

# The Countries Where You Can Use Bullets and Vodka as Money

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What makes money, money? All kinds of things have been used as a means of exchange in the past, but in recent times our idea of what money is has been confined to paper notes, as this benefits the state.

Generally speaking, an efficient form of money should fit a few criteria.

There must be enough of it to be used often throughout the economy.

It must be divisible into smaller units, or measurements so that a wide range of prices can be precisely accommodated – it's hard to give change in cattle.

It must also be portable, and a store of value over time.

However, the most important property of money is that it must be generally acceptable to all parties in all transactions. After all, what is the point of money if no will accept it in exchange for something else?

All of the previous criteria are secondary to this one – whatever the money is, people must want to use it. Throughout history, if society wants to use a certain form of money, they will use it, even if it is grossly inefficient.

Portability, divisibility, value, and sufficient quantity aren't essential if every wants to use it as money.

The rai stone is a great example of this. On the Caroline Islands in Micronesia, the natives made huge circular stones weighing up to four thousand kilos as a currency. These great stones were used to fund wars and pay dowries, while barter sufficed for everything else. The natives would travel between the islands in small canoes, and just carrying these stones around could be lethal – wrecks of these canoes, carrying stones that were too heavy for them, have been found on the seafloor. If you think loose change is a nuisance, try carrying around a rai stone. [The war on cash would probably be won already](#) if the “Great British rai” was our currency today.

But despite the risks and impracticality of the rai stone, people wanted to use them. The limestone they were carved from looked like quartz, and there were no gold or precious gemstones available to the natives. But they wouldn't cut the rai stone into smaller quantities for ease of use – each was a monument to be proudly displayed.

## Forced desire

But the rule that whatever is desired to be money will become money has a flipside. Whatever is *forced* to be money will become money, too. What was once a tyrannical idea has become standard procedure in the modern world through legal tender laws. Control over the [money supply](#) is irresistible to government. By legislating that taxes and duties be paid in their chosen paper currency, they effectively create demand for an asset on to the marketplace, granting it unearned and artificial worth.

Governments justify the worth of paper money to their subjects with the previous criteria – divisibility, portability and sufficient quantity, but their real aim is control, for the issuance and monitoring of the money supply grants huge influence over a nation.

“Let us control the money of a nation, and we care not who makes its laws” was allegedly the maxim of the Rothschilds, in an age before computers could track every electronic transaction, and build a picture of every citizen's spending habits.

## Fiat conditioning

If you stripped from the pound its legal tender status and allowed a society to choose their own means of change, they would probably stick with pound notes as this is all they have really known as money. A reliance on paper notes has been bred into society – chains are now comfortable.

When elephants in captivity are young they are conditioned to believe that tethers are unbreakable. In their infancy they are chained, and though they try with all their might to break free, they cannot. This experience stays with them for their whole lives and they do not try breaking free again, even when fully grown and fully capable of doing so. The trauma of their infant years conditions

them into believing that fighting their bondage is a futile attempt.

Fiat currency works on a similar principle – [society would function fine without fiat currency](#), once the initial shock had worn off – new means of exchange would become dominant. But most simply cannot imagine such a reality – their chains comfort them.

This reliance on government-mandated money is what led people to accept coins made of wood from banks in the US during the Great Depression, and not to mind when coins are continually minted from cheaper materials.

### **Buccaneer bucks**

When you think about it, there are plenty of practical items which could be adopted as money. Rum, for example, makes for a great medium of exchange. It was used as money extensively in Australia in the 1800s, when its use was restricted by the governor. He was overthrown in the infamous “Rum Rebellion”. It is divisible, in sufficient quantity, and portable. The inflationary issue of rum producers becoming money factories is addressed by the deflationary fact that aged rum is more valuable than fresh – people would refrain from spending it in pursuit of more buying power in the future. Not to mention the deflationary force of people destroying the currency by drinking it.

Over time a standard of rum quality would emerge, with accompanying technology for merchants to quickly assess rum to that standard.

It’s quite surreal to imagine carrying around rum to pay for things – you’d need quite the hip flask to buy a car, and barrels of it to buy a house. Vodka was used as money in Russia during the depression of the 90s, and still is in some of the more remote areas of the country.

Another kind of money that is divisible, portable, a store of value and sufficient in quantity is ammunition. Decent ammo will last more than a century, and is easily carried around. Exchange rates could form for different ammunition, each calibre and composition a currency in itself. One merchant might favour full metal jacket over hollow points, for example. Bullets exist in every developed nation already, and in some undeveloped nations they are already used as a currency. 7.62x39mm rounds to be fired from AK47s are hoarded resources across the world, traded as a currency of war.

Guns may not be as common in this country as, say, the US, but bullets certainly fit the bill as a means of exchange. And in a scenario where paper currency suddenly loses its worth, bullets may well be worth holding on to [for more immediate reasons](#).

Do you think there is a future for practical money? Let me know: [boaz@southbankresearch.com](mailto:boaz@southbankresearch.com).

All the best,

A handwritten signature in black ink, reading "Boaz Shoshan". The signature is stylized, with the first name "Boaz" written in a cursive script and the last name "Shoshan" in a more upright, slightly cursive font.

Boaz Shoshan

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