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BRICS at a Pivotal Moment

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This issue paper forms part of the inaugural set of three papers published under the series. Collectively, these papers examine key themes including geoeconomic strategy, digital power, energy resilience and the future of institutional and plurilateral cooperation, contributing nuanced perspectives to ongoing debates on governance and institution building in an increasingly complex global order.

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Executive Summary

With more than two decades after its founding, BRICS occupies a unique position in global affairs. It is too significant in its representational strength to be dismissed, but quite fragmented internally to lead a meaningful change on behalf of developing nations. This issue paper assesses the grouping at a moment of acute stress. It establishes the genesis of BRICS in its present form and argues that the gap between its declaratory ambitions and operational capacity has become ever-expanding. Lastly, it identifies what India's 2026 chairship must do to begin bridging this gap.

The paper's assessment of the grouping's record is mixed, as it points to a grouping with genuine but restricted achievements. Its institutional innovations such as the New Development Bank (NDB) and the Contingency Reserve Arrangement demonstrated that BRICS could undertake concrete reforms. The Rio Summit 2025 produced four substantive documents and reaffirmed the grouping's foundational principles. However, the Cross-Border Payments initiative has not been implemented, the NDB remains a fraction of the World Bank's size, and summit declarations have consistently overrun what the grouping can and has delivered.

Several pertinent challenges have placed the grouping under scrutiny. First, the West Asia conflict, in which members Iran, the UAE and Saudi Arabia, find themselves on opposing sides, has made collective statements impossible and exposed the limits of consensus-driven governance in a structurally divided grouping. Second, the U.S. administration's tariff imposition threats against any BRICS move on the dollar have had a restraining effect on the grouping's ambitions and deterred member engagement. The Western media's amplification of de-dollarisation fears has compounded the problem by attributing to BRICS an agenda of replacing the U.S. dollar, an objective that the grouping has shown no immediate appetite to pursue. Third, China and Russia continue to withhold unambiguous support for India, Brazil, and South Africa at the UN Security Council, forming an internal structural challenge. It is a contradiction that has persisted throughout the grouping's existence despite its commitment to multilateral reform. Further, as C. Raja Mohan (2026) has argued that with the coexistence of 'regional rivals', the efficacy of BRICS has also taken a hit.

India's 2026 chairship presents a timely opportunity to redefine BRICS' trajectory from mere aspiration towards meaningful action. This paper recommends four key priorities: first, resolving the identity question of whether BRICS speaks for middle powers or the broader Global South, while also bringing greater clarity on the de-dollarisation narrative propounded by the Western media. Second, intensifying intra-BRICS cooperation in trade, technology and supply chains; third, leveraging India's constructive G7 standing to establish a formal inter-grouping dialogue and fourth, bidding to host a permanent BRICS Secretariat in India itself. Whether India can lead the shift in BRICS from occupying a defensive posture to an assertive and credible leadership will determine whether the grouping fulfils its founding promise and emerges as a formidable force on the global stage

BRICS AT A PIVOTAL MOMENT

Rajiv Bhatia

Introduction

A product of the 21st century, BRICS has been moulded by the world's gradual shift from the post-Cold War 'unipolar moment' to rising multipolarity. It commands considerable attention from Western governments, the Global South, the international media and the academic community. There was a recent expansion in membership, followed by a deep rift within this plurilateral grouping in the wake of the US-Israeli war against a member, Iran. Iran's attack on two member countries, the UAE and Saudi Arabia has ensured that the BRICS stays in the limelight. The next annual summit is due in September 2026.

In the immediate term, there are expectations that BRICS will play a conciliatory role in the conflict. So far, the grouping has not reflected its core goals of reforming global governance or offering alternative economic structures that could provide a basis for reducing vulnerabilities for its members. Opinions and assessments among experts differ widely. Is BRICS a paper tiger, a talk shop, or "a Global South counterweight to the Western-dominated G7"? (York, 2026). Has it turned the world into a multipolar entity with bipolar tendencies, or is it too powerless before the powerful Trump administration 2.0? How should an objective analyst view the achievements and failings of BRICS in its 20-year-long journey? Russian expert Georgy Toloraya hit the nail on the head when, at a March 2026 conference in New Delhi, he stated that BRICS is going through "a stress test," as internal divisions and regional conflicts challenge its consensus-driven model (Umar, 2026).

This paper proposes to briefly chart the grouping's evolution so far, then dissect its record, and outline its internal and external challenges. This analysis will set the stage for a critical examination of India's fourth chairship, while offering suggestions that could reinforce the grouping's *raison d'être* and prospects for the future.

Trajectory so Far

BRICS traces its origin to its earlier incarnation – BRIC (Brazil, Russia, India, and China), whose foreign ministers held their first meeting on the margins of the UN General Assembly in September 2006. In the preceding years, three streams of strategic thinking combined with diplomatic action prepared the ground for its birth.

One, the idea conceived by Yevgeny Primakov, the Russian foreign minister (1996-98), who proposed in 1998 that a new grouping RIC, composed of Russia, India and China, would help restore the balance that had shifted excessively in favour of the West, following the demise of the Soviet Union.

Since 2007, RIC ministerial meetings served as a regular forum for consultation and cooperation, but the grouping has been dormant since November 2021.

Two, Jim O'Neill, chief economist at Goldman Sachs, argued in his 2001 paper titled, *Building Better Global Economic BRICs* that the four emerging economies of Brazil, Russia, India and China would be significant actors on the global economic scene and that they must act in concert for mutual benefit (O'Neill, 2001). The four countries decided to come together, and the BRIC held its first summit in June 2009.

Three, at the fifth trilateral meeting of foreign ministers of IBSA in May 2008 in Pretoria (comprising India, Brazil, and South Africa, had launched their dialogue forum in June 2003), proposed inviting China to join IBSA as a member. The proposition was found unacceptable by the other two members because IBSA was a group of democracies. This development prompted China to initiate a process that led to South Africa's entry into BRIC, thereby transforming it into BRICS by 2010.

After the first BRICS summit in Yekaterinburg (June 2009), the formal process to admit South Africa began. It was completed in December 2010, well after the BRICS's second summit in Brasilia (April 2010). South Africa attended the third summit at Sanya (April 2011) as a full member. BRICS had arrived! Its name remained unchanged following the expansion during 2022–23.

A rich body of academic literature exists on the two-decade-long journey of this grouping, which has sought to present an alternative perspective on world affairs. It is inherently different from the Western view, stressing the need for reforming global institutions like the UN, World Bank, IMF, WTO and WHO. It has advanced multiple causes of the emerging economies and developing nations known as the Global South. BRICS has also attempted to project a consensus view of its members on foreign and economic policies. The grouping established the Contingency Reserve Arrangement (CRA) in 2014-16 and the New Development Bank (NDB) in 2015-16, both of which helped immensely in ensuring that BRICS has been taken seriously by the global community.

Further, it has been engaged in strengthening intra-BRICS cooperation across three pillars namely political-security; trade, economic, and financial issues and cultural, people-to-people connections.

However, the following decade, for BRICS was marked by a mix of ennui and exhaustion. First, due to the Covid-19 pandemic, then the India-China border clashes in 2020, and finally the international isolation of Russia over Ukraine. Each event affected the actors both collectively and individually.

With the Russia-Ukraine war driving a wedge between the West and ‘the rest’ and the worldwide disruption of fuel, fertilizers, and food, BRICS received a rare injection of energy. Many developing countries, driven by different motives, started to view the grouping as an alternative to established Western powers, and displayed interest to be a part of the same. By 2023, at least 30 countries were in line to join BRICS. The founding members were pleased but divided. India’s preference was gradual expansion, while China and Russia were in a hurry for a larger, faster expansion.

It took considerable diplomatic effort and time to build consensus on the question of expansion. At the summits in Johannesburg (2023) and Kazan (2024), they reached a compromise on the criteria, principles, and the list of nations that could join the BRICS family. Now, it is an 11-member organization with five founding members – Brazil, Russia, India, China, and South Africa and six new members namely Egypt, Ethiopia, Indonesia, Iran, Saudi Arabia and the UAE. BRICS also has the equivalent of ‘observers’, these are 10 ‘partners’: Belarus, Bolivia, Cuba, Kazakhstan, Malaysia, Nigeria, Thailand, Uganda, Uzbekistan and Vietnam.

No further expansion is planned at present, but it cannot be ruled out in the future. As will be elaborated further, an increased membership has had a double-edged impact on the BRICS. While its representation base has certainly increased in numbers, taking strong and collective action is proving to be a difficult feat for the BRICS.

Achievements and Limitations

The principal achievements and limitations of BRICS may be summarized by examining the outcomes of the 17th summit, held in Rio de Janeiro in July 2025. Despite a variety of challenges, the host country Brazil delivered an impressive summit. Indian Prime Minister Narendra Modi remarked that the active Brazilian presidency gave “fresh momentum and vitality” to the grouping by reiterating the essential philosophy of BRICS, now expanded into a larger family.

The summit produced four important documents on climate finance, global governance of Artificial Intelligence, partnership for the elimination of socially determined diseases, and the Rio Declaration.

The Rio Declaration, running into 126 paragraphs, reiterated the commitment to “the BRICS spirit”, encompassing mutual respect and understanding, sovereign equality, solidarity, democracy, openness, inclusiveness, collaboration, and consensus (Ministry of External Affairs, 2026). BRICS aims to enhance strategic partnerships by promoting peace, a fairer international order, a reinvigorated and reformed multilateral system, and sustainable development. On UN reform, the declaration reflected a slight improvement in support from China and Russia for the “aspiration of Brazil and India to play a greater role in the United Nations, including the Security Council.” (Ministry of External Affairs, 2026). But it stopped well short of a clear articulation of their unreserved backing for the IBSA nations’ long-standing quest for permanent membership in a reformed UNSC.

The summit leaders welcomed the “Strategy of BRICS Economic Policy 2025”, which included the continued expansion of the NDB and the “BRICS Cross-Border Payments initiatives.” (Ministry of External Affairs, 2026). These much-lauded gains of BRICS have, in fact not proceeded. The Cross Border Payments initiative has not been put into practice, even once. The NDB, with an initial authorized capital of \$100 billion contributed in equal shares by the founding members, holds a portfolio of 139 approved projects worth \$43 billion and has had limited impact. A June 2025 report by the Council on Foreign Relations notes that the NDB is one-fifth the size of the World Bank and is unlikely to replace it” (Ferragamo and Liu, 2025).

The grouping has a sound agenda, but it is not in a strong position to secure the world’s support. A combination of factors, such as the growing divisions within the G7, mounting tensions between the U.S. and Europe, and Washington’s unilateral actions in Venezuela and West Asia, has left limited space for BRICS to promote global consensus on the decisions taken at Rio.

Key Challenges – External and Internal

As a grouping committed to promoting coordination in foreign and economic policies and reacting to external developments, BRICS has surprisingly been driven more by divisiveness than unity. This tendency was exacerbated after its expansion and is evident in three instances: Iran, Gaza and the G20.

It was most visible in the recent Iran conflict, which has divided BRICS right down the middle, with Saudi Arabia and the UAE on the US-Israeli side, which is fighting a full-fledged but undeclared war against Iran, and the latter undertaking military strikes against the Arab states, including fellow members, Saudi Arabia and the UAE.

Members of BRICS have reacted to the conflict with wide variations. Some have criticized the US and Israel directly. In contrast, others such as India, have maintained diplomatic silence on the architects of the war while advocating recourse to dialogue and diplomacy.

The result: BRICS has been unable to issue either a joint statement or even a chair's statement on the West Asian conflict. Incidentally, only two of the eleven BRICS members - Russia and India, have provided medical assistance to Iran.

This contrasts with other groupings, such as ASEAN, which did issue a joint statement referring to the war as 'regrettable' and demanding an immediate cessation of hostilities. Unlike BRICS, which is a diverse political and geographic grouping, ASEAN can speak as one as it has more regional coherence, is distanced from West Asia with none of its members involved in the conflict (ASEAN, 2026).

There is a relevant historical precedent that BRICS could have drawn upon. When two members of the Non-Aligned Movement (NAM), Iraq and Iran, went to war with each other for eight long years starting in September 1980, NAM appointed a four-member committee comprising the foreign ministers of Cuba, India, Zambia, and the Palestine Liberation Organization to mediate. The committee visited the two countries three times. The Indian delegation¹ was active. NAM's efforts ultimately failed, but at least it tried.

The political split was visible earlier, in response to President Trump's invitation to join the Board of Peace on Gaza. Members responded differently. Indonesia, Egypt, and the UAE agreed to join, while others stayed away, and India attended the board's first meeting as an observer. Indonesia is now having second thoughts about its participation. Finally, the deafening silence of BRICS over the arbitrary decision of the United States to exclude South Africa from participating in G20 activities during the American presidency year of 2026 was puzzling. It showed a collective failure to stand up as a group to defend a fellow member. Part of the explanation, says Indian strategic affairs expert C. Raja Mohan, is the "inclusion of numerous pairs of regional rivals - India and China, Iran and Saudi Arabia, Egypt and Ethiopia," thereby limiting the efficacy of "BRICS as a geopolitical tool to pursue any particular strategy" (Mohan, 2026).

Perhaps the biggest external challenge is the mistrust of Trump 2.0 towards BRICS, especially its heavy reliance on local currencies for trade payments. The Biden administration did not view the grouping as a cohesive rival or direct threat but rather as an economic coalition of emerging economies. In contrast, Washington's negativity towards BRICS is more overt at present. Numerous messages on the president's *Truth Social* have consistently stressed that any BRICS nation attempting to replace the U.S. dollar would face a 100% export tariff to the US.

¹ Rajiv Bhatia, author of this paper, was the Rapporteur for the Indian delegation, a vital component of the NAM Committee.

Frequent posts by the American President with statements such as “BRICS is dead” because its members feared the tariff threat, or “it is a little group fading fast” (The White House, 2025), significantly undermine the power of the BRICS group and have led to poor attendance at its meetings. Certain sections of the Western media have further fuelled the fear-mongering by consistently airing the prospect of a new BRICS currency potentially replacing the U.S. dollar, threatening a ‘de-dollarization’. No amount of denial by BRICS officials has dissuaded this constituency from its misperception.

The fact is, despite a few members, such as Russia, China, and Brazil, showing interest in this tentative project in some form, there is no appetite or basis for creating a new currency. The goal of the grouping is to increase the use of member states’ national currencies in bilateral trade transactions and to innovate digitally for cross-border financial payments. This may eventually lead to a reduced reliance upon the US dollar by some countries, but it is being conflated as a dramatic, instantaneous attempt at de-dollarization.

The grouping also faces internal challenges that limit its effectiveness structurally. The efforts to strengthen the NDB by increasing its capital base have been inadequate. The intra-BRICS cooperation has suffered due to prioritizing expansion of membership. BRICS tends to issue lengthy UN/NAM-type declarations after each summit over actionable commitments; persistent disagreements among member states have also stalled the establishment of a permanent secretariat.

The glaring failure of China and Russia was their unambiguous lack of support to India, Brazil, and South Africa for permanent membership in a reformed UNSC, even as BRICS habitually advocates UN reform, remains a significant issue 20 years after the grouping’s creation.

India’s Chairship

At present, in 2026, India is serving as the BRICS Chair for the fourth time, having served its earlier terms in 2012, 2016, and 2021. External Affairs Minister S. Jaishankar has outlined India’s current policy approach towards BRICS in his address at the launch of the BRICS India 2026 logo, theme, and website on January 13, 2026. India views BRICS, he said, “as a constructive platform for dialogue and development complementing the broader multilateral system.” (Ministry of External Affairs, 2026). The Chairship’s theme – “Building for Resilience, Innovation, Cooperation, and Sustainability” is intended to help the grouping address its challenges in a balanced and inclusive manner. (Ministry of External Affairs, 2026).

More broadly, this four-pillared theme will help BRICS to build resilience across agriculture, health, disaster risk reduction, energy, and supply chains; deepen innovation through enhanced cooperation in areas such as startups, MSMEs and emerging technologies; and expand cooperation and sustainability by advancing climate action and equitable sustainable development.

Jaishankar also underscored the urgency of securing reformed multilateralism and the need to strengthen the NDB as “a credible, responsive and financially sustainable institution.” (Ministry of External Affairs, 2026).

These observations sound virtuous, but are unable to tackle the problems head-on. There are no working committees with explicit agendas and deadlines. India’s leadership of BRICS will probably be known as the one that prioritizes the non-Western perspective over the anti-Western viewpoint. Consistent with its geopolitical stance, India does not aim for the status quo of the ‘rules-based order’ to change; rather, it wants reform that complements this order, leading to a much-needed global economic revival that is inclusive of developing countries in new supply chains in a rapidly evolving global economic order.

More immediately, India’s chairship must bring some clarity to two issues: one, whether it speaks for a group of middle powers or the Global South, and whether Russia and China are part of the latter. Two, clarity on the reality of BRICS’ role in de-dollarization.

India’s chairship should seek to intensify pragmatic intra-BRICS cooperation, most importantly to insulate itself from the immediate adverse impact of the conflict in West Asia. And given India’s positive engagement with the G7, it can advocate for BRICS to open a channel for dialogue with the G7. Finally, India can bid to host the BRICS secretariat on its home turf, which would confer greater institutional permanence and signal the members’ long-term commitment to shared goals.

The ongoing West Asia conflict poses a serious challenge to the grouping's solidarity with three of its members involved in it, Iran on one side and Saudi Arabia and the UAE on the other. Tensions between Saudi Arabia and the UAE (with the latter quitting OPEC) complicate matters further. Iran requested India, as the BRICS chair to issue a statement to condemn the US and Israel for their all-out attack on Iran. But diplomatic consultations initiated by New Delhi showed a deep rift.

The chair again tried to reach a consensus on this issue at the BRICS deputy foreign ministers and special envoys meeting on the Middle East and North Africa, held on 24 April 2026. Success eluded it, with the result that only a chair’s statement could be issued, which observed, “members expressed deep concern on the recent conflict in the Middle East and offered views and assessments on the matter” (Ministry of External Affairs, 2026). What the forthcoming meeting in New Delhi of the BRICS foreign ministers achieves on this score will be of wider interest.

How India steers the BRICS ship in the coming months, at a time when anti-US and anti-Western sentiments are on the rise, will be closely watched. Experts are looking to India to reinvigorate BRICS, which Russia’s Georgy Toloraya describes as a “unique platform that could contribute to a more balanced and cooperative global order” (Umar, 2026).

Conclusion

BRICS is at a pivotal moment that will determine whether it is a paper tiger, a talk shop, or a serious and consequential plurilateral grouping capable of impacting the world.

That BRICS has survived for 20 years is a gain. That a sizeable segment of the developing world wants to join the grouping reflects that it is an important and to some degree, a successful organization at least in proving that it is a 'non-west' grouping. It has proven capability of hosting regular summits where key global leaders can meet, compare notes, and harmonize their views and policies. Institutional innovations such as the NDB and CRA demonstrate that the grouping can deliver concrete outcomes when it chooses to. At the same time, it must simultaneously acknowledge and overcome its weaknesses and pitfalls.

BRICS has been operating defensively and below its optimal potential, falling short of the expectations of its founders. Yet the global community is richer for the presence of BRICS. The immediate task is to enhance its internal harmony and coordination, to deepen convergence, and to work closely together despite internal divergences. This, in turn, will enable it to play a more assertive and impactful role on the global stage. This vision should inspire India's leadership of BRICS today. This vision should inspire India's leadership of BRICS today.

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