

Headlines:

- **Saudi Arabia Open to Trading in Currencies besides the US Dollar**
- **US to Open Base in Morocco**
- **China Population in Decline**

Details:

Saudi Arabia Open to Trading in Currencies besides the US Dollar

Saudi Arabia will consider trading in currencies other than the US dollar, the country's finance minister has said. "There are no issues with discussing how we settle our trade arrangements, whether it is in the US dollar, whether it is the euro, whether it is the Saudi riyal," the Kingdom's finance minister, Mohammed al-Jadaan, told Bloomberg TV in an interview in Davos, Switzerland. During a visit to the Gulf in December, Chinese President Xi Jinping told Arab leaders that Beijing would push to buy oil and gas in yuan, as it looks to position its currency for use in international trade. Oil sales across the globe are priced in US dollars. China accounts for more than a quarter of Saudi Arabia's crude exports. If the kingdom were to move toward a "petroyuan", it could dent the dollar's status as the world's reserve currency. *"We enjoy a very strategic relationship with China and we enjoy that same strategic relationship with other nations including the US and we want to develop that with Europe and other countries who are willing and able to work with us,"* Jadaan said. Both Russia and China have attempted as revisionist powers to reach out to other nations to change the global order, by turning to Turkey and now Saudi Arabia, they don't realise that both nations have deep and close relations with the US and will likely act a trojan horse in whatever the both Russia and China establish.

US to Open Base in Morocco

US President Joe Biden has instructed Defence Secretary Lloyd Austin to prepare an emergency plan to establish an American military industrial base in the Kingdom of Morocco, the *New York Daily News* has reported. Biden has told Austin to push the Pentagon to facilitate the logistical and legal aspects of US defence industry investments in Morocco. The strengthening of Rabat's leading role in combating terrorism, as well as its integration into the international military equation, will be achieved by developing its technical military capabilities, it is intended. Morocco represents a precarious choice for a US military base. In North Africa the US has worked with Turkey and Russia in Libya to achieve its interests and being so far from the Aegean and Black Sea would make this base of little use against Russia.

China Population in Decline

Chinese authorities published figures this week that confirmed the nation's population shrunk for the first time since records began back in 1953. The world's most populous nation saw its population shrink by 850,000 people as its replacement rate has fallen to 1.15 children per women, well below the replacement rate of 2.1 children per women needed for a stable population.

China's large labour gave it an endless supply of workers and this became the backbone of its economic growth for decades. Whilst China has been looking to shift away from cheap, low end manufacturing to high end and high value manufacturing that will rely more on more on technology rather than workers, China needs its large population to consume much of what it will produce. With China's population now shrinking, this will mean its consumer base will also shrink and this will probably pose the most serious challenge to the Chinese Communist Party.