

Putin: reserve currency diversification key to global financial stability

VLADIVOSTOK, Sept. 8 (Xinhua) -- The world needs diversified reserve currencies as a necessary condition for the stability of global financial system, Russian President Vladimir Putin said here Saturday.

"If we want to get rid of unnecessary derivatives and raise the discipline and stability of the global financial system, we must go over to a multitude of global reserve currencies," Putin said at a meeting between APEC leaders and the APEC Business Advisory Council (ABAC).

If there was only one global reserve currency, the issues of the currency would always be tempted to use it in its own interests, Putin warned.

This situation will lead to the harm to the issuer itself and the violation of fundamental principles of the global financial system, he added.

The president noted that building a diversified reserve currency system was a difficult but correct work, adding that the United States, as a chief issuer, was also involved in such a process.

"So it would be possible to find forms of joint action that won't destroy anything but would create new opportunities for the stabilization of the world economy," Putin said.

He also suggested using the currencies of some APEC member economies for that purpose.

The ABAC was a primary platform for dialogue between the political and business elites within the framework of the Asia-Pacific Economic Cooperation (APEC) forum.