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An alternative wallet for the European citizens during and after the pandemic crisis, without the issuance of new money or the increase of public debt.

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A. The framework:

To ensure the domestic European consumer autonomy for the period of market suspension and product underpinning, by boosting the domestic incomes of the affected consumers through their financing from resources that will be released from the European budget.

By safeguarding the domestic European consumer autonomy, there will be social peace and time as long as possible, in order to calmly select and / or create the most advantageous financial instruments and tools that will lead to rapid social and economic recovery and prosperity after the end of the crisis.

The ultimate goal, after the end of the pandemic crisis, should be to smoothly push and restore the domestic European production (of European companies) through the restoration of domestic European consumption. Furthermore, during the "recovery" period, we must prevent the "leak" of large quantities of resources (capital) to the external markets (e.g. China), which would have passed earlier than E.U. the "underproduction" and "sub-consumption" periods. These countries would have stored products (large scale inventories) that they could directly distribute to economies that are progressively activated (E.U.) and thus, would drown out domestic production, because domestic consumer spending could be directed overseas to obtain imported manufactured products.

B. The proposals:

I. During the lock down period, part of the European budget amounts for direct or indirect financing of production and administration fees can be reallocated as financial assistance (purchasing power) to those who are deprived of monthly regular income due to

underproduction and underemployment conditions, by adopting a trading method the “**wallet of purchasing units -WPU**”, an application (“**WPU**”) which will be linked with a unique account of every citizen (e.g. VAT accounts social, security accounts).

DURING THE PANDEMIC PERIOD (LOCK DOWN PERIOD)

Suspend for some time the allocation of a portion (percentage) of the amount of funding and fees payable directly from the European budget (to businesses, organizations and officials). The suspension rate will be related to the estimated percentage reduction of European market turnover. (e.g. if the European economy's turnover has fallen by 40%, the suspension can be of 20% (=40% x 50%) of the EU's payable amounts from EU budget, so someone who normally receives a monthly payout of € 10.000, during the crisis will receive 8.000 € in his bank account and the “amount of 2.000€” will be credited in his “**wallet of purchasing units -WPU**” in order these to be used in future consumption).

The amount corresponding to the reduction of payable income (e.g. € 2,000) will be credited (with or without surcharge) in the **WPU**, in the form of purchasing power **credit** units (eg +2,000 units), using the **WPU** application. After the crisis, these purchasing power **credit** units will be offered by their holders, in order to acquire products and services.

An amount equal (i.e. € 2,000) to that deducted above, will be granted as financial aid to those affected (e.g. unemployed) with an equal amount bank deposit. The amount of bank deposit (financial aid) in the form of purchasing power **debit** units (e.g. -2,000 units) will be charged at the **WPU** of the beneficiaries, using the **WPU** application.

AFTER THE PANDEMIC CRISIS

For a transitional period, the EU will announce that the method of exchange of purchasing power units, using the WPU is **also** acceptable in intra- EU trade. That is that the sale of some products / services during the transitional period may also take place when the purchaser offers credit units to the seller, covering that way a portion of the total sale value. (**Important**: Only a portion of the amount in one transaction can be funded, by the WPU. Transactions using either

single debit units or single credit units of purchasing power will be prohibited. One purchasing power credit unit will always be equal to one purchasing power debit unit.)

Per se, the EU will notify about the national sectors of business (CAD in Greece) that start up in each national economy, as well as the VAT numbers (Professionals, etc.) by sector that had been affected and that had been financially supported (these WPU will have a debit balance of purchasing power units, e.g. -2,000 units, depending on the amount of financial aid that received during the crisis period, e.g. € 2,000).

After the activation of each commercial sector in each national economy, professionals who are re-activated (having WPU with debit balances on purchasing power units) will now be able to produce and 'deliver' to the economy - to the European consumer, in time lag the 'debt production' of the lock down period. In other words, with the resumption of activity the ex-beneficiaries is expected to produce the product that corresponds to the income those which was available to them during the crisis (the income they received in the form of financial support, e.g. €2,000, to cover biotic needs) and which is "charged" on their WPU in the form of debit units of purchasing power (e.g. -2000 units).

Persons with WPU which have credit balances of purchasing power units (eg +2,000 units), that is those who had been suspended for a portion of their income during the crisis period, will be able to appeal to the aforementioned upon resuming professionals and request the acquisition of the 'debt production', which they had 'prepaid' in the preceding period (in the form of loss of income e.g. € 2,000) and is "charged" on their WPU in the form of credit units of purchasing power (e.g. +2000 units).

The acquisition of products through this trading process will take place between persons whose WPU features purchasing power units (either debit or credit). That is to say, the sale can take place when buyers with credit (- positive unit purchasing balances at their) WPU, wish to acquire goods or services at the cost offered by sellers with debit (- negative unit purchasing

balances at their) WPU. A portion of the total cost will be paid by transferring credit units of purchasing power from the buyers to the sellers.

The EU after the full reactivation of all the national markets (activation of all national trading sectors) will announce a **finite period** within is acceptable to continue trading by using the method of WPU -exchange of purchasing power units. After the transitional period:

- the remaining purchasing power **credit** units will be refunded by the national states to the respective persons (e.g. as financial income or tax relief) during the current or subsequent tax period, while
- **Debt** balances of purchasing power units will be recovered by the national states as a financial debt from the respective entities. The debt shall be certified and accounted for, as applicable, in the current or future tax period.

(There are possibilities for variations in the application of the above system. E.g. a. not to be mandatory, but with the voluntary participation of those who will provide their unused income -purchasing power-, b. During the lock down period it can be possible to any non-beneficiary, to offer savings or unused income -purchasing power- regardless of height, if an "interest" reward in terms of purchasing power units is provided, c. VAT account may be a "social security account" or any other unique personal account of European citizens, etc.)

II. Carrying out public expenditures during the crisis period, giving priority to domestic suppliers (domestic in the sense of: European employed manpower, use of European raw materials and European ownership of corporate capital).

III. Directing the underutilized available productive resources to European agricultural production.

IV. Using the **WPU** trading method in the procedure of EU financial assistance that provided in immigrants, in order to direct a portion from their consumption in EU products.

C. Point evaluation (for B.I. proposal):

Social:

Strengthening social care, through truly economical solidarity, by providing access to all European citizens in the common “basket of limited consumption” that European budget revenues can offer during the crisis (strong communication preparation will be required)

Finance:

Ensuring domestic consumer independence during the pandemic crisis, in order to:

- have the time, social and financial resilience to create the most effective financial aid programs and funding tools which will accelerate the rapid recovery of European society and the economy;
- avoid the issuance of new money as well as the increase of public debt;
- achieve a rapid re-launch of the European market (-companies) by the immediate activation of domestic productive forces that will operate competitively under the security of consumer demand that derives from the operation of the purchasing power unit trading chain. The purchasing power unit trading chain will bind, will redistribute and will direct part of European income exclusively to European production (European companies) and consumption of European products, preventing the shift to imported products that are produced by other competitive economies.

Policy:

Immediate and applied social and economic intervention of the EU, as a social European institution at the service of European societies and European citizens.

Technological:

It is estimated that the development of one consolidated information system about European citizen registry, through the integration of different national public authorities data bases (e.g. national tax authorities, national social solidarity authorities), can cover the implementation of this application and the required information subsystems.