PROLETARIAN POWER

PEACE, PROSPERITY AND JUSTICE ... FOR ALL

1st January, 2026..

To

The Managing Director,
International Monetary Fund,
700 19th Street, NW.,
Washington DC 20431.
U.S.A.

Sir/Madam,

Sub: Are CBDCs (Central Bank Digital Currencies) going to reduce USD's dominance?

At present all major economies in the world are at different stages of developing their respective CBDCs. We believe that in the next ten years or so all of them will test, stabilize and launch their CBDCs. Interestingly this may, though unintended, provide an alternative to the US Dollar in a certain way. Allow us to explain:

We all know that CBDCs are digital, programmable, safe and easy/convenient for cross border payments. These features may also make them commodities in some way. In due course a suitable system/platform may emerge where people (Sovereign nations and their accredited institutions) can buy and sell a CBDC (read fiat money of a country) of their choice. Eventually Nation States may find it convenient and even cost effective to settle their payment obligations using CBDCs, something the US Dollar has been dominating so far. This, in a way, effectively challenges the US Dollar's supremacy and its status as the world's reserve currency. Particularly people/nations around the world who are frustrated/apprehensive about the US Government's policy of weaponising the Dollar will find this too tempting to ignore. All this may eventually lead to the decline of the US Dollar.

Is this good (or bad) for the world economy? That is debatable. For now we prefer to pause here. Maybe we will revisit this space later.

Thanks and Regards

Yours truly,

sd/-

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P.S. We think that there isn't much the US can do about it. Besides, its macroeconomic conditions are not so good/healthy either.

Copy to

1. The President, World Bank, 1818 H Street, NW, Washington, DC 20433, U.S.A.
2. The Finance Minister, Government of India,134/North Block, New Delhi 110001

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