

From BRIC to BRICS+: how to go from a simple acronym to a partnership capable of overthrowing the world order in 25 years

BRICS+ and “flying” PIIGS: have we wiped the slate clean? (part 1/3)

Thomas Deconstanza graduated from SKEMA Business School (major in project management) and holds a PhD in Slavic language and literature from Lille 3 University. He currently works as Country Manager Spain/Portugal in Barcelona, having previously worked for various industrial groups in Russia, Ukraine and France.

Context

Thanks to Iran, Egypt, Ethiopia and the United Arab Emirates joining BRICS¹ – which became BRICS+ – on 1st January 2024, the GDP of this partnership² now exceeds that of the G7 members (Banque de France Bulletin, 9 January 2024).

As for PIIGS³, the countries criticised in the past for their poor economic management, their economic growth rates in 2023 were higher than those of France or Germany (Peralta, 19 June 2023).

How can we incorporate this new situation? What effects will these changes have on the global and regional order? What challenges do they represent for existing international institutions? Will the traditional organisations be able to adapt? To shed light on the dynamics that are currently redefining the planet’s geopolitical landscape, this tripartite study undertakes to analyse the operation of the BRICS+ and PIIGS groups of countries, their heterogenous make-up and their importance in international relations, while comparing them to devoted multilateral structures such as the United Nations (UN), the International Monetary Fund (IMF) and the European Union (EU). Focusing on BRICS+, it highlights the growing influence of new members, which are remodelling the world order according to an ever-increasing multipolarity. At the same time, it examines the economic and political challenges faced by PIIGS and their impact on European cohesion. Finally, it evaluates the tensions between the emerging groups and the established institutions (UN, IMF, EU) by providing tangible examples of cooperation and conflicts of interest (the reconsideration of the dollar’s place in global exchanges, the creation of a second EBRD⁴, etc.). This study concludes by considering the need to adapt the multilateral organisations to new geopolitical realities.

In this first part, we will look at the origins of BRICS and their evolution to BRICS+, before discussing their goals for 2024. The new dimension of this partnership, in economic, demographic and military terms, will thus be highlighted, in particular thanks to a discussion of the recent measures aiming to strengthen its global influence (Duggan, Hooijmaaijers, Rewizorski & Arapova, 17 December 2021).

¹ Formerly BRIC, this acronym designates the group of countries made up by Brazil, India, China and South Africa

² We have decided to talk about BRIC (which became BRICS, then BRICS+) as a “group” or a “partnership”, as per the definition given during the 2023 meeting in South Africa. <https://brics2023.gov.za/evolution-of-brics/>

³ Acronym designating Portugal, Italy, Ireland, Greece and Spain

⁴ European Bank for Reconstruction and Development

BRICS+: from the beginnings to the present day (2001-2024)

2001-2010: the economic, financial and geopolitical motivations behind the group's birth

The creation of BRIC, an acronym grouping together four emerging countries – Brazil, Russia, India, China – dates back to the start of the 2000s. The idea to form an economic and political alliance emerged during an informal meeting between these countries' leaders in 2001, at the World Economic Forum Annual Meeting in Davos. At the time, it was not an organisation or even a legal entity. In October 2003, a Goldman Sachs study confirmed the rapid growth of the economies of these four countries, none of which were G7 members, and predicted that they would soon become dominant world economies (Goldman Sachs, October 2003). Consequently, it highlighted the need to reform the G7 to incorporate these four countries.

On 16 June 2009, the four heads of state met officially for the first time in Yekaterinburg, Russia. During this summit, they declared that they wanted to develop their cooperation so as to bring about a *“more democratic and just”* multipolar world order. In this declaration, we can read the group's objectives, in particular with regard to the necessity of a *“reformed financial and economic architecture.”*

There were, therefore, many reasons behind BRIC's creation: first of all, these countries were seeking to diversify their economic and political partnerships and to challenge the western hegemony within international financial institutions, such as the International Monetary Fund (IMF) and the World Bank. Secondly, they were seeking to promote economic and social development in their respective regions, as well as to strengthen their position in international negotiations in matters of trade and climate change. Finally, the BRIC partnership was also motivated by geopolitical considerations, aiming to assert its influence on the world scene and to shape a more multipolar world order.

Thus, in 2010, during the BRIC Summit in Brasília, South Africa was invited to join the group, transforming BRIC into BRICS.

2010-2024: development paths: expansion, new World Bank and first legal form

Since 2009, BRICS had been organising annual summits, which were pivotal moments for strengthening cooperation between members. After their official creation in Yekaterinburg, the 2014 summit in Fortaleza, Brazil, gave BRICS their first legal existence, with a fund and a directory (Menezes de Carvalho, 2017).

In fact, after proposing alternative solutions to the traditional international financial system and calling for a reform of the IMF following the 2008 crisis, BRICS moved into action by launching their New Development Bank (NBD): a multilateral financial institution funded with an initial capital of 50 billion dollars evenly distributed between the association's five members. The goal was to support the economic and social development of the member countries but also of other emerging economies, in areas such as renewable energy, transport, and water. The NBD's initiatives have consequently reinforced BRICS' role in international development cooperation. Furthermore, the NBD agreement provides for a Contingent Reserve Arrangement (CRA) of 100 billion dollars (Menezes de Carvalho, 2017).

Unlike the IMF and the EBRD, often criticised for their conditional approach to loans and their lack of fair representation for emerging economies, the NBD offers developing countries a more

important place in decision making, reflective of the equal participation of the five BRICS members in the management of the institution, aspiring to a fairer form of governance (see [the NBD website](#)).

BRICS+ in 2024: using all available levers of influence to carry weight on the international scene

An extended group and representative of the “Global South”: changing the paradigm to reinforce its credibility

The expansion of BRICS+ in January 2024 marked a significant milestone in the global balance. The integration of new members (Egypt, Ethiopia, Iran and the United Arab Emirates) gives this partnership new scope: through the number of member countries (nine⁵), more than the G7, their variety and their influence in many fields.

The new members only represent 4% of the GDP of the BRICS+ group. These countries have not, therefore, joined the cluster for economic reasons ([European Parliament, 15 March 2024](#)). In fact, BRICS already carried twice as much weight as the EU. Furthermore, BRICS already had a presence in Asia (China, India), Eurasia (Russia), South America (Brazil) and Africa (South Africa) before 2024. Nonetheless, the incorporation of African and Middle Eastern nations has enabled a significant increase in the representation of countries from the “South”. In addition, the list of candidate countries for entry further accentuates this geographic focus⁶. In all likelihood, the first inflections caused by the newcomers will become clear during the October 2024 summit – which should take place in Russia. We can, however, highlight several lines of interpretation and foresight.

Integrating representatives of the different religions: an asset in a future balance of power?

The simultaneous joining of Iran and the United Arab Emirates (UAE) (not to mention that of Egypt and soon Saudi Arabia) demonstrates the group’s capacity to attract countries representing Islam’s two main branches, additionally in a region (the Persian Gulf) that is historically full of intense diplomatic tension. We can now consider that BRICS+ brings together all the big religions: Hinduism (India), Buddhism (China), Christianity (Orthodox for Russia; Catholic for Brazil and South Africa) and Islam. This certainly constitutes a guarantee of credibility and power in any potential balance of power with the other groups of countries or organisations.

Jonathan Fox, a professor of political science, explains that, while religion is not the driving force, it remains impossible to deny its influence on the course of international relations ([Fox, 2006](#)). It would seem, in fact, that most societies “grant religion a paradoxical role in human affairs – as a force both for peace and for conflict” ([Appleby, 2000, p. 3](#)). This is, therefore, also true on the international geopolitical scene, where religion can be a powerful tool for persuasion or pressure.

A military mastodon: a tool of hard power

The group’s expansion does not only confer an advantage in terms of ideological influence. Although BRICS+ do not form a military alliance and certain members have been in conflict (latent or real) for years, the army plays an important role for all current and future members. The group’s

⁵ Saudi Arabia had also been admitted but decided to defer its final membership decision

⁶ The candidate countries are Algeria, Bahrain, Bangladesh, Belarus, Bolivia, Cuba, Egypt, Honduras, Indonesia, Iran, Kazakhstan, Kuwait, Nigeria, Serbia, Senegal, Thailand, Venezuela and Vietnam.

impressive military capacities carry more weight in any proposal or request to modify existing multilateral treaties and are likely to cause some fear.

Indeed, according to [the Global Firepower Ranking](#), six of the nine BRICS+ countries (Russia, China, India, Brazil, Egypt and Iran) are among the world's 20 most powerful nations. While this military upper hand was already a reality before the January 2024 expansion – with Russia, China and India respectively possessing the world's 2nd-, 3rd- and 4th-largest armies – then the arrival of new members has significantly strengthened it. Moreover, recent events between Russia and Ukraine, and between Iran and Israel, are indicative of the BRICS+ military positioning. Over the past months, China has considerably increased its trade with Russia (with a doubt regarding the trade in elements which may be used for weapons), while Iran is ostensibly providing it with combat drones. As for India, it is buying Russian oil, enabling the country to finance its war economy.

BRICS+ facing the challenges of the future: geographic and vertical integration, attractiveness and conflict management according to the new “rules of the game” favourable to China (2024-?)

Greater diplomatic weight in traditional institutions: new balance of power or rebalancing?

Without a legal existence outside the NBD, this new group of countries will probably create another form of solidarity within the existing bodies (UN, IMF or World Bank). A striking example is the absence (or virtual absence) of condemnation of Russia's invasion of Ukraine by the BRICS+ member countries during the voting of resolutions presented at the UN General Assembly. Likewise, the declaration of the heads of State and government of the G20 (which now includes eight BRICS+ members) in New Delhi in September 2023 did not mention the war begun in February 2022 ([Perruche, 9 September 2023](#)). Another meaningful point is China and Russia's measured position, to say the least, following the Iranian drone attack on Israeli territory. As Frédéric Lemaître, journalist at *Le Monde*, explains, this confirms the willingness of BRICS+ to make this event “an opportunity to drive a wedge between the West and the rest of the world” ([Lemaître & Vitkine, 17 April 2024](#)).

New goals?

According to Christophe Ventura, Director of Research at IRIS, this is how BRICS are seeking to pursue, with their evolution into BRICS+, the ongoing construction of an international space that may focus on “two potential future projects depending on the evolution of international restructuring and the balance of power. The first involves positioning BRICS+ as the instrument of a negotiation aiming to impose a multipolarity that meets their interests. The second is to gradually form a counter-hegemonic alliance bringing together, around China (and secondarily Russia), a coalition of countries that are recalcitrant in the face of the domination of the United States and other western powers aligned with the policies of the world's leading power.” ([Ventura, December 2023](#)).

Could one of these goals be to create an alternative to NATO⁷? On this subject, it is interesting to note that Argentina has just requested to join the Atlantic alliance, whereas it had initially planned to join BRICS on 1st January 2024 (see [Argentinian Ministry of Defence website](#)).

⁷ North Atlantic Treaty Organisation

Many challenges

However, many challenges, contradictions and limits will impact on the approach and the future of this cluster: the economic heterogeneity and asymmetries of the member countries, poverty and inequality in many of them, but also geopolitical rivalries (today, between China and India with the Himalayan conflict, New Delhi's participation in the Quadrilateral Security Dialogue – Quad – directed by Washington against Beijing; tomorrow, the Shia–Sunni conflict between Iran and the UAE).

These imbalances and contradictions already existed with five members; they will be amplified with nine. Furthermore, the risk of diluting the founding members' influence is emerging as the group expands and as China, in its strategic confrontation with the United States, seeks to reinforce and bring together its support networks within the whole. Therefore, 2024 is a key year for the future of this cluster: taking initiatives as nine members and issuing a statement at the end of the annual summit will necessarily imply seeking out more compromise than when there were only four or five members.

More than 20 countries are candidates today: the acceptance of more members would certainly lead to the implementation of a more structured form of governance, running the risk of falling into the very same pitfalls for which BRICS+ rebukes the dedicated institutions. Which criteria should be adopted to consider the applications of these States and grant them the *right* to sit within the whole, if BRICS+ remains only a *partnership, a group of countries*?

Conclusion

The example of BRICS+, which stayed together while under construction, shows the extent to which groups of countries may rapidly evolve by using many levers of influence. It illustrates the ability of certain States to use new geopolitical networks to modify the existing balance of power within multilateral institutions. Although BRICS+ are a major player when it comes to rebalancing at a global level, the question of increasing multipolarity, more representative of the state of international relations, also arises at a regional level. So, what about within Europe? Are there countries whose common initiatives are likely to influence EU policy?

We immediately think of the Franco-German couple, the zone's founding countries and largest economies (the United Kingdom aside), whose policies have always carried weight in the strategic decisions taken within the Union. Yet, in the same way that BRICS came together to defy the Anglo-Saxon hegemony within the international institutions, there exists within the EU a long-criticised group of countries whose collective approaches have enabled some common policies to evolve, i.e. PIIGS (Portugal, Italy, Ireland, Greece and Spain). In 2010, the economic journalist Katie Allen was already comparing them to BRICS in *The Guardian* ([Allen, 12 February 2010](#)). Their trajectory as a group of countries driving shared interests and their future as a collective will be the focus of the next part of our study.

PIIGS from one crisis to another: dependency, endurance and influence

BRICS+ and “flying” PIIGS: have we wiped the slate clean? (part 2/3)

Context

Following an initial consideration of BRICS+, this second part will be dedicated to PIIGS. After recalling the origins of the group, it will explore the economic and political challenges faced by these countries, focusing in particular on the issues linked to the stability and operation of the EU. We will illustrate our point using some of the measures obtained recently by this group from the Institution (for example, the post-COVID European recovery policy).

Introduction: the birth of a not very flattering acronym

The acronym PIGS (then PIIGS)⁸ appeared in the 1980s to designate Portugal, Italy, Greece and Spain (then Ireland), countries whose levels of debt were above the European average and whose budgetary decisions to resolve this issue were considered dubious by the Union’s bodies. However, it has been more frequently used since the 2008 financial crisis, by European bankers and creditors as well as British and German journalists. For example, Anselm Küsters and Elsa Garrido, two history researchers, have described the lobbying led by *Die Zeit* to discredit the countries in question, by analysing the 2,443 articles mentioning Spain published by the German weekly over a 50-year period (Küsters & Garrido, 2020).

This acronym, based on the initial letters of the countries targeted, is clearly pejorative, even mocking. Recalling the word “pigs”, it highlights the poor economic management of these countries while implicitly stressing that the rest of the EU members were forced to provide financial aid under the name of solidarity mechanisms, particularly during the 2008 crisis. At the same time, this term PIIGS implicitly promotes the virtuous financial conduct of the other countries, the “top of the class”, led by Germany.

PIIGS on a drip (2008-2020)

The subprime crisis, 2007-2008: highlighting common structural problems

The 2008 financial crisis was triggered by the collapse of the US mortgage market, particularly due to the excessive securitisation of “subprime” loans. The main European banks were heavily exposed to these toxic products, which led to a crisis of confidence in the global financial system (Milesi-Firretti & Lane, 2010). As a consequence, Europe was profoundly affected by the crisis. Some of the Eurozone countries, notably Greece, Spain, Portugal, Ireland and, to a lesser extent, Italy, were particularly affected because of their structural weaknesses (structurally high unemployment, a banking system poorly prepared for crises, lack of competitiveness) and their high levels of debt (public debt for Greece, household debt for Spain).

The slow rebuilding of PIIGS (2010-2020)

⁸ To remain consistent, we have decided to keep the acronym PIIGS (including Ireland) throughout the article, as Ireland is – even more so today, with the recognition of the State of Palestine – a stakeholder in the collective initiatives.

From 2008, the five countries in “Club Med”⁹, another equally derogatory nickname given to PIIGS, benefited from European aid, including a financial bailout plan, with Greece the first beneficiary in 2010, followed by Ireland, Portugal and Spain. These plans aimed to stabilise the financial markets and prevent a sovereign debt crisis. The European Central Bank (ECB) implemented an accommodative monetary policy as of 2015 (low interest rates, sovereign bond buybacks) to support these countries.

From 2014 onwards, PIIGS also enjoyed reinforced financial supervision from the EU to prevent banking crises and guarantee the stability of the European financial system. Finally, the EU provided them with a social assistance package, putting social security nets in place from 2017, with the aim of protecting the most vulnerable citizens from the consequences of the economic crisis.

In exchange for this aid and the support of the EU, PIIGS were encouraged, on the one hand, to launch structural reforms from 2013 to improve their economic competitiveness, their employment market and their financial governance (Duman, 2018). On the other hand, they were urged to reduce their budgetary deficits from 2011, through the implementation of austerity measures and fiscal reforms to restore balance (reductions in public spending, increases in taxes and reductions in public sector salaries).

The results of these measures were mixed. Since PIIGS maintained levels of debt above the agreed standards during the 2010-2018 period, their reputation at the end of the crisis remained strongly tarnished. In some cases, such as for Ireland, the “PIIGS” designation itself seems to have constituted an obstacle to recovery, with creditors doubting the capacity of this group of States to cope (Brazys & Hardiman, 12 December 2014).

Throughout the 2010-2020 decade, these countries were kept on a European drip, under Franco-German impetus. As each of the members was treated separately during the different aid-related discussions, none of them had the sufficient weight to counteract the decisions taken in Brussels, Berlin or Paris.

PIIGS and the COVID-19 pandemic: an unexpected European take-off

Bottom of the class? The pandemic: a pivotal moment and the first “concerted” actions

Among other things, the COVID-19 pandemic led to the travel ban, then restriction, putting a stop to tourism (travelling and holidays were impossible), an area that was nonetheless a major asset for the PIIGS countries (Sepúlveda, February 2023). We might have thought that this would particularly affect these economies, usually more fragile than the others, but they joined forces to stand out and to speak with one voice within the EU.

Undoubtedly used to making an effort, PIIGS thus preferred proactiveness and initiated certain action plans rather than having them imposed upon them by the ECB and other EU countries (Germany, France, etc.). Together then, these countries pleaded for a collective and solidarity-based response to the crisis from the EU, by using all the tools available through European governance, guiding them towards priorities closer to their own requirements.

⁹ Another name given to PIGS. See in particular: https://www.lexpress.fr/economie/les-etats-unis-et-le-royaume-uni-vont-ils-adherer-au-club-des-pigs_1387938.html

Economic activity initiative

Among the main initiatives they worked on was a common EU economic recovery plan, called NextGenerationEU, with a €750-billion budget. A large part of this was intended for the countries that were the hardest hit by the pandemic. In addition, they managed to obtain specific funds to support the most vulnerable sectors, such as tourism and industry, via the EU's Recovery and Resilience Facility.

Financial solidarity initiative

The SURE Initiative, providing direct aid to workers and companies affected by the pandemic, and the temporary easing of budgetary rules, were two other measures obtained by PIIGS enabling them to spend more to address the health urgency.

Health solidarity initiative

Their collaboration also led to reinforced health policy coordination. As part of the COVAX mechanism, and thanks to the European Medicines Agency, PIIGS helped to guarantee fair and equitable access to the vaccines, since none of them had manufacturing status. Moreover, their populations experienced a very high mortality rate (Italy, Spain). As a consequence, it was crucial for the group's members to encourage a shared "vaccine production and purchasing" health policy. Thanks to these joint efforts, PIIGS obtained significant EU support to alleviate the economic and health impacts of the pandemic.

PIIGS and the pandemic: endurance that paid off

This close collaboration with the European institutions enabled PIIGS to obtain a set of measures from the EU to mitigate the pandemic's effects on their economies and their health systems, thus reinforcing solidarity and cohesion within the Union. It should also be noted that PIIGS paradoxically benefited from a more lenient scenario at the end of the COVID-19 pandemic. In fact, as less industrialised countries, they were less exposed to the consequences of slowdowns in supply chains, on the one hand. While, on the other hand, they benefited greatly from the "*carpe diem*" effect leading to a tourism boom immediately after the lockdowns.

War at the gates of Europe and the fruitful PIIGS partnership (2022-2024)

The Iberian exception and the coming reform in the European electricity market

The economic sanctions decided against Russia following the invasion of Ukraine severely affected EU members, which depend greatly on Russian gas and oil. In particular, this has led to higher electricity bills for European citizens. As, for several years, the electricity and gas markets were coupled in order to obtain more advantageous prices.

However, the geopolitical situation has provoked the opposite effect. Spain and Portugal have worked within the EU to obtain what is called the "Iberian Exception", which is based on a "gas price cap" (from 15 June 2022 and extended until the end of 2023, following EU authorisation) limiting the operating costs passed on to the wholesale electricity market by gas-fired power plants. According to the first estimates, "Decoupling the electricity market from the gas market has allowed Spain to reduce its electricity bills by between 15 and 20%, as it has obtained authorisation from

Brussels to temporarily reduce the share of gas in electricity production” (Spanish Presidency, Council of the EU, 16 October 2023).

PIIGS now intends to keep their leadership so as to push through this exception and thus completely reform the European electricity market (La Tribune, 9 January 2023).

Recognition of the State of Palestine: another diplomatic aspect

On the diplomatic front, we should note Spain and Ireland’s initiative to have the EU recognise the State of Palestine (Gomez, 10 April 2024), hoping to rally the largest possible group behind them so as to make progress on this subject. As part of this movement, moreover, the Portuguese Parliament voted in favour of a resolution recognising the Palestinian Nakba, at the end of 2023. As a result, we can expect other diplomatic initiatives from PIIGS in this area.

Conclusion

PIIGS are still very far from having the influence of BRICS+ and will probably never have their ambition or their capacity (if only because of their name). Nevertheless, we have seen how, in 20 years, this group of countries has evolved from a mocking acronym, whose influence within the EU was non-existent or very weak, to an alternative to the Franco-German couple, with even a form of leadership on certain one-off decisions (the Iberian exception, which could lead to the complete reform of the European electricity market).

They now have some of the highest growth rates in Europe (over the 2022-2024 period) and employment prospects are somewhat more favourable in these countries than in Germany or France. This is a change in scenario that the markets are clearly reflecting by provoking a convergence between what PIIGS are paying for their debt and what Germany is disbursing. It is hard to say how long this situation will last; however, we can see that EU growth is now much more balanced. Perhaps it is time for PIIGS “to start giving their northern neighbours a lesson”, even in the diplomatic field (Ordóñez, 13 November 2023).

The main question is now: how can the momentum gained by PIIGS last over time? And it breaks down into a set of underlying questions, including: what structural changes are these countries going to make to their economies? How are they going to use this leadership to influence certain political or economic directions within the EU? Will PIIGS transform by creating autonomous bodies and a legal existence?

BRICS+ and PIIGS are pushing the international institutions to reinvent themselves

BRICS+ and “flying” PIIGS: have we wiped the slate clean? (part 3/3)

Context

Following parts 1 and 2 of our consideration of BRICS+ and PIIGS, this third part analyses the influence of the rise of BRICS+¹⁰ and PIIGS¹¹ on the world order. In it, we will discuss reform proposals for the United Nations (UN) Security Council, the necessary evolution of the International Monetary Fund (IMF), and the growing influence of PIIGS’ place within the European Union (EU). We will also highlight the role that France may play in order to (re)position itself as a geopolitical fulcrum, both at a continental and international level.

Introduction

International institutions such as the World Bank, the IMF, the EU and the UN are facing growing influence from BRICS+. The same goes for the European Union with regard to PIIGS. This is evidenced by the implementation of the New Development Bank (NDB), the plan for the new payment system parallel with SWIFT or the annual BRICS+ summit. In addition, recent geopolitical evolutions, with the war in Ukraine and the tensions in the Middle East, illustrate the new challenges facing the international institutions. Given the competition from emerging international institutions and the limited capacity for influence of the established international institutions, it is in the interest of the latter to undertake significant reforms.

UN Security Council: Reform or the end

The United Nations were created at the San Francisco Conference in 1945. The five permanent members of the Security Council - the United States, Russia (initially the USSR), China, the United Kingdom and France - were chosen because of their geopolitical influence resulting from their crucial role in victory during the Second World War. Thus, as the historian Stephen Schlesinger explains, “the Security Council was designed to be the ultimate guarantee of world peace, with unique and binding executive powers” (Schlesinger, 2003).

However, the current structure no longer reflects contemporary international dynamics and raises increasing questions about its legitimacy. Entire continents (Africa, Latin America...) or large countries (India, Japan, Brazil, South Africa...) do not have a power of influence that is proportionate to their size and importance. A Security Council reform was undertaken in 1965, with the integration of ten non-permanent members serving two-year terms, renewable each year but without the right to veto. This reform gave the Security Council more representativeness yet, with the veto system, the balance of power is uneven. As highlighted by the Columbian economist and politician José

¹⁰ BRICS+ is a geopolitical group made up of ten BRICS countries from the “Global South”: Brazil, Russia, India, China, South Africa, Egypt, Iran, Saudi Arabia, United Arab Emirates and Ethiopia.

¹¹ “Flying PIIGS” or just PIIGS is an acronym used during the 2008 crisis to describe five European countries experiencing great economic difficulty: Portugal, Italy, Ireland, Greece and Spain

Antonio Ocampo (2013), global governance should reflect the new economic reality. So, well before the rise in prominence of BRICS+ and PIIGS, this reform seemed necessary for the sake of representativeness of the contemporary world and for legitimacy in its goal of “promoting peace and development” (Hathaway & Shapiro, 2017).

Integrating new members to restore credibility

Dr Sabine Hassler maintains that “a well-designed expansion of the Security Council could encourage more balanced decisions that are better accepted by the international community” (Hassler, 2013). Such diversity would enrich debate and enable the Council to deal with international crises more effectively. In 2005, the “G4”, a group made up of Germany, Japan, India and Brazil, had already proposed a draft resolution to add six new permanent members (United Nations, 2023). Including these countries would modernise the Council and make it more representative of the current geopolitical realities. But it would rather reinforce the United States- United Kingdom-France bloc, facing a Russia-China bloc, two blocs that generally vote in agreement. Another option would be to simultaneously integrate two BRICS+ members and two G7 members. This would resolve the issues of representativeness, while respecting the existing geopolitical equilibria. This would leave the question of Africa, which, as Kofi Annan insists, would remain, with its 54 UN Member states, the only non-represented region (Annan, 2012).

Moreover, there is the question of the right to veto, which has *de facto* often limited the action of the Security Council... Certainly, the veto is often used by one of the Security Council member countries when this country is a direct or indirect player in the conflict. However, would its limitation not lead to coalitions of convenience with the same result? The proposals were summarised in the book *Key Documents on the Reform of the UN Security Council 1991-2019* (Fassbender, 2020). These can be grouped into three categories. The first is the granting of this right to the new potential members of the Security Council, subject to a moratorium of several years (15 years). The second is based on the limitation of its use to questions related to Chapter VII¹² and the prohibition of its use for the Council’s actions aiming to prevent or end a genocide. The third suggests the requirement of votes “against” from at least two permanent members to block the Security Council’s action (today, a single vote against is sufficient).

Is reform possible?

The integration of the ten non-permanent members in 1965 gave the Security Council a little more representativeness and recent work, while incomplete and insufficient, is a positive sign of progress.

The political reasons for the absence of in-depth reform are obviously the national interests of the Member States, concerned about losing influence in relation to the current status quo (Hosli & Dörfler, 2019). There are then legal reasons due to the fact that a change of status concerning the UN Security Council requires both a majority of two-thirds of the members of the General Assembly and a ratification by the five permanent members. Currently, this legal threshold seems to constitute an insurmountable obstacle to a formal revision of Article 27 of the Charter, reserved for the use of the right to veto.

¹² Chapter VII of the United Nations Charter concerns the actions to be undertaken in the event of a threat to the peace, breach of the peace, or act of aggression.

The war in Ukraine, directly involving one of the permanent members, has been a catalyst for significant developments but without resolving the reform issue. First, there was the veto initiative¹³ of 22 April 2022, followed by the commitment made by the United States to “refrain from the use of the veto except in rare, extraordinary situations” ([Schäfer, 2022](#)). Then there was the Franco-Mexican resolution to propose a collective and voluntary agreement among the permanent members of the Security Council to refrain from using the veto in case of mass atrocities ([Global Centre for the Responsibility to Protect, 2015](#)). It should, however, be noted that the notion of mass atrocity is deemed inapplicable to the current events in Ukraine and the Gaza Strip.

The process to integrate new countries in the name of better representativeness could come as a matter of priority from those countries with the most to “lose” such as France and the United Kingdom. In exchange, the other Council members would see themselves compelled to reform the use of the vote by limiting its use to a restricted number. We could also imagine a group of countries with more remote interests joining forces to present these reforms within the UN. For example, an association of PIIGS (members from the “North”) and MINT¹⁴ (members from the South) would have the advantage of being balanced and devoid of interests, since none of the members of these two groups of countries would become a member of the Council.

World Bank and IMF facing competition from the New Development Bank

The creation of the NDB by BRICS+ in 2014, a real alternative to the IMF, is an example of what a group of powerful countries can do if it considers that an existing organisation, the IMF in this case, does not sufficiently reflect its interests. Even if, ten years later, it could be considered that the NDB has not been completely established as a credible alternative, as much in terms of the volume exchanged as in terms of the attribution of projects ([Millar, 2023](#)). However, it has successfully positioned itself as the Bank for countries in the South. Even more so, as many countries having taken out loans before the COVID-19 pandemic have had great difficulties paying them back; which has strengthened a certain image of the IMF as a “non-friendly” institution ([Jha, 2022](#)). Nonetheless, this criticism has to be qualified, insofar as similar accusations can be made against Chinese loans that are strangling economies. In 2022, [a report from the China Africa Research Initiative](#) noted the Chinese loans that contributed to the economic crisis in Sri Lanka.

The main sticking point with the IMF is not its principle, which is to help finance developing countries, but rather the reasons for attribution, the conditions and the weight of countries’ votes. In fact, unlike the NDB which attributes the same number of votes to each member, the 24 members of the IMF Executive Board do not have the same weight in decisions: “The United States, which has 17.4% of the quotas (share of capital) of the Fund, is not ready to reduce them in favour of large countries such as China, which has only 6.4% of the quotas, despite its global economic weight” ([Hiault, 2023](#)). In addition the IMF mainly approves attributed projects based on debt restructuring criteria that comply with the Paris Club rules. The lending policies should, therefore, be adjusted to better meet the needs of emerging economies, fostering sustainable development instead of

¹³ Resolution 76/262 of the UNGA, “Standing mandate for a General Assembly debate when a veto is cast in the Security Council” (UN Doc. A/RES/76/262), 26 April 2022, adopted by consensus

¹⁴ Mexico, Indonesia, Nigeria, Turkey. A term used by the economist Jim O’Neill, who had popularised the BRIC term when he worked at Goldman Sachs ([Les Affaires](#))

austerity ([Stiglitz & Gallagher, 2022](#)). Without this reform, emerging economies could face greater economic stagnation and more financial crises, or simply more frequently approach the NDB for financing. We will stipulate the decisive role of the United States in blocking this reform.

The place of the dollar in financial exchanges is not yet at stake, such is its reign over the economy. However, the BRICS+ countries have agreed to reduce its influence. Aglietta reminds us that China is gradually imposing the yuan as the international reference currency ([Aglietta et al, 2022](#)). This strategy is conditioned by the very structure of its economy, whose trade takes place in dollars. However, the relative financial openness of Beijing, the indebtedness of the private sector due to the 2023 property bubble, and the hardening of many regulations support the hypothesis of a slow internationalisation of the yuan. This seems inevitable and, sooner or later, it will challenge the American financial and monetary power. While all the IMF loans are taken out in dollars, the NDB itself issues bonds in yuan to finance itself.

Another visible trend: under pressure from China and Russia, the dollar is used less to pay various raw materials, especially since the sanctions on Moscow. Moreover, to reduce its dependency on the SWIFT network, the main Western financial messaging system, Beijing launched its own system, CIPS, which processed over 19 billion dollars in transactions daily in 2020; the Russian Federation also launched its own system, in 2023.

The reform of the IMF and World Bank are thus essential steps for their continuity and for two reasons: on the one hand, the countries from the South, led by BRICS+, which moreover represent two-thirds of the world population and the global economy, are increasingly using the NDB. On the other hand, because the place of the dollar in the global economy is already at stake, with this same NDB issuing many loans in yuan.

Given this situation, the United States are going to face an important dilemma: the first option is agreeing to reduce the share of their voting right at the IMF, to make this institution more balanced, which would give it back legitimacy, reduce at the same time that of the BRICS+ bank, and maintain the dollar as the reference currency. The second option is freezing the voting rights (favourable to the United States), even if it means continuing to reinforce the influence of the NDB .

The EU is changing its criteria to adapt to the new balance of PIIGS

The pressure from partnerships between countries, such as BRICS+, could push international institutions to reform to be more representative of the global equilibria, at a geopolitical level with the UN Security Council and at an economic level with the IMF. We can expect a similar approach from the PIIGS countries within the EU with an ambition to reduce the influence of Germany and, to a lesser extent, that of the Franco-German couple on political tools (European Commission) but above all on economic and financial tools (ECB).

The reform of the Stability and Growth Pact (SGP): a first victory for PIIGS

This pact, which imposes a framework on each EU member country, has two main constraints. It adopts certain principles laid down by the 1992 Maastricht Treaty regarding States' commitment to maintain their deficit below 3% of GDP and their public debt at a level below 60% of their GDP. As of 2019, Jean Pisani-Ferry suggested changes (Pisani, 2019). Since the end of the pandemic, the economic development of the PIIGS countries, combined with a slowdown of growth in Germany (and, to a lesser extent, in France), has enabled the rules to evolve: the Commission has begun to review the SGP. Since the end of 2019, the most indebted countries, like Italy, Spain or France, have been in favour of the pact being revised, whereas the Nordic countries and Germany have instead supported maintaining the SGP in its traditional version, namely with a policy of austerity.

This revision introduced less severe but easier-to-apply sanctions, while enabling indebted States to continue to invest in the European Union's priorities (Toute l'Europe, 2024). In November 2022, the European Commission presented the first proposals for its SPG reform. The Member states then reached an agreement in December 2023. Then, the European Parliament finally approved this reform on 23 April and the Council on 29 April, for it to come into force on 30 April 2024.

The PIIGS countries were also at the forefront of initiatives for a green and digital transition of the European economy, which took shape in particular with the *Next Generation* fund project (Europe en France). Italy and Spain were the first two beneficiary countries, and Greece and Portugal respectively 5th and 7th, of this €750 billion plan (France was the 4th beneficiary). The SGP reform incorporated these priorities by enabling substantial public investment in green and digital infrastructures, even for countries with high levels of debt. This approach intends to support sustainable growth and reduce economic inequalities within the EU.

The energy crisis and European solidarity

Russia's invasion of Ukraine in 2022 triggered an energy crisis in Europe. PIIGS, particularly Spain and Portugal, obtained specific exceptions to alleviate the impact of the increase in energy prices on consumers. This situation highlighted the need for closer coordination of energy and fiscal policies within the EU. In 2024, PIIGS are trying to extend the Iberian exception, which de-indexes gas and electricity prices on a long-term basis, to the rest of the Union.

Recognition of Palestine: the countries of the South are encouraging the rest of the Member states to reconsider their position

Spain, joined by Ireland and Slovenia (and, outside the EU, Norway), has been particularly active, announcing its official recognition of Palestine as an independent State in May 2024 (Stimson, 2024). This initiative intensified the pressure on other Member States to reconsider their position, highlighting the EU's historic divisions on this question. PIIGS thus took a diplomatic initiative, forcing other partners like France or Germany, but also the EU in its capacity as an institution, to position themselves (Brunori, 2024). This approach enabled us to note changes from countries and European institutions with regard to the question. Josep Borrell, High Representative of the Union for Foreign Affairs and Security Policy, supported these initiatives, leaving behind the traditional neutrality and highlighting the necessity for a two-State solution and encouraging Member States to take concrete measures to support this process... The French President Emmanuel Macron declared that the

recognition of Palestine was not a taboo subject, but that it should happen at a “useful” period ([Le Figaro, 2024](#)). France has yet to take the step of official recognition, preferring to work within the framework of a negotiated solution. The French Minister for Europe and Foreign Affairs Stéphane Séjourné has criticised the PIIGS initiatives, considering them as “political positioning” rather than efforts to resolve the Israeli-Palestinian conflict.

A unique opportunity for France to position itself as a geopolitical fulcrum

At an international level

The needs for reform within international institutions raised by BRICS+ could present an opportunity for France to (re)position itself on the global chessboard. Within the UN, France could act to change the Security Council by proposing the inclusion of new members. It still needs to find trusted allies. The question of the use of the veto remains. The idea is to position itself as a fulcrum between the respective United Kingdom-United States and China-Russia couples. Until the beginning of the 2000s, this was France’s influence strategy. By distancing itself from the Anglo-American couple, France would gain substantial credibility among the countries of the South, more particularly the African and South American ones, which today harbour a certain anti-Americanism. Its loss of image particularly vis-à-vis Russia in many African countries could be halted by a change in its international policy, less aligned with the American position. Since Russian propaganda uses the lever of the “North” - represented by France, the former coloniser supported by the United States, the dominant power for 50 years- against the “South” carried by Russia. Although risky as it would dilute France’s influence if the Council goes from 5 to 9 or 10 members, this position of independence could enable leadership to be (re)taken.

At a European level

Italy and Spain are the 3rd and 4th powers in the EU, and France could rely on PIIGS, which, as we have seen, are gaining credibility in economic, budgetary and diplomatic terms. Without moving away from the Franco-German, or indeed [Franco-Swedish couple](#), Paris should make the most of the dynamics of Southern European countries to make the institutions become more flexible. This approach was already launched by French President Emmanuel Macron during the signatures of the [Quirinal Treaty](#) in 2021, and the [Barcelona Treaty](#) in 2023. These treaties aim to reinforce bilateral cooperation between countries, which could be strengthened in areas such as renewable energies, European defence, migratory policies or European policies in the Mediterranean.

Conclusion

Over the past ten years, the BRICS+ and PIIGS groups of countries have launched many economic and diplomatic initiatives, which have reinforced their strategic positioning at a European and international level. Outside of the annual summits, BRICS+ continue to expand and demand a more balanced global governance than what currently exists. In the same way, PIIGS are working to influence EU governance. With the UN and its Security Council, the evolution of the geopolitical balance of power is an argument for reform, the Security Council no longer represents the world in its diversity, the powers of 1945 are no longer those of 2024. France can use all of these dynamics to (re)position itself as a European and global geopolitical fulcrum.