

2. BRICS Virtual Summit – International Relations

Recently, a virtual BRICS Summit was held against the backdrop of increasing global concerns over U.S. tariff tussle. The summit was called by Brazil amid the 50% tariffs imposed by the U.S. on both India and Brazil.

India's Stand at the BRICS Summit

Defending Rules-Based Trade – India emphasized that the foundational principles of global trade—non-discrimination, fairness, and rules-based governance—must be upheld against rising protectionism.

Resilient Supply Chains – Highlighted the need for diversified and reliable global supply chains, reducing overdependence on a few countries.

Sustainable Trade – Called for constructive and cooperative global approaches to promote sustainability, inclusive growth, and climate-conscious trade.

Strategic Autonomy – India underlined its preference for a multipolar world where no single bloc dominates, aligning with its policy of balancing ties with both Western and non-Western powers.

BRICS – Origin and Evolution

Conceptualisation – The acronym *BRIC* was coined by Jim O'Neill in 2001 to describe emerging markets with high growth potential.

Formalisation –

1. 2006 – Leaders of Russia, India, and China met at St. Petersburg (G8 outreach).
2. 2006 – First BRIC Foreign Ministers' meeting at UNGA, New York.

Expansion to BRICS – South Africa joined in 2010, renaming it BRICS.

New Members (2024–25) – Egypt, Ethiopia, Iran, Indonesia, Saudi Arabia, and UAE joined, expanding it to an 11-member grouping.

Summits – Annual leaders' summits since 2009, hosted by rotating chairmanship.

Decision-making – Consensus-driven, reflecting equality among members.

BRICS – Size and Global Weight

Population – Nearly **49.5% of the global population**.

Economy – Around **40% of global GDP**.

Trade – Contributes about **26% of world trade**.

Strategic Reach – With new Middle Eastern members, BRICS has significant energy influence (oil & gas), demographic heft, and political leverage.

Pillars of BRICS Cooperation

Political & Security – Joint positions on multipolarity, UN reforms, counterterrorism, and sovereignty issues.

Economic & Financial – New Development Bank (NDB), Contingent Reserve Arrangement (CRA), discussions on de-dollarization, and coordination on trade policy.

Cultural & People-to-People – Student exchanges, cultural summits, and tourism linkages.

Increasing Relevance of BRICS

Alternative to Western Dominance – Offers a counterbalance to Western-led blocs like G7, World Bank, and IMF.

Reform Advocacy – Pushes for UNSC expansion and equitable representation for developing nations.

Crisis Coordination – Post-2008 financial crisis, BRICS emphasized macroeconomic stability and



cooperation.

De-dollarization Drive – Members are exploring local currency trade and alternatives to dollar dependency.

Financial Architecture – Through NDB and CRA, BRICS offers South-South financial cooperation outside the Western-controlled Bretton Woods system.

Strategic Influence – Increasingly vocal on geopolitical conflicts like Ukraine and Gaza, presenting a Global South perspective.

Significance of BRICS for India

Strategic Autonomy – A non-Western platform where India engages with major global powers while avoiding bloc politics.

Amplified Global Influence – With 11 members, BRICS enhances India's voice in shaping multipolarity and influencing global governance reforms.

Voice of the Global South – Aligns with India's positioning as a champion of developing countries and equitable world order.

Middle East Engagement – New members (Saudi Arabia, UAE, Iran, Egypt) enhance India's energy security, diaspora management, maritime security, and investment opportunities.

Push for UNSC Reform – Larger membership strengthens calls for UN Security Council expansion, supporting India's aspiration for a permanent seat.

Balancing China – Expansion allows India to build coalitions within BRICS to dilute China's dominance and prevent unilateral decision-making.

Challenges for BRICS (and India within BRICS)

India-China Tensions – Border disputes and strategic mistrust undermine unity.

Asymmetry of Power – China's dominance in economy and trade creates imbalanced decision-making power.

Lack of Coherent Vision – Members pursue divergent agendas—Russia focuses on anti-West strategy, China on global influence, India on multipolarity, Brazil on regionalism.

Institutional Weakness – No permanent secretariat; initiatives depend on rotating presidencies and ad hoc implementation.

Economic Disparities – Varied levels of development (India vs Ethiopia or Brazil vs Iran) make it hard to design common policies.

Expansion Risks – Larger grouping increases coordination complexity, risks agenda dilution, and may sharpen internal contradictions.

Way Ahead for BRICS (and India's Role)

Intra-BRICS Integration – Promote trade logistics, digital payments, and currency swap arrangements within BRICS.

Alternative Payment Mechanisms – Strengthen regional financial systems to reduce dependence on SWIFT and the dollar.

Diversify Trade & Supply Chains – Use BRICS to build resilient South-South trade networks, reducing vulnerability to Western protectionism.

South-South Cooperation – Expand joint projects in energy (renewables + oil), food security, technology transfers, and climate change mitigation.

Institutional Strengthening – Push for BRICS Secretariat to ensure continuity, track commitments, and enhance credibility.

Balanced Leadership – India can forge coalitions with like-minded new members to counterbalance China and keep BRICS multipolar.

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