own producers, to liberalize markets and take other measures in line with the economic agenda of the Fund. Some economists such as Joseph Stiglitz, a Nobel laureate, said that the agenda promoted by the IMF in many countries caused excessive reduction of public investment in infrastructure, health and education. China will contribute the largest amount to the fund of BRICS countries, namely by 41 billion dollars, while Brazil, India and Russia will bring 18 billion dollars each, and South Africa 5 billion.

The World Bank and IMF were established after the World War II to provide necessary funding for the reconstruction of Europe. The leading bodies of these institutions include representatives of many countries, but are controlled by the US and European allies. The rise of China recently, Brazil and other countries has intensified calls for increasing their representation in the leadership of the World Bank and the IMF. Four years ago, it has reached to an agreement for changes to give greater importance to China and other major emerging economies. The Agreement needs, however, the opinion of the US, and the Congress refused approval. So the emerging economies have had enough, says Deutsche Welle. Their decision to establish the emergency fund NDB could put pressure on Washington to not postpone the compliance with the commitments for reform.¹

3. SCO - Cooperation in Security Matters

SCO² is primarily centered on the concerns of its member's nations from Central Asian on security, often describing the main threats being terrorism, separatism and

¹ <http://www.businessmagazin.ro/special/brics-ataca-suprematia-bancii-mondiale-si-a-fmi-12941921>.

² **Shanghai Cooperation Organisation (SCO)** is an intergovernmental creation, an international permanent organization which was proclaimed on 15 June 2001, in Shanghai (China), by the Republic of Kazakhstan, the Republic of China, the Kyrgyz Republic, Russian Federation, Republic of Tajikistan and Republic of Uzbekistan. Its prototype comes from Shanghai Five mechanism. **The main objectives of the SCO** are strengthening the mutual trust and good neighborly relations between countries; promoting effective cooperation in politics, trade and economy, science and technology, culture and education, energy, transport, tourism, environmental protection and other fields; joint efforts to maintain and ensure peace, security and stability in the region, moving towards the creation of new order, only democratic and political rational and international economics. SCO seeks domestic policy based on the principles of mutual trust, mutual benefit, equality of rights, consultation, respect for cultural diversity and aspiration for common development, the foreign policy is conducted in accordance with the principles of non-alignment, non-targeting anyone and openness. The organization has two permanent bodies - the Secretariat in Beijing and the regional structure for combating terrorism Tashkent. SCO member states occupy a territory of about 30 million square kilometers, which makes up three-fifths of the Eurasian continent, and have a population of 1.5 billion people, representing one quarter of the world population.

extremism. Over the past few years, the organization's activities were expanded to include closer military cooperation, information sharing, and combating terrorism. There were a number of SCO joint military exercises. The first of these occurred in 2003, with the first taking place in Kazakhstan and the second in China. Since then, China and Russia have teamed for scale war games in 2005 (Peace Mission 2005), 2007 and 2009, under the auspices of the Shanghai Cooperation Organization. More than 4,000 soldiers participated in joint military exercises in 2007 (known as the "Peace Mission 2007"), which occurred in Russia near Chelyabinsk, the Ural Mountains, as agreed in April 2006 at a SCO meeting of the defense ministers. Russian Defense Minister, Sergei Ivanov, said the exercise would be transparent and open to media and the public. After the successful completion of the war games, the Russian officials spoke of India joining the SCO exercises in the future and assuming a military role. Peace Mission 2010, conducted in September 9 to 25 in Kazakhstan Matybulak training area, has gathered over 5000 personnel from China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan conducting joint planning and operational maneuvers.

SCO has served as a platform for military announcements with a larger number of members. During the 2007 the war games in Russia, leaders of SCO member states, in attendance, including Chinese President Hu Jintao, the Russian President Vladimir Putin used the occasion to take advantage of a captive audience: the Russian strategic bombers, he said, will resume the long-range regular patrols, for the first time since the Cold War. "Starting today, such fee tours will be conducted regularly and on the strategic scale," Putin said. "Our pilots have been grounded for too long. They are happy to start a new life". On June 4, 2014 in the Tajik capital, Dushanbe, the idea was brought to merge SCO with the Collective Security Treaty Organization. It is still under debate.¹

Western observers believe that the mass-media one of the initial goals of the SCO was to serve as a counterweight to NATO and, in particular, to avoid conflicts that would allow the United States to intervene in areas bordering both Russia and China. And although not a Member State, the Iranian President Mahmoud Ahmadinejad used his speech at the SCO to make verbal attacks against the United States. While SCO (along with BRICS) is described by the Western analysts as a way for Russia and China to cooperate with each other in creating stability in

¹ https://en.wikipedia.org/wiki/Shanghai_Cooperation_Organisation.

Central Asia, as well as challenging the current Western-dominated global order, the lack of resources of the organization are seen as a sign of weakness.

The United States has requested observer status in the SCO, but was rejected in 2005. At the Astana summit in July 2005, with the wars in Afghanistan and Iraq foreshadowing indefinite presence of US forces in Uzbekistan and Kyrgyzstan, the SCO called on the US to set a timetable for withdrawing troops from SCO member states. SCO has made no direct comment against the US military presence in the region or; however, some indirect statements from previous summits were viewed by Western media as “poorly veiled swipes at Washington.”¹

From a geopolitical perspective there were many discussions and comments on the geopolitical nature of the Shanghai Cooperation Organization. The Iranian writer, Hamid Golpira has said on the subject: “According to Zbigniew Brzezinski's theory, the control of the Eurasian landmass is the key to domination and control of Central Asia, it is the key to global control of the Eurasian area ... Russia and China were paying attention to Brzezinski theory because they formed the Shanghai Cooperation Organization in 2001, ostensibly to reduce extremism in the region and enhance border security, but most likely with the real objective of counterbalancing the US activities and NATO in Central Asia.”

Indeed, a lot of the geopolitical analysis is determined by what Zbigniew Brzezinski defined as basic uncertainty facing Asia as a whole, namely the problem of ensuring stability in East Asia. According to Brzezinski “East Asia has yet to determine whether its geopolitical future will resemble to that of Europe in the first half of the 20th century or that of Europe in the second half of the 20th century”. (Brzezinski, 2004, p. 107)

At an SCO summit in Kazakhstan in 2005 it was issued a statement of Heads of Member States of the Shanghai Cooperation Organization, which addressed their “concerns” and they contained an elaboration of the principles of the organization. It included: “*Heads of Member States highlight that amid a contradictory process of globalization, the multilateral cooperation based on the principles of equal right and mutual respect, the non-intervention in internal affairs of sovereign states, non-confrontational way of thinking and consecutive movement towards democratization of international relations contribute to global peace and security, and it appeals to the international community, regardless of differences in ideology*

¹ https://en.wikipedia.org/wiki/Shanghai_Cooperation_Organisation.

and its social structure, to form a new security concept based on mutual trust, mutual benefit, equality and interaction.”

In November 2005 the Russian Foreign Minister Sergei Lavrov reiterated that “*Shanghai Cooperation Organization (SCO) is working to establish a rational and just world order*” and that the “*Shanghai Cooperation Organization gives us a unique opportunity to take part in the formation of a fundamentally new model of geopolitical integration.*”

4. The Statements of the Russian President Vladimir Putin

At the press conference¹, of Vladimir Putin in Ufa, in July 2015, in Russia, on the occasion of the SCO and BRICS summits, he stated that these events are among the major foreign policy events on the international agenda.

The heads of 15 countries representing several different continents - Eurasia, South America, and Africa - came to Ufa. Each of these countries has its own development road, economic growth model and a rich history and culture. This diversity that brings together different traditions offers great power to the SCO and BRICS group and enormous potential, said the Russian President, Vladimir Putin.

At this summit there were adopted key documents, such as Ufa Declaration², the Action Plan and the Economic Partnership Strategy. They contain concrete agreements on the development of the association member countries and strengthening its international status and comprehensive measures to deepen coordination in foreign policy, with the purpose of expanding mutual trade, investment and exchange of technology.

On the SCO meeting of the State Council, Putin said, on the same summit, that it was decided to increase the number of members. We signed documents to begin accession of India and Pakistan. Therefore, SCO capacities to respond to modern threats and challenges will increase. The political and economic potential of the organization will expand significantly.

Putin highlighted that the summit adopted the SCO development strategy outlining the priority domains by 2025. These include priorities in all key areas of

¹ <http://en.kremlin.ru/events/president/transcripts/49909>.

² The statement describes the general methods of addressing the most relevant international and regional issues and it provides an assessment of the organization's daily activities.

cooperation - from creating the conditions for boosting the cooperation in trade and economy to regional stability and prompt answers to conflicts and crises.

Putin showed that it has been decided to start the approval process for full membership for India and Pakistan. They hope SCO will become an extra room for finding compromises and solutions to the disputed problems. In the near future, according to Putin *“we intend to organize an economic summit for the first time in the Far East, and we informed our colleagues in China. We invite the Chinese companies to participate in this forum and we will provide details on all the opportunities that open in the Far East. I believe that Chinese companies could participate and make a significant contribution to achieving the goals that we have set for us in the region - into their advantage, of course.”*

5. Reactions of Analysts on the Summit of Ufa

Toloraya Georgy says the BRICS summit in Ufa is unique in that it proved to be a test of maturity of the association. Russia's relations with the West are about to generate a widespread conflict, while the growth in China's foreign policy, including its regional dimension in Asia, supplies the United States with many complaints.

Meanwhile, the Indian government led by Narendra Modi, pursuing a multi-vector policy, which includes getting closer to Washington while on the other hand it is trying to make the most of other partners, including the BRICS. South Africa in BRICS is predominantly concerned with economic issues and it uses BRICS as a tool for promoting bilateral relations and establishing a comprehensive profile of the country. The author shows that Russia, of course, was strongly tempted to use the summit Ufa as evidence of lack of diplomatic isolation and it seeks support in deadlock with the Western part of Western Europe, although the other BRICS member states are reluctant to put this first.

However, we must not lose sight of this important fact - the leaders of the most populous countries agree on the approach of many conflicts and regional security. BRICS cooperation is therefore a manifestation of a shift in geopolitical reality. The “double” Summit of BRICS and SCO stresses that a new arrangement of power is born into the world of “Heartland”.

This will have as aim making the statement *the US – the power pole unipolar new world order* less feasible. The BRICS does not wish, according to the same author, to “destroy” the current system of global governance, but rather a fair place in it. Newly created areas of cooperation have been established with BRICS during Ufa summit. However, we should note that these forms are mostly to discuss issues rather than implementing solutions.

This could be a necessary step on the road to real cooperation, but the responsibility problems of BRICS remain. In conclusion the author shows that BRICS countries should be aware that the BRICS power increase could lead to increased resistance to the centers established by power. This should inevitably include various methods aiming at undermining the BRICS unity.¹

Obviously, the fundamental desire of the leaders to propel the country is first. It also matters the will of every citizen to get there. As much as it matters that for the resources to be mobilized to achieve this goal - as you may consume so much that you finally see that victory is only on paper and not effectively. However, there are two indicators to which we refer less, although they are the most important in my opinion², for shaping the image of a state that really can dominate the world or a larger region. Both indicators are equally important, only that the second one is better applied globally to formulate conclusions.³

The first indicator is related to the population and its movements. Specifically in our case, who migrates to the BRICS vs. who leaves those states. The opposite is obviously the one leaving the US and its neighboring countries in terms of civilization vs. those who migrate to these states. People flee mostly for economic reasons - either a lot of poverty, or lack of prospects for development. They leave also for political reasons, but less numerous. This is because economic discontent is easily tolerated by governments, but not the political one - and two of the BRICS countries are not necessarily a model of political freedom. Hence, a first conclusion:

¹ Georgy Toloraya is the Executive Director of the National Committee for BRICS Studies in Russia. <http://thebricspost.com/building-brics-a-steady-cautious-march-ahead/#.VcDSKtI0HH8>.

² Marius Văcărelu teaches at the National School of Political Science and Public Administration, he is a specialist in administrative science and geopolitics. He is member of the staff drafting of the geopolitics and geostrategy journal “Geopolitics”. He is a founding member of the Academic Society of Administrative Sciences and the Institute of Public Law and Administrative Sciences of Romania. His works are published in the UK, France, Poland, Russia etc.

³ http://adevarul.ro/international/in-lume/Tarile-brics-nu-vor-conduce-lumea-niciodata-1_5434c5010d133766a8c1b3a1/index.html#.

The BRICS States do not provide yet to its own population high living standards in order to attract migrants from the countries that rule the world today. Wealth is progress and it brings more freedoms and a general state of good, which leads into social health, not being “poor and honest”. Moreover, it shows that the BRICS countries have renounced to some egalitarian ideology - to the dismay of ideological pseudo-intellectuals of European civilization. This is because the lack of wealth and investments that they can do in various sectors of the economy, it ultimately translates into popular uprising and not in mental and political flattening. As long as Western European countries and the US will maintain this line and they will not choke under the communist pressure of egalitarianism - being attentive to the question of major and unreasonable inequalities - BRICS countries, with all their economic advances of the recent years (Gross Domestic Product of the BRIC Countries from 2004 to 2014) will fail to reach a general level of real threat to global supremacy. Here (World GDP Ranking 2014) is another global demonstration of power states, even if we group here according to the interest of the text and the geopolitics of the day.¹

The second indicator is more subtle, but fundamental for the state policies. Specifically, it provides the image of the state force abroad, especially in the context of technological development of the last 200 years, and it is an excellent tool in the service of the economy. This indicator is the language spoken and written by the great powers. *If we observe the planet's geopolitics, especially the Euro-Atlantic, we see that in the 18th century to the first decade of the 20th century the knowledge of French was required as a result of the French expansion on the European continent except the island and the Small Asia. The British controlled the seas, but preferred to leave the linguistic dominance to the French language in Europe, because it was difficult to dislodge from the military point of view - and very expensive. But they manifested strongly in Africa, Australia, North America, the Indian subcontinent and much of the Arab space, as they were bringing technological progress and civilization there - especially comfort, sanitation and education.* Specifically, each language simplifies, and the technological development in the second half of the 20th century required an easy language for communication at regional, continental level, and towards the end of the century - globally. Communication is not only orally, but also in writing - contracts are concluded in writing, the litigations required documents, textbooks and university

¹ http://adevarul.ro/international/in-lume/Tarile-brics-nu-vor-conduce-lumea-niciodata-1_5434c5010d133766a8c1b3a1/index.html#.

treaties, which are exclusively in written form. For them, a complicated language, or which is difficultly written, cannot be useful in attracting new students and elites of other countries, and it will be somehow eliminated. Therefore, the French with its accents could not rule. The fight was then given between two languages and alphabets, English and Latin alphabet vs. Russian language and Cyrillic alphabet. The difference was from the start in favor of English, which dominated and it proposed an economic model in countries using the Latin alphabet, and the Russian language and Cyrillic alphabet have from the start the obstacle that some occupied countries and brought under political control using the Latin alphabet – the Romanians, Poles, Czechs, Germans and Hungarians. The final was one known: English defeated, in the former Yugoslavia the Cyrillic alphabet is increasingly rare used, the Internet is dominated by English and any institution should have a site in English, even if post “almost nothing” in that section. In other words, linguistic simplicity defeated, as expected: the lack of accents and other forms of amending the Latin alphabet with cedilla or little cap was more easily accepted than any volute craft of the letters.

Therefore, BRICS has to face this insurmountable obstacle. To be able to be the first power of the world - now, or at least an alliance between states and it quite unsafe in substance, it must offer something substantial in terms of rapid communication. Or, as we know, three countries of the 5 have their own alphabets. Moreover, India has 18 official languages, and the only one that can be understood by all is English. China has simplified its alphabet 1950s, the number of ideograms resulted being of approximately 30% compared to the old number. South Africa is based on English and Portuguese is a Latin language, different from the others. Russian language is also different in alphabet and handwrite it is harder than writing in English. In addition, certain letters of the Cyrillic alphabet have another meaning in the Latin one, with the immediate consequence of the confusion of meaning between the words. In addition, when people meet each of the 5 countries, they still used English. Hence the question: yes, it would eliminate the domination of English and the countries that use it, but what to put in its place, to be as simple and useful for communication? The number of speakers - more or less good at it – of English language in the world exceeds 1.5 billion people, the number of sites in English is the largest globally. The great universities of the world in the top 19 are exclusively in English, and in top 100, 93 are from Latin countries, six from Japan and Israel, places where English is very important and the only non-Latin university by alphabet is the Lomonosov University from Moscow, on the 79th

(Academic Ranking of World Universities 2013). Therefore, let us not delude ourselves.¹

The conclusion is that economic progress unaccompanied by a lot of wealth that would be communicated and imposed to others with a simple, clear language and with an easy to learn alphabet, it does not mean victory.

Lawrence J. Fedewa said after the summit in Ufa, that *BRICS was disturbed by the restrictions on world trade imposed by Bretton Woods (NH) in 1944, who established a new international monetary system dominated by the US. The American influence was reflected particularly in designating the US dollar as the world reserve currency, along with its development institutions, particularly the IMF.*²

For example, the top five IMF members (US, Japan, Germany, France and Britain) control almost 40% (39.4%) of all voting rights of the organization where it has 188 members. China has 4%. Perhaps even more important is that they are established and implemented all the standards for credit reporting and solvency at national level and at trade balance under the American philosophy of taxation, government spending and the rule of law. Interestingly, China comes with 41% of the \$ 100 billion for the capitalization of the Contingency Reserve Agreement (CRA). From its rhetoric, it is clear that this alliance is intended to eventually build a global financial system dominated by China or alternatively to replace the Bretton Woods international monetary system and the US dollar. *How important is New Development Bank in the US? Today, it is not in itself a serious threat to the dollar. In the coming years, however, could mutate into a game-changer for the US. Together, the BRICS account for over 25 percent of lands in the world, about 40% of world population and about 17% of the world economy, and 50 % of global GDP growth over the past 10 years.*³

Lawrence J. Fedewa, at the end of his speech showed that *any hasty action to replace or degrade the position of the dollar as the world reserve currency could be catastrophic for the United States. At the same time, the emergence of China*

¹ http://adevarul.ro/international/in-lume/Tarile-brics-nu-vor-conduce-lumea-niciodata-1_5434c5010d133766a8c1b3a1/index.html#

² <http://www.washingtontimes.com/news/2014/jul/22/fedewa-brics-vs-dollar-latest-challenges/?page=all>

³ Lawrence J. Fedewa, <http://www.washingtontimes.com/news/2014/jul/22/fedewa-brics-vs-dollar-latest-challenges/?page=all>.

and BRICS, with the outspoken support of many of the 188 countries of the IMF are clear indications that significant changes are inevitable and at hand.¹

Meanwhile, whether they like it or not, the BRICS countries will have to operate with the rules of the global economy led by the US, for the foreseeable future. It is not simply another currency that can replace the dollar for the international financial transactions. China has dreams of promoting its currency, the Yuan, as an alternative, and made some progress. But the Yuan cannot be really a rival to the dollar until China will work toward the achievement of fundamental financial reforms - liberalizing the Yuan trade and capital flows in and out of the country. That's far off. And by then, China's massive dollar reserve forces continues to invest in dollar assets.²

In the same way the BRICS bank was established in response to the financial chaos unleashed by the Western banks, a military BRICS bloc will occur if there is a perception of threat. Currently, there is no urgent need for the five member states to bring the armed forces under a single command.

Currently, the only BRICS member feeling the direct American pressure is Russia. On 26 December 2014, President Putin signed a new military doctrine for the Russian armed forces. The new doctrine is a response to intentional encirclement of Russia by NATO and the economic war against the country. China is also facing circling. Washington is ramping up naval activity in the Pacific and also molding forces in Australia – aiming straight for Beijing. However, Beijing does not face an existential threat as Moscow.³

But may a BRICS united military force take on NATO forces? Regarding the members, NATO seems to have the advantage of numbers, with 28 countries against BRICS, with five members. However, this is an illusory advantage. In NATO, the US is the only large country with a considerable population, while all BRICS countries, except South Africa are at continental or subcontinental scale. Most NATO countries are only specifications on the map. NATO is in reality an

¹ Michael Schuman, <http://www.washingtontimes.com/news/2014/jul/22/fedewa-brics-vs-dollar-latest-challenges/?page=all>.

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http://in.rbth.com/blogs/2015/05/18/why_a_brics_military_bloc_wont_happen_in_a_hurry_43163.html

³ Rakesh Krishnan Simha,

http://in.rbth.com/blogs/2015/05/18/why_a_brics_military_bloc_wont_happen_in_a_hurry_43163.html.

alliance of inappropriate states. For example, the US, France, Britain, Germany and Turkey are security vendors while the Latvia, Estonia, Lithuania, Croatia, Poland, Hungary and Bulgaria are applicants for security. The latter group is a huge obstacle on the alliance. As, while the US defense budget is 582 billion, Estonia spends only \$ 250 million, which is probably less than what the Pentagon spends on anti-depression pills for US military personnel. Even Poland, which has consistently called for a massive US military presence on its territory, spends only \$ 10 billion of their own money to defense.¹

A key domain where BRICS is leading is the population. The demography is really the destiny and BRICS with 3 billion people are three times more than the 900 million NATO souls. It is also well known that most Western nations will witness massive drops in population, so NATO will be on a slippery slope in the coming years.

Western Alliance currently has 3.5 million troops, but in the future will face huge shortfalls of fighter pilots, soldiers, engineers, scientists, and nuclear power plant workers, among others. BRICS countries have 4.7 million men and women in active military service and up to 8 million reservists. In addition, the populations of India and China are likely to grow unabated for decades.

5. The Most Important Announcements Made at the Summits in Ufa

- On the occasion of the BRICS summit it was created on Tuesday a foreign currency reserve fund that will be managed by the new Development Bank of BRICS states (NDB), seen as an alternative to US-dominated international financial institutions. The fund in question amounted to 100 billion dollars and it is intended to be a *'tool insurer' designed to help member countries 'in case of any problems on dollar liquidity'*. The main contribution is that of China, which will allocate 41 billion dollars to the fund. Russia, India and Brazil will spend \$18 billion each, and South Africa - 5 billion \$.

The essence of the activity of this bank is that once a BRICS country's budget deficit will exceed the limit amount, from the financial reserves of this common fund, there will be the given the means to assist the State in question. In addition,

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http://in.rbth.com/blogs/2015/05/18/why_a_brics_military_bloc_wont_happen_in_a_hurry_43163.html.

the new bank could participate in financing the new 'Silk Road', a project initiated by China to revive an ancient trade route linking Asia to Europe.

- The Russian President Vladimir Putin announced **the official start of accession of India to the Shanghai Cooperation Organization**, after meeting with the Indian Prime Minister Narendra. Nevertheless, joining Iran, which has submitted a similar request, is conditioned by Moscow for the successful conclusion of the negotiations on the nuclear file.

- the Venezuelan President, Nicolas Maduro, announced that it has asked the Foreign Ministry to prepare **a future accession of Venezuela to the BRICS group**. *“As we have seen in recent years, BRICS has motivated many developing countries such as Venezuela. Therefore, I have asked Foreign Minister Delcy Rodriguez to advance the discussions for accession in the near future”* Maduro declared on Wednesday evening, in an interview with TeleSUR channel. He said he would propose to the Member States of the Bolivarian Alliance for the Peoples of Our America (ALBA), a leftist oriented organization which includes 11 countries in Latin America and the Caribbean, to join the new Development Bank of BRICS states.

- *“The Crimean Peninsula’s issue was closed (...) by the population from the peninsula and the decisions made by Russia, based on the clear willingness of the people of Crimea”*, said the Russian Foreign Minister Sergei Lavrov, in a press conference held at Ufa. **None of Russia's partners in the BRICS and the Shanghai Cooperation Organization has put into question the recognition of the referendum in the Crimea** (16 March 2014), said Lavrov. *“In the documents you will see in a few hours, the BRICS leaders and of the Shanghai Cooperation Organization will strengthen our common position on the need to fully and faithfully implement agreements in Minsk, in Ukraine, which have no relation with the agenda on Crimea”*, said Lavrov.

- **Lifting the embargo on arms imposed to Iran** should be a priority after it will reach to a permanent agreement on the Iranian nuclear program, Lavrov declared during the BRICS summit. These sanctions on the arms were imposed in order to determine the Iran to negotiate, an objective *“achieved for a while”*, added Lavrov.

- Russia and China intend to conclude early next year an **intergovernmental agreement on the construction of a high-speed main line “Moscow-Beijing”**, the company vice president said on Thursday railways in Russia, Aleksandr

Misarin, quoted by the Russian news agencies. “*We were given orders that by the end of this year we agree on all points, so that early next year we can sign an intergovernmental agreement*” in this regard with the Chinese party, he said, amid the BRICS summits and Shanghai Cooperation Organization.

6. Conclusion

BRICS countries have made great progress, but it is not enough. And as their peculiarities make them harder to get them integrated into the world economy circuit, and within their alliances, it is clear that the future of this group of states does not belong to it. In the future, all these countries will go through great internal convulsions, as rising the living standards in these countries started later than the key moment, sometimes with more than 70 years. And time costs enormously in the century of the Internet. The lost decades cannot be compensated, and the only solutions are only deferred, failing to achieve - in these five countries, but in reality in all countries –a trust relationship between citizens and state institutions. And as all countries in this Western European civilization space and North America are in first place, it is clear that the BRICS countries will not take global hegemony, not today, or later. And not much later.¹

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