

South Africa in BRICS: Issues and Prospects

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Abstract
The end of apartheid regime in South Africa heralded a radical and pragmatic foreign policy that would not only repair its reputation damaged globally by the apartheid development, but also catapult it to the seat of powerful nation within the international system. Thus, its agreement to be included as a member of the BRIC was not a surprise to many followers of South Africa's foreign policy objectives on the one hand, but surprising to many as to the nature of the hasty inclusion, especially where other states such as Nigeria and Egypt which were more qualified, on the other hand. The paper seeks to rigorously interrogate the nature of the relationship, especially in trade between South Africa and other BRIC members. Empirical data obtained through published trade statistics by international bodies palpably reveal that the nature of relationship between South Africa and other BRIC members is not symbiotic but parasitic; a glaring perpetuation of dependency. Thus, while South Africa exports valueless commodities in their raw state, it imports technology –driven finished products from China, India and Russia. It is also discovered that South Africa's hoodwinking into the grouping is to open regional trade access to developed members of the BRICS to the detriment of South Africa. The extent of trade asymmetry means that while the rest members run balance of payment surplus, South Africa's is balance of payment deficit. The paper concludes that South Africa needs to reconstruct and seize the opportunity that belonging to the grouping offers by prioritizing its economic opportunities by engaging with other BRIC members to implement existing trade agreements it reached and signed with them to maximize its interest.
Keywords: South Africa, BRICS, Dependency

INTRODUCTION

Since the end of apartheid regime in South Africa, it has sought various ways to dominate, or at the very least, be heard sub-regionally, regionally and internationally. Apart from its diplomatic moves to rewrite the unpalatable history it created during the period of apartheid, it also seeks ways to expand its economic frontiers that will lend it a voice regionally and internationally. One of the ways it seeks to actualize this purpose, it believes, is to become an active participant in the current period of transition in the global balance of power which will strategically position it with other emerging powers in opposition to the traditional powers (Besada and Tok, 2014).

Furthermore, the end of cold war brought with it an imbalance of power that has characterized international affairs. This is fast changing. Not until recently, global governance was essentially driven by western countries through institutions such as UN, International Monetary Fund (IMF) and World Bank. European countries privatized hegemonic powers in the global arena, leaving developing countries in Asia, Latin America and Africa excluded from global leadership and in the conduct of global affairs (Onyekwena, et al, 2014). However, the harsh impacts of global financial crisis in 2008 revealed vividly the demerits of this imbalance as it became glaring that only the western powers could not manage the crisis alone, hence, the collaboration with developing countries became imminent. It was as a result of this new trend that led to the intense consultation with major developing countries, especially within the G-20, thus further highlighting and stimulating the unavoidable role the emerging powers would play in global affairs (Singh, 2011).

It was the Goldman Sachs economist Jim O'Neil, who first identified four countries within the G-20 – Brazil, Russia, India and China (BRIC) – as experiencing similar rapid economic growth, with the potential of becoming the largest and most influential economies by 2050 (Onyekwena, et al, 2014). Since then, these initially non-cohesive group have morphed into a strong force challenging the dominant powers, reshaping the world order and replacing it with a multipolar world order and creating a paradigm shift as they push for greater economic and political influence in global affairs (Singh, 2011; Petropoulous, 2013). Also, since the end of its apartheid regime, as it is with other African countries, South Africa has been quite vocal about the non-representation of developing countries in the international arena, which fits the common desire within BRIC for a power shift away from the west (Lund, 2013). In 2010, South Africa was included in the BRIC grouping, and the acronym changed to BRICS.

This paper seeks to interrogate the nature of South Africa's inclusion in the BRICS. It asks these fundamental questions which also form the core objectives the paper seeks to achieve: What is the nature of BRICS? What are the key objectives of BRICS and the reasons for South Africa's inclusion as a member? Does the inclusion of South Africa in BRICS a smart move made by dominant BRICS members like China to penetrate the state and indeed, the continent of Africa generally in order to achieve specific interests? How has South Africa fared in the grouping since its inclusion? What does the future holds for South Africa in BRICS?

This paper argues that although superficially, the essence of the creation of BRICS is to end U.S dominance in the global affairs, the hasty inclusion of South Africa into the grouping has not bode well for the country. It owes much to advancement of interests of China, India and Russia to the detriment of South Africa and the continent. The end result is the perpetuation of dependency as these states continue to export value-added finished goods to South Africa and import raw-materials and non-value added goods from the same South Africa. While it is a laudable move to have joined the grouping, South African elites need to redraw and rearticulate its policies towards BRICS and vigorously pursue policies geared towards engineering development which would move beyond raw-materials exportation to development-driven technology exportation.

Therefore, in view of these, this paper is sectioned into ten in order to achieve coherence and logically and empirically deduct the thrust of the paper. Section one captures the conceptual clarification of terms. Section two captures the review of related literature. Sections three and four pigeon hole the methodology and the theoretical framework employed in the paper. While section five gives the brief history of BRICS, section six explicates political project of BRICS. Sections seven and eight discuss in details the economic project of BRICS and South Africa in the BRICS respectively. Section nine concludes and section ten leaves useful recommendations behind.

SECTION ONE: CONCEPTUAL CLARIFICATIONS

Post-apartheid: It is a term meaning existing or occurring in the time after apartheid and especially after the end of apartheid in the Republic of South Africa

South Africa: A country on the southernmost tip to the African continent. It is bordered by Namibia, Botswana, Zimbabwe, Mozambique, Swaziland and Lesotho.

BRICS: an acronym for an association of five major emerging national economies: Brazil, Russia, India, China and South Africa

SECTION TWO: LITERATURE REVIEW

In their famous book, Coning et al, (2015) analytically explained the BRICS members peaceful co-existence in their quest to achieve their common objectives set out in their various summits convened. Meanwhile, the introductory part of the book clearly supports the argument in this paper. It explains the origin and formation of BRICS and the purpose for which it was formed. According to them, the grouping consisting of Brazil, Russia, India and China (BRIC) was initially meant to be nothing more than clever investment jargon referring to the largest and most attractive emerging economies. However, this grouping had fully morphed from investment jargon to a name for a new economic and political grouping that had the potential to challenge the unipolar hegemony of the United States and its Western allies (p.1). They went further to argue that the BRICS have increasingly integrated their national economies into the global economic systems, and as a result, their economic wealth started to grow, due to cheap labour costs, and their relatively well-educated middle classes that thrived in the new information economy (p.2). Moreover, abundance of natural resources, high education levels and statuses that serve as gateways into their regions also made them become economically viable grouping.

Oliver Stuenkel (2015) explains the extent of intra-BRICS cooperation and the South Africa's entrance into BRICS in his Chapters two and four which are exclusively concerned with the argument in the paper. Chapter two of the book entitled "The Financial Crisis, Contested Legitimacy and the Genesis of Intra-BRICS Cooperation (2006 – 2008)" pings on two plausible arguments. First, it contends that an unprecedented combination in 2008 – a profound financial crisis among developed countries paired with relative economic stability among emerging powers – caused a legitimacy crisis of the international financial order, which led to equally unprecedented cooperation between rising powers in the context of the BRICS grouping (p.9). Second, the intra-BRICS cooperation in the area of international finance was the starting point of a broader type of cooperation in many other areas, suggesting the occurrence of spillover effects of cooperation (p.9). Chapter four entitled "Enter South Africa: From BRICs to BRICS (2011) gives a holistic exploration into the emergence of South Africa as a BRIC member. According to Stuenkel, South Africa's desire to join the BRICS dates back to the first BRIC summit in 2009. To him, South Africa's diplomatic activism propelled O'Neil to include South Africa's name in BRIC. However, Stuenkel is skeptical about the longtime viability sustainable performance in the grouping. Quoting James Mittelman, Stuenkel argues:

> With a population of 49 million, a life expectancy on average of only 52 years and a poverty rate of 23 percent, in what sense is South Africa really in the same league as China, whose 1.3 billion people average 73 years of life and experience a poverty rate of 2.8 percent.

Cyril Prinsloo (2017) highlights the status of South Africa's economic relationship with the BRICS partners. According to him, since the admission of South Africa into the BRIC, its total trade with its BRIC counterparts has increased from \$3.1 billion in 2001 to \$28.9 billion in 2016, down from \$39 billion at the highest point in 2013. While exports experienced a brief decline from 2013 onwards, same has increased in recent times driven by exports of raw-materials, manufactured goods, and chemical to China, whose global imports were 25.2 percent higher in January 2017 than the previous year (p.1). Furthermore, in spite of the increased trade volume between South Africa and its BRIC counterparts, the nature of the trade has been highly inequitable. This is because South Africa's imports from the BRIC countries – especially China, have been largely manufactured goods, machinery and transport equipment and miscellaneous manufactured articles (representing a combined 78.7 percent of imports (p.3). In contrast, South Africa exports representing a combined 71.3 percent in 2016 have largely been crude materials and mineral fuels with manufactured goods constituting only 21.3 percent of total imports (p.3).

SECTION THREE: METHODOLOGY

This study relies on the qualitative method analytical tool. Indeed, this research tool is significant in that it provides an in-depth and interpreted understanding of the social world of research participants by learning about their social and material circumstances, their experiences, perspectives and histories (Snape and Spencer, 2003:3). It is targeted at historical, statistical and other secondary data and it is deployed in order to properly examine thematic issues raised especially as it relates to the trade romance between South Africa and its BRIC counterparts.

In relying on the secondary data, the published works of experts in this area and international public officers are consulted and utilized. These published works are sourced from books, charts and statistics from authors in the field and international bodies and institutions like World Trade Organization (WTO), United Nations (UN), the World Bank (WB), the Exim Bank of India and World Atlas.

SECTION FOUR: THEORETICAL FRAMEWORK

Dependency theory is an economic system theory that seeks to explain why rich countries become richer while poor countries become poorer. According to Dos Santos, dependency can be defined as

"… an historical condition which shapes a certain structure of the world economy such that it favours some countries to the detriment of others and limits the development possibilities of the subordinate economics,,, a situation in which the economy of a certain group of countries is conditioned by the development and expansion of another economy, to which their own is subjected" (Dos Santos, 1971:226).

The theory also argues that despite increased trade with poorer countries, the international system is controlled by dominant (richer) states seeking to maximize their benefits at the expense of poorer states (Smith, 1979). Dependency theory emerged as a critique of neo-classical economic theory that assumes economic growth results in the benefits to all, though benefits are not always equal (Ferraro, 1996; Prebisch, 1950). The summary of the dependency theorists' postulation is that developing countries sell raw materials to developed countries that use those materials to create manufactured "value-added" products which are then sold back to the developing countries at a higher price (Ferraro, 1996). Since finished goods cost more than the raw materials, developing countries cannot accrue enough income from their exports to pay for their imports, resulting in debt and decrease in economic growth (Sunkel, 1969; Cardoso, 1972; Cardoso, 1973).

The central argument of dependency theorists is that underdevelopment is a function of imperialism, which "changes in form but not in fact" (Smith, 1979:250, Amin, 1974; Evans, 1979). However, there are criticisms leveled against dependency theory. Snyder (1980) argues that the theory lacks empirical approach to social sciences. Instead they followed the logic of Marxism political economy, employing the notion of successive approximations. Moreover, the theory is by nature normative and the key terms to development and underdevelopments are largely subjective; a moral rhetoric because it seeks to discern circumstances leading to underdevelopment in order to improve the status quo (Snyder, 1980; Bosch, 1997).

The aim of this paper is not to discredit or extol dependency theory but to present empirically the nature of trade deficit between South Africa and its BRICS counterparts. As Cox and Jacobson assert, in a state of dependence, "economic growth is skewed so as to induce and perpetuate balance of payments deficits, to distribute income and wealth in a highly unequal manner and to increase marginality in society. The relationship of dependency is created and maintained by a coalition of individuals in both the dominant and subordinate states who benefit from it and who act to ensure that their states pursue appropriate policies. The overall system, however, provides greater benefits for the dominant states than for those in subordinate positions (1974:1). International system is ridden with interest of states fuelled by the 'survival of the fittest' syndrome. In this case, the powerful states succeed and the less powerful states become the preys. The interest of the powerful states is to maximize their interests and leave the non-fit states impoverished, vulnerable to external shocks, lack of autonomy and with trade imbalance (Smith, 1979).

There is no doubt that South Africa is hoodwinked into joining the BRIC in order to allow China, India and Russia access to South Africa's economy and the continent in general. In 2016, of the South Africa's total trade with its BRICS counterparts, trade with China constituted 70.4 percent, India 21.6 percent, Brazil 6.2 percent and Russia 1.9 percent (Prinsloo, 2017). In the same vein, direct investments from BRICS have remained low, especially when compared to South Africa's traditional economic partners, the EU and the US.

SECTION FIVE: THE BRICS: A BRIEF HISTORICAL AUDIT

The concept of 'BRIC' was introduced in the year 2001 by Jim O'Neil, then the chairman of Goldman Sachs, one of the biggest investment management companies in the world. Goldman Sachs, by 2003 had predicted after a thorough research on the blossoming and flourishing economies of Brazil, Russia, India and China that "over the next 50 years, Brazil, Russia, India and China – the BRICs economies could become a much larger force in the world economy. Using the latest demographic projections and a model of capital accumulation and productivity growth, we map out GDP growth, income per capita and currency movements in the BRICs economies until 2015 (Sachs, 2003). After two years, Goldman Sachs experts predicted the expected global dominance of the BRICs. "The relative importance of the BRICs as an engine of new demand growth and spending power may shift more dramatically and quickly than may expect. Higher growth in these economies could affect the impact of growing populations and slower growth in today's advanced economies (Sachs, 2003). On the total level, it was predicted that the weight of BRIC would grow geometrically to pose a competitive threat to G7 countries' economies and possibly take a firm position as top of world economic players. Goldman Sachs later pointed out the following, "… for three of the four countries (China, India and Russia), their economies are more than the three times bigger when using PPP weighting rather than the current GDP. Indeed on a PPP basis, China is the 2nd largest economy in the world, India is the 4th largest and all four are bigger than Canada. These estimates raise important issues about the transformation of global monetary; fiscal and other economic policies, as well as the need for general international economic and political cooperation (which events since September 11 have highlighted) on a truly global basis. Representation at global economic policy meetings might need to be significantly changed (Sachs, 2003).

The first official BRIC summits took place in Exaterinburg, Russia on June 16, 2009. At this meeting, discussions were centered on the situation of the global economy and other pressing issues of global development and ways to strengthen collaboration within the group. The meeting was necessary in the context of an emerging global financial crisis and how BRIC could help manage the global economy and financial system which only G8 could not manage. The second meeting which was held in Brasilia on April 15, 2010 had discussions on how to make concrete steps to improve cooperation within the BRIC grouping. They also, in the communiqué released, lent their support for a "multipolar, equitable and democratic world order, based on international law, equality, mutual respect, cooperation, coordinated action collective decision – making of all states (Coning, et al, 2015:27). The third summit took place in Sanya, Hainan, China on April 14, 2011 with the admission of South Africa into the grouping and it was renamed the BRICS group. The discussions centered on how to contribute significantly to the development of humanity and establishing a more equitable and fair world. Subsequent summits have been convened since the last meeting in China. For instance, there were summits in India on March 29, 2912; in Durban, South Africa on March 27 2013 and hosts of other summits held. Summarily, all the summits are geared towards strengthening the cooperation, multi-polarization the global system, dictating the global financial system and the entrenchment of equity and democratic norms in the global system.

SECTION SIX: THE BRICS AS A POLITICAL PROJECT

Though BRICS are widely seen as a grouping with a shared microeconomic interest which has so far reflected in their various communiqués released after many summits held, to assume that BRICS is only an economic grouping or project would be wrong. First, it should not be forgotten in a hurry that within the economic and financial projects articulated by the BRICS, there is a political aim, namely to redress global inequality at the level of international economy. Second, the BRICS wants to redraw the way the international system is governed. In a statement released in one of their summits, the BRICS countries stated"

… underline our support for a more democratic and just multipolar world based on the rule of international law, equality, mutual respect, cooperation, coordinated action and collective decision-making of all states. We reiterate our support for political and diplomatic efforts to peacefully resolve disputes in international relations" in (Coning, et al, 2015:30).

The BRICS leaders also expressed their strong commitment to multilateral diplomacy and the reformation of UN in order to properly tackle the contemporary global challenges. It must be noted that the two of the BRICS – China and Russia – are permanent members of the Security Council while Brazil and India and South Africa are non- permanent members of the Security Council but are always voicing their frustration at not being co-opted into Security Council as permanent members. The BRICS countries are also critical about the unilateral action by the west to resolve conflicts by either imposing its norms and values through a manipulation of the UN, or by bypassing the UN altogether in non-western countries. Thus, the BRICS see it as an apparent interference into the politics of the countries concerned. It also supports the maintenance of international peace and security. In 2011, all the five BRICS members served together in the Security Council, as Brazil, India and South Africa were elected as non-permanent members, China and Russia were permanent members.

During the height of Libyan crisis in 2011, the BRICS adopted a common position that the way the UN resolution 1973 was implemented amounted to abuse of mandate by NATO. The grouping in their first four summit communiqués included broad statement on the peace and security in the middle East and North Africa, Israel – Palestinian conflict, Syria, Iran and Afghanistan. They call for peaceful resolution of all conflicts through broader national dialogues that reflect the legitimate aspirations of all sections in these countries.

SECTION SEVEN: THE BRICS AS AN ECONOMIC PROJECT

The project of the BRICS is not only political but also economic. In their various communiqués released at their summits, the grouping stressed their commitment to advance reform of the international financial institutions, so as to reflect the changes in the world economy. Further, they argued that the emerging and developing economies should have greater voice and representation in international financial institutions and that their heads and senior leadership should be appointed through an open, transparent and merit-based selection process (Coning, et al, 2015). They also stressed the important role that the international trade and foreign direct investment would play in the world economic recovery. Thus, they call for significant changes in the international trade and investment environment by calling for more stable multilateral trading system, and the curbing of trade protectionism. However, the question is: how far has the BRICS fared economically and in their development paradigm as articulated in their communiqués?

Facts available show that BRICS as a grouping has fared better in terms of economic performance. The size of the five BRICS economies together increased by nearly three- fold, from US$6.1 trillion in 2006 to $16.5 trillion in 2015 as shown in table 1.1 below

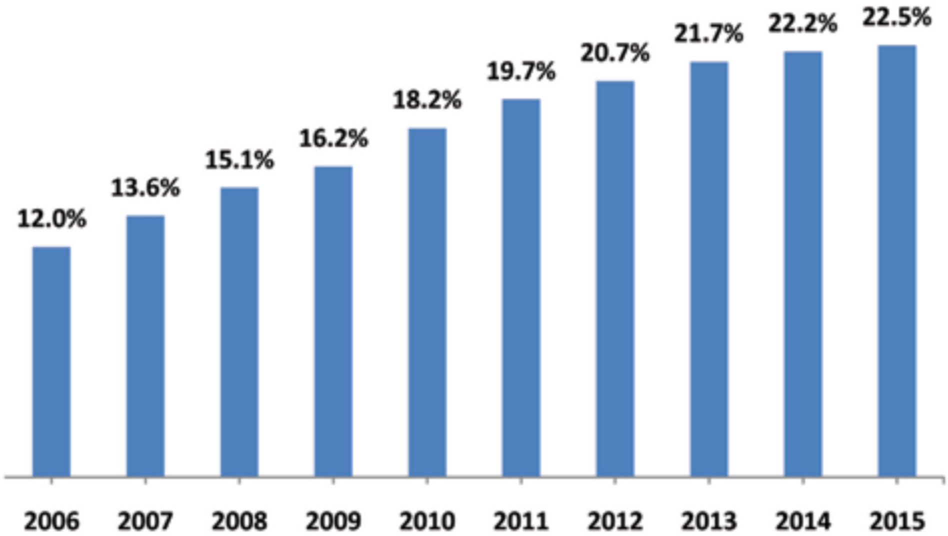
Table 1.1 showing macroeconomic snapshots of BRICS countries

	GDP (US$bn)		Real GDP Growth (%)		Population		Inflation (average consumer prices, %)		Exports (US$bn)		Imports (US$bn)		Current Account Balance (US$bn)	
	2006	**2015**	**2006**	**2015**	**2006**	**2015**	**2006**	**2015**	**2006**	**2015**	**2006**	**2015**	**2006**	**2015**
Brazil	1,107.6	1,772.6	4.0	-3.8	1,314.5	1,374.6	4.2	9.0	137.8	191.1	91.3	171.4	13.0	-58.9
Russia	1,055.9	1,324.7	8.2	-3.7	142.8	146.3	9.7	15.5	301.6	343.9	137.8	182.8	92.3	-58.9
India	949.1	2,090.7	9.3	7.6	187.3	204.5	5.7	4.9	121.2	264.4	178.2	390.7	-9.6	-26.2
china	2,751.9	10,982.8	12.7	6.9	1,130.0	1,292.7	1.5	4.9	121.2	264.4	178.2	390.7	-9.6	-26.2
South Africa	271.8	313.0	5.6	1.3	48.0	55.0	4.7	4.7	52.6	69.6	68.5	79.6	-12.2	-13.7
BRICS	**6,136.4**	**16,483.8**	**7.9***	**1.6***	**2,822.6**	**3,073.0**	**5.2**	**7.1**	**1,582.1**	**3,150.9**	**1,267.3**	**2,506.2**	**315.5**	**260.2**

Source: Exim Bank of India, 2016 * Average growth

Accordingly, the share of BRICS in global GDP also consistently increased from 12 percent in 2006 to 22.5 percent in 2015 (Exim Bank, 2016) as can be seen in the chart 1.1 below:

Chart 1.1: Share of BRICS countries in world GDP

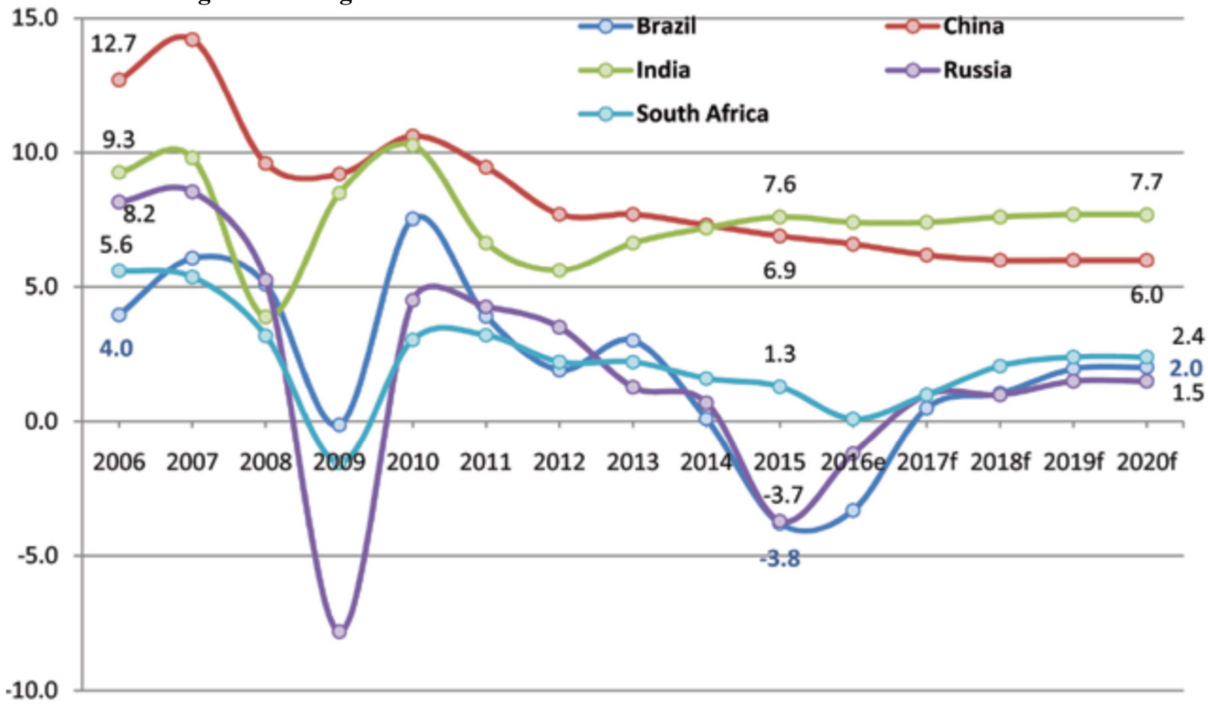


Source: Exim Bank, 2016.

By the year 2020, nominal GDP of BRICS economies is projected to occupy around US$23 trillion and its share in world GDP is expected to increase to 25.2 percent by 2020 (Exim Bank, 2016). China, the largest economy among BRICS countries, accounted for 66.6 percent of the cumulative GDP of BRICS economies in 2015, followed by India (12.7 percent), Brazil (10.8 percent), Russia (8 percent) and South Africa (1.9 percent) (Exim Bank, 2016). However, the real GDP growth of BRICS economies slowed in 2015, primarily due to a fall in commodity prices, of which the real GDP of Brazil and Russia contracted by 3.8 and 3.7 percents respectively, as compared to a growth of 0.1 percent and 0.7 percent registered in the previous years (see chart 1.2 below). Hopefully, by 2020, growth of BRICS economies will stabilize with China and India being the major drivers of the region's growth.

Furthermore, the economies of all the five BRICS economies are dominated by services sector. In 2014, Brazil's GDP in services sector stood at 70.8 percent, South Africa's was 68.1 percent, Russia's stood at 63.4 percent, India's was 52.6 percent and China's was 48.1 percent, whereas, China's GDP in the industrial sector stood at 42.7 percent in 2014. Russia's stood at 32.1 percent, India's was 30 percent, South Africa's was 29.5 percent and Brazil's stood at 24 percent (Exim Bank, 2016).

Chart 1.2 showing Real GDP growth of BRICS countires



Source: Exim Bank, 2016

Intra-BRICS trade has showed gradual increase during the same period (2006-2015). China has played a significant role in intra-BRICS trade, accounting for over half of intra-BRICS trade, followed by India, Brazil, Russia and South Africa. However, BRICS countries have not harnessed the potential offered by the regional cooperation. Table 1.2 shows intra-BRICS trade in which by 2015 China remained the largest supplier to the rest of the BRICS countries, with an increased share of 56.5 percent, Brazil's stood at 17.8 percent, Russia's stood at 14.5 percent, India's stood at 7.5 percent and South Africa's stood at 4 percent in intra-BRICS exports.

Table 1.2 Showing Intra-BRICS Exports (US$billion)

ITEMS	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**CAGR (2006–2015)**
Intra-BRICS Exports	**92.9**	**128.6**	**168.9**	**143.6**	**210.7**	**274.9**	**281.4**	**296.4**	**295.3**	**242.3**	**11.2%**
Brazil	14.2	17.2	23.9	27.7	39.7	53.4	51.7	54.0	50.5	43.0	13.1%
Russia	19.4	19.3	28.5	23.9	27.0	41.6	45.9	44.9	44.4	35.1	16.8%
India	12.3	14.4	16.9	15.1	26.2	28.3	28.0	30.7	28.5	18.1	14.4%
China	43.6	71.4	92.1	68.7	105.8	134.6	140.5	150.7	158.5	136.4	13.5%
South Africa	3.4	6.2	7.5	8.3	12.1	17.0	15.3	16.1	13.4	9.7	12.3%

Source: Exim Bank, 2016

Table 1.3 shows intra-BRICS imports where China is also the largest importer from the rest of the BRICS countries, accounting for 40.8 percent, India 25.8 percent, Russia 13.8 percent, Brazil 12.8 percent and South Africa 6.8 percent.

Table 1.3 Showing Intra-BRICS Imports (US$billion).

ITEMS	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	CAGR (2006-2015)
Intra-BRICS Imports	103.8	150.3	209.4	173.9	248.6	339.2	354.9	356.9	356.4	296.7	12.4%
Brazil	10.8	17.0	27.7	19.9	32.4	42.7	42.9	47.1	47.6	37.9	14.9%
Russia	17.0	30.1	41.6	28.2	45.6	55.6	58.9	60.5	58.7	41.0	10.3%
India	21.0	31.3	42.7	42.0	55.0	72.6	72.2	66.6	74.0	76.5	15.4%
China	44.8	59.3	83.2	72.0	99.8	148.2	159.9	159.3	154.2	121.2	11.7%
South Africa	10.2	12.6	14.1	11.8	15.8	20.0	21.1	23.4	21.8	20.2	7.9%

Source: Exim Bank, 2016

SECTION EIGHT: SOUTH AFRICA IN BRIC: A CRITICAL ASSESSMENT

The inclusion of South Africa in the BRICS grouping in 2011 can be regarded as one of South Africa's principal foreign policy achievements over the past years (Stuenkel, 2015). It has also significantly altered the structure of the group and gave it a global flavour. However, little is known why South Africa was included over larger economies both in the continent like Nigeria and Egypt and beyond the continent like Mexico and Indonesia. To be sure, South Africa first sought to be included in the grouping as a way of advancing its own interest. There are optimisms as well as scepticisms as to what the inclusion of South Africa into the BRICS grouping could give birth to. South Africa's minister of international relations and cooperation, Maite Nkoana-Mashabane argued that South Africa joined BRICS to "advance our national interest… promote our regional integration programme and related continental infrastructure programmes and partner with key players in the South on issues related to global governance and its reforms" (The BRICS Post, 2013).

On South Africa's inclusion, critics have argued that South Africa is not among the world's largest economies and it was included to increase the group's regional representation and global legitimacy. According to them, it lacks the outgrowth outlook that adds to other members' strategic clout. While other group members' economies would continue to rise, South Africa's stagnates (Stuenkel, 2015). James O'Neil, who coined the word 'BRIC' also argued that South Africa did not deserve to be a BRICs member, that it did not qualify to be part of the "Next 11" another (much lesser known) grouping he invented.

On the other hand, optimists like Stuenkel argue that the inclusion of South Africa is well-deserved. First, the rise of Africa has helped South Africa to be included in the grouping in order to advance other BRICS members' strategic and geopolitical importance in the continent. According to Stuenkel, BRICS – Africa trade has soared three fold from $150 billion in 2010 to $530 billion in 2015. By 2010, China had overtaken United States as Africa's largest trading partner, while Brazil and India are currently ranked as Africa's sixth and tenth largest trading partners respectively (Stuenkel, 2015:44). Second, South Africa's aggregate capabilities in terms of economic, diplomatic and military capacities, in relation to other African nations, automatically defines it as a regional leader (Habib, 2009). Third, South Africa's inclusion was also based on its influence politically on the continent. For instance, South Africa's candidacy for its seat on the UN Security Council was explicitly endorsed by Africa under the aegis of the African Union (AU) at its fourteenth Ordinary Session in early 2010 (Serrao, 2011). Fourth, its invitation to join can be traced to its contribution to shaping the socio-economic regeneration of Africa as well as involvement in peace, security and reconstruction efforts on the continent. For instance, South Africa was instrumental in negotiating the shift from "non-intervention" to "non- indifference" in Africa during the 1990s and 2000s (Landsberg, 2010).

The aim of this paper is not to question whether South Africa deserved inclusion into the grouping, but to empirically state the nature of master-servant relationship between South Africa and the rest of the BRIC members since its inclusion into the group. As Davids (2012) points out that the BRICS move into Africa would challenge South Africa's strategic economics interest, particularly in those markets where South Africa has been slow to expand into – such as Angola, where Brazil and China have established themselves as major players. Tables 1.4 and 1.5 show South Africa's major export to BRICS countries and major imports from BRICS countries. The tables pitiably show the levels of trade asymmetry between South Africa and other BRICS members in which South Africa exports raw-materials and consumable products and imports machinery and value-added equipment. The end product is the entrenchment of dependency culminating into added unemployment rate, declining life expectancy and balance of payment deficits. Furthermore, BRICS members, especially China, not only floods South African market with value-added equipment, but also competes with South Africa by exporting complementary goods to the South African market at cheap prices, leading to economy stifling and closure of industries.

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Table 1.5 showing South Africa's major exports to BRICS countries

Region// Country	HS Code	Product label	Share of product in South Africa's exports to region/ Country in 2015	Share of product in South Africa's exports to world in 2015
BRICS	**Total**	**All products**	**100%**	**13.9%**
	26	Ores, slag and ash	38.2%	53.9%
	27	Mineral fuels, oils and its distillation products	24.3%	28.8%
	72	Iron and steel	10.2%	21.7%
	47	Pulp of wood or of other fibrous material	4.1%	52.1%
	71	Pearls, precious or semi-precious stones	3.6%	3.4%
Brazil	**Total**	**All Products**	**100%**	**0.7%**
	87	Vehicles other than railway	29.1%	1.8%
	27	Mineral fuels, oils and its distillation products	14.7%	0.9%
	76	Aluminium and its articles	13.6%	5.6%
	72	Iron and steel	9.4%	1.0%
	38	Miscellaneous chemical products	8.1%	4.3%
Russia	**Total**	**All products**	**100%**	**0.4%**
	08	Edible fruit and nuts; peel of citrus fruit or melons	55.5%	5.0%
	26	Ores, slag and ash	9.1%	0.3%
	72	Iron and steel	7.7%	0.4%
	20	Preparations of vegetables, fruit or nuts	6.0%	2.7%
	38	Miscellaneous chemical products	5.0%	1.3%
India	**Total**	**All Products**	**100%**	**4.5%**
	27	Mineral fuels, oils and its distillation products	67.9%	26.1%
	26	Ores, slag and ash	7.3%	3.3%
	72	Iron and steel	6.5%	4.4%
	47	Pulp of wood or of other fibrous material	2.5%	10.5%
	84	Machinery and equipment	2.5%	1.6%
China	**Total**	**All Products**	**100%**	**8.3%**
	26	Ores, slag and ash	59.2%	50.0%
	72	Iron and steel	12.5%	15.8%
	47	Pulp of wood or of other fibrous material	5.5%	41.7%
	71	Pearls, precious or semi-precious stones	4.9%	2.7%
	74	Copper and its articles	2.7%	29.0%

Source: Exim Bank, 2016

Table 1.5 showing South Africa's major imports from BRICS countries

Region/ country	HS Code	Product Label	Share of product in South Africa's imports from region/ country in 2015	Share of product in South Africa's imports from world in 2015
BRICS	**Total**	**All Products**	**100%**	**25.6%**
	85	Electrical machinery and equipment	20.0%	47.2%
	84	Machinery and equipment	16.1%	31.0%
	27	Mineral fuels, oils and its distillation products	6.6%	9.7%
	87	Vehicles other than railway	5.8%	18.1%
	86	Railway or tramway locomotives	2.9%	72.8%
Brazil	**Total**	**All products**	**100%**	**1.6%**
	79	Zinc and its articles	10.9%	62.3%
	02	Meat and edible meat offal	8.0%	22.8%
	84	Machinery and equipment	7.0%	0.8%
	76	Aluminium and its articles	5.2%	11.5%
	85	Electrical machinery and equipment	4.5%	0.7%
Russia	**Total**	**All products**	**100%**	**0.5%**
	74	Copper and its articles	47.4%	33.0%
	31	Fertilizers	22.0%	17.1%
	10	Cereals	12.8%	6.1%
	84	Machinery and equipment	2.5%	0.1%
	40	Rubber and its articles	2.3%	0.9%
India	**Total**	**All products**	**100%**	**5.0%**
	27	Mineral fuels, oils and its distillation products	29.9	8.5%
	87	Vehicles other than railway	20.7%	12.5%
	30	Pharmaceutical products	10.7%	22.4%
	84	Machinery and equipment	4.9%	1.8%
	29	Organic chemicals	3.7%	11.1%
China	**Total**	**All products**	**100%**	**18.5%**
	85	Electrical machinery and equipment	26.5%	44.7%
	84	Machinery and equipment	20.2%	27.8%
	86	Railway or tramway locomotives	3.9%	70.4%
	64	Footwear, gaiters and its parts	3.5%	61.3%
	62	Articles of apparel, not knitted or crocheted	3.1%	54.4%

Source: Exim Bank, 2016

Balance of trade outlook provides another detailed look by mapping the BRICS" merchandise and service trade balances from 1990-2011. The impact of global added value chains made China and the Soviet Union then Russia in 1993 record positive trade balances over the period 1990-2011. South Africa and Brazil's figures fluctuated below US$20 billion. India had an outright trade deficit. Before ascension to WTO in 2001, China had sizable balances to other BRICS economies. From 2004 - 2011, China and Russia had sizable trade surpluses above US$100 billion. This was astonishing on the part of Russia as membership to WTO was not yet in force. This leads to deeper argument of whether membership to WTO is necessarily a catalyst for trade. The other BRICS, India and South Africa had negative trade balances. India's deficit exceeded US$50 billion while South Africa's balance fluctuated below US$10 billion. The Brazil trade balance fluctuated at not less than US$20 billion. From 2009 onwards, trade deficit exceeded US$20 billion, an indication of over reliance on imports (World Bank, 2015).

SECTION NINE: CONCLUSION

BRICS is both economic and political grouping that, at least to say, is meant to assist its members towards the throes of development. With South Africa in perspective, the reverse is the case. The dependency nexus captured within the framework of master- servant relationship does not serve South Africa's interest. Instead, other BRICS members are faring better in the whole bargain as shown in the paper. While South Africa exports raw-materials and consumables, as the paper has shown, it receives as imports from the other BRICS members, machinery and high-value added equipment. Moreover, other goods imported by South Africa from the other BRICS members compete unfavourably with the local industries in South Africa producing similar products. The effect of this trade asymmetry on South Africa is balance of payment deficit, further confirming the growing fears the people have on the viability and long term benefits that will accrue to South Africa as a member of BRICS.

SECTION TEN: RECOMMENDATIONS

Based on the issues outlined in the paper as regards to South Africa's inclusion in the BRICS, the following recommendations are hereby made

1. The South African policymakers should vigorously insist on the implementation of various trade agreements it reached and signed with the other BRIC members.
2. Given the avalanche and plethora of cooperation agreements, memoranda of understanding, roadmaps and plans, it becomes difficult to ascertain the level of implementation of accords among the BRICS members, thus, there should be a monitoring mechanism to track commitments and ensure implementation
3. South Africa should do more to build greater consensus and political commitment towards cooperation by engaging South African business community in these efforts
4. As the incumbent chairman of BRICS, South Africa should seize the opportunity to shape the economic priorities of BRICS in ways that they can capture its interest.

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