# GIG DATA

how to beat the Digital Robber Barons at their own game

**draper & boehme**

edited by jonathan harris
introduction by daniel rainey
postscript by julie sobowale

# Gig Data

How to Beat the
Digital Robber Barons
at Their Own Game

# Gig Data

How to Beat the
Digital Robber Barons
at Their Own Game

Chris Draper, Ph.D., P.E.
Simon Boehme

Published in the United States by:

*To Workers of the World:*

*Own What Defines You*

# Introduction

There are many messages and observations in this book, but there are two that should resonate across the range of readership, from casually interested browsers to rising labor leaders.

First is the observation that we, as individuals, have become in the modern social and commercial milieus little more than a collection of data. Our individual data is combined with data from our neighbors (whom we may never see face-to-face and who may be geographically far removed from us) to inform and enrich what the authors have called the “Digital Robber Barons.”

Second is the assertion that labor organizations could be, but are not, a point of focus, and more importantly are not a point of protection for workers in an increasingly fractured and virtual workplace.

As we read this sweeping review of workers’ relationships to their workplaces, their employers, and their fellow employees, and as we consider our status as data pools without protection, we should ask a simple but powerful question: quid tum? - so what? What does this mean for me?

In the age of guilds, it meant that you, as a skilled worker, could not easily be replaced. In a labor environment where a skilled craftsperson controlled the production process from beginning to end, losing that worker might mean a radical reduction of, or even halt to, production. One’s power as a skilled craftsperson lay in the ability to walk away from work with the knowledge that you were too valuable to casually dismiss. But the gig economy has redefined what “skill” means.

We are very far down the path from highly skilled to replaceable. A craftsman could build a vehicle and mastered skills ranging from painting, upholstering, to welding. An assembly line worker had the skill to do one or two tasks expertly - perhaps welding. That assembly line worker can be replaced by a worker who directs a robot to do the welding. That worker may be replaced by an AI program that coordinates the assembly of body parts and the robot doing the welding. As this book suggests, it may soon be the case that a graduate of an 18 month course in computer use will have the one skill that is valued - and who is one among many with that skill, making her or him even more easily replaceable than the assembly line worker.

As the industrial revolution rolled across the world of work, the evolving definition of skill meant that you might not be immediately replaced (although you probably could be replaced easily), but you could be replaced by someone who had a "skill" level that was far below that of the craftsperson. In this environment, labor unions made a great deal of sense - if the notion of your skill level has changed, and you become a replaceable part of a larger group, the only real power you have lies in the community with which you identify, and whose members can work in unison to exert its power. Replacing one worker on an assembly line is a snap. Replacing the entire workforce, not so much. Unions gained power for the worker by organizing working communities. As an example, in the United States, it is the norm that union organizing is done location by location - among communities of workers who know and see each other daily. But the gig economy has redefined what "community" means.

A manager for one of the "Digital Robber Barons" with whom I am acquainted oversees a team of workers who, until recently, had never met face-to-face. The manager arranged a meeting in London, which required the workers to travel from all over Asia, from locations widely dispersed.

They are managed by my acquaintance who is based in the Washington, D.C., area. After the short meeting, they all went back to their dispersed locations. In the gig economy, with increasingly separated workforces, this virtual community is more and more often seen, and with COVID and other pressures it may well become the norm. To organize in that environment, as this book argues, will mean that labor unions must undertake a radical rethinking of the very idea of organizing, and become comfortable with a new conception of what "power" means to the labor movement.

One can overstate the current state of life in the gig economy. Many work groups and labor unions will not be immediately affected, or at least affected as much, by the changes brought about by the digitization of the workplace. As one example, labor unions involved in organizing in the transportation industry - airlines and railroads - still represent workers with highly developed skills and a geographically constrained workplace. But even in those crafts, union representatives and workers are seeing changes wrought by automation and artificial intelligence. And in both their work lives and their social lives, those workers are adding their piles of data to the huge pile of data that we are all building - and handing over to the Digital Robber Barons.

Some readers may immediately recognize their place in the gig economy as they read this book. Others may be less affected by the changes we have seen, and may find this a fanciful look into the future. Just as predicting the future of technology development is a fraught enterprise - we often get it wrong - predicting how we will successfully or unsuccessfully react to those changes is speculative. But however you react and whatever you think after you read their arguments - the issues raised by the authors give you notice that change is here, and more change is coming. Unions and workers should prepare for the distant future now, because in a real way the future is already here.

Daniel Rainey

January 2022

# Chapter One: Apple Pie

**ap·ple pie** */ˈˌapəl ˈpī/ n*

1: a symbol of American prosperity and national pride; 2: a pie made with apples.

The American economy has transformed from an engine of prosperity lifted by the greatness of innovation to one risking a death spiral teetering upon the whims of equations. While America’s economic core was never fair or equitable, its fracturing into a data-dependent gig society has allowed a new cohort of Digital Robber Barons to extract obscene wealth by claiming ownership over the growing mountains of data archiving every decision or action we take in our day-to-day lives. This takeover occurred at a greater speed and completeness than could have ever even been imaged in our previous Gilded Age because these modern Robber Barons architected an economy where they privately own the digital doorways to prosperity - the phones, apps, and networks through which opportunities, tasks, and labor are awarded - while the cost of accessing these doorways is shouldered by the workers who can least afford it. This reinvented “company app store” model is putting a new generation into unrecoverable debt by promising wealth through platforms optimized to provide poverty. While unsustainable for the gig worker, every day of economic desperation provides another day of performance data, another update to an automation model, another step closer towards the goal of extracting enough data to eliminate the human costs that these Digital Robber Barons see as drags on their profit margins. To these Digital Robber Barons, the modern gig worker is little more than a carbon-based test subject investing in the refinement of their silicon-based replacement. Previous technological revolutions could never truly envision a future that took the human completely out of the mix, replacing human intuition with algorithmic replication of previous human decisions. No longer a baker honing its craft, the modern American is a mere ingredient being chopped and diced into thinner and thinner slices feeding the unsustainable profitability of our rotting apple pie.

Many are starting to wake up to the realization that passing through the digital doorways constructed and curated by the Digital Robber Barons leaves us isolated and vulnerable. The piles of data amassed to push us towards sponsored options or preferred decisions are being used to refine mental barrages so effective that we often don’t even know we are being played. As we are starting to wake up to the constant marketing-driven onslaught, we are seeing a need for a fundamental rebalancing of power in our economy. Many seeing their weakness in this digitized isolation and are starting to realize that few were as hungry when Unions lifted labor to sit up at the same table. Few worked at the whim of an omnipresent boss who tracked their every move. Few were left to navigate their future path alone. Few were truly thrown in the deep end to figure out their socioeconomic place in the world. There was an imperfect connection between what we did and where we were going. There was a connection between prosperity and responsibility, respect and accountability. Our successes served our communities, and our communities provided us meaning and belonging. As the gig economy progresses headlong through digital doorways towards anchorless constructs like the Metaverse, “community” is becoming a reflection of the Digital Robber Barons’ dystopian reality.

Unionization efforts in companies like Starbucks and Amazon have been interpreted as a clamouring for Unions to be that power balance which will change this modern reality. Many theorists believe that traditional Unions hold the keys to bending our trajectory towards a more equitable society. Theorists believe that these recent app-drive erosions of the historic gains delivered by Unions through traditional, place-based organizing will produce a wider push for traditional worker solidarity. This realization that we are better together than apart, theorists assert, will reignite our belief in a greater good that will rebalance society. Yet this view is not shared by the realists who are on the ground organizing.

Organizers understand and accept that employees see traditional unionization is a last resort. Those who have been in the fight for generations know that workers only turn to unionization once they are resigned to their truth of conditions being so untenable or desperate that losing their job would not be an unrecoverable outcome. These organizers realize that the employees who see the power a Union can bring rarely want to join the Union. They do not want to be in the fight, trading one affiliation for another. They don’t see power in waving flags and wearing t-shirts, they see these symbols as targets that can be mercilessly attacked with impunity by the Digital Robber Barons who they depend upon in a digital world. They see Union Representatives showing up with yellow pads and pens, barely able to log into their email, claiming they are ready to do battle in a digital landscape. They see physical meetings in Union halls when two working parents are trying to get the kids bathed and put to bed. They see promises to fight with tools that cannot win the war. They want the power Unions traditionally wielded to exist, whether or not it is the Unions that wield it. They are resigned to the fact that the best option they have is the traditional Unions who are not prepared to step up. They want someone to help them, but they don’t want the old Union solutions.

Understanding what the modern worker needs requires Union leaders to realize that these workers who are now at the mercy of the gig economy did not get there by force. They got there in search of control. The gig economy was born as a utopian meritocracy designed to unleash the sharing economy. Technology's mobile revolution allowed individuals to join and share in communities that could have never before even have been imagined, let alone formed. File sharing fundamentally upended the reigning business model of the music industry. Commuting apps were letting people find three strangers for a carpool without hoping to meet at a carpool stand on the side of the street. Peer-to-peer lending was allowing individuals around the world to take out personal loans backed by nothing more than another's belief in their online profile. These were all collective actions that our society yearned for, where individuals chose to go around institutional barriers or geographic borders to benefit their digital communities of choice. The gig economy was the rational economic empowerment of our shared collectivist movement. Until it wasn't.

The gig economy is not an evil that broke society. The gig economy is merely one shard of our fracturing physical communities. The amplification and acceleration tech enables has made managers incapable of day-to-day oversight. Too many people are located in too many places. Too many restrictions are placed on employee actions. Too many variables can now track too many metrics. Our managers are incapable of consistently and fairly managing in this environment of data overload. So we are willingly managed by the machine. We open our phones to start each day, our apps tell us when and what to do, and "fair" is the unappealable output optimized by the network of equally isolated users fighting to survive. When we "knew" it was fair, it worked. The efficiency allowed us to believe that we now had the tools that would allow us to be treated truly equally. Unburdened by workplace politics and social stigmas, we could control our own destiny, choose when we wanted to work, take jobs on our terms in a way that would finally empower us to pull ourselves up by our own bootstraps. But that didn't happen.

The lethal edge of technology's double-edged sword is its inequitable equality. Good and bad, right and wrong, true and false all have the same access to digital reality. No longer does our news come from curated press rooms as often as it does straight from the press release. Power in the digital era comes down to server space, bandwidth, and the data they store and ship. Every byte in cyberspace costs the same to deliver or block. Labor movements no longer need management to agree to lend them a room for an information meeting. Leaders can reach out directly. When employees are being "educated" by anti-Union consultants, employees can be directly seeded with disruptive questions from organizers. The modern labor movement has immediate, direct, and equal access to accelerate and amplify their message to their membership. So the question then becomes: what message does the modern labor movement need to deliver and to what end?

Unfortunately, the small number of Union leaders embracing digital tools are currently falling into the gig economy's fundamental trap. From TikTok to Twitter, our digital society is optimized for outrage. Virality is more important than validity. Drawing digital blood with an incising Tweet that circles the world in milliseconds has become the end game for many. Like the public floggings of old, the infliction of pain is often confused with power. The belief that workers generating enough digital pain will produce relief is marred by the reality that we are currently fighting in a world of digital marketing. The labor movement's approach to the cyberworld is only "bit deep," seizing on technology that amplifies ritualistic shame to help workers feel a connection across their separation. By allowing Uber drivers to know they are not alone, by allowing Walmart workers to hear their grievances are not isolated, by allowing Amazon drivers to hear that they are not the only ones urinating in bottles while driving does offer collective access to both relief and anger. It provides that strength which comes from knowing your lived experience is real and shared. It allows you to know that you were right. Things do suck. Relief and strength can come from airing public grievances through our modern outrage culture.

But there is no power in public grievance when it does not come from a place of empathy.

Coordinated shouting through viral videos and incising Tweets is not collective action. Winning the digital marketing wars is not like a neighborhood that rises up to fend off a dangerous intruder. There is no value of human suffering in a digital world. Many participate in these digital spaces for that simple comfort of separating from the need for empathy, of retreating to the real world where they are not responsible to those around them. Being aware of the danger in the gig economy has little value when most knowingly see and willingly participate in creating the danger. Gig workers joined the gig economy because it allowed them to separate from the constraints of their traditional communities. The gig economy allowed them to more quickly find any community they wished to form beyond any boundary that was previously imagined.

The strategic issue facing the labor movement in the gig economy is not in communicating the fact that the gig economy isn't the utopian meritocracy we were all promised. The issue is identifying an alternative. In the physical world, well run labor Unions offer a meaningful alternative for achieving a customer need. Union plumbers are more expensive because the work gets done right the first time. When Unions aren't adding value, like any other organization, they struggle. Unions struggle when their role is little more than unconditionally backing the most aggrieved among us. The failure of the American justice system is not as much in the rigidity of our communities as it is in law enforcement unions continually elevating the worst of us to positions of influence. They are these organizations that seek complacency and justification over accountability and equity which are dragging the labor movement down.

Unions committed to bending the arc of our society towards equity must call to account from our past missteps and move beyond them to a position of leadership. This must start with bluntly confronting the reality of the gig economy and its objectives. We cannot find an alternative until we fully understand what the current system is doing, how it values humanity, and how it focuses power. In the digital world, Unions are rarely able to even recognize the sources of power that we desperately need their help to wield when rebalancing the damage being done by the gig economy.

### Digital Acceptance

Recognizing the sources of power in the gig economy created by the Digital Robber Barons of our Modern Gilded Age requires accepting a new reality.

The first reality the labor movement must accept is that the gig world has no physical rallying point. You don't have a cookout in a park to bring people together. Everyone in the gig economy knows that you are digitally standing in an ever churning sea of replicas which you have been conditioned to not recognize as being exactly like you. Your competitors are your digital coworkers, those fellow app users who are always ready to accept the next gig that could have been yours. They aren't taking a job from you or intentionally driving your value down. They just hit the button first. They just activated a piece of code. Their actions aren't for or against anyone. They are just digitized app users to which empathy cannot be attached.

Next, the labor movement must accept that the end state in a gig economy is not automation, it is extraction. The goal is not reducing the number of choices available to the rideshare driver. Each trip is designed to extract the driver's essence en route towards obsolescence. The gig economy is not leveraging labor, it is mining what makes labor. It is constructing algorithmic replications of our very existence to sell them back to us like amusement park Polaroids. There is no point in fighting for a fair place at a future table. There will be no table. There will be no place for the worker, by design. The gig economy is not intending to redefine human efficiency. The gig economy is redefining what makes humanity.

Finally, the labor movement must accept that our only true power in the gig economy resides at the interface between the physical and digital worlds. Our physical world is the reality where we eat, sleep, and breath, where we touch the experiences that become our lives. Our digital world is the collection of apps shuffling data around, calculating reflections based on what the algorithms are told is happening in the real world. But the digital world will never be more than estimations that must believe its inputs. The interface between these two worlds are the devices that take our real actions and translate them into the ones and zeros that build those digital reflections. The Digital Robber Barons don't trust us to tell them what store we visited, what ads we saw, or what conversations we had. They track where we go. They log what we see. They record what we say. They do it with the screens, and cameras, and microphones we choose to put in our pockets, our houses, our cars. Apple was the largest tech giant in 2020 because it owns that interface between the physical and digital worlds that most gig workers depend upon. Apple controls what reality can be digitized. The devices are the gateway, making them the chokepoint of power, to the gig economy.

These realities are why the modern labor movement is not in the same traditional battle fought in a digital landscape. The opponent is not who it used to be. Trending TikToks of amplified rage are just another accelerant for socioeconomic oppression. You cannot shame an algorithm. The battle lines are no longer two dimensional, and our needs are not the same. People joined the gig economy because they don't want a "weekend." They want to be present in their world on their schedule. People are desperate to be seen, to be heard, to be in control. They are desperate to own themselves. The current fascination with non-fungible tokens (NFTs) and distributed autonomous organizations (DAOs), the yearning for a Web3 whose core ethos is built upon data sovereignty, are flashing billboards pleading with Unions to recognize the role our society needs them to play.

The need for Union leadership has never been as strong in nearly 150 years. Yet if it is missed in this moment, there may not be another opportunity so ripe for another Millenia. Web3 could be the greatest accidental framenting of our society caused by individuals seeking collective betterment. These individuals currently share a common cause with Unions. These individuals see the power of the Digital Robber Barons as toxic for society. These individuals see that the power these Digital Robber Barons wield is in the mountains of data they control. And these individuals see that the only modern industrial action they can take in this gig economy is to destroy the machine. Instead of throwing wrenches in, the dream of Web3 is that it can keep their data out. The dream of NFTs and DAOs is that their work cannot be erased. In a digital world where our innovations cannot be controlled, there is a yearning to ensure our work carries us forward. There is a revolt brewing against those who are stealing our very existence, by claiming ownership of our digital reflections. All we can collectively do alone is struggle to put up walls around data that is already out. As collectives we can create immutable commitments to where those walls should be. But life is lived on Earth. Contracts will always outlive those who are starving.

Unions must recognize that these moves towards societal fragmentation risk a labor movement which will replicate the worst of its past. The labor movement lost its way when it actively chose not to transcend the best of us, but replicate the societal evils too many were accepting. This is no different now, where too many are accepting abdication to algorithmic determinations that cannot be separated from the interests of the Digital

Robber Barons profiting from our capitulation. The labor movement cannot fight for scraps on their playing field. It must own the doorway to prosperity.

The labor movement is not fighting a battle for human dignity in our modern gig economy. It is fighting for human identity. We aren't fighting for humans to remain in the loop. Society has nearly given up on that future. If the labor movement continues down the path of fighting for humanity in the workplace, it will become as obsolete as the autonomous driving algorithm replacing each driver. The labor movement must fight to control the interface between our physical and digital worlds. Unions must do what Web3 cannot: mobilize collective ownership over the gateways to the gig economy.

Collectively owning our gateways to the gig economy is the only way we can retain ownership of the humanity residing in our gig data.

## Part One: Old Demons

The old workplace is gone. In some ways, this is good. For others, it has been unmooring. The Gig Economy was worth $347 Billion in 2021, with those who are most vulnerable in this new economic free-for-all needing some form of protection. While two-thirds of Gen Z approve of unions, most still aren't members. What is it about the legacy of labor that is preventing the next generation to join when they are most in need?

# Chapter Two: Individual Equity

*Contributors: Jack Young*

**eq·ui·ty** \ˈe-kwə-tē\ *n*

1: the quality of being fair and impartial; 2: justice according to natural law or right; 3: freedom from bias or favoritism.

A fifty year experiment in neoliberalism has resoundingly concluded that it does not build socioeconomically stronger societies. We have explicitly known since the days of Adam Smith that severe inequity is harmful for our societies[1]. We have internalized in the United States an individualism that sees this reality and converts it to a fear of socioeconomic backsliding. And under Trumpism we saw in the clearest mirror of American society that too many will now sit in a stalled line before losing their relative place within it.

This issue of willingly sitting in a stalled line is both a feature and a failing of the modern labor movement. The core features of the modern labor movement have revolved around collective bargaining, wherein the majority enforce procedural equality with respect to pay. Instead of everyone being paid whatever they could independently negotiate, the majority agrees to transparent methods for predicting how much one would be compensated based on a series of agreed factors. This method creates a process, a static line of progression, defining how one's career can grow from entry to retirement.

In jobs where objectives were once clear, a technologically unaided method of defining a limited number of controlling variables created pay and salary schedules that everyone could follow. These schedules created pathways along which no one could jump the line. For example, protecting teachers has long involved approximating their value along two axes: degrees obtained and time in post[2]. Someone with five years experience could get paid more than someone with ten only when they jumped into a more highly educated pay lane.

---

[1] Dennis C. Rassmusen, "Adam Smith on What is Wrong with Economic Inequality," *American Political Science Review* 110, no. 2 (2016): 342-352.
[2] Will, Madeline, and Stephen Sawchuk. "Teacher Pay: How Salaries, Pensions, and Benefits Work in Schools." Education Week. Education Week, January 19, 2021.

In theory, time could be a proxy for the soft skills that come with teaching and education could be a proxy for innovation. After eight years of education, we would like to think that such a graduate will better understand and communicate the opportunities of our world than someone with an associates degree. Yet many of our most innovative jobs in the modern world, such as those in building a metaverse, new cryptocurrencies, and drones,  are in disciplines that have only existed for less than a decade or so driven by leaders with less than 18 months of formal training. After ten years of teaching, we would like to think that we can understand the dynamics needed to reach a young student. Yet our students are now bombarded with unstructured data from platforms that may be only months old using brain hacking techniques that no one has even begun to understand well enough to combat.

In this new environment, teachers are counselors, mediators, first responders, mental health practitioners, and, all too often now, shields from mutually exclusive worlds clashing within the universes of their classrooms. Success or failure are too often out of their hands. And value can certainly not be assessed through a simple, two axis table. Retaining such simplistic methods of enforcing equality when the job can no longer be so simply characterized is creating significant inequity. This inequity is leading to the conflicting interests that has the potential to  tear apart the desire for collective action.

The moral hazard of inequity[3], as argued by Adam Smith, is indifference to those less fortunate. By retaining a pay or salary schedule that is too simplistic, those in a certain lane at a particular step will know they are powerless to independently progress. The powerlessness of being "stuck in line" provides the opening to focus on those whom they believe are outperforming, shifting the culture from that of gaining to one of not losing. Once a culture of loss avoidance takes root, human nature will almost unavoidably realize survival requires tearing down an opponent versus partnering towards collective betterment.

By forcing overly simplified equality, the majority is imposing a stalled line mentality of victimhood and grievance seeking that will tear any community apart from the inside out.

[3] Smith, Adam, 1723-1790. An Inquiry into the Nature and Causes of the Wealth of Nations; Introduction by Robert Reich ; Edited, with Notes, Marginal Summary, and Enlarged Index by Edwin Cannan. New York: Modern Library, 2000.

**Simplified Equity**

It is clear why overly simplified equality was once a necessary improvement. When teacher expectations were more clear, fairness was easier to identify. When manufacturing was more predictable, output could be more accurately estimated. When communities were more uniform, and notably forcibly homogeneous, biases seemed less divisive. The early labor movement was designed to protect more replaceable humans working in increasingly automated work environments. The roles being protected were not complex, nor was the ability to track any complex contributions. It would have been nearly impossible to factor in reliability estimates, communication effectiveness, or student performance. We did not have the ability to gather the data, manage its tracking, or find scalable methods to ensure its appropriate application during negotiations.

The technology to measure equity did not previously exist. It does now.

The ability to optimize union operations in the pursuit of equity is now computationally possible. Yet achieving such a goal will require more than overhauling compensation strategies. Pursuing equity in labor operations requires the facing and removing of those structures that prevent members from reaching their full potential.

One of these unavoidably noticeable impediments in labor unions is structural racism. Structural racism has been so embedded in the labor movement that a 1959 article referred to it as "a tradition of racial discrimination in the unions."[4] The American Federation of Labor (AFL), for example, was formed in 1886 with an explicitly anti-discrimination stance. Yet by 1899 it was openly admitting locals that discriminated against Black Americans, and by its 1901 convention was passing resolutions regarding the immorality and inferiority of the Chinese as the AFL pushed for reauthorization of the 1882 Chinese Exclusion Act[5]. In 1933, less than two percent of AFL membership was Black American due to the lack of Federal protections afforded during the Depression. By 1939, exclusionist policies in the AFL were so common that instances like the International Brotherhood of Boilermakers being recognized as the bargaining agent for the Tampa shipyards meant all Black Americans

---

[4] Hill, Herbert. "The Problem of Race in American Labor History." *Reviews in American History* 24, no. 2 (1996): 189–208.

[5] Hill, Herbert. "The Problem of Race in American Labor History." *Reviews in American History* 24, no. 2 (1996): 189–208.

currently working in the shipyards lost their jobs.[6] By the time AFL merged with CIO, the combined AFL-CIO was actively creating separate and unequal tracks for White and Black American workers.

This structural racism may be most clear as of 2020 in organizations like police unions. The majority of officers in the 15 largest American police forces are non-White, yet only one of these police unions was led by a non-White leader[7]. In departments like Miami-Dade, Florida or Washington, D.C., where less than a third of officers are White, the union chiefs were White. In major cities with significant non-White populations where the majority of officers are non-White like Atlanta, New Orleans, Houston, and Los Angeles, all were represented by White union chiefs. The senior leadership of both the Chicago and California Fraternal Order of Police organizations were both exclusivelyhite.[8] This inequity of leadership impacts both morale internally and the union's ability to understand its role in the broader society. A 2017 survey of 8,000 officers from across the United States indicated that 92 percent of White officers believe "the United States has already achieved equal rights for Black people" with only 27 percent believing protests against police violence are genuinely motivated by a desire for reform. Of the Black officers who were surveyed, only 29 percent felt Black american had achieved equal rights, with more than 70 percent feeling those protesting police violence genuinely believe the protesters are seeking reform.[9] With fatality rates as of 2012 for Black citizens killed by police 2.8-times higher than White citizens killed by police, this type of disconnection between the union and its community is obviously deadly. When the discipline rate for Black officers is 132 percent higher than for that of White officers, it is clear that many police unions are serving neither the community's interests nor its members' interests equitably.[10]

Many argue that the problems in police unions should not be seen as representative of unions more broadly because police and fire unions have been both voluntarily and politically separated from the majority of the labor movement. It is rightly argued that it

---

[6] Hill, Herbert. "The Problem of Race in American Labor History." Reviews in American History 24, no. 2 (1996): 189–208.
[7] Hager, Eli, and Weihua Li. "A Major Obstacle to Police Reform: The Whiteness of Their Union Bosses." The Marshall Project. June 10, 2020.
[8] Hager, Eli, and Weihua Li. "A Major Obstacle to Police Reform: The Whiteness of Their Union Bosses." The Marshall Project. June 10, 2020.
[9] Morin, Rich, Kim Parker, Renee Stepler, and Andrew Mercer. "What Police Think about Their Jobs." Pew Research Center's Social & Demographic Trends Project. Pew Research Center, June 1, 2021.
[10] Walter, Sheryl, Erik Gonzalez-Mulé, Cristiano L. Guarana, Ernest H. O'Boyle, Christopher M. Berry, Timothy T. Baldwin, "The Race Discipline Gap: A Cautionary Note on Archival Measures of Behavioral Misconduct," *Organizational Behavior and Human Decision Processes* 166, (2021) 166-178.

is the police who have been called to break up unionization efforts since the early 19th Century. Yet it is public affinity for law enforcement that sees politicians separate police and firefighters from the broader labor movement when passing anti-labor legislation, and they are police officers themselves who chose to align themselves with former President Donald Trump in 2016 at a rate of more than four to one.[11] But this does not mean other unions are better aligned with the needs of their membership.

In interviews with Midwestern Teamsters leaders in the railroad industry, a growing split between the views of leadership and the views of its members was clear as of 2017. While leadership was all of retirement age and heavily supportive of the Democratic Party, local membership was breaking nearly nine to one for former President Trump and other politicians pushing anti-labor policies. When looking at the sources of political donations coming from Teamsters in the 2020 election cycle, less than four percent came from individuals.[12] Looking at organizations like AFSCME 61 in Des Moines, Iowa, which lost four out of five of its members immediately following legislative attacks on collective bargaining yet the ensuing recertification votes for the following three years passed by margins in excess of 95 percent,[13] makes it clear that there is both a desire for the protections of a union and a dissatisfaction with union representation options that is great enough that people do not want to become members. This is supported by recent studies that suggest correlations between union membership and job satisfaction may actually indicate that unions are not making people unhappy.[14] People are only joining the union once they become unhappy enough that they feel they have no other option.[15] By 2020, with union membership nationwide at 10.8 percent,[16] modern labor unions are no longer representative enough to inoculate our society from the modern American free market.

**The Separation of Economic and Social Justice**

[11]Clark, Paul F. "Why Police Unions Are Not Part of the American Labor Movement." The Conversation, August 18, 2021.
[12]"Teamsters Union Profile: Summary." OpenSecrets, Accessed October 16, 2021.https://www.opensecrets.org/orgs/teamsters-union/summary?id=d000000066
[13] Petroski, William. "State Workers' Unions in Iowa Overwhelmingly Win Re-Certification." Des Moines Register. October 30, 2018.
[14] Blanchflower, David G., and Alex Bryson "Job Satisfaction Over the Life Course," NBER Working Papers 28206, National Bureau of Economic Research, (2020)..
[15] Laroche, Patrick. "Research Shows Unionized Workers Are Less Happy, but Why?" Harvard Business Review, August 30, 2017.
[16] "Union Members 2020 - Bureau of Labor Statistics." U.S. Department of Labor, Bureau of Labor Statistics,

Many early labor initiatives tightly bound economic and social justice. For example, the Knights of Labor (KOL) was founded in 1869 as a secret society that developed into a more traditional labor union under the leadership of Terence V. Powderly starting in 1873. Between 1880 to 1886, the KOL expanded from 28,000 to nearly 800,000 members,[17] built upon its commitment to organizing across the lines of gender, race, religion, immigrantion, and skill. This commitment of data-driven inclusion was an initiating force propelling its rapid expansion, yet compromises made during this growth phase starting with tolerating segregated assemblies in the American South before taking positions that could be seen as enabling violence against Chinese immigrants during a dispute with Union Pacific Railroad were the beginning the end for KOL.[18] From the Haymarket Square Riot of 1886 to the inability of KOL to protect 60 African-American members from being murdered by strikebreakers at the 1887 Thibodaux massacre in Louisiana[19], both following on the heels of KOL's support for the Chinese Exclusion Act and Alien Contract Labor Act[20], the organization was no longer strong enough to survive the Panic of 1893 and ensuing four years of economic depression.[21]

While AFL remained committed to segregation, it awarded a charter to The Brotherhood of Sleeping Car Porters (BSCP) in 1935 when certified by the National Mediation Board (NMB). As the first Black American labor organization, its leaders A. Philip Randolph, Milton Webster, and C. L. Dellums, and members like E. D. Nixon became incredibly influential in efforts to eradicate segregation, leveraging the unique organizational, mobility, economically independent advantages afforded by the BSCP.[22] These efforts to force societal change were so intertwined with the seeking of economic justice through the labor movement that it is often forgotten that the 1963

---

[17] Kaufman, Jason (2001). "Rise and Fall of a Nation of Joiners". The Knights of Labor Revisited. 31 (4): 553–579.
[18] Rea, Tom. "The Rock Springs Massacre." WyoHistory.org, https://www.wyohistory.org/encyclopedia/rock-springs-massacre.
[19] Schermerhorn, Calvin. "The Thibodaux Massacre Left 60 African-Americans Dead and Spelled the End of Unionized Farm Labor in the South for Decades." Smithsonian.com. Smithsonian Institution, November 21, 2017. https://www.smithsonianmag.com/history/thibodaux-massacre-left-60-african-americans-dead-and-spelled-end-unionized-farm-labor-south-decades-180967289/.
[20] Kristofer Allerfeldt, "Race and Restriction: Anti-Asian Immigration Pressures in the Pacific North-west of America during the Progressive Era, 1885 -1924," History 88, No. 1 (Page Number) (2003): 53-73.
[21] "Knights of Labor." Knights of Labor - Ohio History Central. https://ohiohistorycentral.org/w/Knights_of_Labor.
[22] "Brotherhood of Sleeping Car Porters." Encyclopedia of U.S. Labor and Working Class History. Routledge, 2006. http://cw.routledge.com/ref/USLabor/brotherhood.html.

March on Washington was initially planned by A. Philip Randolph and Bayard Rustin starting December 1961 with the subtitle "for Jobs and Freedom."[23]

This historic interdependence between economic and social justice has since faded. While the Black Lives Matter (BLM) movement has become a decentralized political movement for social justice sparked in response to police brutality and violence against black people, it has yet to overtly mobilize for labor-focused economic issues. While the diversity, equity, and inclusion (DEI) movement has taken an incredibly active role very similar to early efforts of the KOL in gathering, evaluating, and deploying data that encourages "representation and participation of diverse groups of people, including people of different genders, races and ethnicities, abilities and disabilities, religions, cultures, ages, and sexual orientations and people with diverse backgrounds, experiences, and skills and expertise,"[24] it is not yet clear how it will leverage these efforts to meaningful gains in the workplace.

Similar to prior movements by KOL, efforts to bring transparency still depend heavily on labor leaders and activists to turn information into action.

**People Know What They Want**

There is no shortage of research on what modern workers want. An international 2019 study found that more than three in four employees value culture over any other factor, including compensation.[25] This focus on culture has amplified as the 2020 COVID-19 pandemic made many people confront their mortality in isolation. When evaluating culture, five main factors were perceived as the most important considerations: purpose, opportunity, success, appreciation, and well-being.[26]

Supporting the modern workforce means not just fighting for those who are so dissatisfied that there is no alternative but a union. Building a powerful argument for

[23]"March on Washington for Jobs and Freedom." The Martin Luther King, Jr., Research and Education Institute. Stanford University , August 4, 2020. https://kinginstitute.stanford.edu/encyclopedia/march-washington-jobs-and-freedom.

[24]"Diversity, Equity and Inclusion (DEI) Training Is More Important than Ever." Training Industry, January 14, 2021. https://trainingindustry.com/wiki/diversity-equity-and-inclusion/diversity-equity-and-inclusion-dei/.

[25]"CULTURE OVER CASH? GLASSDOOR MULTI-COUNTRY SURVEY FINDS MORE THAN HALF OF EMPLOYEES PRIORITIZE WORKPLACE CULTURE OVER SALARY." Glassdoor. https://about-content.glassdoor.com/en-us/workplace-culture-over-salary/?_gl=1*5nif0w*_ga*MTY0MTYzNDY4OS4xNjE3NDA5MDA5*_ga_RC95PMVB3H*MTYxNzQwOTAwOC4xLjAuMTYxNzQwOTAwOC42MA.., July 10, 2019.

[26]Glassdoor Team Career Advice Experts. "New Survey: Company Mission & Culture." Glassdoor, July 10, 2019. https://www.glassdoor.com/blog/mission-culture-survey/.

individuals to be pro-union requires supporting them in a workforce that is increasingly nimble and connected. There is as much purpose to be found in clean windows as there is in clean computer code. The best of the best in each role need help gaining their opportunities to succeed, to gain the appreciation that leads to their well-being. The skills and supports needed for each to make their own way in a workplace are not found in gridded equality. It is not found by biding time in an unknown role when there are other ways to immediately succeed.

The old promises of the old union, broken by unions and employers alike, that an investment today will be rewarded in the future has never proved true. The model of waiting your turn to be subsidized one day by the investments of the young is not valid in an environment where the old took too much. Everyone's value will change over time, and many will be unable to appreciate their value in its appropriate context. Everyone must be offered the tools to fight for their own equitable reward in order to ensure collective equity.

Pursuing equity means meeting people where they are, and providing them the support they need. Pursuing equity means removing those who bring an organization down as much as it means helping those who are advantaged bring the rest up. Pursuing equity means support must be tailored to the needs of the individual, providing human resources that lean towards the needs of the employee when hard decisions must be supported. Pursuing equity means being that career partner most cannot find at work. Pursuing equity means collectively providing the career guidance, negotiation support, or mental health feedback that cater to the soft skills those who are under compensated lack.

The days of negotiating a salary schedule and backing any employee no matter the scope of any complaint are gone. No one really wants to be part of a culture designed to protect those who are disengaged or employees who do bad things. Workers are demanding equity from their employers. The only way that unions can be a part of helping those workers is to demand equity in themselves. Moreover, unions with the economic incentive to protect ranks and keep their power by defending bad actors in the union is no longer a worthy pursuit.

# Chapter Three: Time Has No Value

*Contributors: Ben Davis, Mark Cooper*

**val·ue** \ˈval-(ˌ)yü\ *v* (c1979)

1: the monetary worth of something; 2: a fair return or equivalent in goods, services, or money for something exchanged; 3: relative worth, utility, or importance a good value at the price the value of base stealing in baseball had nothing of value to say; 4: something (such as a principle or quality) intrinsically valuable or desirable.

The Fair Labor Standards Act of 1938 codified the most significant and sustained strategic miscalculation currently impacting the US modern labor movement. Industrialization fundamentally changed how humans and machines interact to produce goods and services, creating the existential threat from automation currently driving the now unsustainable inequities in our modern society. The Industrial Revolution gave a glimpse of a future where human value could be accelerated and amplified without known limits. Every hour of work was being amplified to produce days then weeks then years worth of traditional human effort. The world was seemingly on a trajectory where the wealth which could be accumulated in an hour would be ever increasing.

In this environment where hours would remain limited and productivity limitless, organized labor accepted the valuing of each human's contributions in hours.

This was not irrational given the greatest needs of the workers at that time. Workers needed some system to ensure that the work they performed for a sustainable amount of time each day would allow them to comfortably exist. Yet paying an individual based on a unit of time when the company was benefiting as a function of their productivity created an opening for the inequity we see today. Protecting the most economically replaceable in our society based on the idea that an hour of life should be valued regardless of the amount of money that can be produced by that individual creates the concept of an intrinsic value to time. The ability to prove that people do not all produce at the same rate in the same hour diminishes worker protection by allowing companies to protect themselves through increasingly rigorous performance metrics that increase the demands of an hour while leaving the compensation for those demands unchanged. In less than 100 years, this attachment to the idea that time should be the measure of economic reward can be nearly directly connected to the fundamental narratives leading to the kinds of labor defeats seen in 2021 at places like Bessemer, Alabama where Amazon workers failed to gather enough votes to unionize. There is still hope. As of the writing of this book, other organizing efforts are afoot to unionize Amazon and other large corporations.

## Mesopotamia to Bessemer

Since the dawn of time, humanity has pursued force multiplication. Since civilized society began paying for labor as a function of the time devoted to laboring, like the ancient Mesopotamian daily beer rations, we have continually attempted to leverage our innate abilities to increase our impact on the world around us. Where we had originally always seen this multiplication effort in isolation, the Industrial Revolution was the beginning of a transformation in how we perceived human productivity. From bone weapons and tools through the Stone-Bronze-Iron Ages, humans spent their entire existence leading up to the Industrial Revolution leveraging individualized tools to improve agricultural efficiency or create cottage industries defined by individually manufactured products and custom services. The Industrial Revolution occurred once tool and machine designers could introduce scalability—when one action taken by one human could produce multiple results in concert with those others around them. Since then, we have been in a continual battle between our ability to produce and our need to contribute.

The Industrial Revolution was born in 18th Century Britain—quickly transforming a largely agrarian, rural society of farming and cottage industries into a manufacturing center.[27] Like most revolutions, progress was swift, if not jarring, and clustered around particular geographies and technologies. James Hargreaves, Samuel Compton, and Edmunt Cartwright revolutionized the textiles industry with innovations and inventions from the spinning jenny to the power loom.[28] Abraham Darby and Henry Bessemer discovered materials and processes that made cast iron and steel accessible and essential materials in everything from tools to vehicles to infrastructure.[29] Thomas Newcomen and James Watt harnessed steam so it could power locomotives (1736 to1819), which improved on Newcomen's work, and the steam engine went on to power machinery, locomotives and ships during the Industrial Revolution.[30]

These advances were quickly adopted to aid transportation. With Robert Fulton's first "commercially successful steamboat," powered trans-Atlantic travel became routine by the

[27]Robert C. Allen, The British Industrial Revolution in Global Perspective. Cambridge: Cambridge University Press, 2018. (need pg.)
[28]Sugden, K. and A. Cockerill. "The Wool and Cotton Textile Industries in England and Wales up to 1850." (2018).
[29]James Moore Swank. History of the Manufacture of Iron in All Ages: And Particularly in the United States from Colonial Time to 1891. Philadelphia: Cambridge University Press, 2011, pp. xvi.
[30] Henry Winram Dickinson. A Short History of the Steam Engine. United Kingdom: Cambridge University Press, 2011.

mid-1800s.[31] From Richard Trevithick's first railway steam locomotive in 1830 and regular service on the Liverpool and Manchester Railway, rail access in Britain expanded to over 6,000 miles of track by 1850.[32] Around the same time, roads became smoother, stronger, and faster to travel thanks to John McAdam's innovative road construction processes.

One of the most important aspects driving the ability to leverage human effort—beginning with industrialization and developing into our global economy built upon mass production—was communication. The instant access to data transmission and information sharing we expect today started when William Cooke and Charles Wheatstone patented the first commercial electrical telegraph in 1837.[33] Over the next 30 years, the telegraph allowed data, information, and instructions to flow across land and sea at the speed of light. Once innovations in transportation and communication allowed the machinery and know-how over a century of British dominance had leapt across the Atlantic, the United States needed little more than half that time to become the leading industrialized nation of the time.

These advances in mechanization, transportation, and communication allowed a small number of humans to produce far more for far less than at any other time in human history, but mass production was not created by industrialization. Chinese crossbows with mass produced bronze parts were manufactured between 475 BC to 221 BC[34], the Venetians were mass producing warships between 800 AD to 1100 AD[35], and the Gutenberg Bible was mass produced by the mid-1400s.[36] Mass production, fundamentally, occurs when systems and tools are created and employed to leverage human productivity through standardization. Industrialization redefined our perception of how much leverage could be harnessed. Standardization, through both procedural and mechanical means, allowed us to practice industrialization on a mass scale.

For example, prior to the mechanization undertaken by Marc Isambard Brunel and Henry Maudslay, in 1803—at the direction of Sir Samuel Bentham at the Portsmouth Block Mills—100,000 pulley blocks, which the Royal Navy needed each year required nearly 100



---

[31]"NIHF Inductee and Steamboat Inventor Robert Fulton." NIHF Inductee and Steamboat Inventor. National Inventors Hall of Fame . Accessed October 18, 2021. https://www.invent.org/inductees/robert-fulton.

[32]"It's All about Steam." Locomotives - The Transcontinental Railroad. Linda Hall Library. https://railroad.lindahall.org/essays/locomotives.html.

[33]"The First Electric Telegraph in 1837 Revolutionised Communications." The Telegraph. Telegraph Media Group, December 2, 2016. https://www.telegraph.co.uk/technology/connecting-britain/first-electric-telegraph/.

[34] Mark Cartwright. "Crossbows in Ancient Chinese Warfare." World History Encyclopedia, October 14, 2021. https://www.worldhistory.org/article/1098/crossbows-in-ancient-chinese-warfare/.

[35] Robert C. Davis. "Venetian Shipbuilders and the Fountain of Wine." Past & Present, no. 156 (1997): 55–86.

[36]History.com Editors. "Printing Press." History.com. A&E Television Networks, May 7, 2018. https://www.history.com/topics/inventions/printing-press.

laborers, were produced. By 1808, the introduction of a mere 45 machines cut the number of laborers needed by nearly 90%.[37] With each machine, the need for humans to complete the repetitive, moderate skill tasks vanished. Individuals were able to get more done as more and more tasks were automated.

This ability to automate many repetitive human tasks set up a great debate: What is the role of human labor in mass production? By the early 1900s, organizational management research was heading to a crossroads best exemplified by the competing theories pursued by Frederick Winslow Taylor and Henry Ford. Is it better to create systems that increase the efficiency of humans, or to design production facilities that reduce or eliminate the need for human labor? While Taylor pursued human efficiency, Ford accelerated human replacement.

By the 1920s, Ford won the debate. His focus on automation was considered the winner, and there was no going back. Iron ore produced at the turn of the century in Thomas Edison's plant could produce 20,000 tons per day with less than 5 percent of the laborers. Around the same time, the Ball Brothers Glass Manufacturing Company increased productivity while replacing over 200 craftsmen and nearly 36 day laborers in its Muncie, Indiana plant alone. For each Ford Model T that rolled off the line, human labor was replaced by over 32,000 machine tools. By 1926, Encyclopedia Britannica had all but redefined the term mass production based on how the Ford Motor Company operated.

During this time of great automation, mass production reached efficiencies that strained the means to supply raw materials and ship finished goods. Completed in 1928, the Ford River Rouge Complex was a marvel of the vertical integration deployed to combat those strains. Raw materials like ore, wood, and fuel came in one end, and finished cars came out the other. During the 1930s, over 100,000 people and hundreds of thousands of machines were continually producing Ford products at ever increasing rates of efficiency.

This movement towards optimization and replacement has accelerated to the point where, by 2021, Amazon has moved the human into a position of "machine-in-waiting." In Bessemer, Alabama, over 5,800 workers are paid twice the local minimum wage to earn barely two-thirds of the median household income for the state of Alabama. Through aggressive human optimization, distribution centers like Bessemer have likely saved Amazon more than $800,000,000 per year,[38] with robot automation in that fulfillment center likely worth another $22,000,000 per year,[39] for an approximate cost savings value of more

[37] James M Wilson, 2015: "Management in the Portsmouth Block Mill, 1803-1812." Proceedings, 2015.
[38] Houde, Jean-François, Peter Newberry, and Katja Seim "Economies of Density in E-Commerce: A Study of Amazon's Fulfillment Center Network," NBER Working Papers 23361, National Bureau of Economic Research, (2021).
[39] Betsy Mikel. "Amazon's Secret Weapon Could Save Its Warehouses $2.5 Billion." Inc.com. Inc., June 23, 2016. https://www.inc.com/betsy-mikel/amazons-secret-weapon-could-save-their-warehouses-25-billion.html.

than $144,000 per year per employee. As these costs go down, profits go up, and worker expectations continue to increase. There is no advantage to higher productivity for these employees. Not gaining in productivity will cost them their job. Yet outperforming their peers will just deliver the same reward for another hour, with Bessemer already considered a success when looking from the perspective of the "Fight for $15" minimum wage union battle cry.

## Bending Without Breaking

The most expensive candy bar ever sold as of 2021 cost $685.[40] It could be argued that much of that cost was due to the "copper engraved tasting plate and an Ecuadorian bamboo tasting utensil" upon which was laid a candy bar whose beans' "DNA [was tested] to make sure they were 100% genetic matches to the Nacional beans." Yet whatever the reason it was able to fetch such a price, it towered over the average price of $2.27 per private label chocolate bar in 2019.[41] The price of the products a company produces are important to understand because, no matter how much it would like to, a company cannot sustain paying more than the value it can produce. It is impossible for the average candy company to have labor costs of $5 per candy bar. So what is reasonable?

Sustainable businesses tend to see labor costs of between 15 percent to 35 percent of their total revenue, depending upon what the business does. Companies that have significant costs associated with producing the products that are sold will have lower percentages, where consulting companies that profit off of intellectual property alone will have much higher percentages. Yet every sustainable company will be able to identify a labor expense percentage it can afford.

In the tech world, in places like Bessemer or for companies like Uber where workers are getting continually squeezed by optimizing algorithms, it is often hard to tell which companies are shorting their employees and which are businesses will never make any money. For example, Uber "lost $1.09 billion [in the third] quarter [of 2020], even as its UberEats offering grew by a staggering 190 percent … [continuing as] a company that, even after 11 years, still loses billions and billions of dollars a year."[42]

In cases like Uber, the business model may never enable sustainable wages, dependent solely upon people who accept an unsustainable reward due to the absence of any

[40] Jade Scipioni. "World's Most Expensive Chocolate Bar Goes on Sale for $685." Fox Business, February 13, 2019. https://www.foxbusiness.com/features/the-worlds-most-expensive-chocolate-bar-is-now-685.
[41] Nils-Gerrit Wunsch. "U.S. Candy and Chocolate Average Price by Segment 2019 L Statistic." Statista, November 25, 2020.
https://www.statista.com/statistics/643582/average-unit-price-candy-and-chocolate-us-by-segment/.
[42] Batey, Eve. "Despite Food Delivery Boom, Uber Has Lost $5.8 Billion in 2020." Eater San Francisco. November 6, 2020. https://sf.eater.com/2020/11/6/21552733/uber-eats-earnings-postmates-lossess.

momentary alternative. In cases like the ride-hailing industry, where drivers are continually managing a highly complex arbitrage between multiple platforms as a function of their current location and travel patterns, no additional data or insight will ever get around the fact that the service price has been artificially dropped to below its fundamental value. An analysis by the Economic Policy Institute of equivalent hourly pay for Uber drivers actually shows they are paid more than 37 percent of gross receipts.[43] When evaluating Uber's ability to survive without further automation, it may ironically already be overpaying based upon what its socially accepted business model can afford.

The recent dominance of companies like Uber that are already overpaying workers relative to what their business models can sustainably afford should make the labor movement rethink from where to seek a base level of survivability for its workers. Even when looking at those rarely celebrated successes like Dan Price setting a minimum salary of $70,000 at Gravity Payments, a company which features many underappreciated advantages not available to all startups of its type, the plan to flatten compensation still did not outrun sustainable labor cost to gross receipts ratios.[44]

Creating companies that have the potential to thrive is a partnership requiring all sides to understand that nothing achieves success through existence alone. If a company does not sell, it cannot provide. An hour does not have value because it occurred. An hour has value for what was produced in that time.

And what it achieves, quite often comes down to the intentions of those who lead.



---

[43] Lawrence Mishel. "Report: Uber and the Labor Market: Uber Drivers' Compensation, Wages, and the Scale of Uber and the Gig Economy." *Economic Policy Institute*, May 15, 2018, 1–28.

[44] Keegan, Paul. "Here's What Really Happened at That Company That Set a $70,000 Minimum Wage." Inc.com. Inc., October 21, 2015. https://www.inc.com/magazine/201511/paul-keegan/does-more-pay-mean-more-growth.html.

# Chapter Four: Ownership versus Stewardship

*Contributors: Julie Sobowale*

**own·er·ship** /ˈōnərˌSHip/ *n*

the act, state, or right of possessing something

**stew·ard·ship** /ˈst(y)o͞oərdˌSHip/ *n*

the job of supervising or taking care of something, such as an organization or property

Force multiplication requires fewer individuals to produce more. This consolidation of production capability required a new economic architecture that allowed a smaller number of individuals to leverage far greater financial power. Initially, these new financial instruments gave business owners the ability to harness this greater financial power without losing access to their ownership wealth. This retention of ownership tempered compensation inequality due to an appreciation that unsustainable, short-term compensation eliminates access to long-term wealth. Through the 1960s, while owners took on financial leverage that enabled a hundred-plus multiplier on the value of each individual, they were only withdrawing ten to thirty times the compensation provided to the average worker. This responsibility evaporated with the changes in financialization and governance concentration that do not bestow the responsibilities of ownership upon corporate leadership. By removing ownership responsibility, modern organizations are led by replaceable, commoditized leaders who are beholden only to short-term performance and “take what you can get” compensation.

## Financialization

The establishment of formalized stock exchanges in London and New York during the 1770s and 1790s accelerated industrialization. While the Royal Exchange was opened by Queen Elizabeth I in 1571, the subscription and licensing models affecting brokers was continually adjusted until 150 brokers—operating out of Jonathan’s Coffee-House—opened a formal, entrance fee-based “Stock Exchange” in Sweeting's Alley in 1773. Following further refinement, this entrance fee model turned into a Subscription room, which became London’s first regulated exchange in 1801.[45]

The roots of the New York Stock Exchange are similarly tied to the 1792 signing of the Buttonwood Agreement by twenty-four brokers, committing them all to base commission

[45] “Our History.” London Stock Exchange Homepage. https://www.londonstockexchange.com/discover/lseg/our-history.

rates and intra-exchange trading preference—all as they operated out of Tontine Coffee House. After a series of reforms similar to those undertaken by their London counterparts, the Buttonwood Agreement gave way to the formal establishment of the New York Stock Exchange in 1817.[46]

The creation of these institutions prompted the formation of numerous competitors throughout industrializing centers, and each further enabled the financialization that allowed industrialists to fractionalize the investment they required and allowed investors to pool resources for increased returns. Where exchanges in London and New York originally traded exclusively in physical commodities, securities became a staple of these exchanges by the early 1800s. This shift to securities—where the value of the financial instruments traded could be separated from the value of the companies these instruments were built upon—is what allowed financialization to drive a wedge between a company's short-term price and its fundamental, long-term value. By the mid-1800s, derivatives and speculative securities began to increase in popularity, further accentuating the boom-bust cycles that effectively turned exchanges into casinos.[47] The boom-bust cycles were never directly addressed until these new financial instruments had already caused the Great Depression.

The Great Depression made it clear that the risks posed by a specific financial instrument and the responsibilities of the investors that are allowed to take on those risks must align. The U.S. Banking Act of 1933, which built upon the Glass-Steagall Act of 1932 regulating emergency interbank lending, enacted separations between savings and investment banks designed to align real and perceived risks. The U.S. Banking Act prevented Federal Reserve member banks from (i) dealing in non-governmental securities for customers, (ii) investing in non-investment grade securities for themselves, (iii) underwriting or distributing non-governmental securities, and (iv) affiliating or sharing employees with companies involved in investment banking activities.[48] The intent of the law was clear: If the underlying investor (for example, a retired teacher putting his or her money into a savings account) expects that their investment will perform in a particular manner (for example, small amounts of interest to guarantee the money will always be there), then the bank cannot use the money provided by that customer to make bets at fundamentally different risk levels (e.g., using the money in an individual's savings account to purchase derivatives that could be worth nothing a significant percentage of the time).

---

[46] "Wall Street and the Stock Exchanges: Historical Resources: Stock Exchanges." Research Guides. Library of Congress. https://guides.loc.gov/wall-street-history/exchanges.
[47] Arthur, Jennifer N., Robert J. Williams, and Paul H. Delfabbro. "The Conceptual and Empirical Relationship between Gambling, Investing, and Speculation." Journal of Behavioral Addictions 5, no. 4 (November 24, 2016): 580–91.
[48] Maues, Julia. "Banking Act of 1933 (Glass-Steagall)." Federal Reserve History. U.S. Federal Reserve. Accessed October 25, 2021. https://www.federalreservehistory.org/essays/glass-steagall-act.

This concept of risk alignment codified by Glass-Steagall served the world economy well for decades. However, the rise of neoliberal economic theory in the United States led to the aggressive dismantling of Glass-Steagall, culminating in the merger of banks and "investment banks" throughout the 1980s and 1990s.[49] By removing this requirement for risk alignment, financialization once again accelerated growth of the American financial industry, pushing it over 8 percent of gross domestic profit by the early 2000s.

This deregulation of the financial sector almost immediately brought back casino-style, gamified valuations to new or renamed financial instruments. For example, credit default swap (CDS) contracts began changing hands based on internal or heavily influenced valuations, no external tracking, and often no requirement or validation that the debt traded against was even owned by any of the parties. These types of instruments led to the excessive risk and unsustainable gains that directly resulted in the financial crisis of 2008.

At the same time, this deregulation, which led to a broader economic collapse, also resulted in compensation during the period that far outpaced the wage growth seen across all other segments of society. The inequality of compensation in the financial services industry relative to those of similar education attainment and experience in non-finance sectors created a massive divide. This data demonstrates that the process of neoliberal deregulation has produced compensation structures that are not in line with the value produced by the industries and organizations that these financial instruments support.

This unsustainable and inequitable compensation—which adds to the broader socioeconomic inequality, separating leaders from their responsibility to their company—is a product of financialization enabling deregulation. This direct, lagging relationship between deregulation-driven financialization and the reference wage in the financial services industry could not be more stark.

Financialization's ability to produce positive returns and unsustainable compensation without increasing the underlying assets' value means investors will rarely be a force driving long-term wealth over short-term gains. However, management's traditional focus on long-term wealth that balanced the unsustainable interests of investors is now disappearing with governance concentration.

## Governance Concentration

---

[49] Wilmarth, Arthur E. "The Road to Repeal of the Glass-Steagall Act." CLS Blue Sky Blog. Columbia Law School, October 3, 2017. https://clsbluesky.law.columbia.edu/2017/10/03/the-road-to-repeal-of-the-glass-steagall-act/.

Directors have a fiduciary responsibility to act in the best interest of the company. When directors are primarily founding owners or large shareholders, their view of what is best for the company typically focuses on long-term wealth generation. This differs from the governance theory that has been promoted by academics and outside directors during the rapid financialization occurring since the 1970s,[50] which prioritizes “shareholder profit maximization.” This dogma of shareholder profit maximization can easily lead to unsustainable operational practices.

Examination of companies in Britain between 1855 and 2013 demonstrates that we can understand the trend away from wealth-focused management by observing the rate of change in governance concentration. Governance concentration is the percentage of voting power in a corporation held by individuals or its largest investors. This typically, but not always, tracks ownership percentages. For example, Rupert Murdoch recently owned between 12 percent and 14 percent of News Corporation (often referred to as News Corp). However, between 2011 and 2014 he personally owned nearly 40 percent of all voting power, the largest two shareholders with voting rights owned nearly 48 percent of all voting power, and the largest five shareholders with voting rights owned a majority of the voting power.[51] This is an example of high governance concentration that allows News Corp to make decisions in the interests of long-term wealth generation, not the unsustainable short-term gains desired by traditional investors.Periods in which financialization is weakest are often marked by increases in the percentage of capital and voting rights held by directors or large investors. These periods where directors and investors feature prominently in the capitalization and voting concentration also correspond to periods of reduced income inequality.

This general trend between financialization and governance concentration is not an exact indicator of corporate intentions. For example, private equity takeovers that result in fragmentation or cannibalization of a company typically begin with a rapid consolidation of voting power. However, in companies that are either publicly traded or feature long-term shareholder stability, governance concentration typically indicates a leadership focus on asset wealth. Shrinking governance concentration provides access for the unsustainable, short-term strategies favored by investors to drive corporate decision making. And when the voting power of the directors who are personally responsible for taking the actions that define corporate governance shrinks, the path toward unsustainable operation accelerates.

---

[50] Oliver E. Williamson. “The Theory of the Firm as Governance Structure: From Choice to Contract.” The Journal of Economic Perspectives 16, no. 3 (2002): 171–95.

[51] https://www.reuters.com/article/fox-agm-idUSL1N1NJ1RE

Unfortunately, the percentage of ownership held by directors has fallen precipitously since the 1990s. Also falling significantly is ownership by the largest or the twenty largest shareholders. This means more companies are now owned by larger pools of smaller investors. These larger pools of smaller investors are investing in these companies through the near-sighted lens of highly volatile stock markets, and this fractionalization of ownership is turning each company into a commodity whose only attributes are stock returns. With investors thinking short-term, and a decreased focus on long-term wealth—as directors are no longer as personally invested in the long-term success of the company—investment in any company becomes interchangeable as a function of the present value from quarterly returns.

## Stewardship

The aligned interests in short-term asset extraction by both investors and directors quickly turns those who should be owners into temporary stewards of an organization. This short-term thinking is immediately visible in the high correlation between modern CEO compensation and share price. As financialization began peaking in the 1990s, pay structures that rewarded long-term performance all but disappeared and were replaced with options packages and exit payments that immediately rewarded stock performance, even if the effort produced lasting damage to the company. The result of this focus on short-term gains are leaders focused on short-term plans. A subject matter expert is no longer as important as an individual who specializes in driving higher short-term valuations from Wall Street.

Most laws/regulations that govern corporations are based on the idea that companies are appreciating assets, yet modern corporate leaders appear more interested in stewarding financial instruments that are able to produce interchangeable quarterly earnings reports. This financialization has turned what was once a collection of human assets with a shared path to wealth into replaceable cost centers that grow or shed business units based on book valuations.

Yet there may be some hope that this trend of seeking out asset extracting stewards may finally be turning back. While CEO tenure at S&P 500 companies averaged up to seven years at the turn of the twenty-first century, this average grew to 10.2 years by 2018.[52] This hope is balanced by a median tenure of five years at the largest 2,500 public companies during the same period.[53] And these statistics could easily be an artifact of our unique

[52]Cutter, Chip. “New Thinking Emerges on Optimal Tenure for a CEO.” The Wall Street Journal. Dow Jones & Company, February 3, 2020. https://www.wsj.com/articles/new-thinking-emerges-on-optimal-tenure-for-a-ceo-11580725800.

[53] “CEO Turnover at Record High; Successors Following Long Serving CEOS Struggling According to PWC's Strategy & Global Study.” PricewaterhouseCoopers. https://www.pwc.com/gx/en/news-room/press-releases/2019/ceo-turnover-record-high.html.

inter-generational dynamics at this point in the world. The rise of celebrity executives like Jack Welch whose reputation appears greater than the durability of his positive actions is one of many examples that likely left a shallow bench of talent from which the most dominant shareholders are willing to trust.

Yet where ownership is more closely aligned with or better understands the needs of labor, the resulting organizations take dramatically different approaches to worker value and rights. One of the most prominent examples in North America of a unionized workforce seeing significant improvements in workplace protections through ownership changes is the National Basketball Association (NBA). The primary value of the NBA is derived from a highly specialized workforce of individuals who are fundamentally commoditized in the sense that there is ample supply to replace any individual. Yet each of these commoditized workers is individually optimizing their individual earnings and benefits given their unique attributes within their collective role on their team and in the league.

**Recapturing Ownership**

The National Basketball Players Association (NBPA) represents NBA players, and the majority of its time has been spent in a very traditional labor versus management fight. The challenges of these traditional strategies and tools have been debated for decades, with notable contributions like those of Bill Bradley in testimony on the Labor Reform Act in 1977 on why the time it takes for institutions like the National Labor Relations Board (NLRB) aren't effective in environments where the labor force has as short a shelf life as the average player used to have in the NBA.[54] This traditional labor protection model for highly unique yet fundamentally commoditized workers whose little hope of improving these adversarial relationships. But the NBA is now different.

What changed in the NBA was a focus on ownership. Players began controlling their individual marketability outside that given to them by their teams. When Michael Jordan took on the Olympic Games, it was the Olympic Games who caved and allowed him to drape the American flag over what would have otherwise been offending logos.[55] When Shaquille O'Neal took control of his personal equity, he made economically accessible

[54] Hearings Before the Subcommittee on Labor of the Committee on Human Resources, United States Senate, Ninety-Fifth Congress, First Session on S. 1883. Labor Reform Act of 1977 § (1977), Part 2, pp. 1820-1823.

[55] Fernandez, Gabriel. "'The Last Dance': How Michael Jordan, Dream Team Spurned Reebok at Gold Medal Stand in 1992 Olympics." CBSSports.com. CBS, May 15, 2020. https://www.cbssports.com/nba/news/the-last-dance-how-michael-jordan-dream-team-spurned-reebok-at-gold-medal-stand-in-1992-olympics/.

shoes sold in places like Walmart.[56] Players began to directly own their value in ways that became more powerful than their association with their team. They began to leverage the team as a means to control marketable value that they individually controlled. And now they are moving into ownership of those very teams they traditionally leveraged, forcing the kinds of changes that the NBPA was never in a position to ever be able to deliver upon.

Business in a capitalistic society is a human endeavor where we collectively work to earn the trust of others. In this endeavor, that trust can be used to build sustainable assets, or it can be used in a transactional manner to extract short term gains. Both are methods for ensuring an organization is capable of distributing wealth to those who contribute to its success. However, it is vitally important to understand how the leadership views its relationship with the remainder of the organization. If leadership takes ownership of the responsibilities associated with growing a sustainable asset, many have the time required to understand how they can most effectively contribute. If leadership is nothing more than stewards of a venture upon which investors are feeding off the work of a prior generation, then everyone must be ready to eat now.

Different leaders succeed in different ways depending upon how they view their partners. Succeeding in your environment requires you to rapidly understand how your leaders see you.



[56] "Shaq Has Sold Over 150 Million Pairs of Affordable Kid's Shoes at Walmart." Blackbusiness.com, November 30, 2020.
https://www.blackbusiness.com/2016/07/shaq-affordable-shoes-kids-sold-over-120-million-pairs-walmart.html.

# Chapter Five: Unique versus Commoditized

*Contributors:*

**u·nique** /yo͞oˈnēk/ *adj*

being the only one of its kind; unlike anything else

Commoditization is everywhere in our modern society. When we Google “exterminator,” tens to hundreds of results come up, and every one of them does generally the same thing. If one is not available, you can call the next one and the next one and the next one until someone is available to serve you immediately. If your tire is flat, computer is broken, lightbulb is burnt out, child needs extra tutoring in math, or phone charger is lost, you aren’t restricted to a specific manufacturer’s products or provider’s service. We are so accustomed to this ability to immediately acquire a plug-and-play solution which meets any temporary need that an entire industry of Anything as a Service (XaaS) has sprung up to provide this type of commoditized support on an enterprise level.

Assembling different, standardized components into a functional whole is obviously nothing new. For example, coal mines in the late nineteenth century depended upon three primary roles, coal miners, coal laborers, and mule drivers, that were so distinctly different in their demands that grievances between these functions significantly delayed unionization even under the continual threat of death or dismemberment.[57] Early efforts like those undertaken by the Knights of Labor in understanding how to connect and align these differing interests depended heavily on data collection and analysis. It was clear that the delivery of power required informational dominance. This long standing reality has never been so obvious as it is today.

Powered by analytical capabilities that could not even have been dreamed of at the beginning of the labor movement, companies are now continually balancing what makes them unique against the value of having competitors. Fast food restaurants benefit when they are all in the same location because people who shop where fast food is most plentiful will more than likely consume fast food. Once the choice to eat fast food is made, each fast food option vies to be the preferred fast food “flavor” for those buyers. However, this effort to differentiate a particular restaurant from its fast food competitors cannot cause customers to see it as so unique that it is no longer recognized as fast food.

[57] Harold W. Aurand. “Early Mine Workers’ Organizations In The Anthracite Region.” Pennsylvania History: A Journal of Mid-Atlantic Studies 58, no. 4 (1991): 298–310, pp. 2.

From microprocessors to accounting services, companies balance what they should and what they cannot commoditize. Companies examine what they can create in house and what they should outsource. Companies explore what business models they have always known and what iterative steps will take them into the unknown. Decades of studying operations management has enabled a whole wave of experts focused on how to operate more efficiently and make more money. But even with all its strategies and techniques, operations management still comes down to two options: make more of something or make something cost less.

Society's current infatuation with operations management buzzwords, such as "logistics," "lean," "Total Quality Management (TQM)," "agile," "Just-in-Time (JIT)," "methods analysis," or "employee empowerment," often lull us into a false expectation that business is process. We expect that companies are no more than a collection of cost centers assembled into revenue producing products. We expect that if companies apply these operations management techniques to their logical end, if each company commoditizes every aspect of its business so each is either completely efficient or completely replaceable, profitability is inevitable. Even as the world comes out of the 2020 Pandemic, where supply chains were continually stretched and sometimes broken in ways no one perceived as credibly possible, a near blind allegiance to continually optimized global supply chains appears to remain intact.[58] These international supply chains combined with the technological capability to implement extremely complex labor arbitrage is a reality the current labor movement was never equipped to handle. Our current labor relations solutions seek out problems that *used to* be real.

For example, amid all the fancy social media campaigns, viral guerilla advertising, and brand placements driving superficial uniqueness, our societal quest for efficiency is causing "virtual companies" to proliferate at an accelerating rate through standardization, modularization, and substitution. Where a watch company once took generations to build, now a young kid with social media acumen, a credit card, and an Alibaba account can compete against companies from Brathwait to Rolex in mere weeks.

Our embrace of lean, agile, and just-in-time practices in a quest for ever increasing margins push risk onto upstream suppliers who are further and further down the value chain. Where the "explosion" of a Ford Pinto dogged Ford and was a major factor in the ultimately sinking of the Pinto,[59] Honda's airbag deaths caused by components present in over

[58] Willy C. Shih. "Global Supply Chains in a Post-Pandemic World." Harvard Business Review. Harvard Business School, August 18, 2020.
https://hbr.org/2020/09/global-supply-chains-in-a-post-pandemic-world.
[59] Dowie, Mark. "Pinto Madness." Mother Jones, September 1, 1977.
https://www.motherjones.com/politics/1977/09/pinto-madness/.

seventy-five-million vehicles across more than thirty manufacturers were immediately and solely pinned on the supplier Takata.[60]

Technology's ability to globalize economies, with tools from transparent, instantaneous, and nearly borderless competitive bidding to same-day shipping that can span the globe, enables a race to the bottom for cost driven procurement managers. Where produce and meat were once seasonal and local, an evening patron at Splash in Des Moines, Iowa, can order fish that was swimming in the ocean earlier that morning.

As society continues to commoditize each building block in goods and services, we continue to reframe every element as a replaceable unit. We see every input as a negotiable cost, and we perpetuate the expansion of inequality, using economies of scale downstream to extract greater and greater value from upstream suppliers. In this commoditized world, we are rapidly running up against the only irreducible barrier, articulated best by Adam Smith in *The Wealth of Nations*: "Labour, therefore, is the real measure of the exchangeable value of all commodities."

## Optimization

In environments where labor was acquired at an hourly cost and productivity through automation appeared limitless grew the need for—even zealous pursuit of—continual process refinement and optimization. On May 16, 1924, Dr. Walter A. Shewhart submitted a one-page memorandum to his supervisor, George D. Edwards, at the Western Electric Company Inspection Engineering Department.[61] In just one diagram and less than four sentences, Shewhart changed the world of operations management by essentially inventing process quality control.

Prior to Shewhart, reliability included inspecting for non-conforming products and then "preventing" future mistakes with a process adjustment. Shewhart proved that this traditional approach of continually adjusting the process increased variation and degraded quality because this technique did not directly tie production variations to their root causes. His solution was to reframe processes as a series of ideal targets with associated variations. This reframing enabled new definitions of process uncertainty, statistical methods for predicting the optimal, and strategies for continually driving out economic waste—a concept that now drives nearly every business process in the modern world, both autonomous and human.

His internal work at Bell Telephone Laboratory led to his 1931 book *Economic Control of Quality of Manufactured Product*, adoption of this control charts by the American Society

---

60 "Takata Recall Spotlight." NHTSA. U.S. Department of Transportation. https://www.nhtsa.gov/equipment/takata-recall-spotlight.

61 Best, Matthew, and David Neuhauser. "Walter A. Shewhart, 1924, and the Hawthorne Factory." Quality and Safety in Health Care 15, no. 2 (2006): 142–143.

for Testing and Materials (ASTM) in 1933, his second book *Statistical Method from the Viewpoint of Quality Control* in 1939, and the inclusion of his control concepts in American War Standards Z1.1-1941, Z1.2-1941, and Z1.3-1942.[62] However, Shewhart's most transformative contribution to society likely came from his partnerships with W. Edwards Deming and Raymond T. Birge.

An encounter with Shewhart in 1938 led Deming and Birge to completely rethink their landmark work from 1934 on measurement error. Then, the three began to see how broadly these optimization principles could be applied. For example, Deming was instrumental in bringing Shewhart's concepts to Japan, where they were eagerly adapted to all human processes, affecting both service and product delivery.

This focus on the reduction of error around design targets led to continual improvement processes around lean manufacturing and its tools and principles, such as value stream mapping, Five S, Kanban, poka-yoke, total productive maintenance, elimination of time batching, mixed model processing, rank order clustering, single point scheduling, redesigning working cells, multi-process handling, pull processing, perfect first-time quality, waste minimization, continuous improvement, flexibility, building and maintaining a long-term relationship with suppliers, autonomation, load leveling and production flow, and visual control.

These tools and principles developed within and into frameworks, such as the Toyota Production System (TPS), which stress just-in-time (JIT) inventory management and manufacturing automation. In response to Japan's demonstration of an emasculating dominance over the American automotive industry during the 1980s,[63] these tools and techniques crossed back over the Pacific to drive the strategy behind nearly every aspect of American manufacturing. Since then, our aggressive elimination of waste and efficiency has routinely attacked the root cause of random variation in the workplace: the human in the loop.

## Automation

The human-introduced errors in the production process make us inherently wasteful. Therefore, it is rational to remove humans from as many processes as possible. However, this rational solution produces a wide range of socioeconomic impacts.



[62] Shewhart, Walter, Statistical Method from the Viewpoint of Quality Control…….

[63] Risen, James. "Column One : Why Can't America Catch Up? ." Los Angeles Times. Los Angeles Times, January 14, 1990. https://www.latimes.com/archives/la-xpm-1990-01-14-mn-277-story.html.

Automation will likely eliminate nearly half of all jobs in the United States over the coming decades. While automation may affect a broad range of industries, it does not affect them all uniformly.

The characteristics of industries that are at the greatest threat for automation are highlighted in the charts below.

Current predictions of job losses due to automation focus on roles in which the combination of manual tasks, routine tasks, and computation is highest. However, with every technological innovation, human “replaceability” in previously unimagined fields is more attainable. For example, remote medicine will reduce the necessary number of highly skilled doctors because fewer doctors can connect with more patients from anywhere in the world. Large-scale, three-dimensional printing advances will enable a smaller number of operators to complete construction projects in the same way CNC machines allowed large factory operations to be broken across a distributed network of highly consistent component suppliers. Communication and artificial intelligence advances will both automate and improve education by increasing the effectiveness of self-directed learning.

Much of humanity, especially in the capitalist world, ties one’s worth to his or her ability to produce. Technology-driven commoditization amplifies this dependence further. Through an expectation of commoditization, nearly anyone can be slotted into any role. Productivity is continually tracked and optimized. Even traditionally creative jobs like graphic design are now completed in a digital world with factory-style coordination and focus. Commoditization has shifted individual worth from the ability to create products to our ability to deliver solutions. As these “solutions” begin to entail an ever increasing swath of less and less objectively verifiable roles or deliverables masked in the objectivity of algorithmic obfuscation, former workplace allegiances may no longer be the best way to attain the most desirable outcomes.

## Realignment

Unions traditionally frame workplace balance as one of management versus labor. This is a rational framing in a traditional workplace hierarchy where those in management roles hold a higher allegiance to the long term interests of the organization than to the short term needs of the labor force. This is no longer the case in most workplaces. From the CEO down, all individuals fit somewhere on a spectrum of replaceability, with a shrinking percentage of those in the workplace gaining any meaningful advantage if they were to advance the long term interests of the organization.

This balance is no longer as meaningful when a workplace becomes more clearly transactional. In a modern workplace, traditional management roles are also filled with at will employees. As hierarchies flatten, there are fewer management roles and fewer ways to differentiate oneself. To stay ahead of automation or outsourcing, individuals are effectively creating their own 70-plus hour workweek. These "extreme jobs" are on the rise where satisfaction is primarily gained through achieving something in which they may have no ownership.[64]

This rise of extreme jobs, that many voluntarily take or more often create, highlights the reality that a modern workplace is not pitting management against labor. It is pitting those who are unique against those who are commoditized. It is pitting those who provide a service that can be instantly replaced against those who have some unique factor that would harm the current value of the organization if lost.

The vast majority of what creates value at both McDonald's and Burger King is almost completely interchangeable. Most roles are so commoditized in both organizations that someone who is successful in one would be successful in the other. Yet the products are not interchangeable. The organizational languages are different. Their operations create noticeably different environments.

Those unique elements that produce these differences will always be closely guarded. The training programs, the recipes, the uniforms, the design aesthetic are what allow customers to develop preference, affinity, and loyalty. Those unique elements - or individuals - are where long term value resides in a modern organization. It does not reside in the management.

The challenge of the modern workplace is in balancing the value those unique elements can demand against the commodity value of those who can be immediately replaced.



[64]Hewitt, Sylvia Ann, and Carolyn Buck Luce. "Extreme Jobs: The Dangerous Allure of the 70-Hour Workweek." Harvard Business Review. Harvard Business School, August 21, 2014. https://hbr.org/2006/12/extreme-jobs-the-dangerous-allure-of-the-70-hour-workweek.

# Chapter Six: Scarcity

*Contributors:*

**scar·ci·ty** /ˈskersədē/ *noun*

the state of being scarce or in short supply; shortage

In April 2021, the market price for cocoa was around $2,420 per ton or $1.21 a pound.[65] This price fluctuated significantly between 2015 and 2021, both falling lower than $1,780 while also bouncing above $3,400, often corresponding with unexpected or unpredictable customer demands. Yet, like all soft commodities, demand never dictated these price fluctuations as much as supply.

Soft commodities like cocoa, cattle, orange juice, or even lumber are dependent on a wide range of issues far outside the control of those who cultivate, process, and deliver these commodities. For example, cocoa can only be cultivated in areas where temperatures are between 70º and 90º Farenheit, with consistent yet mild rainfall of not more than 100” annually, and relatively sparsely populated areas with consistent and appropriate soil qualities. Small shifts in these conditions can not only produce immediate supply shortages, resulting in higher prices, but some of these shortages can be sustained if the shock is too large. For example, the jump in lumber prices seen during the summer of 2021[66] were heavily impacted by a prior, sustained lack of housing demand which was able to deplete lumber stocks so significantly that once demand snapped back there was not sufficient capacity at American mills to keep up. As with most commodity situations, while demand will have an impact of varying degrees, supply is often the driver.

This generally accepted knowledge that supply drives commodity value has driven thinking on labor protection since the days of Adam Smith. The rise of organized labor in the late 19th Century, though, came from a significant change in what portion of the workforce needed protection. The shift from pre-industrial to post-industrial mass production meant that, instead of one craftsman using a wide range of tools, post-industrial mass production turned humans into an integrated component of the factory line. Instead of needing human

[65] McFarlane, Greg. “How to Valuate the Market Price of a Commodity.” Investopedia. Investopedia, September 30, 2021. https://www.investopedia.com/articles/active-trading/031715/how-valuate-market-price-commodity.asp.

[66] Conerly, Bill. “Why Lumber and Plywood Prices Are so High-and-When They Will Come Down.” Forbes. Forbes Magazine, June 30, 2021. https://www.forbes.com/sites/billconerly/2021/05/22/why-lumber-and-plywood-prices-are-so-high-and-when-they-will-come-down/?sh=336cffea4b71.

innovation, production became refined to the point where each worker routinely performed identical or near-identical tasks for days, weeks, or even years. In this environment, where humanity is driven out of human workers, labor protection focused on aligning work time and environment with basic human needs.

## Human Protection

Industrialized mass production did not need skilled labor. It needed *any* labor. The explosion of semi-skilled and unskilled jobs crammed the rural poor, immigrants, women, and even children into industrialized centers. From children making ten cents per fourteen-hour day to routine outbreaks of cholera, smallpox, typhoid and typhus, and tuberculosis, industrialization grew beyond society's ability or willingness to protect the unprotected. Even where guilds or other pre-union associations existed, these unskilled workers were not extended memberships. They were instead left to fend for themselves against the daunting socio economic imbalance amassed by early industrialists.

The "no holds barred," neoliberal free market that allowed industrialists to quickly amass economic power also initially allowed workers to develop a free market balance. Through collective bargaining and striking, groups of workers choosing to regulate their efforts in a coordinated manner could produce meaningful effects on productivity and profitability. This power to organize—accelerating with advances in communication—led to periods of contentious, if not outright violent conflict, but it always rose and fell in response to industry.

English labor law goes back hundreds of years to the Ordinance of Labourers 1349,[67] and yet the government backed suppression of efforts to counteract the power of early industrialists through organization and collective bargaining did not accelerate until the late 1700s. The Combination Act 1799 and 1800, proposed in response to growing popular unrest, banned trade unions and collective bargaining outright.[68] While organization efforts during the ban still produced the General Union of Trades in 1818 and the 60,000 worker general strike dubbed the 1820 Rising in Scotland, repeal of The Combination Act in 1824 producing a veritable tsunami of strikes. This outpouring of organizational strength led to a severe clampdown through the Combination of Workmen Act 1825.[69]

These efforts to stifle free market organization slowed worker protection but did not eliminate progress. John Doherty successfully launched the National Association for the Protection of Labour in 1830 after the National Union of Cotton-spinners failed just years

[67]White, Albert Beebe, and Wallace Notestein. Source Problems in English History. New York: Harper & Brothers, 1915, pp. 115, 141.
[68]"Trade Unionism." The National Archives, February 5, 1777. https://www.nationalarchives.gov.uk/pathways/citizenship/struggle_democracy/trade_unionism.htm.
[69] Cole, G. D. H. Attempts at General Union : a Study in British Trade Union History, 1818-1834 . London: Routledge, 2011. Web.

earlier. This association aggregated the efforts of over 150 smaller unions, swelling from 10,000 to nearly 20,000 members across five English counties within its first year. This success was joined by the Grand National Consolidated Trades Union, founded by Robert Owen in 1834.[70] While both were significant, national successes, these and affiliated efforts were largely dominated by politically and socially radical organizers leading scrappy, aspirational organizations for the next two decades.

Using softened rhetoric and unifying around more standard political norms, significant progress toward publicly accepted labor organizations began in the 1850s. In 1860, the London Trades Council was founded;[71] the Trades Union Congress was formed in 1868 following the Sheffield Outrages; and in 1872, following a Royal Commission on Trade Unions conclusion in 1867 that both sides were benefited by their establishment, trade unions were legalized.[72]

The first labor organization in the United States with national reach was the Knights of Labor, which formed in 1869 and grew through the 1880s thanks in part to a favorable series of court decisions.[73] As legalization gradually progressed across the nation, labor movement leaders began to recognize and accept that standardized processes and structures across a wide range of smaller groups could deliver national power through local effort. This move toward commoditization led to the Federation of Organized Trades and Labor Unions in 1881.[74] This federation was the first organization in the United States to focus solely on aggregating unions, and by 1886 it became known as the American Federation of Labor (AFL).[75]

Labor unions continued to gain strength throughout the 1930s, thanks to the continued commoditization of organizational, representative, and tactical processes. The efforts behind this growing strength were amplified in large part by New Deal policies—such as the Wagner Act, which legally protected a union's right to organize, and the National Labor Relations Act (NLRA), which created the National Labor Relations Board (NLRB) in 1935 as an independent federal agency to oversee the operation of labor unions.[76] Codification of

---

[70] Cole, G. D. H. Attempts at General Union : a Study in British Trade Union History, 1818-1834 . London: Routledge, 2011. Web.
[71] "London Trades Council." London Metropolitan Archives.
https://search.lma.gov.uk/scripts/mwimain.dll/144/LMA_OPAC/web_detail/REFD+ACC~2F3287?SESSIONSEARCH.
[72] "Events That Led to the First TUC." Trade Unions Council.
https://www.tuc.org.uk/research-analysis/reports/section-events-led-first-tuc.
[73] Grubbs, Patrick. "Knights of Labor," Encyclopedia of Greater Philadelphia, 2013.
https://philadelphiaencyclopedia.org/archive/knights-of-labor/.
[74] "The Samuel Gompers Papers." Samuel Gompers Papers. University of Maryland.
http://www.gompers.umd.edu/FOTLU.htm.
[75] "Samuel Gompers." AFL-CIO. https://aflcio.org/about/history/labor-history-people/samuel-gompers.
[76] "National Labor Relations Act." National Labor Relations Act | National Labor Relations Board.
https://www.nlrb.gov/guidance/key-reference-materials.

union processes and structures, including the creation of Federal agencies, validated and accelerated the efforts to further commoditize union-centric worker protection strategies that focused on pay schedule consistency and employer-provided long-term benefits.

But following the war, the combination of boom-bust economic cycles and a growing faction of neoliberal conservatives in the legislature began further restricting unions. It started with the Taft-Hartley Act of 1947, which had to override a veto by President Truman to become law and restricted unions from calling any strikes that "threatened national security."[77] Then, the Labor-Management Reporting and Disclosure Act (LMRDA) or Landrum Griffin Act of 1959, which required operational transparency and controls in union operations that are not required for the businesses that employ union labor, furthered union restriction. Even now, union restriction continues with near constant bombardment from think tanks as "idea farms" pushing legislative blueprints and model legislation designed to eliminate worker protection as part of a broader goal to eliminate business regulations.[78]

The effect of this anti-organization legislation is stark. From a peak density of almost 35 percent of the workforce in 1954, and a peak of 21 million members in 1979, membership has steadily declined since.[79] While this decline, as shown in the following figures, is not uniform across the United States, it is significant overall.

As the controls and protections, which were gained through the labor regulations enacted in the 1930s, largely evaporated by the 1980s to present day, labor unions have been left with a politically diminished organizational infrastructure built to protect traditional laborers. And with "right to work" legislation that took away automatic dues deductions from member paychecks, much of this traditional labor infrastructure is also, in many cases, unsustainably underfunded across the United States.

## Stagnation and Fragmentation

The continual, two-pronged approach of both deregulation and union busting being pursued by the neoliberal wing of the American political system has produced significant stagnation. While wages have steadily risen since the 1960s, purchasing power has remained essentially unchanged. In essence, most middle- to lower-middle-class citizens have not made any financial gains for nearly sixty years, and the average blue-collar laborer has seen significant wage depression.

---

[77] Truman, Harry S. "Veto of the Taft-Hartley Labor Bill." Veto of the Taft-Hartley Labor Bill | The American Presidency Project. UC Santa Barbara, June 20, 1947. https://www.presidency.ucsb.edu/documents/veto-the-taft-hartley-labor-bill.

[78] "1959 Landrum-Griffin Act." 1959 Landrum-Griffin Act | National Labor Relations Board. https://www.nlrb.gov/about-nlrb/who-we-are/our-history/1959-landrum-griffin-act.

[79] DeSilver, Drew. "Most Americans View Labor Unions Favorably, but Few Belong to One." Pew Research Center. Pew Research Center, August 30, 2018

More importantly, though, Big Data is now driving decisions where we once could not even fathom the presence of choices. These tools classify and compare inputs with a precision and speed that drive minute-by-minute decisions regarding effort and efficiency. Worker productivity can be calculated to a level that can quickly segregate and isolate individual workers like never before. While more than 36 percent of the overall American workforce are considered “gig workers” by 2019, gig workers make only 58 percent of the income of traditional employees and exhibit nearly double the anxiety.[80] Algorithmic-driven gig work is the primary income source for 53 percent of adults younger than 34 and is the secondary source of income for 70 percent of workers over fifty-five years old. Those communities most vulnerable are most dependent on this commoditized gig work, with 80 percent of the gig community unable to handle the shock of an unexpected $1,000 expense.

This anxious isolation makes it incredibly difficult for any individual to risk pushing back against a system that knows nearly everything a worker does the moment it happens. This lack of power is why many traditional labor organizers feel that people only look into a union “once it is so bad they have no other options… [with] ninety-nine percent of them just wanting dignity and respect.” In these environments, the individual has very little power to exert scarcity in the traditional sense. If someone walks away from their work station, too often someone else was already in line to fill it.

Yet these modern companies are unique in a way never accessible before. As demonstrated by the Knights of Labor more than a century earlier, this kind of powerlessness can only be rebalanced through actions driven by better information gathered by more inclusive data sets owned by the workers contributing to them. And these modern companies are more dependent on data than ever before.

### The New Oil

When UK Mathematician and then architect of Tesco’s Clubcard Clive Humby coined the phrase “data is the new oil” back in 2006,[81] few appreciated the long term ramifications of his truth. His perspective was that:

> “Like oil, data is valuable, but if unrefined it cannot really be used. It has to be changed into gas, plastic, chemicals, etc., to create a valuable entity that drives profitable activity so must data be broken down, analysed for it to have value.”

[80] https://spendmenot.com/blog/gig-economy-statistics/

[81] Arthur, Charles; editor, technology (2013-08-23). "Tech giants may be huge, but nothing matches big data". The Guardian. ISSN 0261-3077. Retrieved 2019-04-30

This value started to come into mainstream focus in the 2010s when outlets from the Economist,[82] to Forbes,[83] to TechCrunch[84] were regularly writing about the profits and benefits of data aggregation and deployment even beyond the marketing values realized by the tech giants represented as FAANG (Facebook (FB), Amazon (AMZN), Apple (AAPL), Netflix (NFLX); and Alphabet (GOOG)). In these new realizations, it was no longer just the ability to influence purchasing choices. Value was coming from improved public service at lower costs, improved supply chain coordination at lower costs, improved mapping at lower costs, improved agriculture at lower costs, improved healthcare at lower costs. The vaccines developed faster than for any other virus to combat the novel COVID-19 which brought on the 2020 pandemic owed their success to massive amounts of data gathered on and by individuals interacting with the plethora of data-driven devices embedded throughout our lives. If data is the "the ultimate renewable resource," as argued by Igneous CEO Kiran Bhageshpur,[85] it is vital to remember from where it is extracted.

There is no value to data without processing, contextualizing, and applying it for a useful purpose. But nations fight every day over the resources buried below the surface of their location on this planet. Those nations who sit on oil realize no value until it is extracted. Those nations who extract their own oil gain margin from those who wish to refine it. Those nations who refine their own oil can begin to optimize their margin against international demand. And those who control the supply of their oil, if that pool of shared control is large enough, dictate the actions of the world.

Traditional labor unions saw the physical presence as the source of power. Traditional labor unions saw the ability to restrict that presence, to own a geographic location of influence, to control the value of time as the ultimate source of power. This thinking around where unions could manage and deploy power saw the whole human as a commodity. But that was never truly what they were.

The Knights of Labor, more than 150 years ago, knew that they could remake the world if they could redefine it. If they could understand the data-driven relationships that proved

---

[82] "The World's Most Valuable Resource Is No Longer Oil, but Data." The Economist. The Economist Newspaper.
https://www.economist.com/leaders/2017/05/06/the-worlds-most-valuable-resource-is-no-longer-oil-but-data.
[83] Bhageshpur, Kiran. "Council Post: Data Is the New Oil -- and That's a Good Thing." Forbes. Forbes Magazine, November 15, 2019.
https://www.forbes.com/sites/forbestechcouncil/2019/11/15/data-is-the-new-oil-and-thats-a-good-thing/?sh=63c66a217304.
[84] Crichton, Danny. "Data Was the New Oil, Until the Oil Caught Fire." TechCrunch, May 2, 2021.
https://techcrunch.com/2021/05/02/data-was-the-new-oil-until-the-oil-caught-fire/.
[85] Bhageshpur, Kiran. "Council Post: Data Is the New Oil -- and That's a Good Thing." Forbes. Forbes Magazine, November 15, 2019.
https://www.forbes.com/sites/forbestechcouncil/2019/11/15/data-is-the-new-oil-and-thats-a-good-thing/?sh=63c66a217304.

where power should be held or shared, they could rebalance the scales of economic justice. Data ownership was key then, even when they struggled to collect, process, and deploy its insights.

We are awash in data. Now is the time to turn our natural resources into our power.

## Part Two: New Realities

We're not just cogs in a wheel anymore. Our "why" is not just important to us. Our greatest technological innovations now depend on finding that "why" as cost effectively as possible. Not every tech should exist because it could exist. So how can we now take control of our own digital destiny again?

# Chapter Seven: Owning Our Oil

**our** \ ˈou(ə)r,är \ *determiner*

belonging to or associated with the speaker and one or more other people previously mentioned or easily identified

Humans crave community. We thrive when we have purpose. Our work is more meaningful when it is purposeful. And we are most useful when that purpose addresses a community need that we can address. As productive citizens, as neighbors, as colleagues, we want nothing more than to connect. We want to be understood, to understand, to be appreciated. We want to fit in. We want a place where our meaningful contributions can be worth more as a part of a larger whole. In our digital world, how we fulfil this desire for fit in can significantly impact both our individual and collective value.

Fitting into our current social media fueled world requires an almost "mean girls" adherence to an algorithmic order designed to segment, segregate, and enrage us to action. Activation and instigation are more valuable than inclusion and ideation when the intent is to bend us towards predefined yet undisclosed goals. Every moment spent on modern social media offers the platform's true customers another insight that will be twisted to sell you a desire that will too often have been planted in you.

Yet it is possible to change the algorithm. No one has so far because the users of these platforms are the product. The value is in the addiction. Profit is made by capturing humans in a digital community designed for exploitive monetization (especially when spending hours "doom scrolling"). These platforms only want to define their users to a level where those of highest value can be most effectively exploited in an essentially parallel universe of advertisement-driven online purchases.

Our need for community is allowing those who manufacture these false, exploitative, parallel universes to extract our digital oil and retain all of its value.  True community means rethinking the value of - and collectively owning - our shared resources. We need to understand how the value of our data is currently extracted for monetization, so we can collectively regain our wealth.

## Refining Data

Processed data comes in a nearly limitless range of dynamically priced formats. On one end of the spectrum are highly processed datasets that have been turned into highly specialized, directly monetizable information. This type of processed data could include a Software-as-a-Service sales plan tailored for a specific product, a piece of artwork ready for auction, or a map of potholes that a public works department could use to prioritize roadwork. These data-based products require customers who clearly know what information they need and specialists who can generate the required dataset. These datasets are typically built in response to a known need.

On the other end of the spectrum are unstructured datasets where no individual data point has significant value in isolation. This type of unprocessed data could include voice memos, tire air pressure readings, or security camera video. These datasets will rarely be of any value without significant processing that iteratively isolates, contextualizes, and tests for meaningful trends using machine learning based tools. These datasets are most valuable when they include an extremely large number of diverse samples.

Big tech is continually launching platforms that ingest large amounts of unstructured data, continually optimizing a wide range of processing routines based upon the data available, and selling the specialized information derived from those large datasets. Facebook, for example, is continually prodding users to react to each other's content, analyzing those reactions to discover actionable prompts, and amplifying those prompts to maximize the chance that someone will buy something when it is advertised. Predictive policing tools like COMPAS gather demographic data on prisoners to give individuals up for parole recidivism scores that judges can use to modify sentences. Or banks can use transaction data to dynamically modify credit limits, lending offers, or purchase approvals. In each of these cases, the customer buys a highly refined advertising impression, recidivism assessment, or credit risk evaluation.

The process of creating a highly refined, data-based product is nearly identical in each case. The machine learning routines that search for patterns and provide conclusions based on the data they ingest are now so common that middle school kids can run the tools needed for many of these complex products without even knowing anything about computer science. What makes a highly refined, data-based product built from unstructured data unique is the appropriateness of the dataset that is used to calibrate it.

If someone wants a highly refined, data-based tool for evaluating the best shade of blue on a wall in their house, the output of that tool won't be very reliable if it's calibrated using only a few pictures of blue walls. Only after ingesting thousands of blue walls seen from thousands of different angles in thousands of different lightings, calibrated against thousands of preferences per scenario, will there then begin to be enough data to draw predictable conclusions about any particular type of user's preferences for blue walls. And even at that point, a tool calibrated with blue walls won't tell the user hardly anything about evaluating blue curtains.

Tools can be refined to seek perfection with enough data. Yet countless examples exist where tools cannot find a positive match because they lacked enough alternatives in their calibration. For example, the Federal Bureau of Investigation's Face Analysis Comparison Examination System (FACES) has been involved in multiple wrongful arrests of black Americans because it's dataset is primarily calibrated against white faces while finding matches in disproportionately black datasets.[86] When companies like IBM were alerted to these same problems in their facial recognition software tools, rebalancing the datasets being used significantly altered the quality of their models.

In order to secure value from the digital oil owned by a community, it must be understood that the data defining an individual characteristic of a community cannot stand out if the data defining the wider community is neglected.

## We Are What We Do

The data we generate through our work or actions is most valuable in the context of those around us. The uniqueness of my insights are not known until they are compared to the insights of those around me. The efficiency of my communication is not known until compared to the conversations around me. The quality of my craftsmanship is not known until compared against that of others around me. In some areas, what I produce will be of higher quality than those around me. In others, my contributions will be best suited for showing how far superior another truly is. Watching LeBron James is even more impressive when seen against a known reference point. Seeing the speed of a 5G phone can rarely be appreciated unless observed next to a 3G phone. This is why those who contribute to a community's average are often providing greater insight than those who are exceptional.

Maximizing the value of a community's digital oil is not about just archiving and promoting the most refined and specialized intellectual property that the community can produce. There is immediately sellable value in an economic forecast done by a specialty economist on the future of work. Yet that forecast will be more accurate when it can fully understand how office building staff operated each day. That forecast will be more accurate when it can fully understand how any childcare burden is borne by the wider community. These types of data streams can be captured through cell phones, automation systems, or general communication. These seemingly mundane actions that are constantly occurring could provide meaningful value. But how much those mundane actions will be worth combined into a broader dataset will never be known until a market it found.



[86] Crockford, Kade. "How is Face Recognition Surveillance Technology Racist." American Civil Liberties Union, June 16, 2020.
https://www.aclu.org/news/privacy-technology/when-we-fight-we-win-victories-in-the-fight-against-face-surveillance-keep-piling-up/.

Finding this value starts by rethinking how we approach valuable property. Valuable IP is no longer on stacks of paper that can be protected from prying eyes in a windowless warehouse. Too often in a digital world, digital IP is already out in the world, being used, being monetized in a way that cannot be stopped. So if digital IP can rarely be stopped from generating value for someone, we must instead focus on ensuring the source of that value cannot be cut out.

### Dynamic Equity Data Banking

Dynamic equity models are often used in early stage startups where multiple people are putting in contributions that may not lead to anything. These types of operating models allow contributors to track what they contribute to the venture, some will make a distinction between cash provided and the cash value of services rendered, and assume any future proceeds will be divided up proportionally to the total value of the inputs each provided. For example, a startup team may know they need a marketing plan, one of the founders may be capable of writing that plan, yet the realized value that marketing plan will contribute to the ultimate success of the startup will not be known for years to come. To avoid make the other founders pay cash for the marketing plan or enter into the kinds the valuation debates that will often kill fledgling startups, dynamic equity models like the Slicing Pie calculator developed by Mike Moyer offer contributors a sense of certainty that allows them to contribute to an uncertain project.

Applying these dynamic equity principles more broadly, like was done with the Incubator in a Box economic development framework designed and deployed in Storm Lake and Indianola, Iowa, rural communities had the confidence to take entrepreneurial bets that would have never been taken before. Individuals within the community who would have never planned to join a startup at any point in their life felt confident enough to invest in ideas that often ended up going nowhere. The fact that their contributions were tracked, their work remained theirs, and any proceeds were transparently shared when they created value led to over $2.5M of dynamic equity investment over 56 projects creating over 26 jobs, 2 exits, and one venture-backed startup in less than 18 months all in a community of less than 20,000 people. Community members were able to face the unknown together, face failure together, and grow success together.

To meaningfully own our digital oil, this type of dynamic equity data banking must be the foundation for rebalancing the power dynamic in the gig and flex economies. Dynamic Equity Data Banks (DEDBanks or DEDs) allow artists to log their creations in the same place that rideshare drivers can archive operational insights. Highly refined works sell at their fair market value while licensing of unstructured data sets pay DEDs members proportionally for their contributions to the dataset. Universal file thumbprinting offers contributors the option of creating “IP NFTs” even if the protected file has been seen by no one but the creator. All in a transparent environment where value is equitably allocated when realized, converting gig and flex workers back from exploited digital oil wells into continually renewing assets in a data-dependent age.

## Action Over Analysis

The promise of DEDs is lost without action, because data is only valuable when sold. Datasets must generate actionable information before they can be in demand. Rebalancing power in the gig and flex community is about both growing any data-driven community across the data sharing boundaries of any traditional tech company, and then exploiting that informational advantage in a manner that puts the strategic power accessible into the hands of the community. High churn gig employers see real value in reducing the number of contractors they have to train. Many public services are having trouble modelling how the gig economy will impact their budgets. Many new ventures are looking to dynamically scale in an agile manner that must remain responsive. Provide that insight, that guidance, that opportunity for what it's worth.

Even if its value has yet to become known.

## Case Studies: Something Out of Nothing

*To catch a purse*. A student at a small liberal arts college walked into their campus innovation office running the Incubator in a Box (IiaB) framework and asked: "do you make websites here?" Upon further investigation, it turned out that her father was in law enforcement and frustrated by the fact that their department struggled to engage the public for cases that weren't sensational or newsworthy. The student and her father described the problem they were looking to solve through the IiaB portal, letting anyone else in the network brainstorm solutions. Once visible, a pair of operations specialists from the local community pitched through some ideas that a high school student coded up as a minimum viable product (MVP) in less than a week guided by coding tutorials and mentorship available through the IiaB network. That MVP was pitched and accepted for use by a statewide law enforcement agency, the traction from the pilot contract was enough for a team of three programmers to invest sweat equity building a production version of the MVP, and within 18 months the app had 24,000 users, multiple paying customers, and a broadly skilled team who were all equitably compensated - all starting with little more than the germ of an idea.

*Bringing together nanoparticles.* Scientists from different disciplines don't always come into contact with each other. For a chemist and a physicist, after spending a number of

PhD and postdoctoral years a few miles apart on the same research campus, they ended up being unexpected office neighbors at a small college. Both came to the college to teach, yet saw the Incubator in a Box (IiaB) framework as an opportunity to see if there was anyone else in the network interested in taking up where their past research had left off. Little did either expect that, now sitting on opposite sides of a 3 inch thick wall, they accidentally held two key pieces of what would become a venture-backed nanotechnology startup. Through the IiaB network, anyone from experts to volunteers could be equitably compensated for contributing to the startup's early development, investors could monetize specialized components to mitigate investment risk, and those who took small, calculated risks ended up owning a piece of a technology that could change the world - all by assembling the "missing pieces" found in very unexpected places.

# Chapter Eight: Process Over Outcome

**proc·ess** /ˈpräˌses,ˈprōˌses/ *n*

a series of actions or steps taken in order to achieve a particular end

**out·come** /ˈoutˌkəm/ *n*

the way a thing turns out; a consequence

The "Fight for $15" has arguably been one of the most successful labor-related movements in recent history. Nearly 20% of all states have made the $15/hour minimum wage law by 2021, with many more companies bowing in the face of public pressure to meet or exceed this target. In this effort, organizers got everything they asked for. The only rub is that in many places it isn't enough. For a family of four, the ALICE threshold for survival in the State of New York is $39.08 per hour.[87] The largest gain in generations, an overwhelming organizational victory, failed by design.

This type of losing victory is not uncommon. Greenhouse Gas Emissions (GHG) reduction targets are often set well before the real need or potential are known. When biodiesel targets were set in the early 2000s with the idea that every semi truck could use biodiesel if waste grease could be collected more effectively, an analysis of waste grease volumes showed that biodiesel would never be more than 11% of American demand even if every single drop were captured and reused. When plastic recycling focuses on straws as the start of reducing ocean pollution, it ignores the fact that nearly half of all ocean waste comes from fishing operations when only 0.025% comes from straws.

As we gather more and more data, we have a natural urge to analyze it for hidden truths. We seek to parse it, identify relationships, and turn those observations into predictions. Applying artificial intelligence (AI) strategies that depend upon machine learning (ML) techniques allow us to accelerate and amply this ability to spot patterns. These patterns can allow us to believe they are repeatable, emboldening us to fit a future to these new visualizations of our past.

---

[87] New York State United Way Asset Limited, Income Constrained, Employed Project, "2020 ALICE Report," United Way of New York State. Accessed October 27, 2021. https://uwnys.org/alice/#:~:text=To%20meet%20the%20ALICE%20threshold,meet%20the%20household%20survival%20budget.

Yet these visualizations of our past are rarely as complete as we hope. Too often our visualizations only focus on limited datasets that are not representative of the wider population. For example, much of the medical research that directly impacts pregnant women was derived from data gathered on women who aren't pregnant or men. Misaligned datasets are problematic for a wide number of reasons, with the only solution being to expand the sources and methods through which we capture a broader array of data suitable for generating better information.

Like nearly all human interactions, achieving better workplace outcomes requires management of those disputes which will inevitably arise. The first step of identifying and resolving the disputes that will continually arise in our communities is to seek understanding. We must be open to gathering and qualifying any piece of data that can be turned into meaningful information. With unbiased information, we can begin the process of making better decisions. As long as we are not clouded by our belief in past outcomes.

### The Old Truth

Most labor relations or legal technologies focus on providing procedural fairness. In theory, if the procedure is followed, the outcome will be fair. If your situation is similar to those which arrived at a similar outcome, all should be good. If we can automate these systems, allowing you to complete the procedure faster, and we more granularly define the individuals and circumstances being considered, allowing us to increase the probability that you will make it into the "right" bucket, greater consistency should be better.

In the LegalTechnology space, this thinking has led to a wide array of filtering-style online dispute resolution tools. Most of these tools originated from the ecommerce space, and have been applied to an expanding range of low-dollar cases. From challenging traffic tickets to small claims court, the theory that applying filtering-based technologies to low-dollar cases is suitable rests with the ideas that there is a known "right" outcome that is simpler to attain when the dispute value is lower. Yet the increased use of these technologies during the 2020 Pandemic made it clear that neither of these ideas pan out as intended.

In many ways the labor and legal industries saw process as being a means to arrive at outcomes they could consistently project. For example, many teacher contract negotiators believe, if the starting point taken by each side is known, the outcome is predictable. When dealing in disputes over money, many in the legal industry see the same pattern. Yet the workplace is far more than money. And even when money is used to frame the positions in a workplace dispute, it is rarely the true cause or solution. Money is nothing but an imperfect proxy.

So how do we actually understand the issues underpinning workplace inefficiency? Modern research indicates that most effective dispute resolvers are successful because of their consistent use of Pull Style communication.[88] By building systems focused on the process of Pull Style communication, instead of building metrics based on its output, organizations can arrive at consistently unique outcomes that remain right for the whole.

## Pulling for Understanding

The latest research on effective negotiation strategy indicates that parties more rapidly arrive at any outcome that is agreeable to all parties by maximizing Pull Style communication.[89] Maximizing Pull Style communication can be algorithmically distilled into the following three major components:

- Building upon areas of agreement,
- Seeking information, and
- Facilitating inclusion.

When impasses occur, research indicates that consistently successful dispute resolvers routinely employ Pull Style communication strategies of:

- Clarifying aspects of the conflict that could be interpreted in a different manner,
- Asking questions that seek out whether the needs of one party could be built on the needs of another, or
- Engaging each party so they are equitably contributing.

This communication algorithm can allow any individual in a group to be better heard, enable to group to see alternative options, and allow for agreeable outcomes that may never have been considered before. Much like any design process, Pull Style communication is intended to find those things unsaid. When applying AI to the outcomes of resolutions found or issues avoided using Pull Style communication, the output of such an exercise will likely be gibberish. But when applying NLP AI tools to

---

[88] A. Abramowitz, 'How Cooperative Negotiators Settle without Upending the Table', *Design Intelligence*, 20 October 2006, www.di.net/articles/how_cooperative_negotiators_settle/. (accessed July 7, 2019)

[89] A. Abramowitz, *Architects Essentials of Negotiation*, 2nd ed., London, Wiley, 16 March 2009, ISBN-10: 9780470426883.

the Pull Style algorithm, the process of arriving at new solutions, this type of amplification and acceleration can be extremely powerful.

### Helpful Engagement

Modern social media strategies have become incredibly efficient at subtly shifting us towards desired actions or into known boxes. This is done by addictively activating our responses to known feelings, making us seek out similar views, isolating us into communities of shared engagement. This type of engagement is powerful for organizing political parties or generating sales. Yet it is extremely counterproductive when seeking collaborative innovation.

Processes, and the tools which support them, designed for collaborative innovation need to reward the kind of helpful engagement that expands possibilities. People need to approach issues with the mission of seeking understanding, and those steps towards understanding must be positively encouraged. When seeking to understand, the shortest path is rarely right. The tools we build must encourage us along a path that will lengthen with each revelation towards an outcome that will always be somewhat murky.

Along this path, few will have the right answer, but nearly everyone can add a useful piece. As our pieces are fit together, each will provide another dimension of the emotional tapestry that connects us. In a digital age where we are unable to feel these connections, it is more important than ever to deliberately identify them in a consistent manner throughout the tools that help us connect. As a path begins to take shape, we must help people see where they can add more than just contribute, where they then build upon what exists instead of replacing what is started. Through the rewards we build into the process we must incentivize all of us to build together.

And most importantly, we must ensure we are all building. All of our individual experiences are just ours. They developed from the perspective and vantage point of our circumstances. Where parts of an event are clear to us, much of it rests in our blind spots. Finding truth often means no truth exists. All that we often find are realities defined by those contributing to our shared vision.

The tools we must build for the modern workplace are not ones that make our days easier. They are ones that make our vision more pure, more inclusive, and more honest. They are those tools which can help us see beyond our vision because they continually expand the community building upon our collective contributions. They are those whose tools that force us into our blind spots.

Outcome-focused tools cannot shed light on the realities that exist in our blind spots because they only filter what can be seen into predetermined boxes. When we do this, we are left with more of the same. Creative innovation will never be found in the known.

Creative innovation comes from the process of inclusive reconstruction.

### Case Studies: What do you mean?

*It's all about the batch*. A large weapons manufacturer was having trouble with a missile prototype. The multi-stage missile was routinely failing without explanation, design deadlines were being missed, and contract deliveries were now being threatened. Every week the entire project team listened to the exasperated engineers run through the issues they had ruled out that week, while grasping at straws for what they could check next. In one of these meetings, the new marketing director meekly asked from his seat well at the other end of the table "has anyone checked the batch number?" The engineers paused just long enough to give dismissive looks at the new guy before going back to their discussion when the Managing Director stopped the conversation. "Wait, what do you mean by checking the batch number?" The marketing guy replied "when I was in the Army, sometimes you just got a bad batch of o-rings. There was nothing you could do but just throw that batch out." By the following week, the failures had ceased - all because someone took the time to understand the value of an unexpected contribution.

# Chapter Nine: Resetting Horizons

**re·set** /rēˈset/ *verb*

set again or differently.

There's often an image of what bargaining between labor and management looks like: a smoke-filled room filled with people in suits, stuffy, probably all men, and lots of yelling. The talks drag on for days, weeks. One side pontificates. The next side delays. A mediator comes in. Talks break down. And ultimately, both parties lose control and an arbitrator decides the fate of their relationship for them. The classic prisoners dilemma, with labor and management always finishing as jail mates.

Many relationships end up in this theoretical bargaining jail. Traditionally, labor and management provide some of the best examples of how two sides failing to work together can deteriorate or essentially destroy the existence of each other. Yet one of the most important influences of bargaining is time. Companies have shrunk their outlook from years to quarters. Unfortunately, labor unions have not realigned the dynamic of their collective bargaining structure to accommodate the shorter-term vision of the companies they are engaging. As remuneration packages have become more complex, unions have stuck to their objective of pushing for simplified, standardized, one-size-fits-all salary schedules. As companies have routinely underfunded or backed out of their long-term commitments, unions are pushing harder to obtain promises to which everyone knows the company cannot and will not adhere.

With commoditized production, human workers will continue to be replaced. With commoditized leadership, companies are seeking short-term commitments that do not risk the share price. Traditional unions have been looking out for members by accounting for the entire arc of their lives in partnership with employers. Unions have worried about members from "cradle to grave," while their corporate counterparts have focused on human cost centers from earnings report to earnings report. Corporate vision has become increasingly myopic, while unions continue to look for what they can win for members now, balance it against what promises they can win for the future, and compare the present value of that entire package to find the best deal. They are not negotiating with anyone who can speak for the future anymore. Those managers and owners who think long-term no longer exist. Organized labor is still predicating all its negotiations on the ideas that first, wages should grow steadily as a function of time and secondly, companies will honor their future commitments.

That is no longer our world.

**New Strategies**

This pursuit of a long-term, one-size-fits-all strategy for an entire block of people is every bit a commoditized solution as mass-produced rubber ducks at Walmart. This commoditized approach to member protection is misaligned with the short-term reality of modern, commoditized companies offering complex remuneration packages to manage short-term objectives. In pushing for uniform, predictable wage growth structures, labor unions are buying high and selling low. This set paradigm of forcing a remuneration framework where short-term costs (wages) are mixed with long-term commitments (pensions) allows negotiators to speak past each other. By failing to adjust to the realities of the commoditized company, these traditional commoditized protections are leaving the American middle class exposed to exploitation.

Companies have strategies that look towards the future. However, in the commoditized workplace, companies are often only planning 30 to 90 days in the future. Rapidly shifting priorities, addressing urgent problems, adjusting to dynamic regulatory landscapes, and challenging supply issues. When companies have shortened the time window, employees have to adjust.

Rather than focusing on a negotiation cycle of two to five years when labor and management often sit down to negotiate (or in the extreme case of a nine-year, $5.5 billion dollar agreement between New York City and its school district in 2014),[90] negotiating informally, more frequently, and powered by data can achieve greater results for workers. Negotiations can live within the four corners of an agreement and occur more than just every four years.

Negotiations that maximize the outcomes for employees need to get on a new timeline. Meaningful negotiations cannot happen when one side is thinking in days and the other in years. Humans have needs that have a minimum of 30 years of needs. To make these negotiations compatible, there has to be new strategies.

<u>Snap Bargaining</u>

---

[90] Shapiro, Eliza. "Report: State Still Owes Its Schools $5.9 Billion." Politico PRO. Politico, August 7, 2014. https://www.politico.com/states/new-york/albany/story/2014/08/report-state-still-owes-its-schools-59-billion-014879.

Bargaining every two to four years will not work. Employees or representatives of employees should meet with managers that have the ability to make changes to an employment arrangement. Rearranging the entire relationship does not have to occur - snap bargaining can occur in piecemeal. As performance increases, employees can drive for pay increases twice a year. If certain work culture issues are consuming the employee, along with pay, negotiations should occur together. These negotiations could occur online asynchronously, through facilitative text-based collaboration software including employees, worker representatives, and managers.

Expand Topics

Employment issues go far beyond the standard pay, health care, time off, retirement, and other terms of employment. As Millennials and Gen Z continue to leave their mark in the workplace, issues such as safety from gun violence, work-life balance, mental health offerings, and ownership of work products. Additionally, LGTBQ+ employees that experience "onlyness" feel greater pressure to perform and barriers to advancement in a 2020 McKinsey report.[91] Generations are bringing, rightfully so, new issues that should be addressed by companies. New generation of workers are also highly entrepreneurial - often enabled by the internet and social media platforms - that provide additional sources of joy and revenue for young workers. For example, people streaming on Twitch showing off their video game skills or travel bloggers with massive followings collecting payment from sponsors seeking product placement on Instagram. The ability for companies to recognize and begin to address these topics, especially quickly, can be meaningful to the future of work.

No Legalese

Contractual obligations that must be recorded and conform to legal regulations are important. However, not everything needs to be in complex, stuffy, old school legalese. Lawyers are not always right. And just because something has been done forever, does not mean it is always right. Contracts that require a separate degree and take ages to read can make amending a relationship for the better an unnecessary roadblock. Companies that want to encourage healthy negotiation habits and transparency can add easy-to-read contract language that clarifies the relationship. It also creates the perception that only a lawyer or only someone who can read the contract should discuss it - that is simply not true. Adding methods to make a contract easier to

[91] Ellsworth, Diana, Ana Mendy, and Gavin Sullivan. "How the LGBTQ Community Fares in the Workplace." McKinsey & Company. McKinsey & Company, October 9, 2020. https://www.mckinsey.com/featured-insights/diversity-and-inclusion/how-the-lgbtq-plus-community-fares-in-the-workplace.

understand, whether it be in video, audio, graphic, text, or a combination of some or all of these methods, is a powerful tool to build bridges.

**New Allies**

We can no longer stem the growing power imbalance between the human practitioner and the Big Data algorithms as we did in a pre-commoditized world. Standardization is here, automation is here, data-driven analysis is here, continuous optimization is here, and they are all here to stay. The geographical independence and nucleated supply chain structures in our commoditized world mean the traditional strategy of aggregating power within collocated laborers to resist power grabs by local managers does not address the broader drivers of the inequalities impacting the modern labor movement. Often, the local, previously powerful managers of the traditional organized labor organizations designed to counterbalance are now little more than replaceable conduits for decisions that have been taken completely out of their control. In short: traditional organized labor was designed to fight a battle against an enemy that could now be an ally.

Negotiating against a potential ally automatically frames the traditional union worker to fail. In this commoditized world, we can no longer afford to split the problem into management versus workers. The problem is that of the unique verses the commoditized. The problem is that of transparency versus isolation. The problem is that of linear versus parallel. We must recognize that the problem in front of us has changed.

Those in the traditional collective bargaining unit are not the only allies when negotiating. Managers, as replaceable as other employees, ought to be reconsidered as partners advocating for job security and pay increases. Rather than an adversarial relationship, shifting to an interest-based partnership can demonstrate to more powerful executives to not eliminate jobs or find new workers. Workers working with managers can adjust key performance indicators (KPIs), configure new goals, and advocate for advanced training to increase the value of the employee. Building a collaborative relationship can help the manager and employee increase its value to the company by ensuring shifting goals of the company are in tandem with the employees.

This can be aided by new online tools. With greater communication from company executives about shifting priorities and outcomes, employees too can figure out ways to stay ahead. This increase in transparency can help to build data that's valuable for companies and employees alike to manage their relationship and future.

Labor unions have to adjust to the changing nature of work. If not, employees are going to get left behind. One of the most important tools in the toolkit for a union is at the bargaining table. That bargaining table is no longer a physical place - it can be online, it can be in piecemeal, it can be ongoing. Negotiation is evolving in both art and form.

We need to do more than repurpose an old solution. We need to reconfigure how we negotiate.

### Case Studies: OK, If You Say So...

*Have it your way*. A small real estate firm was losing its largest customer, managing a commercial lending crisis, and attempting to restructure the leadership of its internal divisions. The CFO and the Division Head of the small firm's most profitable division were locked in a battle over how much of the profitable division's revenues should be allocated to bailing out struggling divisions, and how much could be used to reward those making the division profitable. Compounded by years of acrimony that left the CFO and Division Head on nearly non-speaking terms, the Deputy Division Head attempted to smooth things over. While the Division Head was already in a position to retire, the division's employees all had non-completes which forced them to need a deal. As the Deputy managed shuttle diplomacy between a Division Head who thought too much was being given away and a CFO who felt he needed more, the Deputy finally confided in the CFO and said "I just don't see how that will be acceptable on our side." The enraged CFO emailed the response "well if that's how you feel, then you're fired!" With those simple words, the non-compete vanished, and in less than twenty-four hours the captive division in a failing firm was its own sustainable company - all because one side did not realize the rules had just changed.

# Chapter Ten: Coordinated Collaboration

**co·or·di·nate** / kōˈôrdəˌnāt / verb
bring the different elements of (a complex activity or organization) into a relationship that will ensure efficiency or harmony.

For students of labor, watching the 1979 *Norma Rae* is a must. For Millennials and Generation Z entering the workforce today, watching it must also come as a shock. Sally Field, who plays Norma Rae the local textile worker, stands on top of her workstation and delivers a memorable speech to work together to stand up to management. The only collaboration taking place at the factory was ensuring each worker did his or her portion of their step to ensure the product could make it to the next step, inching one step closer to creating the finished product.[92] New generations must be aghast with the thought of toiling away doing one repetitive task all day long. That, simply put, is what automation is for.

Collaboration in *Norma Rae* did not exist. Today, in the modern workplace, it is more commonplace if not absolutely necessary. The concept of collaboration, as new generations may be familiar with, is the expectation of how workers will treat one another, find new efficient ways to save the company money, and coordinate projects with cross-functional teams. For many, the idea of collaboration is what happens when you join a meeting, in-person or virtually. It may be how people feel conditioned to act with your team or unit in the company. Collaborating means sharing information, speaking with others. However, the concept of collaboration in the modern economy for labor has to go beyond that. Collaboration has to happen *among* workers for *their* interests. That requires deeper collaboration, with overt and intentional actions driven not only for the company, but for themselves and their communities.

Collaboration to advance the needs of workers must ensure that everyone is actively sought out for inclusion - ensuring that there is an active participation, not passive, in any process.

### Data for the Long Game

Pooling people together for a common cause can be powerful: it can put a man on the moon, discover a coronavirus vaccine in months, and create a movement to achieve equal rights for oppressed people. Pooling data for a common cause can have similar monumental impacts on the communities they serve. Leveraging the data has to first

[92] Norma Rae (20th Century Fox, 1979).

come with who in the community is looking out for each other. It starts with your colleagues, it starts with people in similar jobs across industries, it starts with workers at various points on a map.

Individuals in our communities have to support one another. Trust needs to be built by those in similar positions or related communities of workers.

While assumptions may exist that employers ought to be the truth holders, labor can be that source of truth. Employer datasets create a magnitude of questions and issues. When an employer agrees to releasing certain data, the reliability of the data is rightfully questioned. Data that comes from an employer will go through a series of filters: does this look bad for us? How will it impact shareholders? Will the Board of Directors approve this? Does this directly or indirectly help competitors? Will this create government scrutiny? When sharing, pooling, and gathering data from individuals in communities that can empower others, the only question is, why not?

One of the most punishing societal norms for labor is the silent rule that employees should not discuss their wages with one another (it's important to note that Section 7 of the NLRA guarantees an employees right to discuss wages with other colleagues). This is outrageous as it not only prevents workers from advocating for themselves, but punishes women and people of color. Sexist and racist behaviors continue to exist because of these flawed employment practices.

The idea of talking about coworkers wages can get someone fired and oftentimes, cannot be brought up when negotiating your own salary. Deep collaboration can only exist when these conversations exist. Norms created by employers to maintain status quos is not a form of collaboration. Labor and modern employee advocacy must have these difficult conversations, pull in people that may feel ostracized, and begin to build trust to optimize outcomes for all employees.

Particularly in the gig economy where no human resource or people department exists to provide critical resources, data could begin to lay the foundation and supplement those missing resources. Particularly where data can be collected from other employees, unions, and trade associations, that information, for example, can be useful in pay negotiations.

The creation of these datasets can build credibility if there are added levels of transparency and socialization. If there is transparency in the process, the algorithms, and outputs, it can garner a following. Data is useful if workers can actually use it. That's why Generation Z and Millennials would be a critical source to help socialize the datasets to encourage its widespread use. They are masterful storytellers in their own right, with the ability to know and understand what makes them stand out in a pool of millions of people. Their own language and communication skills, whether through Instagram or YouTube, can create signals to others to start conversations that may have not happened before. Similar to the Me Too movement, people can create their own voices to stand up for what they know is right and collectively, action can be taken to create incredible change. This kind of data must be given to future generations to communicate to others on how to organize. Withholding information will hinder this movement.

**Union Hall? Catch Me Virtually**

Understanding who a union is serving is fundamental to a collaborative approach that can yield successful results for labor. Unions no longer exclusively serve white, straight men. The modern economy is filled with immigrants (documented and undocumented), students, multiple jobs, transgender people, formerly incarcerated, atheists, and so many others. It's also not identity, it's financial situations. Gen Z and Millennials are graduating from community college and university with astronomical debt. Millennials, specifically, have lived through two economic recessions, September 11th terrorist attacks, and the covid-19 pandemic. On top of that, personal debt continues to rise among younger generations that enables people to constantly work (with even less pay than other generations had).[93] This, as the astute reader already knows, impacts women and people of color even more. Women are kicked out of the workforce due to debt and child rearing, and instantly replaced by men, adding to the cyclical nature of why certain people always stay ahead and others do not. These complexities are only getting more complex, with a cycle harder to break. Unions must recognize this. They must adapt to it.

Efforts to truly understand who is being served is paramount, followed closely by *how* to collaborate with such a diverse, powerful group of people. Part of that identity is removing what so many people have been told to believe for years: no one can do this alone. Such radical individualization of society, the "me" society, continues to plague the United States and other Western countries.

At another fundamental level, building and using data can shift perceptions of unions. Unions struggle with credibility, especially in the ability to reach out to people of color, the LGBTQ community, and other marginalized groups. Unionism's path has not followed similarly in the footsteps of feminism, where those waves have expanded the umbrella of who and what feminism can do to empower its community. Certainly,

[93] Lembo-Stolba, Stefan. "Average U.S. Consumer Debt Reaches New Record in 2020." Experian, May 21, 2021. https://www.experian.com/blogs/ask-experian/research/consumer-debt-study/.

unionism hasn't had the feminism fourth wave, characterized by intersectionality and using the internet. Labor has not evolved to build a force built upon collaboration. Data could help shape that wave for labor.

Collaboration, at its core, must be understood that individual action is not as powerful as collective action. The union hall, the traditional in-person meeting, no longer exists. Labor has a more compelling, flexible, and powerful tool: the virtual union hall.

The ability to meet and act upon the interest of workers online is the most beautiful story yet to be told. We have yet to create and leverage tools for workers that are not even in infancy stages. There is so much potential for workers and to create the new, better virtual union hall. Tools to share data for workers to understand where other similar employment violations take place, that lawyers and technologists can collaborate hand-in-hand with employees to build new systems to benefit workers of the world.

The virtual union hall would be a digitally safe space for communication. It does not happen in a physical place, rather happens where workers are. Workers today do not adhere to the commonplace nine in the morning to five in the evening workday schedules: people work remote, people work multiple jobs, and people are working harder. With reduction in social services, families are even under more pressure to do more, work more for far too little money. So why not create a union that meets people where they are?

Unions will be replaced if they do not recognize that workers' collaborative strength does not exist in a location, a physical location, instead in instant collaboration online. Strength is in numbers, where people can connect asynchronously and synchronously. Snap bargaining can happen on your phone or tablet, where union meetings can happen while you're doing the dishes or driving your car, and voting on motion or submitting a desired amount of money can be sent via text message. While the physical union hall, along with the virtual version, is typically a reactionary course of action, it offers a new path for unions to garner even more power - a new proactive course.

If we can rethink how data is shared to enable conflict avoidance over dispute resolution, it can shift resources and focus on workers' terms versus waiting for the other side to demand what is unreasonable. We are leveraging new data and making it useful, especially if these tools are free of the artificial barriers that prevent "insight sharing", can be monumental to actually adding bargaining power. Technology is more than just email, sharing memes, and having fancy software to make sure files are in the right place with a search bar. Technology can increase bargaining power. It requires bringing in more technologists and advocates that can leverage this technology, along with training all members to use the tech effectively as well. The virtual hall can be just as easy as the physical hall - and even more powerful to make a positive impact for workers.

**Strike Quickly**

Being nimble was never labor's strength. And it was set up that way: democratic norms prevent swift action. To hear workers' voices in the 20th Century, things took time where in a traditional labor union, action moved at a glacial pace. By the time the union boss may hear of the news, and the time they have to gather the workers, deliberate, and vote, the window of opportunity is over. That can no longer be tolerated and that luxury is not available to labor. Planning a strike for months before a strike is not an option. Information comes as quickly as someone presses send on a tweet that goes to millions, potentially billions, of people. This same technology that can flip the switch is what can also help labor. To strengthen its bargaining power, labor has to move, react, and execute immediately.

By creating an inclusive and collaborative infrastructure for labor to strengthen its relative negotiation power, it must be nimble to take advantage of momentary opportunities. In large part, that can happen by knowing identifying opportunities in the market to get more than somewhere else, in order to maximize the value for everyone in the system.

To recreate Norma Rae today, Sally Field is probably writing a passionate post, amplified with tens of memes circulating around social media, while stakeholders are checking into an online meeting space that enables employees to use their data for good. And while it could be a video of her dancing or delivering a speech, the reach of her words and call to action could reach millions of people. That's the potential of a virtual union hall. One elevated stage, for everyone to work together.

## Case Studies: Omission is not Confirmation

*We talked to everyone we called*. The safety office was planning for a rocket launch that would travel along the western side of South America. Like all expendable rocket launches at that time, as early stages used up their fuel, the spent stages would drop away and fall into the ocean. To keep planes and ships safe from these spent stages, which were basically 10-story metal buildings falling through the air, every safety office was responsible for faxing airspace notice and closure requests to a central government office that would approve requests for airspace closures around the world. One day, an analyst was reviewing the airspace closure confirmations that came back, and realized there was no airspace closure confirmation for an upper stage that would be falling relatively near a city and its major airport. When the analyst called to ask if they had received confirmation that the foreign government knew a 10-story building would be falling through the air near their airport, the reply was “we sent approval for all the airspace we communicate with.” When following up by asking “do we communicate with them?” the analyst realized that no one had thought to confirm that their requests were actually being received - all because the omission of a denial was seen as a confirmation of approval.

# Chapter Eleven: The Justice Optimization

**jus·tice** / ˈjəstəs / *noun*

1: just behavior or treatment; 2: the quality of being fair and reasonable; 3: the administration of the law or authority in maintaining this

For many people, jobs are something we must do to enable what we want to do. Few love their jobs as much as the opportunities their jobs provide. Yet many are fortunate to find meaning and purpose in their jobs. Many are able to find that valuable mixture of inspiration, remuneration, and opportunity that allows their work to be rewardingly integrated into their lives. No one makes their work the focus of their life for money alone. Each of us is continually managing a complex optimization when justifying where we spend our only truly non-renewing resource: time.

No matter how well we control what defines us, understand misaligned intentions, build where we agree, and ensure inclusion, there are always the questions of where we are going and when we know that we have arrived. We know the desires of the employee will always differ from those of the investors. We know the ranges of skills and interests held by employees may often vary more widely than the roles available within their company. There will always be base level expectations for productivity or honesty that must always be met, and there is no way around the fact that no company will be able to meet everyone's needs or expectations.

Companies have often been evaluated under the assumption that the most profitable are operating most effectively. Commoditization has shown us that this may be true for short periods of time, and will often mask a longer term unsustainability lurking below the surface of these entities. As we gather more and more data on nearly every aspect of a job and its impact, as we realize that our interactions with each other in the context of the interests we temporarily share with our employers, we need to start looking beyond the job in the context of its alternatives.

We must be looking at each role as a platform for seeking economic justice.

## Minding the Gap

The "justice gap" in the workplace is a component of the broader access to justice (A2J) movement. The A2J movement, as a whole, has suffered from similar challenges in both definition and resources that have befelled organized labor. As a result, no matter the definition, the justice gap is wide and growing. When looking at civil issues, the Legal Services Corporation (LSC) defines the justice gap as the “difference between the civil legal needs of low-income Americans and the resources available to meet those needs” (LSC, The Justice Gap Report, 2017). In 2017, LSC concluded that “86% of the civil legal problems reported by low-income Americans received inadequate or no legal help.”

When looking at the expanded definition put forward by the World Justice Project (WJP) as occurring when people “cannot obtain justice for everyday civil, administrative or criminal problems... are excluded from the opportunities the law provides… [or] live in extreme conditions of injustice” (World Justice Project, Measuring the Justice Gap, 2019), the justice gap in 2019 was estimated to affect 5.1 billion people, or two out of every three individuals on the planet. In theory, the justice gap exists because too many have too little ability to access the legal procedures needed to seek justice. If the efforts of the few currently working to close this gap can be amplified through the use of technology, many argue that this increased access to legal procedures enabled by technology will lead to justice. This is the logic that led to the commoditized protection provided by labor unions, where everyone followed the steps in their lane until they achieved the appropriate level of seniority needed to ensure their protection.

Even if workers were still provided equal access to this process, there is little agreement that making this procedure more efficient will lead to justice. In traditionally unionized workplaces, seniority and specialization bake socioeconomic injustice into the culture of the organization. Like a dying star, the time it takes to deliver equity using these procedures in a rapidly changing society means the justice delivered will always be radiating from a reality that no longer exists. There is no justice in youthful, high performers being downsized, yet our current systems make it necessary. The amount of data and technology at our fingertips now makes optimized alternatives possible, yet technology cannot be effectively deployed without clearly designing the process leading towards the intended outcome. So what should be technology’s intended outcome if it is seeking to enable justice?

### The Target

Every optimization routine must be given a target that it will work towards. In the workplace, money is a limited resource that serves as a proxy for opportunity. What gets spent on training cannot go to marketing. What gets spent on salaries cannot be returned to investors. What gets extracted through profits cannot generate growth. Hard decisions will always need to be made. When it comes to justice in the workplace, the ability to optimize it can shift the paradigm in the new economy. Using a justice framing argues that the "justice algorithm" is one seeking the following target:

*Optimize the deployment of resources in a manner that minimizes the reduction of equitable access to future opportunities.*

This optimization approach is a reflection of our knowledge that "just outcomes'' are never static. By instead accepting fluidity of justice, this approach leverages technology to help us refine what the unaided mind is unable to see. For those in the alternative dispute resolution (ADR) space, the greatest feature of ADR is its ability to discover acceptable outcomes which cannot be arrived at through procedural justice. As the number of participants and issues expand in any ADR process, we are challenged to balance all of them. Arriving at a "just" divorce settlement is challenging enough when balancing financial, social and emotional, and the operational issues around breaking a "micro-community" into equitable parts. Expanding what works in a divorce settlement to define optimized justice in our communities more broadly requires accounting for an immense number of variables.

Implementing such a definition of justice aided with the processing power of modern technology allows far more variables to be considered and balanced at once. It allows us to test which variables are more impactful than others. It provides us the vision we need to see extremely complex systems clearly enough to determine what we, as a society, believe are appropriate and just outcomes. Employing technology in this way where it is most useful, by allowing it to accelerate and amplify our vision, will allow us to see the outsized impact that many of our more subtle resource allocation decisions have on our ability to access those just outcomes.

For example, consider a scenario where an employee misses a mandatory training session because a child with substance dependency issues relapsed. This issue may traditionally be seen as a fireable offense that the company could overlook due to the circumstances. Yet there are resources that an organization could deploy more effectively than the individual alone. Weighing up whether to deploy these resources from a justice framing could require optimizing for no less than the following variables:

- Any reduction in earning potential because the training is not complete,
- Cost of completing the training at a different time,

- Recruiting and training costs if replacing the employee,
- Increase in employee reliability if the child no longer has a substance dependency,
- Cost of providing substance dependency support for an employee child,
- Changes in employee dedication due to the handling of the core issue,
- Changes in workplace absenteeism if personal and family health is prioritized, or
- Cost of monitoring and addressing misuses of additional services or supports.

Each variable is a vital element within a complex balance. An untrained employee is likely less valuable to the organization, and there will be a cost to providing that training again. This "second chance" may be less costly than firing and replacing the employee, yet a perception of favoritism may reduce morale if not addressed equitably. The view shared by those participating must be towards what will come next, towards how the path forward is proportionate and equitable. Technology now allows us to evaluate with remarkable precision the inputs and their impact on the opportunities that will remain for all parties impacted by any decision. It is vital that these options be allowed to become justice.

### What's in it for me? (WIIFM)

Individuals only join collective actions that benefit their interests. No matter how much better it is for the whole, each individual will join if they know "what's in it for me" (WIIFM) will be better than being on the outside. When the framing is purely economics, money talks. When the framing is continual optimization, WIIFM is ownership.

Justice cannot be achieved unless the impacted community owns its implementation. Perceptions of favoritism, employee dedication, and other intangible assets or qualities that directly contribute to organizational productivity will never be boiled down to numbers alone. These are feelings that increased engagement can better characterize. Yet greater characterization without meaningful action can be a far greater threat than ignorance.

The average traveller is more than 36-times[94] more likely to be in a car accident than an airplane crash. Yet the average traveller is less likely to be scared of driving to the airport than hopping on a plane. While more than 90% of automobile accidents are caused by human error, everyone "knows" it will be someone else. The fundamental equalizer for the fear of uncertainty is the power of control. Owning your choices, influencing your environment, and defining your path will allow most people to step into the unknown.

[94] Based on a 1e-6 probability of plane crash over 265 lifetime flights compared to 1 in 107 probability of being in a car crash in your life.

Justice will look different in every situation. True justice will be able to wrap the objectives of the community in the context of the situation and deliver the most acceptable outcome. There is no HR manual for delivering justice as much as there are community principles. There is no right answer to find as much as there is the ward work of ensuring an absence of injustice.

True justice is never certain. But it can never truly be justice unless it is owned by its community.

### Case Studies: There's Always a Tradeoff

*Then from who?* A mid-sized law firm has a committee that reviews bonus allocations and salary resets on an annual basis. Everyone in the firm knows how much everyone else gets paid, and internal records show what projects everyone worked on or business they brought in. Armed with this information during this annual review, everyone gets the opportunity to argue why they deserve a raise. The only catch: if they say they should be getting paid more, they must argue who should be getting paid less. In some instances, an unidentified under-performer is spotted through this process. In many jobs, it is possible for managers to miss when others are picking up the slack for someone else. Yet in most cases, once it comes down to "I want x more and half will come from him and half from her," it is clear that the one requesting more did not previously appreciate the contributions of his or her peers. This ability to spot when expectations or appreciation is misaligned allows concerns to be addressed before they become problems.

## Part Three: Owning Progress

Progressive communities aren't just places like Portland, Boston, or Des Moines anymore. They are now dynamically forming associations that can live digitally. Collective action can now be taken en masse from anywhere as we can now safely manage profitable associations with people we've never met. But how do we own our path in this new world?

# Chapter Twelve: Asymmetric Value

**a·sym·me·tric** \ ey-suh-me-trik \ *adj*

1: not identical on both sides of a central line; unsymmetrical; lacking symmetry; 2: opposing groups having unequal resources, where the weaker opponent must use unconventional tactics to exploit the vulnerabilities of the stronger opponent

Iowa's most valuable farmland is in the northwest corner of the state. It's not more valuable because the corn or beans are different. The growing season isn't different. The ground is flatter, but the soil isn't so remarkably different from other parts of the region. The farmland is more valuable in northwest Iowa because, as the locals will tell you, they "ship corn flakes, not corn."

There isn't anything special or different or novel that's happening in northwest Iowa. All the same processes being used are the same as anywhere else. They still take the plants out of the field as normal. They are still processing them as you would anywhere else. They still slaughter livestock as anyone would in any other location. The processing, packaging, and marketing is still done in ways that could be done anywhere else. It's all just done in northwest Iowa.

In farming this is called value added agriculture. Instead of just growing a vegetable or raising livestock that is shipped in its lowest value form, the creation of a higher value product is centralized. By optimizing processing facilities to minimize the work in progress, refinement of a raw material into a high value product is vertically integrated in the community. All of the different layers of value that can be created or owned become wealth captured by that community. Starting with the lowest cost raw materials, the community imports wealth by exporting the highest value retail output it can refine within the community.

Data intensive products go through this same process. Raw data is ingested, datasets are transformed into usable inputs, and the inputs drive app layer output processes. At every step, a process adds value to the digital oil that enters the system. And those who integrate all the value added steps into one process stack extract the greatest share of wealth. In tech, these refinements are typically owned by one, monopolistic company.

Iowa's agrarian past holds parallels for how digital communities can equitably thrive. Ironically, these lessons learned are being largely ignored at the exact moment when they could be most valuable for building a new data driven future.

## Don’t get caught holding the bag

Iowa is like many other agrarian states that dove headfirst into the world of data centers without thinking through the value stack. For technology companies, the rock-bottom price of electricity in states like Iowa means they can extract millions of dollars in operational savings by running a data center on renewable energy in Iowa at an often more than 90 percent energy savings. To get the data center up and running, they have to cover the construction costs they would have paid anyway, but only at about half the price they would have paid elsewhere. Once operational, they still need to pay for security and operations professionals, again at less than half the price they would have paid anyway. And what do states like Iowa get? In addition to the “opportunity” to shower these companies with hundreds of millions in subsidies that account for significant line items in their state budgets, they also get to look at large, windowless buildings holding vast reservoirs of wealth generating digital oil that cannot be touched, let alone tapped.

And a photo op with Tim Cook.

It is clearly impossible in these development deals to demand these tech giants provide states like Iowa with access to build their own companies upon data sets contained in these data centers. Yet the willingness of states like Iowa to pay these tech giants millions of dollars for the right to let these cash rich tech giants hold the source of their wealth in states like Iowa at a cost that is far cheaper than they could hold it anywhere else demonstrates a striking misunderstanding of the asymmetrical value of data. The fact that Iowa is paying to be associated with parasitic data hoarders when it under invests in protecting the digital oil that our communities have already invested in developing is nearly unconscionable.

At the same time that Iowa is paying parasitic data monopolists to save money storing their data in low cost data centers, highly refined data paid for with state investment is too often sitting in under-protected public servers rotting on the vine. And in cases where it is not rotting through underutilization, it is too often being co opted or even given away to those who did not purchase it.

From white papers to working papers to raw research data, piles of partially to highly refined data products are sitting in disconnected servers all across our communities' research institutions. At best, the commercializable value of these underutilized data products is returned to the author to be deployed for community good. Too often, though, financial starvation of these research programs makes this data vulnerable to those who wish to shut down opposition to their actions. For example, in states like Iowa where water quality issues are major public challenges, research reports on water quality and the causes of pollution are too often funded by the polluters themselves in order to ensure negative conclusions can be bought and buried.

The willingness for states like Iowa to hold the bag when it comes to tech firm subsidies or polluters killing refined data products demonstrates that our communities need to regain our digital power ourselves.

### You never get back what is lost

Like agricultural systems, the core of modern technology systems are essentially commoditized. With the rise of AI, the challenges and opportunities of this reality become stark. Two different firms building computer vision systems, for example, will likely start with essentially identical strategies, methods, and technologies. If confronted with identical data sets and objectives, these systems should arrive at functionally identical answers. If the promise of unsupervised AI systems takes root, these strategies, methods, and technologies will be unleashed like children to learn on their own, with any divergence in their path directly attributable to the differences in the data they are iteratively ingesting and processing.

Most technologies have relatively narrow applications, forcing their operators to pursue relatively specialized datasets. Facebook primarily earns its money from links for users to click where LinkedIn derives the majority of its value from user matching. These significantly different objectives mean the two firms are busy building very different datasets for optimizing their strategies, methods, and technologies to achieve two very different outcomes. For this reason, sales efforts that redirect users off platform are typically more expensive to run on LinkedIn than Facebook while directly connecting to a specific person based on their professional associations is much more difficult to consistently achieve on Facebook. Most companies clearly design monetizable boxes of problems that can be solved through pattern matching and user nudging, and then aggressively pursue the data needed to effectively achieve the stated objective.

For many clearly defined tasks that depend on optimizing a user's actions within a platform, much of the data needed can be built by the platform continually testing user responses. Yet very few technologies can remain valuable when looking only at their actions within a closed system. Even with tools like Facebook, significant value has been derived from its ability to track individuals broadly across all internet enabled applications and devices, making Apple's operating system change in 2021 requiring users to opt into being tracked an existential threat to Facebook's profitability.

In the United States, the interactions and conflicts between concepts like copyright and property rights traditionally make guidance on data ownership murky. At the same time, the absence of a legal framework built around a fundamental right to privacy as exists in places like the European Union have so far given tech giants nearly free reign to gather and control large swaths of personal data. Now that this data has been gathered, it is gone. There is no reasonable path through which any effort will be able to reclaim or regain control of the data which has been used to build those datasets serving as the digital oil upon which those companies' vast wealths are built.

The data that is lost is lost. But communities change. And in the tech world, you're either better or you're dead. The data that has yet to be created will dictate our future.

## You are what you do

The most visible focus on rebalancing privacy and power in a data-driven world has been through "Do Not Track" (DNT) efforts. On September 21, 2011, the Tracking Protection Working Group kicked off a collaboration that resulted in the DNT option in any web browser's settings. By selecting this setting, advertisers like Facebook would not be able to use that browser to track your activity on that browser. While efforts to popularize this feature were both limited and mostly unsuccessful up until the working group's disbandment on January 17, 2019, the functional death of the DNT project could be considered Apple's release of Safari 12.1 when the release notes considered it an "expired standard" leading to its removal from its browsers. The rise of IoT systems and the fundamental changes in how we access connected systems may have always made a browser setting alone a limited tool in any fight to reduce the co-option of private data, yet Apple being the one to hammer in the death nail on the DNT coffin in 2019 could be considered extremely ironic.

While Apple may have killed the DNT browser setting, it announced an App Tracking Transparency feature in June 2020 at its Worldwide Developer Conference that resulted in iOS 14.5 triggering an opt-in request any time an app wants to track a user. This change not only caused Facebook to trigger a public relations war against Apple, it further raised awareness in Americans that their personal data is something they could and should control. While it is unlikely that personal data ownership in the United States may ever be seen as the fundamental human right underpinning the European Union's GDPR requirements, the connection between the data we generate through our actions and the profits tech companies can make by owning our actions has caused many to consider reclaiming their power by limiting the accurate and defining data they are giving away.

The fundamental problem with this strategy for rebalancing the power shared between our communities and Big Tech is that restricting the data being shared in a meaningful way requires a level of dedication that most people are not willing to consistently apply. When a new social media app comes up, entering in a manner that does not initiate a large data transfer and then maintaining vigilance as the app updates and settings are modified is difficult. And in all honesty, most people just don't care enough. So long as the convenience gained is greater than the perceived cost of the intangible harm associated with a Big Tech company using your data in a manner that is more beneficial for them than it is for you, people will lose interest.

The Apple opt-in design to data tracking is a fundamental threat to Facebook because it makes it easy for people to damage the value of Facebook's dataset. Yet that type of passive damage, from choosing not to share data to sharing inaccurate data like false birthdays or false preferences, will never be as powerful as competitive mobilization.

## Be Better

In our modern world, it's hard to see how all of our data won't someday all be for sale somewhere. This vision currently seems so unavoidable that it should be fair to question whether privacy even can exist anymore. The need for our data as the engine for our hyper-optimized world means there is almost no point in fighting to prevent this. Our lives will be subject to a level of shadow transparency akin to how we currently view the lives of reality stars.

Yet we are currently hurtling down this path without any active say in that process. We are currently being exploited with no access to value. We are currently fighting the tide instead of owning the tsunami. We can collectively own our data by taking active overnship of our contributions, creating datasets that are desirable not because they diminish the competitor. We can win the data wars by being better.

Data is useless if it is not shared. Facts without action are unable to create change. Similarly, no one pays for random facts, they pay for information. The process of developing monetizable information requires ingesting significant volumes of data though diverse streams, synthesizing them with the type of context typically identified using unique expertise, to solve clearly defined problems. These refined data products, which allow individuals to take action, are what can be sold.

The problem with progress is that we're never sure where it will take us, because innovation is rarely sought out as often as it is discovered. It is typically an underappreciated gem in a refined dataset that offers the thread from which we unravel the sweater. It is the toil of connecting dots for one purpose that often opens our eyes to the unexpected. These gems are too often that final piece we were never searching for that turns a problem into an opportunity. And much of these refined gems are effectively thrown away.

This is where we must take action. If we are to regain our power in a data-driven world, we must collectively own everything from our unrefined data fragments to our refined data products. We must provide the type of monetizable access to these discarded products not because they contain a monetizable fragment on their own, but because they may be that final piece. We can build the apps that track everything we do more effectively than those services which currently exploit us. We can archive our valuable work products more diligently than those running the servers where they just sit and rot. When we gather and exert ownership over the data that defines us, we may have that final piece which is of no use on its own, yet offers that missing context to spark change.

We can't expect Facebook to be better. We can't hope Apple remains a benevolent dictator. We can't expect the state to save with the communities we have built. We need to take ownership of our reality. We need to use the tools of decentralized truth to take a stand for what is ours. We need to build the exchanges that allow us to find our hidden opportunities. And we need to be committed to sharing in the ownership of our collective wealth.

Labor unions used to exert power by controlling access to the labor force. Union members stood together and shared when it was hard so all boats could rise together. Those days are clearly gone. Power in a data-driven world is not about restricting access, it is about owning the broader vision, building a more complete understanding, and allowing better insight to win.

Committing to collectively building a more complete data community is our choice. With distributed archives of truth, we can agree to acknowledge our shared truth in a way that Big Tech is currently unwilling to do. We can choose to let others build from a commitment that none of us will be left behind. We can choose to own our community by owning how Big Tech is allowed to access what defines us. As we come to understand that we are all linked in this digital world, and the value of these connections can be equitably shared, the sooner we can build the tools that will allow the data that binds us to make us more complete communities.

And the better community always wins.

# Chapter Thirteen: Cold, Hard Reality

**re·al·i·ty** \ rēˈalədē \ *noun*

1: the world or the state of things as they actually exist, as opposed to an idealistic or notional idea of them; 2: the state or quality of having existence or substance.

Enron Corporation grew into a nearly trillion dollar company employing roughly 29,000 staff by transforming a simple merger between Houston Natural Gas and InterNorth into an electricity, natural gas, communications, and pulp and paper juggernaut that Fortune named "America's Most Innovative Company" for six consecutive years. On August, 23, 2000, Enron’s share price peaked at $90.75. Within the following year, more than 97% of its market value vanished.

Enron joined WorldCom as the infamous bad apples primarily defined by their frauds in the middle of a decimated, post-bubble tech sector. Its shell companies and stock manipulation grabbed the headlines and convictions that brought down one of the world’s storied accounting firms. It’s insider trading that saw executives cashing out while employees were urged to buy more sacrificed all community goodwill. Yet the core practice at the heart of the scandal was legal then, the same issue fueled the financial crisis less than a decade later, and is now fueling the lifestyle of tech “titans” like Elon Musk.

Enron was a debt riddled company made “profitable” by Mark-to-Market (MTM) accounting. Instead of reporting values that are directly tied to how much an asset costs or the revenue it produces, MTM enables recording an asset’s fair market value or future revenues as if they are real today. The financial world came to a crashing halt less than a decade later through similar schemes that saw credit default swaps record overvalued assets built upon unsustainable debt. Barely a decade later individuals like Elon Musk can fund his ever growing personal debt by borrowing against his irrationally inflating Tesla stock, Donald Trump can reprice his organizations’ intangible values on a whim, or Peter Theil can rob public coffers by putting high risk equities into tax advantages instruments reportedly intended for value investors approaching retirement.

The financialization of society has turned many of our most profitable businesses into a race against the faith. Faith that loans will be repaid. Faith that the next investment round will be at a higher price per share. Faith that investors can liquidate their positions. This faith is bolstered with increasingly complex models that provide the feeling of precision. This faith gains certainty that contracts will be honored, no matter how inequitable. This mathematically derived faith is able to defy logic when calculated returns become unsustainable.

Souls may be nourished by faith, but life is sustained by calories. Adam Smith's summary that a person's time is the base commodity underpinning our economies inherently assumes that gains can only be realized when they impact our real lives. Until then, we are all just waiting to eat, seeking more equitable ways for bringing everyone to the table.

### That's Meta

Bitcoin lore attributes the potentially mythical mathematical genius Satoshi Nakamoto with the invention of a near perfectly democratized currency whose value is tied to the world's computational capacity. Instead of deriving it's value from any physical item or the full faith and credit of any nation, Bitcoins are "minted" by networking a specialized computer designed to solve a mathematical puzzle through trial and error. Bitcoins are awarded to the account associated with the computer that solves the puzzle, with the puzzle defined by the Ledger of Bitcoin transactions that are occurring between all of the networked computers - called Nodes. This Ledger of transactions is visible to everyone who wants to read it, with each transaction transparently reflected as Bitcoin quantities transferring between users.

Since the mathematical puzzle being solved for Bitcoin requires finding a number that can be added to a block of transaction data that makes the resulting hash have a certain number of leading zeros, earning Bitcoin by solving this type of a problem before everyone else requires powerful processors optimized for the task. The cost of these processors and the energy required to run them can allow their operators - called Miners - a sense of how much it takes to create a Bitcoin. But there is no fundamental value in burnt electrons. The value of a Bitcoin returns to faith.

Many cryptocurrency enthusiasts argue that this faith is no different than that required for fiat currencies issued by nation states. Since few nations tie their currencies to a physical asset, it is argued that one's faith in a nation is no different than the faith in a sufficiently large crowd of cryptocurrency Miners and traders. Because everyone has equal access, that equality prevents anyone from compromising market efficiency, allowing anyone to trust everyone without the need to trust any one person. This "trustless" trust gives the confidence necessary to believe that each coin will retain a value.

At the same time, since these cryptocurrencies are attached to accounts defined by nothing more than alphanumeric sequences, Bitcoin is believed to have transparent anonymity. By adding layers of obfuscation, seeing the entire transaction history of every account does not matter to the faithful. Unlike fiat currency and its societal controls, Bitcoin has no borders. The faithful are a digital society where anyone can attain an account and engage in trusted commerce with anyone else for any purpose. Transfers are instant, oversight is unnecessary, and no one can prevent you from freely exercising your rights to engage in any type of commerce when using Bitcoin.

This thinking has led to expansive visioning exercises on what we need to build in order to live in this type of meta verse. If you can be anyone in this digital world, how are you held accountable for your actions? How do we ensure fair trade without a justice system designed for this new world? What if we could instantly buy anything because everything is connected? Imagine how simple business would be when you hit a button and everything instantly happens!

But you can't eat burnt electrons. Currency in society, no matter it's origin, is only fundamentally worth what a physical body can use. Every transaction in a meta verse is an abstraction of the choices rooted in our reality. When Bitcoin is used for selling drugs or guns, the drugs or guns still physically exist and are transported to someone from somewhere. No matter how inspired one can be from a digitally delivered book, digitally delivered art piece, or digitally delivered music, inspiration cannot live longer than the mind that held it.

## Connecting Potential to Value

The introduction of Bitcoin in 2008 by the individual or individuals operating as Satoshi offered the first conceptualization of blockchain technology. This conceptualization built upon the blockchain-like protocol work of David Chaum from 1982 and the work of Stuart Haber, W. Scott Sornetta, and Dave Bayer between 1991 and 1992 on how to create secure, Merkle blocks for time stamping multiple document certificates. Bitcoin was able to demonstrate that individuals could participate in a shared transaction record without a centralized authority. Most importantly, Bitcoin also solidified the idea that these records could "hold" value.

These data tokens held in the Bitcoin blockchain were called Bitcoins that could be moved between accounts. These movements represented the transfer of ownership associated with those coins. By calling these accounts "wallets" and requiring a costly "mining" process when creating each "coin," Bitcoin was able to break though the boundaries of what most people considered currency. While fundamentally no different than the points or resources that could be attained or traded by network gamers, the presentation of Bitcoin as a currency was highly successful in reframing how it was viewed and accepted.

Since the blockchain protocol which creates and manages Bitcoins has an incredibly low probability of seeing either the destruction of coins or ownership inappropriately altered, Bitcoin was able to manufacture a belief by many that any data added to a blockchain is accurate. Since data in a blockchain will remain unaltered and increasing participation of large numbers of individuals who have not been verified as trustworthy actually improves the reliability that the data in the network will remain unaltered, it is common to consider blockchain a technology that can create "trustless trust." This idea that one can trust the contents of these "trustless" systems has driven a resurgence of interest in the idea that smart contracts for automating business processes can be less costly to implement when using blockchain as their technological backbone.

In theory, smart contracts built upon blockchain technologies will allow any individual to join a collection of people in the meta verse to carry out business with people they have never met or may not even know how to trust. In theory, these smart contracts can allow anyone to enter into agreements that cannot be broken, where money is exchanged as soon as value is provided, and these innovative teams are no longer confined by arbitrary geographic boundaries. This theory has given rise to non-fungible tokens (NFTs) that allow the creator to trade the qualities defined by the NFT on a wide range of open markets. From artwork to music, source code to bespoke datasets, the use of any digital file can be licensed through an NFT. By building a digital thumbprint of any of these files into an NFT, anyone can take a file, check its thumbprint, and verify its ownership, restrictions, and value. At the initial NFT craze in 2020, memes were transacting for millions of dollars. Yet the true value and limitations of this technology were not immediately accepted.

NFTs can only prove digital transactions. They require that the digital representation of reality, from the artwork existing to its ownership being indisputable, be accurately translated from the physical world. Like any piece of code, an NFT only knows what it is told. If an NFT is created using a forgery, it still believes the file is real. If the ownership is disputed, the NFT only knows its creator. If the artwork no longer exists, the NFT trades nothing but an artifact of its former presence. What's more, the NFT cannot tell one digital original from another. The thumbprint associated with one file will be the exact same as that produced by any identical copy. And there is no limit to the number of copies which can be made of a digital file without degradation. Literally billions of people could hold the digital file associated with an NFT. Just because someone has an NFT does not mean they can control the file with which it is associated. The file from which an NFT is built, once released into the world, is uncontrollable.

The power of an NFT is not in controlling intellectual property through the exclusion of others' access. Where traditional IP lawyers think of IP in terms of the paper patents are printed on or its physical manifestation, allowing one to protect IP by excluding others from seeing or using its representations, digital IP can rarely be similarly contained. Owning an NFT does not give one the right to exclude, but it does prevent an owner from ever being forgotten. The immutability of the blockchain technology underpinning NFTs means every transaction associated with that IP cannot be hidden. In a world ravaged by pandemic, with people hidden in their houses, the reality of having no control over a world spinning past us was powerful. In NFTs, one's presence could not be denied. One's ability to own a part of a word she or he could not control was absolute. NFTs are an opportunity to ensure no one is forgotten.

A financial world underpinned by unbacked cryptocurrency and executed through smart contracts will never have the ability to create more equitable economies. It will be unable to create these equitable economies because they are unable to uniquely create strong linkages between the physical and digital worlds. Equitable economic environments that are built around the needs of the communities of individuals who comprise them require unerasable memory and verifiable transparency to create tools for preventing the systemic theft inherent in the economic inequity crushing the next generation's opportunities.

Yet changing the means of executing a transaction does not alter the imbalances inherent in an inequitable transaction.

### Challenging the Bottom Line

Fascination with - if not a full out yearning for - the promise of cryptocurrency is understandable. For the average person, the current levers of wealth are designed to screw us. American markets have in large turned back into the pre-Depression casinos with a new twist: digital efficiency.

For the small fraction of our communities who directly own stocks, very few of these are dividend producing. Our only hope of getting something out of these investments that allows us to eat is our belief that the price someone else will someday pay for the equity we have will be more than the amount we paid. Yet these companies are just like anything else, where safe bets can go very bad. For generations General Electric (GE) was thought to be more secure than the ground under our feet. For most Millenilals who made “wise” investments in GE early on, these are nearly all under water now.

Many may argue that value investing is dead, yet it is more accurate to say that value is more often getting extracted before it hits the retail markets. Hedge funds can now cover positions with shocking precision using tools the average citizen can’t access, while garbage companies are creating eye watering gains for insiders by going public via Special Purpose Acquisition Companies (SPACs). Banks offering loans backed by the Small Business Administration (SBA) or other risk reducing programs are asking established small businesses to have immediate access to cover a majority of the loan amount being sought, while Tesla can comfortably teeter on the edge of bankruptcy for years.

Even programs built to rebalance the fundamental inequities of our financial system in our most recent time of crisis through traditional financing vehicles were nearly always doomed to failure by design. For example, the fundamental architecture of the Paycheck Protection Program (PPP) resulted in the majority of small businesses owned by people of color getting completely shut out of the program. Since the program was effectively administered by banks who earned a guaranteed percentage of the money deployed, existing customers with the largest need were serviced first. The smaller the business, or the weaker the relationship between the business owner and decision owners in the bank, the more likely it was to be ignored. This reality is exacerbated as banks centralize in pursuit of profits. With bank concentration in the United States increasing by nearly 60% since the turn of the century, with the largest three banks now controlling over 34% of all the assets in the banking system just prior to the Pandemic,[95] the traditional financial system is becoming more exclusive at a time when Gig workers are more frequently forced into becoming “companies of one.”

Combatting the inequities of traditional banking, private equity (PE), or other methods of financial engineering have led many to argue that sectors like venture capital (VC) hold the keys to a more prosperous future. The VC space argues that the free exchange of ideas between founders and private investors who can dynamically shape

[95] Trading Economics, United States Concentration Data, pulled 9/13/21 https://tradingeconomics.com/united-states/bank-concentration-percent-wb-data.html

an idea into riches is our best model for sustainable growth. This argument is buoyed by the idea that venture deals are designed to routinely return 10-times the amount of money invented (i.e. “10x returns”) within the typical seven to ten year life span of the venture Fund. Yet the reality of venture is that median Limited Partner (LP) returns are often less than 1.6x across the asset class.[96] Estimates of the top 25% and top 10% of venture funds in 2017 were respectively returning between 2.5x – 3.5x and 3x – 8x within 10 years with the “bottom” 75% rarely even returning the investment. The reality of venture capital is that, much like Bitcoin, the majority of wealth is inedible paper until a company is sold. The majority of those investing in the dream of venture capital cannot turn their future potential into cash. The majority are not like the Elon Musks of the world who can take out bank debt against the future value of shares he does not control yet in a company that is egregiously overvalued in comparison to his comparable markets.

For all of these traditional financial vehicles, the inequity is baked in. Those who already have money will be able to multiply their share because those of lesser means will starve before their interests can be converted. The reality of these financing vehicles is perfectly summarized by quips like Jack Young when he asks “you know how you make a ton of money? Start with a fuck ton of money.”

## Trust in Us

Venture capital and cryptocurrency have captured our imagination for those moments when they defy the odds. When Bitcoin rises beyond reason, we forget it crashes. When VCs anoint a new unicorn, we forget all the promises that never were. In both cases, we are putting irrational trust in technologies and relationships that we will likely never fully understand. No amount of time spent online reading research papers or rolling through competitors’ decks will ever give the fundamental, scientific understanding needed to really understand the chemical reactions happening on some revolutionarily new chip. While the “Buffett Rule” recommends that you only invest in companies you thoroughly understand, finding the razor’s edge between cutting and bleeding technology requires trust in the operating team.

Venture capital and cryptocurrency are currently just brands selling the same types of inequitable commodities. They comprise a small fraction of portfolios that will be

96 https://files.pitchbook.com/website/files/pdf/PitchBook_2017_PE_VC_Fund_Performance_Report_as_of_4Q_2016.pdf

celebrated on the off chance that they outperform anyone's wildest expectations. Bitcoin is just a commodity tethered to nothing more than irrational exuberance. Venture capital is an echo chamber with operating margins so thin that only those who don't truly need to work have the ability to contribute. Yet neither is limited by their current reality. Both can be fundamentally transformative for rebalancing the power of gig workers in our economy when anchored to the true value of our communities.

The potential of venture capital is already seen in its tendency to develop regionalized investment theses. Traditional startup regions tend to have a clear, distinct regional thesis, from Silicon Valley being the startup cradle to Boston being healthcare hardware to New York being later stage optimization. As newer regions like Washington, D.C., start to develop theses like deployable R&D or Florida refines its commercial approach to Space Tech, there becomes a gravity to these regional innovation cultures. Those who fit the culture seek out the region, and those who share the region's thesis invest in the region.

As VCs look for a new edge in new regions, conventional wisdom says that regional success hinges on the local community's acceptance of the current venture capital model. By this argument, communities in Chicago or Atlanta will become just as successful as San Francisco if given enough time - assuming the community is willing to start accepting the aggressively asymmetrical risk associated with venture capital. When looking at communities that struggle with venture capital adoption, there is a knee jerk reaction to an idea that it is because the region is unwilling to accept risk. This refrain is so common it echoes through everything from "success porn" on LinkedIn to J.D. Vance bus tours, economic developer conferences to state government subcommittee meetings. This refrain will have you believe that risk aversion is the number one problem holding back the entire Midwest.

But countless Midwestern livelihoods have been betting on the weather every single year for generations. There is nothing more risky than betting on the weather.

The Midwest has a history of transformative innovation. The Midwest built industrial giants that underpinned thriving communities and put the world on wheels. Midwestern industry made commitments to its communities, through business innovations like Employee Stock Option Programs (ESOPs), that it would protect our gains. And then we all just primarily held on. We stayed in our lane. We kept taking our risks on known commodities. We focused on getting the Boomers through. This focus on maintenance has left many Midwestern companies stagnant to the point of unbankable. These unbankable companies have history, assets, clients, and hidden innovation just sitting on their shelves, yet no more access to enough traditional financing for making significant changes. We now have three generations ready to transform these industrial cornerstones of our communities.

Midwesterners will risk it all on corn or beans. But these all or nothing bets are on known commodities. The calculus changes when the units of measure are malleable. When betting on known commodities, you evaluate how much you will have of something you know. Venture bets on change. Venture invests in exclusive access to transformative individuals. Venture bets that a team of high quality individuals in a high value environment will convert a known amount of money into a currently undefined outcome from which multiples of their investment can be extracted. Uber bears little resemblance to its original pitch deck. Slack was the third deployment of lost money. Success in venture requires comfort in the idea that we can invest in the unknowable. The theory of venture depends on a comfort in the belief that if we can provide the right guidance and support, a community who understands the nature of that specific unknown, allowing trust to shape the vision of those around an outstanding team that the team's very existence can reliably produce value.

The problem with modern venture capital and cryptocurrency is that, much like Midwesterners, its trust is misplaced. Midwesterners trust corn and beans. These commodities have reliably produced value in the past, yet the world has changed. Margins are now too thin, the human factor that separated winners from losers is now gone, and the businesses that depend upon their success are too bloated to modernize. VCs trust Ivy Leaguers. These rich, white males have reliably brought investment capital, yet their world view is limited. They speak a language foreign to the average American, their networks are not broad enough to gather input from outside their echo chambers, and they too often see success as not holding the bag when the music stops. And CryptoBros trust the concept. These virtual currencies have allowed believers to rapidly create and sell commitments to each other, yet these commitments are just a rebranding of faith. They revel in the impenetrable jargon manufactured around blockchain, their justifications of reality are based on simplified "whataboutism" diminishing the full faith and credit backing fiat currencies, yet have constructed a value that is based on nothing more than the belief that every digitally obscured individual in their network will retain their faith in an archive of unbacked promises.

The promise of refocusing the core values of venture and cryptocurrency is transformative. For example, what makes venture different is its focus on the achievements of individuals, no matter what they are. Instead of equity commitments that provide nothing but paper value until a company has an equity event, what if a community shared in each others' efforts along the way? And most importantly, what if the community was incentivized to see everyone succeed faster?

Standard loans will have set payment terms no matter how successful the individual or business needing the money, with the lending institution actually making less money if the person is more successful faster because less interest will be paid to the institution. In general, the institution will double its money so long as the customer keeps paying for the full life of the loan. This creates the perverse incentive in traditional funding vehicles where institutions lend to those who will always want cash, never repay early, yet never default. Economic freedom is about breaking those bonds of ownership.

Standard venture capital makes its money when it puts it into the hands of people who shoot for the stars. VCs need to seek out those who shoot for the stars because the standard fund structure does not let them make investments that last more than seven to ten years. At the end of that time, the fund needs to sell its positions no matter their value. It's those big bets that pay big quickly that cover the losses of those companies that can't get it done in time. Yet over the course of ten years, the best those funds often do is not even doubling their money. Most great companies need more than seven to ten years to make it. Faster success is rarely sustainable. The biggest opportunity for successful growth is time.

Communities will take bets on themselves when they are fair. If everyone makes money equitably, everyone is happy. If everyone loses money equitably, most can accept that it did not work out and will be ready to try again. People stop betting on each other when losses are shared and wins are hoarded. Reimagining venture as a model where investments are made in an individual and repaid in a manner that is not burdensome, no matter what they do, can remake the incentive structure of community investment.

Revenue-based debt models like the8fund by Draper Foster provide this type of community incentive. The model developed by Draper Foster coordinates investor groups that loan the necessary funds to the individuals driving a business, upon receipt of funds the individuals are committed to doubling the investors' money, yet the individuals never have to repay more than 8% of their revenue in a given period. If the company grows faster than expected, the investors double their money sooner. If the company takes longer than expected, or the individuals fail and move on, their investor commitments aren't so onerous that the failure prevents access to future success. Most importantly, rethinking the human investment at the heart of venture investment ties members of the community to their shared success. When an 8fund is formed around a local restaurant, the investors see a direct benefit to frequenting it. When an individual is being backed by an active community member, it is easier to keep going when things get hard. Tying value to human performance instead of stock price is the transformative opportunity of venture capital that has been lost in the shuffle.

Converting that value into the backing of a cryptocurrency is where we can come full circle. Crypto Bros are not wrong that value has been misaligned with money for longer than many of us can remember. But the answer is not to make different money. The answer is sitting in the technology of NFTs to reattach our community commitments to value. The ability to connect our reality to immutable commitments, to ensure no one is left behind, where our responsibilities are tied to our success is the promise we have yearned for technology to honor.

Redeploying these immutable commitments in decentralized blockchains from the language of commoditized currency and into the reality of human connection is the key to unlocking their limitless potential. It is an effort that will propel figments of our collective imagination to become records of trust in our future reality.

# Chapter Fourteen: Digital Alignment

**a·lign·ment** \ əˈlīnmənt \ *noun*

1: arrangement in a straight line, or in correct or appropriate relative positions; 2:

a position of agreement or alliance.

Exploitation can and will always happen on factory floors. The new frontier of exploitation occurs online with a faceless corporation. The simple application download on the app by not reading the terms of service, and for most not even realizing signing a legal document, are trapped and bound by a series of indigestible, incomprehensible paragraphs strung together generally stripping workers of their rights. While the 'get paid whenever you want' movement, work when you want continues to be appealing, it can begin a slippery slope of depending on companies that do not value labor. No pensions, no protections, no unemployment benefits.

We used to need to be out and public about our actions in order for others to see them. However, the balance has moved from the visible world and into the shadow world. Companies can shadowban someone far more effectively, algorithmically erasing them in subtle ways that are continually avoiding detection. These methods are predicated on a dominance of data - and we must ensure any counter to that is allowed to deliver force below the parapet.

While the challenges of these old and new tech-driven opportunities can provide a bleak and dystopian view of the future, we can still be optimistic. The same tools can shape a new chapter in labor and management's relationship: where labor can digitally organize to create alliances over distances.

**Modern Movements**

The Black Lives Matter movement (#BLM) has been one of the most revolutionary social movements in recent memory. The combination of ever present mobile devices that enable recording of racist actions from "Karen's" to police officers, to share it on social media that in turn go viral, combined with advocates able to connect and create grassroots movements is turning the tide of American history. That did not happen overnight. The BLM movement has been years in the making, connecting with organizers on the ground, and leveraging technology to get millions of people to take some type of action. Using social media to share videos, photos, and stories was a linchpin to continuing the momentum and applying pressure for positive change.

The power of the BLM has resulted in groundbreaking changes: Mississippi changing its Confederate flag, police departments banning chokeholds and requiring portable cameras to be worn, city governments rerouting police funding into other social services, and topics brought up in US Presidential debates and the halls of Congress. Inspiring change can happen and reach people online. It requires thoughtfulness, persistence, and dedication. BLM is a city on a hill example of how meaningful change can happen by a post online.

This was evident in the #MeToo movement as well.

The #MeToo movement provided harrowing stories of men in power harassing and abusing (primarily) women. Harvey Weinstein, Bill Cosby, and other large figures have been toppled. Yet there are lasting policy changes occurring because of this viral movement that continues to gather steam. States are looking at banning non-disclosure agreements covering sexual harassment, Congress is reexamining its own process of reporting sexual harassment, along with real change for survivors. Some survivors are beginning to get financial restitution. This global movement that allowed people to share their stories created a global community. A virtual community can go into other realms like labor as a force for good, and even change the finance world.

While some online movements aim to bend the arc of the universe towards a more just world, another movement made many retail investors very rich.

Reddit, the popular dwelling of online discourse, has something for nearly everyone. Do-it-yourself projects, sports, politics, maps, social justice, religion, and anything related to computer science, it also has become one of the most important financial instruments in the US economy in 2021 with an uncertain future.

WallStreetBets at the time of writing had well over 10 million members on a stream of bellicose Gen Zs and Millennials looking to take down “the system” (specifically, banker bros and their Wall Street associates). Making bold and brave market plays, together have created an impressive mark on the market. When large Wall Street firms began to short GameStop, retail investors stepped in. Take a risky move, people began to invest by the collective call on WallStreetBets. Hold, hold, hold! Brotherhood and sisterhood were shaped in these online discussion boards encouraging folks to not sell their shares. And those Reddit investors, which soon spread far outside the walls of WallStreetBets, saw a meteoric rise. GameStop saw returns of an 11-bagger (over 1,000 percent return). This calculated persuasive collective action also buoyed AMC Theatres and Dogecoin. These online gathering places were creating real money for real folks.

**Organizing Labor Online**

People online can get together to make the world a better place through advocacy or make a ton of money from Dogecoin. Above all, they aligned in a common interest. From people living in the middle of Idaho to someone on the Upper West Side, distance does not feel important as the world gets even smaller. These common interests and plights of workers with the same tech tools can create similar digital alignment seen in the examples above.

With the continued lack of regulatory action in the labor space, other people need to pick it up. Similar to when city, state, and federal government agencies did not require COVID vaccine mandates, private industry figured it out. In San Francisco, hundreds of bars and restaurant owners got together to require proof of vaccination to enter watering holes across the city. Major airlines like United Airlines require COVID vaccination of employees and Delta Airlines can penalize employees that did not get the vaccine.

The creation of virtual alliances, a union of people, no longer requires meeting in person. The digital townhall can exist in applications designed for general consumer use or specialized spaces for workers only. While the former is appealing for how easy it is to meet people and interact with others, the latter can have a more tailored experience that is safe from prying ears and eyes, allowing for more candid interaction. The latter will be discussed in the final chapter.

Companies are looking to shed all kinds of long-term commitments, especially health care and retirement options. Where government regulation currently requires coverage for individuals who meet specific parameters, commoditized companies are attempting to optimize schedules or contractor requirements to eliminate their exposure. And for those companies that are willing to provide or discuss long-term benefits like health care now, the next time the CEO’s job depends on a bounce in the quarterly earnings report, it will be on its way to the chopping block.

Traditional unions negotiate for the best deal a company is willing and able to provide, but if a specific company is unable to provide a forty-hour week, there is nothing a traditional union can do. If the company manages employee hours such that it is not required to provide health care, traditional unions are powerless to serve potential members. The commoditized protection provided by traditional unions depends on a company it can’t trust to follow through on long-term commitments it can rarely see through. The modern union must create collaborations that give it the power to support its members’ needs with or without an employer’s help.

As commoditized companies look to shed long-term commitments, the modern union can step in as a co-employer. A co-employer relationship, which is currently offered by over 700 Professional Employer Organization (PEO) firms across the United States for over three million employees, allows the traditionally employing organization to outsource human resource tasks, such as employee benefits, payroll and workers' compensation, recruiting, risk/safety management, and training and development, to the co-employer. In a co-employer relationship, employees who perform work for an employee are simultaneously, legally employed by another company that issues their checks, offers medical benefits, manages retirement plans, and performs all other human resource management and benefit functions.

Many small businesses (i.e., from one or two employees, often up to one to two hundred employees) contract with a PEO to co-employ their employees so the employees get the benefit of health care and benefit prices that are based on the total number of employees across all PEO clients. Benefits provided based on the total number of employees across all PEO clients (i.e., on the order of thousands to tens of thousands of individuals) often drops premiums significantly while increasing benefits massively. The union that takes on a co-employer role for its members will be allowed to source health insurance for its members (i.e., a union with 5,000 members across 500 different work locations could still source health insurance as if it were a company of 5,000 employees), streamline and automate the wage and dues payment process regardless of whether employees are "At Will" employees or in a "Right to Work" state, and internally control and manage training or workplace readiness issues and resolutions that will help each employee earn a higher wage in any workplace. Most importantly, the modern union as a co-employer will give its Advocates better control coordinating the market rate of its members across a wide range of industries and regions, ensuring every member is either paid fairly in his or her current role or that the union can quickly place the member in a more valuable role in a different organization.

From the employer perspective, the modern union morphing into a "quasi-PEO-recruiting" combination simplifies the talent acquisition process. From entry level employees to non-executive upper management, including anyone the company deems immediately replaceable, a company could create one relationship with one entity to supply a wide range of human skills. At the same time, every member will be able to confidently focus on his or her job because even if the company's needs change, an individual's health and retirement benefits will remain unchanged as the union finds a seamless transition to the best paying job available for each member. While similar to the way in which trades unions interact with large employers, the modern union must take this process one step further so it can deliberately recruit and support individuals who would have never before even considered being union members. This can be done virtually - in a safe, scalable manner that can only increase unions bargaining power. Bargaining power for labor can be increased by using online tools effectively and efficiently.

<u>Scaling Possibilities</u>

The most significant advantage of digitally organizing is the ability to recruit and hear stories of people marginalized or meaningfully sidelined due to fear of being discovered, no to little legal protection or other scare tactics to prevent them from sharing their story.

People expressing the harrowing stories of working for large multinational companies probably have more similarities than not. People with awful experiences of working at Walmart in Wyoming are in a similar boat as those in New York, Michigan, or Iowa. These stories, these exchanges of employees at the same large company thousands of miles away physically yet only a few seconds away on an instant messaging application, can share, listen, and build solidarity. This can multiply and scale a movement.

As monopolies consume the Americana, large employers provide ripe opportunities for scalable, actionable, action on behalf of labor. It starts online.

Companies are severely limiting in-person interaction and deploying Orwellian surveillance tools whether on work computers, in the workplace, or kind of espionage after work hours. For many workers, they are numb to this as it is the same state as being on Instagram or Snap. So going online is smart, yet organizing online means to be smart about the tools labor uses.

<u>Public Sway + Mental Health</u>

Using online tools that are more public to demonstrate the abuse and horrors of certain workplace atrocities can be significant. Things that go viral on Twitter can instantly be on the minds of savvy social media politicians that can eventually bake certain solutions into policy or have a viral person appear with them on a campaign stop. National news and the mood of people is ever changing, ever unpredictable.

An underappreciated promise of technology is supporting the mental health of workers undergoing comparable abuse, harassment, or disputes in the workplace. People can find a new support system not otherwise possible by sharing stories, listening to one another, and lending a supportive shoulder to those in need. While employees may have their hands tied behind their back, the ability to log on to an online space and freely express themselves to get support and encouragement from others in itself is a reason to breed these new online tools for workers.

These online tools can also draw to sharing economic beneficial resources, whether it is sharing similar stock bets, it can connect people to health care brokers, specialized doctors, other online support groups, childcare help, and other valuable assets.

<u>Radical Transparency</u>

An overwhelming benefit of convening online in a virtual union hall is the radical transparency (with validation). If an online community commits to a core tenet of providing insight into wages, rules, workplace options, equity stakes, and other important details to a corporation or industry, this can benefit all workers. The ability to nimbly negotiate with a boss, understand where wages are going up and employers are paying more, along with other types of compensation can be tools in the toolbox for laborers to talk with their superiors.

Challenges

This does not exist without significant challenges. One of the most important issues is identity and trust. When interacting online, the ability to validate who someone is in organizing is critical. Having people that can “union bust” online is certainly a buzz kill. Providing a unique ID or proof of employment can be a start (despite the chances of forgery and fraudulent documents, again discussed in the last chapter).

Moreover, deciding to have a public or private sphere of organizing online presents unique challenges with their own benefits (some inquisitive readers may find similarities to blockchain technology that poses opportunities for those with private or public chains and the added value to their communities). When it comes to workplace issues that are sensitive and fear of retaliation are high, it makes sense that private places to convene online are appropriate. In other circumstances, where labor is looking to rally similarly situated employees, draw attention to certain horrific behavior of a corporation, or begin a virtual/in-person strike, having public outlets makes sense. One limitation that historically jams the labor movement is the territorial lines drawn by certain unions. Technology, in the way described here, is best leveraged when it is collaborative and open sourced. No one union can or should claim spaces online that cannot benefit all of the workers.

Despite these challenges, the power of tools for workers of the world to own their uniqueness has yet to be seen. How can you play a role in it?

# Chapter Fifteen: Choosing Culture

**cul·ture** /ˈkəlCHər/ *noun*

1: the arts and other manifestations of human intellectual achievement regarded collectively; 2: the customs, arts, social institutions, and achievements of a particular nation, people, or other social group.

When the 2012 book The Midwest: God's Gift to Planet Earth was published with the subtitle "an illustrated guide to the history and culture of the galaxy's most important region," it's author described the book's purpose as being, "[in] a book that will be studied for generations to come, … [to] unlock the secrets of this mysterious delicacy for everyone, in the first illustrated guide to the Midwest's history and culture."[97] While humorously bombastic in tone, the book was a deliberate step in expanding the tangible, place-based affinity that Mike Draper had essentially manufactured for the city of Des Moines during a period in time when it was physically shedding its remnants of the city's traditional stereotypes, like when a 1940s "*Saturday Evening Post* profile likened Des Moines to 'a decent kindly man with a fixed income [who] has learned his station.'"[98]

Those who call Des Moines home now have a humble-brag swagger that in nearly every way is inseparable from the self-deprecating confidence generated by the messaging Mike creates through his network of Raygun stores. In less than ten years, a sloganeering store was able to rewrite the accepted description of its community. Now for more than a decade, no delegation from anywhere in the world has ever been officially invited to Des Moines and not left with at least one piece of Raygun memorabilia in its members' gift bags. The messaging created by Raygun is the official perspective accepted by those promoting the city. Raygun transformed the way Des Moines sees itself. And Mike's book was the cornerstone of his efforts to systematically replicate that success in Second Tier Cities and second-thought neighborhoods across the Midwest.

Mike's appeal to collective affinity through regionalism is not unique. It is evident in other strategies for building affinity in anything from football teams to barbeque. When successful, these efforts allow even vegetarians in Missouri to express a preference for Kansas City BBQ when countering the "ours is better" sentiment from a South

[97] https://www.amazon.com/Midwest-Gods-Gift-Planet-Earth/dp/0578116197
[98] https://www.politico.com/magazine/story/2016/01/how-des-moines-iowa-got-cool-213552/

Carolinian. When someone dislikes greasy, floppy pizza, effective regionalism can allow many to see that dislike as an attack on New York. Mike's book is an encyclopedia of examples upon which Midwesterners can anchor their regional affinity. For many, these anchors have become the basis for how they perceive their culture.

**The Limits of Regionalism**

The "Midwest" within Raygun's strategy is the unifying abstraction intended to link one in four Americans to roots for which they have often yearned. This is an incredibly powerful vehicle for generating affinity in material things since, as Phol notes, regionalism is dependent on "symbols which are known and shared by a collective are quite important to establish a sense of community." When selling slogans on t-shirts, mugs, stickers, cards, tables, or any other acquirable item, there is nothing in American society more unique than its reliance upon the mantra of independence. Since the time of De Tocqueville, researchers like Michele Gelfand and Joe Henrich have identified that "the U.S. tends to not just be individualistic... but very vertical, very competitive in its individualism." Yet most Americans want to be a part of something. They want the opportunity to join a collective. They desire a belonging that individualism cannot fulfil. Raygun provides an idealized affinity to which Midwestern desires can be anchored.

The problem with attempting to anchor collective affinity in regionalism is that our communities, especially in a digital era, do not fracture along geographic boundaries. For example, of the eleven rival, regional cultures that Colin Woodard believes make up America, the Midwest contains four of these eleven. Woodard's work indicates that Iowan culture is more aligned with that of southern New Jersey than its northern neighbor Minnesota. The Midwest, with respect to its cultural, political, judicial, or socioeconomic norms, is not sufficiently uniform to force collaboration across disparate segments of the region. Raygun has offered representations of Midwestern achievements or qualities that provide anyone with any connection to the region access to belonging. Yet belonging is a far cry from the emotional urgency needed to take collective action.

The urgency needed for collective action within a regionalization movement is discussed by John Tomaney as still requiring an Other. Finding Others typically heightens regionalism's reliance on geographic solidarity that often ignores internal diversity, easily allowing such efforts to exhibit ethnocultural fervor. Where Raygun is attempting to expand the number of people who believe they are associated with the positive attributes it sells, the action of association is rarely valuable until that association allows them to define who they are not. Being a Midwesterner is better than being one of those pushy, snooty New Englanders. Or being a Midwesterner is better than being one of those cooky West Coasters. This approach to collectively seeking uniqueness allows individuals to accept, if not seek out, regional power structures that can regularly run counter to their individual emancipation. This "structured coherence" that R. Hudson notes as the goal of regionalism leads to the need for a "feeling of structure" throughout its implementation.[99]

Regionalism is structured for you to display the characteristics of your region, or be an Other.



### Defining the Tent Pole

The negative consequences of Other-ism in social philosophies like regionalism are most easily seen in the byproducts of the fractures they create. For example, these fractures include the kinds of uneven development within a nation that R. Hudson notes "generate pressures to alter patterns of resource allocation via the state … or to restructure the state itself in an effort to ... secure the legitimacy of state action, or to secure the territorial integrity of the national state and avoid various potential forms of crisis." These types of grievance-based, regionalism-grounded pressures that have remained since the failure of Southern Reconstruction following the American Civil War have been exploited since Richard Nixon's "Southern Strategy" in a way that nearly directly culminated in an anti-American fervor that led to the insurrection on January 6th, 2021. While the current fractures in American society are relatively visible, it is less clear how the United States will not remain permanently affected by a subculture that no longer believes in the ideals that have underpinned its national identity for more than two centuries. Often once a cultural association is fractured by a subculture that depends on creating Others from the original community, bringing them back "into the tent" requires coalescing around new core tenants.

Labor organizations have a similar challenge. The main pole holding up the tent defining any labor organization's community is pursuit of a long term contract with an employer that explicitly identifies anyone with managerial authority as an Other. In these contracts are enshrined mechanisms for allowing employees to pursue stable, predictable investment towards a long-term payout. These mechanisms include collective bargaining, which offers transparency of expectations and responsibilities;

[99] R. Hudson, in International Encyclopedia of Human Geography, 2009

seniority, which offers assurances that someone who has “paid their dues” will have first rights to the payout they are owed; and grievance management, which offers everyone protection from unequal disciplinary actions. Through slogans, songs, clothing, banquets, and various organizational rituals including adoption of the monikers “brother” and “sister,” members are offered the opportunity to collect those indicators that display their priorities as separate from the Others. In many cases, these indicators include work location and trade or skill. By aggressively offering members access to separation from those who are defined as Others, efforts to isolate such cultures reinforce the need for community solidarity.

Rigidly hierarchical organizations will often prize stable cultures. Yet the gig economy is dynamically flattening our world. Companies are not molding their employees, they are taking them as they come during the brief moments when their economic interests align. A driver needs cash and a passenger needs a ride, so Lyft takes a cut by pairing their interests. An author has time and a marketing manager needs a script, so Fivver takes a cut by managing the project. Gig workers will no longer take less money up front in exchange for the promise of wage increases, as per the standard labor union model, because most companies can no longer be trusted to exist by the time many promises of seniority are set to finally mature.

Organizations that have accepted the reality they will likely fundamentally transform before their employees can grow into its culture are deliberately defining the culture their prospective employees should already have. This pursuit of a cultural model for targeting employees is widely seen as a predictor of startup success, for example. Many investors place a significant emphasis on the founders’ ability to define the vision of a mission that others can gravitate towards, identify those who can successfully pursue that vision through the uncertainty and ambiguity inherent in any startup effort, and adhere to the cultural principles which will allow people to join for the journey more than for the money.

Within an ecosystem of individuals who are primarily defined by their comfort in the face of uncertainty and ambiguity, startups are fighting to stake their claim to their culture in relatively standard ways. With the hoodies, ping pong tables, and team building experiences, they offer anchors for inclusion. With the continual emphasis on telling the story of their exceptionalism, they offer separation from the Others. And as the organization’s performance can be compared to its rhetoric, its employees will begin to conform to the culture of that performance.

The key to a successful organization in an uncertain or ambiguous environment is not waiting for people to conform to the culture of a high performing organization. Most startups will be dead before they have a chance to succeed. Success is about ensuring that those with the wrong culture do not tear down the wider organizations' faith in its rhetoric before the organization can perform.

The key to successfully creating opportunities is slightly different. From a region to a union to a startup, all of these have a focus. They all have a known purpose. In a gig economy, one's purpose is to access momentary and dynamic opportunities that align with your ability to capture them. It's about having the right people with you before the right idea is known. It's about creating the community that can support you before they know what support you need.

Creating access to the kinds of momentary and dynamic opportunities inherent in a gig society means deliberately choosing the culture of your community.

**Culture without Context**

Data-driven innovation is no longer confined to geographically co-located teams. Individuals can choose to organize around anything from the formation of data trusts to the completion of task-based projects almost completely irrespectively of time and space. But they cannot do so without trust, understanding, or shared values. They cannot take on the uncomfortable if they are not comfortable together. For example, while great research and development organizations like Xerox or IDEO rapidly and successfully moved from unknown to unknown, the culture around their innovation method remained constant. Unlike a startup, that builds culture around the context of a proposed purpose, purpose will more rapidly be found in a community that does not need context to define its culture.

In a digital world, our nations become those of our choosing. With no geographic limitations, we can choose the boundaries of our regions, and the citizens with whom we choose to associate. We can define the symbols, heroes, or rituals of our associations on our own, including how completely we create Others. If we are deliberate in how we classify those associations within which we are most comfortable, we can choose to join those cultures that will allow us to thrive.

The reality that humans are unique and unpredictable means cultural definitions will always be relativistic. Yet some models can help us rapidly prioritize relative cultural alignment. For example, the Hofstede model of national culture consists of six dimensions based upon "one of the most comprehensive studies of how values in the workplace are influenced by culture." Professor Geert Hofstede started building this model within IBM between 1967 and 1973 before expanding to gather data from over 100 countries by 2010.

From the data collected, Hofstede postulates that the six dimensions defining relative culture can be characterized as:

- POWER DISTANCE INDEX (PDI). This dimension expresses the degree to which the less powerful members of a society accept and expect that power is distributed unequally. The fundamental issue here is how a society handles inequalities among people. People in societies exhibiting a large degree of Power Distance accept a hierarchical order in which everybody has a place and which needs no further justification. In societies with low Power Distance, people strive to equalise the distribution of power and demand justification for inequalities of power.
- INDIVIDUALISM VERSUS COLLECTIVISM (IDV). The high side of this dimension, called Individualism, can be defined as a preference for a loosely-knit social framework in which individuals are expected to take care of only themselves and their immediate families. Its opposite, Collectivism, represents a preference for a tightly-knit framework in society in which individuals can expect their relatives or members of a particular ingroup to look after them in exchange for unquestioning loyalty. A society's position on this dimension is reflected in whether people's self-image is defined in terms of "I" or "we."
- MASCULINITY VERSUS FEMININITY (MAS). The Masculinity side of this dimension represents a preference in society for achievement, heroism, assertiveness, and material rewards for success. Society at large is more competitive. Its opposite, Femininity, stands for a preference for cooperation, modesty, caring for the weak and quality of life. Society at large is more consensus-oriented. In the business context Masculinity versus Femininity is sometimes also related to as "tough versus tender" cultures.
- UNCERTAINTY AVOIDANCE INDEX (UAI). The Uncertainty Avoidance dimension expresses the degree to which the members of a society feel uncomfortable with uncertainty and ambiguity. The fundamental issue here is how a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? Countries exhibiting strong UAI maintain rigid codes of belief and behaviour, and are intolerant of unorthodox behaviour and ideas. Weak UAI societies maintain a more relaxed attitude in which practice counts more than principles.

- LONG TERM ORIENTATION VERSUS SHORT TERM NORMATIVE ORIENTATION (LTO). Every society has to maintain some links with its own past while dealing with the challenges of the present and the future. Societies prioritize these two existential goals differently. Societies who score low on this dimension, for example, prefer to maintain time-honoured traditions and norms while viewing societal change with suspicion. Those with a culture which scores high, on the other hand, take a more pragmatic approach: they encourage thrift and efforts in modern education as a way to prepare for the future. In the business context, this dimension is referred to as "(short-term) normative versus (long-term) pragmatic" (PRA). In the academic environment, the terminology Monumentalism versus Flexhumility is sometimes also used.
- INDULGENCE VERSUS RESTRAINT (IVR) Indulgence stands for a society that allows relatively free gratification of basic and natural human drives related to enjoying life and having fun. Restraint stands for a society that suppresses gratification of needs and regulates it by means of strict social norms.

Efforts to measure societies based on these types of dimensions have provided many insights. Yet rarely have those insights provided a path towards meaningful action. While the Digital Robber Barons currently quantify our intent for the purpose of marketing, owning our digital representations of our physical actions for the purpose of understanding how to persuade us, these types of models demonstrate that we can do something different. These types of models, when applying collectively owned data towards building stronger, trustworthy relationships, can be used to define our cultural tendencies when creating productive digital communities. Reframing the purpose of understanding our actions to be one of finding where we best fit to contribute, instead of the purpose to be how best to exploit our base tendencies, will allow us to grow trustworthy communities of shared culture.

Facilitating the formation of borderless communities based on shared cultural traits is a significant redirection for traditional unions. Traditional unions originally formed and grew by focusing on co-located, similarly skilled clusters of workers. Functions like transportation have always held considerable weight within traditional companies, because if products cannot be shipped or are delayed in shipping, the bottom line effects can be significant and meaningful. In those days, the loading dock was the center of power.

The center of power is no longer confined to a skill or place. Centers of power will instead form around those who are most willing to cooperate and share. When the commodity of greatest value becomes the most broadly inclusive dataset defining our true intentions, our goal must become owning our most authentic version of our digital self. Coaxing out our most authentic self means empowering and supporting each other to choose our most authentic culture.

# Chapter Sixteen: Green Tulip

**green tu·lip** /grēn ˈt(y)o͞oləp/ *noun*

1: the only tulip color considered wrong; 2: a vision of what is currently impossible.

I had always loved Apple because it was so easy to replace a broken phone. As soon as my details were put in, moments later, every app and setting was just like the last one. The price was always a struggle, the secrecy around unadmitted problems was annoying, and their benevolently dictatorial approach to my data was always a bit weird. But it was easy.

My new Tulip devices are even easier.

When trying to find the right house while making a delivery for DoorDash, I forgot my phone was in my lap, it fell into the street, and was then promptly run over by a passing truck. Since I was participating in the Unrefined Data Capture program, Green Tulip knew the phone was broken the instant it was smashed to pieces, a fellow Green Tulip member who did not have the same immediate need was able to wipe and repurpose their device for my use, and that member was able to walk over and give me the repurposed phone before the DoorDash order was cold. As she handed me the phone, an alter showed how much she was paid to give up her phone now and wait for the replacement, a cost that would be paid back as a percentage of my Unrefined Data Capture royalties since it was my fault the phone was broken.

Once my deliveries were finished, I checked my Gigs ledger and saw two data sales offers. Neither were for a ton of money, but still better than the average DoorDash tip. One was for an update to a self driving vehicle AI model, the other for a water treatment model. I accepted the opportunity for my data to be included in each model, and Gold Tulip credits immediately hit my account.

The other alert was a message from Jeremy. He was the Green Tulip Human Success Manager who had secured me a semi-permanent gig writing copy for an insurance company. Not the most exciting gig, but not everyone can wax poetically about wind and hail...

Jeremy called my cell around ten in the morning last Tuesday, just as I was picking up everything from the hot-desk where I was preparing for an afternoon of on-site meetings.

“Hey, it looks like you’re underpaid,” he said to start the conversation.

“What? By how much?”

“I’ve been pulling a lot of data from members around you, and given your experience and productivity, I think you’re off by nearly twenty-three percent,” he responded. He calmly rattled through the numbers: how the model indicates an eighty-three percent certainty in their prediction and how ninety-eight percent of those they have fought for in this company have come to within five-percent of their most efficient salary. “Mind if I go to battle for you?”

I knew I was underpaid, although it is a longer-term role where the consistency is actually nice, and my boss is a good guy, so I didn’t really want to rock the boat. Although when I say *I knew*, that means *I felt like it*, but I didn’t have any proof. I was sure they kept asking me to do more with only minor bonuses and bolt-on rewards that left me farther and farther behind every day I stayed. I was pretty sure that, even though he is a good guy, that my boss wasn’t keeping my pay in line with everyone else in the workplace around me. After all, it wasn’t really his job to do that. It is my job to ask. But that’s not the job I’m good at. I’m a writer. That’s the job I’m good at, which is why I was falling behind. And it is exactly why I joined my community through Green Tulip.

“What’s the worst that could happen?” I asked Jeremy, mostly to assure myself.

“Well, I’ve had a lot of success in your company recently,” he replied. “But if it does go south, I’ve already got three semi- to fully permanent gigs lined up in the area where I think I can close the gap you have now by at least half.”

*Huh… that sounds like a good downside*, I thought. “So what do you need from me?”

“Just tell me to get to work, and know that I get eight-percent of anything more I make you,” he replied cheerfully. “It’s really that easy. I can be working your boss by this afternoon.”

Jeremy really was good. He was just like me, someone who found his gigs within the Green Tulip network, and knew how to place people. Just like any other transaction, he would get a cut of any additional value he provided me. And that “finders fee” percentage was consistent within the Green Tulip community space’s app-based platform so everything stayed transparent and fair.

Which is exactly why I joined Green Tulip. Before, I was just getting lost in a sea of temp jobs and app gigs. I would get alerts of bonuses that never covered the costs of receiving them. I was jumping every time the algorithm told me the best place to go. I was losing what defined me. And I had no path to connect. We were all just floating. There was no ground floor to start on. We were all just constantly grounded.

With Green Tulip, it started as simply as downloading the app. Once in, the app focused on generating meaningful connections. It wasn’t trying to maximize my time on the app. It was the glue for building new opportunities in real life. It was the catalyst for safely connecting with people you never would have met before. It was the referee when plans didn't work out. In many ways it was the community that my uncle always said he found in the Union, but less confrontational. I didn't have to feel like people were nervous that I was some Marxist looking to kill their business.

By engaging with communities that I chose, that shared my values, that complimented my skills. We all just pop in and out of continually pivoting teams. Each of us had a structure within which we could be accountable to each other while doing what was best for me. Like when we were going to print t-shirts to sell outside the Fair, I posted the idea, someone else jumped in to help organize supplies, a few more were eager to hit the pavement and sell, with everyone getting paid when money came in. It absorbed the risk of starting something new, letting us succeed together or fail fair.

We weren't someone else's property. We owned everything, from out opportunities to the data the system gathered on what we did. We owned the pool. When I joined the Unrefined Data Capture program, Green Tulip sent me a device that monitored and protected everything that came in and out of it, ensuring I owned the decisions that made me.

Armed with this big data pool that we all collectively owned, Green Tulip become better and better at identifying with pinpoint accuracy the value in real dollars and sense of the opportunities around us at any time. Whether it was a project we built from scratch or a longer-term job like the one Jeremy called me about, Green Tulip was like that now mythical Union Steward who was always there fighting for me.

To protect us in the workplace, where old school unions tried to keep everything under control, Green Tulip adapted to the modern world. Instead of union representatives who fought to keep everyone in specific tracks with set opportunities, Green Tulip was handing me openings to people, training, and micro-lending almost faster than I could decide to dive in. With Jeremy, he was basically a representative working like my professional agent. He'd walked into my boss's office for me, he laid out all the data on why I should have been paid more, and he fought until I got a deal in line with your value.

Which brings me to the message he just sent: "got you something to stay."

Just as the message from Jeremy came through, my boss was arriving at the hot-desk. "Just got off the phone with Jeremy," he started. "Looks like we'll be able to get your pay up another seventeen-thousand-five hundred per year…to where it belongs."

He lingered for a minute as the victory started to sink in. I was so excited that I'm not sure if I actually stammered a *thank you*, or if it just got stuck rattling around in my head. *That's a year of college tuition for my kid*, I thought.

"Hey…" my boss began, nearly under his breath as he looked around. "I'm glad you let Jeremy get this done. You've been getting a raw deal, and there was nothing I could do about it until either you or he called," he said. "Not sure if you knew I had joined the regional management committee, but your case came up just last week as one we needed to work on."

I sat there dumbstruck to the point where my boss finally grinned before saying, "Congratulations, Jess. You deserve it."

As he left, I got a connection request from my boss in Green Tulip. It has never occurred to me that he was in an adjacent community. I'd never sought him out as an advocate. And until this point, he obviously hadn't been sure how to be an advocate.

Protecting ourselves in traditional unions that rose, thrived, and died on the *management* versus *labor* polarity may have driven the industrial revolution. But the world has moved on. I had never considered that my boss could be an advocate. I had never considered that he was in the same replaceable, gig-like state as the rest of us.

By focusing on finding opportunity efficiency for anyone without the commitments that deny us mobility, Green Tulip serves a role in areas no union ever thought it could go before. By focusing on *opportunity security* versus *opportunity type*, Green Tulip catches those falling through the cracks—those who work hourly jobs even though they have fancy college degrees and attempt to pay off their debt. And by focusing on getting the best free market deal possible, instead of attempting to control the market, the modern workforce — who has nothing but the unprotected gig-economy to make up our economic shortfalls — flocked to join in droves.

Just like my manager.

At the end of the day, he and I are just as replaceable. Instead of pitting me against my manager, Green Tulip provided that way to quietly realize we're on the same team. Our enemy in the workplace isn't the person on the other side of some imaginary boundary that was laid in the 1930s.

The real enemy is the boundary.

# Postscript

[Julie Sobowale]

# Acknowledgements

This book would have not been possible without the generous leap of faith taken by MDR Labs, in particular Elani Buchan. Together, MDR Labs with Chris and Simon hosted a series of Zoom and Clubhouse calls to collect feedback, fresh ideas, and deeper perspectives on this book. We appreciate Jess Murphy. Those participants include: Jack Young, Julie Sobowale, Jay Peterson, Mark Cooper, Lauren Thomas, Todd Dickey

# About the Authors

Chris Draper is the Director of Product for Trokt, a negotiation management platform that reduces the cost of collective bargaining, arbitration, mediation, issue and grievance tracking, with add-on modules that support modernizing member management and union operations.

An engineer by training and entrepreneur by accident, Chris is an operations expert who serves as a board member, advisor, or investor for startups, non-profits, and traditional businesses that focus on topics or products ranging from biofuels trading to performance arts, STEM education to labor negotiation. This book was inspired by his struggles to build fair work environments within lean startups, implementing structures and strategies for social organizations or non-profits, and remaking operational structures within traditional and reforming labor unions.

Chris received his Bachelor of Science in Mechanical Engineering from the University of California at Berkeley and his Doctor of Philosophy from the University of Glasgow in Glasgow, Scotland.

***

Simon Boehme is a tech entrepreneur and mediator. He has founded and advised multiple legal tech companies, along with writing, researching and teaching online dispute resolution since 2010.

Simon served on the State Bar of California's Access Through Innovation of Legal Services (ATILS) Task Force. Previously, he worked at Legaler as Vice President, built the Trust & Safety team at Lime, and founded two legal tech companies. He was appointed by the Obama Administration to serve on the U.S. Department of Education's National Advisory Committee for Institutional Quality and Integrity (NACIQI). He served on NACIQI from 2013 to 2019. As a mediator he previously led efforts to build the first San Francisco online dispute resolution system for landlord-tenant disputes. He is a Truman Scholar, Coca-Cola Scholar, and Bezos Scholar.

Simon received his Bachelor of Science in Industrial and Labor Relations at Cornell University and his Master of Arts in Mediation and Conflict Intervention as a Mitchell Scholar at Maynooth University in Ireland.