Currency War in the Age of Digital Economy

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The “.com” economic bubble began to burst in the United States in April 2000, followed by the terrorist attacks in September 11, 2001.

As pressure mounted for the dollar to fall, the euro appreciated to its highest level since its inception, resulting in further money outflow from the United States.

Control of Middle East oil means control of oil price. EU nations import over 60% of their energy consumption, with dependence on foreign oil reaching 80% to 90%. Germany’s rely on foreign oil is at 98%, the highest of all.

The idea is to blow consumer confidence in the Eurozone by waging wars. As geographically, the Middle East is far from mainland United States but close to Europe.

Burden EU nations with the cost of Iraqi post-war construction.
Seignorage
The right to print money at a cost lower than the face value of the currency.

Andre Fourcans
Andre Fourcans, a contemporary French economist, raised a question in his interesting economics book *L’ Economie Expliquee A Ma Fille*: how much does printing a 500 euro banknote profit? According to his calculation, the answer is making a profit of 60,000%.

Kissinger
As for the global seignorage, former U.S. Secretary of State Kissinger remarked: “Whoever controls oil, controls all countries; whoever controls food, controls humanity; whoever controls the seignorage, controls the world.”

Keynes
As long as reserving the privilege to print money, the government can sustain! Economist Keynes commented in 1924 that “When there is no other way, a government can survive in this way (currency oversupply).”
The mysterious Bitcoin

- Decentralization
- Anonymity
- Constant total supply
- Value based on consensus

At 22:27 February 11, 2009
<table>
<thead>
<tr>
<th>名称</th>
<th>符号</th>
<th>价格 (美元)</th>
<th>市值</th>
<th>成交量(24H)</th>
<th>交易份额</th>
<th>涨跌(24H)</th>
<th>涨跌(7日)</th>
</tr>
</thead>
<tbody>
<tr>
<td>比特币</td>
<td>BTC</td>
<td>7,890.4</td>
<td>$140.98B</td>
<td>$18.95B</td>
<td>28.25%</td>
<td>+3.19%</td>
<td>-6.82%</td>
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<tr>
<td>以太坊</td>
<td>ETH</td>
<td>241.94</td>
<td>$25.99B</td>
<td>$8.30B</td>
<td>12.37%</td>
<td>+4.52%</td>
<td>-6.60%</td>
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<tr>
<td>瑞波币</td>
<td>XRP</td>
<td>0.39531</td>
<td>$16.78B</td>
<td>$1.63B</td>
<td>2.43%</td>
<td>+3.87%</td>
<td>-10.34%</td>
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<tr>
<td>莱特币</td>
<td>LTC</td>
<td>126.461</td>
<td>$7.89B</td>
<td>$5.41B</td>
<td>8.07%</td>
<td>+10.45%</td>
<td>+13.62%</td>
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<tr>
<td>比特币现金</td>
<td>BCH</td>
<td>387.61</td>
<td>$6.97B</td>
<td>$1.57B</td>
<td>2.34%</td>
<td>+2.85%</td>
<td>-8.49%</td>
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<tr>
<td>EOS</td>
<td>EOS</td>
<td>6.3411</td>
<td>$5.85B</td>
<td>$2.37B</td>
<td>3.54%</td>
<td>+4.42%</td>
<td>-12.13%</td>
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<tr>
<td>币安币</td>
<td>BNB</td>
<td>31.5947</td>
<td>$4.50B</td>
<td>$396.28M</td>
<td>0.59%</td>
<td>+4.17%</td>
<td>-0.97%</td>
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<tr>
<td>Bitcoin SV</td>
<td>BSV</td>
<td>186.35</td>
<td>$3.35B</td>
<td>$19.43M</td>
<td>0.77%</td>
<td>-1.11%</td>
<td>-15.05%</td>
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<tr>
<td>泰达币</td>
<td>USDT</td>
<td>1.00299</td>
<td>$3.30B</td>
<td>$19.47B</td>
<td>29.03%</td>
<td>+0.05%</td>
<td>+0.60%</td>
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<tr>
<td>恒星币</td>
<td>XLM</td>
<td>0.12180</td>
<td>$2.37B</td>
<td>$371.55M</td>
<td>0.55%</td>
<td>+1.72%</td>
<td>-8.20%</td>
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数字货币与国家安全

洗钱
通过境内外虚拟货币交易平台将犯罪资金转换为虚拟货币，然后进行不同虚拟货币、不同交易平台之间的货币转移，最后将虚拟货币兑换成法定货币。

资恐
个别恐怖活动组织所属网站呼吁同情者和支持者利用虚拟币进行捐款，有的极端组织者还在互联网上商量如何使用虚拟货币购买武器。

逃税
虚拟货币由于其自身特点，很容易沦为犯罪分子跨境转移资产、逃避政府税收监管的支付工具与价值存储载体。

非法集资与诈骗
以投资发行虚拟货币、开发比特币底层技术应用、利用虚拟货币“搬砖”套利等为幌子，进行非法集资或集资诈骗。

盗窃
虚拟货币的产生、交易、储存均要通过互联网，虚拟货币交易商、虚拟钱包提供商。

敲诈勒索
勒索病毒袭击全球，有150多个国家的电脑受到感染，每个受害者被要求支付价值300美元的比特币，以解锁电脑中被加密的文档。
Money Laundering
Criminal funds are converted into virtual currency through virtual currency trading platforms at home and abroad, then the money is transferred between different virtual currencies through different exchange platforms. Finally, virtual currency is converted into legal currency.

Funding Terrorism
Some terrorist websites ask for donations in bitcoins from their supporters, while others made online discussions about how to purchase weapons using the virtual currency.

Tax Evasion
Because of its own characteristics, virtual currency is easy to become a payment tool and a value storage vehicle for criminals to transfer assets across borders and evade the supervision of government taxation.

Illegal fund-raising and fraud
Illegal fund-raising or fund-raising frauds are carried out under the guise of investing virtual currency issuance, developing bitcoin underlying technologies, and using virtual currency for arbitrage.

Cyber theft
The generation, transaction and storage of virtual currency cannot be done without Internet, virtual currency dealers, and virtual wallet providers.

Extortion and blackmail
Blackmail viruses struck the world, infecting computers in more than 150 countries. Each victim was asked to pay $300 worth of bitcoins to unlock encrypted files due to infection.
Most prominent issue

冲击国家货币主权

Impact on national monetary sovereignty
Developing centralized cryptocurrency to protect RMB against digital currency from non-state origins