

1N//700014(039)



The BRICS and Collective Financial Statecraft

Cynthia Roberts,
Leslie Elliott Armijo,
and Saori N. Katada

Contents

List of Figures ix

List of Tables xi

Acknowledgments xiii

Acronyms List xvii

1. Introduction: The BRICS as a Club 1

BRICS in the Aftermath of the Global Financial Crisis 2

Strategic Incentives in Unipolarity and Common Aversions 5

The BRICS and the Global Governance System 8

Formal Institutions and Informal Powers: The Emergence of Clubs 12

The BRICS as a Club 16

Clubs with Power Asymmetries and Dominant Powers with Outside Options 18

Plan of the Book 22

2. Global Power Shift: The BRICS, Building Capabilities for Influence 24

Conceptualizing Power 26

Measuring the Shift in Economic Capabilities 28

A New, Multipolar World? 37

The Global Financial and Monetary Capabilities of the BRICS 44

Redback Rising 59

Conclusion 64

3. BRICS Collective Financial Statecraft: Four Cases 67

Defining Collective Financial Statecraft 67

Four Categories of Collective Financial Statecraft 69

Inside Reforms: The BRICS Quest for Greater Influence within
the IMF and World Bank (Case 1) 72

Inside Reforms: Resist Manipulation of Financial Market Power for U.S./Western
Political Aims (Case 2) 88

Outside Options: Create Parallel Financial Institutions Controlled by the BRICS
(Case 3) 92

Outside Options: Diminish Dollar Dominance and Build the Financial Market
Power of the RMB (Case 4) 100

Future Directions and Cooperative Opportunities Not Taken 105

Conclusion: Mostly Successful BRICS Collective Financial Statecraft 106

4. *Motives for BRICS Collaboration: Views from the Five Capitals* 109

Six Propositions 110

The View from Beijing: In Search of Legitimacy and Unthreatening Leadership 112

The View from Moscow: Russia's Struggle for Autonomy and
International Influence 125

The View from New Delhi: Amplifying Voice and Anticipating Multipolarity 139

The View from Brasilia: Enhancing Status and Inviting Investment 148

The View from Pretoria: Support for Growth and Regional Leadership 157

Conclusion: Explaining BRICS Collaboration 162

5. *Conclusion: Whither the BRICS?* 167

BRICS and World Order: Too Much Pessimism Is Unwarranted 167

Growth: The Essential Need to Return to the BRICS' Roots 170

The Tension Between Formal and Informal Rules 174

Summing up: The BRICS, Collective Financial Statecraft, and
the Multipolar Future 177