



THE SEED

CREATING SPACE FOR ECONOMIC DISOBEDIENCE

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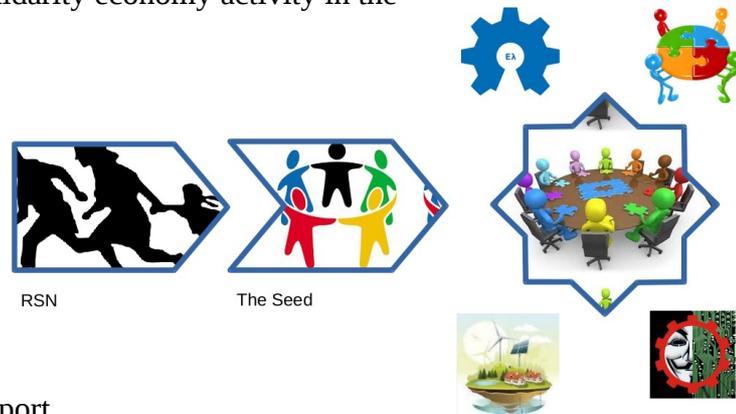
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1. DIGEST

This document describes the design of The Seed, an „grassroots-industrialist” cooperative, designated to create new model of solidarity economy activity in the world of capitalism and state.

From outside The Seed will be a Social European Cooperative Society¹, international non-profit entity, operating under the EU law and capable both to run commercial activity and accept/distribute donations,

stipends, grants and other kind of support.



From inside The Seed will be an incubator and shared service infrastructure for all groups and individuals, actively supporting ideas and praxis of solidarity economy, self-governance and liberatory technology.

The Seed will be generally following values of „integral revolution²”, creating safe space of economic disobedience within capitalist environment. It will not separate from the rest of economy. Rather, like a firewall or a bulletproof umbrella, will allow those inside build their activity, being shielded from external threat.

The Seed will be internally governed by its members. All proposals presented in this document will be thoroughly discussed within the funding group and put together as the draft document package. The founding assembly will review the package and decides the final content of the governance documents. From that moment on, all power will stay in hands of the members fo The Seed.

As a non-profit business entity **The Seed will run long-term activity, hire paid crew and (hopefully) generate stable financial surplus.** The surplus will be distributed according to the rules and decisions of cooperative members, within the confines of social and political solidarity.

The Seed can also be seen as a form between hardly formalised Refugee Support Network³ and future The Octagon⁴ – the social economy investment fund.

This document describes current ideas about variuos aspects of The Seeds and should be the beginning of the founding group discussion.

1 The best example found so far: <http://www.escoop.eu/>

2 As outlined in <http://cooperativas.gr/what-is/> and related pages.

3 <https://refugeesupport.net>

4 <https://freelab.libtech.website/2015/10/12/the-octagon/>

2. DESCRIPTION

2.1. GOALS

Economic goal of the Seed is to „occupy industry” – to expand the area of solidarity economy beyond currently available essential goods distribution, simple services and artisan production. Global economy is highly likely to collapse, either directly – through the failure of long-distance logistics – or indirectly, due to growing prices of transport. In such case, whole populations will face serious deprivation or a hike of living costs. Combination of short-living products⁵ and the majority of world production moved to the Far East means that the possible breakdown will hit mostly the least wealthy members of the society. Some countries are especially vulnerable, due to their „globalised” economy⁶. There is a pressing need to rebuild local industry – especially manufacturing sector⁷ – in the spirit of solidarity economy, focused on the needs of communities rather than accumulation of profits.

Financial goal for the Seed is to create sustainable and resilient funding stream for various social and political projects, not willing or able to receive support from other sources. The financial surplus will be distributed according to the decision of the cooperative members, as long as they follow principles of solidarity and cooperative movement.

Social and political goal is to develop and promote new model of integrated environment, joining social activity, (self)employment and political involvement within friendly social relationships. Instead of alienation, this approach should let people be happy and integral, giving the space to grow.

2.2. PARTICIPANTS

The Seed is a transitional and experimental entity, where the main goal is to create new patterns of social⁸ life. That is why it should be a meeting place for various groups, based on affinity rather than ideological purity. Individual and collective members of the cooperative will provide various perspectives and – when it becomes operational – will help to spread the word. Let us start discussion in a broad group, to identify main ideas and to learn who wants to stay in the project until the founding gathering.

Being a member of founding group is a no-strings-attached involvement. No one of the initial group

5 https://en.wikipedia.org/wiki/Planned_obsolescence

6 Greek situation, also in context of the migration flow, see <https://freelab.libtech.website/2015/10/30/greeks-refugees-resurrection/>

7 And whole underlying technological infrastructure. See <https://freelab.libtech.website/2015/10/28/liberatory-technology/>

8 Including economic and political activity.

will be obliged to become member of The Seed (neither the early participation brings any privileges).

3. ROAD MAP

The first stage begins when this document is made public and – hopefully – ends with the start of founding gathering. Let us try to outline main steps.

3.1. CONCEPTUAL DISCUSSION, HONING THE IDEA

We start almost from scratch – from this document published online and a dedicated discussion group. This is an adventure – let us see where it goes. The more of us takes part, the merrier. We need to verify assumptions made here and – if reasserted – put them into a more structural and practical way. For broader discussion, a Facebook group will be established. The working group will be hosted at <https://libtech.website/groups/the-seed-workgroup/>

3.2. FINDING THE ADVOCATES/AMBASSADORS IN VARIOUS CIRCLES

If the previous step goes well, we will not only have the ideas vetted, but also several (6-12) members of the seed team – dedicated to carry the process, until the coop is launched. We also need to reach out throughout various social spaces we operate in, to present the concept to the people outside the group. Their perspectives may be really valuable.

3.3. SELECTING F(O)UNDING STAKEHOLDERS

By the law we need no less than five natural persons, from no less than two EU member countries. Broader group of members – up to 12 people – may include citizens of non-european countries as well. Their rights and obligations are equal with the others' – they just have no impact on the cooperative „EU” status.

Hopefully, we shall see this group naturally emerging during the process.

The minimal capital requested by law is 30 000 Euro, 25% of which has to be paid at the beginning, while 75% – within next 5 years. This is another challenge the initial team has to face.

3.4. WEAVING THE NETWORK

Apart from the founders, we need to start creating a network of allies. Groups and individuals who would be first „customers” and associates of the coop. Every freedom-oriented project, in Greece and beyond, sharing similar values and principles, will be welcome.

The long-term goal in this area is to identify groups that could use The Seed as a model. One of the chief principles is that we should avoid „scaling up” – a favourite capitalist buzzword – and try to

find groups ready to replicate the social cooperative model within their areas. The preferred structure should be a network (confederation) of small to mid size coops, working together but staying independent.

3.5. DRAWING THE SEED CHARTER AND OTHER REGULATIONS

While there are certain legal requirements for the official charter of the coop⁹, internally cooperatives have quite a lot of space to create their own governance. So, actually the challenge will be to formulate two, not contradictory, but different in intentions, governing documents – internal and external. We will need a good legal consultant for that.

There will be more documents to prepare: financial management principles, business and social contribution principles as well as information texts. It seems to be the most tedious part of the project.

4. APPENDICES – CONTEXT MATERIAL

4.1. APPENDIX 1. SOLIDARITY ECONOMY (SE)

A **solidarity economy** is an economy based on efforts that seek to increase the quality of life of a region or community through not-for-profit endeavors¹⁰.

We are talking about certain approach to economy¹¹, which has some distinct features, including:

- It is focused on fulfilling local and regional needs, as defined by all participants in the process.
- It uses business strategies and tools while interacting with the external world, but it applies community-style governance methods internally.
- It avoids capitalist tools and priorities, replacing them with socially driven ones in the area of allocation of resources and redistribution of surplus value.

Solidarity economy is naturally focused on local communities and cooperatives as main entities. On networking and replication instead of scaling up. On natural and direct social control instead of institutional structures. And finally, it takes into account „profit/loss” factors beyond any possible financial measurement.

The needs the solidarity economy aims to fulfill can be categorised as follows¹²:

Material needs	Psycho-social needs
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⁹ <http://www.escoop.eu/documents/viewcategory/4-statute-and-regulations>

¹⁰ https://en.wikipedia.org/wiki/Solidarity_economy

¹¹ http://en.solecopedia.org/index.php?title=Solidarity_economy#Definitions

¹² Please note that „being rich” is not recognized as an essential personal need here.

Food and water – clean, abundant, healthy.	Participation in social life, according to local standards.
Shelter – locally acceptable level of housing standard.	Education – means and infrastructure to increase knowledge among members of the community.
Safety – resources and ways to keep community members alive, healthy and secure from any danger.	Empowerment – making members of community keen and able to control their own lives and to shape actively the life of the community.
Energy – Energy independence is necessary to keep the infrastructure and people alive.	Cooperation – providing safe space and infrastructure for community members to work together within community and with external entities as well.

Solidarity economy tends to fulfil all needs through community actions rather than via individual efforts.

4.2. APPENDIX 2. THE SEED AND ITS ACTIVITIES IN DETAILS

Under the chief principles of self-governance, power dissemination and subsidiarity, The Seed will be organized approximately as follows¹³:

A) LEGAL FORM AND STRUCTURE

Existing at the crossroads of solidarity economy and EU/State imposed legal system, The Seed has to choose the legal framework wisely. Fortunately, there is cooperative entity defined in the EU law as „The European Cooperative Society (SCE)¹⁴”. It features a lot of cooperative principles and can be shaped easily into a social cooperative¹⁵, close to the paradigm of solidarity economy.

B) STAKEHOLDERS

As an experimental entity, The Seed may accept various members. The rule of thumb is that they only should accept core values and principles. If some groups of interest emerge and we experience growing tensions, the best practice of cooperative movement recommends friendly split and further cooperation, rather than any kind of power play. Having that as a golden rule gives us plenty of space to experiment with stakeholder population.

However, in terms on numbers, the group of members should be limited. We do not plan to create complex, multilevel structure. Ideally, 10-25 people make a group big enough to provide various

¹³ Please keep in mind that, while we strive for completeness here, this is the beginning of conceptual and design process, not the end.

¹⁴ http://ec.europa.eu/growth/smes/promoting-entrepreneurship/we-work-for/social-economy/cooperatives/european-cooperative-society/index_en.htm

¹⁵ Example: <http://www.escoop.eu/>

perspectives while still able to operate as an informal team. Above this number, factions will imminently occur, causing the need for formalisation. This is not what we want.

C) SAFE ZONE

From the beginning, The Seed will serve as a meeting place for SE entities and their counterparts from the outside world. In the spirit of cohabitation, solidarity economy has to develop a set of practices (sort of a protocol¹⁶) to interact with the state and capitalist realm, without getting damaged. The Seed will be one of places where necessary discussions and attempts will take place in a safe and friendly environment.

D) GOVERNANCE

As a cooperative, The Seed will be run in compliance with the Rochdale Principles. As a not-for-profit entity, it will accumulate all surplus cash and reuse it for the benefit of members.

The governance system will be based on direct decisions of the assembly of members. All elected or designated positions will be purely technical and short-termed. Every member of the cooperative will always have the right to be heard by the assembly.

Major challenge is to provide safeguarding solutions against hijacking the entity by any group of actors and changing its behaviour towards their particular goals.

One of the key problems is also how to regulate position of The Seed in respect of running its own business projects. They are needed to provide fund to keep The Seed running, but at the same time they should not set up a competition between The Seed and members. This question has to be thoroughly discussed and mindfully solved.

One systemic „safety breaker” will be a mechanism of mandatory internal audit of all regulations and decisions. While voting any regulation, the assembly will be obliged to set up a periodic (or irregular) time for reviewing it. The goal is to provide a way to adapt all regulations, including the charter articles, to the changing environment.

The Seed will also hire employees. Their situation in respect of the governance system will have to be discussed and decided by the founding members.

4.3. PRINCIPLES

Three principles that overcome every other ones are: self-governance, dispersion of power, subsidiarity.

We are also going to adopt (and adapt in a creative way) certain sets of principles from relevant areas of social life.

16 First time I elaborated the idea of sociopolitical protocol in 2012, in my article <https://freelab.libtech.website/2012/12/06/the-protocol/>

A) ROCHDALE PRINCIPLES¹⁷

This set of principles, which is globally accepted as a core of cooperative identity, contains seven major norms. Here is the list of them, with the comments adjusted slightly to our current context.

- a) **Voluntary and open membership.** Everyone may become a member of the cooperative, after meeting the conditions officially established in the cooperative charter. Conditions cannot be discriminative, in the sense that they cannot base on the occurrences the person has no control over. They also cannot refer to political, religious and other views of a person. This also means that there is a strong "No Logo" principle, barring political colors to be raised over the cooperative ones.
- b) **Democratic member control.** The fundamental democratic rule of cooperatives is "one member, one vote". No amount of money brought into the coop, no function performed in its operations makes anybody more influential in the voting procedure. The cooperative members are free to choose how they define details of the democratic system of the cooperative. The unchangeable part is that the final authority in the cooperative is general assembly and every decision can be discussed there. There is also no permanent delegation of power to any person or group within te cooperative.
- c) **Member economic participation.** Members of the cooperative are obliged to contribute, at least by buing shares in the cooperative fund. The shares should be low, to keep the cooperative acessible for everyone. There are various solutions regarding the number of shares one member may buy and there may be some (except for voting) privileges attached to them. Members -- by way of the decision of the cooperative assembly -- may also be obliged to contribute in other ways, depending of the situation.
- d) **Autonomy and independence.** Unless forced by the state law, the cooperative accepts no external authority, other than imposed by the assembly of members. If there is any attempt to force the cooperative into any unwanted action or decision, it should use all legal and non-violent means to oppose.
- e) **Education, training, and information.** The obligation of the cooperative is to inform, inspire and integrate its members and the surrounding community, to raise awareness and competence in the area of solidarity and cooperation.
- f) **Cooperation among cooperatives.** By definition, cooperatives support each other. Existing cooperatives support new ones, whether independently created of splintered from the existing ones. In case of serious differences within an existing cooperative, the solution of choice is to split peacefully and to start cooperating as two independent entities. Also, all new projects performed by the cooperative should be available as blueprints for other cooperatives.

¹⁷ https://en.wikipedia.org/wiki/Rochdale_Principles

- g) **Concern for community.** The cooperative is not supposed to be alienated from the community. In all circumstances, the long-term benefits of the local community has to be preserved. Also, the financial surplus should be -- at least in part -- used directly for the community, by way of grants, stipends and other support for noncommercial projects.

B) OPEN LICENSING PRINCIPLES

Open licensing is an umbrella term covering the way regulating terms the use of technological (broadly speaking) solutions, generated within the ecosystem of solidarity economy. For the beginning, we suggest to use the Creative Commons standard, namely [CC Attribution-ShareAlike \(CC-BY-SA\)](https://creativecommons.org/licenses/by-sa/4.0/)

This license lets others remix, tweak, and build upon your work even for commercial purposes, as long as they credit you and license their new creations under the identical terms. All new works based on yours will carry the same license, so any derivatives will also allow commercial use.

This licence allows everyone to use the licenced work within its scope without any additional arrangements, let alone payment. However, it does NOT prohibit any other use, only makes it necessary to agree on it individually.

The 'virality' of CC-BY-SA licence promotes open licensing and protects the works of solidarity economy realm from being appropriated and enclosed. The weakness of that solution is that still it relies on the state power to protect and – if necessary – enforce the regulation.

An additional regulation should also be an unconditional obligation to publish all documentation of developed solutions, to allow adopters follow the lead.

C) THE PROTOCOL OF SOLIDARITY ECONOMY.

The Seed is going to be one of many nodes of a solidarity economy network. In the process of forming it, there will be a need to establish minimal standards of behaviour and communication, making a member compatible with the network. The chief principle will be minimalism – solidarity economy is not about creating uniform entities. It is about letting various entities cooperate on the basis of a „communications protocol” for the common good.