

The Future of Money

The Necessary Separation of Money and State

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About me

“I believe that, for a free society, the ability to communicate and *transact privately* is essential.”

- Cypherpunk & crypto-anarchist
- Currently building zSTASH, a Zcash-centric desktop wallet
- I want “freedom money”

➔ The necessary separation of money and state



Question for the audience

“Who of you believes that the euro is suitable as a store of value?”



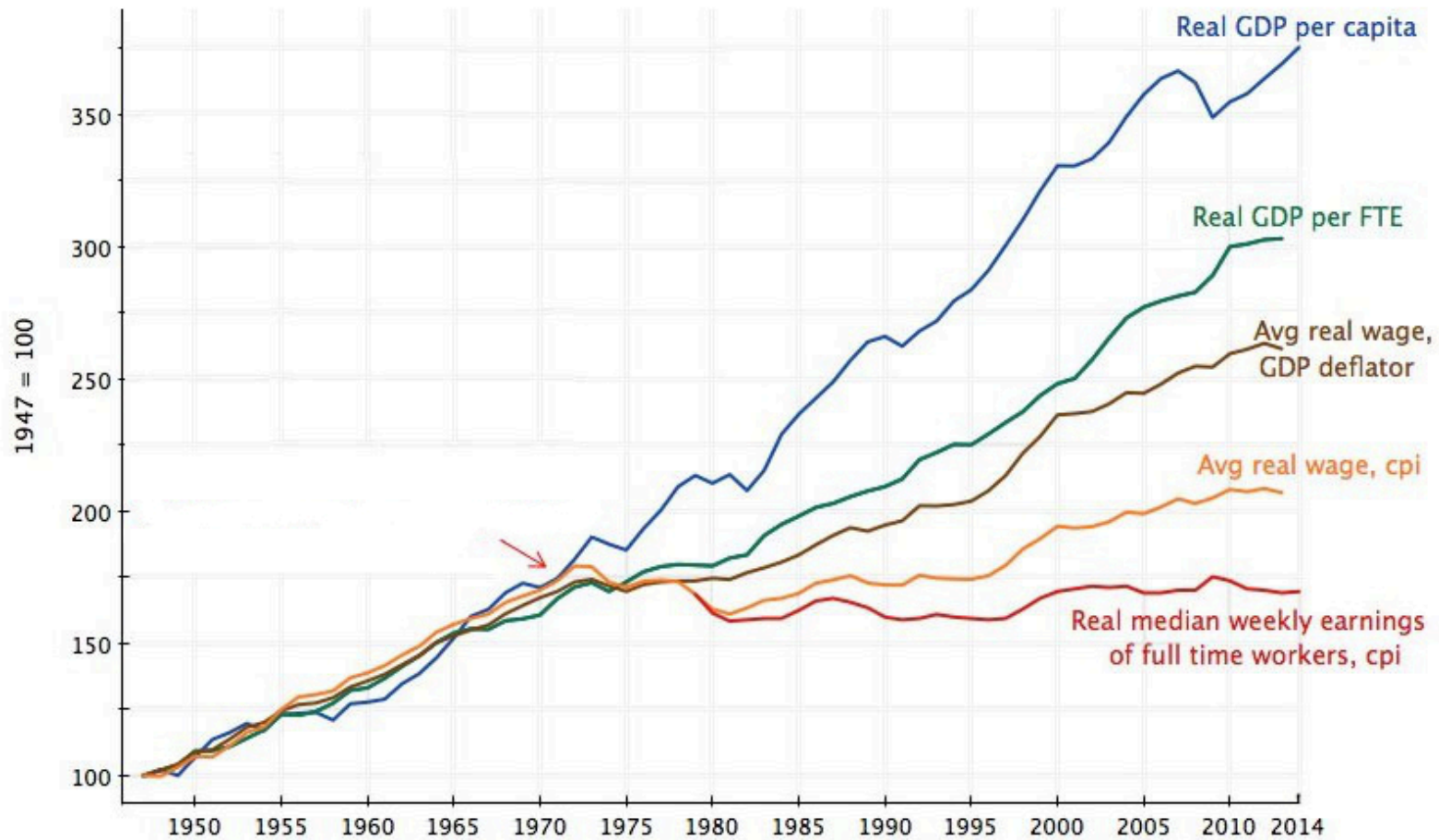
Money and State: A Retrospective

In 1971 the world switched to a fiat money standard



Real GDP, Real Wages and Trade Policies in the U.S. (1947-2014)

Index (1947=100)

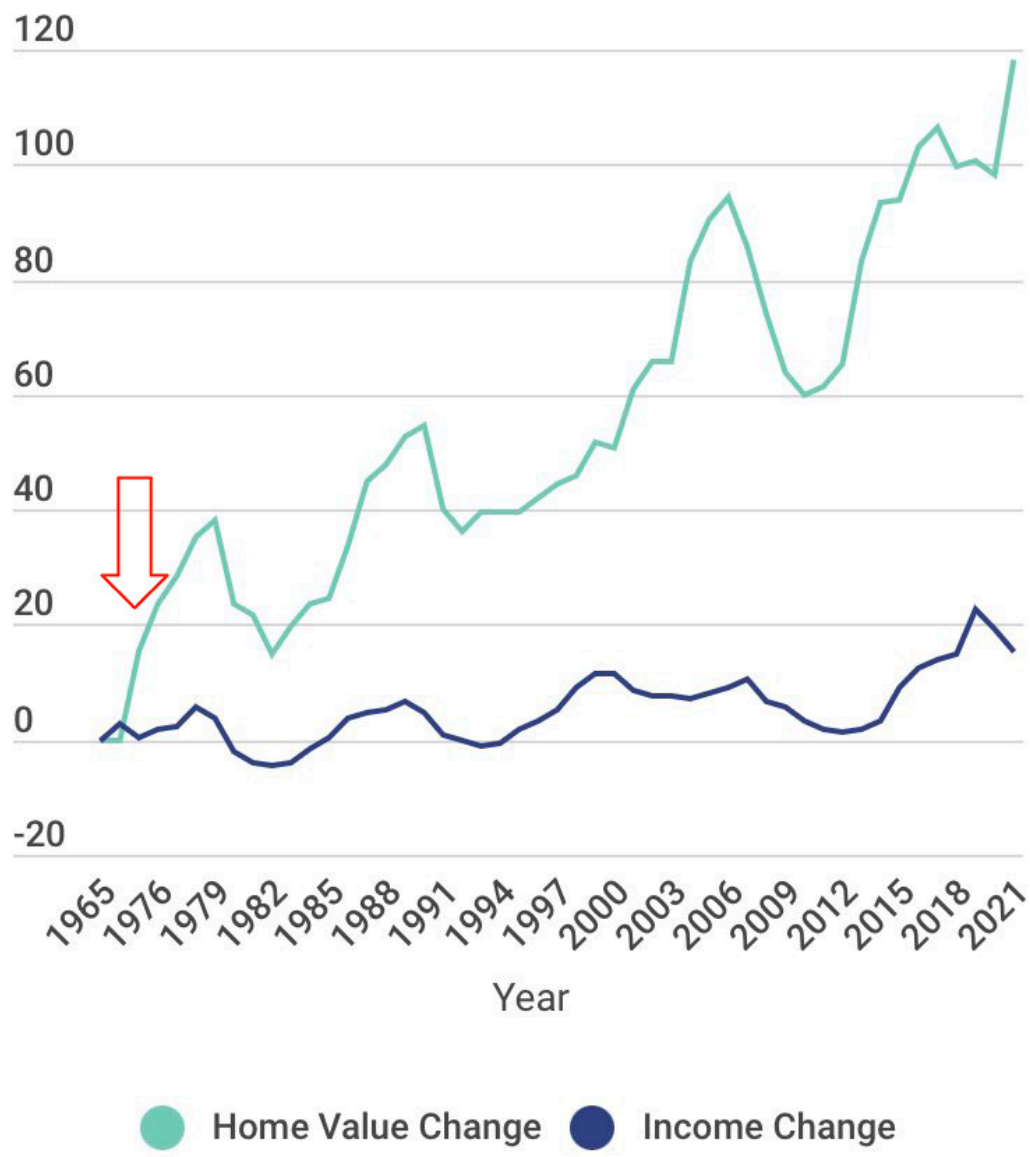


Note: FTE= Full time equivalent worker

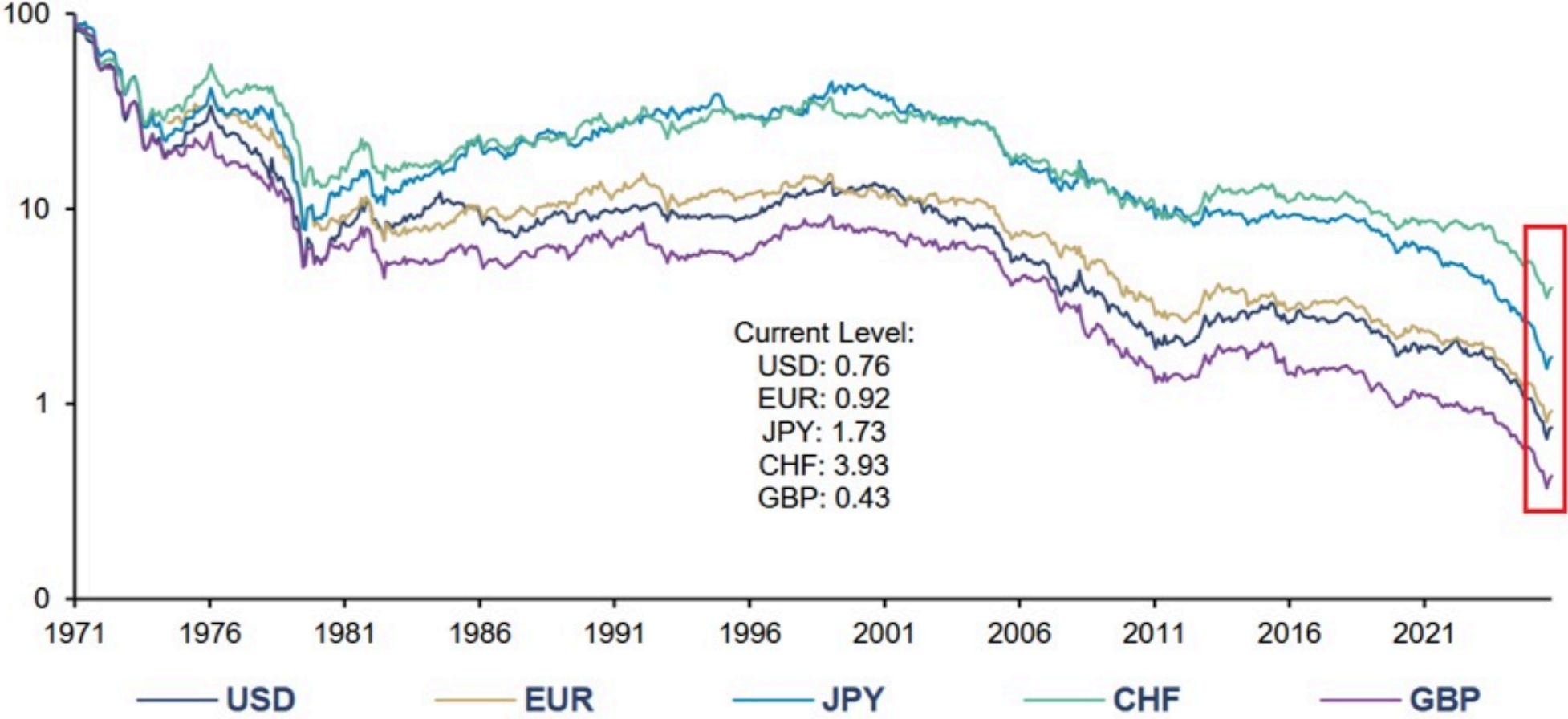
Sources: Bureau of Economic Analysis (BEA), Bureau of Labor Statistics (BLS)



Home Value Change vs. Income Change (1965-2021)



Various Currencies (log), in Gold, 100 = 08/15/1971, 08/1971–04/2026



Source: LSEG, Incrementum AG



Fiat currencies vs. gold since 1971

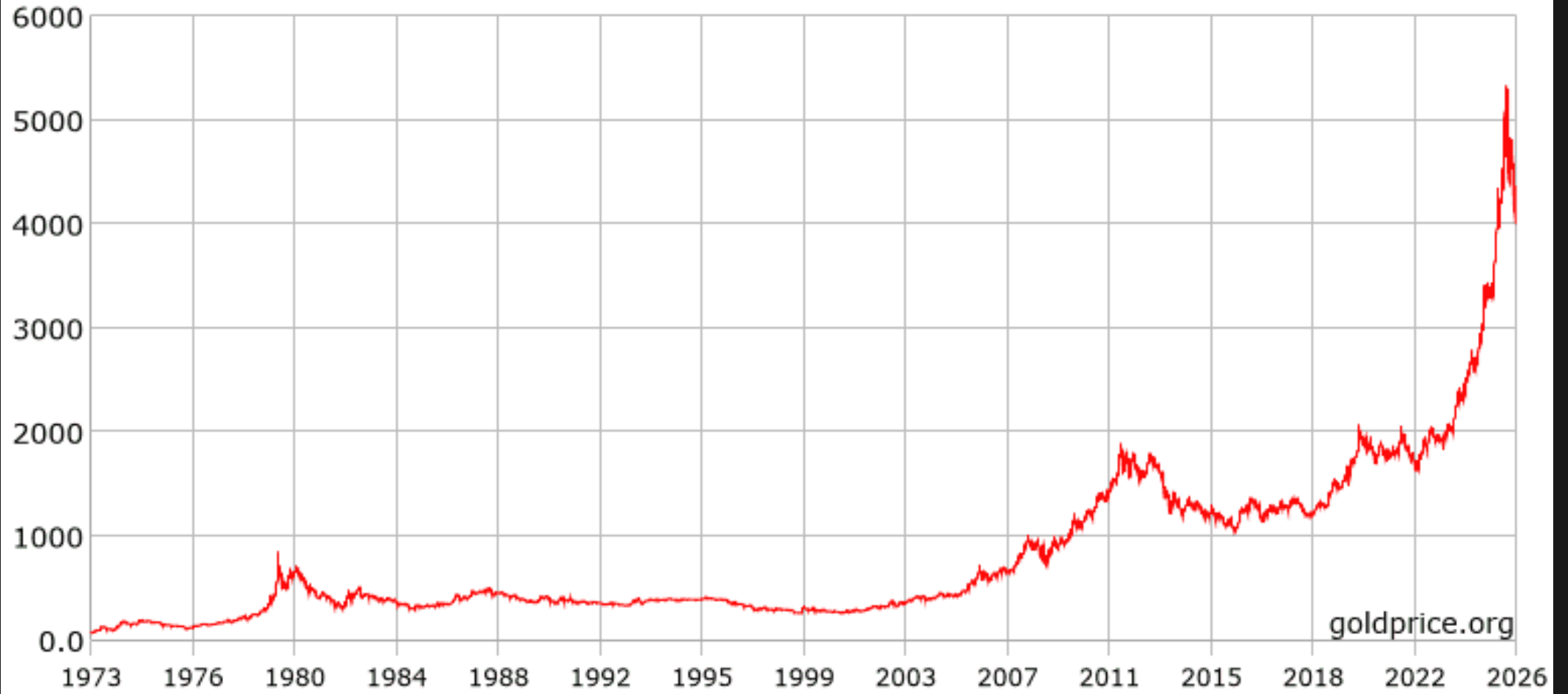
- US dollar: -99.24%
- British pound: -99.57%
- Euro (backcalculated): -99.08%
- Japanese yen: -98.27%
- Swiss franc: -96.07%



All Data Gold Price in USD/oz

Last Close: 4068.48

High: 5327.65 Low: 63.90 ▲ 4003.58 6168.84%



Thursday, July 2, 2026



Conclusion

- “Good” fiat currencies (US dollar, euro, Swiss franc) are suitable as a medium of exchange and unit of account
- *All* fiat currencies fail as a store of value
- Even with nominally relatively high interest rates, fiat money almost always loses value when adjusted for inflation
- The effects of the fiat money standard are clearly noticeable today



Hope: Bitcoin (2009)

“The Times 03/Jan/2009 Chancellor on brink of second bailout for banks.”

- Vision: alternative medium of exchange (digital cash)
- Reality: huge success as a store of value (“digital gold”)



Bitcoin & Traditional Assets CAGR

	Bitcoin	Gold	S&P 500
1 year:	-44%	+22%	+17%
2 year:	-0.01%	+32%	+15%
3 year:	+25%	+28%	+18%
4 year:	+33%	+22%	+18%
5 year:	+12%	+18%	+11%
6 year:	+37%	+15%	+15%
7 year:	+27%	+16%	+14%
8 year:	+32%	+16%	+13%
9 year:	+42%	+14%	+13%
10 year:	+57%	+12%	+13%
11 year:	+64%	+12%	+12%
12 year:	+46%	+10%	+12%
13 year:	+69%	+10%	+12%
14 year:	+92%	+7%	+13%

<https://casebitcoin.com>



Bitcoin: 5 problems

1. *Privacy*
2. Quantum security
3. Scalability
4. Fungibility
5. Institutional capture



Stablecoins as a way out?

Market capitalization of stablecoins:

- USDT (Tether): 184 billion USD (#3)
- USDC (Circle): 73 billion USD (#5)

For comparison:

- Bitcoin: 1.22 trillion USD (#1)
- Ethereum: 198 billion USD (#2)

(Data from July 2, 2026)



Stablecoins as a way out? (cont.)

- Stablecoins have product market fit as a *medium of exchange*
 - Tether is the most profitable company in the world (ca. 83 - 93 million USD per employee)
 - Most stablecoins can be frozen by the issuer (more easily than a bank account)
- ➔ Stablecoins are not successful because they are so good, but because the alternative is so bad



AI changes the game

- All collected data that could be analyzed will be analyzed.
- General acceleration of technological development (Q-day is coming)
- The marginal cost of oppression is falling



Alternative: privacy coins

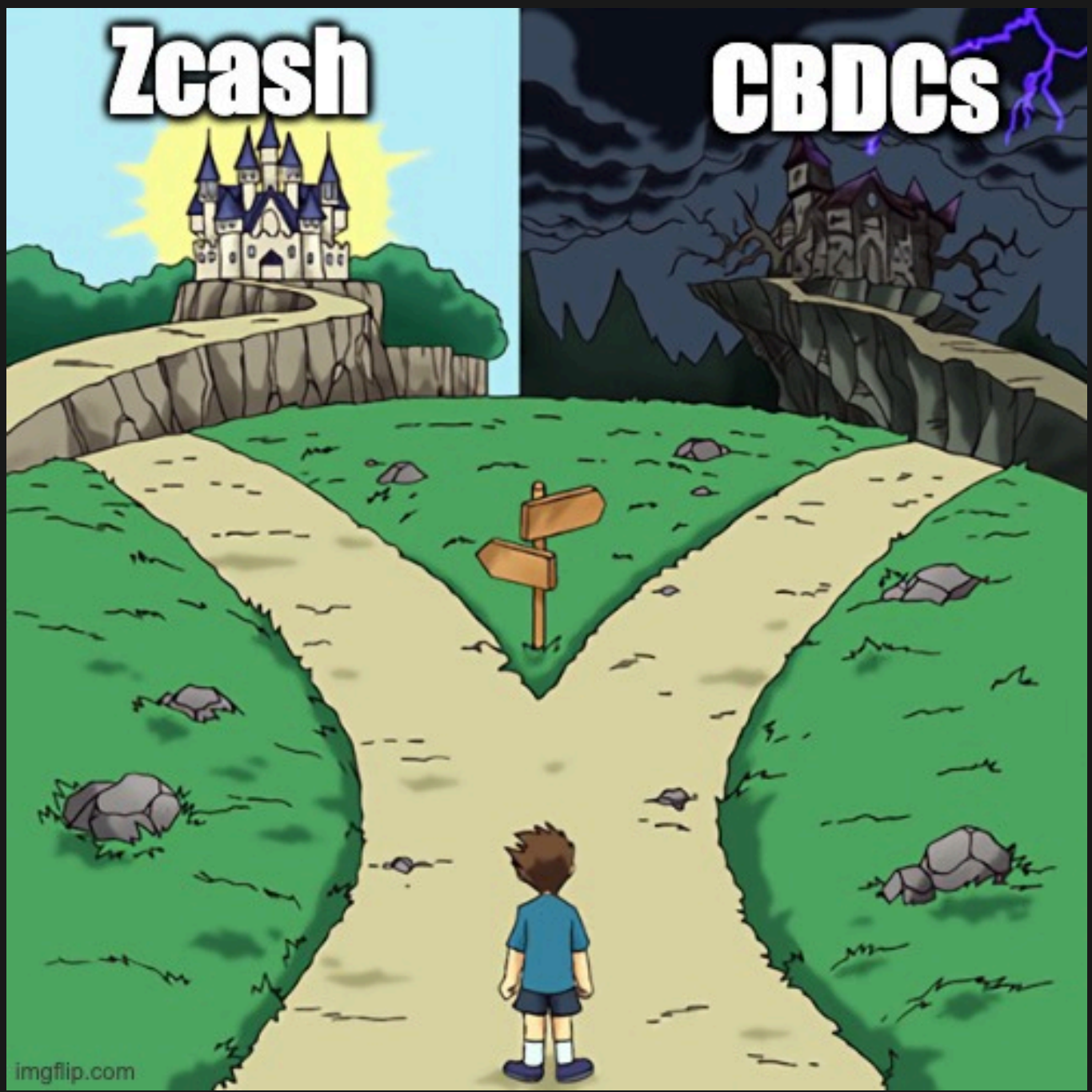
(Using the example of Zcash, privacy coin #1, 7 billion USD market capitalization)

- perfect privacy (“zero-knowledge proofs”)
- quantum-secure soon
- credible scaling roadmap
- less than 1% of Bitcoin’s market capitalization



Zcash

CBDCs



imgflip.com

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Dystopia

- The journey leads to CBDCs (“digital euro”)
- Not only completely transparent and easy to freeze, but potentially usable for an “algorithmically controlled planned economy”
- Due to globalization and falling costs of oppression, potentially a “totalitarian equilibrium”



Utopia

- Privacy coins achieve product market fit as a store of value (Zcash ca. 10x in the last year)
- Privacy coins become a store of value *and* a medium of exchange
- Then AI is not an instrument of oppression



Conclusion

- Fiat money is unsuitable as a store of value (incl. stablecoins)
- Truly decentralized cryptocurrencies currently compete primarily as stores of value
- Bitcoin had massive success as a store of value, but currently has structural problems that are amplified by AI
- Privacy coins as a solution? (also as a medium of exchange)
- Separation of money and state?



Thank you!



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