

Choose a global currency under the World Bank, or anticipate a further era of colonization! An analysis

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ABSTRACT

Western countries established traditional forms of currency. They did this in order to exert control over the rest of the world. Asian and African nations were particularly impacted by this. The US dollar, British pound, and Spanish dollar benefited their creators. These currencies came at a cost to other countries. However, the East has now achieved financial stability. We need a more transparent and scientific approach to setting exchange rates. This would replace the current system. It would combat imperialist ideologies and economic domination through coercion. The US frequently manipulates currency values. This study will explore short-term remedies. The research will be meaningful and engaging. It will investigate reserve currencies and exchange rates. These are major concerns today. The findings will demonstrate the value of effective problem-solving. They will also pave the way for further study. A standard explanatory research methodology was employed.

Key words: Exchange rate, reserve currency, fiscal deficit, national debt, universal currency

Introduction

In all of its instantiations, the money has been essential to the development of mortal civilization. It has represented the profitable and technological advancement of societies over time in addition to acting as a medium of exchange. The idea of money has experienced significant metamorphosis from the foremost trade systems to the present digital currencies. Coinage in ultramodern husbandry come in a variety of forms, including coins, bills, and digital currency. Its primary function is to overcome the limitations of trade systems by establishing an extensively accepted and formalized system of conducting deals. The conception of currency dates back to ancient times, but its exact origin is delicate to determine. Around 3000 to 2000 BCE, colourful societies began using commodity plutocracies, similar to shells or grain. Essence coins were first used around 600 BCE in Lydia, an ancient area in ultramodern- day Turkey. The paper magnate first appeared in China during the Tang Dynasty (618–907 CE), while the ultramodern banking system and edict money surfaced in Europe during the Renaissance and Enlightenment ages. As societies evolved, they began to use commodity barter, which had natural value in addition to its mileage, as a means of exchange. Shells, globules, swabs, and grain were all extensively traded goods. The preface of essence coins marked a significant corner in the history of Plutocracy. Essence coins were largely durable, movable, and fluently separable, making them ideal for trade. The paper money was firstly backed by precious essence, but it was latterly replaced by edict money, which is backed by the government's guarantee rather than a physical commodity. The development of banking systems enabled the allocation of bills and the facilitation of fiscal deals. Banks played an important part in the development of ultramodern husbandry by offering services similar to lending, depositing, and money transfers. The rise of the internet and digital technologies has rebounded in the creation of digital currencies like Bitcoin and other cryptocurrencies. These digital currencies are run single by central banks and are built on decentralized block chain technology. Plutocracy has evolved significantly from its origins as a medium

of exchange to the digital forms we use at the moment. Druggies can adopt moneys from a fiscal institution, known as the issuer, to buy goods and services with the pledge of prepayment at a later date. Credit cards give a variety of benefits, including price points, cashback, and fraud protection, making them a popular choice among numerous consumers. Debit cards are another ultramodern form of payment that has become used extensively. This Benefit cards are linked directly to a bank account and allow druggies to spend money they formerly had. They give the convenience of cashless deals while icing that druggies stick to their budget, as they can only spend what's available in their account. The internet has enabled online payments, substantiating the way people shop and conduct business. PayPal, Venmo, and digital holdalls enable druggies to transfer finances, pay bills, and make purchases online or via mobile sites. Online payments give convenience, security, and effectiveness, making them a popular choice among consumers and businesses likewise. The Spanish Dollar's wide use was due to the vast reserves of the Spanish colonies in the Americas, as well as the global trade network that reckoned on them. The Athenian silver drachma, as well as the Roman gold aureus and denarius, were used in a wide range of countries, but the Spanish Dollar's reach was maybe indeed lesser. The Spanish Dollar's wide acceptance was made possible by the Spanish Empire's expansive trade network and mines in the Americas. It was used as a de facto currency in places like the Philippines, Southeast Asia, and indeed China. Before World War I, the United Kingdom used the gold standard to determine. The GBP is the world's oldest currency that's still used as legal tender. The US bond has served as the world's reserve currency for the last eight decades. The Dollar is used by central banks, businesses, and excursionists from Europe to Australia to support global trade and finance. With about\$ 6.6 trillion in diurnal deals, the Dollar is presently the most extensively held reserve currency. Oil, like the maturity of other major goods, is still priced in Dollars, despite sweats by China and OPEC to diversify pricing mechanisms. Due to US warrants and a growing trend toward multipolarity, nations like China and Russia are trading further and further in the Chinese renminbi (RMB). South Africa, China, India, Russia, Brazil, and the recently formed BRICS bloc, and new members similar to Iran, Egypt, and Saudi Arabia are all considering establishing a new common currency to reduce reliance on the Dollar. This move has sparked a strong review from US President Donald Trump, who has hovered towards putting steep tariffs on BRICS countries and their abettors if they introduce a currency that competes with the Dollar. While Trump's rhetoric may appear extreme, it reflects a genuine concern that the Dollar's status as the primary reserve currency provides the United States with enormous profitability and political power. The Centre for Foreign Relations(CFR) defines a reserve currency as" a foreign currency held by a central bank or storeroom." Countries maintain reserves for a variety of reasons. Still, the US bond is regarded as the global reserve currency because it's the most extensively held, accounting for 59 percent of global foreign exchange reserves.

Literature review

Introduction to Foreign Exchange Rate, Thomas J Obrien, Business Expert Press, 2024. Even in very ambitious all-encompassing markets, the book expands on this hypothetical foundation by administering practical research on worldwide profit transfers in established business and Global Value Chains. The resulting worldwide plan of uneven exchange tells the terrestrial ranking of capital all-encompassing exploitation, describing a globe detached into two apparent groups of backers and taking nations, the former being weaker and the latest being wealthier. This book is proposed for philosophers and pupils of commerce and public sciences, as well as activists from the North and South, one be going to gain a better understanding of the irregular capacity movement latent in global work. It forms solid gifts to the article on governmental savings, trade, Marxism, affairs between national governments, and managers must believe when an FX rate is mistakenly treasured, as this

can effect on allied solutions such as procedure, risk administration, capital construction, and foreign expenditures and movements. The final conclusions are either to extend businesses into the offshore advertisement or hedge the FX risk. Value and unequal exchange in international trade, Andrea Ricci, Routledge, 2021. Contrary to claims created by neoliberal administrations and unoriginal academics, this book argues that important professional growth in current decades has not fashioned the planet into a more impartial place; rather, the day of proliferation has enhanced a period of bulk transfer induced by escalating worldwide prejudice. The belief in uneven exchange challenges the free trade standard, demanding that worthwhile transfers from poorer to wealthier nations are unseen behind apparently equal market exchanges. Following a detracting judgment of the existing approaches, the procedure proposes an inclusive hypothesis of lopsided exchange based on an original rebuilding of Marx's worldwide regulation of value, at which point services and exchange rates are fault-finding in decoupling value caught from advantage presented by various countries even in completely competing all-encompassing markets. The book builds on this theoretical establishment by administering a practical analysis of worldwide advantage transfers in two together unoriginal trade and Global Value Chains. The developing worldwide plan of unequal exchange tells the terrestrial ranking of capital global, taking advantage of describing a globe detached into two distinct groups of benefactors and taking nations, with the departed being weaker and the latest being wealthier. This book is intended for philosophers and undergraduates of commerce and friendly sciences, as well as activists from the North and South. It considerably donates to research on political frugality, work, Marxism, affairs between national governments, and business-related geography. Handbook of Exchange Rates, Wiley, Lucio Sarno, Jessica James, Ian W Marsh, 2012. The Handbook of Exchange Rates is an essential talent for fund managers and financiers, in addition to practitioners and investigators occupied in finance, investment, trade, and econometrics. The book is also a useful supplement for superior-junior and graduate-level courses in commerce, trade, and worldwide finance. Throughout the book, matters are wholly checked, in addition to their latent law. Every chapter involves absolute-planet instances from the economic sector and ends accompanying a summary of indispensable content and ideas. International Trade Finance: Gateway to Global Market, Aleena Varghese, Notion Press, 2024. It may be believed to be an establishment for fact-finding the worldwide display. The manual is engaged to pertain to the five of something-term summary for Banking and Financial Services program. Its aim is to search out naturalized pupils accompanying the International Financial System and the differing determinants that influence exchange rates in worldwide professions. Exchange Rate Mechanism: Cash, Tom, Spot and Forward Transactions, Kishore Bhatt, JBS Academy Private Limited, 2023. Converting individual bills to another is a day-to-day need for all complicated things in worldwide business. They commonly bargain with accompanying bankers for good exchange rates and must maintain a close and constant eye on the routine vacillations of exchange rates. Additionally, rate of exchange administration is a finish for risk decline and profit addition. Exchange rate vacillations and their computations are difficult sciences that demand organized research.

Methods

The conduct of the USA, ranging from Vietnam to Iran-Gaza, and the complementary tariffs remind us that these aren't responsible conduct but from the universality of the Dollar, a Frankenstein created by countries trusting that the US will become a guileful state. Unfortunately, the conduct of the USA similar to over 30 active warrants programmes and ways taken to impact the value of the Dollar in history, like; from the 1970's to the 1990's, the Treasury Department directed the Federal Reserve to intermediate in currency requests, buying and dealing Dollars to keep the currency stable, in the

1990's, President Bill Clinton authorized the purchase of Japanese yen and the trade of Dollars to promote global fiscal stability, Nixon's decision declared the Dollar an edict currency, which meant it was no longer pegged to the price of any other commodity and couldn't be redeemed for physical goods similar as gold and silver, Wall Street crashed in September 2007, leaves the world in dire situation with absence of an alternate currency after having lost trust in Dollar. Experimental research methodology has been used with a focus on trends in exchange values that appear at different points in the economic cycle and grow increasingly significant as it goes on. In order to identify and assess economic fundamentals in terms of global monetary trends, monetary policies are also skewed by industry. As it serves to the interest of USA, they are eclectic in such a xenophobic sacrosanct hermetic obsequiousness. This procedure outlines the features of foreign exchange linked to the economic system under study rather than providing answers to the issues of how, why, or when the characteristics developed. The literature review comes to the conclusion that most coverage has concentrated on short-term policies and budgetary aspects, even though economic policies related to monetary policy need more attention. It is clear that some factors considered towards exchange rates are not quantifiable, so in such cases their merits and demerits are compared by Bridgeman's dimensional analysis. Here cost ratios of each factor is computed giving approximate weightage by means of an index to which the cost ratios are raised and then these weighted ratios are made to reach a figure representing relative merits of each activity. If the ratio is greater than another plan of executing the project including the objective, then the better combination is preferred over the lesser one.

Results

Mark Rutte hovered 100 secondary warrants if India continues trading with Russia, particularly in oil and gas. US Senator Lindsey Graham warns India "We're going to crush your frugality" and threatens to "Tariff The Hell Out". These aren't rhetoric, but absurd statements intimating the countries of the world that time isn't far from colonialism by the USA equipped with universal money dollars. All these are under the cover of the global fiscal ascendance of the dollar as a universal currency. Like USA, another country with hegemonic tendency, slimy attitude and equally qualifying as a rogue state is China, so an alternate currency in the form developed by BRICS with China dominating will be another Frankenstein in the making like the case of Dollar a fatal mistake of the past. The causticness is that sardonically even though world boasts conceptual adulation of economics theories and knowledge, the exchange rates in international trade whether fixed or floating is on approximation without any scientific or mathematical basis. However, it is possible to identify a scientific methodology to evolve an accurate mathematically determined exchange rate without being over powered and colonialized by dollar as a universal currency. The paper determines factors which attribute to parameters of stability to currency and work towards a realistic method of determining exchange rate for international trade. A sample size of top twenty economically developed countries was taken. The factors which are paramount for economic stability considered in the analysis. These were required to be graded from 1-20 as per the degree of interest. Certain literatures on the exchange mechanism were also considered. A further review on big nine factors of economic stability were carried out. These are; Gross Domestic Product, GDP acclimated for copping power equality(PPP), Gold reserves, Rare earth reserves, trade deficit, fiscal deficit, national debt, public debt to per capita. At the conclusion most prominent nine strengths and weakness of an economy was selected to apply the Bridgeman's dimensional analysis for arriving at a decision on the dominance of currency for exchange rather than blindly following the bogus supremacy of Dollar under various conditions. Alternatively,

interference of World Bank and IMF to create universal reserve currency pegged to gold per ounce is considered. With this as the bench mark currencies can be pegged to this newly formed currency created by countries of the world and monitored by World Bank and IMF. US was contradicting its own commitment to free trade by engaging in practices it had preliminarily condemned like the reciprocal tariff, similar to currency manipulation for trade advantage. In case US or any other country is brought in to this responsibility, then they will force necessary political control over fiscal institutions that would grease the capital flows needed by a global reserve currency and gain the control over monetary and fiscal policy. It is clear that some factors considered towards exchange rates are not quantifiable, so in such cases their merits and demerits are compared by Bridgeman's dimensional analysis. Here cost ratios of each factor is computed giving approximate weightage by means of an index to which the cost ratios are raised and then these weighted ratios are made to reach a figure representing relative merits of each activity. Let us assume that the different costs associated with currency A and B are denoted as C1x, C2x, C3x, C4x, C5x, C6x*, C7x*, C8x*, C9x* and C1y, C2y, C3y, C4y, C5y, C6y*, C7y*, C8y*, C9y* (* indicates reverse value). Cost factors considered are; C1-Gross Domestic Product, C2-GDP acclimated for coping power equality(PPP), C3-Gold reserves, C4-Rare earth reserves, C5-trade deficit, C6-fiscal deficit, C7-national debt, C8-public debt to per capita PPP, C9-Public Debt to Forex. The weight ages given to the items are denoted as W1, W2, W3, W4, W5, W6, W7, W8, W9. Then the merit ratio of currency A and B is denoted as equal to (=). To understand it a bit more clearly let us for analysis take the comparison between USA and India. As per available data (taken from World Bank) the cost factor of currency A is 30.5, 75492, 8133.6, 1.5, -7152, -105147, -32.9, -46645, 46645 and that of currency B is 4.87, 9817, 803.58, 6.9, -18.78, -21.33, -2.09, -5202, -1429 and the weightages to the factors be 12, 12, 12, 6, 6, 6, 6, 6, 8. Then merit ratio of currency A over B is which is = 50.58 a figure greater than 1. That means currency A is 50.58 times better currency B hence that value can be fixed as the exchange rate, and the exchange rates can be fixed as such with an international currency monitored by World Bank and IMF where these parameters are considered against resources of the world as Currency A and the comparable country's currency s Currency b. For identifying these factors there are various tools available.

Discussion

The Bretton Woods Conference of 1944 laid the roots for the ultramodern fiscal system, but the conception of currency goes back gloriously. In medieval Europe, silver was the favoured currency until 1625, when Sweden tried to replace it with copper. Still, due to the essence's much lower value, bobby coins had to be 100 times heavier than silver. By the 13th century, gold had surfaced as Europe's dominant currency, a position it maintained until 1971. As Master of the Royal Mint, Isaac Newton unintentionally underrated silver, causing it to vanish from rotation. Industrialization propelled Britain to the top of the global profitable rankings, and other countries followed suit, espousing the gold standard to grease trade and attract capital from Britain. The 'Grand Area' conception fuelled a dramatic shift in US foreign policy following World War II. This vision, developed by the CFR and US State Department itineraries, envisaged a global system centred on US profitable and geopolitical interests. To negotiate this, the US sought to integrate distant regions into a unified fiscal structure anchored by the US Dollar. In their book *The Making of Global Capitalism: The Political Economy of the American Empire* (2012), Leo Panitch and Sam Gindin write that "this strategy represented an ambitious shot for global ascendance, driven by profitable imperatives and strictly planned by US elites." At the heart of this strategy was the 1944 Bretton Woods Conference, which readdressed the

global financial order. The 44 countries of the Allied bloc, including the United States, Canada, Australia, and the majority of Western Europe, attended the conference to negotiate a financial order that would govern interstate relations. With war-torn Europe in hopeless need of fiscal stability and liquidity, the United States used its position as the dominant post-war frugality to establish the Dollar as the primary reserve currency. Bretton Woods established a system in which global currencies were pegged to the Dollar, which was convertible into gold at a fixed rate. This arrangement established a stable frame for transnational trade and investment, cementing the Dollar's dominance in global frugality. The conference was also necessary in undermining Britain's global fiscal dominance. Preliminary a crucial hegemon, Britain surfaced from the war oppressively weakened and economically dependent on the United States. The British Empire's profitable interests, particularly in the Middle East and Venezuela, were linked by US itineraries as critical means for post-war strategy. According to the CFR, the United States saw an occasion to uncrown Britain as the global hegemon and reshape the transnational order to serve its own public interests. As the global reserve currency, the Dollar handed unequalled benefits to US policymakers. According to Mastanduno's System Maker and Privilege Taker (2009), this allowed the United States to pursue domestic and foreign policy pretensions without facing immediate fiscal constraints. The Dollar, dubbed an "extravagant honour" by the French Minister of Finance in the 1960's, serves as a reserve currency, lowering borrowing costs for the US government and consumers while guarding the frugality of currency heads. It also enables US policymakers to use the fiscal system to put warrants, boosting geopolitical influence. Still, in a 2024 essay for the Brookings Institution, economist Michael Pettis emphasizes that this dominance has significant costs. To maintain the bond's global role, the United States must absorb global capital imbalances, constantly running trade poverties to accommodate fat savings from other nations. These imbalances can complicate US debt and put upward pressure on the bond's value, hurting American exporters. Because the Dollar is the prevailing currency, the United States wields enormous power in foreign policy. In Paper Dogfaces: How the Weaponization of the Dollar Changed the World Order (2024), intelligencer Saleha Mohsin contends that from 1944 to moment, US Treasury registers, and therefore the US itself, have converted the Dollar from "a domestic political preoccupation to an armament used abroad." From the 1970's to the 1990's, the Treasury Department directed the Federal Reserve to intermediate in currency requests, buying and dealing in bonds to keep the currency stable. Frequently, trade makers who served from a stable Dollar helped with these sweats. Still, as global trade expanded, these interventions had unintended political and profitable consequences, particularly on exports. For illustration, in the 1990's, President Bill Clinton authorized the purchase of Japanese yen and the trade of Dollars to promote global fiscal stability. While this move aimed to support transnational requests, it also increased the cost of Japanese significances, inadvertently serving American manufacturers. This raised enterprises that the US was contradicting its own commitment to free trade by engaging in practices it had preliminarily condemned, similar to currency manipulation for trade advantage. Similar comprehensions of insincerity fuelled reviews, including from Robert Rubin, who served as US Treasury Secretary from 1995 until 1999. When asked about currency policy, Rubin and his successors constantly replied, "A strong Dollar is in the interest of the United States." For the rest of the world, still, this strong Dollar policy had serious consequences. While Washington abstained from directly managing the Dollar's value, it continued to dominate global debt allocation and profitable warrants. Consider the 1956 Suez Crisis, in which Britain and France raided Egypt in response to Egyptian President Gamal Abdel Nasser's decision to nationalize the Suez Canal. Ultimately, the French and British were forced to withdraw, which analyst Diane Kunz attributes to the United States' fiscal influence. She writes that after US President Dwight

Eisenhower refused to prop up the pound if Great Britain continued the eruption, the question came not whether, but when, Britain would bow."Decades later, Nixon and his Cabinet would unilaterally alter the entire global financial system. A crucial provision of Bretton Woods was that the Dollar be pegged to gold at USD 35 per ounce. Other central banks could convert the Dollars they held into gold. Eichengreen contends that when Nixon abandoned the gold standard in 1971, only the United States had "the necessary political control over fiscal institutions that would grease the capital flows needed by a global reserve currency." In substance, Nixon's decision declared the Dollar an edict currency, which meant it was no longer pegged to the price of any other commodity and couldn't be redeemed for physical goods similar as gold and silver. Eichengreen describes the abandonment of the gold standard as a demonstration of the United States' global influence and power. The dollar continues to control the supreme moment, just as it did in 1971. Still, numerous have argued that its dominance is waning as the twenty-first century progresses. A day after Wall Street crashed in September 2007, United Nations delegates met in New York to bandy the fiscal extremities' broader counteraccusations. Adam Tooze, an analyst, documents the events of that day in his book *Crashed* 2008. According to Tooze, while American President George Bush tried to frame the extremity as Washington's responsibility, other countries were less likely to hand over the arm. The Philippine chair indicted America of unleashing a "terrible riddle" of query that was spreading around the world, "not just then on Manhattan Island." Argentina's representative stated that the extremity began in America, and Washington's response urged the need to review the "geste and programs" of the entire financial order." One after another," Tooze writes, "the speakers at *The Dollar as the global reserve currency made sense after World War II*, when America was far and down the largest trading nation. Still, at the moment, China and Germany import further than the United States. The husbandry of the BRICS countries is also fleetly expanding. Combined with dissatisfaction with American foreign policy, China's transnational intentions, and political insecurity in Washington, the conception of de-dollarization is getting decreasingly charming. Countries are exploring druthers, similar to settling trade in other currencies, stockpiling gold reserves, and indeed experimenting with digital currencies like Bitcoin. For some, this change is a necessity; for others, it's a strategic decision. The United States has over 30 active warrants programmes targeting countries ranging from Iran to Venezuela. These measures, which are constantly unilateral and unbacked by other major powers, have disintegrated husbandry and forced targeted countries to seek druthers to the Dollar. China has also been laboriously challenging the Dollar's dominance for times. Following the 2008 fiscal extremity, Beijing began laying the roots for the yuan's internationalization by enforcing currency exchange agreements and establishing the Cross-Border Interbank Payment System(CIPS) to reduce reliance on Dollar-grounded deals. Countries including Saudi Arabia, Argentina, and Brazil have begun to use the yuan in trade or have expressed an interest in doing so, indicating a gradual but steady shift. While the yuan continues to regard for a small proportion of global deals, these moves reflect a desire to strengthen adaptability in the face of US warrants and profit pressure. The BRICS bloc has also surfaced as a major challenge to the Dollar. With the addition of new members, the group positions itself as a corrective to Western profitable dominance. These nations control crucial trade routes, similar to the Suez Canal, and have significant natural coffers, ranging from fossil energies to rare earth essence, which are critical for the global energy transition. The expanded BRICS coalition heralds a new period in profitable statecraft. In the twentieth century, blocs similar to OPEC used oil to impact global requests. At the moment, BRICS is looking into a further different toolkit that could disrupt trade not just in oil, but across diligence. The addition of major exporters and resource-rich nations to BRICS raise the possibility of indispensable reserve systems that bypass the Dollar entirely. The global fiscal system

won't abandon the Dollar overnight, but the cracks in its dominance are getting more delicate to ignore. Countries seeking to dollarize aren't only responding to warrants or insecurity; they're also challenging a system that has long favoured Washington for their expenditure. Whether through currency diversification, bilateral trade agreements, or profitable coalitions like BRICS, the period of undisputed Dollar supremacy is facing its most serious challenge yet. The G-20 husbandry, which accounts for a significant portion of global GDP, is led by the United States, China, and Germany, with India also holding a strong position. Several other G-20 countries, including Japan, the United Kingdom, and France, have significant benefits to the global profitability scene. Other GDP measures, similar to real GDP (which accounts for affectation) and GDP acclimated for coping power equality(PPP), offer different perspectives on nations' profitable size and strength.

GDP OF SOME KEY G20 COUNTRIES

Ser No	Country or territory	IMF		World Bank		CIA	
		Forecast	Year	Estimate	Year	Estimate	Year
1	World	206,878,221	2025	184,653,697	2023	165,804,000	2023
2	 <u>China</u>	40,716,448	2025	34,643,706	2023	31,227,000	2023
3	 <u>United States</u>	30,507,217	2025	27,360,935	2023	24,662,000	2023
4	 <u>India</u>	17,647,050	2025	14,537,383	2023	13,104,000	2023
5	 <u>Russia</u>	7,191,718	2025	6,452,309	2023	5,816,000	2023
6	 <u>Japan</u>	6,741,192	2025	6,251,558	2023	5,761,000	2023
7	 <u>Germany</u>	6,161,002	2025	5,857,856	2023	5,230,000	2023
8	 <u>Indonesia</u>	5,009,483	2025	4,333,084	2023	3,906,000	2023
9	 <u>Brazil</u>	4,958,122	2025	4,456,611	2023	4,016,000	2023
10	 <u>France</u>	4,503,783	2025	4,169,071	2023	3,764,000	2023
11	 <u>United Kingdom</u>	4,447,841	2025	4,026,241	2023	3,700,000	2023
12	 <u>Italy</u>	3,719,110	2025	3,452,505	2023	3,097,000	2023
13	 <u>Turkey</u>	3,651,873	2025	3,767,230	2023	2,936,000	2023
14	 <u>Mexico</u>	3,395,916	2025	3,288,671	2023	2,873,000	2023

15	 <u>South Korea</u>	3,365,052	2025	2,794,196	2023	2,615,000	2023
16	 <u>Spain</u>	2,811,948	2025	2,553,107	2023	2,242,000	2023
17	 <u>Canada</u>	2,730,110	2025	2,469,314	2023	2,238,000	2023
18	 <u>Egypt</u>	2,371,530	2025	2,120,932	2023	1,912,000	2023
19	 <u>Saudi Arabia</u>	2,229,611	2025	2,031,780	2023	1,831,000	2023
20	 <u>Poland</u>	2,017,513	2025	1,814,628	2023	1,616,000	2023
21	 <u>Australia</u>	1,980,022	2025	1,841,115	2023	1,584,000	2023

Table 1: GDP of some key G20 countries (source World Bank report)

GDP PER CAPITA, PURCHASING POWER PARITY, 2024

Grounded on 18 nations, the normal for 2024 was\$ 40,607 USD. The map below shows all the countries for which data is available. Measure: U.S. dollars; Source: The World Bank

Ser No	Countries	GDP per capita, PPP, 2024	Global rank	Available data
1	USA	75492	1	1990 - 2024
2	Germany	62830	2	1990 - 2024
3	Saudi Arabia	62677	3	1990 - 2024
4	Australia	60082	4	1990 - 2024
5	Canada	56692	5	1990 - 2024
6	France	54465	6	1990 - 2024
7	Italy	53115	7	1990 - 2024
8	UK	52518	8	1990 - 2024
9	Japan	46097	9	1990 - 2024
10	Russia	41705	10	1990 - 2024
11	Turkey	35294	11	1990 - 2024
12	Argentina	26547	12	1990 - 2024
13	China	23846	13	1990 - 2024
14	Mexico	22033	14	1990 - 2024
15	Brazil	19648	15	1990 - 2024
16	Indonesia	14470	16	1990 - 2024
17	South Africa	13599	17	1990 - 2024
18	India	9817	18	1990 - 2024

Table 2: GDP Per Capita, Purchasing Power Parity, 2024 (source World Bank report)

PPP GDP is gross domestic product converted to transnational bonds. It's calculated without counting the deprecation of manufactured means or the reduction and declination of natural coffers. The IMF and the World Bank are two major transnational fiscal institutions that play separate but reciprocal places in global frugality. The IMF focuses on maintaining global fiscal stability and financial cooperation, primarily through short-term extremity operations and policy advice. In contrast, the World Bank focuses on long-term development, poverty reduction, and promoting sustainable profitable growth, particularly in developing countries, by furnishing fiscal and specialized backing for specific systems. GDP comparisons using PPP are arguably more useful than nominal GDP when assessing a country's domestic request because PPP takes into account the relative cost of original goods, services, and affectation rates rather than transnational request exchange rates, which may distort factual differences in per capita income. PPP is constantly used to estimate global poverty thresholds and is used by the United Nations to produce the Human Development Index. These checks, similar to the International Comparison Program, include both tradable and non-tradable goods in an attempt to estimate a representative handbasket of goods.

GOLD RESERVES

The United States has the world's largest gold reserves, followed by Germany, Italy, and France. Russia, China, Switzerland, Japan, India, and the Netherlands are some of the other countries with significant gold reserves. Here's a more detailed breakdown of the leading countries:

Ser No	Country	Tonnes
1	United States	8,133.46
2	Germany	3,352.65
3	Italy	2,451.84
4	France	2,436.88
5	Russia	2,332.74
6	China	2,235.39
7	Switzerland	1,040.00
8	Japan	845.97
9	India	803.58 *

10	Netherlands	612.45
*Add to this 25000 tonnes held by the household and 4000 tonnes by temples		

Table 3: Gold Reserves, 2024 (source World Bank report)

India's obsession with gold is more than just cultural; it also demonstrates global household wealth. According to the World Gold Council (WGC), Indian households, including temples, own approximately 25,000 tonnes of gold, which is worth approximately \$2.4 trillion at current market prices. This amounts to nearly 56% of India's projected nominal GDP for FY 26. After Karnataka, Bihar has 44 percent of India's total gold reserves. These states make significant contributions to the nation's economy and play an important role in its development. As a result, India's 3 million religious houses have accumulated a significant amount of the precious metal, estimated to be around 4,000 tons.

China has the world's largest reserves of rare earth metals, estimated at 44 million metric tons. Vietnam and Brazil come next, with 22 million and 21 million metric tons, respectively. Other countries with significant reserves include Russia, India, Australia, and the United States. Here's a more detailed breakdown:

RARE EARTH METALS

Ser No	Country	Million Metric Tonnes
1	China	44
2	Vietnam	22
3	Brazil	21
4	Russia	21
5	India	6.9
6	Australia	4.2
7	United States	1.5

Table 3: Rare Earth Reserves, 2024 (source World Bank report)

Trade Deficit

Together, the 19 nations that make up the G 20 and the EU account for 85 percent of global. As anticipated, at its review meeting on September 20th, the US Federal Reserve maintained the financial policy rate at 5.25 – 5.50. Recently, request players assign a rate hike of about 31 probabilities in the coming policy review. Request actors presently anticipate the Fed to begin its rate-easing cycle, with an accretive 75 base point rate cut. Monetary policy divergence between the two largest countries is performing in a stronger USD and a weaker CNY. The recent increase in global commodity prices,

particularly crude oil painting, from a normal of USD 75 pb on June 23 to USD 92 pb on Sep-23 (so far), may put pressure on trade deficit.

TRADE DEFICIT








Country	Last	Previous	Reference	Unit
Argentina	906	608	Jun/25	USD Million
Australia	2238	4859	May/25	AUD Million
Brazil	5890	7020	Jun/25	USD Million
Canada	-5900	-7600	May/25	CAD Million
China	115	103	Jun/25	USD Billion
Euro Area	16181	11104	May/25	EUR Million
France	-7766	-7689	May/25	EUR Million
Germany	18.4	15.7	May/25	EUR Billion
India	-18.78	-21.88	Jun/25	USD Billion
Indonesia	4302	159	May/25	USD Million
Italy	6163	2448	May/25	EUR Million
Japan	153	-639	Jun/25	JPY Billion
Mexico	1029	-88	May/25	USD Million
Netherlands	10541	9285	May/25	EUR Million
Russia	8720	9040	May/25	USD Million
Saudi Arabia	95185	94826	May/25	SAR Million
Singapore	9708	7264	Jun/25	SGD Million
South Africa	21670	13000	May/25	ZAR Million
South Korea	9080	6930	Jun/25	USD Million
Spain	-2542800	-3882400	May/25	EUR Thousand
Switzerland	4295	2196	Jun/25	CHF Million
Turkey	-8200	-6645	Jun/25	USD Million
United Kingdom	-5699	-6502	May/25	GBP Million
United States	-71.52	-60.26	May/25	USD Billion

Table 4: Trade Deficit, 2024 (source World Bank report)

In substance, a financial deficit shows the state of the government's finances, while a trade deficit shows the balance of trade in goods and services. Tariffs, currency exchange rates, and the cost of goods and services are some of the variables that can affect trade deficits. However, they may be a cause for concern, if trade poverties affect a decline in the value of the household currency or a need to adopt from outside sources. But they can also indicate high client demand and easy access to a wider variety of goods. When a government spends further than it takes in (from levies, freights, etc.), there's a financial deficit. Increased government spending on social wealth programs, structures, or duty breaks can all lead to financial poverties. Increased government debt, advanced interest rates, and possible inflationary pressures are all consequences of large and ongoing financial poverties. Frequently bandied together, a trade deficit and a financial deficit are occasionally called " binary poverties." Since advanced government spending may raise demand for both imported and domestic goods, high financial poverties can sometimes be a contributing factor to trade poverties. Large trade poverties can also affect a nation's currency and conceivably its capacity to pay off debt, which can have an effect on the financial balance. Although connections may live, the connection between trade and financial poverties is complex and not always straightforward. According to academic papers, other factors that impact frugality include global profitable conditions, financial policy, and structural issues. This is generally calculated as a change of the country's GDP. The United States, Japan, and the United Kingdom all have significant budget poverties. A budget deficit occurs when a government's charges exceed its income. This can be done for a number of reasons, including increased government spending, duty cuts, and profitable downturns.

List of countries by government budget according to WB

(WB figures shows revenue, grants, and expense, expressed in current LCU (Local Currency Units))

Country	Revenue	Grants	Expenses	Balance
 <u>Australia</u>	610664.00	71284.00	644595.00	37353.00
 <u>Brazil</u>	2985200.69	649881.66	3440643.30	194439.04
 <u>Canada</u>	510988.00	33928.00	520361.00	24555.00
 <u>China</u>	18085886.22	1310228.80		
 <u>Germany</u>	1118839.00	61592.00	1243688.00	-63257.00
 <u>Egypt</u>	512941.00	232422.00	738800.00	6563.00
 <u>Spain</u>	409438.00	51606.00	488536.00	-27492.00

 <u>France</u>	1149693.10	76319.10	1293210.00	-67197.80
 <u>Indonesia</u>	2966217400.98	709958491.38	3095692100.14	580483792.22
 <u>India</u>	24925890.00	2211770.00	29602800.00	-2465140.00
 <u>Italy</u>	790604.00	65089.00	963626.00	-107933.00
 <u>Japan</u>			117320600.00	
 <u>South Korea</u>	691857673.79	117894420.00	727286290.55	82465803.25
 <u>Poland</u>	1047486.00		1114870.00	
 <u>Russia</u>	42379545.00	28324692.00	49276379.00	21427858.00
 <u>Saudi Arabia</u>	1268163.72	945069.63	1020845.15	1192388.21
 <u>Turkey</u>	3866829.87	680640.37	4454063.36	93406.88
 <u>United States</u>	5036987.30	217750.20	6306213.30	-1051475.80

Table 5: Budget Deficit, 2024 (source IMF report)

Notes: WB: Profit is cash bills from levies, social benefits, and other earnings similar to forfeitures, freights, rent, and income from property or deals. Subventions are also considered as profit but are barred then. Subventions and other profits include subventions from other foreign governments, transnational associations, and other government units; interest; tips; rent; requited, non-repayable bills for public purposes (similar to forfeitures, executive freights, and entrepreneurial income from government power of property); and voluntary, unrequited, non-repayable bills other than subventions. Expenditure is cash payments for the operating conditioning of the government in furnishing goods and services. It includes compensation of workers (similar to stipends and hires), interest and subventions, subventions, social benefits, and other charges similar to rent and tips. All values are expressed in a million current LCU (Original Currency Units).

National Debt

Government fiscal arrears, which are debt instruments, are referred to as gross government debt. A debt instrument is a fiscal claim that calls for the debtor to pay the creditor interest and/ or start at a later date. Examples include loans, government and pension scores, and debt securities (like bonds and bills). Gross debt less fiscal means that debt instruments are net debt. The main cause of changes in government debt over time is the adoption of former poverty. According to World Population Review, the United States, China, and Japan presently have the loftiest public debts, measured in trillions of US Dollars. Other G 20 countries, similar to the United Kingdom and France, have significant public debts, albeit lower than the top three. Then there's a more in- depth look at some of the G20 members' debt situations. • The United Kingdom has roughly\$ 3.4 trillion, as does France, India has\$ 2.09 Trillion. Debt as a change in GDP is important because it gives environment to a country's capability to manage its debt. According to the European Commission, Eurozone countries similar to Greece, Italy, and France have high debt- to- GDP rates. In discrepancy, countries similar to Bulgaria, Estonia, and Luxembourg have fairly low debt- to- GDP rates.

Public Debt to per capita

Country	(PPP)	(Forex)
 Australia	\$21,695	\$23,990
 Brazil	\$13,064	\$8,265
 Canada	\$44,348	\$41,323
 Cape Verde	\$8,360	\$3,931
 Chile	\$5,952	\$3,647
 China	\$7,878	\$4,077
 Egypt	\$12,474	\$2,450
 France	\$41,040	\$37,189
 Germany	\$33,349	\$29,394
 India	\$5,202	\$1,429

 Indonesia	\$3,562	\$1,112
 Italy	\$49,060	\$41,056
 Japan	\$102,503	\$91,768
 Poland	\$14,829	\$6,912
 Russia	\$4,380	\$1,721
 Saudi Arabia	\$9,226	\$3,569
 South Korea	\$15,633	\$11,830
 Spain	\$35,466	\$26,210
 United Kingdom	\$39,311	\$35,320
 United States	\$46,645	\$46,645

Table 6: Public Debt to Per capita, 2024 (source IMF report)

The exchange rate in economics, is the value of one country's currency in relation to another. It basically represents a currency's value in comparison to other currencies. For illustration, if the exchange rate between US Dollars and the euro is 1.10, one euro can be changed for 1.10 USD. Exchange rates aren't stationary and constantly change depending on force and demand in the foreign exchange request. A stable political terrain generally attracts foreign investment, adding demand for the currency. A country's currency tends to appreciate when its exports exceed its significance. Exchange rate systems include floating exchange rates, which are determined by request forces similar to force and demand. Exchange rates have a significant impact on transnational trade and finance, affecting import and import costs as well as investment opinions. Interest rates, profitable exertion, gross domestic product, and each country's severance rate are common factors that impact the exchange rate between the two currencies. Currency prices, also known as request exchange rates, are determined in global business by fiscal institutions, money directors, and bookmakers who trade currencies all day and night. This is appertained to as a forex or f/ x request,

despite the fact that there's no physical presence or proprietor. Rates can change hourly or daily, with small changes or large incremental shifts. An exchange rate is generally quoted with an acronym for the public currency it represents. Changes in exchange rates have an impact on businesses because they raise or lower the cost of inventories and finished goods imported from another country. It influences, for better or worse, transnational demand for their exports and domestic demand for significance. The forex request, or f/ x, is an untoward business for currency trading. This 24- hour request is responsible for trillions of Dollars. Some countries have confined currencies, which means that currency exchange is only allowed within their borders or that there are both onshore and offshore rates. An exchange rate is the rate of one currency's value to another. The highest exchange rates are floating, meaning they rise or fall in response to force and demand in the foreign exchange request, but some are pegged to another country's currency or have a fixed value. Oscillations in a country's exchange rate have an impact on both import demand and import prices. The maturity of exchange rates is floating, meaning they rise or fall in response to force and demand in the foreign exchange request; still, some are pegged to another country's currency or have a fixed value. The oscillations in a country's exchange rate affect both import demand and import prices. Macroeconomic factors similar as affectation, interest rates, and profitable expansion can have a significant impact on currency exchange rates. High affectation reduces a currency's purchasing power, adding to the cost of exports, weakening demand, and causing a decline in its value. Central banks use interest rates to stimulate or cool profitable exertions, impacting exchange rates. Advanced public interest rates attract foreign capital, making a currency more desirable to enjoy. Lower interest rates, on the other hand, generally have the contrary effect. This appeals to foreign investors and may increase demand for the country's currency, boosting its value. Goods include agrarian and mining products similar to oil paintings, swords, wheat, and rare earth minerals. They also play an important part in determining currency exchange rates, as changes in commodity prices can significantly affect a country's import earnings. When a country's primary exports become more popular, demand for its currency frequently increases. This increases profit from exports, performing in a trade fat. This cycle improves the country's terms of trade, or the rate of import prices to import prices. As trade terms ameliorate, the country's import profit exceeds its import expenditure. This improves a country's profitable health, and therefore the value of its currency. When Moneys are shooting internationally using money transfer services similar to the Western Union, you're sharing in the world's largest and most liquid fiscal requests. Foreign exchange (forex) requests operate around the timepiece, across time zones. The Bank for International Settlements(BIS) reported a record\$ 7.5 trillion per day in forex trading in 2022, up from\$ 6.6 trillion three times again

Conclusion

In summary, the trip of money from trade systems to digital currencies exemplifies mortal imagination and profitable progress. The elaboration of money reflects our hunt for a more effective, secure, and accessible means of exchange. At the moment, credit cards, disadvantage cards, and online payments have revolutionized deals, offering convenience and security. Digi Khata further enhances fiscal operations, feeding into different requirements. As we embrace these ultramodern financial forms, the elaboration of plutocracy continues, driven by technological advancements and societal demands. This ongoing elaboration promises a more connected and digital future, reconsidering how we perceive and use currency in our diurnal lives.

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