

First edition

Copyright © 2016, by Peter W.T. Bogacki

The right of Peter W.T. Bogacki to be identified as the author of this work has been asserted by him in accordance with the Copyright, Designs and Patents Act 1988.

CONTENTS

	Briefly	1
	Growing A Demand	1
01	Balanced State Governance: A Black Box Approach	2
02	System Purpose	3
03	Idea Source	5
04	For Further Consideration	5
05	A Binary Decision	7
	Endnotes	7

Briefly

However well-meaning and regardless of colour, oratory and policy, governments throughout history have simply and consistently forgotten that the purpose and outcome of our global economic system is: to not-share comfortable financial riches.

The idea behind this article was born out of a deep disillusionment and dissatisfaction with this recurring outcome. Out of this emerged a strong desire to have sense made simply of our current global economic system and to propose an alternative model that is geared up in truth to support entrepreneurial activity and business growth as well as produce shared comfortable financial riches.

The article in essence deals simply with those aspects that must already be in place in order to have transformation of the system purpose (into shared comfortable financial riches) result automatically. Then politicians are free to argue about and chop and change policy along the way just like they always have been doing with the current system purpose.

Growing A Demand

Here by using simple cybernetics we can see that,

1) The purpose and outcome of our current economic system is, to not-share comfortable financial riches.

and

2) Having the purpose and outcome of an economic system be, to share comfortable financial riches, is a real possibility.

If this article makes sense to you and you want to make '2' happen then simply share it now and so grow a demand for a total transformation.



01: Balanced State Governance: A Black Box Approach

Observations

Not every individual is good at making money in our current global economic system.

And three key system outputs can be seen by taking a 'black box approach' to regulating (/governing) the entire system:

- A) an increasing financial polarization
 - an increasing number of individuals good at making money each accumulating more financial riches[1] than needed to live comfortably well.
 - an increasing number of individuals poor at making money each failing to survive financially.
- **B)** a decreasing number of paid jobs (a consequence of an increasing number of forms of technological automation)
- **C)** an increasing number of individuals each seeking paid jobs (a consequence of an increasing population)

Black Box

"The meaning of the term in cybernetics is that of a box to which inputs are observed to lead and from which outputs are observed to emerge. Nothing at all is known about the way in which the inputs and the outputs are connected inside the box — which is why it is called black." [2]; "Well, if you have ever had a nice new baby you will know what it is like to be in charge of a black box." [3] — Stafford Beer

Using cybernetic terms, our global economic system is regulated by a collection of individual States run by individual regulators (/governments) who each run their own State-wide economic black box (/open system). And to bring a black box simply into a desired state of balance a regulator continuously monitors key outputs and adjusts certain inputs as necessary.

Desired State of Balance

Currently our system is producing an increasing imbalance in financial riches, historically a driver of social unrest and popular uprisings. So, to address this trend the proposal here is that a desired state of balance is, **shared comfortable financial riches**.

When at least one State that is taking a black box approach is seen to be moving consistently towards a desired state of balance, a next step would be the growing of general agreement for this among more regulators.



Purpose

The purpose of this proposal is to create and develop a focus for an exchange of ideas with anyone who can already entertain the idea that the achieving of this same desired state of balance is a real possibility. This exchange focusses on the above outputs and for each one clarifies precisely what inputs must be regulated and how.

So bearing this in mind, for each output what system inputs would you regulate and how?

02: System Purpose

By taking a black box approach we can see that the purpose in essence of our current global economic system is:-

• to not-share comfortable financial riches – an expression of negativity and selfishness.

"The purpose of a system is what it does. There is, after all, no point in claiming that the purpose of a system is to do what it consistently fails to do." [4] — Stafford Beer

Collectively in essence we created and now habitually operate within a system that is financially divisive and out-of-balance.

Here we explore the possibility of transforming the purpose of the system into:-

• to share comfortable financial riches – an expression of positivity and selflessness

So our goal right now in essence is, to create a system that is financially inclusive and balanced. And there are several aspects to this:-

1. Selfishness Regulation

Selfishness – a reflection of our current human condition - is manifestly engrained in our global economic system, a system in essence about the movement and possession of money. So, this proposal is focussed solely on the keeping in check of our individual selfishness simply by regulation of certain individual financial inputs.

2. Willingness

Almost all of the individuals in charge of governments and companies are benefiting well financially from our current economic system. Looking historically at income alone i.e. excluding all other forms of financial



riches, these individuals manifest their selfishness by habitually increasing their own boss-to-employee pay ratio with regular self-pay increases.

In other words their willingness to transform the system purpose and have their individual selfishness kept in check has been and remains manifestly habitually absent. For them the system purpose status-quo is both comfortable and the way forward.

3. Reinvention

To measure financially the extent of individual selfishness, individual financially beneficial involvement in all financial entities (e.g. trusts, companies, property, valuables, equities, savings, etc.) that currently operate as part of the system must be made clear and measurable financially through total reinvention of each entity as appropriate.

4. Commitment

Transformation of the system purpose demands <u>total commitment</u> to the process of <u>complete reinvention</u> of <u>all these same entities</u> and regulation of the <u>total financial riches</u> of <u>every individual alike</u>: queen, MP, director, employee, convict, lawyer, etc. regardless of location: Lerwick, Llandudno, Lochgelly, London, Londonderry, etc.

5. The Con

Historically we have repeatedly witnessed governments regardless of political belief system adjust different economic system control-mechanisms and so fail consistently to acknowledge, address and transform the system purpose. As a natural consequence of this we have been in truth collectively conditioned into believing that there is no way a real economic system can produce shared comfortable financial riches.

In short, we have all been conned (by our own selfishness) those in charge included.

6. Courage

To make system purpose transformation happen leadership (of a State) must as individuals be courageous as they step out of agreement with the collective leadership (of other States) and current system status-quo experts.

7. A Popular Demand

In this context transformation of the system purpose will only take place when enough people want it enough to demand that leadership make it happen. In other words, this same transformation must first become a popular demand that is expressed continuously regardless of reasons (from current system leadership and status-quo experts) why it is impossible/unwise.



8. <u>Universal Financial Riches Taxation Threshold (= U)</u>

Here a key financial measure is, a Universal Financial Riches Taxation Threshold (= U) – a figure applicable to every individual. The numeric value of U is simply the measure of total financial riches an individual needs to have already accumulated and invested in order to live comfortably well from unearned income. To eliminate leadership selfishness the amount can be determined by an electorate referendum that offers multiple choice, and may be repeated each tax year if appropriate.

Briefly, every tax year our individual total financial riches are calculated (in a manner something like that of the estate of a deceased person), and when the amount exceeds the value of U the excess is then paid directly to the State for distribution.

03: Idea Source

However well-meaning and regardless of colour, oratory and policy, governments throughout history have simply and consistently forgotten that the purpose and outcome of our global economic system is: to not-share comfortable financial riches.

The idea behind this article was born out of a deep disillusionment and dissatisfaction with this recurring outcome. Out of this emerged a strong desire to have sense made simply of our current global economic system and to propose an alternative model that is geared up in truth to support entrepreneurial activity and business growth as well as produce shared comfortable financial riches.

04: For Further Consideration

The creation of an economic system that is financially inclusive and balanced will release new sources of funds for investment, circulate more money, allow a government to increase the amount and breadth of investment and create an increasing sense of self-worth and community - a place where a 'Sunday Times Excess List' is held in higher regard than a 'Rich List'.

1. A New Form of Leadership

Transformation of the economic system purpose demands that leaders become less selfish or simply step aside for those who already are. Some individuals may be attached to the purpose of our current global economic system and may be unwilling to give up excess financial riches as well as make a greater contribution.



2. <u>Technological Development: A Decreasing Number of Paid Jobs</u>

The development of an increasing number of forms of technological automation is a natural activity and so is to be supported. In the context of shared comfortable financial riches an individual with a paid job is more beneficial to both individual and State than an individual with paid unemployment benefit. How best can a company can be rewarded where paid jobs are substituted for an automated alternative?

3. An Increasing Number of Individuals Each Seeking Paid Jobs

Initially assume that a couple conceiving two children is a starting point that can stabilize population increase. So, pay no child allowance for a third child (except as a consequence of a multiple birth e.g. second pregnancy produces twins, triplets, etc.)? Or totally drop paying child allowance?

The producing of a large family in essence is an habitual and unnecessary activity – largely a legacy of an era when life expectancy was low and having many children was simply a form of insurance for personal care and survival in old age.

4. Trusts

In accordance with the deed of trust the total financial riches held in trust are apportioned to the beneficiaries and become part of their individual total financial riches?

5. <u>Directorships of Private Limited Companies</u>

In accordance with the shareholding percentages of private limited companies the total financial riches held by company are apportioned to the director shareholders and become part of their total financial riches?

6. Ownership Abroad/Offshore

In accordance with the shareholding percentages, the total financial riches held by a company are apportioned to the ultimate owners/beneficiaries? Total financial riches forfeit upon failure to make ultimate owners/beneficiaries transparent (State holdings exempt)?

Some individuals who are already living comfortably well (having already accumulated financial riches to the value of U) may want to avoid a limitation on their individual selfishness and so emigrate/move abroad or move financial riches offshore - a tax avoidance/evasion mechanism. Review reinvention of these same mechanisms?

7. <u>U – A Starting Point</u>

A starting point for a numeric value for U: enough to cover a six bedroomed



house and two cars both in UK and overseas as well as produce an income allowing a family of four to travel between homes several times/year and live comfortably well as their children grow into adulthood.

8. Development

Anyone who wants to act now to make transformation of the economic system purpose happen is welcome to develop this proposal further by sharing ideas.

05: A Binary Decision

After reading through this article we as individuals will make a decision either to:-

1) Share the article and so grow a demand for the production of: shared comfortable financial riches.

or

2) Not share the article and so support the recurring production of: not-shared comfortable financial riches.

Endnotes

- 1) "financial riches. material wealth measured financially".
- 2) Beer, S., "Decision and Control", Wiley, Chichester, 1994, p. 293. Copyright © 1966, 1994 by John Wiley & Sons Ltd., Baffins Lane, Chichester, West Sussex, PO19 1UD, England.
- 3) Beer, S., "Heart of Enterprise", Wiley, Chichester, 1994, p. 40. Copyright © 1979, 1994 by John Wiley & Sons Ltd., Baffins Lane, Chichester, West Sussex, PO19 1UD, England.
- 4) Beer, S., "Diagnosing The System For Organizations", Wiley, Chichester, 1985, p. 99. Copyright © 1995 by Stafford Beer.

