

BRICS Cooperation in New Phase of Globalization

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Abstract: The substance of the new globalization is to rebalance the westernization, and BRICS countries represent the main force of this rebalance strategy. New globalization at present is still in its early stages, but its development is a process with multiple political, economic and cultural dimensions. The development of BRICS countries was influenced by the modernization model created by the Western developed countries, at the same time they also reshaped the model. BRICS countries are not to overthrow the Western order, but to enrich the globalization process by forging a pluralistic coexistence pattern. In this sense, the kind of globalization led by the dominant Western model will be difficult to continue, the new phase of globalization will be a process with diversified values and forces involved.

Key words: Global governance; Globalization; BRICS

Since the start of the 9•11 terror attacks in 2001, the world is entering a new phase of globalization. On one hand, global issues such as global warming have become increasingly prominent, and defining the national interest of the international community needs to combine the sustainable development of the globe with the traditional national interests. Faced with these non-traditional security threats on a global scale, no country alone can cope with. On the other hand, the globalization process is becoming more diverse, showing a more complex and balanced development, and the leading role of Western countries tends to decline. Major power in the international system is undergoing changes, the pattern of North-South interactions tend to be more equal. Development models are

competing with each other in the international community, the revival of traditional culture is full of new life. In this new phase of globalization, it is increasingly important to understand the role of BRICS.

Emergence of a New Globalization

Social Sciences used to define globalization as a global proliferation of Western model. In fact, the non-Western or the third world for passive or active have been really very extensively following and learning from the West. For a neutral description of this phenomenon is modernization, but there is little doubt that in the eyes of Western scholars modernity is a product of Western model. It can be said that globalization in a fairly long period full of the characters of modernization or Westernization.

In 1970s, ideas on native development mode emerged across the third world, based on their own value, political, and economic and social organization systems, different development models emerged in East Asia, South Asia, Latin America and South Africa, etc. It is notable that each model usually was represented by one major country. Therefore, after the collapse of the Soviet Union, many commentators believe that Western-style democracy and market model would dominate non-Western patterns influence in the global setback. However, that is not true.

With the rise of the BRIC countries, debates on the personality versus universality of different development models have been increasing. Development experiences of the BRICS countries and their implications for global development agenda were extensively discussed both at home and abroad. Meanwhile, the traditional Western powers on their domestic developments have met a number of problems since 2008 international financial crisis in the United States. The responses to some EU members' financial crisis further illustrate the contradiction between sovereignty and transnational governance. Against this background, BRICS countries represent a new force of development, and are expected to have an impact on the development dimension of globalization.

In the new stage of development, the sole force of developed countries can't

deal with global issues. Almost all key international issues are global in nature. Furthermore, population growth, urbanization, climate change and energy and food shortages and other problems are intertwined. The solution to global issues is essentially a matter of achieving sustainable human development and transnational cooperation.

The major change of the current international system is the change of balance of power that is the end of a unipolar world and the emergence of a multipolar world. After two wars in Iraq and Afghanistan and the impact of the financial crisis in 2008, the ability of the United States to lead the world is declining. The world needs to enhance the cooperation to maintain the global order, which is characterized by updating G20 as the primary platform for international economic cooperation. The cooperation of BRICS regarding the Ukraine crisis further weakened the West's influence in the international political and security matters. United Kingdom. Based on their economic power and active diplomacy, the influence of BRICS on international political and security matters are increasingly referred to by the international community. This means that the power structure of globalization is becoming diversified.

In terms of solutions, the global governance research agenda setting has been dominated by Western powers for a very long period. However, the academic communities of non-Western countries gradually improve its capacity in shaping the discussion of global governance. There is no doubt that Western powers will not easily give up leadership in the new stage of globalization, but the tendency to cooperate are increasing. Major economies are competing with each other around creative policy thinking on clean energy and sustainable development.

Nickname of globalization in the past was mainly economic globalization. New globalization is not only about economic globalization, but also has cultural and political dimensions, showing a more comprehensive set of features. Major economies are competing on the rules of trade and investment in next stage of globalization. The United States tries to turn national rules to global standards. Economic globalization has brought the world economy to become a "global

economy", in which building capacity to enhance international trade and attract international direct investment and international mobility of production factors became the essential characteristics of the contemporary world economy. In the second wave of economic globalization, China should choose economic globalization strategies based on domestic demand, use high quality factor and domestic market size advantages to accelerate development, and become an important part of the global innovation chains. However, it is noteworthy that G7 countries were preventing all BRICS members from joining the TPP and TTIP processes.

With the development of economic globalization, emerging powers were increasingly raising their voices in the main international mechanisms and enhancing their influence in politics and culture of the world. The study of world history tells us that some advance sectors of Western economies may have originated in the East, while a country's current culture and religion may also be foreign-oriented; in the deepening of the process of globalization in 21st century, we need to avoid turning national identity into a nationalist; there is ups and downs of world history between East and West. In the long process of history, the West is not always in a strong position. The rehabilitation process in China has also caused academics seeking wisdom from the traditions and history for contemporary China. In fact, this trend of localization of international relations theory in academics is reflected in BRIC countries, which reflected that emerging powers are working hard to find theory according to their desire and need. Against this backdrop, the new globalization undoubtedly needs to go beyond the clash of civilizations theory, and theory of the tragedy of great power politics, therefore to find theoretical support for building a new type of major power relations.

Opportunities and Challenges for BRICS Countries

If we say that the main features of the new globalization are peaceful rise of non-Western powers (for some countries are reemergence), freer global flow of economic factors and pluralistic civilization, the BRICS countries as representatives of emerging power are undoubtedly the important players of the new globalization.

The new features of globalization offer BRICS countries both opportunities and challenges. On the one hand, the new globalization provides BRICS greater international space in which to play a greater international role. On the other hand, it is difficult for BRICS to maintain peace with the West, promote constructive international System Transformation in the context of declining West powers. BRICS countries need to manage the risk of power transition in the new phase of globalization.

Peaceful rise of non-Western power creates a more favorable environment for BRICS countries. The current development of the international system and a multi-polar structure are helpful to avoid the tragic history of bipolar confrontation. Unlike the bipolar competition during the Cold War era, the BRICS countries mainly rise through participation in economic globalization. Even Western strategists believe that the BRICS countries will not be allowed to challenge the existing international system fundamentally since they also benefited from the current international system. BRICS countries in 2014 BRICS academic forum identified five pillars for cooperation: the promotion of cooperation in order to achieve economic growth and development, to guarantee peace and security, attention to social justice, sustainable development and the public well-being, economic and political governance, and the promotion of knowledge sharing and innovation. From the point of view of these issues, more attention of BRIC cooperation is given to create a favorable external environment for its own sustainable development, rather than to challenge the existing international order.

A more liberal economic order will provide more resources for the development of BRICS countries. Currently the Federal Reserve's intention to withdrawal of monetary easing and the re-industrialization in developed countries were creating concerns of vulnerability in BRICS countries. From general terms, BRICS as emerging economies are still enjoying the most promising growth potential. Economic fundamentals of BRICS did not have serious deterioration, foreign exchange reserves are still adequate, inflation is within endurable range, the overall unemployment rate remained at a low level, and remains attractive to

foreign direct investment. In the long run, based on the BRIC's own economic transformation, demographic dividend and scale market, combined with an improved external economic environment, long-term economic prospects of the BRICS countries will be getting better. Besides consolidation of relations with developed markets, BRICS countries are enhancing their efforts to develop economic cooperation with the developing countries, which is conducive to world economy's balance, but also conducive to the expansion of their own development. In addition, the BRICS countries are increasingly focused on technological innovation. Despite the existence of the digital gap, BRICS countries in building big data economy was not far behind the Western economies. BRICS have expressed concern about internet security and information management.

Regarding their development models and agenda, BRICS countries give more emphasis on building an efficient and stable system for development, in particular highlighting the welfare system and social policy, and anti-corruption importance to achieve sustainable development. Since the international financial crisis in 2008, the Washington model suffered a lot, and the Occupy Wall Street movement shows that Western civilization has encountered new challenges. The task of nation building is being shared by all kinds of countries. Coping with extreme weather, terrorism and other new global issues are testing of the vitality of major civilizations. More and more people are aware of that BRIC countries cannot simply copy the lifestyle of developed countries; both sides need to create a more eco-friendly at the same time guarantee quality of life. Arguments about the merits of civilization has been reduced, countries began to put more focus on domestic reform by learning from each other.

On governance mechanism of new globalization, a central feature of global governance reform is from the "Western governance" to "co-governance", thus constitutes the whole historical opportunity for the rise of the BRICS countries. The new globalization requires the international community to tackle climate change, energy, resources, food security and other global problems. Players and issues of global governance have changed. BRICS countries are facing global governance

through participation in the maintenance of world peace, economic prosperity and to enhance their well-being opportunities. BRICS countries are facing a rare historical opportunity to enhance their voice in major international mechanisms to promote the incremental construction of the international system, to adapt and build international rules.

Besides opportunities, the new globalization has created profound challenges on national capacity, political system, economic competitiveness, and civilized standards. Most BRICS countries are middle-income countries, and a common challenge is how to get rid of the middle-income trap. Some studies suggest that, in low- and middle-income stage, the driving force of economic growth is the ratio of fixed capital formation, human capital and opening degree; when the economy develops to a high-income stages, the accumulation of these elements of economic growth role began to decline, economic growth is more sensitive to institutional factors and original technological progress. From the current economic development strategy adjustment, the BRICS countries will put a lot of effort to enhance human capital, improve the investment on infrastructure, and step up the construction of a clean government. Brazil, China and Russia have declared a war on corruption. In practical terms the BRIC countries, although the role of factor accumulation began to decline, but for Brazil, India and South Africa and other BRIC countries, improving the infrastructure and upgrading the quality of human resources is still very important for the future of sustainable development. BRICS governments' investment in innovation is a growing trend. The Brazilian government launched the "Science Without Borders" project, whose main objective is to train high-tech R & D personnel in Brazil. However, compared with the government investment is more important is to improve the market mechanism and institutions to foster innovation.

BRICS countries generally face the challenge of the old development model transformation and upgrading. Although BRICS countries over the past 20 years have started market-oriented reforms, they also emphasized the role of government in economic development, especially foster the growth of international

competitiveness of domestic enterprises. With the new phase of globalization on the real economy of developed countries and re-industrialization, plus the BRICS countries to reduce preferential policies for foreign investment and raised labor and environmental costs, BRIC countries attractiveness to foreign investment might be declining. Foreign capitals return to their home country or near the home country of the consumer market is increasing. BRICS countries need more in-depth exploration in improving the quality of opening up in order to enhance their appeal to foreign investors under the new conditions of globalization. Institutional innovation such as China free trade pilot area in Shanghai is an important example of this effort. In the context of the world economic recovery is weak, the BRICS export-oriented economy, dependent on primary products, traditional industries and energy resources export structure revealed great vulnerability. Taking measures to drive economic growth by structural reform is becoming a consensus for BRICS countries.

An important character of economic globalization is the role of prominent multinationals. In the context of globalization, companies seek a global range of resource allocation. Multinational of BRICS countries have partly grown up, initial success in overseas layout. However, as part of the state-owned background BRICS countries companies and the constraints are subject to the degree of trust between States cannot be overlooked. According to information disclosed by Snowden, the Brazilian oil company, Huawei and other BRICS competitive multinational headquarters were suffering monitor by American national security system. In this case, BRICS companies are relatively easy in the presence of emerging economies and developing countries, and a larger access to developed markets requires BRICS countries participating in the new round of international trade and investment negotiations, and its essence is through further opening up the BRICS domestic market in exchange for developed markets.

Strategic Choices for BRICS Countries

The essence of the new globalization is emerging forces such as BRICS countries represented rebalancing the West. This rebalancing is not to seek conflicts

but to seek a more diverse and balanced world in terms of its strength and value. BRICS countries as an important force in the new globalization need long-term adaptation and preparation of economic development, governance capability and building civilized society.

In terms of economic strategy, BRICS countries need to comply with the sustainable development trends by participating in rules-making process and global economic governance mechanisms. Re-industrialization in developed countries aims at expanding exports in order to reverse the situation of trade imbalance, and BRICS countries should actively increase the investment in the developed countries accordingly. BRICS countries' growing middle class, upgrading of industrial structure, as well as the accumulated foreign exchange reserves will help BRICS countries to release the potential to import during their participation in the new phase of globalization. BRICS companies' going global strategy is helpful for building sustainable growth of the world economy. Outbound investment by BRICS is conducive to sustained global growth and the optimal combination of elements BRIC economies.

Deep involvement of the outside world will promote domestic reform process in BRICS countries. In the case of capital, technology and sales network, increasingly transnational operation of the BRIC countries need to build a better investment environment, and the rising domestic market will attract high-quality elements inflows. On the one hand, BRICS still need to seek growth opportunities by opening up, strengthening infrastructure-based hardware conditions, while nurturing advanced technology and management capability for their own enterprises. Despite the economic slowdown in the BRICS countries, the policy choice is not to take massive stimulus policies, but to adopt structural reforms to drive economic growth to run better and stronger in the medium term. In fact, a poor performance on domestic employment, social and environmental severely constrained economy is difficult to start domestic demand. On the other hand, BRICS countries should not be excluded from the process of new rules setting process for new globalization. The current fact is that TPP and TTIP advocated free trade rules well ahead of the level

of foreign economic cooperation of the BRICS countries, so the BRICS countries need to accelerate domestic reform agenda to reduce the impact of the new rules. Sino-US bilateral investment agreements and Brazil to promote the Mercosur free trade agreement with the EU negotiations showed BRICS' wiliness to participate in the new round of economic globalization.

The new policy of the globalization process of coordination in the major economies has become more critical, which requires the BRIC countries have a greater say in the world's major economic governance mechanisms. Since the international financial crisis in 2008, the importance of coordination of macroeconomic policies of major economies has been widely recognized by G20 members. Even as the central bank of the world's major reserve currency country, the Federal Reserve's policy-making primary consideration is the US economic situation and development prospects. G20 and IMF need to strengthen early warning and monitoring of monetary policy, and the US Congress has blocked the agreement in 2010 on increasing the share of BRICS in IMF. If the implementation of the share reform is achieved, China will become the third nation in the number of shares held in IMF, while the share of Western Europe will decline. Despite the uncertainty of Russia's membership within G8, it is important for all BRICS countries to present in G20.

In terms of participation in global governance, the BRICS countries can add new rules, new norms and positive initiatives to regulate and guide the process of the new globalization. Different from the role of learner in the early stage of globalization, BRICS need to play an important role in the new process of globalization. BRICS countries have successfully supported Brazilian Roberto Azevedo as WTO Director-General, and it is expected to launch in the future strength of the BRIC candidate for the highest office in the World Bank and the IMF. BRICS Development Bank, though still in preparation, its potential impact on existing international development banks and similar undertakings have been widely discussed. These developments show that the BRICS countries are actively expanding their participation in global governance.

For BRICS countries, an important area involved is shaping the post-2015 international development agenda. With the rapid development of their economies and global diplomacy, the BRIC countries gradually shift in international development cooperation from the recipient of international development assistance to providers, and made a great contribution for the achievement of the Millennium Development Goals. Emerging economies' role in trade and development finance in low-income countries caused great concern from developed countries. BRICS countries are now emphasize capacity of developing countries to participate in shaping the post-2015 development agenda, emphasizing the location and the division of main responsibility of North-South cooperation, and South-South cooperation as complementary means. With the gradual development of South-South cooperation, how to deal with international development cooperation fragmentation will be a concern for the effectiveness of cooperation. BRICS development partners emphasize respect for autonomy, attention to infrastructure, to further understanding of the importance of sustainable development and other characteristics will be the references for BRICS Development Bank to position its role in the post-2015 development agenda. BRICS countries actively involvement in international development cooperation is not only to provide international public goods, but also to explore their own path to sustainable development.

An important dimension of the BRIC countries to participate in global governance is to strengthen the mechanisms of cooperation inside. Globalization has always been multi-speed propulsion, while the BRIC countries as a whole is difficult to participate in the new trade and investment rules and the process of negotiations such as TPP and TTIP. Though BRICS countries do not take into account the status of free trade agreements, raising the level of mutual economic cooperation mechanism within BRICS is essential. The current cooperation projects between the BRICS countries are mainly based on the complementarity of their comparative advantages, and cooperation on large projects around the primary products, raw materials, energy resources and infrastructure is more prominent. However, just focus on this complementarity is undoubtedly shortsighted and lack of sustainability. In fact, the

BRICS countries have their own comparative advantages in advanced manufacturing, communications, aerospace and other fields respectively. Brazilian regional aircraft, tropical agriculture and bio-pharmaceuticals, Russian military-industrial complex, India's pharmaceuticals, services, and South Africa's financial services have strong international competitiveness. Based on these neglected comparative advantages, the BRICS countries are expected to cooperate with each other better. With the facilitation of trade and investment between the BRICS countries, the potential of this economic cooperation will be gradually released. BRICS cooperation in various sectors is also expected to deepen cross-border administrative cooperation.

In shaping a civilized and harmonious coexistence, BRICS can strengthen the cultural strategy and soft power. BRICS countries' current international influence is stronger than their soft power. BRICS Academic Forum in 2014 raised the question BRICS soft power, which is a very positive development. BRICS countries' deeply involvement in globalization requires a better public diplomacy to influence other countries and even shaping public policy intentions. On the interpretation of major international issues and current affairs, the Western countries the media still holds a dominant position, the media of BRICS country shall enhance their international presence and influence. Brazil's global news, Xinhua News Agency, Russia today has shown considerable strength, and BRICS international media presence helps to break the monopoly of the developed countries for the right to speak. The new essence of globalization is to build a new pattern of pluralistic civilization with equal interaction. High-qualified public diplomacy will help the political awakening of the non-Western world, and cultivate a new consensus on solving global issues.

BRICS countries represent pluralistic civilizations and their cooperation is a good example of dialogue among civilizations. BRICS countries have a long history, culture and tradition. The challenge is how these factors to combine with the globalized world and to generate new thinking to solve important issues of the contemporary world. In this respect, the BRICS countries establish a healthy great power mentality is very important, need to get rid of victim mentality and the mentality of empire. They need to develop a more international, forward-looking

and qualified great power mentality. In the process of the new globalization, to seek traditional wisdom is important, but more important is to do its contemporary transformation work according to the changed conditions. In East Asia, for example, it is difficult to look history for an answer to deal with so many powers in the region. Drawing on the European countries in this regard even Brazil's experience in handling relations with its neighbors will be more illuminative. BRICS countries are far apart geographically, culturally diverse, nationals of member countries know very little about each other, strengthening social and cultural exchanges between the BRIC countries in the near future is urgent. In seeking common rise in global governance process, BRICS countries need a collective response, but perhaps even more important is to build an identity-based imagined community of BRICS.