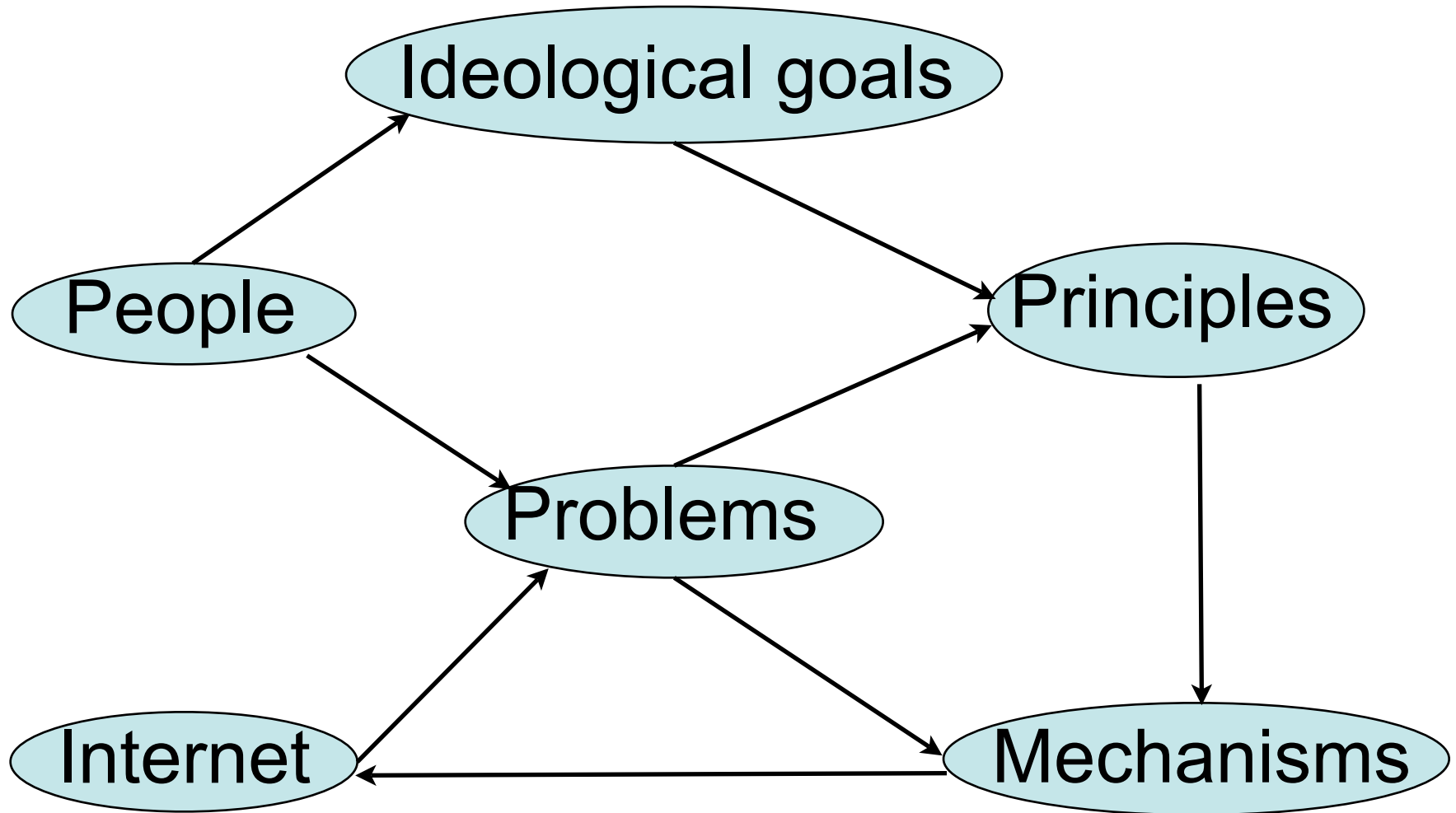


Trust in Internet issues & incentives

Mikko Särelä, Nomadiclab

Socio-economics & technical solutions



Trust as mental optimization

- Social dynamics described by game theory
- Nash equilibrium generally difficult to calculate (PPAD complete)
- Mental optimization to reduce “load on brainware”

Limited capacity

- Current societies much larger than hunter gatherer societies
- Dunbar's number
 - Average person can remember ~1500 persons
 - Reason about 150
 - Concentric circles
- Context specificity

Architectural consequences

- Understanding how information facilitates decision making
- Needed new mechanisms
 - Reputation and compensation
 - Means for altruistic punishment
 - Automated contractual mechanisms
- Creating sustainable communities and efficient markets

Questions?

Principles

- Prefer code
- Balance privacy and attribution
- Externalities and market shaping
- Explicit representation of trust and reputation
- Intention neutrality
- Multi-dimensional compensation

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