Re-incentivizing Work

Digitalized Capitalism, Automated Economies and Alternatives to the Profit Motive

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Abstract

This article discusses the effects of digital technology on capitalism modes of the production and some of the resultant changes in the definitions of work. Here, reference will be made to the digital automation of work as an extension of its mechanical automation since the Industrial Revolution. Much of this article will centre on the social impact of progressively digitalized economies utilizing new technologies. Focus will be on wages as numbers, mortgages as numbers, and performance targets as numbers. A discussion of the real-world impact of this digitalization will be done with a review of 'The Critique of Digital Capitalism' by Michael Betancourt and his view on the authoritarian nature of digitalized economies that refuse to apply social limitations on their means of production. Attention will be paid to the increasingly traceable and trackable nature of movement and the misappropriation of digital worlds as a replacement for real communities.

This second part of this article will focus on alternative forms of social organisation through a reintroduction of older models of communities that rely on the physical acknowledgement of actors in the community. This part focuses on a critique of Rob O’Grady’s book ‘150 Strong’. Bottom up and small group organizations of work and social life will be analysed as a reflection of how far the digital world has removed people from a sense of community purpose to one based on a profit motive. The work of management consultant and theorist David Snowden in this area will also be discussed.

Keywords: Digital Capitalism, Automation, Technology, Alternative Communities, Work Practices
This article includes the following subheadings:

I. Introduction: The Rise of Digital Capitalism
II. The Financialization of Movement
III. Digital Rights Management and Board-less ‘Repomen’
IV. The Real Impact of the Digital
V. Virtual Currencies are not the answer
VI. Enveloped Generations and the Digital Messiah
VII. 150 Strong – a Reinvention of Community
VIII. On Profit
IX. The Magic Number – 150
X. Alternative to the Profit Incentive
XI. Towards the 150
XII. Conclusion: Despair Fatigue

I. Introduction: The Rise of Digital Capitalism

Michael Betancourt in his book ‘A Critique of Digital Capitalism’ talks about how the physical world has been avoided and ignored as companies, governments and people have rushed to create, develop and structure a digital world that involves real work but denies the need for real work at the same time. He says the fantasy that the physical world no longer matters began as successive governments started to move value, prices and wage levels off the backing of gold as a measure. In the 1970s, the end of the gold standard allowed the free flowing of exchange rates and fiat money printing to untether trade prices to gold as a benchmark that anchored abstract concepts of value to a version of reality that all could agree on. By the 2000s and 2010s, the abstraction had increased manifold to a world economy dominated by derivatives markets and re-financialised products that traded value digits over physically derived products bought and sold.

The physical work done that still underlines much of the production and maintenance of the world economy appears on balance sheets as positive digits for assets and negative digits for salaries and benefits. Therefore, wages as digits only appear as a minus co-efficient to a company’s yearly balance sheet and are financialized away from any social role that wages play in the real lives of the workers. Betancourt makes the point that any company which appears on a high speed digitally trading stock market must now look at wages purely as a negative. If they rise,
Re-incentivizing Work

this cancels out profits and dividend payments. The view of wages in classical economics no longer exists and its digital representation is one that must be reduced or replaced as they are considered lost profits. Therefore, companies are increasingly using the Internet to find ways to get work for free or offer worker incentives other than money to avoid bargaining with unions and workers over acceptable pay rises. As stated before, the origins of this type of thinking came as a result of the swallowing up of any potential pay rises through a government’s ability to print money without considering the backing of gold as a measure of value. Salaries can now be demonised and are allowed to stagnate as fear of job loses takes over as the incentive for hard work rather than bonuses or pay rises. The value of labour is diminished or elevated based on its digital relationship to a company’s stock price. So whereas work would exist in a community in the past, so digital capitalism has resulted in communities appearing around companies. Betancourt says that this power shift to the participation of workers away of their community where they physically live is made possible by a belief that we are all participating in a global community that is interconnected. He says that this is a fantasy and undermines and devalues areas and communities that may feel real negative social decline and stagnation.

II. The ‘Financialization’ of Movement

Betancourt refers to the use of digital technology to financialize movement and therefore create unpaid labour out of social activity. He cites examples of apps like Yelp.com and Foursquare.com’s use of customers’ movements and choices as reviews to the apps that provides free data about retail companies and even healthcare businesses. Data is given on what people think and how much of a service is used. Users are given a platform to comment on retailers and services and are being made reviewers and reporters with powerful review ratings. In fact, little or no money is generated for the reviewer and businesses have little or no control over reviews other than to work harder and harder. The social impact on employees could be positive but only as praise, the negative impact could mean more work pressure or unemployment. Another example is the popular hotel review website TripAdvisor.com that offers similar spaces for consumers to comment on quality and satisfaction. This is again unpaid but creates a large amount of leverage for the website owners to demand fees from private hotels and hotel groups to position their hotels higher in the rankings. So centralised has TripAdvisor become that if a hotel does not appear on its website or Google mapping apps then it is considered not to exist.

Another example for how the digital world is impacting on the physical is the use of tracking
systems in shops that follow customers and their movements as they pass through retail outlets. Tracking systems like Euclid Express and Shopper Trax mimic the competitive advantage that online shops have of recording web browsing and item searches in the physical world. Shop retailers argue this is levelling the playing field to improve the physical shopping experience by refining store displays and product attractiveness for customers. In fact, the unpaid customer is working for the store to supply valuable data that could result in more job hiring if shopper numbers are increasing or more firing of staff if less people come in.

While basic systems might use sensors at the front doors, companies like Euclid actually connect to a customer’s Wi-Fi on their phones if it is turned on. The unique Media Access Control (MAC) address in all phones can be recorded without the acceptance of the smartphone holder. The use of private information from this data collection is subject to various codes of conduct but in theory could be used to benignly offer advertising to a smartphone browser in real-time or could penetrate the holder’s movements completely throughout the day.

Betancourt talks about this technology in terms of ownership. Is your smartphone MAC address yours or does it belong to the company who sold you the phone? Are you leasing the phone and have agreed to be constantly monitored. Betancourt further talks about how Digital Rights Management (DRM) is being applied to challenge notions of ownership after payment, particularly in respect to intellectual property and digital reproduction.

III. Digital Rights Management and Board-less Repomen

The key to understanding difference between the digital world and real actions, hardware and physical work is through its digital representation. It is the reduction of multiple physical forms of interaction into the same digital symbols. For example, all sound, text, video, colour and data are binary zeros and ones in the digital system. However, to produce sound in the physical world, write text with pencils, act on a stage, or manufacture colour from a plant source, different methods and skills are needed for each. Deriving colour from a digital system or sound or motion capture is similar in its binary organisation.

This binary form therefore is easy to replicate. Owners of the rights to these binaries argue jurisdiction over the copies made. The control of digitalised products extends the rights holder’s ownership over something a consumer has bought to the point where the purchaser has only
made an investment into someone else’s property. Therefore, no-one but the rights holder can ever own a digital property purchase. Betancourt details how the uses of micro-payments on individual intellectual properties like a phrase or logo or song are being packaged as cost payments as tiny as a fraction of one cent in value but add up to money legally demanded by digital rights managers. For example, the online retailer Amazon.com offers individual songs or digital articles for a fraction of the physical cost of production and pay little or nothing for the work involved but yet retain the rights to demand how the purchase is used. Here the owner of the rights to information and its distribution have a vast control over the product and the consumers and creators of the product have very little. This is a new interpretation and critique of the means of production and distribution, no longer comprehendible through the historical Marxist analysis of previous times. What Betancourt attempts is to make visible the real costs of digital production and digital capitalism that simulate the worker into a game. This is becoming a global rather than just a national issue.

### New Trading Relationships

With the advent of the Transpacific Partnership (TPP), Transatlantic Trade Investment Partnership (TTIP), as well as others like The Comprehensive Economic and Trade Agreement (CETA) between Canada and the EU, corporate entities will have rights that reach above the national level. This means the ability to enforce supra-national law over any particular country and allow business competition to trump national safety regulations. The door will then be open for the wealthy corporations to work directly with the labour forces of poorest nations’ with no government intervention or statutes of labour law protection.

This would make digital rights management globally enforceable to wit all digital content and intellectual property would be leased to people on their devices and never be shared or out-right owned by anyone without a DRM contract. Trying to tamper with your smartphone device or PC could be in violation of international law under TTP if you lived in a region under control of their partnership. For smaller businesses and artists using online means to distribute information or trade could see a manipulation of these laws to suppress competition or tie individuals to very unprofitable distribution deals as currently experienced in the use of Spotify¹ for musicians.
Another typical case in point is the shopping experience from Amazon.com, the online retailer, market place provider, and distributor. Here the user plays the game of market place haggler with the website. Buying the product wanted is the end result but not the game. Firstly, you are logged in as a player with a history of purchases, gift points and possibly vouchers. You search for an item after reading reviews and are presented with a variety of choices of how to buy it. Chief among them is the Amazon price, usually with free shipping. Other cheaper options are available but the shipping cost usually cancels out any saving. Thus you are empowered to buy based on delivery time. This delivery can be made even quicker if a slight increase is paid. At the end of the game, the player/customer chooses the best deal, from the best supplier, with the relatively cheapest price. The player is further turned into an author to offer a review of the purchase for other players. None of the experience communicates with another human yet all the way through humans are involved. The product was manufactured from materials, shipped to the warehouse, found very quickly by a worker on a time schedule, and finally driven to your door by a driver.

Betancourt cites another example of how the digitalised economy hides real human costs in his analysis of the 2008-9 housing crash in the United States. He gives examples of the financial products constructed from subprime mortgage lending debt and other debt that were included into high-rated financial products sold openly on the global market. The products themselves then become separated from the cost of homes construction and bank mortgage rates and underwent a process of financialization only possible in the digital age. Even though the new mortgage taker is complicit in wanting a home at low interest and so agrees to take on debt, the home’s construction once finished and been paid for is at a fraction of the spiralling debt cost. The bank sells the debt in a financialised digital product and unlike in previous times has no ownership of the house during the debt repayment. This means, if the mortgage taker defaults the ownership of the house has gone to the debt buyer who may not be in mortgage banking. The treatment of a defaulting homeowner by a remote investor could be harsher than a mortgage professional. Typically, foreign investors outside the US were looking for interest from mortgage takers payments over the lower yielding treasury bonds that were near to zero compared to housing debt. The digital stock market showed these ‘Mortgage-backed securities’ to be good, safe bets with high credit ratings. This happened at speed. More products were needed to sate
demand so the sub-prime loans were created without safety checks on credit scores for poorer people who wanted the ‘American Dream’ home but previously had no chance to get it. The speed of these loans turned into securities and the automation of the transfer sales to global investors was crucial to the creation of the crash and the real-world effect on people and their lives, particularly, poorer people. Along with this, the crash in the general price of housing in the US meant that most homes priced at a high mortgage were now worth much less than their mortgage rate. This further destroyed value for people who could afford payments. The crisis was compounded by the creation of fake insurance schemes against loan defaults called ‘Credit Default Swaps’. These were sold without money to back-up times of crisis. The market place then turned these insurance funds into long and short products so traders from around the world could bet on a crash as well as a price rise. Effectively, digital capitalism had created its own online casino without any real connection to homeowners, construction workers, bank and financial employees, or the environment. The disconnection with reality was exacerbated as this crisis was dealt with by governments giving financial bail-outs in the aftermath of the crashes. The biggest underlining problem for Betancourt here was the American Federal Reserve Bank’s belief that repairing the virtual worlds of finance should be prioritized over helping those with physical problems. Betancourt suggests bigger crashes to come with this approach. Key to this point is credit, and the creation of fiat paper or digital money without the backing of gold or other measurable assets.

V. Virtual Currencies are not the answer

Betancourt discusses the increasing popularity of digital currencies based on the blockchain method of number cryptography. The most popular of these is known as ‘Bitcoin’. He talks about how digitally derived currencies do not involve traditional banking methods or use fiat currency, or apply a gold standard. Rather, a method of proof is assumed rather than trust in a bank issuance. In short, a computer ‘mined’ bitcoin has a provable in-use history of its own rather than a promise from a bank. The proof of previous transactions means that the new payee can see that the bitcoin has been used before and therefore trusted before, and has been exchanged for physical goods and services. The ‘blockchain’ refers to the store of history that proves physical goods and services were exchanged, this therefore guarantees some real production. This is unlike money printing or fiat currency that is backed by a bank but could be printed without the backing of production or a global agreement of value such as gold.
However, Betancourt does not see this as a plus. The record of transactions to prove the value of a bitcoin gives a perfect backlog of how and where purchases were made. This could increase the chance for surveillance and control over the user. To this end, the adoption of block-chain technology has a brighter future as a means of controlling currency use and deposit, perfect for governments like Japan that are keen to reduce its citizens’ saving. The lack of gold or other commodity backing also allows the use of negative interest rates more easily, especially on bitcoin type currencies that may have not been spent recently, potentially putting a time limit on currency use. Much like digital rights management, bitcoin type transactions limit the user’s anonymity and again calls into question the privacy of ownership on goods and services bought and the currency itself. Betancourt also refers to the valorization of the use of recorded transaction, much like the record of movement discussed in this article, purchases themselves once recorded could be ranked to form a profile of the user along moral or ethical grounds.

VI. Enveloped Generations and the Digital Messiah

Betancourt believes that citizens are as much to blame for the rapid rise in digital technology into daily behaviours. The soporific nature of digital technology has been a very important factor in the adoption and acceptance of digital capitalist organisations of labour. Betancourt describes this as enveloping the user into a false sense of control, freedom and transcendence from the reality their feel trapped in.

The rise of digital capitalism has had a major boost in the last ten years with the advent of clearer and more user friendly smartphones and handheld computer devices. Users themselves have become complicit in their enslavement to technology. Betancourt writes that the ‘enveloping’ of daily life has led to a new form of belief, particularly in the younger generation. The power of distraction through mobile devices during a daily routine has helped to numb experiences that are repetitive and replace them with fantasy and dreams. This too can support a system of stagnant wages as people lose their ability to notice changes around them and diminish their capacity to respond and affect their surroundings. With the arrival of even more immersive technologies like virtual reality goggles, the perception of space and time is further distorting the users response to real world actions, events and decision-making. In the minds of the users, working to eat and pay rent is becoming the distraction from the virtual worlds of screens and games that seem more real than the physical world.
Re-incentivizing Work

Betancourt refers back to the fact that natural resource mining for component materials, the construction and the maintenance of hardware through work all go into creating virtual-reality devices and these physical activities cannot be ignored through feelings of time suspension. Sooner or later, he writes, even solar energy needs mineral-based construction and upgrading thus returning the activity to the real world.

The illusion is not a new concept according to Betancourt, he says that the Catholic Church created the mythical world of Christ, God and transcendence from reality as the pure state for human-kind to reach. The illusion of sounds, data, video, digital stock markets, and ultimately, desire are a form of a Digital Messiah with magical powers. Just as people used to believe in the Catholic Church translated to them via Popes and Priests, so Apple, Google, and Microsoft are interpreting the digital realm for its followers who support its illusion that devices, software development and construction is not actually a physical machine that is routed in physicality. Media companies in Silicon Valley, California such as Google, Facebook and Twitter derive much of their revenue from electronic advertisements and rather than offering a form of alternative spirituality are in fact merely trying to monetize their software designs.

VII. 150 Strong – a reinvention of community

Betancourt states that these forms of exponential developments in body and mobile technology are a form of enslavement from above and a voluntary prison entered into by the user. He also says that they are a fantasy that do little to build real-life communities, supply food, give shelter, replenish supplies and offer human personal support in times of human crisis. One positive is the ability to quickly send a message of information yet does little to deal with any physical deliverables.

What then of alternative forms of human organisation that can tackle the growing problem of resource scarcity, climate change, acceptable work incentives, medical service distribution and real human contact? For some of these answers, the work of Rob O’Grady in his book ‘150 Strong: A Pathway to a Different Future’ help to provide solutions. He looks for commonalities in diverse geographically disbursed grouping of people from the past and in the present day. He seeks to find what traits within all communities the world over are the same and have historically proved successful. He makes no judgement on political or gender bias nor does he reject or devalue a community for its warlike or pacifist underpinnings. His goal in the book is to reach a
set of suggestions for communal living that show the best methods for humans to cooperate.

VIII. On Profit

Profit is not seen as strictly a negative thing as a store of wealth against bad times, as a harvest is, but as a model for a system, it is problematic. According to O’Grady, in any cycle a healthy profit should reduce the need for extra expenditure through more production because your target will have been reached via stocks. Therefore, in a following cycle your profit may be zero yet your system is intact and functioning. The pursuit of profit undermines a functioning system as it offers delusions to bigger ideals that are more fantastic over the natural world. The risk of incentivising profit is to break the system that allowed the profit in the first place. For the capitalist West, regulations on climate change and union rights are a small concession to sustainability over the profit incentive but for O’Grady a mere sticking plaster for repeated wounds to an ecological organism. As Betancourt mentions, the imposition of TTIP and the TTIP partnerships among countries seeks to break even the merger attempts at state or national level regulation that promote sustainable communities.

In short, O’Grady equates profit incentivised systems as working at roughly 1.5 times the capacity that a sustainable system can handle and is a meaningless storage of wealth. He cites the printing of paper fiat money in large quantities as an attempt to sustain the unsustainable. The subsequent inflation is the last-ditched attempt to keep a faith-based financial system from popping. The creation and maintenance of debt is only propagated on trusting the future strength of a system to produce and support growth. Without physical production, debt is unrepayable and then re-hypothecated back into a system making the majority of people indebted to endless mortgage payments, bank loans, increased working hours, and stagnated wages. This causes deep social illnesses. Equally, failure to repay debts in the current system will wipe them out but involve a lot of personal tragedy in its winding down with job losses, deflation and asset revaluations. Each course of action, as Betancourt says for the digital realm, has a real human cost that is hard to accept and live with. For example, the world temporarily survived the 2008 financial crash but it is now felt by everybody in stagnated wages and zero growth rates and interest rates. More importantly for O’Grady is the profit incentive attracts talented workers and resources away from areas that do not generate short-term profit results, particularly in holistic health care, education and other forms of infrastructure maintenance. The idea of extracting stocks from being used to help systems in times of need causes future iterations of the
system to deteriorate and proves the point that excessive profit storage undermines whole systems.

IX. The magic number - 150

The most effective form of regulation against aggressive profit seeking is the personal contact between people. O’Grady cites Oxford University Anthropologist Robin Dunbar’s research on the number of personal relationships a person can have and maintain as 150. This is the result of personal contact and interaction unlike digital or other transient contacts that can display feelings of antipathy as much as empathy. The concept of organizing systems around 150 human interactions is to re-establish limits of exploration and fantasy and connect personal responsibility with real results and effects. The key tenant is that humans require basic needs that must be meant first and foremost and the next level of needs can only be sort after those basics have been reached. In short, O’Grady categorizes them in five levels:

1. Physiological needs: breathing, food, water, sex, sleep, homeostasis, excretion.
2. Safety needs: security of body, of resources, of morality, of the family, of health, of property.

The risk in the modern high-technological world, according to O’Grady and Betancourt, is that the higher levels of need are largely promoted by the individualist capitalist system to be as fundamental as basic needs. As absurd as it may seems, the position or access to basic needs such as food, water and energy can easily come under threat from a need to be creative or separated from others in a pursuit for self-actualization. For example, the growth and sprawl of suburban living that is neither communal nor populous often necessitates the importation of food, water and energy from some distance. If a previously fertile area of land is paved over for a family of four or five to live in a detached house outside of the city, private transport is needed to deliver of food and energy. If oil prices become too high to pay for the transportation of food, water and energy, the individualized living space is effectively uninhabitable. The higher needs are made redundant by the lack of the lower ones.
In and of itself, none of level five is intrinsically corrupt or evil, yet can never trump the most basic requirements for living, according to O’Grady. He claims that the higher needs should be contextualised within smaller communities that provide the basic levels firstly and then the choices made in the processes of self-actualization are done so with an understanding of the needs of the small community’s sustainability.

O’Grady refers to the state of the United States of America as a country with a very high number of medicated citizens who are insecure about meeting the more basic level of needs, particularly levels three and two. In the national campaigns for the 2016 presidential elections, basic needs of security, infrastructure and community relations are high on the agenda. For O’Grady, this displays an historical lack of investment in the base level needs. For a higher functioning society, these needs should already be established and the choice of candidate refined to a choice of the best expression of those needs. In fact, the belief that only one candidate can deliver the needs for the people means that if ones candidate loses the expression of fear and insecurity will increase therefore further destabilizing the concept of the country.

The direction for the United States is not a positive one in respect to the localised support networks and assurance of needs as laid out in the 150 rule. The solution of the TPP and TTIP trade partnerships are a further move away from community based small-scale interactions, raising the control of corporations to a supra-national level even more abstracted than in the past. The profit motive again is seen as the driving factor as financial networks of those who owe and those who are indebted to form an over complex web of contractual obligations. National governments and some of the hard won citizens’ rights and safe guards are the final barrier to be broken down under this current system.

**X. Alternative to the Profit Incentive**

If O’Grady’s ideas are to be taken seriously, how do communities transmute into systems that are based on 150 human interactions and relationships and how would this guarantee the hierarchy of needs are met?

Firstly, the lack of physical possessions under personal ownership is important. The less owned the more shared and the lower the neurosis associated with loss or envy. Maintenance of any shared public works should have a volunteered component that is enshrined among 150 people
Re-incentivizing Work

in any one location. The incentives for work should be as much for the 150 others as for oneself. Importantly, O’Grady is conscious that much of his work sounds like a Soviet system, and indeed much of the early structure of the former Soviet Union was based on community organisation of relatively small numbers, with elected officials based in local areas. The definition of a Soviet elected from a grass-roots population seems to fit in O’Grady’s model of different 150 groupings interacting at a limited bureaucratic level. Here, though, O’Grady makes a distinction between the end of the Soviet system and the beginning. The foundations of collaboration and community based living allow the Soviet system to grow to a super power with a space program, nuclear capabilities and an iron grip on much of Eastern Europe. As tyrannical as the Soviet Union’s apparatchiks control over people became, the fundamentals for its early development and strength lay in small communities. O’Grady’s publisher Dmitry Orlov, author of ‘The Five Stages of Collapse’, comments that it was the very same community based structures that saved the former Soviet Union from starvation and disease. Nowadays, Russia is once again a powerful world force.

Being shareholders in community projects is important to any sustainable system. O’Grady cites the work of Spanish Priest Jose Maria Arizmendiarrrieta in creating the Mondragon System of worker ownership of companies. The approach makes the workers part of a family firstly. If economic factors impact negatively on the companies in this system, no worker is made unemployed because having a job and working is as important as the product. Another system of incentivising freedom at work was developed in Wales by a team of management theorists led by Professor David Snowden, who redesigns systems of company management without strict rules. His work at Bangor University centres on changing company management from trying to forecast the future and reach performance targets, to constructing a set of boundaries and objectives that are strictly enforced. Under this systems, workers should be allowed to complete their tasks however they want, using autonomous judgment without fear of failure or loss of contract. Importantly, employees should be drawn from local areas rather than traveling too far to work. In return, trust and loyalty is given to the employer. This principle became known as the Cynefin framework. Much of the framework is common sense and historically widespread, yet difficult to apply to disparate workforces. When workers are separated from community purposes, subject to a litigation culture in work disputes, and have to use short-term work contract systems that are in place globally, systems often fail.
The Cynefin Framework

The Cynefin Framework as proposed by David Snowden contradicts much of the current capitalist model of labour relations and management theory. At present it is a one-size fits all model, largely emanating from the United States and widely applied globally as the de facto method of business organization along profit lines. For Snowden, the success of a unilateral system can only succeed if the hearts and minds of the workers are won in every space in order to be managed effectively. This has proved difficult and almost impossible in many areas and countries that don’t want to share the cultural norms of the dominate power or cannot for geographical or environmental reasons.

Why Snowden is important for O’Grady’s view of localized small-scale work environments is found in the definition of the Cynefin principles. Snowden defines the Welsh word Cynefin as:

“…..that relationship: the place of your birth and of your upbringing, the environment in which you live and to which you are naturally acclimatised.”
(Snowden 2010)

Failure to consider the relationship of the individual to their surroundings is why a lot of management systems don’t work when applied broadly, especially in the short term and have to be changed to suit the local surroundings. Coupled with this is the concept that work should be skills based rather than mechanically based. Workers enjoy their jobs intrinsically more when a long period of apprenticeship is applied before work starts. Deriving skills needed to do a job that supports the area you were brought up in and are located in are combined with the motor neuron sense memory of the repeated actions you perform. Therefore, your body, brain and sense of surroundings harmonize you to your daily activities and supply a more powerful framework for employment above the profit motive.

The profit motive as a system of work incentive has only been used for less than a hundred and fifty years and for countries adopting this system from abroad this time is even shorter. A much longer history is the smaller groupings of people incentivized to look after the interests of their group. O’Grady believes that the sustainability of connecting with a group of about 150 people has historical precedence over the present-day organizations of work and social isolation, and in fact people seek this system out naturally and are ready to form these connections given sufficient opportunity. What is difficult in our current set of social relationships is being able to
reach this state of 150 connections in work and social life.

Wealth hording, short term work contracts, and limiting the sharing of resources have produced some alienation from the community-based life-style. Selfishness and self-preservation push the individual back down the hierarchy of needs to the first level, all the while thinking that they should be or are at the fifth level. Even fairly rich people may not even have the middle level of love, respect and family support because in order to afford the size of house they are used to requires working very long hours and never seeing family or making connections with the people in the local community. The extreme form of this insecurity has resulted in gun ownership to protect the individual from their own community or local interactions.

**XI. Towards the 150**

O’Grady is confident that the current system of capitalist life will fail as all systems that do not incorporate sustainability in their model will do. However, if people are stopped on the street and asked would they like to become part of a community-based system, most people would say ‘no way’. Taking on a number of tasks for their local area that were previously done by a local council or paid for using their high salary is unpalatable. However, a quick historical search into the recent past of ones parents and grandparents shows a much higher degree of public services and provision was provided for them and helped community relations. Today, private responsibility and individual freedom as reduced workers’ collective pension provision. State pensions and public services are constantly recalculated yearly and refinanced from funds and bonds on global stock markets. Pension dividends are now potential returns rather than guaranteeing fixed retirement income. Looking further back, we find the price of housing in the 1950s and 1960s was affordable for one family member to work and the other to build a home life and strengthen community ties. This concept is now laughably unrealistic for most of the young working populations from San Francisco to Berlin. As seen in Japan, the high cost of housing and the small size of accommodation in cities centre employees around large corporations. This has been the trend since the 1960s. In many cases, the accommodation is provided by the corporation.

Equally, it can be argued that residents of Greece have suffered after becoming members of the European Union (EU). After the mistakes of their own government, citizens’ have also been denied security and protection from the large super state organization designed to help them,
proving itself to be unworkable, overly bureaucratic and counterproductive. Here, not only are Greek people set to suffer but the financiers demanding loan repayments to finance their own debts risk collapsing the whole European Union project. Notwithstanding, the 2016 vote by Britain to leave the EU has further damaged its foundations.

Change is then a hard process even if it is inevitable and movements to a more sustainable way of life are not clear. O’Grady’s book provides some answers but not all, yet as theoretician David Snowden seems to agree, as an engineer by trade, faulty designs and a lack of maintenance will eventually lead to systems failure. Then, any alternative methods untried could be tested. Nonetheless, as Dmitry Orlov writes in his book ‘The Five Stages of Collapse’, the idea of revolution is hard to digest. With historical precedence and global fears of radicalism, complete revolution of the current system might not be the answer. In the face of great climate change, future financial crashes, O’Grady’s back to basics approach could help. Decoupling and disentangling essential physical and mental infrastructures from the finance and commercial sectors would be a good start. This could be done by writing a constitution of repairs.

O’Grady summarizes his approach as

The 150 rule may be an antidote to the ills of the profit motive system. The central idea is that service to a group of connected people, bonded by common sense is a viable and powerful alternative to the profit motive. This is a conjecture supported by research into our evolutionary biology and historical record of humankind. The present elevation of the status of the individual is an aberration, in conflict with the natural state of the human species, who are inherently cooperative and sociable. (O’ Grady 2016)

On the digital environment, he seems to agree with Betancourt in that although great new connections can be made on space and time in the digital world, it is largely faceless and anonymous. Therefore, digital interactions miss some crucial biological and physical connections between people. Failure to connection in the real world often results in deep selfish action with no perception or regard for the consequence of actions done online. Similarly, centralized manufacture and production of food and products that have been abstracted from the end user/customer by distance and cost effectiveness can render these items unsafe and unnecessary.
XII. Conclusion: Despair Fatigue

The true nature of a country’s structure lies in the fermentation of its community life and artisans. This point was made by Morris Berman on writing about Japan. Berman points to the true artisanal nature and craftsmanship of the Japanese culture as shaping its approach to the imported capitalism economics and has been ultimately at odds with the profit motive in its pursuit of craftsmanship and engineering excellence. A simple, community village approach to life is waiting quietly under the surface.

In the United Kingdom, Anthropologist David Graeber writes in his article, ‘Despair Fatigue’, that a new mood of optimism has swept the United Kingdom, starting in Scotland. This grass-roots movements from local political activists in the Scotland National Party delivered twice as many votes as the nearest rival, the Labour Party in the British General Elections in 2015, propelling it the third largest force in British politics. After this event, the Labour Party itself was taken over by the old left activists who believe in a political process combined with worker unionization and direct action. Graeber says that these movements support local smaller-scale production and manufacture, all-be-it, with the adoption of high-technology. He says that the United Kingdom, like Japan and Russia, and unlike Germany and the USA, survive and prosper regionally with small-scale enterprises supporting the economy as a whole but at a local level.

Betancourt would warn against the use of digital technology if it could not be decentralised and balanced with critical engagements with real-life decision making. To reorganise digital technology to serve a community of real interactions rather than replace it could be a combined challenge from O’Grady and Betancourt.

Faced with the potential of Latin-American style dictatorial politics entering into the United States, a new mood of positivism is needed more than ever. O’Grady is more positive than Betancourt, and believes that community strength and expression will return. Community work and incentives to support local areas were damaged after the decline in unionised labour in the 1980s. Then in the 2010s, such practices were almost demolished by central banks attempts to engineer growth through financialization. For O’Grady, humans are basically social and naturally prone to collectivize and along with David Snowden and David Graeber’s view on localised small-scale autonomy for workers, sustainable communities and life styles might just be making their
reintroduction.

References:

1 Spotify is a new digital music service that enables users to remotely source millions of different songs on various record labels from a laptop, smartphone or other device. (Techopedia 2016: https://www.techopedia.com/definition/27580/spotify)
2 Financialization is the process by which financial institutions, markets, etc., increase in size and influence. (Investopedia 2016: http://www.investopedia.com/terms/f/financialization.asp)
3 Blockchain: This is a public ledger of all Bitcoin transactions that have ever been executed. It is constantly growing as ‘completed’ blocks are added to it with a new set of recordings. (Investopedia 2016: http://www.investopedia.com/terms/b/blockchain.asp)
4 Rehypothecation: This is the practice by banks and brokers of using, for their own purposes, assets that have been posted as collateral by their clients. Clients who permit rehypothecation of their collateral may be compensated either through a lower cost of borrowing or a rebate on fees. (Investopedia 2016: http://www.investopedia.com/terms/r/rehypothecation.asp)