

Q3  
Ans:

How did the ~~the~~ Kazan Summit highlight emerging multipolarity, and what role could it play in reshaping the Bretton Woods system?

### Introduction:

The summit in Kazan was ~~th~~ to draw participation in various roles from about 36 countries. It highlighted innovation and agenda that covered economic cooperation, sustainable development, multilateral norms and institutional reforms. etc. Among these innovations a point was highlighted regarding payment system among BRICS member. This payment system should be on local currency rather dollar based. The point's main aim was to resist weaponisation of dollar. There were points raised over expansion of BRICS and diversify voices against western dominance. These voices can challenge dollar dominance and push for global governance reforms.

# Highlights regarding emerging multipolarity:

(a) **Expansion of BRICS:** Kazan Summit was first that included new four members to the BRICS. These members were Egypt, Ethiopia, Iran and UAE. With this expansion the global share of GDP from BRICS countries has further increased along with their population and energy production.

This hints towards the points that world is moving towards multipolarity and rise of global-south driven coalition.

(b) **Diverse voices against Western dominance:**

The summit criticized weaponisation of dollar and other currencies. It called for reforms in global institutions and highlighted dissatisfaction with western dominance.

It highlights that BRICS members visualize multipolar vision instead of one dominant power.

(c) **Alternative networks for payment:**

BRICS also announced to plan and strengthen their payment system and shift

it from dollar to other currencies.

Growing talks about having a BRICS reserve currency reflect dilution of dollar's monopoly.

## Implications for the Bretton Wood system:

### (1) Challenges to dollar dominance:

Def Dollarization discussion at Kijiji Summit highlight dollar's status as global currency is getting eroded. Even partial success of intra-BRIC trade can weaken structural foundation of Bretton Wood system. Yuan trade has risen from 0% in 2000 to 5% in 2005. While dollar trade has declined from 70% in 2000 to 54% in 2005.

### (2) Institutional alternatives' build up:

BRICS has already build up an alternative to World Bank in the form of NDB (new development Bank). Expansion of BRICS further strengthens developments like these. The more global south countries turn to BRICS/NDB for

financing the weaker debt leverage of IMF and world Bank will become -

(3) Push for Global governance reform:  
'BRICS' member demanded more voting power developing countries in the IMF and world Bank. They also called for reforms in UN system, world trade organisation and G20 to reflect new power balances. At this demand is rejected then BRICS members can create a system that can bypass Bretton wood.

### Strategic significance of Kazan Summit:

For global south countries it highlighted a shift from dependency on western powers to its regional states. Developing countries are gaining collective bargaining power by this.

For US and the west it signals that their hegemony is getting contested through trade, energy and currency.

For future BRICS can generate its own payment system or

launch its own currency just like Euro. This will reshape the old order into a multipolar financial system.

### Conclusion :

Kazan Summit highlighted multipolarity by highlighting the point to promote alternative payment system for BRICS members. It expanded BRICS by adding new members, which will turn BRICS in global South representative Bloc. However Kazan summit challenged hegemonial status of dollar and West. It asked for institutional reforms and reshaping of global financial governance. Dollar now no longer holds unchallenged dominance.

Q4  
Ans:

Assess Ukraine's global importance in terms of food and energy security. How the war shaped or can reshape international supply chains? Explain.

### Introduction:

Ukraine remained part of Russia between 1920 and 1991, until the Budapest Memorandum. In this memorandum, US assured Ukraine for security while Russia agreed not to attack on Ukraine. However in 2022 Ukraine got attacked by Russia. Although many countries raised voices in favour of Ukraine but the negative effects of war were beyond that. The Ukraine-Russia crisis caused negative effects over energy and food security of international community. Because many countries across Europe and global depend upon energy and food supply from Ukraine in form of trade. It has caused rise in the prices of food as well as energy. And it is predicted by world organisations there can be further rise if the war continues.

# Ukraine's global importance in terms of Food and energy security:

## (1) Major grain exporter:

Before war Ukraine was known as "Breadbasket of Europe" and one of world's top grain exporter.

Before 2022 its sunflower oil export was about 50% of global share. It was considered third in Barley export and 4th in Corn export.

## (2) Impact on Global food market after war:

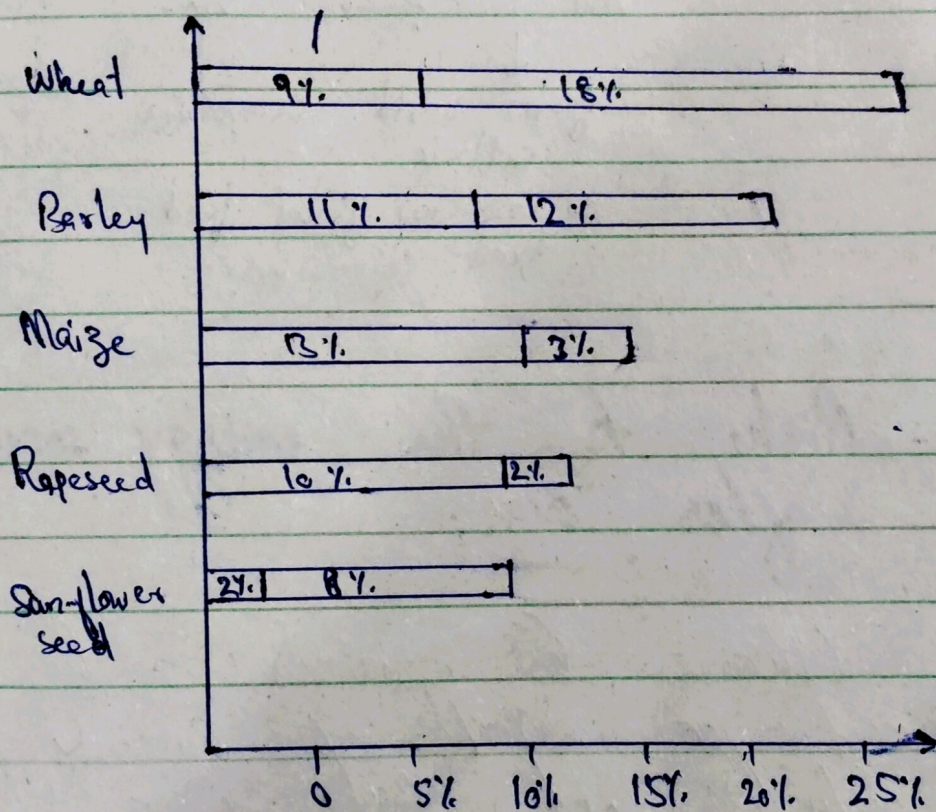
The war disrupted Black sea ports and caused rise in global grain price in 2022-23.

Although with the help of UN and Türkiye the Black sea export was reopened in 2022-23 which allowed some export.

But its suspension in 2023 again caused increase in price globally. Egypt, Yemen, Pakistan, Sudan, Lebanon and

many European countries depend upon Ukraine wheat. Food inflation can cause unrest in these states.

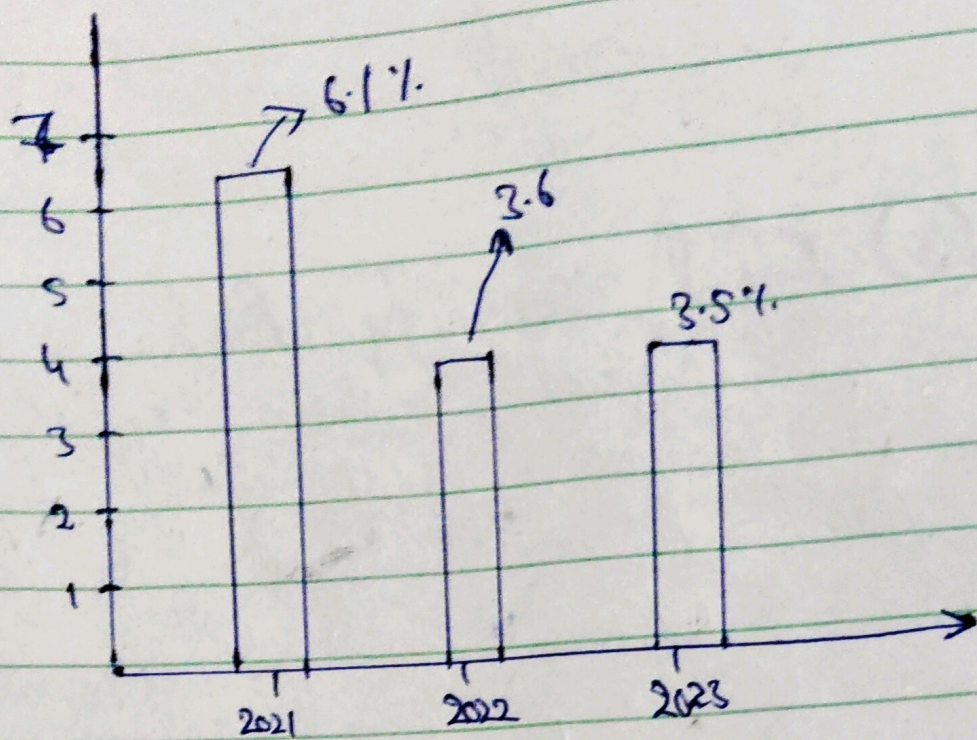
(3) Food security Risk: Blockade of Ukrainian grain export resulted reduction of grain supply globally. Resultantly its price increased.



↓  
From food and agricultural organisation of UN in 2022.

Right one represents Russia share in global food trade

Left one represent Ukraine's share.



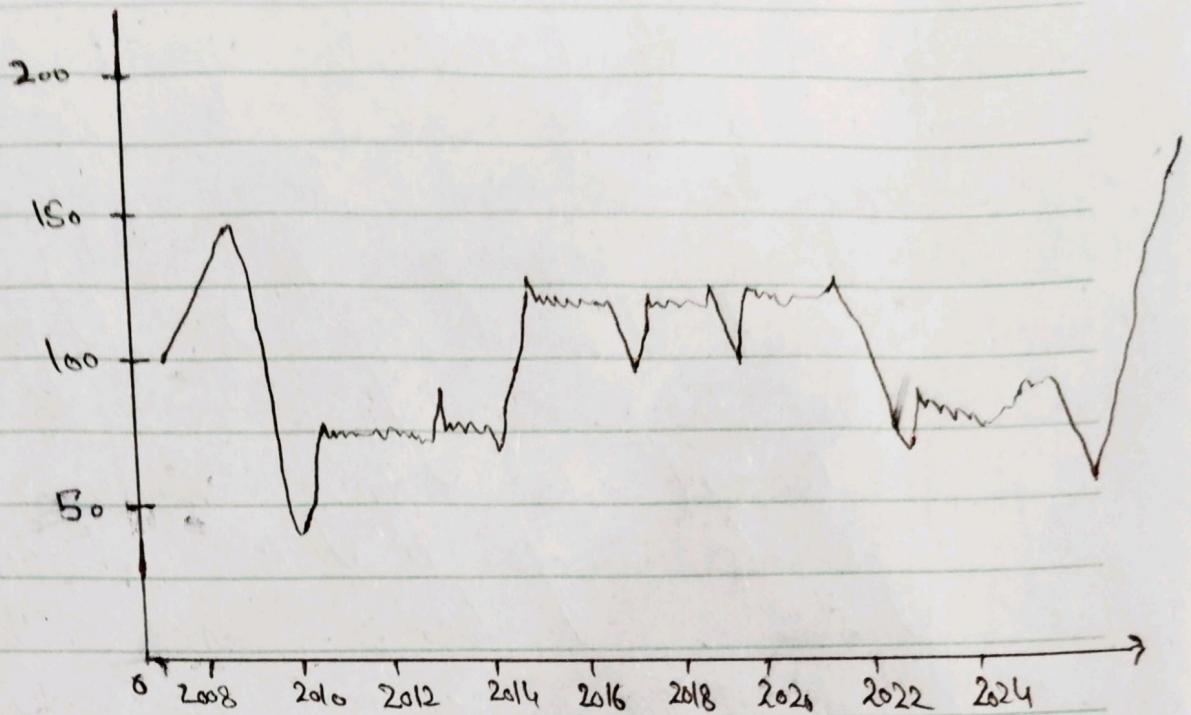
↓  
from world economic  
outlook  
decline in global food  
trade after war.

#### 4. Risks to the energy security after war:

Ukraine has remained a key transit for export of Russian gas into Europe. 80% of Russian gas flowed via Ukraine to Europe.

The war has hampered the gas supply to the Europe. Resultantly the price of gas and other energy sources has increased.

USD per Barrel



↓  
BBC report

Crude oil price increased per  
Barrel.

The war has triggered global oil and gas prices increase. The war has triggered price rise because Ukraine is big producer. But because the pipeline of Russia goes through Ukraine to Europe. This war disrupted supplyance of gas and resultantly prices of energy sources increased globally.

**Conclusion:** Ukraine is a significant exporter of wheat and other food sources globally.

It can be considered pillar  
of global food security. Any  
disruption in its food  
exports can trigger the increase  
in food prices globally. Just  
what has happened after  
the war. Secondly it is a key  
transit to supply Russian  
gas to Europe. War disrupted  
the transit and global  
energy prices increased.