

Policy Insights

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BRICS Expansion: Redefining Global Structural Power in a Changing World Order

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Executive summary

The 15th BRICS Summit in 2023, which added Egypt, Ethiopia, Iran and the UAE as members from 1 January 2024, marked a pivotal moment in the bloc's evolution, signalling its desire to enhance its global influence. The subsequent 2024 Summit took a more measured approach, introducing a 'partner countries' category to balance expansion with internal cohesion. This policy insights explores how BRICS' recent expansion activities reflect broader shifts in global power dynamics and the increasingly important role played by the global South in reshaping international norms – not merely as a counterweight to Western-led institutions but as a catalyst for a more inclusive world order. The analysis focuses on BRICS' influence across four pillars of structural power – production, finance, knowledge and security – highlighting its contribution to a more pluralistic global governance landscape. The paper also examines the challenges of managing a larger and more diverse BRICS membership, particularly the risks and benefits associated with maintaining cohesion and consensus-driven decision-making.

Introduction

The 15th BRICS Summit, held in August 2023 and hosted by South Africa, represented a significant milestone for the group as new members were announced, signalling BRICS' ambition to expand its global influence and reshape international cooperation. South Africa's President Cyril Ramaphosa noted, 'We have consensus on the first phase of this expansion process,'¹ ushering in a new, transformative period in BRICS' history.

In contrast, the October 2024 BRICS Summit in Kazan, Russia, focused on practical adjustments. Rather than expanding further, the group expressed its intention to consolidate gains, introducing the 'partner countries' category to manage new integrations while maintaining group cohesion. This approach allows BRICS to grow without fragmenting its decision-making, keeping the bloc united while extending its reach.

The original BRICS – Brazil, Russia, India, China and South Africa – has often been viewed as a potential challenger to the global order. With the addition of Egypt, Ethiopia, Iran and the United Arab Emirates (UAE), BRICS continues to diversify its representation.² Ethiopia's Prime Minister Abiy Ahmed emphasised that Ethiopia's membership would further 'realise South–South cooperation', enriching the bloc with new perspectives.³

1 Department of International Relations and Cooperation (DIRCO), 'BRICS Chair President Cyril Ramaphosa's Media Briefing Remarks Announcing the Outcomes of the XV BRICS Summit', August 24, 2023, <https://brics2023.gov.za/2023/08/24/brics-chair-president-cyril-ramaphosas-media-briefing-remarks-announcing-the-outcomes-of-the-xv-brics-summit/>.

2 At the time of writing this policy insights, there was uncertainty regarding Saudi Arabia's acceptance of the invitation to join the group, and both Argentina and Indonesia had already declined the invitation in 2023.

3 'Ethiopia's Membership in BRICS Would Contribute Significantly to Realizing South-South Cooperation: PM Abiy', *ENA* (Addis Ababa), August 24, 2024, https://www.ena.et/web/eng/w/eng_3244934.

India's Prime Minister Narendra Modi supported the 2023 expansion, noting that new members would 'provide new impetus to our collective endeavours' and strengthen BRICS' role in a shifting world order.⁴ The expansion is not just about adding members or countering other forums; it is about incorporating diverse perspectives to better address global challenges.

While some Western critics see BRICS as a disruptor, this oversimplifies its role. BRICS opposes imperialism and seeks to balance global power distribution without creating a rival system. The challenge lies in managing its growing diversity while upholding its principle of a fairer global order.

The expansion also tests BRICS' consensus-based decision-making, raising questions about whether the group's ability to 'agree to disagree' can endure. New alliances, such as a potential 'A3' coalition among African members, could emerge as the group evolves. Navigating differing regional interests will be crucial for maintaining cohesion as the original five (B5) members adapt to new dynamics.

The 2024 Summit's 'partner countries' category, distinct from the BRICS+ outreach of 2017,⁵ offers a way to engage without full membership, balancing the desire for expansion with the need for unity. This approach addresses the risk of internal divisions over rapid integration, offering a more gradual path forward.

BRICS expansion fits into broader global shifts, as theorised by Susan Strange's four pillars of structural power: production, finance, knowledge and security

This policy insights examines how BRICS expansion fits into broader global shifts, as theorised by Susan Strange's four pillars of structural power: production, finance, knowledge and security.⁶ Traditionally dominated by Western powers, particularly the US, these pillars are now experiencing a gradual but significant temporal shift.

4 Ministry of External Affairs, Government of India, 'Prime Minister's Statement on BRICS Expansion', August 24, 2023, <https://www.mea.gov.in/Speeches-Statements.htm?dtl/37031/English+translation+of+Prime+Ministers+Statement+on+BRICS+Expansion>.

5 The category of 'partner country' status is defined as countries that are considered to have regional influence, shared views on reform of the international system and the potential to cooperate on projects related to, inter alia, trade, investment, scientific collaboration, innovative technologies and social development affairs. It seems that the idea behind the 'partner country' model is to have an induction period in which states are allowed to familiarise themselves with BRICS dynamics. The distinction between BRICS+ and the partner country category is that BRICS+ is seen as a broad term relating to the expansion of the network of alliances.

6 Susan Strange, 'The Persistent Myth of Lost Hegemony', *International Organisation* 41, no. 4 (1987): 551-574, <http://www.jstor.org/stable/2706758>.

BRICS countries are increasingly asserting themselves across these domains. China and India, for instance, have emerged as major manufacturing and innovation hubs, reshaping global production and value chains. The New Development Bank (NDB), established by BRICS in 2015, offers an alternative to Western-led financial institutions, though it remains much smaller than its counterparts. BRICS nations are also contributing significantly to global research and technology, widening the geography of knowledge production. In terms of security, BRICS countries are playing more active roles in regional and international affairs, influencing both conflict and peace efforts.

BRICS countries are increasingly asserting themselves across these domains

This analysis explores whether BRICS expansion signals a deeper shift in global cooperation, and its potential role in reshaping power dynamics. It considers whether expansion enhances cooperation or introduces challenges to the group's cohesion, offering insights for policymakers, scholars, and others interested in global governance and the evolving world order.

Origin and evolution of BRIC(S)

The origin of BRICS can be traced back to the early 2000s, which were marked by rapid economic growth in emerging economies and increasing calls for reform in global governance structures. The term 'BRIC' was initially coined in 2001 by Jim O'Neill, then chairman of Goldman Sachs Asset Management, in a paper titled 'Building Better Global Economic BRICs'.⁷ O'Neill identified Brazil, Russia, India and China as emerging economies with the potential to significantly impact the global economic landscape in the coming decades.

What began as an economic forecast evolved into a geopolitical reality, reflecting the rise of informal practices in global affairs. The first BRIC summit, held in Yekaterinburg, Russia, in 2009 during the global financial crisis marked a crucial moment in this shift. It underscored the growing influence of emerging economies in reshaping the international economic order and the expanding role of flexible, informal groupings in governance.

⁷ Jim O'Neill, 'Building Better Global Economic BRICs' (Global Economics Paper 66, Goldman Sachs, November 30, 2001), <https://www.goldmansachs.com/pdfs/insights/archive/archive-pdfs/build-better-brics.pdf>.

What began as an economic forecast evolved into a geopolitical reality

The summit's timing was deliberate, paralleling other informal groupings formed in response to crises. Just as the G20 was elevated to a heads-of-state summit to coordinate the 2007–2008 crisis response and the G7 emerged after the 1973 oil crisis, BRICS cooperation responded to the evolving global economic landscape, reflecting a broader shift towards adaptable governance mechanisms.

The group reflects the rise of informal operational practices in global affairs. Its evolution shows how emerging powers use flexible, non-traditional platforms to amplify their influence, navigating the complexities of a multipolar world while balancing cooperation and individual interests and challenging established governance norms.

The BRIC concept should be seen in the context of Brazil, China and India's long-standing efforts to reshape the global order. This intent was evident during the Cold War, as they supported initiatives like the 1955 Bandung Conference, which launched the Non-Aligned Movement, the New International Economic Order of the 1970s and the 1978 Buenos Aires Plan of Action, which promoted cooperation among developing countries.

This narrative centres on fairness and equitable representation in global governance. BRICS countries have consistently called for the rebalancing of power in international institutions, particularly the IMF and World Bank. While they also advocate for reforms in bodies like the UN Security Council (UNSC) and the World Trade Organization (WTO), reaching consensus on these issues has been difficult, often resulting in diluted statements, especially regarding UNSC reform.

Although these efforts may seem to challenge Western dominance, they more accurately reflect BRICS' vision of a more inclusive international order.⁸ Viewed in this context, the BRICS agenda represents a constructive effort to create a more representative and balanced global inter-state system.

Structures like BRICS, the G20 and the G7, also known as 'G-Plus' groups, operate on the principle that global challenges require collaborative solutions from diverse actors.⁹ Unlike the rigid structure of post-1945 multilateral organisations like the UN, G-Plus structures provide flexible and often informal platforms for countries with different economic models and political systems to find common ground on pressing global issues. While they may sometimes challenge aspects of the established international order, their

8 Andrew F Cooper, *The BRICS: A Very Short Introduction* (Oxford University Press, 2016), 21.

9 Amitav Acharya, Antoni Esteveordal and Louis W Goodman, 'Reshaping Global Order in the 21st Century: G-Plus Leadership in a Multiplex World', *China & World Economy* 27, no. 5 (September 2019): 63–78.

primary function is to facilitate dialogue and cooperation, complementing action in an increasingly fragmented global landscape.

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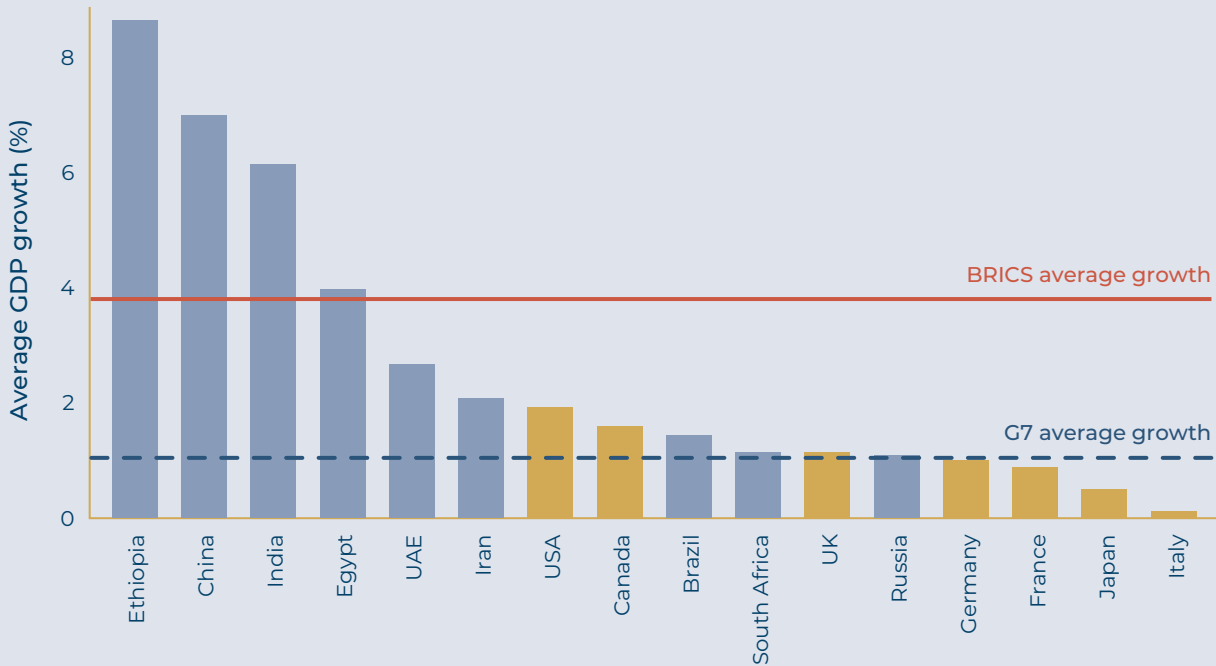
The 2009 Summit marked the formal establishment of BRIC as a more cohesive group. The four nations' leaders met to discuss issues of global importance and coordinate their positions on various matters. In 2010, South Africa was invited to join the group, transforming BRIC into BRICS. This addition significantly expanded the group's geographical representation and reinforced its commitment to fostering cooperation among emerging economies across continents.

The transformation of BRICS from an economic acronym into a geopolitical entity reflects broader global power shifts. Throughout the 2010s, BRICS countries consistently outpaced developed economies in GDP growth. Between 2009 and 2023, Ethiopia, China and India saw some of the highest average growth rates in the world, with Ethiopia exceeding 8% and China and India exceeding 6%, while G7 economies, like Japan and Italy, experienced near-zero or negative growth rates.

This growth disparity significantly boosted BRICS' aggregate GDP, surpassing the G7 in about 2015. By 2023, BRICS' GDP in purchasing power parity (PPP) terms had reached about \$60 trillion, while G7 economies, though growing, did so at a much slower pace, underscoring the dynamic growth of BRICS compared to G7 stagnation.

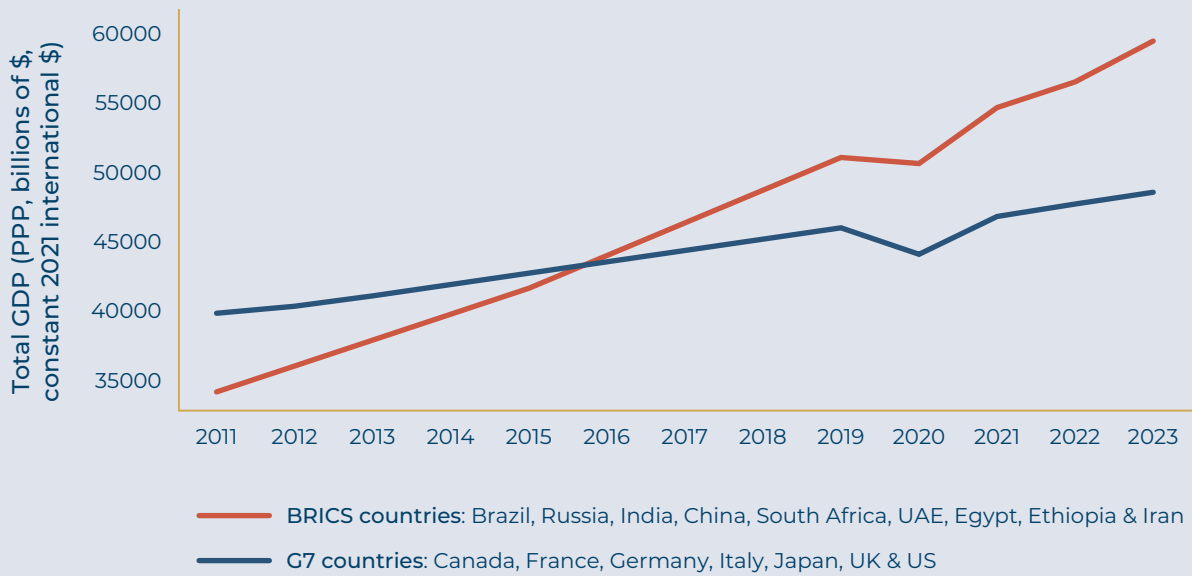
This economic rise has boosted BRICS' political influence, prompting member countries to demand a more significant role in global governance. Their growing economic power positions BRICS as a counterbalance to the traditionally dominant G7, reflecting broader shifts in global power. Figures 1 and 2 illustrate these changes by comparing the average GDP growth rates and aggregate GDP sizes of BRICS and the G7 from 2009 to 2023.

Figure 1 Average GDP growth rates of BRICS members vs G7 members, 2009–2023



Source: World Bank, 'GDP Growth (Annual %).' World Bank Data, <http://data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG>

Figure 2 Aggregate GDP size of BRICS vs G7, 2009–2023



Source: World Bank, 'GDP, PPP (constant 2021 international \$).' World Bank Data, <http://data.worldbank.org/indicator/NY.GDP.MKTP.PP.KD>

TABLE 1 CRITICAL MILESTONES IN BRICS' DEVELOPMENT

2009	BRIC was formed, with its first summit held in Russia.
2010	South Africa officially joined BRIC(S), and the BRICS Inter-Bank Cooperation Mechanism was launched to promote financial cooperation and support among member countries.
2014	The NDB was established to fund infrastructure projects, and the Contingent Reserve Arrangement (CRA) was launched as a financial safety net for member countries.
2017	The BRICS+ concept was introduced, with the aim of expanding cooperation with other emerging markets and developing countries.
2018	BRICS Pay was initiated to develop a joint payment platform to streamline transactions across the bloc.
2021	The NDB began expanding in 2021, allowing Bangladesh, the UAE and Uruguay to join. In 2023, Egypt was also added as an NDB member.
2023	BRICS agreed to boost the use of local currencies in trade and tasked its members with providing options for its payment system to enhance financial cooperation.
2024	Egypt, Ethiopia, Iran and the UAE joined BRICS, expanding the bloc's influence and membership.

Source: Authors' compilation

BRICS and the current global order

The expansion of BRICS to include Egypt, Ethiopia, Iran and the UAE marks a pivotal moment in the group's evolution, reflecting broader shifts in the world order. As Brazilian President Lula noted, BRICS offers 'a source of creative solutions to the challenges we face', with the increasing interest from other countries to join the group underscoring its growing significance.¹⁰ Now, in PPP terms, BRICS' GDP has risen to 36% of global GDP, representing 46% of the world's population.¹¹

This expansion underscores BRICS' importance in the changing international landscape and reinforces its commitment to a fairer world order, peace, multilateralism and upholding international law. To grasp these dynamics, it is essential to consider the shifting power balance in a more polarised world, BRICS' role in global governance and economics, and the challenges and opportunities associated with the group's expansion.

The global system is moving from post-Cold War, Western unipolarity to a more complex, multipolar arrangement. Emerging powers, especially from the global South, are increasingly influencing global norms and institutions. BRICS countries express varying

10 Presidência da República do Brasil, 'Speech by President of the Republic, Luiz Inácio Lula Da Silva, during the BRICS Leaders Press Conference, in Johannesburg, South Africa', August 24, 2023, <https://www.gov.br/planalto/en/follow-the-government/speeches-statements/2023/speech-by-president-of-the-republic-luiz-inacio-lula-da-silva-during-the-brics-leaders-press-conference-in-johannesburg-south-africa>.

11 Presidência da República do Brasil, 'Speech by President of the Republic, Luiz Inácio Lula Da Silva'.

degrees of dissatisfaction with aspects of this order, particularly economic governance and security.

Institutions like the NDB and the Asian Infrastructure Investment Bank (AIIB) aim to complement existing global financial structures. This reflects the desire for better representation in international finance and a more inclusive economic system. China's rise as the world's second-largest economy and India's rapid growth rate challenge the economic dominance of Western powers, while BRICS countries push for a stronger voice in global governance.

Amitav Acharya's concept of a 'multiplex world order' provides a valuable framework for understanding these changes and BRICS' position within them.¹² In this multiplex world, power and influence are not distributed across dichotomous views of polarity. Instead, various actors and dimensions are represented, creating a web of interactions beyond traditional state-centric international relations models. The expanded BRICS exemplifies the world's multiplex character, bringing together diverse countries that have overlapping networks of cooperation and competition.

BRICS' composition – of emerging economies and established powers like Russia – reflects the evolving nature of contemporary global power dynamics, often serving as a bridge for global South and other established powers

It is essential to understand that BRICS represents a diverse coalition with varying interests rather than a unified bloc. Moreover, while the group includes significant global South actors, it should not be seen as encompassing or representing the entire global South. BRICS' composition – of emerging economies and established powers like Russia – reflects the evolving nature of contemporary global power dynamics, often serving as a bridge for global South and other established powers.

Within this configuration, each member country has strategic interests and relationships with other global powers. This diversity of approaches adds complexity to consensus-building within BRICS, as each member must accommodate its unique geopolitical considerations while striving for collective influence in the global order.

In the B5, while Russia and China often align in their opposition to Western dominance, India maintains strong ties with Western democracies. This positioning is further influenced by India's ongoing rivalry with China, which is particularly evident in border

¹² Amitav Acharya, 'In Defence of the Multiplex World', *Japanese Journal of Political Science* 16, no. 3 (September 2015): 456–58.

disputes and competing regional ambitions in South Asia. India's strategic autonomy allows it to navigate partnerships with Western nations, such as the US, while actively participating in BRICS alongside countries like China, with which it shares a competitive relationship.

Brazil and South Africa have adopted active non-alignment roles to avoid formal alliances with major power blocs; instead, they pursue flexibility and pragmatic engagement that afford them autonomy. Brazil maintains productive relationships with Western countries and emerging powers, balancing its national interests in a multipolar world. Similarly, South Africa leverages its position as a bridge between the global North and South. It uses its role in BRICS to advance African interests while engaging with Western powers on trade, climate change and development issues.

Structural power and BRICS' global influence

The concept of a multiplex world order provides a crucial context for understanding the evolving role of BRICS in the global system. Within this framework, Strange's concept of structural power, encompassing the four pillars of security, production, finance and knowledge, offers a robust analytical tool for examining how BRICS is not only reshaping global power dynamics but also responding to changing structural conditions.¹³ This approach is particularly valuable in the light of BRICS' 2023 expansion, as it allows us to assess how the group responds and contributes to the multilayered nature of a multiplex world order.

Strange's framework moves beyond traditional notions of relational power to consider the broader structures that shape the global political economy. In the context of BRICS expansion and decision-making, this perspective illuminates how the group is not merely seeking to gain power within existing structures but is actively working to reshape them.

While representing a significant counterweight to traditional Western-led institutions, BRICS is not a monolithic bloc. Each member country brings its strategic interests and relationships, exemplifying the multiplex nature of contemporary international relations. Through Strange's structural power framework, we can examine how the expanded BRICS leverages its collective influence across the four key pillars to shape the evolving multiplex world order, moving beyond simplistic narratives of rivalry to understand its role in the transformative period of global power dynamics.

¹³ Strange, 'Persistent Myth of Lost Hegemony', 565.

Security

Security power goes beyond military strength; it involves the ability to provide or withhold protection against violence. Including Egypt, Ethiopia, Iran and the UAE broadens BRICS' influence in critical geopolitical regions, particularly in the Middle East and the Horn of Africa. Though security has not been a primary focus, this expansion may lead to more coordinated stances on global security issues, challenging Western dominance in this area. BRICS' decision-making typically seeks common ground on security principles, even when members' interests differ. This reflects Strange's view that security power shapes the environment in which others operate rather than relying on direct coercion.

Production

Production power can be understood by determining what is produced, by whom and under what conditions. China and India, as key BRICS members, have become significant manufacturing centres, reshaping global supply chains. With BRICS expanding to include more global South countries, this network could grow, creating new opportunities for South–South economic cooperation. BRICS' focus on production often centres on boosting trade and investment among its members and building alternative supply chains that reduce reliance on Western economies.

Finance

Strange considered finance to be the most important pillar of structural power in the modern era. BRICS' launch of the NDB and the CRA offers an alternative to the Western-dominated financial system. The group's expansion could speed up efforts to reduce reliance on the US dollar in international trade, especially within BRICS. Control over credit creation is also key to financial power, so BRICS focuses on developing alternative financial tools and encouraging the use of local currencies in trade among its members.

Knowledge

Knowledge power includes technological innovation, shaping ideologies, and controlling access to information. BRICS countries, especially China and India, have made major technological strides. China leads in artificial intelligence and 5G, while India's IT sector and several BRICS members' space technology developments challenge the traditional Western dominance in research and innovation. Additionally, BRICS often offers alternative views on global issues, challenging Western narratives. The group's decision-making increasingly involves coordinating positions on topics like climate change and internet governance, providing perspectives that differ from Western norms.

This diversity enhances BRICS' potential to influence global structures across all four pillars. As Strange argued, structural power shapes the frameworks within which states, political institutions, economic enterprises and scientists operate.¹⁴ By expanding its membership and scope, BRICS is positioning itself to do just that, potentially contributing to the evolution of a genuinely multiplex global order.

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Global governance reform and BRICS' agenda

BRICS' role in global governance has been evolving. The group has become an essential platform for coordination on global issues, from climate change to UN reform. BRICS countries have consistently called for reforms in international institutions to reflect the changing global power dynamics.

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In forums such as the G20, BRICS countries have played an increasingly prominent role, often presenting a counterbalance to G7 positions. This has led to more diverse perspectives in global economic discussions and decision-making processes. As President Lula noted, 'The interest of several countries in joining the group is recognition of its increasing relevance', highlighting the growing influence of BRICS in advocating for more voices in the global order.¹⁵

The expanded BRICS presents a more forceful voice calling for reform in global governance structures. The group has consistently advocated for changes in institutions like the International Monetary Fund and the World Bank to reflect the changing global

¹⁴ Strange, 'Persistent Myth of Lost Hegemony', 553.

¹⁵ Presidência da República do Brasil, 'Speech by President of the Republic, Luiz Inácio Lula Da Silva'.

power dynamics. For many BRICS leaders, there is a need for an international financial system that helps 'low- and middle-income countries to implement structural changes' by ensuring adequate representation in Bretton Woods institutions.¹⁶

BRICS' consensus-based approach often narrows its capacity to make bold decisions, forcing the group to navigate disagreements pragmatically

However, BRICS' consensus-based approach often narrows its capacity to make bold decisions, forcing the group to navigate disagreements pragmatically. This process usually results in compromises that reflect minimal common denominators rather than ambitious commitments, especially on contentious issues such as UNSC reform. The group's need to balance calls for inclusivity with the varied national interests of its members highlights its pragmatism, making genuine consensus challenging to achieve. This duality raises questions about whether BRICS can continue to promote equity while advancing these pragmatic interests or whether deeper reconciliation between these divergent paths is necessary.

One key area in which BRICS has sought to exert influence is reform of international financial architecture. The group has called for a more equitable distribution of voting rights in the IMF and World Bank, arguing that the current system overrepresents Western interests. The NDB is a practical example of BRICS' vision for development finance, emphasising sustainable development and infrastructure projects in emerging economies.

BRICS has also been vocal on global trade issues, often criticising what it perceives as the unfair nature of existing trade regimes. The expanded group may push for reforms in the WTO and advocate for trade arrangements that better serve the interests of developing countries. This could include efforts to address issues such as agricultural subsidies, intellectual property rights and digital trade regulations.

In the realm of global security, BRICS has emphasised the importance of multilateralism and the central role of the UN. The group has been critical of unilateral military interventions and economic sanctions, collectively advocating for diplomatic solutions to international conflicts – despite some of its members being engaged directly in armed conflicts in their regions. With its expanded membership, BRICS could potentially play a more significant role in mediating global conflicts, particularly in areas where its members have considerable influence.

¹⁶ Presidência da República do Brasil, 'Speech by President of the Republic, Luiz Inácio Lula Da Silva'.

Challenges and opportunities

BRICS faces challenges due to its diverse membership, which encompasses different political systems, economic structures and strategic interests. This diversity, while a potential strength, can strain attempts at cohesion. Economic fluctuations and geopolitical tensions, particularly between India and China, have tested the group's unity. The recent expansion to include regional rivals like Ethiopia and Egypt and the possible inclusion of Saudi Arabia alongside Iran add further complexity to the mix. These historical rivalries and competing interests introduce new challenges to BRICS' consensus-based decision-making process.

Unlike more homogeneous, Western groups like the G7, BRICS has developed a unique approach that embraces internal differences. Central to this is the principle of 'agreeing to disagree', which allows members to pursue shared goals while respecting diverse views

Unlike more homogeneous, Western groups like the G7, BRICS has developed a unique approach that embraces internal differences. Central to this is the principle of 'agreeing to disagree', which allows members to pursue shared goals while respecting diverse views. South African's President Ramaphosa described BRICS as 'an equal partnership of countries with differing views but a shared vision for a better world'.¹⁷

This 'agree-to-disagree' approach shapes two fundamental dynamics. First, it encourages moderation, resulting in broader, more inclusive statements on global issues. For example, when members disagree on topics like UNSC reform, they often present collective views rather than divisive stances. Second, BRICS focuses on initiatives where consensus is more accessible, such as promoting trade in local currencies, rather than on more contentious projects like developing a common BRICS currency. This pragmatic strategy also emphasises non-controversial areas of cooperation, such as educational exchanges, which strengthen collaboration without stirring internal tensions.

The expansion of BRICS brings both challenges and opportunities. On the one hand, new members enhance its legitimacy as a representative of emerging economies and the global South. On the other hand, maintaining cohesion in the face of economic competition and differing political systems could limit its effectiveness as a unified

¹⁷ Department of International Relations and Cooperation (DIRCO), 'BRICS Chair President Cyril Ramaphosa's Media Briefing Remarks'.

bloc. Additionally, divergent stances on human rights and democratic governance may weaken BRICS' soft power and appeal.

Nonetheless, the expanded BRICS offers opportunities to develop alternative forms of cooperation and address global challenges from non-Western perspectives. The group's diversity could lead to innovative solutions in the areas of sustainable development, climate change and global health. BRICS also has the potential to reshape the global economic order, using its collective economic power to influence international monetary policies.

The group has long criticised Western-led approaches to development and argues for more flexibility in recognising diverse paths to economic growth. Including new members could amplify this message and foster a more pluralistic approach to global development

One area in which BRICS could have a major impact is promoting alternative development models. The group has long criticised Western-led approaches to development and argues for more flexibility in recognising diverse paths to economic growth. Including new members could amplify this message and foster a more pluralistic approach to global development.

In addition, BRICS countries have been pushing for the use of national currencies in trade and the development of alternative payment systems. The group's expansion will likely accelerate these efforts, as seen in the progress¹⁸ made at the 2024 Summit in Kazan. Advances in cross-border payment systems and the use of local currencies aim to reduce reliance on Western-led financial systems like SWIFT, potentially leading to a more diversified international monetary system.

Finally, BRICS' focus on infrastructure development could reshape global investment patterns. Initiatives like China's Belt and Road Initiative and the NDB's emphasis on infrastructure projects highlight the group's role in offering alternatives to traditional Western-led investment models, especially in the global South. As BRICS members increasingly become sources of foreign direct investment, they may influence the future of global economic power and stability.

18 The Kazan Declaration made provision for BRICS to forge ahead in using national currencies for cross-border payments and other transactions. In this regard, BRICS leaders endorsed the use of 'local currencies in financial transactions between BRICS countries and their trading partners'. This was seen as a major step towards deepening trade engagements, with India's Prime Minister Narendra Modi, for instance, emphasising that this shift would strengthen economic ties among BRICS nations and provide a more resilient framework for trade. This was in line with the decision taken in 2022 by the Indian Reserve Bank to allow imports and exports of goods to be settled in rupees – an arrangement that New Delhi has been following in its trade with Russia and the UAE.

Implications of BRICS' structural power shift

The growing influence of BRICS across key areas of structural power reflects the shift towards a more complex global order, moving beyond the unipolarity of the post-Cold War era. BRICS offers alternatives to Western-dominated institutions, contributing to a more diverse global governance system and rebalancing decision-making, particularly in forums like the G20. However, this shift is far from complete. BRICS countries face internal challenges and contradictions, while Western nations retain significant power. The group's expansion could increase its influence but might also bring new dynamics and potential internal conflicts, complicating decision-making.

The cautious but ambitious steps discussed at the 2024 Summit – such as progress on cross-border payment systems and interbank cooperation – align with this approach. Rather than pursuing radical de-dollarisation, BRICS focuses on diversifying financial channels and offering practical alternatives while maintaining group cohesion. This strategy seeks tangible, localised results over broad, abstract changes.

Consensus-driven decision-making also limits BRICS' ability to resolve regional rivalries, as seen in the exclusion of Venezuela and Pakistan from the list of potential new partners in 2024.¹⁹ This cautious approach demonstrates that expansions are already constrained by the need to manage internal tensions, advance shared goals and set aside divisive issues.

BRICS' growing influence in digital governance, climate negotiations and human rights have significant implications for global governance. As BRICS gains influence, it could reshape global norms, but this shift risks creating competing frameworks due to the varying interests of its members.

BRICS acts as a catalyst for enhanced South–South cooperation in the following ways:

- BRICS' outreach to other developing countries, such as the BRICS+ initiative, fosters new cooperation networks among emerging economies.
- Increased intra-BRICS trade and investment create alternative economic linkages, reducing dependence on traditional North–South economic relationships.
- Knowledge sharing among BRICS and other developing countries in agriculture, public health and renewable energy facilitates new development cooperation models.

The trend towards stronger South–South ties could lead to more diverse and resilient global relationships but sustaining collective influence will require careful navigation of the group's internal contradictions.

¹⁹ Ben Norton, 'BRICS grows, inviting 13 new "partner countries" at historic summit in Kazan, Russia'. *Geopolitical Economy*, October 26, 2024, <https://geopoliticeconomy.com/2024/10/26/brics-13-partner-countries-summit-kazan-russia/>.

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Conclusion

The future of BRICS and its impact on the global order is uncertain, but BRICS will continue to play a critical role in shaping the world. The decisions taken at the 2023 and 2024 Summits, including expanding membership and creating ‘partner countries’, reflect a phased approach to strengthening BRICS’ influence while maintaining unity. As climate change and inequality escalate throughout the world, BRICS offers diverse perspectives on how to achieve greater inclusivity. The group’s expansion and new partner countries tier are means to increase influence without losing cohesion, balancing the interests of different members.

The 2024 Summit in Kazan focused on practical steps like improving payment systems and encouraging local currency use, aimed at reducing dependency on Western financial structures. Instead of pursuing radical de-dollarisation, BRICS works on alternatives that enhance members’ trade and lower risks.

The partner countries tier will allow non-members to engage meaningfully in the absence of full membership, enabling BRICS to continue growing its influence cautiously. Such an approach helps to manage internal divisions and provides a compromise between rapid and cautious expansion.

Overall, the 2024 Summit demonstrates BRICS’ strategic patience and focus on practical progress – enhancing payment systems, involving partner countries and expanding incrementally. While these efforts may not completely change the global order, they will contribute to a more balanced and multipolar world where BRICS has a meaningful role to play in shaping global governance.

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