



*Manifesto*

## *Building a Decentralized Central Bank for One Billion People*

**Topos is a decentralized financial platform for an inherently decentralized population: migrants.**

One in every seven people in the world is a migrant. Without a state, the nationless population faces unique challenges to transport, maintain and accumulate wealth. The lack of economic agency has a profound effect on the prosperity of these individuals and their communities. Financial exclusion therefore remains one of the largest impediments to sustained global peace and prosperity.

Topos will fill this gap and provide a decentralised and transparent set of services to expand financial inclusion to the growing migrant population.



## The Problem

Migrants and the communities they form are scattered across countries and continents. The social bonds that sustain these communities are often stressed and at times severed by the pursuit of a better future. When establishing a new life in a new country, these ties often expand from social to also financial. **In 2015, migrants contributed over \$6.4 Trillion or 9.4% to global GDP making it the 3rd largest GDP, after China.** Despite this enormous economic potential, the migrant population is underserved by banks.

Banks are bound by national jurisdictions, leaving financial networks fragmented and large portions of the world unbanked. In addition, the strict regulatory environment makes servicing a large part of the world too risky. Yet, without financial access, migrants become dependent on grey market solutions which are expensive at best and exploitative at worse. Grey market solutions like Hawala are widely used but remain opaque, providing no credit history or path to financial independence.

**What's needed is a different framework for financial inclusion. One which is borderless, transparent and moves grey markets into the white.**

## Our Approach

Topos is a decentralised platform which will provide a transparent set of financial services to the migrant population. The world doesn't need yet another remittance system which would replicate the shortcomings of the existing ones. It needs a fresh, holistic, and fair approach. That is why we are looking beyond systems for transferring wealth and thinking principally about **protecting wealth; coupling policy with value and community governance for community benefit**.

Fear of how money is spent currently plagues the economic channels that connect countries. Fiat, held as cash, is indifferent to the way it is used. Cryptocurrencies on the other hand can tie value and policy together. Building on a decentralized ledger provides the immediate benefit of a tamper proof record of all transactions. But that isn't enough; Cryptocurrencies, as opposed to fiat, can be 'pinned' to a specific purpose. **The certainty of how wealth is spent will create new economic channels that will bind communities.**

Cryptocurrencies are exciting but not without their problems. For example, they are prone to high volatility. Converting fiat into crypto at the start of the migration process and having it lose half of its value is a risk too great to take. The crypto world is



moving quickly and solutions are emerging. At Topos, we believe we can build on these solutions by managing risk as a community. Risk should not be without reward and that's where opportunity lies.

The rewards for protecting the wealth of wallet holders should be fed back into the network, benefiting communities and even making the network cost negative. **Topos will serve almost like a central bank, supporting a network of communities pooling resources together and managing risk for collective benefit.** Different communities will have different values and these values should be reflected in how they are governed. In blockchain nodes vote on state, in Topos, wallets vote on monetary policy.

## Moving Ahead

We strive to standing on the shoulders of giants. We will look to leverage the best tools available in order to build an inclusive financial ecosystem; not just yet another blockchain technology. Many of the technical components we need already exist. Many of the financial frameworks we need also already exist. The ecosystem is evolving quickly and we want to build on this momentum. **For cryptocurrency to go mainstream, we need platforms that focus on the last mile. Topos does exactly that.**

We're working with some of the most innovative people in traditional industries who have been looking at breaking down boundaries. Both the development and the financial worlds are filled with brilliant people who are frustrated by the current system. **With a different approach based on decentralising governance, risk as well as benefit, we believe the time is right.**