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# HOW TO UNDERTAKE WITH DIGITAL CURRENCIES AS CSR 3.0 PRACTICES IN WELLBEING ECONOMICS?

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## ABSTRACT

*This is a critical review of business know-how and corporative social responsibility in digital era. It is offered a proposal of entrepreneurship by digital currencies. It is an example of technovation for the improvement of personnel income and motivation, as a good practice of CSR 3.0. The study explains how it works this win-win practice, with a real case of a Spanish company. In this case, there are benefits for the whole stakeholders, the environment, other companies and the next generation.*

**Keywords:** Corporative Social Responsibility, Digital Currencies, Wellbeing Economics, Entrepreneurship.

## INTRODUCTION

This is a critical review applied to a case study, which pretends to clarify what are the business-social digital currencies (BSDC) and how to use them as a resource of entrepreneurship for corporate social responsibility-CSR 3.0 practices. The BSDC are useful as a refutation to the bias of the academic mainstream (whom support the welfare state economy-WSE) and the new-luddite militants (opposed to technological advances, because they considerate a violation of working conditions, destroying jobs and increasing social disparity, Bailey, 1998; Sale, 1996). Former and new-luddites (see Table 1), they are wrong, since the disappearance of jobs in one sector leads to the appearance of new jobs in emerging sectors. The same ones being more suitable for human inventiveness. For example, a tenant farmer with no limit of hours and with a subsistence production to become an industrial worker with shifts and an steady salary (2nd industrial & tech. revolution), going through being an office clerk with fixed hours and income that allows savings (3<sup>rd</sup> industrial & tech. rev.), even professionals with financial and schedule freedom (4<sup>th</sup> industrial & tech. rev.).

Revolutions	Features	Macro and social indexes
1 <sup>st</sup> rev. (1790-1870, Atlantic Europe)	coal and steam engine; it goes from the countryside to urban workshops (highlighting the textile sector); civil service leasing contracts (for agreed days and benefits); estates and unions slow their progress	Less than 1,200 million people, with a world GDP per capita of less than \$ 1,000.

2 <sup>nd</sup> rev. (1880-1950, in Europe and the Anglo-Saxon world)	Oil, electricity and assembly line, it goes from workshops to factories (highlighting the automobile sector); proper employment contracts (under a protective legal regime); its advance slows down (with accelerations and recessions) wars and state interventions.	At the beginning of the c. XX the world population was of 2,000 million people approx., With a GDP per capita over 1,000 \$
3 <sup>rd</sup> rev. (1960-2008, in the West -especially Asian tigers)	computing and robotization, plus nuclear and renewable energy; It goes from factories to centralized technobureaucratic headquarters and offshore production and sales modules, plus the emergence of <i>malls</i> or shopping centers, with a diversity of labor relations and employability (civil and commercial contracts, labor, civil servants, etc.). State interventions continue to alter their progress (this is WSE's golden age).	At the turn of the millennium, the worldwide population was over 6,000 million inhabitants and its GDP per capita was close to \$ 10,000
4 <sup>th</sup> rev. (2008-2030, planetarium)	internet, programming (especially, <i>block-chain</i> since 2009) and mobiles ( <i>smartphone</i> as an office), it is the era of social networks, <i>apps</i> & <i>everywhere commerce-ewc</i> or virtual continuous marketing, giving the return of the professional ( <i>knowmads v. freeriders</i> ), who can be a commission agent, biller, affiliate, etc. (New formulas for the regulation of mixed labor relations emerge, eg. <i>click-pay</i> , <i>flexecurity</i> , <i>part-time jobs mix</i> ). It is also the period of the emergence of <i>smart-contracts</i> & <i>DAO</i> (smart contracts, like codes in the cloud, whose parts are artificial intelligence, which operate from the Stock Market to driving with no driver).	We are currently more than 7,400 million populations on the planet, with a per capita GDP of more than \$ 13,500.

Actually, the relationship between technological advances and labour wellbeing is not proportionally inverse, but exponentially convergent (Andreu & Sánchez-Bayón, 2019). The more technological advances take place, the more global wealth and wellbeing increases (both in terms of income and benefits to be enjoyed). The greater convergence takes place in the planetary standard of living, thus increasing the wellbeing of humanity and its life expectancy. Those are two of the major components of the measurement of the World happiness index (WHI). In addition, both were announced by Bentham and Malthus in the 19th century, and they were the inspiration to measure the development, since the 1960s, by the Organization of Economic Cooperation and Development-OECD, and worldwide since 2012 (Rojas, 2014). Such a phenomenon, by which artificial intelligence has to overcome and replace the human being in tedious tasks, it is called singularity (Kurzweil, 2005), and its point of no-return is predicted for the year 2030 (coinciding with the rest of planetary convergence plans, e.g. Global Compact-United Nations/UN, Future of Work-International Labour Organization/ILO, Green deal-European Union/EU, etc.). There are evidences in this sense in the reports of specialized international organizations (e.g. World Bank, International Monetary Fund), as well as the indexes evolution such as the Gini-OECD coefficient (which is decreasing as the Lorenz curve flattens worldwide) or the human development index-UN (that is being improving yearly, see Table 1).

In this paper is going to pay attention to one expression, in the cited relation between technological advance and labour wellbeing, which at the same time is a CSR 3.0 practice: BSDC.

## FRAMEWORK: DIGITAL & HAPPINESS ECONOMY

According to the Easterlin paradox (and its review, Easterlin, 1974; Easterlin et al., 2010), the continuous income grow does not realize more happiness. It is necessary to improve the motivation actions for personnel (Ravina-Ripoll, et al., 2019). In this way, the digital currencies are a good resource for motivation and, at the same time, it is a win-win practice of CSR 3.0 in digital & happiness economy.

The first stage of the digital economy has been the gig phase or bowling phase (Sánchez-Bayón, 2019b & 2020b), which includes:

- a) The collaborative and circular economy-CCE (it is based on social networks, apps and platforms, recycling shared goods and services, e.g. AirBnB, Uber, Wallapop);
- b) The autonomous economy-AE (it is based on big-data, internet of things-IoT, artificial intelligence-IA, augmented reality/AR-virtual reality/VR-mixed reality/MR, etc., articulated through 5G, block-chain, smart-contracts and DAOs, e.g. funds of investment in autonomous car fleet, fintech);
- c) The orange economy-OE (it is based on talent and creativity applied to experience and entertainment, e.g. gastronomy, tourism, video games, festivals).

With the post-globalization (current period, from the value crisis of 2008 until the Horizon 2030), there is implementing around the World a collaborative intelligence network (e.g. Global Compact-UN, Wellbeing Economics Alliance-Wold Economic Forum/WEF) to share experiences and good practices that allow progress towards the next stage of the digital economy, such as the authentic welfare economy or wellbeing economics. This new stage includes expressions like talent & happiness management (Cubeiro, 2012; Frey, 2018; Ravina-Ripoll, et al., 2019). Other expression of the wellbeing economics, it is the corporate social responsibility 3.0 (CSR 3.0). In this case, it pays attention to the SBDC, as a resource to improve the remuneration of employees and, at the same time, to care the environmental and other social benefits. Therefore, previously, what is understood and how digital currencies operate will be clarified, as well as its contribution to the promotion of CSR 3.0 (which is typical of companies oriented towards people, talent and happiness).

## CASE STUDY: SOCIAL-BUSINESS DIGITAL CURRENCIES

Cryptocurrencies or digital currencies? Social-Business Digital Currencies (SBDC)? It is referred the system or network of electronic operations that does not require financial intermediaries (since all participants are public officials or notaries, Bagus, 2010; Conley, 2017; Sánchez-Bayón, 2019 a & b). The cited features are summarized in their digital condition, as they are carried out through an electronic procedure (such as a transfer or card payment, Berentsen, 2018). As for its origin and development, find the synopsis of the following Table 2.

<b>Stages</b>	<b>Milestones and Features</b>	<b>Relevant Cases</b>
Background (1988)	<i>Denationalization of money</i> (Advertisement of non-national currencies, Hayek, 1976). Cover of <i>The Economist</i> (predicting the appearance of a currency that would displace national ones).	Reference baskets of currencies are introduced, which will give way to cases such as the ECU (antecedent of the euro and with which it could be operated via stock exchange interconnection systems).

1998	The word cryptocurrency is introduced and consolidated	Appearance of the Wei Dai B-Money system
2008/2009	The first paper on Bitcoin is published	Satoshi Nakamoto spreads Bitcoin and his first operation takes place on metzdowd.com
May 22, 2010	First real transaction with Bitcoin	Some pizzas were paid with Bitcoins
December 2017	Price of derivatives contracts on Bitcoin	Futures on Bitcoin are traded in CME and CBOE

This kind of instruments were conceptualized and developed to be used as traditional currencies, as conventional currencies to acquire goods and services, with the difference that they avoid entering into commissions from financial intermediaries and under a novel technology called block-chain. Today, they can be related more to a commodity or financial asset than to a foreign currency. The digital currencies include the tokens. Mougayar (2016) defined the token as a unit of value, which helps an organization to govern the business model and give more power to its users to interact with its products, while facilitating the distribution of benefits among all its shareholders. In this way, the next step in its development is the SBDC, as practice of CSR 3.0.

Consider the development of digital currencies, then how do they relate to the economy of happiness and talent, and how can they serve as a case for CSR 3.0? To respond, allow yourself a brief clarification on the future of CSR and its three stages, to then give an account of examples of CSR 3.0, and finally record the advantages and benefits of SBDC in this regard. The world consecration of CSR (beyond the business sphere, reaching all types of corporations, including NGOs or the public sector) took place with convergent initiatives of the United Nations (e.g. the millennium agenda), harmonizing all this with the global compact (announced by K. Annan in his speech on January 31, 1999 in Davos, during the World Economic Forum meeting, and formally constituted on July 26, 2000). Since then, minimum global standards have been set in relationships between people, communities and the environment. In addition, a network of local support networks has been established to deepen, broaden and disseminate this commitment. This has made it possible to generate a collaborative intelligence that has given rise to new concurrent and reinforcing initiatives (e.g. the wellbeing economics alliance by World Economic Forum, the surveys and good practices of Great Place to Work). In accordance with this collection, it is possible to establish the following evolutionary categories of CSR (in the transition towards the happiness and talent economy model):

- a. CSR 1.0: characteristic of incipient organizations only oriented to results and in which the hygienic measures of the workers are hardly taken care of (e.g. working risks prevention, adequate wages and payment of overtime). As such, CSR is understood in a marketing way (out-door advertising) so it is outsourced to consultants or is directly replicated by others, but does not correspond to its own business culture. It is detected by his pretentious speech, his abuse of barbarisms (linguistic loans), and commitments that are difficult to verify (e.g. reducing the carbon footprint, helping a remote town).
- b. CSR 2.0: visible in consolidated organizations, in terms of their market share, but who wish to make improvement changes, going beyond hygienic measures and initiate the promotion of motivational measures (those that stimulate workers to improve and increase their productivity and your commitment). Their CSR accounts for compliance local (e.g. equality plans, ethical codes, recycling programs), is supported by international quality certifications (such as those of ISO standards), and they begin to participate in global transformation forums (e.g. Global Compact-UN.). In this way, one begins to become

aware of the importance of corporate culture, so that it can be lived and participated in a sustained way, with verifiable impacts and shared with others.

- c. CSR 3.0: mature organizations are produced, not by seniority, but by focus, since they are companies prepared for the new corporate culture, oriented towards people and their motivation. Its CSR is local and easily measurable and verifiable, as it is based on measures that affect its social and natural environment. Thus, CSR ceases to be something from outside doors (as a mere attempt to improve the business brand, or diligent and transparent regulatory compliance), becoming something from inside (thought by and for employees, together with their families: a culture to feel part of and celebrate).

Temporarily speaking, CSR 1.0 dominated until the 2000s (although it survives in those incipient organizations - regardless of their seniority, as it is a matter of aptitude and attitude towards the economy of happiness and talent); Since the 2000s, thanks to international organizations and transnational forums, CSR 2.0 has been promoted. For its part, CSR 3.0 is the result of the creative destruction of the 2008 crisis of values, as the companies that survived and improved were due to their orientation towards talented employees and their involvement in the new corporate culture, based on a mission, vision and values with which to identify and give the better of each one.

As required by CSR 3.0 in its succinctness, just consider the following example, which already links to SBDC. In the Basque Country (in Spain), on March 5, 2019, Fagor Industrial (household appliances manufacturer) signed an agreement with Orbea (bicycle company), by which a bonus of 200 euros was offered to workers for the acquisition of sports equipment and went to work without a car. In this way, Fagor achieved the following positive results from CSR 3.0: a) it looked after the well-being and health of its employees, when they came to work by bicycle; b) it cared for the environment, by reducing emissions with the reduction of cars at work; c) it improved the natural and social environment, since as new parking spaces were not required (even some of the existing ones could be dispensed with), a larger green recreational area was available; d) increased rest space for employees and the venue for business meetings, as well as with the families of employees, etc. And all this at no cost, only increasing profits: there was no need to spend on an extension of the car park, or on future places for holding meetings; the share of health insurance was reduced; It was not even necessary to pay the 200 euros of bonus, as it was part of the discount agreement with Orbea, which thus manages to increase its sales and release stock. So simply, Fagor had created money from RSC 3.0. These practices are very common in insurance companies, which count the steps taken each day through an app on their mobile, which translates into discounts on fees and gifts.

Thus, corrected and increased, more and more companies create their own social currency, being granted for good coexistence practices and production results, being valid for the company cafeteria and surrounding businesses, or for the purchase of reduction of working hours, or any other consideration for flexibility of work (this is not only done by the leading companies of the GAFA model -Google, Amazon, Facebook & Apple- but also those that have gone through a process of conversion, Kodak type, even good part of the companies ranked by GPTW).

The practice of rewarding virtual tokens for environmentally friendly behavior is called “*eco-friendly activities*”. It is recalled that CSR also affects public sector organizations, since more and more municipalities reward their fellow citizens with social currencies for their good practices: for example, Viladecans (a municipality near Barcelona), it was returned to the neighbors part of the energy savings achieved in local currency (Vilawatt) to be spent in local shops (Viladecans, 2020). This has also been done in other places, such as Brussels and its Eco Iris, and other cases that arise later (when dealing with the paradox of social currencies).

Therefore, the resource of digital social currencies is something on the rise (despite its prediction in 1976 by Hayek, Sanz Bas, 2020), present in all types of organizations, which reports benefits not only to direct collaborators (being possible higher and better remuneration, as their purchasing power always increases, without the risk of higher tax pressure or inflation), but, as a matter of CSR 3.0, it also results in the environmental, social, etc. common good.

## DISCUSSION AND CONCLUSION

At the beginning of this paper, the exposition of a sample of business practice was assumed that could serve as a refutation of the proposals by academic mainstream (of welfare state economics-WSE) and the new-luddite activists (contrary to technological advances), who consider that there is an inversely proportional relationship between technology and job well-being. They oppose technological advances because they believe that they violate working conditions, leaving people without work and increasing social inequalities. However, it turns out that the relationship between technological advances (such as digital currencies) and work wellbeing (by increasing remuneration, but from motivation, by undertaking from gamification to achieve it and the commitment to help with CSR) is not proportionally inverse (dismantling the fallacy that the more machinery and programming, the less work available to people), but is exponentially convergent (the more technological advances are produced, the more suitable work is for human beings, since they can dedicate themselves to exploit your personal talent).

The real paradox (if not directly a discursive contradiction in the form of ideological cognitive dissonance), occurs with the double standard: local social currencies are beneficial if promoted by the public sector (as they are a small complement to national money), however, they become suspicious (of lack of transparency-with accusations of money laundering, including pyramid scam, see below BCE) if they appear in electronic format and, even more, if they are the result of private initiative., the collaborative intelligence shared in international forums such as the Global Compact-UN or Wellbeing Economics Alliance-WEF, prove the opposite: unlike the state welfare economy, which is based on the redistribution of scarcity, on the other hand, the digital economy is based on the constant and diverse generation of abundance, thanks to creativity, talent and entrepreneurship (a question developed in other publications).

It turns out that regarding the use of alternative local currencies or social currencies (Cortés, 2008; Corrons, 2017), if it is carried out by local entities of the public sector (such as the case of Bristol Pound in Bristol, SoNantes in Nantes or the most recent , of 2018, Citizen Economic Resource-REC in Barcelona), is considered an example of a social and solidarity economy even, money with values (Corrons, 2017), despite the fact that companies are conditioned to participate for their operation; However, the appreciation varies (becoming speculative) if it is an initiative of the companies themselves (in Spain, since the Rumasa case in 1983, companies were prevented from having their own banks, something that facilitated their own financing) . Faced with such prejudice, one of the most successful antecedents to date should be mentioned, as is the case of Wir (short for Wirtschaftsring, which means economic circle), the currency of the Wir Cooperative Bank in Switzerland (since 1934, under the postulates of the economist Gesell on free money). This system has helped finance almost 100,000 Swiss SMEs (reaching an accumulated value of operations close to 1.5 trillion euros), proving very useful especially in periods of crisis (when there has been a lack of liquidity, such as the crisis in 2008). Going back to the so called social currencies, already in the 2000s, cases

such as the French Sol-Violette or the German Chiemgauer (each one existing in multiple municipalities, with more than half a thousand of participating companies and with operations worth several million euros per year). In Spain, after the financial crisis of 2008, there have been cases of social currencies now only electronic (via mobile app), such as Real de Vila Real in the Valencian Community; However, reluctance increases due to transferring social currencies to electronic support and their employability in the digital economy (as happened with the Mexican Túmin, created by professors Castro and López from the Intercultural Veracruzana University, who were charged with violation of the peso and the impulse of illegal currency).

In short, as leading companies in digital transformation and in the implementation of the talent and happiness economy model (such as those ranked by GPTW) have been proving, the resource of digital socio-business currencies has the benefit of CSR 3.0 practices (helping companies, collaborators, communities and the environment), but it has many more possibilities, which will soon be discovered after the great lockdown and work stoppage by Covid19 and its associated economic depression (as already seen after the 2008 stock crisis, with Bitcoin and the subsequent boom in digital currencies, given the lack of liquidity and financing, the loss of purchasing power and incentives, etc.).

Finally, keep in mind that in the last half century alone, there have been almost 150 bank crashes, more than 200 monetary, and 75 sovereign debt crises. This means that a world average of a failure of the traditional monetary system (of national currency) is fulfilled every month and a half (shortening the terms in this period of depression just started). If too this is added the aggravation of the debt crisis at the beginning of the 2019 recession and the post-Covid depression, it is obvious that the use of alternative instruments that favor the financing of companies is indispensable (introducing new fluidity), the remuneration of collaborators (including, if necessary, their hiring via alternative billing), etc. At bottom line, digital socio-business currencies balance seems quite positive, taking into account that it is something incipient and whose possibilities will start to emerge in the cycle of economic depression that is opening after the Covid19 crisis (as will already happened with blockchain and Bitcoin after the 2008 stock crisis).

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