



15th BRICS Summit

For Prelims: BRICS, New Members in BRICS, India-China, India-Russia

For Mains: India's Role in BRICS, Impact of expansion of BRICS, Significance of Multilateral Institutions

What is the Context?

At the [15th BRICS summit](#) in Johannesburg, a notable development took place as the BRICS group, comprising Brazil, Russia, India, China, and South Africa, expanded by extending invitations to six additional nations.

- The newly invited countries include Iran, Saudi Arabia, and the United Arab Emirates (UAE) from West Asia; Egypt and Ethiopia from Africa; and Argentina from Latin America.

What is BRICS?

- BRICS is an acronym for the grouping of the world's leading emerging economies, namely Brazil, Russia, India, China, and South Africa.
- In 2001, the British Economist Jim O'Neill coined the term BRIC to describe the four emerging economies of Brazil, Russia, India, and China.
- The grouping was formalized during the first meeting of BRIC Foreign Ministers in 2006.
- South Africa was invited to join BRIC in December 2010, after which the group adopted the acronym BRICS.
 - The Johannesburg declaration, 2023 issued after the summit, said Argentina, Egypt, Ethiopia, Iran, Saudi Arabia and the United Arab Emirates (UAE) had been invited to become full members from January 1, 2024.
- The BRICS (prior to expansion) represented 41% of the global population, 24% of the global GDP, and 16 % of the global trade.
- Since 2009, its summits are held annually.

What are the Outcomes of the 15th BRICS Summit?

- **Reaffirming Multilateralism and Reform:**
 - The leaders of BRICS released a collective statement, reiterating their dedication to principles such as [multilateralism](#), adherence to international law, and the promotion of [sustainable development](#). Additionally, they voiced their endorsement for the restructuring of the [United Nations](#) and other global organizations to enhance inclusivity and responsiveness to the requirements of developing nations
- **Expanding Membership and Influence:**
 - The leaders of BRICS approved the extension of the grouping's membership by extending

invitations to **15 countries** from **Africa** and the **Global South** to join a Friends of BRICS gathering.

▪ **The First Phase of Expansion:**

- The initial stage of enlargement involves extending invitations to countries such as **Argentina, Egypt, Ethiopia, Iran, Saudi Arabia**, and the **UAE** to join BRICS.
- More than 40 nations have shown keen interest in becoming members of BRICS.

▪ **Common Currency:**

- The leaders of BRICS have decided to investigate the potential development of a **shared currency** for trade and investment within their nations.
- They have assigned the responsibility to their finance ministers and central bank governors to analyze the practicality and advantages of introducing this currency, aiming to **decrease reliance on the US dollar** and other prominent currencies.

▪ **Space Cooperation:**

- The Prime Minister of India suggested the formation of a **space exploration consortium** within the BRICS nations. The proposal gains significance as India recently became the first country to land on the **South Pole of the Moon**. Despite South Africa joining a China-led space program during the summit, it doesn't hinder its participation in the BRICS Consortium for space.

▪ **Addressing Regional and Global Concerns:**

- The BRICS leaders deliberated on a range of issues with regional and global significance, encompassing the **Covid-19 pandemic, climate change, terrorism, cyber security, energy security, trade**, and investment. They advocated for fair access to vaccines and medical resources for all nations and committed to strengthening collaboration in **health, research and innovation**.

What Regional Developments are Influencing the Expansion of BRICS Membership?

▪ **Pursuit of Independent Foreign Policy:**

- Both **Saudi Arabia and the UAE** have been recognized for actively pursuing independent **foreign policy** trajectories, particularly since 2020. This indicates their efforts to assert their **sovereignty** and make foreign policy decisions based on their **national interests**, rather than being heavily swayed by external influences, such as the United States.

▪ **Resolution of Qatar Blockade:**

- Saudi Arabia's decision to lift the blockade on Qatar in January 2021 is seen as a significant move in this context. This action brought about a notable shift in the **Gulf region**, signaling a willingness to **address regional disputes** and enhance relations with neighboring countries.

▪ **Normalization of Iran-UAE Relations:**

- The UAE has taken steps to **normalize ties with Iran** and is looking to expand its maritime presence in the Gulf, **Gulf of Aden, Red Sea**, and **Horn of Africa**.

▪ **BRICS and Iran:**

- The inclusion of Iran in BRICS presents opportunities for regional economic cooperation and the **revitalization of connectivity projects**, particularly through the **Chabahar port** in which India is actively involved. This move could foster greater collaboration and integration in the region.

▪ **Other Reasons for the BRICS expansion:**

- **China's strategic maneuver** for worldwide influence.
- **Increased collaboration** with similarly aligned nations for a shared purpose.
- **Constrained alternatives** within alternative alliances.
- **Sentiments against the West** and **solidarity** among **Global South** nations.

What Geostrategic Significance do the Newly Added BRICS Members Hold?

▪ **Energy Resources:**

- The addition of new BRICS members from **West Asia**, such as Saudi Arabia and Iran, holds particular significance due to their **substantial energy reserves**. Saudi Arabia, a major

oil producer, directs a significant portion of its oil output to BRICS nations like China and India.

- Despite facing sanctions, Iran has increased its oil production and exports, primarily targeting China, emphasizing the importance of energy cooperation and trade among BRICS members.

▪ **Diversification of Energy Suppliers:**

- **Russia** has traditionally been a **major oil supplier** to China and India. With the inclusion of new members, Russia is exploring additional markets for its energy exports, showcasing the potential for diversified energy sources within the BRICS framework.

▪ **Strategic Geographical Presence:**

- **Egypt and Ethiopia**, strategically positioned in the Horn of Africa and the Red Sea region, hold immense **geostrategic importance** due to their proximity to crucial maritime trade routes. Their inclusion enhances the geopolitical significance of BRICS in this region.

▪ **Latin American Economic Influence:**

- Argentina, as **one of the largest economies in Latin America**, brings substantial economic influence to the BRICS coalition. Latin America has historically attracted the interest of global powers, and Argentina's inclusion strengthens BRICS' presence in this part of the world.

What are the Obstacles India Encounters in its Involvement with the BRICS?

- **Adapting to Shifting Global Alliances:** As geopolitical dynamics evolve, BRICS members may form closer ties with external countries or organizations, potentially impacting the cohesion and collective bargaining power of the group on the global stage.
- **Coordinating on Multilateral Platforms:** BRICS members, with diverse priorities and approaches to global governance reforms, must align their strategies to effectively pursue changes in institutions like the **United Nations** and the **International Monetary Fund**.
- **Addressing Challenges from China's Rise:** India confronts significant challenges and threats to its security and interests due to China's ascendancy, particularly concerning **border disputes, maritime security, trade imbalances, technology competition, and human rights**.
- **Upholding Democratic Principles:** India must navigate **Western normative expectations** without compromising its **autonomy or sovereignty**, while also avoiding alienating other countries in the global South.
- **Balancing BRICS Dynamics:** India aims to pursue a **pragmatic and principled foreign policy** within BRICS, taking into account the perspectives of other global South countries aligned with China or Russia.
- **Managing Bilateral Differences:** India must handle unresolved border disputes and strategic rivalry with China and Pakistan, as well as differing views with Russia on issues like Afghanistan and the **Indo-Pacific** while fostering multilateral cooperation within BRICS.
- **Evaluating Russia's Reliability:** India is concerned about Russia's involvement in the **Ukraine war** and alignment with China, raising questions about the reliability and credibility of its traditional partner.
- **Addressing Varied Security Concerns:** BRICS member countries, facing **diverse security challenges** such as terrorism, regional conflicts, and cyber threats, need to negotiate and align their concerns for effective joint security initiatives.
- **Addressing Trade Imbalances:** India's **persistent trade deficit with China** raises concerns about economic fairness within BRICS and its potential impact on India's overall economic stability.
- **Ensuring the Principles of Equality:**
 - **Post expansion**, the concern is whether **equality** has been a fundamental aspect of BRICS could be disrupted, allowing one country, especially an economically dominant one like China, to assert authority over others.
 - However, it is likely the **principle of equality** and **decision-making by consensus will likely persist**, making it difficult for any single country to dominate. The **BRICS bank's** lending practices are cited as an example of equal treatment among member countries.
 - The **main drawback** is the challenge of **reaching consensus** with an increasing number of member countries, but given their **shared interests** as developing and emerging nations, this challenge can be managed.
- **Addressing the Persistent Challenges:** Constraints within the BRICS framework persist despite the overarching principle of global unity. While the intent is to share successes with

underrepresented populations, particularly in the global South, challenges endure.

- The [BRICS Development Bank](#), for example, grapples with **insufficient capital** for the ambitious projects required in member countries, a concern exacerbated by the imminent expansion to 11 nations.
- Additionally, **internal divisions**, such as the India-China border dispute and Russia's involvement in conflicts, cast **shadows on collaborative efforts**. Economic disparities among member nations, with India and China outpacing the others, pose another hurdle.
- Overcoming these obstacles demands consensus, a **shared vision**, and a commitment to addressing diverse economic development trajectories.

How Can India Leverage the BRICS Platform to its Advantage?

- **Embracing a Global Governance Philosophy:** Addressing [emerging global challenges](#) necessitates **coordinated global actions**. Safeguarding the international system is crucial, ensuring universal participation in international affairs, formulation of rules, and shared development outcomes.
 - India should ensure that BRICS adopt a **global governance philosophy** emphasizing **extensive consultation, joint contribution, and shared benefits**, fostering unity and cooperation with emerging markets and developing countries to amplify their voice in global governance
- **Advocating Universal Security:** India should **advocate** for BRICS nations actively contributing to **universal security**. Prioritizing one's security at the expense of others may lead to new tensions and risks. Respecting and ensuring the security of every country, fostering dialogue over confrontation, and promoting a balanced, effective regional security architecture are crucial.
- **Promoting Collaboration Within the Group:** India should work towards **reducing China's dominance** in BRICS, promoting a balanced internal dynamic and emphasizing the urgent **need for diversification**. Each member must assess opportunities and limitations for sustained relevance in the future.
- **Ensuring Economic Contributions:** BRICS countries should **actively contribute to common development**. In the face of increasing de-globalization and unilateral sanctions, enhancing mutually beneficial cooperation in supply chains, energy, food, and financial resilience is imperative. Establishing an institutional research wing similar to the [OECD](#) could offer solutions tailored to the developing world.
- **Enhancing Public Health Governance:** Leveraging their strengths, BRICS nations should **collectively advance global health governance** favoring developing countries. [India's 'One Earth, One Health' vision](#) supports multilateral cooperation in public health. Utilizing the [BRICS Vaccine Research and Development Centre](#), creating an early warning mechanism for infectious diseases, and providing high-quality public goods for global health governance cooperation are essential.

Conclusion:

Building **consensus** on bilateral issues is vital, requiring separate discussions. Acknowledging differences, it's crucial to understand that multilateral forums operate under distinct rules. Inspired by the Prime Minister's BRICS Summit remarks, BRICS expansion should drive reform in other multilateral institutions. India, as the [world's fifth-largest economy](#) and most populous country, emphasizes the need for reforms in the [UN Security Council](#), [WTO](#), [WHO](#), and others. India warns that failure to reform could render these institutions ineffective, hoping BRICS expansion sets a precedent for necessary 21st-century adaptations.

UPSC Civil Services Examination Previous Year Question (PYQ)

Prelims

Q.The term 'Digital Single Market Strategy' seen in the news refers to (2017)

- (a) ASEAN
- (b) BRICS

- (c) EU
- (d) G20

Ans: C

Mains:

Q. India has recently signed to become a founding member of New Development Bank (NDB) and also the Asian Infrastructure Bank (AIIB). How will the role of the two Banks be different? Discuss the strategic significance of these two Banks for India. **(2014)**

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