

International Money

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Very soon, after only a few years, a new currency will appear that will overshadow the US dollar and the Euro. Let us try and guess what it will look like.

The new currency will be called IM (short for International Money). Initially, the creators of this money will be the BRICS members, but later they will be joined by others. The rate will start from 1 IM for 10 Euro. Then this rate will change, but in the end, when the Euro and IM merge, the rate will again be the same.

The IM will have banknotes, cents and centi-cents. The smallest banknote will be 1 IM. The cents will be smaller and lighter than the Euro cents, and will have the terrestrial globe on the back instead of a coat of arms. Centi-cents will be dematerialized – they will exist only in electronic form.

Here are four advantages of the new currency:

1. This money will be real and it will not be possible to print out unlimited numbers of the same as newspapers.
2. The IM will have a unique feature – you cannot steal it and that will cause a wave of unemployment amongst pickpockets.
3. The most important feature is it would be possible to accumulate this money as savings, which will discourage investments in gold and real estate.
4. Moreover, this money will be mobile and will go free between accounts and even cross borders without any restrictions and fees.

Mobile money

Money has three states of matter – banknotes, coins and electronic money. They should be free to pass from one state to another without losing its value just like water goes from liquid to solid and gaseous state without getting more or less in quantity.

When people created money, they adopted the rule that money is money, whether in large bills or small change, whether they are new, still smelling of ink, or old, crumpled and tattered. This rule is still applied for notes and coins, but not for electronic money. When you change cash into loose change or vice versa there is no charge, but when you deposit

or withdraw money or when you pay with an electronic card, you could be charged, which contradicts the principle that money is money regardless of its form.

Who shall pay the cost? Who shall take care of replacing the torn banknotes with new ones? Who shall maintain the monetary system?

The one who prints the money will take care to maintain them, and the cost will be covered by the inflation tax.

The organization that will print the International Money will be called the International Bank, and it will take care not only of the notes and coins, but also of the electronic money. That is, each person will have a current account in this bank and the money in this account will be real. This means that the amount of banknotes and coins in circulation plus the money on all current accounts will be constant. One IM could turn from electronic into a paper one and then again into electronic, but that won't change the amount.

At the moment, bank current accounts are not free of charge. Even if you do not use the account, you should pay only for the fact that you hold it! When you start using it, it becomes even worse. The bank takes something for each transaction and payment. It can take only from the buyer or only from the seller, but usually it is from both of them. ATMs, bank cards, all these cost money! Is it possible for this service to become free of charge?

At the moment, no one makes you pay for the printing of paper money. Someone prints it, often you don't even know who, but this someone charges you nothing for taking care of your money. To cover its costs, every now and then this someone prints out a bit more of cash and the costs are covered, but this makes the inflation grow. Then why pay for the electronic money – there is inflation with it as well! The one who prints it earns enough to cover its costs, and this is not a serious expense. All you need are some computers and electricity and software for the computers, but that is not a serious cost. It would be more expensive to manufacture and maintain the ATMs. On one side, the new ATMs will be more complicated because they will not only allow you to withdraw money but will also collect money. They will operate both coins and notes and will also read and register the numbers of the notes and coins. Thus, you will be able to deposit and withdraw, change cash into loose change or vice versa. On the other hand, the new ATMs will be more simple, because there is no need for them to be armored and guarded seriously, because the money in them cannot be stolen. The only serious expense related to the ATMs would be the rent for the place where they will be placed, but that would be no expense as well. The municipalities will find places to place the ATMs. If the municipality does not want ATMs, people would go look for ATMs somewhere else. Many shops and restaurants will spare some space for an ATM. In addition, any cash register at any store will be an ATM where you can deposit and withdraw money. The cash will be closed inside it and you would not be able to touch it, but this would be good for the merchant because each banknote entered directly into the cash register would go directly to his electronic account available for him to spend it. As for the money locked in the cash register or the ATM – it

is just paper. This will not be money in circulation and the inflation will not eat it. The cash register and the ATM will be loaded with enough paper and there will be no problems like 'I have no change' or 'I cannot give you a change'.

Given the fact that the electronic money will be real and the fact that only the International Bank will be able to keep it, this means that banks will lose their right to print virtual money that many of them will miss. One of the basic principles associated with money is that nobody has the right to print their own money. For example, it is illegal for a company to print out coupons and pay part of the wages of workers with these coupons, which they can use in the store of the company. That would mean that your company had made its own corporate money. This rule has been violated with the use of various food vouchers and the virtual money created by banks.

Another reason for the banks to dislike the new money will be money transfers. With the new money these transfers will happen immediately (in less than a second) and will not cost a dime. At the moment, the money transfer is a slow and expensive operation. There is an excuse for the slow transfer and it is to prevent fraud. If the transfer is made in seconds, the fraud could withdraw the money and disappear. With the new money, the transfer will be made immediately, but the person ordering the transfer may instruct the money be not made available immediately but remain blocked for some time. That is, you will immediately see that you have a transfer and that the money is in your account, but in the next three days you will not be allowed to touch the money. When it comes to real estate deals, the money may be blocked until released by the Notary Public.

The last feature of the mobility of the money is to be able to pass freely across borders. Currently, there is a limit as to the amount of money you can carry across borders, and if you transfer it by a bank transfer, you must pay fees.

Interest rates

Speaking of money we cannot help but think about inflation. Is inflation a good thing and is it good to have inflation? Optimism is an intrinsic property of the human being. To be a happy man, he must see development and therefore the salaries of the people must constantly increase. If someone's salary gets cut, he will feel insulted and unhappy. Therefore, deflation is a terrible thing – it means a reduction of wages and leads to misery and unhappiness. On the other hand, high inflation also makes people nervous and therefore IM will have a fixed inflation rate of 5% per annum. That is, each year, on January 1, all the cash in circulation will increase by 5%, and the electronic money will receive 4% interest, i.e. the inflation tax will be 1% for the electronic money and 5% for cash.

There is one disadvantage with the above described scheme, and it is that the inflation will come in waves. In our days, when people split pennies, they will start realizing that the money before the New Year is 5% more expensive than the money on January 1. That's why interest will be accrued not at the end of the year but at the end of each

month. As we calculate the compound interest, we get that money in circulation will increase by 4 per thousand per month and the interest for the people will be 1/3 of a percent. This makes inflation of 4.9 instead of 5% and interest slightly over 4% per year, i.e. the depreciation of the electronic money will be slightly below 0.8%, which seems much more acceptable than 1%. It is one thing to know that you lose 1% a year, and quite another to know that you lose only a fraction of a percent.

The emergence of the IM would strongly restrict usury. Once each current account receives 4% interest rate without any risk, then banks should offer greater interest or otherwise no one would put money in the bank.

After all, usury is a bad thing. It is not by accident that Christianity and Islam prohibit it. The complete prohibition of usury is impossible because people sometimes need to borrow. Maybe it would be better if the state dealt with usury. If there is a dirty job to do it is better this work be given to the state than to the Mafia. Yet another example is the state monopoly on alcohol and tobacco, which was once in Bulgaria. It is believed that the production of alcohol and tobacco is a dirty job and it is better in the hands of the state. Maybe other bad things like pimping and selling drugs should also be handled by the state. The first steps in this direction have already been made. The state provides amphetamine to some of the drug addicts and thus helps the drug addicts escape from the clutches of the mafia.

Is it possible for the state to start dealing with usury and get people out of the clutches of moneylenders? In medieval times, the Christian church made an experiment like that. In the tenets of Christianity usury is forbidden, but at one point the church decided to set up the Order of the Templars, who have the right to engage in war and usury. They thought: "These are our guys, pious people who will have the fear of God and be good soldiers and moneylenders." As you know this experiment did not end well, people started hating the Templars and chasing them, burning them at the stake as they did to other moneylenders.

Each attempt by the state to take over some of the functions of the Mafia has been met with hostility. There was much resistance when the state began to sell amphetamine to drug addicts, because it directly reached into the pocket of the mob. Many politicians and journalists are immediately ready to rise in defense of mafia and to declare against state intervention in any typical mafia activity. Mafia does not like to lose money, and in order to protect its interests it pays to an army of politicians and journalists. Of course, most politicians and journalists do not even suspect that they are working for the Mafia. They understand it, when they lose their job.

Usury mafia is much stronger than the drug mafia, because there are many people who do not take drugs, but there are almost no people who do not borrow money. In most countries there are laws forbidding the state to intervene in usury. For example, state banks are prohibited. If you want to save, you can not give money to the state to keep it – you have to give it to a moneylender. The state has no right to borrow directly from the people, and may do so only through banks. That is, when the state issues government securities, it may not sell them to people but to the banks.

Despite all this, International Money would violate the rule that the state can not deal with usury. Therefore, the International Bank will give loans – small loans with little risk and little interest. Everyone would be entitled to a loan in the amount of the tax they paid last year, and the interest will be only 6%.

If someone wants a bigger loan, he will have to go to traditional banks and pay higher interest. The banks will lose their right to print virtual money. At the moment, the bank distributes loans that are worth more than the value of the deposits of the depositors. That is, each bank creates fictional money and therefore we can not say how much money the state has in circulation.

On the other hand, the absurd obligation for the bank to return to you your money as soon as you want them will be eliminated. At the moment, each bank exists thanks to the fragile confidence of depositors. At the moment, if you start the rumor that the bank is in trouble, the depositors rush to withdraw their money and the bank goes bankrupt.

Why the bank should not be obliged to give you the money as soon as you ask it? Clearly, it is working with this money and will give it back if they are available on hand. If not, you will have to wait until someone repays his loan or someone deposits money.

That is, banks will be something like investment funds. They will take money from some and give it to others, but when you ask for money, it will give it to you but not immediately, but when they could. When the investment fund goes well, your money is increased and when it does not – your money begin to melt. That's the way it will be with banks. Now the money in the bank can only accrue interest and grow until the bank goes bankrupt and your money fly like migratory birds. Of course, this analogy is not perfect, because birds return in the spring, while the money invested in a bankrupt bank is usually returned once in a blue moon.

Real money

The first condition for the money to be real is that they have serial number. Thus we will know exactly how many IMs are in circulation. Banknotes of the dollar and the euro also have a serial number, but the coins don't. The fact that coins do not have a serial number is a serious problem. First of all, there is a huge number of counterfeit coins in circulation, which one can not distinguish from the authentic ones, and second – coins have to be big and heavy to complicate the work of counterfeiters. Often the metal used for the coin is more expensive than its value, making the counterfeiting economically irrational. When I walk with a handful of coins making holes in my pocket, I feel like a Spartan, because the Spartans had the same problem. Their money was made of iron and were too heavy and uncomfortable.

For the money to have serial numbers, every coin and every bill must have a micro chip, with a number recorded on it. In this way, money will not only become real – they won't be possible to steal. The last owner of each coin and note will be known. It will be known not by everyone, but by the International Bank only.

The lobby of the thieves will strongly resist against money that cannot be stolen. They will start intimidating you that you will lose your privacy, that you will be followed and spied on.

Do not pay attention to them! In our times we are so much followed and spied on that it would not change anything. Moreover, it is not a problem if someone is following us as long as that someone has good intentions, does not misuse the information he has gathered about us and is discreetly keeping our secrets. According to the Christians, God knows all about us, but this does not bother the Christians, because God is not a snitch and will not tell your wife that you have received a bonus and have preferred to drink it with friends instead of bringing it home. When you go to church you are offered to make a confession. This does not bother you, because you know that the priest is obliged to maintain the secrecy of confession and what you have told him will remain between you, him and God.

There is nothing wrong about the International Bank knowing everything about your money as long as you are assured that the information will not get out. The International Bank must be as discreet as the priests.

Every time you deposit or withdraw money at an ATM or when you shop, the ATM or the cash register will save the numbers of your banknotes and coins. When your wallet gets stolen, it will be enough to report to the police and the stolen money will be reported missing. When someone deposits stolen money to a cash register, he will be asked where the bill is from and he will have to remember who gave him the money in cash. Even if the thief does not bring the stolen money to a cash register, he will have to give it to a seller of popcorn who does not use a cash register but works only cash. This may go a few times, but eventually the seller of popcorn will understand who the thief who has foisted him stolen money is.

If you find money on the street you can return it to the last owner. You just deposit it to an ATM and declare it found and it is automatically returned to its owner, and you get 10% reward that you returned the lost money.

The fact that coins will have serial numbers will make money much more real, but even more important is that electronic money will also have serial numbers. Can you say how many euros or how many dollars there are in circulation? Let's say that someone knows how many banknotes there are in circulation. Let's say that someone has some idea about the coins as well, but no one has any idea about electronic money. The balance in each account must be taken for money in circulation; however, bank accounts do not contain real money but the bank's promise that whenever you want it you can get the money in

cash. This promise is worth something when the bank keeps its word and is worth nothing when the bank ceases to keep it.

The IM would be real, which means that the electronic IM will have a serial number just like the paper one. There will be electronic bills with a nominal value of 1, 10 and 100 IMs. There will be no electronic bills of value of 2 and 5 IMs since with electronic payments it is more convenient to work with less denominations. Each of these electronic bills will have a unique serial number just like the paper ones. We will have electronic cents and electronic centi-cents. The denominations will be 1 and 10 cents and 1 and 10 centi-cents.

When you make an electronic payment, the money from the first account will be transferred to the other and some of the electronic bills will disappear from your account and will appear in the recipient's account. If during the transfer the bank takes more electronic bills than it should, it will give you a change. For example, let's say you have to pay 4 IMs and in your bank account you have one electronic bill of 100 IMs and 3 of 1 IMs. Then from your account there will disappear the bill of one hundred IMs and there will appear 9 electronic bills of 10 IMs and 6 of 1 IM. The person who is to receive your 4 IMs will receive 4 electronic bills of 1 IM each. If these bills become more than ten, the Bank will change the loose money and replace it by one electronic bill of 10 IMs.

Of course, no one would take account of the numbers of electronic bills just like no one takes account of the numbers of real money, but if you want you can see this number to see if this is an electronic bill which is in circulation and the last time this electronic bill has changed its holder, i.e. to see since when you are holding it. This is something important to know just to make sure that there is nothing hidden and that the IMs are real.

Is it possible to have a public database to monitor the availability and distribution of all IMs? Yes, this has already been done with the Bitcoin currency. The difference is that with Bitcoin each user is obliged to maintain this database, while with the IMs only the countries that run IMs will have to maintain the base. If a user also wishes to keep the database, he may wish to become a guardian of the base and he will also be able to keep it.

The public database will store only public information about how many IMs there are in circulation, their numbers, the countries they are located in, the number of accounts same are distributed in, etc. The information about how much money there is in your account will be stored in a secured database. The secured database will be accessible only by the states and then each state will have information only for its own citizens.

Savings

One of the worst things in the modern world is that people are deprived of the right to save money. Initially, people used to save by leaving their money in the pub. Later on,

they started to save by investing in horse races and the roulette; nowadays, they invest money on the stock market.

In my opinion, the investment in the pub and in horse races makes sense because it brings social contacts that can be useful, while the investment on the stock market is associated only with spending money without being accompanied by social or sexual contacts.

Nowadays, you can not save in a bank because the interest rates of the bank are too small to cover the inflation. Furthermore, there are no state-owned banks and one is forced to risk with a private bank, and this is a risk that sooner or later leads to failure. The question here is not whether, but when.

You can not invest in government securities because these securities are not sold directly without intermediary. What remains is gambling, such as the stock exchange, the lottery, the roulette, poker. As someone familiar with the theory of games, I will tell you that these games are divided into two types: fair games and games with a bank. With the games with a bank, the bank wins, while with the fair games it is the biggest crook who wins. If you don't feel like the greatest crook all that remains is for you to invest in gold and real estate. These investments are connected with great costs and care. With gold you have to keep it somewhere safe, and with real estate you must maintain it. Furthermore, when saving in real estate you can not save just 1 Euro, because there is no such a small property.

You could try to save by investing in something precious and valuable, but precious are usually things where a lot of work is incorporated. The question is whether this work has created something of value, something that would be useful in the future or has merely wasted the material. If you buy a picture, would it cost more than the paint used to paint it in time?

A typical example of investment is to cut down a forest. The question is whether the forest cut down would cost more. A lot of work could be invested in logging, but it is easier to make kindling from a virgin forest than a virgin forest from kindling.

People in Bulgaria most often invest in the construction of buildings. When people raise money they buy an apartment. Sometimes they let it out, but more often they keep it empty. Maintenance costs of an empty apartment are not small at all and, besides, empty apartments are not heated, which means that the neighbors will have to spend more to heat their apartments. To invest their money Bulgarians overdevelop their cities, which creates ghettos extremely unpleasant to live in. The investor who builds between the blocks makes some money, but the total value of the neighborhood decreases, which means that such an investment does actually have a negative value. Finally, when it becomes too expensive and unpleasant to live in such a neighborhood, the place gets depopulated, and the more depopulated it gets, the more expensive and uncomfortable it is to live there. Finally, the empty blocks get settled by vagrants and then the price of the property falls practically to zero.

This method of investment is typical for the market economy. With it, if consumption ceases that ceases the production, people get unemployed and a terrible crisis begins. So, people must constantly work no matter how meaningless their work is. It was the same we did our compulsory military service. They always found something for us to do. For example, to sweep the autumn leaves. Just a small gust of wind and we start sweeping again. If soldiers are left without a job, they will go crazy and you never know where that steam would go off.

Communist states, however, are organized on a different principle. People work much less and often consumption has to be limited because there are no sufficient resources. If consumption decreases, that does not cause any problem because the state is always able to generate additional consumption and to find jobs for people, like making them sweep autumn leaves.

The good thing about the new currency is that it will make saving possible. The IM will give you safety combined with a very small loss, which will be only 0.8% per year. With this loss, you will need 50 years to lose a third of the real value of money, and 50 years is long enough. Here, by real value we mean the share of your money from all money in circulation. Even if this share has decreased by one third, it may turn out that after 50 years with this money you can buy more than we could buy before, simply because the number of people has increased and money has become more valuable.

Yet another popular investment in Bulgaria is the investment in prestige. People buy extremely expensive cars, clothes, watches. Not that expensive cars do a better job, not that expensive clothes warm are warmer, or expensive watches are more accurate. It is often quite the opposite. Nevertheless, buying expensive items aims at winning certain prestige in society. Very often this prestige is deceptive, because it may turn out the young man with the expensive car lives in a shack, the gold chain hanging around his neck is made of lead, and the clock is a Chinese replica. Even if the car is actually expensive, he can not sell it at a price that could cover the loan. That is, his net worth is negative, which makes people highly suspicious of such upstarts.

People need to show off with something. Some people show off with their intelligence, others with beauty, third with talent. There is nothing wrong with showing off with money as well, but only if this showing off is real and not like a beauty that is actually silicone and talent that is actually playback.

The new currency will allow one, if they so wish, to waive the bank secrecy and allow everyone come and see the money in his account (or any part of the money – you do not have to show everything just a sufficient portion of it). This authorization may apply not to everyone, but only for a certain number of people, for example – people with long legs and blond hair, which are especially interested in the lad under question. So that lad, instead of buying a car and irrevocably spending some money, can put it in his account, showing off with it for awhile and then spend it on something useful.

The investment in IMs will be very similar to investment in agricultural land. In both cases, you will get part of a limited resource that is expected to maintain its value precisely because it is limited. The state is the one that gives you the guarantee that this limited resource will remain yours and that no one will take it from you in one form or another. As long as there is a state, there is property and there is money. It is true that the state respects more the possession of agricultural land than the possession of money. Nationalization of land is an event that happens very rarely; however, higher inflation is something that happens often and in practice nationalizes money. This could be changed in a legislative way and the government may start respecting the possession of money as much as it respects the possession of agricultural land.

Honest money

Money that cannot be stolen. That's a very socialistic idea. It is not by accident that the creators of the IM currency will be communist China, Russia, which is a capitalist state only from yesterday but many believe that it is still a communist state, and Brazil, which is more communist than China and Russia taken together.

Both poor and rich will fancy the new currency. The poor don't like the idea of money being stolen because usually they are the robbed ones. The rich steal from the poor and not vice versa. When the poor steal they are either caught and sent to jail, or not caught – but then they are no longer poor but rich.

The rich would fancy the new currency even more, because right now they live like prisoners locked in heavily guarded complexes behind high fences and are afraid to go out because they are afraid that the poor would get them. Many rich people are forced to pretend to be poor, because they are afraid that could get kidnapped. Even if they are not afraid about themselves, they are afraid for their relatives. There are many countries where being poor is bad, but being rich is worse.

The introduction of honest money will drastically reduce crime. Practically, pickpockets will disappear and the number of kidnappings will decrease. When kidnappers abduct someone they will want to be paid in a foreign currency. Corruption will also strongly decline. Nowadays, we pay a lawyer, which is legal, and the lawyer pays the judge, which is not legal but can not be traced because the lawyer and the judge know each other and do not give away one another. However, when the money can be traced you can see how much money the judge was paid and who paid it to him and immediately ask: Why has he received that money?

Tax evasion will also be strongly reduced. Now, when the employer pays the worker they fill in a pile of papers and at the end of the year the worker must describe the money in his tax return. When you want to pay to a worker, he says: "Give me the money in cash because otherwise I would have to pay taxes!". You tell him that the tax would be at your expense and that you will pay it for him, but then again he says that he does not want it because he would have to fill in a tax return. With the new money you will only need to

transfer the money to the account of the worker and indicate that this is payment for the work done. Then the state will automatically deduct the necessary tax and the worker will not deal with paperwork and tax returns.

And what about prices? If the money is honest, the prices will have to be honest too and be not misleading. To avoid the terrible price of the 999.99 type, there will be a law against Dutch prices. These are the prices ending in 99 and 98. In their essence, these prices represent an attempted fraud because 1.99 and 1.98 look like one plus something, but actually this something is so big that in practice the price is two. The law banning Dutch prices will state that if a price can be rounded up and the increase is less than 2%, the price must be rounded.

Once we are able to operate centi-cents, we would be able to use prices which have centi-cents. Such prices will be used rarely, but if you go to the hardware for nuts and bolts where nuts are sold not in kilos but at a price per piece, it may be necessary to use centi-cents. When something is worth a cent and a half or a third of a cent, at the end of the price there will be the “#” sign followed by the centi-cents. For example, 0.01#50 or 0.00#33 (which will be written in short as 1#50 and #33).

Banks should not govern the economy

The emergence of international money would stongly restrict the influence of banks and they will lose their power to govern the economy.

Currently, banks decide everything. Businesses are not managed by their owners not even by their CEOs. Decisions are taken by anonymous bank officials who do not understand anything and are not responsible for their actions.

When the CEO wants to buy a new machine, he requests permission from the bank. When he wants to change the production line, to step onto a new market or create a new product, he has to seek the permission of the bank.

Banks do something even more impudent! They require factories to provide them with a list of their customers and suppliers. The bank may prohibit the factory to purchase materials from a particular supplier and direct it to another. The reason is pure corruption. That other supplier is a friend of the respective bank clerk. This is wrong! The factory should buy from friends of the business owner and not by someone with whom the bank clerk used to eat or sleep with.

The Bank may request to see the assets the loan is secured with, whether the company has been a correct payer or not. It may even want to know the company's profits, but may not want to interfere in the operational management, which are the job and the sole responsibility of the manager.

If a country introduces laws to stop the vicious practice of banks interfering in the governance of the economy, this country would go way ahead other countries where banks are allowed preference. There used to be such a practice during the old socialist times. The factory was operated by an engineer who knew his job, but above him there was the party secretary, who interfered in his work without understanding anything of production and without any responsibility in case of failure. It is the same these days. The head of the company is the manager who is often also the owner. This is a man who understands the specifics of the work and who is responsible for the final result. Unfortunately, over the manager there are bank officials who actually manage the factory, although they do not understand anything and do not bear any responsibility.

It is not easy to limit the power of banks because they have a strong lobby in the parliament. Bankers bribe politicians and they vote special laws that grant special rights to banks. How does bribery work? Here is a way that is legitimate:

The bank lends money to the politician for a very low interest. He deposits the money in the bank and they give him preferential interest rate to an interest so high that the interest on the deposit is greater than the interest on the loan. Thus, each month they pay the politician some money in the form of interest. Sounds incredible, but this type of dishonesty is legitimate; however, the world of law knows even worse things.

Thus, banks buy legislation that favors them and bankers. For example, when a common man goes bankrupt they take everything, but when a banker goes bankrupt he can keep his house and the boat. Of course, the common man does not own a boat and he does not care if you take his boat because he does not have it anyway. Nevertheless, this law is discriminatory and should be repealed retroactively. That is, to take yachts of all bankrupt bankers.

Privatization of big corporations

Nowadays when everybody talks about nationalization, it is a bit strange to raise the issue of privatization. Whose are the international concerns? Who manages them?

I think big companies are, in general, nobody's. They are joint-stock companies with a huge number of shareholders who do not participate in the management and do not bear any responsibility in case of problems.

Who then manages large corporations? My opinion is that they are partially controlled by dark forces such as Masonic lodges and other mafia groups, but they are mostly managed by the market; however, this is a violent force, without rules, without direction and without morals.

Banks are an example of such an impersonal mindless creature that is subject to the rules of the market and aims to get rich, not interested in anything else. When you have to negotiate, it is always better to face a man not a corporation, because man can always

somehow understand, unlike the corporation, which has neither feelings nor common sense. When you're in difficulty, it is always better to face a usurer, not a bank, because the usurer is a person who will cut one or two of your fingers and see that you can not pay and will leave you alone, while the Bank would chase you to the grave.

How are we to impersonalize the impersonal companies? How can they begin to be managed by its shareholders, and not by the blind elements of the market? For this purpose, it takes only three simple changes:

First of all, the purchase and sale of shares must be levied by tax. Now, when you buy a house you are taxed with a ridiculously high tax rate. When you buy a part of the house it is all the same, the law does not care whether you are buying a house or only half of it. When you buy shares of an international company owning thousands of houses, land, airplanes and ships, you do not owe any sales tax! Thus shares may change hands some ten times a day. Thus the attitude of the shareholders of the company becomes negligent. They hold the shares for a short time and do not have time to take care of their property and to manage the enterprise. The stock market turns into a big casino where fortunes of corporations and factories are played. It is a place where the price is determined by gossip, rumors and panic instead of being achieved based on serious economic analysis.

That's why the sale of shares must be levied by tax and it should be at least 1% of the value. The sale of houses and property should be taxed the same tax of 1%. Currently, the sale of real estate is taxed by a much higher rate, which forces people to lie and evade the tax. If you want to have a truly international currency, you should be aware that taxes are difficult to conceal and therefore should be at rates that people can pay.

The second thing that should be done is to enable shareholders to participate in the management of the company. It exists currently but only as a theoretical possibility of small shareholders to attend the general meeting and vote. With larger companies this option is only a theory without practice.

It should be possible for the small shareholders to choose one of the lobbies managing the company and vote confidence to it with their shares. Each shareholder should be allowed to enter the company's website, where you can read about what various lobbies are fighting for and choose one of them and entrust them your shares; to give the lobby the right to vote with the shares in his name. When the shareholder does not like the policy of the lobby, he should be able to immediately replace it.

For example, you see that there is a lobby that wants the company to start fighting to save small whales, while another lobby wants to kill small whales and extracted blubber. You review the two lobbies and vote for a third which wants the company not deal with whales at all but instead focus on high technology instead.

The third thing to be done in order to privatize corporations is to make shareholders liable for the actions of the company. Currently, the liability lies with the company, not with the shareholders. For example, if in the past a company used slave labor, it can now be

sentenced to pay some compensation. Thus shareholders are punished, but not the shareholders who are guilty of the crimes committed in the past and the ones who have profited from these crimes but some other people who have nothing to do with the previous shareholders.

That's why the payment of compensations and reparations should be made not by the company but by the shareholders who were the owners of this company at the time when the offense was committed. This will make shareholders more responsible. From a big scam, shareholding would become a serious responsibility. You will not be allowed to give away shares because the recipient might not agree to take them. Currently, donated shares can earn you only profits. Profit may be small, shares may even melt and disappear, but no negative result could be reached. If shareholders are liable for the actions of the company and a company is convicted of crime, the holders of the company's shares in the past, and their heirs, would be liable for the company's not operating on the right side of the law and, for example, ruthlessly destroying our small planet instead of working for people and society.

Of course, to enable shareholders to be responsible for their property, ownership of shares must not be anonymous. Anonymous shares should be immediately prohibited as they are a paper document which is owned by the bearer. Moreover, such anonymous materials can be used as an alternative currency, contrary to the rule that nobody can print their own private money.

It's about time

It's about time the new international money appeared. It is not by accident that in recent years there have been two attempts to introduce international money. The first attempt was called Euro, and the second is Bitcoin. These were two very good tries, and the two currencies are well designed and have great success.

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People like it more and more to travel from country to country and pay with the same money and forget about the exchange offices. Now, when you cross the border you don't need not change the contents of your wallet. When you go shopping, you don't need to constantly think how much something costs in your currency. These are all amenities that people have already tried and liked.

The Euro has even more advantages. Its inflation is low and it gives tranquility and stability. It is especially enjoyed by folks who are used to their constant currency to collapse and devalue. The fact that inflation is small does not mean that the inflation tax

is less because when inflation is low the money in circulation is more. It is better to take a small percentage from a lot of money than a large percentage from very little money.

Nevertheless, neither the the Euro nor the Bitcoin will ever become truly international money.

What are the problems with the Euro? It is not clear who exactly prints it and how much of it can be printed. It is not clear who gets the inflation tax and how much the inflation of the Euro is. There is a contradiction between north European countries such as Germany, who prefer less inflation, and southern Italy, who are traditionally accustomed to higher inflation. This currency is not based on clear and precise rules, which is why it is very difficult for a new country to join the Euro, and for the countries that are already using it is not clear how they could be separated if they wish.

As far as the Bitcoin is concerned, it is a very interesting currency and has many of the characteristics that a currency should have. For example, all payments in Bitcoin are recorded and are somewhat public. This makes the stealing of Bitcoins almost impossible. The electronic Bitcoin has a serial number, unlike the electronic Euro. The bad thing is that Bitcoin does not have bills and coins. An advantage of this currency is that the amount of Bitcoins is fixed and they can not be printed indefinitely. You can “mine” Bitcoins but there are small quantities left for mining. Three quarters of the Bitcoins have already been “mined” by the creators of the currency, and now matter how long you “mine” you can only fight for crumbs from the remaining one quarter.

A major disadvantage of the Bitcoin is that it has no inflation. If Bitcoins are in limited quantity, it means that it will be in constant deflation. It will be stay so until it is fashionable, and when it falls out of fashion it will collapse and its value will become zero. If the creators of this currency have allowed unlimited “mining”, then there would be inflation and the Bitcoin would have lasted a little longer. Unfortunately, the anonymous parents of the Bitcoin were too greedy and kept almost all Bitcoins for themselves and left little space for others to “mine”.

A great advantage of the Bitcoin is that its creators have decided to remain anonymous. There is a wisdom that says that no one is a prophet in his own country. To paraphrase it for today we should say that nobody is a prophet on their own planet. If people knew the creator of this currency, they would not have invested in him because they would not want to make him rich, whoever he is. People are jealous and do not want to make anyone rich but themselves, of course.

The fact that the creators of the Bitcoin are anonymous is an advantage, but the biggest disadvantage is that there is nobody and nothing to back up that currency. Other currencies are backed up by states, people, natural resources, while the Bitcoin is only a fad that would quickly pass just like all fads.

The most important thing for a currency is to be backed up by a state to support the currency in a legislative way. The currency should have its own territory where it is the

only legal tender. We want, if someone robs us and steals our money, to be able to address the state, the police to track down the thief and the court to sentence him and put him in jail. Money which is not backed up by any state ain't no money at all.

And yet, we can not say that there is no state to back up the Bitcoin. This currency has plundered the free computer resources on a worldwide scale. This has created a big problem for the Secret Service. That's why, I suspect that the secret services are the exact creators of the money, or if they are not – at least they are the ones who most enjoy it and most support it.

Before the advent of the Bitcoin, many people left their computers turned on and allowed anyone who wished to use the free computer resource. The most powerful supercomputer in the world was free and completely free for anyone who wished to solve a complicated problem.

The truth is that leaving such a tremendous computing power available for use by everyone is a dangerous thing because it could be used by bad people. There were even legislative changes contemplated to prohibit people from providing free computer resource. Now, with the advent of the Bitcoin this problem has been solved. The entire free computer resource is “mining” Bitcoins and nobody lets anyone use his computer for free because no one wants someone else to “mine” Bitcoins on his computer and to benefit at his expense. As you know, the major driving force for people is the fear that they might get cold or that they might get screwed.

Credit cards

As we said, every person will receive, absolutely for free, a current account and a bank card to his account. It will be so convenient that everyone will enjoy cards and almost no one will deal with cash money. You may ask, “Well what do we do with the elderly? Elderly people are conservative and do not like using bank cards.” I am one of those elderly people who do not like using cards, but not because we are conservative but because we do not like being screwed. If the use of the card is free, just like the use of paper money, we will not mind paying by cards.

Everyone will have cards, even small children. If the child has pockets to hold money in, he can have his own card. The question is, will you allow parents monitor the pockets and cards of their children. Yes, they will be allowed, but only with a court order.

Bank cards have one great advantage, which happens to be their greatest disadvantage as well. It is that they give you the right to get loans. The normal card will not give you any credit. You will withdraw money until the money end and then it's over. If you want a credit, you will get the standard low-interest loan granted by the International Bank (as we said above, 6% interest rate not higher than your annual tax.) If you want a bigger loan, you will have to sign with the devil or with a bank. This contract will settle the

terms of your credit and what interest rate you will have to pay for the loan. Then you will be able to use your bank card as a credit card.

When you go to the store and you are short of money, the shopkeeper will be allowed to extend you a credit to the standard interest rate of 6%. Shopkeepers will not be allowed to take greater interest and become moneylenders. For them, the small interest would not be a problem, because they rely on their commercial surplus charge. It will be better to have something on paper than write in the notebook on tick and then wonder how to get their money back. As we say on paper, we do not mean paper documents that are signed and stamped. Everything will be electronic, the shopkeeper will only be obliged to warn you that you are on the red and would ask you whether you agree to buy on tick. You can agree, or pay from your pocket with a note, or return the steaks and take grits instead of meat.

The last question related to current accounts and bank cards is whether you will be able to hide something from your wife or you will have to turn into the the most exemplary and honest husband. The answer is that the current account should be able to protect your personal space. Just like your jacket can have many secrets pockets, so will your current account have many secret and open sections? Even your wife has your password and can enter your account, she will see only the open sections and to enter into some of the secret ones she will need its description and password. Even if she manages to extort you to show her the secret section, she will be never sure about any other secret sections.

The meaning of the various sections of the account will not only be hiding stuff from your wife. You may want to set aside money for a vacation, for the New Year's Eve or just to create a compartment "White money for a rainy day" to keep the money in and not spend it on crap.

How will the currency be secured?

The bills read: "This bill is secured by gold and all assets of the bank", which means that your money is secured by absolutely nothing. There have been some attempts to find a solid foundation on which to build the confidence in money. For example, some time ago the dollar was backed by gold. Back then, every dollar was backed by a certain quantity of gold and the bank was ready to pay this gold to anyone who asked it.

This type of security system is, in its essence, deflationary. Gold is found in quantities, which makes a fixed amount of money. It is true that people are constantly digging for gold, but what they dig is negligible compared to the already unearthed. Therefore, backing money by gold excludes the inflation tax. In fact, this tax remains, but thus money does not melt gradually but in waves. There is a period when money is secured with gold and the price goes up and down along with the price of gold. Then, at some point, the state says it will no longer give away its gold and money collapse and there is a period of rapid inflation. Then the state decides to secure the money by gold or by grain or something else, and there is again a period of relative calmness.

It would have been better if securing money with gold included some inflation. That is, the fixed gold payable for a dollar to decline by 5% annually. Thus, we would have had a materialized equivalent of money, and still be levied by inflation tax.

For each currency, it is important to know who prints and who collects the inflation tax. This is not completely clear for the dollar and the Euro. As far as the dollar is concerned, some say that it is printed by the American state and others say that the Federal Reserve is a private organization that decides when and how much dollars to print on its own discretion. In Europe, things are even more obscure, because there is no state of Europe and it is not clear who decides when and how much Euros are to be printed.

To make a currency international it should be used by a number of countries and the printing of money must be regulated (i.e. limited) and states must share the inflation tax on some fair principle.

A lot of countries could stand behind the international money. Some may be large, others small, some may be rich and others poor. Let's assume that the IM was originally established by Russia, China and Brazil. They will print some money, but how will it be divided between the three countries? Then they will print some extra money to have inflation. How will the extra money be distributed? There must be a rule that says which country on how much of the money is entitled to. They will need a standard unit to distribute the shares between countries.

Traditionally, money is secured by gold. Some say that it is better for a currency to be secured not only by one thing but at least by two – for example, gold and silver. The IM will be secured by a hundred different things, and each one of these things will give one percent to the weight of the currency. For example, gold will participate in the security of the IM. They will calculate the gold reserves of the founding members and on this basis they will distribute 1% of the currency.

The other 99 things (to calculate the weight of each state) will be related to territory, population and production. For example, they will calculate the area of a state compared to the area of all countries involved in the IM, and this will give another of the hundred coefficients, whose mean average will determine the weight of the state.

Other things related to the territory are: territorial waters, length of the coastline, the volume of fresh water and the like. As far as population is concerned, the first and most important is the number of people. They could also take the number of young people, the number of newborns, etc. It will be good to also take the number of educated people, but it is not clear how to objectively evaluate the education of each person.

The things related to production will be things like the amount of steel produced for the last year; the amount of wheat, rice and potatoes produced; how much oil, gas and coal has been extracted. They will consider only the production without the consumption in order to avoid encouraging excessive profligacy.

The rest of the one hundred criteria will be total trade volume and the navy forces – the size of the army, nuclear warheads, etc.

It would be nice to include something related to ecology as well. For example, the area of virgin forests and the area of all forests whether virgin or not; the total area of wildlife reserves; the number of tourists that have visited the state.

I can not exactly say what the one hundred criteria that will determine the relative shares of the states will be, but there will be a great bargain because each state would want a bigger share. It is important once you define those one hundred criteria not change them anymore.

Whenever a new country joins the International Bank, extra money will be printed and the state will be given as much money as its share at the time of accession. When a country decides to leave this monetary union, it will have to return the respective amount of money.

As we said, at the end of each month they will print additional 0.4% money and it will be distributed among the states as an inflation tax. Let's say that 2% of this money goes to the International Bank to cover the costs of printing. The rest can be divided into two shares of 49%. The first share of 49% of the inflation tax will be allocated on the basis of the relative shares states are holding at the moment. The other share of 49% will be allocated on the basis of the money in circulation. That is, they will determine how much of money is in circulation on the territory of each state, whether in bank accounts or in cash. They will know the state where each bank account is located and the state where each banknote or coin has been last seen in cash or in an ATM.

Almost all money in circulation will be electronic and the inflation tax on them will be only 0.8% per year, which seems very little. However, you will collect significant inflation tax, because it is not the rate that is that important but how much money is in circulation, and IMs would be very much because almost all people will keep their savings in this currency.

How will the new currency be created?

Several founding member states will gather – most likely Russia, China and Brazil. They will calculate how much money is needed by calculating how much money is in circulation plus the sum of all bank accounts in all three countries. Like we said, the exchange rate will be 10 Euros for 1 IM.

Once they've calculated how much money is needed, they will print three times more than necessary. All printed money will be distributed among the states on the basis of their shares (which will be calculated by the one hundred criteria that have been determined after painful negotiations).

Each state will use approximately one third of the money received to make the exchange and change the money in circulation. The remaining two thirds will be retained by the state and put into circulation gradually over the next years to avoid deflation. There will be strict criteria for a state to put money from the reserve in circulation, because if there are no such rules states will put their money too fast and inflation will be more than 5% annually.

In the beginning, after the creation of the new money, there will be a deflation pressure because everything new that comes to fashion attracts growing interest. Moreover, many foreign nationals will begin to save money in the new currency. This, of course, will be banned in their home countries, but now in many places it is forbidden for you to deposit money in a Swiss bank, but that does not stop people from doing it.

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