

Ethics Violation in Financial Systems Associated with Fiat Money and the Ethical Currency Solution: The Gouantum

Author¹

Abdelrahman Naguib, School of Management of Technology, Nile University, Giza, Egypt

Abstract

This research paper examines the ethical implications of financial systems associated with fiat money and explores the potential of a gold-backed currency solution, specifically Gouantum. The literature review highlights the challenges of fiat money, including inflation, lack of transparency, and ethical violations in business practices. Gouantum, as a gold-backed currency, aims to address these challenges by providing a secure, transparent, and stable form of currency. By leveraging the inherent value and stability of gold, Gouantum offers the potential to promote ethical business practices, enhance price stability, and reduce the risk of fraud. However, further research is needed to evaluate the feasibility and practicality of implementing gold-backed currency systems on a larger scale. The findings suggest that alternative currency systems like Gouantum can contribute to a more ethical and sustainable financial landscape.

Keyword: Fiat Currency, Gold-Backed Currency, Business Ethics, Gouantum

1. INTRODUCTION

Money is the cornerstone of economic exchange and is essential for supporting global commercial operations. However, in recent years, there has been a lot of focus on the moral implications of fiat money. In many economies, fiat currency has predominated since it is not backed by any tangible assets and derives its value from governmental decrees (Mankiw, 2020). Although fiat money provides simplicity and liquidity, it also raises questions about how it may affect ethical business practices.

This paper intends to study the potential fiat money violations of corporate ethics as well as the function of gold-backed currency as a potential replacement. Fiat money raises a number of ethical issues, such as inflationary pressures, fluctuating purchasing power, a lack of transparency, and the possibility of manipulation. According to Ferrell et al. (2021), these problems can lead to unethical business practices such as price manipulation, insider trading, and financial fraud.

Examining the intrinsic qualities of fiat money and their effects on economic systems is crucial to comprehending the scope of ethical transgressions in corporate practices. Businesses may be motivated to engage in immoral behavior for short-term profits because of fiat money's intangible nature and vulnerability to inflation (Wight, J. B. 2015;

Bottorff, E. 2021). The fact that governments and central banks have centralized control over fiat money also raises questions about possible abuses of power and a lack of accountability (Eichengreen et al., 2018; Selgin, G. 2013).

This essay investigates the feasibility of a gold-backed currency as a possible ethical substitute for fiat money in light of these issues. Throughout history, gold has been acknowledged as a reliable store of value and a reliable medium of trade (Reinhart & Rogoff, 2009). A currency that is backed by gold has the benefit of being backed by a physical and limited resource, which lowers the risks of inflation and manipulation. This article tries to analyze the possibility of gold-backed currency to reduce unethical business practices by looking at its role.

The investigation of gold-backed currency as a substitute does not entail the outright rejection of fiat money. It instead seeks to illuminate the possible advantages of integrating components of a gold-backed system into the current monetary system. This discussion makes it possible to think about hybrid models that bring together the benefits of fiat currency—like flexibility and digital transactions—with the security and moral resiliency offered by gold-backed currency.

By addressing the ethical ramifications of using fiat money in commercial transactions, this study intends to contribute to the continuing discussion on business ethics and monetary systems. It attempts to offer insights into promoting ethical behavior and accountability within the world of financial transactions by investigating the infractions connected with fiat money and the potential role of gold-backed currency as an alternative

1.1 Research problem statement

The research problem addressed in this paper is to investigate the ethical implications associated with the use of fiat money in business practices and explore the potential role of gold-backed currency as an alternative. This research seeks to investigate the violations of business ethics that can arise within the framework of fiat money and assess the viability of gold-backed currency in mitigating these ethical concerns. The problem centers on comprehending the extent to which fiat money contributes to unethical behavior in business transactions and whether a gold-backed currency can provide a more ethically resilient monetary system. By investigating these issues, the research seeks to contribute to the ongoing discourse on business ethics and provide insights into fostering ethical behavior and accountability within financial transactions.

1.2 Research objectives

The objective of this research is twofold:

First, to analyze and assess the ethical implications of fiat money in business practices: This objective involves examining the potential violations of business ethics that can occur within the current fiat money system. It aims to identify specific unethical practices, such as fraud, corruption, and exploitation that may be facilitated by the characteristics and limitations of fiat money.

Second, to explore the role of gold-backed currency as an alternative for promoting business ethics: This objective focuses on investigating the feasibility and potential benefits of using a gold-backed currency as an alternative to fiat money. It aims to evaluate how a gold-backed currency can address the ethical concerns associated with fiat money by providing stability, transparency, and intrinsic value. The objective is to assess the potential impact of adopting a gold-backed currency on promoting ethical behavior in business transactions.

By achieving these objectives, the research aims to shed light on the ethical implications of fiat money and provide insights into how a gold-backed currency can offer an alternative monetary system that aligns with ethical principles in business practices.

2. LITERATURE REVIEW

The historical development of fiat money and its impact on business practices have been subjects of interest among scholars and researchers. Fiat money, a currency not backed by a physical commodity, has undergone significant changes throughout history, leading to ethical concerns regarding its value, trustworthiness, and impact on business

ethics. This literature review aims to provide an overview of the historical evolution of fiat money, its ethical implications in business practices, the challenges and limitations it poses to upholding business ethics, and the potential benefits of adopting a gold-backed currency. As a potential solution to the ethical concerns associated with fiat money, further exploration of Gouantum, as introduced in a paper by Naguib (2023) titled "Reviewing Currency Challenges and The Future of Money: The Gouantum," would greatly contribute to our understanding of its feasibility, implications, and potential impact on business practices and ethics..

2.1 Historical Overview of Fiat Money and Business Ethics

The historical development of fiat money and its impact on business practices have been subjects of interest among scholars and researchers. This literature review provides an overview of the historical evolution of fiat money and its relationship with business ethics, discussing key milestones and ethical implications.

Fiat money, which is a currency not backed by a physical commodity, has a long history dating back to ancient civilizations. Scholars such as Smith (1776) and Keynes (1930) have documented the transition from commodity-based currencies to government-issued paper money, raising ethical concerns regarding the value and trustworthiness of currency.

The adoption of fiat money has given rise to various ethical dilemmas in business practices. Smith (1776) highlighted the potential for inflation and erosion of purchasing power, leading to unethical practices like price manipulation and unfair trade. Schuller (1950) argued that the discretionary nature of fiat money enables governments to engage in unethical practices such as deficit spending and debasement of currency.

The intangible nature of fiat money has raised concerns about transparency and accountability in business transactions. Armstrong et al. (2010) emphasized the importance of transparency and ethical financial reporting to ensure fair business practices. The lack of transparency in fiat money systems can contribute to fraudulent activities, insider trading, and corruption.

Central banks play a crucial role in managing fiat money and have significant impacts on the economy and business environment. Haldane (2012) explored the ethical implications of central bank actions, including monetary policy decisions, interest rate manipulation, and bailouts. These actions can have consequences for income distribution, wealth inequality, and ethical considerations in business decision-making.

Scholars have also critiqued the ethical foundations of fiat money systems. Hayek (1976) argued that fiat money enables governments to exercise control over the economy, potentially leading to ethical issues such as cronyism and favoritism. Rothbard (2008) discussed the ethical problems associated with fractional reserve banking, a practice enabled by fiat money systems.

2.2 Ethical Violations in Business Practices Facilitated by Fiat Money

The use of fiat money in business transactions has raised concerns about ethical violations and their facilitation. This section provides a description of the ethical implications and violations associated with fiat money in business practices.

Manipulation of Financial Markets: Studies have highlighted the potential for unethical practices in financial markets facilitated by fiat money. Smith (1776) observed that the discretionary power of central banks in managing fiat money can lead to market manipulations, insider trading, and unfair advantages for certain market participants. The lack of transparency and accountability in fiat money systems can contribute to unethical behavior.

Corruption and Bribery: Fiat money has been linked to corruption and bribery in business transactions. Research by Kelman (2000) found that the discretionary power of governments in controlling fiat money can create opportunities for corruption, as officials may be tempted to engage in bribery to gain access to money creation and allocation processes. This undermines fair competition and ethical business practices.

Inflation and Price Manipulation: The inflationary nature of fiat money can lead to unethical practices such as price manipulation. Studies by Mises (1949) and Keynes (1930) have highlighted how excessive money supply and

inflation erode the value of currency, leading to deceptive pricing strategies, unfair trade practices, and market distortions. Such practices undermine trust and integrity in business transactions.

Wealth Inequality and Exploitation: Fiat money systems have been criticized for contributing to wealth inequality and enabling unethical exploitation. Merton (1990) discussed how central bank actions, such as monetary policy decisions and interest rate manipulations, can disproportionately impact different segments of society, leading to social and economic injustices. The concentration of wealth and power in the hands of a few can perpetuate unethical business practices and widen the wealth gap.

Regulatory Capture and Cronyism: Fiat money systems have the potential to facilitate regulatory capture and cronyism, leading to ethical violations in business practices. Hayek (1976) argued that the discretionary power of governments over fiat money allows them to exert control over the economy and favor certain individuals or businesses, fostering an environment of cronyism and unfair advantages. This undermines fair competition and ethical business conduct.

2.3 Challenges and Limitations of Fiat Money in Upholding Business Ethics

Fiat money, as a widely accepted form of currency, poses various challenges and limitations in maintaining business ethics. This section provides a description of the key challenges and limitations associated with fiat money in upholding business ethics.

Inflation and Erosion of Purchasing Power: One of the primary challenges of fiat money is its potential for inflation and the erosion of purchasing power. Fiat money, not backed by any physical commodity, is subject to changes in the money supply controlled by governments and central banks. The expansion of the money supply can lead to inflationary pressures, diminishing the value of each unit of currency over time. This phenomenon has been widely discussed in economic literature (Blanchard, 2018; Woodford, 2005) as a significant concern with fiat money systems. Inflation and the erosion of purchasing power can have ethical implications in business practices, including price manipulation and unequal distribution of resources. The need to address these challenges has prompted discussions on alternative currency systems, such as gold-backed currency, to provide a more stable foundation for preserving purchasing power and upholding business ethics (Rogoff, 2017; Arner et al., 2020).

Lack of Transparency and Accountability: Lack of transparency and accountability is another significant challenge associated with fiat money systems, which can pose obstacles in upholding business ethics. The intricate nature of fiat money systems, governed by central banks and governmental institutions, often leads to limited transparency in their operations and decision-making processes. This lack of transparency can create an environment where unethical practices thrive, such as insider trading and corruption. Scholars and researchers have emphasized the importance of transparency and accountability in financial systems to ensure fair and ethical business practices (Armstrong, 2019; Koutoupis et al., 2021). They argue that increased transparency not only fosters trust and confidence among market participants but also facilitates better monitoring and regulation of financial activities, reducing the likelihood of unethical behavior. Addressing the challenges of transparency and accountability in fiat money systems is crucial for upholding business ethics and promoting a level playing field for all stakeholders involved.

Ethical Implications of Central Bank Actions: Central banks play a crucial role in managing fiat money and have a significant impact on the economy and business practices. Researchers such as Fourcade et al. (2013) and Haldane (2012) explored the ethical implications of central bank actions, including monetary policy decisions, interest rate manipulation, and bailouts. These actions can have consequences for income distribution, wealth inequality, and ethical considerations in business decision-making.

Regulatory Challenges and Potential Abuse: Fiat money's regulatory framework can present challenges in upholding business ethics. The discretionary power of governments in controlling fiat money can create opportunities for regulatory capture and potential abuse. Hayek (1976) argued that such discretion allows governments to exercise control over the economy, potentially leading to ethical issues such as cronyism and favoritism. These challenges can undermine fair competition and ethical business conduct.

Lack of Stability and Uncertainty: The inherent instability and uncertainty of fiat money can create challenges in maintaining business ethics. Fiat money's value is subject to market fluctuations and macroeconomic factors,

making it difficult for businesses to plan and engage in long-term ethical practices. The volatile nature of fiat money can contribute to unethical behaviors such as hoarding, speculation, and market manipulations (Hairudin et al., 2022).

2.4 Gold-backed Currency as a Potential Solution to Ethical Concerns

Gold-backed currency has emerged as a potential solution to address the ethical concerns associated with fiat money systems. By linking the currency to physical gold, it offers a more stable and reliable store of value, mitigating the risks of inflation and erosion of purchasing power (Selgin, 1997). Gold has a long history as a universally accepted store of value and is often regarded as a safe haven during times of economic uncertainty (Baur & McDermott, 2012). This inherent stability and trustworthiness can contribute to greater confidence and transparency in financial transactions, enhancing business ethics (Michaud et al., 2011). Gold-backed currency also aligns with ethical principles such as integrity and accountability, as it reduces the discretionary power of central banks and governments to manipulate the value of the currency (Cooper et al., 1982). Furthermore, the physical nature of gold-backed currency provides tangible value and can prevent fraudulent practices often associated with intangible forms of money (Dempster, N., & Artigas, J. C., 2010). Overall, the introduction of gold-backed currency offers the potential for a more ethically grounded monetary system, addressing the challenges and limitations of fiat money.

2.5 The Role of Gold in Promoting Transparency and Stability in Business Transactions

Gold plays a significant role in promoting transparency and stability in business transactions. As a tangible and universally recognized asset, gold offers intrinsic value and fosters trust among parties involved in transactions (Baur & Lucey, 2010). Gold's historical use as a medium of exchange and store of value has established its credibility and reliability in financial dealings (Saraç & Zeren, 2014). This transparency is particularly relevant in international trade, where gold provides a common benchmark and facilitates cross-border transactions (Rogoff, 2015). The stability of gold prices compared to fiat currencies further contributes to reliable pricing mechanisms and reduces the risks associated with currency fluctuations (Ghosh et al., 2001). Gold's inherent stability and transparency promote fair business practices and discourage fraudulent activities (Baur & McDermott, 2010). Furthermore, the physical nature of gold ensures its scarcity and prevents counterfeiting, offering a secure means of conducting business transactions (Belke & Volz, 2015). Overall, gold's role in promoting transparency and stability in business transactions strengthens the foundation of ethical business practices.

2.6 The Ethics of Intrinsic Value: Comparing Fiat Money and Gold-backed Currency

The ethics of intrinsic value play a crucial role in the comparison between fiat money and gold-backed currency. Fiat money, being a currency not backed by a physical asset, raises questions about its inherent value and the ethical implications associated with its creation and use. Scholars argue that fiat money lacks the tangible backing that provides confidence and stability in financial transactions (Bordo & Levin, 2017). In contrast, gold-backed currency derives its value from the intrinsic properties of gold, which has been recognized as a store of value for centuries (Husain et al., 2022). This distinction raises ethical considerations regarding the trustworthiness and stability of a currency. Gold-backed currency, with its physical presence and limited supply, offers a sense of authenticity and intrinsic value that aligns with ethical principles of transparency and reliability (Mnif et al., 2022). The ethical implications of adopting a currency with intrinsic value, such as gold-backed currency, reflect the desire for a trustworthy medium of exchange that upholds business ethics and promotes fair economic practices.

2.7 Evaluating the Feasibility and Practicality of Gold-backed Currency Implementation

The evaluation of the feasibility and practicality of implementing a gold-backed currency is a topic of considerable interest in recent literature. Researchers have examined the various aspects related to the adoption and implementation of such a currency. For instance, technological advancements, particularly in blockchain technology, have paved the way for the development of digital gold-backed currencies (Lipton et al., 2018). These digital currencies offer the benefits of transparency, traceability, and efficiency in transactions while maintaining the backing of physical gold (Mnif et al., 2022). Furthermore, scholars have explored the economic viability and stability of a gold-backed currency, highlighting its potential as a stable store of value (Baur & McDermott, 2010). However, challenges such as the establishment of trust, regulatory frameworks, and international acceptance have

also been identified as critical considerations in the practical implementation of a gold-backed currency (Ajouz et al., 2020; Ante et al., 2023). Overall, recent research provides valuable insights into the feasibility and practicality of introducing a gold-backed currency, addressing technological, economic, and regulatory aspects to evaluate its viability in the contemporary financial landscape.

2.8 Benefits and Potential Impact of Gold-backed Currency on Business Ethics

The adoption of a gold-backed currency has the potential to significantly impact business ethics and foster a more ethical business environment. Researchers have highlighted several benefits associated with gold-backed currency that can promote ethical practices. For instance, Dennin (2023) explored the benefits of a gold-backed digital currency, emphasizing its potential to enhance transparency, accountability, and trust in business transactions. Their study suggested that a gold-backed currency can reduce fraudulent activities, promote fair pricing, and discourage unethical business practices. Another study by Alshater et al. (2022) investigated the impact of gold-backed currency on business ethics within the context of the Islamic finance industry. They argued that a gold-backed currency aligns with ethical principles, such as avoiding interest-based transactions and ensuring fair wealth distribution. By grounding the currency in a tangible and universally accepted asset, gold-backed currency offers a stable and reliable medium of exchange, reducing the likelihood of unethical practices such as price manipulation or currency devaluation. These studies illustrate the potential positive impact of gold-backed currency on business ethics, suggesting that its implementation can contribute to fostering ethical behavior and creating a more transparent and trustworthy business environment.

2.9 Gouantum is a solution

The concept of Gouantum, as discussed by Naguib (2023), has emerged as a potential solution to address the challenges faced by current currencies. Gouantum is a digitally-transacted gold currency that aims to provide stability, reliability, and a universally accepted form of currency. By being backed by real gold, Gouantum offers the advantages of gold's intrinsic value while leveraging the convenience and security of digital transactions. This novel approach to currency holds potential benefits for business ethics, providing a stable store of value, mitigating risks associated with inflation and volatility, and promoting transparency in transactions. Further research and analysis on the feasibility and implications of Gouantum, as outlined by Naguib (2023), would be valuable to explore its potential impact on business practices and the ethical considerations associated with this innovative currency.

3. DATA AND METHODOLOGY

The methodology employed in this literature review paper involves a systematic and comprehensive search of relevant databases to gather scholarly sources related to the topic of currency challenges, business ethics, and the future of money. The search strategy includes utilizing keywords such as "currency challenges," "fiat currencies," "Gold-Backed Currency," "Business Ethics," "Gouantum," and "digital currencies" in order to retrieve relevant studies from academic journals, books, conference proceedings, and reports. The inclusion criteria for the studies are that they are published in English and directly relevant to the research objectives.

Upon conducting the initial search, the titles and abstracts of the retrieved studies will be screened to assess their relevance to the research topic. Subsequently, the full texts of the selected studies will be obtained and thoroughly reviewed for data extraction and synthesis. A qualitative analysis method will be employed to analyze and interpret the findings from the selected studies. This methodology aims to provide a comprehensive overview of the limitations and challenges associated with different types of currency, as well as their potential solutions, while also shedding light on the future of money and exchange.

4. EMPIRICAL FINDINGS AND DISCUSSIONS

4.1 Empirical findings

Based on the comprehensive review of the literature, the research findings highlight the potential of gold-backed currency, including the concept of Gouantum, as a solution to the challenges and limitations associated with current fiat money systems. The analysis reveals that one of the key benefits of gold-backed currency is its ability to provide stability and reliability, addressing the issues of inflation and erosion of purchasing power that are prevalent in fiat money. This is supported by research conducted by Naguib (2023) who emphasizes the potential of Gouantum as a solution to currency challenges.

Moreover, gold-backed currency offers transparency and accountability in business transactions, as it is based on a tangible and universally recognized asset. It reduces the risks of fraud, counterfeiting, and unethical practices often associated with fiat money. The literature also highlights that gold-backed currency, such as Gouantum, has the potential to promote ethical business practices by providing a secure and decentralized means of transaction, independent of government control and manipulation.

The research findings further suggest that the implementation of gold-backed currency, such as Gouantum, may offer a viable alternative to fiat money systems. While challenges and limitations exist in terms of practicality and widespread adoption, studies by Belke (2015) and Faugère (2015) indicate that the feasibility of gold-backed currency has increased with advancements in technology and the growing interest in alternative currencies.

Overall, the research results underscore the potential of gold-backed currency, exemplified by the concept of Gouantum, as a solution to the ethical implications and challenges associated with fiat money. However, further research and analysis are necessary to explore the practical implementation, regulatory considerations, and potential impacts of transitioning to a gold-backed currency system in order to ascertain its viability as a long-term solution.

4.2 Discussions

The discussion section aims to delve into the findings of this research, focusing on the implications of fiat money on business ethics and the potential of gold-backed currency, including the concept of Gouantum, as a solution to address these ethical concerns. Drawing from a comprehensive literature review, this section examines the ethical implications of fiat money, the role of gold-backed currency in promoting transparency and stability in business transactions, and the potential impact of adopting such a currency on business ethics. Additionally, the feasibility and practicality of implementing a gold-backed currency system are explored, along with considerations for future research and directions. By synthesizing the research results, this discussion sheds light on the significance of gold-backed currency and its potential to uphold business ethics in a dynamic and evolving financial landscape.

4.2.1 Ethical Implications of Fiat Money

The analysis of the literature reveals that fiat money poses significant ethical challenges, including inflation, erosion of purchasing power, lack of transparency, and potential government abuses (Smith, 1776; Mises, 1949; Armstrong, 2010). These factors contribute to unethical business practices such as price manipulation, unfair trade, fraudulent activities, insider trading, and corruption.

4.2.2 The Role of Gold-backed Currency

The literature supports the idea that gold-backed currency offers potential solutions to the ethical concerns associated with fiat money. Gold, with its intrinsic value and limited supply, provides stability and preserves purchasing power over time. By linking currency to a tangible and universally accepted asset, gold-backed currency promotes transparency, accountability, and trust in business transactions (Hayek, 1976; Rothbard, 2008).

4.2.3 Gouantum as a Promising Solution

The concept of Gouantum, as presented in the literature, represents a promising solution to the ethical implications of fiat money. Gouantum aims to create a gold-backed currency system that leverages blockchain technology, providing secure and decentralized transactions while ensuring the stability of the currency. It addresses the challenges of inflation, lack of transparency, and government control, potentially fostering a more ethical business environment (Naguib, 2023).

4.2.4 Feasibility and Practicality of Implementation

The feasibility of implementing a gold-backed currency system like Gouantum depends on various factors, including regulatory frameworks, technological infrastructure, and global acceptance. Further research and analysis are needed to evaluate the practicality and potential challenges of introducing and adopting a gold-backed currency system on a larger scale (Lipton et al., 2018; Mnif et al., 2022; Ante et al., 2023).

4.2.5 Potential Impact on Business Ethics

The introduction of a gold-backed currency system has the potential to promote ethical business practices. It can enhance price stability, reduce the risk of fraud and manipulation, and create a more transparent and accountable financial ecosystem. Businesses operating within a gold-backed currency system may be incentivized to uphold ethical standards, as trust and credibility become integral to maintaining financial transactions (Irfan et al., 2023; Jalan et al., 2021; Aloui et al., 2021).

5. CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

This research has explored the ethical implications of financial systems associated with fiat money and the potential of a gold-backed currency solution, specifically Gouantum. The literature review highlighted the challenges posed by fiat money, including inflation, lack of transparency, and ethical violations in business practices. It also presented the concept of Gouantum, which aims to address these challenges by providing a secure, transparent, and stable currency backed by gold.

The findings of this research indicate that a gold-backed currency system like Gouantum has the potential to promote ethical business practices. By leveraging the inherent value and stability of gold, Gouantum can enhance price stability, reduce the risk of fraud, and create a more transparent financial ecosystem. It provides businesses with an incentive to uphold ethical standards and fosters trust and credibility in financial transactions.

However, it is important to acknowledge the limitations of this research, including the scope of the study and the reliance on a literature review approach. Further research is needed to explore alternative currency systems, conduct empirical investigations, and address the practical challenges of implementing gold-backed currency systems.

In conclusion, the ethical implications of financial systems associated with fiat money call for alternative solutions that prioritize transparency, stability, and ethical business practices. The concept of Gouantum, as a gold-backed currency, offers a promising avenue to address these concerns. By continuing to explore and evaluate the potential of gold-backed currency systems, policymakers, researchers, and businesses can work towards a more ethical and sustainable financial landscape.

5.2 Research limitations and future studies

Despite the valuable insights provided by this research, there are certain limitations that should be acknowledged. Firstly, the scope of this study focused primarily on the ethical implications of fiat money and the potential of gold-

backed currency, specifically Gouantum. However, it is important to recognize that there may be other alternative currency systems or technological advancements that could also address the identified ethical concerns. Future research could explore and compare different solutions beyond gold-backed currencies.

Secondly, this research primarily relied on a literature review approach, which limits the depth of analysis. While a comprehensive examination of existing literature was conducted, empirical studies and primary data were not directly collected or analyzed. Therefore, future research could include empirical investigations, surveys, or case studies to gather more robust evidence and insights.

Furthermore, the implementation of a gold-backed currency system like Gouantum poses practical challenges, including regulatory frameworks, technological infrastructure, and global acceptance. These factors were discussed in the literature review but require further examination in real-world scenarios. Future research could explore the practical implementation aspects of gold-backed currency systems, including pilot studies or simulations.

Lastly, the research focused on the potential benefits of gold-backed currency in promoting ethical business practices. However, it is crucial to also consider the potential drawbacks and risks associated with such systems. Future research should aim to provide a balanced evaluation of both the advantages and disadvantages of implementing gold-backed currency systems, taking into account potential economic, social, and environmental implications.

While this research has shed light on the ethical implications of financial systems associated with fiat money and the potential of gold-backed currency as a solution, there are limitations that should be addressed in future research. By expanding the scope, incorporating empirical investigations, examining practical implementation challenges, and considering potential drawbacks, further insights can be gained to inform the development and adoption of ethical financial systems.

5.3 Policy implications and recommendations

Based on the findings of this research, several recommendations can be made to policymakers, financial institutions, and stakeholders regarding the ethical implications of financial systems associated with fiat money and the potential gold-backed solution.

1. **Further Research:** Conduct additional research to explore the feasibility and practicality of implementing a gold-backed currency system like Gouantum. This research should investigate the regulatory, technological, and economic considerations involved in adopting such a system on a larger scale (Kapoor et al., 2022).
2. **Collaboration with Regulatory Bodies:** Engage in discussions and collaborations with regulatory bodies and financial institutions to establish a framework for the introduction and operation of gold-backed currency systems. Cooperation and dialogue between various stakeholders are crucial in shaping a transparent and ethical financial ecosystem (Nugroho, 2021).
3. **Public Awareness and Education:** Promote public awareness and education regarding the ethical advantages of a gold-backed currency system. Conduct awareness campaigns and educational programs to enhance understanding among individuals and businesses about the benefits of transparency, stability, and ethical conduct in financial transactions (Tan et al., 2022; Konstantinidis et al., 2018; Boschi et al., 2018).
4. **Consideration of Technological Advancements:** Monitor and assess the advancements in blockchain technology and digital currencies. Continuously evaluate the potential of emerging technologies to enhance the efficiency, security, and ethical standards of gold-backed currency systems (Kapoor et al., 2022).
5. **International Collaboration:** Foster international collaboration and cooperation among countries to develop a standardized approach to gold-backed currency systems. Establishing global frameworks and protocols can facilitate the widespread adoption and acceptance of ethical financial systems (Naguib, 2023; Konstantinidis et al., 2018; Boschi et al., 2018).

By implementing these recommendations, policymakers, financial institutions, and stakeholders can work towards creating a more ethical financial landscape by addressing the inherent limitations and challenges of fiat money and exploring the potential of a gold-backed solution like Gouantum.



ACKNOWLEDGMENT

I would like to express my heartfelt gratitude to all those who have supported me throughout this research work.

I am grateful to all individuals and institutions who have played a part in supporting this work, even if not explicitly mentioned. Your contributions have made a significant impact, and I deeply appreciate your assistance.

Once again, thank you all for your valuable support in making this research possible.

STATEMENTS AND DECLARATIONS

The authors declare that they have no conflicts of interest related to this research paper and that there are no financial or non-financial interests that are directly or indirectly related to this research work submitted for publication. In addition, we declare that this research paper is an original work of our research, has been written by us and has not been submitted for any previous degree nor journal.

The methodology and experimental work are entirely our own work; the previous studies and contributions have been indicated clearly and acknowledged. References resources were used have been provided using international recognized references and citation style.

REFERENCES

- [1] Ajouz, M., Abdullah, A., & Kassim, S. (2020). Developing a Shari'ah-compliant precious metal backed cryptocurrency. *Journal of King Abdulaziz University, Islamic Economics*, 33(1), 3-20.
- [2] Aloui, C., ben Hamida, H., & Yarovaya, L. (2021). Are Islamic gold-backed cryptocurrencies different?. *Finance Research Letters*, 39, 101615.
- [3] Alshater, M. M., Saba, I., Supriani, I., & Rabbani, M. R. (2022). Fintech in islamic finance literature: A review. *Heliyon*, e10385.
- [4] Ante, L., Fiedler, I., Willruth, J. M., & Steinmetz, F. (2023). A Systematic Literature Review of Empirical Research on Stablecoins. *FinTech*, 2(1), 34-47.
- [5] Armstrong, C. S., Glaeser, S., & Kepler, J. D. (2019). Accounting quality and the transmission of monetary policy. *Journal of Accounting and Economics*, 68(2-3), 101265.
- [6] Armstrong, C. S., Guay, W. R., & Weber, J. P. (2010). The role of information and financial reporting in corporate governance and debt contracting. *Journal of accounting and economics*, 50(2-3), 179-234.
- [7] Arner, Douglas W. and Auer, Raphael and Frost, Jon, Stablecoins: Risks, Potential and Regulation (November 2020). BIS Working Paper no. 905 (2020), University of Hong Kong Faculty of Law Research Paper No. 2021/57, Available at SSRN: <https://ssrn.com/abstract=3979495> or <http://dx.doi.org/10.2139/ssrn.3979495>
- [8] Baur, D. G., & Lucey, B. M. (2010). Is gold a hedge or a safe haven? An analysis of stocks, bonds and gold. *Financial review*, 45(2), 217-229.

- [9] Baur, D. G., & McDermott, T. K. (2010). Is gold a safe haven? International evidence. *Journal of Banking & Finance*, 34(8), 1886-1898.
- [10] Baur, D. G., & McDermott, T. K. (2012). Safe haven assets and investor behaviour under uncertainty. Institute for International Integration Studies.
- [11] Belke, A. H., & Volz, U. (2015). On the unilateral introduction of gold-backed currencies. *Intereconomics*, 50(5), 294-300.
- [12] Belke, A. H., & Volz, U. (2015). On the unilateral introduction of gold-backed currencies. *Intereconomics*, 50(5), 294-300.
- [13] Blanchard, O. (2018). Distortions in Macroeconomics. *NBER Macroeconomics Annual*, 32(1), 547-554.
- [14] Bordo, M. D., & Levin, A. T. (2017). Central bank digital currency and the future of monetary policy (No. w23711). National Bureau of Economic Research.
- [15] Boschi, Alexandre & Borin, Rogério & Raimundo, Julio & Batocchio, Antonio. (2018). An exploration of blockchain technology in supply chain management. 27-28.
- [16] Bottorff, E. (2021). Book Review: Ethics in Economics: An Introduction to Moral Frameworks.
- [17] Cooper, R. N., Dornbusch, R., & Hall, R. E. (1982). The gold standard: historical facts and future prospects. *Brookings papers on economic Activity*, 1982(1), 1-56.
- [18] Dempster, N., & Artigas, J. C. (2010). Gold: Inflation hedge and long-term strategic asset. *The Journal of Wealth Management*, 13(2), 69.
- [19] Dennin, T. (2023). Digital Gold and Gold-Backed Crypto Currencies: The Return of the Gold Standard. In *Financial Innovation and Value Creation: The Impact of Disruptive Technologies on the Digital World* (pp. 3-20). Cham: Springer International Publishing.
- [20] Eichengreen, B., Mehl, A., & Chitu, L. (2018). How global currencies work: past, present, and future. Princeton University Press.
- [21] Faugère, C. (2015). Think Tank—Back to the Future: A NanoGold Standard Proposal. *Global Business and Organizational Excellence*, 34(5), 53-61.
- [22] Ferrell, O. C., & Fraedrich, J. (2021). *Business ethics: Ethical decision making and cases*. Cengage learning.
- [23] Fourcade, M., Steiner, P., Streeck, W., & Woll, C. (2013). Moral categories in the financial crisis. *Socio-economic review*, 11(3), 601-627.

- [24] Ghosh, Dipak & Levin, Eric & Macmillan, Peter & Wright, Robert. (2001). 'Gold as an Inflation Hedge?'. *Studies in Economics and Finance*. 22. 10.1108/eb043380.
- [25] Hairudin, A., Sifat, I. M., Mohamad, A., & Yusof, Y. (2022). Cryptocurrencies: A survey on acceptance, governance and market dynamics. *International Journal of Finance & Economics*, 27(4), 4633-4659.
- [26] Haldane, A. G., & Madouros, V. (2012). The dog and the frisbee. *Revista de Economía Institucional*, 14(27), 13-56.
- [27] Hayek, F. A. (1976). *Choice in currency: a way to stop inflation* (Vol. 48). Ludwig von Mises Institute.
- [28] Husain, A., Julianto, D. P., Agustina, S., Lestari, D., & Royani, M. (2022). Gold-based financial information system design using blockchain application. *Blockchain Frontier Technology*, 2(1), 9-16.
- [29] Jalan, A., Matkovskyy, R., & Yarovaya, L. (2021). "Shiny" crypto assets: A systemic look at gold-backed cryptocurrencies during the COVID-19 pandemic. *International Review of Financial Analysis*, 78, 101958.
- [30] Kelman, S. (2000). *Corruption and government: Causes, consequences, and reform*.
- [31] Keynes, J. M. (1930). *A treatise on money*. Macmillan.
- [32] Konstantinidis, I., Siaminos, G., Timplalexis, C., Zervas, P., Peristeras, V., & Decker, S. (2018). Blockchain for business applications: A systematic literature review. In *Business Information Systems: 21st International Conference, BIS 2018, Berlin, Germany, July 18-20, 2018, Proceedings 21* (pp. 384-399). Springer International Publishing.
- [33] Koutoupis, A., Kyriakogkonas, P., Pazarskis, M., & Davidopoulos, L. (2021). Corporate governance and COVID-19: A literature review. *Corporate Governance: The International Journal of Business in Society*, 21(6), 969-982.
- [34] Lipton A, Hardjono T, Pentland A. (2018). Digital trade coin: towards a more stable digital currency. *R Soc Open Sci*. J5 (7):180155. doi: 10.1098/rsos.180155. PMID: 30109071; PMCID: PMC6083709.
- [35] Mankiw, N. G. (2020). *Principles of macroeconomics*. Cengage learning.
- [36] Merton, R. C. (1990). The financial system and economic performance. *Journal of Financial Services Research*, 4(4), 263-300.
- [37] Michaud, R. O., Michaud, R., & Pulvermacher, K. (2011). Gold as a strategic asset. *World Gold Council*, 10.
- [38] Mnif, E., Salhi, B., Trabelsi, L., & Jarboui, A. (2022). Efficiency and herding analysis in gold-backed cryptocurrencies. *Heliyon*, 8(12), e11982.

- [39] Mnif, E., Salhi, B., Trabelsi, L., & Jarboui, A. (2022). Efficiency and herding analysis in gold-backed cryptocurrencies. *Heliyon*, 8(12), e11982.
- [40] Naguib, A. (2023). Reviewing Currency Challenges and The Future of Money: The Gouantum. *European Journal of Business and Management Research*, 8(2), 203-210.
- [41] Nugroho, B. A. (2021). Spillovers and bivariate portfolios of gold-backed cryptocurrencies and gold during the COVID-19 outbreak. *Journal of Islamic Accounting and Business Research*, 12(7), 1055-1076.
- [42] Reinhart, C., & Rogoff, K. (2009). This time it's different: eight centuries of financial folly-preface. MPRA Paper, 17451.
- [43] Rogoff, K. (2015). Costs and benefits to phasing out paper currency. *NBER Macroeconomics Annual*, 29(1), 445-456.
- [44] Rogoff, K. S. (2017). *The curse of cash*. In *The Curse of Cash*. Princeton University Press.
- [45] Rothbard, M. N. (2008). *Mystery of Banking, The*. Ludwig von Mises Institute.
- [46] Saraç, M., & Zeren, F. (2014). Is gold investment an effective hedge against inflation and US Dollar? Evidence from Turkey. *Journal of Economic Computation and Economic Cybernetics Studies and Research*, 48(4), 669-679.
- [47] Scherer, A. G., & Palazzo, G. (Eds.). (2008). *Handbook of research on global corporate citizenship*. Edward Elgar Publishing.
- [48] Schuller, G. J. (1950). *Human Action: A Treatise on Economics*.
- [49] Selgin, G. (1997). The case for a falling price level in a growing economy. *Economic Affairs*, 17(2), 38-38.
- [50] Selgin, G. (2013). The rise and fall of the gold standard in the United States. *Cato Institute policy analysis*, (729).
- [51] Smith, A. (1776). *An inquiry into the nature and causes of the wealth of nations: Volume One*. London: printed for W. Strahan; and T. Cadell, 1776.
- [52] Tan, E., Mahula, S., & Cromptoets, J. (2022). Blockchain governance in the public sector: A conceptual framework for public management. *Government Information Quarterly*, 39(1), 101625.
- [53] Von Mises, L. (1949). *Human action*.
- [54] Wight, J. B. (2015). *Ethics in economics: An introduction to moral frameworks*. Stanford University Press.

- [55] Woodford, M., & Walsh, C. E. (2005). Interest and prices: Foundations of a theory of monetary policy. *Macroeconomic Dynamics*, 9(3), 462-468.

