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**China, India, Brazil and South Africa
in the World Economy: Engines of Growth?**

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Abstract

This paper attempts to analyze the economic implications of the rise of China, India, Brazil and South Africa, for developing countries situated in the wider context of the world economy. It examines the possible impact of their rapid growth on industrialized countries and developing countries, which could be complementary or competitive and, on balance, positive or negative. In doing so, it considers the main channels of transmission, to focus on international trade, investment, finance and migration. The essential question is whether, in times to come, these four countries could be the new engines of growth for the world economy. The answer is that rapid growth in China already supports growth elsewhere, so far primarily as a market for exports, while India and Brazil have the potential to provide similar support, but South Africa does not yet exhibit such a potential. In future, these countries could also provide resources for investment and technologies for productivity. The transformation and catch-up could span half a century or longer. Even so, rapid growth in these large emerging economies is already beginning to change the balance of economic power in the world.