

A Single Global Currency?

At many points in history, there has been a currency which has dominated the financial markets, like the U.S. Dollar today.

However, there has never been a truly “global” currency. Looking at a current monetary union such as the “Euro” might give us an idea how to create a globally integrated currency.

Many argue that a global currency could make the international market more accessible for countries with developing economies. Other countries would be more willing to invest in developing nations if there was less risk of a rapid currency devaluation. It could also force nations that rely on one primary commodity, such as tourism, manufacturing or natural resources, to save money by making it less advantageous to spend when the income from the commodity is high, and going into debt when the income is low.

On the other hand, there are several advantages in having national currencies. For example, it allows people who live in countries with an unstable currency to keep their life savings in a more stable currency. It would also be difficult to build a system where all countries could agree on a single organisation that would regulate the currency. This could lead to countries losing the ability to control their national economies.

Whether the near future holds an answer to the question of a single global currency or not, it is certainly something that will continue to be researched by economists worldwide. Who knows, perhaps in a decade you will be using a “20 Globals” banknote to pay for your film and popcorn.

Read the text and decide if the statements are true (T), false (F) or if there is no information (NI).

- 1 The British Pound Sterling is currently the dominant global currency.
- 2 One argument for a single global currency is that it will allow countries to easily invest in the economies of developing nations.
- 3 "Globals" is the name that has been chosen for the future global currency

Read the text and choose the right answer from a, b, c or d.

4 What is the main idea of the passage?

- a) The advantages of a global currency
- b) The disadvantages of a global currency
- c) The history of global currencies
- d) The debate surrounding a global currency

5 Why is the Euro mentioned in the passage?

- a) To provide an example of a global currency
- b) To argue against the idea of a global currency
- c) To highlight the benefits of a global currency
- d) To explain the history of global currencies

6 What is the purpose of the passage?

- a) To persuade readers to support a global currency
- b) To inform readers about the advantages and disadvantages of a global currency
- c) To entertain readers with a story about currency
- d) To compare different currencies worldwide