



→ How much are you willing to invest to "this idea project" | donate commit.

→ How can I make my idea - project - product - service happen?

CROWDFUNDING → fund by the crowd.

fundraising =
like-minded people

- friends,
- family
- strangers,
- business

Platform {
Kickstarter.
Go Fundme.
IndieGoGo.
~ 10s Billions

MODELS

- share (investment) -
- early access to product/service.
- donation.
- get a better price for the product/service
- get a gift / or your name (credits for donation)
- real-estate → lower barrier
- debt funding → donors get a repayment.

* Democratizing funding *

Danger / Risks

- less scrutiny.
- less accountability.
- dangerous for big projects.
- less support — expertise.
 - ↳ network.
- superficial analysis (project feasibility).

How participative?

→ digital divide.

→ digital payments not accessible for everyone.

↑
Alternatives: non-monetary participation

→ crowd resourcing

↳ How meaningful is the participation? → Disagreement / consensus building.

MARKET

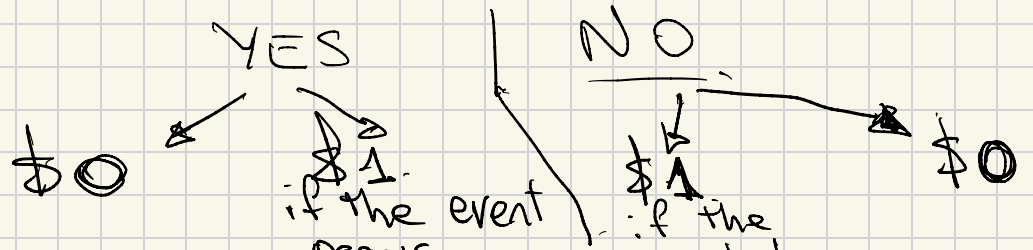
→ People / Robots trading.
↳ sell → physical goods,
↳ services.

prediction market

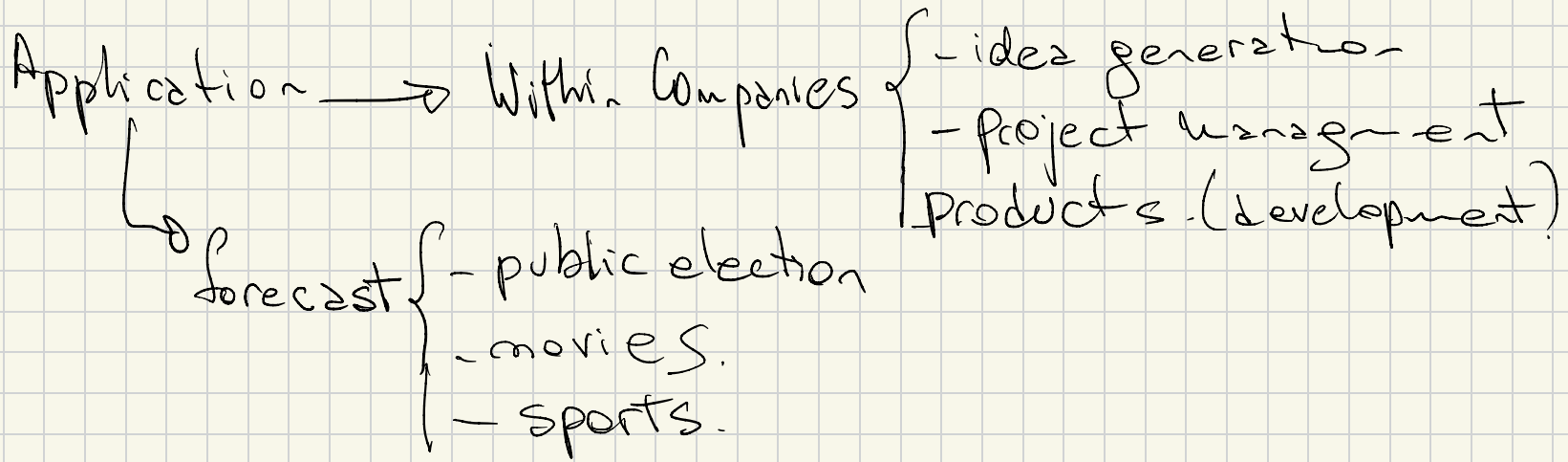
→ the value of the asset is dependent on the final outcome of an uncertain event at a particular moment in time.

→ tool to aggregate information
→ forecast future events.

How it works



Price of the share: 0.5 → 0.75 | 0.5 → 0.25 | → PERCEIVED PROBABILITY



REQUIREMENT = verifiable outcome

- Alternatives → hiring experts
↳ election polls

What can go wrong?

Monetary incentives → manipulation
↳ "insider information"_{SEC}

ASSUMPTION: information is available

QUADRATIC VOTING

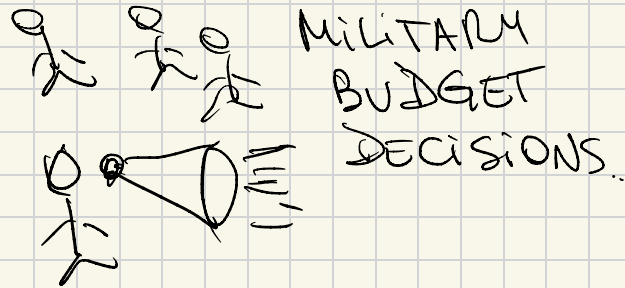
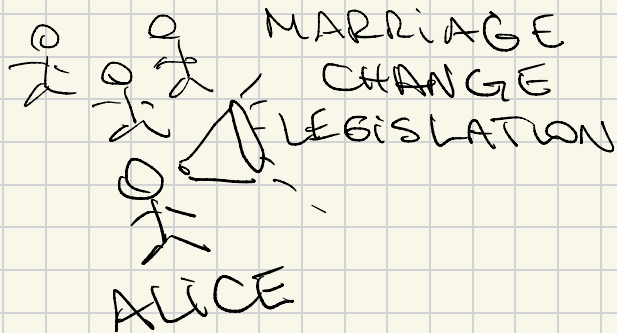
"One person One Vote" (1P1V) → single unit of influence in the election

(A) 30% (B) 20% (C) 15% (D) 15% (E) 12% (F) 8%

WINS

70% do not want A.

Problem: the tyranny of the majority.



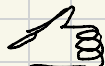
VOTE PRICING RULE

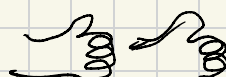
$N = 1 \dots N$ voters.

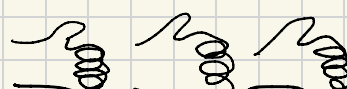
Every voter weights the marginal cost of adding another vote against the perceived chance that this vote is pivotal (change the outcome!).

ASSUME = Voters are rational,
are given token/vote fairly

N VOTES $\rightarrow N^2$ COINS.

1  \rightarrow 1 CHF.

2  \rightarrow 4 CHF.

3  \rightarrow 9 CHF.