

# CIGS Special Seminar

## The Rise of BRIC:

### Brazil's Stance in Contemporary and Future Global Affairs: With a Special Emphasis on the East Asia Region

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**(CIGS)**

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Source: [http://news.xinhuanet.com/english/photo/2012-09/26/c\\_131874817.htm](http://news.xinhuanet.com/english/photo/2012-09/26/c_131874817.htm)

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## **Dr. Marcos Troyjo’s Talk: Today’s Topics**

**The idea of “BRICs” (group of emerging nations that comprise Brazil, Russia, India and China) as a valid category for the analysis of present and future international relations is a “concept-in-the-making.”**

**At the seminar, Dr. Marcos Troyjo, Co-Director, the BRICLab at Columbia University, a leading BRIC economist and social scientist, will discuss how the rising BRIC, in particular the rising Brazil, will affect international relations, in particular in the East Asia Region.**

**He will talk about the future dynamics of BRIC-East Asia Region relations.**

## Program

- 1. Welcome Remarks** Michio Suzuki, Secretary-General, CIGS
- 2. Introduction: BRIC/BRICS: A New Japanese Perspective:  
With a Juxtaposition of Competing Opinions**  
Jun Kurihara, Research Director, CIGS
- 3. The Rise of BRIC:  
Brazil’s Stance in Contemporary and Future Global Affairs:  
With a special emphasis on the East Asia Regions**  
Marcos Troyjo, Co-director, BRICLabo, SIPA, Columbia University
- 4. Q&A** Moderator: Jun Kurihara

# **Introduction: BRIC/BRICS: How to Gain A New Japanese Perspective**

## **1. Competing Opinions :**

**A Juxtaposition of Competing Opinions**

## **2. Recent News :**

**Recent Developments regarding BRIC/BRICS**

## **3. A New Japanese Perspective :**

**BRIC’s Future and Japan-Brazilian Relations**

# 1. Competing Opinions: Pessimists vs. Cautious Optimists

## Ruchir Sharma, “Broken BRICs: Why the Rest Stopped Rising,”

(*Foreign Affairs* Vol. 91, No. 6 (November/December 2012), pp. 2-7)

They generate growth in different and often competing ways . . . They are unlikely to grow in unison.

The Harvard economist Dani Rodrik captures this reality well. . . . The performance of the emerging markets . . . did not converge with that of the developed world at all.

A problem with thinking in acronyms is that once one catches on, it tends to lock analysts into a worldview that many soon be outdated. . . . Although deeply out of balance, Russia remains a member of the BRICS, because the term sounds better with an *R*.

In due time, the sense of many Americans today that Asian juggernauts are swiftly overtaking the U.S. economy will be remembered as one of the country’s periodic bouts of paranoia, akin to the hype that accompanied Japan’s ascent in the 1980s.

Over the next few years . . . The new normal in emerging markets will be much like the old normal of the 1950s and 1960s. The uneven rise of the emerging markets . . . will revive the self-confidence of the West. . . . The new global economic order will probably look more the old one than most observers predict.

## Antoine van Agtmael, “Think Again: The BRICS,”

(*Foreign Policy* (November, 2012), pp. 76-79)

There is no question that the BRICS . . . are big. . . Together, they make up 40% of the world’s population, 25% of the world’s landmass, and about 20% of global GDP. They almost control some 43% of global foreign exchange reserves, and their share keeps rising.

But, big is not the same as cohesive. . . . None is fully accepted as “the” leader even within the region.

Even with slower growth, the economic engine of the BRICS should be more important than that of the United States or the European Union.

Each of the BRICS is very different, and so are the question marks that accompany their economies.

Though the era of American or Western domination may be over, BRICS domination is still some time off.

The BRICS may seem stable now, but nobody knows what the future holds.

One way or another it’s safe to say: These big emerging economies will put their stamp on the 21st century.

# 1. Competing Opinions: Selected References (Only English Materials Listed)

Haibin Niu (牛海彬), “BRICS in Global Governance: A Progressive Force?” New York: Friedrich Ebert Stiftung, April 2012.

Latika Chaudhary et al., “Big BRICs, Weak Foundations: The Beginning of Public Elementary Education in Brazil, Russia, India, and China,” Working Paper No. 17852, Cambridge, MA: National Bureau of Economic Research, February 2012.

Jing Wang (王静), et al., “The Contribution of China, India and Brazil to Narrowing North-South Differences in GDP/capita, World Trade Shares, and Market Capitalization,” Working Paper No. 17681, Cambridge, MA: National Bureau of Economic Research, December 2011.

Arvind Subramanian, *Eclipse: Living in the Shadow of China's Economic Dominance*, Washington, D.C.: Peterson Institute for International Economics, September, 2011.

Carlos Pereira and Joao Augusto de Castro Neves, “Brazil and China: South-South Partnership or North-South Competition?” Policy Paper No. 26, Washington, D.C.: Brookings Institution, March 2011.

Cynthia J. Arnson and Jeffrey Davidow, eds., “China, Latin America, and the United States: The New Triangle,” Washington, D.C.: Woodrow Wilson International Center for Scholars, January 2011.

Jim O’Neil and Anna Stupnytska, “The Long-term Outlook for the BRICs and N-11 Post Crisis,” *Goldman Sachs Global Economics*, Paper No. 192, December 2009.

Dominic Wilson and Roopa Purushothamanl, “Dreaming with BRICs: The Path to 2050,” *Goldman Sachs Global Economics*, Paper No. 99, October 2003.

Jim O’Neil, “Building Better Global Economic BRICs,” *Goldman Sachs Global Economics*, Paper No. 66, November 2001.

## 2. Recent News (1: Economic Power)

### Mar. 29, 2012: “BRICS Agree to Local Currency Credits to Ease Dollar Dependency”

(Mar. 29, 2012) (<http://rt.com/business/news/brics-currencies-credit-deal-755/>)

### Oct. 2, 2012: “Think Tanks Reach Consensus on Setting Up BRICS Bank”

(Oct 2, 2012, 02.04PM IST) ([http://articles.economictimes.indiatimes.com/2012-10-02/news/34218096\\_1\\_bricks-bank-brics-summit-south-africa-brics](http://articles.economictimes.indiatimes.com/2012-10-02/news/34218096_1_bricks-bank-brics-summit-south-africa-brics))

“Think tanks of BRICS bloc reached consensus on creating a BRICS development bank to complement existing global financial institutions like World Bank. Liu Youfa (刘友法), deputy director of the China Institute of International Studies, said, “At the previous forum before the BRICS summit meeting in March, we were still discussing whether to create this bank, but now we are talking about how to create this bank.”

### Nov. 27, 2012: BRICs:

### “The Quest for Global Growth”/

«БРИКС: запрос на глобальный рост»:

Columbia University BRICLab Conference,  
Columbia University, New York City

### Dec. 4, 2012: “Chinese Vice Finance Minister Zhū Guāngyào Call on BRICS to Strengthen Macroeconomic Coordination”

(at the First Forum on the Economic Situations of BRICS Countries)”

(2012-12-04 17:12) ([http://news.xinhuanet.com/fortune/2012-12/04/c\\_113904995.htm](http://news.xinhuanet.com/fortune/2012-12/04/c_113904995.htm))

[Chinese Title: “朱光耀呼吁金砖国家加强宏观经济政策协调”]

(2012-12-04 17:12 来源: 新华网)

“中国财政部副部长朱光耀4日在北京表示，共同应对全球经济不确定性带来的风险。”



## 2. Recent News (2a: Military Power, a blue-water PLAN)

Shenyang J-15/*Flying Shark* (歼-15/飞鲨)

Nov. 21, 2012: "Китаю нужны авианосцы  
(China Needs Aircraft Carriers)"

(21 Nov., Взгляд.ру (vz.ru))

**"China begins to convert its economic power into military one and building its own aircraft carriers is just one element of the program."**

(По мнению директора Центра мировой торговли оружием (ЦАМТО) Игоря Коротченко (According to the Director of the Centre for Analysis of World Arms Trade (CAWAT) Igor Korotchenko))

Source:

<http://chinadaily.com/2012/11/26/china-j-15-fighters-successful-take-off-and-landing-on-aircraft-carrier/>

Brazilian NAe *São Paulo* ("圣保罗"号)



Source: [war.163.com/12/1030/08/8F25T6MJ00014OMD.html](http://war.163.com/12/1030/08/8F25T6MJ00014OMD.html)



The *Liaoning* ("辽宁"号)

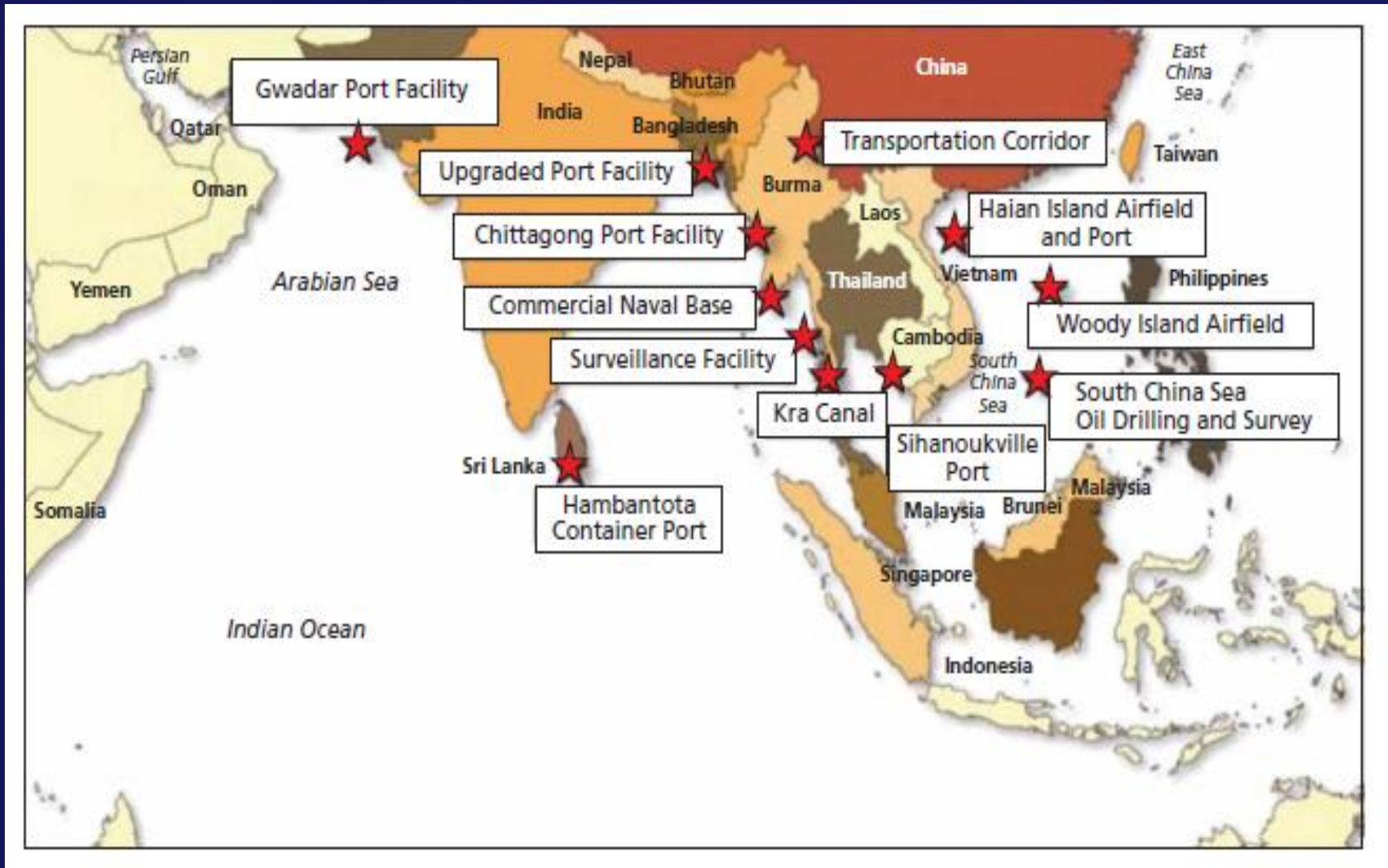


Source: <http://www.straitstimes.com/breaking-news/asia/story/china-navy-takes-delivery-first-aircraft-carrier-report-20120923>



## 2. Recent News (2b: Military Power, PLAN in the Indian Ocean)

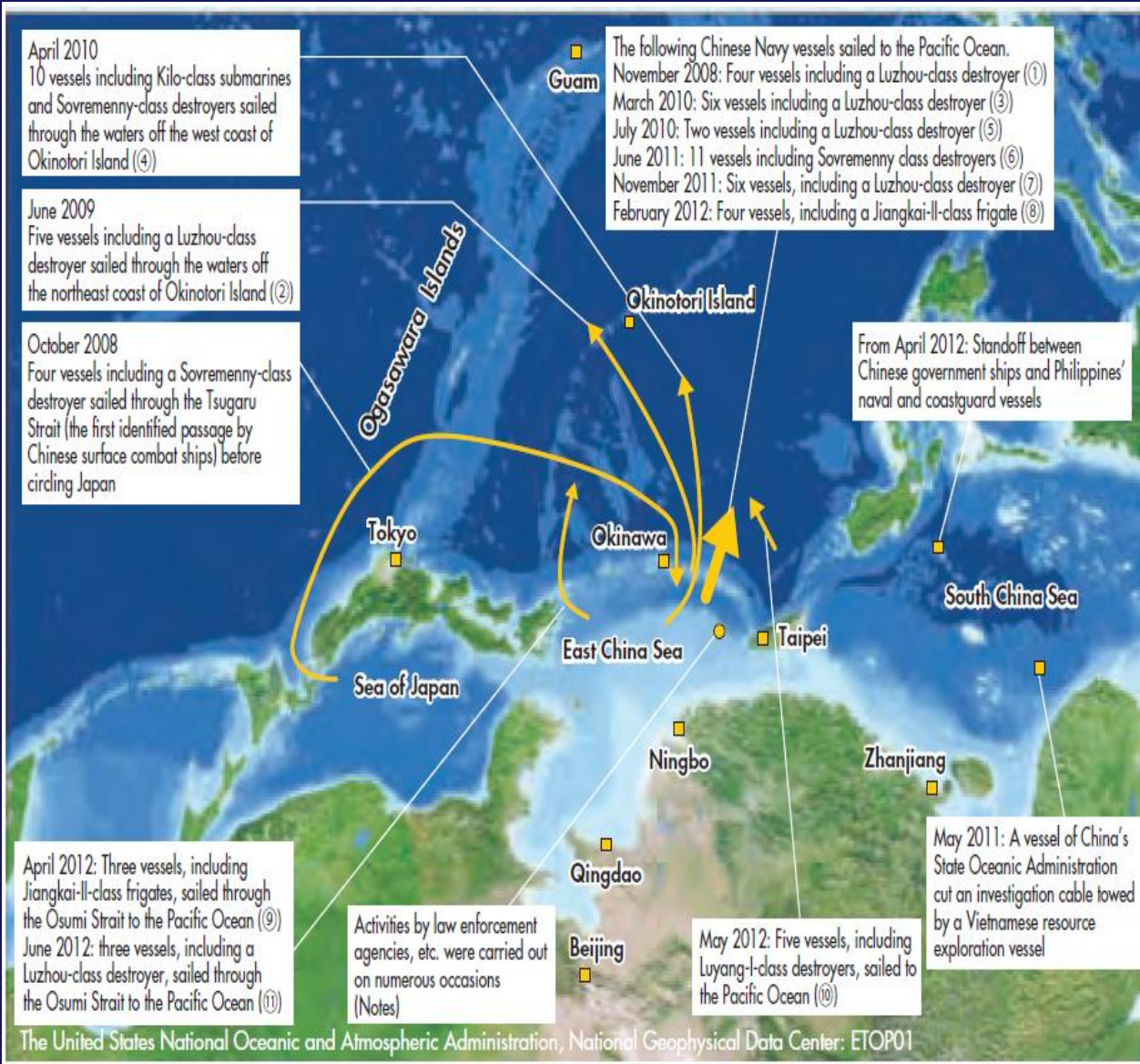
*An Amicable Sino-Indian Relation? "China's String of Pearls"*



Source: Ryan Henry et al., "Promoting International Energy Security, Vol. 3, Sea-Lanes in Asia," Santa Monica, CA: RAND Corporation, June 2012, p. 33.

## 2. Recent News (2c: Military Power, PLAN vis-à-vis Japan)

### Problematic Peace? Recent Chinese Naval Activities in Waters near Japan



### Chinese Authorities

**PLA Navy (PLAN)/  
Zhōngguó Hǎijūn/中国海军**

**Fleet HQ: Qīngdǎo: Běihǎi  
Jiànduì/the North Sea Fleet**

**Fleet HQ: Níngbō: Dōnghǎi  
Jiànduì/the East Sea Fleet**

**Fleet HQ: Zhànjiāng: Nánhǎi  
Jiànduì/the South Sea Fleet**

**China Coast Guard/  
Hǎijǐng/海警 (M. of Public Security)**

**China Marine Surveillance/  
Hǎijiàn/海监 (State Oceanic Adm.)**

**Maritime Safety Administration/  
Hǎishi/海事 (M. of Transport)**

**Fisheries Law Enforcement Cmd./  
Yúzhèng/鱼政 (M. of AG.)**

**Customs Anti-smuggling Bureau/  
Hǎiguān Jísījú/海关缉私局  
(General Adm. of Customs)**

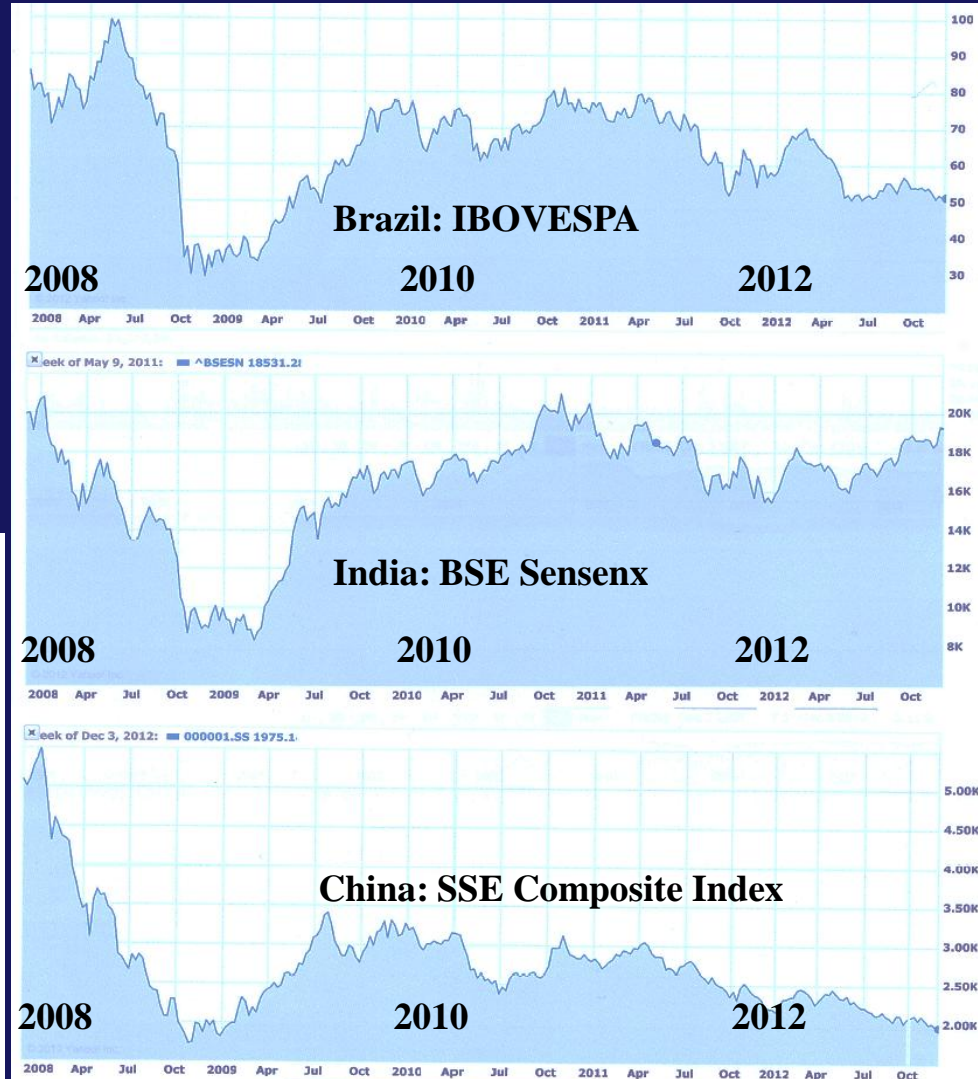
## 2. Recent News (3: Stock Markets)

*BRICs Financial Markets: A Clumsy “Pas de Quatre (or Cinq)”?*

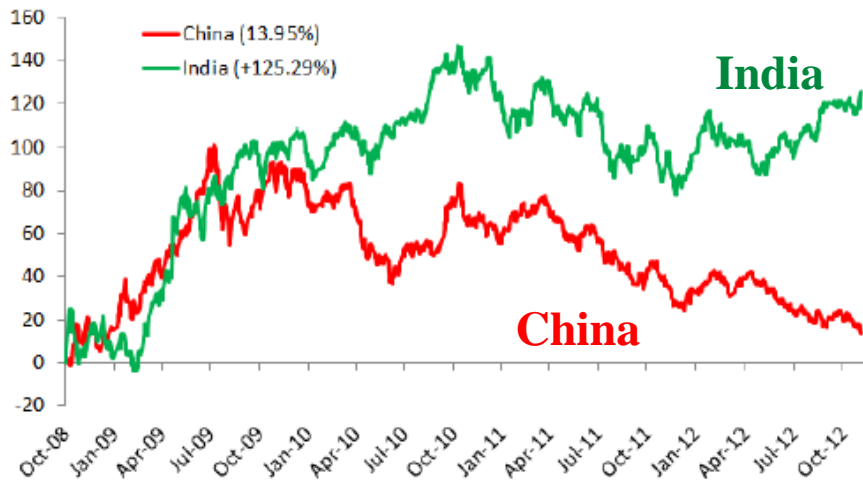
### Nov. 29, 2012: “A Tale of Two BRICs—India Surges While China Struggles”

(29 Nov., <http://www.bespokeinvest.com/thinkbig/2012/11/29/a-tale-of-two-brics-india-surges-while-china-struggles.html>)

On November 29, India’s stock market registered a new 52-week high, while China, India’s BRIC brother, made a new 52-week low.



Shanghai Comp. (China) vs. Sensex (India) % Chg Since 2008 Lows



Source: <http://www.bespokeinvest.com/thinkbig/2012/11/29/a-tale-of-two-brics-india-surges-while-china-struggles.html>

Source: Author’s compilation based on Yahoo statistics

# **BRIC/BRICS: How to Gain A New Japanese Perspective**

## **3. A New Japanese Perspective : BRIC’s Future and Japan-Brazilian Relations**

### **(a) BRIC’s Future :**

#### **Dr. Troyjo’s Insightful Perspective**

(cf. Next CIGS Seminar (February 6, 2013):

“Post-Election Fiscal Drama in the United States: A Real Cliffhanger”

By Jay Rosengard, Harvard Kennedy School (HKS))

### **(b) Japan-Brazilian Relations :**

#### **Dr. Troyjo’s Insightful Perspective**

(Can Japan-Brazilian relations help Japan salvage the current tragic situation of the relationship between Japan and China?)