



Institute of Social Sciences

*Report*

# **SIXTH BRICS SUMMIT EXPECTATIONS FROM FORTALEZA MEETING**

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(From L to R) George Mathew, Chairman, Institute of Social Sciences, Ambassador Rajiv Bhatia, Director-General, Indian Council of World Affairs, Zuo Rui, Second Secretary, Embassy of China, Mark Reynhardt, Counsellor, South African High Commission, Carlos Duarte, Ambassador of Brazil, Roman Babushkin, Head, Foreign Policy Section, Russian Embassy, Ash Narain Roy, Director Institute of Social Sciences.

## Sixth BRICS Summit Expectations from Fortaleza Meeting

The Institute of Social Sciences (ISS), New Delhi, organized a day-long conference on "Sixth BRICS Summit: Expectations from Fortaleza Meeting" on July 7, 2014 at the India International Centre, New Delhi. The discussion revolved around three key issues--BRICS-Partnership for Development, Inclusive Growth: Sustainable Solutions and Foreign Policy and Post-Western World. The participants in the discussion included diplomats, academics, journalists and civil society representatives. It was the second such discussion organized by the Institute this year on this theme, the first one being on February 19, 2014.

### Inaugural Session

**Dr Ash Narain Roy**, Director, ISS, in his welcome address, said that BRICS has come to mean a practice of politics for people who refuse to be bossed about by superior powers. The world, today, is not multipolar; it is multiplex, he said, where there are multiple great powers bound together by complex forms of restraint and interdependence. Thanks to the growing clout of BRICS, the conventional meta-narrative of the world powers has become inadequate, if not misleading.



Dr Roy stressed the point that despite economic slowdown, BRICS countries have a lot going for them. They continue to remain major contributors to global growth. The quintuplet has turned into indispensable actors in terms of addressing global challenges. Goldman Sachs had expected the combined GDP of the BRIC economies to be around \$8.7 trillion by 2013. However, despite global economic crisis, these countries have grown faster than what had been predicted.-to be around \$15 trillion.

He, however, cautioned BRICS countries that they must keep a sense of what is possible. They will do well to unlearn the mistakes of groupings like NAM which excelled in the art of procrastination and buying time till hot button went cold.



**Carlos Duarte**

**Mr. Carlos Duarte**, Ambassador of Brazil, laid emphasis on BRICS rise despite global economic meltdown by maintaining that BRICS today boasts of a \$15 trillion economy which constitutes about 21 % of the global GDP. Intra-BRICS trade too has shown a remarkable growth. It has registered a ten-fold increase in the past 10 years. He also threw light on the increasing institutionalization of BRICS in the form of regular meetings at various levels. Ambassador Duarte also referred to the development challenges like rising inequality, poverty

etc that BRICS nations must address. To him, the meeting that Prime Minister Narendra Modi will have in Brasilia with South American heads of state and government is a great opportunity for India to strengthen ties with the region, putting them on a higher pedestal.

**Mr. Roman Babushkin**, Head, Foreign Policy Section, Russian Embassy, in his address said that the gaze of the world is falling on BRICS because of their surging economies. China is about to become the number one economy, Russia has stabilized economically, decreased its debt and leveraged its natural resources while Brazil and India have comparatively high GDPs and a large middle class to uphold economic growth. At a time of economic integration and globalization, BRICS' bargaining power vis-à-vis WTO, IMF and other global institutions is growing. Mr. Babushkin underlined the



**Roman Babushkin**

need for BRICS to consolidate its position and further work towards a common vision on critical international issues.



**Mark Reynhardt**

**Mr. Mark Reynhardt**, Counsellor, South African High Commission, referred to the key points that emerged from the eThekweni Declaration issued at the end of the fifth BRICS summit in Durban in 2013. The Declaration reaffirmed BRICS' commitment

to the promotion of multilateralism and central role of the UN. It also talked about intra-BRICS solidarity and the group's shared goal to contribute to global peace, stability, development and cooperation. Though BRICS is primarily dealing with economic issues, political issues too are being discussed increasingly by the BRICS leaders. Global issues like climate change, terrorism and growing inequality in the world will be high on the BRICS's agenda. Like in Durban, Fortaleza too will come out with Action Plan, said Mr. Reynhardt.

**Ambassador Rajiv Bhatia**, Director-General, Indian Council of World Affairs, delivered the keynote address.

Ambassador Bhatia began by presenting a balance sheet of BRICS' achievements and shortcomings pointing to the wide gap



**Rajiv Bhatia**

between its critics and advocates as well as notable discrepancies between projection and reality. He also referred to the divergences among five member-states, despite their brave, continuing endeavours to forge unity, coordination and cooperation.

Russia, India, China (RIC) grouping and India, Brazil, South Africa (IBSA) Dialogue Forum played no less important role in giving shape to BRICS. RIC had been in existence since 1996 and through its dozen meetings of foreign ministers between 1996 and 2012, it created shared perceptions and

habits of working together in the political domain. And through its five summits between 2006 and 2012, IBSA shaped a useful tri-continental partnership among leading democracies from Asia, Africa and Latin America.

Ambassador Bhatia further explained how over the years BRICS Summit declarations and joint action plans have been expanding. Compared to the first summit declaration which contained only 16 paragraphs, New Delhi and Durban declarations had 50 and 47 paragraphs respectively. He cautioned against rhetoric taking precedence over substance. Three Cs - Common vision, Coordination, Cooperation - have stamped all the five declarations. On international political issues, the BRICS menu has kept expanding from perennial issues such as countering terrorism and the Israeli-Palestinian conflict to more topical subjects such as Syria, Afghanistan, the Iranian nuclear question, and Africa.

To Ambassador Bhatia, the expectations from the Fortaleza Summit are not very high. International environment since the Durban Summit has been characterized by rising tensions in relations between the West, particularly the US, and two members of BRICS - Russia and China. World economy indicators point to low growth in developed economies

as well as slower (than before) growth in BRICS economies. These factors are hardly congenial to reforming the world order, a fundamental aim of this grouping. Hence what we can expect is progress on consolidation and expansion of intra-BRICS cooperation in a measurable manner.

For Prime Minister Narendra Modi, it will be the first summit, but he arrives armed with a powerful national mandate and a clear goal to deploy foreign policy to the cause of accelerating India's economic development. He would be driven by "enlightened national self-interest" and doctrine of "mutually beneficial relationships." Given this state of play, creating good chemistry among leaders would be a challenge, but it should also be a top priority.

According to Ambassador Bhatia, BRICS has its work cut out. It has to grapple with an essential fact: much like players in a football game, it has to keep running with a clear aim in view; if it stands still, it will lose the momentum and the match itself!

**Dr George Mathew**, Chairman, ISS, in his vote of thanks, underlined the need for BRICS countries to become a knowledge base for other countries of the Global South. It is for these countries to ensure that South-South cooperation becomes meaningful and not just rhetoric.

## Session II BRICS: Partnership for Development

**Mr. B S Prakash**, former Ambassador of India to Brazil, raised four questions at the outset and sought to answer these in his presentation. First, what validates BRICS as a grouping? Second, what has it delivered? Three, what are its lacunae? Four, what can Prime Minister Narendra Modi bring to the BRICS table?



**B S Prakash**

Ambassador Prakash said that BRICS is, in many ways, unique. It is a trans-continental and non-ideological grouping. On many global issues, member states have different positions. On the expansion of UN Security Council as well as on nuclear question there are clear-cut differences. And yet, these countries are major investment destinations. What is indeed interesting is that BRICS countries are not judgmental on most global problems. Being non-Western nations, BRICS provide a

different perspective. These countries have begun to have a voice on economic issues, even in IMF and World Bank.

Ambassador Prakash suggested that BRICS would do well to take up a few projects to showcase their successes. BRICS is capable of some institution building. Why cannot BRICS take up some areas like solar energy, ethanol, urban landscape, slum development, SEZ, bio-technology and share its best practices with southern nations.

Mincing no words, Ambassador Prakash said that there should be no sanctions regime. He had a dig at Western sanctions against Russia, a former superpower. He also wanted BRICS to take up the issue of surveillance against sovereign nations. As far as Prime Minister Modi is concerned, he has his own goalposts. His approach to global issues would be result-oriented. Bilateral meetings with BRICS leaders and his interactions with South American Presidents are great opportunities to put across India's perspective.

**Professor Anuradha Chenoy** of Jawaharlal Nehru University began by discussing how BRICS is different from other groupings. As against G7, which is hegemonic, BRICS is committed to genuine multilateralism.

She said that G-7, WTO and other western organizations seek to retain economic hegemony; they hardly share things with others, whereas BRICS emergence is thanks to a new development paradigm where the emphasis has remained on human development and social welfare. She further said that even though not all BRICS countries share common perspectives on human rights and unilateral use of sanctions, the grouping is increasingly speaking with a common voice on many issues. She also referred to India's Development Partnership Administration (DPA) which is aimed at effectively handling India's Aid projects through the stages of concept, launch, execution and completion.



**Anuradha Chenoy**

So far, the BRICS has primarily confined itself to an economic agenda. But the political agenda is not far behind, even though it is not well-articulated. The BRICS nations have had a common vision on many international issues. Thus, for example, they see fairly eye to eye on West Asia. Here, they all believe that the West and NATO should not have carried out regime changes and bombed Iraq and Libya, that this undid the stability of this sensitive and volatile region. All the BRICS nations believe that a regional solution is important in

resolving international problems like Afghanistan and West Asia.

Will the BRICS become an alternative body that can shape international discourse and challenge Western hegemony? Clearly, no one can promise that. This is because the members also have their own internal contradictions. One major problem is that of discourse legitimacy. Russia and China are seen by as some very authoritarian and thus are no role model for politics. The international community is clearly worried about the direction that internal democracy in India, Brazil and South Africa takes, with all their problems of maintaining their plural and contradictory structures, where accountability is low, violence is high and the decorum for a real participatory and just democracy lags behind.

**Ms. Sandhya Jain**, journalist and columnist in her presentation, strongly advocated that given the fact that economic sanctions are always politically targeted and western countries' doublespeak on democracy, human rights and development is hardly an open secret, it is the General Assembly and not the Security Council which should become the main body of the UN. She was also critical of the past instrumentalities of South-South Cooperation which is often mediated through institutions of the North, like the UNDP and Western consultancy organizations. Sandhya Jain was confident that Prime Minister Modi will take ownership of BRICS.

**Professor Balveer Arora**, Chairman, Centre for Multilevel Federalism, ISS, Chaired the session.

### Session III Inclusive Growth: Sustainable Solutions

**Dr. Sachin Chaturvedi**, Senior Fellow, Research and Information System for Developing Countries (RIS), said that inclusive growth must continue to be the focus of BRICS' strategy. The fact is that inequalities are growing across the nations not just due to domestic factors but also due to the rigidity of international political regime. Talking specifically of the agriculture sector, Dr Chaturvedi said that there is need for strategic positioning within BRICS. The areas that must receive attention include general strategy to ensure access to food for the most vulnerable people, reduction of impact of climate change and enhancing agricultural technology and innovation.



(L to R) George Mathew, Tanvir Aeijaz, Om Prakash Mathur, Sachin Chaturvedi, Ash Narain Roy

He further pointed out that South-South cooperation in sectors like agriculture and health have huge potential within the BRICS framework in terms of improved growth, capacity building and innovation. BRICS countries need to use their respective strengths, enhanced research and development activities to their advantage. He also talked of potential collaboration in diverse fields including agriculture, health, trade and investment, global public goods, private sector development and social policy.

**Mr. Tanvir Aeijaz**, Associate Professor, Ramjas College, University of Delhi said that the emergence of BRICS at the global level, and its completion of one cycle of summit, present a political alternative to development cooperation paradigm offered by traditional western donors. Their markets are increasingly important to the world economy, they are increasing their influence in international organizations, and they have contributed to the emergence of new approaches to development that challenge the hegemony of neo-liberalism.

However, it needs to play a significant role in reforming global political and financial institutions, in formulating new international equitable order in terms of international economic laws and policies, in solving intra and inter disputes within the nations, and in taming the global markets. The central argument of his presentation was that given the geo-strategic relevance of the bloc it can play as a game changer in the international order by providing an alternative ideational development paradigm and giving voice to the voiceless'.

**Prof Om Prakash Mathur**, Senior Fellow, ISS chaired this session.

### Session IV Foreign Policy & Post-Western World

**Dr. Ruchita Beri**, Senior Research Associate, Institute for Defence Studies and Analyses, while referring to the West's decline said that the jury was still out on whether the US is out of reckoning. It is also too early to assume that BRICS is the new rule-maker. As a matter of fact, it is still fumbling. Even on UN reforms, the two permanent members are dragging their feet and China is pushing the Uniting for Consensus group, the so-called 'Coffee Club led by Italy which is opposed to the expansion of the Security Council.

The BRICS nations cannot afford to ignore this worrying trend. In the



(From L to R) Suhasini Haidar, Aditi Bhaduri and Ruchita Beri



wake of the crisis in DR Congo, the UN approved the first ever offensive UN peacekeeping brigade, the so-called 'intervention brigade' to battle rebel groups. Under this mandate, surveillance drones were authorized to monitor Congo's borders with neighbours, accused of aiding the rebels. Dr Beri said that such a mandate would endanger the other peacekeeping contingents.

Finally she spoke of cyber security vs. information security dilemma.

**Ms. Suhasini Haidar**, Diplomatic Editor, The Hindu, said that if the West is witnessing a



**Suhasini Haidar**

decline in its influence, it is because of its fatal mistakes and wrong judgments which are now catching up with them. She referred to Hillary Clinton's statement in 2009 when she admitted that her country was fighting the same people in Afghanistan they had supported earlier to oust the Soviets. And yet, she maintained that it would be premature to say that the US is a declining power. A country which is, today, the world's largest oil exporter and biggest arms supplier and which has trade figures that few countries can match can hardly fit the bill.

All the BRIC leaders are quite strong in their own right. Ms Haidar quoted Ms Sujata Mehta, Secretary, Economic Relations, as saying that the very fact that these five leaders are meeting at a common place "is in itself a political statement".

As Ms Haidar said, "the people who laughed at BRICS in the initial years are no longer laughing." Such has been the dramatic transformation in the new architecture of power, that "if the world was a modern democracy, BRICS would form the government."

India needs to capitalize on the good will that exists across the world for it. Ms Haidar gave the example of her visit to Tripoli during the crisis a few years ago. India was given a pride of place as Indian tricolor was flying at the Tripoli harbor as Indians were being brought back while Chinese ship had been asked to wait in international waters. India must see a fork in the road. The policy of riding piggyback on Russians or Americans will do no good, nor its hands-off policy. India must find its voice that it has lost.

**Ms. Aditi Bhaduri**, freelance journalist, chaired this session.

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