

# DISCO ECONOMICS AND COMMONS GOVERNANCE

Exploring the DisCO Governance/Economic model



# DisCO economics and governance are determined by each individual DisCO.

**DisCO Governance Model** offers tweakable templates to meet the **7 DisCO Principles** in various ways.

#### **HERE IS HOW IT WORKS:**

Each DisCO member is a shareholder whose work is accounted for in three ways, representing "value streams" that determine their share of income distribution.

# THE VALUE STREAMS ARE:



# LIVELIHOOD:

Client-paid market goods or services



## **LOVE WORK:**

Pro-bono/voluntary work to create commons



#### **CARE WORK:**

Mutual support for members and maintaining the collective

## **OPEN VALUE ACCOUNTING**

DisCO members' work becomes shares in 3 streams:

Tokens account for Livelihood and Love work.

Both are the productive work of any DisCO

(goods and services like translation, plumbing, music production, textiles... anything goes!)

#### **But what is Care Work?**

It's all the **reproductive work** done to maintain the DisCO and keep its members happy, accounted for in **hours**.

When work in three streams has all been accounted, each type of share is paid based on **current liquidity**.

So, if a DisCO has 10,000 € cash available one month,



**75%** goes towards Livelihood shares (7,500 €)



25% goes towards Lovework shares (2,500 €)

NOW, EACH BUCKET IS DIVIDED ACCORDING TO INDIVIDUAL MEMBERS' SHARES IN LIVELIHOOD



Joaninha has 25% of Livelihood Shares (1,875 €) and 40% of Love Shares (1,000 €). They are paid 2,875 € TOTAL



Gayatri has 50% of Livelihood Shares (3,750 €) and 25% of Love Shares (625 €). She is paid 4,377 € TOTAL



Julio has 25% of Livelihood shares (1,875 €) and 35% of Love shares (875 €). He is paid 2,750 € TOTAL



The Care Work shares (in hours) are **dynamically balanced**. The method is similar to a "tax".

#### TWO POSSIBLE SCENARIOS:



Joaninha and Julio have done 2 hours of care work each.

Gayatri did 4 hours of care work this month.

Amazing coincidence! Each member has contributed **proportionally** the same, so **no change is made to the payments above.** 



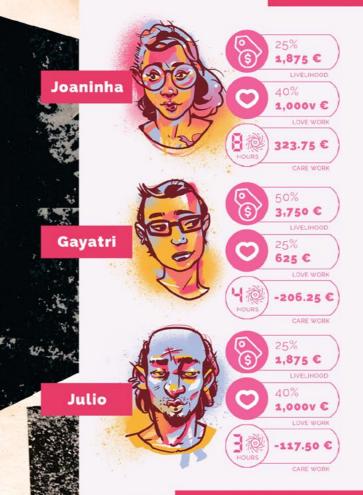
**Joaninha, Gayatri and Julio** have contributed care work hours according to their real capacity for the DisCO's needs

Joaninha has accrued 8 hours of care work.

Gayatri has accrued 4 hours of care work.

Julio has accrued 3 hours of care work.

In this case, the ratio is **dynamically** applied, to fairly balance the payments. Those who contributed *less* time for care work will compensate those who contributed *more*.



**Joaninha's** care work hours this month are valued at 7% of their total livelihood and love shares.

**Gayatri's** care work is 2.3% of her total livelihood and love shares.

**Julio's** care work is 2.7% of his total livelihood and love shares.

In a perfect world, care work would always be distributed fairly among members. In this example, that would equate to the equivalent of 7% of their total love and livelihood shares each. For real world reasons, that ideal is impossible, but it is the benchmark for the formula to apply to balance payments fairly.

So, **Gayatri** should have carried out **12.25** hours of monthly care work, but instead owes **8.25** hours (12.25 minus the 4 hours of completed care work) to **Joaninha**, a total of **206.25** € (8.25 times 25 €). **Julio** should have carried out 7.7 hours of monthly care work, owing 4.7 hours (7.7 minus the 3 hours of completed care work) to Joaninha, a total of **117.50** € (4.7 times 25 €).

#### WHAT DOES THE DISCO GOVERNANCE MODEL ACCOMPLISH?

- Encourages and rewards all types of work (care, love, livelihood) per each DisCO's value agreement
- Values forms of power-to-act centered around the commons
- Highlights affective and movement-building work (often hidden)
- Optimally balances the workload to avoid "activist burnout"
- Creates community-empowered platforms for sustainable activism
- Enables economic resistance
- The DisCO Governance/Economic model enables federated, mission oriented co-ops to practice value sovereignty and address urgent socio-environmental crises.