

BRICS Bank to Reactivate World Economy, says Cuban Expert



Havana, July 12 (PL-RHC), -- The creation of a development bank by the Brics group of nations and of a stabilization monetary fund would reactivate world economy, affirmed Silvio Baró, specialist of the International Politics Research Center in Havana.

The Brics group (Brazil, Russia, India, China and South Africa) is about to create its own financial architecture, with which it would cover the great financing void for infrastructure and projects suffered today by fast-growing emergent economies.

The sixth summit of leaders of the group, to be held from July 14 -16 in Fortaleza, Brazil, will be an adequate forum to put the final touches to the foundation of its own development bank, after two years of negotiations, according to its organizers.

Also, they will create a stabilization monetary fund named 'Agreement of Contingency Reserves' which will jointly support the balance of payments and serve as a financing fund for investments.

This agreement will be a significant step forward in the creation of alternative monetary and financial elements to the International Monetary Fund (IMF) and the World Bank (WB) which respond to United States and European interests, said the expert interviewed by Prensa Latina.

Baró described the project as important because “the US dollar keeps on being the main currency responding to that country’s interests and is sometimes overvalued, according to the nation’s policy, affecting the rest of world's economy.”

In Baró’s opinion, much attention is given to conflicts, terrorism, and crisis in general, but everything has a lot to do with the handling of monetary and financial variables.

He emphasized that if a consensus for a development bank is reached by Brics, or by a bank of ALBA (Bolivarian Alliance of Our America), or by institutions that China is creating with some countries, the leading role of IMF would be countered and the world would move toward a stabilization process of the monetary and financial relations.

According to the expert, world economy would achieve dynamism which cannot be expected now from developed capitalist countries, which are aimed only at moving resources in a speculative way, affirmed the specialist.

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