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Stage 2 - prototyping helping the convinced at the threshold of risk and wealth

As soon as possible KPI

The main reason for setting up an organization, and a community, of social and environmental activists as described in Sage 1, is to have as much positive impact in the world as possible. Therefore the community should aim at using their collective resources to have a measurable impact as soon as possible.

We need a formal way to define when “as soon as possible” is, and the amount of resources appropriate to devote to helping out. If the community would start focusing all the resources outside from the onset, it wouldn’t have enough resources to grow, and possibly not even to sustain itself, and therefore it would collapse. Also, it wouldn’t be able to help that much anyway, because of their very limited resources.

At the other extreme, if the community would wait to have resources to help all the billions of people who are living under conditions of poverty or at risk of exclusion at once, it would presumably take a very long time, and it would waste opportunities to prototype and refine methodologies, as well as building network and gaining credibility: it would certainly look very odd from the outside an organization that spends decades gathering wealth and power to allegedly invest it in helping others at some fuzzy point in the future.

What would be the optimal balance between starting right now and waiting until becoming the most powerful organization in the world? Here are some considerations:

- Fast growth in power is paramount because the concerns of premature > extinction of humankind, or at least of serious environmental > damage or political authoritarianism lock-in are credible and > pressing. A lot of power is required to reverse the trend.
- Let’s give a number to the previous consideration: let’s say that > the organization should invest at least 90% of its profits on > growth, and at most 10% of its profits on the greater good, until > it reaches a scale capable of successfully tackling global > challenges.

- Let's define profit as the revenue that comes from for-profit > operations, mainly the startups that have reached enough maturity > that are bringing in more money than they need to operate. Also > the teams that are producing goods and services for the community, > and are selling their excess for profit, if they manage to bring > in enough money to not only cover the needs of the community, but > also make profit.
- The money that the community members donate periodically to the > organization doesn't count as profits. Those are, as defined in > Stage 1, meant to be investments, either in startups which will in > turn generate profits, or in products and services to the > community members which will empower them so that they can donate > more.
- Each line of work should have at least two people assigned to their > leadership and management. This is to prevent a catastrophic loss > of knowledge if one of them were to suddenly leave the > organization. Also it makes it easier for people to avoid > overwork, be able to take sick leaves and vacations with the peace > of mind that the project will carry on, etc.
- Let's assume, for the sake of simplicity of the argument, that, at > least at this early stages, the salaries in each line of work will > be comparable, and so will be the budget spent per worker. Budget > here refers to all the expenses the line of work has other than > worker's compensation: manufacturing, distribution, marketing, > etc.

Given the previous considerations we can deduce that the organization would be able to start working for the greater good when 10% of their profits would finance an organization of two people. That means, at the moment when the organization's **expansion efforts** reach about 20 paid people it should afford to devote two of them to an area of work aimed at the greater good.

We have therefore defined a Key Progress Indicator (KPI) to track when the organization will reach the "as soon as possible" moment where it should start acting for the greater good. An objective measure which will allow everybody who agrees on the strategy to be aligned on when is the right time to move from Phase 1 to Phase 2. It is very important to have a clear objective KPI and threshold because relying on imprecise definitions like "we will start when we have enough money" or "when we are ready", is very likely to lead to as many interpretations as there are members in the community, and to costly conflicts.

Notice that the definition implies that it is quite possible for the organization to employ more than hundred people and still be too early to start the second stage, too early to dedicate two people exclusively for the greater good. Imagine a situation where 100 people are working for teams that already make profit. With the profit from this 100 people the organization invests in new startups that employ 15 people. Furthermore, there are 15 more people employed in startups and in providing services to the community financed by the donations from community members. In this situation, the profits from the community-owned firms would only pay for 15 salaries, of the total 130 people employed. That

would be below the threshold. The community should wait until that number grows somewhere between 18 to 20 people until starting Phase 2 and hiring two people to work altruistically for the greater good.

Social impact for the greater good: mitigating exclusion risk

The first unit of work for the greater good should be devoted to helping out people at risk of exclusion. More specifically, the task of the team of at least two people described in the previous section should be to locate people who agree with the ideology and strategy of the community, who would like to volunteer to help out, but who doesn't have either the time or the money to do so.

Those who have time to spare but don't have money don't qualify because they could help out volunteering at one of the production units, therefore converting their extra time into money, and learning new skills in the process if needed. Those who have money to spare but don't have time don't qualify either because they could help out donating money, and, if they wanted to have spare time as well, they should be able to do so, trading some of their spare income for spare time, possibly with the help of the community to find a proper job, but that kind of help would be part of community-building networking, not part of a unit of people paid to help those at risk.

At this stage admitting to the community people who don't have spare time and money to contribute to the greater good would still be problematic. The inequity would likely create tensions and their onboarding would consume precious resources from a still small community, that would better be used for growing the community with members who are privileged enough to contribute significantly to the greater good.

The proposal in this second stage is to create a second pipeline to become members of the community. People in this pipeline would not go directly into the community onboarding process. Instead, they would first join an empowerment program where they would receive support to help them become privileged enough to qualify to join the community through the normal onboarding process.

Therefore the actions proposed for this second stage will achieve two complementary purposes. On one hand they will allow the community to contribute to the greater good, it will help people at risk of exclusion, and it will do so through the practice of genuine altruism. All the support will be given with no strings attached. There won't be loans to be returned. The second purpose will be achieved by targeting people who are interested in participating in the project, and therefore, a side effect of succeeding in this program will be to grow the community with more people who will contribute more resources to the greater good.

The definition of those who don't have either money or time to spare as population at risk might not meet the definitions used by other social impact programs,

who might have more stricter ones, with lower income thresholds for example. However those who don't have spare time and money to invest in their own wellbeing and growth are likely to eventually be pushed out by a combination of inflation, accidents, burnout or diseases that force them into a spiral of debt.

There is a concept in the literature called "poverty trap" which is a systemic phenomena that happens where people live in an economy that requires capital investment to access resources that would enable them to make more money. Capital could be time and money and resources could be education, health services, good nutrition to stay healthy and have strength to be productive, good housing to rest well to be able to focus at work, etc.

Therefore the target cohort for this program would be people who are victims of the poverty trap. People who don't have resources to invest in themselves to make their own situation better. Among them, those who are close to the border, who could be easily helped out.

The profile of people in this category would be talented and motivated people who possibly have family commitments, taking care of dependants, which prevent them from having enough spare time and energy to devote to others, and to themselves as well. They might also have some emotional or psychological challenges, or some self-boycotting beliefs, and they might lack the resources, time and money, to take care of them. In other words, people with a lot of potential who due to a combination of factors are unable to tap into it, to get access to the training and credentials that would allow them to advance professionally.

The greater good team would be in charge of finding suitable candidates and enrolling them to a program that would offer interventions aimed at increasing the amount of money that they make per hour, reducing their fatigue from work, and increasing their spare time and energy. The catalog of interventions could include:

- **Collective shopping discounts:** the community already has a > procurement team that buys wholesale and negotiates discounts. > Products and services could be offered to the program > beneficiaries at cost. This would likely have a negligible cost to > the community, maybe it would slightly increase the cost of > storage and coordination to get products from storage. On the > other hand, it could even benefit the community by managing larger > volumes that would give more leverage for bigger discounts.
- **Filing for subsidies:** often the governments offer a wide range > of subsidies for people at risk. Subsidies for the rent, for > utilities, for buying food, for enrolling the kids to sports, for > caring for the elder, etc. keeping up with such a large array of > evolving options is time consuming and requires networking with > social service agents and monitoring multiple announcement > channels. On top of that, applying for them requires also > investing time hunting down documents and filling up forms.

There is so much work that it's often not worth it, or even possible, for eligible people. A team specialized in subsidies could make the process much more efficient by applying to all the subsidies for all the people in the program who qualify.

- **Job search:** maybe the subject already has enough skills and experience to access better paid jobs but they don't have the time or the skills to find and compete for them. This intervention could be implemented by the same team of agents for the community members discussed in phase one.
- **Coordination & community building:** helping program participants who live near each other coordinating so that they can help each other with activities that consume their time: taking care of dependants, cooking, grocery shopping, etc. possibly help them to move in together so that they have an easier time collaborating.
- **Collateral for housing:** the participants might have a hard time finding good quality housing, even though they might be able to afford it, because they might not be able to prove job security or have savings for a security deposit. Suboptimal housing which reduces sleep quality due to noises and extreme temperatures has been shown in studies to impact work performance negatively, which translates to less income. Also suboptimal housing might add commuting time.
- **Cash handouts or direct payments:** in many situations offering cash to the participants might enable them to work less. Imagine a situation where they have three jobs, one in the morning, one in the afternoon, and one on the weekends. Helping them out with payments might give them the opportunity to ditch one of the jobs and have extra time to invest it on themselves. Also having extra money will help them eat better and in general take more care of their health, which are factors that have shown up in some studies that compound with challenging situations and make it more difficult to get out of them. This must be done with care since it might disqualify them from some subsidies if their income goes beyond certain thresholds. There might be creative ways to offer them help that reduces their need for money without disqualifying them from subsidies such as lending them a cell phone and a laptop, repairing their car, paying for babysitters or for elderly care, ...
- **Training:** the job placement / agents team should be able to identify gaps in the knowledge of the participants which, if covered, would give them access to the next level of employment. Typically those trainings are easily available, often for free or for cheap online, and come with learning certificates from reputable institutions. It is unlikely that paying someone to offer direct training to the participants would be cost effective, at least in the early stages, when the number of participants will be relatively small. However, helping them choose the right

training, grouping them in teams so that they can help each other > learn, and offering them expert support, to help them out > preparing for exams and homework, might be very valuable and > cost-effective.

- **Therapy, mindfulness, yoga:** often people are facing internal > challenges as well as external. Those challenges might have a > negative impact on performance, and contribute to them having less > available time and lower income. There are a lot of free or cheap > resources for mindful meditation and yoga, like online videos and > phone apps, that might help quite a bit. On top of that, having > personalized support in the form of meditation and yoga guidance > and individual therapy might be a much more powerful intervention. > Also, since we are discussing a collective program, participants > could be trained in basic techniques, which they could apply to > each other, to multiply the impact of the intervention with > collective self-managed work between the individual sessions.
- **Job placement and hands-on experience:** sometimes talented and > enthusiastic people face a chicken-and-egg problem to advance in > their career. They want to access a position for which they feel > passionate but they don't have opportunities in their current > position to practice the skills needed for that, and another > company won't hire them for that position either because they lack > experience. In those cases they could be given an opportunity at > one of the community's startups where they can practice those > skills and have demonstrable hands-on experience. That would > qualify them to later get a job at a bigger organization, which > would expose them to further challenges and help them grow > professionally even more.
- **Finance manager for income and savings:** some people experience > challenges managing their income. They might suffer from a mild > shopping addiction or impulsive buying. In this case, they might > want to prevent themselves from buying anything unplanned by > delegating the managing of their income to a finance manager > offered by the program, and having a deal of not letting them > spend anything that hasn't been discussed previously. Furthermore, > the same finance manager might help them place their savings in a > secure instrument which pays them a reasonable interest rate.
- **Finance manager for debt:** Alternatively participants might > already be in debt and have difficulties paying it if they are > using instruments with a high interest, such as credit cards. The > same finance manager might help them consolidate all the debt in > an instrument with a lower interest rate, such as a personal loan. > The program might even offer a collateral or guarantee to lower > the rate, or even offer credit directly at a low or zero interest > rate.
- **Housing:** at a later stage of the program, for the participants > that are advancing successfully and they are renewing their > interest in joining

the community, the program might offer them > housing in the same settlement where the community is building. > This settlement might be in a remote location and therefore a > pre-condition might be that the participants have already secured > fully remote jobs. Housing might be provided at a discount rate to > help the participants (at this point they are not part of the > community yet, therefore they are supposed to pay for the services > that the community gets for free, like any hospitality customer > would). This benefit would also provide them with chances to > closely interact with community members and help them decide if > they want to join.

The above are just examples of possible interventions. The team should come up with their own ideas and experiment with them. The underlying idea is to find interventions with the highest return on investment possible, in the sense that they provide as much increase of free time and income to the beneficiaries for the minimum cost.

The program should offer a catalog of interventions and tailor to each individual the combination that would provide the most benefit to them. All the actions and their impact should be carefully tracked so that decision-making can be as much data-driven as possible.

While money transfers will be possibly part of the mix it is very plausible to expect to find much more cost effective interventions due to the collective and repetitive nature of the intervention. A dedicated team can offer very tailored advice based on experience helping people with similar challenges, and without such advice it would be improbable that the beneficiaries spend money optimally. Since people will have similar needs it would be expected that the program could provide reduced prices to common expenses if they buy in bulk.

Also, the datasets, research methodology, and results should be openly published, to promote transparency, and to benefit other organizations with the acquired knowledge. It will also help build a good reputation for the organization.

One last consideration for the catalog of interventions is that they should prioritize options that are symbiotic with the overall transformation strategy. Of the examples above, collective shopping, job search, and housing are interventions that leverage existing knowledge and structure in the umbrella organization. Furthermore, it helps direct funding from the grants to the umbrella organization.

As the program matures it should develop better and more precise criteria for entering and leaving the program, for success and for failure. The entry criteria should be based on parameters that maximize the likelihood of fast and cheap success. The criteria for success should be linked to the beneficiary escaping the poverty trap and being able to progress on their own. The criteria for failure should use the increase of spare time and spare money that the beneficiary achieves. The improvements on those KPIs should be tracked against the typical performance of participants so that those who perform suboptimally can be removed from the program to be replaced with others who can benefit more.

Criticism

This schema might sound self-serving and even sinister, like some sort of sect, or a scheme to improperly deviate money. But it is not. Is not a sect where people are helped and then forced to “give back” to the community. There is no coercion mechanism, it is genuine altruism. If in the end the relationship between a given participant and the community doesn’t work out it wouldn’t make any sense for a horizontal community to try to force it somehow. It would be a disaster for the health of the community to have members who are coerced. It is not a scheme to syphon off social grants to private interests either. It is instead a financial optimization obtained by building a conglomerate of organizations that are each other’s customers. In this way they can offer services to each other at a market price while the profit from those services stays in the conglomerate and feedbacks into more investment for growth.

Another possible criticism is that helping people in wealthy countries is neither efficient nor fair compared with helping people who are living in extreme poverty in very poor areas of the world. With the money spent on helping one person in a wealthy country overcome a situation of risk and move on to a more comfortable situation, several lives could have been saved in the poorest corners of the world.

While the comparison in which the criticism is founded is correct, the strategy presented here turns out to be much better, in economic efficiency and ethical value, if looked at in a broader perspective that includes the people who will live in the future in those areas. One premise behind this strategy is that the reason for billions of people living in poverty is structural, that the wealthier countries have a lot of leverage in that structure, and that the cheapest way to influence that is to gain power in the western “democracies”.

From this assumption it follows quite logically that starting with the “lower hanging fruit”, helping the people in those western countries that are easier to help and more likely to contribute to the structural change, is the best way to help the most people, including future generations, that will outnumber many times the current population that won’t be receiving help immediately.

External funding

During the early stages of the organization everybody who is paid for doing some work should have as one of their goals that the work they are doing brings back to the organization more money than their job is costing, including salaries and expenses.

This is obvious for people employed in the pro-commons startups. It is less obvious for the people who work on tasks supporting the community, although we have already seen that those could be converted from expenses into profits as well, by scaling up the operations and selling the excess of services and products (child care, coaching, legal services, hospitality, food and beverages, ...).

It might sound even less obvious for people employed in the greater good division,

but the reasoning is the same. As soon as the community can afford to pay two people to work for the greater good, one of the priorities of those two people should be to find grants that pay for their interventions and their salaries. In this way, the money that the community invests in the area can be used to hire two more people, bringing the total up to four, which in turn should prioritize finding grants to cover their costs, so that the staff can grow to six people, and so on, in order to grow the operation as fast as possible.

The difference in this case is that these won't be expected to be money-making operations. In general there isn't any funding available to make profit from helping others, the funds available are at most to cover the costs. It is not a thing for philanthropy to say, offer 200 billion to reduce hunger and promise an extra 20 billion in profits if the project succeeds. Grants for social projects tend to be aimed at non-profit organizations and this area should be set up as such.

The more successful projects the organization completes the easier it will be to grow by getting more generous grants. Still, many grants pay after the expenses are made, and in particular with government grants, there might be substantial delays. Therefore in order to optimize the growth of this area of work it is key to provide it with sustained investment to guarantee cash flows. Also it is very rare to find grants for experimental interventions. Sustained funding from the community will allow prototyping new approaches, and those successful can be scaled up and financed with external grants.

In order to optimize the impact of the interventions the team should consider prioritizing the ones that involve goods and services that can be provided by other teams in the umbrella organization, at a competitive price and with a margin for profit. Some examples might be job searching, coaching, training, computer services and rental of computer equipment, accounting and tax filing, In this way, the profit can be reinvested into the non-profit organization, in a way that wouldn't be possible if similar services were bought from other firms. Therefore this consideration doesn't increase the unitary costs of the interventions but adds to the total amount of money that can be used for the intervention, therefore allowing to help out more people with the same initial budget.

Furthermore, some of the work that the non-profit organization does could be spun-off as for-profit services. For example, when a team specializes in obtaining subsidies for people or grants for organizations, they could sell those services to people and organizations that don't have the time and expertise, and charge them on a success basis, a percentage of the money obtained.

Another revenue source could be membership fees for the non-profit organization. Their interventions might cater to a wider cohort than those of the umbrella organization, to people that might not necessarily be sympathetic to the promotion of anarcho-communist ideas. It should be feasible to advertise the work of the non-profit organization in a neutral, non-ideological way, based on the results obtained and the cost-effectiveness of the interventions. This should attract

people who would like to support it with membership fees, that would add to the other sources of funding.

Finally, even though the interventions are genuinely altruistic and come with no-strings-attached, there is nevertheless an intention to focus them on people who have a high chance of becoming contributing community members. Therefore the interventions can be seen as investments in future funding for the community, and the return on investment can be measured by how many of the program participants succeed in having significant spare time and money, and of those, how many decide to join the community and how much they contribute to it.