

# The socioeconomic dimensions of BRICS: a comparative analysis over three decades 1990 to 2020

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**Abstract.** BRICS countries are not only striving to gain more political and economic clouts in the developing world but are also influencing global governance. However, each one is facing its own economic concerns and challenges. For instance, India has been witnessing a severe economic slowdown, while Brazil is maintaining a low growth rate along with persistent high inflation and unemployment problems. South Africa has been mired with low growth rate, rising youth unemployment, high debt and inequality. China has been suffering from a sluggish growth on account of the trade war with the US, and Russia has massively suffered from US and EU sanctions. Despite these problems, they are trying to lay a robust foundation of cooperation with the countries in the Global South amid their rising discontent over perceived Western dominance of the global institutions. With this background, our main focus here is to comprehend socioeconomic dimensions from a comparative assessment to develop an understanding and visualize their relative developmental positions over the last three decades (1990 to 2020). Analyzing the data, the study clearly observes visible diversities within them. While China's socioeconomic dimensions have improved remarkably, followed by India, South Africa could achieve relatively only with minimal success. It demonstrates that certain BRICS countries while achieving significant strides in their socioeconomic development outcomes, others are encumbered and struggling with challenges over the last three decades (1990 to 2020) without witnessing similar success and yet to overcome those challenges. The uneven economic progress of economies needs to be addressed by individual economies by laying down efficient economic policies, which have been falling short of the average progress in any economic development parameters if their economic and social cooperation needs to be strengthened towards achieving higher economic progress by mutually benefitting from their stronger socioeconomic ties and simultaneously exert greater influence in the world stage.

**Keywords.** BRICS, unemployment, human capital development, living standard & inequality.

## 1. Introduction

Member economies of BRICS both individually as well as together are not only striving to gain increasingly political and economic footing in the developing world but are also influencing the system of global governance in a number of ways. Nevertheless, at the same time, each of the member countries have their own concerns facing severe current economic problems. India has been undergoing a severe economic slowdown, while Brazil is maintaining a low growth of 1.1 per cent along with persistent high inflation and unemployment problems. Similarly, South Africa is experiencing 0.8 per cent growth, rising youth unemployment, high debt and inequality. China is suffering from a sluggish growth on account of trade war with the US, and Russia has massively suffered from US and EU sanctions and its growth rate was at 1.1 per cent in 2019. Despite these problems, they are trying to lay a strong robust foundation of political and economic cooperation with the countries in the Global South amid their rising discontent over perceived Western dominance of the global institutions.

The present analysis discusses the socioeconomic contexts, including the political system of the BRICS during the period from 1990 through 2019-20. Shedding some light on the main socioeconomic features of BRICS and highlighting their strength is crucial to understanding the economies and their performances. The BRICS economies have experienced outstanding economic growth; thus, various socioeconomic have appreciably changed. So, examining the political and socioeconomic scenarios of BRICS economies between 1990 and 2020 would provide valuable insights and derive reasonable policy perspectives.

While providing a broad perspective on the overall socioeconomic factors, it weighs relative position of individual countries among BRICS over three decades (from 1990 to 2020). Briefly, since the 1990s, emerging economies majorly signified by BRICS have collectively demonstrated a significantly increasing economic performance. Although BRICS countries, together are the primary drivers of global economic growth at present, they still face several challenges, including increasing or high unemployment and greater income concentration, et cetera. Therefore, our main focus here is to comprehend socioeconomic dimensions to develop an understanding and visualize their relative developmental positions. Socioeconomic or sociopolitical dimensions show an interaction between social and economic or political dimensions, which shape and address their needs, and govern their society. Such dimensions are critical for governance, social harmony, and economic development.

## 2. Fact File: BRICS Fundamentals

Jim O'Neill (Goldman Sachs economist) shaped the acronym BRIC (Brazil, Russia, India, and China) in 2001. He specified that BRIC economies are snowballing, and their collective GDP would outperform the G7 countries' GDP by

2050. The idea of BRIC got extended later to include South Africa from its 13<sup>th</sup> summit hosted in Sanaya, China (April 2011), and BRIC turned into BRICS in 2011. The conception of BRICS and their gradual gaining of economic and political clout over time has attracted significant attention in the world economy, reflecting a potential shift in the repositioning of the global economic power away from the advanced G7 countries gravitating towards the developing countries [12].

By landmass, Russia is the largest, followed by China, Brazil, India, and South Africa, constituting 12.7%, 7.13%, 6.32%, 2.44%, and 0.91%, respectively, of the world. They together constitute 29.50% of the world's geographical area. China is more than half of Russia, whereas Brazil is approximately half of Russia's surface area. India's surface area is about one-fifth of Russia, one-third of China, and two-fifths of Brazil. South Africa is around one-fifteenth of Russia, one-eighth of China, one-seventh of Brazil, and one-third of India. All BRICS economies have an extensive coastline, with Russia at the top and South Africa at the bottom. Russia is largest by its longest coastline, but still, it is considered only a land power with an oceanic front blocked by ice. With approximately 14500km of temperate coastline, China is considered a land and sea power. The significant coastline of BRICS enables them with substantial resources to use for domestic purposes and obtain economic benefits from international trade.

The BRICS economies undertook various macroeconomic reforms in the 1980s & 1990s and collectively demonstrated a significantly increasing macroeconomic performance. Although BRICS countries, together today, are the primary drivers of global economic growth, they still face several challenges, including weakening economic growth, increasing unemployment rates, high inequality, declining exports & imports of goods and services (% of GDP), etc.

Brazil and Russia enjoy a significant natural advantage in commodity and natural resources. South Africa has substantial mining or natural resources, whereas China and India with potential demographic advantages have enormous amounts of cheap labour. China plays a vital role in manufacturing. Pharmaceutical, software, textile, and business process outsourcing are the core strengths of India. Russia and Brazil are large commodity exporters, whereas China is a big commodity importer. Moreover, Russia, as an energy exporter, benefits from increasing international energy prices, and India, as a major energy importer, suffers from its increasing import bill. China, India, and Russia possess nuclear weapons, whereas Brazil and South Africa are not.

### 3. Political System

BRICS economies are geographically positioned in different locations. While their own domestic political and governance system is quite diverse but their individual and group decisions influence the global economy to a great extent. They actively participate and play a crucial role in global diplomacy. The BRICS may lead the global economy in the future as political and economic powers gradually gravitate from North advanced countries to South developing economies. They vary in their governance system. Brazil, India, and South Africa follow a constitutional democratic governance structure, whereas China and Russia have an authoritarian system of governance.

Vibrant democracies in Brazil, India, and South Africa unquestionably contrast authoritarian governance systems in China and Russia. Specifically, after two decades of military rule (1965 to 1985) in Brazil, a democratic government was laid down in 1985. The transition from a military to a democratic system brought the economy to face intricate issues as Brazil has undergone many severe political and economic turmoils. The economic growth remained unsatisfactory even under the democratic government; thus, a new government had to perform constitutional and economic reforms. Brazil has been experiencing political and economic improvement and stability since 1995.

South Africa's apartheid period (1948 to 1994) under the white government had given birth to significant social unrest and political instability. The economic performances were unsatisfactory. Poverty, unemployment, and inequality condition significantly worsened. Nevertheless, the mass democratic movements ended the apartheid period in 1994. South Africa has continued with a constitutional democratic non-racial system of governance since 1994. Ironically, the democratic government has failed to solve the country's economic, social, and political problems. Most of the black population remained poor, unemployed and mostly lived in rural areas. Effective governance is weakening, while political violence is growing in South Africa. Whereas India is the largest democratic country in the world. Diversity may be the other name of India. However, social, economic, religious, language, and geographical environments shape Indian politics. Since the mid-1980s, economic inequality has been increasing. However, political violence is increasing in some states, weakening national integrity.

Conversely, China is a bureaucratic authoritarian state built around one-party system, whereas Russia is a dictatorial government built around one man. Social and economic issues in both countries occasionally make people protest against the government. Repression is the prime weapon of political stability in China and Russia. Russia still needs to make political and economic transitions. Conversely, China has been gradually and successfully making the economic transition without witnessing much political transition from a state-controlled economy to a socialist market economic system since mid-1980. Regional disparity in China and Russia is widespread.

### 4. Population

The BRICS economies collectively, occupy approximately one-third of the surface area and one-fourth of the world's agricultural land and feed more than two-fifth of the global population. The world's population growth is higher than the BRICS group because of high fertility in many underdeveloped countries. The population has been growing mainly in

Sub-Saharan Africa and parts of the Middle East [2]. Statistically, the BRICS countries' population has grown by 36.9%, while the world population has increased by 47.04% over three decades (1990-2020).

Population growth is declining in BRICS, and so is their population share in the world. BRICS's share has decreased to 41.3% by 2020 from 44.4% in 1990 (See Table 1). China, Russia, and Brazil majorly have pulled down the population growth in BRICS. South Africa's population (61.2%) has grown faster than others, followed by India (58%), Brazil (42.7%), and China (24.3%) between 1990 and 2020. Conversely, Russia has been facing a prolonged demographic crisis since 1992. Russia's population has declined to 144 million by 2020 from 147 million in 1990. So, Russia's population declined by 2.6% between 1990 and 2020, which may pose the biggest challenge for expanding economic activity in the future.

**Table 1.** Population

		Brazil	Russia	India	China	South Africa	BRICS	World
Population (% of the world)	1990	149003225 (2.8%)	147969407 (2.8%)	873277799 (16.5%)	1135185000 (21.5%)	36800507 (0.7%)	2342235938 (44.4%)	5,280,062,644 (100%)
	2005	186127108 (2.9%)	143518814 (2.2%)	1147609924 (17.6%)	1303720000 (20%)	47880595 (0.73%)	2828856441 (43.4%)	6511724848 (100%)
	2020	212559409 (2.7%)	144073139 (1.86%)	1380004385 (17.8%)	1411100000 (18.2%)	59308690 (0.76%)	3207045623 (41.3%)	7763932702 (100%)
Population growth (1990 to 2020)		42.7%	-2.6%	58%	24.3%	61.2%	36.9%	47.04%

Source: Author's compilation, drawing data from WDI, World Bank.

China, Russia, and Brazil have been experiencing declining fertility rates which stay below the replacement rate, demonstrating a likelihood of negative population growth in the future. A dramatic worldwide reduction in childbearing and birth rates has become a global phenomenon, including in BRICS. However, a substantial reduction in the fertility rate in BRICS countries may raise issues related to population ageing, declining labour forces, economic & social pressures, and sustaining economic growth tomorrow.

## 5. Labour Force

Unlike Brazil, China, India, South Africa, and the world, the trend of Russia's labour force is in a bumpy situation and uncomfortable zone. Russia's labour force declined from more than 75 million in 1990 to below 70 million in 1998 and then rose to about 75 million in 2008. Since 2008, the labour force has gradually diminished in Russia, fetching significant concern regarding the labour force shortage for economic activities and consequently, pushing up the wage level. Russia witnesses negative population growth, adversely affecting labour force participation.

Conversely, the absolute labour force trend in Brazil, China, India, and South Africa has been continuously increasing since 1990. However, the space of growth has reduced. From 1990 to 2005, the labour force increased continuously and then declined at an increasing rate. Table 2 demonstrates the growth of the labour force in BRICS economies and the world. The percentage of the increasing labour force during 2006-2019 is significantly less as compared to the period 1990 to 2005. The recent sluggish population growth is causing a decrease in the rate of labour force participation globally.

**Table 2.** Labour force and its growth

Variable	Year	Brazil	Russia	India	China	South Africa	BRICS	World
Labour force (% of the world)	1990	59M (2.55)	74M (3.22)	315M (13.60)	641M (27.67)	12M (0.56)	1104M (47.61)	2319M (100)
	2000	77M (2.81)	73M (2.67)	394M (14.35)	729M (26.54)	16M (0.62)	1291M (46.98)	2749M (100)
	2010	94M (2.99)	75M (2.42)	457M (14.57)	772M (24.61)	18M (0.60)	1418M (45.20)	3137M (100)
	2019	104M (3.02)	73M (2.13)	482M (13.96)	800M (23.15)	22.1M (0.66)	1483M (42.92)	3456M (100)
Labour force growth	1990 to 2005	50.17%	-0.94%	41.35%	19.72%	43.21%	26.41%	28.28%
	2006 to 2019	15.99%	-1.22%	7.53%	3.55%	21.95%	5.62%	14.74%

Source: Author's compilation from WDI, The World Bank. Note: M refers to million.

The labour force share of BRICS (% of the world) has declined from 47.61% in 1990 to 42.92% in 2019 which presents a worrisome picture. Specifically, Brazil's and South Africa's shares have increased from 2.55% & 0.56% in 1990 to 3.02% & 0.66%, respectively in 2019, while Russia's and China's shares have substantially decreased during the same period. Although India's share remains marginally higher in 2019 compared to 1990, the share is falling in the recent period.

## 6. Unemployment Conundrum

Generally, the unemployment rate indicates the share of the labour force without work but available for and actively seeking work. Unemployment is a persistent global problem and reflects a country's macroeconomic condition. The global unemployment rate has amplified from 4.93% in 1991 to 6.07% in 2010 and then has slightly declined to 5.54%

in 2019. However, the Covid-19 health crisis added fuel to the fire aggravating further global unemployment rate to increase to 6.9% in 2020 and gradually reducing in 2021 and 2022.

**Table 3. Unemployment rate**

Country	1991	2000	2010	2019	2020	2021	2022
Brazil	6.36	10.53	8.034	12.05	13.93	13.34	9.46
China	2.37	3.26	4.53	4.56	5	4.55	4.89
India	6.73	7.77	8.32	6.51	10.19	7.713	7.33
Russia	5.41	10.58	7.37	4.5	5.59	4.72	4.72
South Africa	21.19	20.27	23.18	25.54	24.34	28.77	29.8
BRICS (Average)	8.41	10.48	10.29	10.63	11.81	11.82	11.24
World	4.93	6.071	6.35	5.54	6.9	6.2	5.77

*Source: Author's compilation from WDI, The World Bank. Note: Unemployment (% of the total labour force) (modeled ILO estimate)*

The BRICS's unemployment rate (average) has been steadily increasing since 1991. The average unemployment rate has increased to more than 11% in 2022 from 8.41% in 1991. The increasing unemployment rate in BRICS is mainly driven by increased unemployment in Brazil, China, and South Africa. India faces ups and downs in the unemployment rate trend between 1990 and 2022. However, after 2000, Russia's unemployment rate has been continuously declining, although it slightly shot up in 2020 due to the pandemic. The BRICS unemployment situation is worsening, which may negatively affect their economic advancement.

**Table 4. Youth unemployment rate**

Country	1991	2000	2010	2019	2000	2021	2022
Brazil	11.64	19.76	17.46	27.18	30.50	28.49	21.36
China	4.36	6.83	9.82	10.73	12.69	12.44	13.16
India	11.87	13.50	18.96	22.88	30.89	23.89	23.22
Russia	13.52	20.68	17.17	15.15	16.91	16.14	15.38
South Africa	34.34	35.84	45.53	47.40	43.50	49.86	51.52
World	10.06	12.97	14.33	15.23	18.40	16.35	15.58

*Source: Author's compilation from WDI, World Bank. Note: Unemployment youth (% of the total labour force ages 15-24) (modeled ILO estimate). According to The World Bank, youth unemployment can be defined as the portion of labour force aged 15-24 without work but available for and actively seeking work.*

However, the youth unemployment picture is gloomier than the overall unemployment rate. The world's youth unemployment has remained at 15.58% in 2022, up from 10.06% in 1991. Youth unemployment is highest in South Africa, followed by India and Brazil in 2022. China's youth unemployment remains the lowest, followed by Russia in 2022. The irony is that the youth unemployment rate has significantly increased. It is worse in 2022 than its level in 1991 (See Table 4). The youth unemployment to gross unemployment (Table 5) ratio has increased noticeably between 1991 and 2022. India's and Russia's youth unemployment rate has remained three times greater than that of their gross unemployment rate.

Youths experience worse labour market outcomes than adults. There may be many reasons behind high youth unemployment, such as (i) youth possessing a low level of work-related skills, (ii) imperfect information in the labour market, (iii) employers' biased attitude toward adults, et cetera. First, although young workers acquire more education, they must gain work-related skills or experience to augment their human capital and productivity. In some cases, youth still need to complete their minimum years of education, as they drop out of school before achieving the minimum compulsory education. Second, neoclassical economists argue that imperfect information in the labour market forces the unemployed youth not to accept prevailing wage offers, believing that a better wage offer might arrive shortly, which might aggravate youth unemployment. Finally, work providers may prefer adults to youth, believing that adults may have better human capital, including experience, than youth. Such developments may contribute to higher youth unemployment than adult unemployment.

**Table 5. Ratio of youth unemployment to total unemployment rates**

Country	1991	2000	2010	2019	2020	2021	2022
Brazil	1.83	1.87	2.17	2.25	2.19	2.13	2.26
China	1.84	2.09	2.17	2.35	2.54	2.73	2.69
India	1.76	1.74	2.28	3.51	3.03	3.10	3.17
Russia	2.50	1.95	2.33	3.37	3.02	3.42	3.26
South Africa	1.62	1.77	1.96	1.85	1.79	1.73	1.73
World	2.04	2.13	2.26	2.75	2.67	2.68	2.70

*Source: Author's calculation from WDI, The World Bank.*

More precisely, the decadal average of total and youth unemployment highlights that Russia's unemployment rate is reducing over time. The average total and youth unemployment rates were 7.16% and 18.96%, respectively, during 1991-2000 and then reduced to 7.49% and 16.44%, respectively, during 2001-2010 and further reduced to 5.39% and 15.71%, respectively, during 2011-2020. Russia's average total and youth unemployment rates were 8.82% and 18.22%, respectively, from 1991 to 2005. However, it reduced to 5.78% and 15.84%, respectively, during 2006-2022 (See Tables 6 and 7). The level of unemployment is, of course, declining, and employment is increasing in Russia over time. This exceptional pattern may be because of a fall in population growth due to a fall in fertility rate and declines in labour force participation. Russia is substantially facing negative population growth and labour force participation. It causes a labour force shortage for economic activities; thus, unemployed people get work. This process increases the employment in Russia.

**Table 6.** Decadal average unemployment rate

Country	1991-2000	2001-2010	2011-2020	2011-2022	1991-2005	2006-2022
Brazil	8.12	9.77	10.03	10.26	8.95	9.87
China	2.943	4.425	4.591	4.612	3.404	4.586
India	7.162	8.386	8.026	7.93075	7.551	8.081
Russia	9.241	7.489	5.388	5.276	8.824	5.78
South Africa	20.738	20.23	23.284	24.284	20.487	23.164
World	5.695	6.248	6.045	6.035	5.923	6.06

*Source: Author's compilation from WDI, The World Bank. Note: Unemployment (% of the total labour force) (modeled ILO estimate)*

Conversely, the decadal average unemployment rate shows that total and youth unemployment rates are increasing in Brazil, China, India, South Africa, and the world (See Tables 6 and 7). Despite increasing the macroeconomic performance, unemployment rates are increasing. The business cycle theory maintains that when the economic pie expands, labour demand grows, employment grows, and unemployment declines. When the economic pie contracts, demand for labour falls; therefore, employment falls, and unemployment increases. However, the pattern of global unemployment contradicts this general business cycle theory, as with the rising economic pie, the unemployment level also rises over three decades. Keynesians mainly state that unemployment results from weak aggregate demand, whereas Marx and Schumpeter emphasize the technological and structural change that causes high unemployment. Neoclassical economists describe that misinformation in the labour market compels some unemployed people not to accept prevailing wage offers with the belief that a better wage offer will be available shortly. Some others focused on wage rigidity than unemployment because the wage is not adjusting downward when there is an excess supply of labour in the market.

**Table 7.** Decadal average youth unemployment rate

Country	1991-2000	2001-2010	2011-2020	2011-2022	1991-2005	2006-2022
Brazil	15.07	19.60	22.42	22.83	16.92	21.59
China	5.85	9.37	10.59	10.96	6.93	10.58
India	12.45	15.84	23.73	23.70	13.10	21.81
Russia	18.96	16.44	15.71	15.72	18.22	15.84
South Africa	35.35	37.26	43.18	44.43	35.53	42.72
World	11.78	13.60	15.61	15.67	12.37	15.07

*Source: Author's compilation from WDI, The World Bank. Note: Unemployment youth (% of the total labour force ages 15-24) (modeled ILO estimate).*

Specifically, the phenomenon of South Africa's persistently high unemployment statistics is relatively more prominent, which poses a significant challenge for South Africa. Brazil also faces a high unemployment rate, followed by India, Russia, and China. South Africa's unemployment rate is globally the highest, as approximately 29% of the South African labour force remains mostly unemployed. Moreover, it is worse in the case of youth as more than 50% of youth remain unemployed in South Africa. South Africa has failed to observe its high and rapid labour force growth, leading to a high unemployment rate scenario. [1] mentioned a fall in demand for unskilled labour and an increased supply of unskilled labour as a large influx of African women joined the labour market leading to substantial unemployment in South Africa.

High unemployment costs are substantial and can be grouped into economic, social, and political [10]. Unemployed individuals lose their income and social status. Society faces a loss of output, increased social tension, and rising mental illness and crime, whereas the government loses tax revenue and pays extra social security. The rising unemployment sometimes destabilizes the incumbent government [10]. Unemployment aggravates the risk of poverty and inequality [15]. To reduce these costs of high unemployment, governments of BRICS economies should adopt appropriate socialistic and market-driven policies and increase employment. However, rigorous empirical research is required to determine which factors are causing high unemployment globally, including in BRICS.

## 7. Poverty

Poverty reduction is one of the critical Sustainable Development Goals (SDG) in the 21st century. Extreme poverty has dramatically declined globally from 1.95 billion in 1990 to approximately 700 million by 2019. More than 1 billion people have been elevated out of poverty globally. The contributions of Brazil, China, India, and South Africa were

profound during this period. Specifically, China's poverty level has declined dramatically from 62.7% in 1993 to 0.1% in 2019. Several factors might have played in reducing poverty in China, such as macroeconomic reforms and, thus, tremendous economic growth, urbanization, targeted government policies, global trade integration, etc. India is relatively less successful compared to China. Nevertheless, India has noticeably progressed concerning poverty, as its poverty level reduced to 10% in 2019 from 47.065 in 1993. Better economic growth, anti-poverty policies, development in education and healthcare sectors, and social development initiatives might have contributed to reducing poverty in India. Although the proportion of the population living in poverty in BRICS has declined substantially to 7.2% by 2019 from 33.48% in 1993 on average, some BRICS countries such as South Africa, India, and Brazil still need significant efforts to wipe out poverty (See Table 8).

**Table 8.** Poverty in BRICS

Variable	Year	Brazil	Russia	India	China	South Africa	BRICS (average)	World
Poverty	1993	22.1%	1.5% (1997)	47.6	62.7%	33.5%	33.48%	35.6%
	2019	5.4%	0%	10%	0.1%	20.5% (2014)	7.2%	8.4%

Source: Author's compilation from WDI. Note: "Poverty is the poverty headcount ratio at \$2.15 a day and expressed as % of population (2017 PPP)".

BRICS economies' various anti-poverty measurements and impressive macroeconomic performance have drastically reduced poverty over time. However, BRICS countries' poverty level always remains lower than the global average between 1990 and 2019. It demonstrates that there are other developing economies where significant portions of the population live in poverty, which drags the global poverty figure up. While the poverty-stricken population has been significantly decreasing, however, the unemployment rate has been increasing in these BRICS countries since 1990. It shows a complex phenomenon of poverty and the unemployment rate because we know that when unemployment declines, poverty should decline. Surprisingly, in BRICS economies, poverty declines along with increasing unemployment rates. South Africa requires special attention as its unemployment and poverty levels are substantially high.

## 8. Literacy Rate

The literacy rate in BRICS and the world has dramatically changed between 1991 and 2018. The BRICS countries' literacy rate exceeds the world's average. In 2018, the average literacy rate of BRICS was approximately 6% higher than the world's literacy rate. Some South Asian, West Asian, and African countries have the lowest literacy rate, thus pulling down the global literacy rate.

**Table 9.** Literacy rate

		Brazil	Russia	India	China	South Africa	BRICS (average)	World
Literacy rate	1991	86.37 (2000)	97.98 (1989)	48.22	77.78 (1990)	82.40 (1996)		74.87
	2018	93.22%	99.73%	74.37%	96.84%	95.02%	91.83%	86.24%

Source: Author's compilation from WDI, World Bank.

Nevertheless, the literacy rate is growing in BRICS, shedding light on increasing human capital accumulation over time. More than 90% of the population was literate in the BRICS in 2018. Ironically, even today, India's literacy rate is the lowest among the BRICS. India must undertake various initiatives to accelerate the literacy rate without compromising on quality and build better human capital to take advantage of the world of opportunities in the global setting. Russia, China, South Africa, and Brazil enjoy very high literacy rates as compared to India (See Table 9).

## 9. Life Expectancy

Global life expectancy has improved by 10.91%, whereas the BRICS countries' life expectancy has increased by 9.55% between 1990 and 2020. The dramatic development of medical science has reduced the risk of contracting diseases and deaths. Moreover, medical technology has dramatically lessened infant and child mortality rates worldwide. Thus, life expectancy is increasing globally over time. Among BRICS, the improvement in South Africa's life expectancy (2.96%) is minimal, followed by Russia (4.10%). India's life expectancy (19.59%) has increased noticeably or drastically, followed by China (14.80%) and Brazil (12.16%) between 1990 and 2020 (See Table 10). The life expectancy of China (78.07) remains at the top, whereas South Africa (65.25 in 2020) remains at the bottom, followed by India (70.14) and Russia (71.34). China's outstanding economic progress helped build better healthcare infrastructure and medical technologies supporting higher life expectancy. However, BRICS countries' life expectancy remains marginally lower than the global average. BRICS countries require substantial efforts in their health sectors, including developing various medical technologies and other complementary infrastructures to improve their life expectancy.

**Table 10.** Life expectancy

		Brazil	Russia	India	China	South Africa	BRICS	World
Life expectancy	1990	65.98	68.53	58.65	68.00	63.37	64.90	65.14
	2020	74.00	71.34	70.14	78.07	65.25	71.76	72.25
	Increased by	12.16%	4.10%	19.59%	14.80%	2.96%	9.55%	10.91%

Source: Author's compilation from UNDP database.

## 10. Human Development

The BRICS economies' human development varies widely due to differences in economic development, educational development, development of the health sector, etc. The human development index (HDI) of BRICS collectively has improved by 28.27% during the last three decades, whereas the global average HDI has increased by only 22.29%. The improvement in HDI has contributed to an acceleration in educational attainment, life expectancy, and a considerable rise in per capita income across the world.

**Table 11. Human development**

		Brazil	Russia	India	China	South Africa	BRICS	World
HDI rank	1990	0.61	0.743	0.434	0.484	0.632	0.580	0.601
	2020	0.758	0.83	0.642	0.764	0.727	0.744	0.735
	Increased by	24.26%	11.71%	47.92%	57.85%	15.03%	28.27%	22.29%

*Source: Author's compilation from UNDP database.*

The remarkable increase in per capita income, educational attainment, and life expectancy has led China (57.85%) and India (47.92%) to experience a substantial upsurge in HDI between 1990 and 2020. However, India is yet to witness a high HDI rank. Thus, India has to make significant policy initiatives involving rising per capita income, education, and healthcare services to accelerate its HDI rank. Russia's (11.71%) rise is minimal and then followed by South Africa (15.03%) and Brazil (24.26%).

## 11. Farming area

In BRICS, although the proportion of the population living in rural areas is declining over time; still, a significant percentage of the total population lives in rural areas. In 2020, the rural population was highest in India (65.07%), followed by China (38.57%), South Africa (32.64%), Russia (25.24%), and Brazil (12.92%). Rural people mainly depend on agriculture. However, the agricultural land in BRICS remains slightly low compared to the world average. The BRICS countries' agricultural land size has marginally increased from 25.77% in 1990 to 26.51% of the world's total available agricultural land by 2020. This enhancement of agricultural land area in BRICS is driven mainly by the expansion of agricultural land in China, followed by a marginal increase in South Africa and Brazil.

Agricultural land consolidation through land reforms has intensified the agricultural land area in China, South Africa, and Brazil. Small and marginal farmers dominate China's agriculture, which faces immense pressure to supply adequate food for 18% of the world's population, with 9% of cultivable land of the globe [5]. The land consolidation and, therefore, a large-scale farming establishment may produce agricultural products in large quantities. Land consolidation increases the agricultural land area by removing ridges, narrow roads, and footpaths, including non-cultivated lands [5].

**Table 12. Agricultural land**

Variable		Brazil	Russia	India	China	South Africa	BRICS	World
Agricultural land (% of land area)	1990	28.10%	13.52%	61.02%	53.75%	78.81%	25.77%	37.12%
	2020	28.34%	13.16%	60.22%	56.07%	79.41%	26.51%	36.45%

*Source: Author's compilation from WDI, World Bank.*

Brazil and South Africa's government undertook land reforms favouring its privatization. In Africa (including South Africa), a significant portion of land lies unoccupied [7]. However, the reforms helped the government to transfer public land and unoccupied land to foreign companies. Consequently, agricultural production has shifted from small & marginal farmers-led production for domestic consumption to private-led production for exports and foreign consumption [7]. Overall, China, Brazil, and South Africa are moving aggressively from traditional domestic-oriented farming to commercial foreign-oriented farming by allowing foreign players and consolidating land.

Whereas, the size of the agricultural land area is reducing globally on account of various reasons such as the increasing population, growth of commercial enterprises and industrialisation, soil erosion, climate change, socioeconomic structure, and urbanization [17]. A UN report (2019) quantified that the world loses 12 million ha of fertile land annually [4].

The agricultural land is also reducing in India and Russia. [6] firmly stated that India's 30k ha of cultivable land is decreasing annually, which is a cause of concern, especially for India, due to its large and increasing population size. Among BRICS countries, the proportion of agricultural land in China, South Africa, and Brazil is increasing while decreasing in India and Russia. Specifically, South Africa has marked the maximum proportion of its land for agricultural purposes, followed by India, China, and Brazil. Russia devotes a minuscule proportion of its land to agriculture. Only 13.16% of Russia's land is cultivable, while South Africa's 79.41% land in 2020.

## 12. Income distribution

The BRICS economies have figured among the list of most unequal countries. Specifically, between 1990 and 2020, South Africa's top 1% and 10%-income earners' shares in national income have increased to 19.31% and 65.41% from 9.82% and 47.1%, respectively, while for bottom 50% earners, their income share has declined from 13.32% to 5.8%.

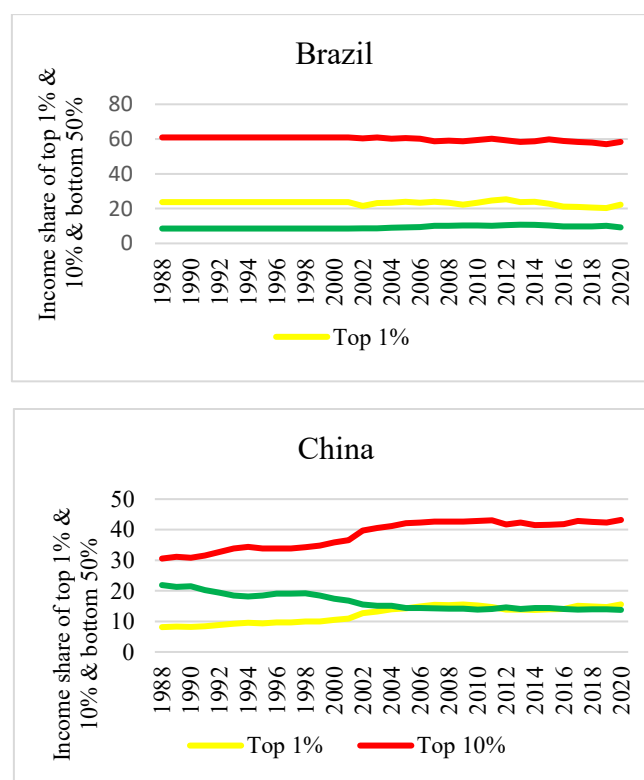
The top 1% and 10%-income earners' share has increased by 96.64% and 38.87%, respectively, whereas for the bottom 50%, the income share has declined by 56.45% (See Table 13). It shows the growing phenomenon of income inequality in South Africa. South Africa's inequality in the post-apartheid period remains significantly high. South Africa's economic and social structure is racially imbalanced.

Most black South Africans remain unemployed and mostly live in the countryside. South African government undertook negligible investment in building up the human capital of the black population. Although South Africa's apartheid area ended in 1994, its education system transformed from racially divided to one divided by class [14]. South Africa is characterized by extreme income and wealth for some, while poverty, unemployment, and social exclusion are characterised for a large population and thus, aggravated income inequality over time. The overall income inequality statistics show that the purchasing power of South Africans is shifting from a majority low-income group to a minority high-income group. South Africa's high-income inequality may affect its economic growth and accessibility to health outcomes, food and nutrition, energy, education, etc.

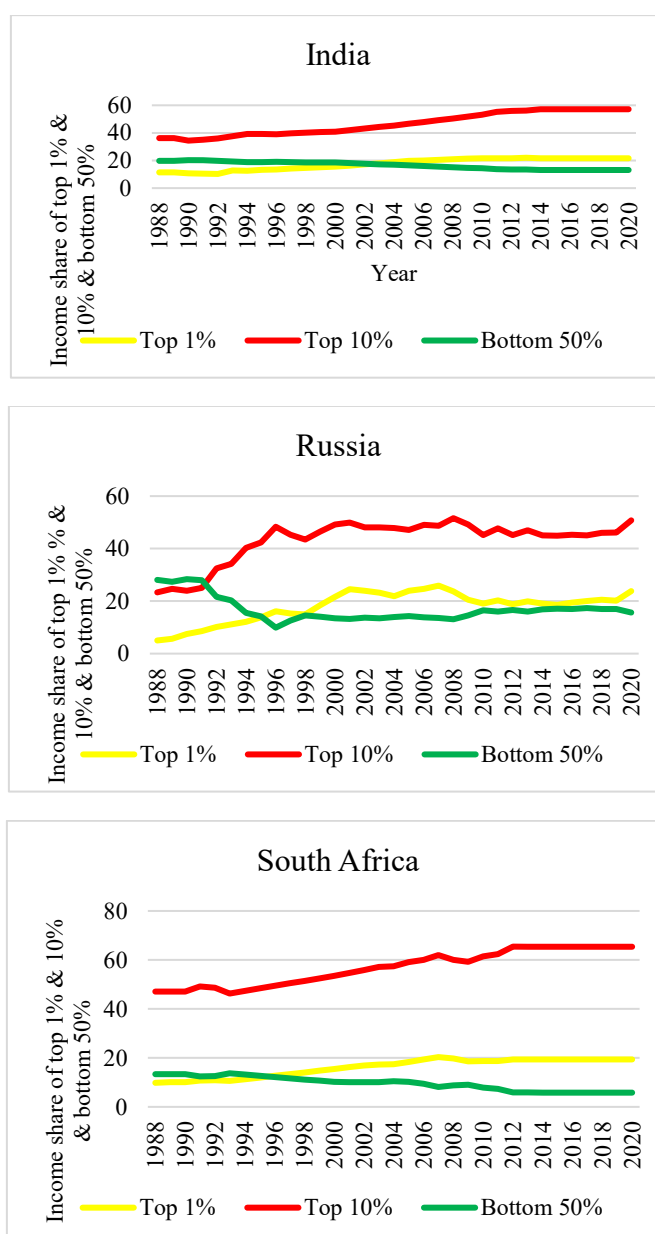
China's top 1%- and 10%-income earners' shares in national income have grown from 8.13% and 30.85% to 15.56% and 43.2%, respectively, between 1990 and 2020. At the same time, the income shares of the bottom 50% has declined to 13.71% from 21.88%. It shows that there is an increase of 91.39 % in income share for the top 1% and 41.36% for the top 10%. However, the income shares of the bottom 50% has declined by 37.06% between 1988 and 2020 (See Figure 1 and Table 13). China is usually divided between the coastal area and inner provinces. Gradually poor people become visible as further movement occurs from the coastal area to Western China. The urban income of coastal towns is overwhelmingly higher than in rural areas. The source of inequality in China can be classified into two categories. First, inequality is natural, resulting from significant economic development as China has transformed from agrarian to industrial economy. Second, there is the existence of differing property rights for rural and urban households, reflecting unequal access to capital.

India's top 1% and top 10% income earners' shares in national income have grown from 11.4% and 34.4% in 1990 to 21.73% and 57.2%, respectively, by 2020. The top 1% and 10%-income shares have increased by 90.61% and 57.38%, while for the bottom 50%, the income share has decreased by 33.18% during the same period. India's inequality has been consistently increasing since the 1980s. Two sets of factors explain such an increasing phenomenon of income inequality in India. Firstly, income inequality in India is characterized by gender, race, caste group and regions (rural and urban), which are fundamental. Discrimination in the labour market, which values individual characteristics differently, strengthens inequality in India. These fundamental inequalities cause unequal distribution of resources, further leading to uneven access to education, health services, food, the financial market, digital technologies, etc. Limited access to resources for a particular segment of society restricts the opportunities available to them, which causes low social and economic participation and hence checks their upward mobility and worsens income inequality.

Secondly, the liberalization of the Indian economy in the mid-1980s and 1990s brought golden opportunities for the capitalist class [3], while the marginalized section fell behind. India has a large population base with low per capita incomes; therefore, it requires inclusive economic growth. If inequality is accentuated further, it may hamper economic growth.







**Figure 1.** Income shares of the top 1% & 10% & bottom 50% population  
*Source: Author's plotting based on data drawn from WID*

**Table 13.** Change in the income share of the top 1%, 10%, and bottom 50%

Variable	Year	Brazil	Russia	India	China	South Africa
Income shares of the Top 1% changed by	1988	-6.36%	374.25%	90.61%	91.39%	96.64%
Income shares of the Top 10% changed by	to	-4.27%	117.61%	57.38%	41.36%	38.87%
Income shares of the bottom 50% changed by	2020	7.25%	-44.06%	-33.18%	-37.06%	-56.45%

*Source: Author's calculation based on WID database.*

During the same period, Russia's top 10% income earner's share in national income has increased to 50.77% from 23.95%, and for the top 1% income earners, their income share has increased significantly from 5.01% to 23.76%. However, for the bottom 50%, the share has significantly declined to 15.68% by 2020 from its level of 28.3% in 1990. Russia's top 10% income earners' share has increased by 117.61%, while for the top 1%, the income share has increased by 374.25%. Interestingly, since the inception of the 21st century, the top 1%- and 10% income earners' shares have declined. The reduction in inequality in Russia is marginal and attributed to its higher growth during this period. The massive regional disparity, pro-rich fiscal policies, oligarchic dominance and corruption have played critical roles for higher inequality. The regional disparity in Russia remains a significant concern for severe inequality as some regions (for instance, Nenets Autonomous Okrug with \$110320 per capita income) are affluent, while some regions are still significantly poor (for example, Ingushetia is the poorest region with \$1790 per capita income). The fiscal policy strongly supports in favour of the wealthy class, as Russia has a minimal income tax (just 13%) and no wealth tax. Pro-rich fiscal

policy and widespread corruption create better conditions for only few people, while the most marginalized sections are left behind. Further, participation in political decision-making and economic success is restricted to only few elites [8].

Conversely, Brazil's trajectory of income inequality is different as inequality has been gradually reducing since 2000. The top 1%- and 10%-income earners' share in national income has declined from 23.74% and 60.91% in 1990 to 22.23% and 58.31% in 2020, respectively. At the same time, the share of the bottom 50% has grown to 9.17% (in 2020) from 8.55% (in 1990). The top 1% and 10% shares have declined by 6.36% and 4.27%, respectively, while for the bottom 50%, the share has increased by 7.25% over the three decades. Although inequality has weakened, it remains a matter of concern. Inequality also results from disparity in educational attainment and landownership in Brazil. However, the government's adoption of macroeconomic stabilization programmes and socioeconomic policies since 1994 have significantly improved income distribution in Brazil. Democracy has been consolidated since the 1990s. The government in Brazil has taken various anti-poverty measures, such as increasing the minimum wage and implementing the Bolsa Familia conditional cash transfer programme. These initiatives adopted by the government in 1990s have ameliorated the income distribution in Brazil.

Overall, the income shares of the top 1% and 10% have increased, while the bottom 50% has decreased significantly in China, India, Russia, and South Africa, which indicates a transformation of the purchasing power from a majority low-income group to a minority high-income group. Conversely, Brazil's top 1% and top 10% income earners' share has declined, while for the bottom 50%, the share is increasing. Brazil's pattern of inequality reveals that purchasing power is transforming from a minority high-income group to a majority low-income group contributing to reducing income inequality.

However, for the last three decades, inequality has been mounting worldwide [13], which can peril society with severe consequences [9]. High inequality is inimical to growth as purchasing power is transferred from a majority low-income group to a minority high-income group. However, those at the bottom spend a significant proportion of their incomes more than those at the top. Hence, enormous inequality weakens demand and economic performance [16]. The BRICS economies have large population bases, lower per capita incomes, and growing unemployment rates; therefore, higher inequality may greatly cost them.

### **13. The BRICS economies' pathways to resilience and development**

Emerging economies such as Brazil, Russia, India, China and South Africa significantly contribute to the world economy in terms of economic growth, trade, investment and innovation. These economies are often characterized by rapid development and technological advancements significantly contributing to global growth. Their expanding population, rising middle classes, and increasing consumption levels drive demand for goods and services, fostering domestic production and attracting foreign investment. The BRICS group serve as both suppliers and consumers of goods and services, engaging in trade agreements and investment partnerships with both developed and developing nations. Their integration into the global supply chain has become increasingly pronounced.

China, India, and Russia are hubs for technological innovation and entrepreneurship. They leverage advancements in information technology, telecommunications, and other sectors to achieve greater economic diversification and competitiveness, leading to the emergence of globally competitive industries. These diversifications beyond traditional sectors such as agriculture or raw material extraction help these emerging economies to enhance resilience to macroeconomic shocks like recessionary situation. Promoting industries with higher value-added activities, such as technology, manufacturing, and services, can reduce dependency on volatile commodity markets and enhance long-term sustainability. Thus, the BRICS have the potential to become engines of global growth and development, but realizing this potential requires proactive strategies to address challenges and capitalize on opportunities in an increasingly interconnected and competitive global economic landscape.

### **14. The BRICS in international cooperation and promoting sustainable development**

In the global economic landscape, the multilateral institutions for international cooperation and country alliances are undergoing drastic changes, so also BRICS as a multilateral alliance for economic cooperation is an important emerging player in such transformation. As it relates to international collaboration in trade, investment and finance, BRICS as an entity takes important political, and economic decisions in response to the shifting dynamics of the global economic landscape. The collaboration among them in many vital areas can be seen as a more democratic and transparent decision-making process within an international framework, mainly focusing on affording emerging and developing economies a more influential role and voice. It is trying to champion the cause of reforms in major multilateral institutional frameworks intending to democratise global governance. An important milestone in this trajectory is the establishment of New Development Bank (NDB) in Shanghai in 2013. NDB is conceived as a credible alternative to existing international financial institutions, reflecting the group's determination to take on challenge the existing international economic frameworks and reform the global economic landscape. It has significantly increased its disbursements, catalysing infrastructure, and sustainable development across four continents. The equitable distribution of the initial subscribed capital among BRICS members underscores the commitment to collective action.

Their bilateral trade and investment have grown considerably over time. China's GDP comprising more than double than that of the combined GDP of rest BRICS nations, assumes a central role. India's consistent robust growth potential provides an added collective economic power to BRICS. Member countries like China considers the BRICS as a platform

for countries to counter the U.S.A.'s hegemony as a global power and promote a multilateral approach to global governance. BRICS nations collectively account for 18 per cent of global exports, 26 per cent of the global landmass and around 42 per cent of the worldwide population. There is not only an increasing contribution of BRICS to global exports, but the growth rate of exports between them has surpassed the global average. These increased intra-BRICS export flows show deepening economic ties among them for their economic advantages and it is going to play a pivotal role in fostering increased investment within the bloc. Their intra-BRICS integration encompasses free trade agreements and export-oriented strategies, including tariff exemptions, tariff reductions and trade facilitation across goods and service sectors. This proactive approach has led to substantial growth, expanding trade, and a rise in both inward and outward foreign direct investment (FDI), establishing them as significant blocks in the global economy. They strategically adopt their approach to integrate with other developing countries, aiming to boost their trade volume and attract more capital investments. They have strengthened their economic collaboration and trade relationships on multiple dimensions since 2000.

They recognise the need for strengthening trade and investment cooperation to enhance the efficiency of global and regional supply chains. They have focused on fostering investments in critical sectors like manufacturing and transportation. They recognise the significance of enhancing BRICS nations as attractive investment destinations. They are laying additional measures to create a conducive atmosphere for sustainable development-oriented investments. Although the intra-BRICS investment and trade have been increasing in recent years, still greater potential needs to be tapped with further increased investment in the group, especially given the significant volume of intra-regional trade. Enhanced investment cooperation would lay greater foundation and potential in expanding economic collaboration within the group. This collaboration can stimulate sustainable and inclusive domestic economic growth by increasing capital formation, facilitating technology transfer, and generating employment opportunities. It is also showing a tendency to expand their membership to other countries to tap greater trade and investment potential from their mutual advantages. Perhaps regional shocks like a recessionary situation in one economy can be easily absorbed within the group when other members are strong enough and when they are expanding to cover many other countries. However, if a large economy engulfing BRICS or rest of the world gets affected it is likely to exert significant economic instability not only for the member countries but also other countries outside BRICS which are heavily dependent on it.

## 15. Conclusion

Socioeconomic and political dimensions (such as governance, population, labour force, unemployment, poverty, literacy, life expectancy, agricultural land and income distribution within each BRICS economy) are critical in ensuring social harmony and economic development. Thus, developing a comparative understanding of these parameters within BRICS is essential to provide valuable insights for bridging the existing gaps in their socioeconomic developments. This study while striving to provide a comparative account of the socioeconomic dimensions of BRICS, it traces wide diversity in their developmental path. While China's socioeconomic dimensions have improved remarkably, followed by India, South Africa has achieved relatively a modest success. It demonstrates that while certain countries have achieved greater success in many socio-economic areas despite profound challenges over the last three decades, others are yet to make big dent as to overcome those challenges. Moreover, this analysis presents a contrasting account of BRICS and the implications of these parameters on the relative position of their development in the world economy.

These economies are grappling with high unemployment, which has substantial economic, social, and political costs. To reduce these costs, the governments of BRICS should adopt pro-active employment policies by putting greater focus on social sector policies. Although the proportion of the population living in poverty in BRICS has declined substantially to 7.2% by 2019 from 33.48% in 1993 on average, some BRICS countries such as South Africa, India, and Brazil still need significant efforts to eliminate poverty and reduce inequality. Comparing the 1990s, the degree of inequality is higher in South Africa in 2020, followed by Brazil, India, China and Russia. Since unequal development can put a strong barrier to their greater economic cooperation between them, it can be a roadblock to reaping the cross-regional benefits among them for fostering high economic growth.

The literacy rate is improving across the BRICS. However, India's literacy rate is the lowest among the BRICS. The life expectancy in China is at the top followed by India and Russia, whereas South Africa is at the bottom. The remarkable increase in per capita income, educational attainment, and life expectancy has led China and India to experience a substantial upsurge in HDI between 1990 and 2020. In sum, China's socioeconomic dimensions have improved the most, followed by India, whereas South Africa has experienced the least from 1990 to 2020. Some BRICS countries have made significant progress in their socioeconomic development outcomes, while others are struggling with challenges over the last three decadal periods (1990 to 2020). These economies individually have to address their uneven economic progress, especially the economy which has been falling short of their average progress in any economic development parameters if their economic and social cooperation needs to be strengthened towards achieving higher economic progress by mutually benefitting from their stronger socioeconomic ties.

The future research can assess how do the BRICS economies matter to each other through economic and political cooperation and in turn how their cooperation significantly influences their economic and political landscape in the world economy. Does greater economic cooperation between them in terms of trade and investment matter to each other and how their trade and investment with rest drive the global economy.

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