

# The paradox of BRICS,its new pathway

written by iasexam.com | 24/05/2023



While many multilateral groupings prosper and wither away like the Non-aligned Movement (NAM) and G-77 had their heyday in the cold war era and the South Asian Association for Regional Cooperation (SAARC) summits ended in 2014. Despite serious policy divergences on China and Myanmar, the Association of Southeast Asian Nations (ASEAN) continues to function ,consuming reams of paper to issue long communiques.

The case of BRICS is truly remarkable.Despite several achievements,it began to lose its sparkle.COVID-19,the Galwan Clash,and the Ukraine conflict resulted in increased global economic stress,damaged India-China ties, and turned Russia into a diminishing power, the BRICS may have lost its spark,but numerous nations want to join it, thus showing the paradox of the BRICS.

## **About BRICS**

- The BRIC, a grouping of four emerging economies (Brazil,Russia,India,China) was the term coined by the Goldman Sachs economist Jim O' Neil about the developing economies.
- The acronym was popular two decades ago. Two of its components joined hands with South Africa to form the IBSA (India,Brazil,South Africa) in 2003. China was keen to join it and even managed to get South Africa's support but India and Brazil maintained that the forum is open for democracies only. China later on decided to bring South Africa into the BRIC thus turning it to BRICS ,soon overshadowing the old club.
- IBSA has been unable to hold its summits since 2011 while BRICS has held 14 summits in the past 13 years.

- The BRICs have been focussing on both economic and geopolitical dimensions, they articulate a common goal and on regional issues with a non-western views, this has strengthened the world's march towards multi polarity, thus helping to curb the dominating influence of the west.
- On the economic front, the BRICS has launched new initiatives like the New Development Bank which has committed \$ 32.8 billion in 96 projects, the CRA-Contingent Reserve Arrangement, a financial mechanism to protect against a global liquidity pressures and a comprehensive programme to expand trade and investment cooperation among the five-member countries.
- Negative tendencies have asserted, like if the IBSA trio within the BRICS expected that China and Russia would fully back their bid to secure membership of the UN Security council, they were disappointed. A formulation, frozen in time, patronizingly supporting 'the aspiration' of Brazil, India and South Africa to play a greater role in the UN, figures in every BRICS communique showing the grouping's utter diplomatic bankruptcy.

### **The problems within the grouping**

- The century's second decade was also the era of China's dramatic economic rise and more importantly, military assertiveness. This disturbed the group's inner balance. The post- Ukraine consolidation of Russia-China cooperation, economic malaise in South Africa that accelerates the dependence on China and Brazil's long fling with rightist policies have generated new tensions.
- Beijing's push for a common currency for intra-BRICS trade is also symptomatic of the Group's inner troubles.

### **BRICS on future expansion**

- Today 19 countries stand in line early to join the BRICS. That include the Argentina, Nicaragua, Mexico and Uruguay from the Latin American region, Nigeria, Algeria, Egypt, Senegal and Morocco from the African region, 10 nations from Asia, Saudi Arabia, The UAE-United Arab Emirates, Turkey, Syria, Iran, Afghanistan, Indonesia, Thailand, Kazakhstan and Bangladesh.
- Several explanations may be offered. First, China is pushing the expansion as a strategic device to extend its global influence, second, the demand for joining BRICS stems from the fear of missing out on the membership of a club that has some visibility. Third many realize that the doors of their groupings have closed to them. Finally the clamor reflects prevailing anti-western sentiment and a pervasive desire to create a sizeable forum of the Global South.
- The next BRICS Summit is scheduled to be held in August 23-24 that shall be hosted by South Africa. It could take decisions on expansion and its criteria. The preparatory meetings of the foreign ministers and the National security advisers are certain to discuss the expansion.
- There exist three options: a mega expansion that raises the membership from five to 21, thus surpassing the G-20, Limited admissions of 10 members, two supported by each existing member and admission of 5 new members each supported by an existing member, with one of the other four using their veto.

- India favors the expansion if it is based on agreed criteria and moves gradually. Should the third option win consensus, Argentina, Egypt, Indonesia, UAE and Bangladesh are most likely to make the cut.

### **Conclusion –**

The BRICS nations in the upcoming summit this year are likely to meet in virtual mode. While talking the members of the BRICS must redress the internal imbalances and should know once new members are admitted there shall be a change of name of the group and perhaps a better future than the past.