

Bank of Canada CBDC (Central Bank Digital Currency) survey Q&A (Draft 2)

The most important point to understand is that money *must* be neutral (a unit of account and a temporary store of value only). Money should not have any attributes or conditions for use built in (nor should it have the *potential* for attributes or conditions for use built in); this undermines the very notion of money. **A CBDC *could* be designed either way, and this nuance is important.** Money is literally a 'promise to pay' (these words are actually printed on some notes). Money is a contract, in fact (a 'bond' if you will) and the terms of this contract *must not* be subject to change. Just as central banks claim to be independent and neutral, the forms of money they create must also be independent and neutral; that is, *not* subject to political whim and special interest agenda. **This is an insurance policy, no less, to protect the people from their governments. It should never be forgotten that the most deadly force in history (the thing that has killed more people than any natural disaster) is rogue governments.** If the terms and conditions of money issued can be changed after its issuance, money becomes an absolute tool of control; the money itself can be used to influence behaviour by rewarding, *or punishing*, the people who are forced to use it.


So please read the following pages carefully. To quote Harvard professor Christine Desan again:

'Like other modes of governance, money serves both public and private purpose. It can be designed in ways that are democratic or dictatorial. . .'

To quote University of Toronto professor, Andreas Park:

"If you don't have cash, you don't have privacy; if you don't have privacy, you don't have freedom."

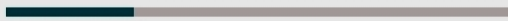
To the BoC survey (which ends June 19th 2023), here are a few of my answers and explanations:



The screenshot shows the Bank of Canada logo and name at the top. Below it is a progress bar indicating 10% completion. The question asks which payment methods were used in the last month, with instructions to check all that apply. The options are:

- Credit card
- Debit card
- Online transfer (including Interac e-Transfer)
- Prepaid card
- Mobile payments (including digital wallets or cash apps)
- Cash
- None of the above

10% As I've been saying in my regular mailings for years now: **'Please, please, please, don't use your phone for banking.'** I hope the reasons why will become even clearer after this Q&A exercise. The 'Prepaid card' (option above) is interesting, as this implies a form of money loaded onto something akin to a gift card, which could be an anonymous unit of exchange. A UofT [CBDC proposal](#) (written, in part, by Andreas Park) even suggests that these units might be exchanged between individuals. Such technology can be designed in an almost unlimited number of ways. (More on this later)

Progress  25%

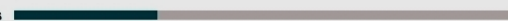
Do you use or hold cryptocurrencies (e.g., Bitcoin)?

- Yes
- No
- Prefer not to answer

25% One of my reservations with crypto, NFTs etc., is that they are dependent on technology. As Upton Sinclair once wrote:

“Private ownership of tools, a basis of freedom when tools are simple, becomes a basis of enslavement when tools are complex.”

I'm thinking of SMARTphones here (more on this in the 70% commentary - pg9); with respect to cryptocurrencies though, some suggest these were introduced specifically to normalizing this technology, and condition a generation that sees itself as tech-savvy to use these new forms of payment. Without a doubt, the development of cryptocurrency, and even NFTs, has served to refine the technology required to implement CBDC.

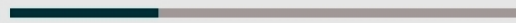
Progress  28%

Canada's currency

The Bank of Canada is the only authority that can issue bank notes in Canada. A digital Canadian dollar would be the same: it would be issued and backed by the central bank.

However, it is possible that in the future, private digital currencies (e.g., Bitcoin) or CBDCs issued by foreign countries could be widely used in Canada. This could compromise the central role of the Canadian dollar in our economy.

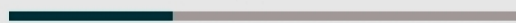
28% It would be 'the same' only in so far as a CBDC is technically a form of base money, similar (potentially) to cash, coin and central bank reserves (M0). However, it all depends how the CBDC is designed. CBDC could be simple unit of exchange with no more than a serial number, as on a paper note. Given the stated objective of the [BIS](#) (absolute control, that is), it seem unlikely CBDC will take this form. If this new 'expression' of money had no other attributes however, other than being a simple unit of exchange, it *could* 'be the same' as existing forms central bank base money. It is clear though, that *other* attributes and functions are being considered (see question 81, pg11); in which case, this new CBDC would be totally unlike anything the world has ever known. Most likely, this new '[expression of central bank liability](#)' will be programmable, with various built-in attributes and conditioned; carbon credits, at a minimum, if we listen to Mark Carney and his ilk – the people behind [Bill S-243](#), for instance. These attributes and conditions could be changed at anytime, of course, as this kind of CBDC will run on a Blockchain, and be continually connected to the 'central authority' through the Internet. Although those in the crypto-sphere like to call these systems 'decentralized,' they are *the most* centralized systems imaginable; all information on a Blockchain exists at all points (nodes) in the system, simultaneously (more on this later too). More importantly, at this level, CBDC ceases to be money; rather, it becomes a “real time payment system system” ([RTPS](#)), as Rishi Sunak kindly explained when he was Chancellor of the Exchequer.

Progress  29%

How important is it for Canadians to continue to have access to a form of money that is directly backed by the Bank of Canada?

- Very important
- Somewhat important
- Somewhat unimportant
- Very unimportant
- Don't know

29% This is *very* important. If you don't have a sovereign currency, you don't have a sovereign nation; to paraphrase Sir Mervyn King (former Governor of the Bank of England) from his book, [*The Alchemy of Money*](#). As mentioned above, under 'Canada's currency' (second paragraph of 28), not using a sovereign currency would very definitely compromise the country. This has already happened to a huge extent (invisibly) as we have used bank credit as money (almost exclusively) for many years now; which has transferred almost unimaginable wealth and power to the commercial (private) banks (and those who control them). The advent of other private payment systems, such as Apple's iPay and WePay (JPMorgan Chase) for instance, would be devastating to all existing sovereign nations, and transform the world into a global technocratic state; since 'private money' is a way to extract the actual wealth from a real economy. The Bank of Canada may be the only authority able to issue paper money (as it claims – question 28, pg 2), but the BoC creates only a fraction of the money that the private sector creates as 'debt' ('bank credit' constitutes 90+% of the currency in circulation, earning interest for the commercial banks).

Progress  32%

Universal access

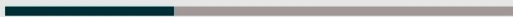
Most Canadians have bank accounts and many have credit cards. However, people who don't have bank accounts or credit cards can use cash. Cash is a widely accepted method of payment and it works offline, which means that it can be used even when there is a power outage or no Internet connection. Cash always gives everyone the opportunity to be part of the economy. A digital Canadian dollar would be designed with the same objectives in mind.

32%

This is critically important. Physical cash must not disappear, for a variety of reasons. Although the Bank of Canada and other national central banks say they do not want to eliminate physical cash, there are influential factions within that make no secret of wanting to eliminate that 'expression of central bank liability.' Our physical money is the thing that stands between us and technocracy, and I would say, 'absolute' totalitarianism. Although official BoC videos strive to sound impartial, the idea that cash is disappearing naturally (because it is old-fashioned and inconvenient) is constantly reinforce. At the same time, the bank presents its cool and convenient digital currency as the preferred alternative, repeatedly assuring the public it will be private and secure, when clearly, it will be neither.

The Bank of Canada 'Exploring a digital Canadian dollar'

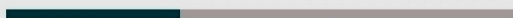
<https://www.youtube.com/watch?v=w1Cxb8iVEwI>

Progress  33%

In your opinion, how important is it that a digital Canadian dollar be designed in such a way that makes it accessible to all Canadians?

- Very important
- Somewhat important
- Somewhat unimportant
- Very unimportant
- Don't know

33% All Canadians should already have access (if they don't, this is a failure of the people running the current system). Is the BoC saying that (in order to have access) we must all have a SMARTphone, and download a banking apps? There are ways to fix all of our financial problems without resorting to new and ever more abstract (complex) technologies; but the technocrat's answer to everything, of course, is more technology. It could be argued that it was pure incompetence (corruption or agency capture), that resulted in the mess we confront today. So why would we trust the recommendations of these same people (who have already demonstrated that all they are capable of doing is wrecking economies)? Don't forget, the current regime's solution to the inflation problem is 'demand destruction' (their words). What does this mean? Put simply, it means they plan to make people sufficiently poor that they stop purchasing things, thus reducing demand. The Government of Canada and the BoC don't appear to be interested in fixing supply chains (or supply) issues, which is the real cause of inflation. Both the [BoC](#) and [Fed](#) numbers (absolute and/or percentage change) show we have been experiencing 'deflation' for months now. So there is not *too much* money chasing too few goods, there is *less* money chasing even fewer goods, while deliberately 'destructive' policies are being imposed by governments and central banks alike. The goal, needless to say, is a manufactured crisis. The public is being misled by all neoliberal parties, and all of those who subscribe to neoliberal economics (left and right). More on this later as well.

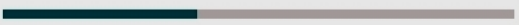
Progress  34%

In your opinion, what design features would a digital Canadian dollar need to ensure it is universally accessible by all Canadians (i.e., of all abilities, locations, ages, etc.)?

- Please specify:

It should be a truly 'neutral agent,' as economists like to say. It should be anonymous and without conditions attached; not programmable, that is. It should be possible to use on a prepaid card, similar to a gift card, and be transferable. It should not be dependent on a phone or digital ID.
- Don't know

34% We could do this without CBDC. As stated in question 28: physical cash already makes money 'universally accessible.' CBDC (on the other hand) would not be adopted by everyone, for various reasons; however, it *could be* forced up the people (as in certain Chinese test cities, where even street people were given SMARTphones by the state). Money is no object in the battle to gain absolute control over our money. It is not beyond the bounds of possibility, even here, that there could be an engineered emergency or financial crisis, to force people into a similar system. Could this be the kind of situation in which Canadians might *need* a digital currency in the future? As Carolyn Rogers, Senior Deputy Governor of the Bank of Canada, explains in an introductory video.

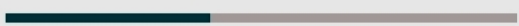
Progress  38%

How interested would you be in having a payment method, in addition to cash, that works offline, when the Internet is down or there is a power outage?

- Very interested
- Somewhat interested
- Somewhat uninterested
- Very uninterested
- Don't know

38%

There are ways of achieving this without SMARTphones and digital currencies of any kind. Simple electronic 'units of exchange' loaded on a gift card could work, even when the internet is down; unlike credit cards (and the BIS version of CBDC). Next to cash, this electronic money, like central bank 'settlement balance' reserves, should be the *only* other form of central bank money we accept, as this really is the closest to bank notes (and reserves) as BoC claims in q28. Interestingly, while the BoC tells us (in the video ['Exploring a digital Canadian dollar'](#)) that digital dollars, like cash in hand, would earn no interest for the public, *electronic* central bank reserves do earn interest for the banks! We will 'explore' this paradox in a follow up piece.

Progress  40%

If you could use digital Canadian dollars offline, how often would you see yourself using it?

- Regularly (more than once per week)
- Occasionally (once a month or so)
- Rarely (in exceptional circumstances only)
- Never
- Don't know

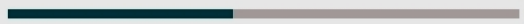
40% This is a difficult question to answer, because it entirely depends on the nature of the CBDC issued, as explained in previous questions. We should refuse to use any programmable currency; and you *could not* use, unless you had a SMARTphone with bank apps and/or a digital wallet. Simple central bank *electronic* units of exchange loaded on a card could be useful. I would almost encourage this, in fact, because every dollar of sovereign, debt-free, 'base money' out in the economy, is one less dollar of private credit in circulation. Private credit earns fees for the company that issues it (Paypal, Apple, Facebook, Visa, etc) and, should a balance remain, usurious interest as well. In a perfect world (where people understood money and held their governments and central banks to account) we should want almost nothing but our own, sovereign, national currency in circulation.

Progress  42%

If you are currently using any digital payment methods (e.g., debit or credit cards, online money transfer, digital wallet), how concerned are you about the security of these methods when it comes to protecting your money from cyberattacks, theft, fraud or tampering?

- Very concerned
- Somewhat concerned
- Somewhat unconcerned
- Very unconcerned
- I am not using any digital payment methods
- Don't know

42% Trick question (in part). Just like TD bank, the Bank of Canada is now attempting to call services previously referred to as 'electronic' as 'digital.' The only one of these therefore, that could/should, be considered digit is a 'digital wallet' (as, to my knowledge, it has never been called anything else). This aside, we should be increasingly concerned about the security of these systems. With the rapid expansion of AI, it is almost certain that complex digital systems will become even more vulnerable; security will not keep up with the exponential power and machine learning of AI systems.

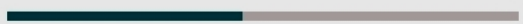
Progress  44%

How much do you agree with this statement?

I trust the Bank of Canada to issue a digital Canadian dollar that is secure, meaning it is resistant to cyberattacks, can't be stolen or tampered with.

- Strongly agree
- Somewhat agree
- Somewhat disagree
- Strongly disagree
- Don't know

44% 'Somewhat disagree,' only in so far as I think it unlikely the BoC will design a CBDC that isn't online (in which case, it will be vulnerable). Should a basic electronic CBDC be designed which could be loaded onto, transferred and spent from, a card (of some description); then (and then only) *might* I trust the BoC to issue a digital (read: electronic) Canadian dollar that is secure.

Progress  46%

And why do you disagree?

It can be no 'safer' than privately issued credit. Increased dependence on, and usage of, digital money will only create more risk. The lack of privacy that would come with more 'open banking' will only create a different kind of risk.

- Prefer not to answer
- Don't know

46% Why do I disagree?

As explained in my original response, and in the reply above, CBDC, and all these high-tech systems, pose an unacceptable risk to the monetary and financial system (and almost everything else currently on line, including our information). This is another reason to totally reject digital ID as well. This technology is racing forward so quickly, particularly with the proliferation of AI, that it is impossible to assess the current dangers, let alone anticipate future risks. It is folly therefore, at this time, to become even more dependent on these systems.

Progress  48%

Privacy

Privacy would be a key feature of a digital Canadian dollar, but it would have to be balanced with other priorities. Cash transactions are private. Digital transactions may require collecting a certain amount of information to verify clients' identity and ensure that the funds are available.

A future digital Canadian dollar would have to comply with laws and regulations around privacy and personal information, fraud, money laundering and terrorist financing. These rules already apply to cash use in Canada.

48% Again, as mentioned above, unless there is physical cash (or some form thereof), there is risk of security breaches. The numerous breaches of the CRA's data base (for example) illustrates just how vulnerable any online, digital system is. This risk is only going to grow, in proportion to the amount of new information migrated onto this 'digital' system (at a minimum). Information on any Blockchain is vulnerable at any of the numerous nodes in that system. Contrary to widespread belief, these systems are only 'decentralized' in this particular sense; **in reality, blockchain systems are the most centralized system imaginable**: the perfect solution for central planners and authoritarian, surveillance states – The world connected to a Blockchain would be the ultimate communist economic tool.

Progress  52%

Below is a list of items that may be of importance to you. Please rank your top features in order of importance by inputting a number beside each feature, where a rating of 1 would indicate the feature that is most important to you. Please rank at least 5 items.

- 1 Ability to receive a limited amount of money anonymously
- 3 Ability to control who in the private sector has access to my transaction data (e.g., financial institution, payment service provider)
- 4 Ability to control who in the private sector has access to my personal information (e.g., retailer, payment service provider)
- 5 Ability to give, refuse or withdraw consent to the use of my personal information
- Ability to recover lost or stolen money based on personal information
- 2 Ability to hold a limited amount of money anonymously
- Ability to make transactions where personal information is protected but in compliance with money laundering and terrorist financing laws and regulations
- Other, please specify below:

52% Again, this is something of a trick question, in that the question comes with certain qualifications: number 1, for instance, might have omitted the word 'limited.' Clearly though, a central bank is always going to want to impose limitations. 'Receive' and 'hold' might well have been presented in one question. 'The ability to recover lost or stolen money based on personal information,' does not exist with cash, of course; though it might with a cash card. This illustrates how different 'iterations' of money have different characteristics and functions; those who advocate for physical cash and coin, for the most part, don't suggest that no other type of currency is required. It must be said though, that this ability, 'to recover lost or stolen money,' exists with many existing forms of electronic money, and, until recently, with travellers cheques (the demise of which is lamentable).

Progress 56%

Organizations involved in payments are legally required to follow a strict and transparent process to access and safeguard data that include your identity and transaction records.

How much do you trust the organizations listed below to respect this process?

	Completely distrust	Somewhat distrust	Somewhat trust	Completely trust	Don't know
Technology companies	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Financial institutions	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Government of Canada	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Bank of Canada	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

56% I only give the Bank of Canada a slightly better, 'Somewhat trust' because I still believe the Bank of Canada should be the only institution to have control over the nation's money. The government cannot be trusted with this task, clearly, and this is why central banks vociferously assert their independence (from any government); tech companies and financial institutions simply cannot be trusted either. Failures, such as FTX and Silicon Valley Bank, abound – it is too often criminals who rise to the top in our current economic system (private and public). Not only this (institutionalized) private money is absolutely destructive over time, as it eventually transfers all wealth into private hands (an animation is needed here to really illustrate how this works). As stated earlier, a nation that does not have (and extensively use) sovereign money, *is not* a sovereign nation. .

Below is a list of potential features that may be of importance to you. Please rank your top features in order of importance by inputting a number beside each feature, where a rating of 1 would indicate the feature that is most important to you. Please rank at least 5 items.

- Ability to earn interest
- Ability to review transactions and remaining balance
- Ability to recover funds after device loss or theft
- Ability to dispute payments and obtain a refund
- No transaction fees
- Ability to make international payments
- Ability to integrate seamlessly with my current accounts and payment methods (e.g., financial institution chequing accounts, digital wallets, buy now pay later)
- No Internet connection needed (e.g., works offline)
- Ability to earn loyalty points or rewards
- Ability to make private transactions
- Ability to make transactions without having a bank account
- Prefer not to answer

66% Another trick question; as this one forces the survey participant (by choosing 'at least 5 items') to chose at least one characteristic of a completely traceable form of money. I asked before, when I first circulated these questions, which was the odd answer? I did have a couple of correct guesses, and the answer to this is: 'Ability to make international payments'. There maybe ways around even this, but if we take cash abroad, the usual *Casa de Cambio* routine is to at least check (and typically photocopy) your passport. Boxes 1,2,3,4,7 and 9, of course, would all require identity verification, and leave an electronic paper trail. Almost all of these 'features' are achievable using current electronic services, with existing analog ID. The so-called 'digital transition' is a complete sham, engineered by those with vested interests (on many levels). At best, it is technology for technology's sake, at worst, it is a trap


Which of the following would you use a digital Canadian dollar for? Please select all that apply.

- To shop online
- To get paid for my work
- To receive money from the government
- To receive money from a community organization
- To transfer money to family or friends
- To pay my rent/mortgage
- As rainy-day or emergency money
- To pay bills
- To give money to a charity or fundraising campaign
- For everyday purchases in-person
- To transfer funds to pay for goods or services
- Other: please specify
- Don't know
- I would not use a digital Canadian dollar

69% I suppose I should have checked the box 'I would not use a digital Canadian dollar,' but I was still leaving the option open for a most basic form of CBDC (in an emergency, should it be cash-like and anonymous). Since then, **as a result of my ongoing complaint with TD**, this distinction between what

is electronic, and what is digital, has become clearer in my mind. Maybe we should drop the term CBDC entirely, and start advocating for CBEM (Central Bank Electronic Money) as suggested earlier? Electronic and digital are different, just as 'money' and 'currency' are different. I will present this idea to TD as well, in our ongoing back and forth.


The central bank already calls its reserves 'electronic' so to say a CBDC is just like central bank reserves (that are allowed to circulate outside the walls of the BoC) is simply not correct; unless this new form of central bank base money is the most simple, electronic, unit of account. If this new form of central bank currency is programmable, or has built in attributes and conditions (or the potential thereof), it becomes something else entirely. This kind of currency is not money; nor is it even *currency*; it is a 'real time payment system' – a digital control grid. As a result (now that I make this distinction), I would opt for the last choice in this list: 'I would not use a *digital* Canadian dollar.'

Progress  70%

How would you prefer to use a digital Canadian dollar? Please check all that apply.

- Using a website on a computer or tablet
- Using an app on a mobile device (smartphone or smartwatch)
- Using a card
- None
- Don't know

70% This relates to the above, of course, and as I suggest, using a simple card (with dollar credits loaded onto to it) should be referred to as electronic money, not digital. Again, by this definition, I prefer not to use 'digital' money at all, and I certainly wouldn't use a SMARTphone or SMARTwatch . Whenever I see SMART, I should add, I think of the most common definition of this acronym: 'Surveillance, Monitoring, Analyzing and Reporting Technology.' Either the system, or the digital currency (or both) have the built in capacity to do this surveillance, monitoring, analyzing and reporting; which a neutral, 'electronic' unit of exchange, would not. Serial numbers may be monitored and anylized, after the fact, but not 'real time' unless the transaction is online, and even then, no individual after the first step, potentially, is associated with that unit of exchange.

Progress  72%

Are there any circumstances where you think you would prefer using a digital Canadian dollar instead of your current payment methods?

- Yes, please specify:

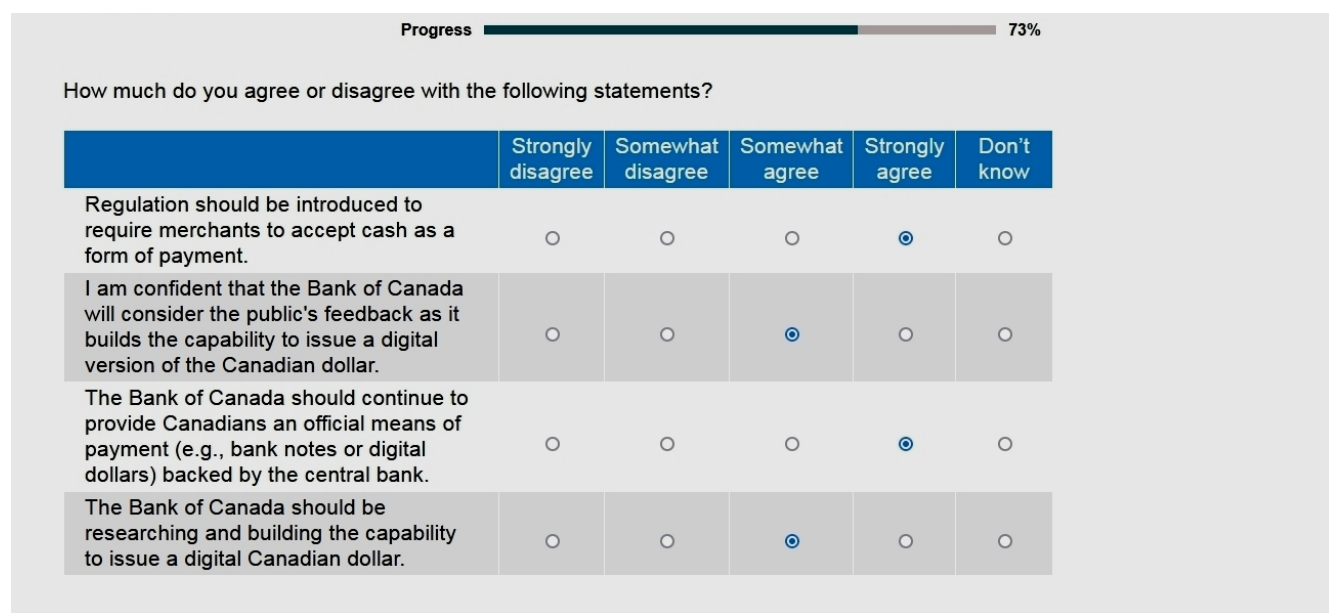
A government Visa, rather than pay fees and interest to private companies (should late fees or interest have to be paid). Provinces, rather than the federal government, might benefit from this. |
- No, there are no circumstances I can think of where I would prefer using a digital Canadian dollar.
- Don't know

72% No. There are no circumstances where I would prefer to use a *digital* Canadian dollar instead of perfectly adequate (existing) payment systems. As our understanding of 'digital currency' evolves (we

already know what the Bank for International Settlements, and perhaps the Bank of Canada, means by 'digital currency'), and more and more people are rejecting this technology.

I suggested here, a means by which the government, instead of private lenders, could issue its own kind of credit card, based on electron money, backed by the Bank of Canada (or the province). This could happen through public banks, such as the Alberta Treasury Branch, and a reinstated Province of Ontario Savings Office (POSO), for instance. Even, perhaps, the Post Office, which does not need its current partnership with TD bank. The Post Office would be 'back stopped' by the government, should it get into trouble; just as TD bank (or the TD bank depositor) is protected, should that institution get into financial difficulties ('too big to fail' means: back-stopped by government and taxpayers). The idea being that if profits are to be made on the issuance of money, it should be the nation that benefits.

Currently, the BoC pays interest to private banks on reserves, which is scandalous, in the eyes of many who understand the system. Private banks should not profit from the *issuance* of money, only the lending of money they have on deposit (which is how most people think banks work). We must revisit all of this later. The solution to our current financial woes, a number of us believe, can be found in these obscure details.



73% Yes, an increasing number of people (myself included) believe there should be a regulation to require merchants to accept cash. It is commercial banks that have created this situation; charging for deposits in cash (for instance), which is a disincentive for small businesses.


I somewhat agree that the BoC will consider the public's feedback, *only* if there is sufficiently negative feedback from the public. I also feel, however, there are sufficient vested interests that should the public not willingly accept the CBDC, payment system / control grid, a 'situation' to 'encourage' its adoption, could be easily be generated by the Bank of Canada, government of Canada and their global partners. This too is something to discuss later.

I strongly agree, that bank notes and 'electronic' payments (not digital dollars) be backed by the central bank. See my earlier comments: question 29.

The Bank of Canada should clearly define what it intends by a digital Canadian dollar. It should also define what circumstances it envisions that might necessitate the role out of this technology

(referring back to point 2). Is the bank envisioning some kind of emergency or financial crisis, or does the Board of Governors simply await instructions from the government? How 'independent is this? And, in both cases, why are existing *official means of payment* not sufficient? Watch the Senior Deputy Governor's comments, starting at 47 seconds, in the following:

<https://rumble.com/v2oy03z-controversy-erupts-as-canada-pushes-forward-with-cbdc-plans-angry-reactions.html>

Progress  81%

Do you have any general comments on the idea of a digital Canadian dollar you would like to share with us?

Yes, please specify:

Like cash and coin, it should be available in a neutral form; anonymous and without conditions attached. With any online transactions, gift, debt or credit-card-like transactions, there will be a record, but again, there should be no conditions attached.

None

81% My comments here still stand, but in reality, I would like to include in this box, all of the comments you see in this document. Simple is best, though I might have added, 'without any form of carbon credits (demerits), [sunsetting](#), [geofencing](#) or any other coercive conditions' (that have been discussed as possibilities). Particularly now, with the discussions around [Bill S-243](#), which seeks to link carbon zero goals to *our* money ([Whose money is this anyway?](#)). This 'compromised' money would not be neutral at all, it would be a tool for absolute control, as the BIS General Manager states, and as former Governor of the Bank of Canada (and Bank of England), Mark Carney, presently advocates.