The PlanetPay project

DAO platform to pay the planet's people for meaningful work and allocate loans

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Contents

1: Introduction

The PlanetPay project has been designed from the ground up to be future proof, employing the latest in technical developments in the cryptocurrency space and built upon conceptual foundations which look towards a future in which cryptocurrencies will be widespread.

The PLP system is being designed to be extremely easy and quick to use so that any number of people or groups can use it directly to assign work and to conclude payments quickly and securely.

2: Scope

We are building a software engine which exists as a distributed autonomous organization (DAO).

A DAO is an autonomous service machine implemented in software in which people can participate and be economically active.

DAOs are network centric systems of organizations that operate through rules encoded as computer programs called smart contracts which exist on a distributed public blockchain.

This engine makes use of a native cryptocurrency called the

PLP token.

It is designed to process a very large number of transactions per second corresponding to entities exchanging information and cryptographic payments amongst each other which relate to work being offered and executed.

These entities are normally individuals, but can be companies or groups and the system sees them only as public keys, the private keys required to access accounts are held by the individual participants.

Certainly, one individual can represent multiple entities if they are willing to handle a number of key-pairs.

As entities transact, over time a knowledge base or expert system is built up which keeps track of transactions, reputations, skill-sets and escrow histories.

This knowledge base will be securely stored in a fully autonomous data network, such as the SAFE (Secure Access For Everyone) network.

The system takes a small percentage of each transaction which flows into a general fund which will be converted into bitcoin by means of atomic swaps. In time this fund is expected to be quite substantial and will be able to be used as a resource to be lent out to entities or groups of entities with the appropriate reputation score.

Because all relevant knowledge about entities is available to the system, requests for funding can be approved almost instantly, whether for business or real estate funding.

As soon as national jurisdictions port their real estate registries on to public blockchains, real estate purchase can be included in the system enabling almost instant purchases of properties financed by the system.

Although the transactional currency which is used within the

system is the PLP on account of its high speed and low transaction costs, the store of value for the system will be bitcoin, which has all of the qualities required for a globally recognized value store.

Over time, as the system grows the real value of the PLP currency can be assumed to increase with respect to national currencies.

Entities will thus be incentivized to keep their earned currency within the system and only draw funds out when they need them, ensuring that a potentially huge pool of funds will build up to become available for loans.

Over time the system will have developed into a kind of global bank or public financial system which is fully transparent, open and self-organizing.

3:Rationale

This project aims to remove the many barriers which currently exist which prevent people from engaging in meaningful work.

These barriers are mainly imposed by governments and comprise regulation which controls how people work, how they get paid and how they are taxed. These regulations had a useful purpose in the past but today many of them are obsolete and can only get in the way.

Barriers are also placed by a lack of transparency in the world of work, and an ingenious aspect of the system is that there is full transparency for anyone to observe the myriad of activities going on within the network.

With the rapid changes in the world of work this system of barriers has led to a perverse situation where there is very much work around which needs doing and cannot be done yet there are millions of people on welfare seeking work.

The PlanetPay system is able to get around this perverse situation through the use of cryptocurrency, which being global, is able to move from person to person instantly at very little cost and with almost no barriers.

Essentially this is a private and anonymous system, and because it is based on the ideal of personal responsibility it will be up to the individual to declare any earnings to authorities which may seek to collect taxes.

In any event, if an entity's "earnings" from the system equate merely to how much they draw for living expenses from it, the appropriate rate of taxation may well be very small.

By facilitating exchanges between entities, essentially friction is reduced and we end up with a system being of genuine service to people at very low cost.

This is in contrast to "government services" which as the American billionaire and crypto investor Tim Draper points out "provide the very worst service at the highest cost".

4: Operation

The system essentially provides a public platform which is owned by no-one and which has the following properties:

It allows those who have things needing to be done (provider) to post details to the platform.

It allows those who are looking for work (worker) to post the details of their skill set and what kind of work they wish to do.

This data is sorted by location and timelines.

It allows both parties to correspond with each other via email, phone or other communication apps.

It makes use of the so-called Mutually Assured Destruction, or MAD, escrow solution.

In this, once agreement on a project and price is reached between the parties, the worker places a given amount of PLP (x units) in an escrow account. The provider places their agreed amount (y units) plus the (x units) into the escrow deposit placed by the worker.

The funds are not released from the smart contract escrow until both the provider and the worker confirm that the transaction has been completed as expected. In the event that the worker does not perform, or the provider claims he is not satisfied, no money is released from escrow to either party.

In this case, both parties lose money, even if only one has done something wrong. While this may appear to be unfair, it is an effective way to discourage fraudulent activity during transactions because there is no way for anyone to profit from them. If the worker refuses to perform the task, they pay a penalty by losing their escrow money. If the provider gets his job done but claims it was not so, they end up having to pay more than the amount that the work should have cost.

With smart contracts on crypto systems such escrow systems function automatically in the background.

Individuals will be able to interface with the system through either computers or smartphones, which will include smart payment options or mobile wallets allowing near instant exchange of value with others running the same apps.

Conclusion

Increasingly in the world it is individuals who are facing the brunt of increasing costs, stagnant incomes and a lessening of opportunities to work.

The PlanetPay system is in effect a grass-roots movement to

reverse that trend by empowering those who wish to work in a direct way.

It also provides a genuine real-world use case for a cryptocurrency, in this case the native PLP token.

Certainly, this system will make it even harder for governments to collect taxes based on income – but the case can be made that income should not be taxed at all as this disincentivises productive and efficient work.

In a way the PLP system can be seen as an implementation of the *CLIME* system described by Charles Hugh Smith.

References

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