Measuring the Socio-Economic Condition: Decentralized Keynesian Economics As A Means of Empowerment or Progression Towards Techno-Dystopia?

As much as I wish this weren't true, I just don't think innovations in Blockchain can happen in industry. The rigor involved in the design is likely going to take a long time before any kind of profitability is possible. Meta couldn't make the Metaverse work. How can any small startup hope to do the same? In my vision, blockchain ought to move in the direction of removing information asymmetries, make the economy more manageable, and democratize policy. It shouldn't be about replacing the government like many crypto-anarchists would believe, but rather remove the frictions that typically arise from a lack of information in decision making. I keep mentioning information generally, but not just any information will cut it. I think it is dangerous to just modernize the existing economic frameworks, like the Basel III framework for international trade settlement, or simply digitize the thought processes of economic schools like Neoclassical Keynesian Economics. These frameworks rely on pen and paper methods for policy, but what good is economic policy if we are limited by the measures we can use? These frameworks simply don't measure enough. People might already know that certain neighborhoods don't produce economic output due to poverty or other factors. In my vision, America would empower those who lack the resources to thrive. Our current economic frameworks just measure a few key metrics, like wages and pricing, but we need to measure more if we are to end issues like the climate crisis or implement the 17 Sustainable Development Goals described by the United Nations (United Nations, 2023). In this short essay, I will describe two key books that have helped shape my understanding of economics, describe some of my own work at the company Forgotten Harvest that inspired me to even study blockchain technology, and dig into the peer-reviewed literature that describe how blockchain might be leveraged from a public policy perspective as well as potential dangers.

There have already been claims made from economist Tyler Cohen (2018) in his book *Stubborn Attachments*, which highlight the need for new metrics to measure the health of an economy. Cohen calls these measures "Wealth Plus," which essentially means that they would

measure wealth in as well as other measures. In other words, we ought to measure the socio-economic condition in addition to the economic condition if we are to create policy that goes anywhere towards improving the lives of people around the world. While Cohen talks alot about the need for these new measures and sets the stage well, he never actually goes into defining how we would measure these factors, nor does he delve into what these measures ought to be. This is where the next author comes in to shed some light.

Desmond (2023) describes in his book *Poverty, By America*, the grim reality many Americans face. In a country with such immense GDP, why is there so much poverty? In his slightly depressing, but eye opening book, Desmond argues that America outright profits from poverty. Desmond himself is measuring eviction data across the United States and is trying to solve the homelessness crisis. This is an example of a measure that I think will help shape the future of policy in America. Eviction data and rates can be one of those very measures Tyler Cohen advocates the need for, but we are going to need more measures than that. Growing up in the metro-Detroit area myself, the desolation and destruction of the city bothered me greatly. What can be done to bring back jobs and prosperity to the motor city?

The reason Desmond's book touched me so much was because of the first job I landed out of undergrad at the company Forgotten Harvest. As a young data engineer, I had no idea this one and a half year W-2 contract would shape my worldview so much and inspire me to study blockchain technology. I learned so much about the lack of infrastructure found in supply chain management, especially among nonprofits trying to fix serious problems within a community. The main measure that Forgotten Harvest was trying to implement was the food insecurity index. This is yet another measure that would make a great addition to "Wealth Plus." My job was to develop an interactive data-app to visualize which jurisdictions contained the highest food insecurity index values around the metro-Detroit area. The goal was for Forgotten Harvest to be more proactive about reaching out to agencies like churches and schools so that they could provide groceries for those in need. The issue is that the CRM and ERP systems they utilized were just downright awful. There was no way to easily contextualize the personally

identifiable information from the CRM to the grocery donation supply chain data found in the ERP system. Towards the end of my contract, I knew it would be impossible to implement any app that could truly work well without redoing the CRM and ERP systems for processing the transactions to begin with. I decided to apply to grad school and study blockchain technology as a solution for scaling operations. At the University of the Cumberlands, I have begun to look into peer-reviewed work that can help push forward my ideas.

Ertz & Arsenault (2019) delve into the utilization of blockchain technology as a means of technocratic governance. Scholars from many disciplines including anthropology, economics, science, technology, and sociology will need to work together to fully understand the implications of blockchain for contemporary global governance. Ertz & Arsenault describe this new technology as really being “politech” (politics + technology). Not everything will be positive, though, and this proves the greater need for academia to be involved in the development of the technology as well as educating the greater public on how to utilize it. Programmers, for example, could all of a sudden become “key insiders” and create power asymmetries. New problems could potentially arise from thinking of blockchain as a future for a techno-utopia. New power struggles could involve gaining technical control instead of empowering the people and gaining their democratic support.

Shin and Ibahrine (2020) describe blockchain technology from a socio-ecological perspective to avoid potential problems down the line. The importance of user-privacy and data security are highlighted in particular. They criticize blockchain leaders, especially in South Korea, for focusing more on infrastructure instead of privacy. The authors view blockchain as socio-technical assemblages, which means there is a heavy amount of social inquiry needed - not just technology discussions. Blockchain’s design and development needs to be grounded in user rights and interests within the social,political, and cultural context.

Blockchain is a technology that promises a lot, but it’s not something that can just be randomly attempted at a startup. I think there is a great need to formalize economic theory that leverages blockchain technology to its fullest potential as a policy engine. The variations of

Keynesian Economics, especially New Keynesian and Neoclassical Keynesian, advocate for prioritizing the improvement of the microeconomic condition. By allowing private enterprise to thrive and better contextualizing supply with demand, we can surely improve the microeconomic condition, but why is macroeconomic policy seen as such a bad thing in these schools of thought? Central bank policy doesn't need to be a necessary evil at all. By democratizing data and policy, we can have a radically different economy. No authoritarianism, no information asymmetry, protection of confidentiality via encryption methods, trust, trade, ownership, and empowerment. I am simply dubbing this completely unformalized school of economics as Decentralized Keynesian Economics. I hope one day to formalize this economic school of thought.

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