



National Bitcoin

Competitive Regional Reserve Currencies with Limited Emission

2020 | nationalbitcoin.org

Technical Definition	1
Baseline Economic Logic	1
Back-up Scenario for Creating Momentum	2
Obtaining National Bitcoins (Instruction for Recipients)	4
Using National Bitcoins: Like Paper Cash, but Online	5
Great for Nations: Public Monopoly on Money	6
Why Are There Eight Territories?	7
List of Territories	8
Block Reward Algorithm	9

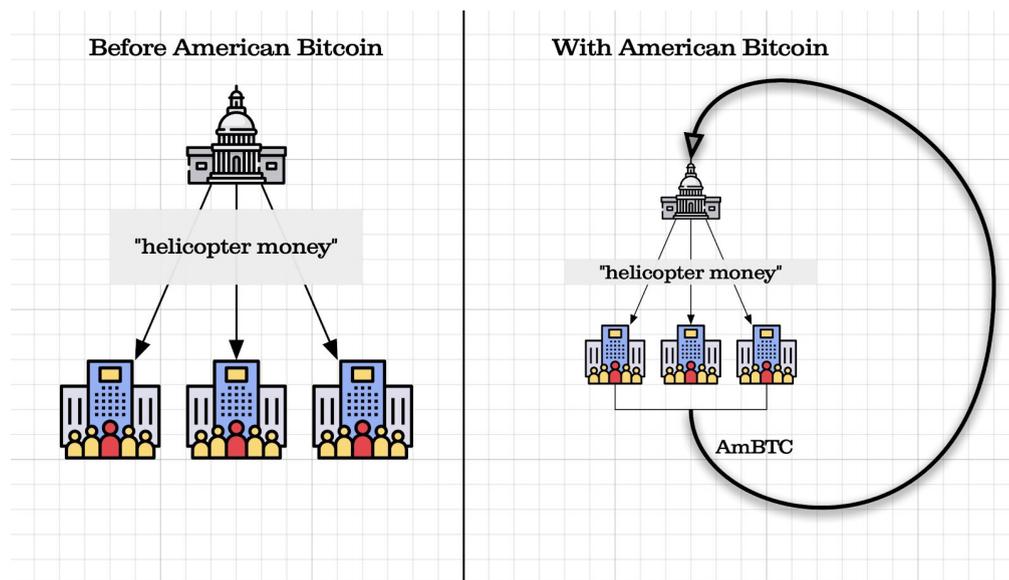
Technical Definition

National bitcoins (RuBTC, MNBTC, LaBTC, IPBTC, FGBTC, CnBTC, AmBTC, AfBTC) are unique irreplaceable digital objects created with the help of [Bitcoin Core protocol](#) with the following [changes](#):

- Edwards-curve Digital Signature Algorithm (EdDSA) that exploits the Ed25519 signature scheme
- SHA3-512 is used to generate digests when signing transactions and messages; SHA3-256 is used in address generation
- Smooth emission curve; emission adapts to sudden changes in the network hash rate
- The planet is covered with eight self-sufficient territories where same-mechanism regional reserve currencies operate: Russian, M.E.N.A., Latin, Indo-Pacific, Franco-German, Chinese, American, and African Bitcoins.
- For each territory, approximately 87% of all National bitcoins ever-to-exist (to be exact, 18,347,513 out of 21,000,000) are created with block 1 and are being evenly distributed among all residents of the corresponding territory.
- A special hardware-specific [application](#) with a built-in “physical CAPTCHA” function creates the address and corresponding private key for the applicant to receive National bitcoins. The CAPTCHA is based on proximity alerts with fellow-users via Bluetooth but unlike contact-tracking software, the app uses no personal data such as name, e-mail, phone number, etc.
- Yet-undistributed National bitcoins are strictly excluded from circulation. As the distribution halts on the specified date, the unclaimed National bitcoins will be randomly distributed among general delivery accounts via popular social networks.

Baseline Economic Logic

1. Although no official infrastructure is involved to issue and maintain National bitcoins, anyone (including governments) can buy them and influence the amount in circulation.
2. These days, governments distribute "helicopter money": the national currency is allocated to certain categories of people. Giving money in return for the corresponding amount of National bitcoins makes the same sense for citizens but, as a result, the government has more than just the records of transactions. The national Treasury acquires “digital gold” it can use in foreign trade and as a collateral for a new issue of fiat money.



3. Emission of fiat money backed with National bitcoins is a coordination game, an algorithmic seigniorage. The ability to automate moves in this game increases the seigniorage outcome. This is nothing new. However, since conventional unsecured currencies have low credibility, National Bitcoin constitutes a reputational gain.
4. Unredeemed National bitcoins remain in the hands of citizens and receive a market valuation, which can be influenced by conventional instruments such as timely interventions and regulation of private trades. The gradual increase in the popularity of this tool will ensure the return of the government's costs at the initial stage.
5. Governments can sell National bitcoins and encourage the transfer of household assets from foreign and conventional cryptocurrencies to the tool more useful for the domestic economy.
6. Foreign governments can also buy National bitcoins from those who were eligible to receive it, making certain preferences in price. National currency gets some additional international circulation. This may reduce the negative impact of the deficit of conventional foreign exchange reserve assets.
7. Thus, peoples of the economically self-sustained territory (most of North America) issue a finite amount of money and allow governments to buy it from them. As governments compete, not financial moguls and speculators, a competitive regional reserve currency is formed. Residents of more productive territories get a higher price for their reserve currencies.

Back-up Scenario for Creating Momentum

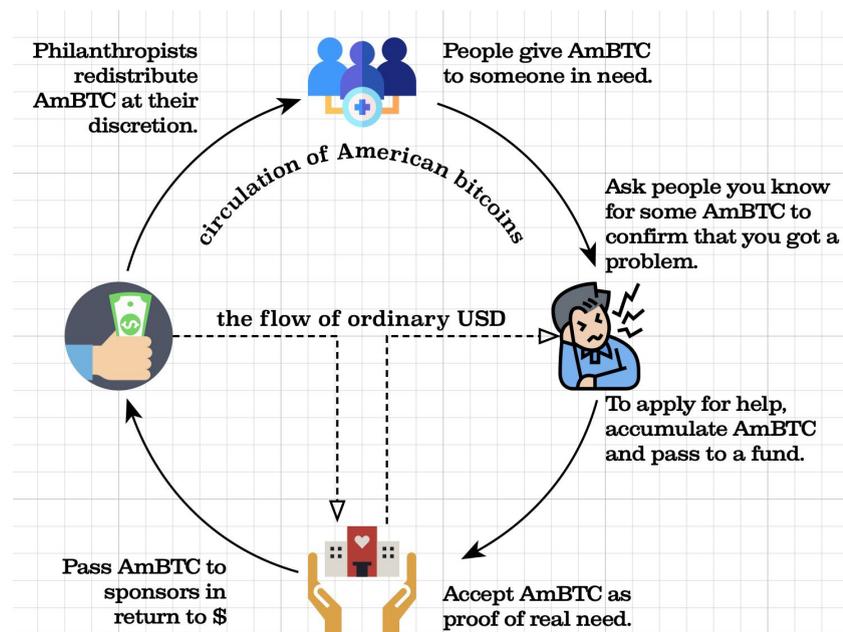
A typical objection to the above logic is that no government is going to buy National bitcoins. Probably not in 2021. Probably, soon, there will be no governments as we know

it. In any case, the scenario of value accumulation by National bitcoins does not depend entirely on the behavior of governments.

As society still fails to help a person in trouble and acknowledge the talent, as both bureaucrats and philanthropists underdeliver, National Bitcoin reinvents mutual support and charity. For example, technically, everyone in the USA already has some bitcoins so the total inclusiveness turns into value because – as actuarial math teaches us – reciprocity only pays off in a large enough community.

National bitcoins are easier to give, both technically and psychologically. On the other side, while many people feel ashamed asking for conventional money, National bitcoins are still mere symbols and everyone can collect them from others painlessly. Those in real need can get bitcoins from friends as a sort of a vote and attach it when applying for help to a charity foundation.

As people try to accumulate National bitcoins to apply to a fund, they use their REAL social connections, i.e. those people they can't mislead. Therefore, when accepting national-bitcoin-supported applications, funds save money on validations. Other procedures go as usual. Particularly, legal and financial aspects remain the same. The higher the National bitcoins turnover through a fund, the higher its reputation because the trace of national bitcoins in the distributed database can not be forged. If the fund has some National bitcoins, it unequivocally means the corresponding amount of appropriate help was provided.



Donors receive National bitcoins that came with the applications they took part to support and give some of them to people again, at their discretion. This adds to their understanding of where the money goes. The regular money flows from donors to funds and then to those in need, while National bitcoins go in the opposite direction. The entire scheme “uberizes” the relations between donors, funds, and people.

Thus, National bitcoins help develop the culture of charity. National-bitcoin-based “charity accounting” encourages those who see no point in philanthropy, who lack the feedback, and even those who are lazy and greedy.

As time goes on and the cycle rotates, the value of National bitcoins grows together with the overall charity spending in the system.

Obtaining National Bitcoins (Instruction for Recipients)



Attention! To get your territorial Bitcoins, you only need to live in the relevant area. You do not need any documents to obtain your local bitcoins. No personal data will be requested at all stages of the process. If you are asked for any personal data to get your bitcoins, you deal with fraud.

Step 1

Install the [application](#) for your smartphone. It only requires access to the geolocation and Bluetooth modules. Upon the installation, the mode for collecting the validating **proxings** turns on. It will be automatically deactivated **on December 21, 2021, at 15:59:16** (UTC-0 time zone) and after that, you will not be able to start the process of getting your bitcoins.

<p>Definition (what is a proxing)</p>	<p>When you are near another user of the same application (up to 10 meters, at least for a few seconds), the two smartphones engage in a blind handshake. Every NEW such case (with a person carrying a smartphone that has never "blind-handshaked" with yours before) gets you (and the person you digitally handshake with) one proxing. You don't need to verbally communicate, your smartphones do everything for you.</p>
--------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Step 2

Once you have collected **108 proxings** (and thus physically confirm that you live in a certain area), you will be credited with all your National bitcoins due. **Warning! It is necessary to do it using the same smartphone** (same device, SIM card can be changed). If the device is lost or broken, start the whole process again.

Naturally, the sooner people around you learn about the possibility of getting bitcoins, the sooner you will get yours.

Time is limited! All over the world, distribution of territorial bitcoins upon requests will stop on **March 20, 2022, at 15:33:23** (UTC-0 time zone), regardless of how many proxings you lack at that time.

From the next second until 09: 13: 49 (UTC-0) on June 21, 2022, all unclaimed territorial bitcoins will be randomly (without requests) distributed among the owners of active accounts of popular social networks. Accruals will be made on a unilateral basis, meaning that no effort is required to create an account. National bitcoins (along with other seven territorial bitcoins) will be sent as general delivery and stored in the

“on-demand” mode for indefinitely long. To extract bitcoins, at any time, one must simply confirm the fact of ownership of the corresponding social network account.

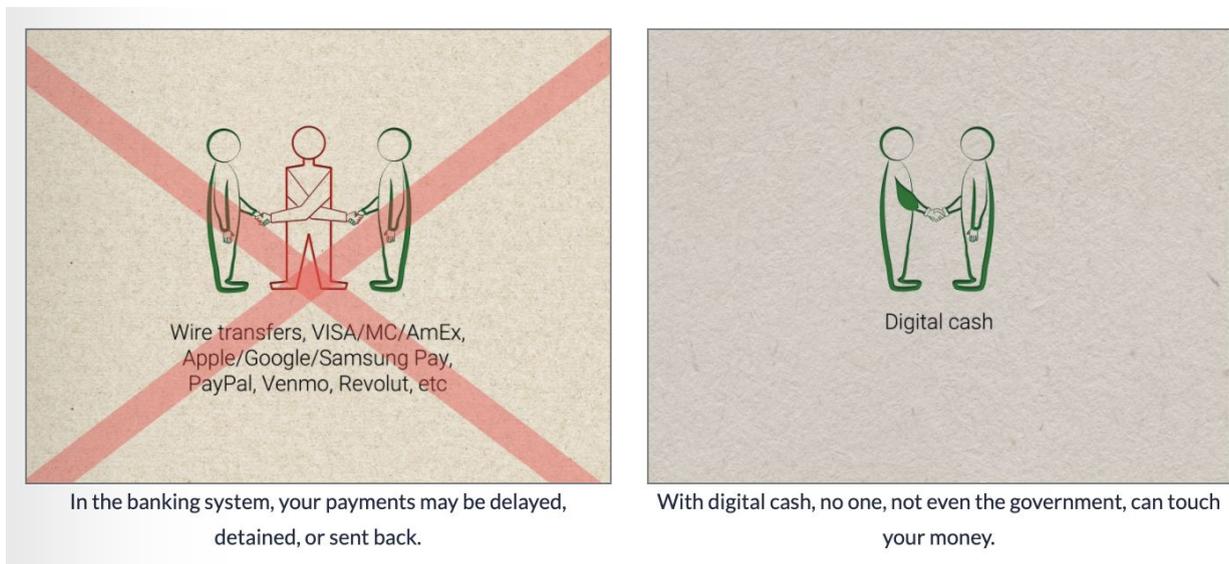
After March 20, 2022, there will be no unallocated, locked (or otherwise restricted from circulation) territorial bitcoins left.

Using National Bitcoins: Like Paper Cash, but Online

National Bitcoin is a money, bank, and payment system, all in one. National Bitcoin is decentralized so users are not dependent on a single technology provider.

In everyday use, National bitcoins are like numbered paper cash bills and coins.

Payments can not be rejected, can't be delayed, detained, or sent back. No forced chargebacks. Accounts can not be blocked. No cross-border control and fees. No intermediaries between payer and payee. By default, accounts and payments are anonymous. No formal ID or home address is required. No bank account or even e-mail address is needed. No disclosure of any other identifiers. Storage is secure and free. No subscription fees of any kind. No payment limits. No maximum daily or monthly amounts. Transaction fees are extremely low: tens of thousands of dollars worth can be transferred for a few pennies.



National Bitcoin payments can reach anyone: a blockchain address is all it takes to send money. You can pay anyone, including unbanked and sanctioned people and those living in hard-to-reach territories. You can even “upload” money for general delivery to those you don't know personally using their social network usernames.

As economic fragmentation is growing and the connectivity of the banking system falters, merchants will soon be preferring cash and cryptocurrencies. **National Bitcoin is great for merchants:**

- No POS device needed
- Contactless payments for brick-and-mortars without NFC: showcase your goods and services in customers' mobile browsers and accept payments via QR codes
- Conditional programmable payments and automation of contracts

Great for Nations: Public Monopoly on Money

Just because the source of all value in the world is people and what they do plus natural resources (which belong to the people), the only source of money (and, consequently, power) is the people, not presidents or governments. Despite being written down in most modern constitutions, this obvious principle is never actually implemented. For the first time in history, National Bitcoin is creating a real mechanism where the only source of money is people themselves!

2020 is the tipping point. We see a decline in international trade and the destruction of global supply chains. Some nations found themselves face-to-face with the irrationality of trade wars. The National monetary authorities can no longer impose their civilizational worldview on others. Although Nationals work well and hard, the US dollar is compromised and a sweet spot is never empty.

Original Bitcoin has proven: the scarcity-of-asset principle works. The problem is that today financial institutions possess most of the ordinary bitcoins, control BTC mining and major exchanges. This has happened because they had enough time. To prevent this from happening with the new (territorial) Bitcoins, we first give out most of them to as many people as possible and only then start trading things for them. Money goes to all residents of the territory, even to infants and convicts. No restrictions. This creates the spirit of fairness and impetus for economic development at the start.

This time, no monopolies, no manipulation. No leaks of national wealth. No hostile takeovers orchestrated from abroad.

Since national bitcoins are pre-distributed among all people, those who would typically take advantage of the proximity to the money printer get no privilege. Only after all the money is in people's hands, governments can buy it back to allow for monetary multiplication and the creation of flexible monetary aggregates. This way, regular out-of-thin-air money serves the people because now everyone participates in profit-sharing. The credit leverage is now in the interest of all people, not only first-line bankers.

Governments use national bitcoins for foreign trade and as an underlying value for local fiat money. It is governments that compete to buy bitcoins from people. The race for power creates demand and supply forces, not speculators and profiteers. The market

mechanism is being formed at the interstate level. Demand formed by governments is cleaner than that by speculators.

While each National Bitcoin territory consists of several countries and is self-sustainable, a single national government is not something irreplaceable or unique. Therefore, each government has to prove its monetary effectiveness.

Why Are There Eight Territories?

Eight is an educated guess. There may be 10 or 12 of them. Importantly, 8 is much more than 1, 2, or 3. The isolation of eight territories is an effective way to overcome the monstrous danger of creating a formal world government. It is a form of countering the already existing globalist forces.

Total globalization is extremely dangerous. In 2020, it became visible to the naked eye. The United States, satiated by its global dominance, is literally going crazy. It is hard to call the Cold War duopoly a healthy state of affairs either. Adding China to the problem only gives us an excessive rigidity.

Ideally, individual countries should remain equal subjects of global competition. However, countries, on average, have become too small, while technologies grew too cumbersome for such small countries. Supply chains are very long now.

Why not create literally “National Bitcoins”, readers may ask, one Bitcoin for each country. Of course, an ordinary currency of a relatively strong country may try to take the US dollar’s place when it leaves its dominant position, on a regional level. But there are at least two problems.

First, becoming a reserve currency in the modern world takes digitizing your national currency (as it is already going on with the Chinese RMB). It is extremely dangerous for any democracy. Direct interaction between the central bank and citizens threatens the entire commercial banking industry and also concentrates too much power in the hands of financial officials.

Second, when a single country's currency, say the Brazilian real or the Indian rupee, attempts a direct monetary expansion, this only irritates neighbours and prevents success on other foreign policy fronts.

Whether we like it or not, some degree of dense cross-country integration is necessary in the modern world. When an individual country or territory consciously participates in global competition on many (or better, on all existing) economic fronts, it gives its residents a good psychological incentive.

Each country should supply the world market with its own food, clothing, bicycles, and everything that is needed for everyday life. And each territory (for example, as we offer — 8 ones) competes in ALL groups of goods and services, including such heavy-weight ones as energy, mechanical engineering, metallurgy, aircraft construction, etc. This would allow the peoples of such territory to have a healthy modern ideology, without replacing it with religious and utopian surrogates. In addition, in such a situation, tough competition at the individual level is not necessary, and this is a good thing. After all, not all people are ready to chase the golden calf all their lives.

To conclude, we simply offer the map where the territories are self-sufficient. The US and China are theoretically self-sufficient, but the rest of the countries are not. This division reflects both the historically established "zoning" and the strongest current trends (for example, Greenland in recent years has moved away from the former metropolis of Denmark and become an integral part of North America). There's no political context here, whatsoever.

Why not one, single Bitcoin of a new type? Shouldn't a cryptocurrency be borderless, by definition? Isn't "national bitcoin" an oxymoron?

Not an oxymoron but a healthy hybrid. According to Popper, one refuting fact is enough for the theory to be discarded as useless. However, that never happens in practice. When the dollar dies, this stubborn fact will be fought and then ignored until a whole generation of relevant professionals has physically retired. Therefore viable constructions in the field of new reserve currencies should avoid "pure innovation". While being technically a hybrid, our approach represents a complete worldview — where the inner world looks at the outer one having a self-sufficient system of argumentation — rather than just a standpoint with irresponsibly accepted conventional "pearls of wisdom". In particular, we dismiss the thesis that fiat money is based on trust. That "trust" is originally based on violence. The essence of our idea is to offer a third (after fiat money and ordinary Bitcoin) way to introduce money to people. Not at the expense of semi-religious emotions, like Bitcoin tried to do, but as a fair and regulated competition mechanism for professional monetary actors.

List of Territories

In counter-alphabetical order:

1. RUSSIAN BITCOIN (RUBTC): Distributed among the residents of the following countries: AM, AZ, BG, BY, EE, FI, GE, GR, HU, KZ, LV, MD, MK, MN, NO, RO, RS, RU, SE, SK, UA, UZ. In addition, all Alaskans are eligible to get Russian bitcoins (along with American bitcoins). russian.nationalbitcoin.org
2. M.E.N.A. BITCOIN (MNBTC): AE, AF, CY, DJ, DZ, EG, EH, IL, IQ, IR, JO, KG, KW, LB, LY, MA, MR, OM, PK, PS, QA, SA, SD, SO, SY, TJ, TM, TN, TR, YE. mena.nationalbitcoin.org

3. LATIN BITCOIN (LaBTC): AG, AI, AR, AW, BB, BM, BO, BR, BS, BZ, CL, CO, CR, CU, CW, DM, DO, EC, FR, GD, GF, GP, GT, GY, HN, HT, JM, KN, KY, LC, MQ, MS, MX, NI, PA, PE, PR, PY, SR, SV, SX, TC, TT, UY, VC, VE, VG, VI. latin.nationalbitcoin.org
4. INDO-PACIFIC BITCOIN (IPBTC): Distributed among the residents of the following countries: AU, BD, BN, BT, FJ, HK, ID, IN, JP, KH, KR, LA, LK, MM, MV, MY, NC, NR, NZ, PF, PG, PH, PN, SB, SG, TH, TL, TO, TW, VN, VU. And besides, Indo-Pacific bitcoins (along with American bitcoins) are to be received by all Hawaiians. indo-pacific.nationalbitcoin.org
5. FRANCO-GERMAN BITCOIN (FGBTC): AD, AL, AT, BA, BE, CH, CV, CZ, DE, DK, ES, FO, FR, GB, HR, IC, IE, IS, IT, LI, LT, LU, ME, MT, NL, PL, PT, SI. franco-german.nationalbitcoin.org
6. CHINESE BITCOIN (CnBTC): CN, KP, NP. chinese.nationalbitcoin.org
7. AMERICAN BITCOIN (AmBTC): CA, GL, US. american.nationalbitcoin.org
8. AFRICAN BITCOIN (AfBTC): AO, BF, BI, BJ, BW, CD, CF, CG, CI, CM, ER, ET, GA, GH, GM, GN, GQ, GW, KE, KM, LR, LS, MG, ML, MU, MW, MZ, NA, NE, NG, RE, RW, SC, SL, SN, SS, ST, SZ, TD, TG, TZ, UG, YT, ZA, ZM, ZW. african.nationalbitcoin.org

Block Reward Algorithm

Please find instructions for miners at the project's [GitHub](#) page.

Network complexity is adjusted at each new block to reflect the change in rewards in the fairest way and to compensate for significant distortions in complexity that occur when the network's processing power increases or outflows. The formula for calculating the compensation for the block looks as follows:

$$\{RealBlockReward = \min(MaxRewardPerBlock, BasicBlockReward * RealBlockTimes / TargetBlocksTime)\}$$

The general principle is as follows: when the complexity changes 16 times, the reward is doubled. Accordingly, as the network capacity increases, the reward will gradually decrease, and as the network capacity decreases, the reward will increase, but will not exceed the maximum possible reward for the block of 25 coins. Please note that the given formula is a simplified model. Therefore, the reward values obtained by this formula and real data may differ slightly. For a more accurate reward calculator, please use this online calculator.