

# EU Institutions and Policies.

The EU relationship  
with the 'emerging'  
powers (BRICs)



# Overview:

- The 21st century will be strongly influenced by some 'emerging' powers
- Brazil, Russia, India, China ('BRICs')
- The BRICs have started to recognize themselves and increase their influence in the IS, by translating their economic power into political leverage
- This process is challenging the global order based on the US 'hegemony' (and on the pivotal role of European countries in the global institutions)
- How the EU is coping with these 'new' global players?

# The political role of the BRICs



# The political role of the BRICs:

- Individually the BRICs countries are more and more influential in their region and other parts of the world
- BRICs, and especially CHINA (!), are becoming competing global structural powers
- Structural power = the power to influence the political, socioeconomic and legal structures of third countries and regions
- >> EU is not only challenged by the BRICs because of their impact on specific international agreements/processes
- But, because they promote a different approach to global governance and a different kind of multilateralism

From a political point of view there are 2  
important questions:

1. Is 'BRICs' only an acronym? Or is there some political common realities behind this word?
2. What do really the BRICs have in common?

# 1. The development of a formal cooperation:

- In 2006 >> the ministers of FP met for the first time in the 'BRIC format'
- > This format was developed from 2008 onwards >> the BRICs started to have informal meetings before or in the margins of UN or G20 summits
- In 2009 >> the leaders of BRICs held their first formal summit in Russia
- ...then in 2010 in Brazil, 2011 in China, in 2012 India ...in 2010 South Africa joined the original group...2013 South Africa, 2014 Brazil, 2015 Russia, 2016 India, 2017 China...2023 South Africa

## 2. BRIC's specificity:

Question 2: What do the BRICs have in common??

1. They have the capacity to contribute to the production of international order/disorder regionally or globally
2. They share the beliefs that they are entitled to gain a more influential role in world affairs
3. They are outside, or on the margins, of the US-led set of international and multilateral structures

Note: BRICs or China?

# The \$100 Trillion World Economy

## GLOBAL GDP 2022

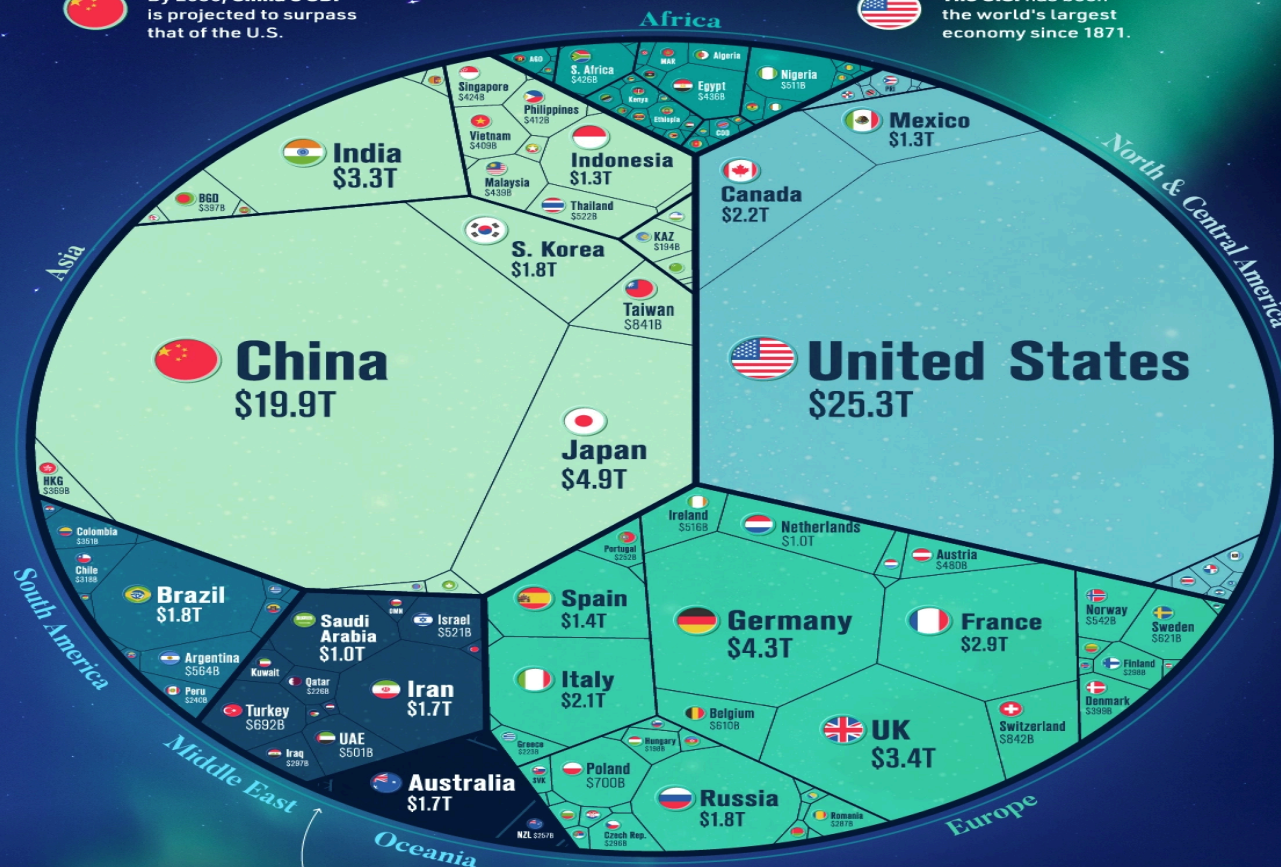
Despite conflict and looming stagflation, the global economy will hit an impressive new milestone, reaching **\$104 trillion**, according to the latest IMF projections for end of year.



By 2030, **China's GDP** is projected to surpass that of the U.S.



The **U.S.** has been the world's largest economy since 1871.



Many of the world's smallest economies are located in the Oceania region, such as **Tuvalu** with a GDP of \$66 million.



**Ireland** is expected to be the fastest growing economy in the Eurozone, with a 5.2% increase this year.

\*2022 data was not available for a handful of countries, including Ukraine and Pakistan.  
For full data notes and detailed version of this visualization, visit [visualcapitalist.com/100-trillion-global-economy/](https://visualcapitalist.com/100-trillion-global-economy/)

Source: IMF (April 2022)

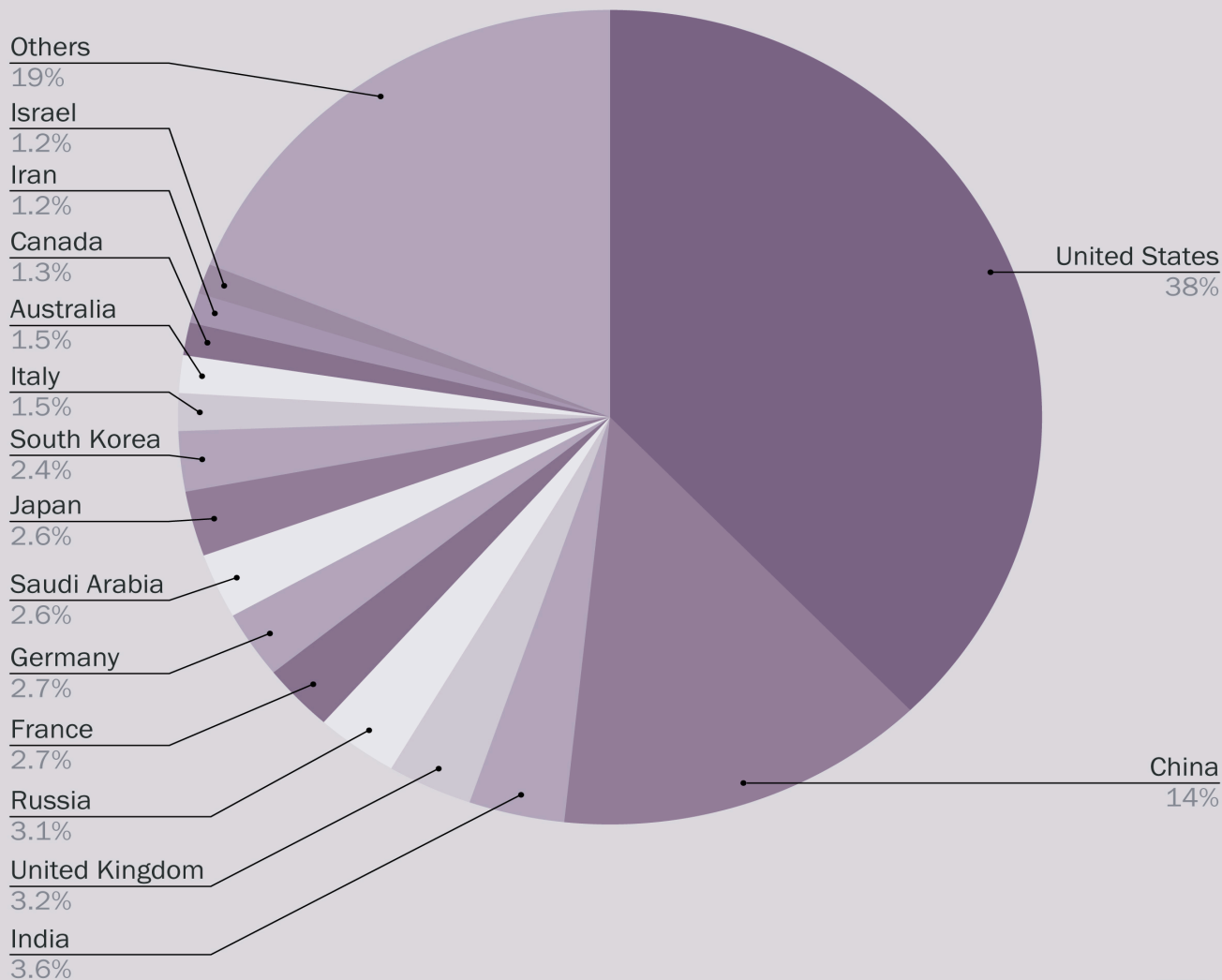


VISUAL  
CAPITALIST





## THE SHARE OF WORLD MILITARY EXPENDITURE OF THE 15 COUNTRIES WITH THE HIGHEST SPENDING IN 2021



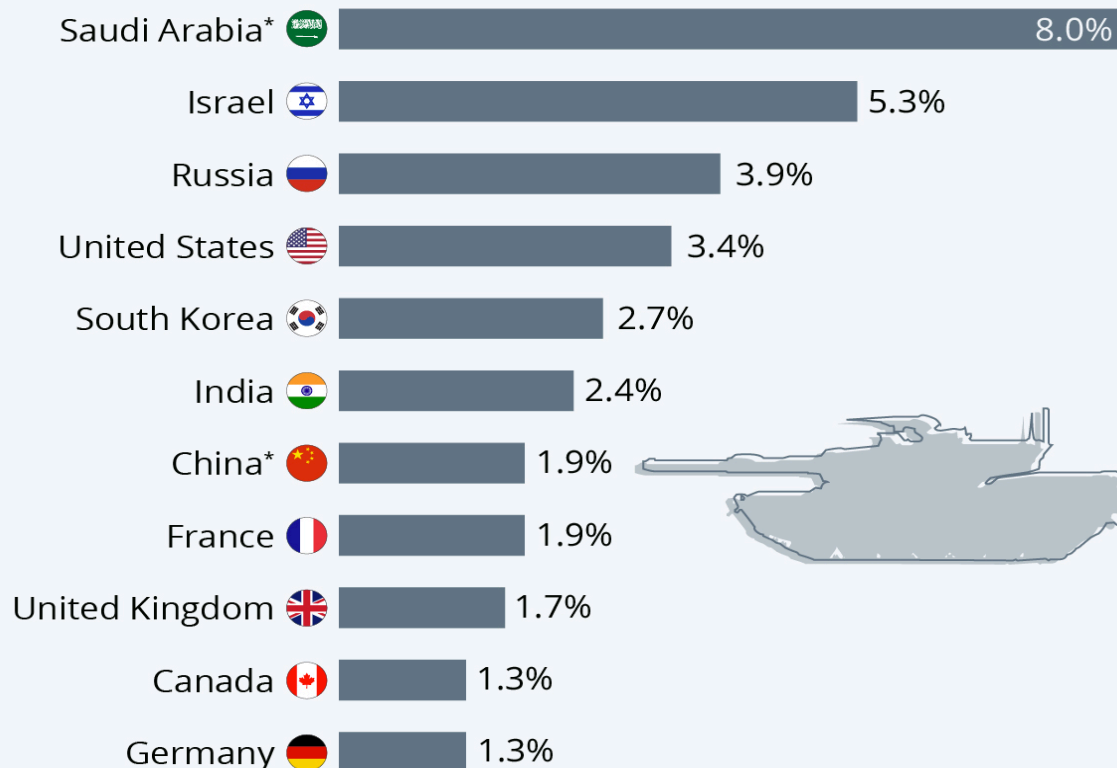
Source: SIPRI Military Expenditure Database, Apr. 2022.

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# Global Military Budgets As A Share Of GDP

Military budgets as a % of GDP in selected countries in 2019



\* Estimations  
Source: SIPRI



# The EU BRICs policy



# The pattern of EU's relationship with BRICs

1. Various kinds of long-standing 'Cooperation agreements' or 'Partnership and cooperation agreements'
  - the legal framework for cooperation, mostly in the field of trade/economic-related sectors/but increasingly also in same non-economic sectors
2. These agreements establish the institutional framework for bilateral relationships: regular summits, ministerial meetings and expert-level meetings
3. The more recent political agreements attempt to reinforce the political or 'strategic' dimension of the relationship and extend the scope of cooperation

Note: for many MS the only genuine 'strategic partnership' is still the one with the US

# Example: EU and China



## EU and China (i):

- 1985 >> EU and China established a 'Trade and Cooperation Agreement (TCA)', which also included political dialogue
- 1989 >> after the Tiananmen Square events, EU imposed an arms embargo against China >> deterioration of the political relationships
- In the mid-1990s >> EU initiated a policy of 'constructive engagement' with China, which was celebrated in 1998 with a first - from then annual- 'EU-China summit'
- This process also included support for China participation in the global structures promoting free market economy principles (China joined the WTO in 2001)

## EU and China (ii):

- 2003 >> EU and China agreed to upgrade their relationship to a 'strategic partnership', including cooperation in strategic and security-related issue (e. g. the Chinese participation in the European Galileo satellite system, but then suspended...in 2010-2011)
- 2006 >> it was decided to start negotiations on a single and comprehensive Partnership and Cooperation Agreement (PCA) >> to update the 25-years-old TCA (negotiation are still pending...)
- 2013: an 'EU-China Strategic 2020 Agenda for Cooperation' was established + negotiations for a 'Comprehensive Agreement on Investment (CAI... negotiation are still pending...)
- 2016: the Commission issued a communication on 'New EU strategy on China'
- 2019: 'The EU-China -A Strategic Outlook'



## 2019: The EU-China - A Strategic Outlook

"China is, simultaneously, in different policy areas, a cooperation partner with whom the EU has closely aligned objectives, a negotiating partner with whom the EU needs to find a balance of interests, an economic competitor in the pursuit of technological leadership, and a systemic rival promoting alternative models of governance. This requires a flexible and pragmatic whole-of-EU approach enabling a principled defence of interests and values".



# The implications of the EU- BRICs relationships



### 3 perspectives to evaluate/analyse the EU-BRICs relationship

1. The EU ability to promote a common position of MS
2. The EU ability to shape, with its structural power, its external environment
3. The EU ability to promote global governance structures

# 1. The ability to promote a common position



# The EU the MS and the BRICs (i):

The EU common action towards BRICs is difficult due to the divergent position of MS (e.g. China)

How to manage China's impact on EU economy:

- *negative sense* >> protecting internal market vis-à-vis the growing Chinese economic power
- *positive sense* >> making a better use of the trade and investment opportunities offered by the Chinese economy

How engage China politically:

- *negative sense* >> adopting a critical attitude in view of its position on human rights/minorities/democracy/international law/order
- *positive sense* >> prioritizing strategic political relations

## The EU the MS and the BRICs (ii):

- On the one hand >> the EU is (quite) able to aggregate divergent preferences of MS and to translate this into external collective action (especially with regard to trade issues...)
- On the other hand >> EU cannot always be successful in overcoming the different MS preferences and in generating a common position
- Especially when the politically most sensitive issues appear on the agenda (High politics!)
- ...or when EU's main strategic partner (the US) becomes closely involved

## 2. EU-BRICs in the perspective of structural power



# EU structural power and the BRICs:

- The EU structural foreign policy resulted in successes in Central and Eastern Europe (Balkans??)
- With BRICs >> EU failed to influence the internal political and societal structures >> no conditionality
- This tendency became particularly obvious in relations with Russia and China
- Moreover >> from the mid-2000s Russia and China became competitors to the EU and the West by using their power in order to influence other regions in the world

### 3. EU-BRIC in the perspective of global governance





# EU, the BRICs and the global governance (i):

EU view on global governance >> 'effective multilateralism' doctrine is based on 3 elements:

1. EU prefers legally binding agreements as instruments of global coordination
2. EU prefers multilateralism (the UN system) over more limited arrangements
3. EU does not consider the two previous points as an attack to national sovereignty

## EU, the BRICs and the global governance (ii):

BRICs critiques of the dominant current global institutions:

- They are not representatives of global population (US, Western Europe are over-represented)
- They do not reflect the fundamental changes in the world since the 1990s

These critiques produced changes >> from G7 to G8, G8+5 and G20

...but the BRICs are also consolidating new structures for global governance: e.g. Asian Infrastructure Investment Bank (AIIB), Shanghai Cooperation Organization (SCO)

## Concluding remarks:

- The question for the EU is how to preserve its position in traditional global institutions, while promoting more 'inclusive' multilateralism
- How to react to the proliferation of new governance structures in which it plays minor/no role
- EU must invest in active diplomacy, taking into account the interests and perceptions of these new emerging powers in world politics
- ....which is more complicated than in the previous context when the EU only had to take into account 'one' power (the US)
- Plus the EU has to preserve its own values and principles >> EU as a democratic bloc in a world where authoritarian powers (e.g. China and Russia) have more influence (??)