A PEER-TO-PEER SYSTEM OF EXCHANGE AND CREDIT

NON-TECHNICAL WHITE PAPER

Abstract

The proposed system applies the distributed ledger technology to the ideas of Edwin Riegel for denationalization of money and separation of money from the state (the "Valun system"), the ideas of Friedrich Hayek for competition among currencies as the best long-term guarantee for the stability of the money system (the "Hayekian currency discovery process"), and the ideas of Silvio Gesell on demurrage-charged currencies (the "Freigeld").

Under the system, each business can issue its own money, as claims on its future output of goods and services, all claims standardized via a common unit and circulating within the economy as media of exchange.

The resulting system of exchange (aka "money system") is free from fractionally-reserved monetary claims, reduces the amount of indebtedness in society, and provides potential solutions for pressing social, economic and monetary challenges.

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