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Universal Kindness

3

A decentralized monetary policy and
unconditional universal income
guarantee, implemented using
networks of social trust and
cryptocurrency – an attempt at
redistribution of wealth, and the total,
direct and immediate abolition of
poverty.

4

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DRAFT

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Chapter 1

Introduction, motivations, caveats

If a lot of people love each other,
the world would be a better place to live.

Johnny



Figure 1.1

50 A ghost in the machine is haunting the world – online decentralized organization.

51 Pierre-Joseph Proudhon, the first anarchist and yet deeply problematic person, rejected all
52 political action as a form of class collaboration and argued instead that the working class
53 can achieve its salvation through economic action alone.

54 Chomsky references that it was restriction of credit that destroyed collectivized industry in
55 the case of the Spanish anarchists [1]. This appears to be similar to the current situation
56 in Rojava in which Turkey is reportedly starving the communalist region of northern Syria
57 of resources [2]. It is worthwhile for those in favour of some form of socialist anarchism to
58 understand the ways in which past forms of anarchism were undermined so that they might
59 investigate more robust defensive measures.

60 This document presents some ideas that are in pursuit of a society that values fairness
61 and caring, intrinsically involving care of non-human nature, perhaps via some methods of
62 communalist anarchism, and that has at its core the ideas that monetary policy should not
63 be under the sole control of the wealthy, and that no one should have to work just to survive
64 and to have their fundamental rights protected.

65 Described in this document is a tool of social coordination to direct progress towards such
66 a society: a monetary policy controlled by dictatorship of a proletariat. Decentralized
67 networks of social trust and decentralized networks of cryptocurrency could possibly be
68 used to create this decentralized form of coordination, a prioritized function of which would
69 be a *decentralized unconditional universal income guarantee*. In short, we're talking about:



Figure 1.2

To each according to their needs.

Here, the slogan popularized by Marx has its symmetry broken because it could be interpreted as implying that there is scarcity of the resources required to ensure the needs of the people of the world, when this is likely not the case, as suggested by global food production capabilities, shown in Figure 1.3. This is with existing food production methods, which involve the atrocity called the animal industry. Leaving aside the horror of this industry, its inefficiency is remarkable: 16 kg of plants are needed to produce 1 kg of meat. A move to veganism would make the unreality of food scarcity even more clear.

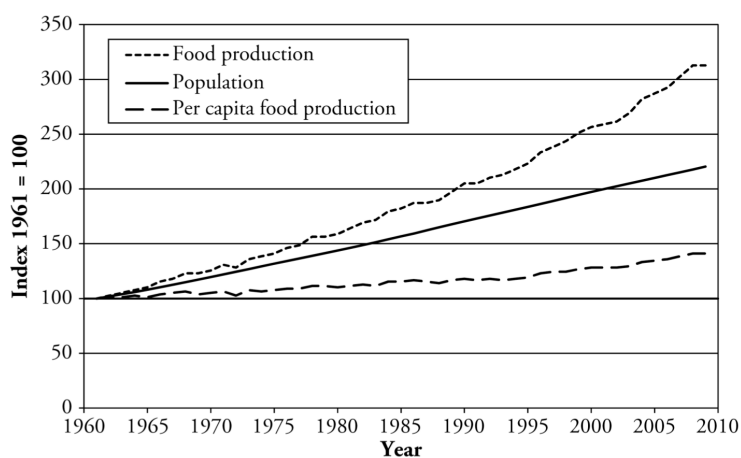


Figure 1.3: World food production from 1961 to 2009 [3]

Often socialists view an ideal economy as one in which remuneration is at least somewhat proportional to the degree of effort and personal sacrifice expended by individuals in the productive process. I argue that remuneration, or otherwise provision of fundamental needs, is a right (which is a need a person gets to demand) that should not be coupled with ability or desire to commit effort or sacrifice. I have in mind here the benefit particularly for the most vulnerable in society.

If there are scarcities of resources needed for protection of fundamental needs (and that is a big “if”), then we do at least have guidelines on what some of the most important needs are, such as the *Universal Declaration of Human Rights* [4] (UDHR), and on how needs are prioritized, an example of which is the *Corte Suprema di Cassazione* ruling on Roman

88 Ostriakov [5], who stole some food in an action that was ruled a necessity for life; “il diritto
89 alla sopravvivenza prevale su quello di proprietà” [the right to survival prevails over that of
90 property] [6], which was based on the Italian legal doctrine ‘Ad impossibilia nemo tenetur’
91 [‘No one is held to do the impossible’].

92 Poverty exists even in the wealthiest nations. For instance, Philip Alston, the United Na-
93 tions Special Rapporteur offered a statement in 2018 on extreme poverty and human rights
94 violations in the contemporary UK [7].

95
British compassion for those who are suffering has been replaced by
a punitive, mean-spirited, and often callous approach apparently
designed to instill discipline where it is least useful, to impose a rigid
order on the lives of those least capable of coping with today’s
world, and elevating the goal of enforcing blind compliance over a
genuine concern to improve the well-being of those at the lowest
levels of British society.

Philip Alston, 2018 [7]

96 If you are anarcho-curious (phrase stolen from Nathan Schneider), an introduction to the
97 topic of socialist versions of anarchism is provided by the Philosophy Tube video *Intro to*
98 *Anarchy: Power & Violence* [8]. A more full introduction to anarchism is offered by Noam
99 Chomsky in *On Anarchism* [1]. One aspect of anarchic thinking is its power to show as
100 unjustified the various forms of power, domination and hierarchy that exist in society, as
101 Chomsky puts it, “exposing power to the sunlight and seeing it evaporate” [9]. An early
102 comment on balanced anarchism yielded by computer networks was given by James Burke
103 in the 1985 documentary series *The Day the Universe Changed* [10].

In describing this utopia as “anarchism,” I might have also used an equivalent expression – “anarcho-communism.” Both terms denote a stateless, classless, decentralized society in which the splits created by propertied society are transcended by new, unalienated human relationships. An anarchist or anarcho-communist society presupposes the abolition of private property, the distribution of goods according to individual needs, the complete dissolution of commodity relationships, the rotation of work, and a decisive reduction in the time devoted to labor. As this description stands, however, we have little more than the anatomy of a free society. The description lacks an account of the physiology of freedom – of freedom as the process of communizing. The description, in effect, lacks those subjective dimensions that link the remaking of society to the remaking of the psyche.

Murray Bookchin, *Post-Scarcity Anarchism*

Strict self-sufficiency approaches like Mao’s backyard pig iron and Angka’s isolationism have proven to have a high likelihood of failure, and don’t conceptually work well in a world of diverse location-based resources. Scotland has wind; Sudan has sunlight. So a cautious implementation is suggested, perhaps a gradual one with voluntary groups of people choosing to coordinate, while also dealing strongly and carefully with the predatory forces of capitalism, corporatism and the like.

There is a tendency for human-created ideas to vastly prioritize human needs over the needs of other people and creatures and systems of life. I want to emphasize that the use in this document of words such as ‘person’ are to be extended beyond humans to others in nature, including those created by human designs. I want to emphasize also that a fairer society can be conceptualized only if there is a strong response to the climate emergency [11], and that the climate emergency has been caused to varying degrees by projects concerned with domination, profit, growth, structural violence, and general unconsidered unfairness in how humans treat other humans and life generally.

The book *Utopia for Realists* by Rutger Bregman makes the statistical, economic and historical case for open borders and implementation of a universal income guarantee. At a panel session in Davos 2019 (which was popularized by Bregman emphasizing the need for

122 vastly greater taxation on extreme wealth), Bregman links the socio-economic benefits of
123 war-time, such as reducing wealth inequality, with the framing of responses to the climate
124 emergency as “the moral equivalent of a war”. This is an inventive approach that should
125 be investigated, because it offers the possibility of addressing the climate emergency in tan-
126 dem with the possibility of improving social wellbeing [12]. The *Global Green New Deal*, as
127 supported by Alexandria Ocasio-Cortez and others, might be used for this purpose [13].

128 Caveat: if the mere existence of a form of commodification of things very relevant to the
129 social world, such as the system proposed herein, impedes progress towards a better world,
130 perhaps by supporting surveillance capitalism in some way, or inducing something dystopian
131 like the world seen in the Keiichi Matsuda short *HYPER-REALITY* [14], then this tool and
132 others like it should be dismissed;

The examined life is actually not worth living.

133

Natalie Wynn [15]

134 There is a tendency for the powerful to attempt to claim nice-sounding phrases, such as
135 “Universal Credit”. The UK Universal Credit system is a welfare payments system that
136 features sanctions and resulting deaths. It is possible that the use of this terminology by
137 the UK Tory government combined with the disastrous effects of its implementation will
138 scare people that have been subjected to it into fearing any change to the existing welfare
139 system and may even induce fear of terms like “universal” because they can represent
140 oppressive and painful changes. Even terms like “benefits” are manipulative and imply that
141 welfare is not a right, but a privilege. So, I make no apologies for the use of the laborious,
142 redundancy-high, term

143 *decentralized unconditional universal income guarantee*

144 because it is more difficult to change the meaning of a larger number of words than a smaller
145 number. I explicitly exclude terms like “citizen” because an income is demandable by anyone
146 who needs it.

147

Chapter 2

148

What: some terminology

149

2.1 Terminology

150

Some slightly non-standard terminology is used in this document, so some of it is qualified

151

in Figure 2.1.

Term	Description
Guaranteed income	A guarantee of money given to a person universally and unconditionally and reliably of an amount defined by some monetary policy.
Guaranteed basic income	A guaranteed income of an amount sufficient to cover basic needs/rights.
Guaranteed median income	A guaranteed income of an amount corresponding to the median income of the relevant population.

Figure 2.1: Terminology

152 Chapter 3

153 Why and how

154 3.1 Imperial capitalism and the class system

155 The current monetary system is both impractical and unfair. Taken in political context, it
156 concentrates a disproportionate power in a tiny minority of people. This promotes inequality
157 and injustice and a wealth of other problems, and is readily abused for the purposes of
158 manipulation and control. The current system rewards and encourages greed and selfishness.

159 There are many, many ways by which the capitalism system enables wealthy individuals
160 and groups to gain political and legal and otherwise dominative and coercive power, some
161 of which are lobbying, corruption, disinformation, manipulation and threats, and many of
162 which involve the undermining of both thinking and wellbeing via stress and poverty. In
163 societies that permit capitalism (or in those that do not sandbox it), there ends up being
164 a working class – that is the people who work for someone else – and a capitalist class –
165 who are the people who have people work for them – and a middle class, which is usually
166 comprised of working class people who live comfortably with noticeable social privileges
167 relative to working class people, and those who manage the working class for the capitalist
168 class (and someone self-employed may be a member of the petite bourgeoisie).

The United States is deeply in debt – that was part of the whole Reagan/Bush program, in fact: to put the country so deeply in debt that there would be virtually no way for the government to pursue programs of social spending anymore. And what “being in debt” really means is that the Treasury Department has sold a ton of securities – bonds and notes and so on – to investors, who then trade them back and forth on the bond market. Well, according to the Wall Street Journal, by now about \$150 billion a day worth of U.S. Treasury securities alone is traded this way. The article then explained what this means: it means that if the investing community which holds those securities doesn’t like any U.S. government policies, it can very quickly sell off just a tiny signal amount of Treasury bonds, and that will have the automatic effect of raising the interest rate, which then will have the further automatic effect of increasing the deficit. Okay, this article calculated that if such a “signal” sufficed to raise the interest rate by 1 percent, it would add \$20 billion to the deficit overnight – meaning if Clinton (say in someone’s dream) proposed a \$20 billion social spending program, the international investing community could effectively turn it into a \$40 billion program instantly, just by a signal, and any further moves in that direction would be totally cut off.

Noam Chomsky, *Understanding Power*

170 This scenario suggested by Chomsky, considered with sufficient economic skepticism, is just
171 one way by which a coordinated campaign by the wealthy can be formed against a social
172 program in order to make it prohibitively expensive.

173 In almost all countries, income and wealth inequalities have increased vastly, partially de-
174 fended and concealed from traditional legal systems and economics by wealth stashed in tax
175 havens. We have changed from a post-war time of liberalized financial markets to one of
176 rentier capitalism, wherein more and more wealth and income is siphoned by owners of fi-
177 nancial, tangible and intellectual property, leaving even wage labor incomes to stagnate and
178 reduce. Governments, often under the financial control of the wealthy, have increased subsi-
179 dies and tax cuts for the wealthy while reducing the welfare states and making such things
180 as welfare payments difficult to obtain, often to a deadly extent. Even more alarmingly, we

181 see capitalist growth destroying the environment.

182 3.2 Artificial scarcity, technologies of decentralization 183 and income

I am now convinced that the simplest approach will prove to be the
most effective – the solution to poverty is to abolish it directly by a
184 now widely discussed measure: the guaranteed income

Martin Luther King, Jr.,

Where Do We Go from Here: Chaos or Community (1967) [16]

185 The *Emergency Economic Stabilization Act of 2008* became law on 3 October 2008 for the
186 purpose of bailout of banks in the 2007–2008 sub-prime mortgage fraud.

187 While development of ideas like it took place over many years, the original *Bitcoin* paper [17]
188 was then released on 31 October 2008, in possible response to this bailout, with the coinbase
189 field of the genesis block stating “The Times 03/Jan/2009 Chancellor on brink of second
190 bailout for banks.” [18]. While the bailout act of 2008 was followed up by the *Dodd–Frank*
191 *Wall Street Reform and Consumer Protection Act* in 2010 to reduce fraudulent and risky
192 behavior, Bitcoin has continued to grow and has resulted in the development of a vast
193 collection of other cryptocurrencies.

194 There is a special property inherent in the global internet that I find is not often discussed:
195 its continued resilient nature as a nearly uncensorable means of coordination and of sharing
196 of data. At least paperback philosopher Slavoj Žižek makes fleeting comments related to it
197 on how *intellectual* property he says is perhaps “an immortal problem for capitalism” [19].
198 An ideal small example of this is how Netflix failed utterly to dominate over piracy. Perhaps
199 this global cyberspace offers a real chance to dismiss capitalism. Just as Napster and
200 BitTorrent led to a global decentralized mechanism of opposition to artificial scarcity of
201 easily-duplicable data, and a decentralized mechanism of protection of certain rights, such
202 as the UDHR Article 27(1) right to cultural participation and artistic enjoyment, so too has
203 Bitcoin become a global decentralized mechanism that bypasses authoritarian mechanisms
204 of enforcement of monetary policy, and a mechanism of protection of certain rights, such as

205 the UDHR Article 12 right to privacy (applicable in the case of being able to access drugs
 206 currently called illegal by authoritarian regimes), the UDHR Article 22 right to economic
 207 participation (of particular benefit to people in poverty who cannot access banking systems
 208 and who are excluded because of risks of fraud) and the UDHR Article 19 right to freedom
 209 of expression (I will accept an IOU from anyone I personally deem fit, thanks very much). It
 210 also assists in decreasing economic borders, such as country-level sanctions and the forced
 211 sale of work for unfair rates. We see explorations of blockchain social networking with
 212 Memo [20]. We see the Bitcoin blockchain used as a notary with Satoshi Proof [21], whereby
 213 data can be reliably timestamped. We saw M-Pesa change from a measure of phone air-time
 214 to being a proxy used for money transfer. With government viewed as being substantially
 215 a form of technology, many other decentralized systems hint at other ways of forming and
 216 operating a decentralized government. One is the gradual migration of people away from
 217 brand loyalty to ratings loyalty. One is the usage of VPN servers in various countries. As
 218 seen in the VPN server loads per country shown in Figure 3.1 and Table 3.2, perhaps certain
 219 inferences could be made about the popularities of various countries in terms of their privacy,
 220 legal or government climates.

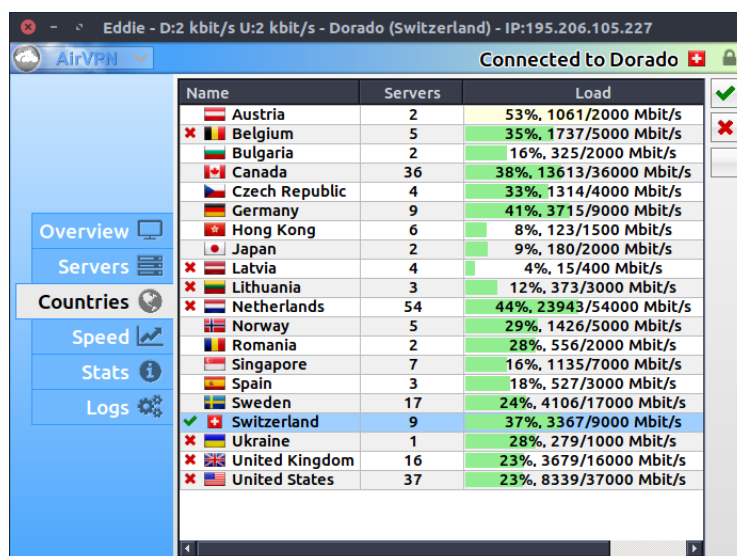


Figure 3.1: Load on VPNs of various countries in April 2019

Country	Load (%)
Austria	53
Netherlands	44
Germany	41
Canada	38
Switzerland	37
Belgium	35
Czech Republic	33
Norway	29
Romania	28
Ukraine	28
Sweden	24
United Kingdom	23
United States	23
Spain	18
Bulgaria	16
Singapore	16
Lithuania	12
Japan	9
Hong Kong	8
Latvia	4

Figure 3.2: Ordered load on VPNs of various countries in April 2019

221 Another measurement of possible interest is the degree of punishment vetted out by states
222 for various transgressions. The sheer weight of penal danger, and advertisement of such
223 punishments, to those like Chelsea Manning and Julian Assange who exposed information
224 on illegitimate power is perhaps someday guiding.

225 Article 25 of the *Universal Declaration of Human Rights* states:

226 1. Everyone has the right to a standard of living adequate for the health and well-being
227 of himself and of his family, including food, clothing, housing and medical care and
228 necessary social services, and the right to security in the event of unemployment,
229 sickness, disability, widowhood, old age or other lack of livelihood in circumstances
230 beyond his control.

231 2. Motherhood and childhood are entitled to special care and assistance. All children,
232 whether born in or out of wedlock, shall enjoy the same social protection.

233 One way to ensure these UDHR Article 25 rights is through a decentralized mechanism
234 of protection offered by a *decentralized unconditional universal income guarantee*. The de-
235 centralization aspect is critical because it ensures the global and universal nature of the
236 protection, distancing it from implementation by an authority (which could change or re-
237 scind it, as has happened for other welfare measures in semi-welfare states like the UK) and
238 because it helps to reduce all borders (helping to progress to a point where no one is forced
239 to sell their work at an unfair price).

Those at the lowest economic level, the poor white and Negro, the
aged and chronically ill, are traditionally unorganized and therefore
have little ability to force the necessary growth in their income.
240 They stagnate or become even poorer in relation to the larger
society.

Martin Luther King, Jr.,

Where Do We Go from Here: Chaos or Community (1967) [16]

241 A decentralized system such as that described here *is* a means of organizing the poor.

242 It is here suggested that an unconditional universal income guarantee is a possible way to
243 undermine the inherent features of the capitalist system of oppression, domination, coercion
244 and artificial scarcity, and it is also suggested that even if an effort to undermine those

245 systems were not successful, so making the artificial scarcity an intractable problem, that
 246 the unconditional universal income guarantee could be a plug-in economic mechanism that
 247 acts as a constant mitigation to the capitalist system (and other oppressive systems). As
 248 MLK put it, “*We have come to the point where we must make the nonproducer a consumer*
 249 *or we will find ourselves drowning in a sea of consumer goods.*” [16]. The Marx/Engels
 250 concept of *withering away of the state* is used to suggest that realization of the ideals of
 251 socialism using the social institutions of a state makes the realized socialism self-sustaining
 252 without the need for the state. In a complimentary way, though in the same spirit, the
 253 unconditional universal income guarantee could be a method of withering those mechanisms
 254 of oppression, both private and state, that impede both greater protection of known rights
 255 and the exploration that is in pursuit of unknown rights. Use of a decentralized income
 256 could be a *Propagande par le fait* [*propaganda by the deed*], a political action which is an
 257 example to others and serves as a catalyst for revolution. The idea is both to inspire a spirit
 258 of revolt by demonstrating that the authorities are not omnipotent, and to offer hope to the
 259 downtrodden. It is an approach that was approved in 1881 at the *International Anarchist*
 260 *Congress of London* [22].

261 It has been suggested that a guaranteed income is possibly best seen as a reform to the
 262 existing monetary distribution systems and as something that exists in a free market econ-
 263 omy. It could modestly reduce economic inequality in a number of ways, the least of which
 264 is likely to be because a flat-rate regular payment represents a larger share of the income
 265 of a poor person than it would for a wealthy person. It could reduce economic insecurity
 266 and chronic economic uncertainty by strengthening social insurance against flexible labor
 267 markets (the gig or “zero-hours”-contracts economies) and technological disruption, partic-
 268 ularly the continued rise of intelligent automation [23]. It, particularly as a decentralized,
 269 borderless system, could mitigate the global pandemic of stress and depression. Indeed the
 270 evidence suggests that even the guarantee aspect, rather than the exact size, of the income
 271 reduces the intensity and prevalence of stress, with that in itself giving people more control.
 272 Both the Ontario 2017 and Finland 2017 basic income studies (both of which were ended
 273 prematurely) suggested a sharp decline in domestic violence and depression. A guaranteed
 274 income would also mitigate the disgusting “targeting” approach for welfare payments in-
 275 flicted on poor people by governments through means-testing and behavior testing, often

276 implemented by for-profit private companies with a deadly conflict of interest. So in some
277 senses an unconditional universal income guarantee is protection of the right to economic
278 security. It also slightly disincentivizes high-profit, low-effort activities. So, for example, a
279 medic is recognized as more valuable to society than someone siphoning wealth off a hedge
280 fund set up by their parent.

281 Another important consideration is that insecurity, inequality, stress and precarity may be
282 associated with neo-fascism.

283 Global warming, climate change, pollution, and falling life expectancy rates all can be
284 collected under one term: extinction. As was seen with *Mouvement des gilets jaunes* in
285 France, unfair distributions of taxation are unpopular because the poor are made to pay
286 proportionately more of their income than the wealthy. Steps in the right direction are seen
287 in Canada and Switzerland, where high fuel and other eco-taxes are imposed with proceeds
288 returned to the people in the form of “carbon” or common dividends. A cross-party group in
289 the USA has advocated a similar approach with the support of 27 Nobel Prize economists.
290 Basic income studies have shown that those that receive it tend to do more useful work that
291 is ecologically and socially desirable, as opposed to resource-depleting labor (as Bregman
292 calls it “bullshit jobs” – an example sometimes cited is that poor person selling plastic phone
293 covers in markets).

294 The 2019 paper *Basic Income for All: From Desirability to Feasibility* [24] suggests that, in
295 the UK, a *basic* income would:

- 296 • pay a significant, no-questions-asked amount of 10,400 GBP per year to a family of
297 four,
- 298 • cut child poverty by more than a third and pensioner poverty by almost a third,
- 299 • narrow the inequality gap,
- 300 • lead to gains for three quarters of all households, with the largest gains among the
301 poorest households,
- 302 • strengthen the universal element of the benefits system and reduce dependency on
303 means testing and

304 • would take the UK back to the level of social security spending of 2010, but with much
305 more progressive and universal outcomes.

306 The paper considers a few options for the introduction of a universal income guarantee,
307 seeking to address particularly the usual criticism: that the income amount is either too
308 small to make much of a difference or too generous to afford. I wish to emphasize that
309 the exact amount of the income, which is distinct from other forms of social aid, such as
310 disability support, *must* change such that it provides enough for fundamental needs. The
311 10,400 GBP number is merely a guide number that is suggested by a paper considered in
312 the context of the current political climate.

313 The 2019 paper *A Larger Us* [25] suggests three transitions that are needed for happier,
314 healthier, more resilient democracies:

- 315 • from fight-or-flight to self-awareness,
- 316 • from powerlessness to agency, and
- 317 • from disconnection to belonging.

318 I feel it is possible that the guaranteed income system proposed here could assist with the
319 second and possibly the third transitions.

320 The Stockton Economic Empowerment Demonstration (SEED) [26] is a city-led guaranteed
321 income project which involves providing at least 100 people of Stockton with a guaranteed
322 income of 500 USD for 18 months using prepaid debit cards. It plans to make a number
323 of measurements, such as changes in financial wellbeing, psychological distress and physical
324 functioning. For the case of financial wellbeing, measurements of income volatility and
325 unsecured debt will be made. In similar experiments, it has been observed that individuals
326 tend to use surplus income to pay down debt. For the case of the health indicators of
327 psychological distress and physical functioning, measurements are to be made using the
328 SF-36 survey and the Kessler 10 scale and through qualitative interviews.

329 The paper *No Strings Attached: The Behavioral Effects of U.S. Unconditional Cash Transfer*
330 *Programs* [27] summarizes the empirical evidence from three major U.S. guaranteed income
331 experiments. In these experiments, educational achievement increased, health outcomes

332 substantially improved, and there was little effect on labor market supply.

Two conditions are indispensable if we are to ensure that the guaranteed income operates as a consistently progressive measure. First, it must be pegged to the median income of society, not at the lowest levels of income. To guarantee an income at the floor would simply perpetuate welfare standards and freeze into the society poverty conditions. Second, the guaranteed income must be dynamic; it must automatically increase as the total social income grows. Were it permitted to remain static under growth conditions, the recipients would suffer a relative decline. If periodic reviews disclose that the whole national income has risen, then the guaranteed income would have to be adjusted upward by the same percentage. Without these safeguards a creeping retrogression would occur, nullifying the gains of security and stability.

Martin Luther King, Jr.,

Where Do We Go from Here: Chaos or Community (1967) [16]

334 As a decentralized plug-in, or *virus*, for existing political systems, an unconditional uni-
335 versal income guarantee system might broadly be intended to move things towards equality
336 of outcomes – for people, species and ecosystems generally (where equality of outcomes
337 is here supposed to mean broadly a fair distribution of satisfaction with life, including
338 satisfaction with degree of autonomy and perhaps including equality of perception), and
339 towards non-competitive behaviors. One candidate form of politics for pursuit of this is
340 Murray Bookchin’s communalism. Shortcomings in the anarchic approach, however, concern
341 tyranny of the majority; specifically, the author suspects that a more protective approach
342 should be considered in order to ensure the needs of minorities instead of assuming
343 that the anarchism system perfectly undermines tyrannical, dominative and oppressive behaviors.
344 Welfare should be a part of whatever system is implemented to attempt to ensure
345 that there is a social safety net that ensures that rights such as those listed in the *Universal
346 Declaration of Human Rights* cannot be denied. An example of tyranny under a
347 purported anarchic system is the pogroms, banditry and sexual abuse in the Free Territory
348 of Ukraine [28].

349 The feature of the proposed system of a network of social trust also has the possibility

350 of not just protecting the UDHR Article 27(1) right to cultural participation, but could
351 also increasing the extent of that right by encouraging people to participate more fully in
352 society. However, as the income is unconditional, universal and guaranteed, there should
353 be protections for those that do not wish to participate in the cultural life of society or
354 are excluded from society, such as has been the case of despised minorities, examples of
355 which have been Jewish people, sexuality minorities and gender minorities. Fully addressing
356 such social exclusion is beyond the scope of this document, but the decentralized system
357 should feature some protections against it and the system itself should not feature social
358 exclusion capabilities, the likes of which are seen in the *Black Mirror* 2014 Christmas special
359 *White Christmas* [29].

360 Rutger Bregman’s *Utopia for Realists* has a chapter *Why It Doesn’t Pay to Be a Banker*
361 which [spoiler] compares a strike of bankers and bank employees in Ireland with a strike of
362 sanitation workers in New York City. In 1968, the sanitation workers took the illegal option
363 of striking, resulting – in a matter of six days – in a declaration of a state of emergency and
364 – in a matter of nine days – in the sanitation workers getting their way. The bank employee
365 strike of 1970 lasted six months, and the Central Bank of Ireland concluded that “The Irish
366 economy continued to function for a reasonably long period of time with its main clearing
367 banks closed for business” and, indeed, the economy grew. During this strike, Irish people
368 continued writing cheques, effectively printing their own cash, with the only difference in
369 the character of the cheques being that they couldn’t be cashed at banks. Instead, dealers
370 such as publicans could act as verifiers of trust and could accept the cheques. It was a
371 decentralized monetary system and it seems to have worked because of social cohesion. I
372 myself recall that this sort of fractional reserve banking certainly did not stop after this strike
373 and was implemented in my home town of Longford via Doyle’s pub, seen in Figure 3.3.



Figure 3.3: Doyle's pub [30]

374 Bregman suggests that the fact that the Irish people implemented this decentralized banking
375 makes it clear that the society needed some form of financial sector.

376 It is beyond the scope of this document to describe and evaluate past implementations of
377 basic income and past implementations of anarchism, but the book *Utopia for Realists* gives
378 the former and histories of the Spanish anarchists, the peak implementation of modern an-
379 archism, give the latter. However, I can mention that the slogan of the CNT/FAI anarchists
380 was “Ni dios, ni estado, ni patrón” [No god, no state, no boss], widespread by the Spanish
381 anarchists since 1910.

382

I had dropped more or less by chance into the only community of any size in Western Europe where political consciousness and disbelief in capitalism were more normal than their opposites. Up here in Aragon one was among tens of thousands of people, mainly though not entirely of working-class origin, all living at the same level and mingling on terms of equality. In theory it was perfect equality, and even in practice it was not far from it. There is a sense in which it would be true to say that one was experiencing a foretaste of Socialism, by which I mean that the prevailing mental atmosphere was that of Socialism. Many of the normal motives of civilized life—snobbishness, money-grubbing, fear of the boss, *etc.* — had simply ceased to exist. The ordinary class-division of society had disappeared to an extent that is almost unthinkable in the money-tainted air of England; there was no one there except the peasants and ourselves, and no one owned anyone else as his master.

George Orwell, *Homage to Catalonia*

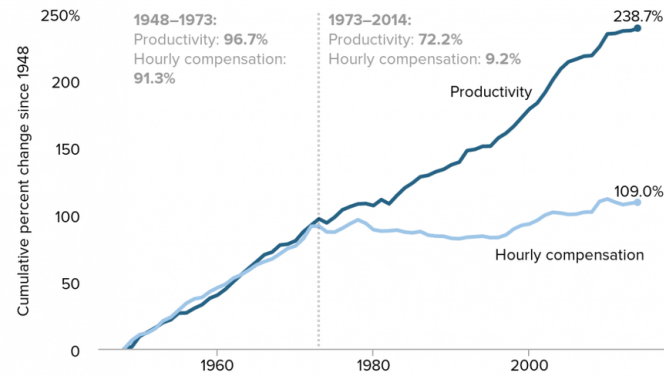
383 As summarized in the documentary about Rojava *Accidental Anarchist*, contemporary move-
384 ments such as Occupy Wall Street, Occupy Sandy and, more recently, Extinction Rebellion
385 are collectives of direct democracy, mutual aid and, arguably, socialist forms of anarchism.

386

The opposite of government-imposed order is not chaos: there's a deeper order concealed within human society which relies not upon coercion but cooperation and trust, built not by governments or politicians, but by people who realize at last their own true power.

Carne Ross, *Accidental Anarchist* [31]

Disconnect between productivity and a typical worker's compensation, 1948–2014



Note: Data are for average hourly compensation of production/nonsupervisory workers in the private sector and net productivity of the total economy. "Net productivity" is the growth of output of goods and services minus depreciation per hour worked.

Source: EPI analysis of data from the BEA and BLS (see technical appendix for more detailed information)

Economic Policy Institute

Figure 3.4

387 With technological, educational, and medical improvements, productivity has increased mas-
 388 sively over at least the last century, however, compensation has not been increasing to match
 389 it, as shown in Figure 3.4. This is plausibly something of a result of a fundamental problem
 390 described by Marx: ownership of the means of production, and likely many other sneaky
 391 methods besides. While taxation of automation is one approach to address this disparity,
 392 decentralized ownership of the means of production, perhaps by means of decentralized
 393 income and wealth redistribution, and it is an approach that does not (at least at face
 394 evaluations) require much battle with existing power structures.

395 In all of the unconditional universal income guarantee experiments (run everywhere from
 396 New Jersey to Pennsylvania to Iowa to North Carolina to Indiana to Seattle to Denver
 397 to Finland, Mincome in Manitoba, as well as some smaller ones in Africa) the approach
 398 improved health and education, boosted the economy, and ended poverty. Apart from
 399 new mothers, people didn't tend to work less when they received this income. In fact,
 400 particularly as seen in the African unconditional universal income guarantee experiments,

401 having a reliable income enabled people to have more free time to educate themselves so
402 that they could advance to a new form of work, perhaps more enjoyable or meaningful, or
403 to start businesses or generally to take more risks. Even the likes of Nixon and Rumsfeld
404 were pretty much convinced by it [32]. *Utopia for Realists* by Rutger Bregman presents a
405 referenced analysis of the idea as it has been implemented through history.

406 While climate emergency and denial of fundamental needs are powerful justifications for
407 efforts on caring methods to undermine capitalism, there is another concern: Yuval Noah
408 Harari emphasized the urgency of building decentralized information processing systems
409 that are more efficient than fascist information processing systems in the 2018 TED talk
410 *Why fascism is so tempting – and how your data could power it* [33]. We can see trou-
411 bling developments concerning Gab, a far-right social network, as it transitions to a fork
412 of Mastodon, a decentralised federated communications platform [34]. Anti-fascists must
413 balance against this.

We are witnessing the gradual disappearance of the postwar British
welfare state behind a webpage and an algorithm. In its place, a
414 digital welfare state is emerging. The impact on the human rights of
the most vulnerable in the UK will be immense.

Philip Alston, 2018 [7]

415 **3.3 Decentralized unconditional universal income guar-** 416 **antee system**

A hundred times every day I remind myself that my inner and outer
life are based on the labors of other men, living and dead, and that I
417 must exert myself in order to give in the same measure as I have
received and am still receiving...

Einstein

418 It is possible that the emergence and rise to cultural prominence of cryptocurrency and
419 networks of trust, which may be viewed as an extension of the free culture movement, offers
420 a possibility of escape from the current systems of oppression and better ideas that it to
421 improve the wellbeing of creatures of this world. A combined system of a social trust graph

422 together with crypto verification is here referred to as a *crypto-trust* system.

423 Government, politics and monetary systems all can be viewed as technologies. Viewed
424 as such, societal problems are technological in origin. Most of the ideas in the current
425 monetary and political systems were designed centuries ago, and they feature limitations
426 which suggest that the imaginations of their creators were limited by the comparatively
427 primitive technology of their times. The limits of our language, so to speak, are the limits
428 of our world.

429 The speed of light appears to be an important constraint of computational efficiency; a
430 galaxy size computer would be slower than a microchip computer because of the distance over
431 which computational elements must communicate. So, computational efficiency requires
432 that we explore methods of decentralizing and distributing computations such that as much
433 local computation as possible is accomplished. A decentralized or distributed system for
434 monetary and welfare and history policies is needed for computational efficiency and will
435 become more necessary as we expand throughout the cosmos.

436 Algorithms like Bellman-Ford can be used to determine arbitrage paths and flows of value
437 between people, business, countries, city states and other entities. This, together with other
438 considerations such as the number of users to which income is due, might be used by an
439 automated decentralized unconditional universal income guarantee system to determine the
440 income amount attributed to users per unit time, and might be used for funding and bailout
441 calculations in order to improve economies.

442 An attempt has been Grantcoin, now called Manna [35]. Manna is administered by a
443 US non-profit organization. While perhaps well-intentioned and inherently against borders
444 (due to its use of a decentralized blockchain), Manna features a number of flaws, one of
445 which is the organization acting as a gatekeeper, another being the organization acting as
446 a centralized control over the monetary policy, and another being the possibility to invest
447 in the currency. It intends to model itself on the Alaska Permanent Fund, which is a form
448 of income paid to all Alaskans which arises from profits from a capital reserve fund. Its
449 emphasis is more on altruism and charity than on rights. Fundamental rights shouldn't be
450 subject to the whims of charity – that's why they're called rights. So, I view the emphasis of
451 the Manna approach as fundamentally flawed. However, the opening of the Manna mission

452 statement is perhaps worth repeating:

453 We, the people of the world, recognize and declare that money is a
social invention which can be changed by the people according to
our values. As we witness the growing scourge of inequality and its
consequences, we see that the existing system is unjust and
unsustainable. Recognizing and accepting the moral obligation that
arises from such knowledge, we stand united in the decision to
create a better alternative: a currency of conscience designed to
facilitate the emergence of a more just and sustainable global
economic system.

*Money By the People, For the People: The Manna Vision and
Mission* [36]

454 A decentralized unconditional universal income guarantee system might be defined by the
455 following ideas:

- 456 • Blockchain is used to ensure the integrity of the currency (well, currencies) via dis-
457 tributed consensus, in the manner of Bitcoin and Ethereum.
- 458 • A social trust graph is used to attempt to ensure that there is a one-to-one relationship
459 between a user and a wallet, in other words a defense against Sybil attack. This can
460 be supplemented by gatekeepers of various forms.
- 461 • An income rate definition or inflation/deflation algorithm, a basic version of which
462 sets the income rate in proportion to the number of users in the system.

463 3.3.1 Blockchain

464 Blockchain is a reusable proof-of-work (effort/energy/work-based) approach to decentral-
465 ized/distributed ensurance of integrity of a record. Similar approaches that are energy-
466 efficient are under exploration currently.

467 The decentralized unconditional universal income guarantee system features individualized
468 colored cryptocurrencies [37], with a specific color of currency corresponding to a purported
469 user, which is defined when the user joins the system. The user receives income in the form
470 of their colored currency over time, at a variable open source rate, which might be calculated

471 by reference to the number of users in the system and by reference to more complicated
472 ideas, such as open source economic analyses to lower the time it might take to reach societal
473 economic prosperity or wellbeing more generally.

474 The Austrian school of economics, which arguably features shortcomings like pure logical de-
475 duction and a lack of scientific rigor, underlies the design of Bitcoin, with Bitcoin resembling
476 gold.

477 3.3.2 Decentralized/distributed social trust graph as Sybil defense

478 The social network Facebook has a security facility that enables a user to nominate a number
479 of friends to vouch for them when they lose access to their account, as shown in Figure 3.5.
480 This vote of confidence is a network of trust.

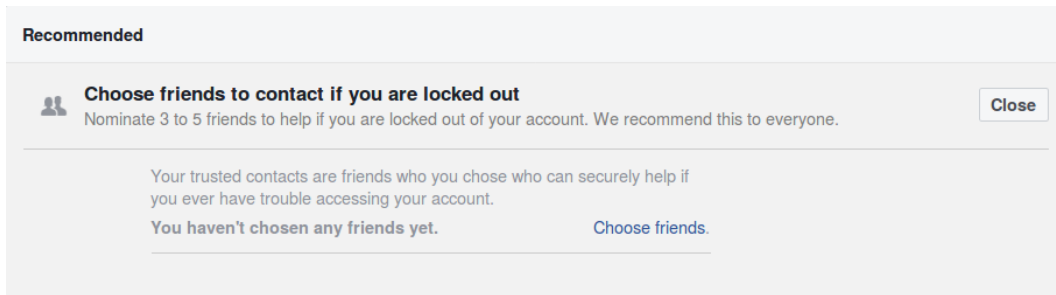


Figure 3.5: Facebook trust network

481 Graph-based Sybil defenses can use social network graph properties to distinguish Sybil
482 users from legitimate users. Some assumptions in a Sybil defense strategy could be that the
483 legitimate social network graph features fewer edges between user vertices than the Sybil
484 social network graph and that a Sybil user cannot produce meaningful interactions in the
485 legitimate social network graph, even if it may infiltrate it. Other strategies have been
486 considered [38].

487 In this proposed social trust graph Sybil defense, in a sense, a social contract is being
488 created wherein a user receives money unconditionally to engage with their community. It
489 is hoped that the social trust graph will be secured fundamentally by a careful population
490 and population scale ideas like “six degrees of separation” [39], with analyses and gatekeepers

491 as supplementary protections. New users are given a currency that is worthless by default
492 and they must take steps to increase its value. These social steps are the formal barrier to
493 participation.

494 The canton of Zug is a region of Switzerland that has a low tax rate and a startup culture.
495 In 2017 Zug started to use uPort [40] for its Zug ID [41]. uPort is decentralized by storing
496 identity data on IPFS and by using the Ethereum blockchain, but the Zug ID involves
497 centralized gatekeeping by in-person verification by a city administrator. It was scheduled
498 to be used to test non-binding voting in 2018. This Sybil defense could be used but only as
499 a supplement to decentralized/distributed Sybil defenses. This is because such a centralized
500 gatekeeper could make people beholden to it. Consider a bad, authoritarian government
501 implementing income using a gatekeeper. It could wait until people are familiar with this
502 form of income and dependent on it, and then could start making demands on people to
503 comply with it in order to keep receiving the income. Defences against such authoritarian
504 control must be present in the system. The idea of a basic income arises from rights, not
505 from a gatekeeper, whether that gatekeeper be a government office or a charity.

506 Gatekeepers *are* permitted in the system – one could imagine businesses, governments,
507 social groups, living groups *etc.* having specific validation requirements or other logics to
508 determine group membership. This would be a level of validation above the basic validation
509 provided by the social trust graph, a level of validation which must be reasonably achievable
510 by all users.

511 In this proposed decentralized unconditional universal income guarantee system, users have
512 the ability to trust the personal currencies of other users, which requires them to treat this
513 personal currency identically to any other currencies that they trust. As the social trust
514 graph becomes more interconnected, it is hoped that these personal currencies converge
515 on a single universal monetary system. All users receive income at the same open source
516 calculated rate, meaning that new money is distributed equally to all users at all times.
517 This income generation is the only way new money is created.

518 Strangers wanting to exchange money automatically search for a transitive chain of trusted
519 currencies between each other. The payer trades along this chain of trusted currencies, one
520 after the other, until they have one that the recipient needs. Such exchanges working in

521 practice require a reasonable number of users in the system. Up to that point, the system is
522 little more than passing IOUs between trusted users. Something like this routing capability
523 exists in the form of the Bitcoin Lightning network.

524 What might be a plausible way to implement a social-trust graph? Facebook was mentioned
525 above and undoubtedly Facebook would be one of the more capable systems to authenticate
526 the individuality of a person of the graph – we see it being capable of shadow profiling and
527 the like – but Facebook is corporate and thus is a dominating influence of surveillance cap-
528 italism, so it is an unlikely candidate. A more federalized option is via Mastodon instances.
529 Perhaps a Mastodon application could be created for authentication. Perhaps such an ap-
530 plication could be linked to Ethereum via MetaMask [42], which is a browser application
531 that empowers users to make Ethereum transactions through regular websites.

532 3.3.3 Demurrage, inflation and deflation

533 Demurrage, or negative interest, is the cost associated with holding a store of value over
534 a time [43]. For commodities such gold, demurrage is the cost of storing and securing it.
535 For currency, it can take the form of a periodic tax, such as stamp tax, on currency hold-
536 ings. The goal of demurrage currency is to ensure that cash is *cash flow safe*, wherein
537 money is sure to return into the cash flow and this is accomplished not through inflation
538 or deflation (though these are not excluded from the currency) but through periodic scrip
539 payment to ensure that the money remains valid. The idea was suggested by Silvio Gesell,
540 a German theoretical economist and anarchist libertarian socialist, as a way to undermine
541 the privileged position held by currency compared with capital goods and to undermine
542 entrenchment of the financial elite [44]. The concept has been tested in the Bavarian cur-
543 rency *Chiemgauer* which requires an effective payment of 2 % of the value of a currency
544 note every three months in order to maintain the validity of an individual bill in order to
545 undermine hoarding and also has been tested in the short-lived local Schilling currency of
546 the city of Wörgl, which appears to have protected the city from the economic depression
547 in Germany of the 1930s [45, 46]. The Swiss WIR Frank (Wirtschaftsring-Genossenschaft
548 [economic circle cooperative]) initially also featured ideas from Gesell [47]. A cryptocur-
549 rency that implements a form of demurrage is Freicoin, though Freicoin has the demurrage

550 fee paid to the developers as opposed to all other users [48]. The Freicoin documentation
551 suggests that Freicoin is an implementation of Bitcoin which loses approximately 5 % of its
552 value per year, with destroyed money taken out of circulation and minted coins created and
553 distributed to miners, with the intention that the real capital required to secure the network
554 is comparable to the payments of newly minted coins.

555 Keynes considered demurrage currencies and concluded that having currencies experience a
556 reasonable rate of inflation is preferable, and has the same effect of promoting investment
557 and spending [49].

558 Inflation is used to disincentivize hoarding and to encourage economic activity. In a basic
559 inflation scheme, all user currencies issue progressively larger amounts of income per unit
560 time, and this includes new users (ensuring that some mitigation of the Monopoly problem
561 is built into the system – new players have a fair chance in the game).

562 **3.3.4 Existence in tandem with other currencies**

563 In the case of the *Chiemgauer*, there are different rules for nonprofits and businesses. Non-
564 profits are incentivized to purchase Chiemgauer by adding 3 % to the value on converting
565 from Euros to Chiemgauer and businesses are incentivized to stay in the Chiemgauer system
566 by taking a 5 % commission from the value on converting from Chiemgauer to Euros.

567 **3.3.5 Exchange rates**

568 The default system enforces a one-to-one exchange rate between all personal currencies, but
569 less trusted users have currencies that are less valuable than established user currencies.
570 This might be addressed by empowering users to limit the amounts they are willing to
571 accept from other users. Such an approach could cautiously be suggested as a way for some
572 majority of the population (perhaps as defined democratically in code) to limit the economic
573 power of certain powerful people. Investigations resulting in the Panama Papers and the
574 Paradise Papers tell us of wealthy people of the world (often people who have that wealth
575 through little expended time or effort, sometimes called inheritance or siphoning) that are
576 part of an enormous criminal conspiracy to dodge taxes and to hoard wealth in offshore

577 accounts, yet such conspiracies are resilient to traditional economic and legal mitigations.
578 A global, decentralized monetary policy might offer a mitigation to these methods that is
579 not currently offered by existing systems of law and economics.

580 Methods of preventing bad mob rule (e.g. a population generally distrusting and discon-
581 necting from a user for reasons other than trustworthiness) should be considered. Perhaps
582 there is a gatekeeper that represents rights (as opposed to tyranny of the majority) that
583 can enforce verification of users or anonymization of a user personal currency, though there
584 should not be a gatekeeper that can exclude a user from the decentralized unconditional
585 universal income guarantee.

586 **3.3.6 National credit**

587 This could be a part of the system that stores a small amount when it has beyond the
588 resources needed to pay all guaranteed incomes. This amount is used to ensure guaranteed
589 incomes when there are economic downturns. Could the system feature the ability to loan
590 to itself in certain circumstances? This would be decided by economists.

591 **3.3.7 Revolution**

592 The system should be reliable and resilient. Bitcoin and Ethereum have been subject to
593 intense hacking attempts and scrutiny so these should likely feature as the codebase, with
594 Ethereum being the more likely candidate because it is more easily programmable.

595 How can the proposed system draw power from the existing systems? A group of people
596 could agree to trial the system. The group will likely feature a mix of incomes and none. In
597 participating, one approach could be for participants to give some fraction of their income
598 to the system. The group should be designed such that the combined income divided
599 equally between all participants is sufficient for a income, perhaps of median value, for all
600 participants.

601 On a larger scale, the enticement of the ‘free’ currency accessible to people for a one-time
602 small degree of effort (comprising solely of installation of a program) could be enough. To

603 use the currency there is then the effort of building a few social connections/verifications.
604 Outreach in order to educate about the system would be straightforward. Perhaps people
605 like Ash Sarkar and Owen Jones could be helpful at popularization. The International
606 Consortium of Investigative Journalists (ICIJ) – of Panama Papers fame – could be skilled
607 at spotting shortcomings and strategies to counter the flows of secrecy used by the powerful.
608 A contact for political association could be Michael Tubbs (SEED). Contacts for technical
609 evaluation could be Stacia West (SEED) and Amy Castro Baker (SEED).

610 One noteworthy point raised in documentation on the Stockton Economic Empowerment
611 Demonstration (SEED) [26] is that a declared income, such as a guaranteed income, could
612 impact existing social welfare payments because these often are means-tested. Secrecy or at
613 least legal waivers would be needed to address this system if the groups implementing the
614 system were not able to have the guaranteed income at a basic income level. Happily tech-
615 nologies for financial privacy exist in the forms of Zcash and Monero and perhaps Ethereum
616 and private social trust authentication is intended as a totally separate system which is
617 merely used by the cryptocurrency system for authentication.

618 Cryptocurrencies tied to the value of traditional fiat currencies such as the Euro may be
619 of assistance at the boundaries between the system proposed here and the existing capital-
620 ist world, perhaps by providing a means of uneasily-censorable use of the traditional fiat
621 currency. One suggestion is the stablecoin xEURO [50].

622 Publicly demolishing the arguments of the protectors of the wealthy could involve emphasis
623 such as that used by MLK on consumerism: *“We must create full employment or we must
624 create incomes. People must be made consumers by one method of the other”* [16]. I suggest,
625 having seen video of people employed to cut grass using scissors in the Democratic People’s
626 Republic of Korea and having heard reports from my parents of USSR Moscow toilet atten-
627 dants (one employed to greet, one to open the cubicle door, one to hand the single pieces
628 of toilet tissue and so on) that the latter must be the emphasis.

629 GEORGE:

630 You know, this used to be a hell of a good country. I can't understand what's gone wrong with
631 it.

632 BILLY:

633 Man, everybody got chicken, that's what happened. Hey, we can't even get into a, like, a second-rate
634 hotel. I mean, a second-rate motel, you dig? They think we're gonna cut their throat or somethin',
635 man. They're scared, man.

636 GEORGE:

637 Oh they're not scared of you. They scared of what you represent to 'em.

638 BILLY:

639 Hey man, all we represent to them, man, is somebody who needs a haircut.

640 GEORGE:

641 Oh, no. What you represent to them is freedom.

642 BILLY:

643 What the hell's wrong with freedom, man? That's what it's all about.

644 GEORGE:

645 Oh yeah, that's right. That's what it's all about, alright. But talking about it and being it...
646 that's two different things. I mean it's real hard to be free when you are bought and sold in
647 the marketplace.

648 'Course, don't ever tell anybody that they're not free, 'cause they gonna get real busy killin'
649 and maimin' to prove to you that they are. Oh yeah, they gonna talk to you and talk to you and
650 talk to you about individual freedom -- but they see a free individual, it's gonna scare 'em.

651 BILLY:

652 Yeah well it don't make them runnin' scared.

653 GEORGE:

654 No. It makes 'em dangerous.

655

Conversation between alcoholic ACLU lawyer George Hanson,
played by Jack Nicholson, and drug-running biker Billy, played by
Dennis Hopper, in the film *Easy Rider* (1969)

656

I believe we oughta to do all we can, and seek to lift ourselves by our own bootstraps but it's a jest to say to a bootless man that he oughta lift himself by his own bootstraps.

Martin Luther King, Jr.

657

3.4 Monetary policies with guaranteed income

658 A 2017 paper [51] emerged from the *New England Complex Systems Institute*, which was
659 founded by theoretical physicist Yaneer Bar-Yam, who is known for having predicted aspects
660 of the Arab Spring by using the observation that violence and riots occur at peaks of the
661 global food price index. The paper describes a capitalist economic system featuring two
662 main cycles that are balanced against one another, one for wages and consumption (the
663 labor cycle), and one for investment and returns (the capital cycle), while treating the role
664 of banks and government as providing monetary injections into those cycles.

665 The first cycle is that of workers receiving income and consuming goods and services. The
666 second cycle is that of the wealthy investing in production and receiving returns on their
667 investments. For growth to happen in this capitalist system, the two must be in a certain
668 balance. If there is too much money in the worker cycle then there are not enough things
669 to purchase. If there is too much money in the investment cycle then consumers don't
670 have enough money to buy things so investment doesn't happen. The paper suggests that
671 prior to 1980 there was too much money in the worker/consumer cycle, with money chasing
672 too few products, giving rise to inflation. After 1980, the balance changed the other way,
673 likely due to the Reganomics tax changes. There was too much money in the investor cycle
674 and the result has been a series of recessions, perhaps mitigated by the likes of the Federal
675 Reserve intervening by lowering interest rates in order to increase borrowing ability, in order
676 to increase consumption – while income continued to be too low.

677 The paper suggested that the way government is regulating the economy is analogous to
678 driving a car using only the accelerator and without using the steering wheel, where steering
679 corresponds to keeping the balance between the two cycles in some good proportion. While
680 Federal Reserve interventions may have helped overcome the recessions, today we are up
681 against the roadside guard rail and need to rebalance the economy by shifting money back

682 to the worker/consumer cycle.

683 The paper suggests that current approaches to correcting economic problems by reducing
684 government spending (austerity), while decreasing taxes for the wealthy in order to promote
685 investment, are wrong. They may have been somewhat helpful in 1980 but they are long
686 outdated today. Economic inequality is not simply a social justice problem, but also an
687 economic problem. Fixing economic inequality will have dramatic benefits for economic
688 growth.

689 The analysis suggested that the current USA regulation of economic activity that focuses on
690 monetary policy has missed the problem of regulating the relative strength of flows in the
691 two cycles. Simply, the presence of two flows and one control variable cannot be expected
692 on general principle to function well.

693 The paper recommends a shift towards policies that inject money into the wages and con-
694 sumption cycle in order to increase economic growth. The authors note that this is the
695 same recommendation that would arise from considering the problem of income inequal-
696 ity. So, the research supports advocates of greater income and/or government support for
697 the poor, who use a larger fraction of income for consumption. Even within this capitalist
698 thinking, the conclusion is that wages must be increased in order to create more investment
699 opportunities for the wealthy, thus advancing to a stronger economy.

700 The paper acknowledges the notable contributions of the Federal Reserve as a mitigating
701 and stabilizing influence, but notes that its abilities have reached their limits, because
702 the effectiveness of using monetary policy in and of itself as a mechanism of regulation of
703 economic growth has reached its limits. The paper goes on to predict another recession
704 on the time scale of a few years. It concludes that a new policy that redirects money for
705 consumption is needed to increase economic activity: “Traditional wealth redistribution
706 appears to be essential for renewed economic growth”.

707 Most people are workers, not investors. Since more workers are impacted when there are
708 problems with the economic systems at play, at the very least, workers should have control
709 over this balance. If workers and investors are the same thing you have a form of Marxism.

710 The system proposed here enables a rebalancing of these cycles by guaranteed income and

711 also enables members of the system to demonetize the investor class by reducing the weight-
712 ing that is the exchange rate accepted for the currencies of members of the existing investor
713 class.

714 Chapter 4

715 Other uses

716 4.1 Reparations, debt forgiveness and wealth redistri- 717 bution

718 Large groups within social trust networks could conclude that they are due reparations
719 and the system could feature some reweighting of all currencies in the system such that a
720 large group that is due reparations is granted the reparations in the form of, say, preferential
721 exchange rates. An ideal example would be an attempt to bring people today to the economic
722 state they would have been at were slavery not to have happened. Conversely, large groups
723 within social trust networks could mitigate or cancel debt of others if the debt is deemed
724 unfair.

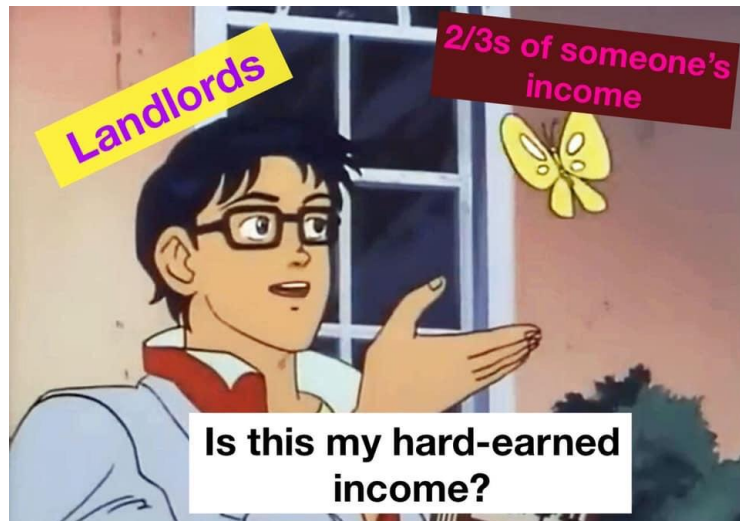


Figure 4.1

725 Economic models acknowledge the relationship between labor income and wealth inequality,
726 and also conclude that a redistributive tax (of the form of a Robin Hood tax) is successful
727 at reducing income inequality [52].

728 At smaller scales than large, perhaps country-level, reparations and debt forgiveness, other
729 debts and expenses could be mitigated. For example, in the time before landlords are
730 abolished, the exchange rates of landlords could be defined by society to be of a worth that
731 means that any rents they have received are immediately redistributed back to the renter.

732 4.2 Direct democracy

733 Switzerland is a country with one of the more direct democracies. A crypto-trust system
734 could make the running of direct democracy, popular initiatives, voting, power of recall, and
735 so on much less laborious.

4.3 Surveillance and privacy, and proletariat control over the admissibility of evidence into court

Soussurveillance is personal surveillance, for example by way of a camera worn by a person. Inverse surveillance is a subset of soursurveillance and is surveillance of surveillance, usually surveillance of the surveillance activities or technologies of an authority. Soussurveillance or other small-scale surveillance systems could record to encrypted databases which are decryptable using only crypto-trust systems. For example, courts could be limited from permitting surveillance recordings to be admitted as evidence unless they have been decrypted by a majority of people in a crypto-trust system.

4.4 Credit

Smart contracts, similar to the form seen in Ether, implemented in the crypto-trust system could be used to implement forms of mutual credit bank, an interest-free loan system with credit provided voluntarily by users of the crypto-trust system.

4.5 Similar, good ideas that may not be implementable using the proposed system

While private decentralized organisations of humans and private decentralized contracts systems have been implemented to some degrees, this may be beyond the capabilities of the system proposed here. For privacy, say in purchasing delicious 1P-LSD, systems like Zcash and Monero have more developed methods of privacy than Bitcoin.

755 4.6 Fair use of resources intended for people as opposed 756 to bots

757 There is a contemporary problem with dark net markets running on Tor in the form of an
758 ongoing distributed denial-of-service attack A network of social trust could identify the user
759 of a resource as an authentic person, while maintaining anonymity, such that the resources
760 are provided with priority given to people.

761 Chapter 5

762 Dangers

763 5.1 Borders

764 Everyone has the UDHR Article 13(2) right to leave any country and the complimentary
765 right to free migration. In *Utopia for Realists*, Rutger Bregman argues that country borders
766 (which have been enforced largely only since WWI, when border enforcement was introduced
767 as a war-time emergency measure) are the greatest form of unfair discrimination today. For
768 the case of the European migrant crisis of 2015, a protection against the tyranny of the
769 majority that was the opposition to, and oppression of, migrants, another protection is
770 open borders.

771 5.2 Tyranny of the majority

772 The framers of the United States Constitution did not envisage direct democracy because
773 they expressed that they saw a danger in the tyranny of the majority. A direct democracy,
774 monetary policy, unconditional universal income guarantee and so on implemented using a
775 crypto-trust system must have protections against tyranny of the majority. One protection
776 for this is a population educated on oppression such that it is less likely to oppress. Another
777 protection is representatives that are subject to the intense scrutiny of anarchism.

778 5.3 Transparency

779 Ivan Krastev said in his talk *Can democracy exist without trust?* [53] that there are un-
780 intended consequences associated with transparency in government systems that feature
781 humans, that transparency can be used as a way to silence humans in government. While
782 the proposed system should plausibly not intrude on this (particularly given such economic
783 privacy techniques as Zcash), it might have some unintended consequences relating to this.

784 5.4 Privacy

785 As mentioned in reference to the Stockton Economic Empowerment Demonstration (SEED)
786 and things like rights to drugs currently called illegal, personal privacy – that’s privacy as
787 recognized by the likes of the UDHR Article 12 – can be extremely important. Possible
788 supported decentralized systems could be used to demonetize despised minorities, such as
789 LGBT+ people or refugees, or individuals, so it is important to emphasize again that the
790 social trust authentication system is intended as a totally separate system which is merely
791 used by the cryptocurrency system for authentication. Technologies exist for decentralized
792 financial openness, such as Bitcoin, but, as mentioned, it should be emphasized that tech-
793 nologies exist for financial privacy in the forms of Zcash and Monero and perhaps Ethereum,
794 while at the same time enabling decentralized monetary policy, including such ideas as con-
795 tinuous guaranteed median income and regular wealth redistribution of such a form that
796 makes a positive contribution to reality. And, of course, there can be continued development
797 of research into unjust wealth and income secrecy, as we have seen with the Panama Papers
798 ongoing research by the International Consortium of Investigative Journalists (ICIJ).

799 5.5 Unintended consequences

800 Copyright was defined originally in the USA in the context of improving society; it was
801 categorically not a recognition of some form of right to censor ideas. It was designed to
802 mitigate the bad effects of individuals and groups keeping innovative ideas secret. While

803 perhaps this was laudable, the system has become subject to mass manipulation enabled by
804 monetary power and technologies such as *Content ID* [54].

805 An unconditional universal income guarantee is direct and promising but potentially as
806 complex in implementation as the current social welfare systems. A naïve approach would
807 set an income amount in stone at the lowest levels of income and would have the consequence
808 of perpetuating poverty; the dynamic approach of changing the amount to match the median
809 income is more promising. However, the ideas of this proposal could have many unintended
810 negative consequences. They should be modified or supplanted as is reasonable.

The curse of poverty has no justification in our age. It is socially as cruel and blind as the practice of cannibalism at the dawn of civilization, when men ate each other because they had not yet learned to take food from the soil or to consume the abundant animal life around them. The time has come for us to civilize ourselves by the total, direct and immediate abolition of poverty.

Martin Luther King, Jr.,

Where Do We Go from Here: Chaos or Community (1967) [16]

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