

Qno 2

Dollar and Swift being used as a weapon by US against the countries of Global South.

10/20

INTRODUCTION:

After the end of Cold War United States has remained the only power. Due to unipolarity of US its currency emerged to be the medium of trade. US kept its hegemony on the Brettonwoods institutions: IMF, WB. At earlier phase of dollarization, US remained optimistic towards developing nation and World Bank involved in developing sectors and the IMF in monetary and debt sector. Now in its later stage US utilizing its hegemony currency as a weapon. Any country deny or against the US interest, US put sanctions on them and they remain unable to trade due to blockade of Swift transfer.

Swift technology:

It is the medium of transfer of money from one country to other. This Swift system is in total control of United States. The foreign reserves of every country are kept in their Swift accounts on that basis their country's trade and currency valuation is done.

Major Sufferers of blockage:

As world is advancing towards cashless system, some specific countries suffer in their cashless system and transactions.

Russia:

Russia remained a power in its peak time due to its huge economy and military. As now world is tilted towards the unipolar US, they all are in contrast of Swift accounts. But

as Russia is blocked from swift system. The banking sector of Russia is encircled just within the boundaries of its region. Any international individual goes to Russia can't use their debit or credit card in its banks. Secondly Russian population can't order anything from the international market by using their cards as they are only usable in Russian banking system.

IRAN:

After Russia the second most suffering country due to this swift and dollarized system is IRAN. Iran is unable to sell its oil reserves to other countries due to the sanctions that US has put on it. It can't utilize or enjoy the international trade that's why its economy is

weakened, although it has potential power. These sanctions force Iran to opt other options of ~~shedd~~ shadow economy.

Tackling this Issue:

After Russia and Iran, many other countries are suffering from these sanctions as more specifically economic weapon of contemporary world. Afghanistan's 6 billion \$ foreign reserves are blocked in World Bank. To tackle this issue global south has opted or trying to opt alternative with regional cooperation through international organizations such as BRICS+. BRICS+ is a potentially strong organization having the emerging future powers like China, Russia, India, Brazil, South Africa and some other potentially strong

countries. Its ~~expanding~~ further by adding ~~more~~ countries.

Diversity in BRICS+ Economically

Russia having global gas reserves, Iran has oil, India has IT and mass market, China is the most rapid growing state, Brazil have significant economic potential, further adding Iran, further adding Egypt and UAE one having ~~suez canal~~ other is global hub of trade make BRICS+ an diversified economic power.

2024 Summit:

Mr Putin has ~~introduced~~ given the idea of launching BRICS currency by ~~organizational~~ cooperation to enhance trade between the countries. The 2024 summit of BRICS+ was a blow for US as it telecast its future potential ~~of expansion~~ and launching ~~its~~ currency.

Critical Analysis

If this collaboration succeeds and the currency is launched it ~~cause~~ a significant problem for US hegemony.

Multipolarity:

The chances of the rise of multipolarity become further matured as it has the potential to tackle the dollarization. The expansion of BRICS+ add further economies who are suffering from higher interest rates by the current intl organizations. As BRICS+ have ideology of providing funds for development and monetary ~~system~~ the reliance of many countries on the west decrease significantly.

Can America Stop BRICS+:

America can only use its allies such as India who is a part of BRICS+ to

slow down the process but US can't directly involve in weakening or stopping these organizations. As it itself supported in making of European Union which also ~~is~~ a similar example of regional cooperation.

Conclusion:

In a nutshell, it is a definite solution of the Global South against the western exploitation of trade and sanctions. The result will become independent in matter of trade and as the South hold potential power of resources, economy, technology and strategic ~~the~~ western soft powers like EU will or can make deals of trade as EU is already buying 40% of gas of Russia. This create a definite solution of dollarization war.

Q No 1:

Successful conduct of SEO Summit in Islamabad:

Introduction:

10/20

China was the mind behind the regional cooperation. Firstly naming Shanghai Five in 1996 this organization was built in with central asian countries.

After maturing and expansion it become SEO in 2001. Pakistan joined this organization in 2017 with its fellow neighbour India.

The main purpose of this organization is to enhance economic and development in the region.

Pakistan hosted its 23rd Summit on 15-16 October in Islamabad.

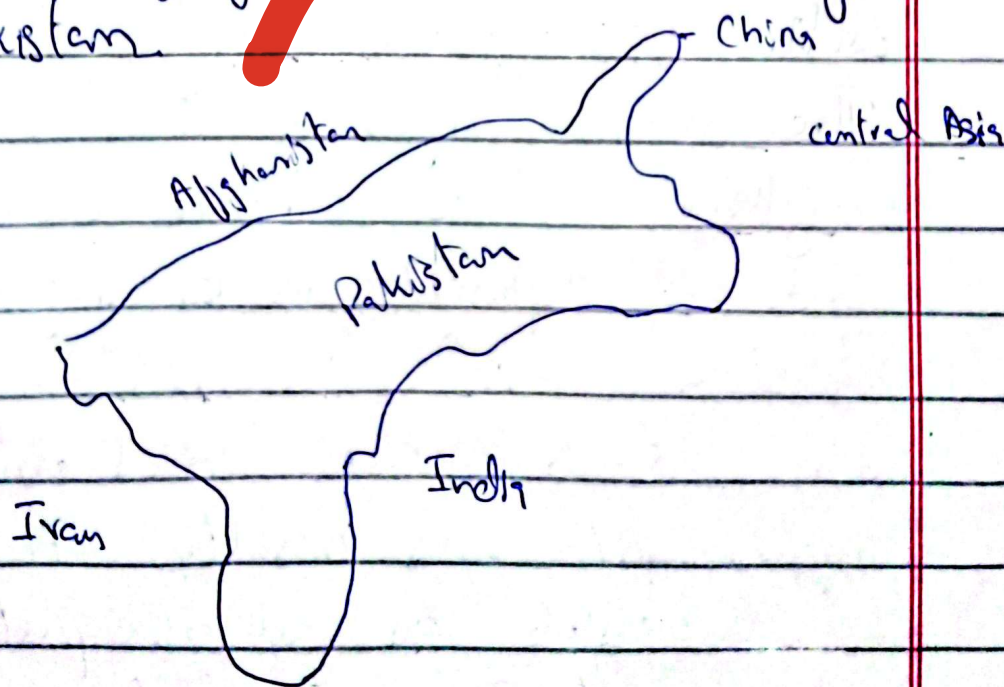
The summit was resulted to be successful as all its participants have joined including India, and results to be a gateway of opportunities for Pakistan.

Opportunities for Pakistan:

Pakistan is not in a good health at current time period. It is facing economic, security and stability crises. SCO can result in a good opportunity for Pakistan.

1) Regional Corporations:

Pakistan is totally dependent on its exports to US, after US to the EU. These both market are far from the geographic location of Pakistan.



SCO has its neighbors like India, China and Iran. All three are

economic opportunities for Pakistan. If Pakistan can resume its exports to these markets, it can generate more exports with cheaper freight rates.

2) Economic Opportunities:

Iran is already majorly dependant on its shadow economy, the Iran-Pak border is a potential contributor of Iran's economy, Pakistan can also utilize its potential and if an oil agreement arises b/w these two states Pakistan can have far cheaper oil as compared to current rates.

India and China are the top two populations of the world, both are the economic powers too. Pakistan can export its products to both these markets of regional cooperation terms in good outcomes.

3) Strategic Opportunities:

China is the emerging power and has far better abilities in economic and strategic sectors.

Pakistan is under security crises, its two provinces are under red zones. 2024 was the deadliest year in last decade for Pakistan: ISPR reports -

Through strategic technology

Pakistan can counter its

this issue by the help of China.

4) Geopolitical Advantage:

Pakistan having such important geopolitical location is key country for trade routes.

China Pakistan Economic Corridor is

the potential example as it

is the flagship corridor for the Belt and Road Initiatives.

This route is the source for the central Asian, China and Russia.

All of them can use this

route for their trade purpose, and on its full potential it can contribute 60 Billion \$ to Pakistan's economy.

Measures that Islamabad needs to follow:

1) Softer Image:

Pakistan needs to create a softer image to make itself eligible for the cooperation and make itself a fruitful partner for its organizational allies.

2) Overcome Security:

Pakistan needs to ensure immediate solutions for its security crises and must ensure to maintain stable system.

3) Political Stability:

Islamabad must have to prioritize its political stability as it is a backbone of regional stability and connection, see saw of the governing institutions

make its international image worse and decrease its opportunities.

Conclusion:

Pakistan has the potential but lacks to achieve its full output. If all the above measures are followed the regional cooperation will increase that will definitely makes the economy of Pakistan strong.

This organization has the potential to change the future of the whole region. The successful summit of SCO 2024 spread a better image of Pakistan in its region and definitely will result in a fruitful outcome in coming future.

The strategic, geographic and economic potential of Pakistan can be maximized through cooperation and relation building.