

## An Update on BRICS+

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The BRICS alliance originally consisted of Brazil, Russia, India, China, and South Africa. On January 1, 2024, Egypt, Ethiopia, Iran, Saudi Arabia, and the United Arab Emirates joined the economic alliance as full members. The ten countries combined account for 37% of world GDP and 46% of world population.

Many BRICS nations are moving outside of the US sphere of influence. In late June, Saudi Arabia announced that it will not renew its agreement with the US to price its oil in US dollars in return for military protection. Saudi Arabia will now price its oil in other currencies besides the US dollar.

On June 5-8, Russia hosted the St. Petersburg International Economic Forum (SPIEF). Over 21,000 people attended from 139 different countries. Pepe Escobar, a Brazilian journalist who writes for the Asia Times, describes three key messages about BRICS in the speech by President Vladimir Putin at the SPIEF:

1. Despite the sanctions, Russia has managed to grow its economy, and position itself to play a significant role in establishing a diversified system of global trade linked to the expansion of BRICS.
2. The BRICS alliance is working on their own payment infrastructure to provide a system for international financial transactions that will be independent from economic pressure of the US and European allies. In September, there will be a special conference in Shanghai to provide more details about the BRICS currency system to be introduced. In October, the current BRICS 10 countries will likely adopt the new BRICS payment system at a summit in Kazan.
3. There are currently 59 additional nations that plan to join BRICS. Many of the countries are also considering the Shanghai Cooperation Organization (SCO) and Eurasia Economic Union (EAEU). The objective of the three organizations, as President Putin describes it, is to achieve a “harmonic multipolar world” or a system of cooperation on equal terms.

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Lena Petrova, an American CPA who follows the BRICS developments closely, says that there is much more to BRICS than a means to facilitate international trade. She said this about the recent meeting:

The BRICS block meeting was focused on three, let's call them pillars: #1) politics and security; #2) economy and finance, and the third pillar is cultural, and people to people exchanges. It is very important to highlight the extent and the scope of the discussion because it shows that the BRICS+ block is not limited to merely economic matters. It does have truly ambitious plans to transform the world through supporting and building up developing countries and for many of them, let's be honest, this will happen through helping them move away from their colonial past. And I do think that they know very well how to execute these ambitious... plans, judging by the fact that... \$78 billion in bilateral deals were actually signed on the sidelines of this meeting alone.

During the meeting, the foreign ministers highlighted that the United Nations remain the cornerstone of international law, but it does require reforms to make it more equitable.... The second important point is that the BRICS foreign ministers reaffirmed that the G20 alliance remains key for economic cooperation... Very often, especially on YouTube, we see many click bait videos that want to make you believe that the BRICS block is waging this massive economic war on the West, and I don't believe that's the case. Quite the opposite, actually.

While there are different opinions regarding the nature of the BRICS+ alliance and its impact in the future, it is clearly gaining momentum and influence.

If you have any questions or comments, please contact me.

Sincerely,  
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