

*Donald Trump threatens BRICS
with 100% tariff if they proceed to
replace U.S. dollar in
international trade*

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Washington, January 31 (RHC)-- U.S. President Donald Trump on Friday issued a warning to BRICS nations, threatening 100 percent tariffs on their exports if they attempt to replace the U.S. dollar as the dominant currency in international trade.

Trump has repeatedly expressed his stance against de-dollarisation, warning that BRICS countries must maintain the U.S. dollar's role in global trade or face economic consequences.

"The idea that the BRICS Countries are trying to move away from the Dollar, while we stand by and watch, is OVER," Trump wrote. "We are going to require a commitment from these seemingly hostile Countries that they will neither create a new BRICS Currency, nor back any other Currency to replace the

mighty US Dollar or, they will face 100% Tariffs, and should expect to say goodbye to selling into the wonderful US Economy. They can go find another sucker Nation. There is no chance that BRICS will replace the US Dollar in International Trade, or anywhere else, and any Country that tries should say hello to Tariffs, and goodbye to America!"

His post is nearly identical to the one he made on November 30, weeks after winning the 2024 presidential election.

The BRICS group - Brazil, Russia, India, China, and South Africa - has been discussing ways to reduce reliance on the US dollar for years. The BRICS economic collaboration has only intensified since Western sanctions were imposed on Russia. In recent years, BRICS has expanded to include Egypt, Ethiopia, Indonesia, Iran, and the United Arab Emirates.

While BRICS does not have a common currency, its members have promoted trade in their local currencies. At the 15th BRICS Summit in 2023, Russian President Vladimir Putin explicitly called for de-dollarisation, stating that BRICS nations "must expand settlements in national currencies and enhance cooperation between banks."

The push gained further momentum at the June 2024 BRICS foreign ministers' meeting in Russia, where member states advocated for using local currencies in bilateral and multilateral trade.

Despite concerns over de-dollarisation, the US dollar remains the world's dominant reserve currency. A study by the Atlantic Council's GeoEconomics Center last year found that neither the euro nor BRICS nations had successfully reduced global reliance on the dollar.

Trump's threats come as he seeks to maintain this dominance. His use of tariffs as leverage is not new. The Donald's threats against BRICS follow his recent push to impose tariffs on Mexico and Canada, the United States' largest trading partners. Trump has argued that such tariffs are necessary to combat illegal immigration and drug trafficking, particularly fentanyl, into the US.

During his campaign, Trump called India a "very big abuser" of trade policies and has now extended similar rhetoric towards other BRICS members. He has argued that by increasing tariffs on other countries, he can lower taxes for American businesses and workers, bringing factories back to the United States.

This approach, however, has been met with scepticism. Economists warn that tariffs could drive up costs for American consumers and businesses, particularly in industries that rely on imported raw materials.

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