

The background of the image is a composite of financial-themed elements. It features several stacks of coins, with some appearing to be US quarters and others smaller coins. The coins are arranged in a way that suggests growth or accumulation. In the foreground, there is a large, bold number '8' on a grid-like background. To the right, there is a circular gauge or clock face with numbers from 1 to 24, and a needle pointing towards the number 12. The overall color palette is a mix of warm golds and yellows, and cool blues and greys.

Financial Literacy in a Digital Age

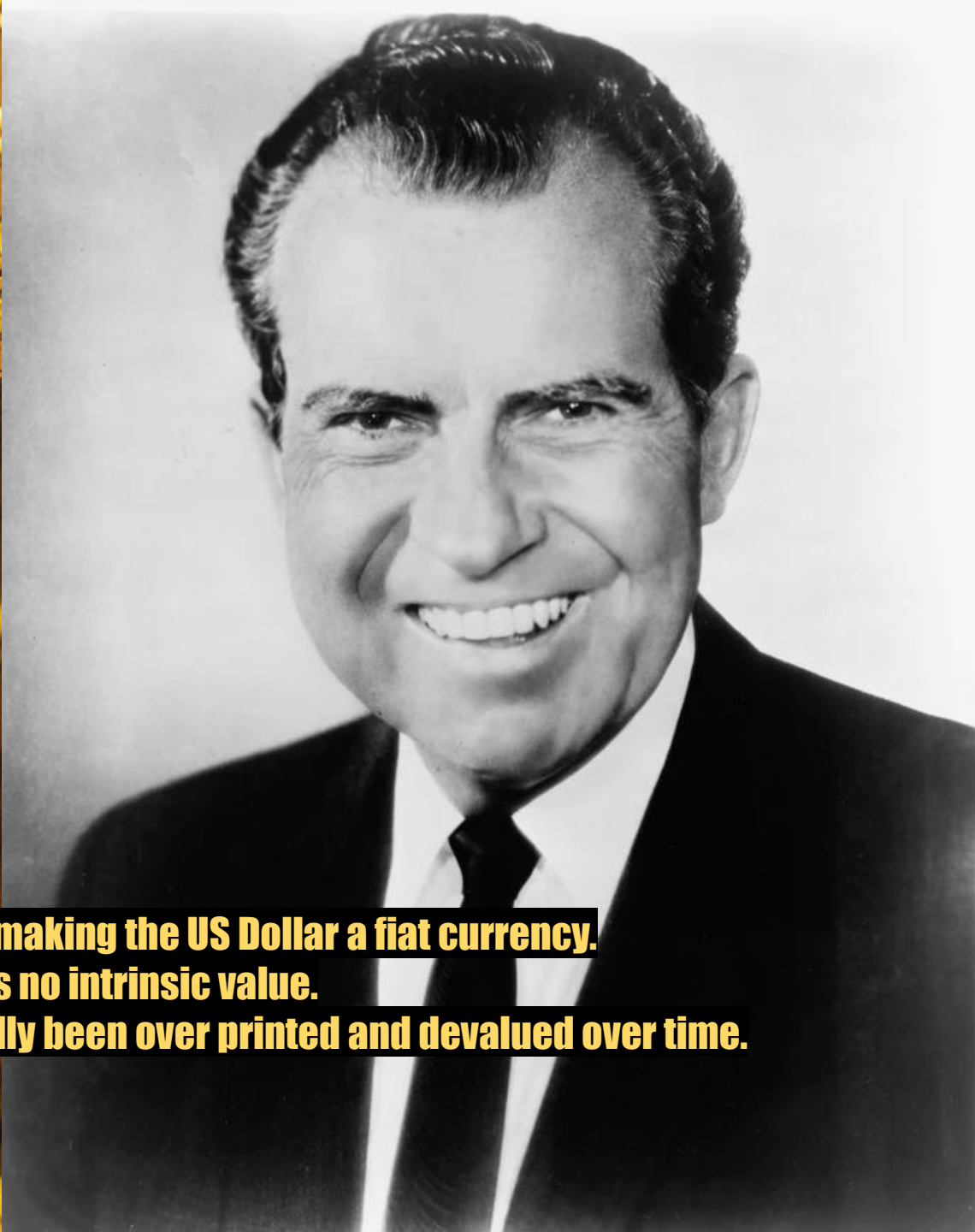
**The Gold Standard, The FED, Cryptocurrency, The Stock Market,
Algorithmic Trading, Big Tech, & More**

Preface

In the United States today, it is important for every citizen to understand our financial system and the opportunities that come with being an American. It is also equally as important to understand the history of the current system, and how technology is playing a role in shaping the future of our economy.

Long ago, people exchanged gold coins for goods and services. However, they needed somewhere to store all their gold, so banks were created to store the gold locked away in vaults. Banks then made receipts that could be traded in for the real gold which eventually led to the paper money that we have today. Recently, some people have lost confidence in the strength of the US Dollar as the world's reserve currency, so they are turning to cryptocurrencies to be a new secure store of value for the future. Although I believe that the US Dollar will continue to be a strong currency for generations to come, I think digital currencies will grow in the future eventually making all paper money obsolete.





August 15, 1971

**Nixon ends the Gold Standard making the US Dollar a fiat currency.
Fiat money is money which has no intrinsic value.
Fiat currencies have historically been over printed and devalued over time.**

Section 1

The Bretton Woods Agreement

During the end of World War 2, when the allies realized that they were going to win, they had a conference to create regulations for the international monetary system. The agreement established that all of the participating countries' currencies would be backed by the US dollar, which would be backed by gold, making it so that using dollars for trade would be "as good as gold". Around the 1970s countries began to lose faith in the US dollar and requested to exchange their dollars for gold. Too many countries wanted to exchange their dollars, so on August 15, 1971 Nixon terminated the convertibility of the US dollar to gold.

Now that dollars were no longer backed by anything except user confidence the dollar became a fiat currency. If confidence in the dollar were to ever be lost, we may see the downfall of the world economy, which nearly happened in 2008.





Quantitative Easing Ponzi Scheme

2008 Financial Crisis
Mortgage-backed Securities
Inflation
Not a matter of "if" but "when"
Bubbles POP!



The background of the slide features a dark red grid with several financial charts. In the upper left, there are red candlestick charts showing price movements. Below them, a red line chart shows a fluctuating trend. Large, semi-transparent red arrows point downwards, one in the upper right and one in the lower left, symbolizing a decline or crisis.

Section 2

The Global Financial Crisis of 2008

After the 2008 Financial Crisis the Federal Reserve bank enacted a policy called quantitative easing which basically consists of inflation, adding money into the banking system, and the stock market, in order to combat economic pressures. Normally, quantitative easing should be a last resort to stimulate an economy. Quantitative easing over the last decade has caused serious concerns regarding the stability of the United States economy because it was not supposed to go on for this long. The most recent act of quantitative easing was 700 billion in March of 2020 to combat the economic impacts of the COVID-19 pandemic. Normally, when countries print too much money their bills lose value and people start to use it as toilet paper. How long will the United States be able to maintain confidence in its currency?

Stock Market Record Highs leads to Speculation



Section 3

Speculation in a Speculative Market

Since there is so much money in the stock market, company stocks tend to get overvalued when compared to their book values due to massive amounts of speculation. Nobody knows what the actual value of a stock should be when the market value gets too far away from the book value. This was demonstrated by the recent jumps in stock prices of GameStop and AMC. Shares of these stocks shot up hundreds of points before falling. If the FED were to increase interest rates at all at this point, the stock market would crash. The FED lowered interest rates in 2018 to 0%, historically interest rates are 2-3% or way higher, this keeps values in check by limiting borrowing. Now it will be very difficult to raise interest rates without spooking the market.



Cryptocurrency

De-Fi
Decentralized
Web 3.0
China
The Future?
Computer Science
Block Chain
General Ledger



ethere



Section 4

Digital and Crypto Currencies

Cryptocurrency, is a decentralized form of currency limited in volume and digitally created with computer code. Because there is a threat to the value of the US dollar, companies and people around the world are turning to cryptocurrencies to be a store of value incase the United States and world economies crash.

These currencies have their own markets and are open all the time for trading. Ethereum is a coin designed for the future of the internet. In this future internet called Web 3.0, there will be no single company or person that has a disproportionate amount of control that the Big Tech monopolies of today have.



760B



1.67T

a



2.29T



244B



1.14T



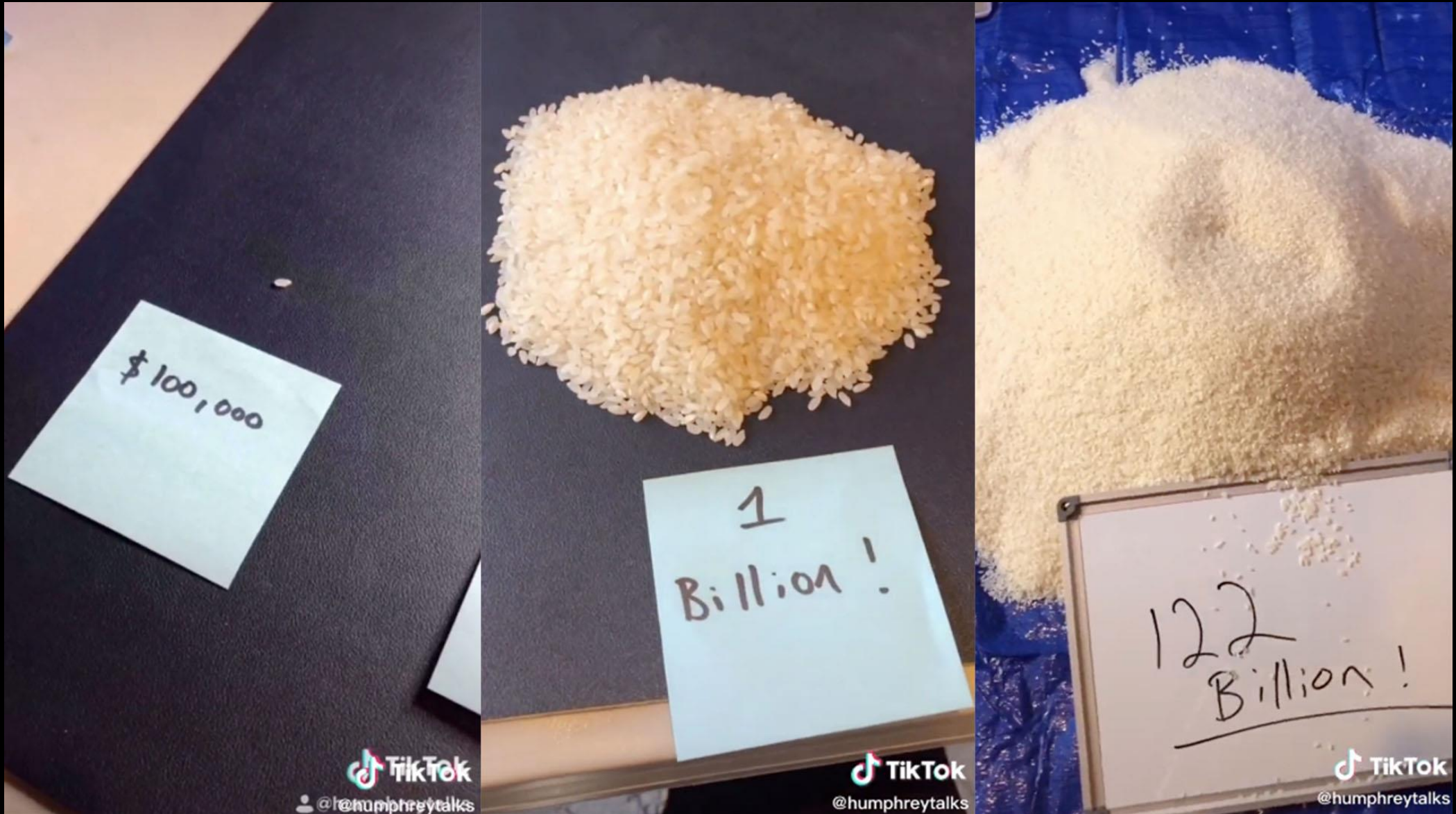
Section 5

Big Tech Monopolies & Growing Economies

Companies like Facebook, Amazon, and Google have a monopoly on the internet especially in the advertising space. These monopolies threaten the free market, competition, and economic growth and development when they buy their competitors or pressure them into bankruptcy.

Countries with larger populations like China and India are taking advantage of the fact that the United States economy is not growing as fast as it once did. India and China are set to become the most dominant economies in the world because of their focus on education. What do you expect when those countries have such huge populations, and invest heavily in educating their people? Whereas in the US, the “educated” are stuck with student loans for half of the rest of their lives and are never able to break out of the system. China is already the largest economy in the world by purchasing power parity. India has heavy entrepreneurial spirit in their graduates supported by the government. We will all need to have some form of money in the future which is why I believe it is important to predict and compare how the world may use money in the future.

Money isn't everything, but it ranks pretty high up there with oxygen.



Each Grain of rice pictured above is worth \$100,000, some people will never have that much money in their bank accounts for their entire lives.

Conclusion

Understanding the Value of Money, and Spreading Awareness of a Rapidly Changing Technological World

Most people are unaware of just how bad the wealth distribution in the United States is, and how much money there really is in our financial system that doesn't move for generations. All of the middle and working classes are much closer to being poor and homeless than ever becoming a millionaire due to a lack of financial understanding, which is not their fault. This is by design of the system, which some people have taken note of and are creating solutions like Ethereum on Web 3.0. Will the solutions work, or will the government prevail with a continued Ponzi Scheme? Only time will tell but we will continue to discuss next time on, Financial Literacy in a Digital Age.

Credits:

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