

Haitian Dollar

White Paper



**The Haitian Gourde is fixed to the Haitian Dollar at a rate of 5:1
This Exchange Rate is fixed forever**

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Abstract

The Haitian Gourde is the monetary currency of Haiti. It is permanently fixed to the Haitian Dollar at a ratio of five to one (5:1). This project is to utilize the Haitian Dollar's features and capabilities to serve as a gateway to facilitate increased access to electronic payment systems and financial products and services for segments of the Haitian population. These segments include both unbanked and under-banked population individuals. The Haitian Dollar serves as a pure unit of counting for the pricing of goods and services. Further, the Haitian Dollar is for providing charitable services, namely, providing financial support to individuals from disadvantaged countries for the purpose of facilitating educational opportunities. This also includes crowdfunding services in the nature of accepting and administering monetary contributions from group and individuals.

Introduction

The United States is regarded as the superpower when it comes to alternative finance development in the Western Hemisphere. Even so, Canada, Latin America, the Caribbean and South America are all witnessing important advances of such innovations. This is especially so in historically underbanked populations and for women. These populations traditionally have been underrepresented users of financial products. Decentralized finance has the potential to transform the ways consumers and businesses make commercial transactions. This can have major economic and societal benefits [Zhang et al., 2016].

In a Covid-19 pandemic era, economies are rapidly shifting focus toward creating a digital marketplace. At the same time, many companies in the marketplace are resorting to moving their businesses online and accepting digital payments using Bitcoin and/or Tether [for example] for services and goods.

Haiti has one of the most open economies in the entire Caribbean. However, although Haiti offers an open economy, there are barriers to cash accessibility. This is exacerbated because normally hard cash is unsafe, expensive, inconvenient, inefficient, and lack transparency (New 2014 State of the Industry Report on Mobile Financial Services for the Unbanked, 2015). We believe that utilizing cryptocurrencies such as the Haitian Dollar as a new emerging class of crypto assets can be a force for good. Consequently, we deem that impact investing and development impact bonds represent a momentous opportunity to merge the blockchain innovations, incentives, and resources to the social sector to improve the economic upward mobility of the poor.

What is Haitian Dollar?

According to Taylor, “The Haitian dollar doesn't exist in material form, and it never did.”

– *Erin B. Taylor. [2014]*

The Haitian dollar currency is without physical existence (past or present) as a coin or banknote.

– *Neiburg, F. [2016]*

As Taylor (2014) explained imaginary money:

“In 1881 the gourde was linked to the French franc at a rate of 5 francs to 1 gourde until, in 1912, it was pegged to the US dollar at the rate of 5 gourde to 1 dollar. During the 77 years that this peg lasted, five Haitian gourdes was referred to as one Haitian Dollar in order to save time and effort converting between the two currencies”.

Taylor further explained that, even in today’s Haiti marketplace:

"All informal trade is carried out in Haitian Dollars. Prices are quoted in Haitian Dollars. Money is counted as Haitian dollars”.

Although the Haitian Dollar is an invisible currency, the peg to the US Dollar is maintained in colloquial speech. Therefore, our approach to the Haitian Dollar cryptocurrency is considered analogous to physical cash.

Research Problem

In this new normal, there has been a growing concern about using cash. Even in the United States, one can walk into a grocery store and see cash registers with signs reading “we only accept credit cards - no cash here”. In many cases, some stores will refuse to even give change back due to a national coin shortage [Richardson, 2020]. The response to the Covid-19 crises have dramatically advanced technology globally at a fast pace in order to provide robust, secure, convenient payment solutions. Encrypted currency is no exception – especially when using state of the art “Bitcoin Blockchain Technology.” Encrypted currencies can serve as a powerful tool to transform the way business and governments may perform the most basic operations in the future.

The rise of encrypted currencies shows a basic mistrust of “the system” and permits those who feel betrayed by the political and financial system to trust in a neutral party rather than the central banks. According to Roth [2019], Haiti’s political instability has hindered its economic and social development. Despite the world bank and other non-profit organizations’ efforts to help lessen extreme poverty in Haiti, the GDP is estimated to have contracted by 0.9% in 2019, and Haiti has experienced rapid currency depreciation. It was 25.5% at the end of fiscal year and saw rampant inflation [20%] at the end of the fiscal year according to The World Bank [2020]. Hence, the Haitian Dollar can provide a viable alternative to the current methods of financial exchange. It can offer a secure currency and also guard against the rampant movement associated with Haitian Gourde devaluation. The Haitian Dollar is built on the Bitcoin blockchain and offers a neutral exchange mechanism which responds solely to the supply and demand of the market for the encrypted currency.

Statement of Problem

Because many people in 2020 still don't understand what "Bitcoin Blockchain" is and how this technology may change how Haiti does business with the world, we are setting it out in a way that is more readily understood.

The bitcoin blockchain is a distributed ledger which provides users around the world with internet access which also provides a platform to record information to be shared openly by its community.

Printed currency is regulated and maintained by central banks and governments, but cryptocurrencies (such as Bitcoin) is not controlled by anyone. Rather, transactions are verified by a computer network called a node (a peer-to-peer network which hosts and synchronized a copy of the Bitcoin blockchain) from the beginning.

The cryptic nature of the blockchain removes the middleman as a keeper of trust. Moreover, the blockchain uses advanced cryptography and mathematics programming that runs complex algorithms to insure a secure, transparent repository of truth that is highly resistant to manipulation.

The Haitian Dollar cryptocurrency offers its members of the Haitian diaspora the opportunity to use a decentralized cryptocurrency in the place of fiat currency or to pay for services using the Haitian Dollar alongside national currencies. The Haitian Dollar will be allowed to float freely against world currencies, and it would not need the backing of a basket of currencies since there are 5 Haitian Gourdes in a Haitian Dollar and that value is fixed forever.

Haitian Dollar Technology

The Haitian Dollar is an open source Bitcoin 2.0 that is built on top of the Omni Layer protocol. The Haitian Dollar is a cryptocurrency that is a digital token designed to work as a pure unit of account that uses a strong cryptography to secure financial contributions and to verify the transfer of the digital token to its members, investors & agencies across the globe. The Haitian Dollar is decentralized as oppose to centralized electronic money. The decentralized nature of the cryptocurrency works through the Omni Layer protocol, a second layer on top of the bitcoin blockchain distributed ledger technology that serves as a public database to validate financial transaction.

Haitian Dollar issues all Haitian Dollar's via the Omni Layer protocol. Omni operates on top of the Bitcoin blockchain and therefore all issued, redeemed, and existing Haitian Dollars, including transactional history, are publicly auditable via the tools provided at [Omniexplorer.info](https://omniexplorer.info). The [Omniexplorer.info](https://omniexplorer.info) asset ID for Haitian Dollars is #732 - <https://omniexplorer.info/search/732>. The total number of Haitian Dollars are fixed and the total tokens in circulation can be viewed any time@ <https://omniexplorer.info/address/12AJhW9oKoqWup5ykhNSfHAjjUWt5xw5c2>.

Haitian Dollar properties:

In this section we will briefly discuss the specifications and applications of the Haitian Dollars across the bitcoin/blockchain ecosystem:

Specifications:

- Haitian Dollars exist on the Bitcoin blockchain rather than on a less developed/tested alternative blockchain, or within closed source software running on centralized, private databases.
- Haitian Dollars can be used just like bitcoins, i.e. in a p2p, pseudo anonymous, decentralized, cryptographically secure environment.
- Haitian Dollars can be integrated with merchants, exchanges, and wallets just as easily as Bitcoin or any other cryptocurrencies can be integrated.
- Haitian Dollars inherit the properties of the Omni Layer protocol which include a decentralized exchange; browser based, opensource, wallet encryption; Bitcoin based transparency, accountability, multiparty security and reporting functions.

Applications:

The first layer is the Bitcoin blockchain. The Haitian Dollar transactional ledger is embedded in the Bitcoin blockchain as metadata via the embedded consensus system, Omni. The second layer is the Omni Layer protocol. Omni is a foundational technology that can:

- Grant (create) and revoke (destroy) digital tokens represented as metadata embedded in the Bitcoin blockchain; in this case, a fix value unit of account digital tokens, Haitian Dollars.
- Track and report the circulation of HTD via [Omniexplorer.info](https://omniexplorer.info) (Omni asset ID #732, for example, represents HTD/H\$) and Omni Core API.
- Enable users to transact and store Haitian Dollars and other assets/tokens in a:
- p2p, pseudo anonymous, cryptographically secure environment.
- opensource, browser based, encrypted web wallet: [Omni Wallet](#).
- Multi-signature and offline cold storage supporting system

The goal of H\$ is to be the all-in-one solution to affordable financial products and services that allows people to store money and send and receive payments cheaply and safely. Ultimately, serving as a gateway to other financial services and products. However, the main benefits, applicable to all groups:

- **Cost savings:** payments can be made quickly and efficiently, which decreases overall transaction costs.
- **Transparency and security:** by providing security and rely on cryptography to prevent hacking and fraudulent transactions using the Bitcoin blockchain.
- **Financial inclusion:** by advancing access to a range of financial services, including digital wallets and exchange services.
- **Women's economic participation:** by giving women more control over their financial lives and enhancing their economic conditions.

Haitian Dollar Technology

Haitian Dollars will serve as an alternate decentralized gateway to funding by involving cryptocurrencies as a performance-based investment instrument intended to finance social and development programs in low resource countries, like Haiti. By incorporating [Impact Investors](#) and [Development Impact Bonds](#) (DIB's) in this new class of crypto assets investments, investors will have more flexibility on how they choose to invest their Haitian Dollars after accounting for the risk adjusted return. The target populations for our impact investors' bonds and impact bonds are developing countries that are marginalized and have vulnerable groups, like women, the young and the elderly. More importantly, the development impact bonds (dib's) will target waste and recycling management in Haiti, while the Impact investors are directed to target financial inclusion and social welfare for the disadvantage people in Haiti.

Impact investing is somewhat of a new term in the market. It used to describe instruments and investments made across numerous assets classes such as cryptocurrencies, business sectors and national regions. The purpose and intent intention is to make a quantifiable social and environmental impact alongside a financial return.

According to the [world bank](#) (2019), across the developing world, the rural poor –approximately 75 percent of the 2.6 billion people living on less than \$2 a day – are marginalized from the formal economy. As is the case for the Haitian people, Haiti is extremely defenseless to natural disasters and has been hit brutally and repeatedly over the past few decades by deadly hurricanes and storms. To heighten seriousness of this issue, the country itself imports more food and raw materials than it exports. That leaves it with an ever increasing deficit and an overwhelming and ongoing food shortage.

The Haitian Dollar asset will be the underlying product and service seeking to contribute to financial inclusion for the people of Haiti. As we have repeatedly emphasized, particularly, for the underbanked populations and for women, who typically have been inadequately represented users of digital finance.

Future Innovations

Peer instant lighting payment:

Sports Betting

Lending:

Conclusion

Blockchain technology will soon play an essential role in government economics because of the capacity to ensure open access to decentralized finance to the vast majority of the world population. Therefore, we are looking forward focusing on ways to support Haiti in implementing high impact solutions that are tailored to meet the needs and challenges of poverty in the country by leveraging next generation technology. While the unbanked represent a huge proportion of the Haitian population, the Haitian Dollar is uniquely positioned to tackle the global financial inclusion challenges for the people of Ayiti.

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Important Links:

<https://omniexplorer.info/>

<https://www.omnilayer.org/>

<https://www.omniwallet.org/>

<https://github.com/OmniLayer/spec>

<https://www.parishprogram.org/wp-content/uploads/2017/09/Currency-and-Exchange-Rates-Haiti-PDF.pdf>

Decentralized Financial System and Financial Autonomy of Communes



"If we do think about financial practices as having a cultural edge, we are probably most likely to focus on consumption, where local cultures have obvious influences on purchasing practices, or on the informal economy, where 'street culture' dictates the everyday running of distribution systems".

A simple hyperlink.

<https://erinbtaylor.com/entry/creole-economics-the-case-of-the-haitian-dollar>

A simple hyperlink.

