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NAME: HARI KHAN

BATCH: 378

**QUESTION No. 5****INTRODUCTION:**

The United States of America has been using dollar and SWIFT financial system as a tool of geo-political influence, particularly against the Global South countries. US influence through dollar dominance give immense leverage to impose sanctions and isolating nations challenging their policies. The Global South countries, reliance on the U.S and trade dollar for trade expose them to extreme pressures as seen with Iran and Russia and others who have been cut off from the Global Financial system. BRIC+ has emerged an alternative for the global south and a challenge to the U.S led western hegemony. BRIC+ offered a number substitutes in the monetary system, trade and reliance on the U.S dollar. It also presents a number challenges to U.S monopoly over global trade and financial systems; BRICS, New Development Bank etc.

**BRIC+ COUNTERACTING U.S HEGEMONY:**

BRIC+ (Brazil, Russia, India, China, South Africa and other country member) represents a significant bloc capable of countering western dominance financial system. BRIC+ could reduce reliance on U.S-controlled systems and diminish exploitation.

**REDUCING DOLLAR DEPENDENCY:**

BRIC+ countries have increasingly pushed for trade in local currencies rather than the US dollar. For instance, China and Russia have already shifted to using their local currencies for bilateral trade. Apart from this China has signed a number of agreements with many countries aiming de-dollarization. R China-Iran bilateral trade would be conducted in Iranian Ruppee.

China-Turkiye shifted bilateral trade from dollar to Lira. Moreover, hydrocarbon producers i.e. Saudi Arabia, UAE, also have agreed to carry oil trade in local currency. In the near future, this would reduce U.S. influence to a greater instance.

#### BRICS+ GDP:

BRICS+ is an organization of more than ten member countries of the global south, constituting forty percent of global population and thirty three percent contribution to global GDP.

China with \$ 19.9 trillion GDP, India \$ 3.7 trillion and Brazil, Saudi Arabia and UAE \$ 1 trillion. The U.S. global trade conducting in U.S. dollar has already been reduced to fifty eight percent in the last decade.

#### BRICS- ALTERNATIVE PAYMENT SYSTEM:

One of the most direct ways to challenge the U.S. financial system is by building alternatives to SWIFT. China's Cross-Border Interbank System (CIPS), and Russia's System for Transfer Financial Messages (SPFS) are already alternatives, and expanding these systems could reduce dependency on SWIFT, allowing more nations to avoid U.S. sanctions. Another option is the development of Central Bank Digital Currencies (CBDCs), which could enable cross-border transactions outside of U.S. control.

#### REPLACING WESTERN INSTITUTIONS:

BRICS+ could advocate for reforms in the IMF and World Bank to reduce Western influence, especially the U.S., by pushing for more equitable voting rights and financial terms that benefit developing economies. The BRICS' New Development Bank (NDB), and the Asian Infrastructure Investment Bank (AIIB) are early examples of this trend, providing financing without the political strings often

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attached to western led-institutions.

### INTER-ORGANIZATIONAL TRADE:

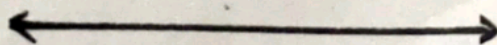
Encouraging trade and investment within the BRICS+ bloc could reduce reliance on western markets and capital flows. A number of Free Trade Agreements has been signed by member nations, reducing trade barriers. For instance, maximum 12% duty on goods which is more less than World Trade Organization. By increasing economic integration among member countries, BRICS+ could build an economic network that is less than susceptible to external financial pressures.

### CHALLENGES AND LIMITATIONS:

Despite potential, challenges remain, BRICS+ countries have diverse political and economic challenges systems, making coordination difficult. Nations like India, which maintain close ties with the west, may be hesitant to fully decouple from the U.S financial system. Additionally, institutions like NDB and AIIB, lack the scale & global reach of the IMF or World Bank, making them less impactful in the short term. Furthermore, the U.S may retaliate against BRICS+ initiatives, creating ~~the~~ risks for countries attempting to distance themselves from western systems.

### CONCLUSION:

While COP-29 made some strides in promoting renewable energy, green technologies and climate adaptation, it fell short on crucial issues such as stronger emission reduction targets, financing for developing nations, and fossil fuels phase-out commitments. The summit underscored the ongoing gap between commitments made and the actions needed to address the climate emergency. The success of COP-29 ultimately depends on the ability of governments to turn these commitments into concrete, measurable actions.



## QUESTION NO. 6

### COP-29: FAILURES AND COMMITMENTS.

#### INTRODUCTION:

The COP-29, held in Baku, Azerbaijan in December 2024, offered a mix of progresses and setbacks. While some important commitments were made, the conference was severely criticized for failing to address several key issues with the urgency required to combat the climate crisis.

#### FAILURE OF COP-29:

##### 1: WEAK EMISSION REDUCTION TARGETS:

A key failure was the lack of more ambitious emission reduction targets. Despite growing urgency, many countries did not commit to sufficient cuts to meet the 1.5°C goal. Large emitters, in particular, resisted stringent measures, hindering progress.

##### 2: UNMET CLIMATE GOAL: FINANCE:

The \$100 billion per year climate finance previously promised by developed countries was increased to only \$300 billion, starting from the year 2035. Additional \$1 trillion was announced to grant in the forms of investments, loans and carbon taxes. But, there was an expectation from the most affected nations of at least \$500 billion and additional \$2 trillion. Moreover, the affected countries need these finance on urgent base rather than in 2035.

### 3: CONTINUED FOSSIL FUEL DEPENDENCE:

While renewable energy was discussed, the summit failed to tackle the ongoing reliance on the fossil fuels. Many fossil fuel dependent nations did not make meaningful commitments to reduce emissions from these sectors and subsidies for fossil fuel remain a major issue. Further, the remarks of the Azerbaijan president that oil is a God-gifted resource and we should be grateful for this gift also raised concerns of seriousness.

#### OTHER FAILURES:

- Weak Accountability Mechanism.
- Climate Justice Issues

### COP-27 COMMITMENTS:

#### 1: RENEWABLE ENERGY EXPANSION:

COP-27 saw a strong commitment to increasing renewable energy capacity, particularly in solar and wind. A key pledge was the goal to scale up energy storage globally by six times by 2030, supported by large energy markets, including U.S., U.K., Saudi Arabia and U.A.E.

#### 2: GREEN TECHNOLOGY & INNOVATIONS:

The summit emphasized the development of cutting-edge green technologies essential for decarbonizing industries and transportation. Notable among these is to focus on carbon capture and storage (CCS) technologies, which aim to capture CO<sub>2</sub> emissions from industries and store them underground.

Additionally, the conference highlighted the potential of green hydrogen, which can play a significant role in decarbonizing sectors that are hard to electrify.



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## QUESTION No. 7.

### MIDDLE EAST CONFLICT:

#### BENEFICIARIES AND LOSERS:

##### INTRODUCTION:

The ongoing conflicts in the Middle East have complex and far-reaching consequences, affecting both regional and global dynamics. Beneficiaries and losers are not always easy to define, as the outcomes are shaped by shifting alliances, political interests and strategic calculations.

##### BENEFICIARIES:

###### IRAN:

Iran has significantly increased her regional influence by supporting proxy groups and military interventions. For instance, Iran backing of militia in Syria, Iraq and Yemen, has allowed it to strengthen its grip over strategic areas, such as Iraq-Syria Corridor. This has gave Iran a leverage against its adversaries, particularly, in its struggle with Saudi Arabia for regional dominance.

###### TURKIYE:

Turkey is also a key beneficiary, especially with its military interventions in Syria and ~~Yemen~~ Libya. In Syria, Turkey has sought to curb Kurdish influence, while in Libya, it has backed the internationally recognized ~~govt~~ forces against forces supported by Russia and UAE. Turkey's expand role has strengthen its political and military presence, ~~in~~ also with strategic implications for regional stability.

###### ISRAEL:

Israel has strategically benefited from

the instability of the region. The fall of Bashar-ul-Asad in Syria, has given Israel immense influence over Golan Heights, enabling it to further its Zionist ideology. Further, Israel has weakened Iran by pulling it into the war.