

Brick Markets

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Building a house was usually a market process which required mainly bricks made from simple materials that could be found abundant in nature. Someone had to take those raw materials, mix them, put them in a desired form and heat them. This could be made by agreement between the manufacturer and the owner of the house in a desired time and place for a certain amount of money.

Construction is a part of growing things from scratch therefore the price of the final product is determined by the bids/offers in a future time.

In fiat times this is reduced into buying and selling in spot prices and only through intermediaries who make their quotes after adding their desired mark-up. Banks also benefit from those exaggerated high prices by giving mortgages to people who can't afford the house prices. This has messed things up making prices be **an arbitrary arrangement behind our backs** leaving us with little opportunity to negotiate. None of us know the exact cost of the materials and work needed. Spot prices are payed for future delivery which is absurd.

This distortion of the market process affects everyone and creates many problems.

Future contracts on the other hand allow commodities to have a more stable flow even in times where there is insufficiency in certain materials or a great need in them. Prices also are more stable and don't fluctuate between the edges. Supply and demand isn't the rule anymore.

New bricks already made could be traded through the process of market making. A market maker taking into account the amount of bricks available by the manufacturer can easily put them in the market by quoting a 'price' so that anyone can see them.

Allowing now the CDC (Commodity Distribution Collective) to operate this market, one can find some advantages that don't exist elsewhere. Firstly, bricks can be quoted in any other commodities available in the area and although metals are the most practical medium of exchange with the role of being an intermediate between two goods, new bricks can also be quoted in old bricks. Additionally, CDC uses bills of exchange which have the advantages of similar negotiable instruments or contracts such as futures or swaps. These bills are contracts that represent a future exchange and are driven by the principle of endorsement meaning they can also be used as a currency that circulates among individuals up until maturity.

Non already made bricks can be quoted in future delivery in the same way as the others.

Here the manufacturer has the advantage of not having storage costs and fear of damages through time. The price quoted by the market maker will be lower than the spot price and this can help the buyer program his project better.

In other cases there are buildings that are knocked down for future ones to take their place. Here old bricks are treated as waste materials to be removed before builders can start a new one from scratch. Previous owners could get the opportunity to trade them in the market for new constructions. This would allow them to treat those buildings not just as an area on the

ground but also as prime materials. In this case CDC could bring them into marketplace so that they could benefit from the demolition.

Used ('old') bricks many times are in a good condition even after many years so they can be traded as such like any other secondhand goods or with a minimum refinement due to its sturdy build. This makes reclaimed bricks suitable for various constructions depending on their condition. Otherwise they can be re-moulded without the need of any new prime materials.

CDC offers therefore many alternatives for them to be traded. For example in a certain place bricks might not have a high value in the way other commodities might have. If certain metals could work as intermediaries and taking into account the nesting of the bills of exchange, those bricks could be traded more easily helping other people who grow things to take part in the whole transaction.

Recycling of building materials has always been known through centuries but not all the times in such a creative way. In ancient times temples frequently fell apart due to high costs of maintenance. By the coming of new religions such as Christianity the stones from 'pagan' temples were used later on in the construction of Christian churches with the license of the new (Christian) Roman Emperors, though State authority was the owner of those buildings either way.

Brick 'recycling' in collaboration with the bills of exchange of CDC could very well revolutionize not only the brick market, the construction market and the entire market of commodities by forward trading but also show a way to get out of state (fiat) currency.

Commodities will have again a two-way quotation between them offering many possible transactions by many different individuals.

Some examples might be as follows:

3.500 oz. bricks for 35 oz. copper

3.450 oz. bricks for 35 oz. copper

1 oz. copper for 80 oz. apples

1 oz. copper for 90 oz. apples

As we see here someone might trade bricks for copper and further copper for apples in a way that in the end the only transaction that will take place will be bricks for apples (suitable for where copper for apples happen). This process is known as nesting a bill within another and gets its validity through the endorsement.

4,800 oz. bricks to be delivered in 30 days for 45 oz. copper

4,500 oz. bricks to be delivered in 30 days for 45 oz. copper

5,000 'old' bricks for 420 oz. steel

5,000 'old' bricks for 450 oz. steel

30 oz. steel for 85 oz. oranges to be picked in 45 days

30 oz. steel for 95 oz. oranges to be picked in 45 days

and so on..