

26.11.2024

BRICS: Development And New Membership

Vasily Koltashov
Economist,
Director of New Society Institute

Where is BRICS going? What is the ultimate logic of the current expansion? Should we expect new members joining the organization? What are the top priority objectives and why the format of BRICS partnership will remain key? What is the current overall status of BRICS in the world?

Baseline Changes Ongoing

The BRICS is growing stronger and developing. The expansion of the club and the Kazan Summit, a new payment system project, called “Putin’s Plan” by the US media, growing trade and criticism from Wester economic institutions — these are all attributes of a new era. At the BRICS they speak of fair globalization, which must replace the neoliberal globalization under the Washington Consensus and rules, lately constantly changing at the will of the White House. The BRICS Summit in Kazan announced its desire to reform the UN, especially the Security Council. The BRICS intends to underwrite maritime transport without any help from the West, perform settlements without any use of SWIFT through central bank linkage. Trade in national currencies is on the rise.

Over 200 various events have been held in 2024 under Russia’s BRICS chairmanship. There is growing cultural engagement in

© MOSCOW FORESIGHT - 2026. ALL RIGHTS RESERVED.

the BRICS area, all the more so as the club now unites Russia, China, India, Brazil, SAR, Iran, Egypt, Ethiopia, UAE and Saudi Arabia. The BRICS partnership environment is taking shape: there are ongoing discussions of cooperation formats, levels and forms of partnership for those countries that will be granted partner status. Ways to handle existing controversies, like those between Brazil and Venezuela, are also being considered. Brazil is striving to prevent Venezuela's expansion for the account of Guyana, a former British colony, and Venezuela is concerned about Brazil's influence. Such controversies hinder future expansion of the BRICS.

This is somewhat comforting for the West. They also hope that new BRICS members will be prone to influence by the USA and their allies, which would stall radical unification projects, such as common currency, even more. But there is little consolation in this as well, since it is obvious that BRICS is winning in the field of ideology. Particularly, BRICS appears as a more open, multi-stakeholder and progressive structure than the G7. BRICS highlights its focus on the interests of the Global South, those infringed upon by the West.

Speaking of which, the USA allowed the G20 to exist because they were sure of their permanent domination, if not in votes, then due to influence of organizations. The IMF, WB, WTO and many other organizations are under their control. The USA has had yet another tool: the economic ideology of the "Washington Consensus", bringing along a believed lack of alternatives to the neoliberal financial globalization. The BRICS had not been taken seriously, until the major global economic crisis of 2008-2020 broke the American rules of the game and called for new rules.

© MOSCOW FORESIGHT - 2026. ALL RIGHTS RESERVED.



© MOSCOW FORESIGHT - 2026. ALL RIGHTS RESERVED.

Expansion After Strengthening

Now the BRICS perceives that a new order should be built, crucial global trade strongpoints must be secured and most promising independently run countries with large territory and population should be accepted into membership. In this case economy size matters as well. In 2024 the BRICS accepted Iran, Egypt, UAE, Saudi Arabia and Ethiopia.

The UAE are a major oil exporter, shifting over to trading oil for yuan, and a global financial center. Saudi Arabia is ready to sell oil for yuan. Egypt controls the Suez Canal, vital for the global economy. Of the new BRICS members, only Ethiopia is cut off from the sea due to the policies of the West: in 1993 its province of Eritrea broke away from the country, giving rise to a long armed conflict. Now the country has no seaports.

Iran is highly important due to its self-reliance and firm stance in its fight against the West. Iran is the strongest new BRICS member in terms of politics.

All of the above countries are those with long ancient histories. This is important, since it is known that “color revolutions” by the USA are easier to conduct in those countries that have short history and lack strong national bureaucracy. The latter is essential for internal stability of a BRICS member country.

Now there is a queue of potential members of the club. But entry conditions are becoming stricter. Countries should be independent from the West and not prone to selling their voice in the BRICS to the West. Could Turkey, for instance, behave this way?

And another requirement is a low level of conflicts with the existing BRICS members.

Strengthening After Expansion

The BRICS is rather ahead of G7 by its GDP, as well as by its industrial capacity, production and volumes of essential resources. According to the International Monetary Fund (IMF), the US share of the global economy by October 2024 slid to 14,76%, and in early 2025 this will amount to 14,7%. This rides on the back of a record US budget deficit, projected to amount to over 1,9 trillion dollars in 2024, with the expected government debts of 34 trillion dollars this December. 40 years ago the debt of the US federal authorities was below 1 trillion dollars. Just for comparison of the trends: Russia in 2024 accounted for 0,25% of the global government debt, which for the whole world exceeded 100 trillion dollars (93% of the global GDP). These

© MOSCOW FORESIGHT - 2026. ALL RIGHTS RESERVED.

data are also reported by the IMF.

The PRC got ahead of the USA in industrial production as far back as fifteen years ago. After the Second World War, the share of the USA in the global industrial production amounted to 60%. Now this is hardly 10%. The share of industry in the US GDP mix is about 20%. Many non-Western countries display this value of 1,5-2,5 times higher, with China this stands at 41%. The US industrial production volume could be estimated at 5 trillion dollars (for the 2023 GDP of 25,4 trillion dollars), when for China this figure will be at 7,5 trillion dollars (for the 2023 GDP of 18,32%). So it turns out that the real economy of the PRC is one and a half times stronger than the American one. And BRICS is made of producing, and not consuming countries. This is the very reason that their economies are growing stronger.

In 2023 the BRICS share of the global GDP rose from 31% to 35%. Even back then the BRICS counted 3,6 billion people, which is almost a half of the global population, over 40% of the global oil production and about a quarter of the global exports of goods. Today the net industrial output of the BRICS should amount to over 40%.

Further BRICS Evolution

There will hardly be any expansion of the BRICS club in 2025. Sergei Lavrov, Russia's Foreign Minister, said: "By a majority of votes the ten countries decided to take a pause with new membership, to be able to "digest" newcomers, which have increased the union by two times". What does "digest" mean? Probably, the issue in question is developing BRICS institutions and operational formats in the financial and trade areas. Here Russia is aiming to achieve maximum results, including establishment of a reserve currency. But the majority of the club members are focused on slow progress. They intend to get benefits from their trade with the USA, like India, for which the American market has become key.

Russia proposes to set up a common BRICS Bridge payment system. Pepe Escobar, a Brazilian global economy and international relations expert, said during the Summit: "I would not comment on any timelines, *because now there needs to be an understanding of how to implement this payment system. Today already 90% of settlements between Russia and China are not made in dollars. So, there is an existing alternative payment system. They are using rouble and yuan. Maybe, we would be able to use currencies of all member countries. As for the currency, now there are ideas that it could be by 40% made up by gold and by 60% - by other BRICS country currencies*".

Sergei Stankevich, a political expert, reported on the sidelines of the BRICS Kazan Summit, that a new Bridge BRICS payment system will be implemented in the next few months. Sanctions, pressure through use of internal opposition and failed

© MOSCOW FORESIGHT - 2026. ALL RIGHTS RESERVED.

settlements for traded products are a trifecta of issues, which seem to be the most acute for the BRICS. If settlements are made simple in a reliable settlement system, this will be a giant step forward. When countries are capable of making cross-border settlements via digital platforms, managed by their central banks, this would mean setting up a mechanism for further accelerated trade growth outside of the West and giving an impetus to development of manufacturing sector within the BRICS and around it.

Back to Expansion Issue

If this mechanism proves its continuity and convenience, then BRICS would be able to expand faster. Even the format of partnership with the BRICS will be more attractive, if not most attractive for countries of the South. This will mean new pressure for the dollar system. There will be a continuing shift in the global labor division system: developing countries will become stronger, richer and together they will be more resilient in terms of economy. Algeria, Venezuela, Cuba, Turkey, Azerbaijan, Bangladesh, Bahrain, Belarus, Bolivia, Vietnam, Honduras, Zimbabwe, Indonesia, Kazakhstan and others are right now planning on joining BRICS. There is an issue with that.

If Turkey and Azerbaijan could be inconsistent supporters of BRICS development, making too many compromises with the West, then Algeria has issues with Russia’s partners in Africa. Vietnam is distrusted by China and mistrusts China, though this has been smoothed over due to Vladimir Putin’s visit to the country. Bolivia is shaky, and Argentina is totally torn away from the BRICS by the USA with the help of Javier Milei. BRICS leaders are concerned about internal or foreign policy uncertainties. For this very reason, new memberships could be granted very cautiously.

Becoming a BRICS partner is a track for controversial countries to follow. At the Kazan Summit it was stressed many times that there were growing concerns of the club getting diluted, when its structures, trade and finance mechanisms have yet to be set up properly. That’s why acceleration is primarily required along this track, and then most reliable countries, which generate no frictions between the club members, with stable national bureaucracies, and with large economies (which will not be a key factor), will be onboarded.

© MOSCOW FORESIGHT - 2026. ALL RIGHTS RESERVED.