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ABOUT THIS INITIATIVE

Briefs, scans the best academic platforms, national newspapers & leading think tanks to pick the most relevant articles & research. It converts them into crisp, high-impact points you can directly use in your mains answers.

PSIR OPTIONAL BY
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| ForumIAS |

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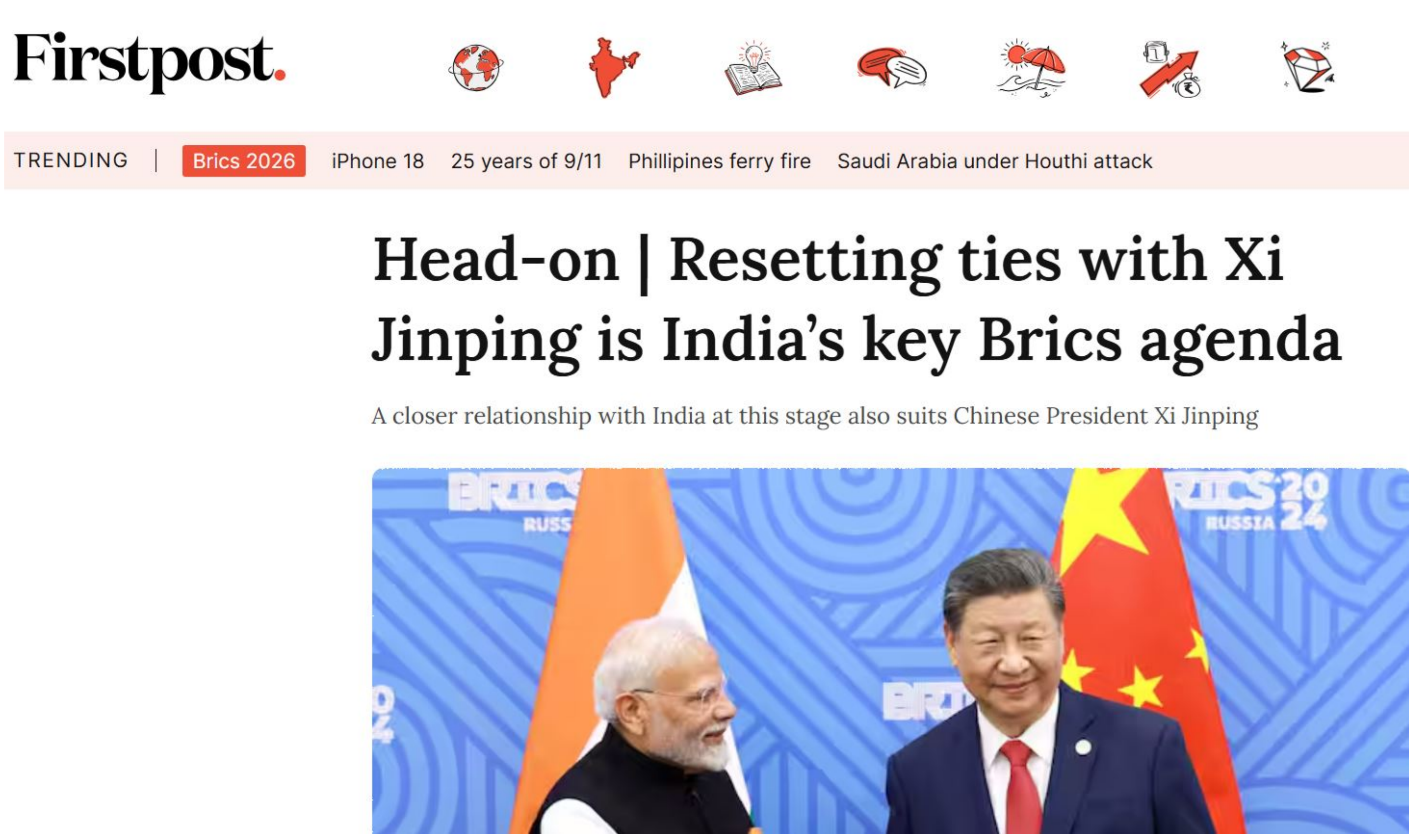
Resetting ties with Xi Jinping is India's key BRICS agenda



Firstpost.

TRENDING | Brics 2026 iPhone 18 25 years of 9/11 Phillipines ferry fire Saudi Arabia under Houthi attack

Head-on | Resetting ties with Xi Jinping is India's key Brics agenda

A closer relationship with India at this stage also suits Chinese President Xi Jinping

Context

Xi Jinping is arriving in India in 2026 from a much weaker position than in 2019, and that weakness, not Indian eagerness, is what makes a reset possible.

Facts

- China's growth rate in 2027 : to fall below 4 per cent for the first time in forty years, and further to 3 per cent through the 2030s.
- India is growing at near 8 per cent : twice China's rate, with the demographic dividend peaking in the mid-2030s and lasting to the early 2050s.
- Xi last visited India in 2019 : the three informal engagements were Ahmedabad (September 2014), Wuhan (2018) and Mahabalipuram (October 2019).

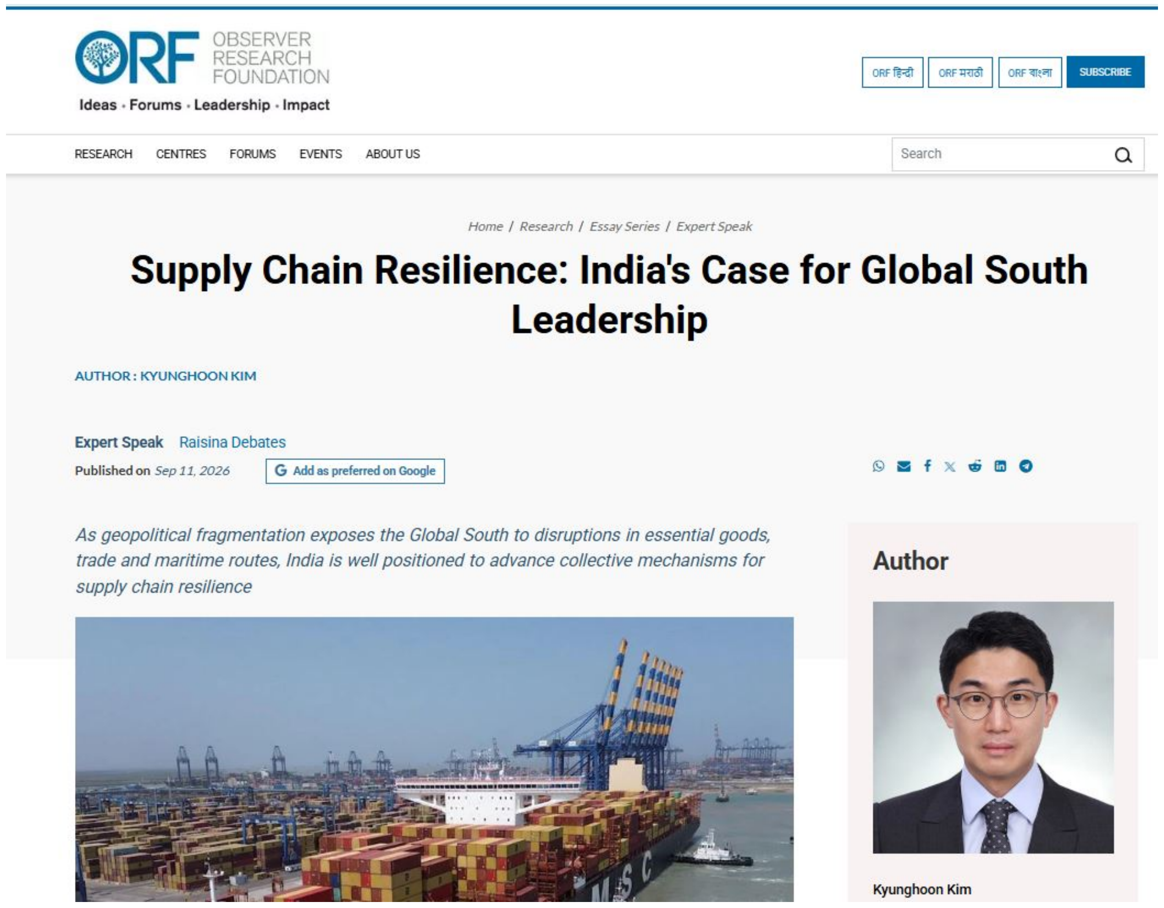
Analytical Crux

It is argued that India is softening in India-China relations. But it is happening because China's bargaining position has weakened, not because India's resolve has. Growth falling to 3 per cent, debt at three times GDP, household wealth trapped in a collapsed property market. A shrinking workforce means the 2013 expectation that China would overtake America by the mid-2030s is abandoned even in Beijing. Xi's contested fourth term, two superpowers struggling against smaller enemies, and an adversarial Washington are the reason India becomes useful to him. Therefore, the variable that moved is Chinese capability, and the BRICS table in New Delhi is where the new asymmetry becomes visible.

Verbatim Quotes

> "China's economy, despite its dazzling technology and infrastructure, is hollowing out from the inside. AI and automation can boost productivity in a shrinking workforce, but they can't defuse a demographic time bomb."
>
> – *Minhaz Merchant*

Supply Chain Resilience: India's Case for Global South Leadership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Supply Chain Resilience: India's Case for Global South Leadership

AUTHOR : KYUNGHOON KIM

Expert Speak Raisina Debates
Published on *Sep 11, 2026* | Add as preferred on Google

As geopolitical fragmentation exposes the Global South to disruptions in essential goods, trade and maritime routes, India is well positioned to advance collective mechanisms for supply chain resilience

Author
Kyunghoon Kim

Context

Developing countries are structurally exposed to supply disruptions they did not cause, and India is placed to organise a collective Global South response rather than manage the problem alone.

Facts

- External vulnerabilities : import dependence on vital goods, sanctions-related trade disruption, limited control over maritime transport, and dependence on external security providers.
- India's GDP could fall by 2.38 per cent from a commodity price shock if disruptions in the Strait of Hormuz persist to the end of 2026.
- Forums for collective action : Voice of the Global South Summit, Indo-Pacific Oceans Initiative (IPOI) and Indian Ocean Rim Association (IORA).

Analytical Crux

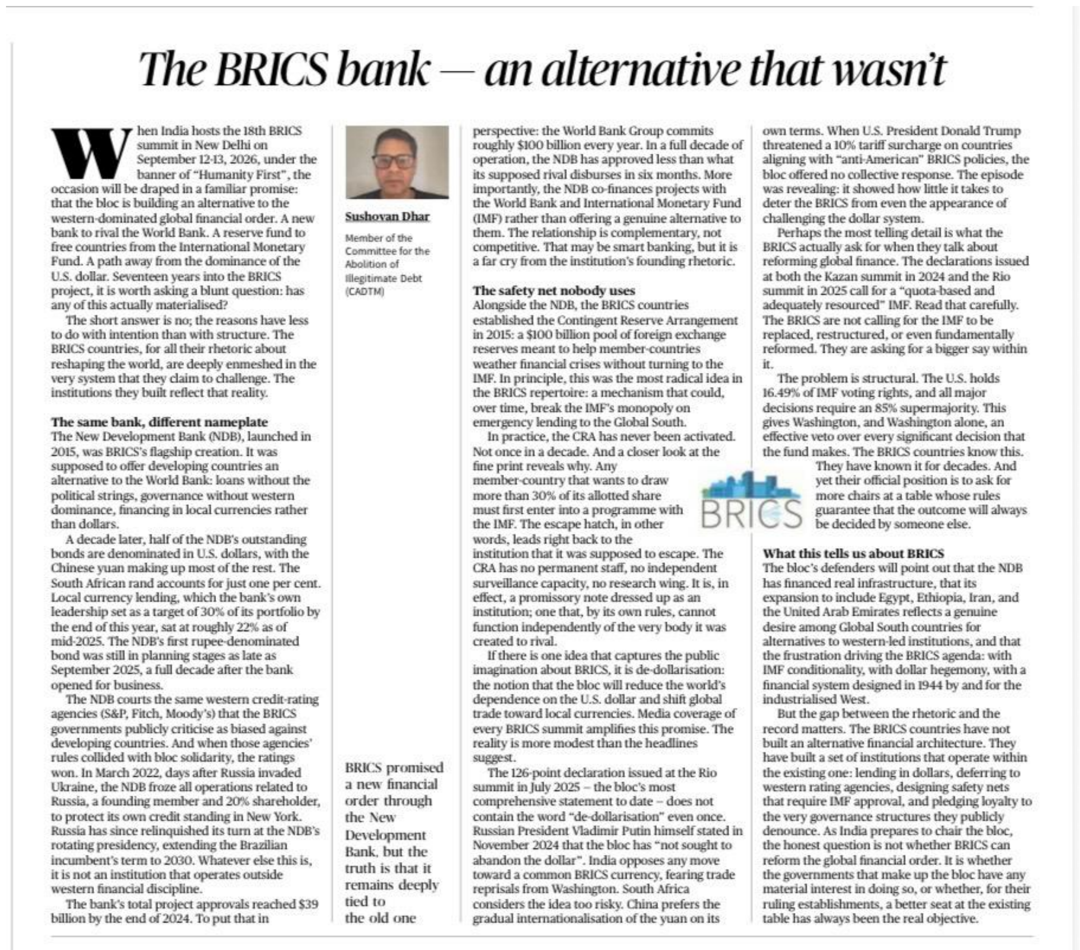
A country that imports 89 per cent of its crude, all of its potash, and moves 94 per cent of its own cargo on other people's ships does not have autonomy to exercise. But it has exposure to manage. Chokepoint security is a public good that developing countries consume but cannot produce, and when the provider's capacity is stretched, the risk premium lands on the consumer. The deeper vulnerability is that many developing countries depend on security public goods that they have limited capacity to provide themselves and little influence over how the resources underpinning them are allocated. Early warning systems, stockpiling and HADR follow. Therefore, India has run Operation Sankalp and Operation Urja Suraksha to protect Gulf shipping routes, and leads MILAN while participating in MALABAR.

Verbatim Quotes

"Stable global supply chains are essential to the sustainable development of the Global South."

– Kyunghoon Kim

The BRICS bank — an alternative that wasn't



The BRICS bank — an alternative that wasn't

Sushovan Dhar

Member of the Committee for the Abolition of Illegitimate Debt (CADTM)

When India hosts the 18th BRICS summit in New Delhi on September 12-13, 2026, under the banner of "Humanity First", the occasion will be draped in a familiar promise: that the bloc is building an alternative to the western-dominated global financial order. A new bank to rival the World Bank. A reserve fund to free countries from the International Monetary Fund. A path away from the dominance of the U.S. dollar. Seventeen years into the BRICS project, it is worth asking a blunt question: has any of this actually materialised?

The short answer is no; the reasons have less to do with intention than with structure. The BRICS countries, for all their rhetoric about reshaping the world, are deeply enmeshed in the very system that they claim to challenge. The institutions they built reflect that reality.

The same bank, different nameplate

The New Development Bank (NDB), launched in 2015, was BRICS's flagship creation. It was supposed to offer developing countries an alternative to the World Bank: loans without the political strings, governance without western dominance, financing in local currencies rather than dollars.

A decade later, half of the NDB's outstanding bonds are denominated in U.S. dollars, with the Chinese yuan making up most of the rest. The South African rand accounts for just one per cent. Local currency lending, which the bank's own leadership set as a target of 30% of its portfolio by the end of this year, sat at roughly 22% as of mid-2025. The NDB's first rupee-denominated bond was still in planning stages as late as September 2025, a full decade after the bank opened for business.

The NDB courts the same western credit-rating agencies (S&P, Fitch, Moody's) that the BRICS governments publicly criticise as biased against developing countries. And when those agencies' rules collided with bloc solidarity, the ratings won. In March 2022, days after Russia invaded Ukraine, the NDB froze all operations related to Russia, a founding member and 20% shareholder, to protect its own credit standing in New York. Russia has since relinquished its turn at the NDB's rotating presidency, extending the Brazilian incumbent's term to 2030. Whatever else this is, it is not an institution that operates outside western financial discipline.

The bank's total project approvals reached $39 billion by the end of 2024. To put that in perspective: the World Bank Group commits roughly $100 billion every year. In a full decade of operation, the NDB has approved less than what its supposed rival disburses in six months. More importantly, the NDB co-finances projects with the World Bank and International Monetary Fund (IMF) rather than offering a genuine alternative to them. The relationship is complementary, not competitive. That may be smart banking, but it is a far cry from the institution's founding rhetoric.

BRICS promised a new financial order through the New Development Bank, but the truth is that it remains deeply tied to the old one

The safety net nobody uses

Alongside the NDB, the BRICS countries established the Contingent Reserve Arrangement in 2015: a $100 billion pool of foreign exchange reserves meant to help member-countries weather financial crises without turning to the IMF. In principle, this was the most radical idea in the BRICS repertoire: a mechanism that could, over time, break the IMF's monopoly on emergency lending to the Global South.

In practice, the CRA has never been activated. Not once in a decade. And a closer look at the fine print reveals why. Any member-country that wants to draw more than 30% of its allotted share must first enter into a programme with the IMF. The escape hatch, in other words, leads right back to the institution that it was supposed to escape. The CRA has no permanent staff, no independent surveillance capacity, no research wing. It is, in effect, a promissory note dressed up as an institution; one that, by its own rules, cannot function independently of the very body it was created to rival.

If there is one idea that captures the public imagination about BRICS, it is de-dollarisation: the notion that the bloc will reduce the world's dependence on the U.S. dollar and shift global trade toward local currencies. Media coverage of every BRICS summit amplifies this promise. The reality is more modest than the headlines suggest.

The 126-point declaration issued at the Rio summit in July 2025 – the bloc's most comprehensive statement to date – does not contain the word "de-dollarisation" even once. Russian President Vladimir Putin himself stated in November 2024 that the bloc has "not sought to abandon the dollar". India opposes any move toward a common BRICS currency, fearing trade reprisals from Washington. South Africa considers the idea too risky. China prefers the gradual internationalisation of the yuan on its own terms. When U.S. President Donald Trump threatened a 10% tariff surcharge on countries aligning with "anti-American" BRICS policies, the bloc offered no collective response. The episode was revealing: it showed how little it takes to deter the BRICS from even the appearance of challenging the dollar system.

Perhaps the most telling detail is what the BRICS actually ask for when they talk about reforming global finance. The declarations issued at both the Kazan summit in 2024 and the Rio summit in 2025 call for a "quota-based and adequately resourced" IMF. Read that carefully. The BRICS are not calling for the IMF to be replaced, restructured, or even fundamentally reformed. They are asking for a bigger say within it.

The problem is structural. The U.S. holds 16.49% of IMF voting rights, and all major decisions require an 85% supermajority. This gives Washington, and Washington alone, an effective veto over every significant decision that the fund makes. The BRICS countries know this. They have known it for decades. And yet their official position is to ask for more chairs at a table whose rules guarantee that the outcome will always be decided by someone else.

What this tells us about BRICS

The bloc's defenders will point out that the NDB has financed real infrastructure, that its expansion to include Egypt, Ethiopia, Iran, and the United Arab Emirates reflects a genuine desire among Global South countries for alternatives to western-led institutions, and that the frustration driving the BRICS agenda: with IMF conditionality, with dollar hegemony, with a financial system designed in 1944 by and for the industrialised West.

But the gap between the rhetoric and the record matters. The BRICS countries have not built an alternative financial architecture. They have built a set of institutions that operate within the existing one: lending in dollars, deferring to western rating agencies, designing safety nets that require IMF approval, and pledging loyalty to the very governance structures they publicly denounce. As India prepares to chair the bloc, the honest question is not whether BRICS can reform the global financial order. It is whether the governments that make up the bloc have any material interest in doing so, or whether, for their ruling establishments, a better seat at the existing table has always been the real objective.

Context

Seventeen years into the BRICS project, the test is against the record of the New Development Bank, the Contingent Reserve Arrangement and de-dollarisation.

Facts

- New Development Bank, launched in 2015 : 50 per cent of its bonds are denominated in US dollars, and the dollar accounts for 84 per cent of disbursements.
- Contingent Reserve Arrangement, established in 2015 : a $100 billion pool, never once activated.
- Common BRICS currency : India opposes it fearing trade reprisals, South Africa considers it too risky, and China prefers gradual yuan internationalisation.

Analytical Crux

The BRICS bank disburses 84 per cent in dollars and froze a founding shareholder to protect a Western rating; the reserve fund has never once been used. Two successive declarations asked for a better-resourced IMF rather than a different one. The member states are embedded in the system they denounce, so their institutions reproduce it. Their objective may never have been replacement but a better seat at the existing table, which explains the record more economically than the rhetoric does. Therefore, the BRICS countries, for all their rhetoric about reshaping the world, are deeply enmeshed in the very system that they claim to challenge.

Verbatim Quotes

"The BRICS countries have not built an alternative financial architecture."

– Sushovan Dhar

UPSC LINK

- GS 2026, Paper II: “BRICS acts as a powerful counterweight in global governance, actively amplifying the voice and influence of the Global South.” Explain the role of BRICS in projecting itself as an alternative to other groupings.

- GS 2026, Paper II: “China’s Belt and Road Initiative (BRI) has transformed South Asia from a regional space into a theatre of great power competition.” Analyse the strategic implications of the BRI for India’s security and regional influence in South Asia.

- PSIR 2025, Paper II: Global South-sensitive model of globalization would prevent the danger emanating from overcentralized globalization. Discuss.

- PSIR 2025, Paper II: For India, a multipolar world order would also mean a multipolar Asia. Comment.

- PSIR 2024, Paper II: Does the idea of the 21st century as ‘Asian century’ continue to remain feasible given the growing friction between India and China?

- PSIR 2024, Paper II: Discuss the potential role that India could play as the leader of the Global South in realising the goal of establishing a new international economic order in the 21st century.

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05	**FURTHER QUOTATIONS**	More lines to cite, each one carrying its source.
06	**PRACTICE QUESTIONS**	On the theme, at 10, 15 and 20 marks.

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