the BRICS come to Durban
what we can expect from the
March 2013 summit
of subimperial powers

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School of Built Environment and
Development Studies – and
Centre for Civil Society, Durban

presented to the
UKZN Development Studies Seminar
6 March 2013

Cartoons by Zapiro
Durban’s hosting of BRICS, 26-27 March 2013
International Convention Centre

• BRICS within the crises of neoliberalism
• scrambled Africa: Durban 2013 = Berlin 1885?
• BRICS as (incoherent) subimperialist bloc
• ‘brics-from-below’ alternative (@ Diakonia)
central argument: crisis displaced but not resolved by 'spatio-temporal fixes' & 'accumulation by dispossession'
roots of crisis: long-term stagnation due to overaccumulation
‘overaccumulation’ and financialisation: sources of decline in US manufacturing profits

- US corporate profits derived much less from manufacturing products;
- much greater sources of profits from abroad;
- profits also came more from returns on financial assets.

Source: Gerard Dumenil and Dominique Levy

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GDP stagnation

Figure 3  US, nonfinancial corporations: Profit rates prior to the payment of real interest (---) and after (-----), %

In the first series, profits are equal to the net product minus the cost of labor, and business and profit taxes. They are divided by the net worth (total assets minus debt). For the second series, real interest is subtracted from profits, i.e., interest minus a correction for the depreciation of debt resulting from inflation.

- ‘temporal fix’
- ‘spatial fix’

Rest of the world: (-----); Financial sector: (-----); Manufacturing: (-----)

The Crash of International Finance Capital

and

The Rise and Fall of Money Capital

source: The Economist
neither are derivatives or ‘Quantitative Easing’ bailouts

Figure 3.1. Global Over-the-Counter Derivatives Markets
(In trillions of U.S. dollars; notional amounts of contracts outstanding)

Unallocated¹
Commodity
Equity-linked
Foreign exchange
Credit default swaps
Interest rate
Total exchange-traded

Source: IMF, Global Financial Stability Report, April 2010

Figure 4.1. Global Liquidity
(In billions of U.S. dollars; GDP-weighted; quarterly data)

M2
(left scale)¹
Reserve money
(right scale)²

US Fed panics, prints money
derivatives still very risky
wealthy governments’ debt reaches (political) ceiling

vast increase mainly reflects bailout of US and European banks in late 2008

Euro meltdown and US ‘sequestration’ paralysis represent shift from private finance to public debt crisis
sub-prime disaster *isn’t going away*

US real estate crisis continues, spreads to China
banks getting desperate

UK Climate Change Minister Greg Barker, 2010:
"We want the City of London, with its unique expertise in innovative financial products, to lead the world and become the global hub for green growth finance. We need to put the sub-prime disaster behind us"
impossible to finance renewable energy with such low carbon prices

Barker: “We need to put the sub-prime disaster behind us”

3 new carbon markets: China, Brazil & SA
where are Clean Development Mechanism projects funded?

Source: [http://cdmpipeline.org/cdm-projects-region.htm](http://cdmpipeline.org/cdm-projects-region.htm)
China and India have been garnering 60%+ of CDM projects
2012 report by Centre for Civil Society and Dartmouth College for

“the system should be decommissioned and at minimum, a moratorium be placed on further crediting until the profound structural and implementation flaws are confronted. The damage done by CDMs to date should be included in calculations of the ‘climate debt’ that the North owes the South, with the aim of having victims of CDMs compensated appropriately.”
uneven development in GDP growth

long-term stagnation of EU, US and Japan after Post-War ‘Golden Years’
uneven development in GDP growth
in context of global crises, enter BRICS

“a new global economic geography has been born”

– President Lula da Silva, BRICS Brasilia Summit, 2010
why not Mexico, Nigeria, Egypt, Turkey, Iran, Pakistan, Bangladesh, Indonesia, Vietnam, South Korea, Philippines?
and why not entire semi-periphery?

Jim O’Neil, Goldman Sachs

SOUTH AFRICA (added in 2010)
THE GREAT AMERICAN BUBBLE MACHINE

From tech stocks to high gas prices, Goldman Sachs has engineered every major market manipulation since the Great Depression — and they’re about to do it again.

IF AMERICA IS NOW CIRCLING THE DRAIN, GOLDMAN SACHS HAS FOUND A WAY TO BE THAT DRAIN.

GOLDMAN SCammed INVESTORS BY BETTING AGAINST ITS OWN CRAPPY MORTGAGES.

GOLDMAN TURNED A SLEEPY OIL MARKET INTO A GIANT BETTING PARLOR — SPIKING PRICES AT THE PUMP.

As envisioned by Goldman, the fight to stop global warming will become a “carbon market” worth $1 trillion a year.
### BRICS Countries Comparison

<table>
<thead>
<tr>
<th>Metric</th>
<th>Brazil</th>
<th>Russia</th>
<th>India</th>
<th>China</th>
<th>South Africa</th>
<th>Total BRICS</th>
<th>World</th>
<th>BRICS in the world</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area (km²)</td>
<td>8,514,877</td>
<td>17,098,242</td>
<td>3,287,263</td>
<td>9,596,961</td>
<td>1,219,090</td>
<td>39,716,433</td>
<td>510,072,000</td>
<td>7.79%</td>
</tr>
<tr>
<td>Area - land (km²)</td>
<td>8,459,417</td>
<td>16,377,742</td>
<td>2,973,193</td>
<td>9,569,901</td>
<td>1,214,470</td>
<td>38,594,723</td>
<td>148,940,000</td>
<td>25.91%</td>
</tr>
<tr>
<td>Population (mi)</td>
<td>192</td>
<td>143</td>
<td>1,200</td>
<td>1,341</td>
<td>50</td>
<td>2,926</td>
<td>7,021</td>
<td>41.67%</td>
</tr>
<tr>
<td>Work Force</td>
<td>104</td>
<td>75</td>
<td>487</td>
<td>816</td>
<td>18</td>
<td>1,500</td>
<td>3,262</td>
<td>45.98%</td>
</tr>
<tr>
<td>GDP - nom (US$ bi)</td>
<td>2,517</td>
<td>1,884</td>
<td>1,843</td>
<td>6,988</td>
<td>422</td>
<td>13,654</td>
<td>70,280</td>
<td>19.43%</td>
</tr>
<tr>
<td>GDP - growth</td>
<td>2.9%</td>
<td>4.1%</td>
<td>7.4%</td>
<td>9.2%</td>
<td>3.1%</td>
<td>5.3%</td>
<td>3.7%</td>
<td></td>
</tr>
<tr>
<td>GDP - PPP (US$ bi)</td>
<td>2,309</td>
<td>2,376</td>
<td>4,469</td>
<td>11,316</td>
<td>555</td>
<td>21,025</td>
<td>78,980</td>
<td>26.62%</td>
</tr>
<tr>
<td>GDP per capita - nom (US$)</td>
<td>12,917</td>
<td>13,235</td>
<td>1,527</td>
<td>5,183</td>
<td>8,342</td>
<td>4,666</td>
<td>10,010</td>
<td></td>
</tr>
<tr>
<td>GDP per capita - PPP (US$)</td>
<td>11,846</td>
<td>16,746</td>
<td>3,703</td>
<td>8,394</td>
<td>10,977</td>
<td>7,186</td>
<td>11,800</td>
<td></td>
</tr>
<tr>
<td>Export total (US$ bi)</td>
<td>256</td>
<td>394 *</td>
<td>242 *</td>
<td>1,552 *</td>
<td>97</td>
<td>2,541</td>
<td>18,150</td>
<td>14%</td>
</tr>
<tr>
<td>Import total (US$ bi)</td>
<td>226</td>
<td>239 *</td>
<td>363 *</td>
<td>1,423 *</td>
<td>100</td>
<td>2,351</td>
<td>17,990</td>
<td>13%</td>
</tr>
<tr>
<td>Trade total (US$ bi)</td>
<td>482</td>
<td>634 *</td>
<td>605 *</td>
<td>2,975 *</td>
<td>197</td>
<td>4,892</td>
<td>36,140</td>
<td>14%</td>
</tr>
</tbody>
</table>


**Summary:**
- 26% of land area
- 42% of population
- 46% of work force
- 19% of nominal GDP
- 26% of purchasing power parity GDP
## world GDP (2011)

<table>
<thead>
<tr>
<th>Country</th>
<th>GDP (PPP) $Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td>78,897,426</td>
</tr>
<tr>
<td><strong>BRICS</strong></td>
<td><strong>20,990,530</strong></td>
</tr>
<tr>
<td>European Union</td>
<td>15,821,264</td>
</tr>
<tr>
<td>United States</td>
<td>15,094,025</td>
</tr>
<tr>
<td>China</td>
<td>11,299,967</td>
</tr>
<tr>
<td>India</td>
<td>4,457,784</td>
</tr>
<tr>
<td>Japan</td>
<td>4,440,376</td>
</tr>
<tr>
<td>Germany</td>
<td>3,100,080</td>
</tr>
<tr>
<td>Russia</td>
<td>2,383,402</td>
</tr>
<tr>
<td>Brazil</td>
<td>2,294,243</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>2,260,803</td>
</tr>
<tr>
<td>France</td>
<td>2,217,900</td>
</tr>
<tr>
<td>Italy</td>
<td>1,846,950</td>
</tr>
</tbody>
</table>
The opening up of global markets in both commodities and capital created openings for other states to insert themselves into the global economy, first as absorbers but then as producers of surplus capitals. They then became competitors on the world stage. What might be called ‘subimperialisms’ arose... each developing centre of capital accumulation sought out systematic spatio-temporal fixes for its own surplus capital by defining territorial spheres of influence...
The benefits of this system were, however, highly concentrated among a restricted class of multinational CEOs, financiers, and rentiers. Some sort of transnational capitalist class emerged that nevertheless focused on Wall Street and other centres such as London and Frankfurt as secure sites for placements of capital. This class looked, as always, to the United States to protect its asset values and the rights of property and ownership across the globe. While economic power seemed to be highly concentrated within the United States, other territorial concentrations of financial power could and did arise.

Source: IMF
widespread, dramatic loss of paper wealth: BRICS from 50-75%

Source: Unctad
extreme BRICS inequality (2011)
the worst Gini coefficients amongst large societies

the new transnational capitalist class doesn’t spread the wealth

Durban’s hosting of BRICS, 26-27 March 2013
International Convention Centre

• scrambled Africa: *Durban 2013 = Berlin 1885?*
Berlin, 1884-85
‘Scramble for Africa’
Britain, France, Belgium, Portugal, Germany, Italy, Spain
“We must find new lands from which we can easily obtain raw materials and at the same time exploit the cheap slave labour that is available from the natives of the colonies. The colonies would also provide a dumping ground for the surplus goods produced in our factories.”

- Cecil John Rhodes

- African Lakes (Malawi, 1891)
- Northern Rhodesia (Zambia, 1894)
- Rhodesia (Zimbabwe, 1895)
- Zululand (KwaZulu-Natal, 1897)
- Boer republics (RSA, 1899-1902)
“I am sure that Cecil John Rhodes would have given his approval to this effort to make the South African economy of the early 21st century appropriate and fit for its time.”

- Nelson Mandela, launching Mandela Rhodes Foundation, August 2003
Stratfor (known as private-sector CIA) South Africa's history is driven by the interplay of competition and cohabitation between domestic and foreign interests exploiting the country's mineral resources. Despite being led by a democratically-elected government, the core imperatives of SA remain:

• maintenance of a liberal regime that permits the free flow of labor and capital to and from the southern Africa region, and

• maintenance of a superior security capability able to project into south-central Africa.
January 2013: Pretoria deploys 400 troops to the Central African Republic during a coup attempt because ‘We have assets there that need protection.’

- deputy foreign minister Ebrahim Ebrahim, referring to minerals

what is subimperialism?

Ruy Mauro Marini (Brazil 1965):
‘It is not a question of passively accepting North American power (although the actual correlation of forces often leads to that result), but rather of collaborating actively with imperialist expansion, assuming in this expansion the position of a key nation.’
Resource Curse politics

‘collaborating actively’
Resource Curse? tyrants needed!

- Hosni Mubarak, Egypt – 1981-2011
- Teodoro Obiang Nguema Mbasago, Equatorial Guinea – 1979-present
- Jose Eduardo dos Santos, Angola – 1979-present
- Robert Mugabe, Zimbabwe – 1980-present
- Paul Biya, Cameroon – 1982-present
- Yoweri Museveni, Uganda – 1986-present
- King Mswati III, Swaziland – 1986-present
- Blaise Compaoré, Burkina Fasso – 1987-present
- Omar al-Bashir, Sudan – 1989-present
- Idriss Deby, Chad – 1990-present
- Isaias Afewerki, Eritrea – 1993-present
- Yahya Jammeh, Gambia – 1994-present
- Paul Kagame, Rwanda – 1994-present
with rare exceptions, Obama nurtures Africa’s tyrants
Nouakchott, Mauritania
The United States flew PC-12 surveillance aircraft from here to track al-Qaeda in the Islamic Maghreb. The flights ended in 2008 after a coup.

Camp Lemonnier, Djibouti
The U.S. military targets al-Shabab in Somalia and al-Qaeda in Yemen from this key base.

Ouagadougou, Burkina Faso
The United States flies PC-12 surveillance aircraft from here north to Mali, Mauritania and the Sahara.

Entebbe, Uganda
The United States flies PC-12 surveillance aircraft from here over territory used by the Lord’s Resistance Army.

Victoria, Seychelles
The U.S. military flies Reaper drones over East Africa from this island base.

Manda Bay, Kenya
More than 100 U.S. commandos are based at a Kenyan military installation.
Africa’s existing oil

- substantial reserves
- oil and wars: Sudan, Angola, Chad, Congo
- US imports more than 20% from Africa


(credit: Horace Campbell)
Despite the political risk, Western oil companies are queuing up to explore.

**Sierra Leone**
An “active petroleum system” discovered by Anadarko 1125km west of the Jubilee field.

**Uganda**
Up to 2bn barrels found under and around Lake Albert.

**Tanzania**
Already a gas producer, and further prospecting occurring in the Rovuma basin.

**Mozambique**
Anadarko committing over $250m over the next few years in exploration.

**Liberia**
Several prospecting licences for auction.

**Côte d’Ivoire**
Vanco’s Orca 1-x exploratory well will reveal offshore potential.

**Ghana**
Potential upside of 1.8bn barrels in the Jubilee field, and 1.4bn barrels in Tweneboa-1.

**DRC**
Political turmoil means exploration is still years behind its neighbours.

**Madagascar**
TOTAL drilled an estimated 80 wells in 2009.
Africa’s mining production by country, 2008

1. South Africa  599
2. Botswana       92
3. Zambia         75
4. Ghana          43
5. Namibia        32
6. Angola         32
7. Mali           29
8. Guinea         21
9. Mauritania     20
     Tanzania     20
     Zimbabwe      20
Pretoria’s Marius Fransman: “Our presence in BRICS would necessitate us to push for Africa’s integration into world trade.”

DBSA’s Michelle Ruiters: “Our main focus is... financing large infrastructure cross-border projects, specifically because we find that most of the blockages that exist around infrastructure delivery are those on the cross-border list.”
time for a BRICS Bank?

commercial banks’ low appetite for political risk

‘country risk’
Economist Intelligence Unit 2010
SADC deputy executive secretary João Samuel Caholo: “There is resentment towards the DBSA in certain quarters because it is in South Africa, and South Africa is the only shareholder. SADC has no say in what the DBSA does and although the bank does work on a bilateral level with SADC countries, we need our own bank.” (June 2012)

DBSA CEO Patrick Dlamini reporting on R370 mn loss in 2012: “We can no longer allow the DBSA to be associated with shoddy work” (December 2012)

- Development Bank of Southern Africa
- China Development Bank
- Banco Nacional de Desenvolvimento Economico e Social (BNDES)
- Russia’s Vnesheconombank
- Export-Import Bank of India
what, exactly, do ‘integration’ and ‘blockage’ and ‘shoddy’ and ‘no say’ mean, in such a ridiculously Resource-Cursed region like ours?

- much worse extractivist ‘Dutch-Disease’ bias,
- exported profits and current-account deficits,
- corrupted politics (e.g. Marikana, Marange),
- forced displacement and worsening migrancy,
- climate chaos and energy abuse (especially SA),
- air/water pollution and water scarcity
NEPAD warmup: a ‘new’ Partnership for Africa’s Development?
NEPAD: abolishing – or polishing – global apartheid?

New Partnership for Africa’s Development is ‘philosophically spot on’

- Walter Kansteiner, US State Dep't, 2003
The most fundamental flaws of Nepad, which reproduce the central elements of the World Bank's *Can Africa Claim the 21st Century?* and the ECA's *Compact for African Recovery*, include:

- (a) the neo-liberal economic policy framework at the heart of the plan, which repeats the structural adjustment policy packages of the preceding two decades and overlooks the disastrous effects of those policies;
- (b) the fact that in spite of its proclaimed recognition of the central role of the African people to the plan, the African people have not played any part in the conception, design and formulation of Nepad;
- (c) notwithstanding its stated concerns for social and gender equity, it adopts the social and economic measures that have contributed to the marginalisation of women;
Codesria and Third World Network-Africa

‘Declaration on Africa’s Development Challenges’

– (d) that in spite of claims of African origins, its main targets are foreign donors, particularly in the G8;

– (e) its vision of democracy is defined by the needs of creating a functional market;

– (f) it under-emphasises the external conditions fundamental to Africa's developmental crisis, and thereby does not promote any meaningful measure to manage and restrict the effects of this environment on Africa development efforts. On the contrary, the engagement that it seeks with institutions and processes like the World Bank, the IMF, the WTO, the United States Africa Growth and Opportunity Act, the Cotonou Agreement, will further lock Africa's economies disadvantageously into this environment.
‘good governance’: NEPAD’s Zim test

Dave Malcomson of NEPAD secretariat (responsible for int’l liaison and co-ordination):

‘Wherever we go, Zimbabwe is thrown at us as the reason why NEPAD’s a joke.’

Business Day, 28 March 2003
Copenhagen Accord, COP 15, December 2009

- Jacob Zuma (SA)
- Lula da Silva (Brazil)
- Barack Obama (USA)
- Wen Jiabao (China)
- Manmohan Singh (India)

“they broke the UN”
(Bill McKibbon, 350.org)

USA+‘BASIC’: non-binding; 4 degree increase

‘collaborating actively’ with climate catastrophe
Durban’s COP17
‘Conference of Polluters’
allowed US sabotage, no new emissions cuts
SA in the chair
Durban COP17: ‘Africa’s Climate Summit’

confirmed 21st-c. climate-related deaths of 180 million Africans (Christian Aid)
Major sites for neoliberal plus sustainable dev. discourses 'talk left to walk right' and earlier, in 2002
A TIMETABLE TO REDUCE EMISSIONS?! NOT UNTIL THERE'S MORE EVIDENCE OF GLOBAL CLIMATE CHANGE!
Countries rapidly declining in EPI

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
</tr>
</thead>
<tbody>
<tr>
<td>95</td>
<td>India</td>
</tr>
<tr>
<td>98</td>
<td>Namibia</td>
</tr>
<tr>
<td>100</td>
<td>China</td>
</tr>
<tr>
<td>123</td>
<td>Turkmenistan</td>
</tr>
<tr>
<td>124</td>
<td>South Africa</td>
</tr>
<tr>
<td>125</td>
<td>Iraq</td>
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<td>126</td>
<td>Kazakhstan</td>
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<td>127</td>
<td>Kyrgyzstan</td>
</tr>
<tr>
<td>128</td>
<td>Estonia</td>
</tr>
<tr>
<td>129</td>
<td>Bosnia &amp; Herzegovina</td>
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<tr>
<td>130</td>
<td>Saudi Arabia</td>
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<tr>
<td>131</td>
<td>Kuwait</td>
</tr>
<tr>
<td>132</td>
<td>Russia</td>
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</tbody>
</table>

BRICS: unsustainable development

Environmental Performance Index trends, 2012
Climate change
Durban’s hosting of BRICS, 26-27 March 2013
International Convention Centre

BRICS as (incoherent) subimperialist bloc
mainstream perspective:

• South Africa is a ‘Middle Power’, and Pretoria attempts to constructively ‘lead’ Africa while acting in the continent’s economic and political interests (Maxi Schoeman),

• Pretoria is ‘building strategic partnerships... in a constant effort to win over the confidence of fellow African states, and to convince the world community of its regional power status’ (Chris Landsberg),

• thus seeking ‘non-hegemonic cooperation’ with other African countries (John Daniel et al)
subimperialism seen from SA

• open advocacy and practice of neoliberalism in local economic policy terms (‘There Is No Alternative’), albeit sometimes with a tokenistic welfarist component to diminish the socio-political insecurity that results from state-services shrinkage;

• service as a regional platform for accumulation drawn from hinterland neighbours;

• legitimation of the Washington Consensus ideology and its multilateral institutions (most recently with respect to recapitalization of the International Monetary Fund),

• playing the ‘deputy sheriff’ function in regional geopolitical terms; and

• engaging in confusing (and often confused) ‘talk left, walk right’ moves in foreign policy so that critique of the West accompanies practical conciliation with the overall reproduction of world power.
SA corporates’ extraction, retail-based deindustrialisation, NEPAD/APRM, land-grabbing, neo-colonial infrastructure, Bilateral Investment Treaties

Gordhan: $2 bn (R17 bn) for IMF, insisting that they get ‘nasty’ (sic) to poor and working Europeans (other BRICs gave $73 bn: Africa’s IMF vote and influence shrunk)
BRICS and international finance
what role for recapitalised IMF?

Moneyweb radio: “Many African countries went through hell in the 70s and 80s because of conditionality according to these loans. Are you going to try and insist that there is similar conditionality now that the boot is on the other foot, as it were?”

Gordhan: “Absolutely, the IMF must be as proactive in developed countries as it is in developing countries. The days of this unequal treatment and the nasty treatment, if you like, for developing countries and politeness for developed countries must pass.”
BRICS agenda: polish chains of global apartheid

Manuel led a committee whose recommendations gave the IMF a $750 billion recapitalisation at G20 London meeting, April 2009

REPORT OF THE COMMITTEE OF EMINENT PERSONS ON IMF GOVERNANCE REFORM

Thank you for the opportunity you gave me to chair the Committee of Eminent Persons on IMF Governance Reform. The Committee has completed the report you commissioned, which is attached, but by way of background, allow me to elaborate on our intent and on the recommendations we proposed.

Our objective from the outset was to come up with a broad package of reform measures that would help bring the Fund back to the centre of the world economy by enhancing its capacity to respond to the evolving needs of its membership through improvements in the Fund’s institutional framework. The Fund’s ability to relate effectively to many of the countries that need its help – whether temporary or otherwise – needs work. In large part that is because the relationship between the Fund and its membership, as reflected in the Fund’s governance structure, has not kept pace with changes to the distribution of economic activity in the world economy. Ultimately, the IMF’s ability to act in the global interest will hinge on a governance structure that is adaptable, commensurate with the weight of emerging market countries in the global economy, and gives those states that utilise IMF services, particularly low-income countries a meaningful voice in its decision-making bodies.

To achieve this, we recommend the following measures:

(vii) And finally, increasing the Fund’s resources to address crises. Pending a quota increase, the Fund’s lending programs, bilateral lending or an equivalent expansion of the Fund’s ability to Borrow. Temporary financing, however, will have to be the solution for less developed countries, and given the scale of needs, in the long-term. We therefore recommend a substantial SDR allocation.

Implemented to ensure that once the Fund is better able to respond to the challenges of globalisation, and remains a credible and effective crucial international financial and monetary system. My appeal is that with these recommendations the rationale underlying this reform exercise – Fund’s legitimacy and effectiveness through a package of measures – is not

I hope this report will serve the purpose you had intended. Please thank your staff on my behalf for their assistance and cooperation in drafting the report.

Yours sincerely,

TREVOR A. MANUEL (MP)
MINISTER OF FINANCE

Date: 24 March 2009
BRICS are the main reason Africa’s vote cannot increase at Bretton Woods Institutions

March 29, 2004

Dear Colleague:

I am writing in follow-up to the discussion, which the Development Committee held at its last meeting in Dubai, on the issue of Voice and Participation.

At that time, it was widely recognized that this was a multi-dimensional issue, requiring progress on a range of issues over time. At the institutional level, important steps have been taken over recent years to increase transparency, decentralize operations, and to strongly promote country ownership of programs through the adoption of the Poverty Reduction Strategy in low-income countries.

Our Executive Boards have initiated steps to strengthen capacity in the offices of the two African Executive Directors, to help build capacity in national capitals and to promote the use of communications technologies to enhance dialogue between Washington and capitals. A new Analytical Trust Fund is being established to provide additional policy and research support to the African chairs.

While these are all necessary and important steps, many Members considered that additional efforts with respect to voting rights and the operation of the Boards should be pursued, recognizing that these raised sensitive and complex political issues and that time would be required to build the necessary political consensus.

While asking our Executive Boards to report to us at our Annual Meetings on all their relevant efforts, we also indicated that we would consider a roadmap as process and procedures at our Spring meeting.

With respect to voting rights (at both the Bank and Fund), there was a clear sense that agreement can only be reached on a package of measures, and that this was only likely to be achieved in the context of agreement to increase Fund quotas. Views differ on the timing of any such agreement, but it is likely to be postponed for some time. I would therefore propose that we use this time to consider and reach tentative agreement on a number of building blocks that could subsequently be incorporated in any decision on a Quota increase and subsequent adjustment of IBRD capital shares. Over the next year, our Boards should be asked to report to us on options for addressing the issue of Basic Votes – an issue on which virtually all Members agreed that action should be taken. Over the subsequent year, the Boards should be asked to report to us on options for addressing those situations where countries’ quotas/capital shares are egregiously out of line with their economic strength. These building blocks would then be available to be incorporated in negotiations on an eventual quota increase and any future decisions on Bank capital shares.

With respect to the Boards, we (or our Boards) have discussed whether adjustments should be made to their current composition and structure. A wide range of views has been expressed and there is no apparent consensus on changes at this time. I would therefore like to propose the establishment of an independent “Eminent Persons’ Group” to consider the composition, structure and functioning of the Boards and to report to us at our 2005 Spring Meeting. Being independent would allow such a group to not be constrained by country positions, thereby leaving us the freedom to accept or reject, in whole or in part, any of their recommendations. I would hope that we could identify 6 – 8 people as members of this Group who have had extensive experience at the national level and at the institutions. A report in about a year’s time would then leave us with about 6 months to consider any changes that we might wish to introduce before constituency elections are held in 2006. If there is broad agreement with this approach, I would proceed to propose terms of reference and membership for such a group.

I encourage you to reflect on this “roadmap” going forward and I would welcome your views. I have also asked Lesetja Kganyago to discuss this with Deputies when they meet on April 6th in London. I hope we might reach agreement on this process by the time we meet in Washington in April.

Yours sincerely,

Trevor Manuel

and India, Brazil and SA cannot join UN Security Council because Russia and China won’t support them.
South Africa as BRICS’ most aggressive proponent of financial liberalisation

South Africa aligns itself with different groups to ensure that decisions on key issues reflect our country’s best interest. With regard to quota and voice reform in the IMF, for example, South Africa is mostly aligned with emerging-market economies. However, with regard to the financial transactions tax that was mooted by the Europeans, South Africa opposed this proposal and was supported by a few other advanced economies. South Africa is aligned with advanced economies on the issue of climate finance, while other developing countries generally feel that this issue is best addressed at the United Nations.
Pretoria’s choice: Ngozi Okonjo-Iweala

Brasilia’s choice: Jose Antonio Ocampo

Moscow backed Washington’s choice: Jim Yong Kim

in 2012, BRICS could not even agree on World Bank leadership

Occupy Nigeria!
SA WELCOMES
PREMIER WEN JIABAO

COMPLIMENTS.
VERY TASTY!

THANKS...
ER.. COULD WE OFFER YOU A LITTLE LESS?

hierarchy of sub-imperialists
would Dalai Lama get a visa?

Ask me anything except how to get a South African visa if the Chinese do not wish it.

Darn!
Paris Yeros and Sam Moyo on BRICS subimperialisms:

- Some are driven by *private blocs of capital* with strong state support (Brazil, India);
- others, like China, include the direct participation of *state-owned enterprises*;
- while in the case of South Africa, it is increasingly difficult to speak of an autonomous domestic bourgeoisie, given the *extreme degree of de-nationalisation of its economy*, post-apartheid.
- The degree of participation in the Western military project is also different from one case to the next although, one might say, there is a “schizophrenia” to all this, typical of “subimperialism”.
Durban’s hosting of BRICS, 26-27 March 2013
International Convention Centre

• ‘brics-from-below’ alternative (@ Diakonia)
new Russian & Chinese leaders since 2012
The Hilton (hotel for the 1%) meeting of African elites on 26 March.

BRICS Summit, Durban International Convention Centre, 26-27 March (meeting moves to Zimbali resort late on 27 March)
Occupy ICC! new site for struggles at biggest African convention centre
Rural Women’s Assembly at the Occupy COP! site, 2 Dec
Rural Women’s Forum march for Climate Justice at COP17, Durban, South Africa, Friday, December 2, 2011
Occupy COP17! went inside ICC, 9 December
1) political and civil rights violations include
   • internal militarisation,
   • prohibitions on protest,
   • rising media repression,
   • official secrecy,
   • debilitating patriarchy,
   • homophobia,
   • activist jailings, torture,
   • even massacres (including Durban where a police hit squad has executed more than 50 suspects);

2) socio-economic attacks on the majority
   • severe inequality,
   • poverty,
   • disease,
   • unemployment,
   • violence against women (including migrant labour)
   • service non-delivery,
   • mal-education,
   • prohibitions on labour organising;
3) regional domination via
   • extraction, processing and marketing of hinterland raw materials,
   • military hegemony,
   • promotion of neoliberal ‘Washington Consensus’ ideology which reduces poor countries’ policy space;

4) a maldevelopment model that is
   • labour-exploitative,
   • consumerist-centric,
   • overly-financialised,
   • eco-destructive,
   • climate-threatening,
   • nuclear-powered,
   • politically-corrupting
   • generating record corporate profits, but
   • reaching crisis levels
a call to rebuild BRICS, bottom-up, at Durban summit

- **critical civil society** – brics-from-below – should share views
- **bottom-up unity** of peoples in BRICS and their hinterlands
- **collaborate** on analysis, advocacy and activism
- **meet in the spirit of the World Social Forum**
- **draw world’s attention to most dangerous BRICS state policies, to corporate and parastatal power plays, and to these countries’ extreme uneven development**
FIFTH BRICS SUMMIT
DURBAN, SOUTH AFRICA
26 - 27 MARCH 2013
BRICS and AFRICA: Partnership for Development, Integration and Industrialisation

FIRST brics-from-below SUMMIT
DURBAN, SOUTH AFRICA
23-27 MARCH 2013
brics-from-below and AFRICA: Partnership for Society and Nature, not Oppression, Inequality and Eco-destruction
Monday 25 March:
* **brics-from-below summit, Day 1** at Diakonia – what are the eco-social-labour struggles within BRICS?
* evening event will be a public debate between **brics-from-below** and BRICS corporations

Tuesday 26 March:
* **brics-from-below Summit, Day 2** at Diakonia - what are BRICS doing in Africa and at global scale?
* a special series of talks will occur on the **BRICS Development Bank** arranged by Mais Democracia (Brazil NGO)
* evening event (including WSF video link) with public debate between **brics-from-below** and BRICS leaders

Wednesday 27 March:
* Diakonia as main morning site for **brics-from-below** meetings of visiting groups
* **brics-from-below** to visit International Convention Centre around lunchtime
where does it all happen?

MARCH 22: UKZN Sneddon Theatre hosts *Time of the Writer*
MARCH 23: South Durban hosts *brics-from-below*
MARCH 24-27: Diakonia, City Hall and ICC
AMATEUR!

APARTHEID

GLOBAL APARTHEID

SUBSIDISED OVER-CONSUMPTION

BRICS 2013

ZAPIRO