In only a decade, the BRICS group has achieved policy coordination among five very disparate countries and has started presenting a serious challenge to the status quo in global governance. It is now collaborating on many policy issues and delegating authority to a range of BRICS organizations. Since the inception of BRICS, the protracted India–China rivalry has cast a dark shadow over the group. In the aftermath of the India–China standoff in Ladakh, especially the Galwan Valley clash evoking memories of more serious clashes such as those at Nathu La in 1967 and even the 1962 border war, a crucial axis of BRICS cooperation—the India–China relationship—has deteriorated. This Special Section examines whether the India–China rivalry will render BRICS dysfunctional. Will the BRICS group be broken? The contributors will analyse whether BRICS can be a pacifying force and outline the prospects for the development of BRICS in light of the India–China crisis.

In reviewing the past progress of BRICS cooperation, I believe there are three important practices that should be carried forward. First, treating each other as equals and seeking common ground while shelving differences ... Second, taking a results-oriented, innovative approach to make our cooperation benefit all ... Third, developing ourselves to help others with the well-being of the world in our mind. President Xi Jinping (Ministry of Foreign Affairs (MFAPRC, 2017)

President Xi and I have met many times in the last four years ... These high-level engagements have enabled us to take forward the ‘Astana spirit’ in our relations – that is, not to allow differences to become disputes and to work together as large developing and neighbouring countries in all possible areas of cooperation, not only for the benefit of the people of our two countries but also for the betterment of the region and the world. --Prime Minister Narendra Modi (The Times of India, 2018)

The BRICS (Brazil, Russia, China, India and South Africa) group has become a significant political force over the past decade. It launched and strengthened collaboration among five major ‘rising powers’ which together represent about 42 per cent of the world’s population, 23 per cent of the gross domestic product (GDP), 30 per cent of the territory and 18 per cent of the global trade (Ministério das Relações Exteriores, 2019). It has positioned itself as a champion for diversifying global leadership and an advocate for innovation in international institutions. Given the political, economic and security relevance of BRICS, it has become common to discuss how the group can challenge US leadership, revise the system of global governance, and change the nature of international politics itself (see e.g. Xu, 2020; Kirton and Larionova, 2018).

While more extensive engagement between India and China during the Hu Jintao era (2004–2012) has made these developments possible, the current tensions – due to the crisis along the disputed and un-demarcated line of actual control (LAC) especially the Galwan Valley clash – and deterioration in bilateral ties challenge BRICS evolution and the prospects for global governance reform. Does this represent the end of the BRICS momentum or is it a temporary flare-up that the group can overcome?

1. The rise of BRICS and its relevance in global governance

The BRIC (Brazil, Russia, India and China) collaboration has evolved in the context of the 2007/2008 financial crisis, but it was two milestones that gave it its current shape. The first is Russia’s initiative to start the BRIC summitry in 2009, which launched independent meetings of the heads of state and government. The second milestone is South Africa’s entry into the BRIC club in December 2010, which transformed the BRIC from a gathering of the largest emerging economies into BRICS, a geopolitical association of regional powers with global representation across four continents. According to the International Monetary Fund (IMF), BRICS will account for 50 per cent of the global GDP by 2030, which will further strengthen its leverage in global governance (Devonshire-Ellis, 2019).
Few anticipated in 2009 during BRIC’s first independent summit that these countries would be able to deepen their cooperation and on some policy issues, even speak with one voice in global governance. In 2009, BRIC agreed ‘to advance the reform of international financial institutions, so as to reflect changes in the global economy’; acknowledged the ‘need for a stable, predictable and more diversified international monetary system’; as well as underlined its ‘support for a more democratic and just multi-polar world order based on the rule of international law, equality, mutual respect, cooperation, coordinated action and collective decision-making of all states’ (Ministry of Foreign Affairs, Government of Russia, 2009, para 3 and 12). BRIC(S) agenda subsequently expanded to a wide range of economic, security, cultural, educational and other subject areas. In 2020, BRICS collaboration featured regular heads of government meetings both in the summit format and on the margins of the G20; substantive sectoral cooperation covering more than 30 subject areas; and, 155 annual meetings among subject area experts (BRICS, 2020).

Throughout its first decade, BRICS has advanced new policy initiatives in the field of global economic governance. At the 2014 BRICS Summit in Brazil, BRICS established a legal framework for launching the New Development Bank (NDB), and the Contingent Reserve Arrangement (CRA). Since then, the NDB has approved billions of dollars in infrastructure and renewable energy financing projects in BRICS countries and received excellent long-term issuer credit ratings from respected agencies. The CRA has become an important financial stability mechanism designed to assist countries with balance of payments crises. The new institutions have stepped up to provide financial stability and respond to the needs of COVID-19. In addition, BRICS countries have also made some progress in the ‘old’ international financial institutions. For example, they negotiated a reform of the IMF quota system, which now includes Brazil, Russia, India, and China among the top ten largest shareholders.

These accomplishments have demonstrated that BRICS countries’ domestic differences in political structures, development models and values can be overcome in pursuit of common, well-defined international agendas. Debates about BRICS revisionism have initially questioned whether some or all of the BRICS countries acted as anti-US revisionist powers seeking to usurp the existing global order and the dominance of the US and EU’s neoliberal and sovereignty challenging policies. However, change in government in the US, the developments in the EU such as Brexit, and COVID-19 made incumbent powers increasingly focused on domestic politics. President Trump’s ‘America First’ focus – the cornerstone of his foreign policy – and his dissatisfaction with international institutions such as the World Health Organization, opened up new policy space for BRICS leadership (Li, 2019).

From an institutional perspective, the BRICS group has come a long way: BRICS diplomacy now features multiple cooperation vectors, both in terms of breadth and depth of cooperation. The group’s initial launch reflected a common practice of summity that features regular leaders’ meetings and limited action. Indeed, to this date, BRICS lacks common organizational features such as an international secretariat and a formal treaty. Countries rotate to assume BRICS presidency, and summits still resemble G-group events. Yet BRICS institutionalization has three unique features in contemporary global governance. First, it involves regional powers dedicated to addressing global issues jointly without US and EU participation and supports their policy coordination. Second, BRICS as an informal institution delegates authority to an international organization (for instance the NDB), which then reinforces its institutional survival. Finally, the institutional evolution of BRICS has been a continuous process of multilevel state and non-state cooperation including BRICS think tank and business cooperation. The existing BRICS infrastructure is already institutionally thick as new rules and group-level policies have emerged together with new group routines, social norms and values.

However, there are also deep reservations about the future of BRICS. One can consider the power asymmetries among members as a permanent source of contention, and the continued relevance of the India-Brazil-South Africa (IBSA) group as an indication that BRICS cannot capture IBSA countries’ preferences whether in terms of their commitment to democracy and South–South cooperation or their ambitions to reform the UN Security Council. Other concerns include the slowing of economic growth rates, political turmoil caused by less BRICS-friendly administrations (e.g. Bolsonaro administration), and BRICS’ disconnect from its citizens’ needs in these countries (Bond and García, 2015; Li, 2019).

One can also argue that positive assessments of BRICS are biased because academic and policy focus is on areas where cooperation is successful, rather than on areas where it failed. Since much of BRICS cooperation is behind closed doors, our ability to systematically assess institutional effectiveness is highly limited. In addition, as major policy integration efforts such as the EU illustrate contemporary transnational conflicts and dealignment trends, it is fair to question whether BRICS integration is simply an example of BRICS countries conducting pragmatic multi-alignment policies of convenience rather than producing a lasting change in the system of global governance. While BRICS has battled its critics from day one, there has been an undeniable institutional momentum behind its rise in global governance. However, pessimists have maintained that the Russia–India–China (RIC) security matrix, especially the India–China rivalry, has cast a dark shadow over the group and has been a bottleneck for BRICS institutionalization (Bratesky and Kutyrev, 2019).

2. India–China protracted rivalry

The current India–China conflict sheds light on the countries’ rivalry, founded on their national aspirations of becoming global powers and respective understanding of national security resulting in a classic security dilemma – deterrence and spiral. While both countries are proud of their civilizational greatness and vast empires which extended beyond the present cartographical boundaries and have their own
views of history, they are each determined to act as a major player in global affairs.

India and China have competed in various realms since their independence especially for influence in the developing world. China has not been supportive of India’s aspirations to become a permanent member of the UN Security Council and has been against India’s membership in the Nuclear Suppliers Group. In 1962, India and China fought a border conflict which sowed the seeds for antagonistic relations between them. In addition to border disputes, the two countries have clashed over Tibet and the Dalai Lama, as well as over influence and strategic space in South Asia, East Asia, and the Indian Ocean. Additionally, China’s ‘all-weather’ strategic partnership with Pakistan has been an enduring problem for India, which sees China using Pakistan as a ‘cat’s paw’ to keep India enmeshed in South Asian affairs, inhibit India’s ability to channel its energies to challenge China’s aspirations to become the pre-eminent power in the Asia-Pacific, and curtail India’s rise as a global power (Verma, 2020).

China, on the other hand, did not receive India’s support for its most important international initiative – the Belt and Road Initiative (BRI). In 2013, China launched the ambitious BRI, President Xi’s brain child and the cornerstone of China’s foreign policy. The BRI seeks to promote trade, economic development and regional connectivity in Asia, Europe, Africa and their adjoining seas. The significance of BRI needs to be comprehended with respect to President Xi’s ‘China Dream’ which envisions a prosperous internationally engaged China and BRI as the means of realizing this dream (Mendi and Wang, 2018). China resented India’s unwillingness not only to join BRI and but also to endorse it.

India’s principal objection is the China–Pakistan Economic Corridor, BRI’s flagship project, which passes through the disputed territory of Kashmir and impinges on India’s territorial sovereignty. Additional concerns include China’s ‘string of pearls strategy’ (network of commercial and military facilities extending along the sea lanes of communication in Asia and Africa) and increasing influence in South Asia through trade and development under the aegis of BRI, and China’s increasing forays in the Indian Ocean which India considers as its Ocean. To counter China’s rising influence, India has launched initiatives such as The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation, Security and Growth for All in the Region and Project Mamsam.

Under the New Asian Security Concept enunciated by President Xi Jinping in 2014, China envisions a bipolar world order with the US and China as the two poles and a unipolar Asia with China at the helm. India on the other hand envisions a multipolar world order and a multipolar Asia with India as one of the poles (Verma, 2020). Over the past decade, India’s growing military capabilities, strong national leadership under Prime Minister Narendra Modi and its close association with the US and Japan have raised concerns in China (Mao and Li, 2020). China has concluded that India is a part of the US (and its allies) strategy to contain China which has exacerbated tensions between the two Asian giants (Sun, 2020).

When Modi became Prime Minister in 2014, he made concerted attempts to improve relations with China. Within a few days after assuming office, Modi invited Xi to India. This was followed by meetings between foreign ministers and other officials of the two countries and Vice President Hamid Ansari’s visit to China. However, a day before Xi was to arrive in New Delhi, the Peoples Liberation Army (PLA) intruded into the disputed territory in Demchok and Chumar in September 2014. After Xi’s return to China, PLA withdrew and normalcy was restored along the LAC. In 2015, Modi visited China and held meetings with Xi and other senior government officials. Xi and Modi met at the G20 and other summits and meetings which increased confidence and improved bilateral relations (Economic Times, 2018).

Sino-Indian bilateral ties suffered a huge setback in 2017 during the 73-day standoff between troops from two countries in Doklam, at China–Bhutan–Indian trijunction. The standoff led to increased tensions with a potential to escalate into a nuclear war, but both India and China agreed to withdraw troops from the area. However, the incident increased mistrust between the two countries and damaged bilateral ties (Ganguly and Scobell, 2018).

To improve bilateral ties, in 2018, Modi and Xi met informally in Wuhan, China. In the ten-hour meeting known as the Wuhan Summit, both countries agreed to improve communication and further strengthen the existing confidence building measures. There was a broad consensus that the frequent political engagement – especially between Modi and Xi at BRICS annual meetings, the annual RIC meeting in April 2019 in Wuzhen, China, and other meetings – between the two countries improved bilateral ties (Basrur, 2019).

The bilateral relationship received a jolt when the Modi government amended Article 370 of the Indian constitution in August 2019 and divided the state of Jammu and Kashmir into two union territories – Jammu and Kashmir and Ladakh – to be administered directly by the central/federal government in New Delhi. However, the ‘Chennai Connect’, an informal meeting between Modi and Xi in October 2019 – in the picturesque Mamallapuram beach town – restored and enhanced bilateral relations. ‘Chennai Connect’ led to the formation of a high-level mechanism on trade and investment. The principal aim was to increase Chinese investments in India and bilateral trade with China finding ways and means to increase Indian exports and market access for Indian companies in China to mitigate the trade deficit – a major Indian concern (News 18, 2019).

In 2020, Xi proposed to further strengthen the bilateral relationship, including cultural exchanges and people-to-people ties to mark 70 years of the establishment of diplomatic cooperation between the two countries. The informal meetings (including the Wuhan Summit) built trust and better communication by delineating areas of cooperation and the red lines of the two countries. Modi hailed the ‘Chennai Connect’ as ‘a new era of cooperation between the two countries’ (News 18, 2019) and Xi invited Modi for a third summit in China in 2020. ‘Chennai Connect’ exuded belief that increasing economic and cultural ties will strengthen
bilateral ties and ease the differences from becoming disputes (Bagchi, 2019).

3. India–China clashes along the LAC and consequences for BRICS

Chinese border activities in May 2020 or as Indian Foreign Ministry states, efforts to ‘unilaterally change the status quo’ (Reuters, 2020) along the LAC have led to quarrels, standoffs and brawls between troops from the two countries. On 15 June 2020, soldiers from the two countries clashed at the Galwan Valley in which 20 Indian soldiers and an undisclosed number of Chinese soldiers died. China’s Foreign Ministry maintains that India provoked the clash (Zhao, 2020) and that the onus is on India to restore peace and stability along the LAC by accepting the status quo. On the other hand, India wants to restore the status quo ante that is the pre-May 2020 position along the LAC. Multiple rounds of talks at the military and diplomatic level have failed to break the impasse. Both sides have placed thousands of troops and are upgrading infrastructure and military capabilities in this area.

The Galwan Valley clash has led to anti-China sentiments in India. There is pervasive consensus among the Indian elite that China is a hostile power and India’s primary and permanent security threat: Chinese actions have turned Sinophobes into Sinophobes with China hawks now ascendant in New Delhi (Rachman, 2020). The clash has led to calls for economic decoupling from China. The Indian government has undertaken measures to reduce its economic dependence on China. It has directed public and private online-retailers including Amazon India and Flipkart to specify the country of origin and local content in their products so that Indian consumers can refrain from buying Chinese goods. It has also banned Chinese companies from investing in projects in India and banned more than two hundred Chinese mobile apps including Tik Tok and WeChat on the grounds of national security (Pandey, 2020). The federal government and some state governments have cancelled and put on hold contracts provided to Chinese companies leading to an INR510 billion loss for Chinese companies (Pandey, 2020).

There is a broad consensus among analysts that the India–China standoff in Ladakh will push India into the arms of the US. In the new millennium, India and the US have strengthened political, diplomatic, strategic and defence ties: China’s assertive foreign policy in the Asia-Pacific providing the impetus for the burgeoning relationship. The US considers India a linchpin of its Indo-Pacific strategy and wants India to counterbalance/counterweigh China in the region. US President Biden has stated that ‘India-US partnership is the defining relationship of the 21st century, and he plans to strengthen ties between the two countries’ (Bloomberg, 2020).

China has been wary of the Quadrilateral Security Dialogue (QUAD) (India, US, Japan and Australia) and views the group as an anti-China alliance. Keeping in mind China’s sensitivities, India had refrained from inviting Australia to join the Malabar naval exercises with the US and Japan despite Australia’s willingness to participate in the annual naval exercise. Post-Galwan Valley clash, India invited Australia and the latter joined the Malabar exercise. This has reactivated the QUAD (which last held such an exercise in 2007) and provided a military and security dimension to the grouping. It can be argued that the QUAD will have an anti-China dimension and this will pose a huge challenge for China in the Indo-Pacific, particularly if QUAD transitions into QUAD Plus to include South Korea, New Zealand, Vietnam and other countries. Yet it can also be argued that the most recent BRICS summit in 2020 illustrates that India and China are willing to enhance BRICS security cooperation, as they agreed to deepen and operationalize cooperation on counter-terrorism.

This Special Section brings together BRICS experts to discuss the evolution of BRICS in the context of progressively sharper India–China conflict. How is the India–China conflict affecting the BRICS group: is BRICS a victim of conflict or a pacifying force? Is the current conflict redefining or undermining BRICS cooperation?

In this Special Section issue, experts from the five BRICS countries assess the situation from various lenses and provide insights into their own countries’ perspectives on the conflict. First, the Russian expert argues that BRICS is at the crossroads as bilateral conflict coexists with multilateral unity. Second, experts from India and China examine how BRICS evolves despite the conflict and argue that bilateral friction cannot paralyse BRICS respectively. Third, the South African expert examines BRICS’ internal conflict management, and the Brazilian expert weighs in on the feasibility of acting in community interest. The essays in the Special Section argue that the existing tensions will not undermine the BRICS collaboration, but they raise significant questions about the evolution of BRICS. The conclusion draws the main lessons and outlines possible scenarios for the future of BRICS.

Notes

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