


New Development Bank of BRICS; Contemplation on institutional rationality and functional attractiveness

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Article Info	Abstract
<p>Original Article Main Object: International Relations Scope: BRICS</p> <p>Received: 26 January 2024 Revised: 17 February 2024 Accepted: 19 February 2024 Published online: 11 March 2024</p> <p>Keywords: BRICS, diplomacy, global development governance, IPE Institutions, NDB.</p>	<p>The establishment of the "New Development Bank" launched in 2015 can undoubtedly be considered the first result of years of dialogue and critical discussions at the BRICS summits in order to act and innovate in the international political economy environment. In the form of its goals and principles, the said bank intends to provide financial resources and technical assistance for emerging economies with a new framework. In this regard, the aim of this research is to answer the question, "what is the rational basis, motivation and priorities of the new development bank to play a role in the international economic-financial system in the light of the principles and goals of BRICS?" The research method in this article is based on the descriptive, interpretive and conceptual approach in the international political economy system. As a preliminary answer, it can be said that based on the rationality of evolutionary innovation (with the power-right-duty-effect dynamic model) in the mainstream order, the new development bank will solve the problems of the developing world, urgent and crisis-prone priorities (including climate change) in the global south, and plays a special role and creates attractiveness.</p>
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Extended Abstract

Introduction

The establishment of the "New Development Bank" (NDB) launched in 2015 can undoubtedly be considered the first result of years of dialogue and critical discussions at the BRICS summit in order to act and innovate in the international political economy environment. In the form of its goals and principles, the said bank intends to provide financial resources and technical assistance for emerging economies with a new framework.

Aims

The aim of this research is to answer the question, "what is the rational basis, motivation and priorities of the New Development Bank (NDB) to play a role in the international economic-financial system in the light of the principles and goals of BRICS?".

Methods

The research method in this article is based on the descriptive, interpretive and conceptual approach in the international political economy system.

Discussion

Several studies in recent years have addressed the issue of the importance and dimensions of BRICS activities, some of them are focused on the issue of the new development bank, which will gradually become more and more serious in accordance with the progress of the bank's activities. Since institutions create order, different patterns of institutionalization can create order. Each of the international institutions has its own characteristics, which vary in the economic, cultural and security domains to other cases. Many variables can be identified and explained according to the role of factors from the international level to the national level.

1. Every institution is a symbol of new talent and capability from various dimensions of power;
2. Every institution is a symbol of a new awareness;
3. Every institution is a symbol of collective will for change and evolution;
4. Every institution is a symbol of an almost fair growth and transformation stage in the collective affairs administration;
5. Every institution is a symbol of an initiative in removing the deadlock and flourishing for the whole system survival and its systematic foundations;
6. Every institution is a symbol of a diplomatic synergy in creating space to expand the game and create a new

international balance in the continuous process of power competition.

Due to bifurcation out into the mainstream to create institutions and patterns of economic exchange, emerging powers organize their ideas and forces. This great effort is in order to overcome the problems and obstacles that the mainstream order has not been able to respond to optimally. The new rational institution is created according to the market economy system, with the innovative decision to peacefully solve the problems with low costs. In the international social arena, this is achieved by combining economic-political forces in three dimensions that can be expressed and implemented in a fully targeted and intelligent manner. These dimensions can be considered in the following contexts:

1. Having economic, social, technological and even historical talent (power);
2. The right to make changes by establishing an institution;
3. The task of creating an institution in line with public order and good;
4. Having effect of behaviors, situations and strategic equations.

In terms of justifying the necessity and legitimacy of the new Development Bank, the following fundamental goals can be listed:

1. Cooperating to improve and develop the member countries infrastructure;
2. Helping to carry out various plans of member countries to deal with climate change;
3. Supporting emerging economies and strengthening south-south cooperation.

The effort to solve the infrastructure problems and the requirements of the climate change is a logical effort based on the common sense of the political economy of any government with the governance claim. On the other hand, Governments should have cooperation, solidarity, transparency and responsibility as much as possible in order to manage national problems associated with global problems.

Results

Three important, urgent and effective dimensions for transformation in the economy and development of the member countries are considered as the basic goals of the new development bank. Planning and trying to achieve each of these goals will increase the legitimacy and social-economic acceptability sufficiently, which is not only

interesting for the international community, but also attractive for national societies willing to achieve these goals. For many developing and less developed countries, the issue of institutional rationality and functional attractiveness of the new development bank is worth pondering. This bank accepted the membership of the three countries of Bangladesh, Egypt and the United Arab Emirates in 2021 and included negotiations to help essential projects in these countries. In the case of Uruguay, accession and membership negotiations are in the final stages. From 2024, the new member countries in this important path include Iran, Saudi Arabia, the United Arab Emirates, Egypt, Ethiopia and Argentina (if not withdrawn). The bank has announced that it will consider the diversity of regions in recruiting new members. Hence, it is expected that this popularity and attraction will increase over time. Although the main emphasis is on the quality of measures and executive plans, the quantity of BRICS and Bank members also increases the economic, political and geopolitical importance of this group.

Conclusion

It can be said that based on the rationality of evolutionary innovation (with the power-right-duty-effect dynamic model) in the mainstream order, the new development bank will solve the problems of the developing world, urgent and crisis-prone priorities (including climate change) in the global south, and plays a special role and creates attractiveness". BRICS founders are trying to promote the efficiency of the NDB in the economic and financial system due to stabilize their paradigm in global governance arrangements in rivalry and competitiveness process.

Conflict of interest

The author declared no conflicts of interest.

Ethical considerations

The author has completely considered ethical issues, including informed consent, plagiarism, data fabrication, misconduct, and/or falsification, double publication and/or redundancy, submission, etc.

Data availability

The dataset generated and analyzed during the current study is available from the author on reasonable request.

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