Money of the World Today

Money is one of the few things common to all modern countries—it forms a bond that allows societies to function. Money is also much more: it reflects the history, aspirations and culture of the society that issues it.

Modern currency shares two common aspects: its form and the types of messages and images used. It is used in three tangible forms—coinage, bank notes or electronic exchange media (credit, debit or “smart” cards). The latter has made money much easier and more accessible to use for most personal transactions—especially with regard to travel and foreign exchange.

Europe’s political and economic dominance of the world stage in the 19th and early 20th centuries created a unified concept of money based on European monetary ideas. The design of coinage and paper currency is standardized within fairly narrow bounds, each with text and images intended to convey the money’s issuing authority, the denomination and the date of authorization. The same is true of electronic exchange media, with a critical difference—these are not issued by governments.

Many countries include information beyond this simple formula, often to convey the benefits of the current regime, promote economic agendas or commemorate historical events or national heroes. Electronic exchange media have added a new element with personalized designs and affiliation cards reflecting their diverse issuing authorities. The result is a rich and varied source of messages about the peoples of the world, and an artistically interesting window into their cultures.

Currency of World Economies

The money on this panel represents some of the larger economies of the world. These currencies are often used outside their issuing countries as legal tender by other nations. Some nations have even given up their native currency in favor of foreign money. Examples include Ecuador, where the U.S. dollar is the only legal tender, or several of the Pacific island nations that use the Australian dollar.

Electronic Exchange Media

Credit cards, as we know them, have been around since the 1950s, beginning with the classic, paper “Diners Card.” Plastic cards of the now familiar shape and size were introduced in the 1960s. By the 1970s, credit cards had entered the electronic age with the addition of magnetic strips allowing them to be “read” by charge machines and ATMs. Since then, variations of the basic credit card have been introduced, ranging from the classic card where the user borrows money as he or she spends from a lending institution and the debit card linked to the user’s bank accounts, to “smart” cards (such as gift cards) containing a computer chip that records the amount the card actually has in its “memory.”
New Monetary Shapes & Materials

Over the last 30 years, new materials have been introduced for use in money. This trend is the result of three changes in monetary usage: how the value of money is determined, the increasing reliance on paper money, and the development of electronic exchange media (credit, debit and “smart” cards).

During the last half of the 20th century, countries stopped using silver and gold in regular circulating coinage. The value of higher denomination coins is no longer based on their metallic content (bullion coinage), but on what the issuing governments declare it to be (flat coinage), thus making it much cheaper to produce and increasing the profitability for the issuers. In related development, paper money has become more prevalent in daily transactions (easier to use and cheaper to produce), prompting governments to experiment with ways to extend the usable life of both bank notes and coins.

New coinage metals have included various alloys of aluminum and manganese, increased usage of nickel alloys and steel, and development of coins with two or more separate metals. The latest trend in paper money has been to eliminate the use of paper in favor of more durable polymer plastics. Electronic exchange media have been made from durable plastic since the 1970s in a standard size and shape.

Coins

A major innovation over the last 25 years has been the introduction of bimetallic coinage in many countries. While such coinage is not a new invention, modern technology has made mass production possible, creating interesting and often beautiful new looks. Many nations have also experimented with different shapes and unusual metals for their coins.

Paper Money

The last 100 years has seen numerous innovations in the look and even the “paper” of paper money. The addition of multiple colors and a range of light-shifting security devices has revolutionized the appearance of many modern currencies. More recently, the introduction of notes made from polymer plastics has even changed the feel of paper money and made possible the addition of clear windows as added security measures.

The Future of Money

The fact that credit cards are issued by individual banks through a wide variety of affiliated institutions has resulted in a bewildering range of colorful designs. This allows individuals to turn money, in the form of credit cards, into a truly personal expression of themselves.