



BRICS membership to spur Iran's growth



National Desk

Iranian President Ebrahim Raisi (L) speaks during the 15th BRICS Summit in Johannesburg, South Africa, on August 24, 2023.
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Iran's membership in BRICS will pave the ground for improving the country's economic growth and exports, Nima Mirzaei, an economic expert said Friday. "BRICS stands as a powerful framework for economic advancement and serves as a huge market. Every nation, upon entering, can foresee positive prospects for its economy, as well as enhanced trade and political relations," Mirzaei told IRNA. He said following the US withdrawal from the 2015

Iran nuclear deal with world powers in 2018, the Islamic Republic was hit by a series of new sanctions that hampered its international interactions. Mirzaei, a capital market analyst, noted, however, that recent government initiatives aimed at fostering political and economic relations with regional countries, particularly southern neighbors, had sparked "waves of renewed optimism". He added that Iran's capacity for interactions and its vision of Eastern economies as emerging markets

could "potentially challenge Western dominance," led by the United States. Mirzaei emphasized the significance of the cooperative efforts under BRICS, labeling it "the most robust platform and market," with the potential to yield positive economic and diplomatic outcomes for every country, and "Iran is no exception". While he acknowledged that short-term leaps in Western interactions were not expected under current sanctions, he highlighted that the situation presented an "unparalleled opportunity" for Iran to engage in new paradigms.

Mirzaei predicted that Iran's economic prospects would improve after joining the ranks of rising economies under BRICS. "Various opportunities arising from Iran's membership in BRICS would undeniably affect the macro-economic issues of the country in a positive way..., help bring down inflation and revalue the national currency." The expert added that Iran's BRICS accession would "significantly bolster exports and help offset US

sanctions," as the extensive markets of fellow BRICS nations could provide a "major path" for the revival of Iranian exports. Mirzaei projected that the new development could "unlock Iran's potential for international investors," eventually leading to renewed foreign investment in the country, which had seen ups and downs since the 1990s. Amir-Ali Abolfat'h, an international affairs expert, also shared his views with ISNA on Friday, saying Iran's membership in BRICS and its alignment

with the Shanghai Cooperation Organization were major steps in advancing the country's foreign policy. Farshid Baqerian, another foreign affairs expert, urged the private sector to share responsibilities with the government for Iran's better engagement with BRICS. He suggested that a "BRICS council" be set up in Iran, involving the private sector, to assist the government in addressing possible challenges and shortcomings hindering the country's interactions with the organization.

World analysts on BRICS expansion

Iran seeks 'more of the same' in BRICS

ian, however, believes that the previous statement does not hold true for Iran as the regional power has over the years gained the membership of OPEC+, the Economic Cooperation Organization, and the Shanghai Cooperation Organization, to name a few, to emerge from its diplomatic and economic isolation, making the new BRICS membership "more of the same". Writing for the German IntelliNews, Behboudian expects that Iran's new membership will pave the way for further increase in its commercial exchanges with BRICS+ members through ease of bilateral trade tariffs and facilitated customs procedures. "For the sanction-bound Iranian economy, any opportunity to boost trade will be a boon," he said, citing the

country's soaring oil exports to India this year as evidence. Meanwhile, the group recently revealed its plan to move away from the US dollar and settle trades in the national currencies of its member countries — something that Tehran, along with Russia and China, is very keen to see happen, according to Behboudian. He cautiously notes that US sanctions on Iran will be a serious impediment to extending funds from the New Development Bank (NDB) of BRICS for development projects in Iran, especially since both India and China are deeply involved in the development of Iran's southern Chabahar port and would require NDB funding. Aurégan also likes to bring attention to the effort that was made to bring together Shia Iran and

Sunni Saudi Arabia and the United Arab Emirates (UAE), as well as two African sub-regional powers, Egypt and Ethiopia. "Until recently, the inclusion of Iran, Saudi Arabia, and the UAE together in the same economic or political organization would have been unthinkable, as tensions escalated following the collapse of Tehran's 2015 nuclear deal and a series of attacks attributed to the country since," AP writers Gerald Imray and Mogomotsi Magome maintained. But as the coronavirus pandemic receded, the UAE became the first to re-engage diplomatically with Iran. In March, Saudi Arabia and Iran announced that they had reached a détente with Chinese mediation. China has sought closer relations with all three nations,

particularly Iran, from which it has imported oil since the collapse of the nuclear deal. "For Saudi Arabia, the planet's premier exporter of crude oil, being positioned within the same economic framework as China, the foremost oil importer globally, lays the foundation for collaborative energy strategies and economic diversification. The incorporation of Iran offers an avenue for dialogue and economic partnership, potentially fostering stability in a volatile milieu." Instability can still be sown, especially by Iran's two arch-nemeses, the US and Israel. While some observers said Tehran's inclusion risked coloring the bloc with an anti-American hue, others were quick to note that Venezuela, which also has strained relations

with the West, was rejected from becoming a member of the bloc. "China, Russia, and Iran are certainly anti-US. Saudi Arabia is having major differences with the United States on certain issues. However, India, Brazil, and Egypt are not in the China camp. Nor is UAE," Seema Guha concluded on Outlook India. There are differences among many of the member states, and India and China have been locked in a military stand-off in Ladakh since the summer of 2020. Tension between the two Asian giants continues, Guha said. Yet, all BRICS members agree on reforming the existing international system and building alternatives to the current US-dominated economic and political order.



Top officials participating in the 15th BRICS Summit pose for a family photo in Johannesburg, South Africa, on August 24, 2023.
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