

BRICS and the myth of the multipolar world*

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Abstract : *The aim of this article is to show that the BRICS countries not only don't form part of a multi-polar world, but in reality are far from sovereign states in any sense of the word. In fact, if their real goal was indeed the creation of an alternative pole of sovereign nation-states, they should have planned at the outset to break their direct dependence on the globalized capitalist market economy, cutting their ties with global institutions controlled by the Transnational Elite (WTO, IMF and World Bank), and moving towards self-reliant economies, so that they could regain their sovereignty.*

The paradoxical myth that we already live in a multipolar world (or, in a milder version, that a multipolar world has already been emerging) has grown strongly in the last few years. The paradox lies in the fact that this myth is promoted not only by the Transnational Elite (i.e. basically the elites rooted in the countries of the "G7"), which runs the New World Order (NWO) of neoliberal globalization, but also by the elites of the countries constituting the supposedly alternative pole to it, i.e. the elites of the BRICS countries themselves (Brazil, Russia, India, China and South Africa).

The Transnational Elite (TE) has, of course, every reason to conceal the growing concentration of economic, political, military, and cultural power in its hands, within the process of creating an informal system of global governance, as celebrated by Simon Peres, the ex-President of Israel, in his 2013 talk in front of the European Parliament.¹ Thus, the countries belonging to this elite can be shown² to concentrate in their hands all forms of transnational power and therefore the bulk of transnational sovereignty. That is:

¹ See "Full text of Peres speech to European Parliament in Strasbourg," *Haaretz* (13/03/2013).

² Takis Fotopoulos, *Ukraine: The Attack on Russia and the Eurasian Union* (published shortly by Progressive Press), ch. 1.

- transnational economic sovereignty, in the sense that all major Transnational Corporations (TNCs), which control the world markets for commodities and capital can be shown to be based (not just in the legal sense) in these countries, whereas all major international economic organizations (WTO, IMF, WB etc) are also controlled by the elites of the same countries;
- transnational political/military sovereignty, in the sense that all major international political-military organizations (UN, NATO, etc.) can also be shown to be controlled by the TE countries;
- transnational media power in the sense that all international media controlling world public opinion (what euphemistically is called the “world community”) are also based in the same countries; and, finally,
- transnational cultural power, in the sense that all major institutions of the “culture industry” controlling world culture are overwhelmingly held by the TE — although of course in the NWO this has little, if anything, to do with the general cultural level and much more to do with controlling the major production and distribution networks of culture (see e.g. the world dominance of Hollywood’s abysmally low-quality output!)

On the other hand, as regards to the sovereignty of BRICS countries in general, their condition is much worse compared to that of Russia. Not only are the other BRICS countries much more integrated into the NWO than Russia (without enjoying any comparable degree of its transnational sovereignty) but, even worse, their national sovereignty is much less than Russia’s. So, far from the BRICS countries constituting part of a multipolar world — as the TE propaganda asserts in order to hide its real transnational monopoly of power — in fact, they are not sovereign countries in any sense of the word. Thus, if even Russia does not share any comparable degree of transnational sovereignty to that of the TE members, this is true par excellence for countries like China and India, whose control over the transnational economic power is marginal, let alone their control over transnational political, media and cultural power. Particularly so, as Russia, for the reasons I examined elsewhere,³ is much less integrated into the New World Order (NWO) of neoliberal globalization than any of the other BRICS countries.

Thus, despite the fact that the five BRICS countries account for nearly three billion people (42% of world population), their combined nominal GDP

³ Takis Fotopoulos, “Russia, the Eurasian Union and the Transnational Elite,” *The International Journal of Inclusive Democracy*, Vol.10, Nos.1/2 (Winter-Summer 2014). http://inclusivedemocracy.org/journal/vol10/vol10_no1-2_Russia_Eurasian_Union_Transnational_Elite.html & *Pravda.ru*. (01/09/2014).

represents only 20% of global GDP⁴ and their total capital investment was estimated to be between a minimum 11% of global capital investment⁵ and a maximum 20%,⁶ indicating that the degree of transnational sovereignty of these countries is marginal, if not negligible, in proportion to their huge populations. So, the fact that the purchasing power of aggregate Chinese GDP has now surpassed US levels (as a result of the fact that the US population is only 23% of the Chinese) by no means implies that China is the world's greatest economic power. In other words, economic power is still concentrated in the West (i.e. mainly the G7 countries) from where all major TNCs originated, and where their power and, frequently, their research and development centers, are still based.

Also, if we attempt to project the expected transnational power of the TE compared to that of China, even if we add Russia in the equation on China's side, it is obvious that the two blocs will never control, in any foreseeable future, a comparable degree of transnational power. This implies that if Russia and China really wish to be independent states enjoying national and economic sovereignty they have to break from the present World Order that is controlled by the TE, as they should never hope of becoming equal members of the TE within it.

In fact, both China and India consist of hundreds of millions of starving people and a few hundred billionaires, as well as a proportionately very small, but utterly greedy, middle class. India, for instance is a country where Mercedes saw a 47% surge in sales last year and where its super-rich have long raised eyebrows around the world with their spectacular spending,⁷ whereas at the same time nearly half of India's 1.2 billion people have no toilets at home⁸ and nearly 2 million children under the age of five die every year from preventable illness as common as diarrhoea and of those who survive, half are stunted owing to a lack of nutrients.⁹ Yet, the Indian elite decided that the country could afford to have even a space program!

⁴ World Bank, *World Development Indicators 2014*, Table 1.

⁵ "BRICS establish \$100bn bank and currency reserves to cut out Western dominance," RT (15/07/2014). <http://rt.com/business/173008-brics-bank-currency-pool/>

⁶ Adrian Salbuchi, "Building a BRICS wall," RT (15/7/2014). <http://rt.com/op-edge/172624-brics-putin-arab-spring/>

⁷ Jason Burke, "As India's super-rich list explodes, the shopping has only just begun," *The Guardian* (25/07/2014).

⁸ "India unveils cheap new village toilets," *BBC News* (01/09/2014). <http://www.bbc.co.uk/news/world-asia-india-29008713>

⁹ John Pilger, "In India's land of extremes, resistance is on the rise," *The Guardian* (03/01/2014).

As far as China is concerned, if there is anything on which China starts resembling USA it is only the number of its billionaires! Thus, 10 years ago China had no billionaires whereas now it has more billionaires than any other country except the US.¹⁰ This is not of course at all surprising, if one takes into account that even according to official statistics on inequality (which may not be particularly reliable given the "communist" leadership's high sensitivity on the matter), China shows a high and growing inequality,¹¹ as a result of the neoliberal policies it has to apply within the NWO to which it is fully integrated. Yet, unofficial statistics by the Southwestern University of Finance and Economics and the Institute of Financial Research put China at the top of an "inequality" list of 16 countries on the World Bank website.¹²

Needless to add that the emerging new significant middle classes in China, India and elsewhere in the "miracles of globalization" implies not only the creation of a huge market for the products of TNCs, but also, the spreading of the values and ideas of globalization. Indicative is the fact that US and UK universities and schools are presently full of students from these new middle classes from the "South",¹³ forming the future elites of globalization to run the desperate masses of poor in their own countries, according to the dictates of the Transnational Elite.

The myth, in particular, of the emerging new economic superpower in China is based on crude statistical indicators, such as GDP and the concentration of industrial and trade power within that country. But such indicators ignore the huge size of its population, and the fact that it is basically the TNCs which created the alleged economic miracle, including the post-Mao industrial and trade power. Thus, taking into account relative population sizes, the per capita GNP of China and India is still 11% and 3.5% respectively of that of the USA,¹⁴ despite the fact that the celebrated growth rates achieved by both countries in the last decade were over six times higher in China and more than four times in India, than in the USA.¹⁵ In other words, the so-called economic "miracles" of globalization (China, India etc.) are, in fact, the myths of globalization, as their

¹⁰ "China Billionaires: Sharp Rise In Richest," *Sky News* (11/09/2013).

<http://news.sky.com/story/1140129/china-billionaires-sharp-rise-in-richest>

¹¹ "China reveals income gap statistics after 12 year of silence," RT (18/01/2013).

<http://rt.com/business/china-income-gap-reveals-288/>

¹² Data based on Gini coefficients. *ibid.*

¹³ James Pickford and Helen Warrell, "Wealthy Chinese want British education for their children," *The Financial Times* (22/01/2014); see, also, Helen Warrell, "Chinese parents scramble to send children to top British schools," *The Financial Times* (21/03/2014).

¹⁴ World Bank, *World Development Indicators 2014*, Table 1.

¹⁵ *ibid.* Table 4.

rapid growth and industrialization in the last 35 years or so simply mirrors the de-growth and de-industrialization of the West, from where TNCs moved to maximize their profits, exploiting the huge comparative advantage of such countries in terms of cheap production cost (mainly cheap — and usually skilled — labor), markets free of significant social controls, low taxes, as well as other facilities offered to investors, particularly in the “special economic zones” of slave labor emerging all over the world and so on.

As for the supposedly huge trade power of China, although this is *prima facie* true, many, if not most, of its high technology exports and imports are due to the activities of foreign TNCs. This means that the moment the country decides to impose drastic social controls on markets to reduce their “freedom” to move capital and commodities in and out of their country, e.g. in order to protect local labor or the environment from the wild exploitation of TNCs, the Chinese “miracle” could end overnight. And, in fact, there are plenty of causes of social unrest founded on the way this economic miracle was created, i.e. the sheer exploitation of cheap labor and the corresponding wild exploitation of the environment, which has already been leading to something approaching an ecological catastrophe.¹⁶ No wonder both working class labor activism¹⁷ and middle class environmental activism¹⁸ are thriving in China at the moment.

I do not refer of course to the on-going Hong Kong (HK) “umbrella revolution” which is irrelevant to the above activism that is based on genuine demands by the victims of globalization, in contrast to the middle class Facebook youth demonstrations in HK for “democracy” and “freedom” (the same demands of every velvet “revolution” engineered by the TE, from Syria and the other Arab “spring” countries up to Ukraine!). No wonder that the well known neocon Zionist criminal Paul Wolfowitz, considered one of the ideological fathers of the slaughtering of Iraq (carried out by the well known war criminals Tony Blair and George W. Bush), was seen in HK with media tycoon Jimmy Lai Chee-ying, in June 2014, and according to HK populist newspaper *EastWeek* the National Endowment for Democracy (NED) and its two subsidiaries had been offering

¹⁶ Joseph Kahn & Jim Yardley, “As China Roars, Pollution Reaches Deadly Extremes,” *The New York Times* (26/8/2007). <http://www.nytimes.com/2007/08/26/world/asia/26china.html>; see, also, for a theoretical explanation of the eco-catastrophic growth in China, Takis Fotopoulos, “Is sustainable development compatible with present globalisation? The Chinese Case,” *The International Journal of INCLUSIVE DEMOCRACY*, Vol. 4, No. 4 (October 2008). http://www.inclusivedemocracy.org/journal/vol4/vol4_no4_takis_chinese_case.htm#_edn16

¹⁷ See e.g. on the Walmart dispute Tom Mitchell and Demetri Sevastopulo, “China labour activism: crossing the line,” *The Financial Times* (07/05/2014).

¹⁸ See e.g. Kathrin Hille, “China: Citizens united”, *The Financial Times* (29/07/2013).

training and funding to organizations in Hong Kong.¹⁹ It should not be surprising if we later learn that today's protagonists of the umbrella revolution have been trained and funded by the same good NGO, which may have been involved in almost all velvet revolutions of the NWO!

Furthermore, regarding the famous huge financial power of China, this is another bubble of globalization. Although it is true that China's holdings of foreign exchange reserves are gigantic amounting to \$4tn in March 2014,²⁰ yet its elite cannot even think of using them against the TE as, at the moment it dumps these assets, it will be China that will suffer an economic catastrophe whereas US could easily find other buyers, as long as the US dollar continues to be generally acceptable as a reserve currency — a fact which, as the same study stressed, "gives America exceptional influence over the shape of global finance and details of global regulation" for many years to come. Also, one can draw similar conclusions following an examination of the other dimensions of transnational economic power, e.g. China's technological power. As the two authors pointed out, a clear indication that China remains well behind is that "economy wide average productivity remains a fifth of US levels".²¹ Even more important is the absence of world-leading Chinese technology companies, with the principal exception of Huawei whereas the US by comparison, hosts a number of world-leading companies.

Finally, China's global military and political power is consistent with its real global economic power. In other words, China is a major regional power and is seen as such by the TE, which has indeed been encircling China, but only because of its need to protect its own regional interests in any conflict between China and its regional allies (e.g. Japan). Clearly, the US/TE attempts at encirclement are more about containing regional squabbles than about any serious concern about threats to the hegemony of the TE. This is because the TE is fully aware of the fact that China cannot even potentially challenge the TE's global military and political power, as its military power is not even comparable to that of Russia.

Therefore, as long as the BRICS countries, as a result of their very low degree of economic self-reliance, depend on the activities of TNCs for the bulk of their growth and the development of their technology, they can never be equal members of the TE, let alone members of a rival pole. The BRICS countries not only don't form part of a multi-polar world, but in reality are far from sovereign

¹⁹ Kahon Chan, "Office opposes foreign interference in HK," *China Daily* (20/06/2014).
http://www.chinadailyasia.com/hknews/2014-06/20/content_15142785.html

²⁰ Martin Wolf and David Pilling, "China: On top of the world," *The Financial Times* (02/05/2014).

²¹ *ibid.*

states in any sense of the word. In other words, if their real goal was indeed the creation of an alternative pole of sovereign nation-states, they should have planned at the outset to break their direct dependence on the globalized capitalist market economy, cutting their ties with global institutions controlled by the TE (WTO and IMF and WB), and moving towards self-reliant economies, so that they could regain their sovereignty. As long as the BRICS economies, far from pursuing such goals, emphasize instead the importance of further opening and liberalization of markets (based on WTO rules!), as the Chinese and Russian elites did in the recent "Russian Davos" in Sochi,²² inevitably they could only play a supplementary role to the NWO and its institutions. Furthermore, given that, without economic sovereignty, political sovereignty is impossible, their national sovereignty will always be subservient to the will of the TE.

This becomes also clear by the fact that despite the TE's pretense to parity with the BRICS countries, their ostracization from the closed clubs of TE's members is taken for granted. Thus, none of these countries has been invited to the closed club of G7, which plans all strategic world decisions at the economic and political levels — apart of course from Russia which was promptly thrown out as soon as it expressed its objection to their plans to encircle it. Also, no BRICS member has been invited to the closed clubs preparing world governance through such economic unions as the Transatlantic Trade and Investment Partnership (TTIP) that includes all the TE members (EU and USA), as well as its Asian cousin, the Trans-Pacific Partnership (TPP) which includes almost half of the TE members (USA, Japan and Canada) and two associate members of it (Australia, New Zealand), as well as some protectorates of the TE (Chile, Mexico, Malaysia, Peru, Brunei, Singapore and Vietnam). Instead, Russia and China have explicitly been excluded from both of them!

All this means, also, that the new international institutions created by the last BRICS summit will inevitably act as *complementary* rather than *alternative* institutions to the NWO controlled by the TE. This is the inevitable outcome of the fact that their goal never was a clear plan to create an alternative political and economic union, as was the original plan for the Eurasian Union. That is, an economic union consisting of sovereign nations that will not be operating on the basis of the principles of neoliberal globalization, i.e. free movement of capital, commodities and labor and the implied cut-throat competition, which renders competitiveness the ultimate axiom of economic life. Instead, the Eurasian Union could function on the basis of alternative economic principles which allow for the fundamental right of societies to impose social controls upon markets

²² St Petersburg International Economic Forum (23/05/2014).
<http://eng.kremlin.ru/news/7230>

for the sake of protecting labor, the environment, or societies themselves from them. In fact, this has already been done to some extent in Russia, as opposed to the other BRICS countries. This fact could also explain, at least partly, why Russia under Putin has been targeted by the entire TE, notwithstanding the supposed political differences on Russia between the US and the European part of this elite, which are promoted by many of the “globalizers” (i.e. the globalization fans), even within the Russian elite. In fact, however, such differences between TE members are just tactical differences, as all members of this elite agree on the strategic aim that Russia has to be fully integrated into the NWO, as a subordinate member of the TE (the convenient G7+1 scheme).

In view of the above, the TE attack on Ukraine was clearly an attack against not just Russia but principally against the Eurasian Union and a perfectly designed plan to subordinate Russia into the NWO and converting the Eurasian Union into a kind of a geographical extension of the EU into the Eurasian area. This is a plan particularly favored by the German elite, which seems prepared to even accept the “Finlandization” of Ukraine — i.e. its neutralization as far as NATO is concerned — as long as it is integrated into the EU.²³ In fact, it seems now that the TE plan has already had a significant degree of success: the TE’s present economic war on Russia, rather than convincing the country’s entire elite to back the informal Popular Front, encompassing the broadest possible political spectrum ranging from patriots and nationalists to communists and orthodox Christians united against all aspects of globalization, has resulted in the entire Russian elite seemingly being in favor of more globalization at present! That is, instead of utilizing the golden opportunity given by the sanctions to enhance the self-reliance of the Russian economy, within an expanded and also self-reliant Eurasian Union, through expanding the controls on the markets for capital, commodities and labor from outside the Eurasian Union, it seems to be following the opposite road.

Such a path would of course never allow Russia to develop a strong productive base geared to the needs of the Russian people. If one uses either orthodox economic theory or Marxist theory it can easily be shown that an economic union consisting of members characterized by highly unequal levels of productivity and therefore competitiveness would result in a permanent transfer of the economic surplus from the weakest links of the union to the stronger ones, as it exactly happens today between the peripheral EU members in its “South” and the core members in the “North”. This is why, historically, the present advanced capitalist countries in the TE opened their markets to competition only after they had fully developed their productive bases — not

²³ Takis Fotopoulos, *Ukraine: The Attack on Russia and the Eurasian Union*.

before. And, of course, these countries enjoyed full economic and national sovereignty during the entire development process! It is therefore clear that unless Russia returns to the policies of economic self-reliance and cut all ties with neoliberal globalization and its institutions (e.g. WTO), proceeding full speed ahead with the Eurasian Union, as originally designed, i.e. as an economic and political union of sovereign states, it is doomed to become a subordinate member of the TE.

In conclusion, the argument of Russian "globalizers" in favour of further expanding trade and investment relations with the West within the framework of neoliberal globalization and free/"liberalized" markets, far from leading to a new multi-polar world, would simply further enhance the present concentration of economic and political power at the hands of the TE and Russia's subordination to it. Therefore, only the creation of a Eurasian Union of countries, at about the same level of development and determined to become sovereign self-reliant countries, could lead to the creation of a real multi-polar world. Then, a broader economic and political union of peoples worldwide, resisting today's unipolar NWO and based on the Eurasian Union, would be in a position to create the conditions to transcend the present downward homogenization (of working/environmental conditions etc.) and lay the foundations for a different, truly self-managed world society. This is obviously impossible today since the vast majority of the world's population, who are the victims of globalization, are fighting for their own survival as they effectively live under conditions of occupation, as a result of either physical or economic violence.

* This article is based on a series of articles published in *Eleftherotypia* between July and August 2014 and extracts from the author's book *Ukraine: the Attack on Russia and the Eurasian Union* (published shortly by Progressive Press). It was edited by Jonathan Rutherford. This article has also been published simultaneously by english.pravda.ru. http://english.pravda.ru/world/asia/06-10-2014/128722-brics_myth_multipolar_world-0/

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[Globalization, Russia and the Left](#) (27.11.2014); [Economic warfare the main Western weapon](#) (06.12.2014); [The Myths about the New World Order](#) (15.12.2014).