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Research Article

Two-Tier Currency System for The Member Countries of The Organization of Turkic States

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Abstract

The article provides an analysis of the world currency systems and justification for the need to change the world monetary system. The concept of a two-level national currency system based on the introduction of an additional national currency backed by gold is proposed. Such an innovation will significantly enhance the savings function of the national currency and reduce the population's propensity to dollarize their savings. This will also reduce the role of world reserve currencies, which may become a new stage in the development of a new world monetary system. Ultimately, this may increase the role of national currencies in making payments in international trade and will lead to a fall in the role of world reserve currencies. Such innovation will have a positive impact on the further strengthening of mutual trade within the Organization of Turkic States. A preliminary assessment was carried out on the example of Turkey and Kyrgyzstan. Some assessments are also given for other OTS member countries. Gold national currency can be introduced in the form of banknotes, bank accounts, and electronic money. The technical solution depends on the specifics and capabilities of each country, as well as on the preferences of local populations.

Keywords: World Currency, Reserve System, Gold Standard, Dollarization, Golden National Currency, Golden Lira.

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1. Introduction

The transformation of the mechanism of interaction between the Turkic States into a full-functional union of countries in the format of the Organization of Turkic States (OTS) in 2009 can be considered one of the forms of response to the global financial crisis that began in 2008. As a result of which the global monetary system and the world central banks began cardinal movements that affect the fundamental foundations of the entire world monetary and legal system. The subsequent huge liquidity injections provided by world central banks to support their economies have once again brought to the forefront of discussions and disputes the question of the role and mandate of world currencies. The spread of such policies around the world and the subsequent widespread lockdown during Covid-19 have led to another round of liquidity injections by central banks, which together have created an enormous burden on the world's economies in the form of a high jump in inflation. Double-digit inflation rates are becoming commonplace in most countries of the world, including developed ones. The instability of reserve currencies and high inflation create new challenges in the world, including the process of cooperation between the OTS countries. In this article, we are trying to analyze and identify what new opportunities are available for OTS countries in light of the present world's realities.

In our understanding, another qualitative shift is expected in the world monetary system, to which the OTS countries should come prepared.

The actions of central banks to support their economies in the form of "unconventional monetary" policies in the context of the global financial crisis that began in 2008 provided some mitigation of its consequences, but at the same time led to a significant increase in the assets of central banks, which in developed countries accounted for more than 20% of GDP and more than 40% in developing countries (Hannoun, 2012), and also changed the structure of their balance sheets (Borio and Disyatat, 2010).

During the global financial crisis and especially during the Covid-19 period, the assets of central banks increased sharply with the adoption of anti-crisis measures (Yardeni, 2022). For example, the assets of the Bank of Japan at the peak of support exceeded 130% of GDP, and in the Eurozone they reached 63% of GDP (RefinitivDatastream, 2022). Assets of deposit banks to GDP also increased significantly due to unconventional monetary policy around the world, the only exception was the North American zone (Tipoe and Becker). However, their growth was not so significant in comparison with the growth of central banks.

The consequences of the "quantitative easing" policy of the European Central Bank (ECB) have led to a significant change in the structure (Cercle, Bihan and Monot, 2021) of the total balance sheet of the entire Eurosystem (ECB and national banks of the eurozone countries). The Eurosystem holds 53% of its assets in debt securities of eurozone governments. It can be said with certainty that since the Eurosystem actually supports the financing of public spending through an increase in commercial bank reserves, this leads to a rapid increase in public debt in many countries. An example of this is the French public debt supported by the Eurosystem, which rose from €92 billion at the end of 2015 to €425 billion by the end of 2019 (Cercle, Bihan and Monot, 2021).

Such a policy may justify itself as a tool to mitigate the effects of fundamental imbalances in the economy by providing short-term liquidity (Pattipeilohy, et al., 2013), but does not address the fundamental issues unjustifiably postponing their solution to a later date. The issuing activity of the central bank in this case is reduced to dealing with the consequences, and not with the causes of financial crises (Eichengreen B., 2012), which have had and will continue to have a significant impact on the stability of the exchange rates of national currencies and, accordingly, provide a temporary solution, which also jeopardizes the stability of the global monetary system. These factors are exacerbated by the interference of the political component in this process.

The imposition of sanctions against Russia and Russian businesses, including the seizure of foreign exchange reserves of the Central Bank of the Russian Federation, gives reason to believe that the world monetary system is heading towards complete instability and destruction, and this especially concerns the principle of protecting property rights. Indirectly, this "punishment" applies to the peoples of countries economically and culturally connected with Russia, including the OTS countries.

At the initial stage, along with the growing volatility of the exchange rate of the Kyrgyz national currency som against the US dollar, Kyrgyzstan received an unpleasant surprise in the form of "unannounced" bans on withdrawing dollars from correspondent accounts of commercial banks. As a result, for the population and businesses, the commission for cashing out US dollars from their accounts has increased dramatically to 5% of the cashing amount. The high growth rate of imports from China in 2022 (NSC publications, 2022) is also partly explained by the substitution of Russian imports through the Kyrgyz re-exports, which is another significant factor in this impact.

2. The Importance of Introducing the Two-Tier Currency System

Today, the whole world sees that the basic principle of property rights is being destroyed. This actualizes the need to develop a new world monetary system, which is a new urgent challenge, to which the OTS countries should find an answer in the near future. At the same time, it is necessary to take into account the reasons for the collapse of the Genoese currency system and the Bretton Woods gold and dollar standards. The floating exchange rate system under the Jamaican Monetary System is in deep crisis. The introduction of the euro in the form of a collective currency by the European Union gave some hope to world markets and national governments, which did not materialize.

The main shortcomings of the US dollar as a world currency, which we further define as "present dollar problem", are as follows:

• The US dollar is not backed by any real asset, so we see the uncontrolled and unrestricted actions of the US Federal Reserve System as both a weak and a strong side of the US dollar. As a result of this policy, many countries are unnecessarily burdened with external debt;

• The US dollar is a subject to political pressure and it is used as the main instrument of political pressure on other countries;

• The US dollar has practically lost its reliability as a reserve currency, along with the euro and the Japanese yen.

In connection with the foregoing, the scientific community has long been considering various options for backing world currencies to some material equivalent (Lewis, 2013). Among them, the following proposals can be noted: the introduction of a multi-instrumental currency standard (Ishkhanov, 2014); binding to material equivalents, including energy products (Abdybaly tegin, 2016: 27); a return to the gold standard or a combination of gold with new equivalents (Abdybaly tegin, 2019: 86).

Whatever equivalent is offered, it must be of material value. Accordingly, the availability of such equivalents is automatically reduced. As the world economy and world trade grows, the world currency will have to rise. In this regard, it is assumed that the volume of the proposed equivalent will also have to grow, respectively. Equivalent growth can be problematic, which brings us back to the “gold shortage problem” of the gold standard.

The idea of using the IMF's Special Drawing Rights (SDRs) has its limitations. The IMF's SDRs are based on reserve currencies such as the US dollar, the euro, the British pound, the Japanese yen, and the Chinese renminbi. Since none of these reserve currencies are backed by a tangible asset, we're back to the "present dollar problem" again. The US, Canada and Mexico are considering the idea of creating a collective currency. Given the U.S. priority in such a currency, it can be said that the "present dollar problem" will not be resolved. It should also be noted that the plans of the Eurasian Economic Union (EAEU) countries include the intention to introduce a common currency.

In the context of globalization, the material support of currencies is limited. Each potential equivalent must be a kind of money in itself. Not a single currency that is not backed by a tangible asset can act as a world currency, since it is impossible to control the issue of such a currency without material restrictions. If the issue is not independently controlled, then such a currency cannot be trusted and serves as a reserve and world currency. It is precisely because of this that collective currencies cannot act as reserve currencies.

The world currency should be controlled independently and, accordingly, such control should not be carried out by one country or a union of countries. It is unlikely that the creation of a supranational body in the current conditions will be acceptable to all countries. Given the political and economic realities of the modern world, the likelihood of such a currency being created is negligible. It seems that this problem should be solved in several stages.

The world currency performs all the functions of money: means of payment and exchange, accumulation and savings, measurement and value. On a global scale, these are also the functions of a reserve asset, a credit instrument, and a negotiable instrument for the purposes of exchange, trading and quotation. To this, we can add the role of a benchmark for national currencies in providing the function of savings. Although most authors consider this function as part of the reserve asset function, we believe that it is extremely important and insufficiently studied, therefore, in this article we will consider it as a separate and independent one.

At the same time, we will proceed from the position of a small country with the characteristics of a developing or transit economy. In such states, the US dollar plays a more significant role in comparison with developed countries. In fact, it is the second complementary element of the monetary system of such a country. We simplified the balance sheet of the central bank as following, see Table 1.

Table 1. Simplified Central Bank Balance Sheet

Assets	Liabilities
Gold and foreign exchange reserves*: FX - foreign currency - gold Private sector loans: L Government loans: G	Banknotes and coins: Bn Banks’ reserves: R
FX + L + G	Bn + R

*Note: FX refers to a central bank foreign exchange reserves; L - credits of a central bank; G - government borrowing from a central bank; Bn - money in circulation issued by a central bank; R - reserves of commercial banks.

The vast majority of countries maintain gold and foreign exchange reserves at a high level. Accordingly, the size of the domestic assets of the central bank is very low. For example, in most OTS countries, the net domestic assets of the central bank are negative, which actually means supporting reserve currencies to the detriment of the domestic economy via exporting part of national savings abroad. For example, the net domestic assets of the National Bank of Kyrgyzstan to this day remain in the negative zone (Bulletin of the NBKR, 2022). For a complete picture, it is necessary to consider the total balance sheet of the entire banking system, which can be simplified as given in Table 2.

Table 2. The Simplified Balance Sheet of the Banking System

Assets	Liabilities
Gold and foreign exchange reserves*: FX ***- foreign currency*** ***- gold*** ***Loans in foreign currency: FXL*** Loans to government: G Loans to the private sector: L	Banknotes and coins: Bn Banks' reserves: R Deposits in national currency: Dn ***Deposits in foreign currency: Dfx***
FX +FXL +L + G	Bn + R + Dn+***Dfx***

*Note: FX refers to a central bank foreign exchange reserves; FXL – loans in foreign currency; L – loans to private sector; G – loans to government; Bn - money in circulation issued by a central bank; R - reserves of commercial banks; Dn – accounts and deposits in national currency; Dfx – accounts and deposits in foreign currency.

It can be seen from the table that the national monetary system actually consists of two tiers: i) a component of national money and debts in national currency; and ii) a component of money in foreign currency, assets and debts in foreign currency (highlighted in bold italics). Obviously, this structure of national currency systems is a continuation of the Bretton Woods monetary system, where the US dollar, as the world's reserve currency, has been given the privilege of acting as a safe asset for national currencies. Given this fact, we propose recognizing the existence of a two-tier monetary system. Such an approach will further allow thinking about replacing the US dollar at the country level with another tangible asset, which historically is gold.

We consider a national currency system, conditionally consisting of two levels: the internal national currency system and its dollarized second part consisting of foreign currency in circulation in the country, accounts and deposits opened in foreign currency and in the form of various types of electronic money. The volatility of the exchange rates of national currencies and the high level of inflation in developing countries and countries with economies in transition have created conditions for the preference of the US dollar in comparison with national currencies as an instrument of long-term savings. At the same time, the dollar is considered not only as an instrument of international payments, but also as a means of long-term savings, or, at least, as a benchmark for such a comparison. The underdevelopment of long-term savings instruments in national currencies is proof of this. This is the main reason for the high level of dollarization in many countries, including the OTS countries.

An analysis of the level of dollarization in the OTS member states shows that in all countries it is quite high and exceeds 30%. The dollarization rate of deposits in Uzbekistan at the end of 2020 was more than 49% (CBRU Bulletin, 2021), in Azerbaijan - at the end of the first quarter of 2022 - more than 46.4% (The Central Bank of Azerbaijan, Annual report, 2021), in Kazakhstan - more than 36% by the end of 2021 (The National Bank of Kazakhstan, Annual report, 2021) and in Kyrgyzstan - more than 40.8% by the end of the third quarter of 2022 (The National Bank of Kyrgyzstan, Statistics, 2022). The dynamics of de-dollarization have been on a downward trend over the past decade (Zhang, 2022), and it depends on the level of monetary and foreign exchange policies pursued by countries, the degree of fiscal dominance and the depth of countries' financial markets (Cakir, et al., 2022). In Turkey, the level of all deposits in foreign currencies was over 55% by the end of 2021 (Yalta and Yalta, 2021), and decreased to 49% by October 2022 (CBRT Monetary Developments, October 2022). An analysis of the EAEU countries also shows that, with the exception of Russia, dollarization remains at a high level in all other countries (Khobotova & Dolgonos, 2021). Thus, the US dollar continues to be a significant instrument of savings and accumulation.

Instead of the question of an alternative to the US dollar in international affairs, we raise the question of whether there is an alternative for the common man in long-term savings. For example, is it possible to create a long-term national currency instrument as an alternative to the US dollar for long-term savings? Would such a tool be acceptable to the ordinary man? Our answer to this question is positive. Such an alternative instrument, historically known as the "gold standard", may be a gold-backed national currency that runs parallel to the main currency.

In our opinion, such a gold-backed currency will create long-term stability and ensure citizens' confidence in the national currency. Until 1973, the price of gold was highly correlated with inflation. If we take into account the speculative leaps that took place at that time, following the withdrawal of the US from the gold standard, then until the global financial crisis in 2008, the gold price and inflation rate generally correlated. The price of gold has had positive growth dynamics in the long term and can be considered as a strategic hedge against inflation (Lucey, Sharma and Vigne, 2016), which is confirmed by the example of the US and UK, while in Japan there is mutual influence of gold price and inflation (World Gold Council, Beyond CPI, 2022).

Gold has price stability. Its purchasing power at the beginning of the XXI century remained the same as in the middle of the 20th century (Parshina, 2020). This allows us to conclude that gold is more reliable and does not lose purchasing power during periods of instability and economic downturns. Comparison of the dynamics of the price of gold and the US M2 money supply shows that there is a long-term positive relationship between the growth of the gold price and the growth of the money supply (Holmes, 2017). This can also be seen as confirmation of the greater acceptability of gold as an underlying asset.

We propose introducing a two-tier national currency system:

• The first level includes the current national currency with all its advantages and disadvantages. It will remain the basis of a new national currency system;

• The second level will consist of a gold-backed and gold-pegged national gold currency. The national gold currency is backed by physical gold as in the "gold standard".

The national gold currency will work as an addition to the current national currency. Its main function is to ensure confidence in the national currency. It will act as a long-term instrument of savings and accumulations and will also play the role of an underlying asset for determining the exchange rate of the national currency, which is necessary in international trade, and will create confidence among participants in payment systems. The volume of gold to be secured will remain the property of the central bank, which has full control over it. The possibility of confiscation of gold by another country is excluded. In fact, the national gold currency should replace the US dollar as the "de facto operating second part" of the country's currency system.

The potential volume of the national gold currency will be limited by the volume of gold held by the central bank. It will perform a limited range of functions of underlying assets. The dependence of the national currency on the US dollar will significantly decrease. Dollarization in the economy will fall, whereas the phenomenon of “goldization” is possible and, accordingly, a high level of goldization will become an indicator of the weakness of the central bank's monetary policy and the government's economic policy.

The exchange rate of the non-gold national currency will be determined by the gold content of the gold part of the currency, and as the market intensifies, the exchange rate of the national currency to the gold part will be determined on the basis of market trading. The price of gold is currently also determined in US dollars. With the introduction of gold national currencies, the situation will not change immediately, but as the role of national gold currencies in the world increases, the situation will change. Gold as an underlying asset will increase its role, which will lead to a change in the world dollar system. Schematically, this can be represented in the form of a simplified aggregate balance sheet of the banking system (Table 3).

Table 3. The Simplified Balance Sheet of a Banking System Under a Two-Tier Currency System

Assets	Liabilities
Gold and foreign exchange reserves: Gd* *- gold* *Loans in gold: GdL* Loans to government: G Loans to private sector: L	Banknotes and coins: Bn *Gold banknotes: BnGd* Banks’ reserves: R Deposits in national currency: Dn *Deposits in gold: DGd*
Gd +GdL +L + G	Bn +R + Dn+*BnGd +DGd*

*Note: Gd refers to gold held by the central bank; GDL – loans in gold or in the gold backed currency; L – loans to the private sector in the national currency; G – loans to the government in national currency. Bn - money in circulation issued by a central bank in regular national currency; BnGd – banknotes in gold backed currency; R - reserves of commercial banks; Dn – accounts and deposits in regular national currency; Dfx – accounts and deposits in foreign currency; DGd – accounts and deposits in gold-backed currency.

Obviously, the table shows the ideal situation. Foreign currencies will not disappear quickly, and they will continue to be in international payments. However, the essence and structure of the national and international monetary system will be definitely changed.

It is enough to have a volume of gold equal to the volume of the country's monthly imports to issue a national gold currency. A three-month import level is required for complete certainty and credibility. This proposal could be used for OTS countries, in light of the growing concern about the safety of reserves in reserve currencies after the sanctions applied against Russia and rising inflation rates around the world. It can be assumed that the national gold currency will be the first step towards the complete abandonment of the US dollar in relations between the OTS countries.

The national gold currency can be issued in the form of banknotes, prepaid and debit cards, and accounts opened with the central bank. The introduction of a national currency in the form of savings accounts and time deposits does not require any costs other than political will. The issuance of gold banknotes will require the corresponding costs and time for their printing. The issuance of bank cards will not differ significantly from the issuance of existing bank cards, with the exception of the development and implementation of software for payment and trading system access in the form of an additional application to ensure the convertibility of the gold backed national currency into the usual national currency and vice versa. The logic of such an application will not differ significantly from the current system of foreign currency exchange for national currency when conducting operations with bank cards.

In Turkey, for the issuance of the gold backed lira, a part of the volume of gold in the portfolio of the Central Bank of Turkey is sufficient to ensure trade operations with the OTS countries. The gold market is quite developed, in which the Central Bank is actively involved in the implementation of swap contracts, which is also an advantage of the Central Bank of Turkey in organizing this process for all OTS countries. 1 gold lira can be equated to 1 gram of gold, which, taking into account the current price of gold, will approximately cost about 1000 ordinary lira. The golden lira will have:

• reliability of gold, which will allow the custodian of money to save value over time, especially in conditions of high inflation, as at present;

• the universal reference nature of gold for exchange in international operations and transactions;

• independence of the Central Bank in emission;

• disciplined monetary policy of the Central Bank;

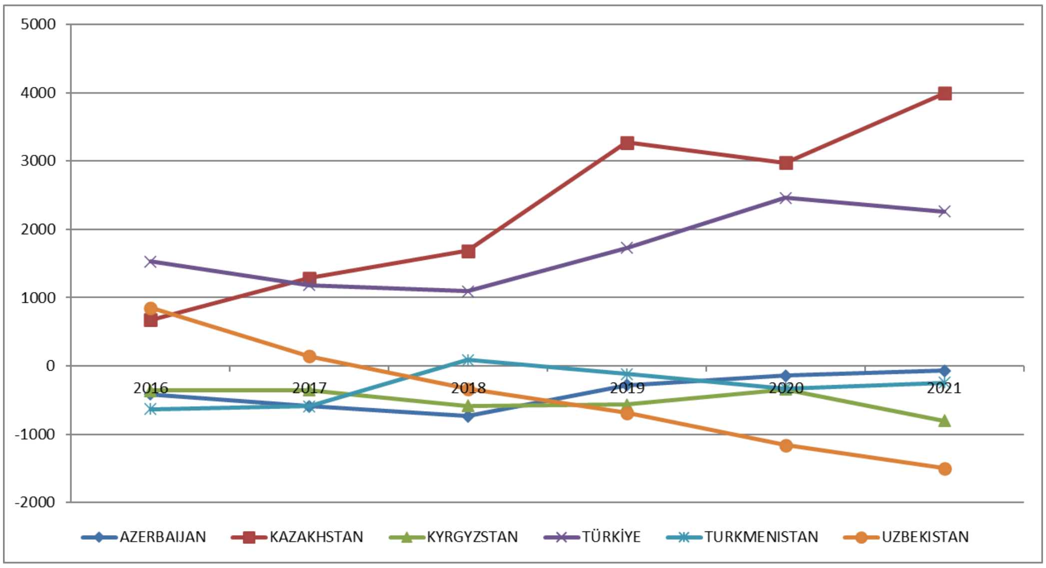
• historically will be associated with gold by the population.

As a result, the Central Bank issuing a gold national currency gains a high level of independence from world currencies, and also retains the flexibility to provide the necessary money supply in the rest (not backed by gold) part of the national currency. This will eliminate the restrictions of the "gold standard".

Based on the published structure of the foreign exchange reserves of the Central Bank of Turkey at the end of July 2019 (CBRT, 2019), it is possible to issue gold currency in the amount of 450 million gold liras. This amount is approximately equal to 27 billion US dollars. To issue this amount of gold liras, the Central Bank of Turkey will need to withdraw ordinary liras in the amount of 450 billion liras from circulation, which is not realistic. Another option is to attract $27 billion in foreign exchange, which is quite realistic for Turkey as a net exporter. In any case, this will lead to a strengthening of the general exchange rate of the lira against other currencies.

Over time, gold currencies will move away from being tied to the US dollar, which will be determined by the mass of gold in the currency, and not by the dollar value of gold, as it is today. This is important for establishing interactions between the OTS countries. According to the OTS interstate trade statistics, Turkey's annual trade with the OTS countries amounted to USD 7.2 billion at the end of 2021, which is only 3.2% of Turkey's total foreign trade. Accordingly, to issue a gold lira to ensure trade between the OTS countries, Turkey has enough gold, it is also necessary to take into account that Turkey is a gold producer. And taking into account the fact that Turkey is a net exporter, the problem of “drying out” of gold does not threaten Turkey. Figure 1 gives the foreign trade balance of countries with other OTS member countries for 2020-2021, which also characterizes the acceptability of using the gold currency within the OTS countries.

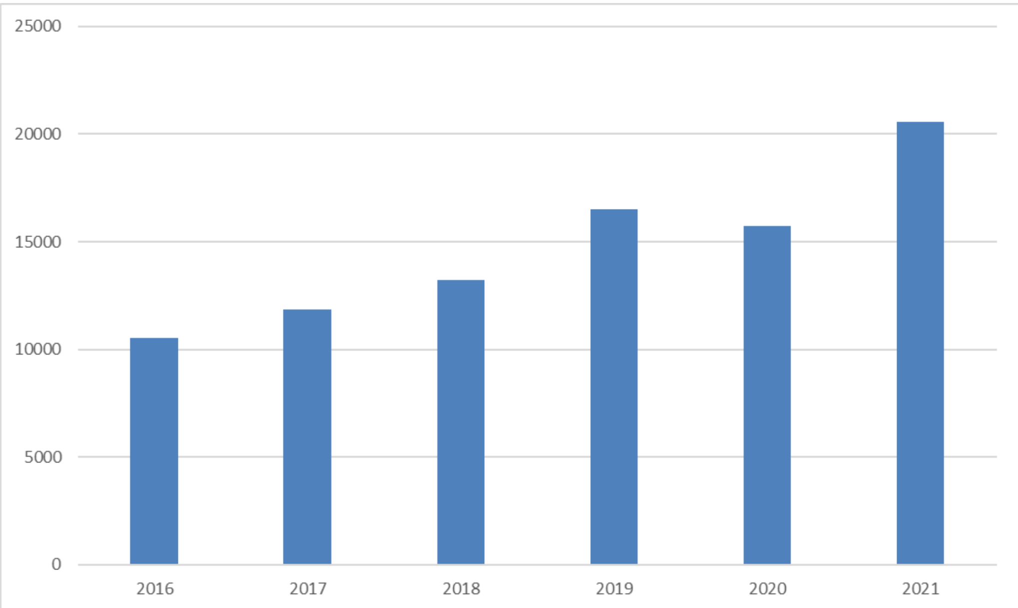
Figure 1. Foreign Trade Balance of Countries with Other Turkic States, million US dollars



A study of the exchange rate regime during the gold standard (Catao and Solomou, 2003) shows that exchange rate flexibility in the periphery was an important source of allowing countries to adjust to trade flows during periods of cyclical downturns, without requiring wage cuts and falling prices due to a certain elasticity of the exchange rate. Accordingly, exchange rate adjustments in the periphery were reflected in British monetary conditions and the interest rate policy of the Bank of England. These data allow us to assert that with the introduction of a gold-backed currency with a fixed rate, the basic national currency, having a flexible exchange rate, will continue to play a significant role in adapting the economy to real conditions.

The main disadvantage of a two-tier currency system is the limited volume of gold on a global scale, while for the OTS countries this is the most convenient and acceptable solution in the current political situation in the world. The total turnover of interstate trade between countries within the union is growing rapidly (Figure 2). The introduction of gold currencies will have a positive impact on the further growth of the volume of interstate trade and increase the level of confidence in the use of payments in the national currencies of the OTS countries.

Figure 2. Aggregate Foreign Trade Turnover of The OTS States, million US dollars



Over time, if there is not enough available gold within the OTS countries, it will be possible to consider supplementing the two-tier system with other underlying assets, or backing commodity or energy indices. This may not be necessary if confidence in national currencies increases to such an extent that national currencies circulate freely internationally, allowing deepening markets for attracting and allocating capital.

Although our main analysis was based on the example of Turkey and the Turkish lira, the preliminary assessment of the problems in relation to other OTS countries is also positive. The difference with Kyrgyzstan is that it is a net importer and, accordingly, gradual drying out of gold can occur. At the same time, the presence of a large volume of remittances from outside may prevent gold from being dried away. Gold exports are now paid in dollars, making Kyrgyzstan dependent on the US dollar. The introduction of a national gold currency will keep gold in the country and reduce dollarization. This will also significantly reduce the demand for US dollars, estimated at $300 million, which is equivalent to the average annual volume of public external debt servicing, or 10% of the country's gold and foreign exchange reserves. If the drying out of gold does occur, it will be tied to the import of goods from those countries with which Kyrgyzstan has trade and economic relations, which will restore real commodity-money interactions. Having permanent gold production in the country would also allow for replenishment of gold leaching out should occur.

Kazakhstan has the necessary amount of gold to issue its gold currency. Even with the “drying out” of gold, the current volume of annual production is sufficient to restore the volume of the gold national currency. Uzbekistan, one of the leading producers of gold in the world, has a sufficiently high level of security to issue a gold national currency. As a net exporter and one of the leading suppliers of oil and gas in the world, Azerbaijan has a high level of foreign exchange reserves, which shows sufficient opportunities in the event of gold being dried out of the country. Thus, the issue of national gold currencies will have a positive effect on the OTS countries.

One of the main problems in determining the exchange rate between national currencies is the lack of depth of direct exchange markets between the currencies of the OTS countries. Therefore, banks are forced to use the "cross-rate" of the US dollar, which constantly requires a certain amount of dollars even in the trade between the OTS countries. The introduction of national gold-backed currencies will allow avoidance of the US dollar cross-rate, when the gold currency will act as an exchange equivalent.

In connection with the increase in political and currency risks in the world, attempts have intensified to make adjustments to the currency policies in the world. One of the answers to this challenge is the idea of introducing a two-tier national currency system, the first level of which will be the current national currency, and the second level is proposed to introduce a national gold currency backed by gold and convertible into gold.

3. Conclusion

This approach will partially solve the problem of national systems through an alternative to the US dollar, replacing it with a gold currency. This will help strengthen the savings function of national currencies, reduce dollarization and increase confidence in the national currency, and provide central banks and governments with full control over their gold reserves.

The combination of two levels of currency, on the one hand, will ensure the flexibility of national currency systems, and on the other hand, it will allow an independent underlying asset to act as a common measure of the issuing activity of central banks, putting under control the emission of money based on the underlying asset. This will also be a step towards the Fair Economic Order's principle of "identifying money with goods" (Yaşar, 2021: 105). At the next stage, gold can act as the underlying tangible asset of the supranational currency.

With regard to the OTS countries, the introduction of gold national currencies will allow them to get away from direct and indirect dependence on the US dollar in trade and economic relations, including:

• The zone of the OTS countries becomes a real economic zone, cooperating on the basis of the gold currency of one of the members or the gold currencies of the OTS countries with the consent of the issuance of gold currencies by all countries;

• Stop using the US dollar "cross-rate" and switch to using the value of the underlying asset in the form of gold in determining the exchange rate of national currencies; the gold currency will serve as the basis for interstate settlements; in case of a negative balance, it will be covered by gold;

• Increase the use of national currencies in trade between countries, and in the future with countries outside the OTS zone;

• The gold-backed national currency will strengthen the savings function of national currencies and, accordingly, will cause a decrease in the level of dollarization, which will inevitably affect the demand for US dollars in the domestic markets of the OTS countries;

• Will have a positive impact on the regulation of international trade and give impetus to the discussion of states and prospects of international trade and monetary system;

• The independence of national currency systems from international reserve currencies and possible sanctions will increase.

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