Russia's Settlement Alternative to the Society for Worldwide Interbank Financial Telecommunication (SWIFT)

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The SWIFT System is an integral part of a communication process that assists payment and clearing of financial transactions. The Corporate-to-Bank site defines it in the following manner and provides several examples ofPayment, Clearing and Settlement Systems.

> The Society for Worldwide Interbank Financial Telecommunication, Societe Cooperative a Responsabilite Limitee (limited co-operative society) ("SWIFT") is a member-owned co-operative. SWIFT provides a telecommunication platform for the exchange of standardized financial messages between financial institutions and corporations. SWIFT is neither a payment system nor a settlement system though the SWIFT messaging standard is used in many payment and settlement systems. SWIFT's customers include banks, market infrastructures, broker-dealers, corporates, custodians, and investment managers. SWIFT is subject to oversight by the central banks of the Group of Ten countries.

Now that Western Central Banks are coordinating with their puppet governments in a desperate struggle to preserve their financial preeminence, the pushback is heating up. The article, Moscow's Response To Economic Warfare: Central Bank Of Russia Launches SWIFT Alternative For Domestic Payments, states:

> The calls to disconnect Russian banks from the global interbank SWIFT system came amid the deterioration of relations between Russia and the West and the introduction of sanctions.
>
> However, SWIFT itself does not intend to switch Russia off from the system, saying a number of countries put pressure on it, and insists it is not joining the anti-Russian sanctions.

Well, if the SWIFT members of their co-operative are not part of the effort to isolate un-cooperative regimes, why would Russia take the effort to organize an alternative? Russia Girds for Financial Nuclear War answers accordingly. "It will be tested with eight large banks, including VTB bank (#2 in the country), and SMP and Rossiya banks (both sanctioned by the west). Komlev said the new system should be up and running by May 2015."

The natural response to sanctions has accelerated the need to circumvent a blackball threat that has Russia launches own SWIFT-style service. "There has been talk of blocking Russian banks from using SWIFT among some EU members as well."

However, the latest pressure did not originate the planning for an alternative system. As reported in TASS, Russia, China in talks to make alternative to SWIFT,

> "Russia and China are discussing setting up a system of interbank transactions which will become an analogue to International banking transaction system SWIFT, First Deputy Prime Minister Igor Shuvalov" announced back in September of this year. "According to Shuvalov, Russia has been also discussing establishment of an independent ratings agency with China. Concrete proposals will be made by the end of 2014, he said."

Just how far will such new-found collaboration develop? The implications go far beyond the establishment of an alternative settlement system.

Examine the trade implications from the initiative that hasChina to Start Payments With Russia in National Currencies. "The China Foreign Exchange Trade System has announced that since December 29, China, Russia, Malaysia and New Zealand will start the usage of national currencies in mutual transactions. Beijing hopes to make the yuan an alternative to the US dollar in global trade."

Now this development becomes far more interesting as the global financial tug-of-war plays itself out. From the flagship publication of the City of London, the Economist tells a very different tale.The pros and cons of a SWIFT response,

> The impact of a reprise on Russia's already fragile economy would be huge. Its banks are more connected to international trade and capital markets than Iran's were. They are heavy users not only of SWIFT itself but also of other payment systems to which it connects them, such as America's Fedwire and the European Central Bank's Target2. Kommersant, a Russian newspaper, has reported that more than 90% of transactions involving Russian banks cross borders.
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> Foreign firms that do business in Russia would suffer, too. Countries that trade heavily with Russia, such as Germany and Italy, are therefore none too keen. Nor are many in the financial sector. SWIFT is less insulated from such pressure than its counterparts in other sectors, such as the International Telecommunication Union, a UN agency which is governed by an international convention. But it is a crucial part of the world's financial plumbing system.

The tone of this analysis implies that it is in the interest of Russia to keep their current SWIFT relationship intact. Oh, how nice it would be if only international disputes could just exempt the banking system and continue functioning in its normal imperialist manner.

In a perceptive article, What Petrodollar: Russia, China To Create SWIFT Alternative, points out the irony in the viewpoint reflected in the Economist. "But wait: wasn't it the UK's desire to force Russia out of SWIFT just two weeks ago? Why yes, and the fact that Russia is happy to do so, and on its own terms, once again shows just who has all the leverage, and who really needs, or rather doesn't, the US Dollar."

And here lies the significance of this latest campaign to isolate any country that operates in their self-interest and bucks the commands of the almighty US Dollar reserve currency. These developments that fragment the globalist model of financial primacy should be viewed negatively.

A SWIFT conclusion to an international Paradyne that purports to be the ultimate state of financial being entry into central banking heavens, which guides the path to global enlightenment, is a much needed remedy.

Mixing oppressive foreign compliance demands with intimidation of isolating uncongenial regimes from conducting foreign trade seems to be a violation of the basic tenet of globalism. Of course the underpinnings that threaten one world economic rule requires any unreceptive country to be brought back in line.

The fundamental defect in operating any financial system is that political disputes usually override pure economic expediency. Russia, China, Iran and any other country that differs with the Rothschild banking model of debt credit money will always be under pressure to capitulate or expire. Such a paradigm is anything but swift.

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