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REFLECTIONS ON THE TRANSFORMATION OF THE WORLD ORDER: EMERGING TRENDS AND IMPENDING PERSPECTIVES

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Abstract
The article analyzes the latest trends of the started process of transformation of world order, trying to explain it by various concepts, bringing forward by researchers and scientists, substantiating for many decades the urgent need for the existence of a dominant state - a hegemon which plays a role of a stabilizer of the international relations. The article focuses on the concept of hegemonic stability, arguing that existence of hegemon especially in the political and economic system is a necessary condition for maintaining global peace and stability.
Special attention is paid to the conditions that contribute to the decline of hegemony. Drawing parallels between today's realities and the concepts, highlighted by Charles Kindleberger, Robert Gilpin, Immanuel Wallerstein and other researchers, the article proves that even based on the concepts of the mentioned researchers who for many years justified the "stabilizing role" of the US hegemony, after the global fanatical crisis of 2008 a new phase of development is becoming more and more noticeable. Referring to the point of view of I. Wallerstein, the article concludes that even maintaining dominance to a certain extent in a number of areas, such as military, political, the unipolar world order has already gone down in history.

Keywords: *transformation, world order, hegemony, decline, financial landscape, China, the USA, Bretton-Wood institutions, US dollar, military.*

Introduction

One of the most discussed topics on the international political agenda of the last several decades has been the issue of transformation of the existing political system, widely called as the neoliberal paradigm or liberal international order shift, which finally took shape as a result of the collapse of the bipolar world.

While it is still fairly difficult to confirm that the era of liberal democracy has given way once and for all to the new order, in the meantime, the first sprouts of the coming changes are becoming more then visible - the emergence of new global powers, current

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and anticipated changes in global economic and financial landscape, the ongoing transformations in the political and security environment, the emergence of new challenges such as environmental issues, epidemiological issues affecting the established order and rules, as well as escalation of conflicts and erupted proxy wars around the world.

Brief overview of hegemonic stability theory

The theoretical foundations of a unipolar world order, which to most extend has proven its viability over several decades, are built around the studies of researchers and research institutions, putting forward several theories in different historical periods, in most cases substantiating the role of the United States as the only world hegemon.

During the Cold War so-called Western political science was mostly influenced by the concept of Hegemonic Stability, a theory propounded and articulated by Dr. Charles Kindleberger, Robert Gilpin, Robert Keohane and others, which was arguing that the presence of a hegemon in the world political and economic system is a necessary condition for maintaining global peace and stability. The existence of one dominant state was seen as a guarantee of international stability. As Kindleberger mentions "Great Depression, a market failure of monumental proportions, was caused by the absence of a lender of last resort in the international financial system. There could only be a lender of last resort if there were a single dominant power in the international system. Only a hegemon would have the capacity and interest to provide the public good of financial stability" (Kindleberger 1973, 96). Moreover, Kindleberger argues that absence of a hegemon in the international system was the reason of failure to build an international economic regime during interwar period between two world wars (Kindleberger 1973, 24). The hegemon also plays a role as a stabilizer of the financial system as well, and as Kindleberger notes, "financial crises can be followed by prolonged depressions as happened in the 1930s" (Kindleberger 1973, 205).

Robert Gilpin, a Professor at Princeton University and one of the sectaries of hegemonic stability theory, believed that even if hypothetically stable liberal international order could be established through cooperation without the presence of delineated hegemon state, this never happened (Gilpin 2001, 93). Gilpin explicitly prioritizes the economic aspects of international development over political and military successes and justifies his concept with the example of West Germany and Japan - defeated countries, rapidly recovering and "recouping their international positions by creating strong economies" (Gilpin 1981, 33). Gilpin believes that the success of states is mostly determined by their position in international trade, by volume of foreign investments and by world monetary affairs, which ultimately provide them with a basis for turning economic opportunities into military power, as West Germany and Japan did (Gilpin 1981, 33).

Stephen Krasner, a Sandford Professor, also relies on economics and open trading system for global a hegemon, which increases its aggregate national income, while further strengthening his political power. Moreover, Krasner argues that the dominate state has "symbolic, economic, and military capabilities that can be used to entice or compel others to accept an open trading structure" (Krasner 1976, 322).

Nobel Prize Laureate Robert Mundell also notes that the presence of a dominant country provides strong guarantees for maintaining the stability of the international

financial and monetary system. (Gilpin, Global Political Economy, Understanding the International Economic Order 2001, 96).

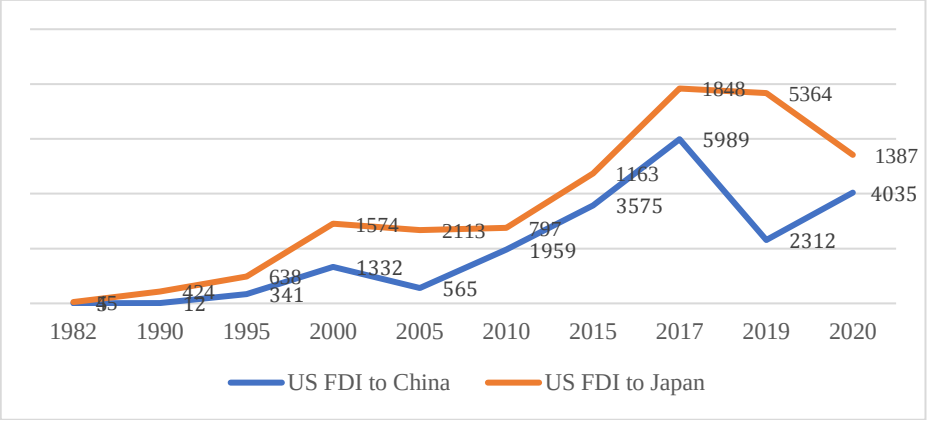
Terence Hopkins and Immanuel Wallerstein although acknowledged that hegemony operates primarily through the market, at the same time they firmly believe that military-political and cultural components should not be overlooked (Hopkins 1982, 52).

In defining hegemonic power, Immanuel Wallerstein accepts that it usually happens when one state imposes its rules on the interstate system thereby creating a world political order of its own accord (Wallerstein 1980, 23). Wallerstein attributes the decline of hegemonies to their inability to maintain "quasi monopoly of world geopolitical power" (Wallerstein 1980, 24). In order to maintain the established international order, hegemonic powers begin to invest in military structures for the periodic use of armed forces, which requires additional costs and diverts finance from economic investments. (Wallerstein 1980, 24).

As per Wallerstein's theory, the period of decline of the hegemon power can last certain time and the decline does not happen instantly. Having lost absolute hegemony, countries still continue to maintain their political and military, but not economic dominance (Wallerstein 1980, 24).

Wallerstein put forward the idea that "during the 'balance of power' period, the declining hegemonic power began to invest heavily in the economic activities of the rising power with which it became an ally as a junior partner" (Wallerstein 1980, 25). This concept is confirmed when analyzing relationships between the United States and China, as well as the US and Japan. US investment in China's market has opened up since 1980s, when it was rather modest. Meanwhile, China's accession to the World Trade Organization in 2001 boosted US direct investment in China, which in 2008 exceeded $20 billion and followed by global crises, they fluctuate between 13 and 16 billion dollars a year (Hanemann et al. 2021, 13). Another rising power was Japan, the main US partner in the Asia-Pacific region, where the US has been a major investor for many years (see Figure 1).

Figure 1. US Foreign Direct Investments (mln USD)[5]



[5] Bureau of Economic Analysis. 2022. "U.S. Direct Investment Abroad: Balance of Payments and Direct Investment Position Data." Accessed July 27, 2022. https://www.bea.gov/international/di1usdbal.

Gilpin attributes the decline of the state to the erosion of its economic base, which directly affects the military sector, increasing its costs and the overall costs of wars (Gilpin 1981, 161-162). According to Gilpin's theory, a new international system is usually created through hegemonic wars arising from a growing imbalance between the burden of maintaining a hegemonic position and the availability of resources (Gilpin 1981, 210).

This concept was partly proved in the late 1980s and early 1990s with the collapse of the bipolar world and the establishment of neoliberal world order, which is in most extend based on international financial and monetary system, eventually formed after Bretton-Wood and Jamaka conferences. The new neoliberal world order was based primarily on the military and economic superiority of the United States, arising after the early 1990s, which eventually handed over the reins of political power in international affairs to the latter. At the same it it's becoming obvious that the international order has transformed into the new phase of global development. The started process of transformation is characterized by appearance of new actors of international relations, as well as by emerging trends in the monetary, financial, economic and overall political spheres. It is also relevant in the context of the ongoing geopolitical confrontation, as well as military actions, taking place in the eastern part of Europe, aimed at accelerating the processes of the transformation of existing international system through hegemonic war between so called Western democracies and new emerging powers.

Transformations in international monetary-financial system

Many scholars (Kindleberger, Mundell and others) believe that one of the first indications of hegemonic power decline are reflected in financial and economic sectors. Signs of started transformation in these sectors become visible particularly in the aftermath of the 2008 global financial crisis.

It is widely known that the current international financial and monetary system was established as a result of Bretton Woods conference, where the international monetary system with fixed exchange rates to US dollar was created. The established system and the strengthening role of the US dollar was heavily enhanced by Marshall and Dodge plans, providing financial support in US dollars for the recovery and reconstruction of the post-war economy of Europe and Japan, thus taking one of the first steps towards internationalization of US currency. The political role of the US dollar was further enhanced by creation of so-called Bretton Woods institutions, which continuously provide financial and technical supports to developing and less developed countries for addressing their social and economic problems. Moreover, the institutions of World Bank Group[6] and other financial organizations, including regional financial corporations, such as the European Investment bank, the Asian Development Bank, and others mostly focus on supporting economic policies and stimulating economic growth of the member states through the provision of loans and credits, thereby indirectly setting

[6] World Bank Group includes 5 financial institutions: International Bank for Reconstruction and Development, International Development Association, International Finance Corporation, Multilateral Investment Guarantee Agency, International Center for Settlement of Investment Disputes.

the overall development vector of the developing countries. At the same time, in the overwhelming majority of cases, this policy has brought to the additional increase of the US dollar reserves, and to the expansion of the demand for US dollars around the world.

It's worth mentioning the role of the United States and its allies in the established Bretton Woods institutions, where they have a dominant role including in the voting system, thereby setting priorities and in certain cases preferences when granting loans and other forms of financial support to less developed and developing countries. Such *modus operandi* seems quite logical given the overall share of the US GDP in global economy, where the US has been the absolute leader for several decades. Moreover, it is more than obvious that the international financial system was formed on the dominant role of the United States, which also explains the efforts of leading American institutions and researchers who emphasize the exceptional importance of the existence of a dominant state as a stabilizer of the financial system (Kindleberger, Mundell, and others).

Meanwhile, since the post-financial crisis of 2008, the growing role of the People's Republic of China has signaled the beginning of a transformation in the global international financial system. In early 2010, for the first time in history, China's nominal GDP passed the USD 6 trillion mark, making China the second largest economy after the United States (see Figure 2).

Figure 2. Nominal Gross Domestics Product (World Bank data 2022)

Country	2000	2005	2010	2015	2020
United States	10,252,345	13,036,640	14,992,053	18,238,300	20,953,030
China	1,211,347	2,285,966	6,087,164	11,061,553	14,722,731
Japan	4,968,359	4,831,467	5,759,072	4,444,931	5,057,759

Moreover, data on the annual GDP growth of the world's leading economies clearly indicate the emerging role and prospects for further growth of developing countries, primarily China and India, in the coming years (see Figure 3).

Figure 3. GDP Annual Growth (World Bank data 2022)

Country	2000	2005	2010	2015	2016	2017	2018	2019	2020
United States	4.1%	3.5%	2.6%	3.1%	1.7%	2.3%	3.0%	2.2%	-3.4%
China	8.5%	11.4%	10.6%	7.0%	6.8%	6.9%	6.7%	5.9%	2.3%
Japan	2.8%	1.8%	4.1%	1.6%	0.8%	1.7%	0.6%	0.3%	-4.6%
India	3.8%	7.9%	8.5%	8.0%	8.3%	6.8%	6.5%	4.0%	-7.3%
Germany	2.9%	0.7%	4.2%	1.5%	2.2%	2.7%	1.1%	1.1%	-4.6%
Russian Federation	10.0%	6.4%	4.5%	-2.0%	0.2%	1.8%	2.8%	2.0%	-3.0%

Princeton professor R. Gilpin goes further than his colleagues Kindleberger and Mundell and connects the success of countries with their position in international trade, with foreign investment and the share of their currency in the world's monetary reserves (Gilpin 1981, 33).

Even the brief overview of the global trends in international trade demonstrates that over the past 7 years, China has already surpassed the United States in terms of the share of its national exports in world exports. Today, more than 19% of international exports go to China, which significantly enhances China's role in international trade.

Figure 4. Share of national exports in world's export (in %) (Eurostat 2022)

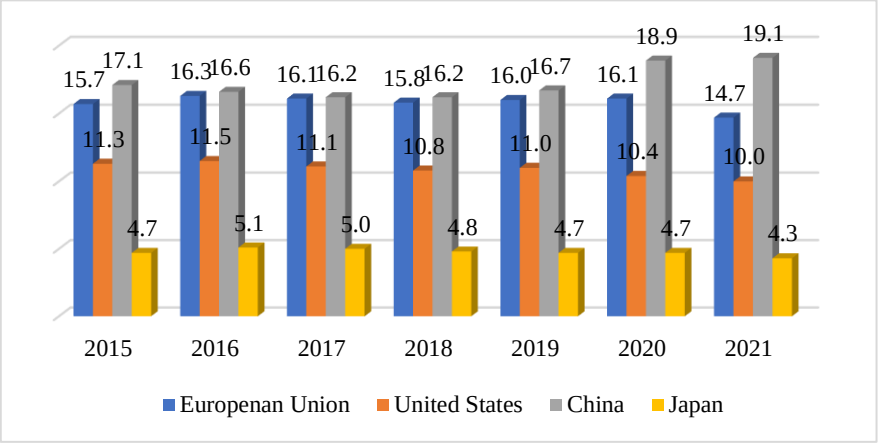
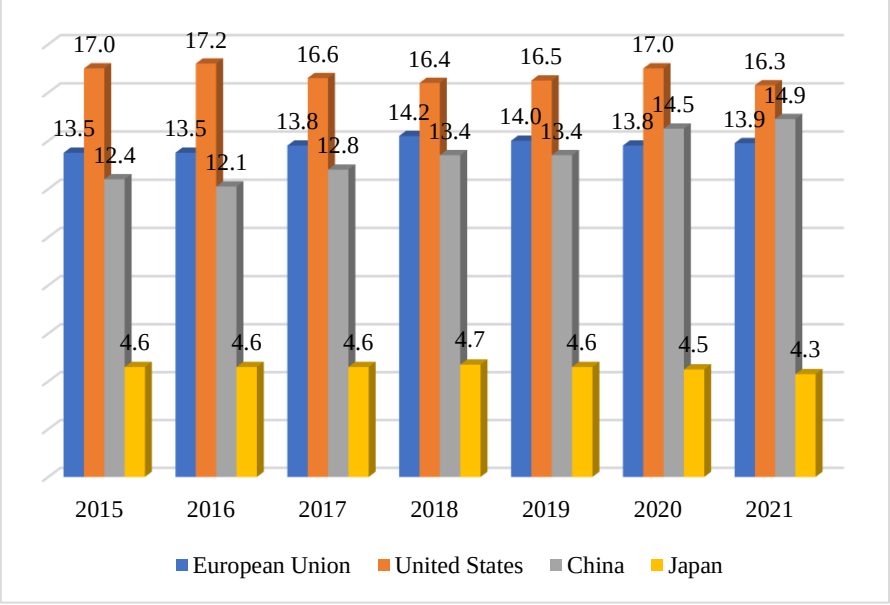


Figure 5. Share of national import in world import (in %) (Eurostat 2022)



Moreover, China is already at the forefront position in terms of the share of national imports in world imports. Although China still lags behind the United States, the world's leading importer, China's share of global imports is growing significantly and steadily, giving it every chance to surpass the world leader in the coming years. Even in 2021,

during the Covid-19 pandemic, China's imports increased significantly, which allowed it to have a positive trade balance in contrast to competing countries (see Figures 4 and 5).

Figure 6. Foreign investments 2017-2021 (mln USD) (United Nations Conference on Trade and Development 2022, 210)

Country/ Region	FDI inflows					FDI outflows				
	2017	2018	2019	2020	2021	2017	2018	2019	2020	2021
European Union	274 904	366 347	401 677	209 509	137 541	347 293	293 339	368 335	66 412	397 637
India	39 904	42 156	50 558	64 072	44 735	11 141	11 447	13 144	11 109	15 522
Brazil	66 585	59 802	65 386	28 318	50 367	19 040	-16 336	19 031	-12 935	23 083
Russian Federation	25 954	13 228	32 076	10 410	38 240	34 153	35 820	22 024	6 778	63 602
China	136 315	138 305	141 225	149 342	180 957	158 288	143 037	136 905	153 710	145 190
United States	308 956	203 234	225 108	150 828	367 376	327 780	-157 406	28 596	234 919	403 101

The flow of foreign direct investments (FDI), which is also one of the indicators, highlighted by Gilpin for characterizing the role and dominance of hegemonic states, demonstrates the existing trends of increase of FDI especially in rapidly developing countries. In terms of FDI inflows alone, the increase of China's economy seems to be more than tangible, indicating about a 25% increase in FDI in 2021 compared to 2015, when the same figure for the United States over the same period is about 16%. (see Figure 6). Though the United States still remains in dominant position by FDI inflows, but its growth rates are relatively slow. This clearly indicates that the US still needs to make more efforts to maintain its leading role in the world.

Figure 7. Foreign exchange reserves by currency (International Monetary Fund 2022)

Currency	2016	2017	2018	2019	2020	2021	2022 (Q1)
US dollars	65,36%	62,73%	61,76%	60,75%	58,92%	58,86%	58,88%
Euro	19,14%	20,17%	20,67%	20,59%	21,29%	20,58%	20,06%
Japanese yen	3,95%	4,90%	5,19%	5,87%	6,03%	5,52%	5,36%
Chinese renminbi	1,08%	1,23%	1,89%	1,94%	2,29%	2,80%	2,88%

The situation is similar in foreign exchange reserves market - another indicator, stressed by R. Gilpin for hegemonies. The IMF data on currency composition of official foreign exchange reserves (COFER) also point to a rising trend for Chinese renminbi. Renminbi internationalization began years ago. China's policy towards its currency internationalization can be considered as a logical response to its growing economy. Since 2010, China has been promoting direct currency trading with renminbi, concluding such agreements with Malaysia (August 2010), the Russian Federation (November 2010), Japan (December 2011), Australia (April 2013) (Eichengreen B. 2015, 8).

Already in 2015 renminbi was included in the basket of five international currencies and together with the US dollar, the Euro, the Japanese yen and the British pound sterling constitute the Special Drawing Rights (SDRs).[7] (International Monetary Fund 2021)

One of the major political milestones in terms of renminbi internationalization was the introduction in 2015 initiated and established by China Cross-border Interbank Payments System (CIPS). CIPS acts as an alternative to the SWIFT (Society for Worldwide Interbank Financial Telecommunications) international financial transactions and payment system. In line with the implementation of the China initiated and led Belt and Road Initiative (BRI), the growing prospect of the CIPS, encompassing at least the countries included in BRI, as well as China's trade partners in the region and worldwide, is more than visible. China is keen for further expansion of the CIPS not only from economic but also from larger political perspective, considering also the lessons learned from the recent crisis in Ukraine and earlier in Iran, where the Western sections imposed a ban on international transactions of these countries, made via SWIFT system.

It is also important to note that today SWIFT is no longer the only system for financial transactions and payments. In addition to China, similar systems have been developed by Iran called electronic financial messaging system in response to sanctions (SERAM) imposed on the Islamic Republic. The Russian Financial Message Translation System (SPFS) is another alternative to SWIFT, developed in early 2014. Since 2019 the discussions have been started regarding setup of interconnections between Russian, Chinese, Iranian payment systems. India - another rapidly growing economy, is interested to join these relatively recently developed systems, which will eventually let India bypass SWIFT (Daye 2019). Further intensifications and initiated steps taken will defiantly have knock-on impact on transformation of global financial affairs.

The started process of transformation of international financial landscape has been strengthened by creation of international financial development institutions, such as New Development Bank (BRICS Bank) and Asian Infrastructure Investment Bank (AIIB), which play a leading role in financing of China's proposed and implemented Road and Belt Initiative (BRI). For many years financial development institutions have proven their role as effective tools of "soft power" in international affairs, providing financial support, technical assistance and expertise to developing and least developed countries for their further socio-economic development and welfare, thereby setting the development vector and the main priorities, including the political priorities of the latter.

International financial development institutions were created immediately after the conclusion of the Bretton Woods agreements in 1944, aiming to support countries overcome the socio-economic consequences of the Second World War. Meanwhile, in addition to the so-called Bretton Woods institutions, a number of other international and regional financial development institutions have been created, such as the Inter-American Development Bank, the European Investment Bank, the Asian Development Bank, the African Development Bank, and the Islamic Development Bank. bank, the Caribbean Development Bank, the Black Sea Trade and Development Bank, etc. In a meantime the overwhelming majority of quotas, which become crucial in decision-making process are with so-called Western block and its allies led by the United States,

[7] SDR is an international reserve asset, created by the IMF to supplements its member states' official reserves.

the European Union, Japan. In this regard, the main vectors of international development, at least for those countries that are beneficiaries of the mentioned institutions, are established and supported by them. The general tack has changed with the advent of Asian Infrastructure and Investment Bank (AIIB) and the New Development Bank (NDB), commonly known as BRICS Bank. The established AIIB is comparable with the World Bank and Asian Development Bank. When established, AIIB total capital amounts 2/3 capital of the ADB and half of that of the WB (Mishra 2016, 166).

Moreover, being a member of the World Bank Group, China has also strengthened its role as a member of World Bank by increasing its quotes, which let increasing its voting power in overall decision-making process, which put China behind the United States and Japan (World Bank 2022).

Thus, the overall international financial and monetary landscape has entered a new stage of transformation. The general *modus operandi*, essential for functioning of global financial system and grounded on the concept of one country dominance, has changed significantly. The emergence of new global actors in form of countries, blocs and international development institutions through the gauntlet to the 'rules of the game', giving a clear sign for its change.

Military and political aspects of ongoing transformations

An incontestable observation put forward by Immanuel Wallerstein, arguing that hegemonic powers are usually trying to maintain the established international order by investing in military structures, becomes more and more visible. The annual military spending data released by the Stockholm International Peace Research Institute (SIPRI)[8] confirm Wallerstein's view that "losing absolute hegemony, countries still continue to maintain their political and military superiority" (Kwon 2011; Winecoff 2020).

In terms of the share of military spending in the country's GDP, as well as in terms of military spending by both the United States and China over the past 5 years (2017-2021), the United States demonstrates a clear superiority over China[9].

[8] Stockholm International Peace Research Institute. 2021. "Stockholm International Peace Research Institute (SIRPI) Military Expenditure Database." Accessed July 27, 2022. https://milex.sipri.org/sipri.

[9] Stockholm International Peace Research Institute. 2020. "Stockholm International Peace Research Institute (SIRPI) Arms Industry Database." Accessed July 27, 2022. https://www.sipri.org/databases/armsindustry.

Figure 8. Share of Military Expenditure in countries' GDP

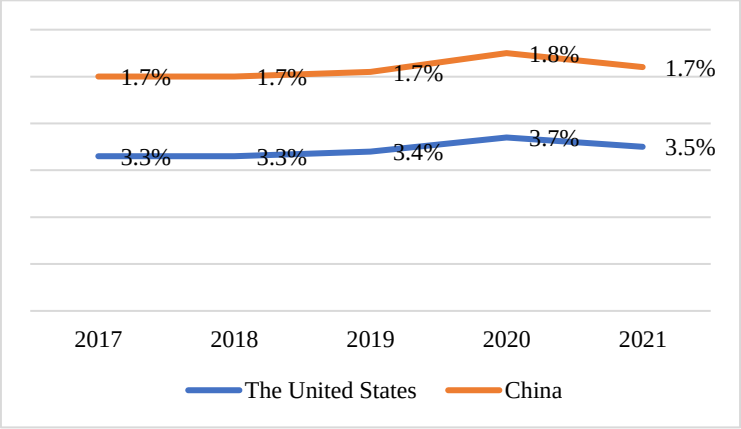
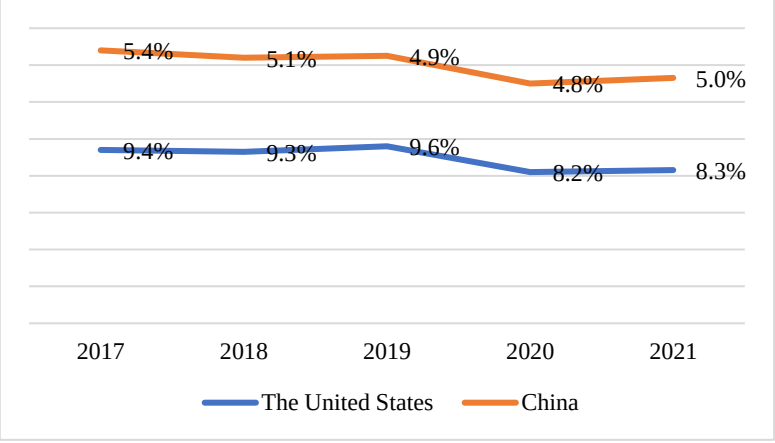


Figure 9. Share of Military Expenditure in government spending



Only in 2021, US military spending exceeds that of China by more than 63%. By this indicator the United States hold a dominant position among other permanent members of the UN Security Council as well[10].

The share of military spending in the total US GDP is constantly increasing (see Figure 9). The United States, while keeping its military presence around the world, still continues to maintain its position as the dominant power. Meanwhile, the military-industrial complex of competing countries is consistently developing. The same SIPRI data indicate that, along with American companies producing and selling weapons, the

[10] Stockholm International Peace Research Institute. 2021. "Stockholm International Peace Research Institute (SIRPI) Military Expenditure Database." Accessed July 27, 2022. https://milex.sipri.org/sipri.

number of such companies from Europe, China, Russia, and other countries is increasing[11].

Hence, in line with started transformation in the economic sector, especially after the Covid-19 pandemic (see Figure 3), the United States still continues to keep its dominant position in military sector, which also confirms Wallerstein's point stating that the period of the decline of hegemon power takes time and countries still continue to maintain their political and military but not economic dominance (Wallerstein 1980, 24).

The political landscape has been significantly changed due to started transformation of one of the major bedrocks of the existing financial system, laid down in early 1974 by an agreement, made by the Nixon administration with the Kingdom of Saudi Arabia after the Yom Kippur War and the 1973 oil crisis[12]. The agreement provided for the payment of oil exported from Saudi Arabia in US dollars in exchange for military assistance and security guarantees, including from the State of Israel. Moreover, the Saudis have pledged to put the proceeds of petrodollars back into the US Treasury and finance the US debt, hit hard by the oil crisis. Soon, other OPEC countries joined this deal, selling oil exclusively for US dollars[13].

The agreement concluded between the Nixon administration and Saudi Arabia, and later other OPEC countries, secured the role of the main reserve currency for the US dollar for many years.

The foundations of the established US dollar dominated geopolitical order were shaken when Saudi Arabia, the world's largest crude oil exporter[14], began active negotiations with China, the world's leading crude oil importer[15], to sell Saudi oil to China in yuan (McNally 2022). Such developments, coupled with Russia's demand to sell gas to EU countries in rubles, is definitely a serious challenge for the United States, and in particular for American global financial hegemony, especially given that Saudi Arabia, together with the Russian Federation, is one of the two top oil suppliers over the last 2 years[16].

The started process of rapprochement between the Russian Federation and Saudi Arabia, despite the existing disagreements between the countries on a set of issues on Syrian conflict, the nuclear deal with Iran and other issues is one of the challenges to the established world order. Over and above, Saudi Arabia also doubled Russian imports of

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[11] Stockholm International Peace Research Institute. 2020. "Stockholm International Peace Research Institute (SIRPI) Arms Industry Database." Accessed July 27, 2022. https://www.sipri.org/databases/armsindustry.

[12] The Economic Times. 2016. "The untold story behind Saudi Arabia's 41-year US debt secret." Accessed July 26, 202. https://economictimes.indiatimes.com/news/international/business/the-untold-story-behind-saudi-arabias-41-year-us-debt-secret/articleshow/52528470.cms?utm_source=contentofinterest&utm_-medium=text&utm_campaign=cppst.

[13] Ibid.

[14] World's Top Exports. 2022. "Crude oil export by countries." Accessed July 27, 2022. https://www.worldstopexports.com/worlds-top-oil-exports-country/.

[15] Ibid.

[16] Arab News. 2022. "Saudi Arabia is top oil supplier to China in 2021." Accessed July 26, 2022. https://www.arabnews.com/node/2008206/business-economy; Business Standard. 2022. "Russia replaces Saudi Arabia as China's biggest crude oil supplier." Accessed July 26, 2022. https://www.business-standard.com/article/international/russia-replaces-saudi-arabia-as-china-s-biggest-crude-oil-supplier-122062000745_1.html.

fuel oil for the feed of power plants[17]. Being for many decades the US main partner in the Middle East, Saudi Arabia is one of those 3 countries, planning to join BRICS[18], thereby changing the balance of interest in over the Middle East region.

Conclusion and discussion

The transformations, that have begun years ago, are now an inevitable process. The started process is already noticeable in global financial and economic landscape, in the meantime its beginnings have also been reflected in global military and military-political affairs. The results of the started process of transformation directly indicate that the unipolar world order has gone down in history. Wallerstein's thesis that states retain their military and political dominance for a certain period after losing economic hegemony today illustrates the existing state of affairs. In a meantime, transformations are beginning to appear in both the political and geopolitical spheres. Emergence of new powers, new alliances and integration formats, new partnerships and infrastructural megaprojects is fundamentally changing the existing landscape. They clearly point to a new world order that is still in the process of structural transformation and development.

The concepts put forward by scholars and researchers, justifying the urgent need to have a hegemon country for stabilizing the international order are gradually losing their relevance. By a set of indicators, substantiating for many years the leading role of the United States in international relations, such as countries position in international trade, the over volume of foreign direct investments, growth of nominal GDP, and even by the share of currencies in world monetary reserves (through the US still keeps its leading positions) the existing state of affairs is changing.

The establishment of new international financial institutions, such as Asian Infrastructure Investment Bank, New Development Bank comes to transform the existing financial landscape. The international monetary and financial system has been embedded mainly into the Bretton Woods institutions, but also into other regional entities where the so-called 'Western bloc' led by the US and its allies (such as the EU and Japan) has all the reins of power to influence international development trends in developing and least developed countries by setting preconditions for the provision of loans, grants and other types of financial support.

Transformations in international economic and financial sectors have a direct impact on political and geopolitical situation. ranging from East Asia, such as RCEP - Regional Comprehensive Economic Partnership, to Eurasia, Africa and Latin America (BRICS). As an alternative to SWIFT, new payment systems for financial transactions have already been created to cover China (CIPS), Iran (SERAM), Russia (SPFS), as well as India.

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[17] Reuters. 2022. "Exclusive: Saudi Arabia doubles second-quarter Russian fuel oil imports for power generation." Accessed July 26, 2022. https://www.reuters.com/business/energy/exclusive-saudi-arabia-doubles-q2-russian-fuel-oil-imports-power-generation-2022-07-14/.

[18] Memo Middle East Monitor. 2022. "BRICS expects Egypt, Saudi Arabia and Turkey to join group soon." Accessed July 26, 2022. https://www.middleeastmonitor.com/20220714-brics-expects-egypt-saudi-arabia-and-turkey-to-join-group-soon/.

Although the US dollar continues to hold its leading position as an international reserve currency, its position has begun to falter. Its first sprouts began to appear when Saudi Arabia, the world's largest exporter of crude oil, began active negotiations with China, the world's leading importer of crude oil, to sell Saudi oil to China in yuan. Another major oil supplier, the Russian Federation, demands that Russian gas be sold to EU countries for rubles. This is indeed a serious challenge to US global financial hegemony, which proves that the US-Saudi oil agreement, which also includes other members of OPEC, is no longer valid.

Thus, international relations have already entered a new phase of development. The new order is still in the process of restructuring. In the meantime, we can already state that the liberal international order is giving way to a new world order, which, indeed, will be far from being unipolar.

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