

BRICS Summit 2025 - India Calls for Fair Economic Practices

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BRICS Summit Latest News

- India at the BRICS Summit 2025 called for fair and transparent economic practices, opposing the linkage of trade measures with non-trade issues amid rising US tariff disputes.

Introduction

- The BRICS Summit 2025, convened virtually under the leadership of Brazil, has emerged as a key platform for discussions on global economic disruptions triggered by rising tariff wars and geopolitical tensions.
- Representing India, External Affairs Minister (EAM) **S. Jaishankar** underscored the urgent need for fair, transparent, and rules-based economic practices.
- He highlighted India's concerns over linking trade measures with non-trade issues, a veiled reference to the United States' recent tariff escalations.

Understanding BRICS

- BRICS, an acronym for **Brazil, Russia, India, China, and South Africa**, is an influential intergovernmental grouping that represents **nearly 42% of the world's population and about a quarter of global GDP**.
- **Historical Background**
 - The concept of BRICS was first introduced in **2001** by economist Jim O'Neill to describe emerging economies shaping the global order.
 - The first BRIC Summit was held in 2009 in Russia, and South Africa joined in 2010, transforming it into BRICS.
- **Objectives**
 - Reform of global financial and political institutions to reflect emerging economies.
 - Enhanced trade, investment, and sustainable development among member states.
 - Cooperation on security, technology, and climate change.
 - Advocacy for a multipolar world order to counter Western dominance.
- **Achievements**
 - Over the years, BRICS has launched initiatives like the **New Development Bank (NDB)**, which finances infrastructure and sustainable projects, and the **Contingent Reserve Arrangement (CRA)** to stabilise economies during crises.
 - It has also served as a forum for discussing counter-terrorism, energy security, digital innovation, and global governance reforms.
- **Challenges**
 - **Internal divisions** – particularly between India and China due to border tensions.
 - **Economic asymmetry** – China's overwhelming dominance compared to other members.
 - **Geopolitical contradictions** – diverging interests in Ukraine, West Asia, and trade policies.
 - **Limited integration** – trade among BRICS members is often constrained by deficits and protectionist measures.

Summary of the 2025 BRICS Summit

- **India's Concerns on Tariff Wars**
 - At the 2025 BRICS Summit, EAM S. Jaishankar raised concerns over the United States' imposition of **50% tariffs on Indian and Brazilian exports**, citing penalties for oil trade with Russia.
 - He strongly objected to linking trade measures with non-trade matters, arguing that such practices destabilise the global economic order.
- **Call for Fair and Transparent Economic Practices**
 - S. Jaishankar emphasised that the international trading system must remain **open, fair, transparent, non-discriminatory, and rules-based**.
 - He stressed that increasing barriers and protectionism would not help developing economies, especially when global food, energy, and fertiliser security is already strained.
- **Need for Resilient Supply Chains**
 - Highlighting vulnerabilities exposed by the COVID-19 pandemic, geopolitical conflicts, and climate disruptions, S. Jaishankar called for **resilient, redundant, and diversified supply chains**.

- He advocated democratizing manufacturing across geographies to prevent overdependence on specific regions.

- **Global South and Multilateralism**

- The External Affairs Minister noted that the **Global South** has been disproportionately affected by conflicts in Ukraine and West Asia, experiencing shortages in food, fuel, and fertilisers.
- He pressed for a **diplomatic resolution to conflicts** and reformed multilateralism, particularly within the United Nations system.

- **India's Trade Deficits within BRICS**

- S. Jaishankar pointed out that India faces some of its **largest trade deficits with BRICS partners**, especially China.
- He urged member states to review trade flows and adopt more cooperative mechanisms that can reduce imbalances and boost intra-BRICS trade.

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