# BRICS summit denounces “use of force” against Libya

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The third summit of the BRICS grouping—Brazil, Russia, India and China, plus South Africa this year—in Sanya on the Chinese island of Hainan on April 14, produced further signs of deepening tensions between the world’s major powers.

Last month, Brazil, Russia, India and China, as well as Germany, abstained from voting on UN Security Council resolution 1973 that authorised a no-fly zone over Libya and thus gave the green light for the bombing campaign by the US and European powers . The abstention was a collective protest against military action that seriously threatens the economic and strategic interests of these powers in North Africa.

The Sanya summit reiterated opposition to the bombing campaign, declaring “we share the principle that the use of force should be avoided”. At the same time, the BRICS statement did not directly criticise NATO and stated that “we wish to continue our cooperation in the UN Security Council on Libya”. South Africa, which previously voted for the no-fly resolution, signed the statement.

The BRICS statement backed the recent African Union (AU) proposal for a “political solution”—a call that had been rejected outright by the NATO-backed Libyan opposition because it failed to include the removal of Libyan leader Muammar Gaddafi. South African President Jacob Zuma led the AU delegation to Libya that attempted to find a compromise.

After meeting with Zuma at the BRICS summit, Chinese President Hu Jintao called for an immediate ceasefire to avoid the ongoing “humanitarian crisis” in Libya. Russian President Dmitry Medvedev declared that the UN resolution had not authorised “a military operation,” saying the “resolution says nothing about it”.

These protests are just as hypocritical in character as the US and European claims that the bombing campaign is necessary to “protect civilian lives”. China and Russia could have vetoed the UN resolution but chose to avoid a direct confrontation with the NATO powers. Both countries also voted for the previous UN sanctions resolution, in effect accepting the Western pretext for action against Gaddafi.

Just as the NATO powers are seeking to install a Libyan regime more amenable to their ambitions in North Africa, so the BRICS countries are concerned that Gaddafi’s removal could undermine their interests. China, in particular, potentially stands to lose over $18 billion in construction and telecom contracts, not to mention a share of the Libyan oil industry. Russia has $7 billion in arms deals and a railway project at stake.

The BRICS statement called for “a comprehensive reform” of the UN, including the Security Council. “China and Russia reiterated the importance they attach to the status of India, Brazil and South Africa in international affairs, and understand and support their aspiration to play a greater role in the UN,” it declared.

South Africa’s entry into the BRICS alliance is significant. The country’s gross domestic product is smaller than a number of other “emerging economies” such as Mexico, South Korea and Indonesia. Its inclusion was sponsored, in particular by China, as a representative of Africa, a region in which Beijing is playing an increasingly prominent economic role.

South African President Zuma visited China and other BRIC countries last year to push for membership. Zuma publicly countered the hypocritical Western criticism of China as a “neo-colonial” power in Africa, saying that rapidly growing Chinese trade and investment was a major benefit to Africa. China has become the largest trading partner of South Africa, and Africa as a whole.

The main thrust of the BRICS summit was a push for a greater economic and political role in international affairs—currently dominated by the established capitalist powers. Brazilian President Dilma Rousseff told reporters: “We insist on the fact that governance at the IMF and the World Bank cannot be a systematic rotation between the US and Europe, with the other countries excluded.”

Last November, the International Monetary Fund (IMF) agreed to shift 6 percent of its voting rights to emerging countries at the expense of European members like Germany and Belgium. China is set to become the third largest voting power in the IMF. However, such concessions will not resolve the underlying tensions, which are rooted in a fundamental shift in the global production toward the BRICS countries.

According to the first annual BRICS Social-Economic Development report, published by the Chinese Academy of Social Science, the BRICS countries averaged annual growth of over 8 percent in the first decade of the 21st century, compared to 2.6 percent for the industralised countries. The BRICS members’ share of the world economy increased from 17.7 percent in 2001 to 24.2 percent in 2009. In terms of wealth added to the world economy, BRICS portion increased exponentially from “next to nothing” at the start of the 1990s to more than 60 percent last year and could hit 70 percent in 2011.

Since the first BRIC summit held in Russia in 2009, the grouping has had an anti-American coloration, particularly over the need for a new global reserve currency to replace the US dollar. Russia, China and Brazil have already signed deals to use their own currencies in bilateral trade, rather than the dollar. At this summit, the BRICS countries took a further step, agreeing to use their own currencies when issuing credit or grants to each other.

The moves to replace the US dollar by the BRICS countries are largely symbolic, but do point to growing antagonism toward Washington’s monetary policies. In particular, there is anger over the US policy of “quantitative easing”—in effect, printing dollars to ease American economic troubles at the expense of its rivals. For China, that practice has led to rising food and energy prices. For Brazil, the result has been a rise in its currency, the real, against the dollar, threatening its export sectors.

Despite its common demand for a greater say in global institutions, the BRICS grouping is far from a solid bloc—many divergent and even conflicting interests exist.

Economic relations between China and Brazil are a case in point. Over the past two years, China has displaced the US as Brazil’s largest trading partner and foreign investor. However, Brazil has been critical of China’s “undervalued” currency, saying it has hurt Brazilian industry.

Brazilian President Rousseff did not raise the issue of the Chinese yuan because she had brought a huge team of 400 business leaders looking for deals with China. The Chinese electronics giant Foxconn plans to invest $12 billion in Brazil over 5 to 6 years, in addition to five factories that have operated there since 2005. By contrast, China rejected Brazil’s plan to build Embraer E190 commercial jets in China, instead favouring its own national aircraft project—the ARJ21.

Indian-Chinese relations continue to be tense. Indian Prime Minister Manmohan Singh and Chinese President Hu agreed to resume military exchanges that were frozen last July. China had refused to give a full visa to an Indian army commander on the grounds that he had served in Jammu and Kashmir—a region that Pakistan also claims. The incident arose from continuing border disputes between China and India and the boosting by both countries of their military presence in border areas. China is also concerned about India’s developing strategic partnership with the US, while India is worried by China’s growing presence in the Indian Ocean.

Despite these and other disputes, the BRICS countries have come together to defend their mutual interests in the face of increasingly aggressive military interventions by the US and European powers, which continue to dominate the global economic institutions. Far from making room for the “emerging powers,” the established capitalist powers are intent on using their military and economic might to reassert their dominance.