

# Are the G20 and IMF in the process of creating a Global Currency and Federal Reserve?

By [Global Research News](#)

Global Research, February 24, 2013

[12160](#) 20 February 2013

Region: [USA](#)

Theme: [Global Economy](#)

While [headline stories](#) about averting the dangers of an international “currency war” dominated news coverage of the recently concluded G20 meeting in Moscow, the real unreported story is that the global gathering of central bankers and finance ministers is pushing forward with their plan for “[supersizing](#)” the International Monetary Fund. The end goal is to transform the IMF into a global Federal Reserve, with the ability to flood the world with huge new volumes of loans and currency. It would also wield vast financial regulatory powers.

The IMF’s unit of account, or “currency,” known as a Special Drawing Right (SDR), is being readied for eventual adoption as the replacement for the U.S. dollar in international transactions, to lead the way toward eventual adoption of the SDR or some other designated unit as the global currency, much in the same way that the euro was foisted upon the people of Europe as a replacement of their national currencies.

The mainstream media seem intent on keeping the public fixated on the latest Kardashian frolics, sportsmania, and Democrat-Republican political mudwrestling, while coverage of the G7, G20, and IMF confabs that are determining the economic fate of the world receive short shrift. And the little reporting of these events that does leak out usually amounts to little more than regurgitation of the pre-scripted talking points of the conference principals. Over the past four years, *The New American* has published numerous articles detailing the radical plans currently underway for the total destruction of the dollar and the plans for supersizing the IMF into a global Fed. (See the linked stories at the bottom of this article).

Virtually unreported was IMF Managing Director [Christine Lagarde’s comments](#) at the close of the G20 Moscow summit on February 16 that she expected the IMF members to come through soon with the remaining funds necessary to double the IMF’s funds. Unknown to most voters and taxpayers the world over is the fact that their governments’ finance ministers agreed at the [G20’s Korea meeting in 2010](#) to increase the “quotas” (contributions) of each member to the IMF, effectively doubling the IMF’s SDR assets to about [\\$US 750 billion](#).

The IMF has also benefited immensely from another set of recent innovations that have received almost zero news coverage: the New Arrangements to Borrow (NAB) and the General Arrangements to Borrow (GAB).

Once activated, the [IMF reports](#), the NAB “can provide supplementary resources of up to SDR 370.0 billion (about \$567 billion) to the IMF.”

“The potential amount of credit available to the IMF under the GAB totals SDR 17 billion

(about \$26 billion)," says the same IMF web page.

With our national budget now being measured in *trillions* of dollars, the *mere* hundreds of billions of dollars the IMF is bandying about may no longer seem as impressive as it once might have. However, the IMF has much grander visions; this is just the start. As we [reported previously](#), the IMF's Christine Lagrande in February 2012 called for a trillion dollar "firewall," including a European Stability Mechanism (ESM) for bailing out the collapsing economies of Europe's socialist regimes. Finance ministers, including then U.S. Treasury Secretary Timothy Geithner, all took to chatting up the supposed necessity of the emergency "firewall." As we reported at the time, acceding to these calls would be the equivalent of "giving even more matches and gasoline to the arsonists who have already burned through trillions of dollars in 'quantitative easing' and 'stimulus' funds."

#### Following the Fed's Example

Federal Reserve Chairman Ben Bernanke (shown above) told the Moscow G20 conference that the Fed would continue its inflationary policy of creating colossal sums of new digital dollars out of thin air, otherwise known as "quantitative easing."

A Bloomberg report [noted](#):

The Fed under Bernanke has expanded assets to a record exceeding \$3 trillion and pushed down the benchmark interest rate close to zero....

The Fed last month affirmed a plan to buy \$85 billion per month in bonds, seeking to foster growth and reduce a 7.9 percent jobless rate.

"We believe that by strengthening the U.S. economy we are helping to strengthen the global economy as well," Bernanke told the G20 ministers, according to Bloomberg. "The Federal Reserve continues to provide accommodative monetary policy in our effort to foster maximum employment and price stability," Bernanke said.

The original source of this article is [12160](#)

Copyright © [Global Research News](#), [12160](#), 2013

---

**[Comment on Global Research Articles on our Facebook page](#)**

**[Become a Member of Global Research](#)**

Articles by: [Global Research News](#)

**Disclaimer:** The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: [publications@globalresearch.ca](mailto:publications@globalresearch.ca)

[www.globalresearch.ca](http://www.globalresearch.ca) contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: [publications@globalresearch.ca](mailto:publications@globalresearch.ca)