

BRICS as Global Regulatory Factor (a must and a possibility).

1. The world of the XXI century is in a transition and this is clearly shown by the latest global economic crisis. Existing global structures, first of all the Bretton Woods institutions, are no longer capable to adequately perform its regulatory functions, meaning, on the one hand, expansion of new markets, the process, which neither national nor international law can keep up with, and on the other – to deal with the unconventional international security challenges. Preserving its central role and universal character the UN meanwhile requires an adjustment to the new realia both in a sectoral approach (specialized UN organs) and in the field of the international security (UNSC).
2. Nowadays there are many speculative recipes of transformation of the global regulatory mechanisms, but concrete practice still makes a more sound contribution. Notably, — a rapid institutional work is quite visible in recent years. Nevertheless the impression is that the new structure making on the regional level considerably outruns its global results. However the examples of BRICS and G20 show the possibilities of new actors and mechanisms to join “the club” of global regulation.
3. In our opinion, the main mission of BRICS is to find a counterbalance for the structures controlled by the traditional centers of the world economic and political power. In other words, the historical destination of BRICS seems to be a creation of necessary prerequisites and tools to reestablish a balance in the world system.
4. The ability of BRICS to fulfill the above mentioned tasks is determined by several factors. The first is their increasing potential power. The 2nd is their readiness to find a “common denominator” in the full range of their national interests. The 3rd is their ability to establish multilateral and fortify bilateral cooperation within the five-member format. Finally, there is a possibility to establish and transmit the mutual interests and positions to the influential

international structures and provide the decision-making that will take into account the role of developing centers in the world system and the perspective of their advancement towards a polycentric world order.

5. Concerning the BRICS, it will evidently require the conversion of the association into a more solid institutional formation. However, the institutionalized mechanism will be needed not only to represent and bargain the interests of the five BRICS countries in the established “club” of global regulation. To enter this “club” effectively and meaningfully the BRICS members have to create their own mechanism of cooperation.

Nowadays legislative and executive functions are carried out by the Annual Summit. The Institute of Sherpas and Susherpas realizes operational contacts and the working relationships. Periodic meetings of the Heads of diplomatic departments solve the key problems of coordination in international politics. There exists a wide range of sectorial commitments at ministerial level which embraces the main directions of cooperation in the BRICS format. At the same time there visibly exists an excess of the extensive growth (activity in spoil of quality) in the BRICS practice. The executive mechanisms fail to keep up with the decision-making ones. In a wide and growing range of cooperation, that has already formed in BRICS, the need for permanent secretariat is becoming more needed. The suggestion of a “virtual secretariat” can be pertinent but only for a short term period. A permanent secretariat must have an internationally recognized legal status (UN accreditation), that apart from everything else could enable BRICS with some kind of edge over the G-7/8 or the Group of Twenty.

In the economic sphere a key importance, in our opinion, will have a joint development bank, which would finance first rate collective projects, a chamber of international payments, with a view to use national currencies in trade and investment, an exchange union that would be able to join the five BRICS countries` stock markets, attracting extra investment and currency resources.

Further/subsequent BRICS practice will light other priorities, inevitably bringing to the forefront the question of institutionalization and structure organization.