# R-coin[1] concept by Ryoji Furui @ R-coin.net on June 1, 2021 v1.7

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 the issuance of 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 R-coin as compared to other existing blockchains by explaining what the "R" in R-coin stands for using the following three words:

### 1) Redistribution

Redistribution is a key concept and an extension of R-coin. Universal basic income is a term we often hear. It is a governmental public program which aims to provide periodic payment to all individuals in the program without using the means test or without considering work requirement. 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. The global currency can be used to collect and share with everyone worldwide. We could provide biometric authentication to share redistribution in the blockchain network even to individuals who do not have 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 a government to be a legal tender. It is backed only by a governmental trust. A review of the recent history of these currencies shows that they had been gold backed until 1971, after World War II. It was possible to exchange 35 USD for an of ounce

[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

gold during that period. Gold has been 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, and we believe that it is time to reappraise gold as our trust by digitizing it using blockchain. We therefore set the unit of the future global currency is 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 it has been the main concept proposed by him and he still bears an anonymous status. As we review the development of Bitcoin over a decade, it has posed various challenges. Various opinions by developers lost their consensus and caused hard forks and split them into various types of coins. It has been used for exchange of illegal values. Moreover, its volatility caused people to reconsider it to be a speculative currency rather than as 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.
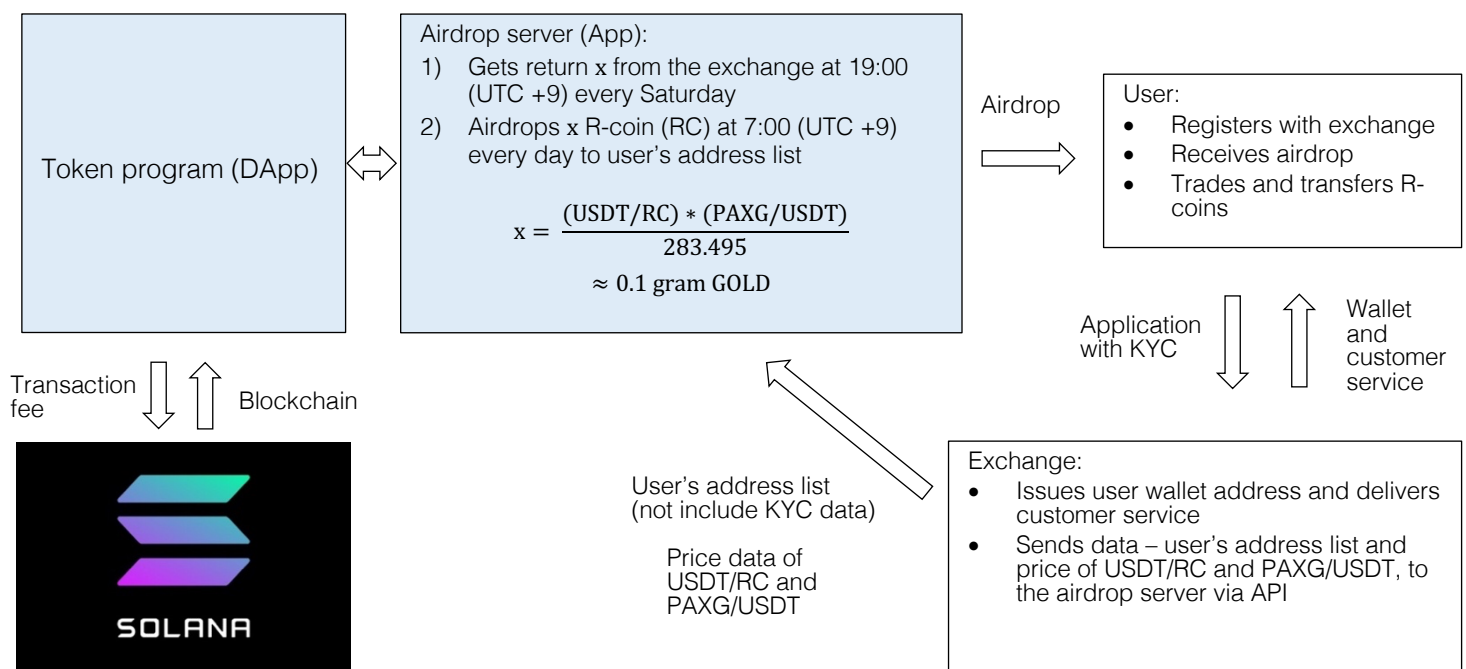
## 2. Roadmap of software development

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

## Figure 1. 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

Application with KYC

Wallet and customer service

User's address list (not include KYC data)

Price data of USDT/RC and PAXG/USDT

**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 the 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 the distribution costs.
5) Central banks determine transfer fees, distribution amounts, further issuances, and other operations.
6) As 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 exchange in Phase 1.
7) This chain must also be able to digitally connect to other chains, contract systems, and CBDCs.
8) Off-chain payment 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 have the option to 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 will transfer to G-coin when the G-coin chain starts to run.
12) R-coin has been designed to decline in value. However, holders may make large profit from market fluctuations, in which case, they might have to pay a global tax on their incomes, apart from domestic taxes.