



Richard Green <richardalexandergreen@gmail.com>

[luf-team] Re: Self Introduction

1 message

keithd21 <keithd21@yahoo.com>

Sun, Mar 31, 2013 at 3:11 AM

Reply-To: luf-team@yahoogroups.com

To: luf-team@yahoogroups.com

Thanks Eric.

I think this is going to provide some additional insights into your work after I have a chance to re-read. It's 2:11 AM here so I'm calling it a night. Tomorrow is Easter Sunday so it will probably be Monday before I come back with any follow up questions to further develop things I still have a weak understanding of.

-keith-

--- In luf-team@yahoogroups.com, Eric Hunting <erichunting@...> wrote:

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> If I come across as condescending then I must apologize. That's not my intent. But we are powering through some big concepts here and, yes, the pace of the tour through the Wonka factory is a fast paced one when you can't go into the depth some of these topics need. You, and others reading this, really should be looking to the literature from the Center for Economic and Social Justice (<http://www.cesj.org/>) for better explanations of Kelso's concepts than I can provide. (in fact, that may be getting more 'conventionally' important soon as Allan Greenspan just proposed this week the equivalent of a CSOP—consumer stock ownership program—for reigning in the US banking industry)

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> But let's wade in on your latest questions. What do I mean when I say; "The ultimate goal of community development in TMP is the recovery of human productivity now lost to other people's profit through conventional economics"? Why is it better to attempt this recovery than trying to become a top beneficiary of that conventional economic system in order to achieve our goals? Well, let me answer that second question first because it puts the first question into perspective.

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> To put it simply, there's no long-term profit in space and there will never be enough Elon Musks and Jeff Bezos in the world to make up for that. New Space is a collection of penny-ante operations compared to national space agencies, but those national space agencies are themselves penny-ante operations compared to the likes of CocaCola. Commercial space development is not some new idea. But, for the past 50 years the only business models ever found to make sense were being a service provider to the telecom industry or being a service provider to the military and national space agencies—who do not justify what they do in space economically but as strategic, geopolitical, and cultural objectives. Commercial space has not been suppressed by the Big Bad Government wanting to keep all the rockets to itself. It simply couldn't figure out how to make money as a conventional industry and so never drew the mass speculation needed to progress. The current activity of New Space entrepreneurs is not driven by any concrete ROI. It's driven by the personal interests of a very tiny community of unusually rich eccentrics. New Space does not reflect in any way the interests of Capital. It's key personalities don't even remotely represent, culturally and intellectually, their own social class. It's a small club of wealthy enthusiasts. There is a fair amount of near-term economic potential in space yet to be explored, enabled by new emerging technologies, but ultimately long-term space development cannot be justified by ROI on Earth. It has to be driven by cultural objectives and the possible ROI realized out there, in communities built out there. It takes a civilization to build a new branch of civilization and so to realize long-term objectives in space we need a very large _society_ free to pursue it, to be frank, like a hobby. Capital has bowed-out. It bowed-out decades ago. Government is in the process of bowing-out. All national space agencies are, essentially, on the rocks. They're all being wittled-away by political culture that sees them as Cold War relics. It's left to the enthusiasts and, as I said, there will never be enough of these rich ones to matter. As rich as they are, they don't really represent the 'serious money' in our economic system. I'm not suggesting that what they do is not worthwhile. What I'm saying is that there will never be enough of them—our system can't produce enough of them. So we

need another way to cultivate and empower a society of enthusiasts.

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> Which brings us to the first question. To understand what I mean by that statement one has to first understand what productivity is. To understand what productivity is one must understand what money is. Basically, productivity is the yield of work relative to time. But that's context-specific. There's worker productivity in the context of a factory, which works out in terms like production units over time, and their's personal or 'lifestyle' productivity which is yield measured in terms of standard of living and quality of life benefits relative to time spent in work.

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> The old adage 'time is money' it literally true. Money isn't like gold coins anymore. It no longer represents any sort of physical commodity. Money is a measure of time--or more specifically time spent working by someone somewhere in the future. Thus money is debt--an IOU. I didn't want to get into the complications of this before, but it looks like I have to for sake of this discussion, so let's consider where money comes from. In the Capitalist system money is 'synthesized' through the system of Fractional Reserve Banking. How does that work? I assume that, given your education, Keith, you already understand the mechanics of this and how money supply works. You're probably the only other person in this forum who does so I need to explain this a bit more. There are a lot of videos on YouTube that go into this but, to be frank, they're mostly propaganda pieces from Libertarians, precious metals commodities dealers, and people who ascribe to The Cult Of The Gold Standard and who want to portray this as a grand conspiracy. (and go on about the Rothschilds and such...) I particularly like the explanation in the cartoon The American Dream (<https://www.youtube.com/watch?v=ZPWH5TibloU>) as it's the most fun, but, yeah, this is most certainly a propaganda film so take it with a grain of salt. But let's try to explain this as simply as we can.

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> The term 'fractional reserve' comes from the idea that banks are allowed to lend out more money than they hold in deposits as long as they maintain a certain amount in 'reserve' as a 'fraction' of those deposits. The size of that fraction is based on the assumption that depositors will not, routinely, ask for more money back than that on a day-to-day basis. So this creates a 'multiplying chain'. Every time a bank accepts a deposit it puts the reserve fraction aside to secure those deposits then it loans out the rest. When that loaned money is spent on stuff it is put back into that same or another bank as someone else's deposit. The bank reserves a fraction of that. Loans it back out again to someone else. They spend it. It goes back in as someone else deposit, and on and on. So there's basically two kinds of money, real cash and virtual money that exists as deposits on record secured by debts. In our leading nations the top of this chain is a 'central bank'. In the US it's the Federal Reserve Bank--whose name is pretty much telling you what it does quite plainly as long as you understand it's NOT a government institution. It's still a private bank with some special privileges. And the two key ones are that it is given the right to invent money on-demand (and undemocratically, I might add) and print currency. When the long chain of the banking system needs a greater money supply the central bank just makes-up a big chunk of it on paper (well, data...) and uses it to buy bonds from the US government. The government then deposits this money into the central bank which now takes it--minus the necessary fraction in reserve--and loans it out to other banks and down the long chain of multiplication is goes. These are all electronic transactions. There is around ten times as much 'virtual' money on record in the US as there is actually printed into cash.

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> So where does the ultimate value of this money come from? We assume there's something concrete to this. That's how we imagine 'value' must be. At some point it must get down to something physical you can touch and pick-up, right? Is it really just made-up? Well, yes, it is. But it's made up as something specific--a bond debt and a collection of other systemic debts inducing economic inflation that all add up to one thing; future time people spend working. So all money is debt that ultimately has to be paid for in time from people's lives. This is the intrinsic cost of money. I like to call myself an economic atheist because I will casually tell you there is NO wealth. There is ONLY credit. And credit is an ad-hoc social convention. I'm not saying that's right or wrong. It is what it is. A system intended to collectivize a portion of the productivity of a society so it can be spent to initiate industry and drive markets. It's doing the exact same thing as Collectivization does under Communism, it's just doing it a different, less transparent, way, yet frankly no more democratically. You can run this game sustainably or unsustainably. You can empower a society with it, or exploit it. It doesn't matter to what it is. Because, as a society, we are generally as economically illiterate as we are industrially illiterate, we have long tended to be exploited by this system because, fundamentally, all profit in a free market is based on a divergence in the perception of value between parties in an economic exchange. If you don't know how the game works you can never win.

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> So all money has this intrinsic debt--an intrinsic cost of money--that gets multiplied as it cycles through the economic system and as everyone who serves as a gatekeeper of its flow in one way or another--whether its a bank earning interest and essentially making-up capital through the fractional reserve chain or a business person seeking the best profit margin on goods or a better yield on productivity from his workers--seeks to take a cut in

profit on that flow as it passes by them. This is why no one is ever paid what their work is worth and no one ever gets their money's worth in anything they buy. Work it out and it adds up to a margin on personal productivity based on how much time you have to spend working for money to buy things you need or desire. And, no, this productivity isn't lost in the system. It's just lost to us, as individuals, to use as we choose for our benefit. The system is rigged in such a way that this fans-into increasingly concentrated wealth turning into increasingly concentrated capital, turning into increasingly concentrated ownership of industry, resources, property in the hands of people who we've, basically, ceded the right to invent money to.

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> So this is what both Savage and I mean with the suggestion that there is this huge margin on our productivity that could be recovered for us to use for our own benefit if we could short-circuit the flow and use more of our own labor and production capability we own as a community to more directly to meet our own needs.

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> Which brings up the Post-Industrial concept of 'unplugging'. That's the way an individual or community goes about replacing dependency on the market and capital systems with infrastructures of their own to short-circuit the chain of profit-taking and recover their productivity. The essential goal of everyone in the Industrial Age has been to 'get off at the top'; to accumulate enough wealth that, when invested competently, it becomes self-perpetuating at a pace of growth sufficient to meet their lifestyle needs. Thus one can abandon working for a salary and take back our time for ourselves. But that's always been tough to do because it's always fighting against inflation and rising costs of living. You really have to shoot for a kind of economic 'escape velocity' to do this, which tends to take a lot of luck (particularly luck at birth) or some exceptional talent. Barring that, it's a glass ceiling and really always has been. The best most people in our culture ever manage is to squirrel away enough wealth to ride out the rest of their lives when they finally reach the end of their economically productive years. As I put it, working for the cabin on a lake for the last couple of decades of life. Since 2007 even that has become untenable. The middle-class deal has been broken. If the rising next generation doesn't start systematically kicking asses and pillorying the powerful they will—if they're lucky—work till they drop and die in poverty.

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> But what if there was another way to get off the treadmill? A way to 'get off in the middle' or even at the bottom? This is the question Post-Industrial futurists have been exploring for a long time in anticipation of situations they see as imminently facilitating and compelling this. This has generally been seen in the context of leveraging the power of the planned community and/or the power of the new industrial technology to work around the market system to meet people's daily needs by other, alternative, means. A good example is the short story by Hexayurt inventor Vinay Gupta called The Unplugged from which I've borrowed the term. This story, essentially, sums up the Maker Ethos. In this story, set a little ways into the future, a community of middle-class technical professionals approaching middle age conclude that they have the technology at-hand to meet most of their basic daily needs through independent, even at-home, production, working far less hours per day to maintain a modestly comfortable living. They can't do everything independently, of course, but enough to where they can trade dependence on salary income for more modest less continuous self-employment income and leverage their capability across small communities of like-minded folk. By recovering so much free time in this way they can invest that in the development and improvement of these compact subsistence and production systems, cultivating ever-greater self-sufficiency with an ever-greater standard-of-living with a progressively shrinking 'buy in'.

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> So they work together to develop a kind of turn-key package for comfortable subsistence; a prefab off-grid 'pod' house with deployable micro-farming and micro-industry systems that can be shipped anywhere in the world. Contracting their production in Kazakhstan, they seek to price them such that they are affordable to other people like them; middle-class middle-aged people who have built-up some wealth but not yet enough to retire in the conventional manner and who are intrigued by this lifestyle and the technology. They then setup some small village communities in locations with cheap land they can buy in small groups and get down to the work of cultivating their technology. Ultimately, it results in a global movement as the middle-class of the developed world progressively drop out of the market economy and carry-on happily without it.

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> People are actually pursuing this concept right now. This is the objective of the Factor-E Farm created by Open Source Ecology, only they want to push the initial accessibility of the subsistence package far lower down so that people can 'get off at the bottom'. That's a much tougher prospect without sacrifices in standard of living most people in the western world won't accept, but it's a big improvement for those in the developing world context.

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> The low-tech variation of this concept comes from anonymous Swiss activist author P.M. and his short book Bolo'Bolo. P.M. sees this transition keyed not to new industrial technology but the slow trend of growing worker demand for leisure time with a declining compulsion for consumer goods and the growing interest in planned

communities based on co-housing. A fundamental cultural shift in middle-class values. The one stumbling block P.M. realizes is the American middle-class which continues to hold back the world by their continued compulsion to trade more and more of their time for marginal increases in cash to buy evermore consumer crap. This is a phenomenon once very puzzling to P.M. as it seemed to be in defiance of trends everywhere else in the world. The US is the only nation where leisure time is shrinking. This probably relates to the fact that Americans came late to the realization of the 'glass ceiling' because they had the benefit of powerful phases of post-war industrial growth, middle-class expansion, and high-tech entrepreneurship. We also make celebrities out of CEOs and venerate their obvious psychopathy. As long as people keep thinking they're one new mousetrap away from Bill Gates they will play the game by its rules rather than seeking to re-write those rules. Another key factor in the US; cheap cars and gas leading to physically more dispersed communities and higher levels of anonymity.

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> P.M. observed that as people take back more of their personal time they spend it increasingly on things other than simple leisure. They study. Go to back college. Take up hobbies and crafts. Create home gardens. Get into activism. Start rediscovering their own communities. They cultivate political involvement, new community organizations, expansions of social services, and greater means of independent, albeit relatively low-tech, production (this vision was created before the Maker movement took hold) that, little by little, shaves off their cost of living and hence shaves off their need for cash, which in turn encourages them to seek even more free time from work. This slowly increases the cost of labor (and the compulsion for automation) as companies need to provide increasing incentives to keep people at their jobs. This is what has compelled trends in outsourcing, but wherever companies send their jobs they create new middle-classes and the trend to take back time and drive labor value up re-emerges. (which may explain why we are seeing these blatantly engineered economic crisis. Economic austerity is ultimately about stripping away social services that ease cost of living and thereby driving labor costs down. Europe may be trying to turn Greece into the new India—but it's a very dangerous game, germinating the seeds of the Next Reich)

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> P.M. envisioned a point where, with the cultural re-emergence of community, people would start realizing that, by focusing on the resource and production potential within their local communities, they could meet their needs well enough to start dropping the salary altogether. People would start working directly on production for themselves and their neighbors, seeking to leverage and balance their collective productivity such that they can meet their needs with what he considered a 'casual' amount of freely-volunteered work, once you took into account the recovered productivity margin. This might mean living a little more simply, owning less stuff, giving up certain things that are dependent upon very large scale industry to produce—like many high-tech products, synthetic materials, exotic foods from distant places—and changing the way things in our environment are designed to maximize their utility and usable lifespan. Use of national currencies would be replaced by network-mediated barter systems and communities might produce local scrips but they would be barter scrips. (there is a growing trend in Europe today for cities and towns to invent their own scrips)

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> This concept of casual free labor in a community context relates to something I've dubbed Open Reciprocal Production. The idea is that people with independent production capability would organize networks to flesh out the spectrum of a society's industrial needs and each freely contribute their production—as much as they feel comfortable with—to the network on the assumption it is reciprocated, allowing them to ask for whatever they need in terms of goods within reason. Thus one creates an intrinsic demand driven asynchronous economy where profit is measured in social credit—in the reputation one earns through contributing to the network and the quality of product and design. A network of production that works like a public internet built on the volunteer efforts of people with a passion for the craft/technology. This assumes much transparency and that production is well leveraged by automation and potentially redundant across the network.

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> Ultimately, P.M. envisioned, the trend of dropping out of the cash economy in favor of participating in community production would eventually drive labor costs to the point where corporations become untenable and ultimately bring about the end of the Westfalian nation-state as we have known them because Industrial Age governments cannot function without a means to collectivize the productivity of a society in a generic, freely fungible, form. You can't conscript labor to make tanks and fighter jets. Thus he imagined a future where society became predominately organized as micro-states based on these industrially independent communities—what he called Bolos—in networks of exchange, support, and shared infrastructure maintenance established by mutual contract.

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> There are certainly a lot of bugs with P.M.'s vision from our contemporary perspective, but one must take into account that he is writing about a future culture that has adopted very different values that would have to be cultivated over some time. So this doesn't happen overnight. Americans tend to favor technology solutions over social solutions, basically because in our very Objectivist culture we tend to see everyone other than us as potential enemies, totally self-interested, unscrupulous, mentally ill or retarded, or animalistic and thus

impossible to reason with outside a context of profit motive and hard structured exchange. We also venerate individuality and the myths of frontier life to ridiculous extremes. So we tend to think any change must come from 'pulling a John Galt' and dropping out of civilization or instigating a violent revolution. And yet, miraculously, we somehow have managed so far to not revert into barbarism because, contrary to what contemporary economics seems to imply, we're not just a bunch of animals being whipped into line by The Invisible Hand and ultimately the order of economics and everything else derives from social contracts and conventions we establish our rights by.

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> I think the reason it is so difficult for people to even entertain the possibility of alternative systems of economics is that we are conditioned to think of the way things are as being based on some system of natural or divine laws--our system of property rights today derives from the divine right of the nobility. That crap is still part of the architecture of western law. Economists tend to think economics is a 'hard science', but it isn't. None of it exists in nature, no matter how much of the language of evolutionary biology it borrows. Bears won't read your no trespassing signs. Birds don't care whose car they perch over. An attacking shark can't be bought-off. There are no inalienable rights. They are all social conventions. We make money up. We make the rules for it up. We can always make up new rules--and we do. We've done this repeatedly. These conventions evolve with our culture. We did this when we went from family groups to regional tribal systems. We did it again when we adopted agrarianism--went through multiple variations of that over 10,000 years. We did it again when we adopted industrialization. We're in the middle of doing it again right now--even if most people aren't paying any attention. We don't pay a lot of attention when language changes either.

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> But I'm digressing. Getting back to your questions, what about freeloaders in a system with basic income? I think you are confusing the concept of basic income with the concept of Collectivization. They have no relation. Basic income is not about people pooling their labor and parceling out the product on an equal basis. It's about two things; defining a minimum standard of living the society decides it is unethical to allow any human being to fall below and about the citizen's equal share in the bounty of a nation's resources on which all industry is based and freedom of choice as to what to do with that. This gets down to the fundamental question of who owns what. Who owns the natural resources of a nation? We generally accept that any property that isn't specifically owned by individuals is owned, collectively, by the citizens of the nation. So if a mining company goes into some undeveloped land and builds a copper mine, aren't we, ethically, all owed a share of the profits from that? All commerce and industry conducted in a country generally depends on transportation and communications infrastructure that was built with public money, paid for by taxes. Isn't everyone who paid into that in taxes ethically owed a share of the profits on that commerce and industry? This is the basis of the concept of basic income. The idea that we are all owed a fair share of the productivity of the nation as a whole because we collectively own the resources on which it is based. It doesn't matter what you do with your basic income. If you want to live very simply and sleep all day, fine. You're still putting that money back into the economy. If you want to work enough to cover your needs and then take that bit and save or invest it, fine. It doesn't matter. It's your fair share on the productivity of the nation that is your right as a legal citizen. I'm sure you know about the Alaska Oil Dividend, Alaska Permanent Fund, and the similar things in oil producing countries of Arabia. That's the same basic idea. You're exporting a state's resources, the people of the state are owed a share on the profits of those exports.

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> Now, there are no 'freeloaders' in the TMP communities I've described. Why? Because--unless you're born there--to become a resident of these communities you have had to buy-in by buying (or maybe, taking out a loan of or inheriting) a certain amount of residential stock shares. So you're done. You've contributed your necessary equity to the community to be deserving of a share of the CIC's productivity. At that point it doesn't matter what you do. As long as you've bought enough shares to generate a dividend large enough to be a functional basic income or enough shares, as determined by the community, to be worthy of residence and the 'integral' basic income from its infrastructure, you've done your bit. If you want to sleep all day, fine.

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> Now this does get more complicated in the context of future independent subsistence production and with concepts like Open Reciprocal Production networks as I mentioned above. Just like a condominium, residence in a TMP community is likely to be conditional in some ways beyond just the purchase of shares and this is going to vary from one place to another. After all, they're trying to recruit people with like values and interests, at least at first. This isn't unusual with condominiums. The ResidenSea--the famous cruise liner condominium--has many requirements for its prospective residents. And, to be honest, there's potential for abuse of that that one must take care to try and avoid. Communities may seek to incentivize residence for people running certain businesses or having certain skills. Having resident health care providers is an important example. Remember the backstory of the old TV show Northern Exposure? This is one aspect of work today that will not be automated soon or have much of any other means to leverage labor with.

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> If a community is trying to flesh-out the spectrum of possible local industrial capability, it may specifically seek out people whose proclivities suit that. You're going to have to submit a resume, so to speak. Multiple people may be sought to share the workloads relative to local demand to the point where the individual workload stays within what people are casually inclined to do. And there may be communal work covering things people don't usually have a proclivity for that residents are expected to contribute to--and for those things everyone has an incentive to invent means to minimize that. Freeloaders could be a problem--but that's not an economic problem. That's a social problem. It's a behavior partly reflective of the environment--like vandalism. Freeloading is a frequent inclination in our very Objectivist culture, empowered by anonymity, lack of community, and rationalized indifference to social responsibility. (and, not surprisingly, so is vandalism. If you don't feel yourself to be a valued part of a society, you're not going to give a damn about its built environment) It's not the norm in societies with low anonymity, where people are generally higher up on Maslow's Pyramid, and where they feel they are socially connected and valued. Given the option, most mentally healthy people aren't inclined to just sleep their life away. They want to do things. There are some architects today who refuse to design structures taller than a few stories because they believe that excessive height from the street level environment induces perceptions of anonymity that lead to social ills. I'm not sure that's a scientifically valid idea, but lowered anonymity is seen as one of the key reasons Japanese society has exhibited lower crime and indigence compared to other nations.

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> The key to a planned community being planned in the first place is that it has established a certain set of lifestyle and behavioral standards as well as deliberately, ideally peer-to-peer, designed architecture. It's quite likely that a community would criticize or socially punish individuals deemed disruptive, exploitative, or non-participating. There may be situations where some people have to be thrown out and terms of shareholder rights would be designed to accommodate that. But, hey, unlike our nation-states, people aren't being held against their will and forced to subject to living and working conditions they don't like. (unless things really go foul, which is not an impossibility in any community setting that becomes too hermetic) They can sell out and move anytime they wish. You can't do that in the US. Unless you're one of the upper-class, it's at least as hard to emigrate from the US today as it is to legally immigrate.

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> Concerning the issue of CIC stock value growth, you've clearly missed a very basic point about this if you're wondering where the assets and cash flow are upon which its value growth is based. The essential function of the CIC is to be a real estate development and management corporation. It buys, owns, and develops property for profit. (on sea it 'manufactures', owns, and develops property) Implied in this is the idea that by pooling their investment and building planned urban communities there's a basic efficiency in construction that yields more space per dollar than the usual housing industry and thus more space per person than they generally personally need for residence. So what is that extra space used for? To make money. It's leased for rental residence and commercial and industrial activity--sometimes with the resident population creating the market for commercial activity. In a more-or-less normal market all developed real estate grows in value. Just building anything anywhere there is a potential real estate market means that, as soon as it's finished, its resulting net value is going to be some percentage higher than base cost plus construction. All real estate investment is based on this fact. This extra space may also host wholly-owned industries and commerce the CIC invests in developing to make money on the external market. Some of the things the CIC develops for profit may not even be physically located in the same places as its communities.

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> As the CIC grows in assets some of its investment will move beyond its real estate. It may require that tenant companies provide an option for co-investment--in other words, sell the CIC some small portion of its stock for the option to lease or pay the lease in shares. It may engage in venture capital investment for companies located in its communities or which are relevant to its cultural objectives. As I've mentioned in the past, the development of communities with political autonomy will bring with it options to even create things like new electronic market exchanges in competition with those of the major cities on land.

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> You may also be confusing the differences between the early and later situations of the TMP community. Early on the development concerns of the CIC go beyond subsistence because industrial self-sufficiency is not technically possible right now. So insofar as it seeks to supply a total lifestyle package to its residents it does so largely with the income earned from its engagement with the external market--that's why I say it's like an economic firewall. Everything is cheaper in volume, including lifestyle if you can engineer that as a package. This is an incremental process. At first the early TMP communities are not going subsidize residents' lifestyle much beyond the living space they've bought because the margin of assets free for commercial use may not be very great. It's going to build-up over time. For a long time people will still be dependent predominately on income generated in the conventional market. We want to whittle away at that.

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> You can think of this as if Walt Disney World offered a residence option to its corporate investors. You pay enough money in, buy enough stock, maybe you pay a monthly maintenance fee on top of that, and you get to

live in one of some modest number of hotel suites on the park set aside just for people like you. (I always wanted to live in the Contemporary Hotel, myself...) Everything else is inclusive. You can go on the rides, see the shows, eat at the restaurants, even get some modest amount of stuff from the shops for free. It's all part of the package. But what's paying for that? Everybody else who comes to the park as a visitor, everyone who goes to look at Disney movies, everyone who buys advertising or pays distribution fees on Disney TV shows, everyone who buys Disney branded stuff. Your 'comps' (to use the Vegas term) are factored in as part of your profit share as an investor. In fact, this is, more-or-less, what Walt Disney was thinking about with EPCOT.

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> But we are also talking about collecting a particular kind of people. Technical/creative/Maker professionals with an entrepreneurial bent. We want to create a physical and cultural environment attractive to them. These are the people cultivating the very industrial technologies that are driving the trends of progressively more local production capability--and which are also what we need to pursue our cultural objectives in space. As shareholders in the CIC, they have an incentive to ply their craft for the sake of improving its bottom line, which means figuring out how to improve the productivity on the stuff it sells to the external market and reducing how much it needs to buy on that market to supply its communities needs without any particularly increased burden to the community residents. The more industrial self-sufficiency the community achieves, the more the collective commercial income of the CIC can be directed to expanding that income and investing in the cultural activities of the community--its space program. How much labor the community is itself willing to invest in this effort will depend on their proclivities and how much free time we've been able to recover for them but I think it's safe to say we'll be counting heavily on new automation capability. So, long-term, we are looking at a predominately automated industrial self-sufficiency while, at the same time, milking, with that same technology, the external market for all its worth to pump into science, engineering, and space development.

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> So this is a kind of hybrid strategy for incrementally 'unplugging'. We're repurposing a relatively conventional economic institution--the corporation--as a means to combine the power of planned community, micro-urbanism, and new industrial technology as a means of enabling an expanding society to 'get off in the middle' without relying on the unlikely radical cultural shift envisioned by P.M or advanced technology for self-sufficiency we don't actually have yet. We exploit the market to facilitate our own incremental disconnection from it and, ultimately, its obsolescence.

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> Eric Hunting
> erichunting@...

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> > Re: Self Introduction
> > Wed Mar 27, 2013 2:53 pm (PDT) . Posted by:"keithd21" keithd21

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> > Thanks for taking another stab at this, Eric.

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> > Ok. My head is officially spinning.

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> > I'll tell a story about myself before exploring your concepts.

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> > I was not born with a silver spoon. My father's family was devastatingly poor in rural Louisiana. If it hadn't been for the fact black people at the time were too proud to pick cotton, his family might have starved. He dropped out of school in the 8th grade, convinced a Navy recruiter he was 18 (he had no birth certificate so the government couldn't prove otherwise), and became a sailor because he heard a rumor that the Navy not only gave you money every month but fed you THREE times, EVERY day, which was almost unthinkable to him. My mother's family was nearly as poor, moving around regularly throughout east Texas. I sort of suspect my maternal grandparents were actually running from the law. Mother eventually got a GED but was not particularly employable.

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> > When I was 16, I was accepted into an accelerated science program at the University of North Texas. There was some financial aid available but it wasn't enough. My family had no money to speak of and I had to pass on the opportunity to start University at 16.

> >

> > When I finished high school the normal way, University was out of reach. So I spent two years at community college and studied Accounting (um, yeah...let's just say there was a woman involved...) I made an ill-fated moved to College Station, eventually made my way to Huntsville (via South Carolina) and with the help of low income housing in a rough neighborhood, a roommate, a grocery bagging job, financial aid, loans, and a Ramen noodle intensive diet, scratched my way to a BBA in Economics (3.95 out of 4, if you care.) My so called four year degree ultimately took eight years. It took another two years to complete an MBA. I walked across the

stage and collected my master's diploma the same day of my 10-year high school reunion which I attended wearing my cap and gown just for the shits and giggles.

> >

> > I had a detour to care for a terminally ill mother and then finally entered the corporate world as a looked down upon grunt. It was really sort of absurd for someone with my background to still have faith that anything resembling success was actually possible for me. But I happen to be possessed by precisely the right kind of lunacy to continue banging my head against a brick wall long past the point any sane person gives up (turns out if you are truly stubborn, brick walls get tired...)

> >

> > Two points regarding that story: 1) I am now 40 years old 2) I am retired.

> >

> > The way most people utilize the system in front of us is...sort of stupid. If you decide to not play the game, there isn't actually anyone who can be bothered to try and stop you as they are all too busy accumulating useless plastic crap. We live in a world where more people have cell phones than access to a flush toilet. Nobody resists the status-quo much because those cell phones have 5490356890437609437690347 (approximately) native functions including the ability to make you pancakes in bed for your birthday.

> >

> > I find myself torn between a couple options at this point. The first is to spread the word on what I did and how. I have tried that (Oh - how I have tried!) People look at me like I have two heads. They think I am more 'lucky' than just plain old boring 'muleheaded.' The second option is the one you are presenting. Only I don't get it.

> >

> > Eric, I am trying, trying, trying (TRYING!) to wrap my head around what you have been preaching for at least a decade. Still, I do not grok. So, I think what has to happen if you are going to persuade me (or basically ANYONE else for that matter) is to find a way to detail your proposal out in a way that is so simple that even someone with an MBA can understand. Please remember that I have a conventional education in Accounting, Economics, and Finance. You should also remember that I am from Texas. So this is going to have to be at roughly the level a chimpanzee would get indignant because you are coming across as patronizing.

> >

> > I've lately been trying to answer questions for my father along the lines of "But if I don't delete files from my hard drive, how else I am supposed to get more memories?" Like my father when it comes to computers, I have a frame of reference that makes your proposal seem seriously foreign and even somewhat bizarre. I no doubt have misconceptions that are entirely nonsensical. You are going to have to have the patience of a saint to get this through my dense head. You game?

> >

> > [deep breath!]

> >

> > Ok, so you perceive that the conventional approach to industry and finance is basically dead man walking and that those institutions are because of their very nature, incapable of flexibility and adaptation to the tide of technology. I might dispute that with examples from my own experience at a later time but for now I'm going to accept that as a given required for your proof.

> >

> > Energy and food are two of the largest markets. Damned if Savage didn't also pick two of the hardest markets to move in any significant way. Bring it on. Let's tip some windmills.

> >

> > You said, "The ultimate goal of community development in TMP is the recovery of human productivity now lost to other people's profit through conventional economics" You might have actually heard my *facepalm* from where you are now. In physics, matter and energy are always "conserved." Maybe I'm educated beyond my own benefit here but...um...I don't think the productivity gets destroyed. It just gets transferred to the entrepreneur. Ok sure, the benefiting party increasingly reinvests that benefit to produce additional wealth for no other sake than...more wealth... The entire world, including the wealth class has gone completely bat-shit insane, but that is a separate problem to my mind. I am really struggling with why it is "better" to do an end around on a really powerful model than to just position ourselves as the party that benefits most. Can you spell it out in a way that a monkey would get offended?

> >

> > "We want to cultivate a culture that leverages that recovered margin to push as many people as possible to the top of Maslow's Pyramid. "

> >

> > Brother, testify!

> >

> > You had a couple passages about an economic firewall and basic income. Those ideas have some appeal to

me. Honestly, Karl Marx had a lot of ideas I find appealing as well. No doubt, honesty, fairness, equality, eliminating poverty, education, etc. are social goods. Polly Anna has a teensie little problem though: freeloaders. Everyone has a different definition of how much it takes to provide "basic" income. Once I get to "enough", I'm done brother. (You'll note my above admission that I retired at 40. Given my salary at the time, bonuses I qualified for, stock options, and conservatively stated reasonable future career path, I quite literally left millions of dollars on the table just so I could spend an unhealthy amount of time playing video games and downloading online pornography - judge me...see if I care...) My more ambitious neighbors will want to crucify me for not working hard enough to support what they think constitutes the baseline for "basic income." Maybe the community should just refuse to let me join. But if you are turning away people who are as willing to cut across the grain of civilization as I, you are going to have a hell of a time getting critical mass.

> >

> > You further said, "The three basic benefits of CIC investment are stock value growth, its dividends, and living space." Didja hear that? That was a DOUBLE *facepalm* Unless you have irrational speculators, the stock value doesn't grow in the absence of some sort of increasing intrinsic value for the underlying assets. To start at least, dividends have to come from cash flow - this cash flow comes from...where...? That leaves us with living space. But you have to provide living space that I find preferable to what I have now and at the right price. Since your first two benefits listed above are vaporware, you got basically jack to persuade me with. You got anything else that can get the ball rolling?

> >

> > As a point of reference, [zillow.com](http://www.zillow.com) says my home is a 4 bed, 2 bath, with fireplace, 2 car garage, 1,511 square feet, on a 9,347 square foot lot and has a fair market value of \$84,807. I think I'm in a fairly nice neighborhood, have easy access to shopping, an international airport, a very nearby library/arboretum/public park facility, and am roughly 30 minutes from downtown which has access to a world renowned medical center, and all the amenities that decades of corporate oil money has been able to buy (oilmen tend to be Neanderthal types but their wives are strangely cultured and quite persuasive): ballet, symphony, theaters, various museums, a zoo, some pretty nice parks, outdoor theaters, a planetarium, thriving "alternative" communities that produce some magnificent art and parades, every kind of coffee house and bar imaginable, professional sports teams in more sports than I can name, and all in a relatively low tax environment (no state income tax here). Methinks you be challenged to beat the deal I already have. A lot of people are down on Texas and Houston, but I gotta tell you...she ain't so bad... But I very much want to hear you out if you still have something up your sleeve. Fire away.

> >

> > Consider the gauntlet thrown.

> >

> > -keith-

>

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