Pay It Proper: Learn, Contribute, and Benefit

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Overview

Pay It Proper (PIP) is an economic process based on fundamental principles that allows civilization to continually improve its concept of the good and improve human behavior. The fundamental principles proposed are universal but incomplete to enable a stable, civilized society while also allowing for multiple cultures and multiple conceptions of the good. The focus is on the universal principles and the process. Therefore a full, particular conception of the good and an ideal culture are not given. PIP is a positive cycle of learning, contributing, and benefiting indirectly.

- People **learn** about the state of the world including people's circumstances and prior actions
- People **contribute** based on what they learn to reward good behavior
- People **benefit** indirectly when other people contribute in order to reward them

While there are similarities, PIP is an alternative to bartering, quid pro quo monetary exchange, and pure altruism. This new economic process leads to a new economic system as an alternative to capitalism. PIP employs a single marketplace based on actions, behavior, and lifestyles as opposed to multiple capitalist marketplaces of assets. Technological systems, referred to below as "PIP Systems", are proposed as the basis for a global economic system. The main components are profiles, payments, and classifications. Finally, several challenges for implementation and future work are identified.

Principles

PIP is based on the following fundamental principles: scientific method, reality, empathy, self-responsibility, and tolerance. These principles apply to everyone and every culture while local differences are allowed which do not conflict with the fundamental principles.

The *scientific method* allows for continual improvement. PIP uses the scientific method in a broad sense to mean objectively observing a repeatable set of actions that people take under certain circumstances and observing their results. Proposals for new action to achieve hypothetical results come from tradition, induction, deduction, and imagination. Thus, people have a choice of actions to take to achieve desirable results. They may choose from past actions with more probable results, or they may try a new action with different results.

Therefore, open and transparent communication of the full *reality* of what happens is required for objective scientific observation. This is more than collecting accurate information about what happens. Accurate information may be combined and presented in ways that intentionally or unintentionally distort perceptions of reality. PIP promotes using accurate information and communicating reality as accurately as possible. This applies to all aspects of social behavior and to every individual. PIP encourages people to be authentic and to learn, and PIP discourages

deception and manipulation of anyone. Every way that people interact with society is communicated to allow for scientific progress in all areas.

PIP promotes *empathy* in decision making by making evaluations of individuals in order to respect individual liberty and individual differences. These evaluations are used to recommend benefits for people. These evaluations along with knowledge of the state of the world are used to decide the wisest way for people to contribute to society that rewards people within practical limitations. A person does not exist solely to be part of a whole or to live for another person. A person is defined by both their actions and their circumstances. Circumstances such as background, education, innate talent, environment, and social conditions are considered since actions always take place within a context. Therefore, PIP uses periodic, objective evaluations of a person as a whole based on what they have done and what their circumstances were. Quantitative analysis of individual actions as well as qualitative analysis are used during the evaluation process. The focus of the evaluation is on understanding a person as a whole with all things considered at once.

PIP encourages *self-responsibility* for one's actions. Learning about people, objective evaluations, knowledge of the state of the world, are all pieces of information a person uses to make a wise decision of how to act, which they are ultimately responsible for. In PIP, a person is free to act on their own accord and disregard any recommendations made by society. These acts are not hidden, but recorded and reported openly. In PIP, the reality of what happens is communicated as best as possible even when what people do is not recommended by current science or cultural standards.

PIP fosters *tolerance* through openness and learning about different people and cultures. Tolerance is required to facilitate continual improvement combined with self-responsibility. Learning is fundamental to life, and different people have different understandings of what is good.   People may prefer different courses of actions to try to attain a past result, or they may even prefer a different result. Different results are not necessarily contradictory to what is good as there are different ways to live life. Moreover, a person's own understanding changes over time. For all of these reasons, a certain amount of tolerance is required.

PIP views life as a marketplace where people openly and transparently communicate the reality of their circumstances and actions as best they can. People learn about new ways to live life, and they may adopt new behavior. People support and reward each other to encourage their understanding of what is good and improve behavior.

Process

The basic process is summarized as learn, contribute, and benefit. First, a person *learns* about who other people are and what they have done. All factors about people and the world are considered. Second, a person *contributes* to people as he or she decides what is the wisest contribution to reward good behavior. This decision is based on what he or she learns about people, learns about the world, and any realistic limitations. Third, a person *benefits* when other people contribute to that person after other people learn about who that person is and what that person has already done.

For example, let's say Jane wants a loaf of bread from the town baker Tim. Tim knows Jane and about the landscaping work that she has done. He knows that Jane is courteous. Tim also knows that Jane hasn't been hoarding bread, and he has lots of bread in stock. Thus, after considering all things, Tim decides to give Jane a loaf of bread. Tim trusts that the town will learn that he

contributed a loaf of bread to Jane. Tim trusts that he will benefit from the town in the future. Thus, the next week, when Tim needs plumbing work, he goes to the town plumber Joe. Joe knows about Tim, including that he contributed bread to Jane the prior week. Joe also considers if other people besides Tim need plumbing work. After considering all things, Joe decides to help Tim with his plumbing.

This illustrates a process of indirect benefits where people choose their actions as wisely as possible by considering all things. This is different from direct, quid pro quo monetary exchange, and it has two main advantages. First, all factors are considered to determine benefits, so that people are looked at as a whole instead of simply the sum of past monetary transactions. This allows for more factors to be considered than those considered with monetary transactions. Second, evaluations are always made based on events which have already transpired. This is in contrast to exchanges which sometimes evaluate future events. The disadvantage of the latter is that the future is not known.

In many economies, values change over time, which inevitably leads to speculation. The exact benefits realized by a store of value change over time, so people speculate on what the future benefits for a store of value will be. Speculation in PIP is based on estimating how society will reward *actions* and circumstances in the future. Thus, a person speculates by performing actions they feel society will reward in the future. In capitalism, speculation is based on the value of the *assets* a person owns in the form of money, land, stock, etc. Thus, people speculate based on how society will value assets in the future. Furthermore, this can lead to people hoarding too many assets in order to assure themselves of future benefits. Since PIP is based on behavior, it does not lead to hoarding too many assets. Moreover, the behavior of hoarding too many assets is negative and would thus be discouraged.

PIP puts the focus of economics directly on people's actions and circumstances. Different lifestyles and evaluations are allowed and encouraged. Thus, PIP is a marketplace of lifestyles used to develop ever more civilized lifestyles.

Systems

Ideally, a person would take the time to consider all things in order to act in the most prudent manner. However, time restraints and a lack of information make this impractical for a worldwide economic system. Therefore, new technological systems are used to facilitate PIP. These systems are tools to be used by people and do not enforce or guarantee desirable results. All systems are designed to be distributed as opposed to centralized. In effect, the systems comprise a secure, distributed, economic and communications infrastructure.

Three inter-connected systems facilitate PIP: profiles, payments and classifications. A *profile* shows a person's circumstances and background as well as payments and classifications. A *payment* in PIP is an objective, historical recording of events that actually transpire. A single record of an event shows on the profiles of everyone involved to encourage objectivity. A profile also shows any *classifications* that apply to a person. These are updated periodically and used as recommendations for benefits. The higher the classification, the more benefits a person has access to receive. Multiple classification systems allow different evaluations by different people and organizations. Thus, a person may have several classifications. People are periodically evaluated for classification at times determined by the issuer of the classification. This allows people to move up or down in classification level over time.

Here is the prior example using PIP systems. Let's say Jane wants a loaf of bread from the town baker Tim. Jane has a mid-level *classification* for her prior landscaping work and courteousness. Jane presents her classification to Tim. Tim verifies her classification and checks whether he has enough bread in stock. Thus, Tim decides to give Jane a loaf of bread. A *payment* event is recorded showing Tim gave Jane a loaf of bread. This payment event shows on both of their *profiles*. A few weeks later, Tim needs some plumbing work done. Tim presents his high-level classification to the town plumber Joe. Joe verifies Tim's classification and checks if anyone else wants him to do plumbing work. Joe decides to help Tim with his plumbing. The plumbing work Joe does is recorded as a payment event.

A classification is a recommendation for benefits which may be overridden. For example, let's say the world is using PIP systems. Nancy is traveling and would prefer a first class seat. However, Nancy's PIP classification only recommends a coach seat. At the time of her departure, a first class seat is available, and it's decided to allow Nancy to fly first class. Whatever actually happened is recorded. Thus, a payment event is recorded in PIP systems showing that Nancy flew first class. Here is another example illustrating an override. Let's say Kim has a high PIP classification level that allows her to fly first class. At the time of her flight, Kim is extremely rude for some reason. It's decided she will fly coach even though her PIP classification level recommends her to fly first class. A payment event is recorded in PIP systems showing Kim flew coach and how extremely rude she was. This event will be used as part of Kim's next periodic PIP evaluation. Perhaps she had a bad day and still merits a high PIP classification level. A PIP evaluation will consider all factors.

Using the PIP systems of profiles and payments, society can collect information about what it values such as the environment, quality work, manners, and so forth. Once the information is collected, then it is used to help determine benefits in order to reward and encourage desirable outcomes for different things society values. PIP classifications can then be used to recommend benefits for people who behave in ways that society values. For example, information about peoples manners must be collected in order to evaluate a person with manners as a factor in determining how much a person benefits. By collecting information, manners can be encouraged and scientifically improved.

Classification schemes can be diverse and tailored to each individual and culture. For example, to enforce self-development the determining factors for a classification level can be different for each individual. So if one person is nice but lazy, then the determining factor can be productivity. If another person is mean but productive, then the determining factor can be disposition. Determining factors for classification must not be fixed in order to improve everything that society values and all aspects of a person. For example, it is not enough to be aware of a person's disposition. If people are rewarded based on productivity regardless of disposition, then the focus and improvements will only be on productivity. Moreover, the determining factors may change for a person over time as they improve their behavior in different areas. In order to improve all aspects of life, determining factors for classification must vary.

In addition to people, concepts and organizations can also have profiles. For example, the local park can have a profile. The park would benefit when people clean it up. The park contributes when people use the park.

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Challenges

Implementation of PIP and PIP systems presents several challenges and future work. The first is for people to become familiar with the process of learning, contributing and benefiting as opposed to bartering, altruism, or monetary exchange. The second challenge is tolerance. People are not used to knowing a lot about each other, and this would make more information available about lifestyles, much of which is not currently available. The third challenge is building systems and tools that people trust and that are easy to use. The fourth challenge is the details of how to setup PIP systems to collect information for payments, record circumstances, and determine classification levels and evaluation procedures. The fifth challenge is integrating with government and legal systems that are not used to having lots of information about people available and that are accustomed to using money. The sixth challenge is property use. With the basis of economic decisions shifted to actions, there needs to be ways to determine how property is used.