Grade 11 **Unit 7 Lesson 6** **Reading worksheet**

Reading

5 Read the following text and 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. _____

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.

Regulate - monetary union – devaluation - integrated – commodity

5 Use the words in bold in the text on Coursebook page 173 to complete the sentences.

1 When something is _____ it means that something is combined with something else.

2 A _____ is when two or more countries agree to use the same currency, like the EU.

3 _____ means to control something using a rule or method.

4 A _____ is something you can buy or sell.

5 _____ is when a country purposely lowers the value of their money in regards to other currencies.

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