

“Chaos Theory”

Chaos theory is a field of study in mathematics, with applications in several disciplines including physics, engineering, economics, biology, and philosophy.

Chaos theory studies the behavior of dynamical systems that are highly sensitive to initial conditions, an effect which is popularly referred to as “the butterfly effect.”

Small differences in initial conditions (such as those due to rounding errors in numerical computation) yield widely diverging outcomes for chaotic systems, rendering long-term prediction impossible in general.

“Does the flap of a butterfly’s wing in Brazil,
cause a tornado in Texas?”

“Chaos Science”

“Solving the problems identified by “Chaos Theory”

American Butterfly
The Theory of Every Business

Chapter One

Economics, S-World & the Core Network

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“US Economic Analysis”

To find a solution one first needs to understand the problem. The popular reported problem is over-borrowing by the US, Western governments and their citizens. This certainly was a trigger. However a very current problem is “confidence,” the chief economists and bankers in the USA have no confidence in the future due to Medicaid, Medicare & Social Security payments. (The US equivalent of the UK National Health Service and government pensions)

In 2010 these liabilities (payments that need to be paid) cost about \$1.5 trillion; this year the USA received \$2.2 Trillion in federal tax revenue, leaving \$700 Billion for all the rest of its commitments, which cost a further \$2.2 Trillion, resulting in a loss of about \$1.5 Trillion, which needed to be borrowed to balance the books.

It's an election year in the USA and as such there is not a lot of talk about austerity, however next-term austerity will be introduced, as the large tax cuts President Bush made just before 9/11 are due to end, as such whichever party is in power need not make a policy to increase tax, but rather they should make no policy to extend the tax cuts in full.

(Retrospective Note: This event happened and was well publicized, however somehow the US managed to entangle this decision with other tax initiatives, and it got dubbed “the fiscal cliff” where it was considered allowing all taxes increases and budget cuts to apply at the same time would force a recession. As such only a tax rise for the super rich was implemented. Which considering the circumstances was a fair decision, however it has enacted the CBO's Alternative Fiscal Scenario, as seen to our right, this scenario is no longer speculation, rather fact)

Since the beginning of the 20th century governments have calculated both growth and stagnation in their economies. In general the USA has seen steady growth for about 10 years, then a recession for a year or so, followed by more growth. So considering histories, many presume the current stagnation will end in due course. If so, the US would increase its tax income by about \$500 billion, thereby lowering the amount needed to borrow to about \$1Trillion.

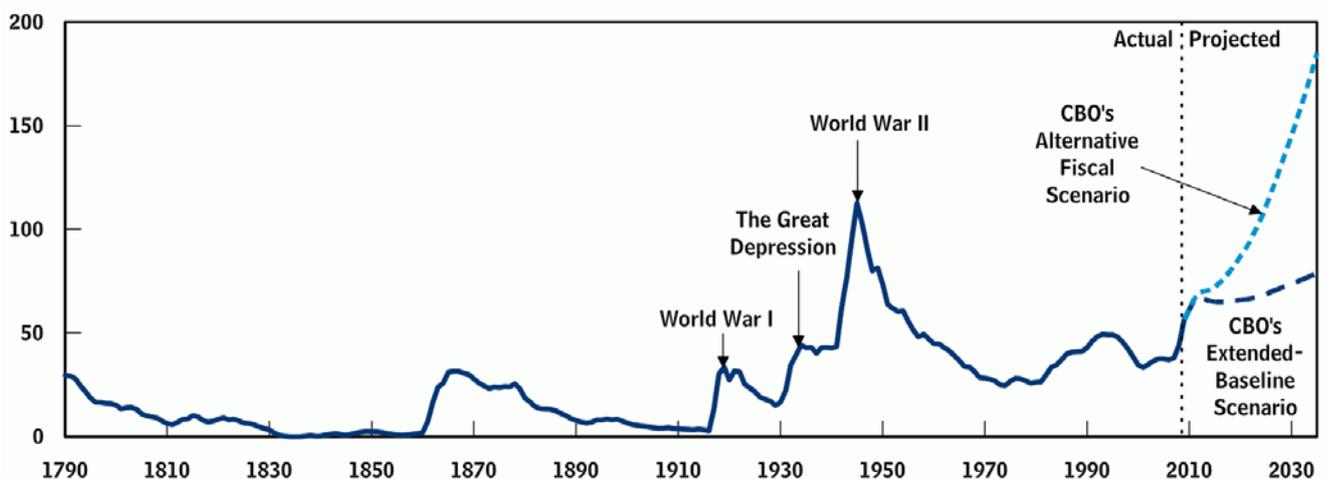
If one considers the USA austerity policy in terms of not necessarily lowering this figure, but rather not increasing it, then the concept changes. \$1 trillion a year, at an interest rate of say 3% would mean an increase in cost to the USA of \$30 billion each year.

Over the last 10 years despite 4 years of stagnation, if we factor in inflation and currency values, all the businesses in the USA increased their sales by an average of 1.8% each year. Last year all the US businesses generated \$15,294 trillion, 1.8% of that figures equals \$275 billion. A good growth time federal tax yield is 18%, as such on a good year the US federal government, in business terms, increase their tax yield by an extra \$50 billion each year.

So if the USA austerity measures manage to keep borrowing at \$1 trillion incurring a \$30 billion expense, while increasing its tax yield by \$50 billion, effectively year on year the US will be \$20 billion better off. So one could rightly ask, why are the economists saying there is a problem, why is there no confidence?

The problem is that in about 10 to 15 years, due to the increase of the aging population, the increasing cost of medical technology and pharmaceutical bills, Medicaid, Medicare & Social Security costs, are going to double, as such the idea that the USA austerity measures can freeze borrowing at \$1 trillion a year is not possible, as in 10 to 15 years an extra \$1.5 trillion is required, which if borrowed at 3% would add an additional \$45 billion, resulting in the USA making an effective annual \$25 billion loss. This loss in academic terms is called an increase in Public Debt vs. GDP (Gross Domestic Product). (Computations are based on all the goods and services sold). This ratio is the yardstick for economic success or failure.

Here is a graphic that sums it up nicely, the light blue dotted blue line representing the CBO's (Congressional Budget Office's) predicted scenario, the dark blue representing their politically toxic austerity recommendations and tax increases. (The tax increases that did not happen on the 1st January 2013)



I say politically toxic as any government enacting a decrease in Medicare & Social Security spending would effectively be breaking the law. The law says they can increase taxes to pay for it, but they can't decrease payments, as Medicare & Social Security are for all intents and purposes pension retirement plans. In essence US Citizens have been forced to pay a considerable amount of money into a pension plan all their lives, only to discover the pension company has invested the money carelessly and is going bust.

Where was the money invested?

It was invested into itself: The USA total debt is \$15,670 trillion, however the USA public debt (owed to countries, banks and private investors) is only about \$11 trillion. The balance of about \$5 trillion is the pension fund spent on wars and electioneering (making promises to win elections to the long term detriment of the country).

An interesting website to look at is the USA debt clock: <http://www.usdebtclock.org/> at the bottom it really spells out the trouble the USA has with Medicare: Medicare Liability = \$84 trillion, Prescription Drug Liability = \$21 trillion and climbing. Social security however is only \$16 trillion, which sounds like a lot, but in

comparison to the combined medical liabilities it's close to insignificant. Solve the medical problems and all else will fall nicely into place.

In 2007 Ben Bernanke, Chair of the Federal Reserve was asked: How urgently should the U.S. put plans in place to address its budget challenges? His reply: "The longer we wait, the more severe, the more draconian, the more difficult the objectives are going to be. I think the right time to start was about 10 years ago"..... Now it's 2012 and it's crunch time,

America Butterfly Question, AB1: Under the premise that the information presented is accurate, do you feel, if the US Medical liabilities were absorbed via corporate responsibility and in addition by the 2040's another initiative was enacted that resulted in the US becoming far less reliant on fossil fuel it would restore confidence in the US long term economy?

Definitely _____Probably _____Unlikely _____?

So what is the solution?

The American Butterfly solution is simple enough in theory. It's only a matter of time before there is an on and offline trade goods and services network as popular as Facebook's social network. In the new era of the communications age, no one can stop this, all one can do is try to get there first and use the money responsibly. Whoever owns such a network will have more power than any financial institution, or for that matter, any government. However, unlike Facebook, the network to be entitled S-World/Businessbook is not owned by any one company, it is effectively owned by all companies connected to the network.

If that network were to make a sophisticated plan to cover the USA Medicare and prescription drugs liabilities, it would be doing a great service to the USA. As such, if acclaimed by economists and loved by the masses, the network could ask for and be awarded a few legislative concessions, which would guarantee success. Two concessions are currently put forward.

First, with the promise of a carbon footprint improvement, a relaxation of property development zoning conditions occur, including the ability to rezone farmland for residential and commercial purposes.

Second, corporate tax exceptions for all that use the networks financial software. This may at first seem like a big consideration, however if you go back to the USA debt clock and look in the top right corner, you will see corporate tax accounts for less than 8% of the US federal tax yield, and under 4% of all tax revenues. It makes little money and many argue it is a deterrent to making profit. Certainly it encourages both tax avoidance and evasion, which in time lowers returns on the more profitable payroll and income taxes. For all intents and purposes corporation tax is a false economy; testament to this is the fact that governments across the world are currently reviewing its need. As soon as one major economy relaxes it, businesses will *en masse* move to that country, until the rest follow suit.

The corporate tax scenario is what I call "a circular event" influenced by my interpretation of "The Butterfly Effect". In essence, analyzing the cause and effect of one action on another, then another, looking for a

path leading back to and enhancing the initial event or transaction. In this scenario: The network takes care of the US Medical bills, in exchange the USA offers corporate tax exception to companies on the network, so more companies join the network, as such, the network makes more money and can afford to pay for the US Medical bills, the cycle repeats going round and round, more companies, more capital to absorb the cost of US federal medical liabilities.

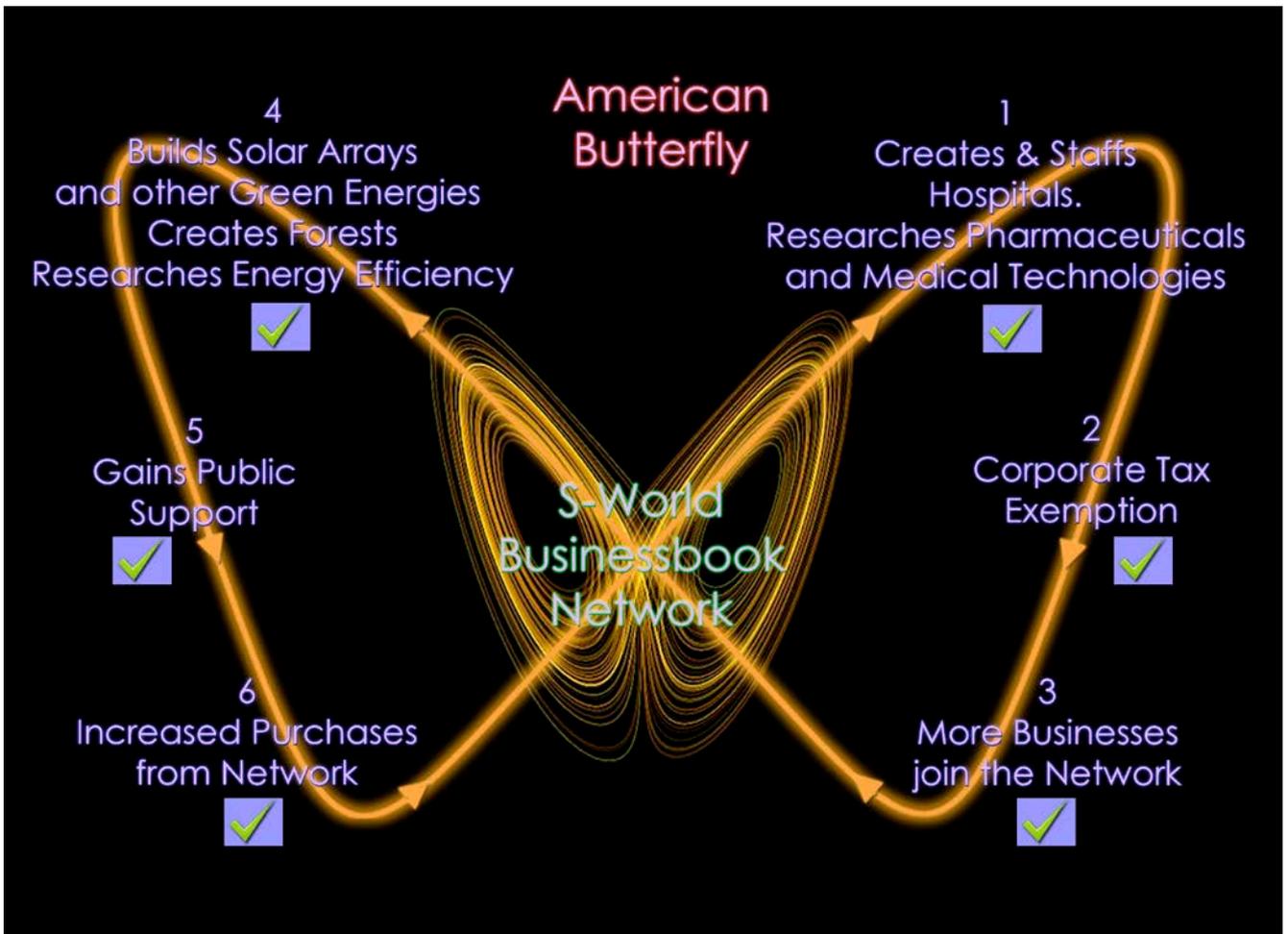
While fossil fuel dependence is rarely mentioned as an economic threat by the CBO and leading US economists, it is an equal or greater threat. Initially as global usage increases so will its price, as the stocks start to deplete, its price will rise again, and when it's gone, it's gone. Talk of nuclear fusion is a gamble, possibly even a dangerous gamble; the process of sustained large investment in solar and other alternate energy sources needs to start immediately.

If for 16 years a 33% higher investment than is required for the annual US Medical liabilities was invested into alternate energy, and electronic cars were popularized by the 2040's, enough energy would be generated to run the USA. After which the income generated from said energy would be enough to pay for all US medical liabilities and many other items.

An initiative to cover the USA's medical bills will see immense gratitude from their government and will of course be popular with the people, its popularity, however, tainted by the need for it in the first place. Green energy however not only solves economic problems, it helps to solve Global Warming, and as such the initiative will gain public support en masse. As such a second circular event intertwines with the first:

The network takes care of the building of Solar Arrays, in exchange the global public sees the benefit from buying from brands and companies on the network, so companies on the network make more money, as does the network itself, thus increasing its ability to build more solar arrays and hospitals.

Here is a graphic that highlights the two continuous circles, the first of five implanted over a “butterfly effect” graphic



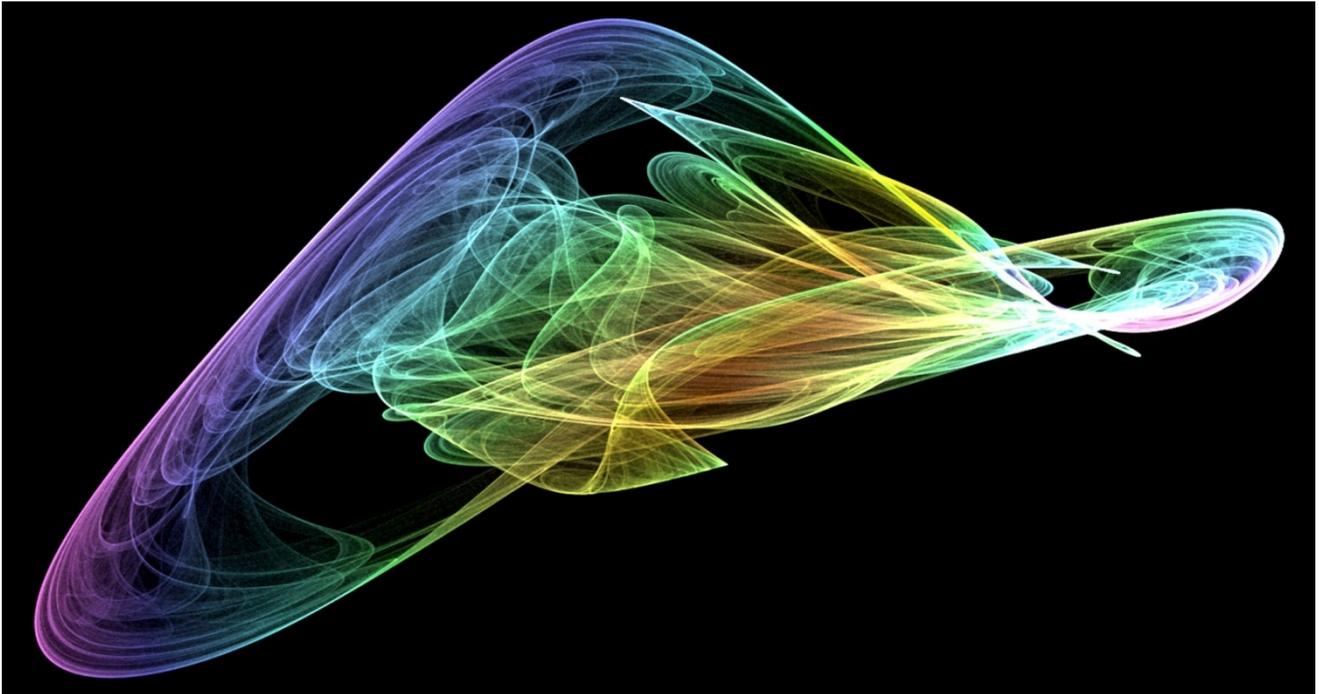
America Butterfly Question, AB2: Considering in 2010 corporate tax only generated 4% of US tax revenues whist Medicaid and Medicare cost 34% of the Federal Budget, would it make sense to give a corporate tax exception to companies that absorbed the 34% cost?

Definitely _____ Probably _____ Unlikely _____?

To the right we see a more complex circular image of “the butterfly effect”, a fundamental building block for the PQS economic software (Predictive Quantum Software). Imagine if you will as above, a two-dimensional representations of millions upon millions of companies and their staff plotted in such a manner as to optimize the flow of money, and objectives we wish to achieve.

Then imagine a three-dimensional image similar to that shown below, the third dimension repenting time, the future, so one can look to the future and assess the future objectives one wishes to achieve in relationship to current events, the most obvious example being good PR.

Given the opportunity, one of the first brainstorming exercises will be to make a huge blow up of the image below and have everyone start sticking post-it notes on it, looking for other circular events.



In Cape Town 2009 at my team's regular work shops with the "En Lighten" braining group we used this method, to inspire "The Facebook Gift's Application". A simple option added to Facebook's happy birthday reminder, offering a gift service and the further option via a year planner to send gifts automatically.

One can see the prototype via this link <http://www.s-world.tv/Facebook/home.html> which is well worth following as it demonstrates how, given a competent supplier network one simple idea generates much profit. All who have seen it said they love it and would use it, as such due to its popularity it opens the door to Facebook opening a full e-commerce service.

By adding a direct retail division and including the profit made by the suppliers' significant profits are forecast, as are presented in the penultimate chapter.

The "S-World Virtual Business Network" is expected to eclipses such figures.

S-World Virtual Business Network



Alongside Facebook Gifts, the following S-World software, travel and real estate concepts are covered in detail within the concluding two chapters of this book, and various chapters on the www.s-world.biz website.

Much like Facebook gifts, the S-World environment S-World VSN (Virtual Social Network) is at its heart a simple concept, in essence the internet viewed via a 3D simulation of the world, popularized by the ability to see where your friends are via their cell phones GPS's, and the ability to "teleport" (zoom) to their location seeing their Avatar within a 3D virtual representation of their location, where one can look and walk around seeing all that can be seen. If one's friend is lost, one could even give them directions.

In S-World, everything is as it should be except the shops, which change to the S-World and Businessbook's member's shops. Once a shop is entered one can interact with the company's sales staff, via their Avatar or Skype. Or just browse a sophisticated display of the company's services or stock displayed, photographed, filmed and rendered in a superior fashion, for little or no cost by the media teams that support the network. In retail, for instance, instead of a photograph of a dress, movie clips on the catwalk and various locations are presented. For travel and Real Estate, a detailed 3D walkthrough of the venue is available alongside photographs, reviews, client ratings, engineer's and architect's plans.

Home

International Friends

Friends on Holiday

Local Friends

Celebrities

Royal Families

Funny People

Advertures

Sports



Home

Cell Chat

Video Chat

SIMS World

Hi Resolution World

Photo Diary

Show Map

Simulate People

Engague Other



Zenda I wish you were here, this its soooooo cool. the suns out but there's a cool breeze coming n from the sea. Sahara is being a prima-donna as always, she's wearing the red dress your Mum brought her, she loves it.

Nick I wish I was there two babe, it looks awesome, June was the wettest month since records began and July was the second, and you'll not believe it but they still have

Whilst the gimmick of the virtual world is walking into the shops, the shops could be accessed by many portals, Facebook, websites, search engines, smart TV's and smart phones to name but a few.

All goods sold on the network via S-world, Facebook gifts, S-Web or other internet portals, are rated by clients. Poor ratings see product lines or accommodation venues dropped, thus the network becomes and incorporates a "per human experience" search engine.

The voting panel is accessed via the S-World profile page, which can come in many forms, its default a 3D room with various doors for various actions, once inside one has access to all products and services purchased presented in a engaging manor. As an attractive incentive, members S-World retail credits are given each time a vote is cast. In addition to this, many staff and companies on network are impressed by profit share and dividends, which are paid in the form of network credits, and can be used to buy anything from houses to ant farms. To further incentivize the voting until previous votes have been cast new credits can not be used.

There are many factors making the voting system very hard to hack and manipulate. The most obvious being, if one does not buy a product, one can't vote on it. Voting is often a tiresome process thus votes will not be detailed, just a simple choice of, poor, good, or excellent. Various safeguards protect against "luck of the draw" votes, negative people vs. upbeat people's votes averaged over time.

All search engines are desired as primary partners, who receive payment for each purchase made via their introduction. As goods are rated by humans, search engines can happily and fairly rank high vote scoring S-World & S-Web affiliated websites above all others.

While S-World is designed to replace the e-commerce on the internet, stand alone websites for retail, travel, real estate, and services are far from ignored.

S-Web provides attractive database-driven free websites, offering many formats and designs. Clients simply upload product pictures, write a description and add prices. If a company already has a database- driven website the databases are synchronized. The main financial advantage for all is the ability to add complimentary stock and services from any other company on the network, taking a commission each time someone makes a purchase. The process also works in reverse; other companies on the network can choose to display and sell your goods and services.

There is another contingent to the S-World e-commerce family: S-World UCS was first envisaged in 2004 it combining a tutorial simulation, in the form of a colonization game, which, when mastered, allows one to conduct real business.

(Retrospective Note: S-World UCS has now become the central part to the S-World software and takes centre stage within the fifth part to American Butterfly "Quantum Time")

Put together Facebook gifts, S-World VSN, S-Web, S-World UCS and the "per human experience" search engine and one has every right to say the combination will take a big bite out of e-commerce market's

share, especially considering the good PR and branding. The internet is a hit or miss unmonitored device, there is little point reinventing the wheel, unless the wheel is square. The internet is like a square wheel. S-World & S-Web improves the experience and representation. The “per human experience” search engine monitors and so improves the quality of goods and services for the consumer, making the square wheel circular, with the exception of rogue traders and cowboy films, every one wins.

S-world is not designed only as an internet and smart phone device. Over the next few years smart televisions will become the norm. S-world is designed to become the industry standard operating environment. Not only is S-World a great product, the overall network from the start has made provisions for the creation of many localized TV series, and high-budget series and films each year. The larger the network, the more media created.

Current Media Company's essential to both positive PR and the goal of becoming the industry standard operating environment for smart TV's are included in the share options available for ownership of S-World alongside the technology companies and electronic communication devices manufacturers.

There is no individual company that will own S-World. S-World will be owned by all that help to build and promote it. All that is sold on the S-World network is from partners, so the financial aspect is simple; the exact mark up/levy/commission varying from industry to industry, profits to be split between the partner companies that create S-World and the referring entity, be it a search engine, a media company, a TV manufacturer, or the browser on a computer or smart phone.

S-World - Global Travel Systems

Currently about 20% of holidays are booked on line. About 50% of people choose their destination via the internet, then book through a high street operator, largely for safety reasons.

Tourism accounts for about \$900 billion each year, and business travel seems to be higher. It certainly is in the USA, total global travel estimates are about \$2.5 trillion, 3.5% of Global GDP, a percentage not to be taken lightly. Once again, there is no point introducing a system if it is not an improvement. A number of initiatives help to do just that.

First, Safety: As S-World is part of a major organization, travelers can book without concern for false representation as assisted by the “per human results” search engine.

Second, the Agent Initiative: knowing the industry intimately, first-hand knowledge is a very important factor. High street travel agents and large travel agencies have staff who usually have never been to the country they are recommending, let alone the venue, and are usually offering the venue that offers the highest commissions. S-world travel seeks to recruit individuals from the towns that clients wish to visit. The system offers the venues, thus S-World travel reps and agents only need refine the clients' choice.

Different representatives will be available to clients. For instance, if a group of fun-loving twenty something's wishing a lively holiday, choose a “nearly made it” model or actor, it makes sense as they can

recommend villa parties, lively beaches, advise on the best nights to go to clubs and indeed in most cases get themselves on the guest list. However if one wished a cultured holiday experience mixed with visiting some wine estates, the customer can choose a representative with similar interests.

Third, S-World 3D Virtual Representations: Simple photographs and write-ups rarely tell the whole story, especially if wide angle lenses are used. While one can be relatively sure a top-end hotel is fairly well represented, small hotels, guest houses and villas are not so particular.

By taking a walk through the venue, one ascertains the entertainment flow, size of the swimming pool, view from windows, indeed one could feasibly pick a particular room because of the view. Throughout the 3D walkthrough, icons are available that show real pictures and a collection of guest comments and general blurbs are available. The option to walk around the venue, seeing how far it is to local attractions, and indeed see what local attractions are available, is an influencing bonus.

How exactly is S-World going to map much of the world in 3D when Google has been trying for a year and has mapped only a very small proportion would be a fair question, the first key is simplicity, preferring to partner and use "The Simms" technology where an 8-year-old can design and furnish a house within twenty minutes is a good starting point.

The operation centers have a large staff contingent called "Spartans" who can assist. S-World travel representatives will render accommodation venues and local surroundings as their name will be attached. Some tourism boards will pay to be rendered alongside venues that wish a level-two representation. The largest factor however will be the gamers playing S-World UCS. All one needs is a pen laser and a camera and hey, presto, that street in "Call of Duty" is your street.

S-World - Global Real Estate Systems

The same advantages presented in travel, also can be used in real estate, not that many people would ever buy a house they have not seen. However via the S-world representation they can eliminate properties that are not suitable. Knowing the industry well, it is strongly advised if a client is looking in a certain area, be it a specific town or general area, it's best to see every house from every agent, maybe over a hundred, with a few hours on S-World and a task that less than 1% of people ever perform is achieved with ease.

Location, location, location is a major factor within the business plan, adding percentages to houses due to enhancing or detracting local features. It's simple enough to attain the land registry document of houses sold in any area, which gives a baseline price for different house types, both in bedrooms and size, adding the location factors, and further tightens up an estimate. Add an agent's personal opinion, where they are penalized for exaggerating and one has an accurate base line sale price.

For sellers that are not duly fussed over and coached, the sale price maybe 10% more as, purchasers will perform what is known as a love buy, based on their emotions only. On the other hand if a client is in a hurry to sell, they can price the property under the estimate. Banks and financial institutions selling a repossessed property can offer even lower prices, and in this case, one could see property moguls buying on

the S-World representation alone. Once a critical mass of Real Estate is displayed on S-World, most would assume if a property was not represented, it was overpriced. Alongside suggested selling prices will be suggested prices for remodeling the property and upgrading where needed.

S-World VBN > Real Estate Viewing > Billiards Room S-World VBN

My S-World

Property Map

Virtual Walkthrough

Video Presentation

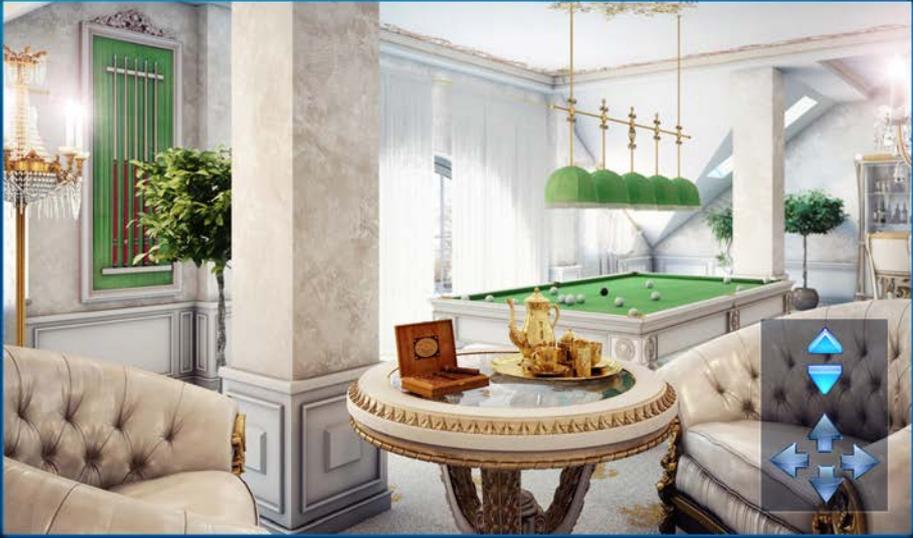
House Price Index

Reviews

Facilities

Local Area

Architectural Plans



 Julie Now we enter the Billiards room, the Billiards table was custom made, to include the same moldings as are found throughout the house..

Dene I Like this room a lot Julie, but it looks a little tight around the Billiards table?

Julie The back pillar that you see does interfere a little, and requires a shorter cue, other than that, its unobstructed.

The Core Network

American Butterfly is far from just an internet-driven solution, looking at the longer forecast of 2036, commissions and levee's made from internet sales are not the main profit centre, the majority of the profits come from the suppliers, not just their internet sales, but all their sales.

To get there one must take one step at a time. Creating a global network is far more complex than a social network, for one. Hundreds of thousands of databases need to be synchronized, the greater challenge however is all small companies (under 500 staff) must use the same financial software, and in certain areas concede financial control of their businesses to the network.

Taking one step further back will explain why they would do this.

Operation Centers / Resort Town's

The initial creation of the network is dependent upon the connection of approximately 500,000 mainly small businesses by 2016 in such a way that businesses are comfortable to concede a fair degree of financial control. This requires many one-on-one meetings by software, marketing and financial staff.

Said manpower needs bases and operation center's, from which staff can spread out and meet with the businesses, whereby business can come and visit and discuss, whatever it is they would like to discuss, bringing their products to be photographed and filmed at the operation center's media studios.

If one had to pinpoint the single most important consideration within all the work, the idea to make the operation centers independently profitable, is probably the one most would choose.

The concept was first documented on the 15th April 2011 in a letter to "The Corniche Group." It is indeed what many would say, the major factor that changed the business plan into an economic plan.

As such bases became resort towns and operation center's universities, the beauty of it all arises when the companies that build the town then the companies that trade in it, become the core network.

One can't start trading in a resort until it's built, and even with preferential planning permission, I expect we are looking at 2016 before inner resort business starts. Besides the technology companies and suppliers to the S-World Network, we start with the businesses involved in the building of the town. Not the builders and developers, that task is mainly performed internally by dedicated department within the operation center's themselves, but the suppliers, all the suppliers, many levels deep, until one gets to the raw supplies such as sand and clay, around 250 separate businesses per development.

Each resort initially sees investment from Big Business, to the tune of \$1 billion plus, 75% going directly to construction, 25% pro-rata over 4 years funds the operation center. Alongside the good PR, access to S-World, license to trade and shared access to all that will come from research and development, investors own the property and industry that is built, whether it is real estate, retail or office space, attractions or

industry, and so investments are hedged by a capital asset, indeed an asset forecast to be worth twice the company's initial investment.

Small companies in the 6000-square mile local catchment area, invest a further \$1 billion plus, which due to the property hedging can come from finance companies, if necessary.

Over the first two years, all company's profits are pro rata collected to the tune of \$1 billion which in turn is used to bolster the resort construction fund. In total, in the region of \$2.5 billion goes into the construction process, of which after contractor and labor fees 50% is destined for supplier companies. If there are 500 such companies, each on average has guaranteed orders of \$1.5 million over 4 years, companies that produce goods that are used more, receiving more.

Next we have an example in the form of a windows manufacturer called "The Window Factory". Windows are a more expensive part of the building process than say, light switches, as such in the example we will work on a yearly guaranteed order of \$2.5 million.