



ИНП РАН



BRICS enlargement and the perspectives of catching up

2024, December 5th

XII Annual Conference on the Global Economy

“Challenges of catch-up: Emerging countries in the global economy”

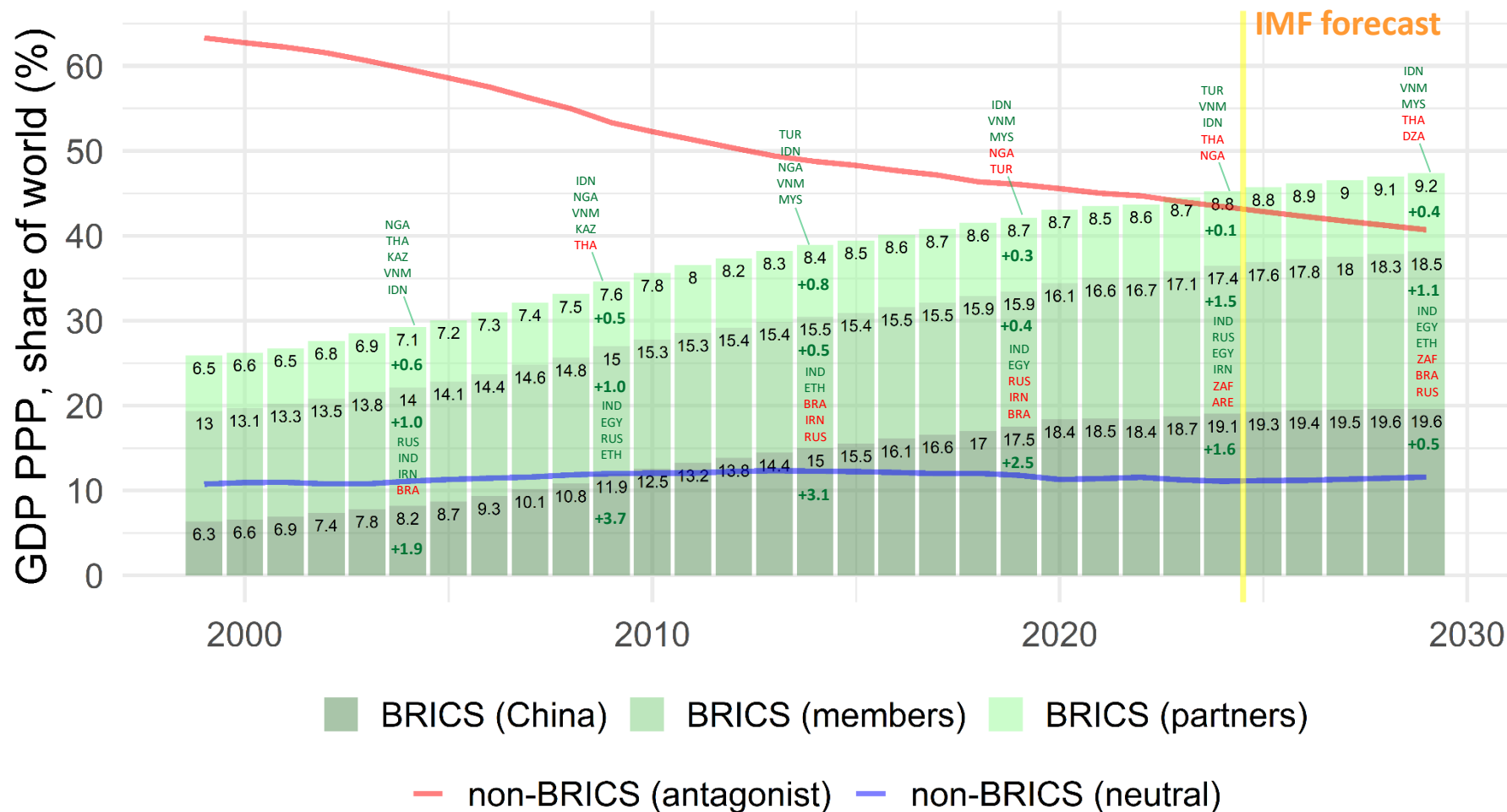
Session 3: The voice of the World majority: BRICS in the first year after expansion

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The majority?

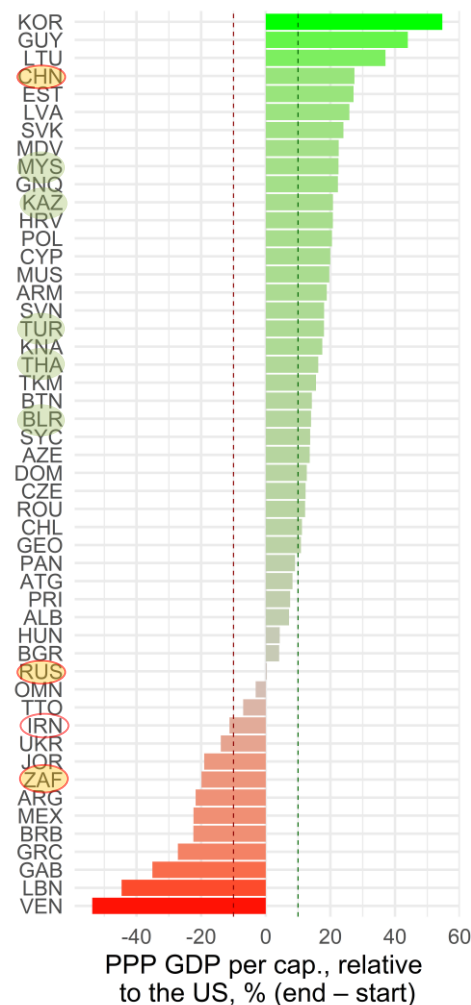
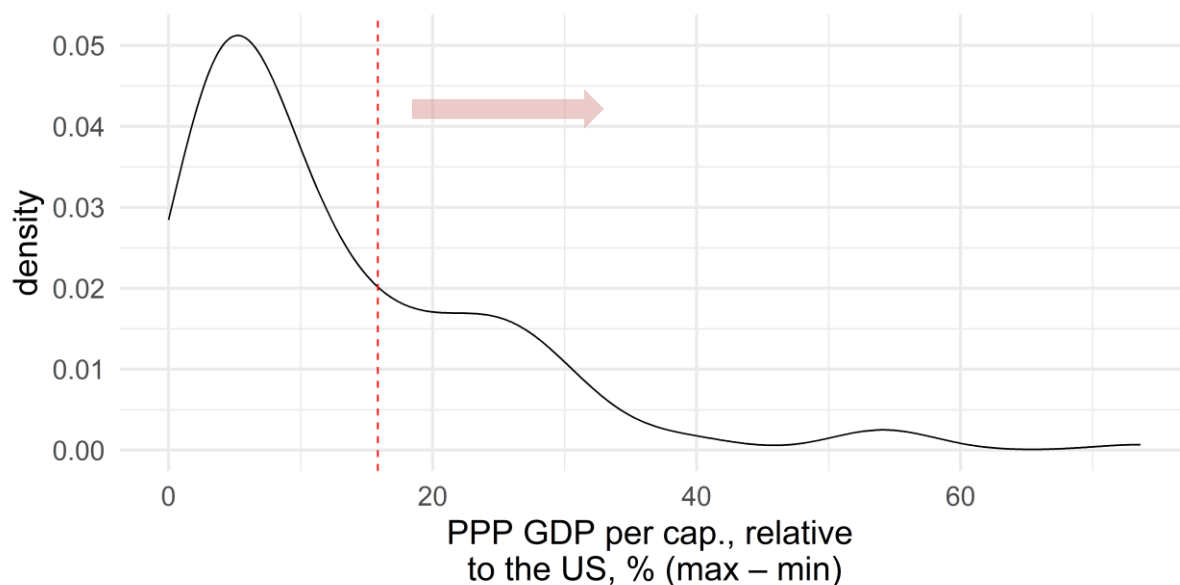
Rather, still (rapidly) forming with the help of (new) members & partners



Catching up? (1)

Which countries experienced the most spectacular changes in the ratio of PPP GDP per capita to the US level? [1980-2023]

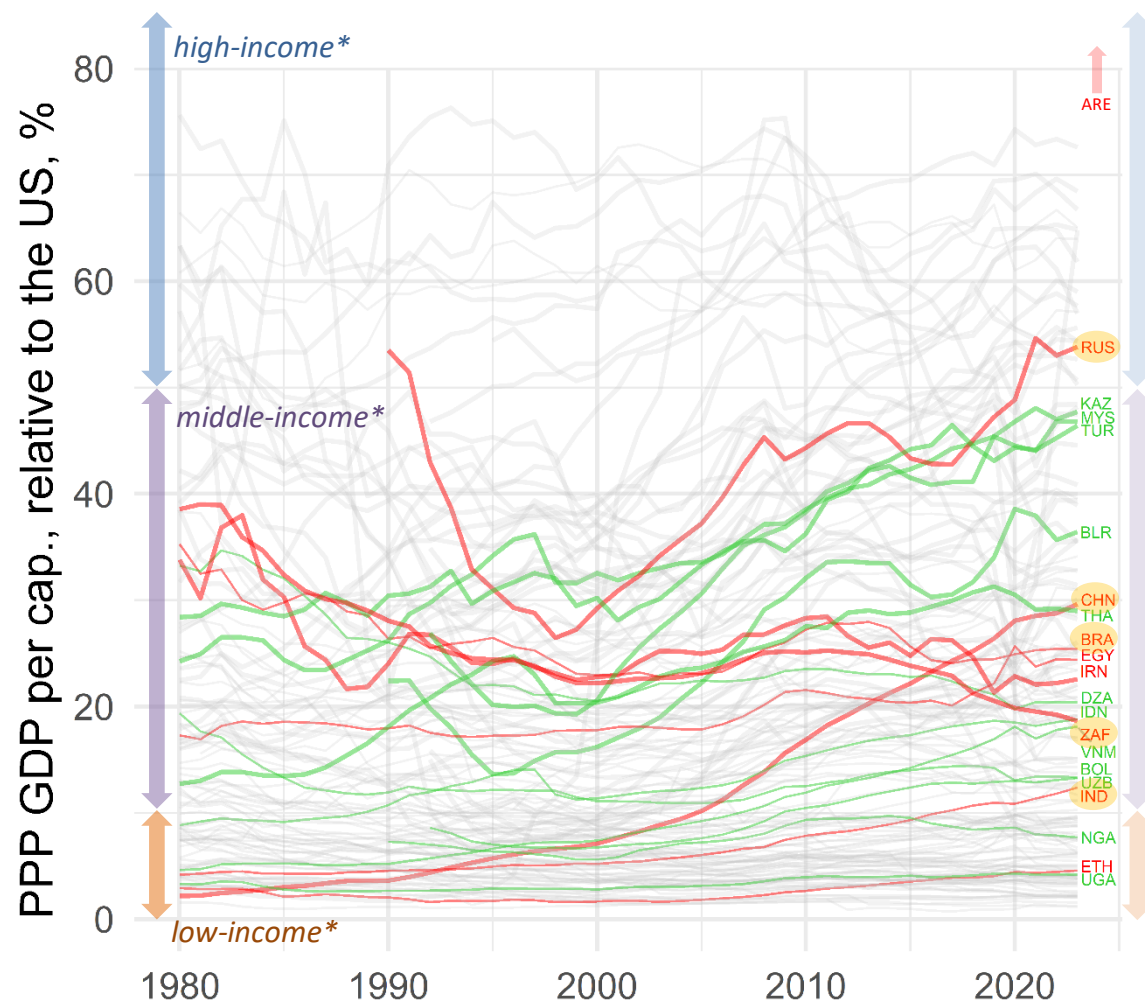
| | Total | BRICS members | BRICS partners |
|-----------------------------|-------|---------------|----------------|
| Selected sample | 50 | 4 / 9 | 5 / 13 |
| Pronounced catch-up | 30 | 1 / 9 + RUS | 5 / 13 |
| Pronounced fall-back | 11 | 2 / 9 + RUS | 0 / 13 |



Catching up? (2)

(Some) new BRICS partners add more dynamism than new BRICS members

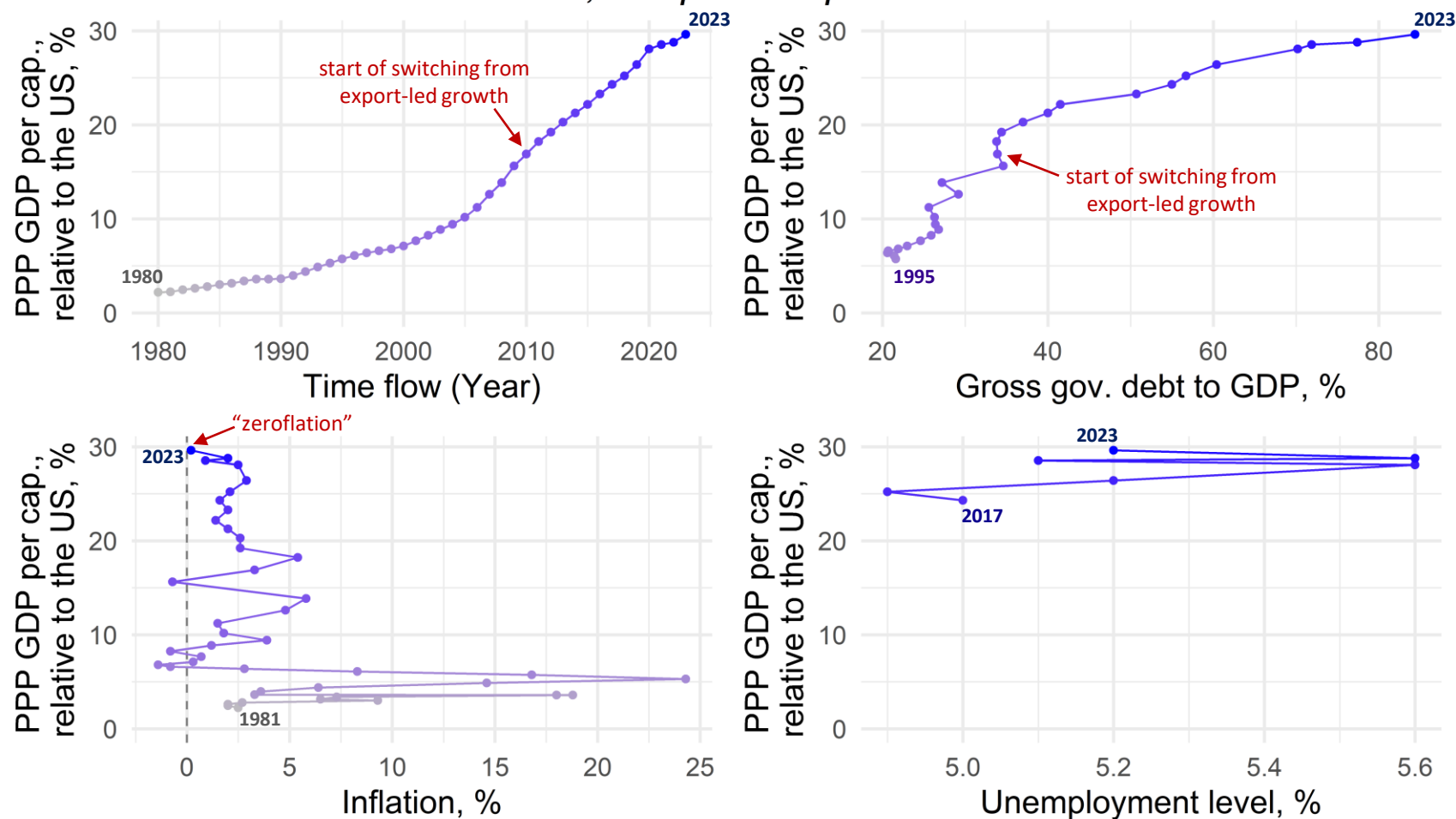
- KAZ, MYS, TUR & BLR are both more rich & witnessed a more robust catch-up than most of BRICS+ (except China)
- New BRICS partners may help to add dynamism to the negative inertia of some BRICS+ (ZAF, IRN)
- IND & ETH demonstrate a good growth pace, but they are still very far from reaching the desired level
- RUS have long been & is still the most developed country compared to other BRICS members & partners (except ARE)



Tuned to break the divergence? (1)

Spectacular economic growth in some BRICS countries is accompanied by...

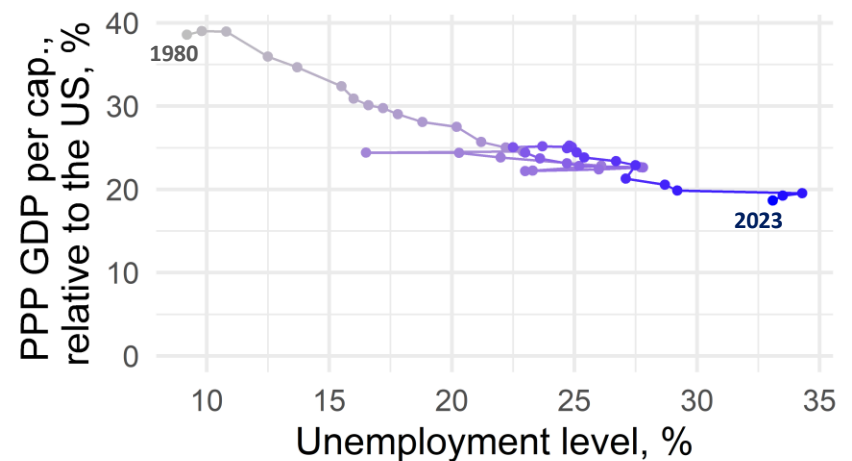
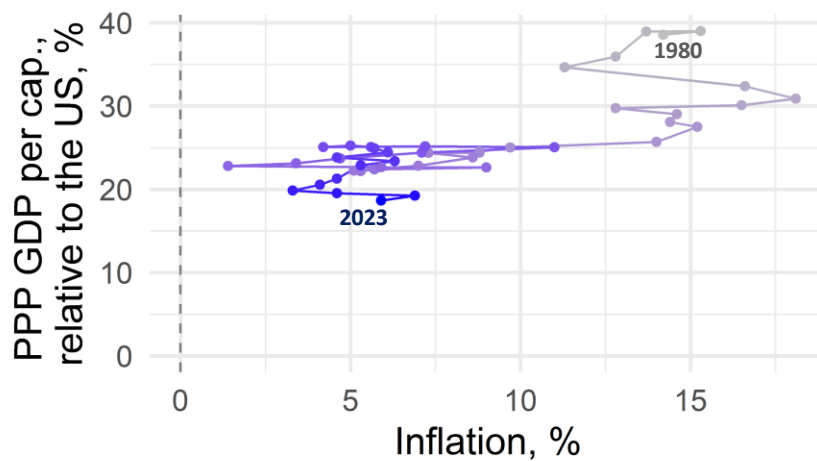
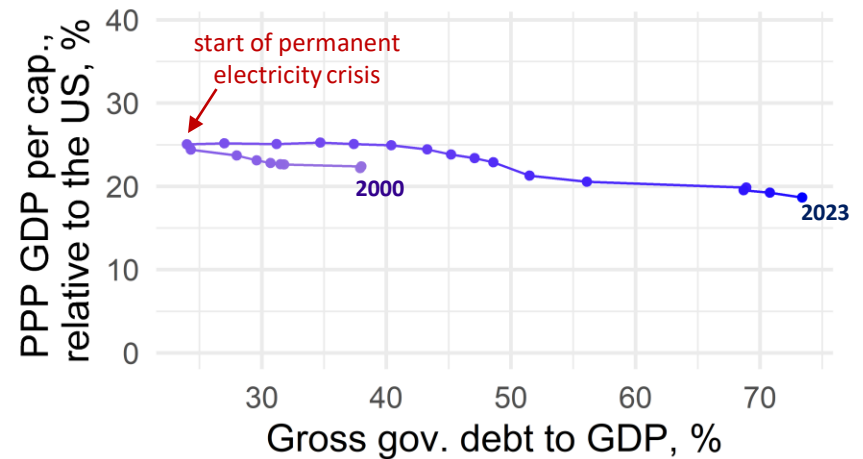
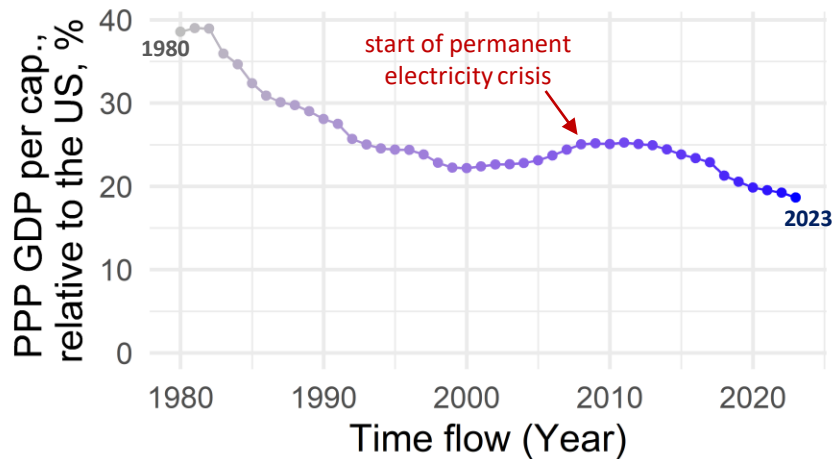
China, People's Republic of



Tuned to break the divergence? (2)

... the prolonged fall & striking unemployment levels in others, while...

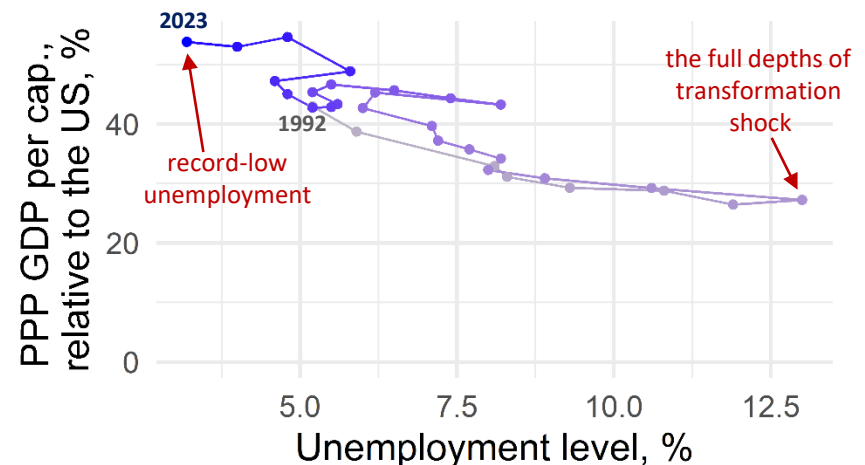
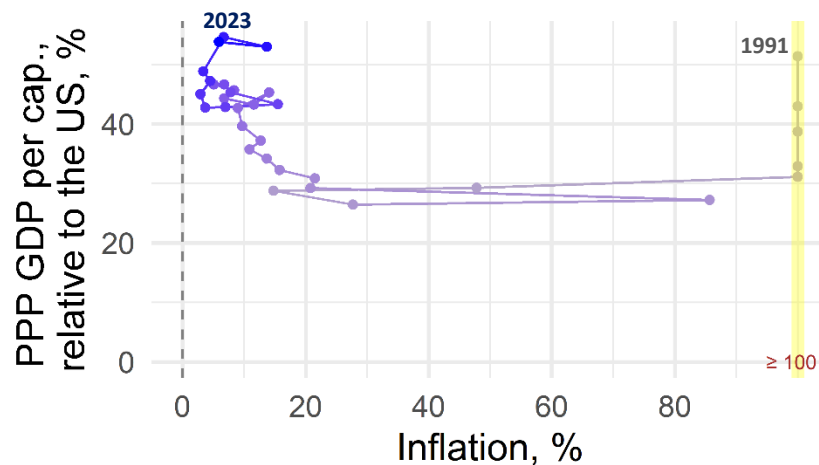
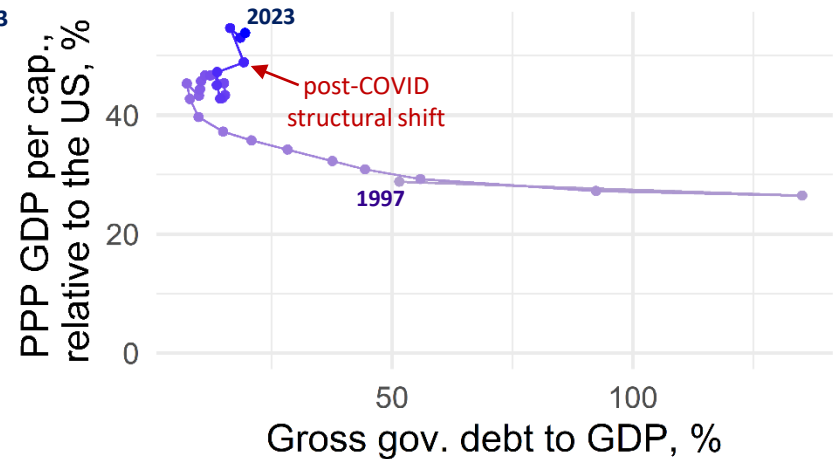
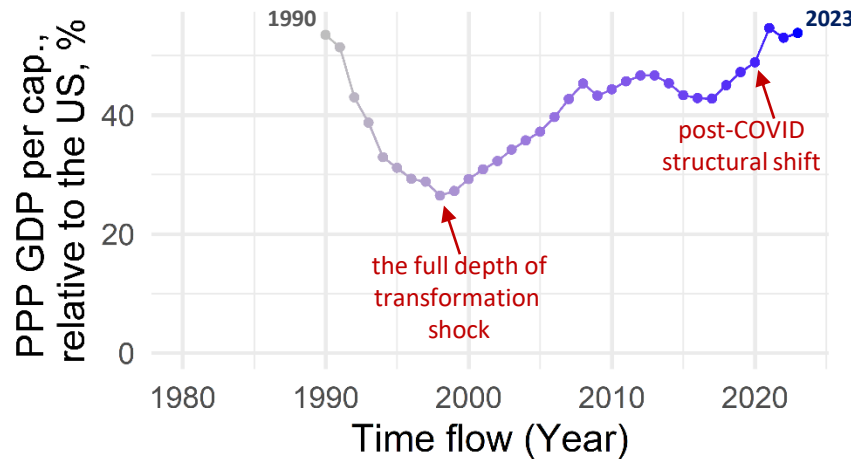
South Africa



Tuned to break the divergence? (3)

... geopolitics & oil price volatility raise uncertainty for many (esp. RUS)

Russian Federation



Concluding remarks: practice makes perfect

The majority?

- BRICS++ is not the majority yet, but it is rapidly forming as a majority
- IND gradually replaces CHN as the engine of BRICS++ growth (esp. forecasted growth)
- New BRICS partners, as a whole, generate only moderate growth (due to high divergence)

Catching up?

- Many new BRICS partners experience a better catching up history than BRICS members
- India cannot act as the engine of the catch-up as it is still very far from the desired level
- KAZ, MYS and TUR are very perspective new partners (both high per capita income & growth)

Tuned to break the divergence?

- Very different per capita income and long-term growth direction of BRICS++ is a big problem
- This divergence may be smoothed by developing mutual trade and infrastructure investment
- Joint projects in logistics, payments and energy are potentially useful to reduce uncertainty