

Periodic Research

BRICS and India

Abstract

This paper focused on the role of India in BRICS. From the beginning India played crucial role in noteworthy contribution to BRICS is proposal of the New Development Bank. Over the years India has build close relationship with other member countries. India also added the urbanization meeting to BRICS cooperation system to bring greater focus on intra-BRICS cooperation to learn from each other's experience in tackling challenges of rapid urbanization faced by all BRICS members. This paper also throws light on the importance and summits of the BRICS.

Keywords: BRICS, India, Summits.

Introduction

The BRICS economies group, Brazil, Russia, India, China and South Africa are recognized as the most industrial economies from the budding economies. Originally the first four were grouped as "BRIC" before the beginning of South Africa in 2010. The BRICS members are known for their significant power on local relationships; all the BRICS countries are members of G20. In view of the fact from 2009, the BRICS nations have met yearly at official summits. China hosted the 9th BRICS summit in Xiamen on September 2017, while South Africa will do so for the 10th BRICS summit on July 2018.

In 2015, the five BRICS countries stand for over 3.1 billion people, or about 41% of the world population; all five members apart from South Africa are in the top 10 of the world by population. As of 2018, these five nations have distributed nominal GDP of US\$18.6 trillion, about 23.2% of the overall world product, shared GDP (PPP) of about US\$40.55 trillion (32% of World's GDP PPP) and an expected US\$4.46 trillion in joint foreign reserves. Overall the BRICS are estimated to increase 4.6% in 2016, from the estimate growth of 3.9% in 2015. The World Bank expects BRICS growth to pick up to 5.3% in 2017. The BRICS have received both honor and criticism from several actions. Bilateral relations among BRICS nations have primarily been conducted on the basis of necessity, non-discriminations, and mutual benefit.

India shares close economic and helpful ties with her BRICS partners. India attaches high importance to engagement with BRICS as a stage for coordination, discussion and collaboration on current issues. India's appointment with BRICS countries may be seen in the perspective of controlling a situation and broad-based international commitment to contribute towards building a peaceful and successful world. India's outstanding contribution to BRICS is proposal of the New Development Bank which was put on the BRICS agenda at the 4th Summit hosted by India in New Delhi in March 2012. Subsequently, India hosted the first cooperation Meeting for taking this proposal forward in August 2012. After several rounds of talks and Finance Ministers' meetings, the Agreement for setting up the Bank has been signed at the 6th Summit in Brazil in July 2014. India will continue to work closely with BRICS partners for overall strengthening and deepening of BRICS cooperation.

Objectives of the Study

1. To examine the role of India in BRICS.
2. To highlight the importance of BRICS for India

Research Methodology

In the present paper historical and analytical method of data collection is used. The study is mainly based upon collection of secondary source of publication such as Newspapers, Magazines, Books, Journals, Articles and Records of government of India.

Review of Literature

JingGu, Alex Shankland, Anuradha Chenoy, 2016 in his book titled "the BRICS in international development" the authors in this book focused on the Indian position on development assistance. India's growth

E: ISSN No. 2349-9435

model and construct a relationship with the other BRICS countries much its aspirations to become a major power. The author further highlights that the Indian government has been active in expanding Indian business with least developed countries (LDCs) by generating goodwill through development assistance policies.

Subhash C. Jain, 2006 in his book titled "Emerging economies and the transformation of international business Brazil, Russia, India, China" the author in this book reveals that emerging economies have increasingly become an important part of worldwide business this is particularly the case for BRIC economies including India. India provides a brilliant circumstance to look at acquisition value creation trends and drivers in rising economies, including the BRIC countries.

Vai Lo Lo, Mary Hiscock 2014 in his book titled "the rise of BRICS in the global political economy: Changing paradigms" the thrust of this book is on the BRICS economies namely India. India is characterized through productive and technology adoption levels that explain double economy. But our directory for technology adoption and productivity suggest that India is moving towards the early situation that describes balanced growth. The stage of technology adoption and productive have been increasing over time and the inequality between them have been reducing across various states of India.

Important issues in summits of BRICS

1. The inaugural BRIC summit took place in Yekaterinburg, Russia on June 16, 2009. The four heads of government from the BRIC countries attended. During the meeting, leaders discussed the importance of creating a more multiple international monetary system, with a decrease dependence on the dollar as the global reserve currency.
2. The 2010 BRIC summit took place in Brasília, Brazil on April 16, 2010. During the meeting the BRIC countries discuss the major issues of international programs as well as solid steps to move forward the cooperation and management within the BRIC, and all the members approved on the common idea and global governance, international economic and financial issues, international trade, development, agriculture, fight against poverty, energy, climate change, terrorism, alliance of civilization.
3. On April 14, 2011, the third BRICS summit began in China's southern resort city of Sanya. During the meeting they discuss the main issues like international situation, global economy, international finance, development and BRICS cooperation.
4. The leaders of the Federative Republic of Brazil, the Russian Federation, the Republic of India, the People's Republic of China and the Republic of South Africa, met in New Delhi, India, on 29 March 2012 at the Fourth BRICS Summit. The main issue of the summit was the formation of a New Development Bank, global governance, sustainable development
5. The leaders of the Federative Republic of Brazil, the Russian Federation, the Republic of India, the People's Republic of China and the Republic of South Africa, met in Durban, South Africa, on 27 March 2013 at the Fifth BRICS Summit. The Fifth BRICS Summit concluded the first cycle of BRICS Summits and extends the promise to the promotion of international law, multilateralism and the central role of the United Nations (UN). The important issue discussed in the summit was the creation of the development bank and contingent reserve arrangement, setting up of a BRICS Business Council and the establishment of a BRICS Think Tank Council.
6. The 6th BRICS summit was the sixth annual diplomatic meeting of the BRICS. It was hosted by Brazil in 2014, as the first host country of the current five-year summit cycle the host city was Fortaleza. The 6th BRICS summit resulted in the official launch of the New Development Bank, a multilateral development bank planned as an substitute to the World Bank, political coordination and inclusive growth.
7. The 7th BRICS summit was the 7th annual diplomatic summit of the heads of the states or government of the member states. It was the Russian city of Ufa in Bashkortostan on 8–9 July 2015. The leaders discussed the issues including global political and economic issues and BRICS cooperation.
8. The Leaders of the Federative Republic of Brazil, the Russian Federation, the Republic of India, the People's Republic of China and the Republic of South Africa, met on 15–16 October 2016 in Goa, India, at the Eighth BRICS Summit. The main issues BRICS nation condemn terrorism, all nations must counter discrimination, adoption of 2030 agenda for sustainable development and its sustainable development goals, global governance, climate change, BRICS cooperation and people to people and cultural exchanges.
9. The 9th edition of the BRICS summit was held in the city of Xiamen in China, 2017. At the end of the BRICS summit, the leaders adopted the Xiamen Declaration which contained various diplomatic and supportive guidelines. Some of the issues had been discussed at BRICS summit are political and security cooperation, people to people exchanges, economic collaboration. The BRICS nations signed four pacts to deepen economic and trade ties, joint innovation efforts, and strategic cooperation. All these instruments are aimed at giving big boost to business and investment within the five nation grouping.

Importance of BRICS for India

India has tried to use BRICS as a forum to engage China as the latter has become the largest market for the fast-industrializing countries of East Asia. India wants to resolve the very old suspect and difficult relationship between the two countries since the 1962 war between them. She shares land border with China, Pakistan and Bangladesh and faces many potential threats. Although Sino-Indian relations have

E: ISSN No. 2349-9435

improved in recent years, India is threatened by China's expanding presence through bases in Myanmar, Pakistan, Bangladesh and Sri Lanka, leading to a possible grip around the Indian subcontinent as well as potential opposition in the Indian Ocean area. By improving relations with China and by co-operating in a multilateral forum like BRICS, India would like to stabilize the regional environment by neutralizing China in the anger issues between India and Pakistan. India is a very ambitious country. It has high aspirations to become a global super power. Through G4 (Brazil, Germany, India and Japan) and through BRICS it can ask strongly for UNSC reforms to make India as a Permanent Member. By supporting each other, all these countries can be benefited. India-China strategic ties. Even though India and China have issues regarding borders, Tibet, South China Sea, Dalai Lama etc., it still supports each other in strategic economic relations. A constant and steady growth will help in stability of the world. BRICS will be a great platform for India where its voice will be heard by all countries. India can explore more export sectors by improving the ties with member countries. Which would revitalize the Make in India, start up India etc...? Schemes strategically, relations in BRICS are highly advantageous for India. Ex: China withdrew from Doklam stand off just before the BRICS summit.

The position in BRICS would be a momentum for India to achieve its long term goals such as UNSC permanent membership, NSG membership etc... BRICS would help India to establish its stronghold over Indian Ocean both in trade and diplomacy. India can use Brazil and South Africa relations as a gateway to expand its relations with South America and Africa respectively.

Role of India in BRICS

India since the inauguration of BRICS has played a significant and active role. It attaches high importance to the BRICS forum to expand global economic growth, peace and constancy. Co-operation on the economic front is one of the core areas of India's policy towards BRIC. India sees BRICS as a platform to build multilateral relations with Latin American, African and Asian countries. India has over the years, developed close planned relationship with the other member countries. India has also tried to use BRIC as a forum to resolve the longstanding doubt and complicated relationship with China. India has also played an important role in the setting up of New Development Bank. Also for India, co-operation with the BRICS is very important in terms of addressing its food and energy security issues, and fighting terrorism.

Since the Federal Reserve signaled the recovery of American economy from the financial crisis and decline and raised its interest rates, the BRICS have been on a steady decline. Investors pulled out from BRICS countries as US securities are more profitable to them, which endangered the BRICS' economic growth. With most of its member countries registering slowing of their economies, India has emerged as the only bright light in the BRICS

Periodic Research

thanks to its recent policy reforms. Despite global economic slowdown, Indian rupee has become the best performing currency among BRICS countries.

It is no doubt that BRICS plays an important forum for all the member countries in promoting South-South cooperation and North-South dialogue. It will also help its member countries in fulfilling UN Millennium Development Goals (MDGs). In recent years, BRICS have come together in a political grouping in a way that has distant exceeded most expectations.

India's trade with BRICS partners is about US\$ 95 billion (2013-14 data from the Ministry of Commerce & Industry of India). India's strengths lie in labor, services, generic pharmaceuticals, and information technology. There is significant cooperation with other BRICS partners which may be tapped to further strengthen intra-BRICS linkages in these areas. India's notable contribution to BRICS is proposal of the New Development Bank which was put on the BRICS agenda at the 4th Summit hosted by India in New Delhi in March 2012. Subsequently, India hosted the first Negotiation Meeting for taking this idea forward in August 2012. After several rounds of talks and Finance Ministers' meetings, the Agreement for setting up the Bank has been signed at the 6th Summit in Brazil in July 2014. In this Summit, India has planned important ideas in order to strengthen intra-BRICS cooperation. These ideas relate to online education, an affordable health care platform, a virtual BRICS university, and BRICS language schools, cooperation in small and medium enterprises, tourism, youth exchanges, a Young Scientists Forum and disaster management. India will continue to work closely with BRICS partners to take these initiatives forward as well as for overall strengthening and deepening of BRICS cooperation. India urges faster movement on reform of institutions of global political and economic governance. It is important that BRICS continue to consult closely on developments affecting global peace and security. India remains a basis of trust within the BRICS union. The nation's economy is obviously on a better path than that of other members, although growth appears to be losing steam in recent quarters. In the quarter to June, GDP grew 5.7 percent, its slowest rate since the January-March quarter 2014, government data showed. Still, strong growth in the services sector and funds investment point to a rapid potential return in economic activity in Asia's third-biggest economy. India takes a leading role to coordinate the BRICS situation and make use of its chairmanship in 2016 to drive forward the global financial system modification and arrange the substitute to the west backed international financial institutions. BRICS will help India a lot to become a regional superpower and then slowly a World Superpower.

Suggestions for India

1. Creating an enabled world by sharing and increasing technologies to improve ability, economy and efficiency.
2. Create model of economic for people

E: ISSN No. 2349-9435

3. Creating skillful world by giving skills to millions of youth
4. BRICS nations should provide equal opportunity for all
5. BRICS nations must create a team for disaster management.
6. BRIC countries should work together to face several common challenges

Conclusion

To conclude we can say that BRICS plays an important role for all the member countries in promoting South-South cooperation and North-South dialogue. It will also help its member countries in fulfilling UN Millennium Development Goals (MDGs). In current years, BRICs have come together in a supporting grouping in a mode that has far exceeded most expectations.

References

1. Paul Nistor "Emerging market queries in finance and business FDI implications on BRICS economy growth" *procedia economics and finance*, 2005.
2. Developing world leaders show new power at summits 2009 <http://en.wikipedia.org/> 1st BRIC summit
3. Indian diplomacy at work India in BRICS, www.Indianembassydublin.in/docs/India/BRICS.
4. Oliver Stuenkel "The BRICS and the future of global order" page 39.
5. BRICS and documents "fourth summit new declaration and action plan, New Delhi, March 29, 2012.
6. Fifth BRICS summit-eThekwini declaration and action plan, ministry of external affairs Government of India, March, 27, 2013.
7. BRICS and documents" 6th BRICS summit declaration and action plan 27, Mach, 2013.
8. BRICS summit joint statement council on foreign relations, 18, July, 2014 https://en.wikipedia.org/wiki/6th_BRICS_summit.
9. 7th BRICS summit https://en.wikipedia.org/wiki/7th_BRICS_summit.
10. Goa declaration at 8th BRICS summit, press information Government of India prime minister's office, 16, October, 2016.
11. India today, New Delhi September, 4, 2017.
12. India to host 8th BRICS summit in October in Goa, Economic times 28, Sep, 2016.
13. <https://www.quora.com/What-is-the-importance-of-BRICS-in-Indias-context>.
14. India plays important role at BRICS summit, Mail Guardian, 19, April, 2013.
15. BRICS summit: Why Indian cannot leave the big stage entirely to host china. Indian express. sep. 2, 2017.
16. JingGu, Alex Shankland, Anuradha Chenoy "the BRICS in international development" p 110-111.
17. Subhash C, Jain "Emerging economies and the transformation of international business BRIC" p 147.
18. Vai Lo Lo, Mary Hiscock "the rise of BRICS in the global political economy: Changing paradigms" p 55

Periodic Research