

# Decentralization instead of globalization

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Decentralization and globalization are not the same. They are each other's opposite.

COMMUNITY COINS ARE FOCUSED ON DECENTRALIZATION.

Few things are certain about the future, but some things are more certain than others. One near certainty is that there is a limit to economic growth because of resource depletion. While the Club of Rome didn't add the biosphere and climate change into their equations "Limits to growth [1972]", later studies added these aspects to new models. Because humans seem to be addicted to economic growth, economic theorists came up with solutions: We must replace the linear attitude "Take, Make, Dispose" with a circular one: Ultimately achieve zero emission by recycling everything. Many frameworks have been constructed to achieve a sustainable circular economy: Systems Thinking, Biomimicry, Industrial ecology, Cradle to cradle, Blue Economy, The Biosphere Rules [[https://en.wikipedia.org/wiki/Circular\\_economy](https://en.wikipedia.org/wiki/Circular_economy)].

All these thoughts acknowledge one thing

**DIVERSITY** is a prime characteristic of resilient and sustainable systems. In this sense we should allow the global economy to be diverse and to anticipate local communities with their own values, economies and denominations. Sustainability is all about preserving local resources and local wealth. Globalization is all about redistribution of local wealth and resources. When local economies thrive, the global economy will become more sustainable.

But what is happening? If you look around, your diversity seems to be slowly disappearing. "Colour is fading, the world is turning grey ...". Why would that be? Look at Globalization. Globalization has positive associations: disappearing borders, freedom to travel and to communicate, improved access to resources and knowledge. It is very clear these benefits have a cost associated: It ruins the environment and local economies; it leads to extreme specialization and centralization. It leads to "too big to fail" institutions, the disruption of free markets, over-regulation and ironically to less freedom for the individual. While the main benefit of globalization seemed to be freedom, the outcome is less freedom. And that is what cryptocurrency is all about: Arms in the arms race of freedom [<https://www.mail-archive.com/cryptography@metzdowd.com/msg09971.html>]

**Community coins** would perfectly fit in a future circular economy. Different communities represent economic diversity. A single community coin would represent resource limitation within that community, but also independence from other economies. If you invest in a currency that has a high adoption rate in a particular community then you are actually investing in that community.

By funding, you become a stakeholder. But look at what currently happens. Coinmarketcap.com is the most important resource for investors while market cap (circulating supply\*price) is a trivial valuation, especially for community coins. High is better is the main suggestion, but a community is a minority (by definition) while the community, or let's say the purpose of a coin, is its core value.

Community coins deserve a different ranking which we will develop.

Look at what happens next. Coins are traded on exchanges. Exchanges represent a censored market, favouring big over small. The business model of exchanges is to charge transaction fees, not to represent a free market. Obviously, coins that generate a large number of transactions remain listed and coins (read communities) with a lower volume gradually get expelled. It is only normal that coin emission and marketing is being "optimized" under the current market conditions.

Again, market cap and volume are wrong incentives to rate community coins. Indeed, anyone can launch a coin and pretend to let it represent anything. There is a need to compare and the goal of communitycoins.org is to find objective criteria and data for the public to rate the different initiatives. Although cryptocurrencies operate decentrally they must be initialized once by someone. Once founded it is up to the community to embrace it, taking over the shares of early adopters.

A second goal of communitycoins.org is to serve as a decentralized initiative for community coins to join forces. It is our belief that if cryptocurrency is part of a sustainable future economy, then the economic landscape will consist of community coins and very few coins that serve as a global reference.

For now, this requires belief in a future of thriving circular economies, loyalty of individuals to local communities and their conviction that small is beautiful. This will contribute to the disruption of the current disastrous trend of centralization. It will require a better global representation of community cryptocurrencies and other business models for currency exchanges.

Of course, it also requires better education of the public:

CRYPTOCURRENCIES ARE NOT ABOUT GETTING RICH AT THE EXPENSE OF OTHERS BUT ABOUT PRESERVATION OF WEALTH AND VOLUNTARY SHARING IT WITH OTHERS.