

Q 5.

Dollar and SWIFT being used as a weapon by US against the countries of the Global South. Critically evaluate how BRICS+ could counter this to get rid of the western exploitation on permanent bases.

The existential threat from competitors, US weaponized the dollar to preserve its value, global economic and geopolitical position. As, more than half of all global currency reserves and trade is in dollars. Dollar is a weapon because it is an international currency used in different parts of the globe and used in different aspects like purchasing and trading is done in dollars. US is free to print dollars if she needs it. Essentially dollar is the world's reserve currency. In 1971 Nixon shock, allowed America to control the supply of the currency.

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d'Estain in 1965 allows the US to easily finance its trade and budget deficits. The nation is protected against balance of payments crises, because it imports and services borrowing in its own currency. American monetary policies, such as quantitative easing, can influence the value of the dollar to gain a competitive advantage. But the real power of the dollar is its relationship with sanctions programs. America gained to data from swift.

The Society for Worldwide Interbank Financial Telecommunication's

The U.S. exerts unprecedented control over global economic activity

Swift swift banking is not only facilitating the international payments but it is being used to impose sanctions also. The swift economic sanctions has been imposed on Iran, Russia, and Belarus.

keeping in mind all the factors and troubles getting from US. in the shape of Dollar-weapon and swift, which was controlling the globe by its currency and sanctions everything was and still under control of USA.

Countries decided to step in De-dollarization world to gain growth and strong economic structure for a sustainable development growth. Thus, 'BRICS' came into existence.

BRICS: Brics is an intergovernmental association comprised of the federative Republic of Brazil, Russia, India, China, and South Africa. Five countries joined 'BRICS' in 2024 and they are; Egypt, Ethiopia, Saudi Arabia, Iran, The United Arab Emirates, and recently in 2025 Indonesia became the 6th as Indonesia is the biggest GDP and beneficial for the BRICS as well. BRICS is an informal group of emerging economies hoping

BRICS objectives:

BRICS mechanism aims to promote Peace, security, development and Cooperation among the member countries.

'BRICS' decided to launch its own currency to trade in their and their another goal is to increase the trade which includes bi-lateral trade, non-tariff barriers to reduce dependence on the U.S. dollar.

The 'BRICS' countries seek to build an alternative to what they see as the dominance of the western viewpoint in major multilateral groupings, such as the World Bank, the Group of Seven (G-7), and the UN Security Council. The ten of 'BRICS' countries now comprises more than a quarter of the global economy and almost half of the world's population. The group also exerts influence over the war in the 'Caza strip', and Ukraine, the shape of the global economic system, the competition between China and

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the West, and efforts to transition to clean energy.

Reduce reliance on the U.S.A. dollar increasingly disgruntled over the domination of the dollar in global transactions, which exposes them to Western sanctions, BRICS leaders have long advocated for de-dollarization in favor of increased trade in local currencies or even a potential common 'BRICS' currency.

International Monetary Fund (IMF):

Create an alternative finance system. The group's 'IMF', New development bank, and Contingent Reserve Arrangement are meant to mimic the world bank IMF respectively. BRICS members hope that alternative lending institutions can invigorate South-South cooperation and reduce dependence on traditional funding sources.

Dollar replacement:

The BRICS countries have sought to reduce the primacy of the U.S. dollar in international trade for more than a decade,

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Primarily by increasing the use of their own currencies for trading, especially China's renminbi. There is also a push to introduce a new, BRICS-wide currency of which Brazil's president is a major proponent. Other monetary proposals laid out at the **2023** Summit including founding a new cryptocurrency or using combined baskets of BRICS.

From forming to the policies and now ongoings plans indicate that the BRICS will counter this Western exploitation and become the effective and great change for the globe.