

# FairCoop

FairCoop is a global movement of people who are in the process of setting up a self-managed, cooperative, supportive, ecological, and autonomous socioeconomic ecosystem for the transition to alternative models of organization based on justice and equity. FairCoop promotes the use of [FairCoin](#) as reserve and for real economic exchanges. FairCoin is a digital currency (cryptocurrency) that is fair, ecological, decentralized, and supportive of the common good.

## Ideology

FairCoop supports the values of [cooperatives](#) and put most of them also into practice but FairCoop itself doesn't have the legal status at all and goes even beyond that traditional approaches of a Coops. FairCoop has also some characters of a [platform cooperative](#) but also here goes beyond that definition due to its diversity of tools and apps. It has traits of a [grassroots movement](#) but as its also fueled from the global level and aims to create an alternative and parallel system to the existing one instead of changing the system itself this definition doesn't completely fit neither. What FairCoop is definitely not is an [NGO](#) or a company, and certainly also not for profit.

Therefore, FairCoop could be defined with the bulky term "alternative cooperative ecosystem movement" until we find a better terminology.

More details about FairCoop and how it works are under the section [FairCoop Ecosystem](#) .

---

## What does FairCoop criticize?

- power of central banks
- global economic inequality
- unlimited economic growth
- concept of central government and central state
- individualism and competition
- privatization of natural resources, knowledge and technology

---

## What does FairCoop value as counter concepts?

- decentralized economic systems
- fair economy
- economy in coexistence and synergy with the planet
- open participation with decentralization and horizontalization of power based on multi-layer assemblies
- cooperation and solidarity resulting in win-win situations
- essential commons accessible to all

##History → The way from the economic crisis 2007/8 until the foundation of FairCoop

The events listed and persons involved here had directly or indirectly influence to early days of FairCoop

## **2007/8: Financial Crisis**

.....

## **2008: Expropriation of the banks**

## **2010: Foundation of the Cooperativa Intergral Catalana (CIC)**

.....

## **2011: Movimiento 15-M**

The 2011 Spanish protests, also referred to as the 15-M Movement or the Spanish revolution, are a series of ongoing demonstrations in Spain whose origin can be traced to social networks and the Real democracy NOW (Spanish: Democracia real YA) civilian digital platform, along with 200 other small associations. Compared with the Arab Spring and May 1968 in France, it started on 15 May with an initial call in 58 Spanish cities.

The series of protests demands a radical change in Spanish politics, as protesters do not consider themselves to be represented by any traditional party nor favored by the measures approved by politicians. Spanish media have related the protests to the economic crisis, the NEET ( "Not in Education, Employment, or Training") troubled generation and current protests in the Middle East and North Africa, Greece, Portugal as well as the Icelandic protest and riots in 2009. The protests were staged close to the local and regional elections, held on 22 May.

Even though protesters form a heterogeneous and ambiguous group, they share a strong rejection of Spanish politicians, the current two-party system in Spain between the Spanish Socialist Workers' Party and the People's Party and political corruption and firmly support what they call basic rights: home, work, culture, health and education. One of the movement's ever-rotating spokespeople defined it as "non-apolitical, but non-partisan".<sup>1)</sup>

## **2011: Occupy Wall Street**

.....

## **2014: Foundation of FairCoop**

In April 2014, *Enric Duran*, co-creator of the concept of Integral Cooperative and co-founder of the Catalan Integral Cooperative, began to develop an early idea of FairCoop with the approach of an of an integral revolution on the global level with experiences from the CIC and former individual actions.

Due to uprise of digital currencies and there diverse advantages for autonomous movements (e.g. decentralization, independence from banks and states), an abandoned cryptocurrency called FairCoin was chosen by Enric to give the potential global movement not just an independent currency but a tool to fund the emerging ecosystem and movement by itself. Before disclosing his plan of reviving the cryptocurrency and announcing the launch of FairCoop Enric acquired anonymously millions of Faircoins from the open market (which, at that time, had the value of a fraction of a cent) and donated about 10 Million to different funds, known as the FairFunds. Later, he shared the plan with others developers who were interested in keeping the currency alive. Especially Thomas König, core developer of FairCoin since then, played a central role in the success of the takeover, the continued development and improvements of the currency.

In the following month, Enric shared the plan also with various partners from the CIC, the p2p foundation (such as *Michel Bauwens* and *Stacco Troncoso*), and Dark wallet (*Amir Taaki* and *Pablo Martin*), as well as several like-minded individuals and initiatives from around the world, to become the promoter group which has enabled launching of FairCoop on September 17, 2014. <sup>2)</sup>

## FAQ

### FairCoin

#### **What's the relationship between Fair.Coop and Faircoin? How will they intersect and/or interact?**

Our intention is to be “Fair in name, fair in practice”. FairCoop uses Faircoin as its social capital and store of value. FairCoop is Faircoin’s “conscience” – it’s a cryptocurrency attached to Commons-oriented responsibility.

FairCoop already holds 20% of all Faircoins in existence, which guarantees that the growth of the currency’s value will go to the common good. This is guaranteed by FairCoop’s democratic accountability system.

#### **How can cryptocurrencies alleviate economic injustice and promote social good?**

Up until now, cryptocurrencies have held great potential, but which hasn’t always coincided with a practicality that would alleviate those ills. Certain elements such as bypassing the need for central banks are steps along the way, but there was something missing. A holistic social and economic system is urgently needed to address the inequalities inherent in the current system.

#### **How is Faircoin different to Bitcoin?**

For one thing, Faircoin is technically different, in the currency generation protocol used. Faircoin uses Proof of Stake (POS) instead of Proof of Work (POW). The use of POS prevents any unfair advantage which could be afforded to those who can access and invest in the environmentally destructive means of mining (destructive for its consumption of energy and resources needed for the servers). What really makes Faircoin different is its specific use as a tool for Fair.Coop, as a cryptocurrency designed

to act as store of value for Fair.Coop and its redistribution of capital to socially and environmentally coherent projects.

### **Is Faircoin your model of how a currency could be useful for a fair economy?**

No. Faircoin is not a monetary model from the Fair.Coop point of view, but a tool – one among others – that we want to make use of in the transition process of creating social change and building a new economic system. As a tool, it is intended to be useful for redistributing social capital between projects that aim to create change. Another of its functions as a tool is as an element to begin creating independent, economical, transnational relations outside the control of the old banking system. The model that we envision will go far beyond this, but as of now we are still far from it, and Faircoin is one useful tool to get there.

### **Why choose to take advantage of an existing cryptocurrency such as Faircoin?**

For a cryptocurrency to be accepted in cryptocurrency markets, and be able to be bought and sold—for example, exchanging it for Bitcoins—it must have a clean launch, which is to say it must have been previously published so that all can participate. Another much-valued aspect is that the initiators of the cryptocurrency do not retain a significant portion of the cryptocurrency, or else it would be considered a scam.

If we were to distribute the cryptocurrency from the outset among the collectives that filled out a form and met certain criteria, it might seem quite fair outside the cryptocurrency community, but inside we could easily find ourselves up against boycotts and complaints for having distributed it among our colleagues, using political criteria, etc.

If, to avoid this situation, we were to allow a large percentage to be distributed by conventional criteria (mining it for several days, with a random list anyone can sign up for, etc.), we'd end up with minorities from the North making personal profits from our project, in a framework of speculation (because of the project we would be presenting). This could increase the value of what we defend more quickly, leading to price drops which would create confusion, etc.

By contrast, if we took advantage of a cryptocurrency that had already been created, had already been through this initial speculative phase, was currently devalued and on its way to being abandoned (Faircoin was ranked at number 200 with a total value of 50,000 dollars; that is, 1% of all coins could be bought with 500 dollars), it would be very easy for us to obtain an important share by means that are completely accepted by the cryptocommunity: buying it on the market for next to nothing. This way, we were able to create a very advantageous situation for our project without having to assume the delicate responsibility of creating and distributing the cryptocurrency from the beginning.

Besides, it shouldn't be difficult to ensure that once the dissemination of the project has begun and it is generating the ability to purchase and accumulate the currency, we can bring about a general trend toward a rising value of Faircoin, boosting the credibility of the project.

### **Who are we buying Faircoins from?**

At the moment most of the offers of faircoins for sale come from private investors or supporters who had previously bought faircoins. Also, there are still some that come from individuals that filled from the first distribution, but most of them, in fact, already sold off in the first weeks and months.

Once FairMarket is launched, those shops which are paid in Faircoin will have offers of faircoins for sale. Furthermore, when those projects that receive Faircoin donations are eligible to spend them, it will be possible to buy Faircoin from them as well.

How did the initial distribution of Faircoin take place?

March 6th 2014 – Faircoin created by an anonymous developer.

April 23rd 2014 (approx.) – Faircoin abandoned by its anonymous developer.

May 6th 2014 (approx.) – Faircoin taken over by the community. Enric Duran was among the people involved in the takeover.

The above actions are documented in this [bitcointalk](#) thread:

Faircoin began in March with this first ANN:

<https://bitcointalk.org/index.php?topic=487212.0>

“FairCoin was abandoned at the end of April 2014 by its original developer; but not after promising huge projects, private investors, and much more. The FairCoin community was left to sit with unfulfilled promises, high hopes diminished, and its morale completely drained. A few leaders in the remaining community organized a new development team, consisting of some of the most devoted members.”

This was the context of our second ANN:

<https://bitcointalk.org/index.php?topic=601280.0>

From the initial community takeover, a team of three committed individuals, were the people who really gave continuity to the dev team: smartaction, drakandar and thokon00

Because the creator of the second ANN was not really involved and this made good communication inefficient, we decided to close the second ANN at the same time of the First hard fork, and we created this third ANN only accessible by the current FairCoin Development Team.

“FairCoin is a decentralised virtual currency, distributed through a vast airdrop process during the 6th and 8th of March, 2014 (view airdrop statistics). An approximate 49,750 addresses were logged for the giveaway, each able to claim 1000 FAIR per hour. Automated airdrop claiming methods had no effect, as each IP address could register once per hour, and 2 different captchas had to be solved. These security precautions were hidden till the day of distribution. FairCoin’s vast distribution method allowed a good portion of the cryptocurrency community to claim a little bit of the 50,000,000 FairCoins, each.” <https://fair-coin.org/>

## What are the technical specifications of the Faircoin?

### Technical features of FairCoin

99.99% POS: It is a hybrid POW / POS system but money creation is 99.99% POS. Thus, the majority of faircoins are minted, ie, the system works thanks to everyone's savings.

As for security, there is a POW block every 5 minutes, and a POS block every 10 minutes. These two methods were combined to provide the best of each in securing the system.

The low remuneration for mining, 0.001FAC / block, prevents energy waste since using high consumption mining devices is just not worth it.

Money Supply of 50,000,000 coins mined in the first block and initially spread to all who applied for it, so that not only those with capital or mining resources could have access.

Savers, ie, people connected to the network and minting, will receive 6% of the coins during the first year, 3% the second and 1% from the 3rd year on.

Some of these features may be changed by consensus on the network in benefit of FairCoin, a topic on which Fair.Coop and its members have a lot to say.

In fact, since Fair.Coop is based on open political participation, we can say that Fair.Coop adds to FairCoin with an approval based on agreements between humans- which, to our knowledge, no other cryptocurrency does. We call it "human-based consensus".

## What is 'Proof of Stake' mining?

There are two systems by which miners can earn rewards for investing in digital currencies:

**Proof-of-Work Mining.** This is exactly what it sounds like: you earn coin and transaction fee rewards according to the number of blocks you mine successfully. Once a miner or miners have completed the satisfactory mining of a data block, they earn a number of coins, a share of the transaction fees contained within that block, or a combination of the two. This type of mining requires an investor to take an active part in mining data blocks, which helps verify transaction data and create new coins. With proof-of-work mining, if you don't put in the effort to mine, you won't earn anything extra.

**Proof-of-Stake Mining.** In the truest sense of the word, this isn't actually "mining" per se, since there isn't any additional work required on the part of the investor. All you have to do to earn with this method is to hold coins in a given type of digital currency. Your earnings are based upon the number of coins, or "stake," you hold. The more you invest, the more you are likely to earn. The advocates of this method like to point out that it provides for higher currency security, for those who invest more heavily are more likely inspired to see it succeed. This method is very rarely used alone as it doesn't provide for any actual mining to take place.

The digital currencies which use the proof-of-stake method almost always use it in combination with proof-of-work mining. Otherwise, the temptation to invest heavily, but not take an active role in

mining data blocks, could result in extremely slow mining. This in turn could result in longer transaction times and lower transaction security, neither of which are healthy for an alternative currency.

(from: <https://www.coinpursuit.com/pages/proof-of-work-proof-of-stake-bitcoin-mining> )

## **Can I make a profit by investing in Faircoin? Can I make a profit through Fair.Coop?**

Yes, you can sell higher after buying lower, but the kind of profit that Fair.Coop promotes is through savings. FairSaving is a project promoted by Fair.Coop, where faircoins are saved for at least 6 months. If the price has gone up after this time period, you will make profit; if the price has gone down, you will have a loss. Therefore, the kind of profit that Fair.Coop supports is medium or long term investment, because this kind of profit helps the long term goals of Fair.Coop related to the redistribution of wealth through the Fair.Coop funds.

## **Is Faircoin speculation?**

Speculation is a product of freedom, in the sense that there are people that create services, people that buy, people that sell. Therefore, any market that is free enough to build this structure to trade with is subject to the risk of speculation.

Cryptocurrencies, as deregulated markets based in freedom, are susceptible to speculation. Put another way, if you value decentralization, you need to be conscious that it is not possible for a decentralized money system to be closed to trading in private markets.

You could ask yourself if the Euro or Dollar are speculation. And yes, there are many traders speculating with these fiat currencies; we don't notice this if we have all our money in the same currency that we use for spending, but when we have money in a currency other than the one most used in our region, we can gain or we can lose value.

The percentage level of gains or losses in a market depends upon the volume and liquidity of that market. Therefore, markets with high liquidity, like Euro/Dollar, have low variations of price. In these markets, the way to gain or lose a lot is to invest a lot. Otherwise, in markets with very low volume, the possibility of high percentage gains or losses is greater. Seen from the outside, this creates the impression that cryptocurrencies are about speculation.

That said, people willing to buy or sell for short term wins are also doing a some social good in a money market of low liquidity, because they facilitate access (in or out) for the people using that currency for practical uses (like buying or selling goods and services, or helping the value of the currency through long term savings). Therefore, this is still a controversial question in anti- and post-capitalist environments.

In fact, a currency like Faircoin needs to have a low volume at the beginning in order to have higher volume and acceptance in the future.

## **Other Qs**

## **What benefits are there for an individual who wants to participate?**

There are a lot! You are getting involved in a large participatory effort to improve things in this imperfect world. Everyone has a role here, and can help make it possible. Depending on how you are interested in taking part, you could have different kind of rewards, for example:

- if you get involved in some tasks through a commission, you could be rewarded in faircoins (and in the future, Faircredit) which may be saved or spent. The way this will be organized is still being discussed in the Ecosystemic council.
- If you get involved by selling your products or services in the FairMarket (the future online marketplace), you can work for yourself (or help sustain your previously-existing personal business).
- If you get involved in a future project related to the global commons, perhaps you could receive a part of the faircoins donated to this project....

These and many other options will defined in the future.

## **Does Fair.Coop have a legal status and/or structure? If so, what is it and if not, why not?**

Although it uses the name "coop", it's more of an alliance that incorporates actual, on the ground coops. It's a bit like asking "what is the ownership status of the Occupy Movement?" The project is under construction, and it depends on a process of participation which is open to the public and, again, available to read here on the Fair.Coop site. You could say that the entire website is the charter, really.

## **Who decides how to distribute the funds? What are the organizations and collectives who will benefit from these funds?**

Who the funds will go to isn't something that's decided by the promoting team. Identifying who the potential benefactors are and following through is an ongoing democratic process for the whole coop as it's coming together right now: each of the different Funds is co-managed by a council that works in conjunction with the other Funds, as well as with the entire community built around Fair.Coop.

The type of organizations we want to work with will be those who could potentially generate peer production in the material plane, as well as benefit from the shared knowledge accrued by the coop. We also want to focus on projects that lack the necessary means to activate this type of peer production.

Other examples would include strategic projects that can add more value to the global commons. Projects which, on their own, maybe wouldn't have the ability to network at this scale to share their knowledge. Projects would also benefit from the moral and material support of a global community if and when attacked by hostile interests. All in all, Fair.Coop will increase the resilience of these projects.

More than naming specific organizations, we are very open to being approached so that everyone can participate in Fair.Coop's co-creation and ongoing development.

We are also very interested in empowering the Global South to increase its resiliency. While there's

an undeniable geographical truth in saying “the Global South”, we also mean the 99% independent of where we may reside.

### **How can I cooperate?**

An interested group or individual can first simply join our social network, and check out the work teams and various commissions. Fair.Coop, despite its technology, is human in essence.

For further details on ways to participate, see the related page on Fair.Coop /ways-to-participate/

Finally, feel free to directly ask people already involved in the network about anything related to your own involvement.

### **Why so many councils?**

There is one council for every fund created, which also means one community – existing or potential – to be developed for every council. This is an organized way to decentralize key decisions in Fair.Coop. Therefore, there is no unique institution empowered to decide everything, but rather, different councils that are simultaneously related to everyone involved in Fair.Coop, in order to act and make decisions together.

### **What is the CIC's involvement in the project? Is the CIC the driving force behind Fair.Coop and Faircoin?**

A lot of the same people are involved with Fair.Coop, but the CIC as an entity is not the central leader or motor for the project. The CIC is an example of one collective attached to local bio-regional realities, but there are many more in the world, which are being united by Fair.Coop.

The CIC should be considered as one more local participant, and one of many true “peers” in the P2P network making up the global Fair.Coop.

### **Can Fair.Coop and Faircoin really work on a global scale? What could that look like?**

In fact, Fair.Coop can't be anything but global. It's been specifically designed to be global – for this reason, we call it the Earth Cooperative. It's not a scaled-up local project. One of Fair.Coop's key objectives is to facilitate a global body of knowledge, capable of generating concrete impact locally.

At any rate, we could make a working distinction between two sets of mechanisms that would be produced by Fair.Coop: global and local. At the local level we would see local, specialized mechanisms and knowledge which, in turn, would feed into a global open knowledge economy comprised of, among other things, valuable data and monetary and economic tools. This will be a bidirectional relationship, as both parts will nourish one another for the benefit of the whole.

### **What is the long term vision for Fair.Coop?**

Our long term vision is to create a means for constructing a new social and economic system based on decentralized cooperation, bypassing the need for nation-states and central banks. In the short term, we are creating a space for a real collaborative, commons-oriented economy, mutually generated by projects worldwide and destined for humanity as a whole. We're compiling the sum of the knowledge distributed among different collectives for a cohesive impact.

1)

[http://en.wikipedia.org/wiki/2011\\_Spanish\\_protests](http://en.wikipedia.org/wiki/2011_Spanish_protests)

2)

<https://2017.fair.coop/promoter-team/> (adapted from the old content of the website)

From:

<https://wiki.fair.coop/> - **FairCoop WIKI**

Permanent link:

<https://wiki.fair.coop/en:faircoop:start?rev=1539270328>

Last update: **2018/10/11 15:05**

