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Is Intra-BRICS Trade Reorienting Faster Than Global Trade? Evidence From Trade Intensity Analysis

Dr Sukhamaya Swain[1]
Professor – Finance & Economics,
JK Business School, Gurugram, India
(+91 9051827766 / happie@gmail.com)
Dr Siddhartha Bhattacharya[2]
Professor – Finance & Statistics,
JK Business School, Gurugram, India
(+91 7478524271 / getbhatta@gmail.com)
Dr. Pranshi Singhal[3]
Assistant Faculty
JK Business School, Gurugram, India
(pranshiagrawal.hr@gmail.com)
Mr Debasish Swain[4]
PhD Scholar,
Sri Sri University, Cuttack, India
(debswainemail@gmail.com)

Abstract

Traditional theories of economic regionalism suggest that sustained trade integration depends on strong formal institutions and legally binding agreements. The BRICS grouping challenges this view. Despite limited institutionalization and the absence of comprehensive trade agreements (between the Nations and as a Group also), trade among BRICS countries has increased steadily over the past decade.

This paper examines whether informal coordination and parallel national strategies can support trade integration in the absence of deep institutional frameworks. Using new trade intensity measures (based on CAGR) and growth-based comparisons for the five original BRICS economies over the period 2015-25, the study compares intra-BRICS trade growth with each country's global trade performance.

The results show that intra-BRICS trade has grown faster than global trade for all member countries, indicating a gradual strengthening of economic ties within the bloc. The findings suggest that emerging economy groupings may achieve meaningful trade integration through pragmatic cooperation rather than formal institutional convergence, offering insights for policymakers and scholars studying regional cooperation in the Global South.

Introduction

The expansion of BRICS in 2024 to include Saudi Arabia, the UAE, Egypt, Ethiopia, Indonesia and Iran has significantly enhanced the bloc's global economic and strategic weight. Collectively, BRICS now accounts for ~39 percent of global GDP (on basis of PPP) and ~24 percent of international trade, while encompassing close to half of the world's population, with demographic growth projected to exceed the global average over the next decade. IMF projections for 2024 indicate positive economic growth across all member states, underscoring the bloc's macroeconomic resilience. BRICS' widening geographic footprint covering Latin America, Eurasia, Africa and the Middle East also translates into substantial control over global resources, including approximately 36% of the world's territory, over 70% of rare earth reserves and a dominant share of global energy and mineral production. This association and the energy assimilation seems to have put the Western bloc (read US of A and Europe) in a state of uncomfort.

The bloc's deepening trade integration is reflected in Brazil's external sector, where BRICS partners account for more than one-third of both exports and imports. Together, these trends position BRICS as a central actor in reshaping global economic governance, trade flows and resource geopolitics.

The strength being population (and hence consumption), captive natural energy and dynamic leadership, this bloc's intra-country trade may redefine the trade figures of the globe. This paper does a deep analysis of this aspect and compares it with the global trade.

1 Trade and Investment Agreements

The analysis of trade policies and agreements among BRICS nations reveals a complex interplay of factors influencing intra-BRICS trade, demonstrating both opportunities and challenges for economic integration and cooperation. While we discuss and focus only on the economics and trade, the interplay of politics and self-interest promotions cannot be ruled out. The BRICS group, comprising Brazil, Russia, India, China and South Africa, has significantly increased its global trade flows over the last one and a half decades, collectively accounting for ~24 percent of global trade and generating ~39 percent of global economic growth. While the present paper studies in details the economics of these countries, it is interesting to note that there is no entity called BRICS; indeed its is BRICS+ with the inclusion of Saudi Arabia, the UAE, Egypt, Ethiopia, Indonesia and Iran. This grouping has evolved from a financial category into a political entity, progressively developing from a dialogue-based platform into a comprehensive framework for cooperation.

We have enough literature review on scholars showcasing the linkage of trade openness and growth of trade (Grossman and Helpman (1991), Levine and Renelt (1992), Edwards (1993), Sachs and Warner (1995)).

1.1 BRICS Business Council

The BRICS Business Council (BBC) functions as a key institutional bridge between the business community and the respective BRICS governments, aimed at strengthening economic, trade and investment cooperation among member countries. It formulates policy-oriented recommendations to improve the business environment, which are submitted to BRICS Leaders. The Council comprises 45 senior business leaders who define strategic priorities, represent national interests and convey collective recommendations. Its work is organized through nine specialized Working Groups covering critical sectors such as aviation, agribusiness, digital economy &artificial intelligence, energy & the green economy, financial services, infrastructure, manufacturing, skills & innovation and trade & investment.

1.2 BRICS Contingent Reserve Arrangement (CRA)

Its main aim is to strengthen the global financial safety net by providing support to members facing short-term balance-of-payments difficulties or external liquidity pressures. It is a collective financial safety net that enables member countries to provide short-term liquidity support to one another during balance-of-payments or currency stress. Designed as a complement and act as a substitute of International Monetary Fund, it aims to reduce dependence on external financial institutions. The CRA became operational after all BRICS members ratified the treaty, with its formal governance structures (including a council and standing committee) established and functioning from 2015 onward.

1.3 RTAs

Regional trade agreements (RTAs) play a facilitative role in trade, with findings suggesting a higher effect of RTAs for imports compared to exports for both BRICS and Next Eleven (N-11) economies. BRICS RTAs primarily facilitate exports of metals, chemical products and machinery. Trade liberalization, exemplified by BRICS countries' membership in the World Trade Organization (WTO) and binding tariffs, has been linked to economic growth. Trade facilitation is considered essential for enhancing the import and export of agricultural products, particularly between China and other BRICS countries, by improving trade efficiency and identifying potential opportunities for formal cooperation mechanisms 21. For example, intra-industry trade of agricultural products between China and Brazil is predominantly inter-industry, while with India, Russia and South Africa, intra-industry trade is more prevalent. Similarly, the trade of livestock products between China and Brazil is the closest among BRICS members and is mainly import-driven.

Some of the key bilateral agreements are

a India-UAE Virtual Trade Corridor (VTC) and Master Application for International Trade and Regulatory Interface (MAITRI) interface between India and UAE.

b Preferential trade protocols and currency swap arrangements aimed at reducing tariff burdens and dependency on third-party currencies between China and Russia.

c India–Southern African Customs Union Preferential Trade Area (SACU-PTA), focusing on tariff concessions on select goods between India and South Africa.

1.4 NDB

The New Development Bank was formed to mobilise resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries to supplement existing efforts of multilateral and regional financial institutions for global growth and development.120 projects with a value of over 39 Bn USD makes New Development Bank (NDB) pivotal for the success and future of BRICS bloc. The importance lies not just in the projects but across many things namely

a Substantial proposals of investment across each of the founding countries (Brazil: 5.262 Bn USD, Russia: 3.966 Bn USD, India: 7.500 Bn USD, China: 8.116 Bn USD, South Africa: 5.386 Bn USD) b Infrastructure centric investments happening across Transportation, Clean Energy, Water & Sanitation, Digital Infrastructure and Social Infrastructure.

c It is also disbursing money through non-USD. The project disbursement has happened through INR, RMB, ZAR, CHF and EUR. This is significant as BRICS is being seen as a pusher for non-USD transactions.

This Institution has rechristened itself through the establishment of the BRICS Multilateral Guarantees (BMG) initiative as a pilot within the NDB to mobilize private capital for sustainable development. BMG uses guarantees to de-risk investments in infrastructure, renewable energy and climate resilience projects, addressing financing gaps for SDGs and Paris Agreement goals in BRICS and Global South countries. Drawing from the World Bank's MIGA model, it leverages NDB's resources off-balance-sheet to enhance creditworthiness, lower costs and promote South-South cooperation without new contributions.

1.5 BRICS 2030 Economic Partnership Strategy

Adopted during Russia's BRICS presidency in 2020, the strategy provides a framework for guiding economic cooperation within the group. Its renewed version outlines five key priorities for the next five years: (a) strengthening the multilateral trading system, (b) advancing the digital economy, (c) promoting international trade & investment, (d) enhancing financial cooperation and (e) supporting sustainable trade and development.

1.6 Global Logistics Platform

The creation of this entity emphasizes accelerating inclusive trade routes, resilient logistics, and harmonized trade processes to better connect BRICS and other emerging economies, with a keen focus on empowering nations through infrastructure development, innovation and multilateral cooperation. As per their website, 30+ mapped trade corridors have been identified, 10 Mn Tons of projected freight volume North-South and East-West corridors by 2028, 70+ infrastructure gaps have been identified and 50 Bn USD worth of investment projects have been identified in the domains of Terminals, rail links, and multimodal hubs.

2 Tariffs within BRICS

a Average tariff rates among the 10 BRICS members stand at 8.4%, according to World Bank data. Within the Nations, there may be differences.

b Among themselves, the 10 BRICS nations have imposed some 232 trade-restricting anti-dumping and anti-subsidy tariff measures. This is a very significant and positive fact considering the fact that existing multilateral & plurilateral organisations have not been that successful.

3 Need for the study

BRICS countries have seen significant growth in their economic and political strength (in geo-politics). We have enough literature, theories, research and documents around the same. We are also seeing statements by Western political leaders. Thus, one needs to find answers to the following

a Are the BRICS trade going faster than that of their respective international trade.

b If so, by how much

Needless to say, if the investigation finds out that the growth of trade within the BRICS bloc is sufficiently higher than that of their respective global trade rate of growth, it signals that the Western established powers have merits in their claims of BRICS becoming significant.

4 Methodology

The paper uses the concept of trade intensity as proposed by various experts over a period of time. The trade intensity index serves as a foundational metric in international trade analysis, designed to evaluate the concentration of bilateral trade flows between two countries relative to expected patterns under global trade shares. Pioneered by Brown (1949), it quantifies trade strength by normalizing a country's exports to a specific partner against the partner's global export share, mitigating distortions from economic size differences. Kojima (1962) subsequently popularized its application, employing it to dissect post war trade propensities and revealed comparative advantages, particularly in Japan's economic expansion.

Iapadre (2004, 2006) extended this bilateral framework into multilateral dimensions, refining the index for intra-regional trade (within economic blocs) and extra-regional trade (with external economies), while introducing the trade introversion index to assess a region's relative self-containment in trade flows. These adaptations enable precise measurement of integration dynamics, such as whether intra-bloc trade exceeds probabilistic expectations based on world shares.

Application with slight modification from the theory used in the paper:

a. While the original theories were limited to the adjacent countries or countries within a geographical bloc, we use it for discussing economic blocks.
b. While the theory measures the intensity by calculating the export, import or both between countries and the globe (minus the compared country), we use *CAGR comparison* to comment on the intensity of trade.
c. The trade (exports and imports) between a BRIC nation is compared with each nation of the BRICS bloc and also with that of the globe.
d. To build a CAGR Intensity index (CII), the following formula is proposed

$$CII_{iBW} = \frac{CAGR_{iB}}{CAGR_{iW}}$$

i refers to the respective BRICS country
iB refers to the trade of the respective country within the BRICS bloc
iW refers to the trade of the respective country with the globe
CII stands for CAGR Intensity Index

The authors present this novel formula for calculating the same. Two of the authors have applied for taking a copyright of the same vide Diary Number LD-5754/2026-CO through Copyright Office, Office of the Controller General of Patents, Design, & Trade Marks, Department for Promotion of Industry and Internal Trade.

We will compare the trade of each BRIC countries (original five) and juxtapose the same across their respective global trade. For doing away with the problem of limited samples, we will base our comments after evaluating atleast 10 years of data. To bring authenticity into the daya, we have mostly used data from central banks of countries and reputed global institutions.

5 Trade related data (Intra & Inter BRICS)

As evinced and mentioned above, BRICS are a significantly growing their trade within themselves as well as they are key to the global growths also.

5.1 Growth of trade within BRICS countries

We will evaluate each of the BRICS countries and evaluate the trade of each country across the 4 other countries. The data has been collated for 11 years (2015-25). All figures in Billion USD. Values for 2024–2025 are projections based on early-year data and Central Bank trends.

Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Trade with China	75.2	70.7	84.4	92.7	87.4	77.7	115.6	117.8	118.4	131.7	142.0
Trade with Russia	6.3	6.2	7.5	8.2	10.1	8.2	11.9	49.3	65.4	67.3	71.5
Trade with Brazil	7.9	5.9	7.6	8.2	7.1	6.6	11.5	16.4	12.1	12.6	13.5
Trade with S. Africa	7.1	4.3	4.9	7.6	9.2	8.2	16.1	18.9	15.3	18.5	21.6
India Total	**96.5**	**87.1**	**104.4**	**116.7**	**113.8**	**100.7**	**155.1**	**202.4**	**211.2**	**230.1**	**248.6**

Table 1 India's trade with other four BRICS nations

Source(s): Collated by authors from Ministry of Commerce India, RBI Database, IMF DOTS.

It is clear that there is a distinct trend of improvised trade across each of the nations except for few years in the beginning. The trade with China is clearly the highest.

Category	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Trade with India	75.2	70.7	84.4	92.7	87.4	77.7	115.6	117.8	118.4	131.7	142.0
Trade with Russia	68.1	69.5	84.2	107.1	110.8	107.8	146.9	190.2	240.0	247.5	258.2
Trade with Brazil	71.5	67.5	86.9	111.0	115.2	119.0	164.2	171.4	181.5	191.7	196.5
Trade with S. Africa	44.1	35.6	36.3	51.2	55.2	48.6	70.4	66.5	70.2	64.9	65.8
Total of China	**258.9**	**243.3**	**291.8**	**362.0**	**368.6**	**353.1**	**497.1**	**545.9**	**610.1**	**635.8**	**662.5**

Table 2 China's trade with other four BRICS nations
Source(s): Collated by authors from General Administration of Customs China, IMF DOTS.
The trade with Russia and Brazil is the highest among the nations.

Category	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Trade with China	71.5	67.5	86.9	111.0	115.2	119.0	164.2	171.4	181.5	191.7	196.5
Trade with India	7.9	5.9	7.6	8.2	7.1	6.6	11.5	16.4	12.1	12.6	13.5
Trade with Russia	4.1	3.4	3.1	3.3	3.5	4.1	7.6	10.8	10.0	10.4	10.4
Trade with S. Africa	1.9	1.6	1.7	2.0	2.2	2.0	2.0	2.6	1.0	1.3	1.5
Brazil Total	**85.4**	**78.4**	**99.3**	**124.5**	**128.0**	**131.7**	**185.3**	**201.2**	**204.6**	**210.0**	**218.4**

Table 3: Brazil's trade with other four BRICS nations
Source(s) : Collated by authors from ComexVis Brazil, Banco Central do Brasil
The trade with China is distinctly higher than any other country fro Brazil.

Category	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Trade with China	68.1	69.5	84.2	107.1	110.8	107.8	146.9	190.2	240.0	247.5	258.2
Trade with India	6.3	6.2	7.5	8.2	10.1	8.2	11.9	49.3	65.4	67.3	71.5
Trade with Brazil	4.1	3.4	3.1	3.3	3.5	4.1	7.6	10.8	10.0	10.4	10.4
Trade with S. Africa	1.0	0.9	1.2	1.4	1.2	1.1	1.5	1.5	1.7	1.8	1.9
Russia Total	**79.5**	**80.0**	**96.0**	**120.0**	**125.6**	**121.2**	**167.9**	**251.8**	**317.1**	**327.0**	**342.0**

Table 4: Russia's trade with other four BRICS nations
Source(s): Collated by authors from Federal Customs Service Russia
Despite increase of trade with India, China remains the largest partner to Russia.

Category	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Trade with China	44.1	35.6	36.3	51.2	55.2	48.6	70.4	66.5	70.2	64.9	65.8
Trade with India	7.1	4.3	4.9	7.6	9.2	8.2	16.1	18.9	15.3	18.5	21.6
Trade with Brazil	1.9	1.6	1.7	2.0	2.2	2.0	2.0	2.6	1.0	1.3	1.5
Trade with Russia	1.0	0.9	1.2	1.4	1.2	1.1	1.5	1.5	1.7	1.8	1.9
South Africa Total	**54.1**	**42.4**	**44.1**	**62.2**	**67.8**	**59.9**	**90.0**	**89.5**	**88.2**	**86.5**	**90.8**

Table 5: South Africa's trade with other four BRICS nations
Sources : Collated by authors from Federal Customs Service Russia, SARS South Africa
Despite increase of trade with India, China remains the largest partner to South Africa. Among all the countries of BRICS examines, South Africa has the lowerst size of trade within BRICS.

5.2 Growth of trade by each BRICS nation globally

We will evaluate each of the BRICS countries and evaluate the trade of each country within the 4 other BRICS countries and compare it against the total global trade. The data has been collated for 11 years (2015-25). We will insert a column for CAGR across each of the trade figures (intra BRICS and global).

Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR
Intra-BRICS ($bn)	96.5	87.1	104.4	116.7	113.8	100.7	155.1	202.4	211.2	230.1	248.6	**9.92%**
Global Trade ($bn)	655.1	617.0	740.0	829.9	798.0	643.4	967.3	1176.6	1145.7	1167.3	1194.0	**6.19%**
BRICS % of Global Trade	14.7%	14.1%	14.1%	14.1%	14.3%	15.7%	16.0%	17.2%	18.4%	19.7%	20.8%	—

Table 6: India's (I) Trade Growth & CAGR (2015–2025)

Source(s): collated by authors from Ministry of Commerce India, RBI Database, IMF DOTS.

It is clear that the rate of growth of India's trade within BRICS is substantially higher than that of the rate of the growth of its global trade. This is also evident from the increment in the percentage share in each year.

Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR
Intra-BRICS ($bn)	258.9	243.3	291.8	362.0	368.6	353.1	497.1	545.9	610.1	635.8	662.5	**9.85%**
Global Trade ($bn)	3956.9	3685.0	4104.3	4623.0	4576.2	4646.2	6048.8	6309.6	5936.8	6108.2	6340.0	**4.83%**
BRICS % of Global	6.54%	6.6%	7.1%	7.8%	8.1%	7.6%	8.2%	8.7%	10.3%	10.4%	10.5%	—

Table 7: China's (I) Trade Growth & CAGR (2015–2025)

Sources: collated by authors from GACC China Statistics, World Bank WITS, ADB Data.

It is clear that the rate of growth of China's trade within BRICS is almost double that of the rate of the growth of its global trade. The percentage share in the last few years has not moved much.

Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR
Intra-BRICS ($bn)	79.5	80.0	96.0	120.0	125.6	121.2	167.9	251.8	317.1	327.0	342.0	**15.71%**
Global Trade ($bn)	526.7	467.8	584.0	687.4	666.6	563.7	785.0	850.6	727.3	746.8	774.0	**3.93%**
BRICS % of Global	15.1%	17.1%	16.4%	17.5%	18.8%	21.5%	21.4%	29.6%	43.6%	43.8%	44.2%	—

Table 8: Russia's (I) Trade Growth & CAGR (2015–2025)
Source(s): collated by authors from FCS Russia, IMF Mirror Stats, Central Bank of Russia
The importance of BRICS for Russia is stark as the the rate of growth of BRICS trade is atleast 3 times that of the global trade.

Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR
Intra-BRICS ($bn)	85.4	78.4	99.3	124.5	128.0	131.7	185.3	201.2	244.7	209.0	218.4	**9.84%**
Global Trade ($bn)	362.5	322.7	368.4	420.5	402.7	368.1	500.2	606.8	580.5	597.0	616.7	**5.45%**
BRICS % of Global	23.6%	24.3%	27.0%	29.6%	31.8%	35.8%	37.1%	33.2%	42.2%	35.0%	35.4%	—

Table 9: Brazil's (I) Trade Growth & CAGR (2015–2025)
Source(s): collated by authors from ComexStat Brazil, OECD iLibrary, BCB Statistics.
The rate of growth of Brazil in the intra-BRICS space is substantially higher than that of the global growth trade rate.

Category	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR
Intra-BRICS ($bn)	54.1	42.4	44.1	62.2	67.8	59.9	90.0	89.5	88.2	86.5	90.8	**5.31%**
Global Trade ($bn)	185.7	164.2	172.6	187.8	178.7	154.1	217.0	233.4	211.3	232.8	240.9	**2.64%**
BRICS % of Global	29.1%	25.8%	25.6%	33.1%	37.9%	38.9%	41.5%	38.4%	41.7%	37.2%	37.7%	—

Table 10: South Afrca's (I) Trade Growth & CAGR (2015–2025)
Source(s): collated by authors from SARS South Africa, DTIC Statistics, World Bank WITS.

The rate of growth of South Africa in the intra-BRICS space is almost double of the global growth trade rate.
As discussed in 4.d, let us evaluate the CAGR Intensity index for each of the countries

Countries	*CAGR Intensity Index*
India	1.60
China	2.04
Russia	4.00
Brazil	1.81
South Africa	2.01

Table 11: CII for each of the countries

This clearly shows that the BRICS nations can put up a strong counter to the growth of the United States or any other developed country. If these countries come together, they can become a too powerful cohort.

6 Key challenges to Intra Trade growth within BRICS nations

6.1 Logic and Constraints of Cross-Continental Integration

Cross-continental integration is driven by the urgent need of continental countries to establish bounded and sustainable economic ties. However integration of BRICS faces both internal and external obstacles. Integration, by its very nature, challenges the authority of the nation-state and often comes into conflict with domestic administrative structures that act as its real power holders. As a result, integration processes tend to evolve unevenly and face resistance from within. The challenge further increases with the increment of additional countries joining the bloc.

6.2 Eurasian Integration: Progress and Contradictions

These contradictions are evident even in relatively advanced integration spaces. For instance, relations between Russia and Belarus remain complex, despite being closer and deeper than broader Eurasian integration efforts. At the same time, the Eurasian Economic Union (EAEU) which includes Russia, Belarus, Kazakhstan, Armenia and Kyrgyzstan offers strong prospects for deeper and more institutionalized integration in the future. The EAEU represents a framework through which long-term, rooted integration processes can gradually mature. This is a typical challenge as we see between multilateral and plurilateral organisations.

6.3 Western Influence and the Sanctions Regime

Western countries continue to exert significant influence over integration processes in several states. Following the 2014 referendum on Crimea's reintegration into Russia, Western sanctions were imposed with the explicit aim of altering Russia's policy toward Ukraine and reversing its recognition of Crimea as part of the Russian Federation. The possibility of further sanctions targeting Russia's foreign policy has remained persistent.

These measures intensified dramatically after the launch of the special military operation in Ukraine on February 24, 2022, becoming the most extensive sanctions regime in recent decades. Western states and their allies expanded sanctions through asset freezes, travel restrictions, blacklisting of Russian entities, bans on investment in transport, infrastructure, and energy projects, and restrictions on European financial institutions funding sanctioned initiatives. Collectively, these actions illustrate sanctions pressure designed to influence Russia's political decision-making.

Now also, we see sanctions on a major BRICS country i.e. Russia. India and China have also been significantly targeted by the West (specifically the US of A) over their association and indulgence with BRICS.

6.4 Russia's Strategic Response and Commitment to Integration

Despite these pressures, Russia has demonstrated a clear commitment to its developmental trajectory and the protection of its population. It has also continued to actively participate in regional integration initiatives. In the Eurasian space, the transition toward a polycentric world order is pursued through coalitions such as the EAEU, the Shanghai Cooperation Organization (SCO) and the Greater Eurasian Partnership (GEP). At the global level, this strategy is reflected in BRICS.

6.5 Integration, Innovation, and Technology Cooperation

Countries within the EAEU, SCO, GEP, BRICS and APEC are expected to implement coordinated strategies of interstate cooperation focused on integration and innovation. These strategies aim to expand existing technological capacities and facilitate access to new technologies embodied in products, social processes, scientific knowledge and education (Stepanova, 2022). Such cooperation is critical for sustaining long-term economic competitiveness in a fragmented global system.

6.6 US Opposition to BRICS and the Currency Debate

Tensions between BRICS and the United States have intensified around the issue of currency dominance. The US president-elect has demanded a commitment from BRICS countries not to support any currency intended to replace the US dollar, warning that failure to comply would result in exclusion from the US market. This followed threats to impose 100% tariffs on BRICS countries if they pursued a common currency to challenge the dollar's hegemony.

While observers have described these threats as a "needless provocation," noting that the dollar is not under immediate threat, BRICS countries themselves have not reached any formal agreement on creating a common currency. Although reform of the dollar-dominated international system has been discussed, no official de-dollarization proposal has been adopted (International, 05 December 2024).

6.7 Renewed US Tariff Threats and India's Position

In February 2025, the US president-elect reiterated plans for reciprocal tariffs aimed at countries imposing high duties on American goods. India was singled out as one of the world's most protectionist economies, ahead of a scheduled meeting with Prime Minister Narendra Modi. The BRICS bloc was again criticized for conducting trade outside the dollar system, with warnings that its ambitions threaten dollar dominance. According to Trump, these warnings effectively stalled BRICS' currency-related ambitions.

7 Key recommendations for the BRICS nations

7.1 Connectivity

Over-dependence on major trade corridors such as the Suez and Panama Canals has exposed global trade to strategic and operational risks. Disruptions from the West Asia crisis reduced

Suez Canal traffic drastically in 2024. There has been climate-induced drought reduced Panama Canal throughput, forcing rerouting via the Cape of Good Hope. However, that option comes with with higher transit times, emissions, insurance and trade costs disproportionately affecting many BRICS economies. These shocks underline the need for a coordinated BRICS strategy on multimodal connectivity to strengthen supply-chain resilience, leveraging alternative routes such as the INSTC, IMEC, Arctic corridors and options beyond the Panama Canal, in which several BRICS members have direct strategic stakes.

7.2 Creating Mineral Corridors

Africa's control of around 30% of global critical mineral reserves, including nearly half of cobalt and manganese, presents a major strategic opportunity for BRICS. By leading the mapping, extraction, processing, and trade of these resources—guided by principles of transparency, benefit sharing, and multilateral cooperation—BRICS can shape secure and resilient supply chains. The creation of BRICS-led mineral corridors, integrating technology transfer, processing, storage, and end-to-end connectivity, offers a pathway for the bloc to strengthen its influence in future growth sectors, with members such as the UAE contributing expertise in commodity management.

This becomes all the more significant with two counties of BRICS bloc (China and India) having deep interests in Africa. China already has business associations specifically with African Nations and India has started to focus on Africa with its clear Deep-South-South Vision targetting African Nations.

7.3 Financing BRICS Development

It is estimated USD 39 Tn is needed for infrastructure in the Emerging Market and Developing Economies (EMDEs) between 2021 and 2030, including a USD 12 Tn financing shortfall. This should be seen as an unique opportunity for NDB. BRICS can drive progress by adopting flexible and innovative financing strategies, particularly for large-scale investments in connectivity and resilient supply chains. Strengthening the BRICS Task Force on PPPs and Infrastructure can help member countries coordinate on digital technologies, blended finance, and green initiatives, making projects more viable. Meanwhile, the New Development Bank (NDB) can play a pivotal role by collaborating closely with central banks and credit-guarantee agencies to attract private investment. By expanding NDB support specifically in its own focussed areas i.e. transport, clean energy, digital and social infrastructure, BRICS can enhance regional integration, improve productivity and establish itself as a key driver of sustainable growth across the Global South.

7.4 Currency usage

By permitting local currency exchanges, intra-BRICS investment mechanisms must also mitigate currency risks, particularly dollar volatility. A specialised platform for investment facilitation could assist in coordinating investment opportunities, identifying priority infrastructure projects, and aligning sectoral interests, despite the fact that this has been discussed over the years.

Conclusion

Politically, the BRICS+ countries do not seek a rupture with the existing global financial architecture. By reaffirming the central role of the IMF and the World Bank in the 2025 Rio Summit Declaration, they present themselves as reformist actors operating within the system rather than as builders of a parallel order. This position underscores a core paradox of BRICS: its aspiration to represent the Global South while remaining embedded in (and through and constrained by) the very Northern-dominated (or Western) structures it seeks to reform.

Though there has been significant growth and growth rate in intra-trade between BRICS countries, we now have to evaluate the same in the form of BRICS+ format too. Besides, one must also note the personal credence involved of the leaders of these nattions. Till the time, we have the same leaders in place, as much as systemisations must be done so that BRICS as a bloc can be impactful in the years to come focussing on all the problems and handicaps of all the multilateral organisations.

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