

BRICS and India in the Light of Russia-Ukraine Crisis: Emerging Challenges and Opportunities

Badar Alam Iqbal* & Mohd. Nayyer Rahman**

There is no doubt that the BRICS countries established in 2000-01, have already made their mark on the international stage. Increasing relations among BRICS countries with less developed nations through south-south cooperation, especially, China, India, and Russia and with least developed countries are of significant importance. BRICS has been the forerunner of cooperation, collaboration and reformation of the present international governance structure and to move towards multilateralism. Over the years, BRICS has become a platform of, and for the developing countries. The ongoing conflict between Russia and Ukraine has created divisions in the world, impacting diplomatic relations that BRICS needs to address. The fact that Russia is the member of BRICS makes things complicated and new challenges has emerged for the bloc to take necessary actions and policy considerations. The article examines the challenges and opportunities for BRICS (as a bloc) amid Russia-Ukraine conflict in a post pandemic world.

Keywords

India, BRICS, Ukraine Crisis, Russia, Trade and Investment

* Distinguished Expert African Political Economy Policy Lab. The Africa Center for Strategy and Policy: AFRICACFSP]. ORCID: <https://orcid.org/0000-0001-6188-6640>. He may be contacted at: badar.iqbal@fulbrightmail.org /Address: P.O. Box 392, Preller Street, Muckleneuk, Pretoria, 0002, South Africa.

** Assistant Professor Department of Commerce Aligarh Muslim University, India. ORCID: <https://orcid.org/0000-0001-6512-0028>. The author may be contacted at: mnrahman.co@myamu.ac.in / Address: W35C+QV4, AMU Campus, Aligarh, Uttar Pradesh 202002, India.

All the websites cited in this article were last visited on May 13, 2023.

1. Introduction

The BRICS, a group of five emerging economies including Brazil, Russia, India, China, and South Africa, has great importance as it represents about 41 percent of the world's population, 24 percent of global GDP, 30 percent of global territory, and 16 percent of global trade.¹ The primary goal of the BRICS is to promote cooperation, policy coordination, and political dialogue on international economic and financial issues. Fourteen summits have been held thus far. In 2023, South Africa holds the presidency of the group and will be hosting this summit under the theme of "BRICS and Africa: Partnership for Mutually Accelerated Growth, Sustainable Development and Inclusive Multilateralism."² In conjunction with the goals of the BRICS, the upcoming summit is an endeavour to enhance the cooperation in strengthening and reforming the Multilateral System, Peace, Security, and Counter-Terrorism Cooperation. In addition, it also focusses on Economic and Financial Cooperation for Sustainable Development and address Global Health Challenges such as COVID-19. With these aims, the BRICS countries have pledged to promote a more inclusive, equitable, and fair representation in multipolar international system, and promote sovereign equality and honour for territorial integrity, in order to build a brighter shared future for the world community through mutual cooperation.³ This summit is critical in determining the direction of BRICS countries' future relations considering the present scenario. The member countries are expected to discuss ways to expand defence and security cooperation, as well as take note of the current international order, in the light of the Russia-Ukraine crisis, which has divided the world into two. This article aims to discuss key issues that may arise before India during the upcoming 15th Summit of BRICS, scheduled to take place in the August 2023.

2. India's Aim and Consideration

As a key player in BRICS cooperation, India designed its goals to be compatible with those of the other member countries, generally focusing on cooperation and

¹ BRICS India, Ministry of External Affairs (2021), <https://brics2021.gov.in/about-brics>.

² BRICS Summit, BRICS: South Africa 2023 (2023), <https://www.brics2023.gov.za>.

³ *Id.*

consensus.⁴ The testimony is the theme and approach adopted by India during its BRICS Chairship of 2021 (BRICS@15: Intra BRICS Cooperation for Continuity, Consolidation and Consensus).⁵ The Priorities for India's Chairmanship in 2021 included the following:

- Reform of the Multilateral System
- Counter Terrorism Cooperation
- Digital and Technological Tools for Achieving SDGs
- Enhancing People to People Exchanges.

In order to achieve the goal, India intends to expand intra-BRICS cooperation in sectors such as trade, agriculture, infrastructure, small and medium enterprises, energy, finance and banking. India intends to prioritize the use of digital and technological solutions to achieve the Sustainable Development Goals in the BRICS countries, with a particular emphasis on: Implementation of the BRICS Economic Partnership Strategy 2020-25; Operationalization of the BRICS Agriculture Research Platform; Disaster Resilience Cooperation; Innovation Cooperation; and Digital Health and Traditional Medicine.⁶ Companies originating from BRICS countries have gradually started inculcating practices that promotes SDGs, as evidenced as an outcome of the study on 25 top multinational companies originating from BRICS.⁷

Through this summit, India would encourage cooperation under the BRICS Payments Task Force (BPTF) and expand the "BRICS Local Currency Bond Fund" initiative. Already, a number of studies have explored the intra-BRICS currency swap strategy leading to a de-dollarization path.⁸ This has also made possible due to the smart contracts used in intra-BRICS trade.⁹ India aims to achieve net zero carbon emissions by 2070; to harmonise and strengthen the BRICS countries' existing

4 D. Chaudhury, *India played key role in BRICS' 6 principles of multilateral reforms*, ECON. TIMES (June 3, 2021), <https://economictimes.indiatimes.com/news/india/india-played-key-role-in-brics-6-principles-of-multilateral-reforms/articleshow/83184793.cms>.

5 Ministry of External Affairs of India, *India and the BRICS (2022)*, <https://mea.gov.in/Portal/ForeignRelation/IndiaBRICS2022.pdf>.

6 *India says BRICS nations can play leading role in achieving 2030 SDG goals*, ECON. TIMES (Aug. 27, 2021), <https://economictimes.indiatimes.com/news/india/india-says-brics-nations-can-play-leading-role-in-achieving-2030-sdg-goals/articleshow/85689503.cms>.

7 S. Ali et al., *The implementation of sustainable development goals in "BRICS" countries*, 10(7) SUSTAINABILITY (2018), <http://dx.doi.org/10.3390/su10072513>.

8 Z. LIU & M. PAPA, *CAN BRICS DE-DOLLARIZE THE GLOBAL FINANCIAL SYSTEM?* (2022). See also C. Coquidé, J. Lages & D. Shepelyansky, *Prospects of BRICS currency dominance in international trade* (2023), <https://arxiv.org/pdf/2305.00585.pdf>.

9 P. Aggarwal, *On de-risking and de-dollarizing intra-BRICS trade via smart contracts*, 1(4) BRICS J. ECON. 54-69 (2020).

bilateral and multilateral relations; and to contribute significantly to global attempts of preventing and combating the risk of terrorism.¹⁰ Despite increasing trade with China and imports of notable electronic products and chemicals,¹¹ India will advocate for border and territorial integrity. As the China's expansionism and Russia-Ukraine conflict is a major issue of concern in India's current foreign policy, India is likely to advocate the call for negotiations in the BRICS summit.

Following the strategy to be the premier development institution for emerging and developing economies, the New Development Bank (NDB) admitted new members including Bangladesh, the United Arab Emirates (UAE), Uruguay and Egypt.¹² All of these new members are welcomed by India, as this cooperation will provide a new platform for fostering cooperation with BRICS countries on infrastructure and sustainable development. India will certainly express its concern about the lack of required integrity in the working institutions of international governance and will seek support from BRICS members.¹³ Most of international institutions including the UN, the WTO and the WHO do not successfully address rising instabilities. India will thus seek BRICS countries' support in proposing effective reforms to these multilateral institutions. Previously, India posited that the post-war institutions were explicitly designed with the goal of "preventing a Third World War,"¹⁴ that may have whittled down the likelihood of military conflicts.

3. Russia-Ukraine Crisis under the BRICS Structure

Since Russia's invasion of Ukraine on February 24, 2022, much of the Indian discussion on the matter has revolved around analysing the United Nations

¹⁰ *BRICS Joint Statement on "Strengthen BRICS Solidarity and Cooperation, Respond to New Features and Challenges in International Situation,"* BRICS PRESS RELEASE No. 76 (Government of Brazil) (May 19, 2022), <https://www.gov.br/mre/en/contact-us/press-area/press-releases/brics-joint-statement-on-201cstrengthen-brics-solidarity-and-cooperation-respond-to-new-features-and-challenges-in-international-situation201d>.

¹¹ T. Thacker, *India must manufacture more APIs locally, depend less on China: Experts*, ECON. TIMES (June 18, 2020), <https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/india-must-manufacture-more-apis-locally-depend-less-on-china-experts/articleshow/76436167.cms?from=mdr>.

¹² *NDB admits Egypt as new member - New Development Bank*, NDB PRESS RELEASE (Dec. 29, 2021), https://www.ndb.int/press_release/ndb-admits-egyptasnewmember#:~:text=After%20a%20round%20of%20successful,welcome%20Egypt%20into%20NDB's%20family.

¹³ *India welcomes Egypt as member of New Development Bank of BRICS*, HINDU (Dec. 30, 2021), <https://www.thehindu.com/news/national/india-welcomes-egypt-as-member-of-new-development-bank-of-brics/article38069131.ece>.

¹⁴ D. Chaudhury, *BRICS is a statement of global rebalancing: Jaishankar*, ECON TIMES (Aug. 3, 2021), <https://economictimes.indiatimes.com/news/india/brics-is-a-statement-of-global-rebalancing-jaishankar/articleshow/85008062.cms>.

Security Council (UNSC) abstentions, the issue of territorial sovereignty, necessary diversification of defence imports, and the implications for strategic autonomy as a consequence of this dependence. Considering the current crisis, India is listening to all sides and acting in its national interest. India's strategic relationships with the US and Russia are crucial in achieving regional peace and stability. At this critical juncture, the Indian government is expected to work to obtain its strategic goals, while promoting its humanitarian responsibilities in the upcoming summit of BRICS.

In Sherpa's meetings (2022), BRICS countries have adopted a "common position on the Ukraine issue"¹⁵ supporting for multilateralism, respect for the all countries' "legitimate security concerns," adherence to the UN Charter, and continued dialogue between Ukraine and Russia. Considering the humanitarian situation in Ukraine, India has strongly supported all humanitarian aid to Ukraine, along with efforts from the International Committee of the Red Cross and the UN agencies. India does not support violence and opposes the conflict. The country reiterates that in this day and age, dialogue and diplomacy are the best ways to resolve any conflict, and this should be honoured.¹⁶ In terms of diplomacy, India is committed to its demand for an immediate cessation of hostilities and violence. BRICS members have also expressed concern about the impact of additional sanctions on the world's "economic recovery, industrial and supply chains resilience, food and energy security, including the execution of the 2030 Sustainable Development Agenda."¹⁷ Although India is receiving cheaper oil from Russia during this conflict, the dire situation in Ukraine has reduced exports and imports including fertilisers, vegetable oils, plastic and plywood, inorganic chemicals, and allied products. After delving deeply into the import-export list, however, Russia and Ukraine have a very small share of India's foreign trade and this conflict has little impact on India except in the pharmaceutical and sunflower oil refining industries, but just increasing crude oil price.¹⁸ Overall, India stands to benefit from this conflict as Russia is willing to assist India in every possible way in response to India's show of support. Therefore, India will almost certainly take a softer stance towards Russia at the upcoming BRICS summit.

¹⁵ BRICS 2022 China: Sherpa Meetings (Feb. 22, 2022), <http://brics2022.mfa.gov.cn/eng/zg2022/xtrhy>.

¹⁶ *India sends 7,725 kilograms of humanitarian aid to Ukraine amid war*, MINT (Sept. 12, 2022), <https://www.livemint.com/news/world/india-sends-7-725-kilograms-of-humanitarian-aid-to-ukraine-amid-war-read-here-11662994122487.html>.

¹⁷ *Sanctions censured at BRICS Summit*, TEHRAN TIMES (June 25, 2022), <https://www.tehrantimes.com/news/474011/Sanctions-censured-at-BRICS-Summit>.

¹⁸ Sumet Mehta, *How does the Russo-Ukrainian conflict impact India's foreign trade?*, FIRSTPOST (Mar. 15, 2022), <https://www.firstpost.com/world/how-does-the-russo-ukrainian-conflict-impact-indias-foreign-trade-10462051.html>.

4. India's Role in the Russia-Ukraine Crisis

India has made its position clear by taking a neutral stance in the Russia-Ukraine conflict. India has been making every possible attempt to recover from the Pandemic, but the Russia-Ukraine conflict has put it in a different quandary. At this precarious stage, India has managed to navigate this issue, but the future looks grim as no solution to the problem has emerged even after months of violence.

At this critical juncture, however, India is about to set a precedent. If it achieves economic prosperity while maintaining its historically tolerant and diverse nature, the emerging economies will indisputably have a truly inspirational model to emulate. The present situation has changed drastically since 2014. At the time of Crimea annexation, every country succumbed to the Russia's might and did not voice against Russia. However, this time Russia has become the most sanctioned country in response to the Ukraine conflict. If Russia push a joint statement through BRICS (as they did achieve during the Crimea crisis), India will certainly resist. India's stand on humanitarian concern is clear to support immediate cessation of violence. At this point, if India legitimises Russia's attack on Ukraine, it will indirectly legitimise China's occupation of Aksai Chin, as well as give a boost to Chinese expansionism, as China seeks to annex Arunachal Pradesh and parts of the Doklam region.¹⁹

No one expect India will issue a joint statement at this time, as it previously refused to yield to Russia's pressure by not abstaining from voting in the UNSC in response to Russia's removal from the United Nation Human Rights Council (UNHRC). India did abstain and made it clear that it does not follow orders but rather prioritises its global peace and security. Furthermore, as any type of joint statement legitimising the Ukraine conflict may offend the US and Western countries more, India cannot afford to take this risk given that two-thirds of its trade is with the US and its allies. This attempt may endanger its economy, as the US may impose sanctions on India, as well.

With more than 23387 sanctions, Russia tops the list in the world's most sanctioned countries.²⁰ The sanctions have crippled Russia's economy, and it is looking for every possible way to circumvent the restrictions imposed by the West.

¹⁹ S. Haidar & D. Peri, *China announces 'renaming' of 11 places in Arunachal Pradesh, including one close to Itanagar*, HINDU (Apr. 3, 2023), <https://www.thehindu.com/news/national/china-releases-third-set-of-chinese-names-to-assert-its-claim-over-arunachal-pradesh/article66695225.ece>.

²⁰ *Live monitoring of all sanctions against Russia*, Correctiv.org (Feb. 22, 2022), <https://correctiv.org/en/latest-stories/2022/03/01/sanctions-tracker-live-monitoring-of-all-sanctions-against-russia>.

Moreover, the NDB has halted all new transactions in Russia, citing “unfolding uncertainties and restrictions” in the midst of the Ukraine crisis.²¹ Furthermore, under Western pressure, China has refused to supply aircraft parts to Russia²² and to maintain its partnership with the Russian Academy of Sciences, a 300-year-old institution and one of Europe’s leading scientific grounds.

In 2022, India’s exports to Russia reached a record high of USD 2.93 Billion²³ and India is looking to further boost its exports.²⁴ With this aim and by the virtue of BRICS member country, India will certainly lend its support to Russia, if Russia wants to push forward BRICS cooperation in order to evade western sanction. Following China’s refusal, Russia has approached India to strengthen and expand new collaboration between scientific establishments and bodies.²⁵ This offer would be almost surely accepted by India. Furthermore, India is willing to supply aerospace parts to Russia after China’s revocation, which will benefit the country’s aviation industry, as well. India will reap the benefits of its growing pharmaceutical sector by supplying more medical equipment to Russia after sanctions and logistical bottlenecks that have sharply reduced imports of Russia from Europe and China.²⁶

Russia is India’s major defence partner, assisting the country in becoming self-sufficient in the defence sector by sharing sophisticated technology and collaborating in various projects such as the recent AK rifle production deal.²⁷ Russia leased an Akula-class nuclear submarine to India, demonstrating that it is willing to share specific types of weapon technology that other western countries, including the US, have been reluctant to share with India.²⁸ The Reserve Bank of India (RBI) is set to

21 *BRICS bank put on hold all new transactions in Russia due to Ukraine crisis*, ECON. TIMES (Mar. 4, 2022), <https://economictimes.indiatimes.com/news/international/business/brics-bank-put-on-hold-all-new-transactions-in-russia-due-to-ukraine>.

22 *Business Aerospace Defence*, REUTERS (Mar. 10, 2022), <https://www.reuters.com/business/aerospace-defense/russia-says-china-refuses-supply-aircraft-parts-after-sanctions-2022-03-10>.

23 *Dataset: India Exports to Russia*, Trading Economics (2023), <https://tradingeconomics.com/india/exports/russia>.

24 *India keen on expanding exports to Russia in FY 2023-24*, INDIAN SHIPPING NEWS (2023), <https://indiashippingnews.com/india-keen-on-expanding-exports-to-russia-in-fy-2023-24>.

25 D. Chaudhury, *Russia seeks scientific collaboration with India after Chinese pause*. ECON. TIMES (Apr. 19, 2022), <https://economictimes.indiatimes.com/news/india/russia-seeks-scientific-collaboration-with-india-after-chinese-pause/articleshow/90920784.cms?from=mdr>.

26 *Russia Seeks More Medical Equipment from India Amid Western Sanctions: Report*, QUINT (Apr. 19, 2022), <https://www.thequint.com/news/india/russia-seeks-more-medical-equipment-india-western-sanctions-invasion-of-ukraine#read-more>.

27 S. Mishra. *India’s balancing act between Russia and the US amidst growing tensions*, ORF (Feb. 10, 2022), <https://www.orfonline.org/expert-speak/indias-balancing-act-between-russia-and-the-us-amidst-growing-tensions>.

28 *Why India Has Been Soft on Russia Over Ukraine*, DIPLOMAT (Apr. 15, 2022), <https://thediplomat.com/2022/04/why-india-has-been-soft-on-russia-over-ukraine>.

collaborate with Russia's state-owned development bank VEB to enable Russia to avoid economic sanctions. On a similar note, despite constant US pressure, India continues to buy Russian oil and natural gas as well to expedite the initiatives of addressing climate change. Russia is rich in minerals including iron ore, chromium, manganese, titanium, nickel, copper, and lead. The Indian steel industry can consider partnering with Russia in order to procure material from Russia and capture the Russian market for finished products. Moreover, Russia has expertise in data science, information technology, polar research, the ocean economy, climate, food, water, energy, health and medicine, agriculture, and quantum technologies to name a few. India with its large market and strong geopolitical situation provides an opportunity to Russia in evading western sanctions. The current era in Indo-Russian friendship is clearly a great era, when both countries are willing to fulfil each other's needs with similar capabilities. Russia needs India to avoid Western sanctions, while India does Russia to counter Chinese and Western hegemony. In this way, both countries will surely explore every possible way to help each other within the framework of BRICS cooperation.²⁹

5. India's Strategy

India is expected to accelerate the cooperation with BRICS countries (except China) with trading and strategic partnership. India has been strengthening ties with them since the origin of BRICS, and is expediting its multidimensional collaboration and coordination with the member countries, primarily to counterbalance China. Therefore, ministers of each member country are likely to exchange the perspectives on crucial global and regional developments, and will conduct an extensive review of cross-cutting issues on the BRICS's multipolar agenda concerning trade, security and political dialogue on international economic and financial issues.

In this summit, India has a lot on its plate to discuss, including the Covid-19 vaccine, IPR waivers, the use of national currencies for export-import transactions, the integration of payment systems and cards, its own financial messaging system, and the establishment of an independent BRICS rating agency. Moreover, there is still much to be discussed in terms of basic social indicators, bridging inequality and infrastructure, notably for India's rapidly growing young population. However,

²⁹ D. Chaudhury, *India, Russia bond over BRICS soft power*, ECON. TIMES (Nov. 25, 2022), <https://economictimes.indiatimes.com/news/india/india-russia-bond-over-brics-soft-power/articleshow/95760697.cms>.

some of the major topic on which India would place a greater emphasis are described below-

A. Currency Swap under the BRICS Structure

Since Russia's expulsion from the SWIFT payment system, every country that conducts business with Russia, including India, has been looking for a payment system that allows for international transfers. However, as an alternative to SWIFT, Russia established its own banking messaging system, known as Financial Messaging System of the Bank of Russia (SPFS), which is a 24/7/365 operating system for exchanging electronic messages on financial transactions. Due to the fact that SPFS is a messaging system, it can be effectively used by participating institutions if they have reciprocal correspondent relationships in place. Users from other countries can access SPFS directly or through a Service Bureau. Direct participants can function as an SPSF Service Bureau and communicate directly with the Bank of Russia for a fixed charge of RUB 0.8-1.0 (less than USD 0.02) each communication. A Service Bureau independently establishes its pricing policy and exchanges financial communications on behalf of its clients, who do not need to connect to SPFS directly.³⁰ The BRICS countries are seeking to expand the use of national currencies for import-export transactions and integrated payment systems. Moreover, India is considering the Rupee-Rouble swap as an alternative mechanism, but high volatility in the Rouble limit India's ability to determine the exchange rate. On the other hand, Russia is the only country that exchanges currency with China; if India implements a currency swap agreement, it will have to rely on China for assistance. Therefore, India should promote the Atmanirbhar Payment Mechanism, which is solely based on the Rupee. To break the dominance of Dollars and Euros in transactions, the highly successful unified payment interface (UPI) of India, which has been adopted by Singapore, Bhutan, Nepal and UAE can also be viewed as a better alternative for a payment mechanism, albeit in digital form. If India promotes UPI within the BRICS structure, it may be able to combat the growing influence of the Chinese currency.³¹

³⁰ Bank of Russia, Financial Messaging System of the Bank of Russia (SPFS) (2023), https://www.cbr.ru/eng/Psystem/fin_msg_transfer_system.

³¹ C. Cornish, *India explores 'rupee-rouble' exchange scheme to beat Russia sanctions*, FIN. TIMES (Mar. 16, 2022), <https://www.ft.com/content/a5ee2d6b-693f-475d-80c6-0036c2657ef1>.

See also P. Bose, *India-Singapore mobile-based payment is a step to build Atmanirbhar trade infrastructure*, Y20 Secretariat (Mar. 21, 2023), <https://spmrf.org/india-singapore-mobile-based-payment-is-a-step-to-build-atmanirbhar-trade-infrastructure>; V. Gautam, *From Nepal to UAE-List of Countries That Have Been Adopting India's UPI for Payments*, Y20 Secretariat (Nov. 23, 2022), <https://www.indiatimes.com/worth/news/list-of-countries-adopting-upi-for-payment-585574.html>.

B. The NDB's Financial Aid to India

The NDB was established by the BRICS countries to counter the influence of Western-dominated financial institutions and to provide financial support to member countries. Until May 2020, the NDB had approved 55 projects from member countries for funding totalling USD 16.6 billion.³² It had officially approved 14 projects in India totalling USD 4,183 million. The NDB is proposed to lend USD 1 billion to India to help the country recover from the pandemic by investing in rural infrastructure related to natural resource management. Under the auspices of the upcoming BRICS summit, India will push for NDB financial assistance including infrastructure and the Covid-19 recovery package, as soon as possible.³³

C. Anti-terrorism Cooperation

Afghanistan's fall poses a serious threat to its neighbours, including India. Furthermore, the rise of ISIS attacks in Afghanistan, as well as increased recruitment from India, is particularly alarming for India. The last summit's counter-terrorism action plan proposed a number of measures to combat cross-border terrorism, radicalization, terrorism financing, terrorist internet misuse, terrorist travel restrictions, border control, soft target protection, information sharing, capacity building, and international and regional cooperation.³⁴ Continuing with previous goals and recent developments in the region, India is required to take stringent action against terrorism and to seek support from BRICS countries in order to accept Pakistan as a terrorist sponsor in India, despite China's reluctance.³⁵

By virtue of the involvement of Brazil and South Africa, BRICS provides India with transcontinental sphere of influence from which India is likely to benefit at the upcoming summit. The endeavours of India and South Africa to obtain a patent waiver under the TRIPS Agreement is likely to be ramped up in this summit as the US and the EU are reported to have reached a consensus on key elements of a long-

³² FE Bureau, *India calls for expanding New Development Bank's funding horizon*, FIN. EXPRESS (Aug. 19, 2021), <https://www.financialexpress.com/economy/india-calls-for-expanding-new-development-banks-funding-horizon/2313388>.

³³ NDB, DB Board of Directors approves USD 1 billion Emergency Assistance Program Loan to India to fight COVID-19 outbreak (May 3, 2020), <https://www.ndb.int/news/ndb-board-directors-approves-usd-1-billion-emergency-assistance-program-loan-india-fight-covid-19-outbreak/#:~:text=On%20April%2030%2C%202020%2C%20the%20Board%20of%20Directors,and%20economic%20losses%20caused%20by%20the%20coronavirus%20outbreak>.

³⁴ *BRICS Counter Terrorism Action Plan*, BRICS INDIA 2021 (July 29, 2021), <https://brics2021.gov.in/brics/public/uploads/docpdf/getdocu-52.pdf>.

³⁵ D. Chaudhury, *China backed India on keeping Pakistan out of BRICS Plus event*, ECON. TIMES (June 30, 2022), <https://economictimes.indiatimes.com/news/india/china-backed-india-on-keeping-pakistan-out-of-brics-plus-event/articleshow/92555170.cms>.

sought covid-19 vaccine IP waiver.³⁶ However, the proposed deal excludes COVID-19 treatments and tests, and the constraints would almost certainly preclude China from receiving a waiver.

The recently launched BRICS Vaccine R&D centre is projected to enable in the pooling of BRICS countries' complementary advantages. This centre will not only aid in the fight against Covid-19, but also aims to work collaboratively in the fight against other diseases such as tuberculosis, AIDS, etc. The BRICS countries have the highest number of drug-resistant tuberculosis cases,³⁷ among which India and South Africa are two of the top ten countries with a high number of TB cases.³⁸ In particular, India will most probably collaborate with South Africa and Brazil in developing vaccines to combat these diseases. Besides, Indian pharmaceutical products account for nearly 30 percent of India's exports to Brazil, allowing both countries to expand further. The BRICS TB Research Network and the BRICS Symposium on Traditional Medicines are also intended to promote future collaboration between Brazil, India, and South Africa in general and BRICS in particular.³⁹

India has been exploring various areas of cooperation, ranging from cross-border terrorism to cyber security with Brazil and South Africa. India postulated defence industry cooperation depending on every country's respective area of expertise and resource pooling for closer cooperation of platforms, including naval platforms. Moreover, in trilateral 'IBSAMAR' maritime exercise, India has invited Brazil and South Africa to participate in the MILAN naval exercise in 2022.⁴⁰ India, Brazil and South Africa are altogether strengthening frameworks to combat piracy, drug and human trafficking, improving the stability of communication and energy sea lanes, as well as the sustainable exploitation of marine resources such as fishing.

Outside the framework of BRICS, India is involved in continues discussion with other member countries including Brazil and South Africa. India is a major consumer and importer of pulses. Recently, Brazil's Agriculture Research Corporation

³⁶ *US-EU-India-South Africa reach tentative pact on Covid Vaccine IP Waiver*, REUTERS (Mar. 17, 2022), <https://www.reuters.com/business/healthcare-pharmaceuticals/us-eu-india-s-africa-reach-tentative-pact-covid-vaccine-ip-waiver-sources-2022-03-15>.

³⁷ *India, Brazil, Russia, S Africa to study intersection of Covid, TB*, BUSINESS-STANDARD.COM (Aug. 19, 2021), https://www.business-standard.com/article/current-affairs/india-brazil-russia-s-africa-to-study-intersection-of-covid-tb-121081900010_1.html.

³⁸ N. Padayatchi et al., *Tuberculosis: treatment failure, or failure to treat? Lessons from India and South Africa*, 4(1) BMJ GLOBAL HEALTH e001097 (Jan. 30, 2019), <https://doi.org/10.1136/bmjgh-2018-001097>.

³⁹ BRICS TB Research Network (n.d.), BRICS TB Research Network: News and Events, <https://bricstb.samrc.ac.za/news.html>.

⁴⁰ *NSAs of IBSA slam cross-border terrorism*, PTINEWS.COM (Aug. 25, 2022), http://www.ptinews.com/news/12684836_NSAs-of-IBSA-slam-cross-border-terrorism.html.

- Embrapa - has developed varieties of pulses in collaboration with Indian institutions.⁴¹ These efforts resulted in a USD 100 million import of pulses from Brazil in 2022 and this amount could be increased with collaborative efforts. Bio-energy is an intriguing area of collaboration between Brazil and India. Both countries are collaborating on this, focusing on sustainable aviation fuels, flex-fuel technologies, and second-generation ethanol. Brazil is also actively helping India in achieving its noble blending goals.⁴²

With the launch of a Brazilian-made earth observation satellite by New Space India Limited (NSIL), India and Brazil's space cooperation continues to strengthen its capacity. The Brazilian Space Agency supplied remote sensing data reception and tracking services to Indian space missions including ASTROSAT, Megha Tropiques, and Chandrayaan-1. Brazil is now considering acquiring material and systems from India for its launch vehicle programme; both countries may discuss the topic further. India has signed a PTA with MERCOSUR, wherein Brazil is also a partner. Today, both countries are preparing the ground for the negotiations for a free-trade agreement, with far broader product coverage and tariff reductions. In the light of above discussion, India and Brazil are cooperating in a variety of fields such as agriculture, pharmaceuticals, bioenergy, defence, and space exploration. This summit will provide both countries a platform to expand their ongoing cooperation.⁴³

Trade between India and South Africa has also passed a significant milestone, increasing from USD 10 billion to USD 11.6 billion in 2022,⁴⁴ and is expected to grow in the coming years. For this purpose, over 150 Indian firms have invested over USD 10 billion in South Africa, employing over 20,000 South Africans.⁴⁵ India and South

⁴¹ H. Siddique, *Brazil and India have dynamic & complex economies with competitive sectors, says Brazil's Ambassador André Aranha Corrêa do Lago*, FIN. EXPRESS (Mar. 8, 2022), <https://www.financialexpress.com/defence/exclusive-brazil-and-india-have-dynamic-complex-economies-with-competitive-sectors-says-brazils-ambassador-andre-aranha-correa-do-lago/2454453>.

⁴² *India, Brazil to develop alliance for Bioenergy and virtual Centre of Excellence on Ethanol*, MONEY CONTROL (Apr. 21, 2022), <https://www.moneycontrol.com/news/business/india-brazil-to-develop-alliance-for-bioenergy-and-virtual-centre-of-excellence-on-ethanol-8390661.html>.

⁴³ Ministry of External Affairs of India, *India-Brazil Brief* (Dec. 2022), https://www.mea.gov.in/Portal/ForeignRelation/India-Brazil_Bilateral_Brief_Dec_2022.pdf.

⁴⁴ PTI, *India-South Africa trade exceeds \$10 billion target set by leaders*. BUS. STANDARD.COM (Jan. 27, 2022), https://www.business-standard.com/article/economy-policy/india-south-africa-trade-exceeds-10-billion-target-set-by-leaders-122012700085_1.html.

⁴⁵ African Business Development Association, *The Commerce between India and South Africa has surpassed the leaders' aim of \$10 billion* (Feb. 8, 2022), <https://abdas.org/2022/02/08/the-commerce-between-india-and-south-africa-has-surpassed-the-leaders-aim-of-10-billion/#:~:text=In%20his%20keynote%20presentation%2C%20High%20Commissioner%20Jaideep%20Sarkar,in%20South%20Africa%2C%20employing%20over%2020%2C000%20South%20Africans.>

Africa have been collaborating to transform the international order at a variety of international forums, ranging from the G20 to IBSA. Both India and South Africa continue to stay committed to improve intra-BRICS trade, investment, and financial cooperation. Sectors like Ceramics, telecommunications, agriculture, printing, spices, IT, mining, pharmaceuticals, and textiles are the industry segments that have the potential to boost bilateral trade between the two countries.⁴⁶

6. Balancing the US and BRICS

China is India's main adversary in the BRICS countries. In order to counter China, India needs both Russia (another BRICS member) and the US on its side. In the Ukraine crisis, both the US and Russia are attempting to entice India to their side, but India responds pragmatically because choosing one may be counterproductive in the long run. India has carefully balanced relations with both groups (BRICS and US) so far and will continue to do so while advocating for peace talks between Russia and Ukraine. In this manner, India would be able to get support from both to counter China.⁴⁷

India-Russia cooperation is not standalone relationship as there is ample evidence for Russia-China cooperation. Russia will continue ties with India, but will not tolerate India's aggression against China, either. India's balancing act remains to focus on a trilateral negotiation which can be provided at BRICS.⁴⁸ For India, the challenges arising out of it relates to managing the Chinese expansion in the South China Sea and Indian Ocean.

Since the Russia-Ukraine war broke out, the US and the NATO allies have limited their links to Russia in all domains ranging from defence to finance to trade, asking other countries to follow suit. The major sector in which India is drawn by the US is the energy import because the US wants India to boycott Russia's oil. However, India categorically denied this, arguing that if Europe can import from Russia, why can't India? Given that India imports 85 percent of its oil, discounted Russian oil is

⁴⁶ M. Bagwandeem, *India-South Africa: A Success Story of Bilateral Cooperation*, DIPLOMATIST (Nov. 20, 2022), <https://diplomatist.com/2020/11/20/india-south-africa-a-success-story-of-bilateral-cooperation>.

⁴⁷ A. Pande, *India's delicate balancing act between Russia and the US*, HILL (Dec. 15, 2021), <https://thehill.com/opinion/international/585527-indias-delicate-balancing-act-between-russia-us>.

⁴⁸ A. Singh & S. Ravishankar, *How Much Should India Worry about Closer China-Russia Ties?*, DIPLOMAT (Apr. 2022), <https://thediplomat.com/2022/04/how-much-should-india-worry-about-closer-china-russia-ties>.

beneficial to the country's economy at the time of rising inflation.⁴⁹

The US wanted India to vote against Russia in the UNSC and the UNHRC. However, India acted in its best interests and abstained from voting three times in a row, despite the fact that the US and Russia are both important partners of India. The US has also increased the pressure on India by holding a leaders' call on March 3, 2022, repeatedly trying to coincide the Quad grouping with the US priorities. Nonetheless, the joint reading of the invitation was significant for not explicitly addressing Russia, emphasising India's differences from the rest of the Quad. The upcoming QUAD summit is likely to foster constructive dialogue in strengthening the Quad as a catalyst for change in the Indo-Pacific region, particularly in the areas of climate change, space, cyber security, and critical and emerging technologies that can provide practical and substantial benefits to the region.

According to the Stimson Centre, a Washington-based think tank, approximately 85 percent of India's military equipment is imported from Russia. The inclusion of promising weaponry systems in India's defence list, such as the S-400 missile and the Akula-class nuclear submarine, has made the US anxious, and CAATSA sanctions on India are being explored. Nonetheless, the US has recognised the importance of defence ties with India in reducing Russia's dominance in the country's defence sector and stalled bilateral initiatives such as DTTI and the LEMOA expanding through 2+2 dialogue. Following the Indian government's several initiatives aimed at reducing defence imports and developing domestic defence manufacturing, the US has also agreed to expand co-development and co-production partnerships between the American companies and India.⁵⁰ Antony Blinken, US Secretary of State, recently stated: "India's relationship with Russia has developed over decades at a time when the United States was unable to be a partner to India, and that Washington was now willing to be that partner."⁵¹ However, given the diplomatic, military, and energy considerations, India is unlikely to abandon its balancing act with Russia anytime soon.

India still imports significant defence equipment from Russia, despite the decades of diversification of its defence supplies. Although it has procured more than USD

⁴⁹ PTI, *Jaishankar defends India's move to import Russian oil; says Europe imported 6 times more than India since Feb 2022*, ECON. TIMES (Jan. 3, 2023), <https://economictimes.indiatimes.com/news/india/jaishankar-defends-indias-move-to-import-russian-oil-says-europe-imported-6-times-more-than-india-since-feb-2022/articleshow/96710004.cms>.

⁵⁰ Y. Unjhwala, *India and the US: Defense Collaboration Is Key*, DIPLOMAT (Apr. 19, 2022), <https://thediplomat.com/2022/04/india-and-the-us-defense-collaboration-is-key>.

⁵¹ *India's ties with Russia developed when US was unable to be*, TIMES OF INDIA (Apr. 12, 2022), <https://timesofindia.indiatimes.com/india/indias-ties-with-russia-developed-when-us-was-unable-to-be-its-partner-blinken/articleshow/90789725.cms>.

20 billion in military equipment from the US over the last decade or so,⁵² it is not in a place to withdraw from Russia in terms of weapons sales. India and the US are strengthening ties by collaborating in every possible sector, ranging from trade to defence. The two countries announced a number of initiatives, including the resumption of the US-India CEO Forum and the US-India Commercial Dialogue.⁵³ In order to increase bilateral trade to USD 500 billion in the future, both countries are working together to build air-launched unmanned aerial vehicles, as well. In order to establish the Quad as a strength for external assurance in the Indo-Pacific region, dialogue is underway in the Quad Working Groups on vaccines, climate change, infrastructure, space, cyber security, and emerging technologies.⁵⁴ Discussions are also underway about the US's support for India's permanent membership in a reformed UNSC and admittance to the Nuclear Suppliers' Group. Furthermore, the US and India are willing to assert a framework for responsible state behaviour in cyberspace and have agreed to collaborate in future multilateral agreements to stimulate other states to enact the framework. Whilst disagreement between both US and India is not yet irreconcilable, the negotiations are required to resolve them which will have ramifications for the US Indo-Pacific Strategy and international security.⁵⁵

7. Future of BRICS and the US

In terms of diplomacy, India will attempt to strike a balance between its ties with the US and BRICS to become a major player in the current international order. As for India, it is not about choosing one over another, but a matter of national interest. Under the framework of BRICS, India will maintain balance between China and Russia as these two countries are always at centre in India's foreign policy. In this

⁵² US Dept. of State, U.S. Security Cooperation with India (Jan. 20, 2021), <https://www.state.gov/u-s-security-cooperation-with-india/#:~:text=The%20PM%20Bureau%20supported%20the%20increase%20in%20total,in%202008%20to%20over%20%2420%20billion%20in%202020>.

⁵³ V. Pandey, *2+2 talks: How India and US agreed to differ on Ukraine war*, BBC NEWS (Apr. 12, 2022), <https://www.bbc.com/news/world-asia-india-61042314>.

⁵⁴ *Quad leaders agree to create working groups on vaccine, critical technologies, climate actions*, ANI NEWS (Mar. 12, 2021), <https://www.aninews.in/news/world/asia/quad-leaders-agree-to-create-working-groups-on-vaccine-critical-technologies-climate-actions20210312233728>.

⁵⁵ *Biden reiterates US support for India's permanent seat in UNSC, entry into NSG*, INDIAN EXPRESS (Sept. 25, 2021), <https://www.newindianexpress.com/world/2021/sep/25/biden-reiterates-us-support-for-indias-permanent-seat-in-unsc-entry-into-nsg-2363618.html>.

regard, any Indian condemnation of Russia's acts in Ukraine would possibly strain the bilateral ties and hinder India's defence preparedness against China at a time when Indian soldiers are at loggerheads with Chinese counterparts along the Line of Actual Control (LAC). From a tactical perspective, India believes it cannot afford to antagonise Russia because it expects Russia to veto any negative UNSC resolution on the contentious issue of Kashmir. Moscow is viewed as a balancing power in Asian region and a critical pole in a multipolar world by New Delhi.⁵⁶

Notwithstanding the historic relations, Russia has been more fervent than China in expressing its dissent to the Indo-Pacific edifice and the Quad revival. On the one hand, Russia has even officially started to interact with Pakistan. On the other, India should keep in mind that more than two-third of its trade partners have explicitly voted against Russia; none of the major trading partner of India support Russia. Russia-China-India bloc means distancing from its biggest markets and joining a group where one member is a minor economic partner, while others become a major political adversary.⁵⁷

Hence, in this scenario, India could be seen as a south-western power, a bridge between the West and the developing world. India appears to be coordinating these two identities through BRICS. In this context, India will strike a balance between the US and the BRICS through continued dialogues and involvement in G7, QUAD, and BRICS group. If the US impose sanctions on India, it would be a severe blow for ties and promising to portray the NDB as a threat to the West. Currently, New Delhi seeks global governance reforms through BRICS. Given that India will maintain its neutrality, this strategy is critical at this juncture since it allows India to avoid the pressure of choosing one over the other. India needs to bolster the effort of creating an environment for dialogues and negotiations, as it is in everyone's best interests. India aspires to be a capable and trustable international problem solver with a worldwide standing. Without a stable global governance, India's conciliatory approach to conflicts, as well as its policies on strategic autonomy, are extremely crucial and provide rest of the developing countries with a model to emulate.⁵⁸

⁵⁶ D. Chaudhury, *View: Russian support to India on Kashmir is rooted in history*, ECON. TIMES (Feb. 7, 2022), <https://economictimes.indiatimes.com/news/defence/view-russian-support-to-india-on-kashmir-is-rooted-in-history/articleshow/89403521.cms>.

⁵⁷ D. Chaudhury, *Is a New Russia-China-India Bloc Forming in the East?*, DIPLOMAT (Apr. 4, 2023), <https://thediplomat.com/2023/04/is-a-new-russia-china-india-bloc-forming-in-the-east>.

⁵⁸ N. Radjou, *India can lead the World in solving 'problems without borders'*, CIRCULAR COLLECTIVE (Aug. 6, 2020), <https://www.thecircularcollective.com/post/india-can-lead-the-world-in-solving-problems-without-borders>.

8. Conclusion

In the light of the preceding discussion, it can be concluded that the Russia-Ukraine crisis will undoubtedly loom over the 15th BRICS summit. Russia is likely to pressurize the BRICS member countries in order to gain their support in justifying the Ukraine attack by blaming the NATO countries as the threat to its national borders. Russia would also lure member countries with cheaper oil, natural gas and advance weaponry. In addition, Russia would most likely mount pressure on India, by offering every possible assistance in each sector, ranging from space to energy to scientific collaborations. Indeed, India requires all of this, but not at the expense of infuriating the US and the NATO allies. Therefore, India will tread carefully at the upcoming BRICS summit in order to achieve its strategic goals without enraging anyone. The upcoming negotiations will witness much stronger ties between BRICS and India amid few disagreements with China and Russia. However, India will remain committed to cooperation as it strives to improve its overall position in world map and remain independent in all spheres.

Received: February 1, 2023

Modified: April 15, 2023

Accepted: May 1, 2023

