About the Author
GDr. Vidur Sahgal was born in Agra, Uttar Pradesh on 8th February 1960 and grew up in the tea plantations of Upper Assam, India (His father worked in the tea gardens). He completed his schooling from St. Andrew's school in Darjeeling & Sherwood College in Nainital, India.

Post-schooling, he attended Hansraj College at Delhi University, India, and Tulane University in New Orleans, where he did most of his MBA in the USA. I earned an MBA and Ph.D. from Ashburry University, USA. Dr. Vidur has accomplished his DBA in PODS from Upgrad and the Swiss School of Business Management and is based in Delhi, India.
To know more about Vidur, you may look up his websites, www.omdic.biz and www.omdic.in.

About Book
PODS is a book that shows how to run an economy without taxes and a shortage of money!
Our population of 1.4 billion citizens entitles us to be ambitious, and PODS can show how to do so. The figures are enormous, but so is our population. With PODS, the world's entire population of 8 billion is an even bigger market to address and nurture for the potential brain power. It is to be noted that PODS is universally applicable.

Planned & Organized Deficit Spending (PODS)

GDr. Vidur Sahgal

PODS

Planned & Organized Deficit Spending

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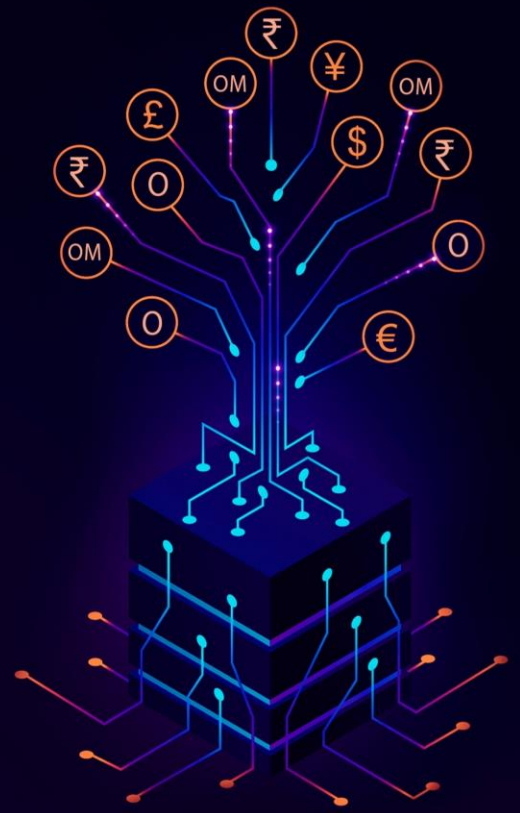

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PLANNED AND ORGANIZED DEFICIT SPENDING (PODS)

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2nd edition book (PODS) released on www.amazon.com & www.amazon.in

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CONCEPT OF PODS

PODS, or Planned and Organized Deficit Spending, is an economic framework that reimagines traditional fiscal policies by advocating for deficit spending as a means to stimulate economic growth and address societal needs. Unlike conventional approaches reliant on taxation, PODS emphasizes the strategic deployment of government spending financed through deficit financing, particularly via Central Bank Digital Currency (CBDC). This innovative model aims to achieve sustainable economic development by prioritizing investments in essential infrastructure, social welfare programs, and productive sectors, thereby fostering employment, reducing inequality, and ensuring equitable access to resources

'WHAT' DOES PODS PROPOSE?

PODS proposes a system where governments use Central Bank Digital Currency (CBDC) instead of taxes to fund their expenses and stimulate economic activity. Here are the main proposals:

1. **Deposits and Interest**: All cash would be deposited into banks, with guaranteed deposits earning high interest rates digitally.
2. **Loans for Production**: Businesses would receive loans at low or no interest rates to produce goods and services. If they meet certain targets, the loan amount could be forgiven.
3. **No Taxes**: PODS eliminates the need for taxes since CBDC would provide the necessary funds for government spending.
4. **Ensuring Basic Needs**: PODS aims to ensure that everyone has access to essential goods and services like food, water, education, and healthcare.
5. **Global Implementation**: PODS could be implemented globally, potentially leading to a single global currency.
6. **Transparency**: The use of digital currency and blockchain technology would make transactions transparent and accountable.

'HOW' TO IMPLEMENT PODS?

- Implementing PODS would involve several steps:
- **Policy Formulation**: Governments would need to develop policies and regulations to transition to a PODS system. This would involve creating legal frameworks for the issuance and use of CBDC, as well as establishing guidelines for banking, lending, and economic management under the PODS model.
- **Technological Infrastructure**: Governments and central banks would need to invest in developing the technological infrastructure necessary for CBDC transactions and blockchain-based transparency. This would involve building secure digital payment systems and platforms for managing CBDC transactions.
- **Public Education and Acceptance**: There would need to be public education campaigns to inform citizens about the transition to a PODS system and the benefits it offers. Building public trust and acceptance of digital currency and the PODS model would be crucial for successful implementation.

'HOW' TO IMPLEMENT PODS?

- **Collaboration with Financial Institutions**: Governments would need to work closely with financial institutions to ensure the smooth transition to a PODS system. This would involve collaboration on developing banking services and lending programs that align with the goals of PODS.
- **International Cooperation:** Implementing PODS on a global scale would require cooperation and coordination among countries. Governments would need to work together to develop common standards and protocols for CBDC transactions and to address regulatory and legal challenges related to cross-border transactions.
- **Pilot Programs and Testing:** Before fully implementing PODS, governments could consider conducting pilot programs and testing the model on a smaller scale. This would allow policymakers to assess the effectiveness of PODS in real-world conditions and make any necessary adjustments before scaling up implementation.

'ROLE OF CBDC' IN PODS

In the context of the PODS framework, Central Bank Digital Currency (CBDC) plays a crucial role in facilitating economic activities and government spending without relying on traditional taxation. Here's how CBDC works within the PODS framework:

- **Government Funding**: CBDC replaces traditional taxation as the primary source of government funding.
- **Distribution:** CBDC is distributed directly to citizens and businesses through digital wallets or accounts.
- **Interest Rates and Guarantees:** Deposits of CBDC are guaranteed by the government and offer high-interest rates to move away from speculation to earn a livelihood.
- **Loans and Investment:** CBDC can be used to provide low or no-interest loans to businesses to stimulate economic growth & these loans could be returned just by meeting quality, quantity and personnel targets.
- **Transaction Processing:** CBDC transactions are recorded and processed on a secure digital ledger for transparency.
- **Regulation and Oversight:** The central bank regulates CBDC issuance to maintain financial stability and prevent fraud.

TRANSITION TO PODS CBDC

- Under the implementation of PODS CBDC, all physical cash would be recalled and deposited into banks without any inquiries.
- Deposits of physical cash would earn interest to incentivize holders to maintain their funds in the banking system rather than engaging in speculative activities.
- Once deposited, the physical cash would be permanently removed from circulation through shredding and incineration processes to prevent re-deposit.
- International trade transactions would be conducted using domestic Central Bank Digital Currency (CBDC), ensuring stability in exchange rates and eliminating reliance on foreign currencies.
- This process marks the initial step in transitioning towards a PODS CBDC system, promoting financial discipline and facilitating a smooth transition to digital currency.

SUPPLY-SIDE ENFORCEMENT AND **DEMAND-SUPPLY BALANCE** IN PODS FRAMEWORK

- PODS emphasizes ensuring an adequate supply of goods, services, and agricultural products to meet demand.
- By maintaining a balance between supply and demand, PODS aims to continuously issue CBDC to support economic activities.
- This approach focuses on addressing shortages and mismatches in the market, promoting stability and efficiency.
- Supply-side enforcement involves measures to increase production capacity, improve infrastructure, and enhance productivity.
- By creating a harmonious relationship between supply and demand, PODS seeks to sustain economic growth and stability.

DIGITAL LIQUIDITY AUGMENTATION IN PODS FRAMEWORK

- In the PODS framework, there is no reliance on buying bonds or Treasury bills (T-bills) to increase liquidity in the economy.
- Instead, liquidity augmentation is achieved digitally through the issuance of Central Bank Digital Currency (CBDC).
- This digital approach ensures efficient and direct injection of liquidity into the economy without the need for intermediaries or complex financial instruments.
- By bypassing the traditional bond and T-bill purchasing mechanisms, PODS streamlines the process of monetary policy implementation and enhances transparency in liquidity management.

SECURITY AND **RELIABILITY** IN THE PODS DIGITAL ECONOMY

- In the PODS digital economy, all digital currency holdings are guaranteed to be 100% secure and protected, subject to specific conditions.
- This guarantee ensures that individuals and businesses can have confidence in the safety and reliability of their digital currency assets.
- Conditions may include adherence to regulations, compliance with transaction protocols, and verification of identity for account holders.
- The guarantee extends to all amounts of digital currency, regardless of the size or value of the holdings.
- In the PODS framework, there are no taxes, zero interest rates on digital loans, and bona fide deposits earn tax-free interest rates ranging from 11% to 22%, showcasing the advantages of public sector banking.

In summary, the PODS system aims to establish a reliable and transparent economy while tackling corruption and fostering sustainable development. It proposes a balanced approach where the supply of Central Bank Digital Currency (CBDC) matches disciplined demand, calculated using the mean Purchasing Power Parity (PPP) price. This method incorporates additional factors like Process, Packaging, Branding, and Logistics Costs (PPBC) to ensure fair pricing for consumers and producers. The system encourages financial discipline by having producers reinvest their revenues back into the PODS CBDC bank, creating a balanced financial ecosystem for both producers and consumers.

THANK YOU