RUSSIA, BRICS AND AFRICA: RELATIONS OF PARTNERSHIP AND COMPETITION.

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IN THE GLOBALIZED WORLD of ours, it is neither a novelty, nor a surprise that a country would have strategic interests in areas quite remote from its borders. The underlying causes for such interests may be different – economic, ideological, political, military, etc. More often they are of synthesis. In this latter case, they are usually united under the term “national interests”, meaning a combination of various types of vital interests of a given nation in this or that region.

In the recent history Russia has undergone a spectacular metamorphosis: from being one of the two global superpowers under the socialist system to becoming a zone of anomie, human strife and subordinacy during the post-Soviet transition, till it finally reached the current state of a dynamic though still volatile (re)emerging power.

The emergence of BRICS as an energetic global player has introduced a new perspective on many crucial issues of the global agenda: equality, responsibility, justice, quality of life, and social cohesion. The newly assumed global responsibility of Brazil, Russia, India, China and South Africa in important policy fields with ecological, economical, and social relevance became more concrete and BRICS did not shy from accepting it. Regular and transparent balance and success monitoring are an integral component of their sustainable policymaking.

Though the notion of BRICS countries as a homogenous group is regularly put by some observers and politicians under question, due to the diversity of the social, political and economic conditions of individual members of the block, the political and economic
policy stands with regard to the key global issues becomes more and more coherent from year to year. The level of diversity within BRICS in such aspects as economic development, incomes, strength of democratic institutions, economic and political clout are hardly larger than those between Germany and Malta, Sweden and Greece, Finland and Romania, within the EU after 20 years of its existence in the present form and over half of a century as the world’s richest economic community.

The growing depletion of natural resources is one of the true and fundamental reasons for the worsening and latent local, regional and global crises in the new millennium. The presence or absence of natural resources have direct effects on people's living standards, the prospects of social and economic development of states, stability of the world economy and international security. The current global crisis is only proving that the 21st century is going to be a century of fierce struggle for resources. The demand for raw materials is likely to grow 50 percent or 60 percent by the middle of the century – this despite the market recessions and the introduction of resources saving technologies.

Acknowledging the existing disproportion between the level of socioeconomic development of nations and the percentage of resources they consume, on the one hand, and the size of their population and natural resource reserves in their territory, on the other, is important for understanding the key problems of global development in the 21st century.

According to all the forecasts, the global demand for raw materials will rise by 50–60% by the middle of the century. Keeping in mind the growth in such countries as China, India, Brazil, etc., even cyclical slumps in the world economy and significant price fluctuations will not hinder an increase in fuel and raw material consumption. For example, according to the estimates of the U.S. Energy Information Administration, even if the high prices are retained (the level reached in the first half of 2008), the consumption of liquid
fuel types will increase to 99 million barrels a day by 2030 (in 2005, it amounted to 84 million barrels a day).\(^1\)

The relative growth in importance of the "resources factor" in the world economy and, as a consequence, in world politics, is graphically illustrated by comparing the figures of the Earth's growing population and the extraction of the key types of natural resources. Whereas the number of people on the planet has grown between 1960 and 2009 from 2.5 billion to 6.6 billion (by a factor of 2.64); oil production has increased from 522 million to roughly 4,000 million tons (by a factor of 6.5); gas production, from 190 billion to more than 3,000 billion cubic meters (by a factor of 15.8), and this holds true for nearly all types of mineral resources.\(^2\)

The growth in per capita use of most types of natural resources is more than likely to continue in the foreseeable future, since mineral resources are distributed very unevenly around the planet and, as a rule, their biggest users are not the countries, where they are found in abundance but where mineral resources are scarce or not found at all.

The BRICS countries play a dominant role in the global mining industry in terms of reserves, production and consumption. Through the recent years mining industry in the BRICS countries posted a healthy growth and the trend is expected to continue at least in the medium term future. Iron ore is noted as the leading mineral across all the BRICS countries with China emerging as the leading consumer and producer of the mineral in the world. As well as iron ore, China is also the world’s largest producer of manganese, salt and gypsum. In Brazil, iron ore accounts for 75% of the country’s total mining exports and China represents the largest importer, accounting for 45% of Brazilian iron ore exports. Some analysts believe that this dependence on China could create serious concerns for Brazilian iron ore producers. Brazil is a key producer of iron ore, bauxite, kaolin and...

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\(^1\) World Trade Report 2010: Trade in Natural Resources. WTO, 2010, p. 3.

phosphate globally while Russia is the largest producer of nickel and diamonds. India is one of the principal producers of coal, iron ore, bauxite, limestone and barites.

With regards to certain types of mineral and to a lesser extent fossil fuel resources BRICS countries jointly could play monopolists on the global commodity markets. However, their current external economic policies exclude such options as joint commodity market management, though technically such markets as, say, platinum, gold, wolfram, vanadium could be dealt with the same ease as developed countries manage global financial flows, technologies transfers and intellectual property markets.

The four larger economies of BRICS constantly experience a pressure of containment, emanated by the Old Actors. The competition seems to be particularly acute in Africa, one of the few regions in the world, where the natural resources are still found in abundance. The West has long understood the importance of African resources in light of the high prices and shortages of hydrocarbon and other raw minerals in the world markets and reacted by paying more attention to the region and its military presence in it. The appearance of new players in the African raw material markets, particularly China, India, Brazil, and a few others, is arousing particular concern in the West.

Despite the mutual rivalry that has been going on in Africa for decades, the U.S. and EU, both see China (out of all BRICS) as their main competitor on the continent. PRC has managed to gain access to African resources in conditions of tough competition with the help of skilled diplomacy, soft loans, aid packages, and advantageous trade agreements. Its economic growth is prompting the PRC to conquer new world markets, which is objectively reducing the possibilities of the Old Players. China’s demand for energy resources,

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primarily oil, is growing every year by 3.2%, which is determining the increase of interest of Chinese investors in producing and refining this raw material.

The PRC leadership has managed to adjust its foreign policy to the needs of its growing economy by encouraging state companies to establish contacts with countries that produce raw mineral resources. Several factors are promoting China’s achievements in the competitive struggle with large Western companies for resources:

1. Its significant advantages over Western countries, since China did not participate in colonization and did not sponsor the coups in the African countries or the murders of African leaders.

2. Implementation of an extensive economic cooperation programs that include gratuitous assistance, soft loans, and generous investments, particularly investments in infrastructure so necessary for the African countries, as well as active diplomacy on the continent.

3. The collapse of Western structural adjustment and economic liberalization programs in many African countries, as well as the West’s still pending promises to render economic aid. China, in contrast to the West, has not only been fulfilling, but even overfulfilling its financial commitments.

4. Beijing’s willingness to cooperate with all governments without making political demands on them. This method has opened the door for Beijing to countries upon which Washington and Brussels creatively tried to impose various regimes of economic and/or political exclusion (e.g. Sudan, Zimbabwe).

5. Beijing’s assets include its ability to combine state and private initiatives, offer multifaceted state assistance to Chinese companies, guarantee the participation of Chinese banks, such as Eximbank and China Development Bank, in implementing African state

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programs, and ensure entrepreneurial enthusiasm at both the private and public levels. Government institutions and state and private companies are working together to implement investment projects.

6. China’s strategy in the competition for natural resources: it is not only able to find free niches, but also use the tactic of first purchasing small shares in concessions or sets of shares of large companies and then gradually expanding its activity. Unlike other BRICS countries, China is striving more to control raw material sources rather than buy up this raw material in the world markets. By investing in projects in raw material production areas, it is guaranteeing local business wider access to Chinese markets, which is also making these countries attractive for Chinese investments.

7. Active diplomacy is helping China to gain access to Africa’s natural resources. The Chinese leaders are frequent guests in the countries of the continent, and African leaders often visit Beijing. Furthermore, the speeches and statements of the Chinese leaders and private conversations with African leaders invariably touch on the topic of the common destinies, goals, and objectives of all the developing countries with assurances that the Africans are considered equal partners and China will under no circumstances leave them in the lurch.

India is also very active in the resource rich areas of the developing world. Unlike China, it still remains predominantly a buyer of export commodities rather than a co-investor in natural resources development projects there. Thus, India plays and important role in purchases of crude oil from Iran and other Gulf States, metals and other commodities from ASEAN nations.

But the situation is changing and Africa steadily turns into a region of higher resource importance for India, too. The accelerated growth rates of the Indian economy (in
2010 – 9.7%), as well as its large population (more than one billion people) are leading to an increase in consumption, including of natural resources. Since by 2025, India will have to import more than 90% of the oil it consumes, Africa will become an alternative oil source. Until recently, India has mainly imported oil from the Persian Gulf, however, Africa’s share in Indian oil imports has been constantly growing and now reaches 20%. Nigeria accounts for 12% of all the oil imported into India, while Angola and the Sudan are also major African suppliers of petroleum. India has invested $200 million in building the Khartoum-Port Sudan oil pipeline, which was completed in 2008. India is also interested in importing coal from South Africa and Mozambique and (as a country actively developing its nuclear power industry) in deliveries of African uranium. In addition to fuel, India, as a major producer and exporter of precious stones and jewelry, is buying diamonds in Angola, Botswana, the DRC, and South Africa. Whereby India is not simply buying rough diamonds, but is investing large amounts of money in the production, sorting, and polishing of stones in situ, particularly in Namibia and Botswana.

In 2010, the volume of African-Indian trade came right up to the $50 billion mark. There is a rather high share of machinery and equipment in India’s exports, which is largely associated with the investments of Indian oil companies in oil-producing countries. In the geographical respect, South Africa accounts for approximately two thirds of Indian imports from Africa in terms of cost. This country supplies gold, diamonds, uranium, coal, and different metals.

Brazil is becoming another active player in the African markets, including the raw material markets. The trade turnover between the Latin American giant and Africa

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5 International Monetary Fund, World Economic Outlook 2010: Rebalancing Growth, October 2010.
6 Ibid.
increased from $6 billion in 2003 to $25 billion in 2009 and continues to grow. In the 2000s, Brazilian exports to Africa increased on average by 28% a year, while imports grew by 23% a year. Over the past 10 years, Brazil has signed more than two hundred agreements on bilateral economic cooperation with different African states.9

The main trend in Brazil’s foreign economic policy in Africa is active investment in infrastructural projects in exchange for access to mineral resources. The Brazilians are constantly emphasizing that they are willing to provide Africa with new technology for overcoming its narrow raw material orientation, as well as share experience in the agrarian sphere and in political modernization.

In the past few years, the level of Russian-African relations has risen. Investment activity has become animated and foreign trade turnover has increased somewhat. The debt problem was essentially removed from the agenda of Russian-African relations when Russia wrote off Africa’s $20-billion debt under Soviet loans. The volume of Russia’s foreign trade circulation with Africa in 2010 amounted to $8.66 billion, of which the North African countries accounted for 80%. As for the sub-Saharan countries, the trade volume with them is no higher than $2 billion. Russian investments and equity assets in Africa are estimated at a total of $3–3.5 billion. The 750 state stipends Russia grants the Africans every year are usually not used in full.10

Russia mainly receives aluminum ore (imports cover 65% of Russia’s needs) and tropical agricultural products (primarily coffee, cocoa, fruit and vegetables) from Africa. African investments in the Russian economy are no higher than $500 million and mainly come from South Africa.

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On the whole, Russia’s economic position is growing slowly. Russia’s so-called return to Africa announced in the 2000s has clearly been delayed. And in the meantime, the competitive struggle for influence in Africa has intensified.

It stands to reason that the world financial crisis that broke out in 2008 has had an impact on international cooperation in the development of the raw mineral complex. On the one hand, trends toward saving mineral resources are seen in the U.S. and European Union markets. While on the other, the developing economies of China, India, Brazil, and other countries (as well as Russia according to some indices) are constantly in need of growing deliveries of ferrous, non-ferrous, precious, and rare metals, and raw energy resources (oil, gas, coal, and uranium).

Apparently, Russia, which is acting as one of the main suppliers of mineral and fuel resources in the world market today, is interested in developing cooperation with the African states in the raw material sphere. One of the reasons for this interest is that Africa could become Russia’s main competitor in the world fuel and raw material markets in terms of several commodities. In addition to its large supplies of energy resources, Africa has several competitive advantages over Russia. This primarily applies to the cost of labor in the mining industry, which is manifold lower than in the Russian Federation. Furthermore, the net production cost of many minerals in Africa is much lower due to the climatic and geological conditions. At the same time, in contrast to Africa, Russia enjoys the latest raw material and fuel exploration and production technology, as well as highly qualified personnel.

Although Russia possesses extremely rich supplies of natural resources, domestic capabilities for fully meeting industry’s needs for high-quality raw material and at competitive prices are shrinking. Many profitably exploitable deposits have been exhausted or are on the brink of exhaustion. After the collapse of the common Soviet economic space,
Russia has been experiencing a significant shortage of several of the most important minerals, including almost 100% of manganese, 80% of chromium, 60% of bauxite, and so on. New Russian deposits of many important minerals are largely found in the northern latitudes and their development is associated with large investments and long introduction into service.

The exhaustibility of profitably exploitable supplies is becoming an increasingly urgent problem. The exploitable supplies of manganese ore have been essentially exhausted in 2010, while chromium supplies will have run out by 2012, bauxite by 2025, wolfram by 2016, and oil by 2025. The increment in known supplies of chromium ore is four-fold lower than the recovery of this resource, 15% of molybdenum recovery is covered by the increment in explored reserves, 60% of metals in the platinum group, only 9.4% of zirconium, and so on.\footnote{Fituni L. and Abramova I Resource Potential of Africa and Russia’s National Interests in the XXI Century. Moscow, 2010. P.145- 150}

Developing partnership with the African states in the exploitation of mineral resources presents opportunities not only for overcoming the difficulties that have arisen, but also for reducing the load on the mining industry, as well as for meeting Russian industry’s growing needs for raw materials on advantageous conditions. The following table (Fig. 1) shows the cooperation potential in the raw material sphere.

**Fig. 1. Russia’s Mineral Resource Shortage and Potential of Africa’s Mining Sector (according to the data at the beginning of 2009)**

<table>
<thead>
<tr>
<th>Raw mineral</th>
<th>Russia</th>
<th>Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manganese ore</td>
<td>Production: 17,000 tons</td>
<td>Shortage: 97.0%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mineral Type</th>
<th>Quantity</th>
<th><strong>(%)</strong></th>
<th>Transport** (%)</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uranium ore</td>
<td>3,600 tons</td>
<td>2.4</td>
<td>82.0</td>
<td>18 433,200 tons (16.7%)** 6,000 tons (15.4%)**</td>
</tr>
<tr>
<td>Tin ore and concentrate</td>
<td>814 tons</td>
<td>0.3%</td>
<td>61.7</td>
<td>47 415,000 tons (7.5%)** 15,000 transport (4.8%)**</td>
</tr>
<tr>
<td>Chromium ore</td>
<td>733,000 tons</td>
<td>3.0%</td>
<td>60.3</td>
<td>40 (based on an annual ore import of 1.01 mln tons 1839200.0 thou. tons (48.4%)** 10470.0 thou. (43.4%) **</td>
</tr>
<tr>
<td>Titanium concentrate</td>
<td>82,000 tons</td>
<td>0.7%</td>
<td>59.2</td>
<td>38.7 435.8 (44.6%)** 2.389 (20.0%)**</td>
</tr>
<tr>
<td>Aluminum in bauxite</td>
<td>5.3 mln tons</td>
<td>2.6%</td>
<td>50.0</td>
<td>37.6 7464.0 mill. tons (42.6%)** 20.9 mln transport (10.5%)**</td>
</tr>
<tr>
<td>Zinc ore and concentrate</td>
<td>337,500 tons</td>
<td>2.9%</td>
<td>27.8</td>
<td>17040.0 thou. tons (7.1%)** 284.4 thou. transport (2.4%)**</td>
</tr>
<tr>
<td>Molybdenum ore and concentrate</td>
<td>5,400 tons</td>
<td>2.4%</td>
<td>19.5</td>
<td>88 19.0 (0.1%)** 0.0</td>
</tr>
<tr>
<td>Wolfram ore and concentrate</td>
<td>4,220.0 tons</td>
<td>7.5%</td>
<td>4.3</td>
<td>97(with imports of concentrates of up to 3.04 thou. tons and production of 6,500 tons a year) 6,000.0 tons (0.2%)** 160.0 transport (0.3%)**</td>
</tr>
<tr>
<td>Niobium</td>
<td>(manufactured only at the Solikamsk plant)</td>
<td>70</td>
<td>24</td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**
* - only confirmed supplies in category ABC1.
** - in percentages of world statistics.


As can be seen from the table, today Africa is producing 600-fold more manganese than Russia, 20-fold more tin, 15-fold more chromium, almost 30-fold more tantalum, and 7-fold more bauxite. African ores are also more attractive due to their favorable extraction conditions, higher content of beneficial components, and low net cost.
Since the collapse of the Soviet Union, only one uranium-manufacturing enterprise has been operating in the Russian Federation. The explored uranium supplies in Russia are estimated at 615,000 tons, 160,000 tons of which come from deposits in South Yakutia. The development of these deposits requires large financial expenses. Therefore, the African countries, where approximately 25% of the world uranium supplies are concentrated, could, along with Kazakhstan and Mongolia, be of practical interest as prospective partners in developing the nuclear fuel deposits they possess. Russia is actively cooperating with South Africa and Namibia in the nuclear sphere. Russia’s Renova, Tekhsnabexport, and Atomredmedzoloto companies have signed several agreements on developing the nuclear resources of these African states.

Russian companies are also showing a great interest in developing Africa’s aluminum ore. Despite the fact that Russia imports raw materials for producing aluminum from Kazakhstan and Azerbaijan, Africa is the most promising partner with respect to this mineral. The matter primarily concerns Guinea, which ranks first in the world in terms of bauxite supplies. Furthermore, the quality of bauxite in Guinea is very high. It is thought that in 2015, Guinea will meet a quarter of the world demand for bauxite.

Russia is also a major player in the diamond market. Expanding cooperation with the African countries is seen as an important prerequisite for strengthening mutual positions of Russia and South Africa in the world market of this raw material.

Russian-African cooperation in the oil and gas sphere will acquire special significance in the 21st century.

Russia, along with Saudi Arabia, currently occupies the leading place among the oil-producing and oil-exporting countries. The value of the energy factor in the country’s foreign policy is growing. Russia is striving to become the most influential player in the

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13 Bulletin of Foreign Commercial Information, (BIKI), Moscow, 08.07.2006.
world oil and gas market. However, it will be very difficult for the country to materialize these plans by means of its own resources alone. The main oil production areas in Russia can only provide 30–40% of the resources to perform this assignment, the rest of production will have to be increased by exploring and developing deposits in Russia’s hard-to-access areas and coastal waters. According to the available forecasts, by 2020, the share of hard-to-recover reserves of liquid fuel will increase by 80%. The development of new deposits requires large investments and is not always economically expedient.

So in order to retain its influence in the world oil and gas market, Russian companies are taking steps not only to develop new deposits in the Russian Federation, but also to extend the geographic framework of their activity by organizing oil production in other, more favorable regions of the planet, including Africa.

Russia is the largest producer and exporter of natural gas in the world. Presumably, in the 21st century, the share of natural gas in the energy consumption structure will constantly rise. In light of the increase in world gas demand, Russia is interested in retaining its leading position in the production and export of this resource. However, gas production at the main Russian fields is decreasing, and the development of new deposits at great depths, in the Arctic latitudes, and in other hard-to-access areas is associated with enormous investments. An increase in gas exports could be ensured by developing gas fields outside the country, including in the African states, the gas resources of which are estimated at 31 trillion cubic meters. The net cost of gas production at African fields is 35–60% lower than at Russian, while several African countries have the latest technology for liquefying natural gas.

At the moment, Russia and the African countries are rivals in supplying blue fuel to Europe (Fig. 2.).

Fig.2. Russia and the African Countries in Gas Deliveries to the European Mediterranean Countries (share in %)

| Importer country | Russia | | Africa countries |
|------------------|--------|-------------------|
|                  | Years  | Change            | Years  | Change          |
| France           | 23.3   | 16.7              | 23.7   | 24.0            |
|                  | – 6.6% |                   |        | + 6.3%          |
| Italy            | 32.1   | 30.0              | 43.9   | 46.0            |
|                  | – 2.1% |                   |        | + 2.1%          |
| Turkey           | 59.8   | 62.6              | 23.5   | 15.7            |
|                  | + 2.8% |                   |        | – 7.8%          |
| Greece           | 73.2   | 62.3              | 26.8   | 21.3            |
|                  | – 10.9%|                   |        | – 5.5%          |


Supplies of natural gas from Russia to the countries of Western, Northern, Southern, and Central Europe have decreased from 148.44 billion cubic meters in 2004 to 132.8 billion cubic meters in 2009, while from Africa they have increased from 68.7 to 78 billion cubic meters, respectively.

The West European countries are planning to significantly extend the gas pipeline system connecting Africa and Europe. Work is underway to build three new pipelines for transporting African gas to the EU countries. When they are finished, the gas transportation capacities from Algeria and Libya to Europe may double and amount to 62 bcm a year.

Algeria is the largest supplier of natural gas among the African countries to the world market. So for Russia, the development and intensification of diverse cooperation in the gas sphere, including coordination of gas policy in the world market, is of immense importance. Furthermore, the interests of Algeria and Russia, which are the largest gas suppliers to...
Europe, directly intersect in the European market. When the trans-Saharan gas pipeline goes into operation, Nigerian gas will start going to Southern Europe through Algeria.

In order to retain its influence in the gas market, it is also important for Russia to develop partner relations with other gas producers in Africa.

In light of the striving of importer countries to lower their gas dependence on Russia, the latter is encountering resistance from the EU in its attempts to expand cooperation with the African countries in the oil and gas sphere. The matter concerns, for example, resistance to the implementation of Russian-Algerian and Russian-Nigerian energy projects and attempts to block Russia’s participation in exploiting the trans-Saharan gas pipeline. In 2009, Russia’s share in gas deliveries to the EU dropped to 30.7% compared to 35% in 2006.

This is why it is difficult to overestimate the value of Russia’s cooperation with Algeria and other African countries in the oil and gas sphere. Furthermore, keeping in mind the consequences of the wave of revolutions in the North African countries, it would be advantageous for Russian businessmen, who could most likely lose the niches they have acquired in Egypt and Libya, to animate cooperation in the fuel and energy sphere with the sub-Saharan African countries, primarily in the countries of the Gulf of Guinea, as well as Mozambique, which could become Africa’s new energy center with its large offshore gas resources. Namibia, Tanzania, and South Africa can be named as other prospective partners for the Russian Federation.

In recent years, Russian companies have made perceptible efforts to expand their positions in the development of Africa’s natural resources. Eighteen large Russian companies are implementing 40 projects. The most significant are as follows: diamond production in Angola (Alrosa), building the Nigeria-Algeria gas pipeline (Gazprom), nickel production in Botswana (Nor Nickel), developing the oil field in the coastal zone of Cote
d’Ivoire and Ghana (LUKoil), developing deposits of manganese and vanadium in South Africa (Renova, Evraz), and oil production in Equatorial Guinea (Gaspromneftegaz). Most of these projects are at the execution stage.

Keeping in mind African specifics, Russian investors are trying to consolidate their efforts. This is manifested at the current stage in creating business councils both with individual African countries and with entire regions. The Russia-South Africa Business Council, Russia-Nigeria Business Council, Arab Business Council, Coordination Committee for Economic Cooperation with the Sub-Saharan African Countries, and so on have already been established and are functioning.

Summing up the data examined above, it should be emphasized that a characteristic feature of Russia’s economic relations with Africa in the 21st century is the perceptible stepping up of investment cooperation in the mining sphere due both to the strong position of the African countries in the world raw material markets and the intensified competition over natural resources on a global scale. Furthermore, in light of the growing role of the energy industry in world economic development, the oil and gas complex occupies the main place in Russian-African cooperation. The African market of highly efficient oil and gas projects is distinguished by intense competition for the right to participate in their implementation. Russian oil and gas companies have to acquire this right in an extremely difficult struggle with the leading transnational companies of the West, China, India, and other countries. The success of Russian business in the exploitation of African resources largely depends on systemic state support of its activity in the resource-abundant countries of the African continent and targeted information and diplomatic support of its participation in promising investment projects that meet Russia’s national interests.

In the 21st century, Russian and other BRICS nations interests are intersecting with the interests of the leading players in the world market of natural resources. A graphic
example of such interests is the striving of the Western nations to prevent states with large
supplies of raw minerals and fuel from forming strategic alliances. The matter primarily
concerns Russia and BRICS, but also several states of the African continent.

The strengthening of the position of Russia and other BRICS countries in the world
economy of the 21st century will largely depend on whether they will be able to take
advantage of the favorable situation in the world raw material markets to modernize their
national economies.

The struggle on the African continent for political and economic influence will
mainly be waged among three centers – the European Union (headed by the former
metropolises), the U.S., and the BRICS. Furthermore, the old centers – the EU and the U.S.
– will largely act from similar positions, competing for supremacy with the new players in
the African space, primarily with the PRC, India, and Brazil. However, within the Western
camp itself, specific processes will develop related to the existence of multidirectional
vectors and competition in it. The matter concerns both consolidating factors (overall
military-strategic goals and ideological unity) and disuniting aspects (national interests and
strategies for ensuring them, historical rivalry, the interests of individual transnational
corporations). The PRC, India, and other new power centers will consistently build up their
presence in Africa and push out the West in various spheres.

So the vibrancy of BRICS in the African markets and the growth rates of the
economy and population, which are manifold higher than in Western countries, could lead
to major structural changes in the world markets of raw minerals and hydrocarbons and in
international trade as a whole. Competition among the world nations over natural resources
will become even more intense in the next few years. Despite the crisis phenomena in the
world economy, problems with supplying the leading industrial countries with natural
resources will steadily accumulate in the foreseeable future. Africa’s role as one of the last
still unexhausted sources of fuel and raw materials will not only remain intact, it will become even more important.

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