

Project EARTHLING
Srinivas D.S. – Jan 15, 2019



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Title: PROJECT EARTHLING.

The first step towards a balanced world and more equality.

This initiative brings about more trade and economic equality.

This is the most important reform required to global economic situation as it stands today.

Problem Definition: The current global trade situation is as given below.

- 1) All global trade is predominantly done in USD.
- 2) All the important global trade commodities are priced in USD.
- 3) And it is the currency of one country – USA.


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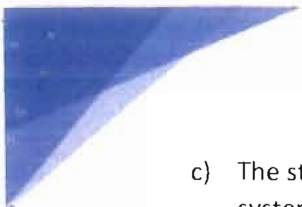
This has resulted in global trade commodities being subjected to fluctuations based on two moving (varying) frames of reference. The USD strengthens or weakens based on its demand and other factors. The commodity price fluctuates based on its demand and supply.

Secondly, global trade between countries (import / export) and forex transactions happen in so many different currency exchanges. Currency A has to be exchanged to currencies B, C or D and vice versa. The many to many currency conversions add complexity to central banks and other banks. In general, global trade is subjected to multiple currency conversions, is complex and not standardized.

Background thinking:

If you look at last 3 to 4 centuries, USA has had a vice like grip on the world and would not let go. They want to control everything, everyone, dictate terms to everyone across the world. If you look at last 100 years in particular; USD became the standard for global trade and transactions, making it the most sought-after currency. This allowed USA to become a 'Mint based economy'; to print as much as they want and inject into the global trade system, with no checks or balances of any kind for themselves or their country's GDP numbers. It is evident in:

- a) The military arms / weapons stockpile they have amassed over decades. The fire power is enough to destroy earth. Their military is stationed in so many countries, despite the costs involved.
- b) The number of wars they have waged across the globe and yet with no dent to their economic condition, when you factor in the military and war expenses.



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- c) The standard method of bailing out all Corporations / Banks in USA by injecting money into the system. E.g., 2007-2008 Credit crisis due to Housing bubble burst; they bailed out all banks by printing money.
- d) Most of the USA Corporations are bloated with surplus funds and cash, because of available credit, as Banks could be bailed out anytime.
- e) Despite all the expenses as listed above, USA economy has not weakened in the last few decades. And USD does not show a sign of weakening, due to the global demand.

One must think where all this money spent came from without having a negative impact on their economy. Their economy does not have a downturn and their currency has not weakened. It always seems to strengthen against most global currencies. In fact; it is said that waging wars is a means of driving GDP numbers by producing more weapons (e.g., Lockheed Martin stock price earnings). They have had this kind of a run because USD has been a standard for global trade for so long. Simply put, they have made all the other countries look like dumb idiots / morons for so long. Should the World continue to deal with this imbalance on Planet Earth? Should USA continue to dominate and in doing so, block all other countries growth prospects and development opportunities?

I, as Indian citizen realized that such a global environment is not conducive for India to become a developed country. This needs correction, if the aspirations of 1.32 Billion Indian citizens must be met and realized. Since this is a global problem, the same thought applies to every non-USA country. I personally am interested in making India a developed country by year 2050 (Goal year 2050).

The Solution: A new global trade and exchange currency, which is not the currency of any single country.

- 1) A new global Trade currency, import / export standard currency which is not a currency of any single nation in the World.
- 2) I have called it as 'Earthling'. The currency symbols as I have envisioned are given towards the end of this document. In common usage (terminology) Earthlings could be called as 'Ellies'.
- 3) Earthling will hold its value for a period of 10 years. At the end of 10 years, a council of global economists will either strengthen it or weaken it depending on the needs of developing and least-developed countries. And it shall hold that value for another 10 years. The cycle will repeat.
- 4) First valuation of Earthling could be same as USD when rolled out. Earthling will not have a decimal such as paisa, cent or penny equivalent.

In such a scenario, all global trade (Import / export between any number of countries), global commodity pricing will be done in Earthlings. The commodity prices are against a single frame of non-fluctuating reference. The pricing truly reflects the commodity demand / supply situation. In turbulent economic times, it will be the safest currency to offload wealth into. What better than something that holds the same value for 10 years. Investment bankers will love such an instrument. Investors can ride turbulent times with much ease.

Features / Advantages:

- 1) Earthlings will be printed only in 2 or 3 mints, all located in a single place. These mints will be monitored by representatives from all countries (at least one from each country).
- 2) Most forex reserves held by each country must be in Earthlings.
- 3) However, Investment Bankers who trade in currencies, can be allowed to do so, on a single global standardized platform.
- 4) Each country will have to hold only their local currency and Earthlings as Foreign exchange reserves. If their Central Banks want to hold some reserves in other currencies (purely from an investment or holdings vantage point), they could do so.
- 5) At international airports, point of departure, the forex stations should allow buying Earthlings against local currency. At the point of destination, forex counters should be able to convert Earthlings to the local currency of that country. So, most international travelers could only carry Earthlings and travel to any country and shall do fine upon landing.
- 6) All global trade commodities will be priced in Earthlings.
- 7) All export items of all countries will be offered while priced in Earthlings. It will be a single global trade market, for each country's export items.
- 8) All global fund transfers (international wire transactions) will happen in Earthlings, thus simplifying global trade / transactions. E.g., Whether you are transferring funds to Europe, China, Japan or Korea, you always do the international wire transfers in Earthlings, despite their local currency. The recipient Bank upon funds receipt in Earthlings, could either hold them in Earthlings or convert it to their local currency, as per its preference.
- 9) Global banking is simplified. Many to many currency conversion headaches are removed for Banks.
- 10) Most importantly, this brings economic and trade equality to planet earth. World will become a single market place for most exporters.
- 11) It gives equal opportunity to all countries and brings balance to global trade.
- 12) Countries with no currency today, should come up with their own currency which is at a certain proportion against Earthling, to enable them to do trade or generate wealth from what they could export.
- 13) All developing and least developed countries benefit significantly from this. USA and its economy will also be subjected to checks and balances.
- 14) BRICS can take advantage of this new system and can be much more competitive on the global stage, as undue advantage of USA that has gone on for centuries is eliminated.
- 15) Allows India and China to get to number 1 or 2 positions in the economic scale in few decades. This reform is the most important to global economic situation as it stands today. Without this reform, BRICS and other countries aspiring to develop stand no chance.
- 16) Each country could have a special 'International trade Bank' which allows bulk Earthling transactions to other entities in other countries, for registered global traders who do import / export of goods. As another thought, all international trade must be done online and should be transparent to the government, CB and the special International trade Bank in the country.
- 17) All banks should allow international wire transactions in Earthlings, in smaller amounts with a cap, for regular citizens.

- 18) Local or domestic business; whether online or offline, must be conducted in the local national currency only.

Countries / Geographies:

Let's look around the World and think which Countries would support this reform. The answer is every country other than USA will give full support and vote to this global economic reform. Once this is done, World will be a truly competitive space where talent, capability and effort will be truly rewarded. And World will get a break from USA that is constantly blocking, constantly policing all other countries to stop their progress and growth. India must take the lead to drive this initiative through G20 summit and other global forums.

Roll-out Steps: The procedural steps involved in launching 'Project Earthling' will be as follows.

Step 1 - The initiative must be introduced at several global forums, such as G20 Summit, WTO, WIPO, UN, World Bank, IMF and all country governments and CB's.

Step 2 – Discussions and voting. The introduction would lead to discussions at many levels. Post discussions, a UN voting must be conducted, with one vote per country on the subject. This initiative will be voted in. A governing body must be established (name, governing team and other details).

Step 3 – Once the initiative is voted in, we need to design the currency bills. (a) Billion and Million Earthling bills for CB holdings and exchanges. (b) 1000, 500, 100 Earthling bills for citizen (international travelers) exchanges only. There shall be no other denomination (for e.g., currency bills of 50, 10, 5, 2 or 1 used for local purchase transactions). As no country allows purchase/sale (or local / domestic retail businesses) by using Earthlings. It is only an International trade currency and foreign exchange currency and not for domestic trade or business.

Step 4 - 3 Mints that will print Earthlings shall be set-up in a single location. These mints will be governed by all countries (their representatives); and will be under 24*7 surveillance. The location should ideally be in India, China or Europe. City to be selected.

Step 5 – Flushing USD's from all non-USA countries. Earthlings shall be printed to replace USD holdings of all countries (their CB's). The exchanged USD's should be retrieved and ~~trashed / shredded~~ (as in truly replaced).

Other ongoing steps - As per CB's purchasing needs against their local currency (or other currencies they hold), they could buy Earthlings from the 'Earthling' governing body. Such an activity of buying Earthlings shall be an ongoing activity.

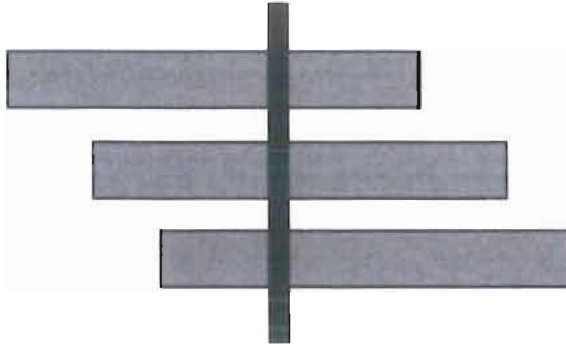
This may be called as a social scheme, that I do not endorse. I believe that each Country must earn its living and get rich. If the governing body chooses an Earthling distribution step, in a rare global economic distress situation; they shall print and distribute Earthling's equally to every country.

The entire reform could be rolled out in 1 or 2 years. This baselines the World economic situation with a much better balance and gives equal opportunity to all countries in global trade. All countries can aspire to develop and get rich, without any roadblocks.

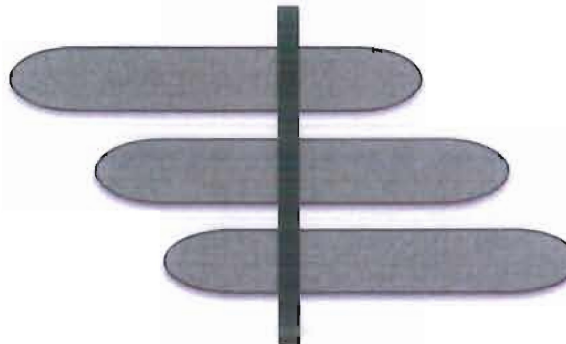


Earthling Currency symbols:

Possible Earthling Symbol 1.



Possible Earthling Symbol 2.



Abbreviations used:

BRICS – Brazil, Russia, India, China, South Africa (Developing countries group);

CB – Central Bank of a country; GDP – Gross Domestic Product;

WTO – World Trade Organization; IMF – International Monetary Fund;

WIPO – World Intellectual Property Organization; UN – United Nations; G20 – Group 20 Countries;

USA – United States of America (Country); USD – US Dollar (The currency of USA).