

Q.No 1.

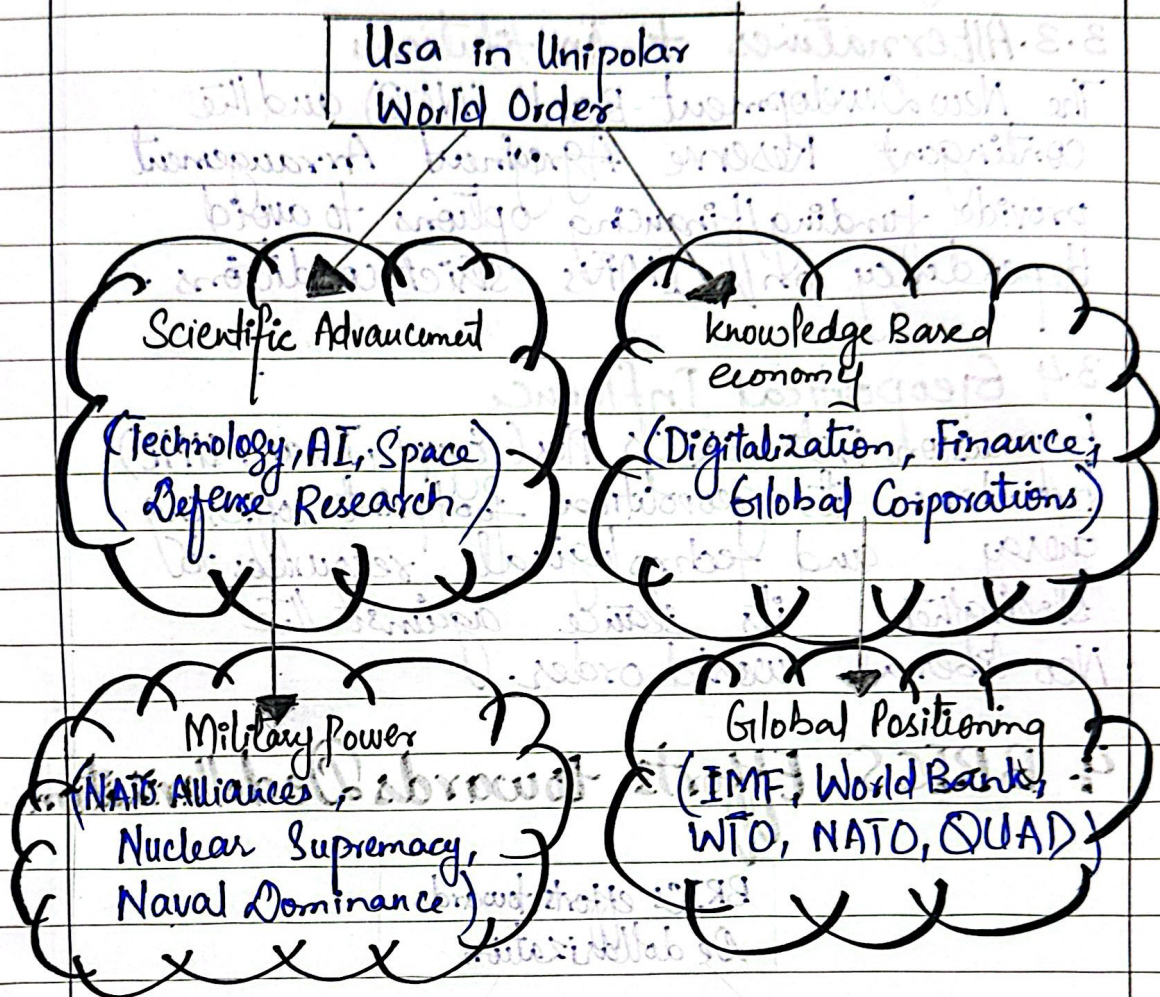
While the collective strength of the U.S. regarding scientific advancement, knowledge based economy, military power, and global positioning is not fading away, Comment on the scope of the de-dollarization and rise of BRICS as an alternative to the U.S. led international order.

1. Introduction

The post world war II global system has been under the dominance of the United States of America, as it has scientific advancements, knowledge based economy, strong military, and a dominant global position in the international system. While, in contrast, the USA's dollar dominance is under umbrella of challenges by the rising economies and alternative institutions. These efforts by the rising economies and the institutions like BRICS, are growing, and leading to de-dollarization. The rise of BRICS and efforts toward de-dollarization reflect the growing desire to change the global norms, so that the unipolar world order can divert to multipolarity. However, there are certain limitations to this concept, as the USA's influence over the global system is strong enough to replace.

2. The Collective Strength of U.S in
Scientific advancement, Economy,
Military power, and Global position:
USA in Unipolar World Order

2.1 Scientific Advancement



3. Rise of BRICS as an Alternative to Neoliberal Order

3.1 Emerging Economic Bloc

BRICS - Brazil, Russia, India, and China and South Africa, represents over 40% of the world's population and accounts for 32% of global GDP, surpassing G7's share.

3.2 Multipolar Aspirations

BRICS advocates for reforms in global governance institutions, pushing back against US-led dominance and



promoting inclusivity in the Global South

3.3. Alternatives to Institutions

The New Development Bank (NDB) and the Contingent Reserve Arrangement provide funding/financing options to avoid dependency on IMF's strict conditions.

3.4 Geopolitical Influence

Expansion into BRICS Plus (Egypt, Iran, UAE) broadens its geopolitical footprint offering energy and technological resources to strengthen its stance against the Neo liberal world order.

4. BRICS Efforts towards Dedollarization

BRICS efforts towards
De dollarization

Local Currency Trade
Russian-China trade
in Ruble and Yuan

New Reserve Currency
Proposal

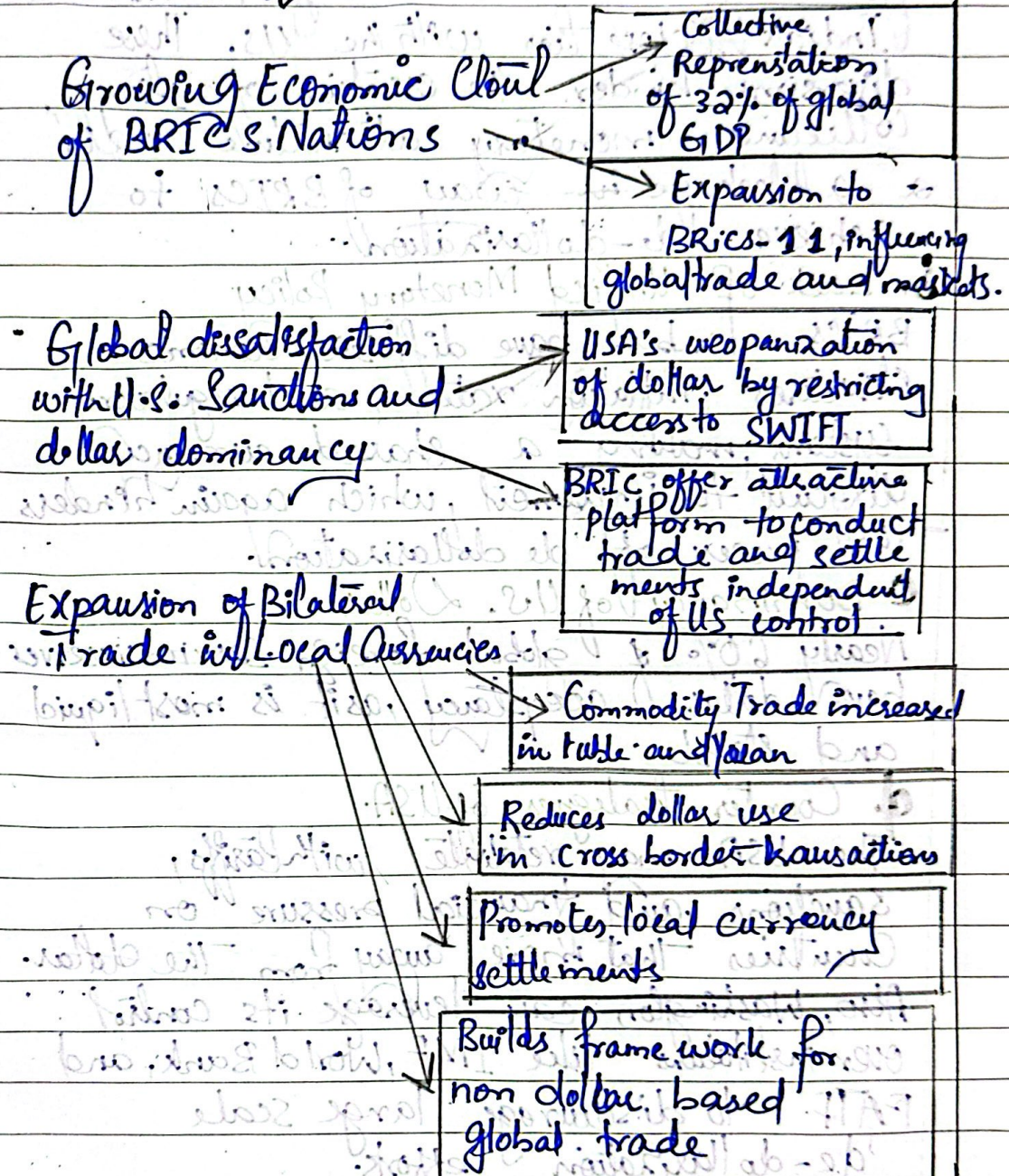
(BRICS backed
currency with basket
of currencies/
Gold)

Alternative Payment
Systems
(BRICS pay-bypass
SWIFT)

Accumulating
Gold Reserves
(Diversifying
away from dollar)

5. Scope of De-Dollarization: Whether BRICS can Achieve it or not?

5.1 Supporting factors



5.2 Limitations in Achieving De-dollarization

a) Internal Contradictions among BRICS MEMBERS

There are political rivalries, such as China-India border disputes, which creates distrust within the bloc. Also, the differences in foreign policy alignments, reduces the possibility of a unified financial strategy. For instance India's close ties with the US. These diversions hinder the creation of a strong collective monetary alternative and is a blockage in way of BRICS to achieve de-dollarization.

b. Lack of Unified Monetary Policy

BRICS members have different economic structures, inflation rates, and regulatory systems, making a shared currency difficult to implement, which again hinders the process of de-dollarization.

c. Dominance of U.S. Dollar

Nearly 60% of global foreign ~~service~~ reserves have dollar acceptance, as it is most liquid and stable.

d. Counter strategies of USA.

The USA may retaliate with tariffs, sanctions, and financial pressure on countries that move away from the dollar. Also, Washington can leverage its control over institutions like IMF, World Bank, and FATF to discourage large scale de-dollarization efforts.

6. CONCLUSION

While United States retains unparalleled scientific advancements, economic stability, military dominance, and global position

BRICS has emerged as a formidable coalition challenging the Neo-liberal world order. Its de-dollarization initiatives signify an attempt to reduce dependency on US financial hegemony. However, due to deep rooted global reliance on the dollar, lack of unified monetary framework within BRICS, political divisions among its members, and U.S counter strategies, BRICS cannot fully achieve de-dollarization in foreseeable future.

