

## How might digital money shape a new economics?

*Shann Turnbull*

Should the shape of a new economics be determined by money carrying out multiple roles such as being a medium of exchange, a store of value and unit of account? For example when money is a store of value it becomes an asset class competing with real resources that can sustain prosperity? Would the process of “financialisation” (Palley 2007) be removed if money depreciated like real resources as proposed by Gesell (1916) and supported by Keynes (1936). Should the value of money be a social construct not definable by any one of more specified goods and services but determined by self-referential markets subjected to banking practices, foreign exchange regimes, currency wars, hedge funds and speculators, etc? Should the value of money and so prices in a market economy be determined by money being connected or tethered to real resources? (Turnbull 2011). “Can central banking survive the IT revolution?” (Goodhart 2000; White 2001). “Will future historians look back on central banks as a phenomenon largely of the twentieth century?” (King 1999). If decentralized banking is to emerge again what will determine optimal currency regions? (Hall 1983; Mundell 1961). If notes and coins are replaced by digital money transacted by debit cards and/or cell phones should the currency remain anonymous, untraceable and universally applicable? Will official digital money with a negative interest rate as proposed by Haldane (2015) and Turnbull (2010) introduce “Tyranny” (Giles 2015)? Should money and credit be created by a global authority, central governments, central banks, regional associations, private banks, local organizations and/or with blockchain technology? Should the creation of money be democratized? If so, how? (Turnbull 2013). What type of money might be best suited for the purpose of providing a medium of exchange to most efficiently and effectively sustain humanity on the planet? (Turnbull 2015).

**Conference Themes:** Money, Law, Work

### **Bio:**

Shann Turnbull PhD (Macquarie), MBA (Harvard), BSc (Melb.) is Principal of the International Institute for self-governance, founding life Fellow of the Australian Institute of Company Directors, co-founding member of the UK based Sustainable Money Working Group and the New Garden Cities Alliance. He has been a prolific author of reforming the theories and practices of capitalism. He authored in 1975 *Democratizing the wealth of nations* and co-authored the first education qualification course in the world for company directors. He co-authored *Building Sustainable Communities: Tools and*

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