

## Assignment Essay

### Tomorrow's Real Wealth Currency

The opening slide of session four came with the simple but profound paragraph:

*"In this course we have sought to demonstrate that money issuance is not neutral. Money is a social design that then designs the social. Therefore if we work in currency innovation we need to think about what kinds of behaviours we want to support and then design mechanisms for that into the currency system."*

This is a great paragraph and this paper will focus on each sentence.

*"... money issuance is not neutral. ...."* Indeed! For each of us our available money is a significant consideration in what we buy and how we conduct our life. Money is not only, not neutral, it can be seen as a dynamic regulator of human-activity. Note: Human-activity is hyphenated to imply both human population numbers and our individual resource throughput. <sup>i</sup>

*"Money is a social design that then designs the social.* While this statement appears to be true from the study of money alone, if we broaden the scope we learn that money is basically an enabling tool for the expenditure of energy. Energy is a very broad term here ranging from food to energize our bodies to imbedded energy in the products we use and to the variety of energy sources that bring life to civilization, mostly fossil energy today. Some claim that, like the rest of the universe, human civilization is subject to *'The Maximum Power Principle'* (MPP) <sup>ii</sup> that suggests that all entities will continually increase their energy usage up to energy depletion. Could that be true of us? Or is growth quest greed driven? In the late 1800s economist Jevons noticed a paradox <sup>iii</sup>: As energy efficiency increases, instead of a reduction, energy usage increases! <sup>iv</sup> This observation remains true today, even as we enter the era of peak fossil fuels <sup>v</sup>: And human-activity now drives the sixth great extinction event of the Gaian ecology that supports human life. <sup>vi</sup>

Since fossil fuel usage has grown exponentially for the past couple centuries, in order to expend all of that energy the money supply had to expand exponentially in order to facilitate the *'social design*, to maximize humans' exchanges of goods and services, made possible by all of that energy. To that improve money flow, in 1971 Nixon decoupled the money supply <sup>vii</sup> from anything physical and declared that money should be government issued as fiat. But in reality money creation has been by debt-based loans, created out of nothing by commercial banks. Even though there are organizations in many nations trying to force governments to issue fiat money, none to date have succeeded. <sup>viii</sup> Behind the curtain at the end of the yellow brick road, <sup>ix</sup> the imbedded *'Gods of Money'* <sup>x</sup> maintain their power over world affairs.

It is unlikely the existing system can be fixed by national governments, but it could come from regional initiatives that gain synergy by agreement on a monetary economic system suitable for a small blue planet.

*Therefore if we work in currency innovation we need to think about what kinds of behaviours we want to support and then design mechanisms for that into the currency system."*

Today's level of human-activity appears to be massively unsustainable; therefore we need to design a currency system that creates a desire for reduced, or even negative growth in human-activity.

A starting point would be to change the definition of 'wealth' from a claim on debt-based dollars created by computers, to a claim on *real wealth*, as defined by Riane Eisler in her 2007 book, *The Real Wealth of Nations*, where she states: *Real wealth is a measure of a robust ecology and the general health and happiness of the people*. This definition does not mention 'energy', nevertheless, our wellbeing is underscored by energy flow and availability.

While many factors would be involved in assessing such regional measurements, today there are many organizations involved in making relevant assessments. For example, there is the international *Community Indicators Consortium* (CIC),<sup>xi</sup> the Global Footprint Network,<sup>xii</sup> and every region already has basic energy assessment department.

Many small nations and aspiring separatist efforts may be able to create an umbrella chaordic<sup>xiii</sup> organization to create global standards for assessing each region's wealth per capita, and establishing their currency, perhaps called the Gaia\$, for each region. This would be a commodity based currency. Since money can be seen as a regulator of human-activity, when a region's wealth is expressed as wealth per capita, global and regional issues now become personal.

The emerging blockchain currencies, such as Bitcoin, have developed highly suitable methods dealing with local or global transactions, and using the Gaia\$ as the basic currency solves the problem of having to base the value on some national currency. The Gaia\$ would be both a measure of value and a means of exchange.

As a closing key point, there is nothing to invent to begin this process, we just need a few good wo/men to begin the process and see what happens.

(Note: Footnotes did not copy to the MOOK page.

Go to <http://gaiapc.ca/PJ/MOOC-Assignment4c.pdf> )

A prototype sketch of such a system is at:

<http://gaiapc.ca/PJ/PJ-Overview-web.htm>

<http://gaiapc.ca/PJ/4ba-050APC.pdf>

---

<sup>i</sup> Human Activity – Resource use of each human X the number of humans.

[https://en.wikipedia.org/wiki/Human\\_impact\\_on\\_the\\_environment](https://en.wikipedia.org/wiki/Human_impact_on_the_environment)

<sup>ii</sup> Maximum Power Principle (MPP) [https://en.wikipedia.org/wiki/Maximum\\_power\\_principle](https://en.wikipedia.org/wiki/Maximum_power_principle)

<sup>iii</sup> Jevon's Paradox [https://en.wikipedia.org/wiki/Jevons\\_paradox](https://en.wikipedia.org/wiki/Jevons_paradox)

<sup>iv</sup> The Jevons Paradox: any increase in energy supply from any source or by any method, such as improved efficiency, will cause the economy to grow; and this will further increase the economy's energy demand.

[https://en.wikipedia.org/wiki/Jevons\\_paradox](https://en.wikipedia.org/wiki/Jevons_paradox)

<sup>v</sup> "According to fossil fuel companies, the world will continue to rely on their products for decades. They even have sophisticated scenarios, outlooks and modelling to prove it.

"What if they are wrong? New [analysis](#) published today by the [Carbon Tracker Initiative](#) and Imperial College's [Grantham Institute](#) suggests global demand for fossil fuels could peak by 2020. The power sector would see the most dramatic change, becoming virtually fossil-free by 2040."

<http://www.resilience.org/stories/2017-02-03/two-charts-show-how-fossil-fuels-could-peak-by-2020/>

---

vi Sixth Great Extinction <http://time.com/3035872/sixth-great-extinction/>

*The numbers are sobering: Over all, there has been a human-driven decline in the populations of all species by 25% over the past 500 years, but not all groups have suffered equally. Up to a third of all species of vertebrates are now considered threatened, as are 45% of most species of invertebrates. Among the vertebrates, amphibians are getting clobbered, with 41% of species in trouble, compared to just 17% of birds—at least so far. The various orders of insects suffer differently too: 35% of Lepidopteran species are in decline (goodbye butterflies), which sounds bad enough, but it's nothing compared to the similar struggles of nearly 100% of Orthoptera species (crickets, grasshoppers and katydids, look your last).*

vii Nixon declares that all money will be issued as fiat [https://en.wikipedia.org/wiki/Nixon\\_shock](https://en.wikipedia.org/wiki/Nixon_shock) But in reality, it has become almost universally, money is debt-based, created from nothing by banks.

viii In Canada there is COMER <http://www.comer.org/>, in US is the American Monetary Institute <http://www.monetary.org/> In UK Positive Money [https://en.wikipedia.org/wiki/Positive\\_Money](https://en.wikipedia.org/wiki/Positive_Money)

ix The Yellow Brick Road can be seen as a statement about control of the money system.  
<https://theyellowbrickroadfreeblog.wordpress.com/the-meaning-of-the-yellow-brick-road/>

x *The Gods Of Money*, 2009 book by William Engdahl explains how those who control the world's money pull the stings of government, as clearly illustrated within the MOOG course.

xi <http://www.communityindicators.net/home>

xii <http://www.footprintnetwork.org/>

xiii Chaordic [http://wiki.p2pfoundation.net/Chaordic\\_Organizations\\_-\\_Characteristicsnization](http://wiki.p2pfoundation.net/Chaordic_Organizations_-_Characteristicsnization)