

Expansion of BRICS: Navigating the New Geopolitics

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ABSTRACT

This dissertation examines the expansion of the BRICS alliance, a group of five major emerging economies: Brazil, Russia, India, China, and South Africa. It explores how the BRICS alliance emerged, evolved, and faced challenges over time, and how it has impacted the global economic and geopolitical landscape. It also analyzes the implications of the admission of six new members: Iran, Saudi Arabia, United Arab Emirates, Egypt, Ethiopia, and Argentina, which took place at the 15th BRICS summit in 2023. The dissertation is divided into four main chapters:

Chapter 1 provides the historical context of the BRICS alliance, from its formation and purpose to its evolution and resilience. It traces the key milestones, summits, and shifts in priorities of the BRICS cooperation, and discusses the challenges posed by divergent interests, economic disparities, and geopolitical tensions among the members.

Chapter 2 focuses on the economic aspects of the BRICS alliance, such as trade relations, investment flows, and financial institutions. It investigates the bilateral trade agreements and economic cooperation among the BRICS nations, and examines the role of the New Development Bank and the Contingent Reserve Arrangement in promoting economic stability. It also explores the concept of dedollarization, which refers to reducing reliance on the US dollar in a country's economy, and provides case studies of BRICS countries implementing dedollarization measures.

Chapter 3 compares the economic conditions and development trajectories of the BRICS nations, representing the Global South, with those of the Western industrialized countries, the Global North. It highlights the disparities in income, wealth, infrastructure, and technological advancements between the two groups, and investigates the trade imbalances and their effects. It also analyzes the growth rates and contributions to global GDP of the BRICS economies, and discusses how the rise of the BRICS nations has

shifted the center of economic gravity from the North to the South, and what that means for global economic governance, trade alliances, and investment flows.

Finally, Chapter 4 examines the impact of the admission of six new members to the BRICS alliance, which aims to reshape the global world order and provide a counterweight to the influence of the United States and its allies. It analyzes the impact of the new members on the energy sector, the geo-strategic value of the inclusion of countries from West Asia, and the symbolic boost for Russia's President Vladimir Putin. It also explores India's dilemma as a member of the BRICS alliance, which faces competing interests and pressures from China, the United States, and the new members.

The dissertation concludes that the expansion of the BRICS alliance is a significant development in the global economic and geopolitical landscape, and that it poses both opportunities and challenges for the existing and new members, as well as for the rest of the world.

HISTORICAL CONTEXT OF BRICS

The BRICS alliance, comprising Brazil, Russia, India, China, and South Africa, has emerged as a significant player in global politics and economics. Its journey from an economic concept to a geopolitical force reflects the changing dynamics of the international system. In this essay, we explore the historical context of BRICS, its evolution over time, and the challenges it faces

1. **Origins:** The informal discussions among the foreign ministers of these four nations during the UN General Assembly in 2006 laid the groundwork for what would become the BRICS alliance.

The BRICS alliance consists of five major emerging economies: Brazil, Russia, India, China, and South Africa. The term BRICS was first coined by Jim O'Neill, a Goldman Sachs economist, in 2001 to emphasize the potential of these countries in the global economy. However, the formal cooperation among the BRICS countries began in 2006, when the foreign ministers of Brazil, Russia, India, and China had their first meeting at the United Nations General Assembly in New York.

The initial meeting of the BRIC foreign ministers was an informal chat on various topics of common interest, such as trade, energy, security, and multilateralism. The four countries agreed that they had a crucial role to play in shaping the global agenda and addressing the challenges of the 21st century. They also expressed their readiness to enhance their dialogue and cooperation on the basis of mutual respect, equality, and mutual benefit.

The BRIC foreign ministers agreed to continue their consultations and to hold regular meetings at different levels. They also considered the possibility of holding a summit of the BRIC leaders in the future. The first BRIC summit took place in Yekaterinburg, Russia, in 2009, with the participation of the presidents of Brazil, Russia, India, and China. The summit marked the formal establishment of the BRIC grouping as an intergovernmental organization. The leaders issued a joint statement that outlined their vision and priorities for the BRIC cooperation.

The BRIC summit also attracted the attention of other emerging economies, especially South Africa, which showed its interest in joining the group. In 2010, South Africa was formally invited to become the fifth member of the BRIC, which then became BRICS. The inclusion of South Africa added the African dimension to the BRICS cooperation and expanded its geographical coverage and diversity.

Since then, the BRICS alliance has evolved into a comprehensive and influential platform for dialogue and cooperation among the five countries. The BRICS countries have held annual summits and ministerial meetings, as well as various sectoral and thematic meetings, to coordinate their positions and actions on a wide range of issues, such as finance, trade, development, health, education, science, technology, culture, and people-to-people exchanges. The BRICS countries have also established several institutional mechanisms, such as the New Development Bank, the Contingent Reserve Arrangement, the BRICS Pay, and the BRICS Joint Statistical Publication, to support their cooperation and enhance their collective voice and influence in the global arena.

The BRICS alliance is a remarkable example of how the informal discussions among the foreign ministers of four countries in 2006 laid the groundwork for what would become a powerful and dynamic grouping of five countries in 2010. The BRICS alliance demonstrates the potential and the importance of the emerging economies in shaping the global order and promoting a more just, equitable, and sustainable world.

2. Formalization: The first formal BRICS summit took place in Yekaterinburg, Russia, in 2009. South Africa joined the bloc a year later, transforming it into BRICS.

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3. **Purpose:** Initially focused on investment opportunities, BRICS evolved into a cohesive geopolitical bloc.

Its annual summits now serve as platforms for coordinating multilateral policies. The alliance emphasizes non-interference, equality, and mutual benefit in bilateral relations.

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The BRICS alliance started as a forum for exploring investment opportunities among the four countries. Over time, it developed into a strong geopolitical bloc that aimed to increase its influence and voice in the global arena. The BRICS countries hold annual summits to discuss and coordinate their policies on various issues, such as finance, trade, development, health, education, science, technology, culture, and people-to-people exchanges. The BRICS countries also established several institutional mechanisms, such as the New Development Bank, the Contingent Reserve Arrangement, the BRICS Pay, and the BRICS Joint Statistical Publication, to support their cooperation and enhance their collective voice and influence in the global arena. The BRICS alliance follows the principles of non-interference, equality, and mutual benefit in its bilateral relations. The BRICS countries respect each other's sovereignty, territorial integrity, and political systems. They also seek to promote peace, stability, and development in the world. The BRICS alliance is a remarkable example of how the informal discussions among the foreign ministers of four countries in 2006 laid the groundwork for what would become a powerful and dynamic grouping of five countries in 2010. The BRICS alliance demonstrates the potential and the importance of the emerging economies in shaping the global order and promoting a more just, equitable, and sustainable world.

Trade and Economic Cooperation Among BRICS Nations

The **BRICS alliance**, comprising Brazil, Russia, India, China, and South Africa, has emerged as a formidable force in the global economic landscape. These nations, despite their diverse economic structures and political ideologies, have strategically collaborated to advance economic cooperation, political coordination, and cultural exchange. Here, we explore the key aspects of their trade relations:

1. Trade Volumes and Significance:

The BRICS economies collectively account for a substantial share of global trade. Their combined gross domestic product (GDP), measured at purchasing power parity, constitutes approximately **30% of the world GDP**. In terms of merchandise trade, BRICS nations contribute **17.3%** of the total, while their share in world trade in services stands at **12.7%**. This significant presence underscores their role as major players in international commerce.

2. Tariff Policies and Market Access:

Harmonizing tariff policies and ensuring market access are critical components of the BRICS Strategy. These nations recognize the importance of creating a favorable environment for investors and entrepreneurs across all member states. Efforts are directed toward reducing trade barriers, streamlining regulations, and stimulating innovations. By enhancing market access, BRICS countries aim to facilitate cross-border trade and investment, fostering sustainable economic growth.

3. Areas of Collaboration:

Collaboration across various domains is essential for balanced and inclusive economic development. The BRICS nations focus on several key areas:

Diversification of Trade and Investment Ties: BRICS economies actively seek to diversify their trade partnerships beyond traditional markets. By exploring new avenues and strengthening ties with each other, they aim to reduce dependence on specific regions and enhance resilience in the face of global economic fluctuations.

Technological Advancements and Innovation: The alliance recognizes the pivotal role of technology in driving economic progress. Collaborative efforts include knowledge-sharing, joint research, and capacity-building in areas such as artificial intelligence, renewable energy, and digital infrastructure.

Support for New Industries: BRICS nations encourage the growth of emerging sectors. Initiatives focus on nurturing industries like fintech, e-commerce, and green technologies. By supporting innovation and entrepreneurship, they aim to create sustainable employment opportunities and boost economic dynamism.

Multilateral Relations and Project Finance: BRICS countries actively engage in multilateral forums, advocating for reforms in global governance structures. They also collaborate on infrastructure projects through mechanisms like the New Development Bank (NDB). The NDB provides project finance for sustainable development initiatives, fostering economic connectivity within the alliance and beyond.

1. FDI Trends:

Foreign investment has been crucial in fostering the development of BRICS economies since 2001. From 2001 to 2021, the yearly influx of foreign direct investment (FDI) to the group has increased by over four times, significantly aiding gross fixed capital formation. Nonetheless, it's noteworthy that while FDI inflows to the BRICS were robust during the initial decade, they have plateaued since 2011. This trend contrasts with the global context, where FDI flows experienced negative growth during the same timeframe.

Sectors Attracting Investment:

Several sectors within the BRICS countries have been particularly attractive to foreign investors:

1. **Infrastructure Development:** The BRICS nations have witnessed substantial FDI inflows into infrastructure projects. Investments in transportation, energy, telecommunications, and urban development have been crucial for sustainable growth.
2. **Manufacturing and Services:** Manufacturing industries, including automotive, electronics, and textiles, have drawn significant foreign investment. Additionally, services sectors such as information technology, finance, and healthcare have been key recipients of FDI.
3. **Natural Resources:** Given the abundant natural resources in some BRICS countries (such as Brazil's minerals, Russia's oil and gas, and South Africa's mining), foreign investors have shown interest in these sectors.
4. **Real Estate and Construction:** The real estate market and construction industry have also attracted FDI, driven by urbanization and population growth.

Role of the New Development Bank (NDB) and Contingent Reserve Arrangement (CRA)

New Development Bank (NDB):

The NDB is a multilateral financial institution established by the BRICS countries (Brazil, Russia, India, China, and South Africa)

Its purpose is to fund sustainable projects and infrastructure initiatives within the BRICS nations and smaller developing countries

The NDB complements existing global financial institutions (such as the World Bank and IMF) by focusing on developmental finance.

It offers loans, guarantees, equity participation, and technical assistance for projects that contribute to social and environmental sustainability.

The NDB aims to foster economic cooperation, enhance infrastructure, and promote inclusive growth across member countries.

Contingent Reserve Arrangement (CRA):

The CRA is a financial safety net established by the BRICS nations.

It provides a pool of foreign exchange reserves to address short-term liquidity pressures and stabilize member countries' currencies during crises.

The CRA enhances financial stability and resilience, reducing reliance on external sources during emergencies

The **New Development Bank (NDB)**, established by the BRICS nations, plays a pivotal role in addressing infrastructure and sustainable development challenges. Its objective is to gather resources for infrastructure and sustainable development endeavors in BRICS and other emerging economies as well as developing nations. The New Development Bank (NDB) functions on the premise of fairness, granting each member nation equal voting authority, regardless of their GDP or economic position. This equitable setup marks a departure from conventional multilateral development institutions where voting power is determined by financial contribution.

Dedollarization and BRICS: A Critical Analysis

Dedollarization refers to the reduction of dependence on the US dollar as the primary reserve currency and means of transaction in the worldwide economy. BRICS stands for Brazil, Russia, India, China, and South Africa, representing a coalition of five significant emerging economies with shared political and economic objectives. Dedollarization is a strategic goal and a significant challenge for BRICS countries, as it affects their monetary policies, trade, and financial stability, as well as their geopolitical and geostrategic interests.

One of the main reasons for dedollarization among BRICS countries is to reduce their dependency on the US and its monetary policy, which may not suit their domestic economic conditions and objectives. For instance, the US sanctions on Russia and Iran have prompted them to seek alternative currencies and payment systems to avoid the negative consequences of the dollar's dominance. Another reason for dedollarization is to enhance the sovereignty and autonomy of BRICS countries, as they seek to diversify their foreign exchange reserves and reduce their exposure to the fluctuations and risks of the dollar. Moreover, dedollarization can create more trade and investment opportunities for BRICS countries, as they can use their own or regional currencies to facilitate transactions and lower transaction costs. Furthermore, dedollarization can foster greater cooperation and integration among BRICS countries, as they can establish common platforms and institutions to support their economic development and financial stability.

Dedollarization has significant impacts on the monetary policies, trade, and financial stability of BRICS countries. On the one hand, dedollarization can increase the exchange rate flexibility and the policy space of BRICS countries, as they can adjust their interest rates and exchange rates according to their domestic needs and preferences, rather than following the US Federal Reserve. On the other hand, dedollarization can reduce the currency risks and the transaction costs of BRICS countries, as they can avoid the volatility and uncertainty of the dollar and the exchange rate fluctuations. Additionally, dedollarization can enhance the regional integration and the market size of BRICS countries, as they can increase their trade and investment flows within the bloc and with other emerging and developing economies. Furthermore, dedollarization can improve the resilience and the shock-absorbing capacity of BRICS countries, as they can rely on their own or regional resources and mechanisms to cope with external shocks and crises.

BRICS countries have implemented various measures to promote dedollarization in their economies. For example, China has been actively promoting the internationalization of the renminbi, by expanding its cross-border trade and investment settlements, issuing offshore bonds and loans, developing offshore renminbi centers, and launching the Belt and Road Initiative. Russia has been shifting to non-dollar settlements with its major trading partners, such as China, India, Turkey, and Iran, by using their national currencies or other currencies, such as the euro and the yuan. India has been using bilateral and multilateral swap arrangements, such as the Chiang Mai Initiative and the BRICS Contingent Reserve Arrangement, to access foreign exchange liquidity and to support its currency stability. Brazil has been participating in the BRICS Contingent Reserve Arrangement, which provides a pool of foreign exchange reserves for the BRICS countries to draw upon in

times of balance of payments difficulties. South Africa has been supporting the BRICS New Development Bank, which provides financing for infrastructure and sustainable development projects in the BRICS countries and other developing countries.

Dedollarization poses both challenges and benefits for BRICS countries. On the one hand, dedollarization requires BRICS countries to overcome institutional and infrastructural barriers, such as the lack of legal and regulatory frameworks, the underdevelopment of financial markets and instruments, and the limited convertibility and liquidity of their currencies. On the other hand, dedollarization entails the risk of losing the advantages of the dollar as a global reserve currency, such as its stability, credibility, and network effects, which may affect the confidence and the demand for their currencies. On the positive side, dedollarization offers the opportunity for BRICS countries to challenge the US hegemony and influence, as they can assert their economic and political power and interests in the global arena. On the positive side, dedollarization also has the potential to foster a more balanced and multipolar world order, as it can create more diversity and competition among reserve currencies and enhance the representation and voice of emerging and developing economies in the global governance.

Dedollarization is a strategic goal and a significant challenge for BRICS countries, as it affects their monetary policies, trade, and financial stability, as well as their geopolitical and geostrategic interests. Dedollarization is a complex and dynamic process that involves various actors, factors, and dimensions, and it has both positive and negative implications for BRICS countries and the global economy. Therefore, BRICS countries need to carefully weigh the costs and benefits of dedollarization and adopt a pragmatic and coordinated approach to achieve their objectives.

Global South vs. North: A Critical Analysis

The terms Global South and North are used to categorize countries based on their key socio-economic and political characteristics. According to the United Nations Conference on Trade and Development (UNCTAD), the Global South encompasses regions such as Africa, Latin America and the Caribbean, Asia (excluding Israel, Japan, and South Korea), and Oceania (excluding Australia and New Zealand). Most nations in the Global South are typically recognized for lower standards of living, indicated by factors like reduced incomes, widespread poverty, rapid population growth, inadequate housing, limited educational opportunities, substandard healthcare systems, and other related challenges. Furthermore, these countries often exhibit poor

infrastructure in their urban areas. In contrast, the Global North, as outlined by UNCTAD, comprises Northern America, Europe, Israel, Japan, South Korea, Australia, and New Zealand. This designation encompasses the world's developed nations, while the Global South encompasses developing nations and the least developed countries. This essay will argue that the Global South faces significant economic and political disadvantages in relation to the Global North, as manifested in the disparities in income, wealth, infrastructure, and technological advancements, the trade imbalances and the unfair trade regime, and the limited policy space and representation in the global governance.

The economic disparity between the Global North and South is a significant aspect of their divide. While the Global North holds approximately 25% of the world's population, it commands 80% of the world's wealth and typically exerts considerable political and economic influence over the Global South. Conversely, countries in the Global South are characterized by developing economies heavily reliant on primary sectors, primarily agriculture.

The BRICS nations—Brazil, Russia, India, China, and South Africa—are often regarded as the leading emerging economies within the Global South. However, they have followed distinct growth trajectories and face diverse challenges. China's remarkable economic ascent has driven the BRICS' increasing share of the global economy, yet within the group, there are notable variations in economic performance. Brazil experienced a significant slowdown in growth around 2014 due to early de-industrialization. Russia, once a superpower, has maintained a relatively small global economy since transitioning from communism and heavily relies on oil and gas exports. Although India has achieved impressive growth, its share of global GDP has actually decreased, with its economy now about one-fifth the size of China's. South Africa has grappled with sluggish growth, high unemployment, and social unrest. These countries also lag behind the Western industrialized countries in terms of income, wealth, infrastructure, and technological advancements. For example, the average GDP per capita of the BRICS countries in 2020 was \$9,410, while that of the US was \$63,416 and that of the EU was \$36,538. The BRICS countries also have lower levels of human development, higher levels of income inequality, and lower levels of innovation and digitalization than the Western countries.

The Global South, which comprises most of the developing and emerging economies in Africa, Asia, and Latin America, has been increasing its share of the global gross domestic product (GDP) in recent decades, while the G7, which consists of seven advanced industrialized countries in North America and Europe, has been declining. According to the World Bank, **the Global South's share of the world GDP (based on purchasing power parity) rose from 40.6% in 2000 to 58.9% in 2020, while the G7's share fell from 46.1% to 30.9% in the same period.** This trend reflects the rapid economic growth and development of some of the largest and most populous countries in the Global South, such as China, India, Indonesia, and Brazil, which have become major players in the global economy and trade. The BRICS countries, namely Brazil, Russia, India, China, and South Africa, are often considered as the leading representatives of the Global South, and their combined GDP accounted for 23.6% of the world GDP in 2020, surpassing the US's share of 15.4%³. The G7 countries, on the other hand, have faced various challenges and difficulties in maintaining their economic competitiveness and dynamism, such as the global financial crisis, the COVID-19 pandemic, the aging population, the environmental degradation, and the social unrest. The G7 countries still have higher levels of income, wealth, and human development than the Global South countries, but the gap is narrowing over time. The Global South's rise poses both opportunities and challenges for the G7 countries, as it requires them to adapt to the changing global landscape and to cooperate with the new emerging powers.

Another aspect of the Global South-North divide is the trade imbalance between the two groups of countries. The Global South has historically been a net exporter of raw materials and a net importer of manufactured goods, which has resulted in unfavorable terms of trade and chronic trade deficits. The Global North, on the other hand, has been able to exploit its comparative advantage in producing high-value-added products and services, and to impose protectionist measures and subsidies to shield its domestic industries from foreign competition. The BRICS countries have tried to navigate these trade imbalances and to enhance their economic position by pursuing various strategies, such as diversifying their export markets, promoting regional integration, developing their domestic industries, and increasing their value-added in global value chains. For example, China has been actively promoting the internationalization of the renminbi, by expanding its cross-border trade and investment settlements, issuing offshore bonds and loans, developing offshore renminbi centers, and launching the Belt and Road Initiative. India has been using bilateral and multilateral swap arrangements, such as the Chiang Mai Initiative and the BRICS Contingent Reserve Arrangement, to access foreign exchange liquidity and to support its currency stability. Brazil has been participating in the BRICS

Contingent Reserve Arrangement, which provides a pool of foreign exchange reserves for the BRICS countries to draw upon in times of balance of payments difficulties. South Africa has been supporting the BRICS New Development Bank, which provides financing for infrastructure and sustainable development projects in the BRICS countries and other developing countries. Russia has been shifting to non-dollar settlements with its major trading partners, such as China, India, Turkey, and Iran, by using their national currencies or other currencies, such as the euro and the yuan.

A third aspect of the Global South-North divide is the North-South imbalances in the international trade regime. The World Trade Organization (WTO) stands as the foremost and most influential component of this framework, yet it has faced criticism for perpetuating the interests and dominance of the Global North over the Global South. Established in 1995 as the successor to the General Agreement on Tariffs and Trade (GATT) following the "Uruguay Round" of multilateral trade negotiations, often dubbed the "Great Bargain," the WTO was intended to address various trade-related issues. However, from the perspective of developing countries, the "Great Bargain" essentially granted them access to developed nations' markets in exchange for incorporating services and other miscellaneous trade-related aspects into the WTO's agenda. Despite this agreement, it did little to rectify existing imbalances between the Global North and South within the global trading system and, in some cases, exacerbated them. These imbalances underscore the asymmetrical power dynamics prevalent in global politics and economics, resulting in global economic governance outcomes that can disadvantage developing countries. For example, the WTO's rules on intellectual property rights, agricultural subsidies, and dispute settlement have been accused of favouring the Global North and undermining the development prospects of the Global South

A fourth aspect of the Global South-North divide is the challenges and opportunities for the Global South to achieve more equitable and sustainable development. The Global South faces many obstacles and constraints in pursuing its own development path, such as the lack of financial resources, the debt burden, the environmental degradation, the social unrest, and the external interference. However, the Global South also has some potential advantages and strengths, such as the demographic dividend, the cultural diversity, the natural resources, the social innovation, and the solidarity among its members. The BRICS countries, as the leading representatives of the Global South, have the opportunity to leverage these advantages and strengths to challenge the Global North's hegemony and influence, and to foster a more balanced and multipolar world order. One of the ways to do this is to expand the BRICS and to form alternative alliances and institutions that

can provide more voice and representation for the Global South in the global governance. For example, the BRICS countries have recently invited or considered inviting other mostly non-democratic states – Egypt, Iran, Saudi Arabia, Turkey (and Argentina) – to join the bloc, which could increase its economic and political clout and create a counterweight to the Western-led liberal order. However, this strategy also entails some risks and challenges, such as the loss of coherence and identity, the divergence of interests and values, the clash of ambitions and egos, and the backlash from the Global North.

The Global South faces significant economic and political disadvantages in relation to the Global North, as manifested in the disparities in income, wealth, infrastructure, and technological advancements, the trade imbalances and the unfair trade regime, and the limited policy space and representation in the global governance. The BRICS countries, as the leading emerging economies of the Global South, have tried to overcome these disadvantages and to enhance their economic position by pursuing various strategies, such as diversifying their export markets, promoting regional integration, developing their domestic industries, and increasing their value-added in global value chains. However, these strategies are not sufficient to achieve more equitable and sustainable development. The BRICS countries, as the leading representatives of the Global South, have the opportunity to leverage these advantages and strengths to challenge the Global North's hegemony and influence, and to foster a more balanced and multipolar world order. However, this strategy also entails some risks and challenges, such as the loss of coherence and identity, the divergence of interests and values, the clash of ambitions and egos, and the backlash from the Global North.

The New Entrants

The recent expansion of BRICS adds five new full members: Argentina, Egypt, Iran, Saudi Arabia, and the UAE. Additionally, Ethiopia has become the only low-income country to join this influential group. These new entrants bring diverse perspectives, economic strengths, and geopolitical interests to the table.

1. Argentina:

Economic Revival: Argentina has faced economic challenges, including high inflation rates and debt. By joining BRICS, it hopes to attract foreign investment, expand trade ties, and access new markets. Membership provides an opportunity for economic revival and stability.

2. Egypt:

Global Influence: Egypt seeks to enhance its global influence and diversify its partnerships. As a strategic player in the Middle East and North Africa, it aims to assert its interests on the international stage. BRICS membership provides a platform for collaboration and development.

3. Iran:

Economic Resilience: Iran faces international sanctions due to its nuclear program. By joining BRICS, it can strengthen its economic resilience and bypass restrictions. President Hassan Rouhani views it as an opportunity to engage with like-minded nations and mitigate the impact of sanctions.

4. Saudi Arabia and the UAE:

Diversification: Both Saudi Arabia and the UAE are energy-heavyweights heavily reliant on oil exports. They aim to diversify their economies and reduce dependence on oil revenues. BRICS offers an alternative to Western-dominated forums, allowing them to explore new economic avenues.

Geopolitical Influence: These Gulf nations seek a stronger voice in global affairs. BRICS membership allows them to align with other emerging powers and assert their geopolitical interests. It also provides a counterbalance to Western dominance.

5. Ethiopia:

Representation: Ethiopia's inclusion is significant as the only low-income country in BRICS. It brings a fresh perspective and highlights the group's commitment to representing diverse economies. Ethiopia aims to leverage BRICS for development assistance, trade, and investment.

The BRICS Expansion: Pitting Against the West and Adding Value

The recent expansion of the BRICS (Brazil, Russia, India, China, South Africa) grouping by inviting six new countries—Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates (UAE)—has significant implications for global geopolitics and economics. In this dissertation, we explore the motivations behind these countries' decision to join BRICS, the challenges they face, and how their inclusion can enhance the existing BRICS formation.

Unequal Voting Power:

The BRICS nations are deeply concerned about the glaringly imbalanced distribution of voting power within the realm of predominantly Western-controlled international institutions, notably the International Monetary Fund (IMF) and the World Bank. Historically, these institutions have exhibited a pronounced bias towards

Western powers, resulting in emerging economies being relegated to the sidelines with limited influence and decision-making capabilities. By banding together under the BRICS banner, these new member states endeavor to challenge and dismantle this inequitable status quo, advocating instead for a more inclusive and representative global governance framework that takes into account the diverse perspectives and interests of all participating nations.

Strategic Autonomy:

An overarching principle for BRICS members is the unwavering commitment to asserting their strategic autonomy on the global stage. In stark contrast to aligning themselves with any particular superpower or bloc, BRICS nations emphasize their resolve to make independent decisions and formulate policies that best serve their national interests and aspirations. This resolute stance in favor of autonomy often places them in direct opposition to Western-led organizations, which frequently seek to impose conditions or agendas that may run counter to the objectives of BRICS member states. Through steadfast adherence to the principle of strategic autonomy, BRICS nations strive to uphold their sovereignty and safeguard their ability to chart their own course in the complex landscape of global affairs.

Multipolar World Order:

Central to the collective vision of BRICS countries is the promotion of a multipolar world order. This vision envisages a global landscape characterized by a balanced distribution of power and influence among multiple major players, thereby challenging the prevailing paradigm of a unipolar world dominated by a single superpower. By advocating for a multipolar framework, BRICS nations seek to foster greater diversity, inclusivity, and pluralism in global governance structures, fostering an environment conducive to fostering cooperation, dialogue, and mutual respect among nations of varying sizes, capabilities, and aspirations.

Voice and Respect:

BRICS member nations are united in their demand for the recognition of their voices and the respect of their interests in international affairs. Having long been marginalized and sidelined within Western-centric institutions, BRICS countries are steadfast in their pursuit of a more equitable and inclusive global governance system that accommodates the perspectives and concerns of emerging economies. By amplifying their collective voice and asserting their rightful place on the global stage, BRICS nations aim to challenge the entrenched dominance of Western powers and pave the way for a more balanced and representative international order that upholds the principles of equality, fairness, and mutual respect.

Adding Value to BRICS:

Economic Clout:

The inclusion of new members has significantly bolstered the economic clout of the BRICS coalition. Collectively, BRICS countries command a substantial share of the world's oil production, wielding considerable influence in global energy markets and exerting significant sway over energy policies and pricing mechanisms. This economic prowess not only enhances the bargaining power and negotiating leverage of the BRICS bloc but also underscores its relevance and importance as a key player in shaping the trajectory of the global economy. As such, the enlarged BRICS formation is well-positioned to play a pivotal role in driving sustainable economic growth, promoting trade and investment, and fostering greater cooperation and solidarity among its member states and beyond.

Geo-strategic Importance

The new BRICS members bring considerable geo-strategic value. Countries from West Asia (Saudi Arabia, UAE, and Iran) are already closely tied to BRICS members. For instance, 35% of Saudi oil production goes to China and India. Russia, a major oil supplier to China and India, is now looking at Brazil as a market. This interconnectedness strengthens BRICS' position in global affairs.

Representing Diverse Interests

The inclusion of Argentina, Egypt, Ethiopia, and Iran diversifies BRICS' perspectives. These countries represent different regions, cultures, and economic realities. Their participation ensures that BRICS discussions consider a broader range of issues, making the bloc more representative and inclusive.

Symbolic Boost: BRICS Expansion and Putin's Strategic Maneuver

Introduction

The recent expansion of the BRICS (Brazil, Russia, India, China, South Africa) grouping to include six new members—Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates (UAE)—has far-reaching implications. Among these, a symbolic boost for Russia's President Vladimir Putin stands out prominently. This topic delves into the significance of this expansion in the context of the ongoing Ukraine conflict and its impact on Putin's geopolitical maneuvering.

The Ukraine War and International Pressure

President Putin faces immense international pressure due to Russia's actions in Ukraine. The annexation of Crimea in 2014 and the ongoing conflict in eastern Ukraine have strained Russia's relations with Western nations. Sanctions, diplomatic isolation, and accusations of aggression have become commonplace. In this context, the BRICS expansion serves as a strategic move for Putin to bolster his position.

Symbolic Significance

1. Legitimacy and Recognition: The inclusion of new members provides symbolic legitimacy to BRICS as a counterbalance to Western-dominated institutions. For Putin, this signals recognition of Russia's role as a global player despite tensions with the West. It allows Putin to present BRICS as an alternative forum where Russia's voice is heard, countering the narrative of isolation.

2. Diversification of Allies: By welcoming new members, BRICS diversifies its composition. Russia gains allies beyond its traditional sphere of influence. Countries like Iran and Saudi Arabia, with their own geopolitical interests, align with Russia in this expanded bloc. This diversification strengthens Putin's hand in negotiations and enhances Russia's strategic depth.

3. Economic Cooperation: BRICS represents a significant share of the world's population and economy. The inclusion of new members expands economic cooperation. For Putin, this translates into potential trade partnerships, investment opportunities, and joint development projects. Economic ties within BRICS can mitigate the impact of Western sanctions and provide Russia with alternative markets.

4. Geopolitical Posturing: Putin's strategic maneuvering is evident. BRICS expansion challenges the Western narrative that isolates Russia. It positions Russia as part of a multipolar world order, where emerging powers assert their interests. The symbolism of BRICS as a united front counters Western attempts to isolate Russia diplomatically.

Challenges and Opportunities

Challenges: Unity Within BRICS: Ensuring cohesion among diverse members remains a challenge. Disparate interests and historical rivalries may strain the bloc's effectiveness. **Economic Disparities:** Bridging economic disparities between new and existing members requires careful navigation.

Opportunities: Collective Bargaining Power: BRICS can negotiate collectively on global issues, amplifying Russia's influence. **Infrastructure and Investment:** Joint infrastructure projects and investment initiatives benefit all members, including Russia. The BRICS expansion symbolically boosts Putin's standing amid

international pressure. It provides a platform for Russia to assert its interests, diversify allies, and navigate the complexities of a changing world order. As BRICS evolves, its impact on global affairs will be closely watched, and Putin's strategic calculations will continue to shape its trajectory.

India's dilemma within the context of the BRICS expansion:

India's longstanding policy of non-alignment faces challenges as the BRICS grouping expands. The effort to include six new members—Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates (UAE)—could potentially turn BRICS into a club aligned against the West, challenging U.S. hegemony. India's delicate balancing act involves participating actively in BRICS while maintaining its presence in the Western-dominated QUAD (Quadrilateral Security Dialogue) and G-7 (Group of Seven). These alternative structures provide India with strategic options beyond the BRICS framework. In summary, BRICS' expansion reflects a concerted effort to enhance its global standing, but its impact on the world stage remains to be seen. As the group grows, it must navigate diverse interests and maintain its strategic independence.

Conclusion

In conclusion, this dissertation has undertaken a thorough examination of the expansion of the BRICS alliance, delving into its historical context, economic intricacies, comparison between the Global South and North, and the implications of integrating new members. Through this comprehensive analysis, it becomes apparent that the BRICS alliance represents a pivotal development in the global economic and geopolitical landscape, with profound implications for member nations and the broader international community.

The historical context of BRICS elucidated its evolution from informal dialogues among key emerging economies to a formalized alliance focused on fostering economic cooperation, political coordination, and cultural exchange. This evolution underscores the collective determination of member nations to assert their influence and reshape the global agenda, challenging the traditional power dynamics dominated by the Global North.

Furthermore, the exploration of trade and economic cooperation among BRICS nations revealed their strategic collaboration aimed at enhancing market access, diversifying trade partnerships, and promoting sustainable growth. Initiatives such as the New Development Bank and the Contingent Reserve Arrangement have played instrumental roles in facilitating infrastructure development, providing project finance, and bolstering financial stability within the alliance and beyond.

A critical analysis of the Global South versus North divide underscored the significant economic and political disparities between these regions, characterized by discrepancies in income, wealth, infrastructure, and technological advancements. While the Global South contends with challenges such as trade imbalances, unfair trade regimes, and limited representation in global governance, the BRICS countries have emerged as prominent representatives striving to mitigate these disadvantages through strategic collaboration and engagement.

The recent expansion of BRICS to incorporate new entrants such as Argentina, Egypt, Iran, Saudi Arabia, the UAE, and Ethiopia has further diversified the alliance, underscoring its growing influence on the global stage. Each new member brings unique perspectives, economic strengths, and geopolitical interests, contributing to the alliance's collective ambition to challenge the hegemony of the Global North and foster a more balanced and multipolar world order.

However, this expansion also presents inherent risks and challenges, including the potential loss of coherence, divergence of interests, and backlash from the Global North. It necessitates careful navigation and strategic coordination among member nations to harness the full potential of the alliance while mitigating potential conflicts and tensions.

In conclusion, the expansion of BRICS to include new members has ushered in a new era marked by augmented economic clout, heightened geo-strategic importance, and broader representation of diverse interests within the coalition. This enlargement has not only bolstered the collective economic strength of BRICS but has also positioned the group as a significant player in shaping the trajectory of the global economy.

The inclusion of new members, particularly from West Asia, has substantially strengthened BRICS' influence in global affairs. Countries such as Saudi Arabia, the United Arab Emirates, and Iran, which are already closely tied to existing BRICS members through trade and energy relations, further reinforce the coalition's geo-strategic significance. For example, a considerable portion of Saudi oil production is directed towards China and India, while Russia, a major energy supplier to both countries, now sees Brazil as a potential market. This interconnectedness not only enhances BRICS' collective bargaining power but also amplifies its voice in shaping energy policies and pricing mechanisms on the global stage.

The symbolic significance of BRICS' expansion, particularly in the context of President Putin's strategic maneuvering amid international pressure, cannot be overstated. The inclusion of new members provides symbolic legitimacy to BRICS as a counterbalance to Western-dominated institutions, thereby granting recognition to Russia's role as a global player despite tensions with the West. By diversifying its allies beyond its traditional sphere of influence, Russia gains strategic depth and strengthens its hand in negotiations on the global stage. Furthermore, the expansion opens up new avenues for economic cooperation and investment opportunities, offering Russia alternative markets in the face of Western sanctions.

However, challenges persist, including the need to ensure cohesion among diverse members and bridge economic disparities within the coalition. Maintaining unity within BRICS while accommodating disparate interests and historical rivalries remains a formidable task. Additionally, India's dilemma in balancing its participation in BRICS with its engagement in Western-dominated forums such as the QUAD and G-7 underscores the complexities of navigating geopolitical dynamics in a multipolar world.

While the expansion of BRICS reflects a concerted effort to enhance its global standing and influence, its impact on the world stage will depend on its ability to navigate these challenges while maintaining its strategic independence and relevance. As BRICS continues to evolve, its trajectory will be closely watched, and its role in shaping the global economic and political landscape will undoubtedly be pivotal.

In essence, the expansion of the BRICS alliance signifies a paradigm shift in global economic and geopolitical dynamics, offering both opportunities and challenges for existing and new members alike. By leveraging their collective strengths, the BRICS countries can work towards achieving more equitable and sustainable development while advocating for greater representation and voice for the Global South in global governance structures.

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