

BRICS: Platform for Emerging Developing Economy

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Abstract

BRICS communities are the engine of a developing economy. This research article goes through the basic aims and objective of BRICS and the role of BRICS.

Keywords: BRICS Overview, aim, objective and role

1. Introduction

The term BRIC (BRAZIL, RUSSIA, INDIA and CHINA) firstly coined by chief economist of Goldman Sachs (Investment Banker) in year 2001. In a paper titled “Building better economic BRIC’s” the term specially focus on four emerging economy which are culturally, geographically and demographically disparate. These communities first time they met in New York as a group in year 2006. In year 2009 South Africa join BRIC communities. The new name therefore BRICS (BRAZIL, RUSSIA, INDIA, CHINA and SOUTH AFRICA) it’s a symbol of super power communities. The tag line of BRICS is “Zero poverty, Zero unemployment and Zero net carbon”

2. Why BRICS?

In year 1990 soviet Russia merged. In 2008 all over the world faced problem of recession / Financial crises because of the subprime effects in American economy. Financial crises the traditional centers of the world economy in the West have experienced slow economic growth or even stagnated. SAARC got failure, because of regional blocs, for overcoming the problems of financial crises many organization forms like, G-20 (Developed countries organization), G-4 (India, Brazil, Japan, Germany), ISBA (India, South Africa, Brazil) but no one have that much potential to face these challenges, and

create a challenge for developed economies. Therefore the discourse around BRICS has been mainly economic. The reason behind the forming of BRICS is not only these communities having financial power but also having ability to face the challenges. BRICS having larger market potential. The BRICS have profoundly influenced the direction of world trade and investment.

Overview of BRICS:

BRICS have become the largest producers and consumers of goods. They account for approximately 40 % of the world’s population and 25 % of the GDP and 25 % of land. All of the “BRICS” nations have increased their Gross Domestic Product since 2000. Each nation has unique resources and attributes that make it an economic power house. China has greater potential in manufacturing, Russia having larger capacity oil and natural recourses, India having more knowledge and faster in information technology and workforce is skilled, inexpensive, and large. Brazil having many exportable resources and tourism sector and South Africa has a large amount of precious metals and produces approximately 45 percent of the continent of Africa’s electricity.

Population and income in the BRICS, 2010

Country	Population	GDP(US Dollar, Billions)	GDP per capita (US Dollar, PPP)
Brazil	193.3	2,142.9	11,314
China	1,314.4	5,930.9	7,550
India	1,190.5	1,597.9	3,419

Russia	142.9	1,487.3	15,657
Total	2,868.1	11,158.5	6,493

Source: IMF, World economic outlook data base and U.S. Census Bureau, International Data

3. Aims:

Trade: Boost intra – Brics Trade in their local currency to increase trade cooperation and cope up with the financial crises. Work together on trade issues and economic issues.

- 1) **Peace and security:** platform for promotion of peace and security which is a shared desire to all member countries.
- 2) **Technology:** to promote and provide technological exchange among the countries.
- 3) **Economic Growth:** To enhance inclusive growth that will lead to increase employment opportunities fights against poverty and to accelerate economic transformation among the countries.
- 4) **Climate change:** work together on climate change

4. Objective

- 1) To remote trade barriers
- 2) To achieve regional development
- 3) Optimum use of natural recourses
- 4) Building relationship with each other
- 5) Assisting developing countries
- 6) Focus on climate change (control – global warming)
- 7) Work like IMF and WTO
- 8) To promote technological information exchange among member communities
- 9) Infrastructural development
- 10) Implementation on of sustainable development

5. Conclusion

BRICS: as an emerging Developing Economy plays a vital role in emerging developing economy. For uplifting the

developing countries BRICS established “BRICS new development Bank” in year 2015. This bank will assist and provide finance to developing countries. BRICS developing cooperation focusing on technical rather than financial assistance. China and India concentrating on bilateral aid mainly, where as Russia, South Africa and Brazil are predominantly using multilateral channels. Economic growth and inclusive growth is a priority that will lead to reduction in poverty and increasing employment opportunities.

Boosting intra – Brics Trade in their local currency to increase trade cooperation and cope up with the financial crises. Every member country having unique identity and they are good in problem solving.

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