Research Articles

The Significance of the Russian Federation in the Emergence of BRICS as a Multilateral Institution

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Abstract

This article focuses on the role of Russia in the emergence of BRICS as a power bloc in global society. It also highlights the changing dynamics of global politics with reference to the global South, the power decline of the United States and European Union, and Russia's role in this context. The paper has dealt with the economic rise of the BRICS countries in the global economy. It also speaks of the asymmetry between the affluent countries and the BRICS countries in the established financial institutions. It also argues that it was the inadequacies of the global financial institutions that led to the creation of the New Development Bank (NDB) and the Contingent Reserve Arrangement (CRA). Finally, it discusses the differences among the BRICS-led New Development Bank and the Contingent Reserve Arrangement and the Western world-led World Bank and the International Monetary Fund. This paper explains the evolution of BRICS as a global flora in dealing with the emerging new trends in world politics with reference to the role of Russia. It also touches upon the securitization of BRICS.

Introduction

Russia entered the twenty-first century with mixed feelings as an autonomous international player deemed to be a member of the West but neither as an integrated member of Western security institutions such as NATO nor as part of the core of an Eastern empire (Trenin 2004). During this period, Putin emerged as an unrivalled personality in Russian politics. And, it was due to his masterful and astute strategies that Russia brought back its lost clout as an international player, unlike Boris Yeltsin's regime, which had its own sui generis memories. Political and foreign policy objectives in Russia had undergone dramatic changes during this period as the country became more active and aggressive in furthering its interests in the international arena, unlike the I990s. To emerge as a power, Russia had to withstand umpteen

[1]obstacles in its way, as reflected in its war with Georgia[1] and Chechnya[2], and also on the question of democracy and violation of human rights. With the US advocacy of the "global war on terror" during the early years of the twenty-first century, Putin, while wholeheartedly supporting the stance of the Bush regime, argued that terror should not be tolerated anywhere worldwide (Thorun 2004: 115). The global war on terror has once again drawn the Asian continent into the vortex of international politics. In this regard, Bajrectarevic (2011) argues that factors like mushrooming trade and production, impressive economic growth, and an independent position on foreign currency have made many international scholars re-examine the role of the Asian continent in the light of its last decade's experience of globalization. There have been several factors responsible for the emergence of this region as a focal point in the evolving new global political order. For instance, the emergence of China and India as great economic powers, the turbulence in Central Asian Republics, the nuclear imbroglio of North Korea, the age-old peninsular crisis between the two Koreas, and the emergence of ASEAN as a powerful regional economic grouping have virtually drawn the attention of the North towards Asia again. Further, the emergence of China and India as global players and their growing multilateral relations with the Russian Federation on several global political and economic issues have also engendered North's interest in the region. Russia's Asia's tilt started with the appointment of Primakov as Foreign Minister for the period 1996-1998 whose orientalist inclination (Mankoff 2007) emphasised the significance of 'Near Abroad' and other Asian countries. Next it was Putin, who gave immense importance to the Third World countries in his foreign and economic policies; it was due to the rejection of Western domination in global affairs. It was the revival period in new Russian Federation history. The Russian strategic elite wanted to make Russia a global power, owing to that, they brought immense changes in domestic and foreign policies to make people realise the aspiration for their superpower status and got support from other party leaders too. In this connection, a quote from Zyuganov (The Chairman of Russian Communist Party) is important –

[1] The Five-day war of 2008 was between Georgia and the self-proclaimed republics of South Ossetia, Abkhazia, and Russia on the side of the unrecognized states. This war is also called as peace enforcement operation.

[2] The Chechen wars can be interpreted as an example of a civil war in Russia with involvement of foreign terrorists on the side of separatists' fighters.

[2]"New Russian Federation is the heir to the old Russian Empire and the Soviet Union. The disintegration of the Soviet Union, is criminal and unacceptable; Russia must strive intently but with tranquillity to overturn the historical past. It should be, according to international law and its full agreement with those former republics and territories of the Soviet Union ready for the restoration of the fraternal union with Russia in the framework of a unified statehood" (Zyuganov 2006).

This shows that Russian nationalism is linked to its enhanced international role and how Russians were eager to rise again in a rapid manner. It is not only Russian politicians but also common citizens who are supporting the mainstream nationalist aspirations. A well-known Russian research centre carried out this survey to show how Russian citizens support great power ambitions.

According to a survey, conducted in 2011, shows 40% of the people of Russia have support for making it a great power state again. 38% of them support this aim in an ancillary manner, but overall, it is somewhere around 78%. That means 78% of Russians want to make Russia as great a power as it was in the past. This provides a great fillip to Putin's aspirations to make the Eurasian region the Eurasian Union and Russia's assertiveness in international politics (Putin 2011). With such popular support, it is an opportunity for the Kremlin's foreign policy that the world is moving towards a multipolar world order with the rise of 'emerging powers'[3] (Kadakin 2012), which is a suitable condition that's what Russian foreign policymakers want, in fact, they emphasised it in their foreign policy agenda too. The concept of multipolarity was incorporated into Russian foreign policy in 2008; it tenaciously talked about the democratic distribution of power by mentioning the 'emerging powers' (Foreign Policy Concept 2008). Recently, the United States' National Intelligence Service released a research document, "Global Trends: A Transformed World till 2025" (2013), in which they talked about the emergence of China and India and how Russia and China question Western hegemony in world affairs with alliances with the emerging countries. It described 'a multipolar world is emerging with the rise of China, India, Brazil, South Africa, and other new economies'. The document stated that, by 2025, the unipolar international system would be replaced with the newly emerging countries. This could be a great asset for Russia to tackle Western hegemonic power (National Intelligence Service of United States 2013). That

[3] The concept of emerging powers came with the rising of third world countries in international relations, especially with China, India, South Africa and Brazil.

clearly states that Russia's stake in international relations would be augmented rapidly shortly. Hence, there is a reason for Russia to orient its foreign policy with the rising nations' groups like BRICS, G20, and others.

Evolution of BRICS

Ikenberry (2004) analysed that 'one of the most prominent and structural changes in the second half of twentieth century of international politics was the evolution of world order based on the institutional and multilateral structure after the end of the Second World War. The institutional structure is based on the foundation of the United Nations, the General Agreement on Tariffs and Trade (later the World Trade Organisation) and international financial institutions like the International Monetary Fund and World Bank Though there were some conflicts with the USSR, the other superpower till the 1990's, largely it was an era of the United States, no doubt in that case. It lasted till the end of the twentieth century, but, after the emergence of some 'Third World' (what) as major powers, the international unipolar world order is gradually shifting towards a multipolar world with more emphasis on aforementioned countries (Kadakin 2012). (which Countries in specific?) The emergence of China, India, Brazil, ASEAN, and others has completely changed the power structure in the present world politics. Many observers of contemporary international politics are using a variety of terms to define the current structure of global politics. They emphasise detente, dependence, or the development of a multipolar world. And compared to the nineteenth-century politics, which were mostly based on the nation-state concept, Twenty century politics is mainly ideology-based (Holsti 1980). However, the current structure is completely different, probably this is the first time that the world is moving with different trajectories and causes. Please rewrite to make it simple and easy to understand.

The BRICS group's cooperation started first at the level of deputy ministers and heads of the government affiliated agencies. In the beginning, the foreign ministers of four countries (Brazil, Russia, India, and China) met in New York in 2006. Since then, the BRICS evolved as a multilateral group while attempting to influence changes in the existing world order through incremental steps (Akulov 2012). The BRICS, comprising Brazil, Russia, China, India, and South Africa, are not comfortable with the Western dominance (Schirm 2010). Most of the global Southern world started realising their importance in global affairs, forming regional, inter-regional, and cooperative groups amongst them. The major groups of the

[3]present international order is BRICS, IBSA[4], SC0[5,] and G20. All these groups have the capacity to play a major role in contemporary international relations. Russia and China are members of all three groups, and both are members of the United Nation Security Council (UNSC). The importance of the Security Council in shaping world politics cannot be discounted. The other prominent members are India, Brazil, and South Africa, deemed to be the fastest developing economies at present.

The Third World was in wanton need of leadership as world politics were constantly changing as ever before. These countries see an enhanced role in international affairs, which was not the case in earlier times. Kadakin (2012), who was once a Russian ambassador to India, says during the New Delhi summit,

'The emergence of BRICS as a global entity has given the vision of a multipolar world in the international system with more emphasis on emerging economics. And it would act as a global stability factor as well'.

This trend appears to challenge the West. The United States politics of 'with us or against us' that George Bush spoke about is no longer the only case. Its trusty ally, the European Union is also in a predicament. The Third World voice was gaining strength in many global affairs Global politics is becoming ever more scattered with emphasis on economic, trade environmental, and climate issues. Thus, the world is rapidly moving towards a multipolar multidimensional world order (Grazini 2012).

In this scenario, Russia started sliding towards emerging powers and has considered the importance of the global South (Russian Foreign Policy Concept 2008). In fact, Russia started moving towards the global South during the Primakov period, when he was the second foreign minister of the new Russia. His anti-West temperament led him to move towards the southern part of the world by emphasising on developing nations. He placed more emphasis on Russia's great power ambition on global affairs. It is clear that these policies challenged the West and the United States throughout the 1990's of the global affairs.

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[4] IBSA is an international dialogue forum amongst India, Brazil and South Africa. Established in 2003, basically, they strive for the 'south-south cooperation.

[5] Shanghai Cooperation Organization (SCO) was established in 2001 with Shanghai as the headquarters. The official members of this group are China, Russia, Kazakhstan, Kyrgyzstan, Uzbekistan, and Tajikistan.

This was evident in the way Russia and China reacted to Yugoslavia, NATO's East-ward expansion. The United States - NATO's push towards Ukraine and Georgia has given a huge blow to Russia's broader territorial contiguity (Kanet 2007: 205). The disappointment over the West's ignorance of Russian foreign policy reached a pinnacle when Putin became President of Russia. Russia's disappointment came out in the second half of the 1990's, when Yeltsin expressed displeasure with Western world intervention in Yugoslavian internal affairs.

Within one year after his election as Prime Minister in 1999, Putin became President in 2000. Since then, through his pragmatic and assertive foreign policy, Putin has extended his network of allies with the like-minded states to contain the United States from assuming a dominant global position (Kanet 2007: 209). For example, the multipolar concept is mentioned in every Indo-Russian strategic partnership document. Putin regularly reminded Russia and the world that the collapse of the Soviet Union is the greatest blow to the international geopolitical structure because during the bipolar international system, the Third World countries had a choice of joining either of the two alliances or staying neutral. This choice came to an end with the collapse of the Soviet Union. In 2007, at Munich, during the International Security Conference, Putin's attack on Western hegemony and unilateral decisions on many global affairs clearly reflected his nationalistic and revisionist foreign policy goals (Putin at Munich Security Conference 2007).

Since then, Mankoff argues that Putin's foreign policy started focusing on, and making a form of international relations in which large states are an alternative custodian of the global order, it is the place where any state can carry their nationalistic approach were deemed fit, respecting the sovereignty of each other as important within the location of influence and maintaining a general balance of power among themselves (Mankoff 2008: 12). Putin recognised the importance of the Third World since the beginning of his second presidency, and extended greater cooperation at the multilateral level. That led to the establishment of BRICS and SCO. Thus, he promoted the importance of India, China, Brazil, and South Africa as and it is largely Putin, who initiated and promoted the creation of BRICS as a larger entity in global politics. The new foreign policy concept of Russia clearly stated about BRICS that- "The establishment of BRICS reflects an objective trend in the global development, the one towards the formation of a polycentric system of international relations, which is increasingly characterised by the use of non-institutionalised mechanisms of global governance and network-based diplomacy, and the growing economic interdependence of states" (Russian Foreign Policy Concept 2013).

Thus, even though the acronym of BRIC was first used by Jim O'Neil in 2001, of Goldman Sachs, in his publication 'Building Better Global Economic BRICS it is Russia who took over and steered the concept. An important question to seek an answer to is why these countries are considered emerging? In what terms are they emerging? Will they have the capacity to play the global power? There are some other countries, like Indonesia, Turkey, Iran, Bangladesh, Egypt, etc., that are also considered the emerging nations (Neill 2006: 159-164), but these countries (BRICS) possess a range of economic, military, and political power resources. They have the resources to contribute to the creation of a new international order, maybe regionally or globally, and they have some degree of internal cohesion and capacity for effective state action. They are the fastest emerging nations at the present juncture, and of course, there are some that are heading towards greater economic, political, and military entities (Grazini 2012). Hurrell (2006) analysed their relations by highlighting four reasons he gave for their pivotal role. They are as below:

- They are heading at a faster rate of growth in terms of their economic, political, and military resources, and they can manage to create a new international order globally with their immense economic, military, and political resources and clout. They have become a manufacturing and service hub for the global economy.
- BRICS has greater advantage due to their regional location and natural resources. And the most important aspect of all these countries is their greater aspiration to become influential players in global affairs.
- The third reason is that their regional and inter-regional cooperation is mushrooming rapidly, for instance, SCO, BRICS, and IBSA, and also the bilateral relations were reached at a well acclaimed pace.
- And, these countries have sorted out several of their differences in many ways compared to the other emerging states in terms of their goals, aspirations, and well placed political and economic stability. All of them have the aspiration to become global powers.

Some of the Notable aspects of BRICS

The term BRIC was first used by Jim 0'Neill, a Goldman Sachs Executive, in 2001 by projecting their growth rate in the next fifty years of the international system. But this was mostly the macroeconomic aspects of these countries. Like Gross Domestic Product growth rate, availability of natural resources, and demography (Grazini 2021).

In 2006, Putin offered greater collaboration amongst these emerging countries. The discontent between the West and Russia forced Putin to go for such a kind of change in his foreign policy. According to the United States National Investigative Agency research, (2013) if the current growth rate of BRICS countries grows in the same manner, it would overtake G7 nations' Gross Domestic Product (GDP) by 2040-2050. China will become more powerful amongst all these countries in terms of economy and military, and India's growth rate will remain more or less the same, and both would strive for a multipolar world order. Russia has the potential to become more powerful and rich if it diversifies its economy and integrates with the global economy. The BRICS countries are growing so fast that their combined economic growth would mirror the present richest countries of the world by 2050, consisting of more than a quarter of the whole· world land area. These five countries have 40% of the world population and 35% of global foreign exchange reserves. It is true that since the last 10 years BRICS combined contributed over a third of the world's population increase and growth from I/6 to quarter in Purchasing Power Parity (PPP) terms (Akulov 2012). So, by any means it is going to dominate international relations very soon. The Goldman Sachs report also stated that (2003), BRICS countries' growth would reach current G7 countries (the US, Japan, UK, France, Germany and Italy) GDP by 2020, and would overtake it by 2040.

Systemic analysis of BRICS

This paper highlighted the BRICS summit, the first summit was held in Yekaterinburg, June 16, Russia. (DATE?) Some of the important outcomes of this summit are given below.

- Commitment to reform in the international economic institutions, such as the International Monetary Fund (IMF) and the World Bank (WB), these changes should mirror the changes in the world economy. The emerging nations or developing countries should have a greater voice and larger representation in the aforementioned institutions. Their heads and executives must be elected through an open, transparent,

and a merit-based selection process. And the BRICS also strive to build a stable, strong, predictable and diversified international monetary system.

- There must be democratic and transparent decision-making, and their effective implementation as soon as possible, and it should have legal basis in global financial institutions.
- The BRICS understand the importance of foreign direct investment and international trade to address the recent economic recession, so, in this connection, the BRICS call upon all the international actors to strive hard to overcome the gloomy environment in international economy, and the BRICS argue that states should keep international trade stable, remove protectionism, and also fight for progressive outcomes in the WTO's Doha Development agenda.
- Effective and proper implementation of 'Sustainable Development' agenda with a focus on environmental security, especially the Rio Declaration and other multilateral arrangements for mitigating climate change.
- The BRICS enhanced greater cooperation among themselves in societal problem areas, and strengthened humanitarian assistance programs and for the reduction of natural disaster risks and also campaigned for global food security.
- BRICS countries are committed to create a multipolar world order with the democratic decision-making process on the basis of international law principles, and it would be stressed for collective representation, mutual cooperation, and collective decision-making of emerging nations, and it also reiterates the peaceful resolution of all international disputes.
- International diplomacy should be based on the multilateral level, with the United Nations playing the central role for eliminating global challenges and threats alongside reforming the United Nations Security Council (UNSC) to meet the interests of emerging nations.
- Finally, the BRICS stated that these ensure our relations with emerging nations would be based on the pragmatic, mutual trust, open, and transparent way to enhance greater cooperation in economics and trade to carry long-lasting peace and tranquillity in the world.

The hopes and aspirations were accordingly to change the structure of the present international relations. After the first summit, in the second and third, there were no drastic changes except offering invitations for South Africa (2011). The colossal change in the BRICS summit came in the New Delhi declaration in India, 2011. In this summit, these five countries contemplated establishing the BRICS Development Bank to meet the interests of emerging nations and take over Dollar ($) domination from international trade. It was stated under the theme of "BRICS Partnership for Global Stability, Security, and Prosperity" (Akulov 2012). Some of the important features of the New Delhi summit are listed below:

- The BRICS entity is a place for conducting dialogue and cooperation amongst their member states, which contributes 43% of the global population for promoting international peace and security in a multipolar world, which is intrinsic, in a highly interdependent globalising world. Because of inter-regional membership from Asia, Europe, Latin America, and Africa have been contributing for its greater significance in world politics.
- The reform process of international monetary institutions is very slow; hence, it should be implemented urgently. The allocation of quota systems should be very transparent to represent developing nations' interests.
- Brazil, India, and South Africa were looking forward to the G20 convention because it would be held in Russia in 2013 so that they could surface their voice to the developed society through the Russian presidency.
- They said they were still committed to reforming global institutions like the United Nations, especially the Security Council to make them more representative, effective and efficient so that they meet the emerging global challenges and threats.
- BRICS reaffirms that accelerating growth, food, and energy security were the most prominent challenges facing the modern world; hence, we have to address economic development, combat hunger and malnutrition, and eradicate poverty from developing nations. And also, we should strive for creating job opportunities, improving people's living standards, and sustainable growth to meet our prosperous aspirations (Ministry of External Affairs India 2012).

The seeds of the BRICS Development Bank have been planted in this summit only, it created immense debate in Western society, and it would have larger implications in upcoming international relations.

The Durban summit (also called the eThekwini Declaration) officially declared the establishment of the BRICS-led New Development Bank. On declaring this, BRICS leaders said, it would be to appropriately use global financial resources for infrastructure and sustainable development in BRICS nations and other emerging nations (BRICS Official Website 2013). The key aspect of this summit would be musing about establishing a New Development Bank, which was mooted in the New Delhi summit. Emerging markets (Developing Countries) analysts believe that a New Development Bank, repeated, could help to create jobs in South Africa and promote greater trade on the African continent by funding new infrastructure. And also, it would create greater enthusiasm in emerging countries (All Africa Global Media, March 14, 2013). The basic theme of this conference was "BRICS and Africa: Partnership for Development, Integration, and Industrialisation". Some of the important aspects of this summit are given below:

- Our basic theme is to come under the same umbrella in the form of BRICS to promote international law principles, multilateralism, and the United Nations principles effectively. And to reinforce commitment towards global peace, stability, development, and cooperation.
- They declared that they would engage and cooperate with non-BRICS countries, especially emerging markets and developing countries, and other regional organisations. And also, it goes with the African leaders under the theme of "Unlocking Africa's Potential; BRICS and African Cooperation on Infrastructure". It also affirms African continent integration.
- The summit said they would support the G20 development agenda as a prominent cause for global economic stability, long-term sustainable growth, and job creation.
- The leaders are deeply concerned with the situation prevailing in Syria, and the Middle East, and they strongly argue with the international community to sort out the Iran nuclear issue by negotiations.

BRICS – Is it a Myth or a Threat?

The reasons behind the emergence of the Third World countries, due to the changing structure of the international political and economic system that politics does not make any difference in today's postmodern world, if they take collective action in economic and trade diplomacy, this collective action brings huge changes in matters related to domestic and international relations. No state can act alone in an integrated global economy but depend on other nations in many aspects. It can be seen how better relations have impacted erstwhile rivals like India-China, France-Germany, and UK-France-Germany. Modern state politics are largely driven by effective diplomacy with an immense economy, trade, and commercial dependence and interdependence.

The reality is that the Southern countries' problems are diversified and magnified; it is the most volatile region of the world, and many parts are very war-prone. The South also faces many other concerns like terrorism, separatism, extremism, and external intervention in internal matters. So, though it had emerged as a cooperative economic group, the BRICS should expand from the economic cooperative group to a political and economic entity, and also look at security concerns.

The Asian continent is lacking a security organisation that represents the whole Southern world. If they go for establishing one powerful security organisation, they can deal with Asian continent and Southern security aspects, focusing on threats and risks of the region to make it safe, as the Western world has NATO. But there isn't a separate security organisation to protect their security interests as the major advanced countries of the region. Bajrectarevic (2011) said that, there is an absence of any particular multilateral security organization in the Asian continent, even though they have several bilateral security cooperation agreements. He said that the Asian continent is advancing just like Europe was when they were in the phase of progress. Collective security organisations can reduce the number of wars amongst them. And there were indeed no wars as such after the establishment of NATO. What about Russia & Ukraine? Isreal & Lebanon and Saudi Arabia, UAE & Yemen. It is an axiom that the Asian continent is one of the volatile regions in the world despite the fastest growing and aspiring countries like China, India, and Russia.

Recently, the American National Intelligence Council released one document, named "Global Trends 2025: A Transformed World," in which they said (2013) that the multipolar world was emerging with the rise of the Third World countries like India, China, Brazil, and other

countries. With this trend, the non-state actors, such as Multinational Corporation (MNCs), ethnic groups, religious organisations and even criminal networks, etc., will mushroom rapidly (Global Trend-2025, 2013: 8). Zakaria (2008), in his book, "The Post-American World," stated that the rise of the rest is inevitable, the existing system is going to replace in the very near future, will be more on the Southern world only. Nye (1990), who talked about the importance of 'Soft Power' in the present world, stated that soft power has a greater role in shaping global relations in coming years. If at all, war takes place through the greater role of soft power.

On considering the mayhem around the region of these three countries (which 3?) and throughout the Southern region of the world, it would be logical if the South evolved an effective global security organisation like NATO to tackle their inter-regional security problems. And, to overcome all these hurdles, to tackle western hegemonic domination on international relations, and to make it a safer path, they should contemplate establishing a powerful security organization sooner than before with the coordination of the Third World countries. The evils of the world at present are terrorism, environmental disorder, separatism, humanitarian intervention, and the threat of cyber war.

A fundamental question is, when BRICS are willing to go for economic and financial cooperation by contemplating establishing a BRICS Development Bank at a global level, should they at some stage go for security cooperation at a multilateral level? And BRICS leaders clearly stated many times that this group is not a threat to any other group or the Western World as it is for mere economic cooperation only. During the New Delhi summit, a Chinese foreign ministry-affiliated think tank said that BRICS is an ad-hoc political club, not anti-West or the United States (Ross 2011). And also, Putin (2013) recently before the inaugural function of the Durban summit, stated that, "The BRICS mechanism that will enable to seek joint solutions for key issues in the world politics," and, "We are not viewing BRICS as a geopolitical competitor to the Western countries and their organisations and on the contrary, we are open to discussions with all interested parties within the framework of multipolar peace model" (Strategic Culture Foundation, March 22, 2013). So as of now, the evolution of Southern countries is not at all a threat to any other international organization, and region. Kadakin (2012), who was the Russian Ambassador to India, during lead-up to the New Delhi summit, said that the BRICS entity is not a military, political, or ideological bloc. That shows how committed to their vision.??

The Institutionalisation of BRICS

The BRICS grouping shares a common perception that the existing global governance structure which was set up soon after the Second World War, has become anachronistic. After the creation of the global institutions, namely the United Nations, the World Bank, and the International Monetary Fund, the world witnessed several significant shifts in the international political economy. However, the corresponding changes that occurred in international politics are not reflected in this global governance structure. Particularly with the end of the Cold War, the world ushered in a United States-led unipolar world in which the United States has become the sole superpower. The post-Cold War period witnessed unprecedented changes, the end of the bipolar world order, the rise of Asian countries like China and India, and other emerging economies like Brazil, in the global governance structure. As a result, rising economies like Russia and China were integrated into the global economic system.

However, it is the firm belief of the BRICS countries that the post-Cold War era was dominated by unilateralism led by the United States, with the coalition of its allies. The United States' pre-eminence began in the mid-twentieth century by establishing the global governance structure largely based on the Bretton Woods System, and the United Nations. Thus, the BRICS countries argue that the United States-led unilateralism either manipulates the global institutions or sides with them to fulfil their economic interests. The economic interests of the United States with its "Washington Consensus" based development model resulted in a series of economic crises in developing countries like Brazil, Russia, and the Asian financial crisis.

In addition to it, the developing countries witnessed a lot of political turmoil in the post-Cold War period; particularly, the political chaos was widespread in the African continent and subsequently in the Middle Eastern countries. The BRICS countries perceived the unrest, both politically and economically, across the world because of the neoliberal policies of the Bretton Woods System and also the ineffectiveness of the United Nations Security Council (UNSC) in establishing peace in these countries. The grouping also sees that the United States with its military and economic might, unilaterally intervened in the domestic affairs of the sovereign states in the last decade of the twentieth Century.

Concurrently, non-Western countries like India, China, Brazil, and Russia are reviving their glory, and are emerging in international relations. These countries' growing economic weight

and political clout are not adequately addressed by the existing global institutions. Thus, the countries have been demanding their due share in these institutions in order to make it more democratic and representative. It is the strong belief of the five countries that their contribution to global governance is far higher than some of the developed countries, like Canada, Germany and Italy etc., but their representation and voice are nominal in the global governance structure. Thus, the five countries came together to address the outstanding issues in international global governance, which consists of the Bretton Woods System and the United Nations.

The creation of the BRICS-led New Development Bank (NDB) is a significant step towards the beginning of the institutionalisation process of the BRICS grouping. The New Development Bank alters the fundamental characteristics of the grouping, which have been confined to non-binding and informal consultations thus far. The New Development Bank aims at "mobilising resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries" (Agrawal 2015). As historical evidence shows that infrastructure is crucial for economic growth and development, the already existing regional multilateral development banks like the European Investment Bank (EIB) and the CAF have focused on infrastructural development in Europe and the Latin American regions, respectively.

Jones (2014) examines the existing regional and multilateral development banks (LIKE?) that initially invested in the infrastructure development projects to bridge the gap between the rich and poorer areas of Europe. He says that the increasing divergence between the rich and poorer areas becomes an obstacle for economic growth and trade liberalisation. He cites examples like the European Investment Bank and the World Bank that exclusively focused on the reconstruction of the war-ravaged infrastructure in Europe. Abundant empirical evidence evinces that the investment in the infrastructural sectors accelerates economic growth and reduces inequalities in countries. Similarly, the New Development Bank solely focuses on the needs of infrastructural development in the emerging and developing countries to foster economic growth and to reduce inequalities (DeConning 2015).

The Contingent Reserve Arrangement (CRA) is to tackle future economic crises in the world, particularly in providing financial aid to developing and emerging economies whenever they face balance of payments and short-term liquidity pressures. The creation of the CRA is an encouraging step towards filling the gap in the Southern financial funding architecture. The

Contingent Reserve Arrangement (CRA) provides not only financial aid to developmental activities in the developing countries but also bolsters confidence among investors to invest in the developing countries even during times of crisis (Jones 2014). In other words, the New Development Bank (NDB) and Contingent Reserve Arrangement (CRA) play a similar, if not the same, role to that of the World Bank (WB) and the International Monetary Fund (IMF), respectively.

The creation of the Contingent Reserve Arrangement (CRA) is a relatively recent idea compared to the New Development Bank (NDB), as it was discussed in Los Cabos in 2012 by the BRICS leaders prior to the G20 summit. At that time, the global economy was in flux owing to the Euro-zone crisis. Thus, the leaders agreed to cooperate and also to increase their available reserves with the International Monetary Fund (IMF) to solve the crisis. Then, the BRICS leaders realised the necessity of a multilateral institution to enhance confidence among investors. Therefore, the creation of a new reserve pool is not necessarily contrary to the existing International Monetary Fund (IMF); rather, it is a burden-sharing and additional line of defence of further crisis times (Duggan 2015). That is how the leaders asked their finance and central bank governors to find out the possibilities of creating a Contingent Reserve Arrangement (CRA) in the existing global financial system in accordance with the internal legal framework.

The creation of the Contingent Reserve Arrangement (CRA) is seen as a challenge to the existing financial architecture. The lending process of the Contingent Reserve Arrangement is not attached with conditionality as conditionality is a prerequisite of the International Monetary Fund (IMF) lending process. The BRICS shares the strong perception that the conditionality not only undermines the democracy and self-determination of the countries but also becomes a tool for the dominant countries to dominate the poor countries (Ivanov 2013). Thus, the BRICS countries promote the principle of the "sovereignty" of the recipient country as otherwise the conditionality can be seen as an interference in the internal affairs of the sovereign states.

The creation of the New Development Bank (NDB) and Contingent Reserve Arrangement (CRA) is seen as the growing weight of the BRICS countries in the global financial system. Prior to the BRICS formation, the five countries had been demanding their due share in the international financial institutions, but their demands have been largely ignored by the developed countries. Although the developed countries invited the BRICS countries to attend

G8 meetings with the "outreach" concept to integrate their economies into the global economic system, they, on the one hand, are inviting the developing economies to the G8 meetings while categorically stating that mere invitations do not assure a membership status in global financial forums like the G-8 on the other. Thus, the BRICS countries felt that invitations were merely symbolic, as they did not bring any substantial changes to global economic governance.

Conclusion

It is true that global politics is changing drastically with the evolution of BRICS. Most of the time in the history of global politics, the change (replacement of the existing system or world order) has come only after a hundred or more years least the existing system lasted fifty years. There have been reasons for the change in International Relations, which he classified as the global society should fathom in terms of power and management of legal and moral norms. It is said that the international society can be lucidly narrated through historical and sociological depth. The state system might not come into being without a degree of cultural unity amongst all their members.

The current international system is challenging the United States hegemony in world politics. The United States' decline was reflected in their subprime economic crisis, which led to the economic recession. (When?) Throughout the world, many of the world markets plunged into a deep crisis. It violated many important aspects of global treaties, conventions, and agreements, for instance, the United States placed their missiles in Poland and Czechoslovakia, France and Germany have not supported their involvement in Afghanistan, and Iraq, besides Libya. And their (WHOOSE) unnecessary involvement in many global affairs led to the evolution of a new world in international relations. It is in these circumstances that the G7 has grown to the G20, and BRICS has diversified. The Russian Federation's foreign policy correctly predicted this development. Russia helped in the construction of BRICS and has been its biggest supporter. Inconclusive.

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