# Hallgarten Analyzes BRICS Revival, China's Ambitious Play and the Global Response

written by Tracy Hughes | August 30, 2023

BRICS, an acronym representing the collective might of Brazil, Russia, India, China, and South Africa, was a term birthed by Jim O'Neill of Goldman Sachs in 2001. It showcased the surging economies that were predicted to majorly influence the global economic trajectory by 2050. The coalition has since emerged as a significant player in global geopolitics, sometimes seen as a counter to the G7 bloc of advanced economies. This evolution is evident through initiatives such as the BRICS New Development Bank, the BRICS payment system, and their ambitious plans for a BRICS reserve currency.

Christopher Ecclestone's thinkpiece from Hallgarten & Company delves deep into this recent revitalization of BRICS, led predominantly by China. A few key insights from his analysis (click here to access):

1. **Historical Context**: The original concept of BRIC, conceived by Goldman Sachs, did not include South Africa. Its addition converted the group's acronym from BRIC to BRICS. Despite the collective's ambitious prospects, the inclusion of certain nations, like South Africa, raised questions about the true power and potential of the union.
2. **China's Play**: Ecclestone argues that China's effort to rejuvenate BRICS appears to be a strategic move to establish a clique under its dominance. The summit, however, had its peculiarities he suggests, with China's President Xi sending a minor minister to deliver his

speech, drawing parallels to Jay Gatsby's famous absence from his own party.

3. **BRICS vs. Dollar Dominance**: While BRICS hints at challenging the global dominance of the US dollar, Ecclestone remains skeptical. He believes the diverse nature of BRICS members could hinder their ambitious objective more than any economic rationale.
4. **Argentina's Hesitation**: Recent attempts to extend invitations to countries like Argentina brought into focus the internal politics and historical grievances. South Africa's invitation to Argentina, Iran, Saudi Arabia, and others sparked discussions about international relations and political dynamics. Argentina, for example, showed reluctance, with its leadership expressing reservations about BRICS, further highlighting the bloc's controversial nature.
5. **Serbia and Bosnia's Pivot**: Drawing from the Intellinews story, we observe a shift in European geopolitics. Serbian intelligence chief, Aleksandar Vulin, and Milorad Dodik, president of Republika Srpska in Bosnia & Herzegovina, have advocated for their countries to join BRICS instead of seeking EU membership. This, coupled with a recent poll indicating a Serbian inclination towards BRICS, showcases a significant geopolitical swing influenced by the BRICS expansion.

# Conclusion

China's aggressive push to revive and expand BRICS has significant global implications. However, the journey is not without its challenges. Skeptics like Ecclestone question the bloc's true potential and influence. While some nations are drawn to the allure of the BRICS coalition, others remain

hesitant due to geopolitical complexities.

This transformation of BRICS from an economic association to a more politically charged coalition signifies a broader shift in global power dynamics. As nations reevaluate their alliances, the international community will keenly observe BRICS’s next moves and their broader implications.