

**DE–DOLLARIZATION OF THE WORLD ECONOMY
AS THE FACTOR OF THE AGGRESSIVE POLITICS
OF THE USA**

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Abstract. The article analyzes the US foreign policy, trying to restrain the development of countries that they consider to be competitors in world markets; it is justified that a number of leading countries, in the foreseeing future negative consequences for the world economy, will pursue a policy of de–dollarization of their economies.

Keywords: world economy, trade wars, sanctions, crisis, de–dollarization of economies.

At present a number of leading experts, including the US experts, are already drawing parallels between the current situation and the period before the Second World War. Moreover, in American history there have already been examples of trade wars with the application of sanctions, import duties, the revision of existing agreements and treaties [1].

Although historical processes are never repeated with absolute precision, however, many of the actions of the Trump administration and its ideological rhetoric speak in favor of the fact that in their foreign policy USA are once again returning to a mixture of isolationism and imperialism, seeking to “restrain” development of the countries that they consider competitors in world markets and “a threat to national interests” [2].

There is another factor that has changed markedly compared to what it was 10 years ago. This is China and its relations with its partners, which have acquired much greater significance in the global space. Today it is the second largest economy in the world with ever–growing demands, which builds its partnership without regard for the United States. Therefore, rivalry with China will be one of the most important factors for the world in the next 10 years. Let’s apply here a concept called “the trap of Thucydides”, which indicates that a growing power always leads a rivalry with an existing power and the likelihood of war increases. This postulate has worked 16 times for the last 500 years – wars have occurred in all such cases [3].

This does not mean that war will not be avoided. But this means that the rivalry between countries and their close partners, which begins in the economic sphere, can become political and military. Moreover, China's economy, if not to stop its current rapid development, will be substantially larger than the US economy already in 20 years. Therefore, there is still “soft rivalry” here. We are still at an early stage of these processes, which will soon determine how this rivalry will develop in the near future [4].

But what are we already seeing now? Tensions are increasing in all directions, as China, Russia, Iran, Turkey and other countries establish a multipolar world order. The United States is responding to this challenge — amid the aggressive

mood of the American establishment, military and economic tensions have increased. And it is already quite difficult to stop the shift of the world order towards a unipolar control system and it forces the USA to use any type of weapon to achieve its goals, no matter what the consequences of such reckless US foreign policy for the rest of the world will be.

We give a number of specific examples. At a time when the province of Idlib is on the verge of liberation from terrorists by the Syrian Arab Army (SAA), tensions between the US and Syria (and the allies of Syria) are increasing. It seems that every significant SAA military campaign is accompanied by false reports from Western media and governments warning of the imminent use of SAA chemical weapons, even without any independent verification. And this madness has reached absolutely incredible levels.

The events in Syria seem to be accompanied by persistent attempts by Ukraine and the United States to sabotage the Minsk agreements, to re-ignite the conflict in order to blame Russia.

Even more fake accusations against Moscow in the poisoning of the former Russian spy Sergei Skripal in the UK came out after Moscow's accusations of interfering in the US presidential election.

To the tense situation, you can add the constant threats, along with the economic and financial war, sent to Iran by Israel, Saudi Arabia and the United States, the claims of various kinds of the United States to Turkey.

It is not surprising that in this context the Russian Federation has just conducted the largest military exercises in its entire new history. It should not be surprising that China sent thousands of soldiers to participate in these exercises, forcing Washington and the West to pay attention to it.

The Autumn Eastern Economic Forum in Vladivostok is another important point in the new Chinese–Russian strategy, which aims to limit and, if possible, isolate the chaos caused by the United States, support countries affected by Washington's influence, and expand cooperation in all possible directions.

The economic ties between the Chinese–Russian production systems of the two countries now deserve special attention, and this partnership goes far beyond the borders of Russia and China. Technological cooperation is expanding in regions such as Africa and Southeast Asia, offering important agreements with third countries. Moscow specializes in the sale of nuclear energy and weapons, while generous loans and the joint development of core resources is Beijing's priority. Such offers of assistance are important not only for third world countries (*Chinese–Russian actions in Africa are gradually destroying the structure of Western neocolonialism*), seeking to free themselves from colonization of the West, but also for those countries that need a new multi–polar world order. Indeed, the strategic quadrangle between Tehran, Turkey, Beijing and Moscow involves all neighboring countries in a large geopolitical waltz. And the creation of an alternative SWIFT system will be able to reduce the centralized role of American banking institutions and the political weight of the US dollar.

As we can see, in general, the multi–polar order of international relations is already developing in the vast territories of the planet, both from the military and

economic points of view. De-dollarization is an inevitable stage for achieving significant economic sovereignty [5].

Against this background, the logic of the recent introduction of tariffs on Chinese products worth more than \$ 200 billion is more like a despair step. Even the historical allies of the United States – South Korea, Pakistan, India and Turkey – have repeatedly stressed that they fear the irrationality of Washington and the “America First” policy and are looking for ways to get involved in the vast Eurasian continent and participate in economic and financial forums to diversify financing and cooperation at the industrial level.

The domestic economic struggle completes this picture: European allies are forced to suffer huge economic losses as a result of sanctions against Russia, China and Iran. Trade tariffs, especially in countries such as Turkey, Japan and South Korea, force US allies to explore alternatives in terms of trust and cooperation.

The European establishment in some western countries, such as Germany, France and the United Kingdom, seems to have decided to wait it out for now. But many intuitively understood what is actually happening in the Western world. Famous leaders are beginning to take serious steps to explore possible alternatives to the alliance with the United States.

Washington meets all of these scenarios with skepticism, vexation and revulsion, fearing the loss of important countries and the ability to establish regional balance on the planet. And many analysts are surprised today by the stubbornness and stupidity of American politicians. The more they try to maintain a unipolar order in the United States, the more incentives they give other countries to develop a multipolar system. But the US still retains diplomatic arrogance and strategic stupidity.

And each scenario connected with the USA must now be considered taking into account two factors: attempts to preserve the imperialist position and the internal struggle with the elites. And the current macroeconomic environment increasingly resembles the situation of the 1930s. In addition, past experience is particularly relevant today, as it was one of the periods when a number of large economies faced the 3D problem (debt, demography and deflation). Indeed, unproductive debt accumulation caused both the Great Depression of the 1930s and the Great Recession of 2008–2009. In addition, weaker demographic trends in a number of countries over both periods of time also had a negative effect on potential growth. The fall in private demand due to the subsequent process of reducing the share of borrowed funds created intense deflationary pressure [3].

So, according to analysts Morgan Stanley, the situation in the late 1930s now can happen again. However, it should be borne in mind that after the recurrence of the crisis of the 30s of the last century, the US economy recovered very slowly, it moved towards faster growth rates only after the start of the Second World War. The fact is that military spending is one of the main sources of growth in the US economy. This fact was recently repeated by the former Fed Chairman Ben Bernanke at the panel session “Defense Economics and American Prosperity” (“Military Economy and Prosperity of America”), organized by the Brookings Institute in late 2015. And if the situation is still possible, the US will

need another large-scale war that can bring the country's economy out of a prolonged peak [5].

But what should the United States do with the emerging de-dollarization? For if before the domination of the dollar persisted, not concealing a mortal threat, then in recent times the situation has drastically changed for the worse. As long as the dirty tricks and machinations of Wall Street provoked crises, countries with a trade surplus, such as China, Japan, and then Russia, had no alternative but to constantly buy US treasuries. Washington and Wall Street could print endless amounts of dollars, not supported by anything more valuable than F-16 fighters and Abrams tanks. China, Russia and other holders of dollar bonds financed US wars while buying up US debt. That time they had no any real alternatives.

Now, ironically, the two countries that once extended the life of the dollar (Russia and China after 1998) are considered by most countries as potential creators of a viable international currency supported by gold and oil, which can reduce the hegemonic role of the dollar today. That is why, over the past few years, both Russia and China, India and a number of other countries have been buying up huge amounts of gold, mainly to replenish the currency reserves of their Central Banks, which until this moment contained mainly in dollars and Euro.

Against this background, the United States is simply forced to pursue a nationalist course of development, consider many international organizations to be “illegitimate” in their current form, and will pursue only their own interests. This was literally stated in his speech at the 73rd session of the United Nations General Assembly, Donald Trump. In addition to the World Trade Organization, Trump also criticized the UN Human Rights Council and the International Criminal Court (*also known as the Hague Tribunal*). Statements about the refusal of the United States of “globalism” in favor of “patriotism” previously repeatedly sounded in the comments and ex-advisor to US President Stephen Bannon [2].

It should be noted that the statements about unilateral actions by the United States are kind of financial and economic pressure in the form of sanctions against such countries as China, Russia, Iran and Turkey. With respect to many other countries, the US authorities also imposed trade restrictions in the form of increasing import duties: we are talking about India, China, Canada, Russia, Turkey, the countries of the European Union. And here, American confidence in their own exclusivity led to interesting consequences: in the United States they thought that for the sake of the opportunity to maintain good relations with the “Washington regional committee” the elites of various countries, from Russia and China to the European Union and Iran, would revolt countries. In practice, something different happened: the United States in the global world was a universal example, but became a universal problem. And sooner or later there will be an adequate solution for this problem.

Thus, and what can already be stated, the behavior of the current American authorities has become “one-sided and irresponsible”. And the economic war that the United States is striving to unleash today will damage all the countries that will be involved in it. The current one-sided and irresponsible approach of

the US government is increasingly drawing the world into a period of merciless economic war. Therefore, all those countries that have an export-oriented model of growth for their economies should already today join together their efforts with other responsible states for launching measures to protect all interested states in order to prevent such destructive trade & economic and political conflicts in the future. At the same time, the de-dollarization of the world economy is an inevitable stage for achieving significant economic sovereignty in the future.

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