

Pesetacoin: The day a day currency for the spanish population

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Abstract – Bitcoin and blockchain creation have opened up new possibilities for the people to make their dreams come true. With the new world financial crisis knocking on the door, we can not relay on the politicians nor the central banks to solve the issue. We need a reliable coin to use in our day a day that doesn't have political interferences. The spanish population wants to see their beloved Peseta back in their lifes. Thaks to the blockchain we now have a limited emission Peseta that will allow to maintain its value over the time, allowing the economy to move forward in a much faster way.

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INTRODUCTION

Since the implementation of Bitcoin in 2009, there are new possibilities for the people to make their dreams come true. A big percentage of the spanish population never wanted to transition to the euro. After the debt crisis the country went through in 2011 more people started thinking about leaving the euro community and moving back to the previous currency, the Peseta.

In order to provide the new old currency to the people demanding it, Pesetacoin was born. The new Peseta will be better than the previous ones because it's been made by the people, for the people. It's limited meaning it will never be affected by hyperinflation as happens with the currencies created by governments.

In this paper we introduce Pesetacoin, the future day a day currency for the spanish population.

SPAIN¹

Spain, officially the Kingdom of Spain (Spanish: Reino de España), is a country mostly located on the Iberian Peninsula in Europe. With an area of 505,990 km², Spain is the second largest country in the European Union, and the fourth largest country in the European continent.



¹ Spain by Wikipedia
<https://en.wikipedia.org/wiki/Spain>

By population, Spain is the fifth in the European Union. As of January 1, 2014, it had a total of 46,507,760 people. Natives make up 88% and immigrants the other 12% of the population, being mainly from Latin America (39%). Spain's capital and largest city is Madrid; other major urban areas include Barcelona, Valencia, Seville, Bilbao and Málaga.



In 2017 Spain was the second most visited country in the world, recording 82 million tourists.² The climate of Spain, its geographic location, popular coastlines, diverse landscapes, historical legacy, vibrant culture and excellent infrastructure, has made Spain's international tourist industry among the largest in the world.



Cala Varques beach in Mallorca Island

² Number of tourist by Turespaña and INE
http://www.lamoncloa.gob.es/lang/en/gobierno/news/Paginas/2018/20180110_balancetourist17.aspx

Historical background

Spain has a remarkable historic background coming from pre-Roman Era, passing through the Roman control Era, the Muslim Era, the Reconquista Era, the Imperial Spain Era, going there to the Liberalism, the Labour movement, then to the Spanish Civil War, the Francoist Spain, the Restoration of democracy to nowadays.

Probably the most well known part of our history is the Imperial Spain when in 1492, Cristobal Colon crossed the Atlantic sea and reached the Caribbean Islands, beginning the European exploration and conquest of the Americas.

Back then, Spain was Europe's leading power throughout the 16th century and most of the 17th century, a position reinforced by trade and wealth from colonial possessions and became the world's leading maritime power. Through exploration and conquest or royal marriage alliances and inheritance, the Spanish Empire expanded to include vast areas in the Americas, islands in the Asia-Pacific area, areas of Italy, cities in Northern Africa, as well as parts of what are now France, Germany, Belgium, Luxembourg, and the Netherlands. It was the first empire on which it was said that the sun never set.



Spanish Empire under the rule of Felipe II

Spanish explorers brought back precious metals, spices, luxuries, and previously unknown plants, and played a leading part in transforming the European understanding of the globe. The cultural efflorescence witnessed during this period is now referred to as the Spanish Golden Age. The rise of humanism, the Counter-Reformation and new geographical discoveries and conquests raised issues that were addressed by the intellectual movement now known as the School of Salamanca, which developed the first modern theories of what are now known as international law and human rights.

The other part of the history we consider very needed to explain is about the Peseta,³⁴ the currency we're bringing back. Peseta was the official coin of the Spaniards since 19th october of 1868 after it was decreed by the Provisional Government. The first official Peseta was mint in 1869, weighting 5 grames of silver and being worth 4 reales.



First coin with 1 Peseta mark issued during the Gobierno Provisional in 1870

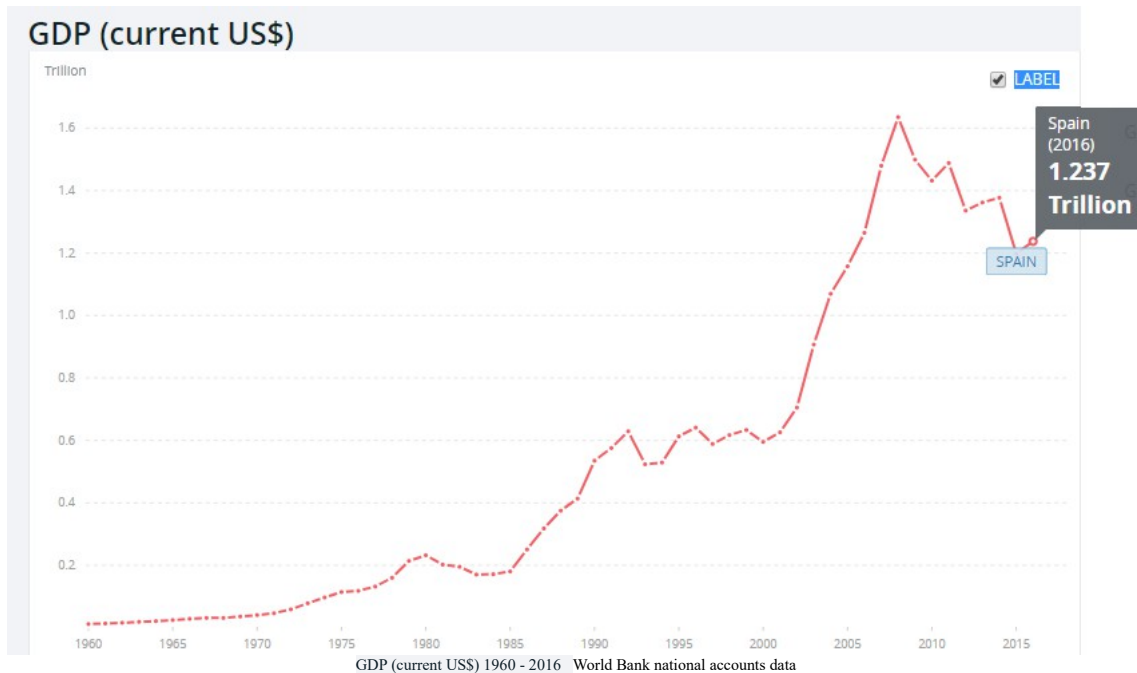
In 1937, the Peseta was the first time minted in cuproniquel and not in silver. Those coins were known as “la Rubia” because of the color they had. Remaining as popular saying “la Rubia” for refering to the Peseta. Some coins and notes had their own nicknames. “perra chica”, “perra gorda”, “duro”, “talego” were some of those nicknames.

The 31st december of 1998, the Peseta stoped quoting but it wasn't until the 1st january of 2002 that it was replaced by the euro. The conversion rate was 1 euro for 166.386 Pesetas. Honoring that conversion rate, the maximum amount of Pesetacoins that will be ever available is 166,386,000.

³ Peseta by Wikipedia
<https://es.wikipedia.org/wiki/Peseta>
⁴ Historia de la Peseta by Real Casa de la Moneda
<http://www.fnmt.es/historia-de-la-peseta>

Current socio-economic situation

The economic situation is not as good as someone outside of Europe could think. The GDP has been declining since the 2008 crisis and the unemployment rate is at 16.6%⁵ now but it's been at 27% in 2013.

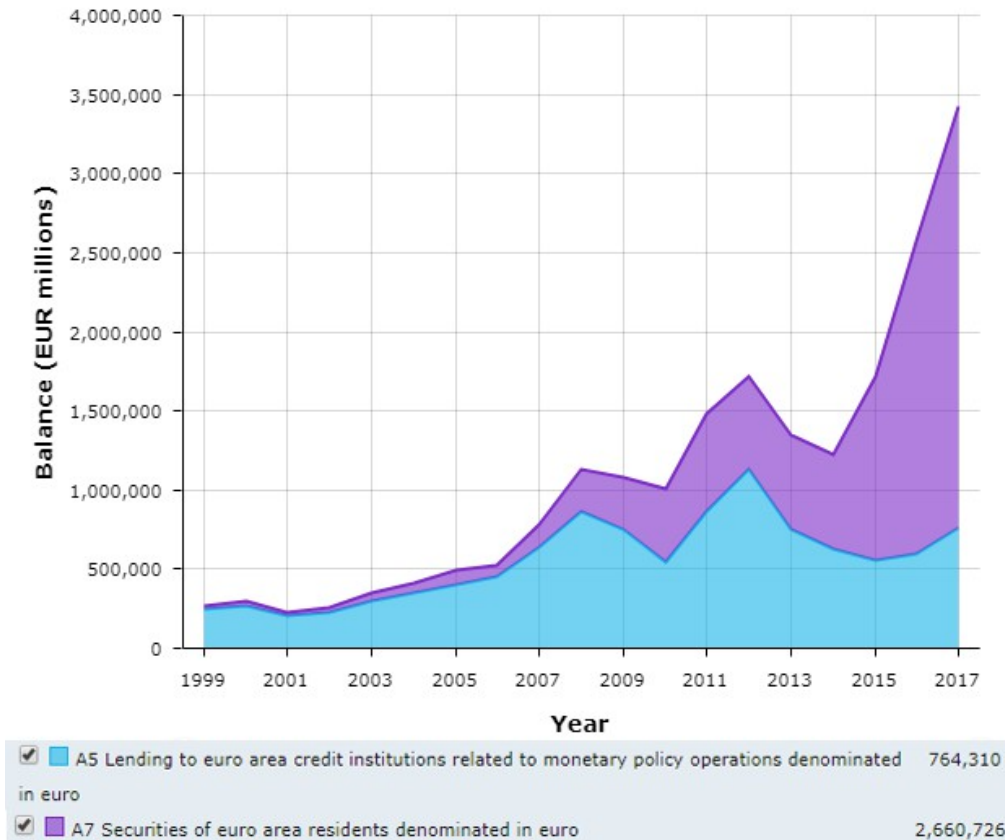


⁵ Unemployment rate by INE
http://www.ine.es/prensa/epa_tabla.htm

It's also worth mentioning how the country almost went bankrupt in 2011 during the crisis known as the PIIGS crisis because the countries involved were Portugal, Italy, Ireland, Greece, and Spain. Being Spain the fifth economy in Europe and the 14th worldwide, it's bankruptcy would mean the end of the European Union. This is the risk premium the Spanish 10 year bond was paying over the Germans 10 year bond. ⁶



The crisis was solved by Mario Draghi (European Central Bank's President) with his already famous words "Within our mandate, the ECB is ready to do whatever it takes to preserve the euro. And believe me, it will be enough." "Whatever it takes" meaning obviously, printing more money. ⁷



⁶ Prima de riesgo de España by Datosmacro.com
<https://www.datosmacro.com/prima-riesgo/espana?dr=2011-12>
⁷ Annual consolidated balance sheet of the Eurosystem by ECB
<https://www.ecb.europa.eu/pub/annual/balance/html/index.en.html>

Printing money has and always will lead to the same end. Hyperinflation and the collapse of the empire, government or institution issuing the currency. It happened to the Roman Empire more than 2000 years ago⁸, it happened in Germany 100 years ago⁹ and it's happening in Venezuela (652% inflation) and South Sudan (182% inflation) nowadays. Therefore we need to be prepared for the collapse of the euro sooner than later.

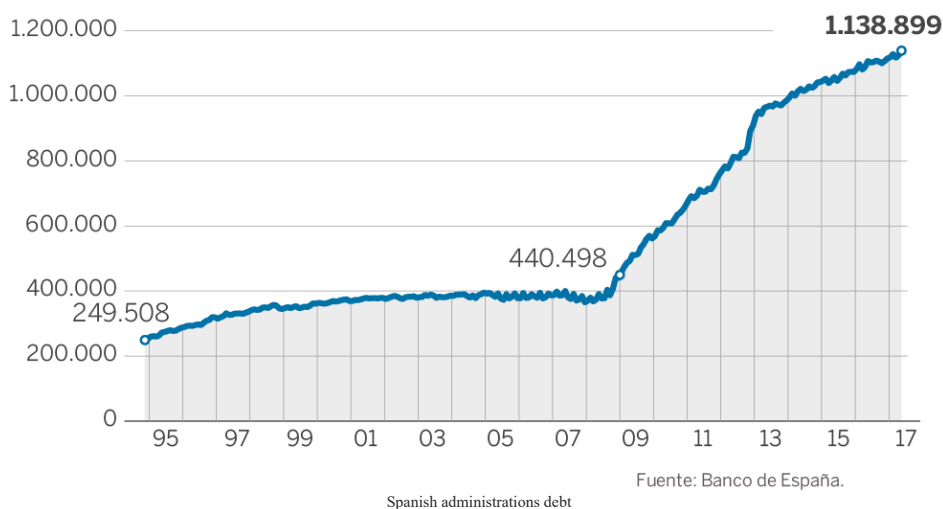


Children playing with stacks of hyperinflated currency during the Weimar Republic, 1922

In fact, the IMF has already issued a warning to the Spanish government to prepare for the next crisis.¹⁰ And looking to the debt of the Spanish public administrations, it might be a good recommendation.

DEUDA DE LAS ADMINISTRACIONES PÚBLICAS

En millones de euros



⁸ Inflation and the Fall of the Roman Empire by Joseph R. Peden
<https://mises.org/library/inflation-and-fall-roman-empire>

⁹ Hyperinflation in the Weimar Republic by Wikipedia
https://en.wikipedia.org/wiki/Hyperinflation_in_the_Weimar_Republic

¹⁰ Spain: From recovery to resilience conference by Bank of Spain and IMF
https://cincodias.elpais.com/cincodias/2018/04/03/companias/1522755888_836939.html

There is another fact what has made the people want to see the Peseta back. That's the inflation the day a day product has suffered. From 2000 to 2015 the official accumulated inflation has been the 38.8% but there product that have suffered from a bigger inflation rate. For example, the load of bread, 133%; a coffee, 100%; a milk brick, 127%; “menu del día”, 100%; cinema ticket, 105%. These price growth compared to the growth in the workers salary (24% increase)¹¹ can explain why people feels their purchasing power has plummeted since the disappearance of the Peseta.

Why Pesetacoin?

After exposing the situation of Spain and the Spanish population is going on right now, there are some reasons that explains why Pesetacoin is here.

First one is because the spanish population wants to bring back the beloved Peseta. A coin that fulfills their interest on keeping their history and memories alive.

With the new financial crisis knocking on the door, we can not relay on the politician that get us there to solve the issue. Neither we can trust central banks since their only policy is to print money and devaluate our savings. We need a reliable coin to use in our day a day that doesn't have political interferences.

The invention of the blockchain technology brings to the table the possibility of having a limited emission coin that will allow the Peseta to maintain its value over the time, allowing the economy to move forward in a much faster way.

The last reason is having available the latest technology the cryptospace can provide. We're fortunately in a open source enviroment, meaning every new worthit technology can be easily implemented in Peseta allowing their users to enjoy the best technology while they keep using their beloved Peseta.

That's why Pesetacoin is here.

¹¹ Lo que costaban diez producto con las últimas pesetas y lo que cuestan ahora by La Vanguardia
<http://www.lavanguardia.com/economia/20151120/30291881315/precios-pesetas-billetes-15-anos.html>

PESETACOIN

Specifications

Launched: 1/6/2014

Coin Symbol: PTC

Algorithm: Merge Mining Scrypt (Proof of Work)

Number of coins in circulation: 133,419,814 PTC (80%)(4/6/2018)

Maximum coins: 166,386,000 PTC

RPC port: 16638

P2P port: 16639

PoW Rewards:

Block 0 to 525600: 166.386 PTC (01/09/2014 to 01/09/2015 *)

Starting at block 525600 reward will be: 83.193 PTC (01/09/2015 *)

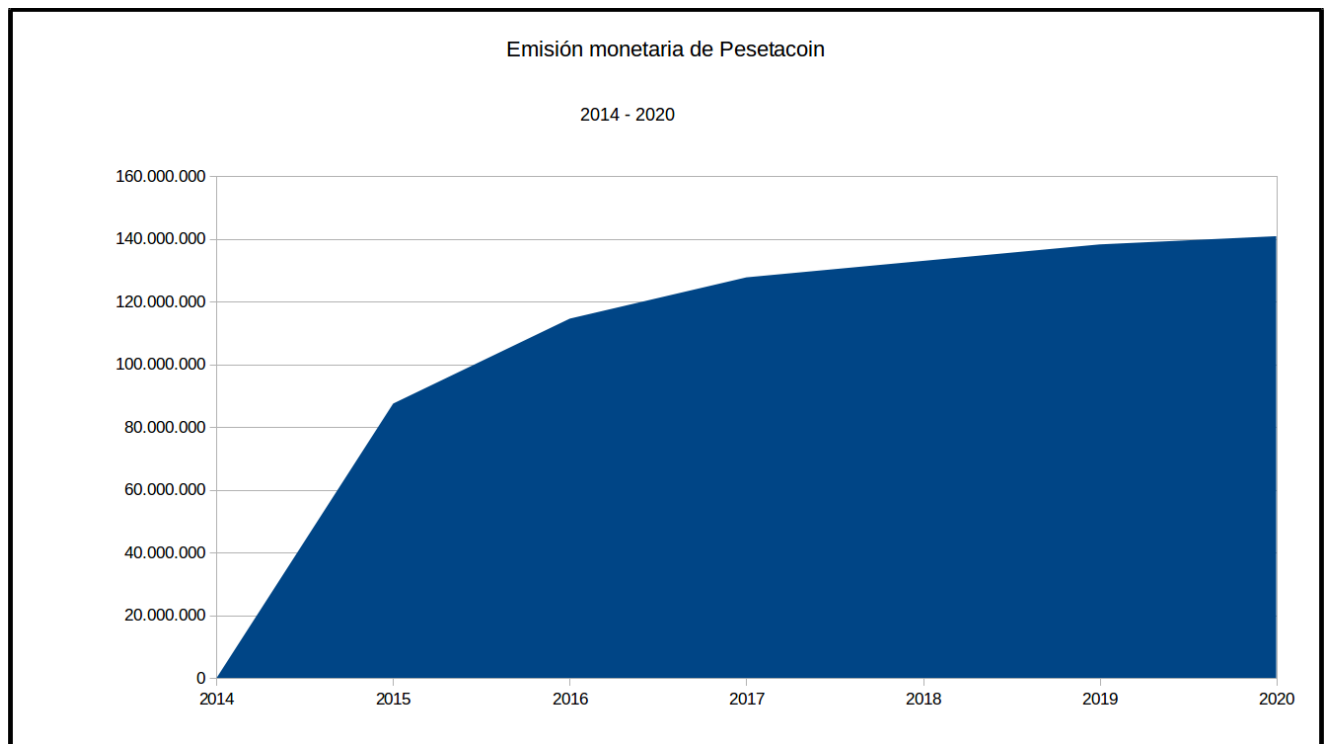
Starting at block 550000 reward will be: 50 PTC (01/26/2015 *)

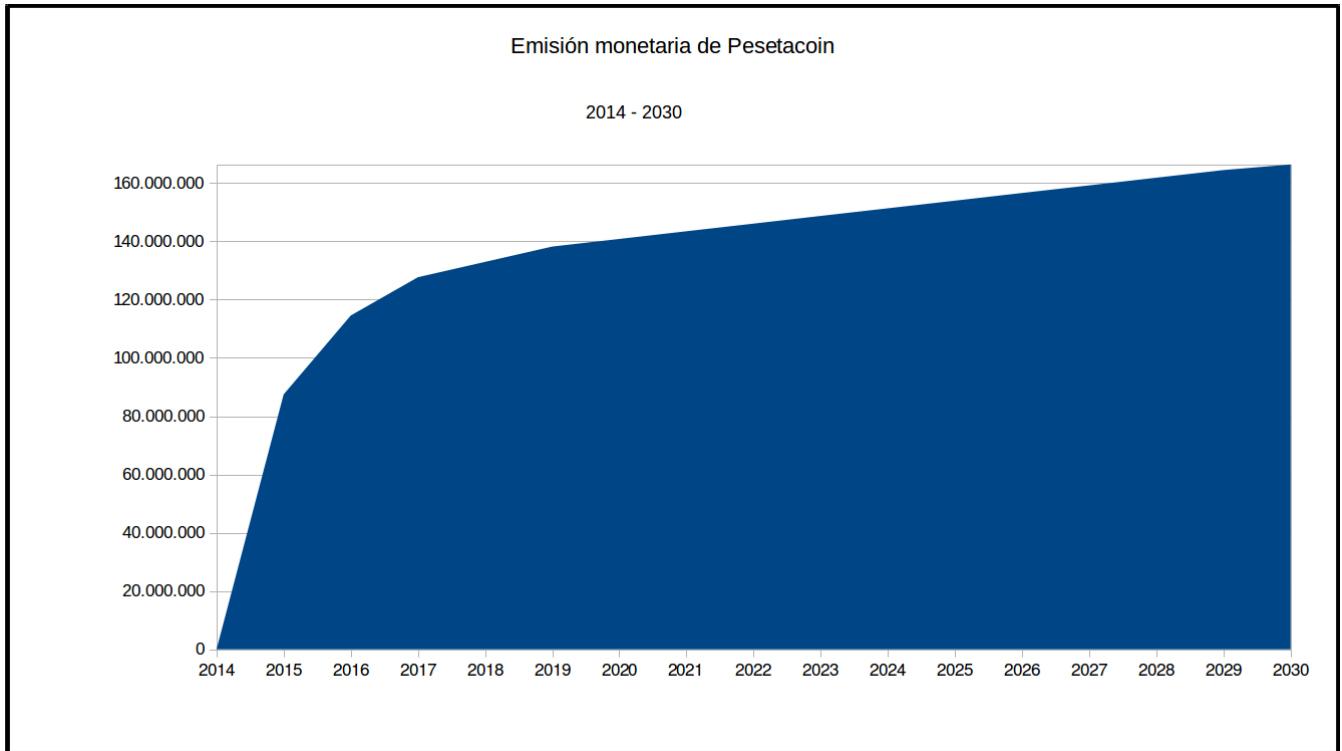
Starting at block 1051200 reward will be: 25 PTC (2016 *)

Starting at block 1576800 reward will be: 10 PTC (2017-2018 *)

Starting at block 2628000 reward will be: 5 PTC (2019-2029 *)

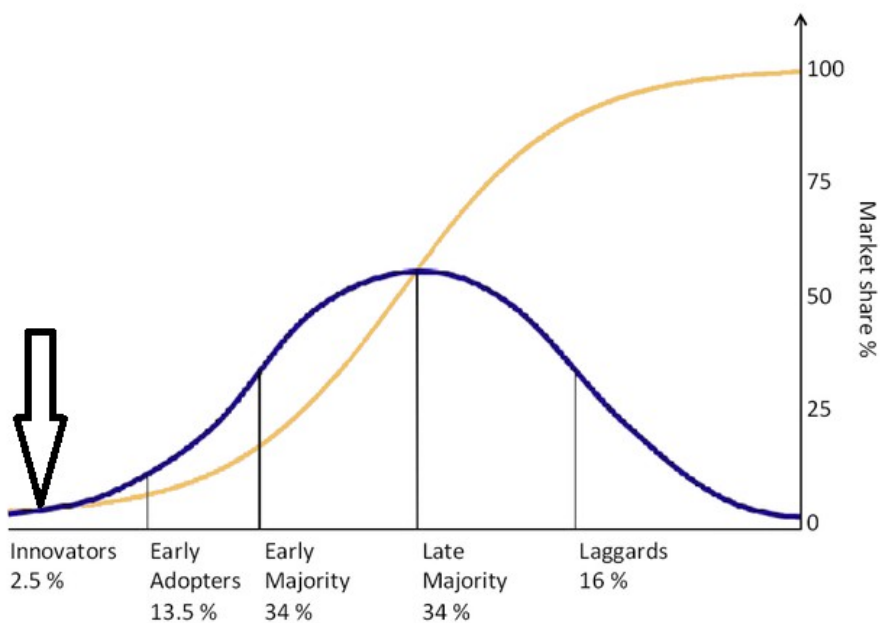
From block 8409600 reward will be network fees





Technology adoption

Every new technology has to go through different phases before being adopted by the mainstream. Blockchain technology and Pesetacoin won't be different. As you can see in the image down below there are five differentiated groups of people¹², and we're yet in the beginning of the innovators phase.



¹² Technology adoption life cycle by Geoffrey Moore in Crossing the Chasm

Adoption objectives

Let's first sum up Spain's situation nowadays.

Spain has:

46 million inhabitants¹³

3,236,582 companies¹⁴

\$1,237,000,000,000 GDP¹⁵

19,060,000,000¹⁶ transactions per year

Is a european reference for contactless payments¹⁷

77% of the spaniards use their phone to make bank operations and daily payments¹⁸

86% of the spanish millenials use their phone to make bank operations and daily payments¹⁸

Pesetacoin objective is to became the day a day currency for the spanish population. In order to achieve this it has to be accepted by most of the companies and used by most of the people. A sucessful adoption rate is 90%.

That is going to mean:

41.4 million people using Pesetacoin

2,900,000 companies accepting Pesetacoin

\$1,113,300,000,000 GDP going through Pesetacoin network

17,154,000,000 transactions per year in the Pesetacoin network

545 transactions per second in the Pesetacoin network

¹³ Spain by Wikipedia

<https://en.wikipedia.org/wiki/Spain>

¹⁴ El comercio en cifras. Balance 2016 by Confederación Española de Comercio

http://www.cec-comercio.com/wp-content/uploads/2014/04/El-comercio-en-cifras_Balance-2016.pdf

¹⁵ GDP (current US\$) 1960 - 2016 World Bank national accounts data

¹⁶ Visa Europe confirma el crecimiento de las transacciones y el consumo privado durante 2014 gracias a la recuperación económica by Visa Europe

<https://www.visaeurope.es/sala-de-prensa/visa-europe-confirma-el-crecimiento-de-las-transacciones-y-el-consumo-privado-durante-2014-gracias-a-la-recuperacion-economica-1231192?returnUrl=%2Fsala-de-prensa%2Flisting.aspx>


¹⁷ España sigue siendo referente europeo en los pagos sin contacto by Mastercard

<https://newsroom.mastercard.com/eu/es/press-releases/espana-sigue-siendo-referente-europeo-en-los-pagos-sin-contacto/>

¹⁸ El 77 % de los españoles utilizan sus teléfonos móviles para realizar operaciones bancarias y efectuar pagos a diario by Visa

<https://www.visaeurope.es/sala-de-prensa/el-77-percent-de-los-espanoles-utilizan-sus-telefonos-moviles-para-realizar-operaciones-bancarias-y-efectuar-pagos-a-diario-2161433?returnUrl=/sala-de-prensa/index>

For the next 3 years this are the objectives we'll be accomplishing:

 O B J E C T I V E S				
PESETACOIN vuelve la rubia	2017	2018	2019	2020
REAL ADOPTION				
Number of merchants	25	1.000 [x40]	20.000 [x20]	300.000 [x15]
Number of wallets	10.000	100.000 [x10]	1.000.000 [x10]	10.000.000 [x10]
Number of wallets in Spain	3.000	40.000 [x13]	500.000 [x12,5]	6.000.000 [x12]
SOCIAL MEDIA, WEBSITE & MEDIA				
Website visits	45.000	1.000.000 [x22]	20.000.000 [x20]	200.000.000 [x10]
Twitter followers	2.700	40.000 [x15]	400.000 [x10]	4.000.000 [x10]
Telegram group members	450	9.000 [x20]	45.000 [x5]	90.000 [x2]
Reddit subscribers	100	5.000 [x50]	100.000 [x20]	1.000.000 [x10]
Facebook page likes	1.500	15.000 [x10]	150.000 [x10]	1.500.000 [x10]
Media presence (crypto)	15	300 [x20]	3.000 [x10]	6.000 [x2]
Media presence (general)	0	100	2.000 [x20]	20.000 [x10]
SERVICES				
Number of exchanges	6	12 [x2]	18 [x1,5]	27 [x1,5]
Number of payment gateways	0	2	4 [x2]	8 [x2]
Number of hardwallets	0	1	2 [x2]	4 [x2]
NETWORK INFRASTRUCTURE				
Number of nodes	30	300 [x10]	1.500 [x5]	3.000 [x2]

Roadmap

With the end objectives and the objectives for the next 3 years ahead in mind we have decided to work on the basics that will allow us to grow faster in the future. As we have previously explained we're yet in the innovators phase meaning we still have a long road ahead of us until we achieve mass adoption. For this reason we understand that even if the users and merchants will be the key to success in the long, we have to first focus on attracting developers and investors. That doesn't mean we won't be working on the user and merchant area, because we are working on it (i.e Android wallet, Prestashop and WooCommerce plugin) but the next two years will be focused on getting more devs and investors on board.

Attracting developers will help grow the Peseta ecosystem in a much faster way since they will be helping us create new tools for users and merchants and also create new businesses around the coin. As an example they will help us create plugins for merchants like Pesetacoin-prestashop plugin or the "I made this" timestamp system that will be used as a notary in the Pesetacoin network. Developers will also help investors store their investments safely.

Attracting long term investor is also key for the growth of Peseta since they are the ones that make the price grow steadily and therefore make the funds we have for development worth more. It's also very needed to take care of the investors since once they consider their investment has grown enough, they will be ones using their money to buy on merchants accepting Peseta.

Funding the development

The funding of Pesetacoin will move from where is now to having a stable source of money the next way.

Phase 1

Project is being funded with developers money. This is where we are now.

Code development and marketing campaigns are limited due to the funds scarcity.

Estimated contribution to funding: Team: 100%

Phase 2

We achieve \$100 million market cap and the process to create a foundation starts.

The foundation has the objective to raise money and to hire new talents.

To attract big sponsors we will be offering fiscal incentives and special deals for the companies.

Code development and marketing campaigns are improved thanks to the price increase of the funds destined to development.

Estimated contribution to funding: Team: 90%; Community: 10%

Phase 3

Foundation starts raising money from the biggest companies in Spain.

Code development and marketing campaigns are highly improved due to the new contributions and the increase in market cap.

Estimated contribution to funding: Sponsors: 80%; Team: 10%; Community: 10%

