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ATINER's Conference Paper Series
CBC2013-0888

South Africa in the BRICS: Wither the Economic Freedom Policies and Inequality?

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URL Conference Papers Series: www.atiner.gr/papers.htm

Printed in Athens, Greece by the Athens Institute for Education and Research.

ISSN **2241-2891**
23/1/2014

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This paper should be cited as follows:

Tsheola, J., Mabila, C. and Mtsweni, S. (2013) **"South Africa in the BRICS: Wither the Economic Freedom Policies and Inequality?"** Athens: ATINER'S Conference Paper Series, No: **CBC2013-0888.**

South Africa in the BRICS: Wither the Economic Freedom Policies and Inequality?

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Abstract

Emerging markets and states have in recent years enjoyed heightened consideration in the international system, verging on hyperbolism. These emerging markets include Brazil, Russia, India and Mexico, among others, which have established groupings such as the BRICs, BRICS and the Next-11. The conception of BRICs by Goldman Sachs was that these emerging markets hold potential in four core factors of macro stability, good institutions, openness and education necessary for establishing themselves as future engines of growth and attractiveness to foreign investments. This paper insinuates that the conception of the BRICs is inextricably linked to the self-interest of western powers. The BRICs economies are notable for their differentness; and, South Africa's self-selection of membership entails exposure to external vulnerability. Besides, the BRICS grouping cannot be justified through the economic liberalism and political-economy realism; instead, it appears to fit the logic of liberal institutionalism. Given the financial and commercial founding conceptualization of BRICS, vexed questions have to be raised about South Africa's plight in the grouping as a result of the economic freedom and openness policies promoted therein. These policies have been associated with enduring inequality in South Africa. The paper concludes that South Africa's membership of the BRICS is an irrational decision destined to serve the self-interest of western powers.

Keywords: BRICs; BRICS; Economic Freedom and Openness Policies; Inequality; Western Powers; South Africa

Introduction

A number of emerging economies are touted as the future engines of global growth. These include the Next-11 (N-11), the BRICS and the BRICSAM, among others. This paper takes interest in the BRICs as framed by Goldman Sachs in 2001 and subsequent reviewed in 2003, 2005 and 2010, as well as the inclusion of South Africa in 2011. Goldman Sachs framed four 'emerging economies' of Brazil, Russia, India and China as the prospective engines of future global growth, offering unique foreign investment opportunities (Wilson & Purushothaman, 2003; O'Neill, Wilson, Purushothaman & Stupnytska, 2005; Wilson, Kelston & Ahmed, 2010). Based on modelling, Goldman Sachs predicts that the BRICs would become prominent as engine of global growth within the next 50 years. But the original BRICs framing excluded South Africa, which was ironically embraced in the conceptions of CIBS (China, India, Brazil and South Africa) by the United Nations University's World Institute for Development Economics Research (WIDER), and in the B(R)ICSAM (Brazil, India, China, South Africa and Mexico) of the so-called self-described G-5 of 'big emerging states'. Russia was reservedly included in the latter because of its lack of fit of the concept of emerging economy/market, as well as its membership of the G7/G8 of rich nations of United States, Japan, Germany, Britain, France, Italy and Canada (O'Neill et al., 2005; Armijo & Echeverri-Gent, 2006; MacFarlane, 2006; Armijo, 2007; Cooper, 2009; Tandon & Shome, 2009; Glosny, 2010; Bell, 2011). Contrary to the popularity of the four-country BRICs, the grouping has appeared to be inconsequential on the global stage (Tandon & Shome, 2009). But Cooper (2009: n.p) states that the June 2009 summit in Russia demonstrated that 'there is a greater appreciation of the geo-political implications of the BRICs initiative'. De Paula (n.d) asserts that notwithstanding the challenges of social inequality and poverty in the BRICs economies, their geographic and population size as well as GDP could potentially propel their importance on the global stage. Over the past decade, though, 'the BRICs weakened as the members displayed differential rates of growth in most macro indicators' (Tandon & Shome, 2009: 273). But Goldman Sachs remained convinced of the potentiality of the BRICs on the global scenario even in 2010 (Wilson et al., 2010), simultaneously as its framing on economic liberalism came under intense questioning. Far from economic neoliberalism framing, a combination of political-economy realism and neoliberal institutionalism appears to shed light on the reasons underlying the hyperbolic conceptualization of the BRICs and association with the ascendency of China and Russia, and the reframing into BRICS with South Africa. To this extent, this paper insinuates that the framing of the BRICs is inextricably linked to the self-interests of western powers; and, it uses Armijo's mental models to dismiss the logic and rationale underwriting the framing of the BRICS with South Africa. Importantly, the paper seeks to demonstrate that flirting with economic freedom and openness policies in South Africa has been associated with persistent societal inequality and that this country's ceding of membership of the BRICS, just like the rest of the grouping, does not inspire confidence of future engines of global growth and attractiveness to foreign direct investments.

Framing of the BRICs and the BRICS

Goldman Sachs forecast that the BRICs economies of Brazil, Russia, India and China would become engines of global growth on account of their population sizes and potential to increase elasticity of demand for global products, especially from developed nations. This forecast is predicated upon four preconditions of macro-stability, especially price stability; development of good institutions, including legal systems, functioning markets, educational systems, financial institutions and so on; openness to trade and foreign direct investment (FDI); and, improvement in the education of the population. All these preconditions are encompassed in the conventional 'Washington Consensus' growth-focused development paradigm, policies and strategies (de Paul, n.d; Glosny, 2010; Bell, 2011). The latter are propagated as the driving force of the BRICs countries towards economic growth; however, the same policies are commonly associated with stark societal inequality in most emerging economies, including South Africa. Goldman Sachs' demographic, productivity growth and capital accumulation projections and modelling to 2050 have consistently excluded South Africa from the potentiality of being a future engine of global growth (O'Neill et al., 2005; Wilson et al., 2010). In practice, though, the BRICs have remained 'a sideshow to the main "club" competitions – the external one between the G-8 and the G-20 and the internal one between the G-8 and the G-20' (Cooper, 2009: n.p). Nevertheless, other than the apparent self-interests of the Goldman Sachs securities, the emergence of a new sovereign wealth fund (SWF) private securities led by China and the rationale provided in the democratic peace theory, it remains hard to establish the most logical framing of the BRICs and BRICS. It is inadequate to frame the BRICs on the basis of fast growing economies and impressive population sizes because of the vast differences and deep discrepancies in the grouping, politically and economically (Tandon & Shome, 2009; Glosny, 2010; Bell, 2011; Cameron, 2011). Three analytical tools that Armijo & Echeverri-Gent (2006) and Armijo (2007) apply to the BRICs to determine its merit as a grouping in the international system are pertinent to this paper; and these are: economic neoliberalism, political-economy realism and liberal institutionalism. One key conclusion drawn is that the BRICs framing as a 'set' is deeply illogical and irrational (de Paula, n.d; MacFarlane, 2006; Glosny, 2010; Cameron, 2011).

The neoclassical liberalism framing on which the BRICs grouping is allegedly founded emphasizes economic growth rates, rather than the sheer size of population and economy. Questions of the framing of the BRICs appear to draw relatively reasonable insights from the realism and institutionalism perspectives rather than from the grouping's alleged founding economic liberalism model. Indeed, Tandon & Shome (2009) cite a Standard and Poor Report that proposes that the BRICs should not be regarded as a grouping. Therefore, the suspicion that the BRICs' framing is a function of self-interested fears of an unknown bipolar world of the G-2 of US and China cannot be discounted. A critical analysis of the BRICs as well as the inclusion of South Africa raises questions of the logic and rationale of the grouping's framing. Armijo (2007: 7) proposes that 'it would seem more sensible to group Brazil with Argentina, Mexico, Chile, Colombia, or Venezuela; India with Pakistan and Bangladesh' and such other Asian emerging economies in their population or economic growth rates. This paper affirms the suspicion that could be raised about South Africa being peppered, if not goaded, to cede membership of the BRICS on the neoliberal institutionalism assumption that political convergence of states at the extremes of liberal democracy and authoritarianism requires more than just collaboration and involvement in global governance structures. In the absence of a viable alternative interpretation, it has to be accepted that South Africa has hoped to exploit its reputation and soft power capabilities to pacify the perennially distrusted large emerging economies of China and Russia as well as to persuade them for convergence towards liberal democracy on behalf of the self-interested West. It appears that Russia with a population of 143 million, rather than liberal democratic India with 1.2 billion people, together with the most populous China, is the focus of the framing of the BRICs and the western fears of resurgence of authoritarian, autocratic state governance. According to O'Neil et al. (2005) and Wilson et al. (2010), the updated forecasts suggest that the BRICs economies could most likely realise their dream much sooner than they were expected. It is a commonly known fact that South Africa's economy and production structure is heavily dependent on imported inputs. In this context, the paper affirms Goldman Sachs' determination that South Africa does not fit the conceptual framing of the BRICs, especially given the domestic association of economic freedom and openness policies with societal inequality. O'Neil et al. (2005) argue that the BRICs have both the potential to become important and a reasonable chance of meeting the criteria set in the Goldman Sachs' modelling. South Africa is clearly excluded from this conclusion. O'Neill et al. (2005) further indicate that their consideration of South Africa in 2003 shows how unlikely this country could reach the size of any of the BRICs notwithstanding its own potential. Their finding was that by 2050 South Africa's GDP would be much smaller than the smallest BRICs, making it difficult for the country to become a global economic heavy weight (O'Neill et al., 2005: 7). Further, economic liberalism entails non-discriminatory openness, free trade and investment across borders, which is thought to create conditions necessary for rapid economic growth. Goldman Sachs economists who have continued to peddle and glorify the business and financial merit of the BRICs on the global scenario (O'Neill et al., 2005; Wilson et al., 2010), concede that whereas 'generally progressing', the set needs considerable further policy improvement in each member country. The forecasts of the BRICs, now BRICS, are based on the assumption that the five countries would each deepen their economic freedom and openness policies.

This paper contests this proposition as the basis for the BRICS becoming the engine of future global economic growth on the grounds that the same economic freedom and openness policies have perpetuated inequality in South Africa (Nattrass & Seekings, 2001). Emerging economies have been populous as engines of new demand of global growth and spending power. The BRICs was framed as a grouping with the potential for exceptionally high future import demand and economic growth (de Paula, n.d; Armijo & Echeverri-Gent, 2006; *Financial Time*, 08 February 2006; MacFarlane, 2006; Armijo, 2007; Glosny, 2010; Cameron, 2011), because foreign investors could only discern investment opportunities for profit under circumstances of population and income growth as well as elasticity of demand for global products. South Africa does not meet these criteria of being populous; and, its population is far below all of the BRICS. To achieve the predicted growth, the BRICs economies are urged to avoid protectionism and to deepen their openness (O'Neill et al., 2005; Glosny, 2010; Wilson et al., 2010; Bell, 2011), thereby undermining the value of pragmatism. Whereas chastised as the most socialist, China is miraculously outperforming all of the BRICS in terms of economic growth rate and, perhaps, in macro-stability, institutions and education. To be precise, China, India and Russia have managed their exchange rate regimes and macroeconomic policies with restrictive capital account convertibility, and they have appeared to create stable environment for economic growth (MacFarlane, 2006; Glosny, 2010; Cameron, 2011), whereas Brazil with its chaotic liberal and orthodox economic policy of minimal interventionism in exchange rate and open current account has experienced higher exchange rate volatility, higher interest rates, and poor economic performance (de Paula, n.d: 18). The BRICs equity markets outperformed significantly during the 2000-2010 decade (Wilson et al., 2010); however, the question is whether BRICs performance influenced the Goldman Sachs Report, or if the latter agitated for the former. Besides, Armijo (2007: 14) contests the logic of economic size because it has never been a core concept within neoclassical economics; and, drawing on it for the BRICs framing should be irrational. In a clear indication of what O'Neill et al. (2005) believe constituted the basis to form part of the BRICs countries South Africa was always but an unlikely pick. O'Neill et al. (2005: 7) excluded South Africa on the grounds that without a substantial population, even a successful growth story is unlikely to have a global impact. The demographic advantage alone, or 'miracle conditions', are insufficient for the framing of the BRICS (O'Neill et al., 2005; Wilson et al., 2010), yet South Africa ceded membership of the BRICS. As Armijo (2007) emphasizes, the central organizing principle for the BRICs category is not growth rate, nor opportunities for investor profit, but rather sheer economic size. The logic of economic neoliberalism is not based on sheer size; instead, it has always been more about the speed of growth. That is, the assumed conceptual foundation of the BRICs on business and financial logic of economic neoliberalism does not explain the framing of the BRICS.

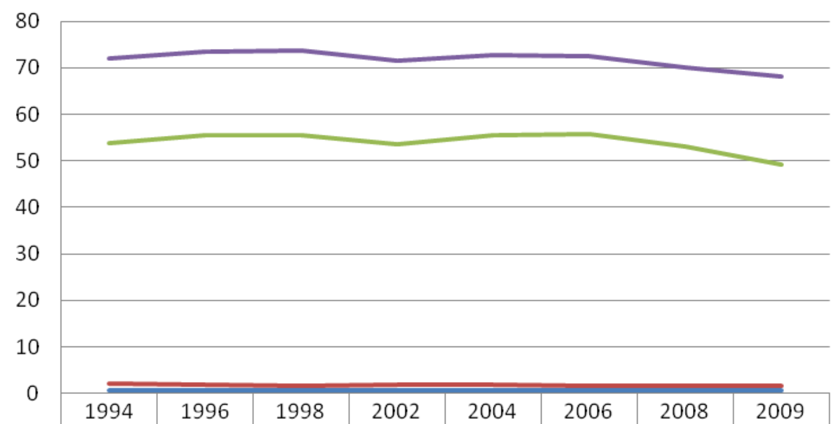
Political-economy realism considers relative size of economies in as far as they provide clues about countries' relative power capabilities (Armijo & Echeverri-Gent, 2006; MacFarlane, 2006; Armijo, 2007; Glosny, 2010). Although non-discriminatory openness is often used in an economic liberalism proposition that suggest that trade makes for peace (Oneal, Russett & Berbaum, 2003), realism holds that 'trade and investment' are subordinate to the 'enduring structure of interstate relations' (Armijo, 2007: 16). Political-economy realism could be used to determine whether the BRICs economies are becoming major powers in the global context. Armijo (2007) applies several measures of relative power capabilities including military might, the economy, the Composite Index of National Capabilities (CINC, produced by the University of Michigan's Correlates of War (COW) Project), and the international financial power. As already stated, these measures of relative power capabilities could give account of the BRICs groupings' possible chances of shaping the global political-economy and market. Hence, Goldman Sachs asserts that relative national power measured through the GDP proxy, affirms the BRICs as the emerging economic power for the future (O'Neill et al., 2005; Wilson et al., 2010). However, the CINC demonstrates that exclusive reliance on GDP may be misleading. This index uses six components (total population, urban population, iron and steel production, energy consumption, military personnel and military expenditure) and determines national share of the world in each category in order to compute an average of the country's estimated share of total world material capabilities (Armijo & Echeverri-Gent, 2006; Armijo, 2007). Whereas it is common knowledge that the US$ has continued to dominate the currency composition of total foreign exchange holdings, there is convergence on the notion that its hegemonic status has declined (Armijo & Echeverri-Gent, 2006; Armijo, 2007). In this way, realism reveals the underlying reasons for the cries about China's power ascendency in the international political-economy. Apparently, the rise of China and re-emergence of Russia as emerging global powers of the future could be central reason for the global attention accorded to the BRICs. To this extent, South Africa's membership of BRICS should be interrogated through a combination of political-economy realism and neoliberal institutionalism framing in order to reveal the self-interested fears of the West of the unknown bipolarity of the declining US hegemon and ascending Chinese power. Importantly, China has been exceptional in its successful combination of market controls, high economic growth rates and a variety of state capitalism. Given that South Africa's membership of the BRICS is a complete disregard of the Goldman Sachs modelling and projections, ceding of its membership has inevitably created suspicions about the role of the West's fears of possible unknown global bipolarity of the USA and China. However, this argument is more speculative as evidence of such state fear in the interstate system remains elusive and fiercely contestable.

Liberal institutionalism holds that 'institutions, and/or ideas and values … may concretely influence international outcomes' (Armijo, 2007: 29). This model emphasizes the balance of power framing, which in turn denotes and distinguishes soft from hard power capabilities. A country would be recognized as holding soft power if citizens of other countries positively, sometimes affectionately, identify with its cultural values, education, language, arts and political institutions, as well as express interest to emigrate there (Armijo, 2007). Conversely, hard power capabilities would consist of military might and large domestic market that allow states to use threats and/or inducements to coerce others to cooperate (Armijo & Echeverri-Gent, 2006; MacFarlane, 2006; Armijo, 2007; Glosny, 2010). Once China secured persistent trade surplus against the USA, all economic power capabilities that the West could wield to enforce preferred conduct were virtually lost. The fears of a potential domino effect where the so-called sates such as Iran and Syria could lean towards an increasingly powerful China are realistic, given that the latter has more often than not effectively used its UN Security Council vote against the West's self-interests. Soft power, which depends on reputation in the sphere of political stability, economic growth reliability, diplomatic trustworthiness and public spiritedness in international relations, relies on persuasion to inspire emulation and cooperation (Armijo & Echeverri-Gent, 2006; MacFarlane, 2006; Armijo, 2007; Glosny, 2010) appears to have been the only pragmatic recourse for the West to reshape the world wherein it would retain its preeminence. Indeed, neoliberal institutionalism holds that 'in addition to states "relative capabilities", together with domestic institutions and/or ideas and values, the incentives and opportunities created by international institutions influence state choices and global outcomes' (Armijo, 2007: 31). Hence, Cameron (2011: n.p) observes that 'the BRICs might almost have been chosen for their disparate abilities rather than their similarities'. South Africa's success story of democratization and stability, following years of apartheid racial oppression and discrimination offer cognitive scope for the imagination of its inclusion in the BRICS as the West's instrument of the soft power capabilities necessary for nudging the citizenry of China and, to a lesser extent, Russia for adoption of western-oriented liberal political and economic values. In this way, the BRICS framing for South Africa's entry was for wrong reasons. If the business and financial logic of economic neoliberalism were to be accepted as the foundational principles for the framing of the BRICS, then the preconditions for becoming the engine of future global growth are, for South Africa, paradoxical.

South Africa's Societal Inequality and the Economic Freedom Policies

The BRICS economies have uniformly trotted varieties of capitalism, commonly denoted state capitalism, wherein the state implements market reforms that bring the model of state governance closer to the 'Washington Consensus', which has never been consistent with the civic virtues of economic equity and social stability (Nattrass & Seekings, 2001; Tsheola, 2012, 2013). Encouraging membership of the BRICS, Hsing (2011: 12) urges South Africa's government to pursue the economic freedom and openness policies of 'economic growth, fiscal prudence, a higher ratio of the money supply to GDP, a lower real interest rate, depreciation of the rand, and/or a lower inflation rate'. These are the same policies that Nattrass & Seekings (2001) blame for South Africa's enduring societal inequality (figure 1). The share and distribution of national income among different sectors of the population reveal deep fissures about South Africa's societal inequality. The baffling factor could then be the issue of whether or not South Africa has joined BRICs for the benefit of the people or those of the elite group. Nattrass & Seeking (2001) demonstrate that the economic freedom and openness policies that a democratic South Africa adopted have in practice impeded resolution of societal inequality. Besides the relatively small population size of 49 million, the increased societal dependence on state welfare is a compelling demonstration that the reduction in poverty rate in South Africa was accompanied by increased state expenditure and beneficiaries of social grants, instead of economic growth and increased employment (figure 2).

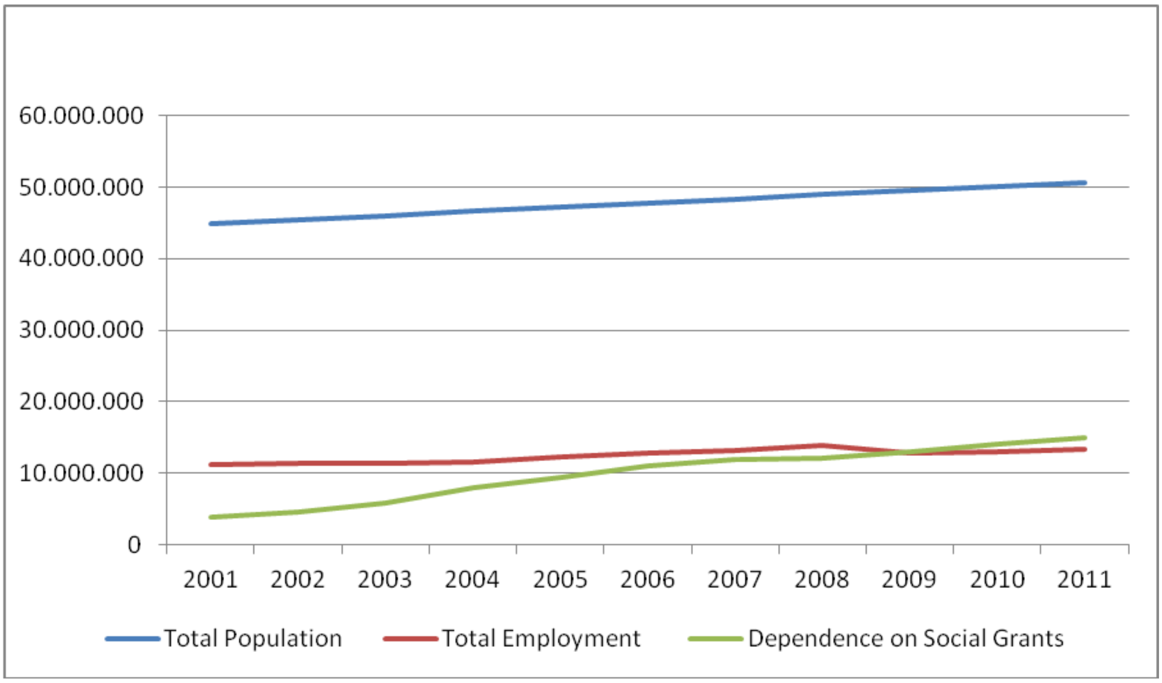
Figure 1. *Percentage Share of National Income by Sector of the Population, 1994-2009*



	1994	1996	1998	2002	2004	2006	2008	2009
Poorest 10%	0,71	0,63	0,64	0,62	0,69	0,59	0,57	0,57
Poorest 20%	2	1,82	1,7	1,8	1,9	1,7	1,6	1,62
Richest 10%	53,9	55,59	55,4	53,5	55,4	55,8	53,1	49,2
Richest 20%	72	73,41	73,6	71,6	72,7	72,5	70	68,1

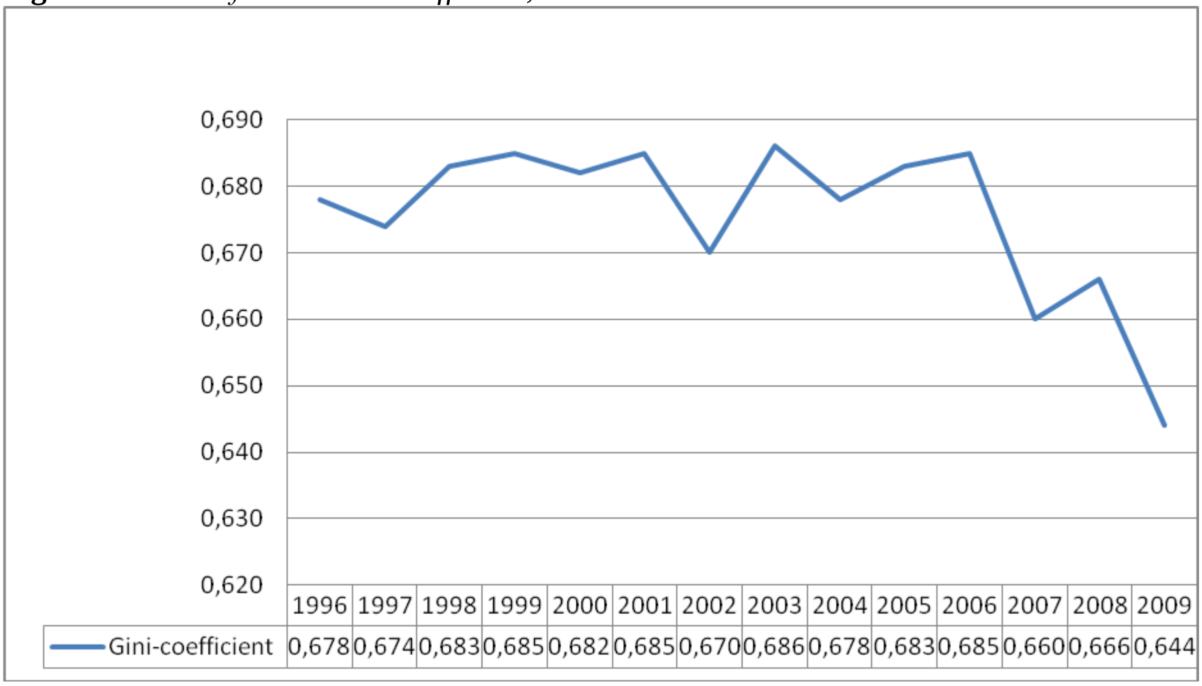
Source: National Planning Commission (2012)

Figure 2. *South Africa's Total Population, Employment and Dependence on Social Assistance Grants*



Sources: National Planning Commission (2012); Statistics SA (2012)

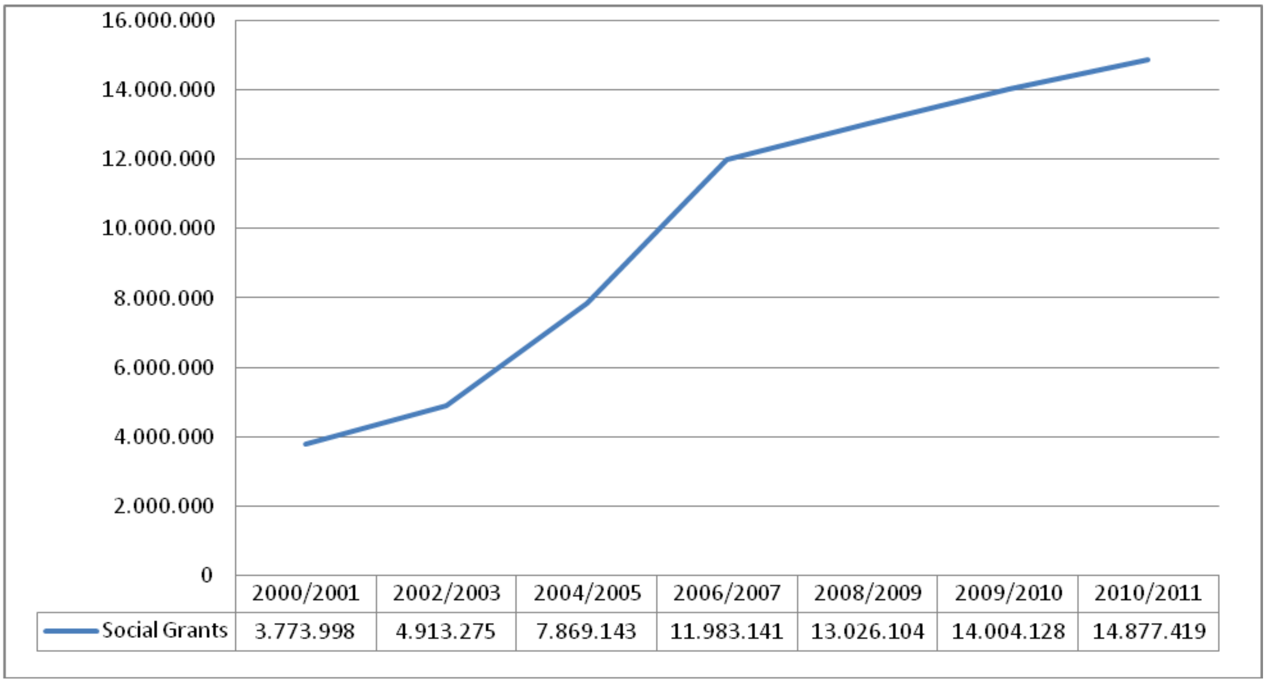
Figure 3. *South Africa's Gini-coefficient, 1996-2009*



	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Gini-coefficient	0,678	0,674	0,683	0,685	0,682	0,685	0,670	0,686	0,678	0,683	0,685	0,660	0,666	0,644

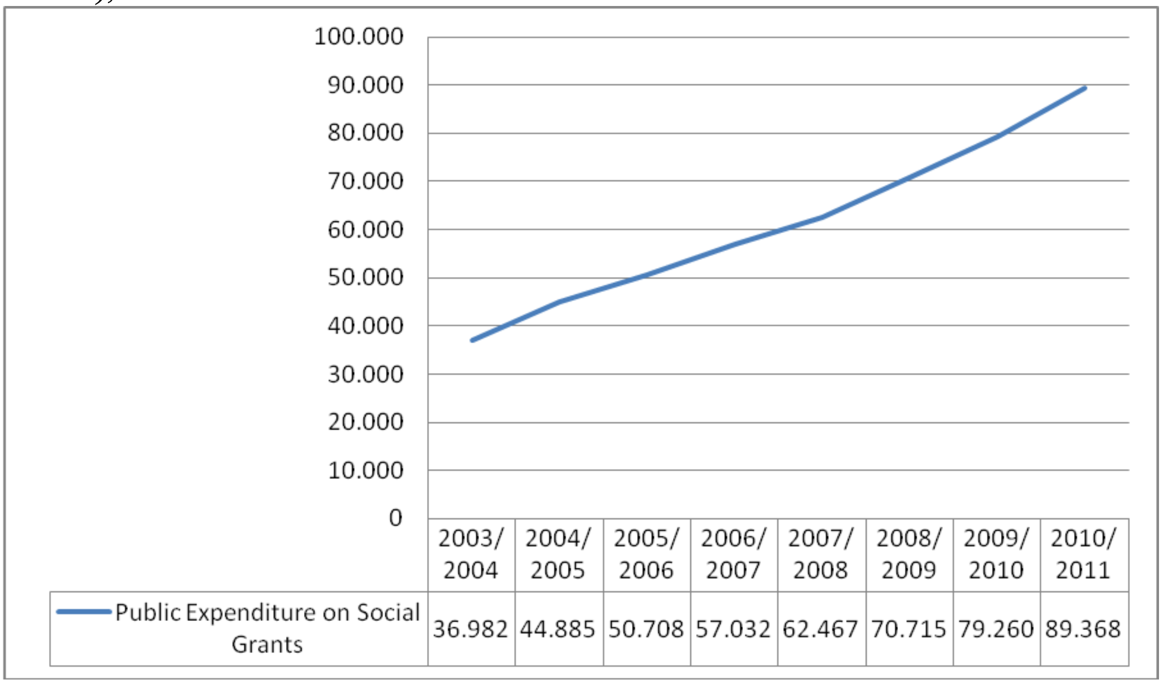
Source: National Planning Commission (2012)

Figure 4. *South Africa's Social Assistance Grant Beneficiaries, 2000-2011*



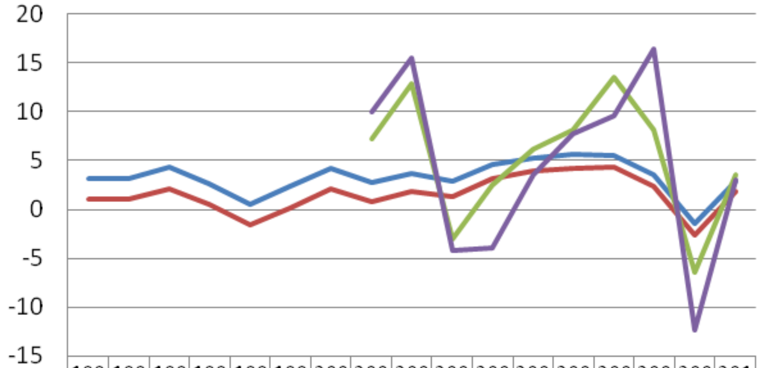
Source: National Planning Commission (2012)

Figure 5. *South Africa's Public Expenditure on Social Assistance Grants (R Million), 2003-2011*



Source: National Planning Commission (2012)

Figure 6. *South Africa's Growth Rates in GDP, Real Per Capita, Export and Imports, 1994-2010*



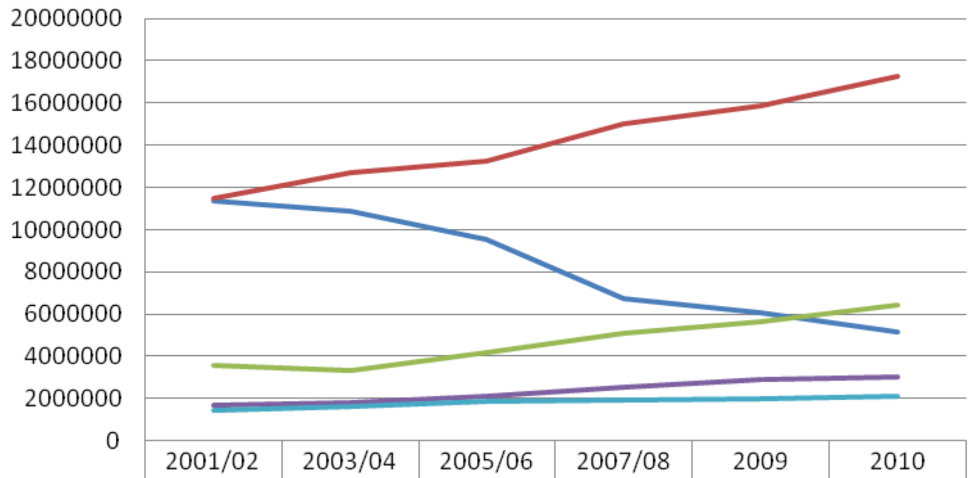
	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
GDP Growth Rate	3,2	3,1	4,3	2,6	0,5	2,4	4,2	2,7	3,7	2,9	4,6	5,3	5,6	5,5	3,6	-1,5	2,9
Real Per Capita GDP Growth Rate	1,1	1	2,1	0,5	-1,6	0,2	2,1	0,8	1,9	1,3	3,1	3,9	4,2	4,3	2,4	-2,6	1,9
Exports Growth Rate								7,2	12,9	-3	2,5	6,2	8,1	13,5	8,2	-6,4	3,5
Imports Growth Rate								10	15,5	-4,2	-3,9	3,6	7,7	9,6	16,4	-12,3	3

Source: National Planning Commission 2012

In South Africa, the number of people dependent on social welfare grants has in 2009 surpassed that for the employed, which demonstrate tenuous and unsustainable economic conditions, far from the necessary criteria of the BRICs; hence the deepening of the economic freedom and openness policies through forced crossvergence of the BRICS should not be expected to resolve domestic societal inequalities. At first glance, South Africa's inequality could seem manageable, and the gini-coefficient shows that the disparities have slightly declined over the past five years (figure 3). But this trend should draw attention to the drastic increase in the number of beneficiaries of social assistance grants (figure 4) and the public expenditure on welfare grants (figure 5) from 2006/07. Apparently, the statistical decline in poverty rate from about 50% in 1994 to about 38% in 2011 and the drop in gini-coefficient since 2006/07 are intricately intertwined with decrease in the share of national income by the richest sector of the population since 2007 (figure 1). Similarly, the poorest sections of the population experienced decreasing shares of national income. Evidently, the economic freedom and openness policies have not generated new wealth for South Africa over the past two decades (figure 6).

Indeed, South Africa's societal inequality is not amenable to a simplistic binary conception (Nattrass & Seekings, 2001) because some of the empowerment policies have created overnight success stories that could explain the increases, albeit slower, in the population within LSM 7-9 (R5 662 to R10 234) (figure 7). Undoubtedly, the economic freedom and openness policies have in some vital areas brought about empowerment and necessary success; however, these successes came at a greater societal cost of entrenching dependence, as well as the stagnation in economic performance (figure 8).

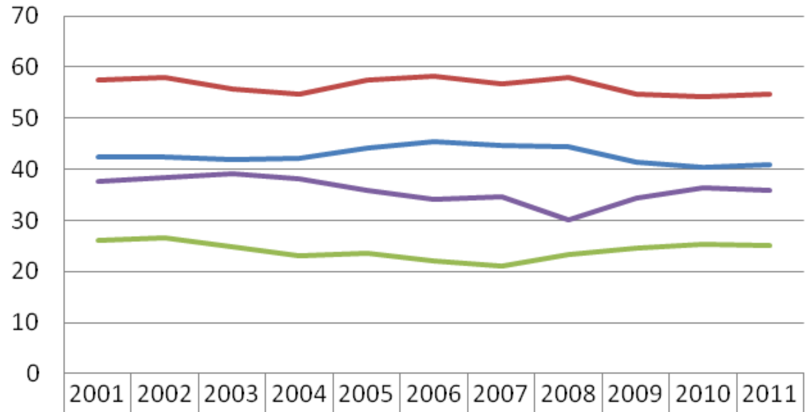
Figure 7. *Number of People per Living Standard Measure, 2001-2010*



	2001/02	2003/04	2005/06	2007/08	2009	2010
LSM 1-3 (R804-R1 200)	11373000	10862000	9557000	6747000	6077000	5146000
LSM 4-6 (R1 596-R3 625)	11485000	12689000	13233000	14997000	15880000	17271000
LSM 7-8 (R5 662-R7 537)	3591000	3339000	4172000	5115000	5631000	6451000
LSM 9 (R10 234)	1666000	1799000	2085000	2546000	2895000	3038000
LSM 10 (R15 072)	1469000	1621000	1857000	1898000	2015000	2114000

Source: National Planning Commission (2012)

Figure 8. *Unemployment, Labour Absorption and Labour Participation Rate, 2001-2011*



	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Labour Absorption Rate	42,4	42,5	41,8	42,2	44,1	45,3	44,7	44,5	41,3	40,5	40,9
Labour Force Participation Rate	57,4	57,9	55,6	54,8	57,6	58,2	56,7	57,9	54,8	54,2	54,6
Official Unemployment Rate	26,2	26,6	24,8	23	23,5	22,1	21	23,2	24,5	25,3	25
Unofficial Unemployment Rate	37,7	38,3	39,1	38,1	35,8	34	34,6	30,2	34,4	36,4	36

Source: National Planning Commission (2012)

The observation to be drawn from this analysis should suggest that South Africa does not show the necessary potentiality to be in the BRICs. Regarding policy implications of South Africa's stark and enduring societal inequality (see figures 1, 3, 7), Nattrass & Seekings (2001: 60) state that taxation and social welfare expenditure may provide mitigation (see figures 2, 4, 5) but that 'other government policies, affecting the labour market and the overall rate and path of economic growth, serve to reproduce inequality …. (there are) truly poor … policies that inhibit a reduction in … inequality'. Alongside South Africa's beaming reputation of being a rainbow nation, stark inequalities have persisted enduringly over the past two decades. In the absence of a credible economic neoliberalism framing for the 'S' in the BRICS, and the apparent weaknesses in the power capabilities, South Africa appears to have been preferred into the grouping ahead of Mexico or Nigeria because of its assumed reputation on soft power. That is, justification of the 'S' in the BRICS, amidst domestic societal inequalities associated with the application of economic freedom policies, is untenable. This paper asserts that South Africa's ceding of membership of the BRICS is explicable in the interface of the political economy realism and neoliberal institutionalism, with a strong bias towards the latter.

Conclusion

The paper set out to argue that the framing of the BRICs cannot be tenably dissociated from self-interests of western powers. It demonstrates that Armijo & Echeverri-Gent's (2006) philosophical model of neoliberal institutionalism and, to a lesser extent, the political-economy realism offer tenable insights into the reasons for the framing of the 'S' in the BRICS. The paper has affirmed the view that the framing of the BRICs cannot be accounted for through the economic liberalism or the political economy model alone. As described by Armijo (2007), neoliberal institutionalism holds that relative capabilities, together with domestic institutions or ideas and values, which in turn influence states' choices, shape and reshape the international state system. Apparently, the fear of the ascendency of China and, to a lesser extent, Russia, as self-interested consideration of the West, could have precipitated the urge for South Africa to be nudged into the BRICS grouping, in complete disregard of the forecasts made through the Goldman Sachs' modeling and projections. The paper insinuated, therefore, that the framing of the BRICS with South Africa is tantamount to the hope that its international standing on democratization and stability could serve soft power capabilities on China and Russia. This interstate convenience for the West is pursued at the expense of South Africa's societal equity and tranquility because it entails reinvention of the same 'Washington Consensus' economic freedoms and openness policies.

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