

## FIVE-IN-ONE: ON BRICS SUMMIT

Relevant for: International Relations | Topic: BRICS, IBSA and India

With storm clouds gathering over the world economy, trading arrangements in disarray and questions over the relevance of the World Trade Organization (WTO), the summit of leaders of Brazil-Russia-India-China-South Africa (BRICS) could not have come at a more opportune time. BRICS has proved its naysayers wrong since the idea of grouping the world's "five emerging economies" was coined by a consultant two decades ago (BRICS was formed in 2006). India and China have buoyed the grouping with their growth, and even though the idea behind BRICS has been dimmed by sluggish growth in Brazil and South Africa, and Russia's sanction-laden slowdown, the group has adapted to the times and proven its resilience. As a result, even at a time when the five countries are heading in different directions politically, they found ways to build a common vision for the world's economic future with an emphasis on multilateralism and a joint statement at Brasilia that decried "unilateral and protectionist" actions. For India, in particular, the articulation of this vision comes at an important time, given that it faces its own economic crisis, and troubled trading ties with several nations. The failure of officials to resolve issues in time to join the Regional Comprehensive Economic Partnership (RCEP) had raised questions about whether India is reversing its market liberalisation and openness to trade. It is significant that Mr. Modi and Chinese President Xi Jinping used the BRICS platform for continued talks on bringing India back into the RCEP fold and focused on resolving their trade issues through the recently launched mechanism led by Finance Ministers.

In their prescriptions, BRICS countries, which acknowledged the weakening of global economic growth in the statement, repeated their commitment to the WTO though the original promoter of the multilateral structure, the U.S., is retrenching its interest in the body. They also presented a vision for "rules-based, transparent, non-discriminatory, open, free and inclusive international trade", while commending the BRICS-led New Development Bank, and the BRICS business council in ensuring that BRICS countries, major drivers of growth in the past decade, continue to represent "close to a third of global output". Where BRICS has failed its founders is in the vision of interdependence between the five countries; despite their combined population accounting for 40% of humanity, intra-BRICS trade still makes up just 15% of world trade. Going forward, it is greater connectivity and more trade that will allow the BRICS countries to claim their rightful space, and provide the leadership and energy that the global economic order needs urgently.

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