

Resurgence of BRICS to take on US dollar hegemony

People walk by the venue of the 15th BRICS Summit in Johannesburg, South Africa, on August 20, 2023.
XINHUA



By Norris McDonald
Economic Journalist

PERSPECTIVE

Zimbabwe, Nigeria, Senegal, Sudan, and Algeria are the newest members who will take a seat at the 16th BRICS Summit to be held in October in Russia. South Africa, Ethiopia, and Egypt are the other African countries that are already BRICS members.

Despite an abundance of wealth, Africa is trapped in poverty, debt, and underdevelopment. Africa's debt is estimated to be about \$1.2 trillion at the beginning of 2024. With such a huge debt burden, it is expected that over \$160 billion will have to be paid out to the International Monetary Fund for debt-service payments.

BRICS expansion

Although BRICS may not be a quick-fix solution, it obviously offers greater opportunities to change the historical poverty and debt burden trajectory that has undermined these black nations' economies.

Europe and America's wealth has long been based on the plunder of Africa. Meanwhile, the down-pressed black African nations and their people are kept in poverty and underdevelopment.

Over 90 countries will be attending the 16th BRICS Summit. Latin American and Caribbean nations Cuba, Mexico, Venezuela, and Nicaragua are expected to also become BRICS members. This is clearly another major political development. Cuba has suffered over 60 years of American economic blockade. Russia and China have been key allies aiding Cuba. But, without a doubt, it was the Cuban people's political strength, resourcefulness, and determination that have helped them all these 60 years of America's harsh, illegal, and economic blockade.

Meanwhile, China is building 92 solar farms in Cuba that will provide 2,000 megawatts of electrical power and connect to the Cuban power grid. These solar farms are part of the Alliance for Energy of the Chinese Belt and Road project. Since 2013, China has embarked on major development projects in the Caribbean under the Belt and Road Initiative (BRI).

BRICS is now a complement of China's BRI. It goes further than the traditional bilateral relations that nations have with

Africa is emerging as a powerhouse in the global confrontation between Russia and China versus America and its European partners. Several African countries are set to join the BRICS bloc.

BRICS membership by these African nations is clearly a recognition that an alternative solution must be found outside of the historical, exploitative, capitalist, and imperialist domain. This is definitely a positive step.

Russia and China. Cuba's membership in BRICS will therefore be a boon to further their economic development.

At the same time, Cuba has great expertise in medical and pharmacology technology, which they can share with other BRICS members. This will be mutually beneficial, in that Cuba can get new sources of investment from other BRICS members.

Meanwhile, Turkey, Afghanistan, Pakistan, Indonesia, Malaysia, Belarus, and Kazakhstan are key countries that are also seeking BRICS membership. Quite surprisingly, Serbia has applied to join BRICS as well. With Türkiye and Serbia joining BRICS, this will certainly be a dagger in the Western nation's heart.

The BRICS-Plus 16 Summit will also feature a development dialogue with countries striving for greater economic independence.

US dollar hegemony

It is expected that BRICS may launch a new currency to compete with and break the American dollar hegemony. The use of national currencies is now a key feature of trade between BRICS members and other trading partners. The dumping of the US dollar in international trade is the latest development in a global trend.

China's yuan, Russia's rouble, and India's rupee are becoming globalised in trade settlements. This is because of the 'dump the dollar' push among many nations. The financial objective is to minimise and, over time, replace the American dollar's hegemony in global trade.

Filip De Mott of Business Insider explains that with the "rising American dysfunction," a trend has emerged of many countries dumping the American dollar "to decrease the world's dependency" on its use.

BRICS has, therefore, emerged as a rising political economic powerhouse that may soon control well over two-thirds of world trade. It now offers new alternatives for nations that are seeking to break out of the Western neocolonial debt and poverty trap.

What about BRICS dropout, Argentina?

In a trend where many coun-

tries of the world are seeking to break out of the US dollar hegemony, Argentina's membership was approved but rejected by self-styled "anarcho-capitalist" President Javier Milei. Having rejected BRICS membership, Milei attempted to hustle China by using them to finance his extreme free-market policy. Milei turned his back on BRICS and cancelled several Chinese investment projects, thereby humiliating China.

In retaliation, China cut off the \$6.5 billion line of credit they had given to Argentina. This was definitely a miscalculation by Javier Milei.

Cheered on by the International Monetary Fund (IMF), Milei has devalued the Argentina peso by over 50 percent since January 2024. China's assistance strategy — through the Belt and Road Initiative — and BRICS membership could perhaps have helped Argentina reduce its IMF financial burden.

Now, having looked back, poverty rates are soaring in Argentina. It is estimated that poverty rates have risen by over 50 percent since January.

The present inflation rate of over 300 percent will shock even the most rabid of capitalist supporters.

Prospects for change

Africa, Latin America, and Asia's prospects for change and economic development clearly lie in the shifting of political economic, and ideological loyalties from their traditional subservience to international capitalism.

BRICS membership clearly is the only way out of the debt and dependency trap facing developing nations. This is because they will be able to expand the national and international markets through BRICS and find more consumers for the goods and services they produce.

At the same time, BRICS can open up low-interest loans, investment, and economic development assistance that do not require its member nations to prostrate and genuflect before an imperial master.

That is just "the bitta truth!"

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Turkey's BRICS aspirations Balancing global alliances, economic opportunities



By Matanat Nasibova
Columnist

OPINION

The Turkish government has expressed its desire to join BRICS. As reported by the South China Morning Post, Turkish Foreign Minister Hakan Fidan said during his visit to China. "Of course, we would like to become a member of BRICS. Let's see how things go this year," the minister told an event at the Center for China and Globalization held in Beijing.

It is not the first time Turkey's desire to become a BRICS member has been voiced. Back in 2018, President Recep Tayyip Erdogan said so and even suggested renaming the association to BRICST. Turkish newspaper Hürriyet Daily News reported at the time that the Turkish president urged the leaders of BRICS (which included Brazil, Russia, India, China, and South Africa) to let Turkey join the association. "I said if you take us into this platform, it will bear the name BRICST," Erdogan told reporters in Johannesburg on July 27, 2018, not failing to note the positive reaction of BRICS member countries to Ankara's proposal.

Turkey was supported by China more than any other country at that time, which did not go unnoticed by the Turkish leader. "Especially China said that it is in favor of expansion. I saw that they are considering the participation of other countries on this platform. They are not against it," the Turkish president emphasized.

Last September, China's ambassador to Ankara openly stated that China would support Turkey's candidacy in BRICS if Ankara applied to join the organization.

Along with China, Ankara's BRICS initiative is also supported by Russia. Kremlin spokesman Dmitry Peskov, reiterating Moscow's positive stance, said Russia welcomes the Turkish authorities' interest in joining BRICS.

"We certainly all welcome the increased interest in BRICS from our neighbors, including such important partners as Turkey," Peskov said, noting that the Turkish initiative will be on the agenda of the upcoming BRICS summit. The BRICS summit at the level of heads of state will be held in October 2024 in Kazan, and a meeting of sherpas (trustees) and foreign ministers (in the BRICS+ format) was held in Nizhny Novgorod on June 10–11.

Most likely, Turkey has a real chance to join this organization, especially against the backdrop of Russia's and China's support. At the same time, it is appropriate to ask the question: why did one of the leading NATO countries decide to join the anti-Western BRICS? To begin with, the Turkish authorities call Turkey's accession to BRICS a good alternative to the EU, for which Turkey has been a candidate since 1999.

Last September, President Erdogan said that Turkey's decision to join the EU would be welcomed, but Turkey considers itself a self-sufficient country and does not need help or support from Europe. "We have always been a self-sufficient country. We have never needed and do not need any help or support from the EU," the Turkish president emphasized, putting it as a reproach to Brussels that Ankara has been standing at the door of the European community for so many years.

Earlier this year, Turkish Foreign Minister Hakan Fidan said that Ankara was not going to wait to be admitted to the European Union and would look for other "historical paths". In other words, Ankara has made it clear to Europe

that it does not intend to "wait by the sea for the weather" for the next decades, but will give preference to other international formats.

It seems that Turkey's current activity around joining the BRICS suggests that Ankara is ready to start the practical realization of the stated goal. This is one possible answer to the question of why Turkey decided to become part of BRICS. Ankara makes it clear to Europe that it is not Turkey, but the European Union that loses by closing its doors to it.

This is first of all. Secondly, there is no doubt that Turkey's entry into BRICS will further increase the already significant international authority of the Turkish state in regional politics and in the system of international relations in general.

Thirdly, full participation in BRICS is beneficial not only for Turkey but also for the organization itself, as it raises the status of this format and can significantly strengthen the organization at the global level.

Fourthly, Turkey and all BRICS countries benefit economically from joining BRICS by expanding trade ties. Bloomberg estimates that BRICS countries made a comparable contribution to global economic growth in 2020. As a consequence, by 2028, the BRICS countries will account for 35 percent of the global economy.

This is also logical, as BRICS are large and capacious markets, where Turkish agricultural products, construction materials, and textiles will flow in large volumes if Turkey joins the association. According to economists, this promises Turkey increased investment and access to new markets.

However, along with the economic bonuses of joining BRICS, Turkey risks fac-

ing negative reactions from the United States and NATO, which could increase tensions between Ankara and its allies. However, given the flexible policy of the Turkish state, it is possible that Ankara will be able to use its position to strengthen its own influence, including within the North Atlantic Alliance.

Talking to Caliber.Az, Turkish political scientist and historian Mehmet Perinçek said that Turkey's accession to BRICS is necessary for the following reasons.

"Firstly, Turkey has serious political problems with the Western world. The US and NATO countries support the PKK terrorist organization, train, and arm terrorists. Therefore, BRICS is an opportunity for Turkey to balance the threats from the West. At the same time, the country's accession to BRICS should not be an instrument of trade with the West, but a strategic decision of the state.

Secondly, the hegemony of the dollar is a serious problem for the Turkish national economy, which enables Washington to conduct destructive financial operations and blackmail policies against Ankara. Therefore, only in cooperation with Eurasian countries can Turkey minimize the threats to the Turkish economy.

The real platform for this can be not only the BRICS but also the SCO, as well as the OTS, which are considered international structures of the new world order. And since the center of the world economy is shifting from the West to the East, where large amounts of energy resources are concentrated, by joining BRICS, Ankara will be able to ensure its economic security and cope with the crisis," Perinçek noted.

The article first appeared on *Caliber.Az*.



Turkish Foreign Minister Hakan Fidan (front-L) shakes the hand of his Chinese counterpart, Wang Yi, during the BRICS Foreign Ministers Meeting in Nizhny Novgorod, Russia, on June 11, 2024.
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