



# India's Role in the BRICS: Navigating the Balance in a Changing World



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## **Summary**

In recent years, the BRICS group (Brazil, Russia, India, China and South Africa) has emerged as a prominent political force among the major emerging economies, seeking to reshape global governance and offer an alternative to western-dominated institutions like the International Monetary Fund, the World Bank and the United Nations (UN) Security Council. Established in 2009, the BRICS sought to amplify the voices of emerging economies. The bloc expanded in 2023 to include Egypt, Ethiopia, Iran, Saudi Arabia and the United Arab Emirates. Leaders of 36 countries, including the UN Secretary-General, attended the recent BRICS Summit, signalling global interest in the BRICS core objectives. These include reforming global governance, reducing reliance on the United States dollar and creating alternative financial mechanisms for the Global South. However, despite its ambitious goals, the BRICS faces significant challenges in achieving consensus on substantive matters, especially as its diverse membership brings different priorities. This paper explores India's role within the BRICS, examining how it balances this membership alongside other strategic alliances and how it safeguards its national interests.

#### India's Role in the BRICS

India's role in the BRICS up (Brazil, Russia, India, China and South Africa) reflects a strategic balancing act that aligns with its broader vision of a multipolar world order. As one of the founding members, India views the BRICS as a vital platform to advance the interests of the emerging economies while safeguarding its strategic autonomy. Through the BRICS, India can leverage strategic advantages, including increased influence over global governance reform, alternative financial mechanisms and enhanced cooperation on critical issues such as energy security, technology and climate change. Membership in the BRICS also provides India with a valuable opportunity to counterbalance China's growing influence in the Global South while fostering closer economic and cultural ties with other emerging economies.

"We call for the reform of the Bretton Woods institutions, which includes increased representation of emerging markets and developing countries (EMDC) in leadership positions to reflect the contribution of the EMDC's to the global economy." <sup>1</sup> This quote from the Kazan Declaration at the 2024 BRICS Summit highlights the forum's commitment to reforming, rather than replacing, the Bretton Woods institutions.

Additionally, the BRICS enables India to engage in development-focused diplomacy that aligns with its core interests, including energy security, combating terrorism and climate

Kazan Declaration, BRICS 2024, "Strengthening Multilateralism for Just Global Development and Security", 23 October 2024, <a href="https://dirco.gov.za/wp-content/uploads/2024/10/XVI-BRICS-Summit-Kazan-Declaration-23-October-2024.pdf">https://dirco.gov.za/wp-content/uploads/2024/10/XVI-BRICS-Summit-Kazan-Declaration-23-October-2024.pdf</a>.

change financing.<sup>2</sup> The BRICS also serves as a platform for India to address what it views as unfair global practices, such as the European Union's carbon border adjustment mechanism, economic concentration and unilateral sanctions.<sup>3</sup> Strategic partnerships with new BRICS members, like Iran, provide tangible benefits, as exemplified by India's involvement in the Chabahar Port project. This initiative could enhance the connectivity between India, Iran and Afghanistan, offering an alternative to the China-Pakistan Economic Corridor.

As a platform, the BRICS offers support in financial matters while also advocating for the reform of global governance structures. The BRICS countries have consistently called for reform of international financial institutions and governance structures. For example, they advocate for more excellent representation in the International Monetary Fund (IMF), World Bank and United Nations (UN) Security Council.<sup>4</sup> Moreover, the BRICS nation's focus on enhancing economic ties and facilitating mutual trade among their member states has also increased the intra-BRICS trade by 56 per cent between 2017 and 2022 to reach US\$614.8 billion (S\$817 billion) as of 2022.<sup>5</sup> The imposition of sanctions on Russia after the breakout of the Russia-Ukraine conflict also led to a surge in Russia's trade with the other countries. Russia's exports of oil and gas to China and India increased significantly.<sup>6</sup> With the expansion of the BRICS and the addition of oil-producing countries like the United Arab Emirates, Saudi Arabia and Iran, India can benefit from access to cheaper energy imports and strengthened economic ties.

However, this dynamic engagement within the BRICS is not exclusive to India's other alliances. India's participation in the BRICS complements its growing ties with the West, particularly through the Quadrilateral Security Dialogue (Quad) and strong bilateral relations with countries like the United States (US). India has successfully maintained these strong bilateral relations with the western powers while asserting its autonomy by deepening its relationships with some openly anti-western BRICS members like Russia and Iran, furthering its strategic autonomy. This approach helps India safeguard its national interests without being constrained by traditional alignments. India's participation in both the BRICS and the Quad reflects a nuanced strategy of multi-alignment, positioning India as a bridge between western and non-western forums. This balancing act allows India to benefit from its security and economic relationship with Russia through cheap oil, trade and fighter jet engines whilst navigating its strategic position as central to the containment of China in the Indo-Pacific region, which also facilitates increasing security cooperation with the US.<sup>7</sup>

Abhishek Sharma and Moksh Suri, "As the QUAD Blossoms, Why does BRICS matter for India", The Diplomat, 6 July 2023, <a href="https://thediplomat.com/2023/07/as-the-quad-blossoms-why-does-brics-matter-for-india/">https://thediplomat.com/2023/07/as-the-quad-blossoms-why-does-brics-matter-for-india/</a>.

<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> Mariel Ferragamo, "What is the BRICS group and Why is it Expanding?", Council on Foreign Relations, 18 October 2024, <a href="https://www.cfr.org/backgrounder/what-brics-group-and-why-it-expanding">https://www.cfr.org/backgrounder/what-brics-group-and-why-it-expanding</a>.

Yan Liang, "BRICS Expansion: Economic Cooperation and Implications", Taihe Institute, 2 February 2024, <a href="http://www.taiheinstitute.org/Content/2024/02-02/1954124404.html">http://www.taiheinstitute.org/Content/2024/02-02/1954124404.html</a>.

<sup>6</sup> Ibid.

Sameed Basha, "India may soon be forced to choose between BRICS and the West", South China Morning Post, 23 August 2023, <a href="https://www.scmp.com/comment/opinion/article/3231774/india-may-soon-be-forced-choose-between-brics-and-west">https://www.scmp.com/comment/opinion/article/3231774/india-may-soon-be-forced-choose-between-brics-and-west</a>.

Domestically, India's participation in the BRICS aligns with narratives of self-reliance and anti-imperialism, which are deeply rooted in historical grievances of colonial exploitation. Public opinion and a growing nationalist sentiment also play a role in shaping India's engagement with the BRICS. India's participation is viewed by many as an assertion of the country's rise on the global stage and a challenge to western domination. In a pointed statement, India's External Affairs Minister S Jaishankar highlighted the rationale behind India's involvement within the BRICS, stating, "Because you won't let us into the G7 club". This highlights India's strategy to leverage the BRICS as an alternative platform.

Moreover, the BRICS bloc allows India to access alternative financial mechanisms less reliant on western-dominated institutions. The expansion to include new members also facilitates India's access to new markets for its goods and services. Furthermore, India sees the BRICS' New Development Bank as a vehicle for financing key domestic development projects.

Jaishankar, has often reiterated India's commitment to an independent foreign policy, particularly regarding western policies on Russia. Moreover, India's diplomatic approach – especially during the Ukraine war – has not significantly hindered its ties with the US,<sup>9</sup> thereby demonstrating that India can maintain strategic autonomy without jeopardising its relationships with key western powers, especially considering India's indispensable role in containing China in the region.

## **Challenges for India within the BRICS**

Despite India's strategic advantages from its BRICS membership, India faces several challenges within the forum. These challenges stem from internal and external factors, ranging from differences in priorities among the BRICS members to geopolitical tensions. For instance, Russia has repeatedly pushed for alternatives to the IMF and a BRICS rating agency, which has been met with hesitation from the other members. <sup>10</sup> Moreover, tensions have surfaced regarding Russia's actions in Ukraine, highlighting the cracks in the bloc's anti-western unity. Indian Prime Minister Narendra Modi has consistently called for peace, stating, "India has always believed that the path to peace lies through dialogue and diplomacy." <sup>11</sup> Modi has refrained from directly accusing Russia of any wrongdoing. Instead, India has maintained a neutral and diplomatic stance, consistently emphasising the need for dialogue while supporting Russia in global forums such as the UN. <sup>12</sup>

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BRICS International Forum, "India's Jaishankar on BRICS: Because You Won't Let Us Into the G7 Club", 13 September 2024, <a href="https://www.bricsforum.in/news-20240913-indias-jaishankar-on-brics-because-youwont-let-us-into-the-g7-club">https://www.bricsforum.in/news-20240913-indias-jaishankar-on-brics-because-youwont-let-us-into-the-g7-club</a>.

Alex Gerstenhaber, "From Delhi with Love: Dr Jaishankar's Hegemonic Challenge and the Indian Vision for World Order", Harvard Review, 15 March 2023, <a href="https://hir.harvard.edu/from-delhi-with-love-dr-jaishankars-hegemonic-challenge-and-the-indian-vision-for-world-order/">https://hir.harvard.edu/from-delhi-with-love-dr-jaishankars-hegemonic-challenge-and-the-indian-vision-for-world-order/</a>.

Eva Seiwert, "Anti-Western or Non-Western? The Nuanced Geopolitics of BRICS", *The Diplomat*, 25 October 2024, <a href="https://thediplomat.com/2024/10/anti-western-or-non-western-the-nuanced-geopolitics-of-brics/">https://thediplomat.com/2024/10/anti-western-or-non-western-the-nuanced-geopolitics-of-brics/</a>.

Yeshi Seli, "PM Modi calls for early resolution of Russia-Ukraine conflict following meeting with Zelenskyy", The New Indian Express, 24 September 2024, https://www.newindianexpress.com/world/2024/Sep/24/pm-modi-calls-for-early-resolution-of-russia-ukraine-conflict-following-meeting-with-zelenskyy.

<sup>12</sup> Ibid.

In contrast, Brazil, another BRICS member, has been more critical of Russia's actions in Ukraine, calling for greater international accountability. These disagreements reflect the complexity of the BRICS, comprising countries with varying political and economic priorities. While Russia and China may attempt to frame the BRICS as a counterbalance to western influence, the internal divergences within the group make it likely that the bloc will be seen as non-western rather than a unified opposition to the West.

Thus, one of the significant challenges India faces within the BRICS is preventing the rhetoric of the bloc from being framed as an anti-western alliance from gaining traction. It prefers the BRICS to be characterised as non-western.

India is keen to ensure that the BRICS does not become overly China-centric, which could shift the group's focus to priorities that align with Beijing's interests, thereby sidelining India's objectives. A critical aspect of this is India's efforts to block Pakistan's membership in the bloc, recognising the potential of Pakistan's inclusion shifting the overall dynamics of the BRICS. <sup>14</sup> To manage this delicate balance, India seeks to form informal coalitions within the BRICS, fostering closer ties with countries that share its views. <sup>15</sup> By doing so, India hopes to prevent the group from becoming too closely aligned with Chinese interests or being perceived as inherently anti-western.

However, India faces several other challenges within the BRICS. One major difficulty is navigating growing scrutiny over its diplomatic choices as tensions rise among competing coalitions. Concerns over de-dollarisation and the expansion of the BRICS further complicate India's position. <sup>16</sup> India is wary of the BRICS expanding too quickly, fearing a repeat of the non-aligned movement's rushed growth or the addition of members that shift the bloc's dynamics in China's favour, <sup>17</sup> thus intensifying fears about the growing influence of Beijing and the potential for the BRICS to adopt an anti-western tilt.

This situation places India in a delicate position as it works to maintain its multi-alignment strategy.

### India-China Dynamics within the BRICS

The dynamics with China within the BRICS present a complex challenge, as India and China are key players with divergent regional strategic interests. The historical context of the border dispute adds a layer of tension to their bilateral relationship. <sup>18</sup> While the BRICS provides India with a platform to engage with China, it also brings the underlying tensions

<sup>&</sup>lt;sup>13</sup> Irene Mia, "Brazil's (Geopolitical) moment?", *IISS Online Analysis*, 17 April 2024, https://www.iiss.org/online-analysis/online-analysis/2024/04/brazils-geopolitical-moment/.

Jagannath Panda, "India's BRICS Balancing Act", United States Institute of Peace, 17 October 2024, <a href="https://www.usip.org/publications/2024/10/indias-brics-balancing-act">https://www.usip.org/publications/2024/10/indias-brics-balancing-act</a>.

<sup>15</sup> Ibid

Rajiv Bhatia, "BRICS under Russian Chairship", Gateway House, 4 March 2024, https://www.gatewayhouse.in/brics-russian-chairship/.

<sup>&</sup>lt;sup>17</sup> Ibid.

Yang Sheng, "Xi meets Modi at BRICS summit, urges China, India to facilitate each other's pursuit of development aspirations", Global Times, 23 October 2024, <a href="https://www.globaltimes.cn/page/202410/1321738.shtml">https://www.globaltimes.cn/page/202410/1321738.shtml</a>.

regarding regional security and global governance issues to the forefront. India's efforts to promote a multipolar order are at odds with China's growing influence, especially in infrastructure investments and trade. The competition for influence within the Global South further exacerbates these differences.

However, recent developments suggest a potential thaw in the tense relationship between the two Asian giants. Modi and Chinese President Xi Jinping met on the sidelines of the BRICS Summit in Kazan in October 2024 for a historic meeting, marking the first high-level interaction in five years. The focus of their discussions was on improving border stability.<sup>19</sup>

Preceding the BRICS Summit, an agreement on patrolling along the Line of Actual Control was developed with the potential of returning to the pre-Galwan status quo.<sup>20</sup> Xi emphasised the shared interests between the two nations, highlighting the importance of strengthening strategic trust and cooperation within the BRICS.<sup>21</sup> Noting development as the "common denominator" between China and India, Xi called on the two nations to strengthen communication and facilitate the pursuit of development aspirations.<sup>22</sup>

Experts, such as Lin Minwang from Fudan University, interpret this recent meeting as a positive signal, viewing it as a potential thaw in relations that could enhance the BRICS cohesion.<sup>23</sup> Lin suggests that this diplomatic breakthrough may reduce the internal tensions within the group and allow for a more unified approach to global governance.<sup>24</sup>

From India's perspective, improved relations with China could strengthen the BRICS' collective bargaining power globally, offering a more cohesive voice in addressing critical issues.

For BRICS as a whole, the improved China-India relations could help mitigate internal divides and boost the forum's ability to act as a unified entity. Furthermore, these improved ties would enhance India's position globally, strengthening its ability to extract concessions and benefits from Washington, which is crucial as India seeks to balance its growing relationship with China and the US. However, the dynamic remains fragile, and the challenge for India lies in navigating these shifts while safeguarding its strategic autonomy.

#### Conclusion

India's participation in the BRICS reflects its broader foreign policy objectives of maintaining strategic autonomy and strengthening its influence on global governance. India plays a critical role in navigating the complex landscape within the BRICS, balancing its relationships with major powers. Through this membership, India has sought to safeguard its national

<sup>&</sup>lt;sup>19</sup> Yang Sheng, "Xi meets Modi at BRICS summit, urges China, India to facilitate each other's pursuit of development aspirations", op. cit.

<sup>20</sup> Ibid.

<sup>&</sup>lt;sup>21</sup> Ibid.

<sup>&</sup>lt;sup>22</sup> Cao Desheng, "China-India agree to resolve issues, boost ties", *China Daily*, 24 October 2024, <a href="https://www.chinadaily.com.cn/a/202410/24/WS67197d97a310f1265a1c93e0.html">https://www.chinadaily.com.cn/a/202410/24/WS67197d97a310f1265a1c93e0.html</a>.

<sup>23</sup> Ibid.

<sup>&</sup>lt;sup>24</sup> Ibid.

interests and advance its economic and cultural objectives by engaging in strategic partnerships with new BRICS members. However, the challenges within the BRICS remain significant, particularly with the internal divergences among members and the potential risks of the bloc becoming too China-centric or being perceived as anti-western.

The India-China dynamics within the BRICS further complicates India's position in the bloc. Despite the historic tensions, recent developments signal a potential thaw in relations. It is contingent on India's diplomatic balancing act within the BRICS and its ability to maintain its strategic autonomy.

Ultimately, India's role within the BRICS reflects its broader ambitions in global politics. While some might argue that India has not fully realised its potential as a bridge or mediator between the Global South or the BRICS countries and the West, it still holds significant promise for the future. This also relies on whether the BRICS members are willing to embrace India's leadership in shaping the group's direction and whether its approach would be perceived as constructive for global institutional reform. If India can successfully navigate its internal challenges within the BRICS and continue to balance competing interests, it could solidify its position as a key mediator in global governance. To achieve this, India must focus on fostering greater cooperation and consensus-building within the bloc. Additionally, India's proactive engagement with new members of the BRICS could offer opportunities to create a more cohesive platform for the Global South. As the bloc evolves, India's ability to harness its strategic partnerships will be crucial in shaping the future of the BRICS and ensuring it provides a viable alternative to western-dominated global institutions.

Thus, India's potential to pave the way for an inclusive and equitable framework will depend on its ability to effectively balance the diverse interests within the BRICS, foster deeper cooperation among emerging economies, and challenge the existing global order to promote the shared interests of the Global South.

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