

The Rubicon Cooperative

“We must learn to live together as brothers or perish together as fools”

- Dr. Martin Luther King

In 49 BC, Julius Caesar changed the arc of history. Defying the Roman Senate, he crossed the Rubicon River, defeated the Legions of the Republic, became the Emperor of Rome, and created a new political and economic order. His act of defiance established a common linguistic reference, crossing the Rubicon.

Today, we are at a new Rubicon as society faces many seemingly intractable social and economic issues. Paramount among these is the growing disparity between corporate and individual wealth and political power. These intractable, systemic problems cannot be solved from within the existing system. Following the near collapse of the international financial system, our political leaders, not wanting to “waste a good crisis”, patched and preserved the existing system. Not much changed. The system is still too big to fail and when it does the consequences will fall on us, not the financial institutions or the government!

It is time to create a new economic order, to cross the modern Rubicon. It is incumbent on us as individuals to create a just, sustainable economic system; that is the goal of the Rubicon Cooperative.

Cooperative Capitalism – Capitalism for the Digital Economy

We have a “once-in-a-lifetime” opportunity to create a just, sustainable economic future based on Cooperative Capitalism. Capitalism as an economic system is continuously evolving. From individual ownership to managerial/corporate capitalism then to global capitalism dominated by multi-national and state entities, Capitalism has been instrumental in reducing world-wide poverty to the lowest level in human history. In the past half-century, we have gone from 75 per cent of the world living in extreme poverty, to just 9 per cent. Human productivity increased by some 3,000 per cent¹.

The next stage of productivity growth for Capitalism requires massive exploitation of personal information and automation. Personal information is the core asset for Artificial Intelligence and Big Data. The explosive demand for personal information is the catalyst for Cooperative Capitalism. The digital economy cannot operate without our personal information. Surreptitious means of capturing and using our personal information are exhausting their welcome. To reach its full potential the digital economy will need authentic, cooperatively shared personal information.

¹ [The Case for Free Market Anti-Capitalism](#), Matt Ridley, CAPX.com, July 12, 2017

As automation diminishes the need for human labor² there are proposals to ameliorate income disparity by paying everyone a universal basic income³. Another way to look at universal basic income is as payment to preserve the existing system of inequality, a permanent class system, a permanent dictatorship of the oligarchy. As the Roman Republic was replaced by a dictatorship the poet Juvenal wrote, “Give them bread and circuses and they will never revolt.”⁴ Governance by “bread and circuses” ultimately lead to the destruction of the Roman Empire. Replacing human labor with automation while distracting us with “bread and circuses” jeopardizes the very nature of humanity.

Alternatively, we can control our future. We have in our grasp all we need to create an equitable economic system. We have our personal information and we have the technological tools to use our personal information for profit and the betterment of democracy, society, even the environment. While the existing political/economic system denies us the ability to individually own and profit from our personal information it gives us the freedom to cooperatively own and profit from our personal information. We will do just that. We will own and profit from our personal information. That is the business plan for the Rubicon Cooperative.

We are all at the Rubicon, the boundary separating us from our future. It is our choice to cross that boundary, to defy the oligarchy, to control our future, to preserve the freedom and prosperity gained through Capitalism by insuring its survival as Cooperative Capitalism.

What is Cooperative Capitalism?

It is often said we live in the Information Age. It could equally be said, we live in the Age of Disruption. Social and economic disruption is a daily experience. At the root of the economic disruption is a fundamental change in basic economics, the production equation (Capital + Labor + Land and Raw Materials). Humans once represented Labor in the production equation, a position we increasingly share with robots. In the new production equation humans, represented by their personal information are a primary resource, a tradable raw material commodity, and to the benefit of business and states, a free commodity at its source. Shifting the position of humans in the production equation puts human beings on a par with land and other resources. Ownership of land and commodity resources creates immense wealth for those who own them. It is the same with personal information. Massive wealth has been created in the past decade by Google, Amazon, Facebook, and many others on the ownership of your personal information.

² [Tech’s Influence on the workforce continues to hollow out labor market](#), Brookings, December 12, 2017

³ [Mark Zuckerberg Calls for Universal Basic Income in Harvard Commencement Speech](#), Fortune Magazine, May 25, 2017

⁴ Juvenal, Satire 10.77–81, “panem et circenses”

Cooperative Capitalism recognizes the shift in the production equation by first recognizing the simple fact that you own your personal information. While we intuitively know this as fact, the current system of capturing and using personal information ignores this reality. By cooperatively owning and controlling our personal information we can profit from its use and become full participants in the production equation. The outcome is a healthy, trusted, and more equitable digital economy.

Prudent control of personal information enables a future that otherwise cannot be attained. For example, using our collected medical information to recognize and control disease requires that we trust the collection, use, and protection of that information. That general level of trust can only be achieved if we own and control the information, that we willingly participate in the decision process, and that we all benefit from the results.

Cooperative Capitalism offers the dimension of trust that is essential to the future of the digital economy. Trust becomes a product in its own right. The full development of human potential will come through the use of augmented intelligence relying on full exploitation of human behavioral information. This can only be achieved through cooperation between all humans, businesses, and government. That is the underlying strength of Cooperative Capitalism.

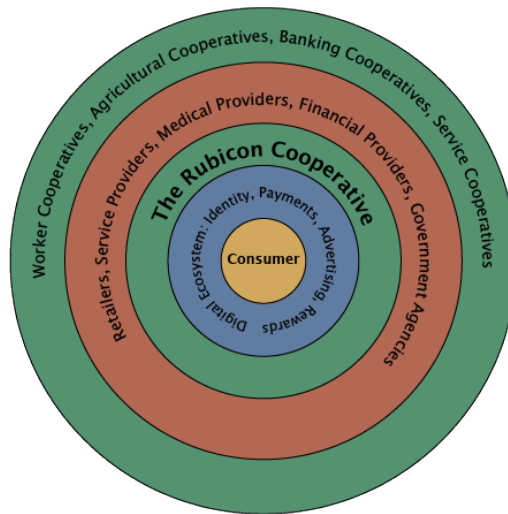
How do we profit?

Owning your personal information gives you the right to profit from that ownership. The Rubicon Cooperative will aggregate and sell personal information using the same tools as our competitors. The difference is that the Rubicon Cooperative will be selling authenticated personal information, authenticated by you, not captured from you.

The digital economy offers many ways for us to profit from our personal information. One scenario is to create a payments/rewards system that will compete with existing systems. Many companies offer their version of a payment/reward system, often they are called customer loyalty programs. The advantage we would have is that our payment/reward system is universal and personal. One card for all merchants. Perhaps the concept of loyalty can become a two-way street. Instead of spying on your behavior merchants can respect your behavior!

This universal scenario can be applied to many cooperative business ventures. The imagination is the limit.

A diagram of the model looks something like the following.



Why a Cooperative?

All other business models start with assumptions of inequality. Our goal is a just, sustainable economic system in which each person shares equal responsibility and rewards. A cooperative is the only business model that offers this participatory ownership, the cooperative model.

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise.⁵

The Rubicon Agreement

The critical first step to creating the future of humanity is to recognize, as writer, dissident, and former Czech Republic President Václav Havel wrote in 1978 preceding the fall of the Soviet bloc, "A genuine, profound, and lasting change for the better can no longer result from the victory (were such a victory possible) of any particular traditional political conception. More than ever before, such a change will have to derive from human existence, from the fundamental reconstitution of the position of people in the world, their relationships to themselves and to each other, and to the universe."⁶ Since Havel wrote those words, the position of people in the world has been continuously reconstituted by the forces of globalization and technology, forces outside the control of individual human beings. As we face continued chaotic disruption to our economic systems the best and perhaps only alternative is to take on directly the task of "fundamental reconstitution of the position of people in the world."

Our mutual agreement in coming together as the Rubicon Cooperative is to take on the task of fundamentally reconstituting the position of people in the world, to create

⁵ [International Cooperative Association](#)

⁶ The Power of the Powerless, Václav Havel, 1978

Cooperative Capitalism as a co-equal and partner with Corporate Capitalism, and to create a just, sustainable economic system.

The Path and the Reward

How do we create a cooperative economic system? As Lao-tzu said, “A journey of a thousand miles begins with a single step.”⁷ The journey, in this case has no easily definable end. Considering the underlying goal, to reconstitute the position of people in the world, success can be measured in both subjective and objective terms. Will members/investors make money? No question. The business concept is sound and will have many opportunities to return reasonable financial rewards to members. However, financial returns should not be the only reason to become a member.

Will the Rubicon Cooperative affect the political process? Considering the fact that political influence is based on economic presence, the answer is an unequivocal yes. We will be able as individuals to make our voice heard alongside the most powerful corporate constituencies.

Will the Rubicon Cooperative affect the ecology of the planet? That must be the ultimate goal of the Cooperative. Regardless of its cause, climate change inevitably affects the lives of all humans. We are being forced to adapt to climate change. Whatever behavioral and economic adaptations we face will be more equitable and have a better chance of succeeding if we face them together. The alternatives to proactive, cooperative action are stark.

First Steps

Founding the Rubicon Cooperative is the first step. We must recruit a base of financially and philosophically committed, founding members. To that end, the Rubicon Cooperative has a goal of recruiting a minimum of 10,000 founding members. The value proposition is two-fold. Founding members will be called on to design the legal, philosophical, and business framework for the Rubicon Cooperative and to invest a minimum of \$10 per month to fund the formation of the Cooperative.

Once an agreeable framework is in place the next step is to execute the business plan designed by the founding members. It is essential that the Rubicon Cooperative achieve profitable operational stability as soon as possible. When that has been accomplished the Cooperative can use its financial stability to extend membership and execute long-range plans to create a just, sustainable economic system.

Accomplishing this operational goal will require a minimum of 1,000,000 investor members. These members will be asked to invest a minimum of \$10 per month to build the business systems and start operations.

The goal of the Rubicon Cooperative is to return to founders and investors a minimum of 200% of their investment.

⁷ Lao-tzu, “Tao Te Ching”

How this is done within the legal constraints of various security laws will be determined during the founding phase of the Cooperative.

Next Steps

At any time during the founding and investment phase, general membership in the Rubicon Cooperative will be accepted. The financial commitment is \$1 per month. The philosophical commitment for general membership is the same for both general, founding, and investor membership. We are all bound by the Rubicon Agreement.

Governance

Cooperative principles are clear, each member will have one vote on Cooperative governance matters. When decisions must be reached on how to allocate investment funds, founding and investor members will be allocated proportional voting power based on their contribution. Investors will be fairly represented with respect to the risk they are assuming.

Getting Started

The Rubicon Cooperative will be legally founded in the state of Texas as a general cooperative. In order to meet the minimal legal framework in the state of Texas, five board members will be appointed to create the Cooperative. These board members will be in place for a minimum term of one year or until the minimum founding membership total is reached, i.e. 10,000 founding members. This insures stability for the infant organization. Once the founding membership is assembled, appropriate decisions about executing the business plan will be made by democratic vote.

Outcomes

The first important outcome is the assembly of 10,000 philosophically and financially committed members. If 10,000 people of good will assemble with the purpose of creating a just, sustainable economic system there is a high probability that the Rubicon Cooperative will succeed in achieving its economic and ecological goals as envisioned by the founding membership.

Your Role

The Rubicon Cooperative is being founded to create a just, sustainable economic system. Your active participation is vital. Please consider joining the Rubicon Cooperative as a founder, investor, or general member. You will be in the vanguard of Cooperative Capitalism, the next evolutionary phase of Capitalism.