Evolution of India's BRICS Policy: Balancing Strategic Autonomy and Pragmatic Multilateralism (2001–2020)

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Abstract:

There have been numerous geopolitical and economic realignments in the 21st century global order. One of these is the BRICS grouping that has become a significant force to reckon with, considering the domination of the West led institutions and carrying forward the Global South ambitions. Being one of the prominent and founding members of BRICS, India has clearly stated its intentions and expressions, citing, it not only considers the BRICS as a platform for multilateralism and South-South Cooperation, but also a platform that maintains parallel ties with the West. This article tries to map and analyse India's BRICS policy since its pre-inception period that will touch upon the economic, geopolitical and institutional dimensions. The article will also focus on India's efforts towards development financing, especially with the establishment of New Development Bank, reforms in global governance and a focussed approach to tackle the dominance of dollar in the global trade and economy. Finally, the article will also cover aspects like structural challenges in the BRICS framework, divergent visions, and India-China rivalry. Overall an assessment of India's effort to reshape global governance, parallel balancing strategic autonomy in a volatile international order.

Keywords: Strategic Autonomy; Emerging Powers; BRICS, India, Global Governance Reform; South–South Cooperation; Institutional Balancing; Multipolarity; International Political Economy

Introduction:

BRIC as a concept was proposed by British economist Jim O'Neill in 2001 that represented Brazil, Russia, India and China. However, it was in 1998 that the conceptual origins of the term are traced when the then Russian foreign minister Yevgeny Primakov presented this as an idea (Patnaik, 2023). It was in 2009 that this conceptualization saw fruition when the first summit of the BRICS was held in Yekaterinburg, Russia.

Right from the initial years from its inception, India's approach has been primarily guided by pragmatic vision of a multipolar world order. As one of the founding members of this group, India has given prominence to advancing the interests of the emerging economies and safeguarding its own strategic autonomy (Maiorano, Kaur, 2024). This approach is supported by multilateralism, economic diplomacy and ensuring the achievement of ideological alignments. For India, the BRICS is a platform that helped it enhance its collective bargaining power within the global financial and governance institutions that were hitherto controlled by the Western countries. It also enabled India to engage in development-focused diplomacy that aligns with its core interests that include energy security, combating terrorism and climate change financing (Sharma, Suri, 2023).

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In some schools of thought the BRICS has been interpreted as a counterweight to Western-led international order, however India has adopted a cautious and calibrated approach. India has constantly refrained from portraying BRICS as an anti-Western grouping. It has been instead been positioned by India as a complementary platform intended to address structural imbalances in global economic governance. This stance of India reflects the coherence in India's intent to deepen its integration into the global economy and its simultaneous engagement with institutions such as WTO, G20 and the Bretton Woods system.

Understanding the BRICS policy of India in the last two decades can be divided across three phases: The Conceptual and Economic Phase (2001-2008), the Institutionalization Phase (2009-2014), and the Consolidation and Constraint Phase (2015-2020).

From Concept to Coordination: The Early Years (2001–2008)

The concept of BRICS emerged in 2001 when Jim O' Neill identified Brazil, Russia, India and China as one of powerful and emerging economies that were gaining the potential and strength to influence and reshape global growth dynamics (O'Neill, 2001). In its original form, BRIC was conceived not as a political or strategic grouping but as an analytical construct for policymakers and investors. India's engagement at this period was thus indirect and predominantly economic in nature. Policymakers in India interpreted the BRIC narrative as an opportunity to showcase India's growth potential and attract foreign investment. Contemporary economic scholarship analyses highlight India's demographic dividend, expanding market size and favourable long-term growth prospects (Wilson & Purushothaman, 2003). The BRIC countries refrained from political coordination and so did India as it showed limited interest for group institutionalization. This approach was in alignment with the broader foreign policy ideals of India, especially in early 2000's when the foundations of BRIC were being laid. These were based on the principles of economic liberalization, integration into global markets and shaping relations with the US and Europe. A BRIC that was anti-Western in alignment would seem inconsistent and hence India's initial engagement remained understated, cautious and pragmatic.

The Global Financial Crisis and Institutionalisation (2009–2014)

A significant phase for the BRICS and India was during global financial crisis of 2008. The crisis brought to the fore the structural weaknesses within the West led financial institutions and thus it created an opportunity for the emerging economies to collectively demand for reforms. Thus, the 2009 summit, was the first one to be held in Yekaterinburg, Russia, marking a departure from a blurred principle to a concrete representative body that is neither US led nor Europe centric. India also supported reforms in the International Monetary Fund (IMF) and World Bank, especially under the clarion call by the non-Western emerging nations, and specific issues like voting rights and leadership selection (Cooper, 2010). However, India avoided taking a revisionist approach and advocated for reforms within the established system, rather than replacing existing institutions (Armijo, 2012). It is this difference in approach that is key to the core understanding of India's BRICS strategy. At one India stood for increased representation and influence within the international economic governance, on the other it also

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concentrated on maintaining the stability of the prevailing global order. Hence, this stance of India reflected a broader policy of institutional engagement over systemic overhaul.

The New Development Bank: India's Institutional Priorities

The New Development Bank was established in 2014, it was considered as one of the most important institutional outcome since the formation of the BRCS. India had a significant role to play in this front, especially in shaping the framework and structure of the governance, leadership and advocacy for equal voting rights (Stuenkel, 2017). While India nominated its first chief and has always supported reformation in the international geopolitical set up, as far world financial institutions are concerned, it has not compromised with any aspect that affects its territorial sovereignty and national pride. Case for example is the priority India gives to bilateral relations over multilateral relations with China, without cordial bilateral relations, India will not lead or take the next steps in shaping institutions like NDB where China is also an important player (Hoffman, Srinivas 2022).

As per the World Bank (2019), India's policy perspective is not always global but also regional and NDB was a culmination of its resolve to address the infrastructure finance gap that was severely affecting the developing countries on an estimated amount of over $ 1.5 trillion in the last decade.

This is because infrastructure limitations were seen as a major barrier to long-term economic growth, particularly in India, where local estimates indicate a need for more than $1.5 billion in infrastructure investment between 2015 and 2030 (Govt. of India, 2015). The NDB's focus on sustainable development and infrastructure closely aligned with India's national development goals.

Second, it showed that emerging economies could create reputed multilateral financial institutions in the absence of deeply ingrained hierarchical power imbalances that is prevalent in existing international financial governance system. The idea of equal partners was established by the BRICS nations, by contributing US $ 10 billion in paid in capital, as each member limited the power of any one state (Armijo, Katada, 2015). An institutional innovation was witnessed by India as this emerged as a solution to the long-standing concern about under-representation in much influential institutions like the World Bank and IMF where reforms were slow paced.

Another significant difference between the NDB and India's strategy is that India has consistently advocated for the NDB to function as a supplementary multilateral development bank rather than a rival to the World Bank and Asian Development Bank. Instead of upsetting and undermining the current system, Indian policymakers highlighted that the NDB would broaden and diversify development funding alternatives (Raghavan, 2016). As a result, this stance strengthened India's overall foreign policy stance as a reformist stakeholder that prefers institutional engagement to systemic disruption in order to achieve gradual development.

BRICS and South–South Cooperation

Nayyar (2016), states that India has consistently laid emphasis on the South-South Cooperation, considering as one of the most significant pillars of the BRICS. He further writes, BRICS is not only an alliance of emerging powers, but also a collective platform via which common developmental priorities and experiences could be espoused. Which in turn protect and preserve the policy autonomy and support in formulating inclusive and alternative growth path with international political economy.

This policy reflects India's diplomatic traditions that are rooted in strategic autonomy, non-alignment and multilateralism that is development oriented, thus addressing the prevailing structural asymmetries that mar the global governance institutions. India sees in institutions like BRICS an opportunity of both bilateral and multilateral relations between developing countries.

Over time this normative emphasis has become more visible in the BRICS summit declarations that have progressively incorporated a strong developmental agenda that is primarily centred on development financing, poverty alleviation, inclusive growth and sustainable development. Such an agenda reflect a shared understanding and recognition among the BRICS members of the limitations of existing international financial and governance architectures in adequately responding to the developmental needs of the Global South. As discussed above, the institutionalization of mechanisms such as the New Development Bank (NDB) has further reinforced this developmental agenda. The NDB embodies BRICS' intent as a complementary agency for offering financial models that are ever ready and responsive to the policy space, priorities and socio-economic contexts, and not a counter agency to replace established financial institutions (Stuenkel, 2017).

Strategic Autonomy and Multi-Alignment

Indian strategic discourse consistently located BRICS within the framework of strategic autonomy. Scholars such as Mohan (2013) argue that BRICS allowed India to diversify its diplomatic engagements without compromising its freedom of action. As per Pant (2016), India's participation in BRICS complements its increasing improvement of relations with the Western powers and its presence in international forums like the G20. Thus, allowing India to be in the multi-alignment strategy at one end and in multiple power centres on the other. BRICS, hence became one component of a broader foreign policy aspect than a point defining India's global alignment.

Emerging Constraints: India–China Rivalry (2015–2020)

India and China have been two rival neighbours since the dispute occurred in the 1950's. With intermittent border clashes over the past decades, the two nations have managed to come together in one platform, called the BRICS. However, by the mid 2010's when the BRICS was in its initial phase as one of the influential multilateral groupings representing the developing world, this rivalry constrained BRICS cooperation. Issues like border tensions, China's Belt and Road Initiative, and myriad other regional priorities have led to mistrust. Acharya (2018) argue that these tensions have become obstacles for BRICS' political cohesion, especially in security related domains. However, India has tried its best to contain these obstacles and has resisted efforts to portray BRICS as a geopolitical bloc and preferred to highlight on functional cooperation in areas such as development finance and counter-terrorism. Hall (2019) observes that India's fears of BRICS becoming a bloc is reflected in its observance of China's growing influence within BRICS and the risk of being shadowed under China's image. Thus, security cooperation within BRICS has remained shallow, and India has limited its engagement in areas where consensus was possible, reflecting India's preference for issue-based cooperation rather than comprehensive strategic alignment.

Policy Assessment: What Did BRICS Achieve for India?

Understanding from the lens of policy perspective, India's BRICS engagement between 2001 and 2020, reflect a mixed set of outcomes. Looking at the positive aspects, BRICS in fact, increased India's stature and bargaining power in the international governance debates and policy circles, facilitated the establishment of the NDB and provided an avenue and platform to further the Global South agenda. Though, BRICS is still not ready to be in a position of becoming a cohesive political force at present. Some of the major reasons are internal heterogeneity, India-China rivalry which has limited is presence and effectiveness and competing strategic vision. For India, these limitations underscored the urgency and logic of strategic autonomy and multilateral engagements than deep institutional commitment.

The last 20 years of India's BRICS' policy reflects pragmatism, caution and an intent that seeks reformism. India has used BRICS as a supplementary platform to advocate for institutional reform, development cooperation and practice strategic autonomy, rather than seeking to overturn the existing international order. As the BRICS expanded, there was also an intensification of global polarization, and some of the lessons from the early phase of the evolution of BRICS remain relevant till date. As far as India and its immediacy to Non-alignment policy is concerned it has always treated the BRICS as a flexible, issue-based forum rather than an ideological bloc. It will be critical on part of India to maintain this balance as it navigates a more fragmented and contested global order.

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