

BRICS Summit: A new agenda for cooperation?

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By Karin Costa Vazquez

The main challenge ahead of the BRICS is not procedural nor bureaucratic, but to continue to lead with innovative thinking and practical responses to some of the most pressing development challenges of our time.

The 12th BRICS Summit on November 17 will be a test for the grouping under Russia's helm. Since the creation of the BRICS in 2009, the five countries have strengthened their participation in the world economy. Pushed by China and India, the total BRICS GDP amounted to 25% of global GDP (US\$21 trillion) and BRICS share in international trade stood at almost 20% (US\$6.7 trillion) in 2020. Over the past five years, intra-BRICS exports grew by 45% and the share of intra-BRICS exports in total BRICS international trade increased from 7.7% to 10%. The GDP of the five countries also grew faster than global and G7 GDP at an average annual rate of 5.31% according to the IMF.

The costs inflicted by the COVID-19 pandemic on the society and the economic activity of the five countries, however, may halt this trend. At least temporarily. Among the ten countries most affected by the pandemic, four are BRICS members. The health crisis is also reflected in the economic indicators. In 2020, the BRICS are projected to grow -30.1% with Brazil, India and South Africa's economies bearing growth rates below the world average. Changes in domestic and foreign policy orientation in Brazil and South Africa and the deterioration of a crucial axis of BRICS cooperation—the India-China

relationship — have further spearheaded scepticism on the breath of the BRICS as a political grouping in addition to an economic powerhouse.

Amid the turbulence, the BRICS Summit this year is expected to focus on practical measures to fight the pandemic and support the economic recovery of the five countries. Proposals include the creation of an early warning system for epidemiological threats and the development of regulations on medical products in order to improve BRICS ability to cope with COVID-19. Agreements to facilitate trade, investments and SMEs participation in international trade are also expected to be signed in support of the speedy recovery of the BRICS economies. Civil society groups have been pushing for the revival of the BRICS Vaccines Research and Development Centre and the strengthening the BRICS TB research network, originally proposed during the South African chairship in 2018.

Less impressive, however, has been the ability of the grouping to agree on groundbreaking ideas and live up to its potential as a global leader. Recently, Russia became the first country in the world to register a vaccine against the coronavirus. China is at the final stage of testing its vaccine and has announced its intention to make it a public good. Yet, the grouping is still far from reaching consensus on practical measures for the joint production and distribution of COVID-19 vaccines. Instead, the topic has been captured by a political-ideological debate that, thus far, has prevented collective action from materializing.

The disbursement by the New Development Bank (NDB) of US\$10 billion in crisis-related assistance including US\$4 billion in emergency program loan to fight the COVID-19 pandemic and its socio-economic consequences was received with enthusiasm in Brazil, China, India and South Africa. Yet, the bank has not yet signalled if or how it will support long-term recovery plans and the transition of member countries towards a more sustainable economy. Dubbed as 'BRICS best card', the NDB can go beyond its role as a financier to become a platform for the exchange of solutions and incubator of practices with the potential to catalyze BRICS collective leadership and response to contemporary development challenges.

In this regard, attention turns to the announcement of the BRICS Economic Partnership 2020-2025 during the Summit. As a major instrument within the BRICS economic track, the strategy aims to help the five countries to step into the new industrial revolution and promote shared interests in sustainable trade and investment without barriers and sanctions; advancing the digital economy in the interest of BRICS citizens in the context of the digital transformation; developing science, technology and innovation; and promoting sustainable growth and balanced development in the context of climate, energy, human capital development and food security. The strategy could pave the way for a new BRICS cooperation agenda.

In terms of conflict management, the India-China border standoff will not find a place in the Penta-lateral discussions this year. Instead, the BRICS is likely to accommodate differences and avoid the dominance of a single country's interest, political view or ideology. One of the key principles guiding the BRICS since inception is that member countries do not cross each other's "red lines" and follow

the general “club” principle of not publicizing members’ disagreements. As such, there is a strong case for keeping the BRICS away from issues that touch upon conflicting interests of member countries. It will be on India’s hands to play responsible leadership and ensure this principle is followed through its chairship next year.

The health and the economic crises, the domestic policy shifts, and the intra-BRICS contention have led critics to believe the BRICS would be rendered dysfunctional or even split apart. The main challenge ahead of the BRICS is not procedural nor bureaucratic, but to continue to lead with innovative thinking and practical responses to some of the most pressing development challenges of our time. No other grouping has set such an ambitious goal for itself. Building a collective strategy and identifying priority processes to implement it can ensure that BRICS cooperation deepens and becomes self-reinforcing. This is the main expectation for the Russian chairship this year.

(The author is Associate Professor, Assistant Dean and Executive Director of the Center for African Latin American and Caribbean Studies at OP Jindal Global University (India). She is also Fudan Scholar at the Center for BRICS Studies, Fudan University (China). Views are personal.)