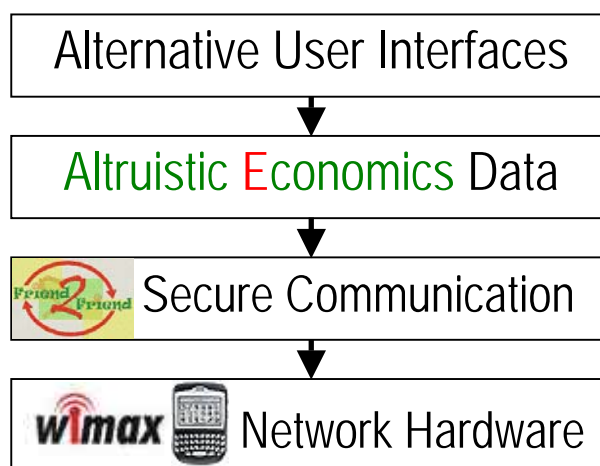


# Altruistic Economics & The Internet Gift Economy

In [the information age](#), we are seeing money concentrated in ever fewer hands, overburdening a financially rich minority with decision-making, while the views of the majority are largely ignored. Massive grassroots opposition exists worldwide to the 'privatisation of the commons' – the rapacious systematic exploitation of our shared natural, social & cultural heritage. Nevertheless, the current financial system encourages such selfish and shortsighted plunder by rewarding its perpetrators.

Many feel powerless in the face of the scale, [anonymity](#) and sheer iniquity of modern economic practice. As the unfairness of 'free-market capitalism' becomes increasingly palpable, demand for constructive alternatives is on the rise. [Community currencies](#) are emerging on a local level, but fiat currencies issued by central banks (\$, €etc.) continue to give the global financial elite a near monopoly on international trade.

**[Altruistic Economics](#) is a people-centred economic system that is personal in nature, but global in reach.** It was designed to help people express their care for others – a human impulse that finds no expression in classical capitalism and that is notably lacking from modern business. We believe a paradigm shift to a more altruistic ethic is essential if the 21<sup>st</sup> century is to escape a self-destructive spiral of resource wars triggered by climate change, [peak oil](#) and shortages of food and water.



Technological Layers of The Gift Economy

## An Internet Gift Economy

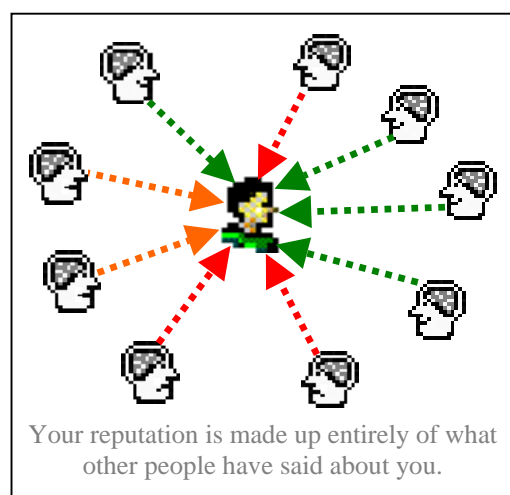
	Aspect	Decentralised Money	Centralised Money
1	Locus Of Control	Individuals	Central Banks
2	Transactions	<a href="#">Non-Zero Sum</a>	<a href="#">Zero-Sum</a>
3	Corruptibility	Revocable. Transparent. No theft or Loss.	Irrevocable. Problems of money laundering, theft...
4	Wealth	Healthy Relationships, provision for others' needs	Accumulation of capital
5	Requirements	Communication system	Legal & Police system
6	Economic Model	<a href="#">Altruism (Gift Economy)</a>	Capitalism
7	Environment	<a href="#">Network Of Care</a>	Anonymous 'Market'

In pre-money societies, the [gift economy](#) is a very common system of interaction. Within extended families, tribes or villages, individuals keep a mental account of work done in the form of individual reputations. Problems arise with this method once population size exceeds about 150 since there is a limit ([Dunbar's number](#)) to the number of meaningful relationships that it is possible for us to establish and

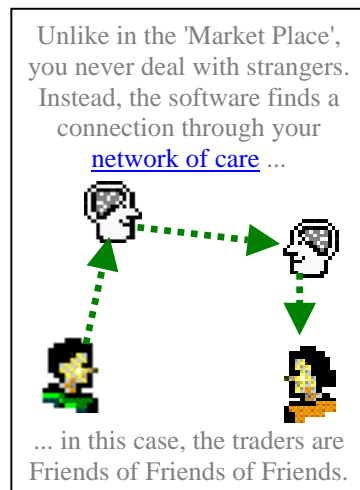
maintain. A key insight into the altruistic economic model is that **a limit on the number of an individual's direct relationships need not limit the number of their indirect relationships**, since computers can efficiently establish and use *multi-step* relationships such as *friends of friends*.

Sympathy is a metric for describing trust in mathematical terms. It allows individuals to use others' evaluations in a coherent fashion, so that **what people think of you is very important in Altruistic Economics**. To be successful in an Altruistic Economy, people need to care for one another in a way that transcends mere numbers; no longer underwritten

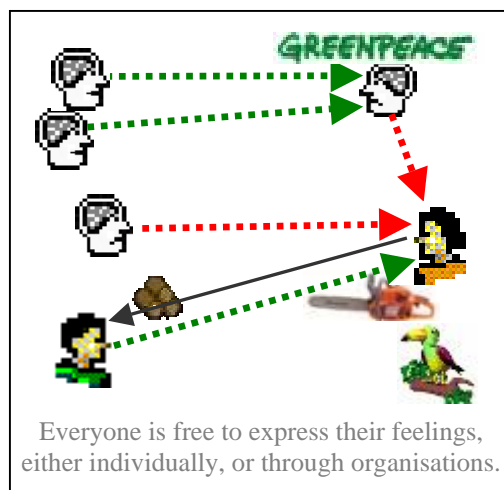
by central banks, wealth comes instead from the collection of individual testimonies of others with whom you have dealt. E-bay has shown that even if peer2peer-selling



uses centralised money, reputation emerges as a valuable resource. Altruistic Economics takes the process to its logical conclusion, eliminating the need for centralised money, allowing all of a transaction's value to be expressed by digitally signed testimonies of those involved. Altruistic Economics does not separate goodwill from deeds done that merit it. Identity theft is an issue, but the system will be more transparent and less liable to abuse than centralised money - credit cannot be misappropriated any more than it is possible to extort someone's reputation from them.



Peer-issued, digital currency allows correct modelling of non-zero sum interactions, since it allows each party to make independent evaluations, eliminating the inherent conflict of standard pricing. The user-specified friend-2-friend network that expresses each individual's feelings can be used to express opinions of any kind. For example, consider someone who cuts down a rainforest to supply timber. Everyone alive is affected by this transaction, for example through its effect on the atmosphere, but the current economic system only gives a say to the timber merchant and the woodcutter. **Altruistic Economics is an information network. It does not give power to anyone, but gives everyone a chance to express their feelings about what goes on in the world.** Once viable software is developed, a strong network effect means that personal recommendation will spread it very quickly, using the increasingly available mobile internet access.



Altruists International is a one of a decentralised network of altruistic working partners on this topic. Like-minded implementation partners are welcome.