



Harmonizing Value Creation & Monetary Stability: Empowering American Entrepreneurs with a Decentralized Opportunity Economy



This policy brief introduces a groundbreaking hybrid monetary system that marries the strengths of the Federal Reserve's traditional method of money creation with an innovative decentralized method, establishing a new Opportunity Economy. By linking a portion of newly created money directly to tangible value creation using a decentralized bottom-up approach, this hybrid model empowers regular Americans to start financially sustainable businesses and participate in the economy's growth.

A New Chapter in the American Economic Story

The Opportunity Economy enhances economic stability by harnessing the power of market-driven, bottom-up decision-making—complementing the successful, sweeping top-down strategies that have made America the incredible nation it is today. This proposal seeks to build on our existing successes while laying the groundwork for a more resilient and equitable economy.

The traditional method of money creation by the Federal Reserve has been a cornerstone of American economic success, providing the stability and liquidity needed to fuel the nation's growth. This approach has enabled the United States to become a global economic powerhouse, driving innovation, creating jobs, and ensuring prosperity.

- **Empowers Individuals:** Allocates some percentage of new money creation to a decentralized system run directly by Americans and designed to tie the creation of money to the creation of value.
- **Strengthens Stability:** Combines traditional and decentralized methods to enhance economic stability with bottom-up decision-making.
- **Fosters Innovation:** Supports innovation in underfunded sectors while maintaining the success of the current system.
- **Opportunity Economy:** Expands economic opportunities to all Americans, ensuring a more resilient and accessible economy.

KEY TAKEAWAYS

However, as we look to the future, it is clear that additional tools are needed to empower the next generation of American entrepreneurs—ordinary people with extraordinary ideas who are ready to contribute to our economy but need a fair chance to start and grow their businesses.

The Opportunity Economy offers a novel solution by linking money creation to real-world value creation. This approach targets sectors and individuals that are often overlooked by traditional methods, fostering a more inclusive and dynamic economy that is built from the ground up.

Expanding Opportunities for All Americans

While the current Federal Reserve system has been remarkably effective overall, it tends to favor established sectors and large corporations, often leaving small businesses and innovative startups without the financial support they need to thrive. This has led to a concentration of wealth and power in certain areas, limiting the ability of regular Americans to take part in the economic success story. The fundamental flaw in this approach is that a small group of individuals are expected to be able to predict exactly how much value is going to be created by the entire marketplace so that they can decide how much new money to create.

The federal reserve has done as an outstanding job as is possible to imagine when faced with such an impossible task. But modern communications technologies and innovations now enable us to put into place a bottom-up approach in which the market itself determines how much new money is created based on how much value natural market participants creates.

As a result of using top-down methods of creating money rather than bottom-up market mechanisms, many promising ventures—especially in local small businesses, inventors and individual entrepreneurs—struggle to find the funding they need. The traditional system, while usually stable and successful, does not fully tap into the entrepreneurial spirit that has driven America's success. A more balanced approach is needed—one that recognizes the value of bottom-up decision-making and the role of small businesses in creating a vibrant and resilient economy.

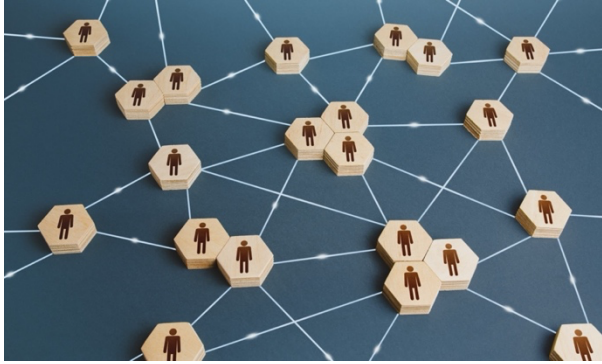
Policy Options: Balancing Tradition with Innovation

Continue with the Traditional System: Maintain the current Federal Reserve approach, focusing on asset purchases and interest rate adjustments to manage the economy. This method has a good track record of stability and success, but it may not fully address the needs of small businesses and underfunded sectors.

Adopt a Fully Decentralized Monetary System: Transition entirely to a system where all newly created money is tied to tangible value creation through bottom-up market mechanics. This would invigorate underfunded sectors but could risk destabilizing established markets that rely on traditional methods.

Implement a Hybrid System: Combine the best of both worlds by allocating a percentage, (perhaps 10%-20%) of newly created money to the Opportunity Economy. This approach leverages the stability of the traditional system while empowering small businesses and entrepreneurs through market-driven, bottom-up decision-making. By doing so, we can ensure that economic opportunities are available to all Americans, not just those in established industries. The Opportunity Economy utilizes a complex of negative feedback loops to reward the behavior of participants who better achieve the mutually selected and agreed upon values of the system. Americans participate in the various decentralized processes of the system through the processes illustrated in Appendix I.

Recommendation: Building on Success with a Hybrid Approach



The hybrid system represents a balanced and forward-thinking strategy that builds on the success of the traditional monetary system while embracing the innovative potential of the Opportunity Economy.

By dedicating a portion of new money creation to this decentralized approach, we can empower regular Americans to start and grow their businesses, driving economic growth from the bottom up. This method respects the high levels of stability of the traditional system while unlocking new opportunities for those who have been left behind and to further increase stability of the economy. This approach will ensure that our economy remains resilient and adaptable, capable of meeting future challenges while continuing to provide opportunities for all Americans to succeed.

Implementation Plan: Empowering American Entrepreneurs

1. **Pilot Program:** Launch a pilot program to test the hybrid system in sectors often overlooked by traditional funding methods, such as small businesses and individual inventors and entrepreneurs. This provides valuable insights and data to refine the system before full-scale implementation.
2. **Legislative Action:** Enact legislation to allocate some percentage of newly created money to the Opportunity Economy. A reasonable percentage to start with might be in the range of 10% to 20%, although ultimately, a new mechanism should be developed that sets this percentage based upon the interest of Americans. The more Americans participating in the Opportunity Economy, the more newly created money should be created through this system.
3. **Monitoring and Evaluation:** Establish a committee to assess the monitoring and evaluation methods built into the Opportunity Economy and the impact of the hybrid system on economic growth, job creation, and market stability.

A New Era of American Prosperity

The hybrid monetary system is not just a policy proposal; it is a vision for a more inclusive and dynamic American economy. By integrating the proven stability of the traditional Federal Reserve system with the innovative potential of the Opportunity Economy, we can ensure that all Americans have the opportunity to participate in the nation's economic success. This approach honors the achievements of our current system while opening new doors for the entrepreneurs and small businesses that will drive the future of our economy. This is more than just economic policy—it's about giving every American the chance to achieve your dreams and contribute to the continued prosperity of this great nation.

Learn more at www.galinsky2024.us/issue/opportunity-economy

Contact Information: For more information, please contact: outreach@galinsky2024.us

Appendix I: Diagram of the Opportunity Economy

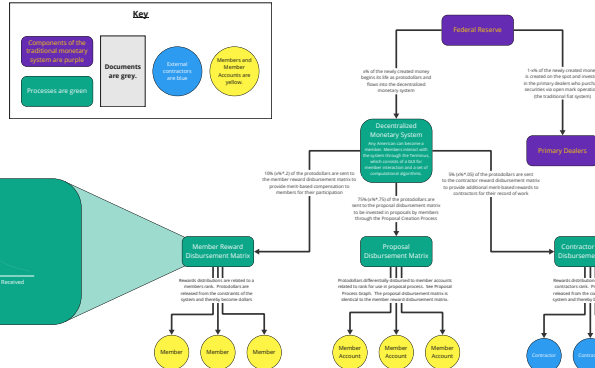
Opportunity Economy

A hybrid monetary system incorporating both:
 1) top-down traditional methods for creation of new money,
 2) a decentralized, bottom-up, market economy driven method for creation of new money

Creation of New Money

A dual path system for creation and initial investment of new money by the Federal Reserve

Each time new money is created by the Federal Reserve:



Additional Information

- In order to create a proposal a member needs to conduct some number of assessments. The precise number depends on the current needs of the network. Members may choose to conduct all types of assessments (proposal assessment, work assessment, proposal assessment meta-review, work assessment meta-review), proposal assessment meta-review, work assessment meta-review, or one or a selection of them.
- The ratios with which a members subranks are factored into their rank, presented below, are suggested and should be further considered to ensure optimal function of the network in its ability along the distribution of disbursements with the distribution of merit.
- Each subrank is computed by averaging all a members scores of that type weighted by the amount of protodollars contributed to the corresponding proposal. For example, the subrank of Proposal Assessment Rank is computed by averaging all scores a member has received on Proposal Assessments the member has completed, with each score weighted by the amount of protodollars contributed to the Proposal corresponding to that Proposal Assessment.

Member Reward Disbursement Matrix

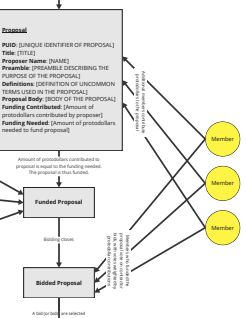
All members are included in the member reward disbursement matrix. The rank of any given member is computed by the Terminus by first computing the member's subranks (proposal rank, proposal assessment rank, work assessment rank, proposal assessment meta-review rank, work assessment meta-review rank) and then factoring these subranks into the member's rank as described in the Computing Rank Diagram.

Contractor Reward Disbursement Matrix

Contractors included in the contractor reward disbursement matrix have been paid to do work for a proposal. The rank of any given contractor is computed by the Terminus by first computing the contractor's subranks (proposal rank, proposal assessment rank, work assessment rank, proposal assessment meta-review rank, work assessment meta-review rank) and then factoring these subranks into the contractor's rank as described in the Computing Rank Diagram.

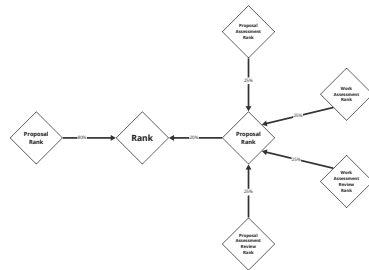
Proposal Process

A member may view the details of the proposal in their account to create a proposal including all the necessary information including an account tax completion form.



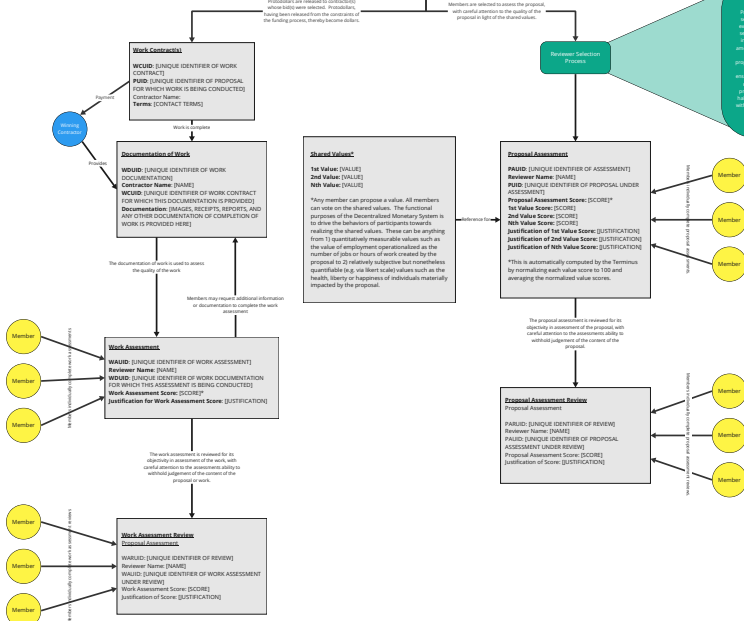
Computing Rank

A members rank is computed by factoring in a members subranks as follows:



Reviewer Selection Process

Proposals are available for review by members selected by the Terminus from among all members who have completed the proposal and have not yet been selected. Each member receives a notification of the proposal and is invited to review the proposal. The Terminus will select reviewers based on the distribution of all past proposals and the current proposal. The Terminus will select reviewers based on the distribution of all past proposals and the current proposal. The Terminus will select reviewers based on the distribution of all past proposals and the current proposal.



*Please note that the diagram is intended to be viewed on a computer so you can zoom in for greater detail.