MULTILATERAL MATTERS

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BRICS: Hype or Hope?

While BRICS was formed in 2009, its expansion since 2024 has brought the bloc under closer scrutiny, as questions remain over its real impact on the international order. Some analysts have argued that BRICS represents a genuine counterweight of Global South nations to the Western-led G7, while others question whether BRICS members can look beyond internal disagreements to forward their evolving agenda in development finance and digital sovereignty. Can BRICS truly usher in a reformed international order, or is it all just hype? Photo from Pixabay.

FEATURED COMMENTARY

BRICS in the Wake of the Rio Summit and US Tariff Threats

By Nazia Hussain

Leaders of BRICS member states pose for a group photo in Rio de Janeiro, Brazil. In this issue's featured commentary, Nazia Hussain argues that US President Trump's tariff threats have not dissuaded countries in the Global South from joining BRICS as they seek multilateral forums which are more "responsive to their needs". She also writes about what to expect from India's BRICS chairmanship in 2026. Photo by the Prime Minister's Office (India) via Wikimedia Commons.

The 17th BRICS Summit highlighted the bloc's continued expansion and institutionalisation amid US tariff threats. As India prepares to assume chairmanship of BRICS in 2026, a focus on advancing digital public infrastructure and consolidating the new partner state model could reinforce the bloc's relevance for emerging economies. Can BRICS deliver on its growing ambitions to be a key platform for Global South cooperation?

Commentary

The 17th BRICS Summit, held on 6-7 July 2025, concluded in Rio de Janeiro amid US President Donald Trump's threat to impose tariffs on countries aligning with the bloc. Although marked by the absence of Chinese President Xi Jinping, who missed the summit for the first time in 12 years, and nearly half the heads of state, the summit nevertheless managed to highlight BRICS' common agenda in advancing the Global South's interests at a time when multilateralism and global governance institutions have come under scrutiny.

The joint statement reaffirmed BRICS' longstanding priorities in calling for the reform of multilateral institutions, adopted a new climate finance framework that prioritises funding to overcome financing gaps in developing countries, and emphasised the need for inclusive global discourse on AI governance.

Attracting Regional Partners

The momentum for BRICS expansion continues with the launch of the partner state model at Rio, which has attracted additional applicants. More than thirty countries have reportedly applied to join the bloc in 2024. BRICS' economic prospects and its "plus" format hold enough appeal for emerging and middle powers looking to diversify their economic and diplomatic partnerships.

Countries aspiring to join BRICS are hoping that membership could grant access to lucrative markets, enable technology transfers, and provide alternate sources of funding through the New Development Bank (NDB), which is said to be managing around 120 projects with a total value of US$39 billion, including clean energy projects, infrastructure development, and sustainability-related programmes.

While the NDB operates at a much smaller scale compared to other multilateral development banks like the World Bank, whose lending facilities approved new projects totalling around US$62 billion in 2024 alone, it imposes

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less stringent lending conditions and is committed to finance more infrastructure projects in local currency, attracting borrowers across the Global South.

The key question is whether President Trump's tariff threats could potentially undermine BRICS' appeal to regional states. In Southeast Asia, BRICS' potential has found a positive reception, with Indonesia's accession as a full member and Malaysia, Thailand and Vietnam joining as partner states. However, much will hinge upon BRICS' ability to align its strategic rhetoric with concrete economic benefits. This includes access to NDB development financing, integration into alternative trade networks, digital infrastructure cooperation, and shared advocacy for global governance reforms.

In this regard, the new financial mechanism proposed at the Rio summit – the BRICS Multilateral Guarantees (BMG) initiative – underscores an attempt to strengthen financial resilience and mobilise private investment for infrastructure and sustainable development as uncertainty surrounding US trade policy widens. Backed by the NDB and modelled on the World Bank's Multilateral Investment Guarantee Agency, the BMG initiative aims to offer tailored guarantee instruments to de-risk strategic investment and improve creditworthiness in developing countries. However, in seeking to leverage existing capital from the NDB instead of requiring additional financial contributions from member states, the initiative could be limited in the scope of guarantees offered. Still at an ideation stage without operational clarity or a track record, the BMG thus warrants cautious optimism.

Beyond economic considerations, many Global South countries harbour the desire for a seat at the table within a rising coalition of non-Western states aspiring to reorganise the global order to one which is responsive to their needs. Hence, despite President Trump's repeated threats to impose additional 10 per cent tariffs, alongside impending trade penalties, on countries perceived to be aligning themselves with the "anti-American" policies of BRICS, the bloc's continued expansion reflects a broader concern among emerging economies about the implications of the US leveraging tariffs as punitive measures with little consideration for global financial stability.

India's 2026 Chairmanship of BRICS

As BRICS charts its institutional expansion, India's forthcoming chairmanship of BRICS in 2026 will likely build on the momentum from its G20 presidency, consolidating the advances made on digital public infrastructure (DPI), championing inclusivity, and strengthening the Global South agenda under the theme "Building Resilience and Innovation for Cooperation and Sustainability". India is well-positioned to lead the conversation on global digital governance as it has made notable strides in accelerating digital transformation by rolling out DPI at population scale.

India's deployment of the "India Stack" digitisation project – a multi-layered and interoperable digital identity, payment and data management system of open application programming interfaces (APIs) and e-governance applications – has already garnered interest from developing countries seeking scalable, low-cost models of digital inclusion.

Enhancing digital inclusion would help developing countries, especially their rural communities, improve access to government services, financial systems, education, healthcare, and economic opportunities, thereby fostering greater participation in the formal economy and reducing the rural-urban divide.

As such, by positioning DPI as the basis for inclusive development, New Delhi can shape BRICS cooperation around technology transfer, setting technical standards, and capacity-building. Moreover, taking the lead in crafting a digital governance framework would cement India's status as a leading voice of the Global South – a diplomatic aspiration that the Indian government has expressed categorically.

New Delhi could also use its BRICS chairmanship to buttress the new partner state model. This effort will be particularly relevant given concerns that rapid expansion may pose challenges for the consensus-seeking oddly divergent grouping with different socio-cultural and political systems, whose economies are in different stages of development, and who share some degree of ideological dissonance, thus complicating agreement on contentious issues.

By advancing inclusive South-South cooperation on less divisive but strategically relevant issues such as AI governance, data sovereignty, and digital trade norms, India could help mitigate the risks of internal fragmentation while reinforcing BRICS as a credible platform for shaping global governance frameworks. Whether New Delhi can steer the grouping toward development-based multilateralism that transcends traditional bloc politics, however, remains to be seen.■

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Revisiting Economic Security in Southeast Asia

Participants of the 2nd workshop on "Revisiting Economic Security in Southeast Asia". (Photo courtesy of the NTS Centre, RSIS).

On 4 August 2025, the Centre for Multilateralism Studies (CMS) and the Centre for Non-Traditional Security (NTS) Studies, in collaboration with the Centre on Asia and Globalisation, Lee Kuan Yew School of Public Policy (CAG–LKYSPP), hosted the second workshop on "Revisiting Economic Security in Southeast Asia" at RSIS. The event brought together scholars from the region and beyond to examine how Southeast Asia is adapting to a rapidly shifting geoeconomic environment.

The first session featured Professor Natasha Hamilton-Hart from the University of Auckland, who discussed the unwinding of complex interdependence and its implications for regional economies as they reassess strategic vulnerabilities. Associate Professor Xianbai Ji from Renmin University followed with an analysis of evolving US supply chain strategies, arguing that changes to industrial policy and rising protectionism have eroded Southeast Asia's long-standing advantages in global value chains.

The subsequent sessions examined how ASEAN and regional actors have responded to these evolving challenges and explored new ways of conceptualising economic security. Dr Barbora Valockova, Postdoctoral Fellow from CAG–LKYSPP, traced ASEAN's institutional evolution through successive crises, highlighting how flexible, incremental adaptation has shaped its economic security mechanisms.

Professor Mely Caballero-Anthony and Dr Jose Ma. Luis Montesclaros at RSIS advanced the concept of human-centric developmentalism, calling for strategies that address social and developmental vulnerabilities alongside strategic concerns. Associate Professor Zhang Miao and Mr Pang Zetao from Xiamen University then presented a relational framework to assess ASEAN member states' positions in global production networks, using trade in value-added data to highlight the region's uneven exposure to great power competition.

The final session focused on domestic political economy. Trissia Wijaya, a McKenzie Research Fellow at the Asia Institute, University of Melbourne, examined Indonesia's nickel industry and how state–business alliances, investment capital from China, and increasingly authoritarian practices have reshaped the country's economic security strategies.

In their closing reflections, Dr Denis Hew, Senior Research Fellow from LKYSPP, and Dr Su-Hyun Lee, Senior Associate Fellow at RSIS, underscored the conceptual fluidity of 'economic security' and the diversity of regional policy approaches, emphasising the importance of bridging differing perspectives to build a more systematic understanding of economic security in Southeast Asia.■

Regional Organisations Amid Geopolitical Shifts: World Order and the Strategic Role of Small and Middle Powers

Dr Alica Kizekova discussed how traditional regional organisations such as the EU and ASEAN face new challenges and opportunities in an era marked by significant geopolitical shifts. Photo by CMS.

On 4 September 2025, the Centre for Multilateralism Studies (CMS) hosted a seminar with Dr Alica Kizekova, a lecturer at Curtin University's Faculty of Humanities in Perth, Australia. Asst Prof Sarah Teo, Deputy Head of Graduate Studies at RSIS, served as discussant, while Ms Nazia Hussain, Associate Research Fellow at CMS, acted as moderator.

Dr Kizekova analysed EU dynamics, noting that policymaking is dominated by Western European countries like Germany and France. She said the EU must collaborate more with diverse nations and regional groups, including non-"like-minded" partners, and consider the interests of central and eastern European countries for better policies. She stressed that small and middle powers should play a role in fostering partnerships.

Dr Kizekova suggested that instead of dwelling on the disruptions caused by the Trump Administration, the EU and ASEAN could view these as opportunities to collaborate and strengthen ties. She emphasized that they should not try to be role models for each other, given their fundamental differences: the EU is a supranational entity, while ASEAN is an intergovernmental organisation.

She examined the EU Indo - Pacific Strategy and ASEAN's Outlook on the Indo-Pacific, highlighting areas of complementarity like infrastructure, climate efforts, maritime security, and norm-setting in multilateral groups. Examples of successful cooperation include the EU-ASEAN Air Transport Agreement. Challenges include limited institutional overlap and uneven implementation due to diverse priorities.

She called for empowering small states and middle powers as bridge builders between the North and South, East and West, fostering inclusive governance to ensure stability, and leading coalitions on climate change and digital economy issues.

Assistant Professor Teo suggested that, with a more contested international order, we might need to rethink how we evaluate institutional effectiveness, as ASEAN and the EU face similar issues that could blur distinctions. She also wondered what small and middle powers can do to protect their autonomy. Dr Kizekova agreed, adding that the EU should adopt a less ideological and more pragmatic approach in diplomacy, similar to Singapore's, focusing on building diverse partnerships beyond just "like-minded" states. This will enable the EU to address multiple global issues and improve the lives of its citizens.■

State of Multilateralism: Global and Regional Dynamics

Starting with this issue of *Multilateral Matters*, CMS will review major international events thematically to reflect on new developments in the world of international cooperation. As the world order undergoes significant changes, keeping track of major undertakings or new developments has grown in importance, and making sense of it all even more so. Several major global and regional forums convened during the third quarter of 2025 to deliberate on pressing challenges confronting the international system.

The 17th BRICS Summit held in Rio de Janeiro on 6-7 July highlighted the bloc's continued institutionalisation amid US tariff threats and growing strains in the multilateral trading order. Indonesia's formal accession as a full member, alongside Malaysia, Thailand and Vietnam as partner countries, has extended BRICS' presence within Southeast Asia's geopolitical landscape. The inclination of regional countries to engage with BRICS, however, has ignited debates about the implications for ASEAN unity, particularly given the risk of individual member states being drawn into major power rivalries.

The momentum for Global South solidarity continued with the Shanghai Cooperation Organization (SCO) Summit in Tianjin on 31 August, which was attended by more than 20 heads of state of non-Western countries. President Xi used the platform to launch a new Global Governance Initiative (GGI) and proposed a SCO development bank, advancing Beijing's broader efforts to reform global governance and reduce reliance on the US dollar. While the Tianjin summit highlighted the potential of an evolving SCO, the organisation remains constrained by internal frictions that limit its ability to address issues such as terrorism, connectivity gaps, and trade.

The quarter also saw the Fourth RCEP Ministers' Meeting in Kuala Lumpur on 25 September where accession talks are underway as Hong Kong, Sri Lanka, Chile, and Bangladesh have signalled their interest in joining the ASEAN-led trade pact. With unilateral tariffs and protectionist measures on the rise, RCEP could become a significant economic buffer for ASEAN countries against tariff fallouts and allow ASEAN economies to diversify their markets.

At the global level, the 80th United Nations General Assembly (UNGA) kicked off in September amid the ongoing wars in Ukraine and Gaza. Southeast Asian states contributed regional perspectives on peace and conflict, economic resilience amid tariffs and export controls, and the urgent need for UN reform. These deliberations at the UNGA intersect with ASEAN's own priorities ahead of its 47th Summit in October.■

SELECTED PUBLICATIONS

Signalling Policy Credibility: Indonesia and Thailand's Pursuit of OECD Membership
Dipinder Singh Randhawa | *RSIS Commentaries* | 01 July 2025

Indonesia and Thailand's pursuit of OECD membership, amid considerable geopolitical and economic uncertainty, sends a clear message about the two countries' commitment to adhering to stringent norms on transparency and governance. Their membership will augur well for ASEAN and for expanding engagement with like-minded countries and regions, especially the European Union.

The Case for an ASEAN-EU Free Trade Agreement
Dipinder Singh Randhawa | *RSIS Commentaries* | 17 September 2025

At a time when global supply chains are fragmenting, and economic nationalism is on the rise, a comprehensive Free Trade Agreement between the EU and ASEAN offers a chance to rewrite the rules of global commerce for the better – one that could reshape interregional commerce, fortify economic resilience, and signal a shared commitment to rules-based multilateralism that remains the surest path to shared prosperity.

The **Centre for Multilateralism Studies (CMS)** is a research entity within the S. Rajaratnam School of International Studies at Nanyang Technological University, Singapore. The CMS team conducts cutting-edge research, teaching/training and networking on cooperative multilateralism in the Asia Pacific region. The Centre aims to contribute to international academic and public discourses on regional architecture and order in the Asia Pacific. It aspires to be an international knowledge hub for multilateral cooperation and regional integration.

Multilateral Matters is the quarterly publication of the Centre for Multilateralism Studies (CMS), analysing the most recent developments regarding multilateralism by our team. It covers articles on relevant economic and political issues as well as programmes and latest publications from the research centre. The objective of the newsletter is to promote the research being done by our centre, raising awareness of the many events that we hold on a regular basis.

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