

Question no 3

Six new members being added into BRICS. How do you see the geoeconomics and political implications of the expansions? What are possible hurdles in way of the Organisation.

Ans: Introduction:

The expansion of BRICS to include six members have sparked significant interests and debate regarding its geoeconomic and political implications.

This development has potential to reshape the global dynamics, trade, and security relationships. But as BRICS expansion occurs, it is essential to consider the hurdles it may face, in this way, we can gain valuable insights into complexities and potential risks associated with expansion of BRICS.

Geo-economic Implications of BRICS :-

The expansion of BRICS has significant geo-economic implications, as the new members have diverse economic backgrounds and influence various global economic aspects. Some key geo-economic implications include:

1) High influence on global economy :-

The inclusion of Iran has strengthened the anti-US axis in BRICS - probably making it more antagonistic and more challenging for US and west to deal with ^{it} as an organisation contains ^{internationally sanctioned} members. Saudi Arabia and UAE include several important organisations of petroleum exporting countries. Saudi and Argentina both members of G20 could enable it to coordinate the views of ^{most of} emerging market

G20 market members

2) Increase in mineral exports

The addition of Argentina will strengthen the lithium supply. According to JPMorgan forecast 2022, Argentina share of lithium supply would rise from 6% by 2021 to 16% by 2023 surpassing Chile. Through this it is possible to use more coordinated approach.

An expanded BRICS would have

72% of rare earth metals and three countries would have largest reserves.

Iran has largest zinc reserves

However, Iran is unable to mobilize investment due to economic sanctions but this grouping will get ~~for~~ some investment flowing into Iran in exchange for some zinc, copper and lithium.

3)

Enter: Mobilization of oil and gas trades

with addition of Saudi Arabia, UAE and Iran which include three of largest oil's exporters and ^{would} constitute 42% of global oil supply. For years, OPEC+ states has complained that western energy sanctions on Iran and Venezuela have constrained the investments. An enlarged BRICS would include both oil and gas exporters and two largest importers China and India both of which refused to join the "price cap coalition" targeting Russia.

Political Implications of BRICS Enlargement

①

Expansion of BRICS as a new alliance is observed that it will overtake western lead

institutions like G7 and NATO. For instance, Singapore based geopolitical risk analyst Gokhul Sahni remarked that the enlarged BRICS could serve as counterweight to G7 in terms of scale. While some analyst view it as fake institution given the lack of clear vision and coherence -

2) Opportunities to create alternative world order.

BRICS expansion points to China's efforts to create alternative world order, rather than seeking to work with existing order. Such efforts making debates in Washington whether China is seeking to overturn the US led order or instead seeking to work with institutions established and long dominated by US - China sees western system rigged against it and ^{also to other} developing countries.

Hurdles in BRICS

Organisation's functioning

① Concerns of members regarding

influence:
South Africa is concerned that enhancing BRICS membership will further reduce its influence about having to take sides in emerging cold war between US and China. Though it is under a significant amount of pressure on South Africa to align itself with west.

2) Different approaches towards West:

BRICS members exhibit different approaches towards west - For example China and India are strategic rivals - During this year, India refused to sign the key economic summit document because it included the China diplomatic languages. like references to Beijing's Global

development initiative. India has aligned itself broadly with western interests against China.

3) Incoherent foreign policy preferences of members

The ascension of various countries like Saudi Arabia, Argentina, and Nigeria with complex foreign policy preferences would not be seen favourably welcomed by Washington. But a rapidly BRICS expansion would not be powerful. Indeed it could make organisation more incoherent and unable to reach clear consensus on anything of importance. White house national security advisor gave statement that due to BRICS countries divergence of views on critical issues, he did not see block turning into geopolitical rival of United States.

Conclusion

Although BRICS expansion has potential implications on geo-economic and political level and paved a way in shaping global dynamics, trade, and security relationship, as well as global influence but it also come across with various challenges which should be resolved for achieving the desired outcomes through this organisation.