

# A world reserve currency?

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The near bankruptcy of the US dollar, a currency in which the world is losing trust, after two decades of mismanagement for political reasons (the independence of the Fed is more a legend than a reality), shows the need for a world reserve currency.

The euro cannot meet this role alone. Gold is a candidate but it has more drawbacks than advantages: its quantity cannot be adjusted to the evolutions of needs in a fast changing world.

Therefore that world reserve currency has to be "man made" and be issued for example by the IMF. But would such a reserve currency issued by the IMF, as an evolution of its special drawing rights, inspire trust to the national (and regional, the case of the ecb) central banks to use it in their reserves ?

The world should advance to some unity and common governance to contribute to such trust.

A world reserve currency would be a step towards a federated world, but it should be completed by other initiatives going in the same direction.

Our planet is too small to stay divided. Even monetarily.

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