

Brick by BRICS: The Roadmap for Cooperation in the Wider 'Global East' All Leads to One Belt-One Road

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As the 9th Annual BRICS summit commences in Xiamen, it is becoming increasingly clear that four major organisations which help to unite the countries of Asia and Eurasia, and also increasingly those beyond, have unique purposes to achieve the mutual goals of more meaningful economic, monetary, logistical and security cooperation throughout the world.

These organisations are as follows:

Eurasian Economic Union (EAEU)

The EAEU formally began in 2015 although it has its roots in multiple proposals dating back to the 1990s. In many ways the EAEU is the logical successor to the Commonwealth of Independent States (CIS) which was to be the successor body to the Soviet Union on a trans-national level.

In many ways the CIS has not been a success due to the overriding inertia and uncertainty of the economic and political situation of the 1990s and more recently due to the uncooperative attitudes among certain CIS members, most notably Georgia which formally withdrew in 2008 and Ukraine whose associate membership has become tenuous since the coup of February 2014.

By contrast, the EAEU was conceived by a group of nations, led by Russia who wanted to preserve the best elements of the CIS idea while taking the idea of integration of a customs union, free trade zone and freedom of movement among peoples to the next logical level, leaving open room for future expansion among Eurasian states beyond former parts of the Soviet Union.

Currently, the EAEU is comprised of Russia, Belarus, Armenia, Kyrgyzstan and Kazakhstan. The extent to which the EAEU could possibly expand is evidenced by [Indonesia's recent statement of interest](#) in forming a free-trade relationship with the EAEU.

While it might be difficult for Indonesia to become a full member of the EAEU because the distance between Indonesia and the rest of the EAEU is prohibitive of easy freedom of movement, Moscow and Jakarta have both expressed a desire to work on a deal which would allow for free trade between Indonesia and the other member states of the EAEU.

The BRICS

The idea of wider multi-continent free trade/customs union zone is a key element of this year's BRICS summit.

Russian Presidential aid Yury Ushakov has described the aims of this year's summit in the [following way](#),

“Documents to be signed after the meeting of the business council include an action plan for the BRICS countries on trade and economic cooperation, an action plan for cooperation in innovation, a strategic program for customs cooperation and a memorandum of understanding between the BRICS business council and the New Development Bank”.

Founded in 2009, the goal of a BRICS wide customs union is clearly among the most ambitious endeavours the BRICS will embark upon to date. The core mission of the BRICS is to create an environment which fosters wider economic, monetary and commercial cooperation between its members which include Brazil, Russia, India, China and South Africa.

Key long-term goals of the BRICS include developing a strategy to become independent of the US Dollar as a trading currency, harmonising investment and business opportunities between states, create new development funds and expand economic activity beyond the existing BRICS states. This year, Egypt, Mexico and Thailand are just three nations with immense economic potential that will join the BRICS summit.

While the core members of the BRICS are Asian and Eurasian, the inclusion of Brazil and South Africa is demonstrative of a wider approach which seeks to unite the growing and booming economies of the so-called 'wider global south' which is sometimes referred to as the 'wider global east'.

The idea to create more favourable trading conditions for economies which could be mutually beneficial to one another is clearly attractive to economies looking to diversify their scope of trade and expand their global reach.

One Belt—One Road

One Belt—One Road is not just the most ambitious initiative on this list, but it is fair to say that it is the most wide reaching trading/commerce and logistic initiative in modern history. Announced by China in 2013, One Belt—One Road seeks to create a wide network of land roads and maritime belts which will modernise existing trade roots while consecrating new works that will ultimately create manifold and interlocking trading roots covering East Asia, South Asia, South East Asia, Eurasia, East Africa, the Middle East and Europe.

While One Belt—One Road is initially focused on creating and refining infrastructure, the initiative also seeks to ultimately harmonise the process of commerce between borders, all without forcing participating countries to develop any particular kind of governance.

Shanghai Cooperation Organisation (SCO)

Formed in 2001, the SCO promotes cooperation on peace and security issues between member states and observers. The SCO is one of the most important instruments that the states of the wider Asian and Eurasian world have and their disposal to settle unresolved disputes, including border disputes as well as to promote a more united foreign policy stance on key global issues.

SCO was formed by China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan. Uzbekistan joined in 2001 while India and Pakistan both joined in 2017.

SCO observer states include: Iran, Afghanistan, Belarus and Moldova, while the rank of 'dialogue partner' includes Armenia, Azerbaijan, Cambodia, Turkey, Nepal and Sri Lanka.

Egypt and Syria have both expressed an interest in joining.

In this sense the SCO holds the potential to be one of the largest bodies dealing with security cooperation throughout all of Asia and Eurasia.

Goals for Cooperation

While each organisation has a different set of agendas and a unique composition wherein Russia is the only state to be a member of each aforementioned organisation/initiative, it would be naive to claim that each body has a goal which is mutually exclusive to the others. In reality, the leaders of each organisation/initiative would be wise to understand how the organisations can help to cooperate towards similar goals.

The One Belt—One Road initiative is of course the most wide reaching initiative. In the short and medium term it depends on the logistical cooperation among nations in building roads, railways, ports and shipping channels to help create the ultra-modern trade superhighway.

However, in the very short term, this can only be achieved through cooperation across borders and where disputes do exist, the Shanghai Cooperation Organisation is the forum which is best placed to resolve such issues.

This is especially the case as China, India and Pakistan are all members. The border disputes India has with both neighbours should never again be reduced to the kind of military stand-off experienced this summer amid the Doklam/Donglang dispute when India sent its troops to what China calls its sovereign territory but what India insists is allied Bhutanese territory.

The SCO could have, and should have solved this crisis before it escalated into a summer-long stand-off which only recently ended when India agreed to withdraw troops prior to the BRICS summit.

The proximate timing of the Indian withdrawal to the BRICS summit does however provide a glimmer of optimism in respect of the disputes between India and China which have been unwisely exaggerated by the chauvinistic government of Indian Prime Minister Modi.

Clearly, India was at some level, embarrassed about having to attend a summit on cooperation in China, at a time when India was on the verge of dragging China into a border war that it never wanted to engage in.

In future disputes, it will be necessary for responsible members of the SCO to request emergency discussions in order to bring about expedient and meaningful resolutions to such crises. The Kashmir dispute is another issue which ought to be tackled head-on by the SCO.

While the SCO can help to work to create safety, peace and stability along One Belt—One Road, it is up to both the BRICS and EAEU to provide the political mechanisms to insure that the road flows smoothly.

The monetary policies of the BRICS could help create an atmosphere wherein the countries participating in One Belt—One Road trade in local currencies which are often more favourable to regional economic conditions vis-à-vis the US Dollar. There is also a possibility that the BRICS could create a special currency based on the Special Drawing Rights of various local or world currencies. This could create a currency of easy exchange for local economies as well as one that could eventually become a competing global reserve currency to the Dollar and Euro.

The existing EAEU customs union/free trade area could help serve as a model for something similar among the BRICS countries.

A free trade zone that would cover significant parts of One Belt—One Road would do a great deal not only to ease the collective burdens of world-trade and transit but would encourage more local trade within regions as opposed to trade which is limited to endeavours between regions. In the case of existing members of the EAEU, this is already a reality, one which has gone some way to make the EAEU countries an ideal initial place to consecrate important parts of One Belt—One Road.

Conclusion

It is clear that BRICS, the EAEU and SCO are ultimately all best served to hasten the development of smooth and frequent trade between all member states of each body. This naturally leads one to understand that One Belt—One Road is both literally and geographically the link between the other three.

While there are clear and present challenges to these lofty goals of enhanced commercial, geo-political and security relations, the financial, monetary and political mechanisms to minimise the problems and make the most of the immense potential of the projects are firmly in place. It is simply a matter of world leaders utilising these tools in the most effective way possible.

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