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EMERGING ECONOMIES: COMPARATIVE ANALYSIS OF MIST AND IBSA COUNTRIES

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Abstract

Post Second World War liberal economic order and its institutions have been challenged with the rapidly growing powerful economies of some Asian and Latin American countries in the last decade. Yet, there is ambiguity in international political economy field with regard to conceptualizing and categorizing these emerging economies. This study mainly aims to ravel out this obstacle by offering a new quantitative benchmarking framework. In other words, this study proposes a new evaluation criteria set for assessing emerging economies with combining testable domestic and systematic factors. Accordingly, this study presents the cross-country comparison by using quantitative benchmarking analysis between IBSA -India, Brazil and South Africa- and MIST -Mexico, Indonesia, South Korea and Turkey- countries over the period 2008-2012. We compare these countries based on the criteria of economic growth, human development index, foreign direct investment, and official development assistance. This study also aims to evaluate the group performance of these newly emerging economies- namely the rise of IBSA and MIST countries-in a comparative perspective. In conclusion, the performance of these countries -from both group-of-country and individual-country perspectives- are discussed in light of the results.

Keywords: Emerging Economies, IBSA, MIST, Benchmarking, Quantitative Analysis

1. Introduction

Today's neoliberal economic order and its multilateral institution have been challenged with the phenomenon of emerging economies in the last decade. In 2001, Jim O'Neill, the former chairman of Goldman Sachs Research Institute caused a sensation when he promoted the acronym for the four largest emerging economies -Brazil, Russia, India, and China (BRICs) (O'Neill, 2001). According to his estimates, these states will occupy an increasingly imperative place in the global economy towards 2050 (Cooper, 2006). The Goldman Sachs economists also predicted that the BRIC economies would surpass the G7 economies before the middle of this century. In June 2003, at a meeting held in the Brazilian Capital, the foreign ministers of India, Brazil, and South Africa formally launched a new diplomatic initiative. Called IBSA (India, Brazil, and South Africa), this trilateral partnership between emerging industrialized economies was premised on a shared definition of the possibilities and gains attainable through cooperation (Vieria and Alden, 2011). Furthermore, in a new look at the BRICs in December 2005, the Goldman Sachs analysts reviewed an additional set of developing countries, termed the N-11 (Next Eleven) emerging economies. (O'Neill *et al.* 2005) Later, the Goldman Sachs

analysts reviewed a new acronym for the set of “newly emerging economies” among N11, termed the MIST -Mexico, Indonesia, South Korea and Turkey in 2011. (O’Neill, 2011) Consequently, over the past years the groups of emerging economies –such as IBSA and MIST- have become increasingly important players in their regions and international politics with their rapidly growing economy in international politics.

Despite their growing importance, the question of the conceptualization and characterization of these emerging states has been largely overlooked. There is a general lack of analytical instruments to identify and to compare these powers (Nolte, 2010). Having defined many different categories such as BRICS, IBSA, MIST, there is still general lack of analytical approach to identify and compare these newly emerging states (Armijo, 2007). In practice the only alternatives for understanding the specifications of emerging economies is to compare existing hard-power factors like GDP, population or military power. Yet much is to be done in terms of systematically and critically analyzing the details about the political-economic and soft-power motivations of these emerging states (Bacik, 2013). In light of this, the methodological approach adopted in this study is using not only hard power, but predominantly soft power indicators like official development assistance and foreign direct investment rates in analyzing cross-group of these emerging states comparison. This study will also contribute to the international political economy field by offering a new comparison framework in order to ravel out the categorical ambiguity of emerging economies in the case of IBSA and MIST countries.

Yet, one should note here that the groups of BRICS, IBSA or MIST countries are not an obvious set. Their internal regimes, politics and economies are diverge and at times contradictory. Even they do not share completely the same domestic political institutions, international goals, or economic structures and challenges. Furthermore, there are neither the same strengths nor extremely similar development phases across the group of these countries. (Vieira and Alden, 2011) Moreover, the growing economic standing of these states and the expansion of their influence beyond their traditional geographical backyards, adds complexity to the trilateral relationship of IBSA in terms of intragroup competition for regional markets, natural resources, and political influence. The increasing competition between these Southern powers for global economic opportunities has clear implications for the future of the IBSA partnership. (Vieira and Alden, 2011) With regards to MIST countries, the prospects for further and deeper cooperation are more ambiguous (Cooper, 2015). Thus, an alternative and equally valid approach might be considered as “whether the IBSA and MIST countries form groups” based on their similar type of influence in, or equivalent implications for, the international political and economic order (Armijo, 2007). In this study, we adopt in principle this approach in order to analyze and test not only individual, but also the “comparative group performance” of IBSA and MIST countries.

In this study, we would like to unsettle the concept of emerging economies, especially focus on IBSA and MIST countries, and to challenge several of its specific characterizations. In the first place, this study proposes a new evaluation criteria set for assessing emerging economies with combining domestic and systematic factors. Accordingly, quantitative and analytical benchmarking framework is developed for these states by using interdisciplinary approach of international political economy field. In light of this, the current study provides the cross-group of country comparison of emerging economies over the period 2008-2012 by using new analytical framework.

2. Conceptualizing Emerging Economies: IBSA and MIST

Over the past several years, the most talked-about in the global economic order has been the so-called the rise of emerging economies. Considering the global context, Ikenberry and Wright (2008, p.3) defined the power shifts of economic and political changes in the world as follows:

“Today a group of fast-growing developing countries are rising up and in the next several decades will have economies that will rival the United States and Europe. For the first time in the modern era, economic growth is bringing non-Western developing countries into the top rank of the world system.”

The primary engines behind this phenomenon were the growing economic influence of these emerging powers (Sharma, 2012). The relative sizes of their economic capabilities are of fundamental factor, because economic power is an essential clue of the success of these states (Armijo, 2007). Thus, economic capabilities are one of the key factors of the emerging states to become major actors of rapidly changing world order. Therefore, policy changes that have produced economic advance in these emerging states seem to support a prediction of continued rising positions (Kahler, 2013). Although economic expansion has laid the foundation of the emergence of these states, it has so far proven to be not the only property.

In the eyes of established states, emerging markets have become emerging powers. In other words, while economic growth has underpinned the emergence of these states, attention is turning to the political implications of their rise. The rise of these states from outside the Western goes over with a new multilateral emerging powers such as diplomatic realization of a BRICS multilateral forum of emerging economies, the formation in 2003 of the IBSA -India, Brazil, South Africa- and signaling these formations intend to bring their voice together on global issues (Stephen, 2012).

Since it was first identified, the BRIC group has gone through several permutations, sometimes being referred to as the 'BRICS', with the 'S' signifying South Africa, or as 'BRICSAM' to include both South Africa and Mexico. Similarly, the IBSA forum (India, Brazil, South Africa) has emerged as a separate grouping that increasingly addresses security and development concerns. The climate negotiations in Copenhagen saw the emergence of the 'BASIC' grouping (Brazil, South Africa, India, China) through which the emerging powers, excluding Russia, clustered (Hart and Jones, 2010).

Prominent in these groupings are the IBSA states (India, Brazil and South Africa), which share a regional preponderance and certain characteristics and sensibilities in their vision for the emerging world order. Unlike China (as a one-party authoritarian state) and Russia (increasingly authoritarian with a managed democracy), these three countries maintained robust democratic political systems and extensive civil society communities (Cooper, 2015). Within the BRIC group, for a number of reasons, Russia stands out. Unlike other states, it is forecast to have a sharply declining population, whereas the other countries face only a declining rate of population growth. Its capability in research and development, high technology, and military power has diminished over the past 15 years (Cooper, 2006). With a shrunken territory as a result of the break-up of the USSR, a declining population and a lack of diversification in its investment and trade profile, Russia can be framed as much a country in decline as in ascendancy (Cooper and Flemes, 2013). Furthermore in BRICS formulation, China is generally considered as an already emerged economy or a coming superpower compared to emerging states like IBSA. Despite having nearly double digit growth for two decades, China still remains below many developing countries in terms of social welfare (Unay, 2013). Therefore, another focuses on the degree to which China should be differentiated from the other BRICS, or indeed whether the BRICS share values such as a common politics of resentment or want to differentiate themselves on a normative-oriented basis in alternative groupings such as IBSA. Hence, notwithstanding the extension of BRICS acronym from concept to practice, with meetings of BRIC at foreign minister and head of government levels, the salience of this formulation is contested (Cooper and Flemes, 2013). Thus "IBSA" instead of BRICS is used as an analytical category of emerging economies in this study.

The relationships between these groups of states are permeated by both cooperation and competition. Firstly, these states are not necessarily sought to replace the international system with another one as a revolutionary approach. These countries have placed more efforts on integration with the global economy in order to get larger regional and global role. Hence, they request "reform" of the system in order to enlarge their voices and roles (Bacik, 2013). The economic success of these states is based on cautious "integration" with the international economy, and they have become major actors in the existing international economic order. Therefore, sustainable international cooperation might provide supportive environment for these emerging states (Armijo, 2007). In fact, since 2003, India, Brazil and South Africa have convened for six ministry meetings and five heads of states summits; with IBSA evolving to an

institutional framework based on sixteen working groups, a facility for the Alleviation of Hunger and Poverty (IBSA trust fund) and the implementation of a myriad of other South-South cooperation initiatives (Hirst, 2012).

On the other hand, these states are totally different countries with separate histories, contexts, political and economic systems, needs, opportunities and futures. In all of them domestic priorities and problems trump club solidarity (Thakur, 2014). The trilateral coalition suffers from considerable interest divergences on global governance issues and limited potential gains from its sector cooperation, particularly in trade. The perspectives of bi- and trilateral trade are limited by several constraints. The different sizes and degrees of global integration of members' economies lead to different degrees of trade benefits. But the main obstacle consists in the limited complementarities between the three markets, because India, Brazil and South Africa produce similar products and compete for access to OECD markets (Cooper and Flemes, 2013). Nevertheless, the governments of India, Brazil, and South Africa have shown (at least rhetorically) a strong willingness to confront those disparities in power and influence in multilateral institutions by restating the South dimension of their foreign policies (Vieira and Alden, 2011).

Compared to IBSA group, the group solidarity of the newly emerging economies (MIST) has so far proven to be relatively weak. As the BRICS economies have started to slow down in the last couple of years, investment opportunities in the MIST countries (Mexico, Indonesia, South Korea and Turkey) have become more attractive based on expectations for high growth due to their favorable demographics and fast-paced economies. The MIST countries are the largest economies in the Next Eleven (N-11) group identified by Jim O'Neil from Goldman Sachs. The N-11 group, or the next economic emerging forces, includes countries with a diverse range of living standards, GDP and cultures (Boyrie and Pavlova, 2016). Some scholars also add Australia to the grouping, categorized MIST as MIKTA. In fact, a new forum came into being on the sidelines of the United Nations General Assembly (UNGA) on September 25, 2013. This was the first gathering of foreign ministers of the Mexico, Indonesia, Republic of Korea, Turkey, and Australia (MIKTA) countries. Yet, the impact of this gathering remains unclear. As a forum constituting foreign ministers of five countries, with little in the way of shared experiences beyond their common membership in the G20, suggests modest expectations (Cooper, 2015).

Two divergent views of the future are grounded in the implications of economic and political power of emerging economies for international order. For most economists the power of the emerging economies is one of the great success stories of recent decades. On the other hand some scholars –from more pessimistic view- doubt these powers' capacity to challenge the current world order (Kahler, 2013).

Thus their prospects and limitation in changing economic order as well as prospects for future group performance in international economic order is a new scholarly debate and an emerging area of interest in international political economy field.

3. Data and Methodology

3.1. Evaluation Criteria of Emerging Economies

This empirical study aims to conceptualize and compare the group of emerging economies by using quantitative benchmarking method. Recently, most studies evaluate emerging with regards to their regional influence (economic growth, area, population, etc.) or military power. However these factors are not analytically testable for comparing group of emerging like IBSA and MIST. In light of this the current study proposes a new evaluation criteria set for assessing emerging economies with combining domestic and systemic factors as well as using economic factors. This new analytical benchmarking framework will contribute the ambiguity and difficulty of understanding the comparative performance of these states in changing world politics.

In specifically, the classification of emerging economies was predominantly based on the size of GDP and population in the Goldman Sachs paper as well as most studies in political economy field. While GDP and population are important macro variables, there are other important dimensions of emerging economies. Hence, there is also an opportunity to contribute

by investigating whether the current groupings (IBSA and MIST) hold if other dimensions are analyzed meanwhile. Although there are studies that are concerned with which countries are to be added to which group, -to the best of our knowledge- not on any studies investigated the stability of the groups in a comparative perspective. Therefore, this study contributes to the field by testing the stability-robustness of the group of emerging economies by using quantitative benchmarking technique.

Nowadays, there is a consensus among scholars that emerging economies covers different dimensions (regional, economic, or hard-power, etc.) and can be examining in different ways (qualitative, case, bilateral analysis etc.). However the lack of analytical framework, which conceptualizes the evaluation criteria by using quantitative measures, might be a problematic for in international political economy field. According to the above-mentioned information, defining the specific characters of emerging economies with using descriptive criteria is one of the most important contributions of our study. The difficulty is selecting the highest quality of data and combining the information in a consistence manner. Consequently, in these constraints, we use following dimensions for analyzing the comparative performance of emerging economies in this study:

- Economic Growth (EG)
- Official Development Assistance (ODA)
- Foreign Direct Investment (FDI)
- Human Development Index (HDI)

These dimensions not only cover economic properties of states but also they demonstrate the systemic and domestic structures. In global perspective, economic growth provides the evidence that the economic power of such country. More specifically, economic and systemic power of emerging states take two main forms as official development assistance -sometimes called aid- that comes from foreign governments, and investment from foreign capital, known as foreign direct investment (Soubbotina and Sheram, 2000). The domestic characters of emerging economies can be drawn by the human development index. Today, it is very hard to talk about development without taking into account the domestic and social "human development" indicators such as education and access to health. The detailed description and discussion of the evaluation criteria is provided below.

Economic Growth: Economic growth refers to quantitative change or expansion in a country's economy measured as the percentage increase in gross domestic product (GDP) or gross national product (GNP) during one year (Soubbotina, 2004). Most emerging economies have been experiencing fast growth rates above the world average. Even tough, economic growth requires advanced technologies, improved managerial and marketing skills, and easier access to export markets, more importantly; it requires stable political economy both in a country and global order. Therefore the level of economic growth might be considered one of the main indicators of emerging economies. In this perspective, economic growth is selected as an evaluation criterion of emerging economies in this study.

Official Development Assistance: The role of these dynamic new economies in international humanitarian giving has increasingly become one area of particular interest of scholars in international political economy. With the growing preoccupation of emerging powers on the donor scene over the last years, both policymakers and scholars are interested in to understand how committed these nations are to the humanitarian agenda (White, 2011). The development assistance of emerging donors like Brazil, India and South Africa is cast as fundamentally different in its guiding principles and operational methods from that of traditional Development Assistance Committee (DAC) donors (Cooper and Farooq, 2015). Moreover, lack of transparency and institutional capacity, which makes it extremely challenging to develop a clear and accurate comparative analysis of the nature and extent of non-DAC development cooperation in terms of DAC principles. For example, Brazil's various agencies involved in development assistance lack a coherent data collection system (Cooper and Farooq, 2015).

This poses a limitation to accurately measuring the development efforts of emerging economies which in fact a very crucial factor in their growing presence in changing world economy.

Foreign Direct Investment: FDI in emerging economies has been phenomenal and has not only contributed the overall economic growth but also has shown the political stability of country (Jadhav, 2012). The private sector is one of the main sources of promoting growth and expanding economic opportunities in any country. Hence countries try to create favorable conditions to attract more foreign capital inflows into their economies. According to the World Investment Report of UNCTAD (2012), emerging economies attracted more than half of global FDI inflows in the year 2011. Political stability and risk are affecting the foreign investment decision in a country. Therefore foreign capital flow is obtained by stable political regime, good prospects for economic growth, and liberal government regulation in emerging economies. In addition, foreign direct investment usually brings with it advanced technologies, increase the standard of living and easier access to export markets (Soubbotina and Sheram, 2000). There are various empirical studies which demonstrate the positive relationship between FDI and economic growth as well as stable political regime (Jadhav, 2012; Adhikary, 2011; Bhavan *et al.* 2011; Azam, 2010). In light of this FDI might be considered as one of the key components of being and sustaining an emerging economy in global world order.

Human Development Index: The use of only GDP per capita or population cannot sufficiently capture the multidimensionality of human development as a domestic character of emerging economies. In this line of thinking, HDI, which is a composite index of specific socio-economic indicators, is used as evaluation criteria of emerging economies in this study. As Rende and Donduran (2013) indicated, HDI has been instrumental in broadening the discussion of economic development of countries in terms of the well-being of their citizens. HDI combines social and economic indicators that reflect three major dimensions of human development namely longevity, educational attainment and income. Longevity is measured by life expectancy at birth. Educational attainment is quantified by a weighted average of adult literacy and gross enrollment rates in primary, secondary and tertiary education. Lastly, income reflected by the PPP adjusted GDP per capita (UNDP, 2011). Considering these dimensions of HDI, it can capture significant aspects of development as a domestic character of emerging economies.

3.2. Analysis Technique: Data Envelopment Analysis

In order to analyze comparative performance of emerging economies, the research employs a cross-sectional time series benchmarking analysis to examine the data collected for IBSA and MIST countries for the period 2008-2012. The required data set for the selected countries were obtained from the World Bank, UN and OECD datasets. In contrast to apply only econometric models, this study uses the Data Envelopment Analysis (DEA) technique. DEA is a linear programming technique which creates an efficiency frontier and measures how efficiently a decision making unit (DMU), in this article an emerging economy. Basically, DEA provides a categorical classification of the units into efficient and inefficient ones. DEA is used in various fields to measure the comparative performance of units (Despotis, 2005). Thereby the comparative performances of group of emerging economies (IBSA and MIST) are analyzed by using this benchmarking technique in the current study.

DEA aims to find DMUs that produce the highest levels of outputs by using the lowest levels of inputs. Therefore, it maximizes the ratio of weighted outputs to weighted inputs for the DMU under consideration. This maximization objective is subject to the constraint that the same ratio for all DMUs be less than or equal to one. This leads to the following model, in which one can find the efficiency value for DMU m (Ramanathan, 2006):

$$\begin{aligned}
 & \text{Max} \frac{\sum_{j=1}^J v_{mj} y_{mj}}{\sum_{i=1}^I u_{mi} x_{mi}} & 0 \leq \frac{\sum_{j=1}^J v_{mj} y_{nj}}{\sum_{i=1}^I u_{mi} x_{ni}} \leq 1; n = 1, 2, \dots, N \\
 & & v_{mj}, u_{mi} \geq 0; i = 1, 2, \dots, I; j = 1, 2, \dots, J
 \end{aligned}$$

Here, *i* is the index for inputs, *j* is the index for outputs, and *n* is the index for DMUs. The variables v_{mj} and u_{mi} are the weights representing the importance of each input and output. If the efficiency score is equal to 1, the DMU *m* is located on the efficiency frontier. Here, the efficiency value is a relative measure indicating how DMU *m* operates compared to the other DMUs that are included in the sample. Detailed discussion of DEA model could also be found in the study of Cooper *et al.* (2007).

In the DEA model, there are two assumptions: (1) input oriented (while outputs are hold constant and inputs are decreased), (2) output oriented (while inputs are hold constant and outputs are increased). Since, all evaluation criteria are classified as an output for emerging economies an output-oriented model has been considered appropriate in the present paper. Descriptive statistics of evaluation criteria are provided in Table 1.

Table 1. Descriptive statistics of IBSA and MIST countries

	2008	2009	2010	2011	2012
India	95.17 (4)	189.40 (1)	93.91 (4)	84.95 (4)	90.80 (5)
Brazil	119.31 (3)	78.49 (5)	127.46 (3)	112.33 (3)	113.71 (3)
South Africa	60.01 (7)	31.13 (7)	35.19 (7)	45.13 (7)	48.38 (7)
Mexico	68.05 (6)	55.18 (6)	75.68 (5)	68.91 (6)	70.39 (6)
Indonesia	77.38 (5)	90.48 (4)	64.05 (6)	73.58 (5)	91.93 (4)
South Korea	142.14 (1)	134.03 (2)	152.95 (1)	144.41 (2)	121.08 (2)
Turkey	137.89 (2)	121.25 (3)	150.72 (2)	170.66 (1)	163.68 (1)

Notes: *Parenthesis values present the rank of country by year.

3.3. Findings

In this section of study the two stage of quantitative evidence are introduced in order to evaluate the concept of emerging economies by using analytical benchmarking framework. In the first stage we analyze the individual comparative performances of emerging economies by using four evaluation criteria. Percentage country scores and the rank of each country for related year are shown in Table 2. Moreover, trends of country scores are clearly presented in Figure 1.

In order to find the aggregate average score of each country normal frequency curve - arithmetic average- is estimated for each criterion by yearly. This average score is assumed as a hundred percent. Each country scores are estimated according to these average scores with considering the non-inverse proportion. In this way all four criteria values of countries are converted as percentage scores. The arithmetic averages of these scores indicate the percentage country scores for each year, comparatively. As an example, percentage score of South Korea in 2008 is calculated as follows. The average values of economic growth, HDI, FDI and ODA for all analysis countries are 3.293, 0.689, 23430.001 and 226.1, respectively in 2008. The economic growth, HDI, FDI and ODA of South Korea are 2.298, 0.895, 3310.7 and 802.34,

respectively in 2008. Then percentage score of these criteria are 69.78¹, 129.81, 14.13, and 354.86. Finally, arithmetic average of these scores 142.14 (see in Table 2) indicate the average country score of South Korea for the year 2008.

Table 2. Comparative country scores for analysis years

	2008	2009	2010	2011	2012
India	95.17 (4)	189.40 (1)	93.91 (4)	84.95 (4)	90.80 (5)
Brazil	119.31 (3)	78.49 (5)	127.46 (3)	112.33 (3)	113.71 (3)
South Africa	60.01 (7)	31.13 (7)	35.19 (7)	45.13 (7)	48.38 (7)
Mexico	68.05 (6)	55.18 (6)	75.68 (5)	68.91 (6)	70.39 (6)
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South Korea	142.14 (1)	134.03 (2)	152.95 (1)	144.41 (2)	121.08 (2)
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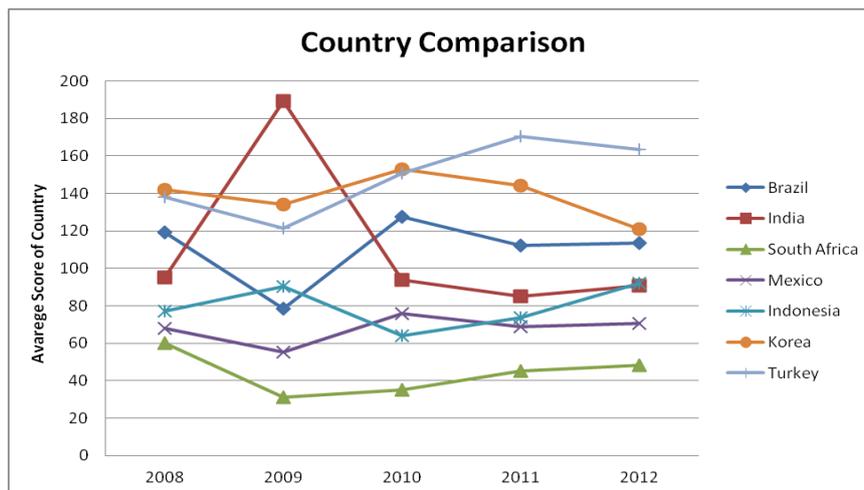


Figure 1. Country comparison according to the average scores

The results in Table 4 indicate that the South Africa as an IBSA country has the worst country scores for all analysis year. Similarly, the country scores of Mexico and Indonesia show bad performance comparing their counterparts in MIST. We can also see that the country score of India dramatically increased in 2009. The main reason of this leaping is caused by India's economic growth rate (8.48) in 2009 when the average economic growth was 1.91 for analysis countries in the same year. However this dramatic increment of economic growth was not sustained by India for ongoing years. Then the rank of India decreased in these years.

The comparative performances of Brazil -as IBSA country- as well as South Korea and Turkey -as MIST countries- indicate that these countries has the highest scores for all analysis years compared to their counterparts. South Korea has first place in the country ranking where Turkey has second and Brazil has third in the years between 2008 and 2010.² Brazil sustained

¹ As an example: average economic growth value is calculated as follows, $69.78 = (2.298 \times 100) / 3.293$.

² India's dramatic increased in 2009 which depends on her economic growth was not considered.

her third place position in the years 2011 and 2012. However Turkey rose above to South Korea and has a first place in these years.

It is interesting to find this dilemma about the country scores between first group -South Africa, Mexico and Indonesia- which has bad comparative performances and second group, -Brazil, South Korea and Turkey- conversely. What might be the cause(s) of differences between these countries? More importantly, how can we read this difference, considering group of emerging economies as IBSA and MIST? In order to answer these questions we carried out the second stage analysis.

In the second stage, emerging economies are benchmarked in their peer groups as IBSA and MIST, by using Data Envelopment Analysis technique. DEA approach is meaningful in identifying the comparatively group of high and low performance countries (Despotis, 2005). DEA is used to analyze the patterns of comparative performance trends of IBSA and MIST over the 5-year period. Since this method does not require the assumption of a possibly unwarranted functional form on production technology, as required by the econometric method, it is suitable for measuring comparative performance trends.

Since ODA data are not available for India, Brazil, South Korea, Mexico and Indonesia³, we applied two different benchmarked analyses. Comparative performance analyses are carried out first within the usage of whole evaluation criteria and then ODA statistics are disregarded for IBSA and MIST countries. The comparative performance trends of IBSA and MIST countries are shown in Table 3 and Figure 2.

Table 3. Group of emerging economies comparison: IBSA vs. MIST

	2008	2009	2010	2011	2012
IBSA	43.54	100	41.88	42.17	32.88
MIST	100	100	100	100	100
IBSA*	56.46	100	58.12	57.83	67.12
MIST*	83.76	83.84	83.9	74.6	76.09

Notes: *ODA statistics are not used in this analysis.

The results presented in Table 3 provide a number of insights into comparative performance trends of IBSA and MIST countries. Firstly, analysis indicates that MIST countries have comparatively higher performance than IBSA countries for all study years. Moreover, MIST countries have full comparative performance score when considering the ODA statistics. Whereas, IBSA countries rose above MIST counterparts only the year of 2009 when ODA statistics are not considered. This might be the cause of the dramatic increments of India's economic growth rate in this year. However IBSA and MIST countries does not show a considerable variation in their comparative performance trends when ODA data taking into account or not. Therefore, the most incremental finding of this analysis is, whether ODA statistics considered or not, MIST countries has higher comparative performance trends than IBSA countries.

³ The ODA statistics are not available for these countries in OECD database. Only South Korea as DAC country and Turkey as non-DAC donor country has ODA statistics in OECD database.

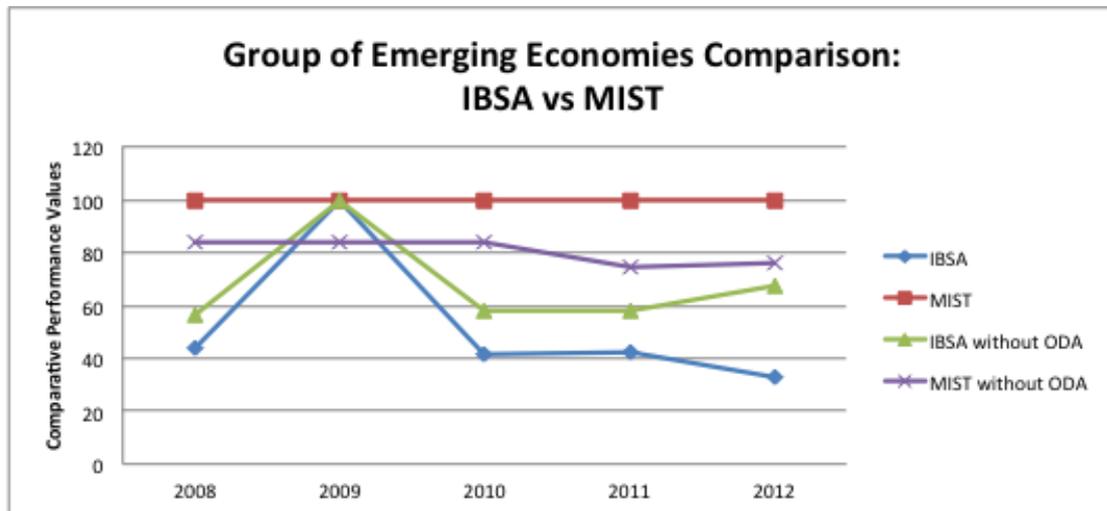


Figure 2. Group of emerging economies comparison: IBSA vs. MIST

It is pointed out here that there are differences between the comparative performances of IBSA and MIST countries. In order to determine whether the differences of performance scores are statistically significant between IBSA and MIST countries, we conducted a Kruskal–Wallis test (Chang *et al.* 2004). The null hypothesis being tested is that there are no differences in terms of efficiencies between these two groups. The null hypothesis of equal means is rejected at the 0.001 level of statistical significance in each of the five sample years of study. According to the analyses, we found that the differences in comparative performances of IBSA and MIST countries are statistically significant.

4. Discussion

According to the statistical results of quantitative analyses, this study presents two incremental findings. Firstly, IBSA and MIST countries significantly differentiate with regard to their comparative performance scores. As our findings suggest, MIST countries show a higher-level performances than IBSA countries during the five-year study period when group of emerging economies are evaluated. The main reason of this difference might be the economic soft-power capabilities -which we developed as an evaluation criteria set in this study- of these countries. Secondly, more importantly, the robustness of IBSA and MIST groups are not reliable when considering the individual country analyses.

More specifically, South Africa has worst performance scores for all study years. Additionally her performance scores tend to decrease in study years. The average performance scores of South Africa (see Table 2) that were 60.01 in 2008, reduced to 48.38 in 2012. Similarly, the average performance scores of India (see in Table 2) that were 95.17 in 2008, reduced to 90.80 in 2012. From MIST countries perspective, Mexico and Indonesia tend to decrease overall performance of MIST group. Although individual performance scores of these countries tend to increase in study years⁴, these countries are not reach the level of South Korea and Turkey. According to these findings, South Africa and India from IBSA group as well as Mexico and Indonesia from MIST group split up the robustness of their groups. To conclude, this study finds that group of emerging economies might not be a competitors of each other. However, some of countries in these groups -like Brazil, Turkey and South Korea- might willingness to built up their new roles and positioning within global world order. Yet, there are many complications that have to be overcome to sustain their success today and into the future. The key to further progress of these prominent emerging economies is improving long-term conditions to promote growth including economic and political stability, trade and investment

⁴ The average country scores of Mexico and Indonesia was 68.05, 77.38 in 2008 and increased to 70.39, 91.93 in 2012, respectively.

openness and also domestic characterization of country such as life quality, health and education.

In light of this, these results are taking into account for conceptualizing the emerging economies in new world order. Stephen (2012) indicates that understanding the emerging economies will be increasingly important as they shape the contours of the emerging world order. Hence, defining the role-position of each country in their peer groups -like IBSA and MIST- and more macro level provides crucial insights in order to read out the future agenda of world order.

Additionally, this study provides a new analytical benchmarking framework in order to analyze the emerging economies by developing the testable evaluation criteria set. In this perspective, this paper contributes to the existing literature in various ways. First, while earlier research define and discuss the concepts, aims, powers and preferences of emerging economies, none of them has analyzed the group of emerging economies by using the testable evaluation criteria set. This study conceptualizes and categorizes the emerging economies by using analytical benchmarking framework. Moreover, this framework is analyzed by using quantitative method -data envelopment analysis- in the case of IBSA and MIST countries. Therefore, this inter-discipliner study consider as one of the first attempts for political economy field.

Some limitations of this research should be acknowledged. First of all, selecting a set of evaluation criteria for analyzing emerging economies is always challenging. Furthermore, some additional variables such as population, military power, area, regional and global influence, etc. might be used to define the existing situation of these states. However, some of these criteria are not testable in quantitative analysis like regional and global influence. Others might unsettle the homogeneity of research design like population or area. Therefore, we did not consider adding them into the evaluation criteria dataset. Consequently, depending on the size and availability of data, we select certain dimensions. Some additional refinement of the criteria set that analyze the comparative performance of emerging economies might be used for future studies.

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