

## Money Stretches Further in 2071

We have found financial wizards and ad promoters escalating retail prices by 13% and 7% respectively.

Investment bankers lend funds for assembly lines that will produce new widgets. Makers seldom deploy accrued profits to build assembly lines because long delays open the doors for competitors to jump in and steal their niches. In practice, makers must borrow to keep pace, and those added costs are dumped on consumers.

Likewise, adverts are endemic to free-market Capitalism. Retailers won't allot shelf space unless the products have "brand" recognition. Even generic products bear ad costs or indirect backing by parent entities, such as a grocery chains. Yet goods or services could be made and delivered to consumers without adverts.

The cooperative agenda stretches money farther since you don't pay the tolls of advertisers or financial wizards.

**SOAR** co-ops compete for goods and services in the prototype phase. They compete for the license to sell a particular good or service. They must achieve highest scores in a rigorous modeling program. The **Framework** assesses products for social and ecological responsibility as well as value-to-cost and consumer approval. The winners earn exclusive five-year charters to market their products. After which time, co-ops face off once again with updated versions of their prototypes that will compete for the next five-year charter.

There are two consequences with this approach. Customer demand becomes the prime mover for new products and better versions of existing products. This leads to more continuity and backward compatibility in the marketplace, which denies reckless speculators.

In this milieu, no advertising is needed. The winning co-op focuses on providing consumers with basic instructions and helpdesk support. Buyers get but one choice: the product judged best for the community as a whole. Shrewd co-ops will offer variable models for their products to gratify specific customer needs and tastes.

Financial middlemen are likewise unneeded in the SOAR economic

scheme. Prices of goods and services reflect the pledge of whichever co-op owns the five-year charter. Co-op pledges are based on the costs of materials, manufacturing tools and fair labor returns. Prices are easily calculated for the present and future because SOAR currency holds the same value over the longrun.

SOAR uses three factors to determine the amount of money in circulation: 1) total amount of natural resources; 2) number of humans in the community; 3) and the estimated value which can be wrought from basic resources and human ingenuity. For instance, the discovery and introduction of new resources will trigger an increase in the money supply. Likewise, a co-op that shows it can add more value to existing resources will also trigger an increase in the money supply. Increases in money supply reflect genuine increases in the productive economy, whereas the prices of goods and services remain stable, as does the currency itself.

The entire abracadabra of virtual traders, investment bankers and market makers are exposed as parasites for which SOAR **metics** never pay a nickel. Here we must remind readers that SOAR enjoys a treasure trove of natural resources, thanks to the mineral extraction of near earth asteroids. The resource bonanza is shared all around, both as present and future values, for individual net worth equates with each metic's accrual of co-op shares. SOAR finances projects much like earth-based pensions, minus the middlemen.

The worst drags on Capitalist prosperity are tax grabs that fund poorly delivered government programs. Some of the blame goes to political infighting, but the most of blame lands on the doorsteps of career bureaucrats who are entrenched in a system that rewards "covering one's ass" rather than doing a thorough job for the public good.

SOAR bypasses the political quagmire by "governing" the economy without politicians. Co-ops compete for five-year charters to provide various government services. SOAR bureaucrats cannot bank on job security. Co-ops must deliver services at reasonable costs to the satisfaction of metics, or rival co-ops will snatch away their charters.

Co-ops go about their business without fixed layers of hierarchy. Ad hoc coordinators may assign tasks, but they do so face-to-face, so the process is upfront and informal. Co-op members champion teamwork and collective responsibility as much as individual responsibility. Thus, multiple layers of stagnant energy pools are removed from the system.

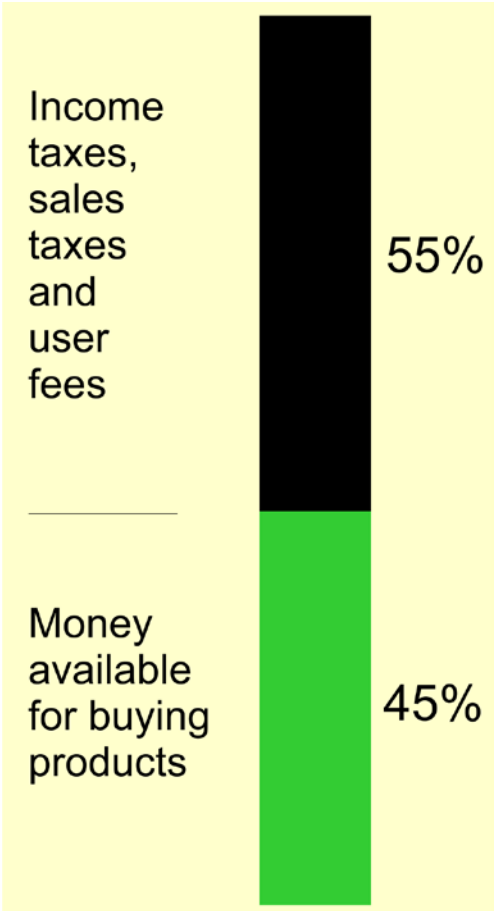
Transparency is ubiquitous in SOAR communities. Each co-op appoints or elects a watchdog who keeps tabs on the goods and services delivered by other co-ops, both governmental and nongovernmental. The watchdogs will report to fellow members if the response times are too long or the products prove unsatisfactory. The co-op will then decide whether to file a complaint. Any such complaints will be held against the co-op holding the five-year charter.

With all this streamlining of socioeconomic customs, there remains a need for taxes. Surcharges on purchases, user fees and withheld income make up the tax burden. Taxes build and maintain The Commons infrastructure which is doubly necessary for off-earth habitats. Taxes provide the regulatory Framework which ensures fair play and guidelines for life support and communal prosperity. Taxes underwrite police officers, militia and diplomats to enforce domestic peace and protect SOAR communities from outside predators.

Taxes bolster the commons which are often taken for granted. Metics need private living spaces, clean-running water, hygienic sewage disposal, wireless and wired networks for communication, efficient travel corridors, nutritious and affordable foods. Metics need gainful employment, pleasant communities based on the rule of law and easy access to knowledge that's crucial for full-bodied lifestyles. In short, metics need enough options so that everyone can pursue happiness.

Given the above considerations, taxes in SOAR communities are 10%-12% higher than in most earthside nations. However metics will point out they get a greater return on the taxes they forfeit. For instance, maternity leaves for prospective mothers are far more generous. And topnotch public education, including room & board, for every youngster from age two to 18. Lastly, there is universal access to library know-how and 100% employment.

When the economy is managed for full employment, no funds need be diverted for band-aide solutions like jobless dole, food stamps, subsidized housing, etc. More tax dollars go toward urban parks, affordable rapid transit, public swimming pools, clean streets and safe neighborhoods.



Metics may retain larger slices of the economic pie, but their spendable incomes remain modest, though adequate. They only get to spend 33% of their earnings, whereas 67% goes toward co-op shares. The accrued equity may be cashed in when metics retire from the workforce. In retirement they enjoy ample funds to relax, travel or pursue hobbies, but they lose their voting clout.

Meanwhile the 67% held in escrow lets SOAR fund education, refurbish the infrastructure and underwrite healthcare. There are ready funds for major projects like new habitats and new robotic

manufactories. Lastly, the share equity finances product prototypes, some of which will never pay for themselves.

At this point, readers must have thousands of questions. Can cooperative economies compete head-to-head with the current Capitalist economies? If so, what are the advantages and drawbacks?

These questions and others will be covered in future reports.

Stay tuned to this blog.

**SOAR** (acronym) Solar Omnifarious and Aspiring Republic. Spacer colonists belong to this economic confederation of member co-ops.

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**Framework** is a computer program that evaluates products for usefulness, resources consumed, assembly methods and the cost of recycling or disposal. Evaluation parameters are tweaked to accommodate the latest and most accurate scientific evidence. [Back.](#)

**metic** signifies a person who has SOAR citizenship. Metics are entitled to a vote on social policy as soon as they've joined a co-op. Inmates of debtors' college may express their opinions but their votes have no effect. August-age metics who have retired outside SOAR communities are likewise ineligible to vote. [Back.](#)