

Reimagining the World Monetary Order: BRICS Strategic Autonomy and the Promise of Shared Prosperity

An integrated policy case study of monetary multipolarity

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Abstract

BRICS can advance a more inclusive international monetary order by making cross-border currency choice commercially credible. This case integrates the institutional analysis of monetary multipolarity with a market-design programme for accelerated diversification. It examines China–India bargaining, the Cross-Border Interbank Payment System, African renminbi financing and clearing arrangements, South Asian liquidity facilities, and the New Development Bank. The central decision is whether policymakers should concentrate resources on bilateral initiatives, an interoperable multicurrency platform, or a common currency. A transparent switching-cost model and a phased evaluation framework connect that decision to firm behaviour, public risk and development outcomes.

The analysis supports a conditional case for accelerated, voluntary diversification. Payment connectivity is valuable when accompanied by competitive foreign-exchange markets, reliable settlement, investable surplus balances and credible exit rights. Monetary autonomy must be assessed through the distribution of costs and risks, including those borne by smaller members and taxpayers. The proposed pathway can increase the practical relevance of BRICS without assuming imminent dollar displacement or treating a larger non-dollar payment share as a sufficient measure of welfare.

Keywords: BRICS; monetary multipolarity; de-dollarisation; renminbi; local-currency finance; payment systems; strategic autonomy.

Case convention The September 2026 policy decision is a constructed teaching scenario grounded in dated institutional evidence. It does not describe an actual BRICS committee meeting. The case uses author–date referencing and a decision-centred teaching format; it is an independent work without Harvard institutional affiliation.

1 The decision facing BRICS

In September 2026, consider a policy adviser asked to recommend the next stage of BRICS monetary cooperation. The adviser must translate a broad demand for greater autonomy into a programme that banks, exporters and borrowers would willingly use. For the purposes of this teaching case, the mandate is to propose an initial 36-month programme with explicit limits on public exposure. No shared budget, approved platform or commitment by a named official is presumed.

Three strategies compete for institutional attention. Bilateral agreements offer a relatively direct route to selected transactions. A shared multicurrency platform promises scale and common standards but requires agreement on liquidity, data and losses. A common currency offers the strongest political symbolism and the largest institutional

burden. The adviser must choose an initial strategy, identify its beneficiaries, define conditions for expansion, and explain when it should be stopped.

Economists seeking a faster transition need not accept a choice between passive dependence and abrupt monetary rupture. The practical objective is to make dollar intermediation optional wherever another route offers a better combination of price, liquidity and reliability. A system in which firms can choose among credible currencies may improve welfare even while the dollar remains the largest reserve asset.

This is an argument for policy action, not a forecast of automatic convergence. Governments can coordinate standards and remove entry barriers that individual firms cannot overcome. They should not compel firms to absorb unpriced currency risk or treat a larger volume of non-dollar payments as sufficient evidence of economic success.

Whose decision matters

The policy coalition must satisfy several distinct constituencies. Importers need dependable prices and supplies. Exporters need usable receipts. Banks require manageable funding and operational exposures. Central banks must preserve domestic stability. Development lenders must protect their capital while improving financing conditions. Smaller economies need meaningful influence over rules that may otherwise reflect the preferences of larger markets.

These interests need not coincide. An importer can save a payment fee while an exporter incurs a larger conversion loss. A bank can report rising transaction volume while receiving a public subsidy that exceeds customer savings. A state can advertise greater autonomy while increasing dependence on one external liquidity provider. The adviser therefore needs a measure of success that extends beyond the currency printed on a payment instruction.

The case question

Which programme should BRICS pursue first, under what governance and balance-sheet conditions, and what evidence would justify committing further public resources? The case narrative and exhibits establish the decision environment. The author's assessment and the teaching questions appear separately in Sections 14 and 18.

2 Monetary functions and the economic argument

De-dollarization has several meanings. A contract may be priced in dollars but paid in another currency. A bank may settle without a US correspondent while funding its position in dollars. A central bank may diversify reserves while its country's exporters retain dollar invoices. Each change matters, but none establishes the others. An academically credible argument must identify which function is changing and measure it separately.

The strongest near-term opportunity lies in settlement and financing arrangements tied to identifiable commercial flows. Replacing the global reserve asset is a much larger task: investors must be willing to hold the alternative through stress, not merely receive it briefly before selling it. A payment platform can improve transfer efficiency without creating the deep collateral markets required for reserve leadership.

The proposed alternative is therefore a competitive multicurrency system. It can include the euro, renminbi, rupee and other usable currencies alongside dollars. Success is increased contestability: incumbent and new providers must compete for transactions on terms customers can evaluate. A system that replaces compulsory dollar dependence with compulsory renminbi dependence would fail this test.

A framework for monetary choice

The underlying economic problem is coordination. An established currency benefits from a large network of counterparties, liquid hedging markets and familiar contracts. An entrant must persuade users to incur fixed costs before the network is fully developed. Shared infrastructure can lower those entry costs. The relevant public-policy question is whether the external benefit of coordination exceeds the resource cost and additional financial risk created by the intervention.

Function	What changes	Appropriate evidence
Invoicing	Currency in which prices are specified	Currency shares in comparable commercial contracts
Payment settlement and	Currency delivered and rail used	Completed values and counts by corridor and currency
Funding	Currency of liabilities and borrowing	Debt denomination, tenor and hedged cost
Reserves collateral and	Assets held for liquidity and safety	Dated holdings, market depth and stress usability

Exhibit 1. Monetary functions must be measured separately. Conceptual synthesis of Sanyal (2026a; 2026b).

BRICS economic potential likewise depends on definitions. Purchasing-power-parity output indicates domestic production capacity; nominal output, cross-border finance and trade invoicing answer different questions. Full members, partner countries and prospective applicants should not be combined into an undated headline aggregate. Larger membership expands commercial opportunities but also multiplies coordination problems.

India and China's approximately 35 per cent population share, as used in the source manuscripts, is demographic context rather than a September 2026 recalculation. The corresponding US–EU comparison is approximately one tenth. Neither ratio establishes market purchasing power or monetary leadership. A dated membership definition is equally necessary before calculating any BRICS aggregate (Sanyal, 2026a; UN DESA, 2024).

3 Nine propositions that shape the debate

Proposition	Evidence and interpretation	Implication
China requires India more than the US	Too broad as a statement of current dependence. Stronger as a claim about the marginal importance of India to China's future market diversification and Asian legitimacy.	Treat as a strategic scenario, not a settled fact.
CIPS instead of SWIFT	CIPS clears and settles renminbi payments; SWIFT is principally a messaging network. They overlap in resilience strategy but are not direct substitutes in every transaction.	Expect coexistence and partial substitution.
India and China exceed 40 percent of world population	The manuscripts use approximately 35%, based on rounded demographic context; not a currency-use measure.	Still extraordinary scale, but precision matters.
India and China control the NDB	Equal original founder subscriptions alongside Brazil, Russia and South Africa; no exclusive bilateral control.	Influence comes through coalition, not bilateral control.
Yuan is the next reserve currency	A larger role is possible. IMF 2026 Q1 records an RMB reserve share of 1.99%; global replacement is a scenario.	Trade use can grow faster than reserve use.
Panda bonds are a major African success	There are credible landmark cases, especially Egypt, but the market is not yet broad enough to call a continent wide transformation.	A promising financing channel with currency and access constraints.
US plus EU population is 12 percent	The manuscripts use approximately 10%; the date and territorial definition matter.	Demographic minority can retain disproportionate monetary power.
BRICS scale ensures success	Scale creates bargaining capacity, not automatic coordination. Members differ in inflation, exchange regimes, sanctions exposure and strategic interests.	Delivery depends on governance and interoperability.
A BRICS platform makes the dollar a delusion	Overstated. A platform can reduce dollar use at the margin; it cannot quickly reproduce US market depth, collateral and global confidence.	Dollar dominance can decline without disappearing.

Exhibit 2. Consolidated and updated version of Table 1 in Sanyal (2026b), pp. 2–3. Reserve observation: IMF (2026a). Propositions are assessed independently of whether their policy objective is desirable.

A persuasive affirmative argument can accept these corrections. Its claim is that a more contestable monetary system can improve commercial choice and representation. It does not require demographic scale to determine reserve shares, nor require every existing institution to be displaced.

4 China and India as negotiating partners

The proposition that China needs India more than the United States is difficult to defend as an unconditional statement. The useful question is what India contributes to China's diversification strategy that existing relationships cannot readily supply. India offers a large potential market and a partner whose participation could make Asian monetary cooperation more representative. Its importance is strategic and prospective, rather than proof that it has already replaced American final demand.

India should negotiate from commercial interests: better access for its exports, dependable input supplies, productive investment and the ability to use its own currency when counterparties willingly accept it. China gains if its firms can serve Indian demand under predictable rules. Neither country benefits from arrangements that disguise a persistent trade imbalance behind the language of monetary cooperation.

Consider an Indian importer paying a Chinese exporter in rupees. If the exporter cannot purchase enough Indian goods or invest in suitable rupee assets, it will seek conversion. Someone must then supply the desired currency and bear the price risk. The payment interface has not abolished the underlying financing requirement. Rupee internationalization consequently requires credible assets and usable exit arrangements as well as trade settlement permission.

The same reasoning applies to renminbi balances held in Africa or South Asia. Recipients need choices: purchase imports, service renminbi liabilities, invest in liquid assets, or convert without prohibitive friction. Surplus recycling is the link between a successful transaction and a sustainable currency network. A bloc-wide trade surplus is not, by itself, a mechanism for circulating a currency among deficit partners.

For China, wider currency use need not require immediate, indiscriminate capital-account opening. Predictable access for clearly defined transactions, transparent custody and credible settlement finality can support gradual expansion. However, the freedom to enter must be matched by confidence about exit. Controls that change unexpectedly increase the liquidity premium foreign holders will demand.

For India, meaningful participation requires governance that prevents any national currency from becoming a compulsory bridge. A shared platform should permit competing liquidity providers, publish conversion prices and make switching possible. Cooperation is more likely to endure when each participant can demonstrate a domestic economic benefit, rather than defend membership primarily as an act of geopolitical alignment.

From strategic scale to reciprocal benefit

The China-India case in Sanyal (2026b, pp. 3–4) identifies India's market potential, demand for intermediate goods and diplomatic influence as bargaining assets. It also distinguishes these prospective contributions from the existing importance of American final demand and financial markets. This is a strategic interpretation rather than an estimated ranking of China's dependence on either partner.

The practical bargain would connect monetary cooperation to trade opportunities and productive investment. A corridor that creates rupee receipts for Chinese exporters needs credible ways to spend, invest or convert those receipts. A corridor that creates renminbi obligations for Indian firms needs financing and hedging that fit their revenues. Neither partner should be expected to retain balances solely to satisfy a diplomatic target.

The adviser's test is reciprocity in economic opportunity, not exact bilateral trade balance in every period. Persistent imbalances can be financed through voluntary asset holdings or credit. Their sustainability depends on repayment capacity, risk pricing and confidence in future access. Clearing technology does not remove that requirement.

5 The commercial switching decision

A treasury department chooses a currency arrangement by considering the entire transaction. Relevant costs include the foreign-exchange spread, payment fees, hedging, working capital tied up in transit, compliance, expected settlement losses and the cost of investing or converting residual balances. A lower transfer fee may be outweighed by an expensive forward hedge or a large discount when surplus currency is sold.

The market test is straightforward: annual eligible turnover multiplied by the risk-adjusted saving per unit must exceed onboarding and recurring fixed costs. Eligible turnover means transactions for which counterparties, banks and legal rules actually permit the alternative. It is not the firm's total sales. The comparison must also include expected disruptions and the value of maintaining a backup route.

Let Q be annual eligible turnover, c_D and c_A the risk-adjusted variable cost rates of dollar and alternative routes, and F the alternative's incremental annualised fixed cost. Then total annual costs are $CD = Qc_D$ and $CA = Qc_A + F$.

Switching is privately attractive when $Q(c_D - c_A) > F$. For $c_D > c_A$, break-even turnover is $Q^* = F/(c_D - c_A)$. When $c_D \leq c_A$ and F is positive, scale alone cannot justify switching under this model.

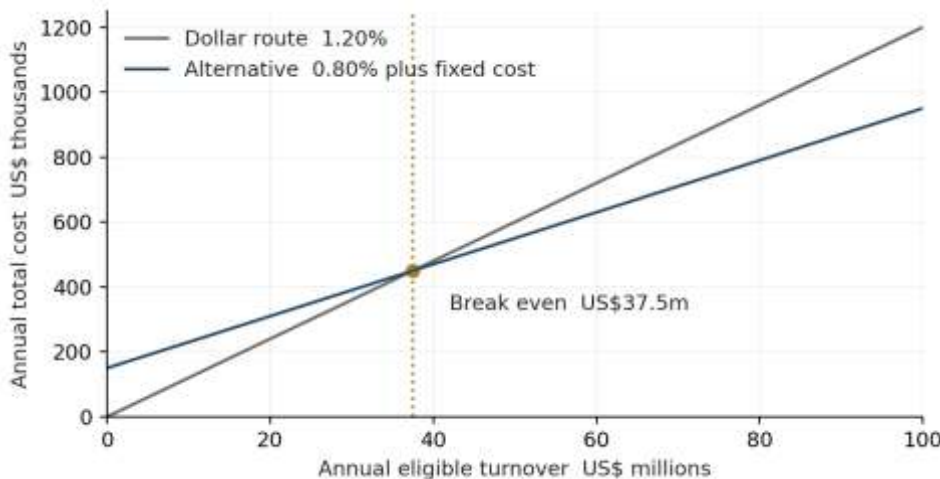


Exhibit 3. Redrawn from Figure 1 in Sanyal (2026a), p. 3. Illustrative assumptions: $c_D = 1.20\%$; $c_A = 0.80\%$; $F = \text{US\$}150,000$. These are teaching inputs, not observed bank quotations.

At US\$50 million of eligible turnover, annual costs are US\$600,000 for the dollar route and US\$550,000 for the alternative. An extra 0.20 percentage point reverses the saving.

Alternative cost rate	Net saving at US\$50m	Break-even turnover
0.60%	US\$150,000	US\$25m
0.80%	US\$50,000	US\$37.5m
1.00%	–US\$50,000	US\$75m
1.20%	–US\$150,000	No finite break even

Exhibit 4. Author's sensitivity calculations using the same fixed cost and dollar-route rate. Cost rates must include comparable hedging, liquidity and expected-loss assumptions.

6 CIPS and the growth of payment infrastructure

CIPS (The Cross-Border Interbank Payment System) supports renminbi clearing and settlement; SWIFT (Society for Worldwide Interbank Financial Telecommunication) principally supplies financial messaging. The systems therefore occupy different, partly overlapping functions. Participation in one is not evidence of abandonment of the other. The relevant institutional comparison is the end-to-end service available to the customer, including conversion and funding (von Beschwitz, 2024; Sanyal, 2026b).

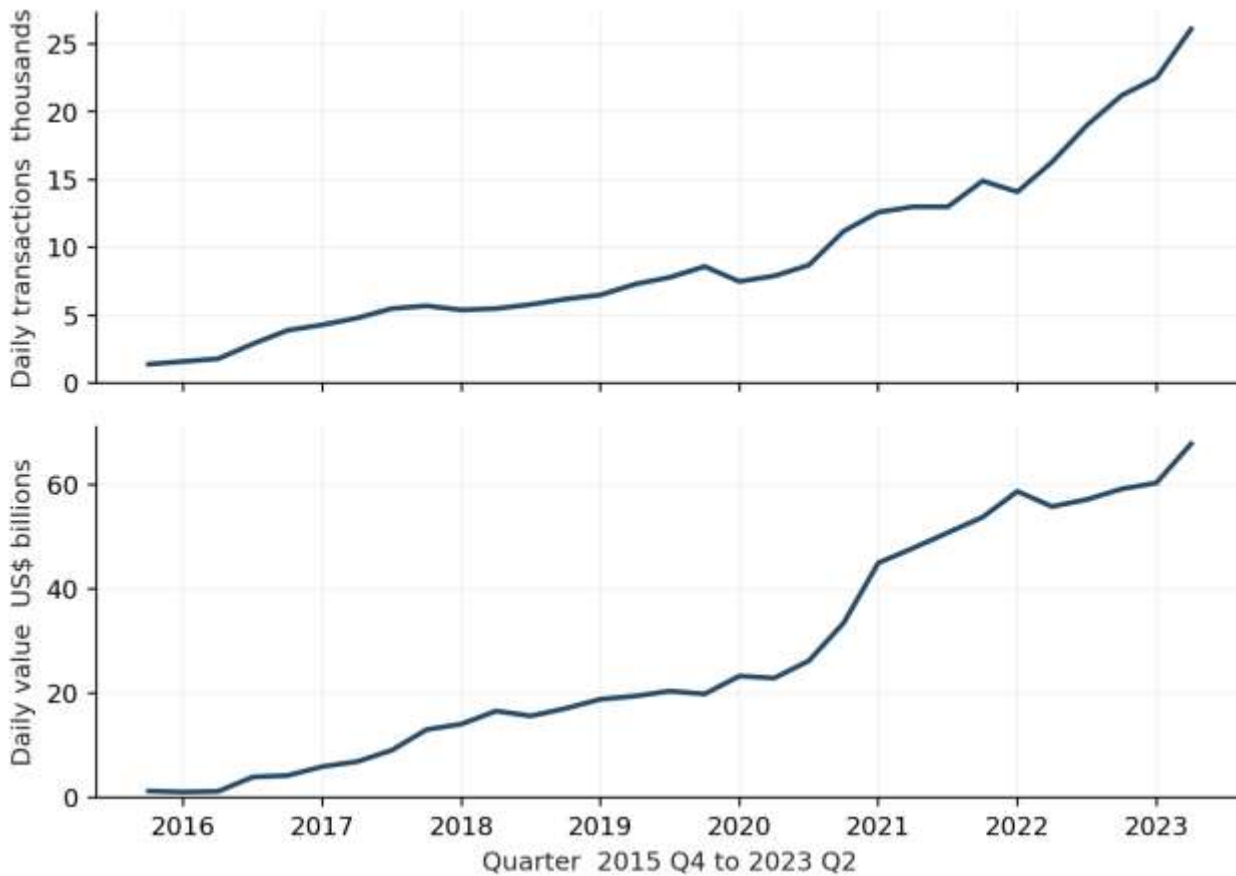


Exhibit 5. Two distinct measures of CIPS use. Redrawn from Federal Reserve Board (2024), Figure 3 accessible data, citing the PBoC. All 31 quarterly observations are retained. Upper panel replaces the count graph in Sanyal (2026a), p. 5; lower panel preserves the verified quarterly component of Sanyal (2026b), p. 7. Neither panel measures African or South Asian currency shares.

Average daily transactions increased from 1,400 in 2015 Q4 to 26,100 in 2023 Q2. Average daily value increased from approximately US\$1.21 billion to US\$67.79 billion. These are global processing measures. Changes in dollar-equivalent value can reflect both underlying activity and exchange-rate conversion; counts and values should not be conflated.

The original value graph also included an approximately US\$91 billion annual daily average for 2024. That manuscript-reported point is recorded in Exhibit 6, separately from the quarterly series, because its observation basis differs and its conversion calculation is not reproduced here.

7 What infrastructure statistics establish

Indicator	2022	2023	2024
Annual CIPS value	RMB96.7tn	RMB123.1tn	RMB175.5tn
Annual value growth	Not shown	27.3%	42.6%
2024 daily value annotation	—	—	About US\$91bn

Exhibit 6. Annual statistics and the 2024 annotation retained from Sanyal (2026b), Table 2 and Figure 1. Source manuscript attributes these values to CIPS statistics. The original annual release and the US-dollar conversion have not been independently reproduced; these entries are manuscript-reported context. They are not spliced into Exhibit 5. Growth rates use underlying unrounded values in the reported source.

The likely path is redundancy rather than replacement. Financial institutions will connect to multiple rails, choose currencies transaction by transaction and retain access to SWIFT because their customers operate globally. CIPS becomes systemically important if it makes renminbi settlement cheaper, faster and legally predictable, not merely because geopolitical conflict makes alternatives desirable.

The series demonstrates use of a global rail; it does not reveal which regions drove growth. The appropriate next question is whether specific corridors offer lower costs and dependable service. A direct renminbi route can be useful to an importer buying from China, yet remain unattractive to a firm whose revenue, debt and counterparties are predominantly dollar-based.

Interoperability as a design principle

The BIS Nexus blueprint proposes a common approach to connecting domestic instant-payment systems, reducing the need to build separate bilateral links for every pair of jurisdictions (BIS, 2021). For BRICS, the lesson is architectural: common standards may reduce repeated integration work. This does not establish an operating BRICS platform or show that a retail system supplies wholesale trade credit.

A BRICS initiative could apply interoperable standards to selected corridors while retaining national control of currency issuance. Legal finality, identity verification, cyber resilience and competitive conversion should be tested together. Faster messaging without adequate liquidity may simply move a payment more quickly toward a bottleneck.

Technical reach, processing capacity and commercial adoption form different evidentiary stages. Authorisation establishes eligibility. A completed payment establishes use. Repeated use after support is withdrawn begins to establish commercial viability. Greater market depth and stability under stress are stronger tests still. The case therefore treats infrastructure announcements as necessary inputs to evaluation, not as the outcome variable.

The adviser should require reporting of customer type, currency pair, transaction purpose and the complete settlement chain. A transaction described as local-currency settlement may still rely on dollar funding or dollar conversion between intermediaries. That route may be efficient, but its economic character should be disclosed accurately.

8 Africa and the financing of monetary choice

Egypt issued a three-year RMB3.5 billion sustainable panda bond in 2023 with partial credit guarantees from the African Development Bank and the Asian Infrastructure Investment Bank. The transaction demonstrated access to Chinese domestic investors and the role of credit enhancement in opening a funding channel (AfDB, 2023).

For an African borrower, the relevant comparison is the all-in, risk-adjusted financing cost after fees, guarantees and hedging. Renminbi borrowing can be suitable for expenditure in renminbi, but project revenue and debt-service currency must also be examined. Financing Chinese equipment purchases removes one conversion requirement; it does not eliminate currency mismatch over the life of a project earning local revenue.

The development implication is broader than the currency denomination. A new investor base can improve financing options where conventional markets are expensive or unreliable. Yet the comparison should include guarantee fees, issue expenses, hedging and contingent public liabilities. An apparently low coupon cannot establish a lower economic cost if exchange-rate exposure is transferred to the borrower or to public guarantors.

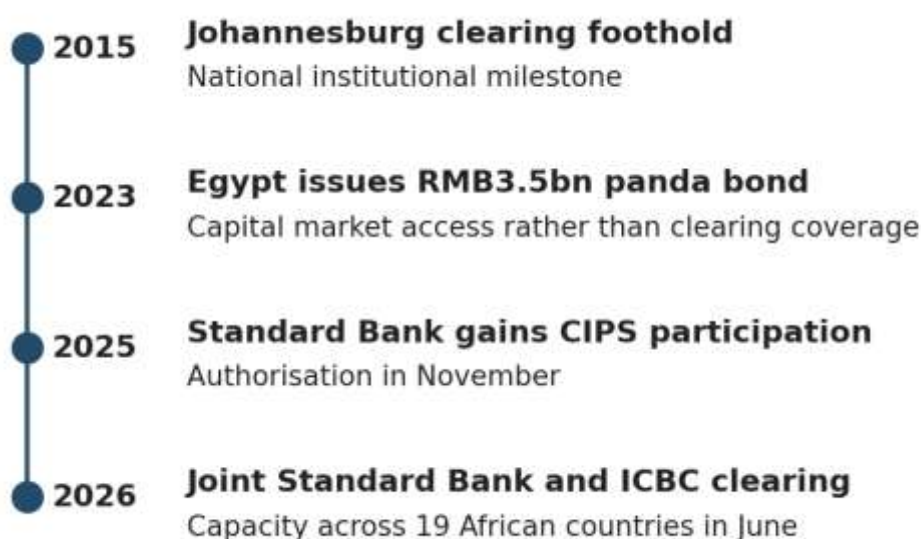


Exhibit 7. African institutional milestones, replacing the clearing-coverage bar chart in Sanyal (2026b), p. 8. The 2015 milestone is retained as manuscript-reported context. Egypt: AfDB (2023). Standard Bank authorisations and capacity: Standard Bank (2026). Events are not a comparable adoption time series.

Standard Bank's June 2026 announcement confirms joint authorisation with ICBC to clear renminbi with capacity across 19 African countries, following its CIPS participation authorisation in November 2025. Capacity does not establish active coverage in every country or a measured share of African trade (Standard Bank, 2026).

9 South Asian liquidity and the use of balances

Pakistan's finance minister described an existing RMB30 billion swap facility and a request for another RMB10 billion in April 2025. The requested increment is not treated here as an approved or drawn amount (Strohecker, 2025). Sri Lanka's RMB10 billion arrangement is retained as a historical facility value from Sanyal (2026b); the CBSL separately announced a renewal in January 2025 (CBSL, 2025).

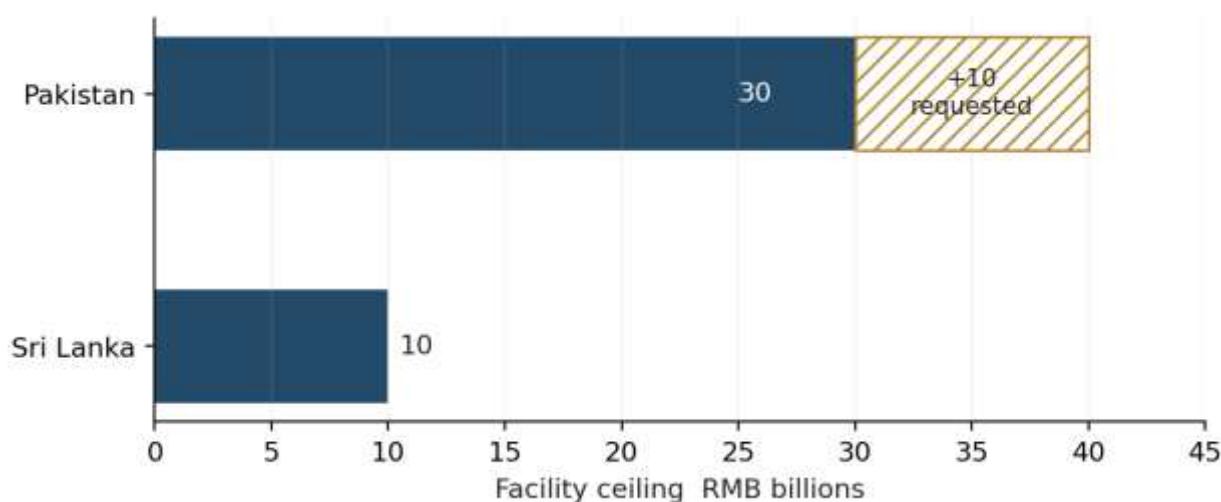


Exhibit 8. Historical swap ceilings and a separately identified request. Redrawn from Sanyal (2026b), Figure 2, p. 8. Pakistan observation: April 2025. The hatched segment is requested capacity. Neither bar measures drawings, current usable reserves or private invoicing.

Central-bank liquidity can make trade settlement more dependable if commercial banks have clear access rules. It can also meet balance-of-payments needs with little effect on ordinary invoicing. Evaluation must distinguish the nominal ceiling, actual drawings, borrowing costs, use of funds and repayment obligations. These are economically different variables.

Sri Lanka's swap arrangements offer a related caution: a facility may be important while its usability depends on contractual conditions. Country cases cannot be aggregated into a regional adoption curve without comparable data. India, Pakistan, Bangladesh and Sri Lanka also have different trade structures and policy objectives; none is a reliable statistical proxy for South Asia as a whole.

A decade-long regional assessment should therefore assemble separate series for currency shares in trade invoices, settlement values, debt issuance, reserve holdings and hedging activity. Where such series are unavailable, dated case evidence is more informative than a graph that joins incompatible measures. The policy case for faster adoption is strengthened by disclosing these limits, because it identifies precisely what institutions must publish to demonstrate progress.

The wider implication is positive but conditional. African borrowers need competitive funding and risk management; South Asian importers and banks need usable liquidity and settlement choices. An initiative that solves these problems can acquire users without requiring agreement on a common geopolitical programme.

For the constructed BRICS programme, the adviser should specify access by commercial banks, collateral, maturity, interest costs and repayment currency. The ceiling alone cannot reveal effective liquidity insurance. A facility may be unavailable for a particular payment, usable only after conditions are met, or unsuitable for financing a long-term imbalance. Recording these distinctions protects the affirmative case from exaggerated conclusions.

10 The New Development Bank and local currency finance

The NDB's original subscribed capital was divided equally among the five founding members: US\$10 billion each, including paid-in and callable components. The founders' collective voting floor is 55 per cent. These features create an institutional foundation for cooperation without exclusive China–India control (NDB, n.d.a).

Institutional feature	Design or constraint	Strategic meaning
Founding subscriptions	US\$10 billion subscribed by each of the five founders	India and China began with equal stakes.
Voting principle	Voting follows subscribed shares; decision rules depend on the matter	Founder equality does not mean identical influence in every coalition.
Founder protection	Founders collectively must retain at least 55 percent of voting power	Expansion cannot erase the original BRICS core.
Currency strategy	Local currency financing is an explicit strategic direction	Borrowers may reduce currency mismatch and dollar exposure.
Operational constraint	Credit quality, project preparation and funding cost still govern lending	Political ambition cannot replace bank discipline.

Exhibit 9. Revised Table 3 from Sanyal (2026b), pp. 5–6. NDB (n.d.a; n.d.b). A blanket claim that no member can ever block a decision is avoided; particular decisions depend on the applicable governing rules.

The proposal here is to use development finance to improve market depth. Predictable issuance in selected currencies can help build reference yield curves. Transparent project selection, standardized disclosure and limited guarantees can make risks easier for private investors to price. Matching loan currency to reliable project revenue can reduce borrower vulnerability, provided the resulting cost is sustainable.

Currency risk cannot simply disappear into the NDB balance sheet. If the bank borrows in dollars and lends in a volatile local currency, either it hedges, passes the risk to an investor, or retains an exposure backed by capital. Each choice has a price. Public shareholders should disclose contingent liabilities and stress-test depreciation, refinancing and simultaneous borrower distress.

For a project with stable local-currency revenues, matching loan denomination can reduce borrower exposure. The benefit is not automatic: funding spreads, available maturities and hedge costs still matter. A proposed expansion should therefore disclose the borrower's savings alongside any exposure retained by the bank. NDB local-currency activity is an institutional strategy; the specific market-building programme in this case is the author's proposal.

11 Reserve currencies and the limits of substitution

The IMF's July 2026 release records 2026 Q1 foreign-exchange reserve shares of 57.13 per cent for the dollar, 20.03 per cent for the euro and 1.99 per cent for the renminbi. These dated figures show a large difference between China's economic importance and the currency's reserve role (IMF, 2026a).

Currency or group	Share in 2026 Q1
US dollar	57.13%
Euro	20.03%
Chinese renminbi	1.99%
All remaining currencies combined	20.85%

Exhibit 10. IMF (2026a). The residual is calculated as 100 minus the three stated shares and includes the yen, sterling and other currencies; it is not the IMF's narrower "other currencies" category. Gold is excluded.

A methodological distinction matters. Starting with 2025 Q3 and revisions back to 2000 Q1, IMF COFER removed its unallocated component through a revised approach that includes imputation. The source manuscripts' references to "allocated reserves" describe the previous convention. They should not be mechanically attached to the revised dataset (IMF, 2026b).

This is the renminbi trilemma. A country cannot simultaneously maintain a tightly managed exchange rate, independent monetary policy and completely free capital movement. China can internationalise the currency gradually through trade invoicing, swap lines, offshore markets, CIPS and bond access, but a rapid move to full reserve currency status would require accepting financial volatility and external scrutiny that authorities have so far managed cautiously.

A larger reserve role requires confidence in asset liquidity and access under stress. The Federal Reserve's assessment identifies capital controls and exchange-rate management as constraints on renminbi internationalisation (von Beschwitz, 2024). Wider payment use can coexist with those constraints; it does not resolve them. The exchange-rate trilemma is a framework for the trade-offs, not a prediction of a particular reserve share.

Reserve managers should not be instructed to replace liquid dollar assets before alternatives satisfy their mandates. Nevertheless, genuine liquidity and investable balances created through trade can widen the feasible reserve portfolio. This is a potential transmission channel, not a promise that trade settlement growth mechanically increases reserve shares.

Reserve shares can also change through valuation. A currency's dollar value can rise without an active allocation toward it. Gold belongs in a broader discussion of official reserve portfolios but not in the denominator of COFER foreign-exchange shares. A credible BRICS assessment should keep these accounting boundaries intact.

12 Designing the proposed multicurrency platform

A proposed BRICS platform should connect five economic functions: customer payment instructions, competitive conversion, settlement in legally recognized money, liquidity management, and investable outlets for residual balances. The governing agreement must specify who bears a participant's failure and how positions are closed if a jurisdiction suspends convertibility. Technical integration without a loss-allocation rule is incomplete.

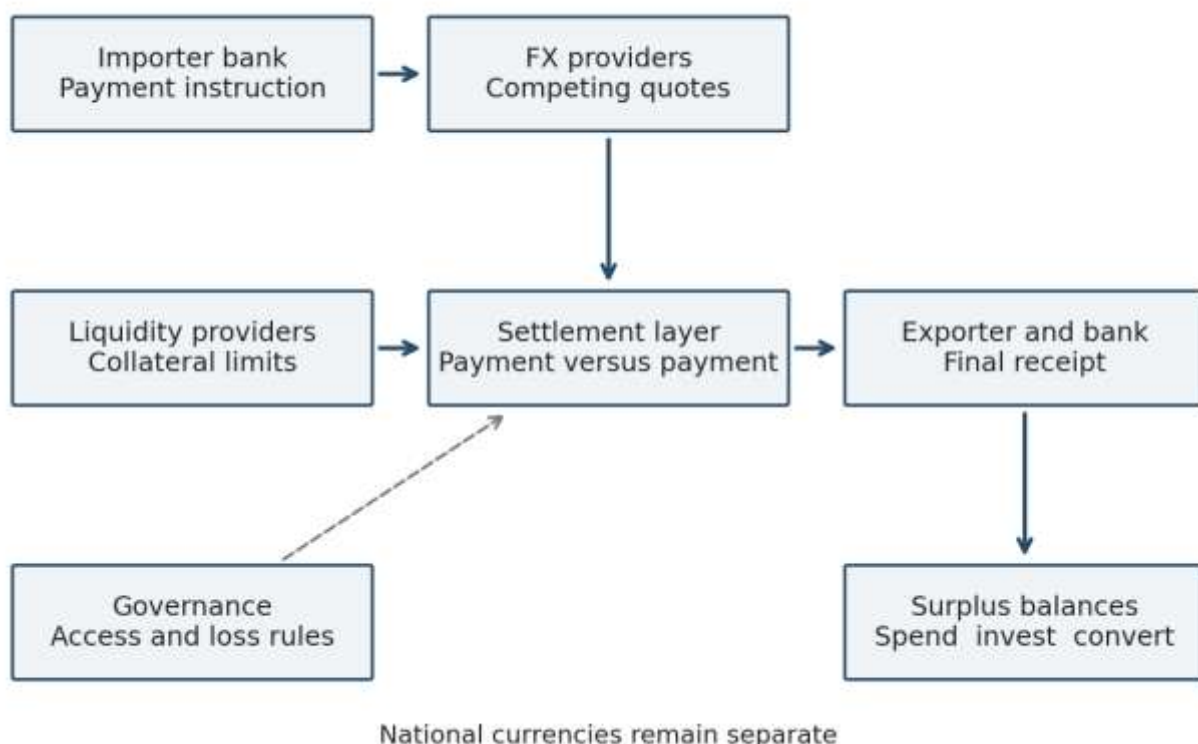


Exhibit 11. Author's proposed economic architecture, synthesising the platform discussions in Sanyal (2026a, p. 7; 2026b, pp. 10–11). Solid arrows depict payment and balance flows; the dashed arrow depicts oversight. This is a conceptual design, not an existing BRICS deployment.

Payment-versus-payment arrangements can reduce the risk of delivering one currency without receiving the other. Multilateral netting may reduce gross liquidity needs where reciprocal flows exist. Neither feature finances a persistent net deficit. Deficit positions still require credit, asset sales, reserve use or eventual real adjustment. Membership should not promise unlimited mutual financing.

The platform should remain open to several eligible currencies and interoperable with existing networks. Dollar use may remain efficient for some transactions; excluding it categorically could fragment liquidity and discourage participation. Faster de-dollarization should mean that alternatives win an increasing number of voluntary transactions, not that the platform conceals dollar funding underneath a different user interface.

A platform contract must specify which entity is the legal obligor at each stage, what constitutes final payment, and how a failed participant's position is closed. Tokenisation may change the representation of claims but does not remove credit or convertibility risk. Central bank money, regulated bank claims and prefunded balances should not be described as economically identical.

13 Risk allocation and the choice of strategy

Risk	Why it matters	Proposed control
Thin currency pairs	Direct markets may have wide spreads and volatile prices.	Use transparent auctions, market makers and limited hub currency routing.
Capital controls	Payments can conflict with domestic foreign exchange rules.	Encode jurisdiction specific eligibility and reporting.
Sanctions compliance and	Banks will not join a platform that raises uncontrolled legal exposure.	Common KYC data, audit trails and configurable screening.
Cyber concentration	A shared platform becomes critical infrastructure.	Distributed architecture, independent testing and recovery sites.
Political dominance	Smaller members may fear rule taking.	Proposed balanced representation, published rules and independent dispute procedures.
Liquidity shock	Settlement can freeze when one currency becomes one sided.	Bounded facilities, prefunding, collateral haircuts and enforceable position limits.

Exhibit 12. Revised Table 4 from Sanyal (2026b), p. 11. Controls describe proposed design choices rather than verified BRICS operating arrangements.

The programme alternatives

Option	Main advantage	Principal limitation
A Bilateral initiatives	Lower initial coordination burden and targeted delivery	Repeated integration and fragmented liquidity
B Shared multicurrency platform	Common standards and wider currency choice	Collective rules and explicit loss allocation needed
C Common currency	A single monetary unit across participants	Requires far deeper monetary and fiscal commitments

Exhibit 13. Author's qualitative decision matrix. No numerical probability or welfare ranking is estimated. A decision depends on mandate, feasibility and risk capacity.

Before deciding, the adviser must ask whether the advantages of common standards can be obtained without centralising monetary policy. The next sections present the author's assessment, followed by questions that allow readers to defend a different choice.

14 Author assessment and an accelerated programme

The preferred initial strategy is Option B, implemented through a limited number of voluntary corridors and retaining the useful parts of Option A. This recommendation follows from the switching-cost logic: common standards can reduce entry costs, while corridor selection constrains financial and operational exposure. It is conditional on credible counterparties, legal feasibility and a transparent funding plan. A common currency should remain outside the initial programme because the case has not established the institutions required to sustain one.

Months zero to six

Select a small number of high-volume trade corridors with recurring counterparties and identifiable demand for both currencies. Obtain comparable bank quotations for conventional and alternative routes, including hedge tenor and liquidity charges. Publish legal rules, operating hours, data access and dispute procedures. Establish independent baseline measurements before providing support.

Months six to eighteen

Launch settlement pilots with several market makers and transparent quote competition. Offer bounded liquidity facilities against eligible collateral with published fees, haircuts and exposure limits. Recruit anchor importers and exporters without granting exclusive access. Measure rejected payments, end-to-end completion time, conversion spreads, retained balances and repeat use.

Months eighteen to thirty six

Extend only the corridors that demonstrate lower risk-adjusted costs and sustained demand. Introduce longer hedging tenors and suitable short-term assets for surplus holders. Test operational outages, severe depreciation and delayed collateral liquidation. Reduce subsidies on a predetermined schedule and publish whether customers remain.

The clock begins at formal authorisation; this is a proposed timetable, not an announced BRICS commitment. Participating authorities should fund shared infrastructure transparently and specify separately the maximum credit and guarantee exposure. Banks should compete for customer business under published eligibility rules. Public support should expire or be renewed only against disclosed evidence.

Conditions for continuation

Expansion requires positive subsidy-adjusted savings for recurring users, reliable completion of eligible transactions, manageable concentration among liquidity providers and evidence that counterparties can use or exit their balances. A pilot should pause if losses exceed its approved exposure limit, unresolved legal uncertainty threatens finality, or repeat usage depends on indefinite support. These are proposed gates; numerical thresholds must be set from corridor baselines and public risk capacity.

15 Measuring economic success

Academic evaluation should compare participating corridors with suitably matched non-participating corridors, using pre-launch trends and a clearly defined treatment date. Where feasible, staggered rollout permits an event-study design. Selection bias, sanctions, exchange-rate movements and concurrent trade agreements must be considered. A rise in adoption coinciding with launch does not establish causality.

Success requires more than a higher non-dollar percentage. Evaluation should report private and public costs, subsidy-adjusted savings, repeat participation, concentration among liquidity providers and losses during stress. A faster system that raises aggregate risk would not satisfy the economic case. A modest corridor that saves firms money without transferring hidden losses to taxpayers would.

Outcome	Measure	Interpretation
Cost	All-in cost per eligible transaction and per unit of value	Compare equivalent currency, tenor and risk
Reliability	Median and tail completion time; failure rate	Measure the entire transaction chain
Durability	Repeat users and volumes after support declines	Separate retention from subsidised recruitment

Outcome	Measure	Interpretation
Market depth	Quote dispersion, available size and hedge tenor	Test execution, not indicative quotations
Public exposure	Expected losses, guarantee cost and realised losses	Include contingent liabilities
Inclusion	Access and outcomes by firm size and country	Check whether gains reach smaller participants

Exhibit 14. Proposed evaluation dashboard. Metrics are not reported findings.

A minimal panel would identify corridor, firm or bank, currency pair, time, treatment date, eligibility, transaction value, total charges, completion status and public support. The analyst should define the primary outcome before launch. For example, average all-in cost per eligible unit can be compared with a matched control group, with composition held as constant as practicable.

A difference-in-differences contrast is the change in treated-corridor cost minus the change in comparable untreated-corridor cost. Its causal interpretation requires credible parallel counterfactual trends, no anticipatory response and limited spillovers. These assumptions are demanding where traders self-select or geopolitical restrictions change simultaneously. Staggered adoption also requires estimators that account for different treatment dates and potentially heterogeneous effects.

Private savings are not identical to social gains. A welfare assessment should add operational resource savings and demonstrable resilience benefits, then subtract infrastructure cost, expected public losses and additional risk-bearing costs. Transfers between firms, banks and the state should be identified to avoid counting the same gain twice. The case proposes this accounting discipline; it does not estimate net global welfare.

16 Scenarios to 2035 and the affirmative case

Scenario	Defining conditions	Conditional outcome
Layered multipolarity	CIPS expands; BRICS links payment systems; capital accounts remain partly controlled.	Dollar remains largest; other currencies gain in selected settlement functions.
Renminbi regionalisation	China opens markets further and supplies trusted safe assets; Asian trade adopts RMB pricing.	Renminbi becomes a leading regional reserve but not a full global replacement.
Fragmented blocs	Sanctions and geopolitical conflict split payment and technology networks.	Higher resilience for blocs but greater cost, trapped liquidity and compliance duplication.
BRICS implementation gap	Declarations outpace standards, liquidity and governance.	Local currency pilots remain bilateral and the dollar retains convenience advantages.
Accelerated dollar stress	US fiscal or institutional credibility deteriorates materially.	Diversification accelerates, but gains spread across gold, euro, RMB and other currencies.

Exhibit 15. Revised Table 5 from Sanyal (2026b), p. 12. Scenarios are qualitative possibilities, not probability-weighted forecasts. “Layered multipolarity” is the author’s working baseline.

The strongest objection is the dollar’s network advantage. Users prefer a currency because others already use it, and deep markets make hedging cheaper. This creates a coordination problem, but not an argument for doing nothing. Shared standards and credible liquidity arrangements can reduce entry costs that no individual exporter would rationally finance alone.

A second objection is that local currencies may be volatile. The answer is to match exposures where possible, price residual risk honestly and provide hedges where markets can sustain them. Replacing a dollar liability with another foreign-currency liability does not automatically improve a borrower’s position. Switching must be justified at the balance-sheet level.

A third objection concerns policy credibility. Investors may fear capital restrictions or political intervention in a new system. Transparent eligibility, enforceable contracts and neutral dispute procedures are therefore central to adoption. The willingness to allow users to exit can be more important than the ability to persuade them to enter.

Support for BRICS as an alternative is strongest when it specifies what improves for participants. Wider choice, more representative rules and better-matched development finance are substantive objectives. They remain valuable even when the dollar continues to perform many global functions. The coalition should therefore seek improvements in access and bargaining power that users can verify, rather than equating political visibility with economic success.

17 Strategic autonomy and shared prosperity

India should support multi currency settlement without endorsing monetary dependence on China. Its priorities should be rupee invoicing where trade flows are balanced, wider hedging markets, UPI interoperability, stronger export capacity and governance rules that prevent any one currency from becoming the compulsory bridge. India can use participation to shape standards while preserving access to dollar and euro finance.

China can widen predictable access to assets, improve confidence in exit arrangements and support transparent conversion. Partners need not run balanced bilateral trade every year, but sustainable networks do require willing holders of financial claims and a credible mechanism for financing net positions. The policy objective is to make those holdings attractive without imposing unwanted exposure.

For the NDB, the priority is to match financing design to project cash flows, protect capital and disclose risk transfer. For smaller BRICS members and participating African and South Asian economies, the priority is accessible finance under rules they can influence. Representation matters economically when it changes the terms on which members enter, trade, borrow and resolve disputes.

Finally, supporters should distinguish resilience from sanctions evasion. Diversified settlement can reduce concentration risk for lawful transactions, but participants remain subject to applicable legal obligations. A platform unable to attract compliant international banks will struggle to generate the liquidity its users need.

None of these objections requires postponing every alternative until a perfect successor currency exists. Firms can begin using better arrangements in defined markets, while reserve and collateral systems evolve more slowly. This allows supporters of accelerated diversification to pursue near-term gains without making a fragile prediction about the date of dollar displacement.

Conclusion

The case for faster de-dollarization is a case for competitive monetary choice. China can contribute trade-linked renminbi infrastructure; India can help ensure that cooperation remains genuinely multicurrency; African and South Asian participants can shape products around their financing needs; and the NDB can support market development where benefits justify public risk. Their demographic and economic scale creates an opportunity, not an entitlement to monetary leadership.

The alternative can begin with functioning markets rather than a single new currency. Its pace should be accelerated by reducing costs, improving asset usability and establishing confidence in settlement. The policy target is not a dramatic announcement that dollar dominance has ended. It is a growing set of transactions for which firms freely conclude that they no longer need it.

Shared prosperity is therefore a criterion against which the programme should be judged, not an assumed consequence of diversification. It requires that lower payment costs, improved financing and greater resilience reach productive firms and development projects, and that public risks remain visible. BRICS has an opportunity to advance monetary pluralism through institutions that earn confidence transaction by transaction. The strength of the alternative will lie in its ability to deliver those benefits across members with different sizes, priorities and financial systems.

18 Teaching discussion and analytical extensions

This case is designed for advanced economics, international business and public-policy discussion. The teaching scenario permits competing recommendations; the author's preference for a corridor-based multicurrency platform is an argument to be evaluated.

1 Choosing the initial strategy

Recommend Option A, B or C. Identify the binding constraint in the first 36 months, the institutions responsible and the evidence that would make you reverse your recommendation.

2 Reconstructing the commercial decision

Use Exhibit 4 to determine why an additional 0.20 percentage point in alternative-route costs reverses the US\$50 million example. How would uncertainty about eligible turnover change a firm's decision?

3 Allocating currency risk

An exporter receives rupees but wishes to retain renminbi. Identify who supplies conversion and who bears the exposure if the rupee depreciates before the transaction is closed.

4 Distinguishing access from adoption

Which claims can be supported by CIPS processing data, an African clearing authorisation and a swap ceiling? Specify the missing evidence needed to establish voluntary currency adoption.

5 Evaluating development finance

Construct a comparison between a dollar loan and a local-currency NDB loan. Include revenue currency, tenor, funding spreads, hedging and contingent public costs.

6 Protecting smaller members

Design voting, access and dispute rules that balance capital contribution with meaningful participation. Explain how those rules could affect liquidity and entry.

7 Testing the affirmative thesis

Identify an empirical finding that would weaken the case for an individual corridor while leaving the wider case for monetary choice intact.

8 Measuring welfare

Can a rising non-dollar settlement share coincide with falling welfare? Give a concrete mechanism and an observable metric that would detect it.

19 Exhibit provenance and revisions

The compilation incorporates the substantive arguments of both manuscripts and accounts for all five original tables and all five original charts. Revisions distinguish historical evidence, source-reported figures, illustrative calculations and proposed institutions.

Original item and page	Treatment in this case
2026a Figure 1 p. 3	Redrawn as Exhibit 3; assumptions preserved; sensitivity table added.
2026a Figure 2 p. 5	Count series reproduced in Exhibit 5 upper panel.
2026b Table 1 pp. 2–3	Nine propositions retained and refined in Exhibit 2.
2026b Table 2 pp. 4–5	Annual values and growth preserved in Exhibit 6, with verification status.
2026b Table 3 pp. 5–6	Institutional comparison retained in Exhibit 9; voting wording qualified.
2026b Figure 1 p. 7	Quarterly values redrawn in Exhibit 5; US\$91bn annual annotation separated in Exhibit 6.
2026b Figure 2 p. 8	Swap chart redrawn in Exhibit 8; requested increment remains distinct.
2026b Figure 3 pp. 8–9	Recast as milestone chronology in Exhibit 7; 19-country capacity retained.
2026b Table 4 p. 11	Risks and controls retained in Exhibit 12 as proposed rules.
2026b Table 5 p. 12	Five scenarios retained in Exhibit 15 without assigned probabilities.

Source key 2026a is Accelerating De-Dollarization Through Market Design, supplied as BRICS_Monetary_Multipolarity_Rajib_Sanyal.docx. 2026b is From Dollar Dominance to Monetary Multipolarity, supplied as NEW_R.docx. Internal document titles, rather than filenames, determine the bibliography labels.

The original manuscripts contain five embedded charts and five Word tables. Their platform descriptions are prose; Exhibit 11 adds a diagram of those relationships. The Africa chart is deliberately not preserved as a one-to-nineteen adoption curve, because a national clearing foothold, a bond issue and regional operational capacity are different observations. The approximately US\$500 million claim about Standard Bank's early CIPS volume is not used analytically because the primary announcement reviewed here does not substantiate it.

20 Data notes and reproducibility

CIPS chart data

Exhibit 5 uses every quarterly observation from the Federal Reserve accessible dataset. Values below are rounded for display; the graph uses the published numeric precision. This selected display does not replace the complete 31-observation source series.

Quarter	Daily count in thousands	Daily value in US\$bn
2015 Q4	1.4	1.2133
2017 Q4	5.7	13.0117
2019 Q4	8.6	19.8266
2020 Q4	11.2	33.4479
2021 Q4	14.9	53.7357
2022 Q4	21.2	59.1407
2023 Q1	22.5	60.2980
2023 Q2	26.1	67.7884

Source: Federal Reserve Board (2024), Figure 3 accessible data, citing the PBoC. The observations are global averages within quarters and should not be added together as annual totals.

Model calculations

At $Q = \text{US\$50 million}$, the dollar cost is $50,000,000 \times 0.012 = \text{US\$600,000}$. The alternative cost is $50,000,000 \times 0.008 + 150,000 = \text{US\$550,000}$. Net savings equal US\$50,000. Raising the alternative cost rate to 0.010 produces US\$650,000, making the alternative US\$50,000 more expensive. The same arithmetic generates Exhibit 4.

Evidence boundaries

The case is an analytical synthesis and teaching application. It does not present interviews, an econometrically identified treatment effect, a complete inventory of BRICS settlement agreements or an audited forecast. Historical observations retain their dates. Source-reported annual CIPS figures and Sri Lankan facility details are separated from independently checked quantitative series. No regional adoption percentages are inferred from institutional milestones.

Harvard-style author–date references identify the materials supporting the narrative. Primary institutional publications are used where available. The author's two source manuscripts remain explicitly identified because some historical context is retained from them. The term “Harvard-style” describes citation and case-method conventions, not an acceptance decision or endorsement by a university or journal.

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Bibliographic note: The CBSL entry is identified from its indexed announcement; the facility amount is attributed in the case to the author's manuscript. UN DESA provides the demographic source framework used in that manuscript, rather than a new population calculation. The source manuscripts' broad homepage-only references are not treated as independent verification of every claim.