R-coin[1] concept by Ryoji Furui @ R-coin.net on June 4, 2021 v1.8

A test coin coded on Solana[2] aims to smooth the transition to a real gold-backed universal basic income embedded global currency[3] issued by central bank unions.

Being the fastest chain, Solana meets the criterion for issuing a global currency on the fastest computers.[4]

1. What does R-coin's "R" stand for?

Introducing software development[5], we can present the uniqueness of the R-coin by explaining the "R" in R-coin using the following three words:

1) Redistribution

Redistribution is a key concept and an extension of R-coins. Universal basic income is a term that is often heard. It is a governmental public program that aims to provide periodic payments to all individuals in the program without using the means test or without considering work requirements. Typically, the financial resources of universal basic income include tax income. The future global currency amasses such resources by collecting transfer fees on blockchain. Globally, we have millions or trillions of money transfers in an hour or a day. Global currencies can be used to collect and share with everyone worldwide. We could provide biometric authentication to share redistribution in the blockchain network, even for individuals without a bank account, smartphone, or Internet access.

2) Revaluation

The dollar, euro, and yen are commonly used currencies and are categorized as fiat money, that is, money (such as paper currency) declared by the government to be a legal tender. It is backed only by governmental trust. A review of the recent history of these currencies shows that they had been back by gold after World War II until 1971. It was possible to exchange 35 USD for an ounce of gold during that period. Gold has been used as a stable value for a long time;

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[1] A project run on GitHub. https://github.com/r-coin
[2] This paper is written for the Solana Season Hackathon starting in May 2021. https://solana.com/solanaszn
[3] Based on a concept in an older paper by the author. https://github.com/r-coin/basic/blob/master/economics.pdf
[4] Projected on the author's hardware invention. https://github.com/r-coin/basic/blob/master/cqc_edited.pdf
[5] Software development goes along with hardware development. https://github.com/orgs/r-coin/projects

however, the trust that money warrants has changed. We propose a single global currency as a global legal tender that is purely generated on Internet infrastructure as a blockchain for everyday use. We believe that it is time to reappraise gold as our trust by digitizing it using blockchain. Therefore, we set the unit of the future global currency to be proportional to the weight of gold. This could reaffirm our trust between the physical world and the evolving virtual network represented by the Internet.

3) Revolution

Bitcoin, the first blockchain model designed by Satoshi Nakamoto, was decentralized, and has been the main concept proposed by him; he still bears an anonymous status. Various challenges have been posed in reviewing the development of Bitcoin over the past decade. Numerous opinions by developers lost their consensus, caused hard forks, and split them into various types of coins. It has been used to exchange illegal values. Moreover, its volatility caused people to reconsider its future and considered it a speculative currency rather than a future currency. We can determine the cost of maintaining legal tender more to stabilize the economy, society, and our life compared with decentralized coins. The R-coin project will commence as a private non-profit organization to create a global currency system; however, its goal is to preserve its authority into a public entity by organizing a union of central banks in the world.
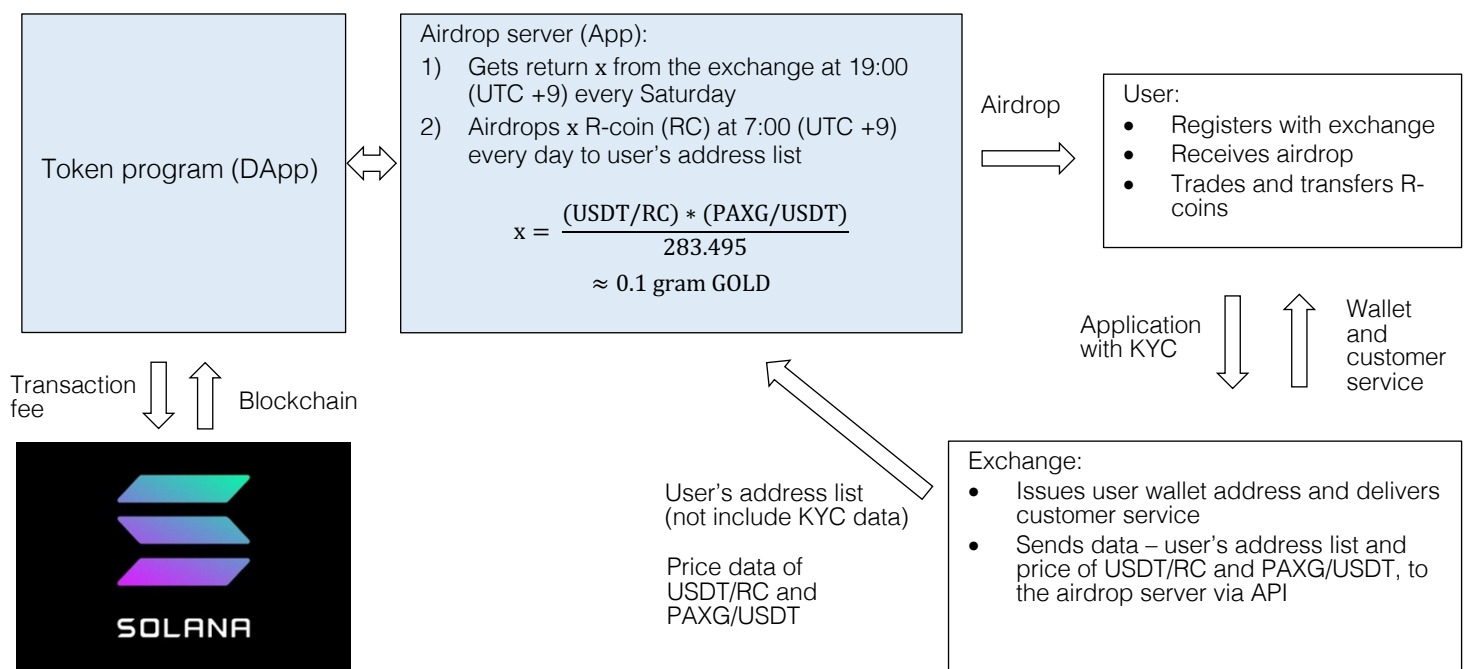
2. Roadmap of software development

Phase 1 - Coding	May 2021	• Applying to hackathon • SPL token coding
	June	• SPL token code presented in hackathon • Exchange listing negotiations start
Phase 2 - Test run	Summer	• Listed on exchange • Presentation to a possible union of central banks to issue R-coin • End-user (the UN and national governments) experience phase begins
Phase 3 - Issuing global currency	Winter ~ 2022	• Building a new Solana-based chain with the global currency as a native token • Development of legal systems • Development of end-user tools
	2022 ~ 2024?	• Distribution of global currency begins

Phase 1 – R-coin is a very simple code

1) R-coin is coded as an SPL token on Solana.
2) The SPL token is issued exclusively and automatically to a user's single wallet address on exchanges (KYC-enabled, e.g., Binance and Binance US).
3) The first issue is 0.1 R-coin (RC) for each user (Airdrop).
4) In the first week, users will receive 0.1 RC airdrop every day.
5) From the second week, the daily amount will be automatically adjusted by the exchange rate of the US dollar and the gold indexes (e.g., the average of London and Shanghai Gold Fix) per week. The daily airdrop will be set at 0.1 g gold for each user.
6) Users cannot have multiple accounts to receive more, but can have multiple addresses within the Solana ecosystem.
7) Issuance of R-coin is limited to the cost of the airdrop, as it is a test coin that aims to smoothen the transition to a global currency that is intended to be a public and non-commercial activity.

Phase 1 flowchart (after the second week)

Token program (DApp)

Airdrop server (App):
1) Gets return x from the exchange at 19:00 (UTC +9) every Saturday
2) Airdrops x R-coin (RC) at 7:00 (UTC +9) every day to user's address list

$$x = \frac{(USDT/RC) * (PAXG/USDT)}{283.495}$$

$$\approx 0.1 \text{ gram GOLD}$$

Airdrop

User:
- Registers with exchange
- Receives airdrop
- Trades and transfers R-coins

Transaction fee — Blockchain

SOLANA

User's address list (not include KYC data)

Price data of USDT/RC and PAXG/USDT

Application with KYC

Wallet and customer service

Exchange:
- Issues user wallet address and delivers customer service
- Sends data – user's address list and price of USDT/RC and PAXG/USDT, to the airdrop server via API

Phase 2 – R-coin helps shape a true currency

1) The R-coin in the test run is not backed by gold, but is linked to gold prices and adjusted once a week with the airdrop.
2) Therefore, the price may be volatile but will not crash theoretically, as it is still a fiat, and there is no limit on issues.
3) R-coin can also be a test coin for governments that want to plan a universal basic income along with their central bank-issued digital currencies (CBDC).

Phase 3 – Transfer from Solana chain to an independent chain

1) An independent new chain with Solana technology will be created for the global currency called G-coin. G-coin will become its native token, backed by real gold, and will be pegged to gold eternally, while the R-coin price will be adjusted weekly.
2) Central banks will become validators under a single organization or regulation.
3) Initially, global tax and CBDC transfer fees will comprise the cost incurred in the daily distribution (i.e., Airdrop) of G-coin to all citizens of the world.
4) As G-coin gains liquidity, its transfer fee is expected to cover distribution costs.
5) Central banks determine transfer fees, distribution amounts, further issuances, and other operations.
6) Since most central banks are structurally independent of their governments, privacy protection can be maintained if the G-coin chain obtains only the user's wallet addresses from the government registration. It follows the structure of the R-coin system and exchanges in Phase 1.
7) This chain must also be able to digitally connect to other chains, contract systems, and CBDCs.
8) Off-chain payments would be allowed for limited amounts, but that limit can be removed when the digital infrastructure is damaged by natural disasters or IT system problems.
9) End-users can opt for biometric authorization, even without cards or digital devices, along with public registration.
10) In view of the digital divide, the distribution money would need to be stored for users who have delayed their registration.
11) R-coin holdings are transferred to G-coins when the G-coin chain starts to run.
12) R-coin has been designed to decline in value. However, holders may make large profits from market fluctuations, in which case, they might have to pay a global tax on their incomes, apart from domestic taxes.