

## Discussions and reactions to the 2023 BRICS Summit in India

Devendra Kumar

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### This is the issue:

Discussions about the recent BRICS Summit have been very much focused on the issue of expanding membership. Six new members were added – Egypt, Ethiopia, Argentina, Saudi-Arabia, The United Arab Emirates, and Iran – and media discussion in India is interested in assessing whether or not this membership expansion implies more dominance for China in BRICS. India had been skeptical about enlarging BRICS when enlargement leads to more Chinese dominance in BRICS, but its official position has been in favor of expansion, and the result of the recent summit is seen as a way of expanding the organization which is not detrimental to India's interest. All countries which will be new BRICS member states starting from January 2024 have close relationships with India.

A second issue of concern has been the discussion about the reform of global governance. There is a broad consensus in India that existing multilateral institutions like IMF and United Nations Security Council (UNSC) have failed to take into account the voices of the global south countries. The fact that BRICS is gaining momentum now is closely linked to this issue.

Finally, the Indian government has been very much concerned with finding consensus on the procedure of membership expansion in the future. It wanted an agreed upon procedure of membership acceptance, however, the declarations do not mention such criteria explicitly. Nevertheless, they seem to have generated a consensus on some important

benchmarks for inducting new members which include geographic representation with all regions of the global south represented among new members. A second criterion seems to be economic growth and size of economy; and last but not least, new members should only be added if all members agree. All in all, membership expansion should be slow and gradual. This is the rationale behind the selection of the new six members, which have good relations with all the old member states.

### Some facts:

In principle, India has been very supportive to membership expansion. When South Africa became a member of BRICS in 2010, India was an ardent supporter of this step. This new wave of membership expansion is based on discussions which started around 2017 with China acting as one of the most vocal advocates of expansion promoting the BRICS+ formula. At the beginning, South Africa, Brazil, and India were very cautious about membership expansion. But they finally agreed in 2022 that it could get started, insisting that it should happen gradually. However, India is hesitant to agree to new members which are obviously close to China. One case in point is Pakistan. Pakistan was one of the potential new members of BRICS which was pushed by China, and there are reports saying that members of the Pakistan parliament were present during the meeting in Johannesburg. But India definitely did not want to accept Pakistan for membership. The fact that Pakistan is not among the new members is one of the reasons why the Indian government is

quite content about the outcomes of the BRICS summit.

Another potential candidate for membership would have been Vietnam. Vietnam has a very difficult relationship with China although they have a similar political system and very close party to party relations. Interestingly, Vietnam also has a very close relationship to India as can be seen from the fact that India has been stepping up its security cooperation with Vietnam. This is quite a step regarding the conflicts between China and Vietnam with regard to the South China Sea and other border issues between the two countries.

Indonesia was discussed in Europe as a likely candidate for membership. Among Chinese experts, it was seen as a potential new member even before South Africa joined BRICS. To be fair, Indonesia should have been a member of BRICS for long because with its growing economy it fulfills one of the core criteria for membership. However, although Indonesia had shown quite some interest in becoming a member of BRICS there were official statements including remarks by President Joko Widodo only a few days before the summit that Indonesia was not in a hurry to join the organization. Some reports suggest that they finally withdrew their membership application at the last moment.

Rumors about India agreeing to expansion only after having been convinced by China of the necessity to solve the border issues between the two countries are not true. We have no signs of improving Sino-Indian relations with president Xi deciding not to travel to India for the G20 meeting in New Delhi. Instead, the Chinese delegation will be led by Premier Li Qiang.

Russia was hesitant to expand membership of BRICS until recently but is now more interested in following this path, and its attitudes towards whom to select for membership seem closely aligned with China. Both China and Russia are now pushing for membership expansion in an effort to avoid the situation of SCO which took

an extremely long time to decide on the addition of new member states. But Russia is more on the side of India, Brazil, and South Africa when it comes to the pace of expansion.

### **Points of special relevance:**

BRICS' expansion is very much related to the issue of Sino-Indian relations which are at a low point at this moment. At the same time, BRICS' expansion also reflects the dynamics of Sino-Russian relations.

- There is good reason to believe that discussions on the admittance of either Vietnam, Indonesia or Pakistan came to a certain deadlock with the result that none of these countries were accepted.
- Ethiopia was added because of its important geopolitical position at the Horn of Africa. It is because of this position that all countries are interested in good relations with Ethiopia. In addition, its admittance is also related to the question of representation. China appointed a special envoy to the Horn of Africa a while ago and has supported Ethiopia for quite some time trying to find a solution for its internal conflict in the Tigray region.
- The food issue is very much an issue of inflation in India and in many countries of the global south. However, one has to understand that both China and India are trying to convince the global south countries that they support their agenda. As the food security problem is very much at the top of the global south countries' agenda, it is a good issue to show support.
- Discussions on introducing a BRICS currency have been going on since 2014, and it got started in response to the difficulties in the post-2008 Global Financial Crisis economic recovery which led to a credit agreement between them. The creation of the New Development Bank has also to be seen in this context. India is interested in diversifying the global financial system. In this context, the freezing of Russian assets is of major

importance. The instrumentalization of the global financial system is a big concern. All BRICS membership countries have their own banking transfer system, and they need to be coordinated to support trade between the countries. As a response to recent developments, India as well as BRICS as such, is interested in accelerating the process of reorganizing the global financial system. The pace of this process is, however, not decided by any single event such as the Ukraine crisis, but is a slow and long-term process.

### **This is my view on things**

BRICS has been instrumental in giving voice to the global south, and within BRICS, China and India are competing for being recognized as the most ardent representatives for global south interests. In this context, India has been advocating that the African Union should be a member of G20, and China has been supporting this suggestion. We can observe that the competition between China and India for the right to represent the global south is intensifying and is one of the reasons why BRICS has recently become more and more attractive for global south countries and for worldwide media.

A second reason why BRICS is now so much in the center of discussions is the fact that global south countries see BRICS as instrumental in voicing their concerns as well as criticism of the IMF and other multilateral organizations not taking the voice of the global south into consideration. They are disappointed about the lack of momentum regarding UN, especially UN Security Council, reform. And this is also true for the Ukraine War which global south countries very much regard as the reason for the on-going inflation and the related food crisis. They do not see a necessity to take sides in the war, but want it to be ended because of economic reasons.

The Chinese media discussion on de-dollarization is more a critique of US world hegemony and reflects its aspirations to reshape the global financial system.

Nevertheless, many Chinese experts argue that this process is extremely complicated, and the implied difficulties should not be underestimated. The process has to be accompanied by structural changes on a larger scale. The discussion on de-dollarization and on a common BRICS currency will certainly go on, and we expect some smaller agreements to be found in the meantime.

Whether it is climate change, human rights, inflation, currency issues, aid or trade, the interests and voices from the global south have been ignored. That is why we need to reform the existing multilateral institutions, and this is something that BRICS countries and future BRICS members agree upon. This is a long-term aspiration for all of them. China perceives of this as a sign of the declining hegemony of the US while thinking that no country can stop China's expanding influence in the global south through multilateral institutions like BRICS, SCO, AIIB. But countries like India resist making BRICS an alternative or antagonistic multilateral organization to the existing international order. Rather, they push it as a complementary to the existing institutions while they make efforts to reform UNSC, IMF, and other institutions.

From a Chinese point of view, India plays a special role in BRICS as it is also part of western-led alliances. At the same time, China is well aware of the fact that India is the only country in Asia to have the potential to challenge its hegemony. Thus, it regards India as a competitor and wants to make sure that China can control the influence of India in multi-lateral organizations other than those led by the west.

This is how we see multilateralism emerging as a new instrument of geopolitics. All countries will use multilateral organizations such as BRICS to form alliances with the aim of finding support for their views of a future world order. This explains why despite wide differences on a range of issues, countries like India and China continue to engage in multilateral institutions such as the BRICS.