

How Intellectual Property is Paid



Money is released regularly by the [VIP Treasury](#) to fight the [deflation](#) that happens when incoming rents exceed Earth Dividend outflow. The ratio of the total economy to the necessity economy will grow with progress and population.

It is only fitting that the architects of progress, artists and inventors who increase our wealth, be the recipients of these released funds. This module shows how money is released from the VIP Treasury into accounts of people owning intellectual property.

The first division of funds is based on annual [quadratic voting](#). The population votes on the percentage of new funds for different categories of design, artistic content, or performance. Quadratic voting is used to move money between categories.

New categories can be added if approved by 33% of the [direct democracy](#). Categories are placed on the ballot by voluntary standards groups ([VSGs](#)) that establish rules of registration and distribution. The smallest allocation for a category is .001%.

There are three levels of categories: high, mid, and low-level. The set of high-level categories are intended to include the universe. Proposed are artistic content, non-artistic content, and performance.

Artistic content can include performances, but that has no relevance to the distribution. Performance can be included in artistic content, increasing total views, but independent of artistic content ownership. Performance is paid based on total engaged viewers, whether live or within artistic content.

Another possible high-level category might be viewable artifacts. Archeologists, for instance, would sell the artifact into the commons trust based on number of engaged views (explicit visits to a museum or views in artistic content). Whatever the high-level categories will be, we have several decades to debate the scope of [intellectual property](#) in [land-based capitalism](#).

Voters allocate their 100% between the high-level categories using quadratic voting. Those who wish can drill down into the high-level category and allocate

100% to the various mid-level categories within that high level. VSGs associated with the high-level categories establish default allocations to the mid-level categories.

At the mid-level, artistic content might include movies, documentaries, podcasts, photographs, newscasts, oil paintings, journal articles, episodic comedies, and much more. The occasional conflict between medium and message must be resolved by the VSG.

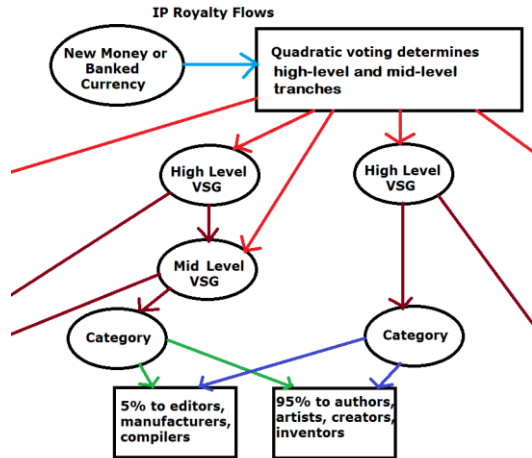
However, venues like theater, television, gallery, or arena [are handled elsewhere](#), although the VSG can have special venue-related royalty distribution rules at the low level. Low-level category allocation is determined by the mid-level VSG and it is not subject to quadratic voting.

If 45% of new money goes to artistic content, and 2.1% of artistic content goes to films, and the VSG decides that 1.1% of the allocation goes to biographies (they could decide all films were equal and eliminate the low level), then the percentage of the new money issued by the Treasury going to biographic films would be .0104%.

Actual funds released into the artist's account would be based on weighted views and middlemen. Typically for a film, 1 viewing = 1 view. However, if 20% of the film had artistic content owned by the commons (either under patent, or with expired patent) then 1 viewing = 0.8 views. Music not written explicitly for the film, and sometimes even that, is IP apart from the film and lowers weighted views. Showing a real newscast in the film would do the same.

Weighted views are added together, at defined periods, divided by total weighted views (barring special VSG distribution rules) and the fraction multiplied by the low-level allocation.

If a biography of the Wright brothers had 977.45 weighted views out of 190,204.7 biographic views during the period, then the artists creating the Wright brothers' biography would have $977.45/190,204.7 = 0.514\%$ claim on biographic film revenues (.0104%), or a claim on new money revenues of $0.00514 \times .000104 = .0000535\%$. If the VIP Treasury released \$10 million VIP a day to stop deflation, the artists creating the Wright brothers' film would receive a daily income during the period of \$5.35 VIP.



Keep in mind that this is only a preliminary proposal. The IP distribution only applies post-federation and need not be specified in the initial charters initiating [Phase I](#). Depending on historic developments, it could be developed by an [ISO](#) (International Standards Group) working group and inherited by a VSG long before it is finalized by the [Federation Library](#).