

# Glossary

- 1. Treaty of Versailles:** It was signed at the end of the World War -1 which signified the end of the war and in it was agreed that all the war expenses had to be borne by Germany. This Treaty was the primary cause of World war 2
- 2. Free Trade:** Trade without any restrictions
- 3. Adjustable pegged system:** It is an exchange rate mechanism where the exchange rates were allowed to fluctuate in the range that is predetermined
- 4. SDR:** It is supplementary foreign exchange reserve which is defined and maintained by the International Monetary fund.
- 5. Inflation:** Increase in the general price level in the economy.