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Where angels would have feared to tread:

Reformists, Revisionists

and the 2023 BRICS Summit

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As the host of this year's BRICS Summit, South Africa faced the daunting challenge of driving the process to draft admission criteria for expanded BRICS membership. Although it's been on the cards since 2018 with China strongly supporting expansion, the Covid pandemic helped push the can down the road. This was useful as expansion required much deeper reflection amongst the BRICS as to the club's fundamental identity. Is it primarily a means for the creation of alternative economic and financial mechanisms or does it see itself as evolving into a much larger economic *and* political group?

BRICS' detractors are fond of casting BRICS as nothing but a GDP club with few common values and even less geographical overlap. Yet this ambiguity has been both BRICS' strength and its weakness. Until Russia's invasion of Ukraine in February 2022, BRICS was essentially about reforming key institutions of the existing international order with a strong emphasis on trade, economic development, and finance. However, with escalating US-China trade disputes and the Ukraine war, for some revision of the Bretton Woods order (rather than its mere reform) became imperative. It is this tension between reformists – who see the BRICS as a bulwark against US-China polarization and those who see it as a means for the creation of a Western counter-hegemonic bloc – that had to be navigated at the 15th BRICS Summit in Johannesburg.

The differences between the reformists and the revisionists run along two lines of difference. The former – for the first line of difference - does not want BRICS to be seen as a basis of opposition to the G7 and – on the second line of difference - prefer a stronger focus on economic and social development. Revisionists, however, would prefer the BRICS to demonstrate options alternative to the West. Although cognizant of economic development imperatives, the revisionists are keen to see some or more geopolitical and security issues on BRICS' agenda – the second line of difference.

Given their historic non-aligned positions, India and Brazil advocated the former and Russia the latter. However, Putin's attempt to drum up support for Russia's invasion elicited only very brief and neutral responses in support of peace-making from Lula and Ramamphosa, whilst Modi did not mention it in his address nor did China.

China possibly has a leg in both groups. As the world's second largest economy, it benefits from a relatively stable international trading order yet also wants to shape an alternative security order. For example, Jinping also proposed sharing intelligence amongst BRICS members. Members of the now redundant club of democracies in the Global South – IBSA – India, Brazil and South Africa, remain vigilant to the risk that an expanded BRICS may simply become a big Beijing fan club. Yet, South Africa had very little choice but to support expansion. As the smallest economy in the group whose admission had been supported by China and Russia, Pretoria would be hard pressed to do otherwise. One idea to mitigate a stronger power tilt towards Beijing should new members be admitted, was the introduction of a 'tiered' level of membership with the original BRICS members enjoying extended privileges. However, given that such an approach would mirror the unequal distribution of power within the UN Security Council that BRICS was specifically created to oppose, it died an early death.

Both India and Brazil were initially against expansion but eventually agreed provided clear criteria were developed, although a very reluctant Modi had to be persuaded by Ramaphosa. Modi was reported to suggest at the eleventh hour that a minimum per capita should be part of the admission criteria and that an aspiring member may not be a target of sanctions (thus barring Venezuela and Iran).

Although speculation started to surface that due to a lack of consensus no new members would be announced, eventually six new members were invited: Argentina, Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates. It is striking that only two of these, Argentina and Ethiopia are not major fossil fuel exporters, with Argentina facing crippling foreign reserve crises strongly supported by Brazil and Ethiopia and Egypt supported by South Africa. Questions of human rights and democracy aside, the addition of Iran, Saudi Arabia, the UAE and Egypt will give the BRICS undeniable oil-producing heft. Moreover, the UAE and Egypt were already members of the New Development Bank (NDB). Membership of BRICS is not a perquisite for membership in the NDB, as is the case for Bangladesh. Indonesia – the largest economy in Southeast Asia which earns 19% of its exports from fuel – also applied for membership. Although Jokowi addressed the Summit in person, emphasizing human rights and international law, Indonesia seems to have decided against joining BRICS citing that geopolitical tensions with Russia and tensions between China and India are likely to overshadow prospects for economic and social cooperation. As one of the world's largest democracies with a long tradition of non-alignment, Indonesia's reluctance to join BRICS does not auger well for a good balance between countries with democratic and other political systems within the BRICS.

For South Africa, the inclusion of Ethiopia and Egypt introduces the difficult trade-off between its national interest against its Pan-African leadership aspirations. Given that South Africa's ascension to BRICS was justified based on it being Africa's 'representative' – considering its small economy – it is less clear what Pretoria will be bringing to future BRICS jamborees besides its G20 membership, given that it will no longer be the African primus inter pares. Given the possible need for a small secretariat to look after a growing BRICS family, Pretoria could pitch the idea that it – like Brussels – could host such a secretariat. However, Ethiopia may contend that a BRICS secretariat could easily 'piggyback' on the existing African Union infrastructure. At which point, China might eagerly suggest the NDB headquarters in Beijing.

The issue of 'de-dollarisation' has been a long-standing item on the BRICS agenda. Yet media speculation about a new BRICS 'currency' in the wake of Russia's expulsion from the SWIFT banking system sought to frame the BRICS Summit in alarmist terms. Ill-informed media hype about the imminent 'demise of the US dollar' problematically shaped a polarizing narrative that the reformist group sought to downplay. Accordingly, the summit declaration approved the creation of a working group and reiterated the already existing contingency reserve arrangement in suitably technocratic language.

Whether the new 11-member BRICS will amplify the voice of the Global South depends on several key conditions. The first is finding the optimal size of the eventual coalition – encompassing enough to make a decisive global impact but not that large that transaction costs, the lack of substantive focus and division overwhelm momentum. The second is balance between the number of democracies and non-democracies. If the club is seen to be dominated by pro-Beijing or Moscow types, the reformists will leave, undermining BRICS' collective goal of inclusive multilateralism. The third involves the role of non-state actors. Given the prominence of the Business Forum, capital may also help moderate divisiveness.

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