



Rising Powers and the Reform of Global Economic Governance: The BRICS and the Normative Challenge Ahead

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Abstract

At a time when the liberal international economic order seems under threat, the transformation of global economic governance poses a strong normative challenge to existing international institutions. The recent establishment of new international financial institutions (IFIs)—the Asian Infrastructure Investment Bank (AIIB) and the New Development Bank (NDB)—signified a steady process of transformation of the architecture of contemporary global governance. How rising powers understand, establish and conduct formal and informal rules within new international financial systems is of fundamental importance for the future of world economic order, although not necessarily signaling a decline for the Western-style economic governance and its normative principles. While global economic governance has profoundly changed in the last decade, the suggestion here is that rising powers' efforts to reshape the current global economic order have often been overestimated and only partially contextualized within the enormous achievements gained from economic opportunities driven by Western globalization. Focusing on the contestation of these different worldviews, the paper analyzes the approach of BRICS (Brazil, Russia, India, China and South Africa) New Development Bank countries to global economic governance within the newly established IFIs, questioning how the normative challenge represents either an opportunity or a threat to the current global order.

Keywords Rising powers · BRICS · NDB · Global economic governance · Normative challenge

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1 Introduction

Over the past decade, rising powers and emerging economies have started to play a growing role in a large number of international economic institutions. The reason why scholars have directed their attention toward new actors in global governance is partly due to the different normative narrative rising powers manifested vis-à-vis conceptualizations and models of a different world order. In the aftermath of World War II, rising countries played a significant role neither in designing the institutional architecture of global economic governance nor its agenda-setting practices. However, the global economy has undergone tremendous changes since the foundation of Bretton Woods' institutions in 1944. Taken together, the five BRICS (Brazil, Russia, India, China and South Africa) countries now account for 40% of the world's populations and in 2020 they will represent almost 20% of the world's (GDP) gross domestic product (Global Economic Prospects 2018). The result has been a reconfiguration of the global economic governance architecture, in which new institutions have been established and new rules and practices integrated with the existing ones.

It is widely recognized that rising powers play a fundamental role in the global economic system. Nonetheless, disagreements remain among scholars and practitioners about the extent to which they are fully integrated into the existing world order or whether they intend to subvert the global economic architecture. The global economic architecture includes the institutions as well as the mechanisms that govern the global economic governance. This article provides a middle ground between such two extremes, considering rising powers neither as a threat to, or simply as bystanders of the global economic order. Rising powers are weakening the international economic system and its established regime in the former case; in the latter, they passively collaborate with the ruling powers with no possibility of reforming the existing global governance architecture. The fast rise of BRICS countries in the international system accelerated the need to understand the consequences of their growth for the future of the world economy. Indeed, this has become even more important following the establishment of new initiatives, particularly the new international financial institutions (IFIs). The 2-year period 2014–2016 represented a critical juncture for the establishment of new economic institutions by rising powers like the BRICS New Development Bank (NDB), the Asian Infrastructure and Investment Bank (AIIB), the Silk Road Fund (SRF), and the BRICS Contingent Reserve Agreement (CRA), showing the extent to which these powers contribute to ongoing reforms of the global financial architecture. This article contributes to this debate by examining BRICS's narrative as a group to propose an alternative normative framework of the working structure of global economic governance. Hence, the article is organized as it follows. In the first section, the role of BRICS in global governance is discussed. In less than a decade, BRICS countries have emerged on the international scene as proactive players in international affairs. To be sure, their economic performances, their institutionalization process and the level of political commitment in global governance have so challenged the current debate on world order that no scholars

engaged on reflections on how the world will look like in the future can omit today references to their role and influence. Nevertheless, the scholarship is still deeply divided on such topic. The fact that BRICS countries have proved themselves to be main stakeholders for developing countries in today's international affairs highlighted the important gap that exists within the literature when trying to understand the normative challenge developing countries stimulated in global governance. As such, the second section contextualizes BRICS' main challenge from a normative perspective. More specifically, it discusses to what extent a specific set of common narratives and shared principles as provided by the BRICS as a group emerged as a *de facto* alternative to previous, and commonly taken-for-granted visions of world order. Here, as a background idea, lies the fact that today, numerous developing countries and emerging economies see the BRICS as the only, real, alternative, which is available to challenge the G-7 dominated global economy since the post-WWII global economic order, which is indeed, a post-Western world order. The third section deals with the normative-discursive challenge in the establishment of new institutions with a focus on the NDB, the New Development Bank. In this way, this part presents into details a brief history of BRICS summits, more specifically, by looking at the documents produced by the Summits and the major ideational and normative preferences pertaining to BRICS' concerns in the context of global economic governance. The fourth section highlights the ideational narratives beyond the BRICS normative challenge. In this sense, by providing a normative mapping model of BRICS ideas *vis-à-vis* global economic governance, the section aims to further understand and rationalize the major ideational backgrounds of BRICS countries in global politics. To Wang Youming, the strength of the BRICS mechanism lies in its capacity to adapt to ongoing challenges in global governance and particularly, to its awareness that when "fundamental change takes place in the global arena and global governance landscape, multilateral mechanisms, if they fail to keep up with these changes and make timely and necessary readjustments to their roles, means and objectives, will lag behind world political and economic structural change and become out of touch with the times" (2017: 44). Notwithstanding the pessimism of endless power struggles between ruling and rising powers (Allison 2017), the normative contribution of BRICS might prove to be more of an opportunity than a threat. In contexts where ideational rather than power-based interests are key drivers of change, inbuilt ideas of "equality" and "normative justice" in world politics can bolster the resilience of some international multilateral institutions to adapt to the current global economic order.

2 The Role of BRICS in Global Governance

Current literature on the role of BRICS in global governance is rooted in three main theoretical paradigms, which provide relatively sophisticated explanations of processes of change in world politics. To realists of different types, international politics represents power struggle. Changes in the distribution of power are not only the main, but the sole cause of tensions among states, often causing disruption within

and among international organizations regarding the rules, procedures and norms governing global politics. The argument is anchored to power-shift dynamics in international relations and, specifically, to the transition of power from a great to a rising ascendancy. For realists, it is a matter of destabilization of the international order: Transitions of power are never driven by peaceful intents, however, peaceful the outcome. To Mearsheimer, the consequences of a rising China are indisputable: the United States (US), threatened both regionally and globally by the ascent of China, will react with containment policies, with an intense security competition and considerable potential for war resulting as the most likely scenario for the future (2004). Simply put, “the birth of a new power has never been welcomed by the established powers” (Kagan 2005).

Looking for a clearer picture, the phenomenon of rising powers becomes more urgent when considering the changing structure of global governance, rather than just interstate relations. Realism in this sense possesses too little explanatory power to deal with the emerging powers’ narrative. Liberals, in contrast, consider economic integration and interdependence a driving force to cooperative behavior among states. Regardless of whether new players will significantly alter the status quo, liberal internationalism and the world order from which it originated are not at stake (Ikenberry 2018). In fact, it is precisely the economic interdependence that the same liberal internationalism brought about that constantly generates new possibilities for its “rejuvenation.” This is because, according to Ikenberry, there exist two types of liberal internationalisms. The first is the “creature of an American hegemony,” whereby the global order created by the US has substantially weakened, especially with the current Trump administration. The second is its heredity: a long-lasting set of ideas, principles and political agendas contributing to the reform of the international order; the vision of an open, rule-based and progressively oriented world order; and the evolution of the nineteenth-century Western capitalist system, i.e., free trade, international law, collective security (2018). In this context, rising powers are believed to still be dependent on the institutional as well as the normative context created by the existing institutions. Finally, is a mix of historical materialism and international political economy, according to which the rise of BRICS and other so-called emerging powers should be discussed beyond traditional interstate relations, while considering the global-centric economic system. To this extent, shifts of power and authority are seen as a consequence of developments in the global governance scenario, considering its institutions and norm-building practices. Stephen’s account of rising powers and their changing status in world affairs is linked to a Marxist interpretation of global politics. The orthodox picture presuming competition among states cannot catch the global nature of “the world polity and the kind of principles that underpin it” (2016). Stephen’s analysis is about the structural characteristics of the international system and specifically the global capitalist economy, which remain firm explanatory variables to explain changes in the system. Possibilities of conflict between great and rising powers stand in relation to the management of the global economy, rather than because of security interests or territorial preferences (2016). Nevertheless, if the identity of global governance is in a state of flux, to what extent can newcomers, such as BRICS, successfully prioritize and advance alternative normative visions of global economic governance?

When analyzing the normative position of BRICS in global governance, rising powers find themselves in the paradoxical situation of finally having recognized some of the benefits of the liberal international order, while their contribution remains partial and mostly dominated by the West. In the course of history, great powers have rarely agreed to offer new status and prestige to newcomers. One thinks, for instance, of the United Nations Security Council (UNSC) Reform. Notwithstanding that the geopolitical landscape has changed drastically since the end of World War II, and that the current UNSC membership reflects a bygone era, reform is unlikely to succeed. Since the 1990s, the UN General Assembly has debated the possibility of a Council reform, in particular regarding the lack of any form of representation of regional realities such as Africa, Latin America or Asia, which are totally underrepresented. A similar situation exists with the reform of the International Monetary Fund (IMF). Major criticism concerns IMF governance and its scarce—if none-existent—willingness to reform its chairs, the representation of countries on the executive board, and the voting power of member states. As for the UNSC reform, the issue concerns the unrepresentativeness of non-Western countries, or more precisely in the case of the IMF, its non-EU members. In 2010, the IMF quota reforms approved by the IMF Board of Governors showed an increase—China now holds 6.4%, Brazil 2.3%, India 2.7% and the Russian Federation 2.7% (IMF Quota).

3 The Normative Challenge: BRICS and the Post-Western World Order

According to Pant, normative convergence among the BRICS countries is what binds them together at the international systemic level. More precisely, BRICS countries have not only found a convergence of interests regarding some of the most pressing challenges in global governance, i.e., climate change, global trade negotiations and the reform of the international financial institutions, but also share similar concerns relative to the US counterbalancing acts to the international hegemony in international affairs. In this sense, they favor a multipolar vision of the global order that is in contrast with the unipolar, US-led international order (2013). It is precisely the intent to counterbalance the US-hegemonic role in global governance that might have reinforced BRICS' common interests in global governance. BRICS are not homogenous in interests, values or policy preferences. However, they stand as a unitary group when they present the normative ideas and political strategies underpinned by the developing countries within major international organizations. The BRICS *as a group* contribute to reinforcing an alternative normative vision of the world, economically as well as politically, which diverges with that commonly proposed by most Western countries (Takur 2015). However, it must be said that the rise of BRICS countries does not necessarily presume only positive consequences for countries in the Global South. For instance, within the group is the issue of low coherence in economic performance, in parallel with the diverse fast catch-up relative to trade, and a sort of new neocolonial path vis-à-vis industrialization dynamics at the expenses of the other countries within the group, which could undermine a long-term vision for a more just and equitable world (Nayyar 2016). To this extent,

China was seriously criticized, particularly in relation to some of its overseas investments and the lack of oversight of Chinese companies based abroad. Within such a scenario—and notably in order to escape a simplistic and too often polarized approach to the debate—Hurrell (2018) has recently argued that the BRICS represent only one stage of the long-term revolt against the Western-dominated neoliberal order. In this light, three major points should be borne in mind when considering developing countries' normative commitment to the global order in the changing landscape of international politics: (1) the increased capacity of a wider range of states and social actors to become “active agents” of global politics; (2) the rejection of liberal economic governance from a more bottom-up perspective—that is, losers of globalization have also contributed to exacerbating strong populist and nationalist feelings within and across countries in the Global South; and (3) the massive failure to manage value diversity and differences (political, economic, normative) between and among major states in the system (2018).

Nor has normative accommodation of BRICS countries in global governance resulted in a homogenous process among themselves. While it is true that China and Russia have been the main drivers for the BRICS institutionalization, they also stand as the two actors that contributed the most with distant political narratives on how to build their own rules for a more “inclusive” world. In fact, they present different positions when providing alternative visions of how to rethink the world in which we live. Since the end of the Cold War, Russian political elites expressed a strong aversion for a US-led international order. First, Russia envisions itself as a “great power,” but such an idea has always encountered substantial opposition from the US, which is not interested in allowing Russia to participate in, or contribute directly to, the architecture of the international order. Second, Russia is a strong supporter of a multipolar vision of the world order, but more precisely, it conceives unipolarity, i.e., the US supremacy, as unacceptable. Third, non-interference in international affairs stands as a bulwark in Russia's foreign policy, but has resulted in extreme actions such as Russia's annexation of Crimea, which was harshly criticized by the international community, including China (Radin and Reach 2017). As a result, in many international organizations and fora, Russia's ideas to build an alternative, non-Western vision of the world did not gain strong support from the developing countries; nor did it provide substantive alternative momentum to counterbalance the autonomy and predominance of Western-led organizations championing norm-diffusion behaviors. One thinks, for instance, of the Eurasian Economic Union (EAEU). Established in 2015, with the intent to foster regional economic integration among Russia, Kazakhstan, Belarus, Armenia and Kyrgyzstan, this body is considered as a tool employed by Putin to strengthen its geopolitical objectives, rather than as a successive alternative to regional economic integration. So far, indeed, the EAEU has failed to attract much interest in membership apart for countries sharing a former Soviet Republic identity with Russia.

China, in contrast, can be considered a more successful promoter for alternative—as well as non-Western—visions of world order. Even though many will recall the Chinese President Xi Jinping's excessive centralization of power, China's blueprint as to how to achieve global economic integration and the many initiatives promoted since he took office in 2012 have been received with strong enthusiasm not only by the

developing countries, but more generally by many others in the international community. In the last 5 years, there has been an escalation in China's self-confidence in international affairs, which has resulted in the launch of numerous new initiatives (Belt and Road, AIIB), from which benefits may be gained on a larger scale than if applied only to China itself. Of course, this has roots in China's foreign policy ambitions to reinforce its so-called "core interests." As observed by Suisheng Zhao, China has adopted a more confrontational position in relation to Western countries, both militarily and economically. As such, he argues that most Chinese foreign policy decisions "were made through the lenses of issues that were of sole importance to China, rather than on the basis of broader regional or global economic and security concerns" (2013). However, as argued by Shaun Breslin, China's move toward alternative forms of liberal principles and very different ideas about how to think of international relations and global governance results not only in the conclusion of a Chinese commitment to propose international norms "with Chinese characteristics," but with the logical conclusion that the Chinese normative world has pushed for a real non-Western alternative (2018). There are very good reasons for expecting China to provide more inclusive, alternative paths of normative practices in the global economic governance domain and to better serve the interests of the Global South. However, how China's approach benefits countries in the Global South is still a matter of controversy in the scholarship. This seems to be particularly the case when considering quantitative data settings in sectors such as international trade, aid policies or foreign direct investments (FDI). For instance, according to Wang and French (2014), China in the last decade has been quite conservative and very reluctant to change the status quo. Instead, its behavior in global economic governance has focused on the preservation of its major economic interests and, for the most part, has been in line with other major powers of the past and the present.

Within the BRICS countries, India, to a certain extent, shares China's consistent dissatisfaction with the so-called Western neoliberal order. The "dissonance," to be precise, consists of India's reluctance, at the international level, to be governed by ideas and goals emanating largely from Western countries (Ollapally 2018). Finally, it is the role of Brazil in the global reconfiguration of the power structure at the international level and its great challenge to promote normative and operational change through a vision based on multipolarity. As suggested by Hirst (2015), multilateral intergovernmental coalitions such as that with the BRICS have substantially altered the main interests of Brazilian foreign policy regarding the procedural, conceptual and normative framework of global governance. More precisely, the Brazilian contribution to an alternative frame of thinking in international politics has become a source of constructive criticism, which may result in valuable improvements regarding global governance.

4 The BRICS and Global Economic Governance: the Normative-Discursive Challenge in the Establishment of New Institutions

Jim O'Neill created the acronym BRIC in November 2001. O'Neill, at the time chairman of Goldman Sachs Asset Management, argued not only that "the weight of the BRIC, and especially China in world GDP [would] grow raising important issues

about the global economic impact of fiscal and monetary policy in the BRICs,” but in line with such a prospect, “world policy making forums should be re-organized, and in particular, the G7 should be adjusted to incorporate BRICs representatives” (2001). Whereas O’Neill’s contribution is often recognized only in terms of coining a new term, his long-term vision about the lack of inclusivity of Brazil, Russia, China and India within policymaking forums requires further attention. At the time of O’Neill’s writing, the G20 had been already created, but it did not possess the same efficacy as the renowned international policymaking forum that it is today. Of course, nor were BRIC as institutionalized as they are now. Their first Summit, proposed by President Vladimir Putin in 2006, on the margins of a UN General Assembly Session in New York just 5 years later, marked the beginning for the new group. The first formal Summit was organized in Yekaterinburg, Russia, in 2009. Since then, the annual Summits organized by BRICS countries have pushed forward a diplomatic agenda aimed at overcoming the so-called democratic deficit in international affairs.

That normative preferences among BRIC were oriented toward the reformulation of the rules governing the principal institutions of global governance has been evident since the initial gathering. Primarily, this was because the G7-based model for the global governance structure did not consider how powerful the contribution of the developing world was, *vis-à-vis* the world economy. In March 2012, at the Fourth BRICS Meeting held in New Delhi, India, the group declared its intent to work with other countries “on the basis of universally recognized norms of international law and multilateral decision making, to deal with the challenges and opportunities of the world of today. Strengthened representation of emerging and developing countries in the institutions of global governance will enhance their effectiveness in achieving this objective” (Delhi Declaration 2018: point 4). Hence, it is not surprising that the creation of alternative international institutions is now a strong component of the BRICS approach to global governance, which, since its initiation, has argued for a more inclusive, universal—and non-Western—perspective. The BRICS approach to global governance is therefore in line with the view of scholars who recently argued for a more comprehensive approach to dealing with global governance practices and actors. For instance, Acharya (2016) maintains that among the determinants of demand to assess the efficacy and legitimacy of global governance one should include regionalism as a distinct category, considering that it brings into question very relevant issues, such as culture or identity, previously only touched on in the literature.

During the Fifth Meeting in Durban, South Africa in 2013, the BRICS Declaration confirmed its intent to expand the inclusiveness of the developing countries in global governance, yet this time, with clear reference to the economic context. In particular, it called for “the reform of International Financial Institutions to make them more representative and to reflect the growing weight of BRICS and developing countries” (Durban Declaration 2013: point 13). The Declaration also pointed out BRICS’ growing frustration with the existing multilateral organizations such as IMF, concerning their governance and quota reform. For the first time, the need to increase the role of the BRICS in global economic governance was related to infrastructure development in the developing world and emerging economies. The

insufficiency of long-term financing and FDI, as stated in the declaration, would be resolved by BRICS' commitment, through the establishment of a new multilateral development institution, the NDB, as well as the establishment of the BRICS Contingent Reserve Agreement (CRA) (Durban Declaration 2013). The perception that BRICS initiatives could have an impact on economic and financial reforms represented something more serious than "forum talks" following the report from the Finance Ministers at the Summit. During the Sixth BRICS Summit held in Fortaleza, Brazil 2014, the leaders signed the agreement for the birth of the new institution. The Fortaleza Declaration marked a turning point for the institutionalization of the group, as well as in terms of the consistency of the issues and the level of discussion reached at the forum. As with other declarations, the narrative underpinned by BRICS, relative to normative change in global economic governance, represented the standpoint of the Summit. However, it was clear how the BRICS economies, at the time, were facing a "critical juncture": While acquiring a more profound consciousness concerning their growing power at the international level, they were keen to succeed to reform the architecture of global economic governance. In the Fortaleza Declaration, clear reference is made to the dissatisfaction toward Western-led IFIs: "we (the BRICS) remain disappointed and seriously concerned with the current non-implementation of the 2010 IMF reform, which negatively impacts on the IMF's legitimacy, credibility and effectiveness" (Fortaleza Declaration 2014).

The 2015 Summit gained the attention of the international community because of the Russian Federation's Presidency. However, Russia's strategic vision of BRICS' cooperation reflected its global ambitions and interests of the time. Only a few months before the BRICS "club" gathered in Ufa, in Russia, on July 9, 2015, the Crimean Peninsula had been annexed by the Russian Federation (in February–March 2014). This was a strategic time for Russia, considering that in 2014 Russia had also held the Presidency for the Shanghai Cooperation Organization. At the 2015 Summit, the priorities for the Russian President Putin were aligned with major guidelines in Russia's foreign policy: to strengthen international peace and security, and to promote BRICS' interests in the international arena; to facilitate multilateral financial cooperation and the reform of the international financial system; to enhance trade and economic cooperation within BRICS; to expand social cooperation of the BRICS countries; and to deepen humanitarian cooperation in the format of BRICS. As happened in Fortaleza, institutionalization in Ufa also grew further, and we saw some "spill-over effects" from a focus on politics and economy to increased cooperation in other areas, such as labor and employment, social inclusion and social policy. There was also increased cooperation in international education, with the establishment of the BRICS Network University—"an educational program aimed at developing preferentially, bilateral/multilateral short term training, masters and PhD's programs" by higher education institutions in BRICS member countries (BRICS MoU 2018). In 2016, India took the lead and it hosted the 8th BRICS Summit in Goa. The Goa Declaration went one step further and was very much focused on BRICS' role in international affairs. In this sense, clear reference was made to BRICS' relations with the UN; the situation in the Middle East and North Africa; the Africa 2030 Agenda; chemical and biological terrorism; ICT and e-governance; and many more issues (Goa Declaration 2018).

In 2017, China hosted the 9th BRICS Summit in Xiamen. The event was a moment in which China's exclusive role in the grouping became evident. The Chinese President Xi Jinping (2018), in his opening speech, remarked on the most important guidelines driving the process of BRICS institutionalization, including economic cooperation, common development strategies, a new type of international relations, people-to-people and cultural exchanges. These strategies appeared to be in line with Beijing's preferences of foreign policy: Indeed, they are the very essence of China's vision of the world and its relations with foreign countries. At the same time, the Xiamen Declaration was also a moment in which BRICS were able to amplify their long-term path toward alternative forms of global economic governance. While past declarations had focused very much on the new institutions, such as NDB and CRA, here great attention was directed toward bottom-up approaches to strengthen economic integration, such as cooperation on Public–Private Partnership (PPP); a new regulatory framework for financial services; science, technology and innovation; industrial cooperation among small- micro- and medium-size enterprises; cooperation in the ICT sector (Xiamen Declaration 2018).

What about the new international institutions? In the Xiamen Declaration, the BRICS grouping did not manifest clear signs of disrupting the current world order, and strong support was seen once again vis-à-vis the UN and the G20. Of course, there is a different reasoning when it comes directly to global economic governance. Despite the firm support of Western institutions, such as IMF, the BRICS emphasized, yet again, “the importance of an open and inclusive world economy enabling all countries and people to share in the benefits of globalization” (Xiamen Declaration 2018: 16). This, of course, does not mean that the BRICS are critical of globalization, but it shows they believe it should be a fair and just process in which not only Western countries are expected to result as the winners.

5 Understanding Ideational Narratives Beyond BRICS Normative Challenges

According to G. John Ikenberry, when we think about the international role of the US and China, respectively, we need to consider three different “baskets.” Basket number one relates to power; basket number two concerns interests; and basket number three is about national traditions, ideas and historical legacies. To Ikenberry, it is only by exploring the way in which the three basket variables shape American and Chinese preferences and policies interacting with each other that we can understand their orientations toward the rules and institutions of international order (2015). As for China or the US, we need to consider the role played by ideas and political narratives underpinned by the BRICS as a group in the formulation of their normative preferences regarding interests in global economic governance. The ideational pillars shaping BRICS preferences suggest that the normative content of the recent initiatives, such as the NDB, are vigorously influenced by the ideational narratives considered by each country as the most legitimate in the realm of global politics. There could certainly be some difference in the degree to which each country maintains a specific ideational narrative as a major foundation of its behavior in international

politics—i.e., China and India might have very different ideas on the notion of (Western) democracy. However, the basic assumption is that all BRICS countries share a common political frame in world politics rooted in a firm argument about the need to reconceptualize the norms of the liberal order, on the basis of the contribution of developing countries and emerging economies to the world economy. In what follows, the major narratives—post-colonial determinism, international democracy, and multipolarity—are discussed with reference to their alternatives. The aim is not to further polarize the discussion, while opposing BRICS political frames versus the West. Rather, the intention is to enlarge explanations about the alternative normative discourse envisioned by BRICS as a group, in the context of global economic governance.

5.1 Post-colonial Determinism Versus Universalism

Determinism emerged as a main narrative concept within the normative frame envisioned by BRICS countries, concerning the future path of the global governance architecture. Here, the term determinism is not intended in its traditional meaning, such as cultural determinism; neither is it focused on explanations about different cultural conceptions of human rights and local approaches to justice. Rather, it refers to determinism as “a form of normative and/or ideational anarchy and the rejection of Universalism per se” (Breslin 2018). There are very good reasons for believing that newly established institutions such as the AIIB and the NDB are challenging the liberal order and its traditional economic institutions. After all, the new banks were set up because of a shared frustration with existing multilateral institutions, mainly the World Bank (WB) and the IMF, and with a tendency to increase the voice of some precise emerging economies and developing countries within international policymaking forums, for instance, Brazil. Aside from recognizing the stalled situation of rising powers as a heterogeneous group to contribute to international discussions in the world economy, the two banks increased commitment to focus on regional cooperation beyond the West; and to mobilize financial resources on infrastructure development and connectivity in the context of globalization, and particularly in Asia, Africa and Latin America. Furthermore, the banks also maintain the idea of supplementing the infrastructural gaps and sustainable developments needs of emerging market economies and developing countries, which continuously face substantial financing constraints within the same regions (NDB 2018). So, for those who assume that identity and regional perspectives matter in global governance, and that the NDB and AIIB represent the most viable alternative for China and the BRICS to explore how much the changing structure of the world economy and its governance structures might offer to them, there is at least some evidence to justify their positions. Furthermore, and this could certainly be an academic reasoning dictated to assess how much, from a normative point of view, BRICS have challenged the global economic governance, there is enough space to believe the majority—if not all—of them share a post-colonial view of modernity and statehood, such as the extent to which sovereignty still matters in international politics. But, if up to this point we agree with Meinhof, Zhang and Zhu that certain speeches, diplomatic

statements and even political propaganda discourses from strong nationalist leaders, such as Xi Jinping, Vladimir Putin or Narendra Modi, simply combine “the desire to ‘develop’ and to ‘become modern’” (2017) and are therefore free to be understood in the most traditional sense, the concept of post-colonialism in this version emphasizes the need to adapt the trilemma *identity-modernity-colonialism* to make sense of post-colonial perspectives, while considering localized and very specific versions of it in the context of global politics.

5.2 International Democracy Versus Western Democracy

International democracy is another key narrative flouting all around the normative frame advanced by the BRICS group and China, when exploring their ideational background to establish new multilateral development banks. As for previous explanations, here the concept of democracy is not intended in its orthodox Western conceptualization, such as liberal political regimes and free elections, or in respect of human rights, free medias and so on. Rather, it explains the growing demand, by non-Western countries, for a more inclusive, and therefore democratized, international system. BRICS countries and the West have different views on the role of liberal values in international relations. Since the Bretton Woods system was created in the aftermath of World War II, Western countries have believed in concepts such as democracy, human rights and liberal market economy, and pushed to cement these concepts into international norms and institutions. The Non-Western group, leading with China and the BRICS, has aspired, instead, to a new international order in which ideas such as win–win cooperation, equality among members in the international community, and a clear stance against great powers politics are the basis to govern the world. China in this context appears to be the fiercest supporter. The Chinese term *guoji guanxi minzhuhua* (the democratization of international relations) was initially used by Hu Jintao to boost the rhetoric of China’s diplomacy in the 2000s, and particularly to increase the attractiveness of China’s external dimension to the developing world. But, as observed by Scott, the concept also emphasizes strong support of the sovereignty of individual states against generated pressure for regime change and interventionism (2012). The lack of commitment to democracy and respect for human rights juxtaposed with sovereignty and non-interference principles, as presented by countries such as Russia or China, appears as a major distinction between the long-term strategic visions of some illiberal countries, when establishing new international financial institutions.

5.3 Multipolarity Versus Unipolarity

From a BRICS perspective, our world is essentially multipolar. Of course, such claim might appear as taken for granted today, as it believed that China is destined to become the number one economy in the world. But here, the debate becomes even more polarized than the discussions about the rise of China. This is because discussing the concept of multipolarity among countries in the developing world includes the rejection of the vision that, since the end of the Cold War, it promoted a strong

neoliberal order intended as unipolar, and primarily, US-led. Again, the major supporter of such countertendency is China, but only up to a certain point, because the narrative is a major idea backed up with awareness by all the BRICS. In 1999, Wohlforth exemplified three main propositions to explain why a unipolar world might prove to be more stable than bipolar or multipolar systems: (1) the role of the US in modern international history, with preponderance in all the underlying components of power (economic, military, technological and geopolitical); (2) the absence of hegemonic rivalry over leadership of the international system; and (3) the unlikelihood that back then, candidates for polar status (Japan, China, Germany and Russia) would be able to create a global equipoise to US power (1999). Twenty years later, Wohlforth's propositions are deemed to be not simply outdated but unthinkable, when looking at ongoing dynamics and systemic accommodations in world politics. So, it is not surprising that Xi Jinping, the President of the second largest world economy affirmed in 2018: "The next decade will see a profound reshaping of the global governance system. The world is moving toward multipolarity and greater economic globalization amid setbacks ... Economic hegemony is even more objectionable, as it will undermine the collective interests of the international community; those who pursue this course will only end up hurting themselves" (BRICS Business Forum 2018). Since China, Russia, India and Brazil held the first BRICS Summit in 2009, they have maintained a strong commitment to the reform of the global order. While it is generally believed that the BRICS countries did not originally intend to overthrow the current international system, one should not forget that new initiatives, such as AIIB, NDB or CRA, provide a real foundation for an alternative normative framework for structuring institutions in global governance, thus reshaping the past order that was envisioned by Wohlforth as perfect and immutable, back in 1999. Whereas much of the normative commitment remains in the economic dimension, recent developments and institutionalization reached by the BRICS grouping, in parallel with statements made in the domain of international security, such as international terrorism or long-lasting conflicts, could also imply growing institutionalized collaboration in other fields, rather than just the global economy. While the BRICS recognize the relevant role of the UNSC as facilitators for guaranteeing international peace and security, they were not satisfied with Western countries, and particularly the behavior of the US in solving international conflicts, such as North Africa (Libya) or the Middle East (Syria). In the future, the multipolar world envisioned by the BRICS will be deemed more legitimate by contributing to other policy areas, as well as just economic global governance.

6 Conclusions

As observed by Stephen Kirchner, the G20's origins go back to the collapse of the Bretton Woods' system in the early 1970s. In Berlin, in 1999, thirteen more countries were added to the most powerful seven, in order to extend discussions on international economic cooperation: Argentina, Australia, Brazil, China, India, Indonesia, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, plus the Presidency of the EU (Kirchner 2016). The G20 is often defined as an exclusive

“club” of nations, with a significant democratic deficit, “since its decisions and actions are not governed by international law and it is not accountable to representative bodies” (Heinrich Boll Stiftung 2016). However, from a BRICS perspective, it is precisely the alternative platform to discuss global governance provided by the G20 agenda that makes the G20 more accountable to, and representative of, the developing countries. The G20 was born, in 1999, out of a meeting of G7 finance ministers and central bank governors who foresaw a need for new-consensus building among countries, with strong needs of representation and inputs vis-à-vis the world’s complex economic challenges. The idea was that exclusive, rather than inclusive, governance was driving the existing global governance agenda.

This article has described the normative discourse of the BRICS as a group to contribute to the ongoing reform of international financial institutions in the global economic governance. Empirically, it has shown that major narratives maintained by the BRICS since the start of their institutionalization process—which were constantly constructed through formal speeches, official discourses and forum declarations about the group—became a critical issue for how these countries are coming closer to achieving some autonomy to shape policies within IFIs. How are BRICS countries participating in global economic governance? Are they setting up new institutions that give them more opportunity to be accommodated in the world economy? This article has attempted to answer these questions. The analysis has focused on the BRICS’ discourse on the establishment of new IFIs, with particular reference to the BRICS NDB. While the BRICS can hardly be considered as international norm-maker actors, there is sufficient evidence to affirm that their behavior indicates a strong will by these countries to reform global economic governance. Perhaps, there is also enough evidence to suggest that such process is still not homogeneous. China, for instance, has played a pivotal role in shaping the discourse about BRICS’s global economic identity. In many official declarations, the major political frames utilized by the BRICS to construct their narrative discourse vis-à-vis global governance—but particularly that focused on IFIs—resound in unison with China’s “core interests” in foreign economic policy, in parallel with the need to increase the contribution of developing countries and emerging economies in international organizations.

However, China’s normative contribution is far to be considered as “hegemonic.” Whereas it is true that countries such as Russia or India have less normative appeal, they share much more with China than the same basic idea concerning the dissatisfaction of these countries to shape International Organizations and their policies. As this article has shown, this has resulted in a consistent and alternative normative framework provided by the BRICS, concerning global governance, in which major ideational narratives—post-colonial determinism, the democratization of international relations, and multipolarity—provide strong counter-arguments to the normative framework within Western-dominated international institutions. These include the universality of norms, liberal principles and Western democracy, a US-led architecture in global governance, and exclusive policymaking by the G7 countries.

Of further importance, it is the role of ideational narratives in the analysis of rising powers in global politics, but even more, their normative strength, to challenge the current regime of global economic governance. Of course, there are

those who believe that the contribution of rising powers to global economic governance is still limited, especially when compared with old institutions or with external traditional multilateral contexts, such as bilateralism or trade agreements. For instance, despite China's intention to create new institutions commensurate with its growing economic power, the major contribution that China can make to global governance is simply to introduce "better practices," such as new sources of funding for infrastructure, easier and cheaper foreign exchange transactions and greater trade opportunities, rather than new norms (Paradise 2016). Despite the association of rising powers with power struggle, and a quest for order in world politics, the rise of the BRICS can be understood as the rise of integrated countries among the transnational structures of production and exchange of neoliberal globalization, and the fundamental features of global economic governance (Stephen 2014). The normative challenge posed by the rise of China, India and Brazil, as well as Russia, is evident in the establishment of new IFIs such as the AIIB and the NDB. While it is true that the NDB is actively engaging in partnership with multilateral and national development banks, with a view to cooperating at the international level, all the partners (apart from the World Bank Group, ADB and the European Bank for Reconstruction and Development) are BRICS-based—FONPLATA, AIIB, the Development Bank of Latin America, China Development Bank, BRICS Interbank Cooperation Mechanism and the Standard Bank of South Africa. As most of the projects and infrastructure financing of the NDB are also exclusively BRICS-based, i.e., India, Russia and China, project financing is not expected to overlap with existing IFIs, such as WB or ADB. In conclusion, the list of partnership and MoUs signed by the NDB says a lot about the real possibility of the new normative vision in global economic governance actually being shared by partner institutions outside the BRICS countries.

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Compliance with Ethical Standards

Conflict of interest The authors declare that they have no conflict of interests.

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