

## ECB report on a digital euro

On 2 October 2020, the ECB published a report ([pdf](https://www.ecb.europa.eu/euro/html/digitaleuro-report.en.html)) on a digital euro: <https://www.ecb.europa.eu/euro/html/digitaleuro-report.en.html>

Excerpts from the [report](#) and my comments, as “the views of the public”.

p. 45: “Communication with prospective end users and with the supervised intermediaries that could be involved in the provision of services is crucial to assess the actual business case for issuance. This report will serve as a starting point for a public consultation. Hearing the views of the public is essential to ensure that any change to the form of money and payments that the Eurosystem provides remains firmly ensconced in citizens’ trust.”

What is the *crucial* need (Sic!) for adding a new shell of “digital euro”? How can we trust a new shell of so-called “digital euro” that will offer enormous complications from the outset for *very* unclear future benefits, if any?

p. 16: “The excessive use of the digital euro as a form of investment and the associated risk of sudden large shifts from bank deposits to the digital euro should be avoided.”

1. Unlike the euro, the gulden (GLD) is just a tool, and will never be used “as a form of investment”. Please read (1) in my remarks at the next page.

p. 17: “Consideration should be given, inter alia, to whether a digital euro should be accessible by households and firms directly or indirectly through intermediaries, whether it would be remunerated (Sic! - D.C.), and whether digital euro holdings of individual users should be limited or unlimited. For instance, the central bank might mitigate potential effects on the banking sector, financial stability and the transmission of monetary policy by remunerating digital euro holdings at a variable rate over time<sup>[34]</sup> possibly using a tiered remuneration system, or by limiting the quantity of digital euro that users can hold and/or transact.”

p. 32: “As already mentioned, remuneration could be tiered, with different interest rates applied in different cases. This would, for example, allow the Eurosystem to pay less attractive interest rates on large holdings of digital euro (*no interest rates* on GLD - D.C.) or on holdings by foreign investors in order to discourage excessive use of the digital euro as an investment or to mitigate the risk of attracting huge international investment flows.”

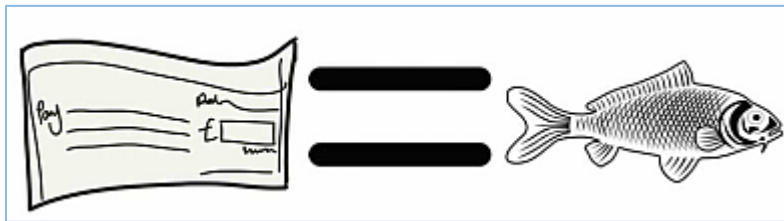
2. This is a big can of worms. We need instead a brand new European Central Digital Bank (ECDB): please read (1) above and my brief remarks below. The proposal on the scope and function of ECDB is available upon request. Let’s keep it simple and straightforward. We need the Gulden.

# The GULDEN (GLD)

## Proposal for hybrid digital currency

Please read my proposal for EU digital currency from 15 March 2021 below. Here are some brief remarks. The detailed proposal on (1) and (2) below is available upon request.

All currencies, both fiat and digital, are a fiction. Abracadabra. Fugazi. But if a currency corresponds to something *real* (e.g., fish), and if sufficiently many people trust it, this (otherwise fictitious) currency becomes *money*.



Ditto to the EU digital currency called gulden (GLD). The incentives to use GLD are explained in **NB** in my initial email from 15 March 2021 below.

We need a *brand new* European Central Digital Bank (ECDB): no lending of GLD created from 'thin air' and no [fractional reserve banking](#). Only ECDB will issue gulden to EU countries. For a small fee, all individuals in EU will have the freedom to open concurrent accounts in gulden (1 EUR = 1 GLD), which they may use, according to their preferences, in two ways:

1. Use gulden from their account in ECDB viz. their new GLD [IBAN](#), in order to apply for 2% tax deduction at the end of the fiscal year (read **NB** below).
2. Transfer their gulden to their private uncensored portfolio (Sic!), and use them freely with the forthcoming [blockchain technology](#), e.g., [ETH 2.0](#).

Thus, GLD will be to *certain extent* pegged to the euro, depending on the ratio of (1) and (2) above. If you are a farmer, or own a restaurant, or a car garage, you wouldn't delve into the hassle of blockchain (2), and will use (1) mostly with your phone, like e.g. [PayPal](#). One can expect the ratio of (1) and (2) to settle at 5:1. Hence one day the gulden can evolve into the only viable *digital money* incorporating the confidence and trust from the new ECDB (1) and the privacy and freedom from (2). This is our Zeitgeist.

3 December 2021, 06:00 GMT



Dimi Chakalov &lt;dchakalov@gmail.com&gt;

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## Digital EU currency: GULDEN (GLD)

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Dimi Chakalov &lt;dchakalov@gmail.com&gt;

Mon, Mar 15, 2021 at 1:55 AM

To: econ-secretariat@ep.europa.eu, info@ecb.europa.eu

The euro belongs to Europeans and we are its guardian. We should be prepared to issue a digital euro, should the need arise.

Christine Lagarde, President of the ECB

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Ladies and Gentlemen,

I would like, if I may, to suggest a topic for discussion at the Monetary Dialogue on 18 March 2021. Please take my opinion with a grain of salt.

The expression "digital euro" is not good enough. I suggest a new name for our new digital currency: Gulden (GLD). It is bold and strong, and heralds a new era in the EU. I hope our Dutch colleagues will not object to it. Here's the crux of the proposal. Will be happy to elaborate in details.

The digital Gulden will be pegged 1:1 to the Euro: 1 GLD = 1 EUR. GLD will not not replace cash, but rather complement it. It will be an electronic form of money issued by the Eurosystem (the ECB and national central banks) and accessible to all citizens and firms. Every EU citizen and firm will be able to open a concurrent bank account in GLD (1 EUR = 1 GLD) and conduct all financial operations with GLD, including paying for all goods and services with her/his phone (think Alipay).

**NB:** The incentives to use GLD are 2% (Sic!) reduced tax. For example, if I have 50,000 GLD annual income and will have to pay 20,000 GLD taxes in my EU country of residence, I will pay 2% less. Just 2%. If I used EUR, I will have to pay 20,000 EUR taxes. I hope all EU countries will agree.

What is unclear to me is how one could bypass SWIFT and use a new EU alternative. But I believe it is agonizingly clear that the digital yuan (DCEP) will effectively dominate the global economy by 2025. If you can't beat them, joint them. With a twist:-)

Again, I stand ready to elaborate on the Gulden (GLD), should you find the proposal interesting.

Wishing you and Mme Lagarde a fruitful meeting on 18 March 2021,

Yours sincerely,

Dimitar G. Chakalov  
Al. Stamboljiski Blvd 28  
BG 1000 Sofia  
EU Card ID: 648921850

## Explanatory Note

In my initial email from 15 March 2021 above, I wrote:

What is unclear to me is how one could bypass SWIFT and use a new EU alternative. But I believe it is agonizingly clear that the digital yuan (DCEP) will effectively dominate the global economy by 2025. If you can't beat them, joint them. With a twist:-)

How can we bypass [SWIFT](#) and create our new EU alternative? What is the "twist" here? Use [blockchain technology](#) for transactions with GLD, based on [Ethereum 2.0](#) with minimal [gas tax](#). This will make our Gulden (GLD) *the best* digital currency, much better than the digital yuan (eCNY), and one day people all over the world will flock to Gulden (GLD). This is the "twist".

**NB:** The "lizard" (European Central Bank) must cut off its "tail". The sooner, the better. Here by "tail" I mean the *dependence* of EU banks on their deposit base in EUR. Use GLD instead. All transactions over 50,000 GLD can be monitored and scrutinized via new GLD [IBANs](#). **Yes we can.**

All fiat currencies are doomed to fade away. This is our new [Zeitgeist](#). Nobody can drive it back. As of today, the ECB's Governing Council might only decide in the coming months whether to begin a formal investigation regarding the possible launch of a "digital euro". All people at the ECB's Governing Council are still gently 'thinking'. It will be painful for the "lizard" to cut off its "tail", but we must be fully prepared to embrace GLD, along with the upcoming [5G network](#).

Do we have any alternative? Not anymore. Read about the first "crack" from our new Zeitgeist:

**China's digital yuan displaces the dollar. \$16 trillion of US dollar deposits may disappear.**  
by David P. Goldman, April 21, 2021.

<https://asiatimes.com/2021/04/chinas-digital-yuan-displaces-the-dollar/>

The \$16 trillion of offshore dollar deposits at international banks won't turn into the equivalent amount of Chinese yuan. Instead, that \$16 trillion will shrink to a small fraction of its present volume, because the Big Tech/fintech revolution will make them redundant. Instead, as Morgan Stanley analysts explained this week, "banks will lose their deposit base" as digital currencies replace their most basic functions.

What Western analysts fail to grasp is that China is **not** trying to take the place of the United States. Rather, China is creating a new system of world trade and finance that will - as a byproduct - replace the methods of trade financing. With the advent of smart logistics, just-in-time inventory management and just-in-time payments for goods in world trade, exporters won't have to write contracts in foreign currency for payments due months ahead, and buy expensive hedges against currency market fluctuations. They will just receive payment in their own CBDC. China's dominance in digital currency will follow naturally from its position as the world's top exporter. And because the digital yuan will be the largest currency in international trade, and China will have a market leader advantage in introducing CBDC's, other exporters will use the digital yuan as a matter of convenience. The digital system will hollow out the deposit base of the banking system, most emphatically for international trade financing. Reserve currencies won't disappear, but they will become vestigial.

The US will lose this enormous volume of cheap credit from the rest of the world just when it needs it the most.



Dimi Chakalov &lt;dchakalov@gmail.com&gt;

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**Re: Digital EU currency: GULDEN (GLD) (#4 - 125353)**

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Dimi Chakalov &lt;dchakalov@gmail.com&gt;

Wed, Dec 8, 2021 at 1:37 PM

To: ECB Information &lt;info@ecb.int&gt;

Cc: econ-secretariat@ep.europa.eu

Dear Mrs Finkernagel-Eid,

I haven't heard from you nor from any of your colleagues. Your formal reply from 11 May 2021 (printed below) did not address the essential issues raised in my initial email from 15 March 2021.

Please see my renewed proposal for a hybrid digital currency (attached). You can read it online at [http://www.god-does-not-play-dice.net/ECB\\_Gulden.pdf](http://www.god-does-not-play-dice.net/ECB_Gulden.pdf)

Looking forward to hearing from you at your earliest convenience,

Yours sincerely,

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Mob. +359 98 887 5518

On Tue, 11 May 2021 12:38:22 +0200,  
Message-ID: <f4b57b54eik4m@esaap012.ecb01.ecb.de>,  
ECB Information <info@ecb.int> wrote:

&gt;

&gt; Dear Mr Chakalov,

&gt;

&gt; Thank you for your renewed email.

&gt;

> What we meant to say was that we are still in the project phase of a central bank  
> digital currency. The ECB's Governing Council will only decide in the coming months  
> whether to begin a formal investigation regarding the possible launch of a digital euro.  
> Hence discussing a name is too early at this stage.

&gt;

&gt; However, we are happy to keep your contact for future reference.

&gt;

&gt; Yours sincerely,

&gt;

&gt; Eva Finkernagel-Eid

&gt;

&gt; Internal and External Engagement Division

&gt; Directorate General Communications

&gt; EUROPEAN CENTRAL BANK

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> Email: [info@ecb.europa.eu](mailto:info@ecb.europa.eu)> [www.ecb.europa.eu](http://www.ecb.europa.eu)> [www.bankingsupervision.europa.eu](http://www.bankingsupervision.europa.eu)> [www.youtube.com/ecbeuro](https://www.youtube.com/ecbeuro)> [twitter.com/ecb](https://twitter.com/ecb)> [www.linkedin.com/company/european-central-bank](https://www.linkedin.com/company/european-central-bank)> [www.instagram.com/europeancentralbank](https://www.instagram.com/europeancentralbank)

## Can you put on your jeans through your head?

No, you cannot put on your jeans through your head. This is the operational definition of 'impossible'. We all know that bloody well.

Suppose, however, that a [highly influential](#) group of people deeply hate the idea of wearing jeans, for all sorts of reasons. But the jeans is the future.

What could they do to *effectively* block the jeans, without exposing their **hidden agenda**? First, never mention *the only way* to put on your jeans (read: Gulden). Secondly, make a [proposal](#) on how to put on your "jeans" through your head. It will be ridiculous for sure, with utterly convoluted requirements, so try to confuse the public with many obscure concepts and, most importantly, make sure that your "proposal" will look profoundly "academic". Also, try to add some *very* polite "reassuring" statements at the end, e.g., "hearing the views of the public is essential to ensure that any change to the form of money and payments that the Eurosystem provides remains firmly ensconced in citizens' trust." Sweet, isn't it?

But what is the *crucial* need (Sic!) for adding a new shell of "digital euro"? Do we need such shell of so-called "digital euro" that will offer enormous complications from the outset for very unclear future benefits, if any?

In my (not quite humble) opinion, the so-called "digital euro" is born dead. Read the excerpts from their "Report on a digital euro" at the first page.

Let me also quote from their [FAQs on the digital euro](#): "We will complete this work by October 2023. The Governing Council will then decide whether to move to the next phase. (...) This phase could take around three years."

Or acknowledge that — guess what? — you cannot put on your jeans through your head. They did try it, very hard indeed, but it is impossible. Why?

Because the experts at ECB's [Governing Council](#) do not want all EU citizens to have private uncensored portfolios (Sic!) based on blockchain technology (read p. 2 above). They will not let people bypass [SWIFT](#). Never ever. They want control and surveillance. Privacy is bad for you. Nobody from ECB's [Governing Council](#) made *any* effort to contact me regarding my proposal from 15 March 2021. The Gulden (GLD) was pronounced 'dead on arrival'.

Who wins? The [digital yuan](#) and People's Liberation Army (PLA), of course. They will be here in EU by 2026, with a friendly Chinese smile, of course.

9 December 2021, 16:30 GMT

## Post Scriptum

Today is March 15, 2022. Exactly one year ago (Mon, Mar 15, 2021 at 1:55 AM), I sent my proposal for a hybrid EU currency GULDEN (GLD) to the European Central Bank and contacted many financial experts. The detailed proposal is still available 'to whom it may concern' (if any). The crash may be eight years away ([Gerald Celente at YouTube](#), 29:56-30:10). Or perhaps *much* closer, as we are dragged into severe dogfights with [Hitler Putin](#).

Nobody reacted. Let me remind you of the proposal by Mark Carney from 23 August 2019 about a 'synthetic hegemonic currency' ([SHC](#)), a basket of reserve digital currencies. The Gulden should be an essential element of the composite SHC. It doesn't matter if people like it or hate it. Get real. This is our future. And also the lesser evil. Read [above](#).

D. Chakalov  
15 March 2022, 23:56 GMT