

INDIA FOUNDATION JOURNAL



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With a team of dedicated professionals based at its office in New Delhi, the Foundation works with partners and associates both in India and overseas to further its stated objectives.

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The India Foundation Journal is led by an Editorial Board of eminent scholars and leaders from various spheres of Indian public life. The bi-monthly journal covers a wide range of issues pertinent to the national interest, mainly focusing on international relations, national security, legal and constitutional issues and other issues of social, religious and political significance. The journal seeks articles from scholars with the intent of creating a significant body of knowledge with a nationalist perspective and establish a recognised forum for debates involving academicians and policymakers.

India's BRICS Presidency: Reimagining Global Governance

Dhruv C Katoch*

Following India's successful G20 presidency from December 2022 to November 2023, India's BRICS presidency for 2026 heralds new opportunities, coming at a time of great global flux. India has declared its focus for BRICS as "Building for Resilience, Innovation, Cooperation, and Sustainability"—a clever juxtaposition of the BRICS acronym, theming its presidency on "Humanity First" and Global South Leadership. During its presidency, India intends to focus on the twin pillars of global governance: political and security, and economic and financial. While a year is too short to make fundamental shifts in the world order, the present global upheaval, in which the institutions of global governance are coming under increasing strain, is a good time to shape policies that will have a long-term impact on the emerging world order.

The West has dominated global institutions since the end of World War II, primarily because the Western bloc created the systems of global governance, both political and economic, and the rest of the world followed. However, as economic gravitas shifts from the Atlantic to the Indo-Pacific and the Global South rises, the earlier monetary structures in which the Dollar held sway and the West controlled the narrative are no longer seen as universally applicable or acceptable. While change is inevitable, it is logical to expect that the West, which has benefited from the old order, will

resist it. That is a challenge that New Delhi will have to address.

While New Delhi does not view the BRICS as an anti-Western bloc or a substitute for the existing global order, it recognises the need to rebalance global governance structures to reflect contemporary realities. To some in the West, however, the BRICS is seen as an anti-Western bloc. India will have to be mindful of this dichotomy and allay Western fears in this regard, while at the same time pushing the BRICS towards issue-based cooperation. While making efforts to avoid an antagonistic relationship with Western powers, it will also have to work to secure a more equitable role for the Global South in governance and financial structures.

India will likely focus on exerting its influence to reform global institutions such as the United Nations, the World Bank, and the International Monetary Fund, while avoiding the creation of blocs like NATO, which could lead to another Cold War. Towards that end, de-dollarisation is unlikely to be on the agenda. Instead, the focus will be on strengthening the New Development Bank (NDB), expanding local-currency trade mechanisms, and improving access to climate and infrastructure finance. This does not mean decoupling from the dollar system, but rather ensuring that unilateral freezing of funds through systems such as SWIFT cannot be used to curtail the sovereign decisions

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of countries in the Global South. In addition, there will likely be a push to shape global norms through digital public infrastructure.

On governance issues, the United Nations no longer holds sway as a body capable of ensuring the peaceful settlement of disputes or whose decisions will be universally accepted. While it is too early to sound the death knell for the world body, there is a strong case for internal reforms that are more inclusive and reflect current geostrategic and geo-economic realities. Why India, with the world's largest population and

currently the fourth-largest economy by GDP, is not a member of the Security Council is an issue that needs to be addressed. Paradoxically, some NATO members strongly favour expanding the Security Council to include India as a permanent member. That push, however, is opposed by China, a member of BRICS!

India's BRICS presidency will be a challenge and will also present multiple opportunities. The determinant of success will, in all probability, depend on how far India advances the BRICS agenda towards cooperation rather than confrontation.



BRICS at a Crossroads

Sanjay Bhattacharyya*

BRICS is at a crucial juncture. There is flux in geopolitics, an imbalance in geoeconomics, challenges to the rule-based multilateral system, and the rise of plurilateralism. While major powers sharpen the contest for global hegemony, emerging economies seek autonomy and space for their economic and diplomatic decisions. As a grouping of emerging powers, BRICS has gained in attractiveness within the community of EMDCs but has also drawn negative attention from certain Western powers. India's leadership of the movement will seek to advance the core objectives of BRICS for coherence and address misperceptions. India will outline a positive agenda for BRICS that promotes growth and development, advances reforms in global governance, and responds effectively to the opportunities and challenges of our times.

Introduction

India assumed the BRICS chair in 2026 amid challenging circumstances. On the one hand, there are high expectations of a constructive BRICS approach to development, which provides space for the aspirations of emerging powers and its growing popularity among developing countries. At the same time, there are challenges of expansion, integrating new members into the BRICS vision and ethos, and the need to address an emerging negative narrative that BRICS is anti-West. India has the capacity to steer BRICS

through the storm and guide the movement towards its goals.

As a 21st-century grouping of emerging economies across continents, BRICS has demonstrated Gen Z-like dynamism, ambition and success. In less than two decades, the BRICS nations have surpassed the GDP of the G7, added new members and partners, and outlined an agenda for development and global governance. BRICS has promoted government-to-government cooperation and also fostered civil society interaction and people-to-people exchanges across diverse areas of engagement.

The importance of BRICS in the globalised world stems from its size and geographic spread, control of and access to global resources, presence in global manufacturing and logistics networks, and progress in technology and innovation. BRICS countries represent almost half the global population, a third of global GDP, over half of global manufacturing, a quarter of merchandise trade, a dominant presence in energy resources, and an overwhelming share of critical materials. It is estimated that over half of global GDP growth comes from BRICS countries. Today, BRICS needs the world, and the world needs BRICS.

A Star is Born

In a 2001 report, Jim O'Neill, Chief Economist at Goldman Sachs, noted that emerging markets and developing countries (EMDCs) such as Brazil,

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Russia, India, and China (BRIC) were poised for rapid growth. He proposed including BRIC representatives in policy-making forums, particularly the G7. Although the G7 retained its exclusive status, it initiated the G7 Outreach with select EMDC partners. The existing G20 financial track, which included EMDC members, gained greater salience and was upgraded to Summit level in 2008, with a broader agenda that included development and geopolitical issues. The G20 served as a bridge between developed and emerging economies in an era marked by the weakening of multilateralism and the rise of plurilaterals.

Meanwhile, the leaders of Russia, India and China met in 2006 on the margins of the G8 summit in St Petersburg, and the BRIC movement was formally launched by the Foreign Ministers the same year on the margins of UNGA in New York. The first summit was hosted by Russia in 2009, and South Africa was admitted the following year and attended the BRICS summit in 2011. The BRICS group benefited from earlier collaboration in the RIC (Russia-India-China, established in 1998) and the IBSA dialogue (India-Brazil-South Africa, established in 2003). BRICS members shared a good understanding, common objectives and experience of cooperative mechanisms. BRICS built an architecture for development cooperation, seeking to supplement ongoing development efforts but not to replace the umbilical link with the developed world. It also made clear that BRICS was not aimed against any country or group. Since its early days, BRICS has relied on consensus for both agenda-setting and decision-making, a practice that has grown stronger over

time. As countries with close bilateral relations, they kept bilateral issues off the BRICS agenda.

Growth of the BRICS vision and ethos

Since its inception, the BRICS focus has been to promote the shared desire for growth and development. As major emerging powers, they have also supported other developing countries in their regions, discussed urgent global issues such as climate change, debt, health, terrorism, etc., and evolved strategies to advance a multipolar world through practical measures. The first BRICS Summit, held in the aftermath of the 2008 financial crisis, reached consensus on seeking reforms in global governance, particularly in financial institutions. The addition of South Africa sharpened resolve to address issues of development cooperation, debt, connectivity and representation in global governance. The addition of new members brings new challenges and opportunities. The BRICS growth trajectory has seen steady expansion in the scope of cooperation, the depth of engagement and influence in regional and global affairs.

In defining its agenda and vision, BRICS attached primacy to economic cooperation. Thus, financing development projects, macroeconomic stability, and a collective push for reforms in global governance, particularly at the World Bank and IMF, assumed priority. Meanwhile, discussions also commenced on the feasibility of setting up its own financial structures. The decision to establish a development bank was taken in 2013, and the New Development Bank was set up in 2014, with headquarters in Shanghai. All BRICS founding members contributed equally to NDB's capital. The success of NDB projects undertaken outside BRICS countries became the stimulus to add new

members to NDB in 2021, based on objective criteria and adherence to BRICS norms. Also in 2014, BRICS set up the Contingent Reserve Arrangement of \$100 billion to provide liquidity to members facing balance-of-payment difficulties. In 2014, BRICS also agreed to promote trade in local currencies to expand intra-BRICS trade and investment while lowering transaction costs and increasing the efficiency of financial flows.

BRICS has developed an elaborate architecture of meetings at various levels across sectors to facilitate frequent engagement for practical cooperation. In addition to the annual Summit, BRICS hosts over 20 engagements at the ministerial level and numerous working groups at the functional level. Parliamentary dialogue, mayoral exchanges, meetings of business chambers and women's business chambers, visits by women's and youth delegations, policy dialogue for central bankers, think-tank and university networks, sports and cultural activities, and civil society and NGO involvement have enriched collaboration.

The BRICS vision expanded beyond economic engagement to include political and security consultations and people-to-people exchanges, widening representation and participation across communities. The consensus-driven approach to agenda-setting and decision-making made all BRICS members equal partners in a shared vision of development and reforms in global governance.

State of Play and Challenges

Driven by major emerging powers, the growth and contribution of BRICS to its members and to the global community have been spectacular.

Economic cooperation through strategic action plans has been the principal reason for progress on development issues. Progress on political and security issues has been limited, but BRICS has accommodated differing perspectives and national interests on climate change, terrorism and regional issues. Exchanges between civil society and NGOs have flourished, bringing citizens together.

Expansion and Integration of New Members

Responding to EMDC enthusiasm to join BRICS, the Johannesburg Summit of 2023 adopted criteria for admitting new members, based on regional representation, economic size, growth potential and adherence to the BRICS ethos. Since then, 6 countries (Egypt, Ethiopia, Indonesia, Iran, Saudi Arabia and the UAE) have joined as new members. At the Kazan Summit in 2024, guidelines were formulated for entry to a second-tier of partner countries, and 10 countries (Belarus, Bolivia, Cuba, Kazakhstan, Malaysia, Nigeria, Thailand, Uganda, Uzbekistan and Vietnam) were invited. The door has been kept open for dynamic economies from the Global South with good relations with BRICS members and the West. It must be recognised that expansion has not been smooth, as certain countries declined invitations, others were excluded and power politics came into play.

Unlike the founding members, which are major emerging economies in their regions, BRICS expansion added smaller economies that are important regional players. BRICS now includes 7 members of the G20, leading ASEAN powers, SCO members and partners from Africa and the Americas. It represents the largest oil-producing

nations, has a dominant presence in global manufacturing, trade, critical materials and food production, and has a growing footprint in technology and finance. Post-expansion, its global share of GDP has increased by 3%, the share of exports has risen by 5%, internal trade has grown by 5%, the per capita GDP growth rate has risen, the share of gross fixed capital formation in GDP is at similar levels, and the current account balance remains in surplus. BRICS has more economic heft and is more dynamic, but it is also a more diverse group today.

BRICS founding members continue to play a leading role as regional powers gain recognition. Looking ahead, the diversity among new members, in their economic weight, regional influence, strategic orientation and ideological leanings, can help maintain balance. At the same time, the BRICS will require greater effort from all members to forge consensus, particularly on geopolitical issues.

Review of Agenda and Stocktaking

As a chair-led group, members often share their best practices with partners and, in the process, establish new mechanisms of cooperation. Over time, BRICS engagement has expanded from trade and investment, agriculture and industry, technology and innovation, new industry and the digital economy, to global issues such as climate change, debt, the blue economy and space, as well as regional issues, conflict situations, counter-terrorism, cyber security, humanitarian assistance and disaster relief, and others.

A recent stocktaking exercise identified more than 150 mechanisms of cooperation between the

parties. The review found that some projects had grown while others had been dormant. This review of BRICS projects also provided a database to share with new members to support wider outreach. Pragmatic steps are needed to maintain focus on the BRICS vision of efficiency and sustainability in jointly undertaken projects.

Development Focus and Financial Instruments

The BRICS agenda since its inception has focused on economic development through intra-BRICS cooperation, leveraging globalisation and supporting MDBs. BRICS projects have delivered economic growth and tangible benefits.

BRICS infrastructure projects have benefited from NDB financing as well as funding from MDBs and other institutions. NDB has extended over \$39 billion across 120 projects in BRICS and non-BRICS countries. NDB focuses on development projects, clean energy, water and sanitation, transport, technology flows, sustainability and future-oriented sectors. NDB has modest capital and funding capacity, but is popular for its flexible loans denominated in local currency, the absence of IMF-style conditionalities and access for non-BRICS members. With several new members with significant economic strength, NDB can grow in stature and capacity. NDB can leverage funding options for the private sector through the establishment of an NDB structure based in GIFT City, popularise the use of Central Bank Digital Currency and develop new electronic settlement platforms.

Despite a slow start in 2014, the BRICS call for trade in local currency and new financial

settlement mechanisms has gained momentum in recent years. Russia estimates that 90% of its intra-BRICS trade is in local currency. China and India have also made advances, including in energy trade. Certain countries have used it as a response to sanctions imposed on them; for others, it has provided flexibility in trade, opportunities in restricted markets and efficiency in financial transactions. Admittedly, trade, financing and reserves in local currencies will increase over time, but suggestions for a BRICS currency or digital index are premature.

BRICS can highlight policy coordination for trade and development and the reform of multilateralism. However, reform of the WTO and the integration of BRICS with regional arrangements have been difficult. Efforts to establish a BRICS group within the WTO for trade facilitation and to resolve intra-BRICS disputes that are stuck at the WTO and COP financing mechanisms can advance the trade agenda. The use of AI tools can help BRICS countries modernise and integrate trade policy.

Alternative settlement mechanisms based on digital means for cheaper and faster transactions have popularised BRICS local currencies and helped them go international. These include SPFS in Russia, CIPS in China, UPI in India, and PIX in Brazil, all of which have central bank backing and facilitate instant cross-border payments. The recently announced BRICS Pay has potential as an interoperable and decentralised system to link national networks. It can spur reform in global governance towards a multipolar financial system.

Meanwhile, BRICS countries have also seen a spurt in swap arrangements, growth in CBDCs,

adjustments to reserve currency holdings, and advances in development assistance in local currency. BRICS initiatives currently under discussion that could affect trade and development include modalities for e-commerce and digital trade, a common logistics platform to integrate intra-BRICS supply chains, and collaboration on investment-technology-innovation.

Global Governance and Global South

Although BRICS has consistently sought reforms in global governance to address the challenges and aspirations of developing countries, consensus within BRICS on promoting an agenda at the UN has fallen short. Reform of global governance will be meaningful only in the multilateral context; the UN, the UN Security Council, the World Bank, the IMF, and other multilateral institutions must have appropriate representation from emerging economies. In the meantime, consensus in plurilateral institutions or groupings can address certain challenges and build leverage in multilateral fora. Within BRICS, consensus on development issues will be easier to obtain, even though differences may remain on geopolitical and strategic developments.

Countering Narratives

BRICS has to contend with two negative narratives suggesting it is anti-West and promotes de-dollarisation. The persistence of the 2008-2009 economic slowdown in the West, the outbreak of conflict between Russia and Ukraine, growing tensions over China's provocative actions in its periphery and its policies of economic coercion have accentuated the divide between the West and

Russia-China, though not directly with BRICS. When bilateral contestation engendered narratives on each side, Western powers suggested that BRICS was led by Russia and China and was anti-West, while Russia and China took adversarial positions vis-à-vis the West. Although the BRICS grouping was not directed against others, the narrative against BRICS gathered momentum. BRICS faces the challenge of addressing this misplaced narrative through strategic communication. BRICS would also benefit from building bridges with G7 members, playing an active role in the G20 and working more closely with MDBs.

Another narrative, which has reached toxic levels, claims that BRICS aims to de-dollarise to weaken the West. From the USA's perspective, this stems from BRICS efforts to increase trade in local currencies, develop cross-border settlement mechanisms, promote the use of CBDCs, and change the composition of its reserves, all of which reduce the share of the US dollar in global transactions. From the BRICS perspective, these changes are necessary to promote intra-BRICS trade and improve the efficiency of transactions, and are not directed against the role of the US dollar. Given the sensitivity of the subject, it needs closer dialogue between BRICS and G7 (especially the USA) and MDBs.

Relevance of BRICS

A major driver of global growth, the BRICS overtook the G7 in 2022 in terms of GDP. By 2026, it is expected to have higher trade flows than the G7. Expansion of membership and partnerships has extended its outreach and representation. The NDB added six new members (Algeria,

Bangladesh, Colombia, Egypt, Uruguay and the UAE) and is considering the inclusion of the new BRICS members. Adding teeth to this expansion, BRICS has increased assistance to the Global South, facilitating development and promoting efficiency in cross-border transactions. On geopolitical developments, BRICS provides a platform for discussion and engagement; its consensus-based approach favours localised options rather than externally imposed solutions.

BRICS has emerged as a significant grouping of developing countries and emerging powers. It provides a platform for the expression of aspirations and enables new forms of cooperative partnerships for mutual benefit. Its agility contributes to innovative ideas, and its success has led to expansion in membership. Although one country in BRICS accounts for a significant share of BRICS GDP, no member dominates, in line with the BRICS ethos and consensus-based approach. The grouping's vitality is widely distributed, and expansion has further diversified the base for cooperation and opened new possibilities.

India's leadership of BRICS in 2026

India's role is as an emerging power of consequence, with influence in regional and global affairs; as the fourth-largest economy and the fastest-growing major economy; and as a partner seeking reform in global governance. India's stewardship of BRICS in the current phase of challenging circumstances will be important. India will steer BRICS towards its geoeconomic and geopolitical objectives and add momentum to the building of consensus and innovation to meet new challenges and opportunities.

India has helped shape the BRICS vision and ethos, with politics and security, economic development, and cultural exchanges as the fundamental pillars of BRICS cooperation. The Indian way has also entrenched the role of consensus in agenda-setting and decision-making, while a focus on concrete projects has contributed to functional cooperation across sectors.

Under India's leadership in 2012, 2016 and 2021, BRICS made significant progress in promoting cooperation in key sectors such as agriculture and industry, trade and investment, technology and innovation, green energy and climate change, HADR response, and people-to-people exchanges. Further, India facilitated the development of the institutional framework for cooperation through the piloting of the Economic Partnership Strategy, the integration of MSMEs into supply chains, data sharing to promote trade and investment, the establishment of institutions such as the Vaccine R&D Centre, responses to health challenges such as HIV and COVID-19, the development of think tank and university networks, business partnerships, and youth and women's exchanges. Particularly noteworthy was India's promotion of open-source digital public goods, the use of UPI, digital health and fintech for digital inclusivity and efficiency. The dialogue on cyber security and digital governance was strengthened. India also pushed for reform of global governance, particularly in the UN and IMF, to give greater representation and voice to developing countries and EMDCs.

India unveiled the priorities for its BRICS leadership following consultations at the recent Sherpa meeting. India advanced the idea of

“humanity first” and “people centric” approach on the theme of “Building for resilience, innovation, cooperation and sustainability”. Taking note off the practical steps that have advanced BRICS cooperation in thematic areas, Indian supported continuity of approach, while advancing action plans and practical milestones to advance the BRICS ethos and vision. New initiatives in health, agriculture, labour and employment, climate change, energy, innovation, ICT, security and terrorism, economic and financial domains, etc. are expected to strengthen the BRICS movement. India led fruitful discussions on institutional development to integrate new members while providing opportunities for engagement of partners. India emphasised the importance of youth and women connect and cultural engagement and supported the activities of established BRICS institutions such as Academic Forum, Think Tank Council, Civil Forum, Business Council and Women Business Alliance. The Indian approach is based on the spirit of cooperation to address shared challenges in a balanced and inclusive manner. It underscores the importance of strengthening capacities, promoting innovation, and ensuring sustainable development for the benefit of all. India's BRICS chairship will drive Ministerial and working level engagement towards substantive outcomes, make new advances in BRICS cooperation, discuss geopolitical and geoeconomic issues of importance, bridge differences and involve the citizens.

India will formally unveil the details of its BRICS priorities following consultations with partners. An initial indication suggests a “humanity first” and “people-centred” approach. The theme

will focus on “Building for resilience, innovation, cooperation and sustainability”. The approach is grounded in the spirit of cooperation to address shared challenges in a balanced and inclusive manner. It underscores the importance of strengthening capacities, promoting innovation, and ensuring sustainable development for the benefit of all.

India has emphasised that resilience will involve building structural and institutional strength capable of weathering global shocks, with particular reference to resilience in agriculture, health, disaster risk reduction, energy and supply chains, through cooperative frameworks for collective preparedness and response. Innovation, as a central driver of economic development, will focus on new and emerging technologies to address social and economic challenges and enhance cooperation among start-ups and MSMEs to build a more equitable world. At the same time, the importance of sustainability will advance climate action, promote clean energy and support sustainable development pathways that are fair and sensitive to national circumstances.

Given the recent expansion of BRICS membership, the grouping will need to consolidate while promoting its integration through the BRICS way of consensus and a practical approach to problem-solving. Sharing the fruits of its successes since inception will give new members a perspective on BRICS’s focus and how they can contribute to the movement. In general, decisions on the economic agenda have been easier to achieve than on political and security issues. BRICS will continue an action-oriented approach while ensuring that bilateral differences do not come in the way of group objectives.

BRICS will pursue an agenda for economic growth and inclusive development. The use of technology and innovation as vectors for development has been successful in India through the application of digital physical infrastructure and the India Stack. Sharing these with BRICS members and partners can reduce digital asymmetry and promote inclusivity. Another major agenda would be the promotion of sustainability through cooperation in green energy, the circular economy, environmentally friendly lifestyles, and the use of traditional knowledge and technologies. Our capabilities in addressing HADR situations, CDRI, and pandemics and tropical diseases are widely recognised and can be shared in a world of increased incidence of natural disasters and calamities. Finally, we shall harness the strength and energy of citizens to build a people’s BRICS, which can be a milestone in the progress of the movement.

India’s stature as a civilisational power and an emerging power that balances interests and values for inclusivity will enable us to advance commonalities while bridging differences, thereby forging consensus. Building a better understanding of how to handle contentious issues and conflict situations, and promoting plurality and diversity, will not only enable BRICS members to balance geopolitics and geoeconomics but also help address such situations in their own regions.

In terms of working methods, there have been suggestions that BRICS, having grown quite large, should review its agenda to focus on core development and governance issues and to promote members’ capacity to address regional issues. There has also been discussion about the feasibility

of establishing a Secretariat, for which India would be an ideal candidate. For the present, it may be appropriate to consider a Troika format, with the previous and incoming chairs joining a group for agenda-setting and outreach. BRICS will benefit from integrating members into the BRICS ethos, a focus on core development and governance objectives, and mechanisms for interaction with developed countries and institutions.

Recommendations

- Working methods. Rationalise the agenda, streamline mechanisms, and conduct stocktaking for efficiency and impact.
- New members. Consolidate modalities for admitting new members and partners and integrating BRICS vision and ethos.
- Technology focus. Establish an AI Centre, an Innovation Bridge Strategy, a BRICS Skill Development Centre, a DPI platform for BRICS members and the Global South, and a Cybersecurity Action Plan.

- Financial issues. Strengthen trade in local currencies, develop central bank-regulated payment gateways, promote CBDCs and blockchain-based transactions, and establish an NDB structure in GIFT City for the private sector.
- Institutional issues. Establish partnership relations with the G7 and the World Bank, and develop BRICS Outreach

Conclusion

There is no doubt that at a time when multilateralism is in crisis, the old rule-based system is in disarray, and there is growing suspicion of the hegemonic tendencies of major powers. Many look to India's leadership of BRICS to restore balance and credibility. At this crucial juncture, India can play its role in strengthening the BRICS movement's contribution to EMDCs and in bridging differences between developed and emerging economies for the common good.



Beyond the Dollar: The Roadmap for BRICS Local Currency Settlement Systems

Manmohan Parkash*

Introduction

As India assumes the BRICS chairmanship, the grouping stands at an inflection point. Since its inception, BRICS has evolved from a consultative platform among a small set of large emerging economies into a broader, more diverse grouping that now represents a substantial share of the global population, output, and development ambition. With this expansion has come a qualitative shift in expectations. For many countries of the Global South, BRICS is no longer viewed merely as a forum for dialogue but as a vehicle for advancing practical alternatives and reforms.

Few areas test these expectations more directly than the international monetary and financial system. For several decades, global trade, capital flows, and development finance have been anchored in a dollar-centric framework. This system has delivered undeniable benefits: deep liquidity, scale efficiencies, and a widely accepted medium of exchange. From a global stability perspective, it has underpinned the expansion of trade and investment across regions. At the same time, experience from emerging and developing economies points to persistent structural

vulnerabilities. Exchange rate volatility, sudden reversals of capital flows, and exposure to external monetary tightening have repeatedly constrained macroeconomic management and development planning.

From an operational standpoint, such vulnerabilities translate into concrete development challenges. Currency depreciation raises debt-service costs, complicates infrastructure financing, and erodes fiscal space. Projects that are sound on economic grounds can become financially strained when local-currency revenue streams do not match hard-currency liabilities. These dynamics are well understood by development finance institutions. More recently, geopolitical developments have added a strategic dimension to these concerns. The growing use of financial instruments, payment systems, and access to liquidity as tools of statecraft has highlighted the risks inherent in highly concentrated monetary and settlement systems. For many economies, this has reinforced the case for diversification—not as a rejection of the existing system, but as prudent, forward-looking risk management.

It is in this context that the renewed BRICS focus on local-currency settlement should be

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understood: a pragmatic search for resilience that reduces friction, manages balance-sheet risk, and preserves policy space while remaining integrated into the global economy.

India's forthcoming chairmanship, framed around "Building Resilience and Innovation for Cooperation and Sustainability," offers an opportunity to anchor this debate in institutional realism. The challenge is not to displace the dollar or upend the global system, but to develop complementary mechanisms that better reflect the realities of a multipolar, development-driven global economy.

The Dollar-Centric International Monetary Order

Any serious discussion of alternatives must begin with recognition of why the dollar-centric system has endured. Its dominance stems from deep and liquid financial markets, robust legal and institutional frameworks, and powerful network effects built over decades. For global trade and finance, the dollar has provided scale, efficiency, and predictability that no other currency has yet matched.

From a global perspective, this system has delivered important public goods. Dollar liquidity has facilitated cross-border trade, enabled efficient capital allocation, and served as a reliable store of value during periods of crisis. In moments of global stress, the dollar's safe-haven role has often stabilised markets, underscoring its continued centrality to the international monetary order.

Yet for emerging and developing economies, the operational consequences of this system are more complex. One of the most persistent

challenges is currency mismatch. Revenues are typically earned in domestic currency, while borrowing for trade finance, infrastructure, and sovereign needs is often denominated in dollars. During periods of dollar appreciation, this mismatch can quickly translate into higher debt-service burdens, strained public finances, and heightened financial risk—even when underlying economic fundamentals remain sound.

Closely related is the global transmission of monetary policy. Tightening cycles in the United States routinely propagate across emerging markets through capital flows, exchange rates, and borrowing costs. These spillovers disrupt long-term investment planning and undermine countercyclical policy responses precisely when they are most needed.

In recent years, an additional layer of constraint has become more visible: the strategic use of financial infrastructure. Sanctions regimes, asset freezes, and restrictions on access to payment systems have highlighted the concentration of control within the global financial architecture. While such measures are targeted, their broader implication is to expose the fragility of a system with limited redundancy.

For BRICS economies, these realities underscore the importance of diversification. Reducing excessive reliance on a single currency—through greater use of local currencies in trade and settlement—offers a way to mitigate vulnerability while remaining fully engaged with global markets. The objective is to preserve the efficiencies of the existing system while introducing complementary mechanisms that enhance resilience.

BRICS Diversity and the Limits of Monetary Uniformity

One of BRICS' defining characteristics is its diversity. The grouping brings together economies that differ markedly in size, structure, stages of development, and approaches to macroeconomic management. This diversity strengthens representativeness and legitimacy—but it limits the scope for uniform or centralised monetary cooperation. From an operational perspective, BRICS economies span a wide range of monetary and exchange rate regimes. China operates within a managed framework that balances external competitiveness and domestic stability. India follows a calibrated, market-responsive approach that combines exchange rate flexibility with macroprudential oversight. Brazil and South Africa maintain relatively open capital accounts with floating exchange rates, while Russia's monetary framework has been reshaped by sanctions-related constraints and strategic reorientation. The inclusion of additional members further broadens this spectrum.

Experience across regions suggests that monetary arrangements succeed when institutional design aligns with economic structure and political reality. Monetary unions and tightly coordinated exchange rate regimes require deep fiscal integration, credible transfer mechanisms, and strong supranational institutions. Where these conditions are absent, such arrangements tend to amplify rather than mitigate stress. From this standpoint, a single BRICS currency or rigid exchange rate coordination would not only be impractical but also inconsistent with the grouping's foundations.

BRICS is neither a treaty-based alliance nor a supranational entity. It operates through consensus, voluntary participation, and respect for strategic autonomy. Any attempt to impose a uniform monetary framework would risk eroding trust and undermining the flexibility that makes BRICS relevant. Local currency settlement fits more naturally within this institutional context. It enables deeper economic cooperation without surrendering monetary sovereignty or synchronising policy cycles. Participation can be bilateral or plurilateral, calibrated to trade patterns and financial readiness—enabling experimentation and gradual scaling.

Strategic Rationale for Local Currency Settlement: A Development Finance Perspective

From a development finance perspective, the strategic rationale for local currency settlement is both practical and well established. At its core, local currency settlement involves invoicing and settling cross-border trade and financial transactions in the trading partners' domestic currencies, rather than through an intermediary reserve currency.

One immediate benefit is reduced transaction and hedging costs. When trade is invoiced in a third currency, firms face exchange rate movements unrelated to the underlying commercial transaction. Managing this risk requires hedging instruments that are often costly or unavailable, particularly for small and medium-sized enterprises. Local currency settlement aligns trade payments more closely with revenue streams, improving predictability and lowering barriers to participation in cross-border commerce.

A second advantage is reduced balance-sheet mismatch. For infrastructure projects and long-gestation investments, financing in hard currency while revenues are generated in local currency creates persistent vulnerability—often a recurring source of project distress and fiscal strain. Greater use of local currencies can better align liabilities with cash flows and improve financial sustainability.

Local currency settlement can also reduce the need for precautionary foreign exchange reserves. While reserves provide stability, they carry opportunity costs. Diversifying settlement currencies can ease these pressures, allowing resources to be deployed more productively. Strategically, local currency settlement enhances resilience by diversifying settlement channels and reducing exposure to external policy shocks. This is diversification, not disengagement: BRICS economies will continue to operate in dollar-based markets, but with greater optionality.

Existing BRICS Building Blocks: What Already Works

Discussions on local currency settlement within BRICS are sometimes framed as experimental. From an operational perspective, however, BRICS already has several functional building blocks—often developed in response to crisis rather than by design.

One such building block is bilateral currency swap arrangements among BRICS central banks. While often modest in size, they signal confidence and provide reassurance: even relatively small swap lines can stabilise expectations, support trade continuity, and reassure markets during periods of

stress. Importantly, they reduce short-term reliance on third-country currencies without requiring permanent commitments or policy convergence.

The New Development Bank represents a more structural pillar. Unlike traditional multilateral development banks, the NDB has made local currency financing a stated objective. By issuing bonds in member currencies and extending local-currency loans, it seeks to align financing with revenue streams—central to the sustainability of infrastructure and urban development projects.

That said, local-currency lending remains limited relative to demand, reflecting familiar constraints: shallow domestic capital markets, higher funding costs, and limited hedging instruments. Expanding operations will require sustained market development, credit-enhancement mechanisms, and investor confidence. The NDB's evolution should be guided by its ability to crowd in private capital, not by its potential to substitute for it.

A limited but instructive illustration is already evident in the NDB's gradual expansion of local-currency lending and bond issuance in selected member markets. While still modest in scale, these operations have reduced foreign-exchange risk for borrowers and contributed to domestic market development, particularly in infrastructure-related sectors. Similarly, bilateral currency swap arrangements among BRICS central banks—though rarely drawn in full—have played a stabilising role during episodes of market stress by signalling liquidity support. These experiences suggest that incremental, well-designed mechanisms can deliver meaningful resilience even without large headline volumes.

A third building block is national payment system innovation. India's Unified Payments Interface, Brazil's PIX, and China's Cross-Border Interbank Payment System illustrate how digital infrastructure can reduce transaction costs, accelerate settlement, and expand financial inclusion. These systems show that scale, reliability, and user trust can be achieved when governance is clear and incentives are aligned.

Yet these systems also reveal limitations: they remain largely national in scope and are not seamlessly interoperable. Private-sector uptake in cross-border trade remains uneven, reflecting concerns about liquidity, pricing transparency, and dispute resolution. Technology can enable reform, but it cannot substitute for institutional coordination and market depth. In short, BRICS does not lack instruments; it lacks integration.

A Pragmatic Roadmap: Build the Plumbing First

From an implementation perspective, local-currency settlement will succeed only if sequencing is disciplined. BRICS would benefit from prioritising the institutional and operational foundations of settlement over debates about a common currency.

First, trade invoicing must shift. Settlement systems cannot scale if contracts remain denominated in third currencies. Early pilots should focus on high-volume, predictable sectors—energy, commodities, fertilisers, and manufactured goods—where long-term contracts and established counterparties reduce uncertainty. Public financial institutions can catalyse adoption. Export–import banks, development finance institutions, and

guarantee agencies can reduce first-mover hesitation by offering preferential financing, insurance, or partial credit guarantees for local-currency transactions. Once benchmarks and liquidity improve, market-driven adoption can follow.

Second, payment interoperability should be the organising principle. Attempts to create new, centralised platforms often falter over governance and adoption. A modular approach—linking national systems through common technical standards, messaging protocols, and settlement arrangements—preserves regulatory control while improving efficiency. Interoperability requires agreement on compliance standards, cybersecurity protocols, and dispute resolution. Pilot corridors—limited and evaluated—are more credible than blanket integration.

Third, risk management tools must deepen. Firms will not take on currency exposure unless hedging is accessible and affordable. Domestic bond markets, derivatives, and swap instruments are therefore not peripheral—they are foundational. This is often the binding constraint, particularly for small and medium-sized enterprises operating across borders. The NDB can help by issuing local-currency bonds, supporting liquidity, and partnering with domestic financial institutions to lower risk premiums. The aim should be to crowd in private capital, not displace it.

Fourth, volatility management must be built in. Exchange rate fluctuations are unavoidable, and stress episodes will test any system. Central bank coordination—through expanded swap lines, liquidity backstops, and structured dialogue—can improve preparedness without requiring policy convergence.

Finally, legal and regulatory frictions must be reduced. Full harmonisation is unnecessary. Mutual recognition, simplified documentation, and credible dispute resolution can significantly improve usability.

Digital Innovation and CBDCs

Digital innovation has transformed payment and settlement systems worldwide. Real-time platforms, digital public infrastructure, and distributed ledger technologies can reduce costs, accelerate settlement, and enhance transparency. However, cross-border use raises issues of data sovereignty, cybersecurity, compliance, and consumer protection.

National experience across the BRICS shows that technology succeeds when governance is clear, regulatory oversight is robust, and user trust is earned. India's payments ecosystem illustrates how interoperability and scale can coexist with supervision. Brazil's PIX highlight the role of regulatory clarity. China's experience underscores both the potential and the complexity of linking domestic systems with cross-border settlement.

Central Bank Digital Currencies (CBDCs) represent a more advanced—and more sensitive—frontier. Several BRICS central banks are exploring CBDCs. From a prudential standpoint, the most relevant near-term use is wholesale and trade-related settlement between financial institutions, not retail substitution. CBDC interoperability raises complex questions—such as data sovereignty, cybersecurity, capital flows, and financial stability. Premature scaling can introduce systemic risks. As such, experimentation should be limited, supervised, and tied to defined use

cases. CBDCs should complement existing banking systems, not displace them.

A structured BRICS dialogue on digital settlement could add value by focusing on governance, supervisory frameworks, and risk management. Small, time-bound pilots are the most sensible way forward.

India's Stewardship in a Period of Transition

India's BRICS chairmanship in 2026 coincides with heightened uncertainty in global trade and finance and rising demands from the Global South for greater voice. In this context, India's role is less about sweeping proclamations and more about institutional stewardship. India brings economic scale, policy credibility, and diplomatic experience, along with a tradition of strategic autonomy and inclusive multilateralism. These attributes position India as a convenor—capable of bridging divergent interests and facilitating consensus without diluting sovereignty.

India's most valuable contribution lies in shaping processes rather than prescribing outcomes. The diversity of BRICS makes uniform solutions neither feasible nor desirable. Progress is more likely when members are offered a menu of options—pilot corridors, modular frameworks, and voluntary participation—rather than a single blueprint. India can institutionalise this by prioritising technical working groups, phased schedules, and measurable pilots.

India's domestic experience in digital public infrastructure and in managing macroeconomic stability in a large, open economy offers practical lessons for BRICS cooperation. Equally, India's

engagement with global financial institutions positions it as a bridge between BRICS initiatives and the wider system—essential for sustaining investor and partner confidence. Ultimately, India’s effectiveness as chair will be measured not by the breadth of declarations but by implementable outcomes.

Implications for Global Financial Governance: Evolution, Not Disruption

The gradual expansion of local-currency settlement within BRICS signals evolution rather than rupture. The post-war monetary system has delivered efficiency through centralisation, but it has also created concentration risks. Diversifying settlement channels introduces redundancy—a strength in a shock-prone world. For international financial institutions, this underscores the need to adapt. Local-currency settlement initiatives are consistent with country ownership and policy space—provided they are transparent and anchored in sound regulatory practice.

Coordination remains essential. Fragmentation from unaligned standards or opaque arrangements would undermine confidence and increase systemic risk. Successful diversification requires clear rules, robust supervision, and dialogue between regional initiatives and global institutions. For many developing economies beyond BRICS, the credibility of global financial reform increasingly hinges on whether large emerging economies can translate their voice into workable institutional alternatives. In this sense, BRICS local currency settlement efforts will be closely watched not as a model to be replicated wholesale, but as a signal of whether diversification can be pursued responsibly within an open global system.

A more pluralistic monetary system could reduce procyclicality in capital flows and improve alignment between financing and development needs. But these benefits will materialise only if reforms are incremental, well sequenced, and institutionally grounded.

Policy Recommendations: Focus the Agenda

Drawing on operational experience, a small number of priorities stand out: First, advance local-currency settlement through phased, voluntary pilots—not mandates. Focus on high-readiness corridors where volumes are significant and counterparties are established. Demonstrated gains will build adoption faster than communiqués.

Second, prioritise trade settlement over premature monetary integration. Expanding local-currency invoicing for intra-BRICS trade delivers measurable gains without requiring convergence of exchange-rate or monetary frameworks. Currency headlines can wait; settlement usability cannot.

Third, make interoperability of existing payment systems the organising principle. Link national platforms through common technical standards, cybersecurity protocols, and governance arrangements—preserving sovereignty while improving efficiency.

Fourth, strengthen and clarify the NDB’s catalytic role. Expand local-currency lending, bond issuance, and credit enhancement to deepen domestic markets and crowd in private capital.

Fifth, focus central bank coordination on preparedness, not on convergence: swap lines, liquidity backstops, and structured dialogue to manage stress episodes.

Finally, proceed cautiously with digital and CBDC cooperation. Begin with wholesale and trade settlement pilots, with robust safeguards for data sovereignty, cybersecurity, and financial stability. Governance must precede scaling. Across all areas, strategic communication should be consistent: local currency settlement enhances resilience and supports stability.

From Aspiration to Architecture

The renewed focus on local-currency settlement within BRICS reflects a measured response to a transforming global economy. It is not an attempt to dismantle the current system; the dollar will remain central for the foreseeable future. However, excessive concentration creates vulnerability, and carefully designed diversification can strengthen stability. For BRICS, the challenge

is to move from aspiration to architecture. Diversity requires flexibility, incrementalism, and trust. Progress will depend less on headline announcements than on usability, market confidence, and disciplined sequencing. What matters most is durability.

India's 2026 BRICS chairmanship offers a timely opportunity to translate intent into practical outcomes. By emphasising pilots, institutional coordination, and inclusive leadership, India can help BRICS contribute constructively to the evolution of global financial governance.

Ultimately, BRICS local-currency settlement initiatives will be judged by whether they reduce risk, lower costs, and expand opportunities for the economies and people they are intended to serve. That is the standard by which any durable financial architecture should be measured.

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The Bridge Builder: India's Strategic Balancing Act in an Expanded BRICS+

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Introduction

India assumed the Presidency of BRICS on 1st January, 2026. Speaking at the unveiling of the Logo, Theme and Web-site of India's Presidency on 13th January, 2026, External Affairs Minister Dr S Jaishankar referred to the various Indian festivals celebrated on the occasion of Makar Sankranti and stated that "just as these festivals convey hope and goodwill, India's BRICS Chairship will seek to bring together the potential of BRICS countries for the greater global welfare."

While recognising the noble sentiments expressed by EAM, it needs to be kept in mind that India has assumed this responsibility at a time when BRICS has been receiving adverse attention from President Donald Trump, even before he assumed office as President of the USA in January 2025. The world has become highly fractured and divided over the last several years. This polarisation between the East and the West, as well as between the North and the South, has been further exacerbated over the last year since Trump came to power. Fissures in the Transatlantic Partnership between Europe and the US, as well as within NATO, have significantly enhanced uncertainty and unpredictability in global affairs.

Trump's peremptory and unilateral actions in the areas of trade and security have increased anxiety and disquiet in the global community.

Alongside the unprecedented uncertainty introduced into global relations, both in the areas of security and the economy, by President Trump over the past year, the last few years have seen an expansion in the membership of the BRICS family, leading to increased diversity and incoherence in the functioning of that body. This presents its own problems and challenges in reaching a consensus on several significant political, economic and strategic issues.

The task will hence be cut out for India to manage the internal contradictions within the BRICS Grouping and to foster positive, collaborative relations with the outside world, particularly with the G7 countries and other members of the developed world, as well as with the large cohort of the Global South that are not member states or partner countries of the BRICS.

This challenge will, however, present opportunities to emerge as a viable and effective 'bridge builder' between the BRICS and the Global South, as well as with Western developed countries. India faced a similar, indeed a bigger, challenge when it assumed the Presidency of the

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G20 in 2023. That Presidency came soon after the onset of the conflict between Russia and Ukraine, with the two sides implacably polarised and opposed to each other. India's nimble diplomacy won the day by securing a consensus New Delhi Leaders' Declaration on the first day of the Summit on 9th September, 2023. India also secured consensus on admitting the African Union (AU) as the 21st member of the G20. This issue had been hanging fire for many years, but it needed the leadership of PM Modi and India, with its commitment to promoting the interests of the Global South, to bring all countries on the same page to approve AU's membership. India was able to integrate all major issues of interest and concern to members of the Global South, such as debt relief, climate finance, development financing, global governance reform, fintech and women's empowerment, into the New Delhi Leaders' Declaration.

India hit the ground running as the BRICS Presidency in 2026, when PM Modi, addressing the Summit in Rio de Janeiro in July 2025, stated that India would give a "new form" to the BRICS grouping during its presidency. He proposed redefining BRICS as "Building Resilience and Innovation for Cooperation and Sustainability" (using the five letters of the acronym) and emphasised a people-centric approach, drawing parallels with India's G-20 presidency, which prioritised the Global South. PM Modi affirmed that India would advance BRICS with a focus on "humanity first," highlighting the need for joint global efforts to address common challenges such as pandemics and climate change.

The Evolution and Expansion of BRICS

In 2001, Goldman Sachs banker Jim O'Neill coined the acronym "BRIC" to refer to Brazil, Russia, India, and China - countries with large populations, large areas, and large economies - that he predicted would soon have a significant impact on the global economy. The Group evolved into a political grouping in 2009 when leaders of the four countries held their first summit in Yekaterinburg, Russia. South Africa joined a year later. The primary objective of the grouping at its inception was to secure greater voice and space for emerging economies in the evolving financial and trading system. BRICS members felt that, although their weight in the global economy had increased substantially over the previous decades, they were not being given their due by the Bretton Woods Institutions, namely the IMF and the World Bank, which were established as part of the post-Second World War global order.

The BRICS grouping expanded, increasing its membership from the original five to eleven, with six new members added at the 15th BRICS Summit in Johannesburg, South Africa, in August 2023. Four of the six new members, viz. UAE, Egypt, Ethiopia and Iran, joined the grouping on 1st January, 2024. Argentina, however, declined the offer after the election of its new President, Javier Milei, in November, 2023, and withdrew from its planned entry into the Organization. Saudi Arabia, the sixth country, has not yet decided to join BRICS, although its representatives continue to participate in some lower-level official and technical meetings. Indonesia was invited as a new member in 2024 and joined the Group on 1st January, 2025.

The eleven countries of BRICS (including Saudi Arabia) have a combined area of 47.7 million sq. km and an estimated total population of 3.9 billion. This accounts for about 32% of the world's land surface and 48% of the global population. Four of the original five BRICS members, viz. Brazil, Russia, India, and China, are among the world's ten largest countries by population, area, and GDP (PPP). All five original BRICS states are members of the G20, while only Saudi Arabia and Indonesia, which were subsequently inducted as new members at the beginning of 2024 and 2025 respectively, make the cut among the world's top 20 economies.

The total GDP of the 11 BRICS nations in nominal dollar terms as of 2026 is over US\$ 32 trillion, accounting for 28-30% of the global GDP. By comparison, the G7 accounts for US\$ 54.52 trillion, accounting for 43% of the global GDP in nominal terms. The picture reverses when figures are calculated in Purchasing Power Parity (PPP) terms. The figure for BRICS11 comes to US\$ 78 trillion, exceeding 40% of the global GDP. The corresponding figure for G7 is US\$ 60.95 trillion, accounting for 27.8% of the global GDP. The combined economic output of the five original BRICS members, measured in purchasing power parity, first exceeded that of the US-led G7 in 2022. This gap has been growing since then. The BRICS+ nations are expected to grow at an average rate of 3.7% in 2026, while the G7 average is forecast to be a more modest 1.2%. The economic strength of the BRICS can be assessed by their weight in the IMF, where their quota increased from 8.4% in 2001 to 25.8% in 2022, while in the same period the G-7 quota decreased from 64.6% to 42.9%.

The new BRICS members bring more than raw GDP to the bloc. With the addition of Saudi Arabia, Indonesia, the UAE and Iran, the BRICS increased its share of global oil production to more than 40%. As some BRICS members appear interested in establishing an alternative trade and financial system, adding nations with greater natural resources becomes essential.

It is a measure of the importance the member countries attach to this Organisation that BRICS Summits have been held every year without a break since they commenced in 2009. No leader has ever missed a Summit. This is in sharp contrast to the Summits of some other groupings, such as the IBSA, the intergovernmental grouping of three democratic developing countries, viz. India, Brazil and South Africa, all of which are members of BRICS. They have held only six summits since they first started meeting in 2006, i.e. over a period of 20 years. Their last Summit was held in South Africa in 2025!

Russia, which took over the BRICS Presidency from South Africa in 2024, announced in the run-up to the Kazan Summit in October 2024 that more than 30 countries had expressed interest in joining the organisation. The rush to join BRICS was seen as less an outright rejection of Western norms and partners and more a move to hedge and create fresh options beyond those available during the era of undisputed Western global dominance. This was not to suggest that the world was turning its back on the West, and in particular the US. But there was scepticism about the West's commitment to values such as democratic norms and international law, particularly in conflicts like that between Israel and Hamas, which had caused untold human

suffering in Gaza, a sore point for many in the Global South. There was also nervousness about the unilateral use of sanctions and the weaponisation of global financial instruments by the West.

As agreed in Johannesburg, the Kazan Summit decided not to admit any new members but to create a new category of ‘partner countries.’ The BRICS decided to focus on integrating the five new members who joined in January 2024. The new category of ‘partner nations’ is designed to act as a stepping stone for possible future membership and includes Algeria, Belarus, Bolivia, Cuba, Indonesia, Kazakhstan, Malaysia, Nigeria, Thailand, Turkey, Uganda, Uzbekistan, and Vietnam. The enlargement strategy has allowed a more gradual expansion process, enabling the bloc to assess how new members align with its goals before further growth. The partner countries are allowed to participate in discussions at all levels but may not vote when such an eventuality arises.

Despite the many tensions among them, BRICS members share several common strands of thought that observers often overlook. Most importantly, all BRICS members see the emergence of multipolarity as both inevitable and desirable—and identify the bloc as a means to play a more active role in shaping the post-Western global order. The attitudes and policies pursued by the US and other Western countries in the Russia-Ukraine conflict, as well as in the Israel-Hamas war, have added to the concerns of a large group of countries, particularly the middle powers and those belonging to the global South. They view BRICS as an alternative to global bodies seen as dominated by traditional Western powers, and hope

that BRICS membership will unlock benefits, including development finance and increased trade and investment. Dissatisfaction with the global order among developing nations was exacerbated by the COVID-19 pandemic, when life-saving vaccines were hoarded by rich countries. Those memories continue to haunt several developing countries.

The growing East-West confrontation in recent years, particularly between the US and China over trade and technology, and between the West and Russia over Russia’s invasion of Ukraine, has energised China and Russia to expand the BRICS grouping and move it towards a pronouncedly anti-Western position. This is not to India’s liking. This position is not supported by many new member countries, such as Egypt, Saudi Arabia and the UAE, which enjoy vibrant ties with the US, although Russia, China and Iran try to steer the grouping towards an unmistakably anti-Western stance.

India as a Bridge-Builder

India’s Presidency of BRICS in 2026 comes at a pivotal moment in its foreign policy trajectory. 2025 has been a difficult year for India, primarily due to strained relations with the USA, marked by the imposition of 50% tariffs on its exports to the US market, the USA’s cosy relationship with Pakistan, pressure on India to weaken its energy and military ties with Russia, the sidelining of the Quad, and pressure on H1B visa holders, among other factors. India has, however, not allowed any of this to slow its pace in instituting domestic reforms and progressing rapidly to diversify its economic partnerships. This resulted in the successful conclusion of several Free Trade Deals

with diverse countries and entities in 2025, including the UK, New Zealand, EFTA (European Free Trade Association), Oman, and others.

The pinnacle of the process of economic diversification was reached in early 2026 with the conclusion of the Free Trade Agreement with the European Union, following 18 years of negotiations, on 27th January, 2026. This was soon followed by an Interim Trade Agreement with the USA, announced by President Trump after a conversation with PM Modi on 3rd February, 2026. These developments have come as a shot in the arm for India as it navigates the increasing churn and flux in global political, security, strategic and economic affairs.

The international environment in which India must now steer and promote its interests and those of the Global South is, however, becoming more demanding. The return of a Trump administration in early 2025, sceptical of multilateral institutions and non-aligned middle powers, and increasingly transactional in its engagement with the world, has narrowed diplomatic space for countries seeking to pursue independent policy pathways. Against this backdrop, India's BRICS presidency is both an opportunity and a test: whether it can convert recent diplomatic momentum into sustained influence within a global governance system that is clearly in flux.

India's chairmanship has followed Brazil's presidency, which prioritised Global South cooperation to advance more inclusive and sustainable governance. India's resistance to more radical proposals, such as a BRICS common currency or de-dollarisation, has helped preserve the grouping's credibility while keeping it accessible

to middle powers wary of being drawn into geopolitical blocs. India occupies a distinctive place within BRICS: a Global South leader that remains embedded in the existing international system, committed to reform while avoiding disruptive measures. This offers a stabilising hand at a time when BRICS risks being overstretched by internal diversity and external pressure.

India has declared that its presidency will be guided by continuity, consolidation and consensus—an approach that reflects India's long-standing preference for pragmatic multilateralism over ideological confrontation. PM Modi has articulated a vision for BRICS centred on four main pillars: Resilience (supply chains, health), Innovation (digital public infrastructure, AI, fintech), Cooperation (reformed multilateralism, deepening partnership), and Sustainability (green finance, energy transition), while emphasising people-centred development and a 'humanity-first' approach to global governance.

India's foreign policy has in recent years been anchored in multi-alignment and strategic autonomy. Washington's dramatic reassessment of engagement with multilateral institutions and its more adversarial posture towards BRICS illustrate growing constraints on policy independence. President Donald Trump has repeatedly characterised BRICS as an "anti-American bloc" and threatened punitive economic measures against its members, signalling a more confrontational approach that seeks to deter collective action outside US-led frameworks.

In this environment, India's leadership of BRICS assumes particular significance. Under India's chairmanship, BRICS is more likely to serve

as a platform for negotiated autonomy than as a vehicle for opposition to the West. At the same time, BRICS is not without constraints. The bloc's recent expansion has introduced a more diverse set of political priorities and economic structures, complicating consensus-building and raising questions about institutional coherence. These internal pressures coincide with a US foreign policy that places greater emphasis on bilateral leverage over multilateral engagement, heightening risks for members of the Global South. However, these dynamics have also reinforced the rationale for collective engagement. A more transactional external environment strengthens incentives for BRICS members to preserve a forum that enables coordination, hedging, and political cover. India's stewardship offers continuity at a moment when both expansion-related complexity and a more challenging external environment threaten to test the bloc's cohesion.

India's BRICS presidency offers a platform to consolidate and extend the agenda that emerging economies have recently promoted during their G20 Chairmanship. BRICS, in contrast to the G20, is explicitly oriented towards the concerns of emerging markets and developing economies. India can leverage the BRICS platform to sustain momentum on issues such as reform of multilateral development banks, innovative financing mechanisms, and enhanced representation of developing countries in global economic governance.

During its BRICS Presidency, India would do well to focus on reform of the global financial architecture. India's support for International Monetary Fund (IMF) quota reform, expansion of

the New Development Bank, and initiatives such as the proposed BRICS Multilateral Guarantee Initiative align closely with the interests of the Global South in fairer access to development finance.

In addition, artificial intelligence, digital public infrastructure, and skills development offer a promising avenue for cooperation. India's experience with digital public infrastructure offers a practical model for inclusive development. Climate finance and preparedness must remain a priority. Building on Brazil's COP30 agenda, India can argue for advancing just transition financing, technology transfer, and climate resilience frameworks that reflect Global South realities. India's presidency aims to position BRICS as a crucial, constructive, and forward-looking bloc in a rapidly changing, polarised world.

India's Initiatives

Some of India's key initiatives during its Presidency include:

- **Cross-Border Payments:** India is pushing for the interoperability of Central Bank Digital Currencies (CBDCs) and real-time payment systems (such as UPI) among members to bypass the high costs of Western intermediaries.
- **Local Currency Energy Trade:** India is increasingly settling oil and gas imports from Russia and the UAE in Rupees and Dirhams, significantly reducing its dependence on the US Dollar.
- **The Digital "DPI 2.0" Push:** Following the success of the G20, India is making Digital Public Infrastructure (DPI) the centrepiece of its 2026 presidency.

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- **India Stack Global:** A formal proposal to share the “India Stack” (Aadhaar, UPI, DigiLocker) as a free public good to help other BRICS members jumpstart their digital economies.
 - **Economic and Financial Pragmatism:** India’s approach to global finance remains cautious, prioritising stability over radical shifts.
 - **De-dollarisation Stance:** India has clarified that it does not “actively target” the US dollar and has no policy to replace it as the global reserve currency.
 - **“De-risking” vs “De-dollarising”:** Instead of a BRICS currency, India promotes the internationalisation of the rupee through local-currency trade settlements and Vostro accounts to “de-risk” its own trade from exchange-rate volatility.
 - **Alternative Finance:** India continues to use the New Development Bank (NDB) to finance key domestic infrastructure and sustainable development projects.
 - **AI Governance:** Championing “Responsible AI,” India advocates ethical frameworks that consider Global South development needs.

Conclusion

As of 2026, India finds itself at a unique geopolitical crossroads. New Delhi has positioned itself as the “Bridge Builder”—the primary link between the established Western order (the Global North) and the rising powers and developing countries of the Global South. India is possibly the only country in the world that straddles major

political, security and economic divides, between the North and the South (Developed and Developing) and between the East and the West, with the US and Europe on one side and Russia and China on the other. India is the only Southern country that is a member of the QUAD, whose other members, the USA, Japan and Australia, are from the North. It has also been a regular invitee to the G7 Summits for the last several years. On the other hand, it is also an active member of both the SCO and BRICS, which include emerging economies such as Russia and China, along with members of the Global South.

India’s clout and influence in the world have grown significantly over the last decade, driven by political stability, robust democracy, free and fair elections, and a growing economy. Today, India is the world’s fourth-largest economy, standing at the threshold of becoming the third-largest over the next two years. It is the world’s fastest-growing major economy, with expected GDP growth of around 7-8% in the coming years. Its foreign policy of Strategic Autonomy and Multialignment has significantly enhanced its prestige and standing. Initiatives such as the “Vaccine Maitri” during the COVID-19 pandemic, under which it shared more than 300 million vaccine doses with developing countries, most of them on a gratis basis, and supplied medicines to more than 150 countries, have significantly enhanced its respect and prestige, particularly amongst developing countries. In the words of European Commission President Ursula von der Leyen: “When India succeeds, the world is more stable, prosperous, and secure—and we all benefit”. She emphasised that a strong, democratic India is a vital global partner, with its

growth and rising influence contributing to a more secure and balanced world order.

The foreign policy ethos of “Vasudhaiva Kutumbakam” (The World is One Family), which formed the basis of India’s Motto of “One Earth, One Family, One Future” during its G20 Presidency in 2023, has helped India emerge as a “Vishwamitra” (Friend to the World). Through its policies, initiatives and actions, India has earned the trust and confidence of the world. The bold, decisive and visionary leadership of Prime Minister Modi has played a seminal role in raising India’s prestige and stature in the world.

Since India’s G20 Presidency in 2023, developed countries have also recognised the imperative of engaging with the Global South on an equal footing. For this reason, Japan, which held the G7 Presidency in 2023, worked assiduously to coordinate its actions and policies with India in its capacity as Chair of the G20. Earlier this year, French President Emmanuel Macron, who holds the G7 Chair for 2026, made a deliberate, high-profile public offer to PM Modi, framing India as the essential bridge between the G7 and BRICS.

This creates a unique window for collaboration. Macron suggested that both BRICS and the G7 should work to prevent “Global Fragmentation”. He said that the G7 should not be an anti-China or anti-BRICS Club, and that BRICS should not be anti-G7. He invited PM Modi to use India’s leadership of BRICS to foster formal coordination between the two Blocs to prevent the world from sliding into a new Cold War. This collaboration would be a strategic hedge against Trump’s recent pressures on both the EU and the BRICS. It would be designed to preserve sovereignty and maintain independence in an increasingly divisive world.

India’s success as the 2026 Chair will depend on its ability to keep the group focused on functional cooperation (health, climate finance, technology, multilateral reform and trade) rather than on ideological warfare. By acting as the “sensible middle,” India ensures it remains indispensable to both the West and the Global South. Its sterling performance and achievements during its G20 Presidency would give it the requisite confidence and determination to succeed in this challenging but rewarding role.



BRICS and the Unravelling of the Western Order

Come Carpentier*

Introduction

Twenty years after its founding summit in 2006, the BRICS is in a decisive and sensitive stage of evolution. After admitting five new members, the organisation is now more diverse and geographically spread out, and it reflects even more clearly the ideals of multipolarity and multiculturalism enshrined in its charter. However, its growing economic and diplomatic ambitions have attracted the hostility of the United States and the suspicion of Western powers, as they pose challenges to the supremacy of the 'Atlantic' alliance and its strategic partners. The question is about the durable, tangible benefits that BRICS brings to its members, regardless of the rhetoric, and whether those common gains and interests can keep BRICS together despite their often different political and economic national priorities and needs.

The growth of the BRICS bears witness to its success and promise, but it inevitably increases the organisation's complexity. India's chairship in 2026 provides an opportunity for a realistic

assessment of what this grouping has achieved so far and what it is poised to accomplish in the months and years ahead. Apart from the sheer strategic weight of a partnership that brings together the largest, most populous, militarily potent and economically dynamic nations on earth outside the United States, the achievements of the BRICS must be evaluated objectively now that its members are coming under increasing pressure to break ranks or at least renounce their more critical and significant initiatives, which are considered inimical to American dominance.

In this article, we will briefly consider, first, the current global political and economic situation, and second, the BRICS options and potential, as well as its limitations in bringing about positive change in line with its initial objectives.

The World System Today

The decline of the hegemon of the global order set up in the aftermath of the Second World War is acknowledged even in the United States, where Donald Trump won the Presidency by calling on

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his countrymen (using Reagan's earlier appeal) to 'Make America Great Again' and deploring the generally decaying state of US society, industry and infrastructure. This condition affects the US Dollar, the pillar of American dominance, which is fast losing buying power and credibility, as out-of-control printing of the fiat currency to service the astronomical debt belies the enormously inflated paper value of stock market valuations and securities.

The quote is from a paper by Palestinian scientist and author Mazem Qumsiyeh, whose academic career unfolded partly in the USA:

The US dollar is weakening not just because of markets, but because of persistent inflation, foreign selling of Treasuries, exploding public debt, declining trust in long-term US fiscal discipline, and gradual global diversification away from dollar dependence (especially by large economies like China, Japan, and Brazil). This has geopolitical effects including 1) decline in ability of the US [...] to subjugate other countries via economic sanctions and financial blackmail (that is why there is more risk of US military actions), 2) growing of USD alternatives including self-reliance, trade in local currencies, barter-like arrangements, use of alternative currencies (yuan, rupees, Euros, bitcoins), and increased gold holdings and settlement (that is why gold and silver are rising in price) [...] These trends will only accelerate now that the US administration is accelerating instability locally and globally – basically on its way to become a failed state. A large part of this is directly due to policies pursued to please the Zionist lobby (e.g. the wars waged on behalf of Israel cost some \$8 trillion of the \$38 trillion

national debt)...(keep your eye on US movements towards WWII and BRICS countries' response).¹

A corollary of the hegemon's decline is the erosion of the efficacy and credibility of many institutions built under its watch, beginning with the United Nations, which was designed mainly to benefit the victors of World War II and has been unable to reform itself to reflect the changing global balance of power and wealth. The Bretton Woods Institutions and all UN institutions are consequently affected by the systemic crisis as the USA withdraws from or reduces its participation in these international bodies, which are no longer useful tools for power projection, and seeks refuge not in isolationism but in transactional, opportunistic bilateralism.

In parallel with the US strategic shift, the G-7 Group, NATO, the European Union, the G-20, and many other mainly 'Western' groups, such as the Davos Economic Forum, are under increasing strain, in turmoil, or even breaking up. Trump's haphazard attempt to set up a 'Board of Peace' as a one-billion-admission-fee club (by invitation), with a nebulous agenda, under his personal leadership, offers a poor alternative to pre-existing global structures. Indeed, in recent years, the conditionalities imposed by the World Bank and the International Monetary Fund, both under the effective control of the USA, have led many countries to turn towards new institutions set up outside the mainly Western, G-7 orbit.

Another effect of the gradual collapse of Western US-driven supremacy is the increasingly successful resistance of states that reject it and work to build alternative international regimes, such

as Russia, China, Iran, and North Korea, not to mention Afghanistan, which the NATO war machine was unable to subdue in twenty years of nearly constant warfare. The United States is forced to pull back, seek face-saving compromises, or admit defeat abroad, while its internal economic, social, and political stability steadily erodes. Its Western subaltern allies are also facing increasing challenges at home, including mass immigration from non-Western, mainly Muslim regions, shrinking resources, and widening divisions among their citizens.

All these converging trends are steering the international system towards a major socio-economic and financial crash that could trigger a widespread depression, as several leading economists and fund managers are warning with mounting urgency. Whether the crisis will also manifest as a new major war or a series of smaller wars in a chain reaction is a moot point, but dissent, disorder and violence are increasing in many parts of the world. At the same time, several new disruptive technologies are upsetting and transforming economies and ways of life in uneven and unpredictable ways, giving rise to more distrust and anxiety than hope, because while they immensely increase the wealth of a minority, they tend to undermine the professional, social and psychological stability of the less privileged majority.

The BRICS: Alternative or Safety Net?

BRICS is an unusual grouping because it is not justified by geographic, historical, ideological, or ethno-cultural proximity among its members. Its founders also differ markedly in their economic systems, GDPs, and per capita incomes. This

disparity has led many to reduce its rationale to a common opposition to American (or Euro-American Atlantic) dominance and its neo-liberal/neoconservative composite agenda. The BRICS countries have nevertheless launched and implemented various cooperative arrangements that have proven mutually beneficial, such as the New Development Bank, popularly known as the BRICS Bank, and a valuable alternative to the Bretton Woods financial institutions.

The BRICS has no agenda to become a military alliance, though military exercises have already been conducted between some of its members, such as the joint Chinese, Russian, Iranian, and South African naval training operation (with Egypt, Ethiopia, and Brazil sending observers) off the South African coast in January 2026, and the Zapad 2025 drills, which involved the armed forces of various BRICS and SCO member states. However, BRICS was officially not involved in those exercises because defence is not part of its charter, though there is a provision for collaboration against terrorism.

In this regard, the US attack on Venezuela on 3 January 2026 and the abduction of the country's President Maduro and his wife should prompt BRICS members to share information and discuss possible measures to prevent similar illegal assaults on other countries, given that Iran is already a target of special or 'black' operations by American and Israeli clandestine units, special forces and regular troops. In the wake of Trump's declared hostility to BRICS member-nations, which may translate into covert or kinetic actions against some of them, there is good reason to consider preventive cooperation, beginning with the exchange of relevant intelligence.

For instance, the current US administration's declared opposition to the return of the Chagos archipelago by Britain to Mauritius (that Trump has threatened to prevent) may lead Washington DC to bolster its military presence in the Indian Ocean and, perhaps in this connection, the Pentagon is looking to set up a military facility on an island off the coast of Bangladesh, which has implications for India's security just as the growing or expected American military presence in the Caribbean, Venezuela, Colombia, Ecuador and other parts of Latin America can be a matter of concern for Brazil, also a target of US anti-BRICS policies. Trump's claim that the US Government possesses secret weapons of enormous power that no one can effectively neutralise or resist may be another of his unsubstantiated boasts, yet the lethal raid on Venezuela that enabled special forces operatives to capture and abduct the Presidential couple may have utilised some of those special techniques and that in itself represents a grave threat to other nations.

Geostrategic consultations are a useful component of the BRICS dialogue architecture, but they are limited in scope by persisting misgivings and disagreements among some members (e.g. between India and China, Egypt and Ethiopia, China and Indonesia, and the UAE and Iran). More critical and decisive are their investment and trade-related interactions and projects, including currency and financial flows, intended to free intra-bloc business from the oversight and control of major Western banks and clearing vehicles, particularly American ones, which are used as tools and increasingly as weapons for US intelligence-gathering and monitoring of the global marketplace,

as a substitute for the erstwhile industrial and technological near-monopoly of the G-7 countries.

New Trade and Reserve Currency Initiatives

Following the already mentioned 'BRICS Bank' and the BRICS Contingency Reserve Arrangement, which are regularly and successfully used to provide loans in currencies other than the US Dollar and to stabilise the economies of member countries in the turmoil-prone and uncertain international financial environment, the BRICS countries have jointly explored potential alternatives to the current post-Bretton Woods global regime. The first step is to link the members' respective CBDCs (Central Bank Digital Currencies) to facilitate transactions between states, businesses, and individuals in real time, using a process similar to those used domestically at the national scale, such as the RUPAY/UPI/PTM in India. India has launched an initiative in this regard as part of this year's official agenda, and it hopes to launch a working system, the BRICSPAY², under its presidency after announcing this proposal shortly before succeeding Brazil in the chair of the grouping. It is estimated that transactions carried out through this channel would be instantaneous and cost 50 to 60% less than the present inter-bank payment system, which uses the US Dollar as the intermediary payment instrument.

A more ambitious, longer-term project has been experimentally tested by the Reserve & Investment Asset System (RIAS). It is the BRICS Unit, which, unlike cryptocurrencies, is backed by tangible assets, primarily gold, and is a 'hybrid combination of gold and major BRICS currencies'³,

with 40% in the former and 60% in the latter. The gold reserves are held in the vaults of member governments, and the Shanghai-based Gold Exchange allows them to be stored wherever the owners choose.

Each of the five BRICS-founding members accounts for 12% of the total currency backing for the Unit. The Unit's value fluctuates daily based on real-time exchange rates on foreign exchange markets. It is digitally created on a blockchain-based platform. In commercial transactions, the units paid to the seller can be held as they are and used for other transactions, or converted into the national currency at will. Financial and business operations are conducted through Smart Contracts, and real-time settlements eliminate banking intermediaries.

An important feature of the instrument is that gold is valued by weight, not by its current rate in dollars, so it is largely immune to manipulation and speculation. Consequently, 'the Unit spreads exchange trade risk across multiple economic cycles'⁴ and its multi-currency component provides greater stability by smoothing rate fluctuations. The Unit is currently experimental, serving as a pilot, and may not be fully operationalised on a large scale before 2030, given the technical adjustments and optimisation needed, and in view of opposition from the United States and the Euro-emitting European Union to the rise of this new potential rival.

India, for one, is somewhat cautious about introducing this new currency, given concerns about expected hostile reactions from Washington and London. The government prefers to focus on expanding the use of national currencies in

business. There is also concern about China's overwhelming economic preponderance, whose CIPS system⁵ and M-Bridge⁶ are increasingly challenging the Euro-American SWIFT system, and whose Yuan is increasingly used for international payments. For that reason, care was taken within BRICS to ensure equal participation and power for BRICS members in the composition and management of the Unit, despite the economic disparity between them.

It must be understood that the current Dollar-anchored system, by its very nature, is unfair and skewed to benefit the United States, to the detriment of all other countries, especially the (formerly?) colonised states of the Global South. The vagaries of the American economy and politics, often swayed by domestic and foreign trends and problems, the individual whims of politicians, and the priorities of Big Business expose weaker nations, comprising the majority of mankind, to a range of negative effects. Self-serving decisions and measures taken by the US Treasury and the Federal Reserve may harm the rest of the world, and at times are specifically intended to hobble and restrict states and economies regarded as potential challengers, or simply not aligned with American interests and strategic objectives.

In an age of declining Western supremacy, high technology, industry, investments, trade, and the currency itself are increasingly wielded as weapons to attack other states, despite all the public talk about mutual benefits and concern for democracy, freedom, and human rights. Threats of financial and military punishment, sanctions, and embargoes are implemented with increasing frequency, and their issuers no longer even pretend

to be motivated by moral reasons. They make it clear that they want to force weaker governments to bend to their will and are quite ready to make innocent civilian populations suffer in the expectation that the resulting civil unrest and chaos will topple recalcitrant dispensations. Through the Interim economic agreement reached between the USA and India on 6th February 2026, Trump claims to have made New Delhi undertake to purchase USD five hundred billion worth of US goods in five years, even though such an obligation would create a 200 billion US\$ deficit for India, given its current volume of exports (pre-18% tariffs), according to geopolitical observer Brahma Chellaney⁷.

True to form, Trump is behaving like an extortionist posing as a champion of fair trade, and other ‘friendly’ countries such as Canada, South Korea, Japan, Taiwan, and Malaysia are being similarly pressured to import arbitrary amounts of American products, regardless of their cost and quality, as tribute to the nearly bankrupt imperial overlord.

This situation will only change durably if and when the targets of those repressive measures, along with other vulnerable countries, take effective steps to insulate and protect themselves from hegemonic bullying and persecution, which frequently leads to the destruction of an entire nation. Therefore, a multi-lateral, multi-polar vehicle like BRICS could be beneficial to all its members and even to the world at large, which is why so many countries are waiting in the wings to join. This realisation explains why India is no longer a fence-sitter on the issue of non-Dollar trade and is working to cooperatively build a suitable alternative to the Greenback’s hegemony.

Strategic Cooperation for Free Multipolar Access to Space and the Global Commons

BRICS also has the potential to facilitate collaboration in high- and appropriate-technology R&D between its members, some of which are leaders in frontier areas such as hypersonic propulsion, laser applications, robotics, quantum computing, artificial intelligence, biotech, pharmacology (Russia’s new cancer vaccine), advanced surgery, alternative medicine, organic agriculture, and agroforestry.

China, Russia, and India have considerable scientific and technological expertise across multiple domains and vast pools of specialised talent. Their collaboration can be mutually beneficial and help other, less advanced BRICS nations move up the global scientific research hierarchy. They have also established institutions to share and disseminate their knowledge and best practices with other countries in the Global South. These include the Indian RIS, the Brazilian ABC, and the Russian Federation’s *Rossotrudnichestvo*. China deploys the CIDCA and is launching various pioneering AI tools (Deepseek, Moonshot AI (Kimi), Tong AGI Series) that are equal to or superior to their American rivals and are available as open-source systems, which US private behemoths, funded by high-interest loans and investors focused on short-term profits, may not easily compete with.

Multipolarity in science and technology is at least as important as its economic and military counterparts. A promising example of intra-BRICS cooperation is Russia’s Zorky (Zorkyi 2M) low-orbit communication network project, which, when

deployed using some 300 12U nanosatellites providing high-resolution multispectral Earth imagery (with Automatic Identification System (AIS)), is expected to rival Elon Musk's Starlink. Although 'formally' private, Starlink is bound to abide by US government directives and is *de facto* a tool of the Pentagon's and Space Force's power. Russia has proposed making Zorky available to other BRICS nations, and although conditions would apply to any defence-related utilisation, the system could render a very important service to countries that cannot develop similar capabilities. It could limit the endless multiplication and duplication of such LEO networks in the already saturated terrestrial atmosphere.

The rampant militarisation of the United States, in the service of its stated intent to increase its preponderance over the global commons, including nearby space and the oceans, and to defeat any other power if it chooses to, poses a potential threat to many states, especially to those that have joined BRICS, which the Trump Administration has vowed to stamp out in one way or another. While stopping short of building a defensive military alliance, it would seem logical and even necessary for the Group to develop and diversify internal collaboration aimed at strengthening the autonomy and cooperative resilience of its members, given that they are all more or less vulnerable to sanctions and other forms of US 'compellence' and threats. It is not for nothing that, for its chairship, India has adopted five goals embedded in the BRICS anagram: **Building for Resilience, Innovation, Cooperation, and Sustainability**.

The five primary reforms New Delhi is undertaking, apart from expanding the digital public architecture in the Global South, include reforming

global governance at the United Nations and in other international bodies, now being systematically undermined and discredited by the current American administration, and developing supply chains and economic resilience, another domain in which the US seeks to retain or gain final decision-making power.

Likewise, in the area of emerging technologies, India's proposed agenda is to facilitate global collaboration to avoid 'elite dominance', which also runs counter to the longstanding American resolve to control advanced research and critical technologies through the IPRs of its government institutions and giant corporations, colloquially known as the GAFAM (Google (Alphabet), Apple, Facebook (Meta), Amazon, Microsoft), to which should be added Nvidia, Palantir, SpaceX, and a steady stream of newcomers.

Conclusion

Retaining sufficient coordination within its growing membership is the greatest challenge BRICS faces, particularly since the partner-governments face strong Western pressure to conclude deals on a bilateral, national basis, ignoring the interests and sensitivities of the other members. One strength of the BRICS is precisely the great leeway it leaves for States to conclude economic and even defence agreements at their discretion, as it often satisfies often divergent nationalistic concerns, contrary to the European Union, whose Commission takes decisions on behalf of all its members, generally with the two Big Ones (Germany and France), and increasingly bypasses the formal requirement of unanimity by sanctioning dissenting governments.

The Indo-US Bilateral Trade Agreement, now in the making, is viewed in the USA as an instrument to tie India to US economic and industrial decisions, through mechanisms such as TRUST (Transforming the Relationship Utilising Strategic Technology), which would surely maintain America's ownership rights over those technologies and their applications. In the same vein, the expected chapter on supply chain cooperation is expected to nudge India's trade policies into US-approved channels. A recent demonstration of this *modus operandi* is Trump's public assertion that India has agreed, at his prodding, to buy oil from the USA and Venezuela and no more from Russia, just as the EU has had to undertake, under the 2025 trade deal, to purchase vast quantities of American energy to replace the

'forbidden' Russian oil and gas.

Options are gradually being reduced for nations that consent to such 'partnerships' aimed at creating a string of captive customers bound to trade only in Dollars to acquire the goods and services supplied virtually free of competition by the old but increasingly belligerent hegemon. BRICS members will therefore have to be very wary of US proposals if they wish to retain control over their economic future. For many nations, BRICS may offer a better alternative to the reassertion of American dominance, and agreements between BRICS and the European Union are not out of the question⁸, but the active survival and success of the bold and pioneering cooperative experiment that is BRICS depend on the vigilance and lucidity of its largest members.

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The BRICS Structure: Does it Need a Unified Currency and a Mutual Defence Pact to Establish a Non-NATO/EU Order?

Vibhuti Jha*

Introduction

The BRICS represents a confluence of interests and common purposes. One of the most profound statements on ‘problem solving’ comes from the famous scientist and brilliant mind, Albert Einstein, who said, “Any intelligent fool can complicate a simple problem; it takes courage to move in the other direction.” Let’s address the BRICS challenge to itself and the world around it from that perspective, and consider its impact and implications for NATO and the EU.

For nearly a century, the global order has been defined by two primary pillars of Western power: the North Atlantic Treaty Organisation (NATO) and the supremacy of the U.S. Dollar. Together, they represent the “Hard” and “Soft” power of the Global North—a military shield and a financial sword. For the BRICS nations (Brazil, Russia, India, China, South Africa, and their recent expansions), the quest for a multipolar world is not merely an ideological preference; it is a survival strategy. It is within this context that a ‘confluence of interests and commonalities of purpose’ (COI & COP) is established among the BRICS nations and affiliated members.

The West must be credited with establishing a rules-based order and the massive institutional framework that the proverbial Third World or Global South was forced to accept and follow. The

Western institutional framework almost compelled the Global South to look up to the Global North as an aspirational model dominating their socio-economic models of change and development!

To truly transfer power away from the West, BRICS must transition from a consultative forum to a structured institutional bloc. I believe that the synthesis of a **NATO-style mutual defence pact** and an alternative global payments and trade settlement mechanism, with or without a **unified BRICS currency**, is the only viable option to dismantle Western hegemony and establish a sovereign and unshackled Global South.

The Monetary dilemma: De-Dollarisation as Liberation

The most potent tools of Western influence are not the aircraft carrier but the SWIFT system and the almost unified Central Banking system! When the West can freeze hundreds of billions of dollars of sovereign nations’ assets and seize the assets of individuals and entities at will, if not at the drop of a hat, it signals to every BRICS nation that their wealth is held to ransom by the political compulsions of those ‘who established their rules-based order’, where everyone loses their freedoms and choices at the pleasure of those they do not agree with. Add to that the West’s complete dominance of the media, whether print or digital,

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to manage any narrative the way they want. Truth is thus always manipulated and managed by Western hegemony.

The U.S. Dollar serves as the world's primary reserve currency, enabling the United States to run massive deficits funded by the rest of the world. For BRICS, this creates a "structural dependency." When the Federal Reserve raises interest rates to fight American inflation, it inadvertently crushes the currencies and debt-servicing capabilities of the Global South. When the Fed reduces interest rates, it has a concomitant impact on dollar-dependent nations. Thus, either way, the Global South gets crushed, in addition to the perpetual threat and uncertainty of sanctions and asset seizures, even if a country may not be directly responsible for the actions of a particular country, individual, or entity.

The world of 2026 looks very different from what we inherited after the Second World War in 1945. The end of the Second World War also marked the beginning of the end of European occupation of virtually the entire Rest of the World (ROW) through the brutal mechanisms of imperialism and colonialism, driven by oppressive practices. Europeans, literally and figuratively, took charge of the entire ROW and shared it amongst themselves as their own harem! ROW became a subservient entity for enriching the colonialist empire. They brutally and systematically extracted all riches and natural resources from their colonies and made themselves a superpower, while subjugating their colonies to abject poverty, in the name of 'God, Glory and Gold'!

As we all know, BRICS today is larger than the G7 across all economic indicators, including

GDP, and in pure diplomatic gravitas, which has led to the need and argument for a formal alignment to create a new world order. This has moved from a radical anti-West idea to a political and economic necessity. For the West to feel threatened is a natural outcome. However, they must recognise that the BRICS want to establish the concept of 'fair share' across every aspect of governance, including political, economic, social and technological dimensions. BRICS nations are rich in critical mineral resources, and they must want to share the rewards equitably.

Reform of political and economic institutions is urgently needed today, given the utter failure of the post-Second World War institutional structures—the United Nations, the World Bank, the IMF, the WHO, etc. These institutions systematically pursued the Western agenda in the name of a 'rules-based order'. The United Nations Security Council, with its veto powers, became a monopoly or oligarchy controlling the world's global challenges—what better way to capture the entire ROW behind UNSC mandates they rarely agreed upon? Today, the most powerful political grouping is dominated by the EU/NATO, which totally ignores the real and actual needs of the ROW.

The Mechanics of a Unified BRICS Currency

Does BRICS really need its own currency, or should it create a bilateral currency mechanism for trade payments and money transfers as an alternative to SWIFT? A unified currency—let's call it the **R5+** (reflecting the Real, Ruble, Rupee, Renminbi, and Rand)—would provide several strategic advantages, keeping COI & COP in

constant focus. A unified currency would indeed provide a viable alternative to the Euro and the USD!

- **Commodity Backing:** Unlike the USD, which is a fiat currency backed by “faith and credit,” a BRICS currency could be backed by a basket of physical assets. The BRICS control a massive share of the world’s oil, gold, and rare-earth minerals.
- **Sanction Insulation:** A unified currency, operating on a proprietary blockchain or digital ledger (CBDC), would bypass Western-controlled clearing houses.
- **Trade Efficiency:** By eliminating the need for the dollar, BRICS nations can reduce transaction costs, thereby stimulating intra-bloc trade, which currently accounts for a growing percentage of global GDP.

The Security Pillar: A NATO-Style Collective Defence

NATO is the only ‘war club’ in the world today. It’s white-only, members-only, by invitation-only, an exclusive club operating with almost the Musketeer philosophy of ‘one for all, all for one’ in case of war against ANY member country! They can do whatever they want - be it in the Falklands or Venezuela. But if any country goes to war with any NATO country, hell’s fury will be unleashed. Thus, for the BRICS, economic power without a military deterrent is fragile. The history of the 20th century is littered with nations that attempted to move away from the dollar, only to face “regime change” or external destabilisation. A BRICS mutual defence treaty—a “**Southern Nations Atlantic Pacific Alliance**” (SNAPA)—

would change the mechanism and calculus of intervention. One can visualise a real global peace happening! Imagine if India and China commit to this arrangement. A whole new world of economic prosperity will be created by the world’s two largest economic giants.

Deterrence Against Hybrid Warfare

NATO’s Article 5 (an attack on one is an attack on all) provides a psychological and physical shield. A BRICS equivalent would prevent the “salami-slicing” tactics often used against developing nations. If an economic embargo or a proxy conflict were initiated against one member, the others would be treaty-bound to provide military or logistical support.

Brics will gain significant Technological and Intelligence Sovereignty

With Russia, China and India possessing formidable military capabilities, including market and manufacturing prowess, a formal defence alliance will provide significant:

- **Interoperability:** Standardising defence hardware and communication protocols across the Global South.
- **Intelligence Sharing:** Countering Western signals intelligence (SIGINT) with a unified Southern network.
- **Space and Cyber Defence:** Pooling resources for satellite constellations and cybersecurity to ensure the West cannot “turn off the lights” during a diplomatic dispute.

Why a defence pact is required, and why a high-calibre trade and payment settlement

mechanism is needed, must be understood in another context, given Western countries' proclivity to 'control, manage, manipulate and mobilise (C3M) the rest of the world from their prism alone'. The Global South must not forget the suffering caused by European colonialism and imperialism. In fact, the entire world is still suffering from the 'flashpoints' left behind by the colonialists and imperialists.

Therefore, the BRICS COI and COP will remain the cornerstones of a mutually beneficial relationship and its outcomes. The "Security-Monetary Nexus" is the secret to the West's longevity, and it must be the blueprint for the East's ascent.

If BRICS launches a currency but lacks a defence pact, the West can use military pressure or "colour revolutions" to flip individual members, breaking the currency union from within. Conversely, a military alliance without a shared currency mechanism remains dependent on Western finance to fund its operations. By doing both, BRICS creates a **closed-loop system** of power.

Overcoming Internal Friction

Critics argue that the rivalry between China and India, or the geographical distance between Brazil and Russia, makes such an alliance almost untenable. But this is the 21st century, in which the tectonic shift brought by technology has completely altered the framework of how we communicate with each other. Geopolitically speaking, nations are far more aware of the impact and implications of events around them. Thus, the establishment of the COI & COP will remain at the root of all perceived or real differences amongst

BRICS members. Remember, the European Union and NATO were formed by nations that had spent centuries at war, including launching 'world wars' amongst them for territorial gains and advantages.

The unifying force for BRICS is **the convergence of interests and common purposes, which must overcome differences arising from diverse cultures**. The desire for sovereignty and disdain for Western "long-arm jurisdiction" provide a stronger glue than cultural homogeneity ever could. The alliance must consider adopting a "non-interference" clause, focusing strictly on external defence rather than internal governance.

To effectively manage the 'internal frictions' within BRICS, the founders must be very pragmatic about the admission of new members to the organisation. For example, admitting Turkey or Pakistan would increase the likelihood of internal sabotage within BRICS. After all, isn't Turkey already in NATO for ages, and hasn't Pakistan always been doing the 'dirty job' for the USA and Europe, as its Defence Minister has said? Would it not be suicidal for BRICS to have them in the organisation?

Conclusion: Will the West accept the BRICS as equals?

The simple answer is NO. But given the geopolitical imperatives, Europe's severe decline, and the US's inability to continue printing dollars to wiggle out of its financial difficulties, the West will seek genuine collaboration as the way forward. The transition of power from the West to the Global South is not about creating a new "Empire" with its own imperial and colonial ambitions. It's about

restoring the world to a state of balance where RESPECT for each other's territorial imperatives is the new rules-based order, Westphalian or not. A NATO-style BRICS alliance, moving away from the SWIFT payment and trade settlement mechanism (with or without a unified currency), would force a "Global Reset." BRICS must defeat all NATO/EU 'divide and rule' tactics by always keeping the mantra of '**Convergence of Interests & Commonality of Purpose**' as BRICS's cultural binding glue. Otherwise, BRICS will provide many more editions and chapters of that book called 'Confessions of the Economic Hit Man'! Even though Mr Trump has said that BRICS is the enemy of the dollar and America, he knows it's not true. BRICS is looking for respect and a seat at the table to usher in a new rules-based

order. EU/NATO must negotiate as equals rather than as a hegemony.

In this new era, the "South" ceases to be a playground for Northern interests and becomes the architect of its own destiny. The tools of the master—the treaty and the mint—must now be used to build a different kind of house. The recently concluded Munich Security Conference offered many glimpses of geopolitical games, but it was very clear that the EU is worried about its global decline in political power and economic capabilities. Only through greater cooperation and collaboration with other nations on equal footing can it extend its life cycle. Empires have disappeared in the past. It will happen again. "History is littered with the corpses of men and women who forgot the lessons of history!"



An Interview with H.E. Prof Anil Sooklal, High Commissioner of Republic of South Africa to India, on BRICS

Come Carpentier*

Mr. Come Carpentier:

Excellency, given your long experience in both Indian and South African diplomacy, what do you consider the major achievement that India could aim to achieve during this year of its presidency?

H.E. Prof Anil Sooklal:

India, as a founding member of BRICS, has a very important mandate this year. This is the fourth time India has hosted the BRICS Summit. They did so for the first time in 2012, and I was very privileged to be part of that meeting. India's present chairship of BRICS in 2026 is at a very challenging time in the global context, not only in terms of the global trade architecture, which has been hit by the tariff episode, but also in terms of global geopolitics and a very fractured world. The world is looking for leadership, and, in many senses, that leadership is coming from the Global South, and

more specifically from the BRICS. This is the 20th anniversary of the BRICS' first meeting at the level of foreign ministers on the margins of the UNGA in New York in 2006, as an informal group, and it has since evolved into a summit-level meeting. Today, I think BRICS is widely respected and recognised as perhaps the most powerful formation from the Global South, championing not only issues of the Global South, although that has been the primary focus when we came together as a BRICS family, but also issues of global concern across the whole spectrum, from geopolitical security and the economic and financial situation to sustainability and people-to-people cooperation. Given the paralysis we face on the global multilateral front, this will be a major focus of India's chairship this year.

How do we preserve the multilateral architecture, a rules-based system grounded in

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international law and underpinned by the UN Charter and its purposes and principles? All of which have been marginalised and eroded by the very founders of this international system, which sought to establish a rules-based global order. Yet today, many describe us as living in a period of global disorder.

India has wisely chosen a theme that plays on the BRICS acronym: Building for Resilience, Innovation, Cooperation, and Sustainability. All these are critical issues that also show continuity in the focus we have had since the outset amongst BRICS countries. India will build on what we have achieved under past presidencies. Of course, BRICS, as you know, is based on three pillars of cooperation: political and security, economic and financial, and social and people-to-people. And under each of these themes, India has elaborated specifically what it will take forward.

But I think, as I have indicated, how do we preserve an international system underpinned by international law in an architecture that is in dire need of reform? We cannot continue with the current global multilateral architecture, as even Secretary-General Guterres has indicated that the United Nations Security Council is no longer fit for purpose. It is now more than 80 years old and has become obsolete and archaic. It needs serious reform. And just recently, one of the leaders from the Global North questioned how it is possible today that India, a country with the largest global population, the fourth-largest global economy, and a major player on the international scene, is not yet a member of the Security Council? And I think this is something that we have been calling for, the

reform of the United Nations system, and especially the Security Council. And I think we have seen in the recent past that the Security Council is totally paralysed. Global peace and security, which is a mandate of the Security Council, is no longer being addressed. Countries are not respecting this. They are embarking on unilateral actions, including military, financial, and economic measures, without any respect for the very institutions we all came together to create after the Second World War. So, we have rendered these institutions almost obsolete. But more importantly, unfortunately, they are our institutions. We created them. And we are now responsible for rendering them, as you have indicated, obsolete and dysfunctional. And that's a great pity. And this is some of the issues that India, as we expect, and as they have said, will address in a very focused way.

In this era of the weaponisation of tariffs and trade, there is an increased need for us, as countries of the global South, to deepen trade amongst ourselves. India has entered into a range of free trade agreements. Most recently, we witnessed the signing of the FTA with the European Union. President of the European Union, Ursula von der Leyen, referred to it as the mother of all free trade agreements. It brings together over 2 billion people, creating a massive market. More recently, we have seen even the USA agree a framework agreement with India, and they are also working on an FTA with our region, the South African Customs Union. So we are hopeful that during the course of this year, we will be able to finalise that agreement as well. I think this is the Global South showing leadership, and India is at the centre of that.

Despite all of these threats to our economies, including high tariffs, closed markets, and a move towards an introverted trade space, we have not seen this as a deterrent. We have seen it as a major opportunity. And this is what BRICS has to address comprehensively.

As you have noticed, at the 2023 summit we tasked our finance ministers with exploring the creation of a common payment system and a payment platform for BRICS countries. We also indicated that we need to deepen trading in our own currencies. That's happening at an extended level, well beyond BRICS. Prime Minister Modi was in Malaysia this weekend. They are going to adopt the UPI system. Many countries are doing so. China has created its own platform. India, Brazil, of course, us in South Africa, and Russia as well. Because we can't be held hostage to payment systems and payment platforms, and to a global financial system dominated by a few. And then, in times of difficulty, to unilateral sanctions that freeze our funds.

Many are saying that BRICS is responsible for de-dollarisation. That's not the case. BRICS doesn't have de-dollarisation as an agenda item. What it does have, and has had as a very important agenda item, including this year, is how to deepen trading in our local currencies and how to deepen the creation of payment platforms so we don't have to depend on Western-created systems. I think this is happening at an accelerated pace. We want greater autonomy and independence, and we want the space to make choices that are, first and foremost, in the best interest of our countries, our region, and the global South. This space has been

dominated for too long by certain countries and certain multinational financial houses.

I was very pleased to see that India is now going to launch its own fleet of cargo ships, not just depend on the Global North for our trade. These are all very positive developments that will be taken forward under India's presidency. But I think the New Development Bank is doing very well, and we need to deepen its imprint.

The new members who have joined need to be taken on board as full members, and we need to deepen the loan book with them as well, because the NDB has shown that it's possible for us to create our own financial institutions and manage them positively. So, I think you'll also see a focus on that front. Then, of course, the environment, green energy, and the energy portfolio are critical to BRICS cooperation. Issues of disaster risk resilience, which India has brought to the table, will receive increasing attention, and how we can cooperate on the environment will also be a focus.

I think that is also a very critical issue. I think BRICS has an important role to play. When we speak of energy, we always talk about the energy transition, but we're not seeing it in reality. So I think we will focus on that. But also, I think India will play an important role in sharing experience in digital technologies. I mean, digital public infrastructure has transformed Indian society, and we are very keen to see how we can work with India to learn from India and also provide assistance in the technology space. India is hosting the AI summit next week. That's a major global development. We need to ensure that countries of the global south, developing countries, are the

beneficiaries of developments in the AI space, and that we are not marginalised.

Mr. Come Carpentier:

India has recently concluded an FTA with the European Union and has an interim agreement with the United States. Are you concerned that such FTAs with countries that do not belong to the BRICS could, in some way, hamper or at least confuse the overall direction that the BRICS has taken? For example, very clearly, the US under President Trump has certain requirements, including the purchase of a certain amount of goods and services from the United States, which, I believe, amounts to 500 billion in five years. And while tariffs have been lowered, higher tariffs can be reinstated at any time if the US believes that India is not abiding by its demands, for example, regarding energy purchases. Do you think that this could make BRICS coordination more difficult?

H.E. Prof Anil Sooklal:

One of the strengths of the BRICS member states is the bloc's collective power. It not only strengthens the bloc but also each of us. You would have seen this in the case of India, where, despite the imposition of 50 per cent tariffs, there were threats of 100 per cent tariffs and of stopping the purchase of Russian oil. In South Africa, we faced 50 per cent tariffs, as did many others. So did Brazil. But none of the BRICS countries buckled under this pressure. I think the days are gone when one power can dictate how we conduct our domestic affairs, who we trade with, who we buy from, and who we interact with. You have seen

the resilience of BRICS countries. This pressure tactic no longer works. All it has done is reinforce the cohesion of a bloc like BRICS, and it has prompted us to expedite the deepening of our interactions at all levels.

I am not concerned that, despite our signing free trade agreements with any party, they may renege on those provisions and impose new tariffs and provisions. I think we are past that period. And the size of the economy: you would have seen just last week, in statistics we received from the IMF, that in 2026, almost 50 per cent of global GDP growth is being generated from this region. China: almost 27 per cent; India: 17 per cent; and Indonesia: 3.8 per cent. Just these three countries generate almost 50 per cent of global GDP growth. USA 9.9 per cent. Put this in perspective. European Union, about 7.5 per cent. Now, the pendulum has shifted from the global north to the global south. And this is what is keeping the global economy buoyant in a very challenging time. It is countries like us from the global south, including BRICS countries, that are powering the global economy in very difficult circumstances. So, a country that is responsible for under 10 percent of global GDP growth can no longer call the shots and determine what's in the best interest of all of us.

As I have said, the weightage has shifted dramatically, and BRICS is at the centre of that. So, I think BRICS is in a good position. But as I indicated at the outset, India has assumed the chair at a very challenging time. India will have to show leadership as chair of BRICS, and collectively we have to show leadership as BRICS. Now, if you

look at recent summit declarations, when we speak of the global system, we already speak of a multipolar world. We don't say we are coming into a multipolar world. If you look at past BRICS summit declarations, the past two or three, we already indicate that we are living in a multipolar world. And that's a major statement.

Regarding the agreements being signed with countries from the global north, we also have an FTA with the EU. And we have FTAs with countries from both the north and the south. I think the unique identity of BRICS is that, even though we are a formation of the global south and champion issues of core concern to us, we have always been inclusive. It's never been an exclusive entity. The G7 is over 50 years old, formed in 1975. But it's a closed shop.

For a short period, they brought in Russia and then pushed it out, but it's a closed shop. Interestingly, I think President Macron has given the best answer to this dynamic. Last month, at an annual meeting with all the French ambassadors in Paris, he made a very interesting statement. He said, "Look, this year France chairs the G7, and India chairs BRICS." He said we must ensure that the G7 doesn't become anti-BRICS and that the BRICS doesn't become anti-G7. He added that we would like to work closely with India during its tenure as chair of BRICS.

Now, I think this is a very positive development. BRICS has already been examining how we cooperate with our partners globally, not just in the Global South, but also in the Global North. I think this is one of the unique opportunities India has under its chairship. Besides France, the Prime

Minister of Finland has made very positive statements about India playing a bridging role between the North and the South. Chancellor Merz, when he was here, said the same thing. I think this is partly due to the fractures in the transatlantic alliance. Even partners from the Global North, particularly in Europe, are looking for trusted partners from the Global South with whom they can work. And India, South Africa and Brazil come to mind immediately. For those from the Global North who want to engage with the BRICS, I think we must be open to that.

South Africa's experience has shown that dialogue fosters common understanding. But when we stop talking to each other, we misunderstand each other. And then we see all kinds of permutations, such as that BRICS is a bloc that's anti-West. Or BRICS is a bloc that's anti-G7. Or BRICS is about de-dollarisation. These are all false narratives. This is not what BRICS is about. BRICS wants to create a more inclusive, just world underpinned by international law, where we truly leave no one behind. And I think this is what this unique moment is: India's opportunity to chair BRICS in a very fractured world, to create bridges between the North and the South.

Mr. Come Carpentier:

At one point, President Macron suggested that France would like to join the BRICS. There have been policy papers by scholars on the possibility of establishing a special relationship between the European Union and the BRICS. In this regard, I would like to draw your attention to two points. The first is the trade instruments. President Trump

has expressed strong opposition to the BRICS unit and, by extension, to India's proposal and the project to link the central bank digital currencies of all BRICS members and other countries. Such an alternative system will definitely undermine the role of SWIFT and the dollar. The US will not take this lying down, because much of its prosperity depends on its role as the world's reserve currency and, essentially, on its control over the use of the dollar. The European Union has its own interest in the euro. How do you see the BRICS confronting this, given the many different agendas among those countries?

The second point pertains to artificial intelligence. In AI, as in other fields, China is now either catching up with the US or overtaking it, and its technology could be the driving force in the coming years. China would thus increase its economic preponderance within BRICS and globally. The US has proposed a G2, which China has officially rejected, saying it does not want to be a new club of two superpowers, leaving the rest behind. How do you see BRICS facing this? Also, how would you react to the naval exercise off the coast of South Africa involving Russia, Iran, China, and South Africa? This in itself seems to orient BRICS towards the use of military force to stop certain unacceptable abuses of power.

H.E. Prof Anil Sooklal:

I would say the BRICS is a balancing force at the moment. I also think it's important to recognise that in this multi-layered global environment, we live in an age of what some scholars have described as multi-alignment. There's no

contradiction in this. India is a member of the Quad, BRICS, and SCO. And I think this is the reality. We are going through a phase where you'll find alliances that weren't there before. But every country also has to take into account its national interest as it forms relationships within the region and globally. And sometimes these may seem contradictory, but in the larger picture, they are not.

In 2023, when South Africa was the BRICS chair, I was asked how we manage the five very diverse countries and how we get along as BRICS countries. I said it's far easier than in the G20, where BRICS, the G7, and even the monarchy are part of it. In the G20, we have governance systems you don't agree with, and they're so diverse, but we still get on and achieve positive outcomes from G20 summits. So, in BRICS, it does not matter what type of alliance we have amongst the five of us. Now, the initiative India is taking is part of what I have said about us having greater financial choices and independence. So linking digital currencies, as India has suggested, is a natural evolution of what we're trying to do in the financial space, like deepening trade in local currencies and creating our own payment platforms. It is important to remember that, at one point, the US accounted for over 50% of global trade. Today, that figure has fallen dramatically, under 20%. Yet, some 50% of trade is conducted in one currency, a currency that dominates the global economic space, the country.

Secondly, see what is happening with the IMF reserve basket. You have to create space for other currencies. It can't be dominated by a few, and

you're seeing that evolution, such as the return to gold as the preferred foreign holding. Also, if you look at history, where was the dollar before the end of World War II? At that time, the pound was the most dominant global currency, but its history now. With the emergence of other major economies, reliance on the US dollar will decline. At some point, China and India will become economies equal to, or maybe even bigger than, the USA's. So, we cannot marginalise these countries and their financial systems. It's a natural growth. We all still deal in dollars, but there has to be space for all of us to coexist. And this is what BRICS is speaking about. The coexistence within the political space, within the security space, within the economic space and the financial space. Trying to contain the rise of countries won't work. It's going to fail. So, I think we need to accommodate each other.

This is what BRICS is about. It's about how we accommodate each other, coexist, and ensure that all of us benefit from the larger economic space, the larger global security space, and the global governance architecture, so that it can't be one or two that determine what's in our best interest. And I think you are seeing increasingly, as I have said, that countries and leaders from the Global North are recognising this. Secretary General Guterres, when he spoke at the BRICS Summit in Johannesburg in 2023, said the Global North must learn to live with the Global South and accommodate them as they rise. So I think that selfish and hegemonic mentality is something of the past. Clinging to it is not going to take us into the future.

Mr. Come Carpentier:

There are currently three African countries that are members of BRICS, and several others are waiting to join. Now, given that organisations should not expand too quickly because they may lose cohesiveness and even the ability to communicate effectively, do you think there could be an actual agreement between the African Union (AU) and the BRICS, as India included the AU in the G20? Should India use its year of chairship to make the AU a full member of BRICS?

H.E. Prof Anil Sooklal:

Well, on the three occasions that we chaired BRICS, 2013, 18 and 23, we invited all the regional economic communities, the presiding country presidents, plus the AU commission chairperson and the AU presidency to all these summits. So the precedent is there. They have been part of past summits, and I am sure India will also have an Africa focus.

India is also hosting the India-Africa Forum Summit at the end of May this year. So Africa has always been a focal point of India's foreign engagement, and I am sure even this year you will have that continuity. South Africa and the other member states like Egypt and Ethiopia, would like to see greater engagement between BRICS and the African continent, and I think that's also something that will happen.

Mr. Come Carpentier:

We all do hope so. It's a fascinating conversation, and I wish to thank you very much

for your very detailed and scholarly responses. In terms of currency, trade, and high technology, the leadership is coming to the BRICS grouping. Therefore, given India's initiatives, China's open-source technologies, and Russia's development of alternatives, I think the time for BRICS has come.

Thank you for capturing it so well. It's a moment that BRICS must seize, and I think India will provide that leadership this year.

H.E. Prof Anil Sooklal:

Thank you for having me.



Make *Samsara* Great Again? *Karma, Renunciation, and the Critique of Activism*

Karl-Stéphan Bouthillette*

Abstract

This article reconsiders the meaning of *karma* in classical Jain and Buddhist philosophy and its implications for ethics and politics. Against modern popular and activist appropriations that recast *karma* as a principle of justice, responsibility, and worldly repair, I argue that Buddhist and Jaina sources understood *karma* primarily as a contaminant: the binding force that traps beings in *samsara*, the cycle of birth and death marked by suffering and delusion. The task was not to perfect *karma* but to exhaust, transcend, or dissolve it, a project inseparable from the renunciatory ideal.

Part One traces this negative valuation of *karma* in Jaina and Buddhist sources, from the Jain metaphysics of karmic matter to the Buddha's definition of *karma* as intention, to Abhidharma theories of continuity, and to *Nagarjuna's* radical deconstruction of karmic causality as empty. In each case, *karma* emerges not as cosmic justice but as the very machinery of bondage, demanding renunciation as its practical corollary.

Part Two turns to the broader implications of this view. I develop the notion of renunciation as a form of ascetic resistance: an *apolitics* that resists the karmic economy itself, neither reforming nor fleeing the world but refusing its logic of action and accumulation. This perspective is then contrasted with modern activist reinterpretations, which recast *karma* as a resource for social justice, ecological responsibility, or political resistance. While powerful in their own right, these activists risk reinscribing the very economy of action that renunciation sought to overcome.

Finally, the article suggests that the renunciatory critique of *karma* retains philosophical force in the Anthropocene. In an age of ecological collapse and political exhaustion, the lesson of these traditions is not that we must “make *samsara* great again,” but that some problems cannot be redeemed within the frameworks that generate them. Their rejection of the karmic economy discloses another mode of resistance—ascetic rather than activist, apolitical rather than political—in which life is revalued as the possibility of peace beyond accumulation, identity, and striving.

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Introduction: The Paradox of Karma

The idea of *karma* has long fascinated both insiders and outsiders to Indian traditions. In contemporary popular discourse, however, it is often reduced to a natural moral law, a cosmic guarantee of reward for good and punishment for bad. This simplistic notion has been eagerly adopted, typically with slight variations, by activist movements of many stripes, in which spirituality and politics are said to merge¹. In this spirit, Neo-Jain, neo-Buddhist, and neo-Hindu reformulations—largely developed outside Asia—along with eclectic “yogic” lifestyles shaped by New Age thought, Western esotericism, and harmonialism², recast *karma* according to preferred political allegiances.

Today, activism—political, social, environmental, or spiritual—is increasingly framed as a moral imperative, even a heroic stance. To resist its logic is to risk appearing suspect. Its discourse permeates the arts, academia, the media, and even religion, celebrating the “active,” outspoken individual as the virtuous counterpart to the villainous capitalist “businessman.” This cultural valorisation of activism profoundly reshapes how karma is imagined, especially in the popular wellness and spirituality literature marketed to Western audiences.

A striking example is found in Tibetan Buddhism, in the Karmapa’s *The Heart Is Noble*³, a collection of talks and teachings for a general readership, that recasts *karma* as a thoroughly worldly principle of interdependence and responsibility. No longer a subtle, delusive mechanism of bondage, karma here functions as an ethical calculus of cause and effect, urging

mindful consumption, compassionate action, and ecological engagement. In this well-intentioned reframing, *karma* is reified as worldly justice, a summons to reform society through collective good deeds.

This article argues that while such activist readings appeal to contemporary intuitions of justice, they profoundly distort how karma functioned in classical Indian philosophy. Far from serving as a mechanism of moral progress, karma was more often regarded as a contaminant, a binding force that tethers beings to *samsara*, the cycle of birth and death marked by suffering, impermanence, and delusion. The task, therefore, was not to perfect *karma* but to transcend, exhaust, or cleanse it. In this sense, the doctrine of karma was traditionally inseparable from the ideal of renunciation.

Johannes Bronkhorst has traced the genealogy of this transformation.⁴

In the Vedic world, *karman* meant a ritual act. Its efficacy was technical and amoral: properly performed sacrifices maintained cosmic order (*ṛta*) and secured benefits. Intention was irrelevant; precision was everything. The *Sramana* traditions (Jainism, Buddhism, *Ajivikas*) decisively broke with this worldview. For the Jainas, *karma* became a moral-psychological substance binding the soul; for Buddhists, *karma* was redefined as intention itself (*cetana*). In both cases, sacrificial causality was replaced by moral teleology. Suffering and rebirth were explained not by divine whim or ritual failure, but by one’s own actions and desires. This moralisation of *karma* was revolutionary. It universalised responsibility, rendering human beings the authors of their fate, and explained apparent

injustice without recourse to divine judgement. Yet it also introduced a new problem: *karma* itself became the obstacle. Whereas sacrificial *karma* had been a means of sustaining cosmic order, moral *karma* became the very machinery of bondage.

This article seeks to explore this paradox—the negative valuation of *karma*. I argue that in both Jaina and Buddhist sources, *karma* is framed not as a moral guarantee but as a contaminant to be purged. This reframing underpinned the rise of the renunciatory ideal and gave birth to what may be called ascetic resistance: the apolitics of renunciation. By refusing the karmic economy that bound householders to the cycle of desire and accumulation, renouncers carved out an alternative ethos, neither political reform nor quietist withdrawal, but a principled rejection of the world.

The paper proceeds in two parts. Part One turns to the sources themselves, focusing on Jaina and especially Buddhist accounts. It traces the development from the Buddha's redefinition of *karma* as intention, through Abhidharma attempts to secure karmic continuity, to *Nagarjuna's* radical deconstruction of *karma* as empty of intrinsic nature. In each case, *karma* emerges not as a principle of cosmic justice but as the very mechanism of bondage. Part Two then considers the broader implications of this view. It develops the idea of ascetic resistance as a form of counter-politics, contrasts the ancient rejection of *karma* with modern activist reuses of the term, and asks what these traditions might offer for thinking about life in the Anthropocene.

I suggest that the result is a liberating way of reading *karma*: not as a consoling law that explains suffering, but as a diagnostic of entanglement and

a call to detachment. This attitude, I suggest, constitutes a political stance in its own right, a quiet yet uncompromising refusal that should not be drowned out by activist rhetoric.

1. Karma as Contaminant: Jaina and Buddhist Sources

1.1 Jainism: the Weight of Karma

Few traditions take the binding character of *karma* as seriously as the Jainas. In *Umasvati's Tattvarthasutra*, *karma* is described not merely as a causal law but as a quasi-material substance (*dravya*) that adheres to the soul. The text enumerates eight principal types of karmic matter—knowledge-obscuring, perception-obscuring, deluding, obstructive, lifespan-determining, body-making, status-determining, and feeling-producing—along with 148 subtypes (*Tattvarthasutra* 8.1–9). These karmic particles infiltrate the soul through passions and activities, weigh it down, and obscure its innate luminosity. The consequence is stark: every embodied existence is karmically compromised. Even apparently virtuous actions, insofar as they involve attachment, attract subtle karmic matter. For early Jains, the mere fact of living the life of a householder binds to hell.⁵ This is why Jain ethics often appear severe. The task is not simply to perform good deeds but to minimise karmic influx (*asrava*) altogether and to wear away past accumulations (*nirjara*). Liberation (*moksa*) is possible only when the soul is utterly freed from karmic accretions, rising naturally upward, radiant and weightless, by its own purified nature.

This metaphysics of *karma* underpins the radical asceticism for which the Jain tradition is

renowned. Practices such as fasting, celibacy, vigilance over speech, and even the careful avoidance of harming microscopic life are not merely moral disciplines but techniques of karmic prevention. The renouncer's refusal of worldly entanglement is thus both ethical and ontological: each restraint is a shield against new karmic adhesions, each austerity a solvent that dissolves past residues.

In this vision, *karma* is pollution; renunciation is detoxification. However virtuous the household path, it cannot suffice, for every social bond and every act of possession implicates one in fresh karmic influx. Hence the Jain renouncer embodies a mode of ascetic resistance: not the reform of worldly life, but its abandonment as karmically compromised. This resistance is not political in the usual sense, for it does not seek to restructure society. It is *apolitical* in the precise sense that it resists the very economy of action that makes politics possible. By undoing the bonds of *karma*, the renouncer gestures towards a freedom that can never be secured within the karmic order, the ritualised social habitus.

1.2 Buddhism: Karma as Intention and Bondage

The Buddha redefined *karma* not as ritual action, as in the Vedic context, but as *cetana*, intention. In the *Anguttara Nikaya*, he declares: "It is intention, monks, that I call deeds (*karma*); For after making a choice one acts by way of body, speech, and mind" (AN 6.63).⁶ Intention is thus the generative force of moral life: the decision to act conditions speech and bodily conduct, setting in motion consequences that extend beyond the

moment of action itself. This definition both interiorizes and universalises *karma*.

Yet this radical interiorization also deepens the problem. While intention is morally significant, it remains entangled in *samsara*: every volition, even ethical volition, sustains the cycle of birth and death. In Vasubandhu's *Abhidharmakosabhasya*, this is formulated with clarity. Vasubandhu distinguishes between actions performed with wisdom (*prajna*) and those without. The former—acts undertaken in freedom from self-delusion—do not generate karmic residue; they are "non-producing" (*akaraka*) and leave no trace.⁷ But actions done under ignorance, even if outwardly wholesome, give rise to new karmic seeds and reinforce the latent dispositions (*samskaras*) that project future rebirths.⁸ *Karma*, then, is not primarily a law of cosmic justice but the machinery of bondage: it binds beings to *samsara* through the inertia of volition itself. No activism, insofar as it presupposes a continuing self, can thus make *samsara* "great again." As the *Samyutta Nikaya* (12.66) warns,

*Whatever ascetics and brahmins in the future will regard that in the world with a pleasant and agreeable nature as permanent, as happiness, as self, as healthy, as secure: they will nurture craving. In nurturing craving they will nurture acquisition. In nurturing acquisition they will nurture suffering. In nurturing suffering they will not be freed from birth, aging, and death; they will not be freed from sorrow, lamentation, pain, displeasure, and despair; they will not be freed from suffering, I say.*⁹

In other words, even the most ethical volitions,

if rooted in attachment to identity, permanence, or conventional value schemes, remain karmically entangling. As long as action is propelled by desire or self-delusion, it perpetuates the cycle of becoming. Only acts of renunciation—gestures that sacrifice continued existence rather than revindicating it—fail to generate new bonds. They alone interrupt the momentum of craving (*trṣṇā*), bringing the karmic economy to cessation.

1.2.1 The Abhidharma Problem of Continuity

Within Abhidharma scholasticism,¹⁰ the definition of *karma* as intention sharpened a profound philosophical dilemma: if all phenomena are impermanent and momentary (*ksanika*), how can an action performed at one time generate fruit in another, even in another life? This is not a peripheral puzzle but a test of coherence for the entire Buddhist project. If the causal link between action (*karma*) and fruit (*phala*) cannot be explained, then the moral law collapses into incoherence.

Several schools offered solutions. The *Vaibhasikas* (e.g. *Sarvastivadins*) maintained that dharma-s exist in the past, present, and future; hence, an action, though past, continues to subsist until its fruit ripens. The *Sautrantikas* instead posited the seed hypothesis: an act implants a karmic seed that persists as a causal series of traces (*vasana*) until conditions mature. The analogy, often rehearsed, is that of a mango seed: though the seed perishes, the causal continuum it began—sprout, sapling, tree—eventually yields fruit. So too does karma operate through a succession of momentary traces.¹¹ The *Pudgalavadins* and some Abhidharmikas

advanced a different view: the action leaves behind an *avipranasa*, an “unperishing” residue, like a debt recorded in writing. This karmic record persists until repaid by fruition, ensuring continuity across lifetimes.

Both strategies sought to navigate between the Scylla of annihilationism (if an act perishes utterly, its fruit would have no cause) and the Charybdis of eternalism (if the act endures unchanged, it becomes a permanent entity). Their common aim was to preserve moral order without conceding a self.

1.2.2 Nagarjuna’s Deconstruction of Karma

Nagarjuna, in the seventeenth chapter of the *Mulamadhyamakakarika* (MMK), subjects these scholastic hypotheses to ruthless critique. His strategy is not to deny causality on the conventional plane but to dismantle the assumption that karma and its fruits possess intrinsic nature (*svabhava*).

If an action had intrinsic nature, he argues (17.22), it would be eternal and incapable of being “done,” since an eternal entity cannot undergo transformation. If, conversely, actions lacked intrinsic nature, then fruits could arise from non-actions, collapsing all distinctions between merit and fault (17.23–24). Furthermore, if the determinacy of an act rested in its essence, it would generate endless fruits, even after the first fruit has ripened (17.25). And since actions are rooted in defilements (*klesa*), which themselves lack ultimate reality, the claim that actions are ultimately real is incoherent (17.26–27).¹²

The consequence is devastating: neither action, agent, fruit, nor enjoyer ultimately exists. They are

like illusions conjured by a magician, a mirage shimmering in the desert, or a city of the gandharvas glimpsed in the sky (17.31–33). Their efficacy in the conventional domain is not denied, but their ultimate status is void. In the Madhyamaka vision, karma is not a cosmic law but a conventional construct that functions only within the domain of ignorance.

1.2.3 Philosophical Consequences: *Karma* as Emptiness

What does this mean for Buddhist soteriology? On the one hand, the refutation of intrinsic karma secures the coherence of emptiness (*sunyata*): if all dharmas lack *svabhava*, then karma cannot be an exception. On the other hand, this undermines any attempt to treat karma as a metaphysical guarantor of justice. There is no cosmic storehouse of deeds, no metaphysical ledger of moral debts. There are only dependently arisen series of volitions and results, provisionally designated as “person,” “agent,” or “fruit.”

The Buddha’s own words are here radicalised:

He who does the deed and he who experiences the result are one and the same’: this is one extreme, brahmin. [...]

He who does the deed is one, and he who experiences the result is another’: this is the second extreme. [...]

Avoiding these two extremes, the Realised One teaches by the middle way: ‘Ignorance is a requirement for choices.’¹³

Nagarjuna reads this not as evidence of a subtle metaphysical relation but as a negation of both sameness and difference, a denial of ultimate identity altogether. Choice (*sankhara*), the taking

up of one course over another, grounded in expectations shaped by a constructed self, as the *Samyutta Nikaya* (12.66) suggests, belongs wholly to ignorance. For the deluded, choice appears as freedom, the power to decide and act. From the Buddhist standpoint, such choosing is bondage: it renews ignorance, craving, and aversion, and thus sustains *samsara*. The equanimous one does not choose but abandons.

1.2.4 Practical Consequences: *Karma* and Renunciation

At the practical level, the Madhyamaka critique underwrites an ethos of renunciation. If karma is not a cosmic mechanism of justice but a circuit of bondage sustained by ignorance, then the task is not to amass merit or secure a more favourable rebirth, but to withdraw identification from the very process of karmic accumulation. Renunciation thus entails not merely abstaining from the unwholesome or cultivating the wholesome, but seeing through the very moral economy that binds both alike.

This is why *Nagarjuna* insists that the true escape from *karma* is not through abandonment in the ordinary sense (simply ceasing certain actions), nor through death and rebirth, but through a radical transformation of vision: meditation and insight into emptiness. Once the practitioner perceives that actions, agents, and fruits are as insubstantial as dreams, the binding force of volition is broken. One may still act, but without clinging, without the delusive appropriation that converts choice into bondage. Here *Nagarjuna* meets Vasubandhu.

In this way, *Nagarjuna*’s philosophy sustains

the soteriological orientation of renunciation at two levels:

1. Philosophical: By showing that karmic causality is empty, he prevents it from becoming reified into a metaphysical principle that would entangle the practitioner in endless cycles of moral calculus.
2. Practical: By urging disidentification from action and fruit, name and form (*nama-rupa*) he clears the way for the cultivation of detachment and serenity.

1.2.5 Summary

From the Buddha's redefinition of karma as intention, through the Abhidharma's theories of continuity, to *Nagarjuna's* dismantling of the notions of deed and fruit, a consistent theme emerges: *karma* is not a principle of justice but a mechanism of bondage. Its coherence depends on ignorance; its dissolution requires insight. To recognise *karma* as empty is to disidentify from the entire economy of action and result, a renunciation enacted both in thought and in practice.

Within this vision, the task is not to improve *samsara* but to unmask its very logic. The idea of "making *samsara* great again" — the impulse to redeem or save the world through further action — is incoherent, for *samsara* is a process without foundation. It cannot be repaired precisely because it is unreal, a collective hallucination. One does not reform a mirage; one ceases to chase it.

The philosophical deconstruction of *karma* thus sets the ground for renunciation. If action is structurally incapable of yielding liberation, then persisting in cycles of good and bad deeds can only perpetuate bondage. Renunciation is thus not

merely a stoic attitude but the most genuine form of Buddhist activism. It is a final act of cessation, a withdrawal from the karmic economy, spelling out the apolitics of liberation: the refusal to participate in ignorance.

Part Two: Ascetic Resistance: The Apolitics of Renunciation

Renunciation as Ascetic Resistance

The negative evaluation of karma in classical Indian traditions gave rise to the ideal of renunciation. As Romila Thapar emphasised, the renouncer was never merely a marginal figure but a paradoxical one, at once rejecting social order and embodying an alternative authority.

Far from being life-negating, the techniques adopted by ascetics and renouncers [...] have, as axiomatic, the belief that life can be the means of discovering immortality and freedom. [...] To the extent that the two societies were kept distinct, there was a tacit recognition of the futility of changing the larger society; that the renouncers had links with this society however, also indicates that there was an equally tacit recognition of osmosis as a process of social change.¹⁴

In this light, renunciation appears not as an evasion of responsibility but as its radical reconfiguration: a way of embodying transformation, of teaching through being.

The renouncer does not seek to reform society through political action but to step outside it altogether. The householder's rituals, duties, and property bind one to karmic accumulation; the ascetic's refusal dissolves those bonds. Caste rules are ignored, property relinquished along with sexuality and family obligations, food taboos broken,

and identities dissolved. This is not activism—an effort to improve the world through righteous action—but what may be called ascetic resistance: the refusal of the very ritual and karmic economy that holds society together. The renunciate’s authority derives precisely from detachment, the apolitics of liberation.

Modern Activist Reuses of *Karma*

Against this backdrop, modern activist reinterpretations of karma appear as profound reversals. Jin Y. Park,¹⁵ for example, reclaims karma as intentional action and agency, aligning it with Hannah Arendt’s notion of action as natality and José Medina’s “epistemic resistance.”¹⁶ For Park, karma is not passive acceptance but a creative practice of resistance: meditation, ethical cultivation, and mindful living become political acts that resist ignorance and injustice. This resonates with strands of Engaged Buddhism,¹⁷ as well as with Black American Buddhist voices such as Pamela Ayo Yetunde and Lama Rod Owens, who frame karma as a resource for mindful struggle against systemic racism and oppression.¹⁸

There is undeniable force in such readings. They resist fatalism, empower the marginalised, and show how Buddhist categories can inspire collective transformation. Yet from the vantage of classical renunciatory traditions, they risk reinscribing the very karmic logic they aim to overcome. By valorising agency, resistance, and creativity, they reaffirm the primacy of action—the very mechanism of bondage. For the renouncer, karma was never a resource to be mobilised but a contaminant to be exhausted, dissolved. Activist inversions, by contrast, cultivate the very disease

they seek to cure, treating *samsara* as a problem to be fixed through political means. In so doing, they collapse reality into the flat plane of conventional truth—a ritual game without cessation (as in the Frankfurt School, where critique has no final resting place)—in which the perspective of *nirvana* has no purchase. The renunciatory critique is thereby neutralised: the cycle of misery is no longer to be broken, but managed—made equitable, bearable, even aestheticised.

Toward the Anthropocene: Learning from the Renouncer

This contrast is not only historical but urgently contemporary. In an age of climate collapse, political polarisation, and existential unrest, the constant imperative to “fix” the world risks reproducing the very logics of accumulation, identity, and competition that generated the crisis. Activism, however well-intentioned, can unwittingly mirror the structures it resists, deepening cycles of reaction and exhaustion—the logic of “us against them.” For within *samsara*, every solution already carries the seed of a new problem.

Here, the renunciatory traditions offer a different resource: not a politics of resistance, but an *apolitics* of renunciation. They remind us that not every problem is solved by more action. Fundamental issues require stepping back from the very frameworks that perpetuate them. The method is not quietism but refusal: the recognition that the karmic economy, like the consumer economy, is not redeemable on its own terms. As the *Acintita Sutta* (AN 4.77) warns, the precise

results of *karma* belong to the “inconceivable” (*acinteyya*), beyond the reach of speculation or calculation—much like questions about the ultimate nature of the world itself.

To paraphrase a contemporary slogan, the renunciatory traditions warn us: we cannot “make *samsara* great again.” The cycle of karmic action is not a site of repair or redemption but of perpetual entanglement. What they offer instead is a transfigured resistance—ascetic rather than activist, apolitical rather than political—in which

life is revalued not as accumulation or identity but as the possibility of peace in equanimity. In this sense, the renouncer speaks even to the Anthropocene¹⁹: not by attempting to mend a delusional system, but by disclosing another mode of living altogether, one freed from competitive striving, identitarian divisions, and moral self-assertion, where freedom is measured not by remaking the world in one’s image, but by relinquishing it, letting it be as it truly is (*yathabhutam*).

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- 1 This tendency is by no means confined to Buddhism. Across the global marketplace of modern spirituality, one repeatedly finds the claim that spirituality and politics are not merely compatible but inseparable. Benjamin Riggs (2017), for instance, insists that "spirituality is not an other-worldly affair" but a principled orientation toward the world in which politics, far from being a distraction, becomes an integral field of practice. In a similar vein, AnaLouise Keating (2005, 242) defines "spiritual activism" as both an epistemology and an ethics grounded in interconnectedness, one that explicitly directs spiritual practice toward social transformation by challenging racism, sexism, homophobia, and systemic injustice. Such formulations exemplify the activist reframing of spirituality as a call to world-reform.
- 2 See Baier, Maas, and Preisendanz 2018; Diamond-Lenow 2023; A. Foxen and Kuberry 2021; A.P. Foxen 2020; Godrej 2017; Goldberg 2016; Hauser 2013; Jordan 2020; Pacheo 2015; Shearer 2020; Sood 2020; Strube 2021
- 3 Dorje 2013.
- 4 Bronkhorst 2011, 2016, 2000.

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- 5 Johnson 1995, 25.
 - 6 Translation from Sujato 2018b. Insertions in parentheses are mine.
 - 7 Richard P. Hayes (1989, 10) explains: "an act that is motivated by wisdom can never be accompanied by a desire for continued existence, for wisdom is the very realization that nothing endures. In the absence of a desire for continued existence, the root cause for continued existence does not exist, and therefore an act that stems from a wise motivation does not have the consequence of continued existence."
 - 8 According to Hayes (1989, 10): "An intention to act that is not associated with wisdom is bound to be associated with the belief in a continuing self. Such an unwise intention is bound to be accompanied by such conditioning characteristics as selsh desire or anger, and it becomes either an unprotable intention, in case it is accompanied by a desire to bring harm to another; or a protable intention, in case it is accompanied by a desire to bring benet to another. Therefore, an unwise intention becomes protable or unprotable owing to its association with protable or unprotable conditioning characteristics."
 - 9 Translation from Bodhi 2000, 605-606
 - 10 On Abhidharma, see e.g. Anālayo 2014; Bronkhorst 1985; Coghlan 2018; Cox 2004; Dhammajoti 2015; Frauwallner 1995.
 - 11 See the Milindapañha (Questions of King Milinda) 2.1.6, in the standard Pali Text Society edition translated by Rhys Davids (1890, 132).
 - 12 For translations of Nāgārjuna's MMK, see e.g. Kalupahana 1991; Siderits and Katsura 2013.
 - 13 AññatarabrāhmaG asutta (A Certain Brahmin), in SaA yuttanikāya 12.46, Sujato 2018a.
 - 14 Thapar 2000, 876.
 - 15 Park 2025.
 - 16 Arendt's notion of action as "natality" (the capacity to begin anew through political action) and Medina's idea of "epistemic resistance" (challenging injustice by disrupting dominant interpretive frameworks) both revalue action as creative and transformative. From the perspective of classical Jaina and Buddhist thought, however, this represents a reversal: karma is not resource but bondage, and liberation lies not in multiplying action but in renouncing the karmic economy altogether.
 - 17 For further discussion of Engaged Buddhism and Humanistic Buddhism, see, e.g., Duc 2025; Guruge 2002; Hanh 2008; Ives 1992; King 2009; Krause 2024; Queen 1999; Queen and King 1996; Laliberté 2024; Lintner 2009; Pittman 2001; Sivaraksa 1989; Stanley and Loy 2009; Subrahmanyam 2019; Sukala 2024; Yun 1994, 1995, 2000, 2003.
 - 18 For further discussion of Buddhism in relation to karma, systemic racism, and oppression, see, e.g., the following works: Giles and Yetunde 2020; Starlyte 2024; Owens 2020; Ward 2020; Yancy and McRae 2021.
 - 19 For further discussion of Buddhism, environmentalism, and the Anthropocene, see, e.g., Callicott 2017; Carvalho 2014; Chae 2022; Dorzhigushaeva and Kiplyuks 2020; Holohan 2022; Ives 2025; James 2004; Lim 2019; Loy 2019, 2015, 2008, 2003; Shiu 2023; Simonds 2025; Stanley, Loy, and Dorje 2009.



India's Maritime Multilateralism in Visakhapatnam: IFR-MILAN-IONS 2026 Naval Trifecta

Siddharth Singh*

The Indian port city of Visakhapatnam served as the epicentre of global naval diplomacy for 10 days, from 15 to 25 February 2026. The Indian Navy held three major maritime events simultaneously in the city: the International Fleet Review (IFR) 2026¹, Exercise MILAN 2026 and the 9th Conclave of Chiefs of the Indian Ocean Naval Symposium (IONS) 2026. These events were attended by 74 countries, with 33 represented by their naval chiefs and heads of maritime security agencies², creating a rare spectacle of international naval cooperation and professional camaraderie and demonstrating India's growing maritime capabilities in the Indian Ocean Region (IOR).

The decision to hold all three events in Visakhapatnam was not based on logistics or convenience, but on a strategic choice to operationalise Prime Minister Narendra Modi's vision of MAHASAGAR (Mutual and Holistic Advancement for Security and Growth Across Regions)³ and to demonstrate India's intent to be a leading power in shaping the rules-based maritime order in the Indian Ocean.

The Strategic Context: China's Expanding Indian Ocean Footprint

In the 21st century, China's Indian Ocean strategy has evolved into a multi-layered approach to projecting power, and accordingly the People's

Liberation Army Navy (PLAN) has expanded its operational reach across the Indian Ocean. Although China officially has only one overseas military base, in Djibouti in 2017⁴, its actual strategic footprint in the region is far broader than this single facility. The growing number of dual-use ports, such as Gwadar (Pakistan), Hambantota (Sri Lanka) and Kyaukphyu (Myanmar), serve as potential logistical hubs that could support Chinese naval operations in the future. Chinese efforts to secure military access to ports in Tanzania and Mozambique on Africa's east coast, if successful, would complement Djibouti and allow Beijing to influence events around the key maritime chokepoints in the northwestern Indian Ocean.⁵

The recent surge in Chinese research vessels in the IOR is equally concerning, with India tracking at least four dual-use Chinese research ships in the region by late 2025: Lan Hai 101, Lan Hai 201, Shi Yan 6 and Shen Hai Yi Hao.⁶ The Information Management and Analysis Centre (IMAC) and the Information Fusion Centre for the Indian Ocean Region (IFC-IOR)⁷ of India, based in Gurugram, have been tracking these developments closely, fully aware that a strong maritime domain awareness is the first line of strategic defence. In this context, China's long-term Indian Ocean strategy, which combines political influence over littoral states, naval expansion, dual-use infrastructure and deep-sea data gathering, puts

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the Visakhapatnam naval trifecta in a stronger strategic position.⁸

International Fleet Review (IFR) 2026: Projecting Capability

The International Fleet Review (IFR) 2026, which took place on 18 February 2026 with President Droupadi Murmu as the reviewing authority,⁹ was the ceremonial highlight of one of the largest maritime gatherings in the Indian Ocean Region. It was India's third IFR, after Mumbai in 2001 and Visakhapatnam in 2016, but the scale and political messaging of the 2026 edition were qualitatively different. In 2001, the IFR was attended by 97 ships from 20 countries, whereas in 2016, it was attended by 95 ships from 50 countries. IFR 2026, in comparison, had 85 ships and participation from 74 countries, reflecting a major expansion in India's diplomatic reach at sea.¹⁰ The participation of so many countries signifies a major deepening of India's international engagement in the maritime domain.

IFR 2026 was a clear demonstration of India's convening power and the Indian Navy's ability to assemble a large and diverse maritime coalition, not on the basis of hard alliances or coercion but on voluntary trust and shared interests. For smaller Indian Ocean littoral states such as Seychelles, Maldives and Sri Lanka, India's ability to host such a massive and inclusive event stands in sharp contrast to China's largely bilateral and often debt-heavy model of engagement. The turnout at IFR 2026 itself told a story, and the presence of navies from Australia, Japan, France, Russia, South Korea, along with some countries from ASEAN and the African continent, showed that India's

maritime partnerships are open and non-exclusionary, not locked into rigid ideological blocs. This demonstrates the diversity and flexibility of New Delhi's naval relationships.

For Moscow, participation in IFR 2026, despite Western sanctions and relative diplomatic isolation, is proof of a strong India-Russia defence relationship. The presence of Russian and Western navies at IFR 2026 sent a clear message that India would not allow its multilateral maritime platforms to be held hostage to great-power rivalry or bloc politics. This is a clear signal that, under India's leadership, the Indian Ocean will remain a common space governed by common rules rather than be carved up into rival spheres of influence. IFR 2026 is a concrete manifestation of India's multi-alignment doctrine in the Indian Ocean, where India is engaging with multiple major powers without joining any single bloc while working to preserve a cooperative, rules-based maritime order in the IOR.

MILAN 2026: From Regional Exercise to Indo-Pacific Platform

MILAN is the Indian Navy's flagship biennial multilateral exercise. Launched in 1995, it was initially a small, regional exercise under the Andaman and Nicobar Command, with just four participating navies from Indonesia, Singapore, Sri Lanka and Thailand. Thirty years later, in 2026, it has grown into one of the biggest multilateral naval exercises in the Indo-Pacific region. The 2026 edition, the 13th, was held in Visakhapatnam, with 74 participating countries, including Germany, the Philippines and the UAE as new entrants. This sheer scale and diversity of participants reflects what MILAN has come to represent. The exercise

is also a clear physical manifestation of India's strategic autonomy. New Delhi projects itself as a navy that can work with everyone and is adversarial to none, seeking to stitch together a collective, cooperative maritime security architecture across the Indo-Pacific, which is the exact opposite of China's Indian Ocean strategy, because the Chinese PLAN approach relies on bilateral deals and strategic dependencies and tends to undermine such collective and cooperative frameworks.

The transition from SAGAR (Security and Growth for All in the Region), announced in 2015 by PM Modi, to MAHASAGAR (Mutual and Holistic Advancement for Security and Growth Across Regions), launched in 2025, is also evident at sea in MILAN's ever-expanding agenda. While SAGAR was largely Indian Ocean-centric and security-focused, MAHASAGAR extends further outward from the Indian Ocean to the Indo-Pacific and brings in economic diplomacy, technological connectivity, environmental sustainability, and much deeper professional interoperability between partner navies.¹¹ The participants in MILAN now cover the Indian Ocean Region, Southeast Asia, the Western Pacific, Africa, and Europe, which is a clear indication that MILAN has come a long way since its inception as a regional confidence-building exercise to become one of the major Indo-Pacific maritime platforms of our times.

Indian Ocean Naval Symposium (IONS) 2026: Institutional Leadership in the Indian Ocean

The 9th Conclave of Chiefs of the Indian Ocean Naval Symposium, held in Visakhapatnam on 20 February 2026, had special institutional

significance because India took over the IONS chairmanship from the Royal Thai Navy for the 2026-28 term. India has returned to the chairmanship after 16 years, following its first term as chair from 2008-10. The IONS, established by the Indian Navy in 2008, now has 25 member navies and 9 observers. The 2026 conclave was attended by naval chiefs and heads of maritime security agencies from 33 countries, underscoring the importance IONS has acquired as a regional maritime forum. The Philippines was also inducted as a new observer, expanding and strengthening the IONS' cooperative framework.

As part of IONS 2026, India has outlined an action-oriented agenda for its chairmanship, including conducting the IONS Maritime Exercise (IMEX), continuing the deployment of the Indian Ocean Ship (IOS) SAGAR to IONS member states with multinational crews,¹² and holding a series of structured maritime information-sharing workshops and dialogues to deepen operational interaction, professional exchanges, and capacity building across member navies. As the chair of the IONS, India has a chance to steer the forum towards maritime domain awareness, information sharing, and interoperability, as these are the areas where China has been seeking to create a unilateral advantage through the deployment of research vessels and by negotiating bilateral port agreements across the Indian Ocean. India's IONS chairmanship is not just symbolic but a deliberate attempt to strengthen a collective and transparent information ecosystem in the Indian Ocean Region to counter the information asymmetries that Beijing's approach seeks to introduce in the IOR.

India's Response Architecture - MAHASAGAR

The MAHASAGAR vision builds on the earlier SAGAR doctrine and projects India as a global maritime power. IFR 2026, Exercise MILAN 2026, and IONS 2026 are manifestations of India's maritime statecraft, projecting a coherent strategic posture. The Indian Navy is not merely managing the IOR security environment but also asserting custodianship over the maritime order, grounded in UNCLOS and freedom of navigation. India's bid for custodianship of the Indian Ocean is not without substance, as it counters China's revisionist agenda and expanding footprint in the region. Each of the three events represents a different aspect of this approach. IFR 2026 highlights India's indigenisation in naval modernisation and its gradual shift towards a technology-driven area-denial posture in the IOR. MILAN 2026 builds interoperability and translates goodwill into collective security. IONS 2026 enables India to shape rules of engagement as chair, focusing on maritime domain awareness, information sharing and interoperability. Overall, India's IOR approach differs from China's bilateral, transactional and infrastructure-oriented engagement, as India provides multilateral, inclusive platforms based on voluntary participation, common doctrine and rules-based norms.

Visakhapatnam's trifecta underscores India's forward-looking posture and a new regional security framework based on cooperation. The Indian Navy's status as a "preferred security partner" and "first responder" in the IOR provides littoral states in the IOR with a free-from-debt,

free-from-political-baggage option for security support and capacity-building.¹³ The spirit of MAHASAGAR aligns with the Indian vision of a free, open, inclusive Indo-Pacific region, one that is open to all in a common pursuit of progress, because it is not directed against anyone, is not exclusive or competitive, and does not aim to undermine the centrality of ASEAN or the existing open, transparent and inclusive regional architecture.

The Road Ahead

The three events in Visakhapatnam hold greater strategic significance because India has shown it can bring together all three dimensions of power in the Indian Ocean at the same time: hard power through an impressive display of fleet capabilities, soft power through large, inclusive multilateral exercises, and institutional leadership by setting the agenda on maritime norms and cooperation. By holding IFR, MILAN and IONS together in the same place at the same time, India sent a deliberate signal that its Indian Ocean strategy had gone beyond simply responding to China's growing presence, and that New Delhi is now proactively seeking to set the rules, networks and security architecture of the region. As the Indian Ocean is emerging as the primary arena for major power competition, the Visakhapatnam trifecta of 2026 will probably be remembered as the moment when India signalled that it would not merely take part in the maritime contest, but would seek to define the conditions in which it would occur.

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