



BRICS

Description

- BRICS refers to Brazil, Russia, India, China and South Africa. It was formed in 2006 as BRIC. South Africa was added as its member in 2010. The idea of creation of BRICS was initiated by Russia. The summits are held annually. Progress and new goals are discussed there.
- It is a group of emerging countries, which help each other in development projects, improved infrastructure, energy security, health, sustainable development, climate change etc.
- BRICS is the bridge between the developed west and the developing countries. It has worked to some extent to neutralize the monopoly of the USA in different international institutions.
- Their coming together also saved them from the 2008 recession.
- As the IMF still has the domination of USA, the BRICS countries have set up their own bank, The New Development Bank, headquartered in Shanghai, China with an initial subscribed capital of 50 billion dollars.
- Unlike, the IMF the BRICS founding members will have equal voting rights and the non-BRICS members will have voting power equal to the number of its subscribed shares in the capital stock of the bank.
- The world has reached such an extent of globalization from where reversal is not possible. Instead of cooperation, we are witnessing increased xenophobia, anti-globalisation, surging unilateralism, protectionism and populism. The BRICS community is advancing towards the mutual benefit, cooperation and win-win results.

Major benefits for India :-

- Reduced tensions with China through this platform.
- Maintaining a strong relationship with its all-weather friend Russia.
- India is hugely dependent on coal for its energy requirement and since World Bank has stopped funding coal projects India has the New Development Bank to its aid.

Conclusion :-

The BRICS comprises 41% of the world population, have a combined nominal GDP of US\$18.6 trillion and US\$4.46 trillion in combined foreign reserves as of 2018. India and China are the fastest growing economies in the world. Together these countries can bring about a huge change in the current socio-economic order of the world which is currently governed by the US, EU or the G-7 nations. These countries should understand their combined potential and work towards sustainable developments taking along more and more countries with them.

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