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FORMS OF ECONOMIC COOPERATION OF THE BRICS COUNTRIES IN THE CONDITIONS OF EXITING THE PANDEMIC¹

The BRICS countries help each other cope with the pandemic problems, provide each other with economic, expert and humanitarian assistance. To this end, the states of the «five» are expanding their Intra-group cooperation both in the economic and political spheres in the context of a change in the geopolitical paradigm of development and the formation of new leadership systems in the world arena. The main form of economic partnership of the BRICS countries is the transition from trade interaction to trade and investment cooperation (based on the use of the digital economy, e-commerce, blockchain technology, big data, artificial intelligence, etc.), which allows countries to obtain a synergistic effect.

Development of the economies of the BRICS countries during the recovery from the pandemic

The 2020 coronavirus pandemic will affect the economies of all countries of the world, including the BRICS countries. The volume of GDP of the BRICS countries as a result of the coronavirus decreased by 2.3% in 2019–2020 [1]. In all BRICS countries, there is a drop in internal and external demand for goods and services, a

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decrease in activity in the service sector and manufacturing industry, a significant decrease in the income of companies in many sectors of the economy, and a decrease in trade.

In Brazil, the country's economy decreased by 23.1% (the highest value among the BRICS countries) [1]. This process was influenced not only by the coronavirus pandemic, but also by the global recession, a slowdown in the growth of the economy of China (Brazil's main trading partner), a decrease in the flow of foreign investment, a decrease in prices for raw materials, a decrease in domestic activity, and a high level of unemployment. The Brazilian government, unlike other BRICS countries and many countries in the world, did not take the coronavirus pandemic seriously. Therefore, the country did not take emergency measures to isolate the population. As a result, the largest economy in South America is facing a difficult economic situation.

In India, the volume of GDP decreased by 8.6% [1], despite the fact that according to the initial forecasts of world rating agencies, the country should have experienced significant economic growth. The Indian government has introduced isolation measures in the country to combat the impact of the coronavirus. The development of the pandemic has led to serious disruptions in value chains, the cancellation of previously concluded contracts. The results of the pandemic primarily influenced the slowdown in the development of agriculture, trade, transport and hotel sectors in India. As a result, the volume of imports of goods decreased by 1.6 times compared to the data of 2019. Due to a decrease in business activity, the volume of oil imports in April 2020 decreased 1.6 times to \$ 4.7 billion [6].

In South Africa, GDP fell by 14.1% [1]. To combat coronavirus, South Africa has been quarantined for five weeks (until May 1, 2020). This was followed by some relaxation due

to possible problems in the social and economic spheres. The country's national treasury predicted a 5.8% contraction in South Africa's economy in 2020, but the decline was more significant.

In Russia, the volume of GDP decreased by 12.1% [1]. In September 2021, Russia announced that it was overcoming the economic downturn caused by the coronavirus pandemic. Russian President V.V. Putin noted that following the results of seven months of this year, the GDP returned to the pre-crisis level» [4].

Only in China, despite the pandemic, there was an increase (3.1%) [1]. China was one of the first to recover from the coronavirus pandemic. However, the small growth rate of China's GDP was influenced not only by the suspension of the activities of many enterprises as a result of the pandemic, but by the «trade war» between the PRC and the United States. In May 2020, the United States again decided to tighten sanctions against China, suspecting it of hiding information about the coronavirus and demanding full information about the causes of the pandemic.

Trade of the BRICS countries. Five states have developed the «Strategy for Economic Partnership of the BRICS Countries until 2025». The new Strategy includes a joint approach to combating the epidemic and overcoming the economic consequences, as well as supporting the multilateral trading system, unlocking the opportunities of the digital economy, sustainable and inclusive development in the context of the coronavirus pandemic.

The foreign trade turnover of goods of the BRICS countries with other countries of the world increased by 1.2 times in 2016–2020, including Brazil – by 14.6% to \$ 376 billion, Russia – by 20.7% to \$ 572 billion, India – by 3.5% to \$ 649 billion, China – by 26.1% to \$ 4647 billion, South Africa – by

1.2% to \$ 170 billion [5]. The highest level of imports of goods in this country belongs to China (72.5%). Large volumes of supplies of goods to the BRICS countries (including high-tech ones) were made from the USA, Germany, France, Great Britain, Japan, etc. China is the main trading partner of the BRICS countries.

The BRICS countries have expanded their trade and investment cooperation in the creation of oil and gas projects, infrastructure projects, in the space and military-technical sphere, and in the aviation sector.

E-commerce in the BRICS countries. E-commerce can become one of the most important areas of mutually beneficial cooperation between the BRICS countries, which will contribute to the further growth of their national economies. E-commerce includes electronic payment systems, Internet banking, Internet commerce, Internet insurance, legal services, medical services, etc. According to the experts of Global Rus Trade, the volume of e-commerce of BRICS countries is expected to increase 3 times within five years. E-commerce can become a driver of economic growth in the BRICS countries, especially during the crisis due to the coronavirus pandemic.

In order to form an effective e-commerce platform for the BRICS countries, the authors made recommendations for strengthening cooperation in the field of e-commerce in the BRICS countries: a) development of a roadmap for the development of e-commerce; b) development of measures to ensure the protection of personal data in e-commerce; c) the use of blockchain technology to define cross-border electronic transactions; d) create and use the cryptocurrency of the BRICS countries in mutual electronic commerce; e) creation of a unified database for the development of e-commerce.

Synergistic Effect of Trade and Investment Cooperation of the BRICS Countries

The use of econometrics, correlation and regression analysis methods to identify the influence of FDI inflows and the volume of foreign trade turnover of the BRICS countries on the development of their economies made it possible to determine that the best results among the BRICS countries were in China (Table 1).

Table 1

Multiple regression coefficients of trade and investment cooperation of the BRICS countries with other countries of the world with the volume of their GDP

Country	X ₁ (Trade)	X ₂ (FDI)
Brazil	-0.01	13.0
Russia	1.9	0.8
India	2.3	12.3
China	2.7	76.8
South Africa	2.1	-2,3

Source: based on [2; 3; 5]

The current crisis associated with the coronavirus pandemic confirms the importance of strengthening strategic Intra-group cooperation between the BRICS countries, which is a catalyst for expanding their relationships in various sectors of the economy. The study made it possible to identify the main forms of cooperation between the BRICS countries during the recovery from the pandemic: the development of trade and investment cooperation, which allows to obtain a synergistic effect; the use of the Internet of Things and Big Data in the expansion of e-commerce of the BRICS countries; widespread introduction of blockchain technology as an alternative to international money transfer systems; in mutual settlements, use

the currencies of the BRICS countries, as well as develop and use a single cryptocurrency of the «five» stats (instead of the US dollar).

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