4 Organization-Issued Cash in a Digital Economy

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Summary

In this chapter we focus on the possibility of cash issued by an organization as in the form of micro-bonds that are redeemed with the added value created by the organizations. We investigate several scenarios where a platform of organization-issued cash (OIC) could grow. We insist that an age of ultrapluralistic money based on pluralistic values is possible for all kinds of organizations that form added value and issue OIC, but it is unthinkable without IT.

Key Words Organization-Issued Cash, Network valuation landscape, Community money, Electronic public sphere, Pluralistic valuation

1 This chapter is based on research that was conducted at the NTT Open Laboratory and was reported in November 1999. (NTT Open Laboratory Symposium, Social Systems Promoting the Distribution and Sharing of Information, First Term Open Laboratory Activities Final Report Meeting, “Economic Transactions Research Group Report.” 19 November 1999, NTT Musashino Research and Development Center (see http://www.openlab.tnl.ntt.co.jp/event/symp5/Sudoh/Sudoh.html).
4.1 Introduction

It is already becoming abundantly clear that a new global industrial revolution, or more correctly an information network revolution, is taking place within our economic systems. Network reforms of business models and processing changes are occurring one after another; forcing even greater reforms on existing corporate organizations and their industrial structures. These days it is difficult to argue with any conviction just how long these reforms and trends will continue or ultimately what the shape of a reconstructed global economic system will be (Deguchi 1994, 2004).

Without any doubt, one of the greatest changes that could occur in the future digital economy is the reform of systems of valuation, i.e., the issue and circulation of credit. Such reforms of electronic credit will fundamentally change the nature of the broader socioeconomic systems, along with the activities of many organizations, including the companies that operate such systems.

During this process, there is the possibility that the conventional nature of money and the dynamism of valuation and choice in a capitalist economy will change; in a capitalist economy, the dynamism of capital markets in relation to investment lies at the root of capitalist competition. Channels have been created that enable organizations to add value and then link the future ability to add value with the current credit supply. Companies that produce goods or services are evaluated based on the purchasing behavior of consumers in the market, and in the capital markets by the valuations of speculators. As a result, it is possible in a competitive market environment for corporations to design and deliver goods or services that are likely to be met with market approval.

It is precisely within this mechanism of providing capital, through the valuation of organizations with the ability to create added value in the form of the stock market, that the dynamic heart of capitalism lies, and, as a result, a social circuit of credit supply is created by speculators in such a way that the production of future added value is linked to current capital investment. However, this circuit does not always function effectively for those organizations that do not aim to maximize