

# Understanding The John Wick Economy



## Modeled Behavior

We're economists covering everything economics. [FULL BIO](#)

Opinions expressed by Forbes Contributors are their own.



Adam Ozimek, Contributor

Writing in the Washington Post, internet villain Sonny Bunch [wonders](#) about the economy in John Wick 2. The key puzzle is about the gold coins the assassin economy relies upon. In this post, I'll offer some theories about the economy in this movie. If you haven't seen the movie yet, there may be some mild **SPOILERS AHEAD**.



Keanu Reeves poses during a photo call to present the film 'John Wick Chapter 2' in Berlin on February 6, 2017. / AFP /[\[+\]](#)

The John Wick movies do a fair bit of world building, and show us a long-standing and highly formalized criminal economy with rules and institutions. Understanding the structure of these institutions is important to solving the coin puzzle.

First, there is a world governing body, known as the High Table, which the director describes it as “older and bigger than any government on the planet”. As a result, this organization seems to be safely above the law in many ways.

In addition, there is a network of hotels known as “The Continental” that offer services to assassins. In these hotels, assassins are guaranteed safety, as murder is forbidden. (To be clear murder is also forbidden at the Holiday Inn, but in the Continental this rule is enforced with threat of immediate death.) In John Wick 2 we also learn that the Continental serves as the central bank of the criminal underworld, and puts into circulation the gold coins which are used to by criminal services in this economy.

The use of the gold coins is the puzzle. Part of the mystery is why everything in the Continental appears to cost one gold coin. As Sonny points out, in the Continental it is “one coin for a drink, a coin for a gun, a coin for a favor, etc.” Why would all of these things be priced equally?

Perhaps most of what you’re purchasing isn’t the good or service, but the good or service plus the security of working within the criminal economy. If you buy a drink at a Holiday Inn you can be murdered. If you buy one at the Continental, you can not. If you buy a gun from your local gun shop, you’re not guaranteed secrecy and security. At the Continental, you are. So if the value of the actual drink and the gun are a small share of the total value of the service, then this could explain somewhat the equal cost.

So what are the gold coins worth? The current price of gold is around \$1,200 an ounce. Let’s say a single coin is one ounce. To keep people from melting them down they must be worth than \$1,200. Maybe they are worth \$2,000, maybe \$3,000. Either way, I have to admit that’s a very expensive drink. Maybe having a drink means “letting your guard down”, and maybe this is very dangerous anywhere else. Or maybe the Continental doesn’t want assassins getting too drunk and this is a pigouvian tax.

So why would the Continental want to impose this system in the first place? One incentive is profits from seignorage, or the minting and selling of coins. But if the Continental is incentivized to use them from the seignorage profit, why do assassins comply? The value of the security. The Continental guarantees the security and secrecy of the assassin service economy, and in return they force everyone to utilize gold coins from which they make a profit.

This does raise the question however of why doesn’t the Continental just charge a tax for the use of the assassin service economy in exchange for securing it? This is a similar question that could be about fairs and other events where they sell you tickets that use instead of cash. I have to admit I’ve never read any economics papers about this, but I have theorized about it for awhile. I think there are two incentives for this kind of system.

One, is to make it easier to tax revenues. Often within these fairs vendors are charged a share of revenues as a fee. If the operator lets vendors sell their items in cash, they have to trust that the vendor is not underreporting how much they sold to reduce their tax. And let's be real folks, you can't trust carnies. If the operator uses tickets instead, then in order to actually get paid for their sales the vendors have to turn in the tickets and the operator gives them cash. This gives them incentives to truthfully reveal the full amount of sales and ensures the operator doesn't get ripped off.

This makes sense in the John Wick universe if the Continental is taxing a share of revenues for all services. A gun seller in the John Wick economy will want to convert coins back to dollars that they can spend in the real world, at which point he'll have to reveal to the Continental how much he actually sold.

The second incentive for this type of system at a local fair is that when customers buy tickets, some of them won't be spent. Instead some fair customers will go home with tickets in their pockets, which is free money for the operator to sell the tickets, or in the John Wick case, minted the coin.

So like a local fair, the Continental could be forcing this coin based system to control and tax the underground economy, and to make profits on the coins that never get used. Now I'm not saying this makes complete sense. The criminal economy that accepts coins is pretty large, unlike a fair, meaning there could conceivably be arbitrage opportunities that allow service providers to cash out their coins and avoid taxes. Regardless of the flaws of the system, this is my best guess at why it would exist. What do you think?