



China's approach to the BRICS Goa Summit

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The 8th BRICS leadership summit was held in Goa on 15-16 October 2016. The agenda for this summit was **B**uilding **R**esponsive, **I**nclusive and **C**ollective **S**olutions. During India's BRICS Chairmanship, the grouping adopted a five-pronged approach, (i) Institution building, (ii) Implementation, (iii) Integration, (iv) Innovation, and (v) Continuity. Chinese President Xi Jinping attended the BRICS leadership summit. He reached Goa on the afternoon of 14 October after visiting Bangladesh where agreements worth \$13.6 billion and loan agreements worth \$20 billion were announced.ⁱ

An important backgrounder to this BRICS summit were the terrorist attacks on the security establishments in India, first in Pathankot and then in Uri, perpetrated by the terrorist organisations in Pakistan in which a substantial number of Indian soldiers were martyred. While BRICS has alluded to terrorism in the past, India's efforts to isolate Pakistan were not entirely successful. In his remarks, Prime Minister Narendra Modi referred to Pakistan as a "mother-ship of terrorism, in India's neighbourhood". In the subsequent weekly press conference at the Ministry of Foreign Affairs of the People's Republic of China, spokeswoman Hua Chunying had stated in the response to a question on Prime Minister's statement that China was "against linking of terrorism to any specific, country, ethnicity, or religion". The BRICS Goa Declaration mentioned ISIS and al-Nusra and not the ones affecting India directly, while also condemning the terrorist attacks in India. Thus a fine balancing was achieved at Goa.

Addressing the economic slowdown and intra-BRICS economic cooperation was an important agenda. In this background, it is important to note that China had cancelled its session at the BRICS Business Forum in New Delhi reportedly due to trade barriers within BRICS. Just before this, an op-ed published in the state run *Global Times* argued that "while China was willing to open up its domestic markets to the other four member countries, the other member states had not made quite the same commitment. China recently mooted the idea of setting up a free trade area among BRICS countries, with the country's Ministry of Commerce saying a free trade

area would be "a significant form of cooperation." Beijing has shown sincerity in removing tariff and nontariff barriers to goods produced in other BRICS countries the question remaining is whether those nations will match the goodwill of China."ⁱⁱ

China's agenda at BRICS was to help facilitate the economic development in other BRICS countries, in particular in Brazil, South Africa and Russia, by creating mechanisms for joint work in research in agricultural innovation, customs cooperation, local currency usage for intra BRICS trade being the focus areas. It can be seen that out of the 109 points of the Goa Declaration, major outcomes are on economic cooperation and development. China will also benefit from establishment of the BRICS Railway Research Centre and the BRICS Sports Council.

Before BRICS Summit, the BRICS leaders had met on the sidelines of the Hangzhou G20 Summit in September 2016. At that meeting, Xi told his counterparts that "BRICS should promote a larger role for emerging economies & developing countries in global governance".ⁱⁱⁱ At Goa, Xi Jinping proposed that "the BRICS countries advance structural reforms, innovate growth patterns, and build up an open economy." He added, "BRICS countries should take the lead in opening-up and international cooperation by prioritizing such sectors as economy and trade, financial circulation, infrastructure connectivity and people-to-people exchanges."^{iv} He also said, "The global economy is still going through a treacherous recovery," and that "Because of the impact of both internal and external factors, BRICS countries have somewhat slowed down in economic growth and have faced a number of new challenges in development".^v

Some of the Chinese opinion on BRICS Goa Summit called on the other BRICS countries to open up in the fields of taxation, labour and foreign exchange controls and criticised "narrow-minded populist sentiments opposing Chinese investment".^{vi} This was in reference to various anti-dumping cases and charges against China by BRICS members. At the global level, BRICS represents a large interest group that stands for reforms of the IMF as well as the World Bank and reiteration of the BRICS position of reorientation of the global economic order and various Chinese publications and op-eds lauded BRICS for that. Some of the media publications also said that BRICS member states can play a pivotal role in the implementation of the One Belt One Road projects. Another article appreciated the Goa Declaration's emphasis on emerging economies' joint effort towards IMF quota review in a time-bound manner.

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Disclaimer: The views expressed are that of the Researcher and not of the Council.

End Notes

ⁱ PTI, "Bangladesh, China firms sign deals worth \$13 billion as Xi Jinping ends trip", *The Indian Express*, 15 October 2016, at <http://indianexpress.com/article/world/world-news/bangladesh-china-firms-sign-deals-worth-13-billion-as-xi-jinping-ends-trip-3084313/> (accessed 28 October 2016).

ⁱⁱ Hu Weijia, "Other BRICS nations need to be more open to benefit from opportunities in China", *Global Times*, 13 October 2016, at <http://www.globaltimes.cn/content/1011040.shtml> (accessed 25 October 2016).

ⁱⁱⁱThe BRICS Post, “BRICS Leaders meet in Hangzhou”, 4 September 2016, at <http://thebricspost.com/brics-leaders-meet-in-hangzhou/#.WBLW9v194dU> (accessed 27 October 2016).

^{iv} Embassy of the People’s Republic of China, New Delhi, “BRICS nations stride on for the next decade of cooperation”, 22 October 2016, at <http://in.china-embassy.org/eng/zywl/t1407978.htm> (accessed 25 October 2016).

^v AFP, “Global economy in precarious state, Xi tells BRICS summit”, *Livemint*, 16 October 2016, at <http://www.livemint.com/Politics/LRjr4LgSlv5Dy3nczODxrO/Global-economy-in-precarious-state-Xi-Jinping-tells-BRICS-s.html> (accessed 25 October 2016)

^{vi} Chun Yin, “BRICS create balancing influence in world affairs”, *Global Times*, 17 October 2016, at <http://www.globaltimes.cn/content/1011754.shtml> (accessed 25 October 2016).