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Economic Cooperation Among the Countries of the Global South: Institutional Transformations, Development Trajectories, and the Emerging Role of BRICS+

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Abstract. Economic cooperation among the countries of the Global South is reshaping the architecture of the world economy amid growing geopolitical fragmentation and the erosion of traditional centers of global influence. This article examines the structural foundations, institutional mechanisms, and new forms of South–South cooperation across Asia, Africa, Latin America, and the Middle East, focusing particularly on the coordination potential of the BRICS+ framework. The research employs comparative institutional analysis, network modeling of trade and investment linkages, and documentary analysis of national development strategies and multilateral agreements. The results reveal three major transformations: 1) the formation of transregional production and logistics corridors that bypass traditional global hubs; 2) accelerated institutionalization of new financial platforms and local-currency mechanisms; and 3) increasing technological and industrial collaboration within the Global South. The discussion highlights the persistent challenges of institutional heterogeneity, infrastructure asymmetry, and regulatory fragmentation, while also identifying strategic pathways for deepening cooperation. The article concludes that BRICS+ is evolving into a systemic coordination hub with the capacity to integrate regional initiatives and amplify the development potential of the Global South.
Keywords: Global South, BRICS+, cooperation, multilateralism, regional integration, economic development, financial architectures, trade networks

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Introduction

The accelerating economic and political transformation of the Global South has emerged as one of the defining trends of the 21st century. Countries of Asia, Africa, Latin America, and the Middle East now account for a rapidly expanding share of global manufacturing, technology adoption, energy production, and cross-border investment. The reconfiguration of the world economy toward a multipolar structure is increasingly driven by South–South cooperation, which offers alternative development pathways independent of traditional Western-centered global governance [1—3].

Over the past decade, a growing body of research has documented the intensifying interaction among developing economies in trade, infrastructure, finance, technology, and human capital development [4]. The expansion of BRICS+, the establishment of new development banks, the creation of regional payment systems, and the formation of new trade corridors illustrate the scale of this transformation. These processes unfold against a backdrop of geopolitical tensions, sanctions, and the weakening capacity of traditional global institutions, creating additional incentives for Global South countries to strengthen mutual cooperation [5; 6].

The academic debate on the Global South highlights two broad perspectives. Structuralist scholars argue that contemporary cooperation represents a corrective mechanism addressing long-standing imbalances in the global economic

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system — particularly dependency on Western financial institutions and unequal participation in global value chains [7]. Conversely, neo-developmentalist and innovation-centered approaches emphasize endogenous modernization, industrial upgrading, and technological leapfrogging driven by cross-regional partnerships [8]. Despite these differences, both schools of thought converge on the idea that the Global South is no longer a passive recipient of external influence but an active architect of new development trajectories.

The aim of this article is to evaluate the emerging forms of economic cooperation among the countries of the Global South and to identify the institutional, technological, and structural mechanisms that shape this cooperation. The study further investigates the potential of the BRICS+ framework as a coordinating platform capable of consolidating diverse regional initiatives.

Materials and Methods

The methodological framework integrates qualitative and quantitative approaches to ensure a comprehensive assessment of the complex processes shaping economic cooperation within the Global South:

- Comparative Institutional Analysis.

This method enables the examination of governance models, policy instruments, and cooperation formats across regional organizations such as BRICS+, the African Continental Free Trade Area (AfCFTA), ASEAN, Mercosur, and the Gulf Cooperation Council. Institutional variability is assessed through regulatory density, decision-making mechanisms, and coordination efficiency [9].

- Network Modeling of Trade and Investment Relations.

Using datasets from UNCTAD, the World Bank, and ITC Trade Map, South–South trade and investment flows are analyzed through network centrality indicators, identifying emerging hubs and cross-regional clusters.

- Cluster Analysis of Development Indicators.

Indicators such as export diversification, industrial complexity, financial openness, and infrastructure quality are applied to group countries according to their cooperation potential and structural complementarities.

- Documentary Analysis.

National development strategies, BRICS summit declarations, regional agreements, and policy reports are examined to identify institutional designs, policy priorities, and alignment mechanisms.

- Expert-Based Analytical Synthesis.

This approach is employed for interpreting results in light of theoretical frameworks and geopolitical dynamics, as well as for forecasting future trajectories of South–South cooperation [10].

Results and Discussion

The analysis of economic cooperation among the countries of the Global South demonstrates that contemporary South–South interaction is driven by a set of deeply embedded structural transformations reshaping the global economic landscape. One of the most significant foundations of this transformation is the demographic expansion observed across Asia, Africa, Latin America, and the Middle East. With these regions accounting for the majority of the world’s population, their economic weight increasingly manifests through enlarged domestic markets, expanding labor forces, accelerating urbanization, and rising consumer demand. Such demographic dynamics generate long-term momentum for intraregional and interregional cooperation.

Parallel to demographic expansion, industrial reconfiguration is unfolding across many Global South economies. A gradual but persistent transition from raw-material dependence toward diversified manufacturing, advanced services, and technology-intensive sectors has strengthened complementarities among partner countries. This structural diversification contributes to the formation of new production capabilities and encourages the creation of regional value chains that support economic resilience and innovation. As global value chains become increasingly multipolar, production is no longer concentrated in a narrow set of advanced economies. Instead, hubs of manufacturing and innovation are emerging in countries such as China, India, Brazil, South Africa, and several Southeast Asian states. These hubs serve as anchors for cross-regional networks that extend into Africa, the Middle East, and Latin America.

The empirical analysis also reveals the emergence of innovative financial instruments and institutional mechanisms designed to reduce dependence on traditional Western-centered monetary and financial infrastructures. Initiatives within the BRICS+ framework — such as the expansion of the New Development Bank, the promotion of local-currency settlements, and the introduction of digital payment platforms — illustrate a concerted effort to enhance monetary autonomy, diversify financial channels, and facilitate cross-border transactions. These financial innovations are accompanied by the development of new production and logistics corridors that connect distant regions of the Global South through infrastructure investments, trade agreements, and sectoral partnerships in energy, pharmaceuticals, food security, and high technologies. The India–Africa digital cooperation platform, the Middle East–Asia energy corridor, and the Latin America–Asia agricultural and industrial supply chain networks all represent notable examples of intensifying connectivity.

Despite these developments, significant challenges persist. Institutional heterogeneity remains a major constraint: countries differ substantially in regulatory frameworks, governance capacities, financial openness, and strategic priorities. Such divergence complicates efforts to create a harmonized environment for trade, investment, and industrial collaboration. Infrastructure constraints — particularly in transportation, energy, and digital networks — continue to limit the scale and depth of South–South cooperation, with Africa and parts of Latin America facing the most acute connectivity gaps. Regulatory fragmentation across regional blocs further increases the transaction costs of cross-regional cooperation, while technological asymmetries undermine the potential for joint innovation initiatives. These challenges indicate that although South–South cooperation is expanding, its institutional and structural foundations require further consolidation.

The results of this study illuminate a profound reconfiguration of international economic relations, whereby the Global South is emerging not as a peripheral collection of developing regions but as a systemically important network of economic centers. This transformation can be interpreted through several theoretical lenses. From the perspective of multipolarity theory, the increasing density of South–South economic ties reflects a broader shift toward a decentralized global order in which regional powers and coalitions play an increasingly decisive role in shaping development trajectories. The observed expansion of trade and investment networks among Global South countries supports the notion that economic influence is diffusing away from traditional North Atlantic institutions toward more diverse institutional configurations.

Structuralist interpretations offer an alternative yet complementary understanding of these dynamics. According to this perspective, South–South cooperation represents a strategic response to the historical asymmetries embedded in global trade, production, and finance. The growing use of local-currency settlements, the establishment of new regional financial institutions, and the expansion of the BRICS+ framework can be viewed as corrective mechanisms aimed at mitigating dependency on dominant-currency systems and Western financial architectures. By broadening access to development finance and enabling cross-border transactions independent of traditional intermediaries, these mechanisms strengthen the economic sovereignty of participating states.

At the same time, neo-developmentalist and innovation-centered frameworks emphasize endogenous modernization processes within the Global South. The rise of cross-border technological alliances, distributed digital infrastructures, and collaborative research ecosystems points to the emergence of a new model of innovation-driven cooperation. In this view, the Global South is not merely reacting to external structural constraints but is actively constructing the technological and industrial foundations necessary for self-sustaining growth. The increasing connectivity among innovation clusters in Asia, Africa, and Latin America highlights this shift toward collaborative technological upgrading.

Despite these encouraging developments, the discussion also underscores the persistence of systemic constraints. Institutional fragmentation remains one of the most persistent barriers to deeper integration, reflecting differences in governance models, regulatory standards, and administrative capacity across regions. While such diversity is inherent in a system composed of nations with distinct historical trajectories, it complicates efforts to achieve regulatory interoperability. Furthermore, infrastructure asymmetries limit the scalability of cooperative projects: without adequate transport, energy, and digital infrastructures, the potential for expanding trade and investment corridors remains unevenly distributed.

Nevertheless, the emerging role of BRICS+ as a systemic coordination hub suggests a possible avenue for overcoming these constraints. The framework's institutional flexibility, consensus-based governance, and capacity to integrate diverse regional initiatives position it as a central node within the broader architecture of South–South cooperation. BRICS+ offers an organizational platform for harmonizing standards, mobilizing development finance, and supporting sectoral collaborations in areas such as energy, food security, pharmaceuticals, renewable technologies, and digital governance. As such, the framework may serve as a mechanism for transforming fragmented regional efforts into a consolidated system of cross-regional cooperation.

The long-term trajectory of South–South cooperation will likely depend on the ability of Global South countries to strengthen connectivity, deepen financial sovereignty, and embed technological innovation into their development strategies. Sustainable development imperatives — including climate adaptation, renewable energy transitions, and circular economy frameworks — add an additional layer of complexity but also open new opportunities for coordinated action. If these structural, institutional, and technological challenges are addressed effectively, the Global South has the potential to evolve into a coherent economic space with significant influence on global governance and international development trends.

Conclusion

The findings of this study demonstrate that economic cooperation among the countries of the Global South is undergoing a multidimensional transformation that reflects deeper structural changes in the global political economy. Far from being a temporary response to geopolitical turbulence or a pragmatic adjustment to shifting trade patterns, South–South cooperation has evolved into one of the most dynamic and strategically significant vectors of contemporary international development. The demographic scale, resource endowments, growing technological capabilities, and intensifying institutional innovations across the Global South are collectively redefining the foundations of global economic governance.

The analysis conducted in this research highlights several interrelated conclusions. First, the increasing economic weight of Global South countries is reshaping global production and consumption patterns. The convergence of demographic expansion, industrial diversification, and the rise of regional innovation ecosystems has created a new architecture of complementarities. These complementarities drive a structural convergence among economies that historically occupied peripheral positions in the global value chain system. As a result, the Global South is becoming a generator — not merely a recipient — of industrial, technological, and financial impulses.

Second, financial and institutional innovations within the Global South are increasingly aimed at reducing systemic vulnerabilities associated with the traditional global financial order. The expansion of local-currency settlements, the institutional strengthening of the New Development Bank, and the development of digital payment infrastructures reflect a deliberate strategy to enhance monetary sovereignty and create more resilient financial channels. These initiatives not only diversify development finance but also reshape the rules of engagement in international economic relations.

Third, the emergence of new trade, logistics, and production corridors illustrates the growing spatial integration of the Global South. These corridors — spanning Asia, Africa, Latin America, and the Middle East — facilitate the formation of distributed production networks that are more flexible, diversified, and regionally embedded. The development of cross-regional infrastructure and energy systems, combined with the digitalization of supply chains, strengthens the autonomy of South–South partnerships and reduces the dependence on traditional global intermediaries.

Fourth, despite significant progress, substantial structural and institutional challenges persist. Regulatory fragmentation, asymmetries in governance capacity, insufficient infrastructure, and uneven technological capabilities continue to constrain the full realization of cooperation potential. Addressing these constraints requires a coordinated long-term strategy aimed at building interoperability between regional systems, improving institutional quality, enhancing investment security, and strengthening the institutional environment for innovation-driven development.

Fifth, the evolving BRICS+ framework has emerged as a central coordination mechanism with the potential to integrate diverse regional blocs into a coherent, system-level architecture. Its institutional flexibility, consensus-based decision-making, and emphasis on inclusive multilateralism position BRICS+ as a platform capable of harmonizing standards, aggregating development resources, and promoting sectoral cooperation across key areas — infrastructure, energy, financial innovation, digital transformation, and human capital development. The analysis suggests that BRICS+ is uniquely positioned to serve as the structural backbone of an emerging Global South economic space.

Taken together, these findings indicate that the Global South is transitioning from a reactive participant in the global economy to a proactive architect of new models of development, cooperation, and governance. The consolidation of South–South ties — supported by financial autonomy, technological collaboration, and institutional innovation — signals the emergence of an increasingly interconnected system that is capable of exerting significant influence on global economic outcomes.

Future research should focus on deepening the empirical assessment of sectoral cooperation, quantifying the long-term effects of financial and institutional innovations, and evaluating the resilience of emerging South–South architectures to global shocks. In addition, the role of digital platforms, renewable energy transitions, and climate-related cooperation offers promising directions for analytical expansion. Ultimately, the long-term trajectory of the Global South will depend on its ability to balance regional diversity with institutional integration, scale innovation ecosystems across continents, and translate structural potential into sustained and inclusive development outcomes.

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Экономическое сотрудничество стран Глобального Юга: институциональные трансформации, траектории развития и формирование новой модели многостороннего партнерства в рамках БРИКС+

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Аннотация. Экономическое сотрудничество стран Глобального Юга в настоящее время формирует новую архитектуру мировой экономики на фоне усиливающейся геополитической фрагментации и снижающегося влияния традиционных центров глобального развития. Проанализированы структурные основания, институциональные механизмы и новые формы взаимодействия между странами Азии, Африки, Латинской Америки и Ближнего Востока, особое внимание акцентируется на потенциале координации в рамках формата БРИКС+. Методологическая база исследования включает сравнительный институциональный анализ, сетевое моделирование торгово-инвестиционных связей, а также документальный анализ национальных стратегий развития и многосторонних соглашений. Полученные результаты свидетельствуют о трех ключевых трансформациях: 1) формировании трансрегиональных производственно-логистических коридоров, которые обходят традиционные центры мировой экономики; 2) ускоренной институционализации новых финансовых платформ и механизмов расчетов в национальных валютах; 3) расширении технологического и индустриального сотрудничества внутри Глобального Юга. Рассмотрены сохраняющиеся вызовы, связанные с институциональной неоднородностью, инфраструктурными ограничениями и нормативной фрагментацией, а также определены стратегические направления для углубления взаимодействия. В результате делается вывод о том, что БРИКС+ постепенно формируется как системный координационный узел, интегрирующий региональные инициативы и усиливающий потенциал развития стран Глобального Юга.

Ключевые слова: Глобальный Юг, БРИКС+, сотрудничество, многосторонность, региональная интеграция, финансовая архитектура, торговые сети, институциональные механизмы

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