R-coin[1] concept by Ryoji Furui @ R-coin.net on July 2, 2021 v2.0

A coin aims to realize a real gold-backed universal basic income embedded global currency[2] issued by central bank unions.

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

Introducing software development[3], we can present the uniqueness of the R-coin by explaining the "R" in R-coin using the following three words:

1) **R**edistribution

   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) **R**evaluation

   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

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[1] A project run on GitHub. https://github.com/r-coin
[2] Based on a concept in an older paper by the author. https://github.com/r-coin/basic/blob/master/economics.pdf
[3] Software development goes along with hardware development. https://github.com/orgs/r-coin/projects

used as a stable value for a long time; 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) **R**evolution

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	2021 Q3	• Building a blockchain with the global currency as a native token.
Phase 2 Test run	Q4	• 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	2022	• Development of legal systems • Development of end-user tools
	2023 ~ 2024?	• Distribution of global currency begins

3. System architecture

1) R-coin can also be started as a test coin for governments that want to plan a universal basic income along with their central bank-issued digital currencies (CBDC).
2) Central banks will become validators (or miners) under a single organization or regulation.
3) Initially, global tax and CBDC transfer fees will comprise the cost incurred in the daily distribution of R-coin to all citizens of the world.
4) As R-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 R-coin chain obtains only the user's wallet addresses from the government registration.
7) This chain must also be able to digitally connect to other private payment networks, 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.