

# the ethical economy

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- we have a new economy,  
and it is wider than free  
software

-that new economy has a  
particular value logic, it is an  
'ethical economy'

# Value logic?

A socially institutionalized way of allocating resources and determining the relative importance of people and products.

The capitalist value logic is  
loosing its grip..

co-production is a growing trend..

user-led innovation

viral marketing

brand communities

web 2.0

'experience economy'

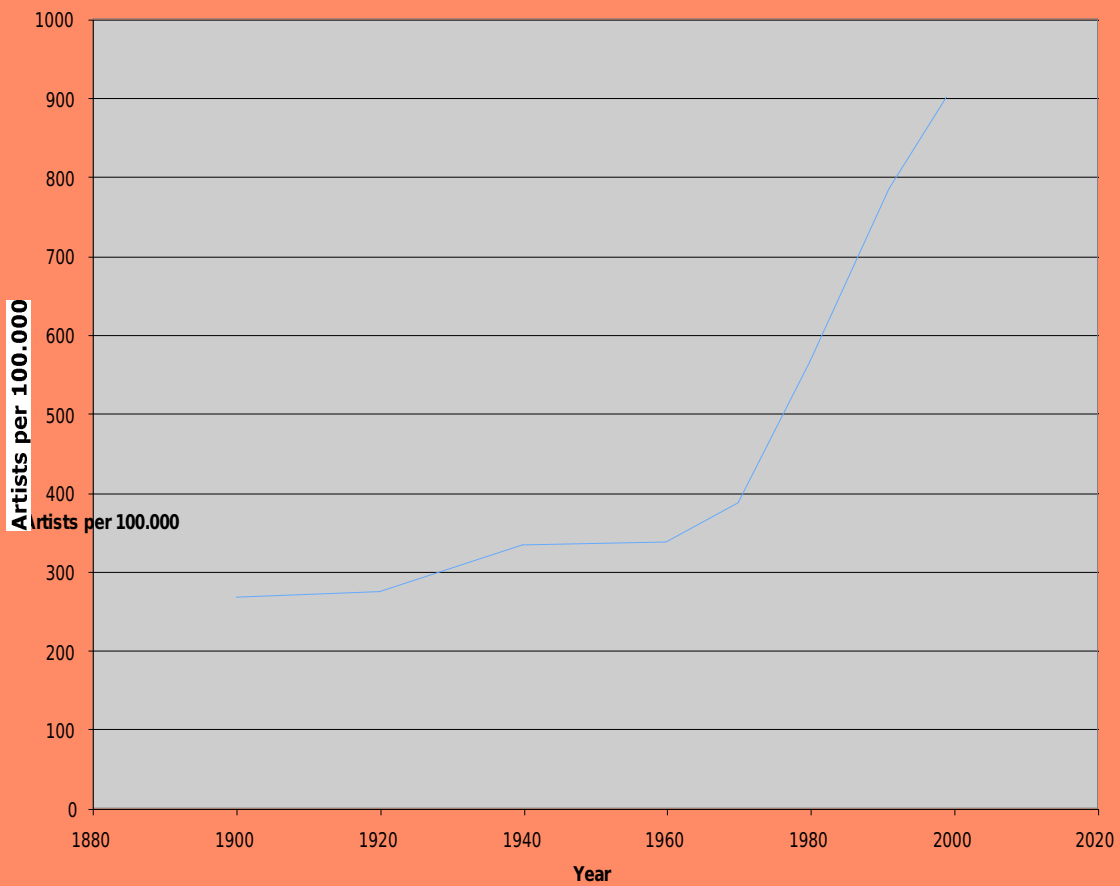
....consumers are getting more involved.

these initiatives constitute managerial responses to an emerging new mode of production.

Social production

- P2P, OpenDesign
- Web 2.0
- Community-supported agriculture
- Self-organized service economies (LETS)

Number of artist per 100.000, US Census



Artists per 100.000

according to Charles Leadbeater and Demos 58 per cent of the UK population are engaged in forms of social production

according to our survey 83 per cent of the population of Malmö, Sweden, pursue such activities.

social production does not follow the value logic of the capitalist economy....

...but it follows a different value logic

in social production value is not related to labour time (or productive time), instead it is related to the ability to construct ethically significant social relations

The brand that forms community

The project team

The P2P network

The creative 'scene'

social production is part of an emerging ethical economy

# 'ethical economy' because..

value is contingent on the production of affectively significant ties, strong links in a world of weak links (this was, in essence, Aristotle's idea of ethics)

Actors are motivated not by money but by the social recognition of self.

Value is communicated in 'ethical media' : networks and social recognition that measure and embody the social impact of a person or object.

This ethical economy already has an important presence within contemporary capitalism

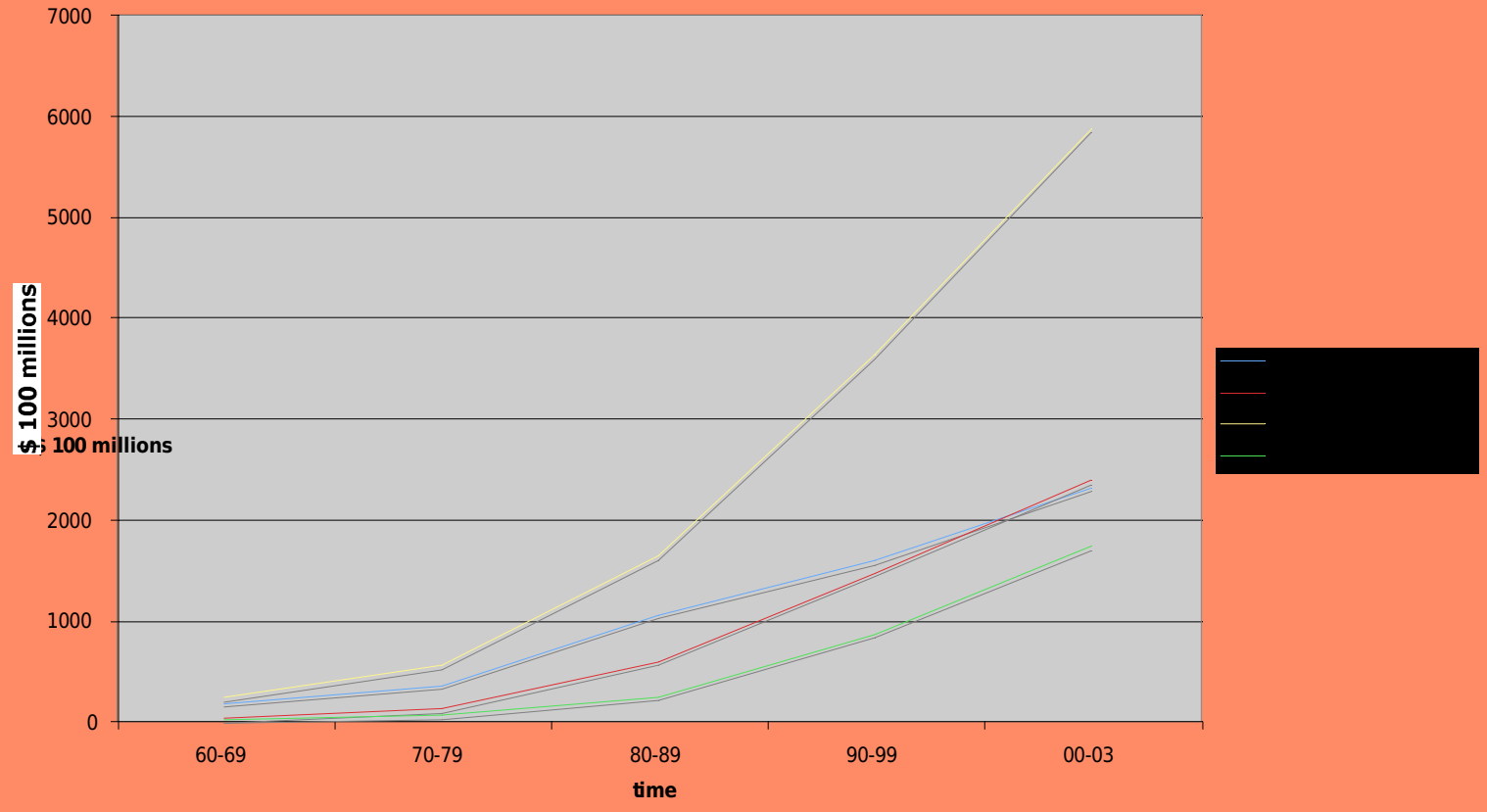
-brands

-knowledge management

corporate values

this weight is reflected in the growing financial importance of *intangibles*

**Intangible Investments in US Economy 1960-2003**



# history of the ethical economy

people have always organized their own processes of production (consumers have always added value to goods)

people have always valued networks and respect

but...

in the information society...

the capacity for such self-organization is much greater (things can be scaled-up)

the potential for aggregating, and communicating networks and respect is much greater (one of the attractions of social media)- these media are becoming objectified

# Why?

new Information and communication technologies..

but they are part of a longer process

the mediatization of production and consumption, the socialization of the means of cognitive production.

the existential necessity to produce an identity

the expansion of a New Class of knowledge workers who value self-realization

the expansion of education

The affirmation of a new ethical economy is the consequence of the socialization of the capitalist production process in the form of what Marx called General Intellect.

The relative importance of the ethical economy is set to grow in the future...

It is more efficient as a source of immaterial expansion

It will expand further into material production

It will form its own objective forms of value, its own 'iron cage'

The capitalist 'iron cage'  
developed from the 17<sup>th</sup> and  
century onwards through the  
'monetary revolution'.

The monetary revolution used  
the printing press.

Networking and rating are the fastest growing activities online. (35 per cent of the US internet population has 'rated' something online in the last month)


[Home](#)
[Users](#)
[Values](#)
[Actions](#)
 **Users** 

## Influence the ethical impact of companies

Actics is a free ethical feedback tool that helps you to maximize your ethical impact

### Users

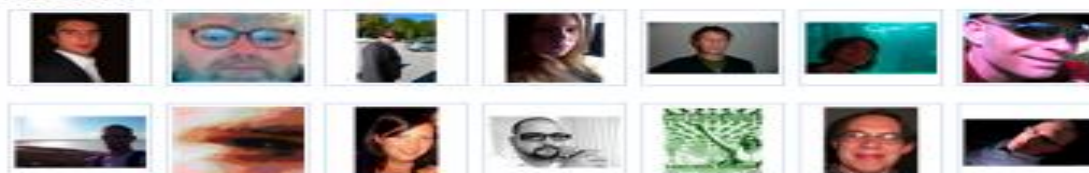
#### Groups



#### Companies / Organisations



#### Individuals



#### Top 10 Performing Users

1	Natural Choices Media	89%	+	4%
2	Copenhagenize.com	88%	-	7%
3	The Green Insurance Company	83%		0%
4	Vert-i-go Pedicabs Ltd	81%		0%
5	Mater	81%		0%
6	MyC4	80%	-	1%
7	Andrew Dekkers	75%		0%
8	Clawfish Marketing	69%		0%
9	Peter Palludan	69%	-	1%
10	Henrik K Pallesen	67%	+	1%

#### Top 5 Popular Values

1	Intention	81%	+	31%
2	Responsibility	80%	+	30%
3	Credibility	76%	+	26%
4	Fun	68%		0%
5	Harmony	66%	+	0%

Brands can become global public spheres to accompany a global production process..

An ethical index can democratize financial markets and reconnect them to a 'real economy'

[www.ethicaleconomy.com](http://www.ethicaleconomy.com)