

Evaluating the Role of BRICS in Shaping Global Economic Governance: A Comparative Analysis of Policy Approaches and Outcomes

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ABSTRACT

This study evaluates the role of BRICS (Brazil, Russia, India, China, and South Africa) in shaping global economic governance through a normative analysis of policy approaches and outcomes. By examining the collective strategies and individual priorities of BRICS nations, the research highlights their contributions to global economic equity, inclusivity, and sustainability. Key initiatives, such as the New Development Bank (NDB) and the Contingent Reserve Arrangement (CRA), are analyzed to assess their practical impact and alignment with normative principles. While BRICS has made significant strides in promoting reforms and fostering multilateral cooperation, internal tensions and geopolitical challenges have limited its ability to present a cohesive front. This study concludes that BRICS has substantial potential to redefine global governance, provided it strengthens internal unity and enhances its normative vision for a more inclusive international system.

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1. INTRODUCTION

The BRICS bloc, comprising Brazil, Russia, India, China, and South Africa, plays a pivotal role in reshaping global governance amid shifting geopolitical dynamics by advocating for reforms in international economic institutions to create a more equitable global economic framework. Established in response to dissatisfaction with Western dominance, BRICS aims to restructure global governance and financial institutions [1], promoting cooperation

among emerging economies to enhance their collective voice in international affairs [2]. The recent expansion to BRICS+ signifies a growing coalition of emerging markets, enhancing its economic clout [3], with BRICS+ countries controlling significant resources, including oil and gas, and challenging the G7's traditional economic dominance [4]. However, despite its growing influence, BRICS faces governance issues and environmental concerns that could hinder its effectiveness [5], while the potential establishment of a new reserve currency could

further integrate the Global South economically [3].

The BRICS coalition, comprising Brazil, Russia, India, China, and South Africa, emerged from a collective desire to reshape global governance and enhance the influence of its member states in international decision-making by representing a significant portion of the global population and economic output and aiming to provide alternatives to Western-dominated institutions like the IMF and World Bank. Key initiatives such as the New Development Bank (NDB), established to finance infrastructure and sustainable development projects in BRICS and other emerging economies, promote economic growth without the conditionalities often associated with Western institutions [6], and the Contingent Reserve Arrangement (CRA), a framework designed to provide liquidity support to member countries facing balance of payments crises, enhance financial stability among BRICS nations [6]. As a counter-hegemonic force, BRICS advocates for a multipolar world order that challenges the dominance of the US and its allies [5], with its increasing policy convergence demonstrating a growing capability to influence global governance and address shared challenges, such as trade and security issues [7].

The global economic governance system, dominated by Western institutions like the IMF and World Bank, faces increasing challenges from emerging economies such as Brazil, Russia, India, China, and South Africa (BRICS), which represent a substantial share of the global population and economic output, necessitating reforms for equitable representation. The BRICS countries have shifted economic power away from the West, fostering a decentralized international economy [8] and establishing institutions like the Asian Infrastructure Investment Bank (AIIB) and the New Development Bank (NDB) to challenge Western-dominated frameworks [9]. However, these nations face trade law capacity limitations and internal governance issues that hinder their collective influence [8], [10]. The rise of BRICS also challenges the liberal economic order, raising debates about whether their influence

threatens the current system or leads to more inclusive global governance [9], [11].

As global challenges such as climate change, economic inequality, and geopolitical conflicts intensify, the urgency to redefine and democratize global economic governance has never been greater. BRICS, as a coalition of influential emerging economies, has the potential to play a transformative role in shaping a fairer and more sustainable international economic system. Despite its substantial economic and demographic significance, the BRICS bloc faces significant challenges in influencing global economic governance effectively. While it has made progress through initiatives like the New Development Bank (NDB) and Contingent Reserve Arrangement (CRA), its collective impact is often undermined by internal divergences in political ideologies, economic priorities, and geopolitical interests. Additionally, existing global governance frameworks have been slow to adapt to the evolving multipolar world, leaving BRICS' calls for reform largely unaddressed. This raises critical questions about the bloc's capacity to act cohesively and achieve its objectives of fostering inclusivity, equity, and sustainability in global economic governance. Addressing these issues is essential for understanding BRICS' potential to reshape the international economic order and overcome the structural and normative barriers that hinder its effectiveness.

Despite its achievements, the effectiveness of BRICS in reshaping global economic governance remains a subject of debate. The bloc's heterogeneity in terms of political systems, economic structures, and developmental priorities presents challenges to its coherence and collective decision-making. Moreover, the evolving dynamics of international relations, including trade wars, regional conflicts, and environmental crises, have further tested BRICS' ability to present a unified front on critical issues. This paper aims to evaluate the role of BRICS in shaping global economic governance through a normative analysis of its policy approaches and outcomes. By examining the comparative strategies adopted by BRICS nations in

addressing global challenges, this study seeks to illuminate their collective influence on the international economic order. Furthermore, it explores the normative implications of BRICS' initiatives, assessing their potential to contribute to a more inclusive and equitable global economic system.

2. LITERATURE REVIEW

2.1 *Global Economic Governance: Concepts and Evolution*

Global economic governance has evolved significantly in response to the rise of emerging economies and global crises, with traditional institutions like the IMF, World Bank, and WTO facing scrutiny for their outdated governance structures and lack of inclusivity, particularly for nations like China and India, which represent a large share of the global population [12]. While the WTO plays a vital role in global economic legitimacy, it struggles to adapt to shifting geopolitical dynamics [13]. New institutions such as the Asian Infrastructure Investment Bank have emerged to fill gaps left by these organizations, reflecting a move toward multipolarity [12]. This shift enables coalitions to challenge existing power structures and advocate for reforms that address the needs of developing nations [12], [14]. The transition from a unipolar to a multipolar world highlights the need for a reformed governance framework to tackle complex global challenges (Bougleux, 2023), with robust intergovernmental organizations and NGOs playing a crucial role in bridging governance gaps [15].

2.2 *The Emergence of BRICS*

The formation of BRICS represents a pivotal shift in global economic governance, driven by the collective economic potential of its member nations. Initially coined by O'Neill in 2001, the acronym BRIC evolved to include South Africa, broadening its regional representation and perspectives. As a significant advocate for alternative frameworks in

development finance and financial stability, BRICS established the New Development Bank (NDB) and the Contingent Reserve Arrangement (CRA) to support infrastructure and sustainable development projects, reflecting its commitment to reforming the global financial architecture [16]. Leveraging trade and foreign direct investment (FDI), BRICS economies have fostered deeper ties, enhancing market coverage and economic growth [17]. Strategically, BRICS challenges the dominance of Western institutions like the IMF, promoting a multipolar world where emerging economies have a stronger voice [1], [18]. Despite internal differences, the coalition's ability to maintain cooperation highlights its resilience and importance in international relations [19].

2.3 *BRICS' Policy Approaches and Challenges*

The BRICS countries—Brazil, Russia, India, China, and South Africa—navigate a complex interplay of shared goals and individual priorities in their policy approaches, collectively advocating for reforms in global financial institutions, increased representation of developing nations, and sustainable development practices. They aim to reshape global governance to reflect the interests of developing nations and promote a multipolar world order [20], while emphasizing sustainable practices aligned with the UN Sustainable Development Goals, focusing on poverty alleviation, education, and environmental protection [21]. However, internal divergences, such as differing political ideologies and economic systems, complicate collective decision-making [22], and geopolitical challenges, including trade tensions and regional conflicts, further hinder the bloc's ability to act uniformly [23].

2.4 *Research Gaps*

Existing literature provides valuable insights into BRICS' contributions to global economic

governance but leaves several gaps unaddressed. Limited research exists on the comparative analysis of policy outcomes across BRICS nations, particularly in terms of their effectiveness in addressing global challenges. Furthermore, the long-term normative impact of BRICS' initiatives on global governance structures remains underexplored.

This study seeks to bridge these gaps by evaluating BRICS' role through a normative lens, emphasizing its policy approaches, outcomes, and implications for global economic governance. By synthesizing existing research and addressing unanswered questions, this paper aims to contribute to a more comprehensive understanding of BRICS' influence on the international economic system.

3. METHODOLOGY RESEARCH

3.1 Research Type

The research design is rooted in a comparative analysis framework, allowing for the systematic examination of similarities and differences in the policy approaches of BRICS countries. This framework is instrumental in understanding how collective strategies align with or deviate from normative principles such as equity, inclusivity, and sustainability.

3.2 Data Collection

Data collection involves a combination of primary and secondary sources. Primary sources, including official BRICS declarations, policy documents, and communiqués from annual summits, are analyzed to identify the bloc's stated goals, values, and priorities. Secondary sources, such as scholarly articles, reports from international organizations, and media coverage, provide contextual insights and critical evaluations of BRICS' policies and their outcomes. Additionally, case studies of specific initiatives like the New Development Bank (NDB) and Contingent Reserve Arrangement (CRA)

are examined to assess their normative implications and practical impact.

3.3 Data Analysis

The study adopts a thematic analysis approach to identify recurring patterns and themes in the data, involving systematic coding of policy documents and literature to extract relevant themes such as inclusivity, sustainability, and global equity. It further compares the approaches and outcomes of BRICS nations against normative principles to evaluate their alignment with global governance goals. Additionally, a contextual analysis is conducted to consider the broader geopolitical and economic factors influencing BRICS' strategies and decisions, providing a comprehensive understanding of the bloc's role in global economic governance.

4. RESULTS AND DISCUSSION

4.1 Results

a. The Role of BRICS in Global Economic Governance

The analysis of BRICS' initiatives highlights its significant contributions to global economic governance, positioning the bloc as a key advocate for reforming the international economic order to reflect the shifting dynamics of global power. One of its primary efforts includes a consistent call for increased representation of emerging economies in global institutions such as the International Monetary Fund (IMF) and the World Bank. While tangible progress remains limited, BRICS' persistent advocacy has ignited global debates on institutional inclusivity, underscoring the need for reforms that better reflect the realities of a multipolar world.

In addition to advocating for reforms, BRICS has demonstrated its capacity to create alternative mechanisms through the establishment of the New Development Bank (NDB) and the Contingent Reserve Arrangement

(CRA). These initiatives address the development and financial needs of member states without the conditionalities typically imposed by Western-led institutions. Moreover, BRICS has actively promoted multilateral cooperation through annual summits and joint declarations, emphasizing collective action to tackle global challenges such as climate change, trade imbalances, and economic inequality. These efforts reflect BRICS' broader commitment to fostering a more equitable and sustainable international economic system.

The BRICS bloc has emerged as a pivotal player in global economic governance, advocating for reforms that reflect the evolving dynamics of international power. Its initiatives, such as the New Development Bank (NDB) and the Contingent Reserve Arrangement (CRA), aim to provide financial support to member states without the conditionalities typical of Western institutions, fostering economic independence [1]. BRICS consistently calls for increased representation of emerging economies in institutions like the IMF and World Bank, highlighting the need for a more inclusive global governance structure [24], sparking global discussions on institutional reform and emphasizing a multipolar world [25]. The establishment of the NDB and CRA reflects a strategic shift towards creating alternative frameworks for development financing [3]. Through annual summits, BRICS promotes multilateral cooperation, addressing pressing global challenges like trade imbalances and climate change [26], underscoring its commitment to a more equitable international economic system and positioning itself as a counterbalance to Western dominance [1].

b. Policy Approaches of BRICS Countries

A comparative analysis of the policy approaches of BRICS countries reveals both shared goals and individual priorities. Among the shared goals, all BRICS nations demonstrate a commitment to sustainable development by implementing the United Nations Sustainable Development Goals (SDGs) through policies aimed at promoting renewable energy, poverty alleviation, and environmental conservation. Additionally, the bloc collectively advocates for economic equity, emphasizing the reduction of income disparities and ensuring equitable access to resources and opportunities on a global scale.

Despite these common objectives, the individual priorities of BRICS members often diverge, reflecting their unique geopolitical and economic contexts. China and India focus heavily on trade liberalization and technological advancement as pathways to enhance their global influence. In contrast, Russia and Brazil prioritize resource-based economic strategies and regional leadership, leveraging their natural endowments. South Africa, on the other hand, emphasizes addressing historical inequalities and fostering inclusive growth within the African continent. These divergent priorities present challenges to achieving policy coherence within BRICS but also underscore the bloc's ability to address a diverse range of global and regional issues.

The comparative analysis of BRICS countries reveals a complex interplay between shared goals and individual priorities in their policy approaches, particularly in sustainable development through the implementation of the United Nations Sustainable Development

Goals (SDGs), focusing on renewable energy, poverty alleviation, and environmental conservation. All BRICS nations actively promote SDG 13, emphasizing climate action and sustainability [27]. and collectively push towards renewable energy consumption to reduce carbon emissions and foster ecological sustainability [28], [29]. However, divergent geopolitical contexts shape their strategies: China and India prioritize trade liberalization and technological advancement, with substantial investments in renewable energy and innovation [28], [29], while Russia and Brazil focus on resource-based economic strategies, leveraging natural resources for regional leadership and economic growth [30]. South Africa, on the other hand, emphasizes addressing historical inequalities and fostering inclusive growth within the African context [27].

c. Outcomes of BRICS Initiatives

A comparative analysis of the policy approaches of BRICS countries reveals both shared goals and individual priorities. Among their shared goals, all BRICS nations are committed to sustainable development, implementing the United Nations Sustainable Development Goals (SDGs) through policies that promote renewable energy, poverty alleviation, and environmental conservation. Furthermore, the bloc collectively emphasizes economic equity by advocating for the reduction of income disparities and ensuring equitable access to resources and opportunities on a global scale, aligning with their broader vision of a more inclusive global economic order.

However, the individual priorities of BRICS members often diverge due to their unique geopolitical and economic contexts.

China and India prioritize trade liberalization and technological advancement as key drivers of their global influence. Conversely, Russia and Brazil focus on resource-based economic strategies and regional leadership, leveraging their natural wealth to shape their economic policies. South Africa, distinct in its approach, centers on addressing historical inequalities and promoting inclusive growth within Africa. While these divergences pose challenges to policy coherence within BRICS, they also highlight the bloc's capacity to address a wide spectrum of global and regional issues, demonstrating its versatility in navigating complex international dynamics.

The BRICS nations collectively pursue sustainable development through the United Nations Sustainable Development Goals (SDGs), focusing on renewable energy, poverty alleviation, and environmental conservation, while their distinct geopolitical and economic contexts shape individual priorities. Renewable energy is a central focus, positively linked to ecological sustainability [28], [29]. Their strategies also target poverty alleviation and advocate for economic equity by reducing income disparities and ensuring equitable resource access [31], [32]. However, priorities diverge: China and India prioritize trade liberalization and technological advancement for global influence and growth [29], Russia and Brazil leverage natural resources for economic policies and regional leadership [30], while South Africa emphasizes addressing historical inequalities and promoting inclusive growth within the African context [31].

d. Normative Implications of BRICS' Role

The normative analysis of BRICS' role highlights its potential to

redefine global economic governance by upholding the principles of inclusivity, equity, and sustainability. Through its initiatives, BRICS challenges the exclusivity of traditional global institutions, advocating for greater representation of developing nations. The bloc's emphasis on development financing and poverty alleviation aligns with the principles of fairness and justice, while its focus on renewable energy and climate change mitigation demonstrates a commitment to addressing long-term global challenges. However, critics argue that BRICS' normative vision is weakened by internal inconsistencies and a lack of transparency in its decision-making processes, which undermines its potential to fully achieve its transformative goals.

4.2 Discussion

The findings indicate that BRICS has made meaningful contributions to global economic governance, but its impact is constrained by structural and geopolitical challenges. The bloc's ability to influence the global order depends on its capacity to overcome internal divisions and strengthen its collective voice.

BRICS' dual role as a reformist and a challenger highlights the complexity of its position in the international system. On one hand, it seeks to work within existing frameworks to advocate for reforms; on the other hand, it creates alternative mechanisms to bypass established structures.

The normative implications of BRICS' initiatives suggest that while the bloc has the potential to foster a more

inclusive and equitable global system, achieving this vision requires sustained commitment, internal coherence, and enhanced collaboration with other global actors.

This analysis underscores the need for further research to explore how BRICS can reconcile its internal differences and maximize its impact on global economic governance. Such efforts are crucial for addressing the growing demands for a more balanced and just international order.

5. CONCLUSION

This research demonstrates that BRICS plays a pivotal role in global economic governance, advocating for reforms in traditional institutions and fostering alternative mechanisms such as the NDB and CRA. Through its collective efforts, BRICS has contributed to addressing global challenges by promoting inclusivity, equity, and sustainability. However, the bloc's effectiveness is constrained by internal disparities, geopolitical conflicts, and limited influence on established Western-led institutions. The normative analysis underscores BRICS' dual identity as both a reformist entity and a challenger to existing global frameworks. While it has made notable progress, achieving its vision of a more equitable global system requires greater coherence among its members, transparency in decision-making, and enhanced collaboration with other international actors. Future initiatives must also address criticisms of internal inequality and lack of policy alignment to ensure that BRICS' contributions to global governance are both impactful and sustainable.

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