

US trade

Trump threatens Brics nations with 100% tariffs if they undermine dollar

Warning against pushing alternatives to reserve currency is latest trade threat from incoming president



Officials attend the Brics summit in Kazan last month © POOL/AFP via Getty Images

Aime Williams in Washington NOVEMBER 30 2024

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US president-elect Donald Trump on Saturday threatened tariffs of 100 per cent against the so-called Brics countries unless their governments agree not to create a new currency as an alternative to the US dollar.

“The idea that the Brics Countries are trying to move away from the Dollar while we stand by and watch is OVER,” Trump wrote in a post to his Truth Social platform on Saturday afternoon.

The group is made up primarily of Brazil, Russia, India, China and South Africa, but has recently expanded to include Iran, Saudi Arabia, United Arab Emirates, Argentina, Egypt and Ethiopia.

Although the US dollar is the most-used currency in global business and trade, Brics nations such as Russia and China have called for the bloc to challenge the dollar’s status as the world’s reserve currency. A proposal for a Brics currency was introduced at last year’s summit in South Africa.

“We require a commitment from these Countries that they will neither create a new

BRICS Currency, nor back any other Currency to replace the mighty U.S. Dollar or, they will face 100% Tariffs, and should expect to say goodbye to selling into the wonderful U.S. Economy,” Trump wrote on Saturday.

In October, Russian president [Vladimir Putin](#) accused western powers of “weaponising” the dollar, arguing at a Brics summit in Kazan that sanctions against Russia since its invasion of Ukraine “undermine the trust in this currency and diminish its powers”.

The threats of steep tariffs against US imports from the countries follow similar threats made to [Mexico, Canada and China](#) earlier this week as Trump signals that he intends to use punitive measures to force US trading partners to comply with his demands.

Trump said he would impose tariffs of 25 per cent on all imports from Canada and Mexico, and an extra 10 per cent on Chinese goods, accusing the countries of permitting illegal migration and drug trafficking.

Those threats raised the possibility of countermeasures from Mexico and prompted a hurried visit to Trump’s Mar-a-Lago residence by Canadian prime minister [Justin Trudeau](#) on Friday evening.

Trump won a convincing electoral victory earlier this month after campaigning on a pledge to issue sweeping tariffs on foreign goods imported to the US, including an extra 60 per cent on Chinese goods.

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