

EGOD: A Memetic System of Value

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Abstract. A purely memetic version of a cryptocurrency would allow the market to observe the speculative nature of cryptocurrencies in modern culture and at the same time prove the power of memes to perpetuate perceived value amongst communities.

1. Introduction

Cryptocurrency on the Internet has come to rely almost exclusively on those who have no idea what they are doing but want to make fast gains, or go “to the moon”. While the system works well enough for the lucky few, it still suffers from the inherent weakness that no one really understands what they are putting their money into. This sometimes comes down to scam tokens or blockchain startups that promise to provide services that they realistically cannot deliver. The cost to those who participate increases as more participants who are new to crypto enter the market. New speculators spend their money on token sales and often have the “rug pulled” from underneath them while a select few parties benefit greatly.

What is needed is a token system based on nothing but memes to illustrate to both participants and non-participants the true speculative nature of cryptocurrencies in their current state.

2. Memes

We define memes as a unit of cultural information, such as a cultural practice or idea, that is transmitted visually by a repeated action from one mind to another. Memes go beyond humor, they are a means of transferring complex ideas and emotions in an efficient and cost-effective manner. Because of the nature of memes, they are retained in the memory of a prospect longer than most other forms of communication. Memes do not need to be objectively accurate to contain a universal truth. This subjective nature furthers the speculation of an idea presented within a meme and potentially reaffirms the biases of a prospect.

3. Network Virality and Desensitization

The steps of Network Virality and Desensitization are as follows:

- 1) Meme created to socially reinforce holding strategy.
- 2) Token goes up in value, meme created to reaffirm survival bias.
- 3) Memes shared to other clusters.
- 4) Token goes down in value; go to step 1.

Crypto communities are some of the most highly clustered social communities on the Internet. These communities also carry with them a unique power of social reinforcement exemplified by the myriad of “HODL” communities surrounding specific assets or tokens. We have observed that these community clusters organically form around numerous crypto assets. When an asset performs poorly, strong social reinforcement resonates within the community in the form of memes. “Hold the line”, says Mel Gibson in the film “Brave Heart”, one prospect might observe within a community. This results in communities that are not only financially incentivized but socially incentivized to not sell their holdings.

Due to the homophily of individuals belonging to other crypto communities, individuals from one community have an incentive to intentionally infect others with memetic messaging to recruit them into the new cluster. These newly enveloped individuals come from other like-minded and ideologically similar communities to which they then continue to pull more participants into the new cluster and the secondary cluster pulls from the former. This creates a cross pollination of memes across communities and eliminates structural trapping from within. This phenomenon spreads and serves a social incentive for speculators to hold their assets instead of selling.

On the other hand, when a particular token or market begins to decline—even rapidly and without explanation—the community is further biased towards holding the token. This even applies to participants who were involved early on in the token sale. Social reinforcement through memification lessens the emotional blow of losses during a decline. This emotional desensitization to losses reinforces the “HOLDER” strategy and in turn generates more meme content which begins the cycle all over again.

5. Conclusion

We have proposed a token for anyone to participate in without relying on any other pretenses about the token other than its sole existence as a meme. We started with the usual framework of memes, but it is incomplete without a way to prevent downvote oblivion. To solve this, we propose that Network Virality and Desensitization due to memes within crypto clusters will perpetuate the value of a purely memetic token. Memes from established clusters penetrate new clusters which draw in new individuals due to homophily. This feedback loop further strengthens social reinforcement which therefor attracts new prospective participants. The system survives as long as honest memes about diamond hands collectively control more prospects decisions than any cooperating group of attackers memes.

References

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