



Rising Powers Initiative- Sigur Center for Asian Studies
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Asia's Rising Powers at the BRICS Summit

The leaders of Brazil, Russia, India, China and South Africa gathered in New Delhi last month for the [4th BRICS Summit](#), where they agreed to work toward creating a BRICS development bank, proposed trading with each other in their own currencies, criticized the slow pace of reforms in IMF governance, and expressed support for a UN rather than US or EU role in resolving crises in Iran and Syria.

Today's Policy Alert examines the views of Russia, India and China on the growing importance of the BRICS.

RUSSIA

Commentary in Russia praised the deepening of coordination amongst BRICS countries and [supported plans for a BRICS development bank](#) while also emphasizing the need for [further development of the bloc](#).

- Russian president Dmitry Medvedev [expressed dissatisfaction with the pace of reform](#) of "the world's financial-economic architecture which fails to take sufficient account of [the BRICS'] role in the global economy," and called for a key role for the BRICS in world affairs. Prime Minister Vladimir Putin added that Russia will continue to prioritize its relations with the bloc, which he called "[the most telling symbol of transferring from a uni-polar to a more just world order](#)."
- Fyodor Lukyanov, editor of *Russia in Global Affairs*, asserts that the BRICS value "[national sovereignty as a fundamental structural element of the world system](#). This concept is an alternative to the Western approach that is based on the premise that today sovereignty is no longer as sacred and immutable as it was in the past." In the state-run *RIA Novosti*, Lukyanov added, "the recipes for resolving international issues offered by the usual leaders (the West) either don't work or produce the opposite effect."

INDIA

Hosted in Delhi, the BRICS Summit drew extensive and diverse commentary in the vibrant Indian press, reflecting the contesting schools of thought on India's foreign policy.

On economic matters, the proposal to set up a BRICS development bank drew much attention and generated heated debate:

- Samir Saran and Vivan Sharan of the Observer Researcher Foundation outlined a series of

[concrete proposals for how such a bank could be designed](#), calling the bank "an idea whose time has come." The ORF is an Indian think tank that hosted the BRICS Academic Forum, which produced policy recommendations for the summit.

- Shoban Saxena, an editor with the *Sunday Times of India*, was also very optimistic about the bank. His [criticism of Robert Zoellick's opposition to a BRICS bank](#) prompted the World Bank to respond, saying Saxena's article was a "misrepresentation" of Zoellick's comments.
- The *Indian Express*, however, was deeply skeptical, pointing to the "disparate interests" of the BRICS: India needs capital for development, China wants to globalize its currency, and Brazil is doing well with its own development bank. More broadly, the paper argued that "the biggest stumbling block" is "[unease among members about the extent of China's clout in the proposed venture](#)."
- The other economic issue was the proposal to conduct trade amongst BRICS in their own currencies, an idea that the *Economic Times* [strongly advocated before the summit](#). "Higher intra-BRICS trade, conducted in our own currencies will shield our economies from disruptions in the west," said a later *ET* editorial. The paper also looked forward to the development of an "[intra-BRICS currency market](#)" that will "deepen demand for our currencies and spur further opening up of our trade and investment systems."
- On a related note, on March 30 the BRICS started [cross-listing and trading futures on each other's stock exchanges](#), conducting the transactions in domestic currency. As the aforementioned Saran and Sharan explain, "this will allow investors within BRICS to invest in each other's progress...[and] facilitate greater liquidity, while simultaneously strengthening efforts to deepen financial integration through market-determined mechanisms."

The summit further highlighted the contentious question of China's role in BRICS and the implications for India-China relations:

- *The Hindustan Times* interviewed several [former Indian diplomats](#), who expressed skeptical and wary views of China's clout in BRICS.
- Rohit Viswanath of the Indian Council for Research on International Economic Relations, on the other hand, suggested that the BRICS forum "[provides an opportunity to improve relations with China](#) and stabilise the regional environment by neutralising the role of China in Indo-Pak issues."
- Mihir S. Sharma, a columnist for the *Business Standard*, lambasted the Indian government's tight security measures targeting Tibetans in Delhi during the summit. Calling it India's "[shameful kowtow](#)," Sharma derided the notion of "rebalancing" between China and the US.
- C. Raja Mohan of the Center for Policy Research used the occasion of Hu Jintao's visit to Delhi to analyze [improvements in Sino-Indian relations over the past decade](#). "In its quest for a credible strategic framework to manage bilateral differences with Beijing," wrote Mohan, "India is finally overcoming the mindset of 1962 that prevented Delhi so long from adopting realistic policies towards Beijing."

More broadly, the geopolitical significance of the BRICS grouping remains uncertain:

- Nationalist opinions such as *The Hindu* lauded the summit's Delhi Declaration as "a clear signal that the states concerned [have global weight and mean eventually to use it](#)" on issues such as Iran and Syria. An op-ed in the same paper also lauded the BRICS' "[challenge to the two-century old hegemony of the West](#)," but cautioned that "it is imperative for BRICS to ensure and the world to perceive, that the Delhi Declaration is not the beginning of a new Cold War."
- Overall skepticism from an autonomy-oriented view was voiced by Brahma Chellaney at the New Delhi-based Centre for Policy Research: "[BRICS will be weighed down by internal contradictions](#), as symbolised by its members' starkly varying political systems, economies, and national ambitions."
- In a Liberal Globalist view, Sanjaya Baru of the International Institute for Strategic Studies expressed concern that [regionalism will undermine multilateralism](#), particularly the G-20, whose mix of "rising and risen powers" is necessary to manage global economic problems.
- Others worried that India may not have what it takes to make the BRICS forum work. Kanti Bajpai, an international relations scholar, wrote in *The Times of India*: "India is [the weakest link](#) in BRICS. Its chaotic politics, abysmal human development record, low per capita income (the lowest in the group) and uncivil civil society make it an unreliable partner." *An Indian*

Express editorial also cautioned, "[India must not lose sight of its national interests in pursuing economic and strategic issues](#)...But, more than anything else, India has to first grow stronger and set its house in order before it can set the BRICS tone for multilateral reforms in a democratic fashion.

CHINA

In contrast to some Indian commentators' enthusiasm for a BRICS bank, Chinese analysts were more reserved about the bank's operational feasibility at this point.

- Qu Xing of the China Institute of International Studies and Huang Wei of the Chinese Academy of Social Sciences (CASS) said that [a BRICS bank would not rival the World Bank and IMF](#).

Overall, though, the BRICS grouping was lauded for pushing for "[global rebalancing...in international governance](#)," as He Wenping of CASS argued.

- Moreover, a *Global Times* editorial took issue with the criticism that the divergent value systems of BRICS members will undermine their future influence, arguing that "the mission of the BRICS is not directly related to values." Pointing to the summit's host country, the paper said "[\[India's\] identity as an emerging country far overwhelms its identity as a democratic country](#)." The latter is a label the Western media like to use to balance China."
- Comparing the BRICS with the IBSA grouping (India-Brazil-South Africa), Liu Zongyi of the Shanghai Institute for International Studies commented that South Africa and Brazil no longer find IBSA necessary, while "[India still highlights its importance as an alliance of democratic countries](#)." In light of this, Liu argued, China should support India's goals in BRICS so that "India will have less reason to insist on the continuance of IBSA, and the BRICS as a whole will improve their position in the international system."

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Rising Powers Initiative
Sigur Center for Asian Studies
The Elliott School of International Affairs

1957 E St., NW, Suite 503
Washington, D.C. 20052



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