

A COMPARATIVE ASSESSMENT OF BRICS AND THE EU

Jaweria Tahir

Introduction

Exhaustive structural and empirical research has been conducted separately on the institutions of BRICS and the EU but the purpose of this research is to address the gaps in the comparative assessment of these two – the one representing the North and the other the South. An attempt has been made in this paper to look into the respective ideologies and driving forces which contributed to their evolution. What have been their respective strengths and weaknesses during the journey of integration so far? What have been their respective collective responses and strategies to the challenges on the path to integration? Are they actually comparable? Could BRICS be a better alternative to the EU model? This article will try to explore these questions.

BRICS as an acronym was initially coined by the Chief Economist, Jim O'Neill of the investment bank – Goldman Sachs, in his paper entitled "Building Better Global Economic BRICS."¹ BRICS is the term used for the association of five major emerging economies: Brazil, Russia, India, China and South Africa. The grouping was established in 2008 and was originally known as "BRIC" before the inclusion of South Africa in 2010.² The European Union was formed in 1993 and currently it comprises 28 member states. The EU has evolved from the European Economic Community (EEC), which was established by the Treaty of Rome (1958).

The major differences between these two institutions/organizations are that BRICS is an international organization and it represents the global South while the EU is a regional organization and represents the global North. BRICS was formed by five major emerging national economies from four different continents, while the EU was formed by the industrialized economies of Europe.

¹ Jim O'Neill, "Building Better Global Economic BRICS", *Global Economics*, No. 66 (30 November 2011), available from www.goldmansachs.com/our-thinking/archive/archie-pdfs/build-better-brics.pdf.

² "The History of the European Union", available at http://europa.eu/about-eu/eu-history/index_en.htm.

The idea behind the formation of BRICS is to challenge the domination of the existing economic institutions such as the International Monetary Fund (IMF) and the World Bank (WB), so that the supremacy of the US dollar which runs the global economic order according to American terms and conditions is challenged effectively. The ideology behind the formation of the EU was primarily European economic integration, but now it has strong global political ambitions also. BRICS have no single currency, whereas the currency of the eurozone [19 EU member states] is the euro, though rest of the nine EU member states continue to use their national currencies. The major economic contributor to BRICS is China, while the EU's major economic contributors are Germany, France and the UK. It is important to note that among the member states of BRICS – Brazil, India and South Africa used to be colonies of the Europeans and BRICS have no common visa policy or agreement like Schengen. Around 26 European countries, including non-EU Switzerland, are signatories of the Schengen Agreement (now part of the EU's treaty structure) which has removed all internal borders. The citizens of all the European Union countries can freely travel across Europe.³ Foreigners after getting visa of one Schengen state are also free to visit any country part of the arrangement.

Another important difference is that BRICS have different systems of government, though all of them except China now profess to be democracies. The EU member states, including the erstwhile communist countries of East and Central Europe are all democracies.

Objectives

The main objective behind the formation of BRICS is to attain the regional needs of sustainability and growth. Their collective agenda is to achieve regional development in the South. By creating a powerful alliance, these countries are determined to enhance their influence on the global stage. The countries of BRICS have expressed the belief that genuine efforts have to be made to promote mutual trust in order to promote peace and prosperity. In order to promote mutual trust, there has to be extensive trade underpinned by the removal of trade barriers. BRICS then plan to work towards mitigation of climate change, optimization of resources and achieving food and energy security. Of course the ultimate objective of

³ Visit <http://www.schengenvisainfo.com/>.

BRICS is to replace the Western dominated economic system led by the Bretton Woods institutions – the World Bank and the IMF. BRICS is a vibrant and dynamic bloc which professes that it is sincerely trying to help and represent the Least Developed Countries (LDCs), making sure that their voice is heard in the international fora and that attention is paid to their well being.⁴

The objectives of the EU, on the other hand, so far, are basically to achieve maximum integration, probably because their continental dynamics are different. The prime aim of the EU has been to work for inclusive economic growth; it has concentrated on creating an area of freedom, security and justice with no internal frontiers. The internal market has been established where healthy competition is greatly encouraged which has led to optimum production of high quality goods at lower costs. The EU's foremost supranational institution, the European Commission, performs the role of a watch dog discouraging the cartelization of industries. The EU works without discrimination for the sustainable development of all member states, on the basis of balanced economic growth and price stability, hence contributing to the betterment of its citizens.

Another major objective of the EU is to create a society where there are no social evils, for instance, gender inequality, discrimination against minorities, injustices and exclusion. It also works for the protection of child rights, promotes solidarity between generations, and makes effort to eradicate violence and crime. The EU works vigorously for the further cohesion, solidarity and strengthening of the bloc.⁵

Structures

It has been more than two decades since the EU began to deepen and widen and it has taken years to mature. It is run by several institutions having various responsibilities, for instance the European Parliament, the European Council, the Council of the European Union, the European Commission, the Court of Justice of the European Union (CJEU), the

⁴ M. Shahid Khan, "BRICS and their Feasibility towards Becoming World Powers", 2014, available from [www.academia.edu/8832507/BRICS and their feasibility towards becoming World Powers](http://www.academia.edu/8832507/BRICS_and_their_feasibility_towards_becoming_World_Powers).

⁵ "A Constitution for Europe: Values and Objectives of the Union", visit at http://europa.eu/scadplus/constitution/objectives_en.htm.

European Central Bank (ECB) and so on, all taking care of various aspects of the European Union.⁶

BRICS is taking initial steps towards the formation of its institutions, and since currently its core agenda is to counter the US-EU led Western economic system, the first major financial institution it has set up is the New Development Bank (NDB), which has been established as an alternative to the IMF and the World Bank, and the headquarter of this bank is in Shanghai.⁷

Challenges

While outlining the objectives for any international institution/organization is a fairly easy task, the implementation of those objectives is tough, because in the process it is confronted with endless challenges, particularly when several countries are members of that organization. Thus both the EU and BRICS are confronted with various kinds of challenges.

Though BRICS faces several challenges, a major one is unsustainable economic development, which must be overcome if it is to catch up with the developed world. Also, the contemporary world is all about the power game, meaning more economic power leads to more global influence, and this is one of the prime objectives of BRICS. Sustainable economic development is a prerequisite if BRICS is to challenge the West in the power game.

In the BRICS countries, domestic political uncertainty, poor governance and security issues are among the biggest challenges. It appears that those in power are not very serious about working for political stability. Likewise, extremism and terrorism threaten some of the BRICS countries. To overcome these problems strong political and security measures are required.⁸

⁶ Visit "EU Institutions and other Bodies", at <http://europa.eu/about-eu/institutions-bodies/>.

⁷ See "New Development Bank (NDB) BRICS", at <http://ndbbrics.org/>.

⁸ Kenny Chiu, "Analysis of the Economic Development Prospects of BRICS Countries", *ENSight*, 23 July 2014, available from <http://www.ensafrica.com/news/analysis-of-the-economic-development-prospects-of-BRICS-countries?Id=1489>.

Whereas the challenges confronting the EU in the past had been different, the current issue which is most worrying for the European Union area is young demographic loss. In Europe, there is a continuous low birth rate while the ratio of older citizens is increasing. The senior citizens are becoming a burden on European society for they are unproductive and draw old age benefits. A young working-age population that could run institutions and organizations is diminishing, which has forced the EU countries to import immigrants from other continents. This has led to a serious challenge i.e. cultural diversity. The native European population is not very tolerant vis-à-vis immigrants, particularly Muslims. Islamophobia has engendered friction in European societies, which European governments find difficult to tackle.

Currently, the still unresolved issue of Ukraine is a tough challenge for the EU. The Ukrainian crisis has created a serious security issue for Europe, which is now faced with a resurgent Russia. The danger is that Russia might begin to reclaim more of the former republics of the Soviet Union. This is a nightmarish situation for the expanded European Union.

Moreover, another current challenge with which the EU authorities are unable to cope up with is the influx of refugee from strife torn Syria, a country not far from Southern Europe. In this regard, German Chancellor Angela Merkel stated candidly that the burden of the refugees should be equally divided between all European countries; however this is yet to happen.⁹

The global recession of 2008

Confronting challenges is an on going phenomenon, but when the global financial crisis of 2008 struck how did these blocs react? This crisis was catastrophic, resulting in long term adverse effects on the global economy. Some countries are still struggling to come out of it.

The financial crisis began when the US investment bank Lehman Brothers defaulted in September 2008. The repercussions of the crisis were highly contagious, affecting Europe even more than the US itself. At that time the vulnerabilities of European economic policies surfaced before the world.

⁹ Visit at <http://edition.cnn.com/2015/09/08/europe/europe-migrant-crisis/>.

On the other hand if one observes BRICS, ever since its formation, it has steadily continued to grow, and the global recession of 2008-09 not only increased its significance but also justified its formation in the first place. This global crisis provided BRICS a strong argument of the need to challenge the Western economic system, for it highlighted the flaws in the world economic order created by the West.¹⁰

Economic policies designed by the US-EU dominated economic system only serves the interests of its architects and protects their own gains. This has created an opportunity for BRICS to raise its voice against the unfair global dependence on the US dollar, particularly in forums such as WTO. The scars of the financial crisis are still evident before the world and BRICS has urged everyone to challenge a system which hit the global economy. The leaders of BRICS conferred to formulate better economic policies which could safely run the global economic system and also lessen its prevalent over dependence on the US dollar.¹¹

Furthermore, the G-20 forum provided BRICS with an opportunity to strengthen its image before the world and also allowed it to present new ideas to counter the Western dominated economic world order.¹²

Achievements

As compared to BRICS, the EU is older and with a great deal of experience behind it; therefore the list of its achievements is also lengthier. The EU has taken several years and long term policies to accomplish certain goals. The implementation of these goals has been done through the collective efforts and cooperation of the member states. Over the years, the EU has also been confronted by a number of problems and to resolve these, member states have again worked collectively. The European Union has helped create jobs and has invested in the social security of its citizens. The EU helps promote research and development, technology and innovation, and

¹⁰ European Commission, "Economic Crisis in Europe: Causes, Consequences and Responses", *European Economy* 7 (2009), available from ec.europa.eu/economy-finance/publications/publication15887_en.pdf.

¹¹ Fraser Cameron, "The EU and the BRICs", DSEU, Policy Paper 3, (February 2011), available at http://dseu.lboro.ac.uk/Documents/Policy_Papers/DSEU_Policy_Paper03.pdf.

¹² Christopher Hill and Michael Smith, *International Relations and the European Union* (New York: Oxford University Press, 2011), 390.

the betterment of the environment. The modernization of transport is also one of its accomplishments.¹³

Similarly, the EU has worked hard to improve the global competitiveness of Europe as a region. It has not only struggled to help Europe to come out of the financial crisis it has continuously pushed member states to further strengthen cohesion and cooperation. The enhancement of investment resources along with strong partnership and increased transparency are among some of the accomplishments of the EU.¹⁴

The journey of BRICS is not long, therefore its list of achievements is also small, particularly when compared with the EU. One of its crucial achievements so far is the formation of a new Business Council – which comprises 25 members, with five participants from each country. It was a breakthrough which came in the fifth BRICS summit held in March, 2013 in Durban, South Africa.¹⁵

The EU-BRICS nexus on climate change

On various occasions it has been observed that there is coldness in the two organizations' attitude towards each other.

The EU was the leader in the matter of global climate governance under the banner of the 1992 United Nations Framework Convention on Climate Change (UNFCCC) from 1998 to 2008. In the absence of the US, the EU grabbed the opportunity to take charge. During this decade of the EU's government, the economies of the BRICS countries remained low emitters of CO₂ gas. But soon the growing industries of BRICS produced high rates of CO₂ emissions which made them an important factor in the politics of climate change. Parallel to this development, BRICS, impacted by the global recession became active in the international forum of G-20, which increased its importance as a whole.

The Copenhagen summit on climate change (December 2009) resulted in the EU's loss of prestige as it did not come up with a proper functional

¹³ See http://ec.europa.eu/regional_policy/en/policy/what/key-achievements/.

¹⁴ "Working Towards a New Europe: The Role and Achievements of Europe's Regional Policy, 2004-2009", available at http://ec.europa.eu/regional_policy/archive/policy/impact/pdf/legacy_2009_en.pdf.

¹⁵ Visit at <http://www.bricsbusinesscouncil.in/>.

strategy, while China, India and Brazil presented better options for combating the challenges of climate change and formed a negotiating trio that worked parallel to the official agenda at Copenhagen. Thus the Copenhagen climate summit provided China, India and Brazil and BRICS with a golden opportunity to assert themselves on climate change.¹⁶

Models for regional integration

The European Union has been a pioneer of regional integration, but it has taken several decades to develop. The continuous efforts along with the visionary approach of European politicians, such as Robert Schuman and Jean Monnet of France and Konrad Adenauer of Germany, brought forth the new idea of collective prosperity based upon the supranational “community method” of decision-making against the traditional balance-of-power model. Such a dynamic approach was behind European integration. Credit must also be given to the European governments which agreed in a spirit of sincerity to cooperate and give up part of their sovereignty, for the collective good of the European Community in the economic, political and socio-cultural realms. The EU remains the ultimate model of regional integration in the world.¹⁷

However, to pass judgment about BRICS and the process of integration under its auspices would be too premature because there are factors that favour it and factors that do not. The factor that militates against it the most, is the geographical hurdle which makes integration impossible. Each member state of BRICS is situated in four different continents and their geo-political dynamics may not allow them to fully integrate like the EU, where all the member states are located in the same continent, and the dynamics of geo-politics are the same. This plays a vital role in promoting regional integration. On the other hand, there is an aspect which can be conceived as being in favour of BRICS’s integration and which cancels out the significance of the first one: that is the possibility factor, which stresses upon the acute need of South-South economic cooperation and independence from the Western dominated economic order and the supremacy of the US dollar. Despite the absence of geographical proximity,

¹⁶ Christopher Hill and Michael Smith, *International Relations and the European Union*.

¹⁷ Fraser Cameron, “The EU as a Model for Regional Integration”, Council on Foreign Relations Press, Berlin, 2010, visit at <http://www.cfr.org/world/european-union-model-regional-integration/p22935>.

this is the ultimate desire of the Southern* emerging economies. South-South cooperation is the only way to forge ahead, for member states of BRICS need each other's help and support. Individually, achieving the above-mentioned goals would be nearly impossible.

The EU and BRICS in Africa

The African continent had been a source of natural resources for Europe for a very long time. Now that the new millennium's world order is all about getting hold of the maximum economic resources, Africa has become very important. Realizing the acute need for economic resources, the EU has designed fresh policies and strategies to take the most out of the African continent. The establishment of the African Union (AU) in 2002, on the face of it, further facilitated interaction between the two continents in terms of democracy promotion, institution-building and the protection of human rights. The EU strengthened its hold over the African countries by using yet another tool, namely the European Security and Defence Policy (ESDP) launched in 2003 under which the EU has envisaged peacekeeping missions in case of conflicts and missions for the protection of human rights. Since the year 2000, the EU is also very much involved in the observation of Sub-Saharan African elections. To date it has observed nine elections.

Presently, the EU is actively engaged in bilateral trade relations with African countries and South Africa officially signed the Economic Partnership Agreement (EPA) as a member of the Southern African Development Community (SADC) in February 2007.¹⁸ Moreover, the fifteen nations of the Economic Community of West African States (ECOWAS) also signed an Economic Partnership Agreement (EPA) with the EU on July 10, 2014.

In order to record their objections to the so-called free trade agreements (EU-ECOWAS), African countries have voiced their reservations alongside BRICS in WTO. The WTO has its own biases in favour of the rich western countries, which is another factor causing unsettling sentiments amongst the African governments against the EU. According to the economic partnership agreements, within a timeframe of twenty years, the African

* The Russian Federation is not in the South geographically, but it is not part of the Western political and economic system, though it has joined institutions such as the WTO.

¹⁸ Visit <http://ec.europa.eu/trade/policy/countries-and-regions/countries/south-africa/>.

countries would get 100 percent access to the European market, while the EU countries were given 75 percent access to the African markets.¹⁹

With the passage of time, the ECOWAS states gradually began to entertain doubts about the impact of the EPAs, which have created certain hurdles in terms of over all African integration. The availability of the European products since long, has hampered the development of African manufacturing industries, compelling them to export only their raw or semi-processed commodities. African countries have to buy European goods at higher costs.

The EU continues to be the largest trading partner of Africa because the latter is still dependent on the EU for the export of its raw commodities. It appears that the pattern has remained unchanged since the colonial times. Realizing the significance of the African continent, the BRICS member states too have begun to develop bilateral relations with this resource-rich region. Though the Africa-China relationship is not new, with the beginning of the new millennium, China's relations with the African countries have intensified in terms of trade and investment, which has considerably contributed to the uplift of the African economies. Between 2000-2008 Africa's trade volume with China increased to around \$93 billion, which makes China the largest developing trade partner of the continent. This has motivated other developing countries to enhance trade relations with Africa.²⁰

China is a formidable economic power and an emerging giant in global politics. It is gradually spreading its influence worldwide. Evidently, China is taking a keen interest in Africa owing to the continent's rich natural resources.

In the period following the global financial crisis of 2008, the major African countries have also expanded their trade relations with India and Brazil. These emerging economies have improved the bargaining position of Africa in the global market, embarking the continent on the road to prosperity.

¹⁹ Rick Rowden, "Africa's Free Trade Hangover", *Foreign Policy*, 7 August 2014. Also available at <http://foreignpolicy.com/2014/08/07/africas-free-trade-hangover/>.

²⁰ United Nations, "South-South Cooperation: Africa and the New Forms of Development Partnership", *Economic Development in Africa Report 2010*, 30.

IBSA is a trilateral development initiative between India, Brazil and South Africa to promote South-South cooperation and economic exchanges. The trilateral initiative took concrete shape when the foreign ministers of these countries met in Brasilia in June, 2003 and launched the IBSA Dialogue Forum. It was formalized through the adoption of the Brasilia Declaration. India, now a major economy, has also begun taking a keen interest in the African continent, and in the year 2008, Africa-India relations assumed a more concrete shape with the launch of the First Africa-India Forum Summit in New Delhi.* Attended by fourteen African countries besides India, two significant documents the India-Africa Framework for Cooperation and the Delhi Declaration were issued at the end of the summit. These documents emphasized South-South cooperation. The proceedings of the summit and its declarations revealed India's keen interest in Africa.²¹

The world has acknowledged the significance of the African continent in the new millennium. Every country now feels the need to develop bilateral trade relations with Africa, not only because of its rich natural resources but also owing its geopolitical significance. Africa has immense potential to boost partner countries' economies and for the leading powers it provides a sustainable strategic base to fulfill their global political and economic ambitions.

The EU and BRICS and the Syrian war

During the fifth summit of BRICS which was held in Durban, South Africa, President Bashar-al-Assad of Syria, in a letter addressed to the leaders of Brazil, Russia, India, China and South Africa, requested their assistance for stopping the Syrian war. In response to that request, the collective reply of BRICS was to back the UN principles for resolving the Syrian crisis. Clearly, the group wanted to keep away from any kind of involvement in the domestic affairs of any other country. They favoured the holding of dialogue between the two parties for ending the civil war.²²

²¹ Peu Ghosh, *International Relations* (Delhi: PHI Learning Pvt. Ltd., 2013), 473.

* Followed by Second Forum Summit in 2011 in Ethiopia and the Third Forum Summit in 2015 in Delhi.

²² Rick Gladstone and Hala Droubi, "Assad Sends Letter to Emerging Powers Seeking Help to End Syrian War", 27 March 2013. Visit at <http://www.nytimes.com/2013/03/28/world/middleeast/syrias-developments.html? r=0>.

This collective neutral political move of BRICS reveals the clarity of the group's ultimate agenda, which is economic independence and the strategy it has adopted is to consolidate itself and avoid external political involvement which could hinder the acquisition of this goal. However, lately this position has been somehow compromised by the Russian Federation's entry into the Syrian quagmire on the side of its ally the beleaguered Syrian President Bashar al-Assad. Thus the Western powers, including some of the EU member states and the conservative Arab monarchies, which would like to see Assad removed at all costs, are deeply disturbed by this development. What course the Syrian war will now take has become most uncertain.

The US Secretary of State John Kerry and Russian Foreign Minister Sergei Lavrov agreed in May 2013 to try "to bring both sides to the table" to end the bloodshed. However, initial attempts to organize a conference did not meet with success. After a deadly chemical weapons attack on the suburbs of Damascus killed several hundred people in August 2013 the UN Security Council adopted resolution 2118 which demanded that Syria's chemical stockpile be either destroyed or removed by mid-2014. It also emphasized the urgent need to convene a conference on Syria to resolve the crisis according to the Geneva communiqué of June 30, 2012. The communiqué had been issued by a UN-backed Action Group for Syria, which had called for a political settlement and offered a perspective for the future that could be shared by all in Syria. It also envisaged a transitional governing body with full executive powers that could include members of the government and opposition, formed on the basis of mutual agreement.²³ The EU, too, is actively involved in the resolution of the Syrian crisis. A joint communiqué was presented in June, 2013 by the European Parliament, the Council and the European Economic and Social Committee of the Regions. It represented a comprehensive EU approach to the Syrian crisis which was to be discussed in the Geneva II conference of 2014. The Geneva II conference on the Syrian crisis held in January, 2014 was attended by the UN Secretary General, Ban Ki-moon, the High Representative of the EU, Catherine Ashton, representatives from the government of President Bashar al-Assad and the Syrian opposition, Russia and the US.²⁴ The Geneva II talks held under UN auspices ended in failure, because of the uncompromising positions adopted by the Syrian government and the opposition.

²³ *BBC News*, 22 January 2014.

²⁴ <http://www.theguardian.com/world/2014/feb/15/syria-peace-talks-break-up-geneva>.

The EU began providing humanitarian aid and assistance to Syria soon after it was hit by the disastrous civil war, in which thousands have already died and thousands more are exposed to violence, hunger and disease. A large number have been compelled to flee the country and have sought refuge in neighbouring countries. Europe is a favoured destination, but a few thousand have lost their lives in trying to cross the Mediterranean Sea in small boats. This refugee crisis has triggered a contentious debate among the EU member states. Under pressure of the international media, some EU countries, such as Germany have taken in refugees, but the governments of these countries fear that the refugees from Syria would create more economic, political and social problems for them.

Syria is a neighbouring country of Europe, which is posing traditional and non-traditional threats to the continent. Thus the EU Foreign Affairs Council endorsed the Counter-Terrorism/Foreign Fighters Strategy for Syria and Iraq in October 2014, which was declared an integral part of the EU regional strategy for Syria, Iraq and the Da'esh on March 16, 2015 by the Council of the European Union.²⁵

Conclusion

The research findings of this article reveal that the driving force of the two organizations discussed is similar, that is to achieve economic integration. However, with the passage of time the EU has given much attention to its enlargement process and taken great care to bring the new, less prosperous member states to the level of the older, more prosperous ones. As yet there are no immediate prospects of the enlargement of BRICS, which is concentrating on its member states' economic consolidation.

It is a well known fact that behind the formation of the European Community were the visionary approaches of the then renowned senior politicians, who floated the dynamic idea of a European Community based upon the pooling of the resources of some willing European countries. The community would be open to other countries of Europe that may want to join the bloc. To form the European Community, these statesmen resolved to forget their age-old rivalries and hostilities and make a fresh beginning.

²⁵ Visit at <http://eeas.europa.eu/syria/>.

The countries belonging to the BRICS groups are not hostile to each other, though they may be competitors in the political, economic and strategic realms. Sino-Indian relations have improved to a considerable extent in the past few decades, though the territorial disputes remain unresolved. After the end of the Cold War, the Russian Federation, the successor of the Soviet Union resolved its territorial disputes with China, and also entered into a strategic consensus with its former rival about the new unipolar order, dominated by the US. They were both in agreement about the need to counter the political, economic and strategic domination of the sole super power. The Russian Federation and China came together to form the Shanghai Cooperation Organization (SCO), alongside the Central Asian states to present a united front on important international issues, including economic ones.

BRICS certainly has the potential of becoming an effective economic and political bloc.

Of course, the structure of the EU is huge and intricate. Its institutions are engaged in regulating this whole grand system in the domestic realm and also externally. However, the EU has taken decades to acquire this position. BRICS on the other hand, is just a sapling struggling to take roots and grow. It has begun to develop its own institutions such as the New Development Bank (NDB) and the BRICS Council, but these require time to mature.

The study reveals the two organization's respective strengths and weaknesses. The strength of the EU has been its major economic contributors like the UK, Germany and France. These rich economies are the backbone of the EU. Thus despite the economic crisis that began in 2008 and the effects of which are still lingering in Europe and the world, the EU has managed to exercise some damage control, even though the comparatively poorer member states such as Greece have suffered a lot.

If any financial crisis hits BRICS, there would be greater trouble, for the group comprises emerging economies. China is the major economic power in this group, though Russia and South Africa are very rich in natural resources, Brazil not being far behind. In case of a crisis, China would have to bear the burden of bailing out the others, i.e. if BRICS decide to continue their collaboration in such circumstances. The strength of BRICS is the small number of the member states, which makes collective decision making

comparatively easier than in the EU which has 28 member states. In the EU collective decision-making is a time consuming, cumbersome and difficult process. It is not easy for all member states to agree on important issues. The member states of BRICS too require motivation and courage to take collective decisions, for each country has its own national interests, which it must protect.

This whole exercise leads us to the conclusion that the EU and BRICS cannot be compared in the true sense of the word. The EU is a mix of supranational integration and intergovernmental cooperation, while BRICS is based entirely on intergovernmental cooperation. Besides, the EU has a strong legal underpinning, for its structure is based on treaties; this is lacking in BRICS. The element of permanency and solidity which is very evident in the EU's institutional structures is totally absent in BRICS. The existence of BRICS depends entirely on the continuing consensus on political and economic issues between member states. They will remain together while their interests do not clash.

Unlike the EU, BRICS can never become a truly integrated bloc, because it lacks geographical contiguity. However, BRICS does provide inspiration to other countries who share economic and political interests, to come together on one platform to achieve their common goals.