

# World leaders unite in China to build alternative to U.S.-led financial system

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The SCO summit was held in Tianjin, China, with the participation of 25 heads of

state.

The Shanghai Cooperation Organization (SCO) summit in Tianjin, China, from Aug. 31 to Sept. 1, was attended by 25 heads of state representing nearly half of humanity.

There were 10 SCO members — Belarus, China, India, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Russia, Tajikistan, and Uzbekistan — at the summit. The members were joined by numerous others from South Asia, Southeast Asia, and the Middle East, as well as the UN secretary-general.

Slovakian Prime Minister Robert Fico and Serbia's Aleksandar Vucic, both critical of U.S. / NATO sanctions on Russia, were the only Western leaders attending.

The meeting was intended to provide a forum for countries to explore ways to collaborate in freeing their economies from U.S. trade and dollar dominance, which has been intensified in more than a dozen countries by U.S. sanctions. Currently, Donald Trump's belligerent program, including tariffs and the threat of direct U.S. military intervention, is exacerbating a crisis of survival for many of the world's people.

The SCO was formed more than two decades ago as a regional security bloc by China, Russia and four Central Asian states. In June 2017, it expanded to eight states, with [India](#) and [Pakistan](#). [Iran](#) joined the group in July 2023, and [Belarus](#) in July 2024.

In his [speech](#) at the Summit, Chinese President Xi Jinping [called](#) on the SCO to "step up and play a leading role. ... become a catalyst for the development and reform of the global governance system."

He outlined China's new collaborative platforms within the SCO framework, designed to advance cooperation across energy, green industry, digital economy,

technological innovation, and both technological and vocational education. These initiatives aim to foster greater equality among the world's peoples while strengthening global cooperation.

According to Beijing's data, China's trade with other SCO member states reached USD 512.4 billion in 2024, and the [grouping](#) now represents roughly a quarter of global GDP.

A proposed SCO [Development Bank](#) would provide financing for infrastructure projects without the strict conditions typically imposed by Western finance capital-led institutions, such as the IMF and the Asian Development Bank. Working alongside the BRICS New Development Bank, these alternative financial institutions aim to offer Global South countries more viable funding options.

The principles announced by Chinese President Xi, Russian President Putin, and other SCO members outline a detailed framework for a new international economic order that echoes the promises made 80 years ago at the end of World War II.

### **End of WW2 commemoration**

The summit culminated on Sept. 1 with an extraordinary celebration of the 80th anniversary of victory in the Chinese People's War of Resistance Against Japanese Aggression and the World Anti-Fascist War, the end of World War II.

The military parade in Beijing was a reminder to the world that the international agreements at the end of World War II were supposed to end fascism and introduce a fair and equitable world order. It was the U.S. and NATO military alliance that abandoned and reversed those promises.

Chinese Foreign Minister Wang Yi [summarized](#) the "major outcomes" of the SCO summit by reflecting on the SCO's role as "a just voice for defending the achievements of the victory in World War II." SCO leaders issued a joint statement

declaring that “the SCO will stand firmly on the right side of history.”

Xi has portrayed the war as a pivotal moment in China’s “great rejuvenation,” marking the nation’s triumph over Japanese invasion and its subsequent rise as an economic and geopolitical powerhouse.

On Sept. 2, the day after the SCO summit, Chinese President Xi hosted his country’s largest-ever military parade alongside Russian President Vladimir Putin, Iranian President Masoud Pezeshkian, and Korea’s President Kim Jong Un. It is the first time a North Korean leader has attended a Chinese military parade in 66 years.

During the summits, Xi met with several leaders, including a notably significant discussion with Indian Prime Minister Narendra Modi, where he publicly characterized the China-India relationship as one of “partners, not rivals.”

Their statements stressed [dialogue](#) on differences and cooperation on development – language that marks the clearest thaw since the 2020 Ladakh border crisis. China and India say the rapprochement has opened new opportunities for cooperation. The SCO platform makes it easier for New Delhi and Beijing to co-fund “small and beautiful” cross-border projects that de-risk supply chains.

The U.S. has promoted divisions between India and China by supporting development initiatives in India that are directly aimed at constraining China’s economy.

China and India are the biggest buyers of crude oil from Russia, the world’s second-largest exporter. Now, Trump has imposed devastating 50% tariffs on [India](#) to try to force it to buy U.S. fuel.

This type of aggressive economic war was epitomized by the destruction of the Russian North Sea pipeline, intended to supply fuel to Europe. Now, Siberian gas will go to Mongolia and China. It powered European industry in the past; now it will

do the same for China and Mongolia, leaving Europe to depend on U.S. LNG exports and declining North Sea supplies at much higher prices.

The SCO/BRICS initiatives, including a potential SCO development bank, offer developing countries cheaper credit, faster logistics, and predictable rules, including the revival of border trade and flight connections, while allowing each nation to pursue its own national priorities.

