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BRICS Road to India: From Symbolic Summits to Practical Change

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Abstract

- In 2026, the BRICS forum will have its next annual summit in India amid shifts in the geopolitical environment
- It will be hard-pressed to respond to the growing unilateralism and hard-nosed transactional diplomacy of the US
- It will have to demonstrate its transition from mere dialogue to influencing global decisions on finance, development, politics and security.
- It is also under pressure to give practical meaning to its cohesion, such as in the form of an inter-linked payment system that can work.
- Time is of the essence, BRICS has to match the power of political and economic capital with real influence in world affairs

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Argument

As the BRICS forum prepares for its 2026 summit in India, it is hard-pressed to live up to its promise, but many hurdles must be overcome. The geopolitical climate is so fluid that even most institutionalised forums battle to impact it.

The BRICS is expected, both by its supporters and its nemesis, to make a positive impact on a changing world order. Friends expect it to shape decisions that lead towards a fairer, just and inclusively prosperous world, while adversaries hear that it will torpedo the US-led Western unjust world system currently in place.

As Russia's Foreign Minister Sergey Lavrov recently noted, BRICS is steadily transforming into a "broad global structure" whose combined economic weight, measured by purchasing power parity, has already surpassed that of the G7. With Indonesia's recent inclusion bringing the bloc's geographic reach into Southeast Asia and a queue of nations awaiting membership, BRICS has clearly evolved beyond a mere acronym into a significant geopolitical and economic reality. Yet, for all its undoubted heft, the group faces a crucial inflexion point. As India assumes the presidency in 2026, the challenge is no longer about proving its relevance but about converting its collective power into a concrete impact on major global decisions regarding finance, trade, taxation, and the digital revolution.

The Foundation of a New Pole

The evolution of BRICS from a 2001 Goldman Sachs thesis to a formidable diplomatic caucus is undeniable. The original five—Brazil, Russia, India, China, and South Africa—have been joined by Egypt, Ethiopia, Iran, the UAE, and Indonesia, creating a bloc that now represents a vastly expanded share of the world's population and resources. This expansion is not merely cosmetic; it adds approximately 3 per cent to the group's global GDP share and 5 per cent to its share of exports. It includes seven G20 members and the world's largest oil producers, giving it a structural relevance in global energy and commodity markets that cannot be ignored.

This economic mass has begun to foster genuine institutional development. The New Development Bank (NDB), established in 2014, has carved a niche by offering flexible, local-currency loans without the stringent conditionality associated with Western-led institutions such as the IMF, making it an attractive alternative for developing nations. More significantly, the group is making quiet but substantial progress on a challenge that was once considered taboo: financial sovereignty.

The Shift from Symbolism to Infrastructure

The initial, ambitious rhetoric of launching a single "BRICS currency" to directly dethrone the US dollar has, for good reason, been tempered. As seen at the 2025 Rio de Janeiro summit, the reality of divergent economies and monetary policies makes such a union a distant dream. However, this apparent slowdown is not a retreat; it is a strategic pivot from symbolic grandstanding to the construction of practical, resilient infrastructure that could prove far more consequential.

The focus has shifted to the development of a digital-centric, multi-currency payment system designed to insulate intra-BRICS trade from Western financial leverage. With India in the lead, the 2026 summit is poised to push forward the interoperability of Central Bank Digital Currencies (CBDCs)—linking India's digital rupee, China's digital yuan, and Brazil's Pix. This is a direct response to the "weaponisation" of the SWIFT system, a concern that became existential for Russia after the invasion of Ukraine and a lingering anxiety for every other member of the Global South.

The mechanisms being discussed, such as bilateral forex swap lines and net settlement cycles, are designed to solve real-world problems. They aim to prevent a repeat of the "rupee trap," where Russia accumulated large surpluses of Indian currency it could not easily use. The proposed BRICS Pay platform, designed as an interoperable, decentralised system, is being engineered to handle up to 20,000 messages per second, offering a genuine alternative to the existing correspondent banking model. This is not about creating a parallel system overnight, but about laying tracks for a future where a multilateral, non-dollar-denominated financial lane exists alongside the incumbent.

The Paradox of Power Without Influence

Despite these achievements, a glaring paradox remains. BRICS represents a growing share of the global economy and is building the scaffolding for an alternative financial architecture, yet its ability to shape the rules of the global economy is disproportionately small. The Group of Seven (G7) nations, with a declining share of global GDP, still effectively dictate the terms of engagement at the IMF, the World Bank, and the Bank for International Settlements. Decisions on cross-border data flows, digital taxation, and the regulation of emerging technologies like artificial intelligence are still largely made in Washington, Brussels, and London.

This is a challenge presented by what Susan Strange calls structural power, the enduring power of those who shaped the structures in the beginning, irrespective of the weight of their power today.

The rhetoric from the bloc is bold, but its collective voice in multilateral forums remains fragmented. While declarations from summits in Kazan and Rio de Janeiro reaffirm a commitment to multilateralism and UN-centric solutions, the bloc often fails to translate these sentiments into cohesive voting blocs or joint policy proposals that can pass at the WTO or shape G20 finance tracks.

The world's leading economies are actively shaping the digital future—the US through its regulatory framework for dollar-backed stablecoins, the EU through its AI Act and Digital Services Package. BRICS, by contrast, is still discussing the modalities of its own digital cooperation. Time is of the essence.

This gap between potential and impact is rendered more urgent by the aggressive response from the United States. President Donald Trump's threat of 100 per cent tariffs on BRICS nations if they move to undermine the dollar is a stark reminder that the incumbent powers will not cede ground quietly. Such threats are not merely rhetorical but can affect global and national dynamics practically.

The threats may also boomerang as economic models project that such a tariff war could cost the average US household an additional $1,600 annually while simultaneously reinforcing the very argument BRICS makes: that dependence on a unilateral system is a strategic vulnerability. The bloc must be able to respond to such external pressures not just with protest, but also with policy coherence.

The Imperative for Concrete Impact: Recommendations

To truly cement its global role, BRICS must now move from being a "dialogue forum" to a "decision-shaping" body. The 2026 Indian presidency offers a clear opportunity to advance this agenda on several concrete fronts.

- First, the group must double down on the pragmatic financial agenda. The successful linking of national digital payment systems (UPI, Pix, e-CNY) would create a powerful, lived reality of de-dollarisation that is more effective than any political declaration. By demonstrating that cross-border settlement in local currencies is faster and cheaper, BRICS can make its financial autonomy an attractive model for the entire Global South.
- Second, the New Development Bank must be scaled up and empowered to act as a true alternative to the Bretton Woods institutions. It should expand its lending in local currencies and, crucially, begin to set benchmarks for sustainable finance and infrastructure investment that reflect the development priorities of emerging economies, rather than simply adopting Western ESG criteria.
- Third, BRICS must find a unified voice on trade and digital regulation. The current fragmentation on issues like e-commerce moratoriums at the WTO or the regulation of Big Tech leaves individual members vulnerable. A coordinated BRICS position on the taxation of digital giants, or on the governance frameworks for artificial intelligence, would carry immense weight, representing nearly half the world's population.
- Finally, the bloc must actively engage the West, not from a position of confrontation, but from one of co-creation. As India's former BRICS sherpa argues, the prudent strategy involves building collaborations to solve globalised challenges. If BRICS can present a unified, technically sound alternative for cross-border settlement or development finance, it forces the G7 to negotiate a new modus vivendi for the global economy, rather than retreating into fortified blocs.

Conclusion

The transformation of BRICS from a symbol into a substantive force is no longer optional; it is the logical next step in a multipolar transition. Having built the institutions and expanded its membership, the bloc now faces the harder task of wielding its influence to rewrite the rules. The era of simply demanding reform is over. The time for demonstrating a viable alternative has begun.

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