

To: jeevacation@gmail.com[jeevacation@gmail.com]; Jeffrey Epstein[jeevacation@gmail.com]
From: Jem Bendell
Sent: Sat 9/15/2012 8:15:58 AM
Subject: Re: YGLs, Future of Money & Alternative Currencies - greetings & update

Its complex. I see various possible solutions:

For mutual credit and self issued credit, if the denomination is a national currency, such as with the WIR and CHF or the new TEM (in greece) and the EUR, then tax owed on the trades is easy to calculate. Collection is another matter: but mutual credit and self issued credit systems can be completely transparent with full transaction records. The WIR system participants pay tax OK, in CHF equivalent. That probably puts a downwards pressure on the volume of trades in WIR. Ideally, national/state/municipal govns should charge tax in the exchange unit that the transactions are taking place, as this then provides a backing (i.e. the unit can be spent for taxes).

Economist and former central banker Bernard Lietaer has proposed a "boon" well local governments would issue their own fiat currency, which could then be used to pay taxes.

Different countries have different laws. For instance, in France, if your local non money-denominated income is for a trade thats not your main profession, then they do not need to be declared.

In Belgium, a professional services exchange systems between social entrepreneurs was dropped after a year, as their accountants said it needed to be declared, and the participants felt this was commodifying and bringing into the formal economy the favours that were being done for professional friends. If the government would have accepted the alternative unit as tax payment, then that would have helped. But we are a long way from that level of understanding and support from governments.

Its a complex area, which needs exploring as part of the development of strategies for scaling alternative exchange systems.

Is this the kind of exploration you would like to support/host/participate in?

On 15 September 2012 15:54, Jeffrey Epstein <jeevacation@gmail.com> wrote:

> i do not see how taxes are paid , in any of these systems so far. , in
> most of these structures , exchanges take place, and no one gets dollars
> or govt acceptnace scripts to pay the govt (fed local state) tax .
> solution?
>

> On Fri, Sep 14, 2012 at 8:28 PM, Jem Bendell <[REDACTED]> wrote:
>

>> At communityforge.net (the NGO I serve on the board of) we have stayed
>> away from bitcoin-type initiatives. We are now the leading provider of free
>> open source software for community exchange systems. My interest is in
>> massive scale, and so while our support for communities and local
>> businesses is good, for me its been more of a process to learn about the
>> principles and systems, with the aim of one day helping launch a global
>> mutual credit system, integrated into relevant social media, where we can
>> exchange globally, simply, securely, and without banks or interest
>> (although perhaps banks could develop new business models, if they wanted
>> to become involved: its just they wouldnt make money by controlling the
>> credit supply).

>>

>> Business self issued credit is another option we are now working on, with

>> the Common Good Bank in the US.
>>
>> To achieve a global mutual credit would require action on multiple
>> fronts, not just technical. i.e. how to launch to make viral, how to build
>> understanding and support, how to address/advise on legal and tax, how to
>> recover costs or generate additional revenues, how to disperse revenues in
>> ways acceptable to (or incentivising) users of the exchange system, how to
>> design to protect from future backlash or technological attack, etc.
>>
>> Discussions with this type of ambitious agenda have not taken place and
>> Id be happy to help curate one.
>>
>> I called again; I can speak whenever from now on.
>>
>> On 15 September 2012 04:14, Jeffrey Epstein <jeevacation@gmail.com>wrote:
>>
>>> i think there are places for more than one type,, I want to stay away
>>> from the anonyouse (but coin type ,,) too easy to attack as drug
>>> related.. i would opt for the extreme opposite total transparancy, .
>>>
>>> On Fri, Sep 14, 2012 at 12:03 PM, Jem Bendell <[REDACTED]>wrote:
>>>
>>>> Hi Jeffrey
>>>>
>>>> Some quick thoughts from our call (as Im going to sleep now).
>>>>
>>>> - I agree with your concerns re terminology, and related to that, the
>>>> broader legal issues, in order to help alternatives to scale while being
>>>> seen as complementary to existing institutions and government revenues. The
>>>> use of the term currency is widespread in this field of alternative
>>>> exchange systems, and so thats why I currently use it to make it simple to
>>>> communicate with people already involved in this field.
>>>>
>>>> - Im pleased to hear of your ambition re scaleable alternatives to the
>>>> current monetary options. Yes, the WIR mutual credit system is only about
>>>> 1% of Swiss GDP, although has broader effects due to its counter cyclical
>>>> impacts (economist Stodder's research). I sense from your comment that this
>>>> isnt largescale, that you aim for really transformative solutions. I think
>>>> now such solutions are possible, given technology. I share the same hope
>>>> for massive scale of alternatives.
>>>>
>>>> - My current view of what could scale well beyond 1% of GDP is that
>>>> they might be found within
>>>> i) b2b2c mutual credit systems (where the issue of trust over extended
>>>> networks would need to be cracked via affinity groups, trust metrics,
>>>> insurances etc), which my NGO is now working on
>>>> ii) b2c self-issued credit systems (where mutual recognition by
>>>> participating businesses and ability to subdivide credit would be key)
>>>> iii) a follow up to Bitcoin, with fully distributed systems so it cant
>>>> be disrupted or shut down, demurrage to encourage circulation not hoarding,
>>>> and a more sustainable way of issuance than the use of massive amounts of
>>>> computer power
>>>> iv) a commodity backed digital currency, thats backed by something that
>>>> we want, e.g. kilowatt hours, or baskets of goods.
>>>>
>>>> The first two arent new "currencies" as such, but exchange systems.
>>>>
>>>> I know people who may be able to participate in a discussion about
>>>> strategies for promoting scaleable solutions in this area.
>>>>

>>>> I look forward to talking tomorrow.
>>>>
>>>> Thx, Jem
>>>> On 15 September 2012 00:32, Jem Bendell <[REDACTED]> wrote:
>>>>
>>>> im checked in now. i tried to return call but it said wrong number. am
>>>> awake for another hour. i can call if i have yr number
>>>> On Sep 14, 2012 9:30 PM, "Jeffrey Epstein" <jeevacation@gmail.com>
>>>> wrote:
>>>>
>>>>> first, i would strongly suggest , changing ,/ eliminating any
>>>>> reference to the word "currency ", . it will be a problem. (only if you
>>>>> are successful at this).
>>>>>
>>>>> On Fri, Sep 14, 2012 at 6:11 AM, Jem Bendell <[REDACTED]>wrote:
>>>>>
>>>>>> Hi Jeffrey,
>>>>>>
>>>>>> I think Ive found a 501c3 in US who the Uni of Cumbria can sign an
>>>>>> MoU with to collaborate to effectively deliver workshops on alternative
>>>>>> currencies and exchange.
>>>>>>
>>>>>> Id prefer Uni of Cumbria leadership on this, but it provides an
>>>>>> option for you, if 501c3 is key for you.
>>>>>>
>>>>>> Im still in China. Its 8pm here now.
>>>>>>
>>>>>> Thanks, Jem
>>>>>>
>>>>>> On 13 September 2012 11:00, Jeffrey Epstein <jeevacation@gmail.com>wrote:
>>>>>>
>>>>>>> sorry, no. lets try again this weekend.
>>>>>>>
>>>>>>>
>>>>>>> On Wed, Sep 12, 2012 at 10:59 PM, Jem Bendell <[REDACTED]>
>>>>>>> > wrote:
>>>>>>>
>>>>>>>> hi jeffrey. im in a session here at the world economic forum for
>>>>>>>> another hour. can we chat after that?
>>>>>>>>
>>>>>>>> On 13 September 2012 10:56, Jeffrey Epstein <jeevacation@gmail.com>
>>>>>>>> > wrote:
>>>>>>>>
>>>>>>>>> great ill call in 5 minutes
>>>>>>>>>
>>>>>>>>>
>>>>>>>>>> On Wed, Sep 12, 2012 at 10:43 AM, Jem Bendell <
>>>>>>>>>> [REDACTED]> wrote:
>>>>>>>>>>
>>>>>>>>>>> now? im on +[REDACTED] and up for another two hours
>>>>>>>>>>> On Sep 12, 2012 6:51 PM, "Jeffrey Epstein" <
>>>>>>>>>>> jeevacation@gmail.com> wrote:
>>>>>>>>>>>
>>>>>>>>>>>> west coast with [REDACTED], . lets talk on the phone today for
>>>>>>>>>>>> 10 minutes you choose a time.
>>>>>>>>>>>>
>>>>>>>>>>>>> On Tue, Sep 11, 2012 at 11:26 PM, Jem Bendell <
>>>>>>>>>>>>>> [REDACTED]> wrote:
>>>>>>>>>>>>>>
>>>>>>>>>>>>>>> Thx Jeffrey.


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>>>>>>>>>>>>>>> ** **
>>>>>>>>>>>>>>> 
>>>>>>>>>>>>>>> He has proposed several venues which could host up to 10
>>>>>>>>>>>>>>> or so of the foremost thinkers in this space. ****
>>>>>>>>>>>>>>> 
>>>>>>>>>>>>>>> ** **
>>>>>>>>>>>>>>> 
>>>>>>>>>>>>>>> I've copied Jeffrey on this email so you can start a
>>>>>>>>>>>>>>> discussion with him and mutually decide if this is something
that makes
>>>>>>>>>>>>>>> sense to all of you.****
>>>>>>>>>>>>>>> 
>>>>>>>>>>>>>>> ** **
>>>>>>>>>>>>>>> 
>>>>>>>>>>>>>>> Boris is copied as an FYI only.****
>>>>>>>>>>>>>>> 
>>>>>>>>>>>>>>> ** **
>>>>>>>>>>>>>>> 
>>>>>>>>>>>>>>> Let me know if I can be helpful in any way.****
>>>>>>>>>>>>>>> 
>>>>>>>>>>>>>>> ** **
>>>>>>>>>>>>>>> 
>>>>>>>>>>>>>>> Thanks everyone,****
>>>>>>>>>>>>>>> 
>>>>>>>>>>>>>>> [REDACTED]****
>>>>>>>>>>>>>>> 
>>>>>>>>>>>>>>> ** **
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>>>>>>>>>>>>>>> 
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