

Institutional status of BRICS and pragmatic cooperation: The case of South America

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As a group formed by emerging powers, the BRICS is characterized by its particular profile: a pragmatic political strategy that presents contradictory actions between its members. Internal cooperation among the BRICS members is becoming more "institutional" with the creation of its financial institutions, the New Development Bank (NDB) and the Contingency Reserve Agreement (CRA). These have led the group to a next stage in its history without changing its essence. The NDB has been created to mobilize resources for infrastructure and sustainable development projects in emerging and developing countries, and the CRA has been established to provide liquidity to countries experiencing difficulties in their balance of payment and to head off future economic crises. Many developing countries are closely observing these financial institutions. South America appears particularly interested to take advantage of them by attracting investments and obtaining loans from BRICS members in order to develop infrastructure in their countries and to build more informal relationships with foreign partners with reduced political commitments. For South America, the BRICS is an example of a pragmatic formula for cooperation in contrast to the modus operandi of traditional powers. In other words, poor countries would have an alternative to the International Monetary Fund and World Bank. Relations between the BRICS and South America are characterized by a pragmatic approach that reflects the "way of being" of the group and the necessities of modernization of the region. This article analyzes the particular relationship that BRICS is establishing with the countries of South America using its institutional status and pragmatic approach.

BRICS

Contingency Reserve Agreement

Emerging powers

New Development Bank

Pragmatic cooperation

South America