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The Nilar: A Gold-Based Framework for African Economic Sovereignty and Prosperity

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The Nilar: A Gold-Based Framework for African Economic Sovereignty and Prosperity

Manuel Tacanho*

EXECUTIVE SUMMARY

This policy paper presents the moral, economic, and practical aspects for implementing *the Nilar*, a transformative monetary and economic framework proposed by Africonomics and developed by social philosopher and economist Manuel Tacanho. It addresses the central and persistent source of economic injustice, instability, and impoverishment in Africa: fiat monetary systems imposed through Western statist models.

For decades, African economies have suffered under arbitrary currency devaluations, rampant inflation, forex issues, and monetary dependency—consequences of the current monetary order, the fiat dollar standard, and the broader Western racial and statist global order. The Nilar proposes a radical and principled shift from these oppressive systems toward an ethical, decentralized, and structurally just economic framework underpinned by a gold-based currency system—the Nilar.

Beyond being a sound monetary system, the Nilar is a transformative economic model designed to create a new reality of integrated, stable, and thriving African economies. It will enable Africa to restore its monetary independence, reclaim its economic sovereignty, build lasting prosperity, and establish a structurally just postcolonial socioeconomic order. In other words, the Nilar is more than a sound currency system. It is a declaration of independence and a restoration of African sovereignty and dignity.

KEYWORDS: Africonomics, the Nilar, sound money, economics, monetary systems, fiat money, currency, political economy, natural-moral law, civilization.

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Table of Contents

1. Introduction **3**

2. The Nilar: Name and Definition **4**

2.1 Significance of the Name 4

2.2 Defining the Nilar Currency 4

3. The Moral and Economic Imperative of Sound Money **5**

4. The Structural Problem of Fiat Monetary Systems **7**

4.1 The Destabilizing and Impoverishing Effects of Fiat Money 7

4.2 Comparative Table: The Nilar vs. Fiat Currencies 8

4.3 Zimbabwe's "Gold-backed" Currency Attempts 10

4.4 The Statist Global Order and Its Legacy in Africa 13

5. The Nilar: A Transformative Economic Model **15**

5.1 Sound Money: The Nilar 15

5.2 Economic Freedom 16

5.3 Property Rights 17

5.4 Minimal Taxation 17

5.5 Structural Justice 18

6. Implementation Strategy **19**

6.1 Implementation Principles 20

6.2 Pioneer Implementation Opportunities 23

7. Policy Recommendations **24**

8. Conclusion: A Moral and Civilizational Imperative **24**

References **26**

Appendices **26**

Appendix A: Technical Specifications of the Nilar 26

Appendix B: Case Studies of Gold Currency Systems 28

Appendix C: Gold Production Capacity in Africa 28

Appendix D: Legal Framework Templates 30

Appendix E: Digital Implementation Guidelines 31

1. Introduction

The economic history of postcolonial Africa has been marked by persistent monetary instability, socioeconomic fragmentation, and systemic dependency. These challenges stem not from intrinsic deficiencies within African societies but from the imposition of Western statist economic models, particularly the adoption of fiat currency systems and centralized, technocratic monetary management.

While the present era of centralized monetary management has caused worldwide economic turmoil and devastation, the destabilizing and destructive consequences of fiat currency systems under the current global monetary order—*the fiat dollar standard*—have been particularly harmful to Africa and other developing regions. Decades of currency printing, rampant inflation, arbitrary devaluations, and forex instability have severely undermined capital formation, fostered corruption, state oppression and exploitation, and perpetuated a ruinous cycle of economic turmoil, stagnation, external dependency, and avoidable human suffering.

The monetary history of neocolonial Africa can be summarized as a period of injustice, instability, and impoverishment. Instead of providing currency stability and reliability, fiat monetary systems have led to continued economic turmoil, hindering economic development and prosperity. The Africonomics' moral, economic, and civilizational case against fiat currency rests on the fact that fiat monetary systems are atrocious.

As social philosopher and economist Manuel Tacanho has demonstrated through three landmark papers, *monetary inflation* (artificial credit and currency creation)—the essence of fiat monetary systems—is unethical, fraudulent, uncivilized, and destructive. It constitutes the central moral corruption and structural injustice in existing statist socioeconomic systems. Fiat monetary systems are confiscatory and oppressive, silently draining people's purchasing power, economic well-being, and dignity while benefiting governments, the political class, and financial elites.

Africonomics asserts that this institutionalized monetary injustice is not a technical failure but a consequence of structurally unjust, coercive, and unethical economic systems imposed on African societies. Addressing this central injustice requires reform and a fundamental paradigm shift—adopting a sound and principled monetary system.

This policy paper outlines an implementation framework that emphasizes a free enterprise approach across the gold supply chain, allowing African nations to adopt the Nilar despite minimal vaulted gold reserves. Africonomics offers the Nilar as a practical economic solution and

a moral imperative—a stable foundation to foster African economic integration, transformation, and liberation.

The time for fundamental monetary change in Africa has arrived.

2. The Nilar: Name and Definition

2.1 Significance of the Name

Nilar is derived from the Nile River, the most historically and culturally significant river in Africa and the world. The Nile is Africa's and the world's longest river, totaling about 6,800 kilometers. Its drainage basin includes 11 countries: DR Congo, Tanzania, Uganda, Rwanda, Burundi, Kenya, Ethiopia, Eritrea, South Sudan, Sudan, and lastly, Egypt, where the Nile crosses to reach the Mediterranean Sea.

The Nile River has three main tributaries, starting as two distinctive rivers: the White Nile, which originates in the African Great Lakes region, more specifically in Jinja, Uganda; the Blue Nile, which flows from Lake Tana in Ethiopia; and the Atbara, which flows from Sudan. The Blue and White Nile meet in Khartoum, from which point they flow as a single, majestic river through Sudan and Egypt to drain into the Mediterranean.

Hardly anything is more symbolically and historically pan-African than the Nile River. The Nile Valley is home to some of the earliest and most remarkable kingdoms and civilizations that continue to capture the admiration of contemporary observers. *Nilar* was coined and chosen to honor the economic, historical, and cultural significance of the world's most iconic river, which has symbolized life, development, and prosperity for thousands of years.

Similarly, the Nilar is a stable and principled monetary foundation for building a new reality of integrated, stable, and prosperous African economies—fostering genuine African unity and restoring African sovereignty and dignity.

2.2 Defining the Nilar Currency

The Nilar—a gold-based currency for African monetary sovereignty, economic stability, and prosperity—should not be mistaken for a gold-backed system whereby gold partially backs the currency. The Nilar is a gold-based currency system—a principled and entirely sound monetary

system that does not involve fiat monetary practices such as artificial credit creation, currency printing, interest rate manipulations, or fractional reserve commercial banking. Gold does not back the Nilar; the Nilar is a gold currency.

One Nilar equals one gram of fine (999.9) gold. The Nilar can have denominations of 1, 5, 10, 20, 50, and 100 grams of fine gold. Denominations can be round or rectangular but will always have an indicated weight and fineness (999.9). Weight, fineness, and the word Nilar will be stamped on one side of every coin, minibar, or bar; while the other side is for the issuing entity to decide what to imprint, allowing for cultural expression and national identity within a unified system.

The Nilar can also be tokenized to circulate digitally, like a cryptocurrency, with a mandatory 100 percent reserve requirement. This ensures that digital tokens always correspond to physical gold holdings, maintaining the integrity and soundness of the system.

3. The Moral and Economic Imperative of Sound Money

Money is not only a tool of convenience—it is the cornerstone of indirect exchange societies, without which modern society cannot function and thrive. As the fundamental good in the economy, money enables individuals and groups to trade, collaborate, and allocate resources efficiently. It represents purchasing power, intermediates transactions, and communicates crucial information, incentives, and disincentives that coordinate economic decision-making across time and space.

Money is not only an economic medium but also a moral and civilizational instrument. In Africonomics, money is a moral institution before it is an economic or technical one.

Its essential roles—medium of exchange, store of value (purchasing power), and standard of account—make money the lifeblood of the economy. Without a functioning monetary system, productive cooperation breaks down, pricing becomes erratic, savings are discouraged, and economic calculation collapses. Money thus facilitates commerce, social coordination, and peaceful human relations within and among societies.

When money is corrupted—primarily through centralized control and inflationary practices such as artificial credit creation and currency printing—it ceases to function as a moral, stable, and constructive tool. While still circulating, debased money becomes an instrument of state

control, economic deception, systemic dispossession, and structural injustice. In such cases, money does not simply lose value; it loses moral legitimacy.

Crucially, money is not neutral. Changes in the money supply, particularly those introduced through monetary inflation, distort market signals, redistribute wealth unjustly, misallocate resources, and destabilize the entire socioeconomic order. These distortions ripple throughout society, weakening trust, worsening inequality, and eroding the foundations of justice, peace, and prosperity.

In *The Moral and Philosophical Structure of Africonomics: A Framework for African Economic Sovereignty*, Tacanho writes:

> Sound money preserves purchasing power, protects savings, facilitates investment, and undergirds long-term economic planning and growth. It is a bulwark against corruption, centralization, state tyranny, inflation, wealth confiscation, and imperialism. A sound currency system is a moral requirement and a principal element for a structurally just and civilized society.

Because of its far-reaching effects on human life and relations, the monetary system must be honest, stable, and trustworthy. A sound monetary system is essential for justice and prosperity. When money is stable and based on intrinsic value—as with a gold-based currency like the Nilar—it protects the economic agency of individuals, preserves the integrity of exchange, and fosters structural justice. Conversely, when money is politicized, manipulated, and systematically debased, it becomes a mechanism of nationwide fraud, economic dispossession, structural injustice, and technocratic tyranny.

The integrity of money is not a technical issue—it is a moral and civilizational imperative. A corrupted monetary system invariably leads to chronic economic instability, social decay, and widespread human suffering. By restoring money to its rightful role as a principled and stable instrument of human cooperation, one lays the cornerstone of structural justice, economic stability, and prosperity.

4. The Structural Problem of Fiat Monetary Systems

4.1 The Destabilizing and Impoverishing Effects of Fiat Money

Fiat monetary systems, characterized by artificial credit and currency creation, central banking, arbitrary devaluations, fractional reserve banking, and inflationary policies, have inflicted widespread economic dispossession and devastation on humanity, with African nations being among the most severely impacted. These systems:

- Undermine economic stability through monetary inflation and currency volatility.
- Erode purchasing power and savings.
- Hinder capital formation and long-term investment.
- Entrench dependency on foreign exchange systems.
- Perpetuate economic instability, fragmentation, stagnation, and poverty.

Fiat money is a confiscatory structural injustice, siphoning wealth from individuals and communities to sustain centralized, coercive regimes. They violate universal moral principles and suppress human agency, undermine human dignity, liberty, and prosperity. Fiat monetary systems are a source of injustice, instability, and impoverishment.

1. Fiat Money Is Inherently Unjust:

Fiat monetary systems are based on artificial credit and currency creation—unbacked by any real value. This allows governments and central banks to confiscate purchasing power from the public through monetary inflation without consent, violating the natural right to property ownership and the universal moral principles of truth, justice, and nonaggression. Africonomics elucidates that this constitutes legalized fraud, systemic economic dispossession, and a form of institutionalized violence.

2. Fiat Systems Breed Chronic Economic Instability:

Besides the debilitating problems of arbitrary currency devaluation, rampant price inflation, and forex volatility, fiat systems create recurring boom-bust cycles through the artificial expansion and contraction of credit. These cycles misallocate resources, distort price signals,

cause financial crises, exacerbate wealth disparity, disproportionately harm the majority, and undermine social peace.

The Africonomics Theory of Economic Cycles notes that boom-bust cycles are not inherent to free markets but are structural consequences of monetary inflation within statist systems. By distorting interest rates, misallocating capital, and incentivizing speculative investment, fiat monetary systems instigate artificial expansions that inevitably collapse into recessions or depressions—causing widespread instability and impoverishment.

3. Fiat Currency Impoverishes the Many:

Fiat systems enrich governments, banks, and elites who receive and spend new money first (the Cantillon Effect), while ordinary people face rising prices, eroded savings, and declining wages in real terms. This structural injustice fuels inequality, social decay, and long-term impoverishment, especially in less developed economies. Africonomics rejects fiat money as an unethical and uncivilized tool of exploitation and repressive control. Fiat monetary systems are a central and confiscatory structural injustice in contemporary statist socioeconomic systems.

4.2 Comparative Table: The Nilar vs. Fiat Currencies

A principled alternative to monetary injustice, economic instability, and insidious impoverishment.

Feature	The Nilar	Fiat Currencies
Backing	100% based on physical gold	Created by decree, backed by state coercion
Value Stability	Preserved over time, an honest and stable currency that maintains purchasing power	Erodes over time, a fraudulent and destructive currency that is systematically debased
Issuance	Issued only against gold	Issued at will by central banks
Inflation Risk	None—by design	High and built-in (inflation is policy)

Counterparty Risk	Minimal to nonexistent	High—by their inflationary, centralized, and political nature
Trust Basis	Objective, transparent, reliable, independent of government credibility, and free from political manipulation	Subjective, dependent on government credibility, inherently political, and arbitrarily manipulated
Monetary Sovereignty	Decentralized, market-operated, African-governed	Centralized, technocratically managed, tied to foreign institutions and influence
Ethics & Justice	Entirely just: aligned with natural-moral law, individual rights, and voluntary exchange	Viciously unjust: based on coercion, deception, and institutionalized fraud
Economic Effect	Protects savings, encourages investment, production, and economic prosperity	Erodes wealth, distorts prices, fuels resource misallocation, destabilizes the economy
Historical Precedent	Consistent with Africa's heritage of free markets and gold-based money	Colonial import and Western statist imposition

Fiat systems benefit the few at the top while systematically disenfranchising and dispossessing the many. The Nilar protects the property and purchasing power of all Africans—farmers, merchants, workers, families—everyone.

Grounded in the natural-moral law framework of Africonomics, the Nilar reflects a moral and civilizational commitment to truth, structural justice, voluntary exchange, and human dignity—rejecting fiat money manipulation and coercion. It is designed to restore sound money, monetary sovereignty, and economic stability to African nations, forming the monetary foundation for a free, prosperous, and structurally just Africa.

4.3 Zimbabwe's "Gold-backed" Currency Attempts

In recent years, Zimbabwe has made headlines with declarations of introducing a new gold-backed currency—the ZiG (Zimbabwe Gold). For a nation devastated by decades of monetary instability, hyperinflation, and collapsing currencies, the announcement was met with cautious hope. Yet, the rapid unraveling of the ZiG experiment reveals the underlying truth: Zimbabwe did not introduce a genuine gold-based monetary system. Instead, it deployed another iteration of fiat money, superficially dressed in the language of sound money reform.

The Façade of Gold Backing

At the core of this state deception lies a critical misunderstanding—or misrepresentation—of what constitutes a true gold-backed currency. A genuine gold-based monetary system requires several foundational elements:

1. **Convertibility**: Each unit of currency must represent a fixed quantity of physical gold and be redeemable by any holder on demand.
2. **Sufficient gold reserves**: The currency supply must be backed in full by gold held in transparent, independently verifiable reserves.
3. **Independent valuation**: The currency's value must be market-determinated and denominated in gold, not pegged to another fiat currency.
4. **Transparency and rule-based issuance**: Currency issuance must follow strict, publicly verifiable rules—not the discretionary decisions of a central bank.

The ZiG fails on all four counts.

Despite government promises, the ZiG quickly showed the same traits as previous failed currencies:

1. **Insufficient reserves**: There is no credible evidence that the Reserve Bank of Zimbabwe (RBZ) holds enough physical gold to match the volume of ZiG in circulation.
2. **Pegging to fiat**: Instead of being valued in terms of gold weight, the ZiG was initially pegged to the U.S. dollar at 13.56 ZiG to 1 USD. This fundamentally contradicts the logic of a gold-based currency, particularly since the U.S. dollar itself is not backed by gold. It has been a full fiat currency since August 1971.

3. **No convertibility**: Ordinary Zimbabweans cannot redeem ZiG for physical gold. This lack of convertibility exposes the currency's fiat nature and undermines public trust.

4. **Centralized manipulation**: The central bank continues to exercise technocratic control over exchange rates and monetary policy, including currency issuance and valuation mechanisms. This centralized management structure mirrors the failed fiat systems of the past.

The ZiG, like the bearer cheques, bond notes, and RTGS dollars before it, is fundamentally a fiat currency masquerading as gold-backed.

Market Rejection and Loss of Trust

The consequences have been predictable. Despite its gold branding, the ZiG has quickly lost credibility. Businesses across Zimbabwe are demanding significant premiums for ZiG-denominated prices. Others are refusing the currency altogether. The widening gap between the official and parallel market exchange rates is a hallmark of public rejection.

It was reported that in an instance street traders in Harare were offering exchange rates 25 percent lower than the official rate—a clear indication that the public perceives the ZiG as overvalued and unreliable. This divergence mirrors the collapse of earlier Zimbabwean currencies and underscores the persistent distrust in government-managed monetary schemes.

The Fundamental Contradiction: Central Banks and Sound Money

The failure of the ZiG is not a failure of gold or sound money—it is a failure of monetary dishonesty and centralized fiat manipulation. The contradiction is fundamental: sound money cannot be administered by fiat institutions. A true gold-based currency operates through natural market mechanisms, anchored in transparency, convertibility, voluntary exchange, and rule-based issuance.

By contrast, centralized fiat systems rest on coercion, deception, and arbitrary control. The central bank's attempt to maintain discretionary power over the new currency while simultaneously claiming gold backing reveals the initiative for what it is: another effort to repackage fiat money in the hope that public perception might outpace underlying reality.

A Better Way Forward: The Nilar

In contrast to Zimbabwe's failed attempts, the Nilar—Africonomics' proposed gold-based currency—offers a fundamentally sound and principled alternative. It is built on four essential pillars:

- Full gold convertibility: Every Nilar unit is exchangeable for a defined weight of physical gold.
- Transparent reserves: All backing reserves are independently audited and publicly disclosed.
- Depoliticized issuance: Currency issuance follows transparent, rule-based frameworks aligned with gold production and availability—not political discretion.
- Monetary sovereignty: The Nilar derives its value from gold itself, not through pegs or dependency on fiat currencies like the U.S. dollar.

The Nilar corrects what the ZiG got wrong. It is not a technocratic tool for central banks, but a sound monetary framework grounded in natural-moral law, rooted in justice, guided by truth, designed to serve individuals, families, enterprises, and human flourishing—not the state and the top few.

Lessons for Monetary Reform

Zimbabwe's central bank-managed "gold-backed" currency chicanery is not unique. Across Africa and the world, governments have repeatedly resorted to monetary manipulation—masking fiat currencies as "reform" while retaining centralized control. These schemes fail because they are philosophically flawed, fundamentally unethical, and economically unsound.

The lesson is clear: no lasting monetary stability can be achieved through half-measures or superficial reform. A genuine gold-based currency must be transparent, decentralized, and market-driven. For African nations seeking monetary stability and economic sovereignty, the answer lies not in dressing arbitrary fiat models with a golden façade but in embracing the integrity, reliability, and civilizational value of sound money.

The Nilar offers that path.

4.4 The Statist Global Order and Its Legacy in Africa

The fiat dollar standard, misrepresented as a capitalist or free-market order, is, in truth, the result of statist, centralized, and coercive governance systems that have come to dominate the global economy since the early 20th century. Contrary to established belief, the global monetary and economic system is not built on the principles of voluntary exchange, sound money, or market coordination. It is structured around state-imposed fiat currencies, centrally managed economies, and technocratically administered development models stemming from Western statist tradition.

As Tacanho demonstrates in *The Scale of Statism*, the United States, other Western nations, and the contemporary global economic order are not examples of free-market capitalism but are, in reality, heavily statist systems. These states exercise comprehensive control over currency, credit, trade, regulation, and taxation through centralized and typically arbitrary mechanisms. The institutionalization of fiat money, in particular, has become the linchpin of modern statism, enabling governments to expand power through monetary inflation, debt monetization, and economic repression while eroding public trust, economic stability, and social peace.

Africa's postcolonial economies have tragically and uncritically adopted Western statist models. Rather than cultivating homegrown frameworks based on Africa's traditions of free enterprise, moral governance, and sound money, African nations imported Western models premised on centralized control, foreign aid dependence, and technocratic management. As a result, African nations remain trapped in a structurally unjust social order marked by fiat currencies, persistent inflation, debt distress, confiscatory taxation, and economic stagnation.

This reality is not a failure of African agency but the result of external imposition combined with a postcolonial elite class that has, knowingly or not, reinforced Western statist systems. The legacy of colonial monetary institutions—most notably the CFA franc, the South African rand system, and a web of donor- and debt-based development finance—has entrenched a cycle of economic dependency and dispossession. These fiat-based arrangements erode savings, undermine capital formation, deter long-term investment, and perpetuate systems of wealth extraction rather than wealth creation.

Africonomics challenges the prevailing statist paradigm. It asserts that the root of Africa's persistent economic woes is not a lack of resources or capacity but continued adherence to unethical, unsound, and pseudoscientific monetary and economic models. The fiat dollar

standard and the statist socioeconomic architecture it sustains are incompatible with African sovereignty, prosperity, and structural justice.

From a natural-moral law perspective, fiat monetary systems are inherently unjust. They enable the surreptitious transfer of wealth from the many to the few through currency debasement, artificial credit creation, and politically driven fiscal policy. This undermines the dignity and natural rights of individuals, distorts market signals, and concentrates economic power in state institutions and financial elites.

Therefore, it is morally, economically, and geopolitically imperative that African nations move away from the fiat dollar order and its associated statist systems of coercive, confiscatory, and repressive control. Ending monetary dependency and restoring African sovereignty and dignity requires a principled framework—one that reclaims the integrity of money as a moral and civilizational institution rather than a tool of state power and elite manipulation.

Toward Monetary Sovereignty and Structural Justice

Africa's current monetary systems remain colonial in structure and statist in design. They subject African nations to debilitating inflationary cycles, foreign-currency shocks, and foreign monetary subordination. These systems, while often updated with modern financial instruments and digital tools, continue to rest on foundations laid by imperial economic logic. This explains the recurring crises of arbitrary currency devaluation, government debt, rampant inflation, capital flight, and instability afflicting the continent.

The Nilar offers a transformative way forward. It is a sound currency and the cornerstone of a new monetary and economic order—grounded in the Africonomics framework of natural-moral law, structural justice, and principled free-market system. As a gold-based currency, the Nilar is immune to the technocratic manipulation and fraud that characterize fiat systems. It derives its value from a universally trusted form of money: gold. It cannot be inflated at will, politically redefined, or centrally weaponized. Its issuance is tied to real value and production, encouraging fiscal discipline, economic accountability, and long-term capital preservation.

The Nilar provides African nations with an ethical and culturally grounded alternative to fiat dependency and instability. It empowers African economies to decouple from destructive monetary regimes and reestablish monetary stability. It enables African societies to reassert monetary sovereignty, protect citizens from fiat inflation and confiscation, and lay a stable foundation for economic development and prosperity.

5. The Nilar: A Transformative Economic Model

The Nilar is a principled monetary framework and gold-based currency system developed to empower African nations to reclaim monetary independence, restore honest money and economic stability, and build structurally just, thriving economies. It is more than an alternative currency—it is a transformative economic model proposed by Africonomics.

Unlike fiat currencies imposed by former colonial powers or managed through inflationary central banks, the Nilar is based on natural-moral law principles and designed to protect people's purchasing power, property rights, and economic sovereignty. It provides a stable, decentralized, and ethical foundation for commerce, savings, investment, and continental economic development.

While Africa remains subjugated, fragmented, and economically stifled by coercive, confiscatory, and repressive statist systems from abroad, it can likewise be liberated, empowered, and made prosperous through its economic heritage of free enterprise, free trade, and sound money. More than a technical solution, the Nilar is a philosophical and civilizational reorientation. It affirms that an integrated, stable, and prosperous Africa must be built not on borrowed systems or imposed ideologies but on timeless principles of truth, justice, sound money, and free markets grounded in natural-moral law.

The Nilar is an economic model designed to create a new reality of integrated, stable, thriving African economies. It is built upon the following foundational pillars:

5.1 Sound Money: The Nilar

The Nilar is a transformative gold-based currency system designed specifically for African nations. Unlike conventional gold-backed currencies, the Nilar functions as a true gold currency—where one Nilar equals one gram of fine (999.9) gold. It is not a partially backed currency but an entirely sound monetary system, free from fiat monetary practices such as artificial credit creation, currency printing, arbitrary central bank manipulation, and fractional reserve commercial banking.

As noted earlier, the current Western-imposed monetary order, the fiat dollar standard, has proven devastating to African nations. Decades of currency printing, rampant inflation, arbitrary

devaluations, and forex instability have severely undermined African capital formation, economic development, prosperity, and social peace.

The Nilar offers African nations a principled and transformative path forward. It eliminates the destructive cycle of economic instability, dependency, and poverty perpetuated by Western statist systems—toward monetary sovereignty, economic stability, and broad-based prosperity. It is a liberating economic model that empowers African nations to decouple from colonial-era fiat currencies and oppressive statist systems that entrench structural injustices, dysfunction, stagnation, and widespread human suffering.

5.2 Economic Freedom

The Nilar is a framework for *free enterprise and free trade within Africa*, removing statist barriers that hinder capital formation, investment, entrepreneurship, and voluntary exchange among Africans.

Africans share a common ancestry and a profound cultural unity. The isolationist policies and bureaucratic barriers that now divide the continent are not natural formations but the repressive legacy of colonial and neocolonial statism. These artificial divisions stifle economic progress and undermine Africa's economic integration.

As economic conditions deteriorate, African policymakers face a moral and strategic imperative: to reject the statist status quo and embrace economic freedom. This means dismantling the repressive regulatory apparatus that hinders intra-African trade, suppresses free enterprise, and perpetuates economic dependency.

Economic freedom is not a luxury to be delayed—it is foundational to development and prosperity. African leaders must not wait for perfect peace to unleash the constructive forces of free enterprise and free trade. On the contrary, freeing trade and enterprise is the most effective path to peace, stability, and genuine integration.

5.3 Property Rights

A clear and enforceable legal framework protecting private property rights is integral to the Nilar model. Economic prosperity and structural justice are impossible without well-established and secure property ownership rights.

Statist systems—and socialism most egregiously—systematically violate the natural, God-endowed rights to life, liberty, and the ownership of self and property. These rights are not abstract ideals; they are the moral foundation of human dignity, agency, justice, prosperity, and civilization. Property rights, in particular, are indispensable to a free and flourishing society.

For the Nilar to serve as the cornerstone of a structurally just and prosperous Africa, African governments must reject statist ideologies, end the suppression of property rights, and establish transparent and secure legal frameworks of property ownership.

5.4 Minimal Taxation

A *simple and minimal tax code* is essential to fostering economic activity, incentivizing productive enterprise, and ensuring that the state does not become a confiscatory and oppressive element in society.

A Return to Africa's Ethical Fiscal Heritage:

Precolonial Africa was characterized by minimal or nonexistent taxation. In most traditional societies, economic life was organized around free exchange, customary contribution, and communal reciprocity—not state-imposed levies. While kings and chiefs occasionally received nominal tributes or gifts, these were neither permanent nor coercive. The idea of permanent, burdensome taxation is foreign to Africa and incompatible with the principled, nonaggressive African worldview.

Colonial powers radically altered this peaceful social order. Under foreign rule, taxation became institutionalized as a coercive tool of extraction and control, designed not to serve the people but to enrich imperial regimes. Poll taxes, property taxes, and labor taxes, where individuals were required to work for colonial authorities, among other taxes, were imposed under threat of state violence, destroying Africa's centuries-old tradition of voluntary exchange and introducing unjust and confiscatory fiscal systems throughout the continent.

Tragically, postcolonial governments have largely retained and expanded these colonial systems of tyrannical taxation, perpetuating economic harm and institutionalizing structural injustice under the banner of economic development and scientific policymaking.

Today, many African nations maintain some of the most aggressive tax codes relative to income levels, yet the promised returns—world-class infrastructure, economic stability, and broad-based prosperity—remain elusive. In reality, excessive taxation undermines

entrepreneurship, discourages investment, penalizes productivity, and exacerbates poverty and unemployment. Small and medium enterprises (SMEs), the backbone of economic development and employment, are particularly vulnerable to confiscatory tax policies. These enterprises struggle not because of a lack of potential, but because they are burdened by a repressive fiscal system that extracts more than it enables.

Africonomics' natural-moral law framework affirms that taxation is fundamentally unethical and morally illegitimate because it inherently violates the universal ethical principles of property rights, consent, voluntary exchange, and nonaggression. As an institution based on coercion and enforced through the threat or use of state violence, taxation is, by nature, extortive, confiscatory, and unjust. Excessive taxation is economically destructive and a structural injustice in existing statist socioeconomic systems. It distorts incentives and debilitates economic activity by redirecting resources from productive enterprise to bureaucratic expansion and political patronage.

In line with the African worldview's principled and nonaggressive nature, taxation should be minimal to nonexistent in Africa. Fiscal policy must prioritize justice, liberty, and prosperity over state coercion, extraction, and control. A minimal tax regime—focused on voluntary, transparent, and non-distortive contributions—would align with Africa's moral and economic heritage and unleash the continent's entrepreneurial capacity, attract investment, and foster economic prosperity.

The Nilar is a sound and principled economic model for African sovereignty and prosperity that is incompatible with confiscatory taxation. It encourages fiscal discipline and solvency, discourages deficit spending, and necessitates an ethical and just approach to state finance. For African nations to achieve structural justice, economic stability, and prosperity, they must abandon the colonial legacy of extractive taxation and adopt a minimalist fiscal model that empowers, rather than impoverishes, society.

5.5 Structural Justice

The Nilar economic model promotes a structurally just socioeconomic order based on natural-moral law. It upholds the individual rights to life, liberty, and property while minimizing institutionalized coercion, fraud, dispossession, and oppression. It stands in categorical contrast to the centralized, autocratic, and arbitrary state-centered systems prevailing in Africa and globally.

In *The Moral and Philosophical Structure of Africonomics* Tacanho (2025) further remarks:

> A fundamentally ethical and structurally just socioeconomic system is one whose legal and institutional foundations consistently uphold—or minimally, if ever, violate—the natural individual rights to life, liberty, and the ownership of self and property. Such a system must be grounded in a natural-moral law legal framework and guided by the universal moral principles of truth, justice, and nonaggression. This necessarily entails a free-market economy underpinned by a sound monetary system.

A sound monetary system is the principal element of a structurally just, stable, and prosperous society. The Nilar enables Africa's economic integration and transformation in a unified, collaborative, and dignified manner—leading to a structurally just, peaceful, and prosperous Africa.

6. Implementation Strategy

The Nilar should not be pursued to dethrone the U.S. dollar. It must be implemented because it is a moral, economic, and civilizational imperative for Africa—and the world. The restoration of African sovereignty and dignity requires a principled departure from the colonial and neocolonial systems that have long undermined the continent. The Nilar provides that departure. It offers a transformative framework for African economic integration, structural justice, and postcolonial liberation.

The implementation of the Nilar would achieve the following:

- **Correct a longstanding injustice**: The fiat monetary systems imposed and perpetuated throughout the post-neocolonial era have proven ethically bankrupt, economically destabilizing, and developmentally destructive. These systems have debilitated African capital formation, eroded monetary stability, and perpetuated economic stagnation. A fundamental monetary realignment is long overdue.

- **Uproot a fraudulent economic model**: Fiat currency systems are inherently unethical, based on deception, and sustained through coercive mechanisms that defraud and dispossess the public. They constitute a structural injustice that is incompatible with the African worldview and economic heritage. The Nilar offers a principled, peaceful, and just monetary system.

- **Break the cycle of dependency**: Western statist models have trapped African nations in a cycle of economic turmoil, political subservience, and monetary dependence. The Nilar provides a sovereign pathway out of this ruinous cycle, empowering African economies to chart a self-determined course based on truth, liberty, sound money, and natural-moral law governance.

- **Lay the foundation for a new economic reality**: By establishing a gold-based and pan-African currency, the Nilar will enable the creation of integrated, stable, and thriving African economies—fostering peace, trade, entrepreneurship, and prosperity across the continent in a unified yet decentralized manner. The Nilar is the cornerstone of a structurally just, peaceful, and prosperous Africa.

- **Fulfill a moral and civilizational duty**: The implementation of a sound, honest, and just monetary system is not merely a policy preference—it is a moral, historical, and generational responsibility. African leaders must reject fraudulent and exploitative monetary models and embrace the Nilar as a commitment to truth, justice, dignity, and prosperity.

In short, the Nilar is not a tactic. It is a turning point—a decisive act of economic sovereignty and civilizational restoration. Africa does not need permission to be free; it needs a sound currency to become free and sovereign.

6.1 Implementation Principles

The Nilar must be implemented through a *free enterprise approach*—avoiding centralized government control, coercive mandates, and the deception that has historically plagued monetary policy. As noted earlier, a decentralized, market-based strategy across the gold supply chain allows African nations to adopt the Nilar despite minimal vaulted gold reserves. Substantial vaulted gold holdings are not a prerequisite for implementing the Nilar.

A statist approach—based on centralized control, bureaucratic planning, or pan-African monetary authority—would likely fail. Such a system would be vulnerable to internal inefficiencies, political dysfunction, and external sabotage by actors invested in maintaining the status quo of fiat dominance. Only a free enterprise approach, grounded in property rights, voluntary exchange, transparency, and competitive markets, offers the resilience and legitimacy required for such a transformative undertaking.

A second and equally critical concern is the trust deficit between the public and African governments and their currencies. Over decades, fiat currency mismanagement, arbitrary devaluations, and inflationary abuse have eroded public confidence. Trust in a new currency cannot be legislated into existence, nor can it be imposed through central bank mandates or legal tender laws. Coercion cannot restore confidence—only credibility can.

To earn the trust of Africans and the world, the Nilar must operate as a market-driven currency governed by natural-moral law and transparent issuance—not political manipulation. It must serve the people, not the state. In doing so, the Nilar can rise as a trusted and stable currency rooted in African agency and driven by African enterprise.

Key implementation steps for policymakers include:

Voluntary Adoption

- Participating African states can designate the Nilar as an official currency without imposing legal tender laws.
- Governments should announce acceptance of payments in Nilars for their services to encourage its use.
- States with significant vaulted gold reserves can start minting Nilar coins immediately to pay local bondholders, contractors, and government employees.

Physical and Digital Circulation

- The Nilar will consist of gold coins, minibars, and bars with denominations in grams of fine gold.
- Coins must be standardized in denominations, physical characteristics, and markings across participating nations while allowing for cultural expression. For instance, a Nilar coin minted in Namibia might feature the martial eagle, symbolizing strength and vision, while a Senegalese Nilar coin could bear the portrait of Cheikh Anta Diop, honoring his noteworthy intellectual legacy.
- Digital tokenization of Nilar units will allow for secure, efficient transactions, with independent auditing to maintain the 100 percent gold reserve ratio.

Free Enterprise Across the Gold Supply Chain

- Barriers to gold mining, refining, minting, trading, and storage must be eliminated to unlock the full potential of Africa's gold economy. Removing these constraints will stimulate investment across the gold value chain, catalyze growth in related industries, and generate substantial employment. A free gold market—free from excessive regulation and bureaucratic interference—will encourage entrepreneurship, attract foreign and domestic capital, and support the emergence of dynamic, value-adding enterprises across the continent.

- Removing repressive measures (tariffs, non-tariff barriers, taxes, and other onerous artificial barriers) to free gold markets will facilitate the emergence of dynamic and globally competitive African gold industries. This would also catalyze gold inflows from abroad, increasing gold availability.

- Additionally, free gold markets would result in companies and tech applications naturally emerging to address issues in the gold supply chain. For example, applications that prevent fraud, certification of fineness and weight, custodians, insurance companies, secure transportation services, and storage facilities, among other services, would emerge.

Abolition of Fiat Monetary Practices

- Artificial credit creation, currency printing, forex manipulation, and interest rate control by central banks must end.

- Similarly, fractional reserve commercial banking must be prohibited.

- Central banks should be restructured into *Conversion and Minting Agencies (CMAs)*, operating within a competitive free-market environment alongside private CMAs. These agencies would specialize in minting Nilar coins and offer complementary services such as gold storage, secure custodianship, and assaying. Rather than monopolizing monetary issuance, former central banks would become value-adding participants in a principled and decentralized monetary system, serving the public through competition, transparency, and trust.

Monetary Freedom and Gradual Transition

- Legal tender laws and other measures that repress monetary freedom should be abolished, allowing the Nilar to circulate freely alongside existing fiat currencies during the transition period.

- Exchange rates will be determined by market dynamics, not technocratically managed and coercively imposed. Centralized arbitrary monetary practices such as exchange rate controls, restrictions, and manipulations must end.

- Each participating country can transition at its own pace. Markets should adjust and transition at their own pace, with participants renegotiating debts, contracts, and other legal obligations based on free market exchange or interest rates.

Fiscal Solvency and Debt Renegotiation

- African governments must exercise fiscal discipline by avoiding deficit spending and halting debt accumulation. Prioritizing fiscal solvency is essential to ensuring that Nilar's sound monetary foundation is not undermined by reckless fiscal practices.

- Before implementation, governments should confront the reality of mounting debt burdens—either by pursuing renegotiation of external obligations or, where necessary, considering strategic default.

6.2 Pioneer Implementation Opportunities

The Nilar can be initially implemented by a coalition of African states. Potential pioneers include:

- Zimbabwe and its Southern African Development Community (SADC) peers.
- Southern African Customs Union (SACU) member states.
- The Confederation of Sahel States (Mali, Niger, Burkina Faso).

The successful implementation and operation of the Nilar hinges on a free enterprise approach across the gold supply chain. This approach makes implementing the Nilar possible despite many African countries having minimal to no vaulted gold holdings.

7. Policy Recommendations

Based on the analysis presented in this paper, the Afrindependent Institute—grounded in Africonomics—recommends the following actions:

1. **Abandon Fiat Monetary Systems**

   African policymakers must recognize the structural injustice and exploitation of fiat currency systems and move toward sound money.

2. **Adopt the Nilar Economic Model**

   Implement the Nilar as a gold-based monetary system and adopt its broader economic principles of free enterprise, property rights, and minimal taxation.

3. **Decentralize Economic Governance**

   Reduce the role of statist economic management in favor of decentralized, market-based structures.

4. **Promote Monetary Freedom**

   Abolish legal tender laws and other coercive monetary policies that restrict voluntary exchange.

5. **Institutionalize Structural Justice**

   Reform national legal frameworks by replacing legal positivism with natural-moral law jurisprudence—to uphold natural individual rights, private property, sound money, and principled free markets. This shift is essential for fostering peaceful social relations and establishing a structurally just, free, and genuinely civilized socioeconomic order.

8. Conclusion: A Moral and Civilizational Imperative

The Nilar presents a historic opportunity for Africa to break free from the destructive cycle of monetary instability, economic dependency, and political repression sustained by Western statist models. It offers more than a sound currency—it provides a principled and structurally just economic framework for building a new reality of integrated, stable, and thriving African economies.

African policymakers now face a profound moral, economic, and civilizational responsibility. Implementing a sound monetary system like the Nilar is an imperative fundamental shift and a foundational act of liberation and restoration. It will lay the cornerstone for a sovereign, prosperous, dignified postcolonial Africa while setting a new global precedent for decentralized and ethical economic development.

The fiat currency systems that dominate the continent have been particularly destabilizing and destructive. Under central bank regimes, African societies have endured decades of debilitating inflation, arbitrary currency devaluation, forex volatility, and persistent economic stagnation. These structurally unjust, confiscatory, and oppressive systems have severely undermined capital formation, private investment, economic prosperity, and social peace in the continent.

As global instability grows and Africa's economic woes deepen, maintaining the status quo is no longer viable. A fundamentally different approach is needed—grounded in truth, liberty, sound money, and structural justice. The Nilar offers that approach.

By providing a stable and trustworthy currency, the Nilar enables the emergence of integrated and flourishing African economies. It empowers communities, protects savings, supports free enterprise, and catalyzes regional and continental integration. Most importantly, it honors the African worldview—centered on moral clarity, peaceful coexistence, and respect for individual dignity.

The Afrindependent Institute presents the Nilar not merely as an alternative to the fraud of fiat money but as a transformative framework for African economic sovereignty and prosperity. The time to act is now. African leaders must rise to the occasion, not only for economic reasons but also for justice, liberty, and human civilization.

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Appendices

Appendix A: Technical Specifications of the Nilar

The Nilar currency system is designed as a gold-based sound money system, with both physical and digital components. Below are the technical specifications for Nilar units:

Physical Nilar Units (Coins, Minibars, Bars)

- **Fineness Standard:**

- 999.9 fine gold.

- **Denominations:**

- 1 Nilar = 1 gram fine gold
- 5 Nilars = 5 grams
- 10 Nilars = 10 grams
- 20 Nilars = 20 grams
- 50 Nilars = 50 grams
- 100 Nilars = 100 grams

- **Shape:**

- Coins for lower denominations (1–20 grams)
- Minibars for mid denominations (20–100 grams)
- Bars for large denominations (100 grams and higher)

- **Design Features:**

- One side: Standardized across all African issuing entities, showing weight, fineness (999.9), and *Nilar* inscription.
- Other side: Cultural or historical symbols specific to the issuing country (e.g., national heroes, fauna, flora, or monuments)—allwoing for cultural expression within a unified monetary system.

- **Security Features:**

- Precision weight and dimensions
- Serial numbers or QR codes engraved for authenticity verification
- Tamper-proof packaging for larger bars
- Holographic features on packaging

Appendix B: Case Studies of Gold Currency Systems

1. The Classical Gold Standard (1870–1914)

The classical gold standard era demonstrated that a commodity-based monetary system can produce remarkable economic stability, long-term price predictability, and sustained growth. Despite its strengths, the classical gold standard was statist in structure—characterized by centralization, political manipulation, and frequent suspension during periods of war or crisis. These vulnerabilities ultimately undermined its integrity and long-term viability.

The Nilar is a principled and superior monetary system tailored to Africa's unique historical, economic, and philosophical context. It adopts a decentralized, voluntary, and free-enterprise approach rather than a state-monopolized monetary framework. By removing centralized control, arbitrary manipulation, and political interference, the Nilar offers a sounder, more stable, and inherently reliable alternative to fiat systems and the statist classical gold standard.

2. The Gold Coin Circulation in Precolonial Africa

Before colonial rule, many African societies—notably in West Africa—used gold coins and dust as widely accepted currency forms. These precolonial monetary systems were characterized by voluntary exchange, decentralized trade networks, and the absence of fiat currency or centralized monetary manipulation. The great West African empires of Ghana (ca. 750–1235), Mali (ca. 1240–1645), and Songhai (ca. 1460–1600) were especially renowned for their sophisticated use of gold in commerce and statecraft.

The Nilar aligns with this rich African monetary heritage, reviving its core principles of sound money, voluntary exchange, and free enterprise while integrating modern technological

innovations and grounding it in a natural-moral law framework. Thus, the Nilar provides a more stable and structurally just currency system for the contemporary era.

Appendix C: Gold Production Capacity in Africa

Africa possesses some of the world's largest gold reserves and mining capacity:

#	Country	Annual Production (Metric Tonnes)	Known Reserves (Metric Tonnes)
1	Ghana	130	1000
2	South Africa	110	6000
3	Sudan	93	500
4	Mali	72	800
5	Burkina Faso	63	300
6	Tanzania	48	500
7	DRC (Congo)	45	300
8	Zimbabwe	40	400
9	Nigeria	10	100
10	Uganda	9	90
11	Others	80	2000

12	Total Africa	700	11990

*Numbers are based on publicly available data and are presented here for illustration purposes only.

Untapped Capacity: Due to regulatory barriers, underinvestment, and statist policies, large gold reserves remain untapped. Implementing the Nilar will incentivize steady gold production and formalize artisanal, small-scale mining under principled legal frameworks and free enterprise-based conditions.

Gold Smuggling Is a Policy Failure, Not a Policing Problem

Africa is the world's leading gold-producing continent, yet a significant portion of its gold—particularly from artisanal and small-scale mining—goes undeclared or is smuggled out of the continent. This persistent problem is not due to a lack of stringent state oversight. It stems from the absence of secure property rights and a free enterprise system that includes and empowers small-scale participants in the gold value chain.

The current system, characterized by heavy state control, opaque licensing regimes, and unclear property rights, disproportionately favors large, politically connected corporations. These entities possess the legal and financial capacity to navigate complex bureaucracies and secure favorable treatment, often at the expense of local miners and communities.

To unlock the full potential of Africa's gold sector, African governments must dismantle the regulatory and bureaucratic barriers that marginalize artisanal miners and drive them into informal or illegal markets. Instead of criminalizing small-scale mining, policymakers should foster a property rights-based, market-driven framework that legalizes, integrates, and empowers these miners.

Such a framework would eliminate the perverse incentives for gold smuggling, reduce corruption, and expand economic participation. More importantly, it would support the formalization and growth of domestic gold mining, refining, and minting sectors. This would pave the way for broader wealth creation, job growth, and the ethical development of Africa's gold economy.

Appendix D: Legal Framework Templates

Model legislation for Nilar implementation:

The Nilar Currency Recognition Act

- Official recognition of the Nilar as a legal currency (without coercive legal tender requirements).
- Free use of the Nilar alongside existing fiat currencies.

Monetary Freedom Act

- Abolishes legal tender laws.
- Allows voluntary use of any currency in economic transactions.

Nilar Reserve and Custody Act

- Establishes clear rules for 100 percent gold reserves.
- Allows CMAs to mint Nilar units under independent audit requirements.

Free Enterprise in Gold Markets Act

- Removes tariffs, non-tariff barriers, and restrictive regulations on gold mining, refining, minting, trade, and storage.
- Encourages foreign and local investment in gold markets.

Anti-Fraud and Reserve Verification Act

- Imposes harsh penalties for fractional reserve practices and currency fraud.
- Establishes mechanisms for periodic, independent audits of reserve holdings.

Appendix E: Digital Implementation Guidelines

Digital Nilar token specifications:

- **Token Standard:** Blockchain-based digital tokens representing 1 Nilar (1 gram fine gold) per unit.

- **Reserve Requirements:** 100 percent gold-backed; each token redeemable for 1 gram of physical gold.
- **Tokenization Platforms:** Open-source blockchain infrastructure for public auditability. Multi-party custodianship to prevent monopolization.

Security Protocols

- Regular independent audits of gold reserves.
- Multi-signature cold storage of gold-backed digital assets.
- Anti-money laundering (AML) and know-your-customer (KYC) compliance without compromising privacy and monetary freedom.

Reserve Verification System

- Public, real-time reserve reporting portal.
- Blockchain-based proof-of-reserve systems.
- Zero-fractional reserve policy enforced by law.

User Access

- Mobile wallets and payment applications with integrated verification.
- Secure peer-to-peer (P2P) Nilar transactions.
- User education programs to ensure safe and informed usage.

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