

# BRICS and Pakistan: Prospects of Recovery

## 1- Introduction

BRICS is a golden opportunity for Pakistan as it offers bright chances of gaining stability to Pakistan. This collaboration will bring positive outcomes <sup>for the country</sup>. However, Pakistan needs to take effective measures to <sup>improve its</sup> capability and importance for this organization.

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# BRICS and Pakistan: Prospects of Recovery

Amidst global shifts, BRICS emerges as Pakistan's beacon of economic resurgence, promising a new dawn of opportunity and prosperity. BRICS presents Pakistan with a strategic lifeline towards sustainable development and regional collaboration by unlocking a gateway to growth. It promises prospects of recovery to Pakistan by offering trade opportunities, bringing investments in various sectors, promoting technology exchange initiatives and providing improved opportunities to address climate change. By collaborating with BRICS, Pakistan has potential to revive its economy and reduce its dependence on US. Pakistan will be able to improve its <sup>agriculture sector,</sup> energy sector and get rid of diplomatic isolation. Moreover, by overcoming security issues Pakistan will have a chance to restore tourism. Pakistan can ensure its collaboration

with BRICS by focussing on its economic growth. This economic growth can be achieved by diminishing political polarization from the country. Another important step that Pakistan needs to take is to strengthen its engagement with BRICS involves reducing its alliance with US and strengthening its ties with strong pillars of BRICS like India. Without normalizing relations between two countries, it is difficult to ensure collaboration of Pakistan with BRICS.

In a nutshell, BRICS is a golden opportunity for Pakistan and Pakistan needs to take effective steps to ensure its engagement with BRICS.

The alliance of Pakistan with BRICS encapsulates a myriad of opportunities that promises to redefine its trajectory towards prosperity. Embracing this alliance will open floodgates to a wealth of resources, because BRICS represents a hefty chunk of global economic landscape even its GDP size is increasing rapidly. For instance, in 2008 it was less than \$10 trillion, in 2014 it was around \$17 trillion. Now it has reached the economic size of around \$31 trillion. It is expected to become almost 50% of world's GDP till 2050 (**The Economist, Expansion of BRICS, August 2023**). Thus, there are bright chances for Pakistan to uplift its economy by joining BRICS.

One of the most promising prospects of recovery that BRICS offers to Pakistan is sustainable development cooperation with the world's emerging economies. This cooperation is not merely one-sided endeavor; rather

it will mark a mutual exchange of expertise, resources and development strategies. As the BRICS countries pool their strengths and resources, they also empower nations with staggering economies to harness their own capabilities, fostering a sense of self-reliance and sustainable progress. For instance, BRICS has launched New Development Bank to fund infrastructure and development projects, channeling billions of dollars into African economies. Even the NDB is aiming to provide \$5 billion in loans in 2024 to bolster the developing economies. Therefore, Pakistan has golden opportunity to increase its cooperation with influential global powers by joining BRICS.

BRICS also offers a valuable chance to Pakistan to diversify its trade and economic alliances. This partnership can significantly boost Pakistan's export sectors by providing a platform for direct trade relations with some of the world's largest economies. BRICS offers Pakistan an easy access to vast markets of the world through several channels. BRICS initiatives such as trade fairs, summits and business forums

will provide platforms for Pakistani businesses to showcase their products and services to a wider audience as it has given a chance to India and other BRICS countries to showcase their products to large markets of the world.

**For instance,** BRICS has boosted of Indian economy by improving its intra-trade relations with BRICS countries. India recorded over \$100 billion in intra-BRICS trade in 2022 (The Guardian, **India and Intra-BRICS trade, June 2023**). In this way, Pakistan will also have a chance to revive its economy by utilizing ideal trade opportunities of BRICS.

In addition to offering trade opportunities to Pakistan, BRICS also shines as a guiding light for Pakistan, signaling a radiant opportunity for substantial investments. The coalition of Pakistan with economic giants of BRICS will not only promise lucrative returns but also pave the way for collaborative endeavors that transcend borders, propelling the nation towards a brighter and more prosperous future.

Pakistan is extremely rich in minerals and agriculture; by joining BRICS Pakistan will be able to acquire heavy investments from the largest market of the world. For instance, KSA made a \$2.6 billion deal with Brazil from the platform of BRICS to buy 10% stake in Brazil's largest mining company so that it can access minerals like lithium, nickel and copper (Foreign Policy, KSA investment in Brazil, August 2023). Hence, BRICS offers prospects of recovery to Pakistan by offering it opportunities of large investments in its various sectors.

Moreover, BRICS also offers prospects of recovery to Pakistan by promoting technology exchange initiatives. As Pakistan aligns itself with economic powerhouses of BRICS, avenues for technological advancements will also increase. These initiatives will not only infuse Pakistan's industries with cutting-edge innovations but also foster collaboration on a global stage. In this 21<sup>st</sup> century, collaboration is the bedrock of innovation. For instance,



Saudi wealth fund's governor has said that Saudi Arabia's Public Investment Fund (PIF) intends to open new offices in mainland China and India as part of its technological expansion plans (Jiazing Li, Technology exchange between Middle East and China, December 2023).

Thus, there are uncountable chances for Pakistan as well to bring technological advancements by collaborating with BRICS in the country.

BRICS not only offers technology exchange initiatives to Pakistan but also offers improved opportunities to tackle problems erupted by climate crisis.

Keeping in view the disastrous environmental condition of Pakistan, it is imperative to achieve the goal of zero-carbon emissions without compromising economic growth. BRICS economies are focussing on eco-friendly initiatives that can bring innovation to environmental conservation as well as economic sustainability.

For example, the partnership of KSA

with Brazil from the platform of BRICS is a key for Saudi Arabia to reach its goal of building 500,000 electric vehicles annually by 2030 through clean energy initiatives of BRICS. In this way, Pakistan will also have numerous opportunities to mitigate environmental degradation by joining BRICS.

Another prospect of recovery that BRICS offers to Pakistan is ensuring its geopolitical alignment with influential global players. Through BRICS, Pakistan can strengthen its position in international affairs and navigate geopolitical challenges more effectively. BRICS provides an opportunity for its member countries to align themselves based on their shared interests. One of its prime examples is of India and China, which are strengthening their ties with the common aim of de-dollarization. Bilateral trade between India and China reached an all-time high mark of \$135.98 billion in 2022. Thus, Pakistan will also have (the) golden opportunity to achieve

geopolitical alignment with influential players of the world by becoming a member of BRICS.

By acceding to BRICS consortium, Pakistan will have a brilliant chance to revive its destabilized economy. BRICS countries synergistically integrate mineral rich nations to foster mutual prosperity. Pakistan is also blessed with rich minerals; so it has so much to offer BRICS in exchange for development initiatives. BRICS countries strategically harness mineral endowments of such countries, epitomizing their collective resolve to transcend conventional economic paradigms. For instance, in 15<sup>th</sup> BRICS summit Argentina has been added to this bloc because addition of Argentina will strengthen the bloc's lithium supply. According to JP Morgan forecast, Argentina's share of global lithium supply would rise from 6% in 2021 to 16% by 2030 (Argentina in BRICS, August 2022). So, by

aligning with BRICS, Pakistan will also be able to access large markets of the world for its precious natural resources and resurrect its destabilized economy.

By reviving its destabilized economy by virtue of BRICS, Pakistan will be able to reduce its alliance with US. From geopolitical maneuvers to economic aid, Pakistan has found itself intricately entwined in a delicate dance with US over the decades. However, Pakistan's intricate relationship with the United States has woven a tapestry of complexities for its nation. The platform of BRICS is a blessing for Pakistan through which it can get rid of US' interference in its internal affairs because the main aim of BRICS is to counterweigh US' hegemony in the world affairs by establishing a new world order. For example, the BRICS countries have overtaken the share of G7 countries in the world's total GDP in terms of purchasing power parity in 2020.

By 2023, the difference has increased even further, BRICS is now holding a total 32% of the world's GDP as compared to 30% held by G7 countries (Statista, BRICS Countering G7, February 2024). In this way, Pakistan will also be able to challenge the hegemony of US and reduce its alliance with US by joining BRICS.

Moreover, Pakistan will also be able to uplift its agriculture sector by joining this platform. Although Pakistan is an agricultural country, but this sector is suffering for the most due to lack of opportunities. However, Pakistan can still revive this sector by aligning with BRICS. Because BRICS is primarily focussing on sustainable agriculture development of its member countries. **For instance,** the BRICS summit in Johannesburg in 2023 has put ~~is putting~~ Brazil-Africa business cooperation back to agenda after several years of neglect. A renowned Brazil company named **BrazAfric** is supplying machinery for wet coffee processing, dry coffee milling as well as coffee roasters and grinders. **African Business, BRICS bringing Brazilian-agriculture to -Africa, August 2023**. Since Pakistan also has extremely rich agricultural lands, therefore it can also bring a significant change in its agriculture sector by aligning with BRICS.

In addition to uplifting agriculture sector, Pakistan can also uplift its energy sector by collaborating with BRICS nations. The country has potential to transform its energy landscape through strategic partnerships with these nations. The expansion of BRICS to include oil-rich countries like KSA, Iran and UAE, which together hold 35% of the world's oil and gas reserves, has significantly bolstered the consortium's energy reserves. **For instance,** this cooperation has enabled China and India to become largest importers of hydrocarbons from these countries, with imports of Saudi crude oil by China totalling 1.72 million barrels per day in 2023. Thus, by joining BRICS Pakistan will also have a bright chance to invigorate its energy sector.

By strengthening its agriculture and energy sector, Pakistan will not only be able to uplift its economy but also get rid of diplomatic isolation. Through active engagement with BRICS, Pakistan will have golden opportunity to shatter the shackles of diplomatic isolation and emerge as a pivot player on global stage. Pakistan finds itself ensnared in a state of diplomatic seclusion primarily due to tarnished state of its economy. Nevertheless, many countries have encountered akin quandaries, yet are presently endeavoring to extricate themselves from this isolation through the augmentation of their economic prowess by utilizing the auspices of BRICS as a fulcrum for advancement. **For example,** Iran had gone in diplomatic isolation due to its economic crisis that were triggered by US' sanctions on Iran's trade. Despite having one of the largest oil reserves of the world, Tehran's inflation rate mired at around 45% in



2023 (Al-Jazeera, Soaring inflation in Iran, January 2024). While recognizing the potential to access global markets for its oil reserves, Iran has joined BRICS with the aim of utilizing this strategic alliance to alleviate its diplomatic isolation. In this way, Pakistan also has equal opportunity to exterminate diplomatic isolation by forming strategic alliance with BRICS.

Even by joining BRICS, Pakistan will also be able to overcome its security issues. Pakistan grapples with the scourge of terrorism; despite concerted efforts to combat terrorism the menace continues to undermine the nation's peace, stability and progress. Pakistan stands at a critical juncture where the enhancement of its relations with neighboring countries holds a key in surmounting pervasive security challenges. This can effectively be done by utilizing the platform of BRICS. By fostering robust diplomatic ties and promoting mutual trust and cooperation with neighboring countries like India,

Pakistan can transform its regional dynamics and pave the path towards enduring peace and stability. Because the highest security threat for Pakistan is from India which is supporting terrorist groups like Balochistan Liberation Army (BLA). This group is aimed at sabotaging CPEC. Even recently a suicide bombing attack of BLA has killed five Chinese engineers (The Economist, attacks on Chinese in Pakistan, March 2023). All these security challenges can be addressed by resolving skirmishes between two countries that can be done through BRICS. Thus, by embracing membership of BRICS, Pakistan will be able to surmount the formidable challenges that <sup>have</sup> long plagued its security landscape.

By reducing its security issues, Pakistan will have a glistening opportunity of restoring tourism in the country. By addressing and mitigating its security concerns, Pakistan will stand on the precipice of a remarkable transformation, poised to rekindle the allure of its tourism sector. Pakistan can effectively

use the platform of BRICS to glorify its tourism because BRICS nations are harmonizing their efforts to diversify their tourism landscape.

**For instance,** the number of tourists visiting South Africa increased by nearly half last year, boosted by new favorable visa policies and increased arrivals from BRICS countries.

South Africa received 8.5 million international tourists last year, a 49% increase compared with 2022 (**the Guardian, BRICS and tourism, February 2024**).

Pakistan is also a treasure trove of wonders waiting to be discovered by the intrepid travellers. So, Pakistan has untapped potential and natural beauty; and through the platform of BRICS it can give an invitation to the whole world to witness the confluence of its nature, history, and culture.

Now, in order to ensure Pakistan's collaboration with BRICS the country needs to focus on its economic growth. Without demonstrating its economic strength, it will be extremely difficult for Pakistan to secure collaboration with BRICS. Unfortunately, Pakistan finds itself firmly entrapped within the labyrinthine grip of economic crisis. The value of the currency wavers precariously, plunging the nation into a dizzying dance of uncertainty on global stage. For instance, the currency depreciated by about 20% against the dollar in 2023, accompanied by soaring inflation of 29.18%. Conversely, strong pillars of BRICS like India have fortified their economies against dollar. For instance, on 27<sup>th</sup> December, 2023 the Indian currency closed at 83.35 marking a depreciation of 0.8% against the greenback (Bloomberg, Indian economy against dollar, January 2024). Therefore, in order to compete with such strong competitors and join BRICS, Pakistan urgently needs to strengthen its economy.

Another pivotal step that Pakistan must take to strengthen its engagement with BRICS involves reducing its reliance on <sup>the</sup> United States. With its current dependency on US, Pakistan's alignment with BRICS remains an unattainable goal. BRICS nations have united primarily to challenge the sole hegemony of US in the world. In contrast to the collective stance of BRICS members, Pakistan is increasingly entangling itself with US. Positioned as a frontline player in China-US powerplay, Pakistan's excessive dependence on US has granted US undue access to its internal affairs. This interference has cast a shadow over Pak-China alliance, particularly evident in Pakistan's commitment to International Monetary Fund (IMF), indicating a reluctance to allocate additional funds<sup>ing</sup> for settling dues owed to Chinese power plants. By prioritizing strengthened ties with US over its partnership with China, Pakistan finds itself conflicting with the prospects of BRICS membership. Hence, in order to align itself with BRICS Pakistan must reduce its reliance on US while bolstering

its bonds with BRICS nations.

Moreover, Pakistan also needs to mend its relations with India in order to solidify its collaboration with BRICS. The path to BRICS membership for Pakistan is fraught with formidable obstacles, particularly against the backdrop of strained ties with India. India is continuously making efforts to portray Pakistan as a pariah state through propaganda campaigns. For instance, when MBS skipped a stopover in Islamabad due to political instability of the 2022, Indian media exploited this situation to portray Pakistan as a diplomatically ostracized country. Furthermore, the Foreign Ministry of Pakistan officially confirmed that the country has submitted its application for BRICS. However, India has blocked Pakistan from joining as an observer by contending that the country is already stuck in a debt trap and has nothing to offer (The Diplomat, Pakistan in BRICS, November 2023). Thus, the normalization of relations between two countries is imperative to pave the way for Pakistan's accession into BRICS.

In order to foster the collaboration with BRICS, Pakistan must surmount imminent challenge of political polarization. Without resolving its political divisions, achieving economic stability, reducing reliance on US and breaking free from diplomatic isolation will remain elusive goals for Pakistan. However, recent years have witnessed Pakistan mired in acute political discord, impeding its economic progress. A poignant **example** of this discord is the dissolution of two assemblies in 2022, triggering unprecedented repercussions. Between June 2022 and June 2023, Pakistan's debt ballooned from 38 trillion PKR to 54.3 trillion PKR, marking a staggering increase of over 16 trillion PKR in one year with approximately 4 trillion PKR attributed to currency devaluation alone. This turmoil has pushed the country to the brink of economic crisis, leaving it vulnerable and dependent on the goodwill of US. So, it is inevitable for Pakistan to transcend its political polarization to forge meaningful collaboration with BRICS.

Conclusively, BRICS offers Pakistan a strategic platform to diversify its trade partnerships beyond traditional allies, fostering economic resilience and reducing dependency on any single market. Participation in BRICS will enable Pakistan to access a wealth of resources, expertise and investment opportunities, accelerating its infrastructure development and industrial growth. By engaging with BRICS, Pakistan will not only enhance its regional influence but also gain access to valuable capacity-building initiatives, crucial for its sustainable development in the long run. However, Pakistan's geopolitical tensions and historical rivalries with India pose significant hurdles, potentially impeding its seamless integration into the alliance. Moreover, Pakistan's internal politics stand as a barrier to economic growth which is essential for collaboration of Pakistan with BRICS. Overcoming political polarization is a paramount for resolving these economic issues. By fostering bipartisan cooperation and consensus-building, policy makers can



Implement effective reforms that address structural deficiencies, attract investments, and promote sustainable development in Pakistan. Thus, by overcoming internal challenges, Pakistan can strengthen its alliance with BRICS for a brighter future.

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