

THE CONCEPT

```

{"requestID": "8249868e-afd8-46ac-9745-839146a20f09", "message": "Duration Log", "method": "handle", "deltaStartMillis": "0", "level": "INFO", "sizeChars": "10190", "webURL": "/app/page/report", "timestamp": "2017-06-03T18:46:921.000", "sessionID": "144o2n620jm9trnd3s3n7wg0k", "class": "com.orgmanager.handlers.RequestHandler"}, {"requestID": "789d89cb-bfa8-4e7d-8047-498454af885d", "message": "Duration Log", "method": "handle", "deltaStartMillis": "0", "level": "INFO", "sizeChars": "10190", "webURL": "/app/rest/json/file", "timestamp": "2017-06-03T18:46:921.000", "sessionID": "144o2n620jm9trnd3s3n7wg0k", "class": "com.orgmanager.handlers.RequestHandler"}, {"requestID": "7ac6ce95-19e2-4a60-88d7-6ead86e273d1", "message": "Duration Log", "method": "handle", "deltaStartMillis": "0", "level": "INFO", "sizeChars": "10190", "webURL": "/app/page/analyze", "timestamp": "2017-06-03T18:46:921.000", "sessionID": "144o2n620jm9trnd3s3n7wg0k", "class": "com.orgmanager.handlers.RequestHandler"}]

```

PEER-TO-PEER EXCHANGE OF REAL VALUE

ENDOGENOUS DECENTRALIZED PRIVATE CREDIT CREATION

Privately issued credit is the flip side of asynchronous, time-lagged “barter” exchange of goods and services.

“Barter” and “private credit” are the two sides of the same coin. Nowadays, in every quid-pro-quo “barter” exchange there is invariably a time lag between the “quid” and the “quo”, so that every “barter” exchange gives rise to a credit relationship between the economic actors (the hairdresser, getting a coffee from a local coffee shop “on barter” cannot, while having coffee, cut the hair of the waiter; an accountant getting ground meat “on barter” from the butcher's shop cannot do the accounting books of the butcher while at the counter, etc. etc.) – there is always a time lag between the „quid“ and the „quo“, hence credit risk (aka credit relationship). Registering digitally the credit relationships arising out of asynchronous, time-lagged barter exchanges, and then making them into digital transferable bearer credit tokens gives them the quality of “moneyness” within the “barter” (or rather “private credit”) network.



For example:

An accountant gets a kilo of ground beef (the “quid”) for USD 20 “on barter”. In doing so, she issues an IOU, in the amount of USD 20, for her own accounting services (the “quo”), which services are to be provided if and when her IOU is presented back to her for redemption. If, however, the butcher can take that IOU and pay with it his spice supplies bill, in the amount of USD 20, i.e. the accountant's IOU is a freely transferable bearer instrument within the “barter” network, then that IOU is a claim not only on the issuer's accounting services – but on any good or service offered within the “barter” network, for USD 20 – then that IOU, in effect, for all practical purposes, becomes USD 20 within the network, i.e. it has the quality of “moneyness” – it is de facto privately issued cash backed by the credit and productive capacity of its issuer.



If in this way we
manage to
successfully –

safely – unleash the power of private credit creation, it might mean that we will no longer need banks to issue bank-credit for us, and we will no longer need overlords of any kind to give us the “reserve asset”. And the next gen reserve asset may not be the IMF's SDR, or some CBDC, or any crypto-token, but- cucumbers. Tomatoes, too. Filet mignons. Big Macs. Taxi rides. Haircuts. Etc., etc. Via robust private credit creation processes, we all, collectively, produce our own reserve assets, and issue the credit claims on them.

WHAT IS DIFFERENT?



What is interesting in this system is its disintermediation potential – by making the basic exchange process in the economy peer-to-peer, it obviates the need for any intermediating token – be it a central bank note, a commercial bank deposit, a crypto – anything. And all the layers upon layers of complexities that come on top of these – SWIFT, Fedwire, payment processors, stablecoins, etc. – become irrelevant. Legacy systems. And that includes Bitcoin.

TCP/IP FOR ECONOMIC VALUE



A PEER-TO-PEER EXCHANGE AND CREDIT NETWORK
TO DISRUPT CENTRAL AND COMMERCIAL BANK
MONIES, PRECIOUS METALS AND CRYPTOS.