

The **S-World** Network

Update 8

SUPERECONOMICS

THE PAPER

A Summary of 'A More Creative Capitalism'



S-World Angelwing

Economic Software Framework

M-Systems

A More Creative Capitalism

1. S-World Network
Villa Secrets 'et al.'
Microeconomics
The TBS (Δ)
2. Growth Theory
Externalities
 $M \leftrightarrow B^{ST}$
 $A^{ST} \leftrightarrow B^{ST}$
Sienna Equilibrium
Experience Africa
CONSERVATION
3. The Susskind Boost
Boosts company's profit
 $\hat{S} = (\hat{G} \times \Delta) \hat{T} + \hat{W} + \hat{C} + \hat{M} + (\hat{R} + \hat{Y}) + \hat{D} + \hat{D}2 > 9$
Maintains the Integrity of the Financial Gravity.
4. The Peet Tent & QSF
S-World companies do not fail
$$\hat{A} = \frac{\hat{G} \times 2 \times \hat{G} \times \Psi \hat{B}}{\hat{O}} \times \frac{(\hat{M} \times \hat{H}) \times \hat{C} \times \hat{U}}{\hat{O} \times \hat{Z}}$$
5. 'POP 1' - Financial Gravity
Mitigates the effect of rounding errors by creating 'Points of Profitability' at which all companies are measured within a cubic multi dimensional economic system.
Integrity maintained by M-Systems 3 & 4.
6. The Theory of Every Business
Grand Networks (Charter Cities 2.0)
7. S-World VBN™ & VSN™
The Virtual Networks
8. S-World Film & BES™
Behavioral Economic Systems
9. 'POP 2' - Super-Coupling
 $\hat{A} \times \hat{S} \times \hat{A} \times \hat{N} \times \hat{g}_x \times \hat{P} + (\sum \hat{B}^{A1}) + (\sum \hat{A}^{A1}) = \hat{\pi}$
- M-System 10. **Š-ŘÉS™**
Financial Engineering

64 Ecological, Philanthropic, Social and Scientific Projects (The Why), afforded by Š-ŘÉS™ Financial Engineering (The How).

The **S-World** Network

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SUPERECONOMICS

THE PAPER

A Summary of 'A More Creative Capitalism'
Angel Theory – Paradigm Shift Book 3

Part 2

THE HOW

How can we afford it?

Page 10 to ?0 (25?? words)

Š-RÉŠ™ Financial Engineering

Part 3

THE WHY

Why should we connect with this endeavour?

Page ?0 to 80 (25?? words)

64 Reasons Why

Corrections at the end of the doc!!!

About the name - Supereconomics

Welcome to Supereconomics,

Regarding the name, in part, it's because of influences from Supersymmetry, and, in part, because the name Network Economics was already taken. But nowadays, the name 'Supereconomics' is relative to Š-ŘÉŠ™ Financial Engineering. If we can use this equation as is prescribed in this book, including the quality that 100% of the money in the system is held in the network's central bank, so making bank runs infinitely harder and that we can increase the money supply by up to 3000% then Supereconomics it is. But if we manage to debunk Š-ŘÉŠ, then the name 'Supereconomics' sadly will have to go.

Note that, if for whatever reason we must remove Š-ŘÉŠ from the S-World Network, we still have 'The What' and 'The How v1;' as are presented in Supereconomics Book 1. 'The What' and 'The How v1' which are themselves superior macro and microeconomics tools for small, large and gigantic net-zero property developments, and a great many small virtual businesses across the world, made all the more powerful due to the organizing of the externalities, where we track them and predict as many ripple effects as we can, creating ripples, on ripples, on ripples.

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1. THE HOW

Š-ŘÉS™ Financial Engineering

And **Net-Zero Dynamic Comparative Advantage**

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- 2) A Brief History of ŘÉS™
- 3) S-World **MARS** Resort 1
- 4) Network Credits
- 5) Tax Symmetry
- 6) POP – Financial Gravity (The Equality Law)
- 7) Anti-trust
- 8) The David A. Moss Cash Flow to GDP Variable (CGV)
- 9) The Villa Secrets Network (Microeconomics)
- 10) The Window Factory (TWF)
- 11) The Theory of Every Business
- 12) The Sienna Equilibrium
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- 13) There has to be Enough

Lastly, in part 3, What if I'm Wrong – What if I'm Right (in 2959 words), I meander into philosophy and new ideas specific to Raworth/Diamond/Meadows's '**There has to be enough!**'



50 > 70– Reasons 36 to 64

FUTURE BOOKS AND ESSAYS

72 – **Story 37.** 100 Economic Reasons Why

KATE RAWORTH – DOUGHNUT ECONOMICS



The Theory of Every Business
Net-Zero Dynamic Comparative Advantage

The **S-World** Network

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THE PAPER

A Summary of 'A More Creative Capitalism'

Part 2

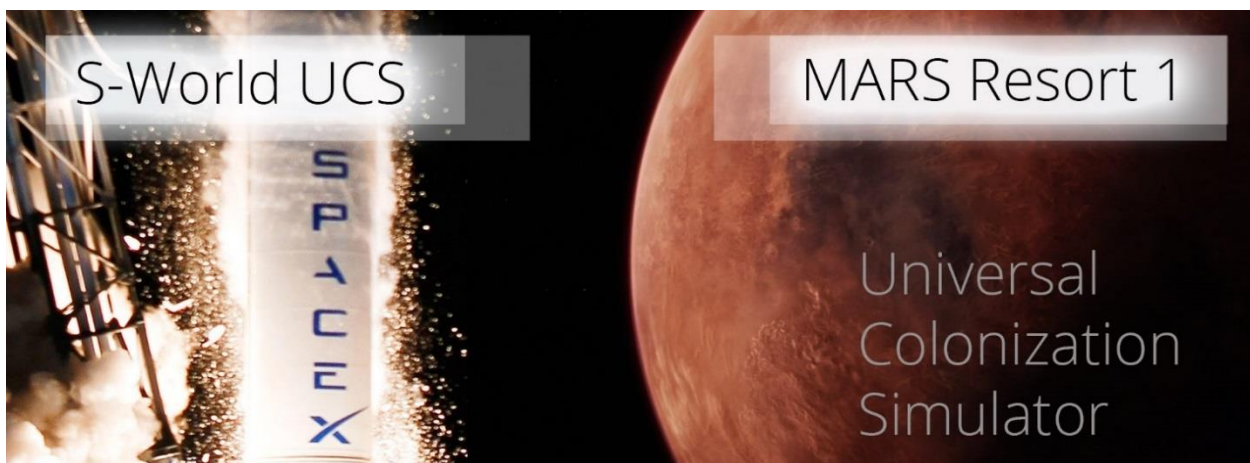
THE HOW

Š-RÉŠ™ Financial Engineering

A Brief History of RÉŚ (2012 to 2018)



In 2012, the RÉŚ Equation was originally a consideration about how the money will disappear from a network of business but will mostly stay in place in an economy. The answer to the problem was to keep as much money in the network as possible; which, to be effective, meant tax and a significant percentage of labour would need to be paid in Network Credits, which act as US dollar monetary exchange vouchers, within the network, and which would have an expiry date. Then, one can create rotations of the money within the network within a year. Eight spins, for instance, would see money spent approximately once every 6 weeks. However, because I saw no way the tax situation could work, this idea was shelved, albeit I did create its own M-System 10.



However, whilst doing some SpaceX research and creating the final 2048 destination for the S-World UCS Universal Colonization Simulator Game, I found that because the Mars colony hypothesis- MARS Resort 1- could set its own taxes and pay labour in Network Credits, RES worked. Soon after, this was reverse engineered to Malawi and A More Creative Capitalism was written on the back of it.

In 2019, RES was renamed Š-ŘÉŠ the Š representing the important role of the law of conservation of revenue, or more simply... savings Š.

Network Credits

A point that will be enough to pay for the operators of the company, which may be divided down into different smaller companies similar to the quality circles from Paul Collier's book: The Future of Capitalism that **"Ordinary workers on the assembly line were organized into small teams called quality circles and given the responsibility for quality control."**

The Network Credit has been a tenant of S-World since September 2012 and the final eureka chapter from AmericanButterly.org > Book 1. The Theory of Every Business > Chapter 8. S-World UCS.

Network Credits have a specific quality in that they can be linked to ecological scores, called EEE Points (Ecological Experience Economy). So, the same product made by a company with a high ecological score would sell for more than the same product made by a company with a low ecological score, and all of this was created as a series of games, making learning and experimentation fun and easy.

For a time, I desired that the Network Credit be linked to some universal constant such as the speed of light, or Planck's constant, but in the end, it was far simpler just to make a Network Credit equal to one US Dollar, not pegged to the dollar, but actual dollars. For each Network Credit in any one's personal account, or any companies' businesses account, there would be one dollar in the network's central bank. At any one time, all the Network Credits in the system could be exchanged for cold hard cash sitting in the Malawi Network's central bank. Unlike real dollars and the FED, the network's central bank could not create more Network Credits, unless more cold hard cash was placed in its vault.

S-World MARS Resort 1 and Š-ŘÉŠ™ - Financial Engineering



The story of MARS Resort and the ŘÉŠ is told within S-World Story 14 and 14b. For this introduction, I will focus on what I have labelled as the law of conservation of revenue and the Š in the Š-ŘÉŠ Equation. Š is simply savings, written Šavings. And for now, as the rest of this book covers it often, we shall ignore Š (Špin). Note that the correct mathematical display is $(\check{S} + \check{R}) \times \check{E} \times \check{S}$. So, in this example, we are working $(\check{S} + \check{R}) \times \check{E}$, (Recycle- Éfficiency) and because when on MARS what with import transportation being so costly, after say 10 years settling in (since the first woman arrived), we can also remove the É which, like Š, is presented later. So, for now, we are working with just Š+Ř savings plus revenue.

The original 2012 American Butterfly ŘÉŠ model was discontinued in 2013 because of tax. For ŘÉŠ to be effective, É needs to be higher than about 80%. So, 80% of money transfers are from one network company to another within a year. In "The Future of Capitalism," Oxford Economist Paul Collier estimates the typical Western tax tally to be around 40%, so in that case, ŘÉŠ was a non-starter.

Until November 2017, when in part for fun, and in part for the development of the MMO game component of S-World UCS (Universal Colonization Simulator), and in further part to gain the interest of Elon Musk and SpaceX, I created the MARS Resort 1 model.



In this model, as all who were at the colony abided by the rules set out by S-World, tax was collected not in money but in product and output, and the companies within (which were mostly a collection of quality circles, 4 people per company) collectively contribute to the running and the growth of the resort. In place of 40% of tax being docked from the quality circle workers and companies' pay, the workers (Spartans) and companies would create product, industry, housing, or infrastructure which would either be distributed amongst the MARS Resort 1 personnel - think of air, power, food, water plus as many kinds of luxuries as can be created within the restrictions of MARS? Or sold to Earth investors - think of 1 square km cities, rare and expensive minerals, and novelty items.

The particulars of what could and could not be done were an aside. What made MARS Resort 1 interesting was that because there was no tax, and all spending was in Network Credits, in place of a recycle Efficiency of 60% or less, due to the US or European taxes, the MARS Resort could have an Efficiency of 100%. Now consider that \acute{R} (initial Révenue) is \$5 billion, in USD in the central bank, on earth. This is made liquid on MARS as 5 billion Network Credits. And over a year (after ten or so years creating the industry), the many four-men/women/robot-quality circle teams create the first 1 square km city section for maybe the Chan Zuckerberg Initiative and Facebook. Where after the Chan Zuckerberg initiative and Facebook take ownership and pay \$5 billion US dollars into the S-World Network central bank on Earth.



Standard stuff so far, until you add up how much money is now in the bank. If it started in say 2050 with a liquid 5 billion, which was all allocated to the making of Chan-Zuckerville, but because ϵ is 100%, none of the money has been removed from Mars Resort 1. It's still there in the S-World Network's Earth central bank. Only the allocation between quality circles has changed. Plus, now there is an additional 5 billion in the account. So, at the beginning of 2051, we have the same situation as in 2050, but now we have \$10 billion in cash flow, the money has literally doubled, and it's in USD on Earth so the difference can't be inflated away to nothing, instead just loses whatever the UD dollar loses that year to inflation.

The following year, the target is to create 2 square km of city, and this is made and sold for \$10 billion. Now there is \$20 billion in the central bank, and one can try to double down the following year to \$40 billion; and so on within the constraints of what can and cannot be built on MARS, which is not a problem because we are not building on MARS, we are first building in Malawi, so long as Malawi does not mind being paid in output, not cash.

Before continuing a clarification, I can't remember which book, but GDP is and Output is the combination of energy, labour and capital; where capital may be the providing of a nuclear-powered engine, flown in pieces to MARS, or the capital could be the S-World Angelwing software, required to maximize efficiency, or other.

Most books talk about GDP and Output in terms of labour and capital, often labour around 33% and capital at about 66%. But, in fact, energy accounts for about 80% of output and GDP, so maybe energy is 80%, labour is 8%, and capital is 12%. Whatever the correct figures are, that we provide the power and the labour and the stuff that capital contributes, one has an output generating system, no magic. Given these ingredients, MARS Resort 1 will create output, and per the original MARS Resort 1 plan, the main product is premade 1 square mile mini Stellar Cities (which are then sold and

exchanged for the market price or, as is more likely, were allocated to essential partners, and or auctioned off decades before).

So, with an E of 100%, the money one starts with Š is added to new Revenue, and each year the savings get bigger and bigger, so long that is that one can sell the Stellar Cities for more than the production cost, which is in reality close to zero, as 99% of output will have been created on MARS.

Over 10 years, we would easily see the total output at a hundred billion dollars, or hundreds, or even a trillion, but the cost of imports will be low, so the balance is a very rich Stellar Grand Network.

~

The MARS example is an interesting thought experiment because we can very easily adopt a high É because there is no alternative spending option. All quality circles can only spend their Network Credits on MARS, and because they have a time limit, there can be no savings. So, all that \$5 billion is spent from one quality circle to another, for each debit there is a credit. In the long term, per Spartan Contract rules, Spartan will build and own their own MARS Resort homes, that can be sold to Earth, so making each Spartan very rich. But this does not take out of the MARS Economy. This is just distributing the output from the Spartans in the quality circles to those on Earth who can afford to buy their homes.





The Malawi Network

But can the Mars Resort 1 model be used on Earth? Fortunately, a breakthrough in M-System 15. Angel POP (Financial Gravity) about a year before had already changed the locale of the first hypothesised Earth Network from the USA to Africa because it was decided that Grand Networks in locations of extreme poverty were in themselves collections of special projects.

Soon after MARS Resort 1, I started making models (or, as they are called, histories) for the project at hand, the Malawi Network. You can find these early attempts on the spreadsheet tabs ŘĚŠ-Špin-8 V1.32d (Cautious 2) and similar. Critically, and a wink to why choosing countries with low GDP is best, that in the first year of trading (2024), the Malawi Government would be making at least twice as much income from the network than its own taxation, and Malawi Real GDP would double.

David A Moss

Sources of Growth

Beginning with the question of what makes output rise over time, economists often point to 3 basic sources of economic growth.

1. Increases in labour
2. Increases in capital
3. Increases in the efficiency with which these two factors are used.

A national economy may increase its GDP by increasing the total number of person-hours worked (labour), by increasing the total amount of plant and

equipment in use (capital), or by increasing the efficiency with which labour and capital are used (TFP).

So-called 'supply-side' economists focus their attention on how to grow all three of these factors, in order to increase the total potential output - the supply side - of an economy.

>>

Recall... $GDP = C + I + G + Ex - Im$

Where 'C' is Consumption, 'I' is Investment, 'G' is Government spending, 'Ex' is Exports, & 'Im' is Imports.

>>

But the process would not end there, the 'virtuous circle' would continue to go round and round and round, and GDP would continue to rise, with each increment of growth equal to 80% of the one before (i.e. \$100 + \$80 + \$64 + \$51.20 + \$40.96 + \$32.77 + \$26.21 plus, plus, plus). Eventually, the increments would become too small to matter.

In the meantime, however, GDP would have grown by about \$500.

Tax Symmetry

Tax Symmetry is how we assign products and output to the government, and how we use this spending as a critical factor in Net-Zero Dynamic Comparative Advantage systems.

This process starts with what the government and the country need - electricity, education, healthcare, food, water, roads, and the other 64 Reasons Why are all contenders. Next, S-World VSN is tasked with making a virtual world and virtual futures, tailored to the best strategies in Malawi. Once this presentation is made, it is gamified, leading to many different models for Malawi for the government to choose from.

Now, please move to the spreadsheet 'Tax Symmetry 1. Sectors'. In this model, we see that 61.72% of the network's cash flow goes to one government project or another; and that if in this process companies make a profit and then invest that profit in future

commitment to solving more of Malawi's problems, then that's ok.

As we can see from the spreadsheet, 18.75% of output is per government assignment, then 31.25% is spent on what I call Full Symmetries where all the output is per government desired spending. For instance, like South Africa, the Malawian Government wants to house its citizens; and so long as the plan is to house all citizens by a set date, and in this case 2080, it should not matter that the citizens own the homes built.

In this example, 25% of all cash flow is for labour, and of that 25% a further 25% is for labour's housing, so 6.25% of all network cash flow is put into making the housing that labour owns and lives in. And so, a Tax Symmetry, the 6.25% spent on Spartan housing is factored as a government desired operation; as can be making solar arrays, or desalinization, or the building of hospitals and universities. 31.25% of all cash flow is set to be fully symmetric, and 11.72% is classed as a half symmetry. For example, Labour and Governmental Electric Cars and (in general) the building of industry and business zones which provide jobs are for now classed as half symmetries.

There are also quarter symmetries. But, for now, I have not needed to go this deep, as I did not have to, as an effective 61.72% tax is very high relative to most other countries. Plus, this money is not hidden or managed, there is no tax cheating, pushing the effectiveness of the tax even higher; and all the time the system is further accelerated by POP.

Creating a Learning Society By Joseph E. Stiglitz

Compiled by Nick Ray Ball 19th September 2018 Onwards

Joseph Stiglitz is the Nobel winner whom most other Nobel winners reference.

Audible Chapter 5. – **Minus 15.30 Seconds** (Book Chapter 5)

... cross-border learning enhances the role of that sector in societal learning. Indeed, it is widely recognised that success in the industrial sector requires not just knowledge but also the ability to acquire knowledge that is common across borders.

Why There May Be Significant Spillovers from the Industrial Sector to the Rest of the Economy

Learning by one firm or subsector spills over to other firms and subsectors within the industrial sector, though, for instance, the movement of skilled people and advances in technology and capital goods that have cross-sector relevance. But the benefits spill over more broadly, even to the agricultural sector.

In the following paragraphs, we describe some of the ways that this occurs, especially as a result of the terms of the tax revenues that a growing industrial sector can generate.

Large-scale densely concentrated activities are by these very attributes far easier to tax than small-scale dispersed activities.

POP Profit – Financial Gravity

If one has limited time, it may be a good idea to skip this POP section and move straight to the burning question. But take with you the knowledge that there is a system that creates investment and equality.



POP is the founding mathematical principle that has seen a lot of experimentation and gained the name Financial Gravity.

www.angeltheory.org/book/2-2/the-flap-of-a-butterflys-wings

www.angeltheory.org/book/2-4/super-coupling

www.angeltheory.org/book/2-3/the-network-on-a-string#Angel-POP-2012-to-2017

It is also documented in a number of the S-World Stories.

I have, however, recently considered a new explanation which is as follows - Don't Count the Money, **Count The Engines!**

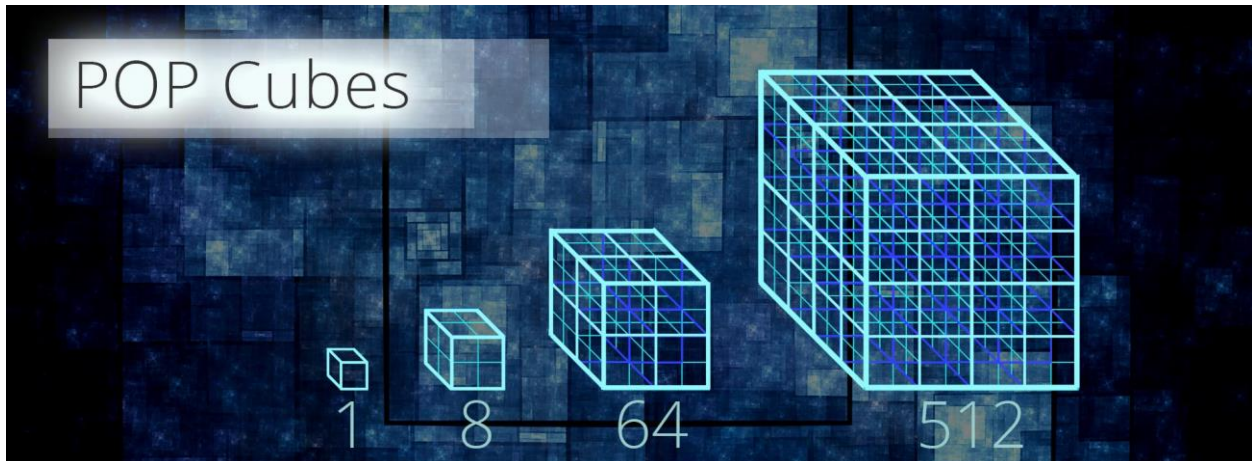
In system terms, what with recurring numbers recurring, we will never have a perfect view. Even if we made a computer the size of our planet, or even our solar system, just one recurring number being infinite creates an error.

So, instead of trying for the impossible, an exact measurement of everything, we instead 'count the economic engines' as on or off. A Point of Profit (POP) is set, or it can be cash flow. A point that will be enough to pay for the operators of the company, which may be divided down into different smaller companies similar to the quality circles from Paul Collier's book: The Future of Capitalism that **"Ordinary workers on the assembly line were organized into small teams called quality circles and given the responsibility for quality control."**

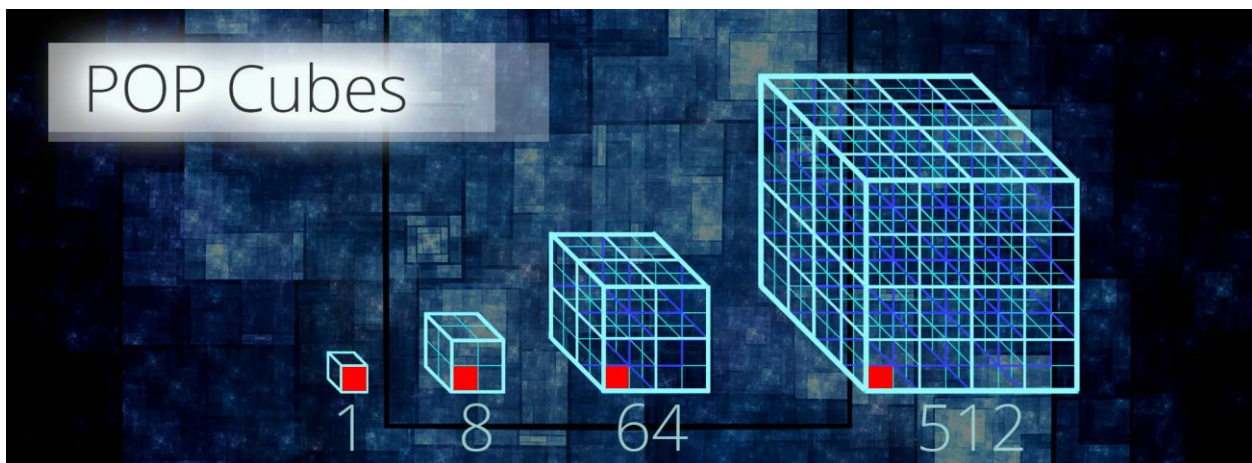
These small teams would be a company, and the POP point is set at a point where the personnel were comfortable. Where after all additional profit or cash flow is invested

into creating new companies and quality circles, which they will profit from.

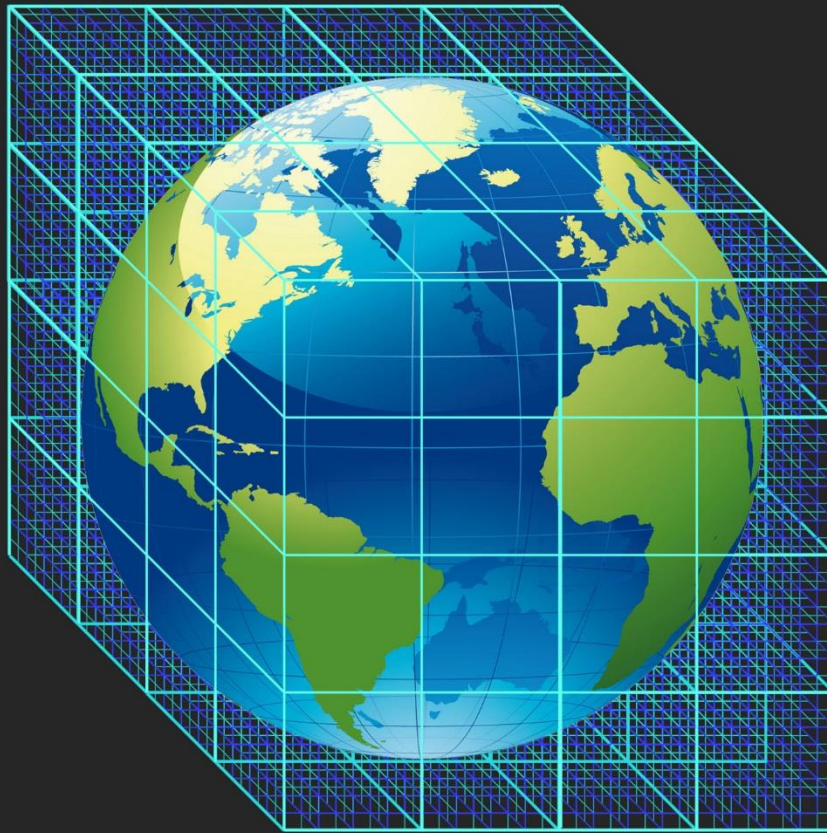
Note that Collier also tells us the investment rate of the companies that are publicly traded is 2.7%, compared to 9% for those whose shares are privately held. **Because of POP, the investment rate in an S-World Grand Network would be higher still, and sometimes, if all the engines are firing, significantly higher.**



Visually, we create the framework for the engines within a cubic grid, as seen above. But as each company reaches its POP point, it will shine. I have illustrated this below with the new company in red, apologies for not drawing this in 3-D but I hope you get the idea.



In time, as more and more companies reach their POP point, we may see 500 economic engines on fire, at which point the local economy to this cube will be doing well, and we can look at the continental and global pictures.



Above, we see 32,768 Grand Networks which could represent 4096 quality circles of 4 personnel each, who in turn devote about 20% of their salary to the Paid To Learn initiative. This creates employment or learning for just under 4.3 billion people.

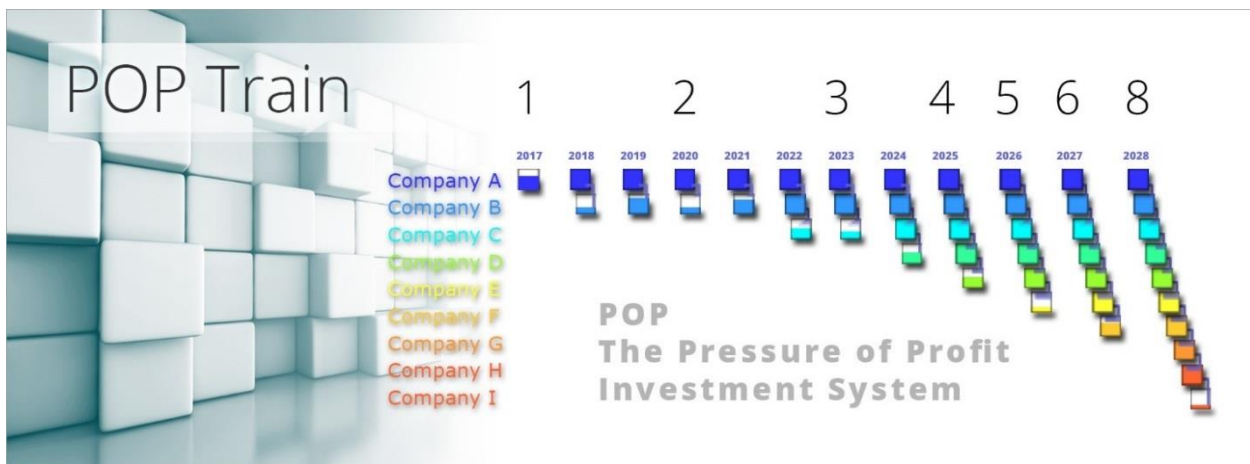
Trying to create a perfect financial snapshot of this kind of network would be difficult, but counting the cubes inside the cubes is easy; all we need to do is count the engines.

In theory, this kind of visual overview of world economics would be much simpler, and so those that use it, monitor it, rely on it, and work for it will find the simplified view a great asset. What started as a thought experiment about rounding errors, turned into financial gravity, this name adopted as Michael Greene and others draw gravity as a set of cubes within cubes. Visually, we see an economic theory of everything with direct causation from the small four-person quality circles, all the way up to the global view.

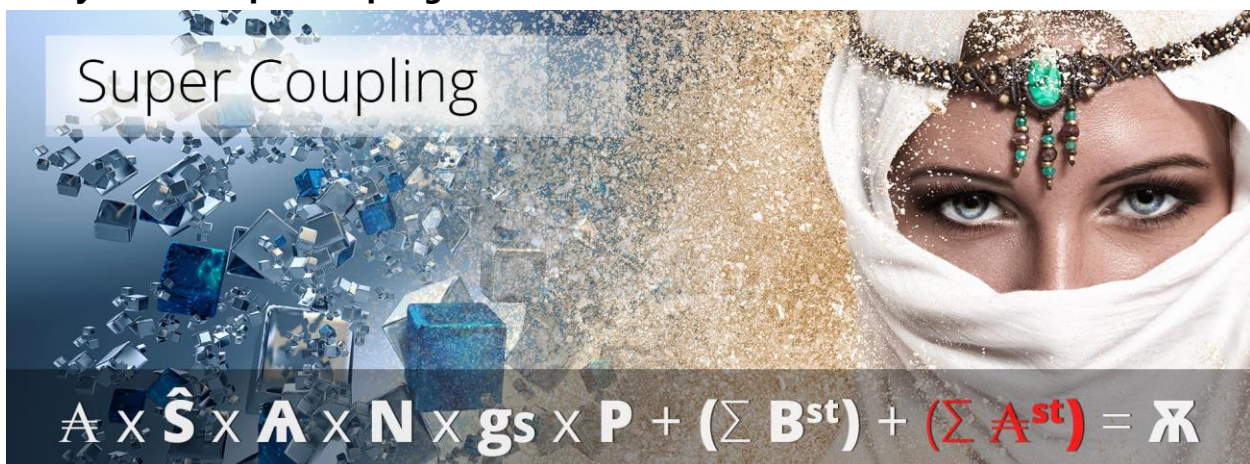
POP is featured in three M-Systems

M-System 5. The POP Train

This system was created with Grand Networks in mind, cubes of 4096 or more companies in a single location submerged within a property large-scale development, whose collective POP was used to create another large-scale property development in a different location. In the POP train, once the second development was itself creating POP investment, its investment would be added to the first, and both invest collectively in the third. Then 1, 2 and 3 collectively invest in a fourth and so on, where the more Grand Networks in the train, the faster new Grand Networks are created, and from the year this happened, more than one new Grand Network a year, and after continued exponential growth.



M-System 9. Super Coupling



Super Coupling is the opposite of the POP Train, in which one may invest POP per the market, whatever opportunity is likely to make the biggest return, for the least stress. The equation seen above is simple algebra.

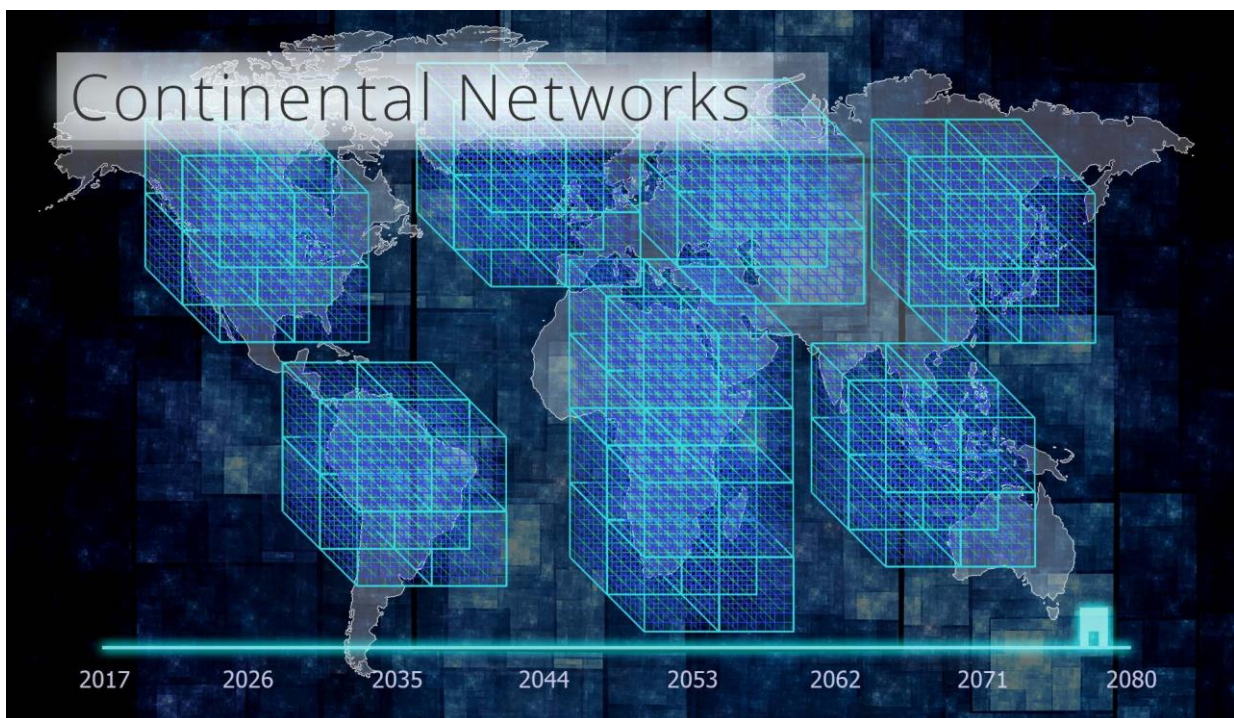
$$\mathbb{A} \times \hat{\mathbb{S}} \times \mathbb{A} \times \mathbb{N} \times g_s \times \mathbb{P} + (\sum \mathbb{B}^{st}) + (\sum \mathbb{A}^{st}) = \mathbb{K}$$

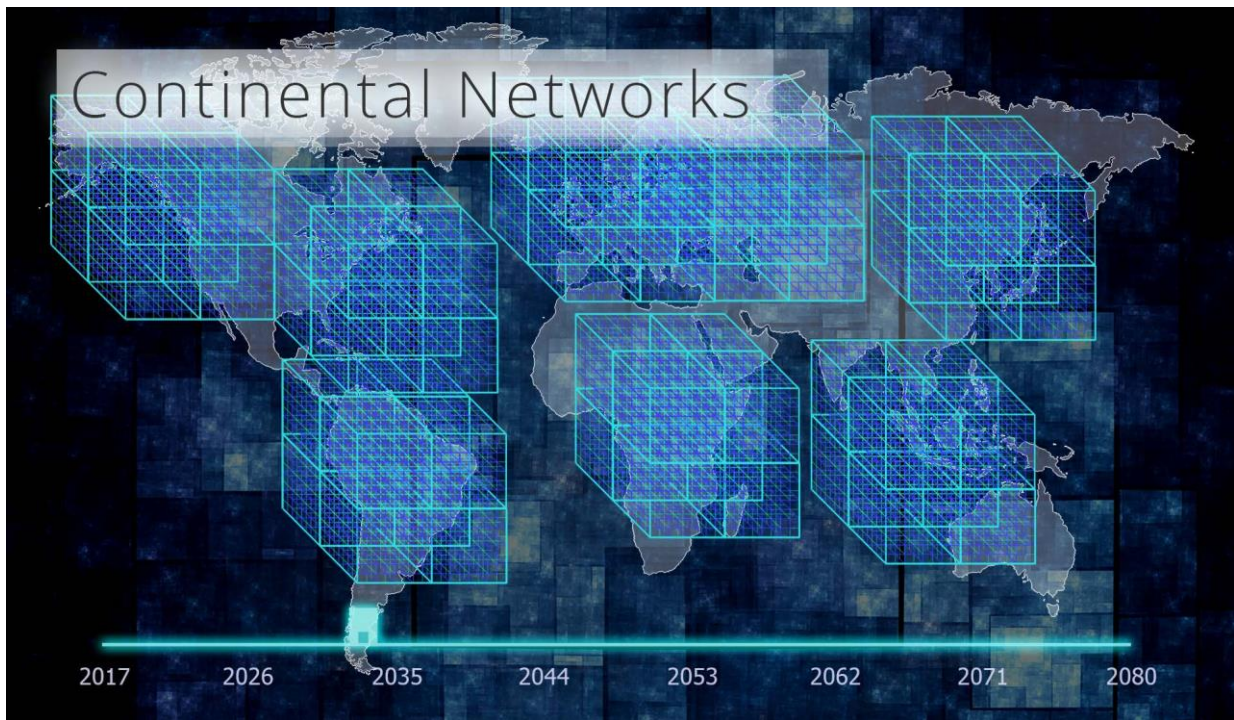
Angelverse Operating System Recruitment x The Susskind Boost x The Peet Tent x Number of

Companies x Number of Incentivised personnel + the sum of the output of all companies created by the POP process + The sum of all Angelverses = Network POP investment.

M-System 15. Angel POP

This system is all about equality of investment across the global network. It is a rule that says once a location is fully invested; so, for instance, it has one Grand Network of 4096 quality circle companies that works as a single unit, then no more investment can be spent in that location until all other locations have at least one Grand Network. The idea from the start was to split the global cube of 32768 Grand Networks into 8 Continental Networks, and below we see the latest version.





The idea is simple, but first, we need to understand the POP financial dimensions, this comes back to Network Credits. If you remember I had wished to tie Networks Credits to a constant such as the speed of light or Planck's constant. In the end, this seemed unnecessary and prohibitive, so instead of a universal constant, I chose the current financial constant, the US dollar.

Starting at 1 cent, we layer up in cubic dimensions, see POP Dimensions on the spreadsheet.

POP Point			
\$	0.01	8	
\$	0.08	8	
\$	0.64	8	
\$	5.12	8	
\$	40.96	8	
\$	327.68	8	D1
\$	2,621.44	8	D2
\$	20,971.52	8	D3
\$	167,772.16	8	D4
\$	1,342,177.28	8	D5
\$	10,737,418.24	8	D6
\$	85,899,345.92	8	D7
\$	687,194,767.36	8	D8
\$	5,497,558,138.88	8	D9
\$	43,980,465,111.04	8	D10
\$	351,843,720,888.32	8	D11

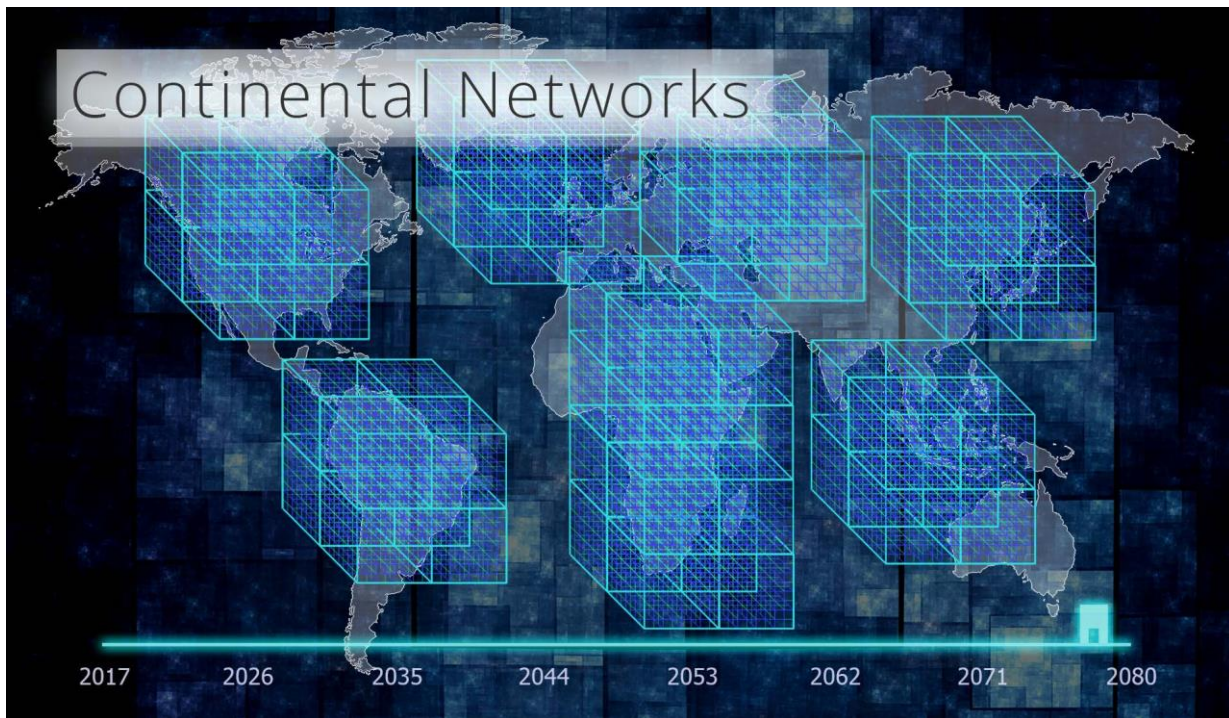
\$	2,814,749,767,106.56	8	D12
\$	22,517,998,136,852.50	8	D13
\$	180,143,985,094,820.00	8	D14
\$	1,441,151,880,758,560.00	8	D15

Angel POP assigns a dimension to each global cube. So, for instance, a Grand Network maybe D9. Once that Grand Network (and let's say it's the US Network) is making more than 5,497,558,138.88 in POP investment, it can no longer invest in the USA. It must invest in any other. And as those options are also fully POP invested, the 'train' quality of Continental networks 1+2+3+4+5+6+7 all investing their POP investment into the last of the continental cubes (which may be North Africa) with the force of all other 7 continental cubes investing in it (even if it's just buying raw resources is quick), and as the last Grand Network reaches its POP point, we move up a financial dimension so now there is room for the US and other to make \$43,980,465,111.04 in POP profit, and the process starts again. However, the key element is the eventual certainty that North Africa will succeed, as with this knowledge, many a smart money manager will see merit in investing in North Africa from the get-go.

Near the end of 2015, I started to work on the idea of creating special projects as ripple effects (externalities) of the city-building process. Then late 2017, I entered the world of economics initially by reading Thomas Piketty's 'Capital in the Twenty-First Century' and David A. Moss's 'A Concise Guide to Macroeconomics' and it became clear that my continental map was wrong. In short, there was little room for any kind of city-sized project in the USA because there was already so many houses and industries that a few more would make little difference. But in Africa and parts of Asia and Latin America, it was ripe for expansion. So, I simplified Angel POP to a single sentence: **Grand Networks in Locations of Extreme Poverty are Special Projects.**

In short, the Grand Networks needed to make something, so why not have them make the necessities for net-zero cities and other special projects. So the city created the environment for all the special projects to thrive, not unlike Kate Raworth's Doughnut model.

This insight also changed the layout of the Continental Networks, to have two in Africa, representing the best long-term opportunities and (at the same time) the countries that needed help the most.

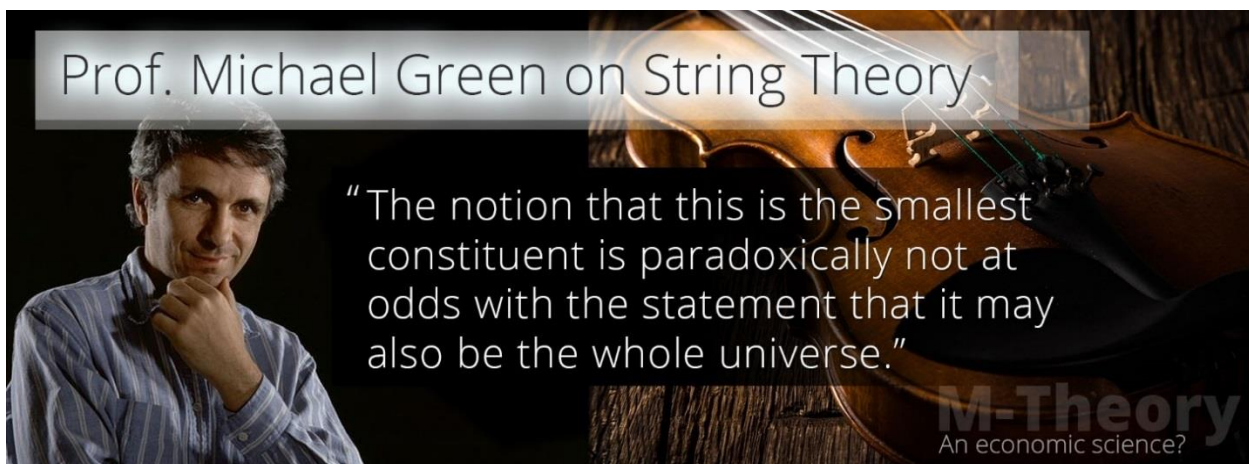


The Green Symmetry – And out popped another form of equality for free.

The Green Symmetry, originally called the 'Hawking-Green Equation,' because it was considered on a walk whilst listening to Professor Mlodinow and Hawking's 'The Grand Design' while considering Professor Michal Green's string theory conundrum that (essentially) 'a single string could, in fact, be the entire universe,' per the Horizon documentary 'How Small is the Universe.'

The line was...

"The notion that this is the smallest constituent is paradoxically not at odds with the statement that it may also be the whole universe."



At the time, I was working on the POP strategy for the real-world microeconomics

prototype network Villa Secrets, see www.VillaSecrets.com and Network.VillaSecrets.com. Given the systems, in any one location, it was considered that with a few years head start, a Cape Town-based Villa Secrets company would create \$167,772.16 in POP investment by its third year. And this principle will soon be tested in the market. Testing aside, it was also considered in what was known as Scenario 7, that it could also afford to make \$167,772.16 in POP investment each year after.

A few experiments later and the continued idea that each of the new companies made could follow suit creating 167,772.16 in POP investment each year from year three, and in turn, all new companies made followed suit. It was found that this system would account for more than half of global GDP by 2076.

One can argue the figures, and in fact, the strategy has now changed to greatly lower the cost of creating new companies. But the important lesson learned was that this gave me a grasp on the concept...

“The notion that this is the smallest constituent is paradoxically not at odds with the statement that it may also be the whole universe.”

*“The notion that this is the smallest constituent is paradoxically not at odds with the statement that it may also be the whole **economy**.”*

See Spreadsheet Tab Super Coupling 1.03 (History 1)

Add video

POP Super Coupling 1.01 - Spreadsheet - 67 years
The Hawing-Green Equation

This large spreadsheet is made from 15 separate screenshots. To see it in detail, right-click and download the image.

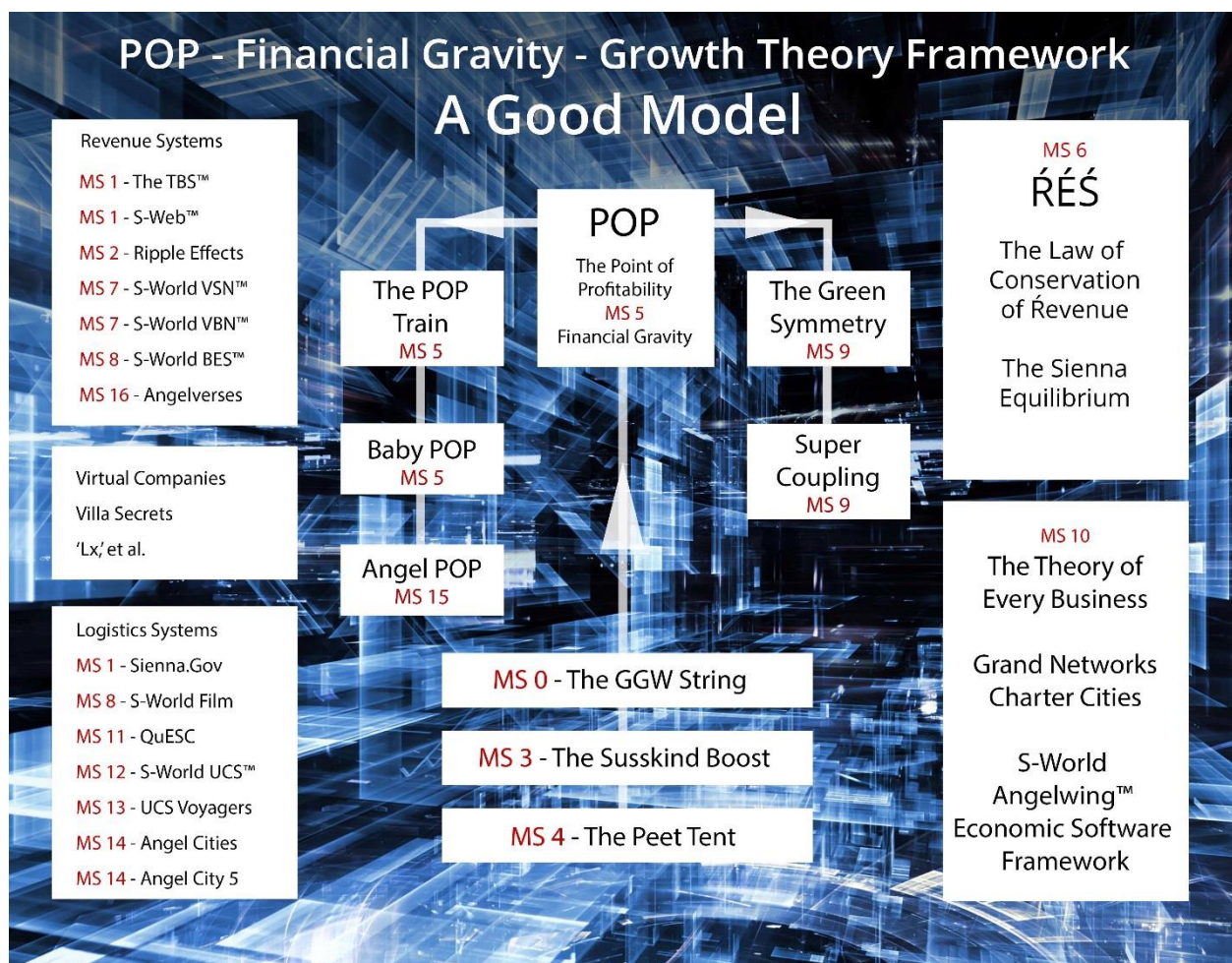
The Parameters are:

New Company	1st Year	NC Y1
New Company	2nd Year	NC Y2
New Company	3rd Year	POP Y1

1 Rule Applies

When we see a POP Y1, we add 2 NC Y1's per year. (In the 3rd year and onwards, each company makes 2 new companies.)

This curiosity may well have just been some abstract math without a specific application, but looking back, it became a pivotal moment in the development of S-World as it created the first Malawi 2080 History.



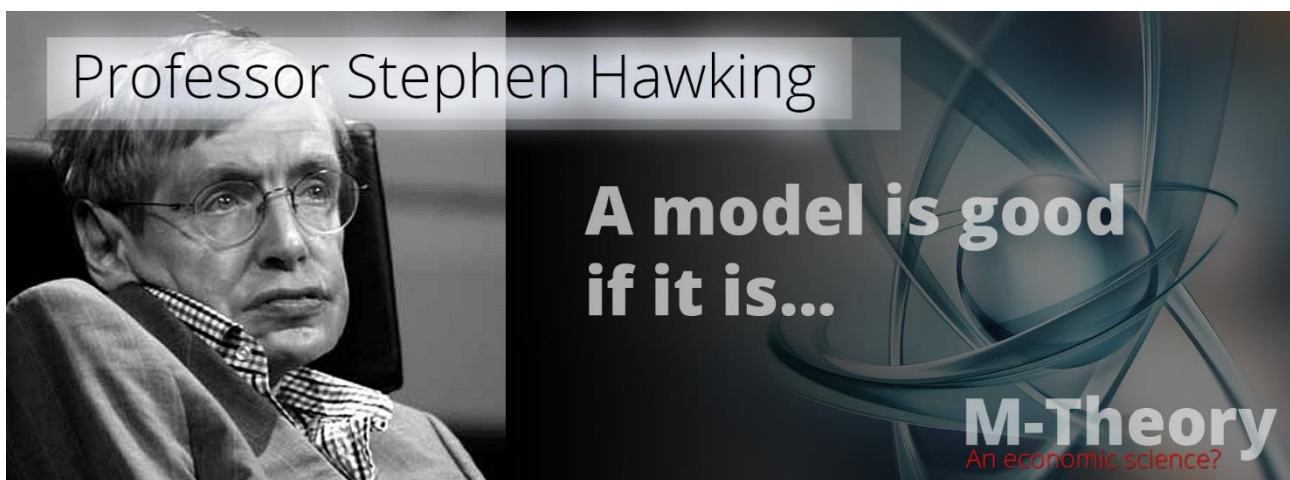
POP - Point of Profitability



9. Economics 101. Convergence and the CFV

Returning to **Book 1. The What and The How Part 1. Illustrations**, one key thread that ties the latter of the 30 plus S-World Stories (about 845,109 words) together is the description of a good model from the book - **The Grand Design by Stephen Hawking and Leonard Mlodinow**. And whilst I would very much enjoy talking with Leonard Mlodinow about a great many things, I attribute this point to Stephen Hawking as most of it appeared in Hawking's earlier book - 'A Brief History of Time.'

A Good Model



"A model is a good model if it:

1. Is elegant

Elegance is not something easily measured, but it is highly prized amongst scientist because laws of nature are meant to economically compress a number of particular cases into one simple formula.

Elegance refers to the form of a theory, but it is closely related to a lack of adjustable elements since a theory jammed with fudge factors is not very elegant. To paraphrase Einstein, 'a theory should be as simple as possible, but not simpler.'

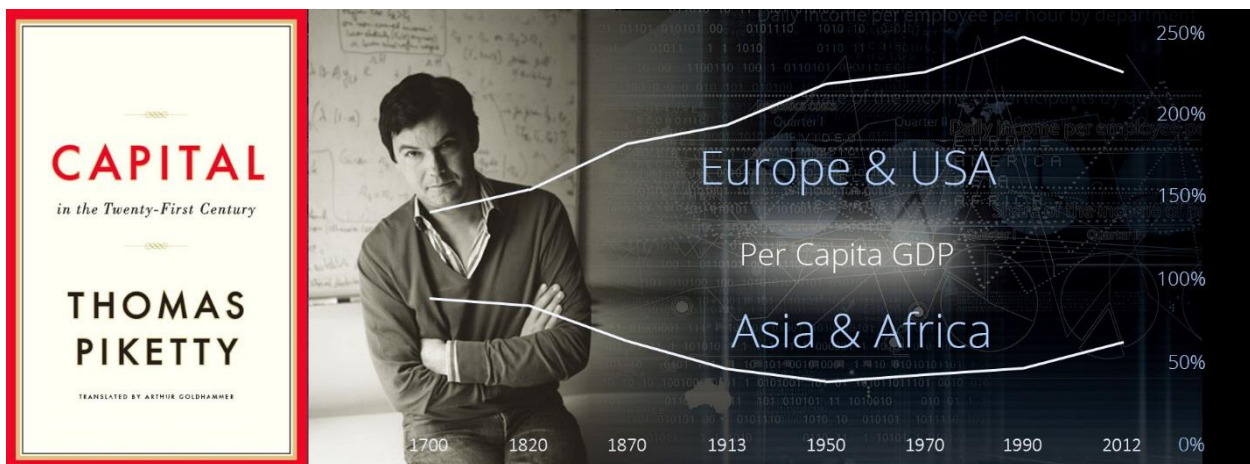
- 2. Contains few arbitrary or adjustable elements**
- 3. Agrees with and explains all existing observations**
- 4. Makes detailed predictions** about future observations that can disprove or falsify the model if they are not borne out."

From The Grand Design by Professors Stephen Hawking and Leonard Mlodinow

Since the completion of the M-Systems and the E-TOE (The Economic Theory of Everything) chapters on www.AngelTheorty.org in November 2017, I moved from points 1, 2, and 4 from Hawking's list to point 3. **Agrees with and explains all existing observations.**

I had half expected M-Systems and the E-TOE to fail on this point, because M-Systems and the E-TOE were based on this or that simulation from chaos theory and ultimately M-theory, and had no grounding in economics except some sales psychology, some game theory, my 2012 spreadsheet- The Kobayashi Maru GDP Game, and what I had learned by experience in my business endeavours and software other designs.

The method I used to test for Hawking's point 3. 'Agrees with and explains all existing observations' was to turn to academic economics. Rallied by the M-Systems idea that when simulating from M-theory 'money was the string,' and that Steve Keen had suggested that money was not properly represented in macroeconomics, I looked on Audible for an economics book about money and first decided on Thomas Piketty's Capital in the Twenty-First Century. Note that for correctness, I had already decided on Richard H. Thaler's Nudge but thought it best to first start with something more classical. Nudge being a specialization of economics with psychology.



I enjoyed Capital in the Twenty-First Century, and we can see it is the main source for the 288-page S-World Story- Book 3. The GDP Game, and other works at that time.

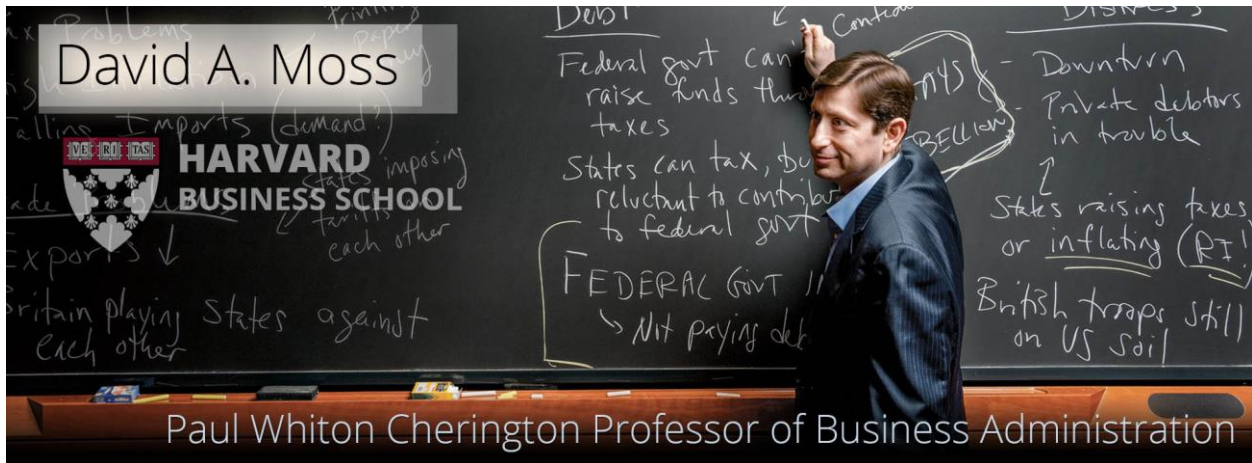
But to summarise down to a single point, Capital in the Twenty-First Century introduced the idea of convergence which shifted the city-building theme from the USA or Europe to Africa. Which did not adversely affect the theory and (in fact) greatly improved the city-building plan; as due to convergence, cities built in Africa would likely do better in the long term, as the USA and Europe already had many cities and so had less or even

no need for another.

Note that further books diagnosed that convergence is not automatic, it is not a given, one needs to apply effort, or get lucky. (See chapter Net-Zero Dynamic Comparative Advantage for more on this point.)

A Concise Guide to Macroeconomics by **David A. Moss**

In my continued search to adhere to Hawking's third law, 'Agrees with and **explains all existing observations**, I continued my research into classic economics and on the 28th February 2018, I started my second economics book: A Concise Guide to Macroeconomics by David A. Moss, The Paul Whiton Cherrington Professor for Business Administration at Harvard Business School.



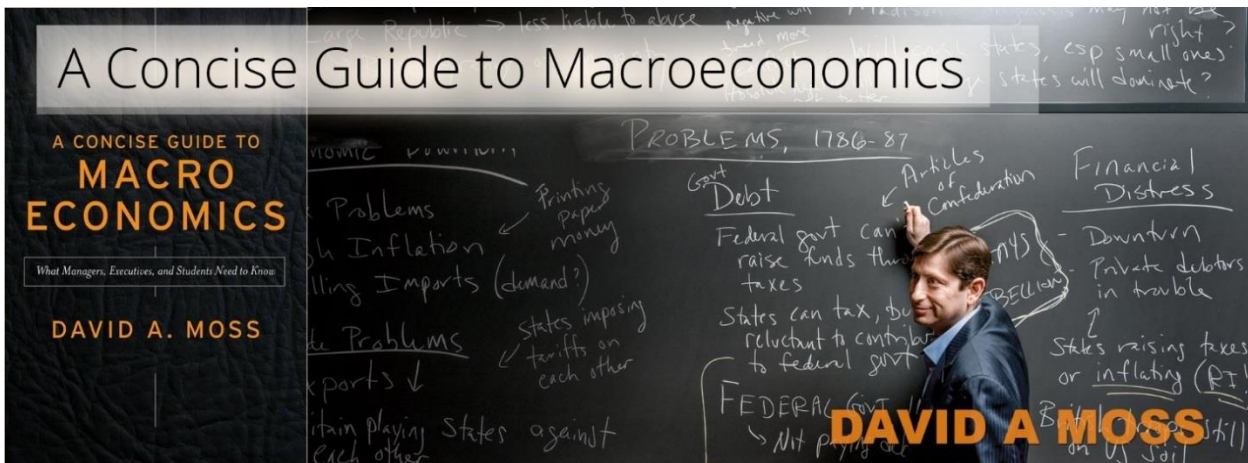
It did not take long to see what seemed to be a big mistake in the way I had been calculating GDP. Because straight out of the gate, Moss introduces the double-counting problem in GDP accounting, which caused me to add a new variable into my spreadsheets called the CFV (The David A. Moss Cash Flow to GDP Variable), which did not make a difference to the process as the process is based on Cash Flow, not GDP. But it did cause me to report GDP as half of the cash flow, and to report the amount of Spartan housing in History 3 as 10 million, not 20 million.

It was only in going back over Moss's book to write this essay that I realized that all this time, I may have been wrong, and the CFV should be excluded.

Essentially, this was like Einstein's cosmological constant, which he referred to as his greatest blunder, although as best I recall, he was actually right all along.

For my own clarity and so others can help to answer the question, do we need the CFV? I will copy the pertinent section from Moss's book. Then explain why I added the CFV and how I arrived at the percentage.

The following is from the Audible version of David A. Moss's book 'A Concise Guide to Macroeconomics' - Chapter 1.



Chapter 1.1 Output

Output

The notion of national output lies at the heart of macroeconomics. The total amount of output (good and services) that a country produces constitutes its ultimate budget constraint. A country can use more output than it produces only if it borrows the difference from foreigners. Large volumes of output - not large quantities of money - are what make nations prosperous. A national government could print and produce all the money it wanted, turning all of its residents into millionaires. But collectively they would be no better off than before unless national output increased as well. And even with all that money, they would find themselves worse off if national output declined.

Chapter 1.2 Output

Measuring National Output

The most widely accepted measure of national output is gross domestic product (GDP). In order to understand what GDP is, it is first necessary to figure out how it is measured.

The central challenge in measuring national output (GDP) is to avoid counting the same output more than once. It might seem obvious that total output should equal the value of all the goods and services produced in an economy - every pound of steel, every tractor, every bushel of grain, every loaf of bread, every meal sold at a restaurant, every piece of paper, every architectural blueprint, every building constructed, and so forth. But this isn't quite right, because counting every good and service actually end up counting the same output again and again, at multiple stages of production.

A simple example illustrates this problem. Imagine that Company A, a forestry company, cuts trees in a forest it owns and sells the wood to Company B for \$1,000. Company B, a furniture company, cuts and sands the wood and fashions it into tables and chairs, which it then sells to a retailer, Company C, for \$2500. Company C

ultimately sells the tables and chairs to consumers for \$3000. If in calculating total output, one added up the sales price of every transaction (\$1000 + \$2,500 + \$3,000), the result (\$6,500) would overstate the amount of output because it would count the value of the lumber three times (in all three transactions) and the value of the carpentry twice (in the final two).

More precisely, value-added (or output created) equals the sales price of a good or service minus the cost of all non-labour inputs used to produce it.

We can easily apply this method to the A-B-C example just given. Because Company A sold the raw wood that it had cut for \$1,000 and had purchased no material inputs, it added \$1,000 of value (output) to the economy. Company B added another \$1,500 in value, since it paid \$1,000 for inputs (from Company A) and sold its output (to Company C) for \$2,500. Finally, Company C added another \$500 in value, having purchased \$2,500 in inputs (from Company B) and sold \$3,000 of final output to consumers.

If one sums the value-added at each stage (\$1,000 + \$1,500 + \$500), one finds that a total of \$3000 worth of output was created.'

[Nick Ray Ball: In this case, the output is 46.15% of the sales price of every transaction. And this was probably the cause that inspired the CFV.]

The Sienna Equilibrium

With the above in mind, I addressed the RES spreadsheet I was currently working on, which one will find on the main S-World spreadsheet on tabs *ŘÉŠ-Špin-8 V1.32d* (*Cautious 2*), *ŘÉŠ-Špin-24 V1.32d* (*Cautious*), and *ŘÉŠ-Špin-24 V1.35c* (*Standard*).

And in addition, I added a new section to the tabs *The Sienna Equilibrium 1.06* and *The Sienna Equilibrium 1.07*, which were the workings for the inter-trading of the companies within the Malawi Network, seeking to create symmetry between all companies, so all were buying evenly from each other.

To address the potential double-counting problem, I added a new section to the spreadsheet, *The Sienna Equilibrium 1.06* at cell AC:114, which continued until cell AI:211 with a figure of 66.163%. This section sought to assess the estimated output of the sector **Building Industry / Factories / Machinery** in terms of what it bought. For example, Food & Water eventually consumed by labour was classed as final stage goods that count as GDP, and items like Building Supplies (Manufactured) which were not final stage goods did not count as GDP.

To include items that were half and half, or one quarter three quarters, I created

five columns, at 100%, 75%, 50%, 25%, 0% and 50% for other. Then I added it all up, and on *The Sienna Equilibrium 1.06*, it seems that 66.163% of expenditure was on final stage goods. And on *The Sienna Equilibrium 1.07 Building Supplies Manufactured*, it seemed that expenditure was on final stage goods was 47.738%.

Then I rounded it up including some leeway, so making the CFV 52% or sometimes 50% and applied this as a percentage in all RES spreadsheets to estimate GDP. Cash flow x CFV = GDP

My Cosmological Constant?

Was I wrong to do this? Thinking about it, I think it might be. Consider if one was a property developer in a market that had guaranteed consumption, in this case, labour is assigned 25% of cash flow, and 25% of labour's salary is dedicated to building their housing so 6.25% of cash flow can be assigned to the building of Spartan homes. That's homes for people on Spartan Contacts, not a description of the homes as Spartan (characterized by a lack of comfort or luxury). The homes will be as luxurious as we can make them. The biggest problem, so far, is finding enough water for all the swimming pools.

The point is that an S-World market for building housing, regardless of the local and global market in housing.

This being so if one starts with a budget of \$150,000 for the build cost and it is spent on the following: 100,000 on materials, \$50,000 labour; the appreciation due to 'Location Location, Location' aside, all things being even, one would expect to sell the house for \$150,000 plus profit and not \$75,000 as is currently the position in History 3. (*ŠĚŠ-v5a | S-World History 3b*).

Relative to the *ŠĚŠ-v5a | S-World History 3b*, the problem is the value of the Spartan Villas. In cell (EH:11), I have allocated \$150,000 in cash flow for the building cost of each home. But to estimate the sale value (the output), I need to multiply the \$150,000 by the David A. Moss Cash Flow to GDP Variable (CFV) which lowers the build costs GDP value to \$75,000?

However, in hindsight, I do not mind admitting I am not clear if my initial diagnosis and cure were correct. Except for trade, I have hedged my bets by applying the CFV, which is essentially halving GDP relative to cash flow.

If I am wrong and this fix is unnecessary, we need not worry because all that would

mean is that all Network GDP estimates should double, and items relevant to History 3 (such as housing and water) should double as well, so 20 million homes (not 10 million) and water for 120 million people (not 60 million) by 2080, which is more than enough for 20 million swimming pools.

Further, I must also admit that in the back of my mind, I have always had a problem with the CFV when it comes to trade. Because if I had to half the GDP value of all exports, it would need to be applied to the RES V2 and 3 spreadsheets *ŘÉŠ-Špin-3 V2.05*, *ŘÉŠ-Špin-0 3.04* and *ŘÉŠ-Špin-0 3.04 (V2)*, and that would be a problem.

In conclusion, I will (for now) keep the CFV as it is but offer the advice that it may need to double GDP, double the amount of Spartan housing and double additional special project cash flow.

GDP Calculation Methods 1, 2 and 3

There are three methods for counting GDP, method 2 being the standard method.

1. Value-Added Method

A good way to avoid the overcounting problem is to focus on value-added, that is the new output created at each stage of production.

If a tailor bought an unfinished shirt for \$50, then sewed on buttons costing \$1, and then sold the finished shirt for \$60, we would not say that he created \$60 worth of output, rather he added \$9 of value to the unfished shirt and buttons, and thus created \$9 worth of output.

More precisely, value-added (or output created) equals the sales price of a good or service minus the cost of all non-labour inputs used to produce it.

2. The Expenditure Method

Another far simpler way to avoid the overcounting problem is to focus exclusively on final sales which implicitly account for the output created in all prior stages in production.

Since consumers paid Company C (the retailer) \$3,000 for the final table and chairs, we can conclude that \$3,000 worth of total output was created. Note that this was precisely the same answer we came to use the value-added approach.

Although both methods were correct, **the second method, known as 'The Expenditure Method', has emerged as the standard approach for calculating GDP in most countries.**

The essential logic of the expenditure method is that if we add up all expenditures on final goods and services, then that sum must exactly equal the

total value of national output produced since every piece of output must eventually be purchased in one way or another. As a result, the standard definition of GDP is the market value of all final goods and services produced within a country over a given year.

3. One counts the income of the citizens in the economy.

A third way to measure total output is to focus on income, though again, in practice, the expenditure method is used more often in calculating GDP.

Income is the amount paid to factors of production, labour and capital for their services. Typically, in the form of wages, salaries, interest, dividends, rent and royalties. Since income is just payment for the production of output, it makes sense that total income should ultimately equal total output, after all, all of the proceeds of production ultimately have to end up somewhere, including in your pocket and mine.

I would say the above information would say that the best method for S-World would be to use methods 1 and 2 and that both estimates must match, and also to work as much of method 3 in as is possible, where we don't expect to get income reports from non-S-World trade partners.

One property of S-World is that it controls all business-standard Tender operations, records all non-tender transactions, and can guide the direction of most of labour's spending, as labour is mostly paid in Network Credits. Hence the name 'The Economic Theory of Everything.' Because we either directly control trade or monitor with 100% accuracy, so one can see the causation of every big event as a collection of smaller butterfly effects from the many smaller business within the network.

Since 2011, the Sienna.gov software has included the quality that it must count and pay taxes in real-time, this was a base parameter. Which eight years later has fashioned the network design in such a way that it would be able to calculate GDP via methods one and two instantly and display in a manner, not unlike the US debt clock, but with more optimistic figures, and a more slickly designed front end.

Antitrust

Until I researched it, I thought antitrust in the USA was going to be a problem, not specifically about creating Grand Networks in the USA, but that the USA might decline to continue and expand trade deals like AGOA. That is if a Grand Network was created in Malawi, and that aid for Malawi itself could be threatened by sanctioning Malawi for not exercising antitrust on S-World.

The problem was in part academic because S-World Grand Networks are made up of thousands, if not tens of thousands, of individual companies and quality circles within, where on average the personnel own half the equity. But even so, the idea that aid to a country could be scaled back due to a Grand Network had to be considered. Because at the heart of the RÉŚ Equation, the É in RÉŚ is Recycle-Efficiency, and in both Histories 2 and 3, at times we see Recycle-Efficiency reaching 100%, which one could argue created a perfect monopoly, as a 100% Recycle-Efficiency means every dollar spent by a Grand Network is exclusively spent by network companies and quality circles within to other network companies and their quality circles.



Fortunately, I found a detailed antitrust book on Audible, The Curse of Bigness by Tim Wu. In which, in general, Wu does not advocate the end to monopoly, but all the same, having studied his book, I am reassured because Wu informs us that the USA has not attempted a significant antitrust since they tried to battle with Microsoft (1992 to 1994), and by George Bush's term as President (2001 to 2009), all antitrust activities were stopped. And whilst antitrust is historically polarized with republicans being against it and democrats being for it, President Obama did not press the practice.

(Note that alongside the paragraph dedicated to Wu which is edited, sections of my text include other sections from Wu's book.)

In contrast, over the last 20 years, the UK and Europe have continued antitrust action, and this is probably why the US dominates in technology relative to Europe. While the UK and Europe were busting or putting off would-be massive technology monopolies, such as BT (British Telecom) may have become; in the USA, technology companies flourished and now account for either 20% or 25% of US tax receipts.

I can't say I know what the contribution to tax the technology sector makes in the UK but I do know with absolute certainty that from tax collection to welfare, the UK government is crippled with ineffective, overly complicated, and inaccurate software which I hope to discuss with Jon Thompson, the chief executive of HM Revenue and Customs.

What is also clear is that there is a big row now about the UK choosing Huawei for the 5G infrastructure, as the US is concerned about security. Where presumably, no UK or European company was up to the task competitively. And I would suggest that this is because any company that would today rival Huawei had either been trust busted, or the capital for such a firm was thought better spent in a location where it would not be penalised for being too successful.

No one denies that a monopolistic company is most likely to win versus a collection of uncooperative companies. This was why the Sherman Act was invented, and in the early twentieth century, many monopolies were adopting criminal behaviours such as bribery, sabotage, bankrupting of rivals, and even the killing of workers to quell unrest. And cohesive behaviours such as Rockefeller, who liked to offer his smaller rivals the choice (first popularised by Genghis Khan), join the empire or face complete destruction.

In response between 1901 and 1909, Theodore Roosevelt filed 45 cases and achieved numerous breakups, including Standard Oil and JP Morgan, which were the most dramatic. Then the trust-busting campaign continued under his successor President William Howard Taft who pursued a total of 75 cases including cases targeting US Steel and AT&T. By the end of the 1910s, just about every one of the major trusts had been broken into pieces or had some encounter with the antitrust law.

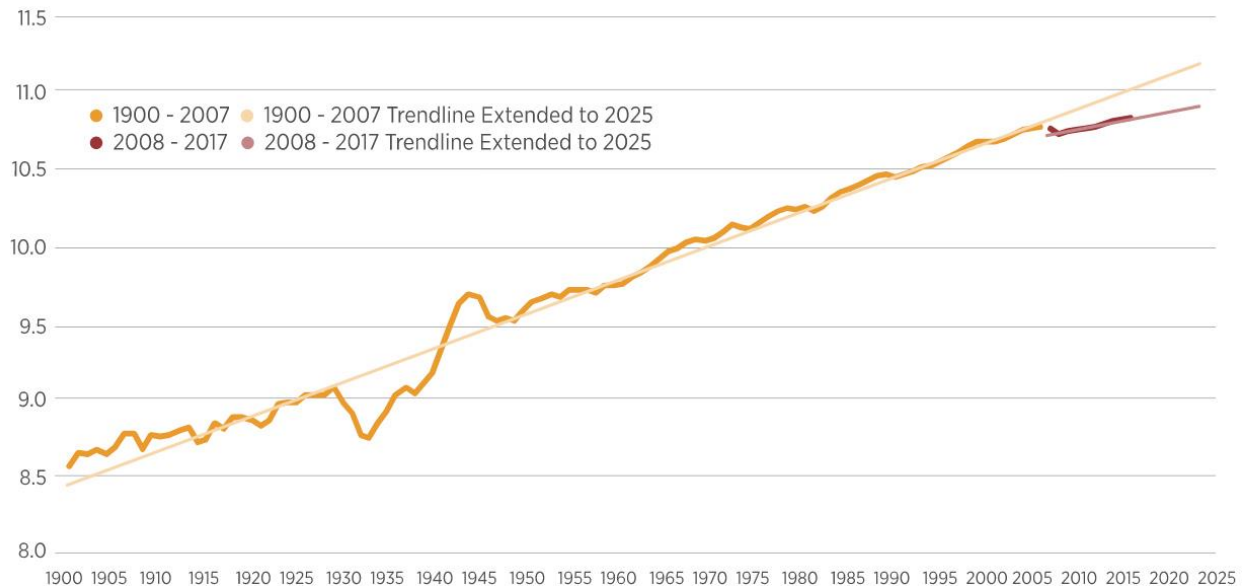
After 1910, the antitrust movement increased in its scope further assisted by the legal mind of Louis Brandeis.

There is an argument that between 1890 and 1920, the ever-growing erosion of the more efficient monopolies into many smaller businesses turned a recession into the Great Depression (1929 – 1939). When the Great Depression was realised, attempts were made to scale back antitrust, but only the Second World War saw a US recovery.

If we look at the graph below, for US per Capita GDP (1900 – 2017), from the

Becker Friedman Institute at the University of Chicago, one might interpret that from 1900 to 1940, the erosion of the trusts is directly linked to the wealth of each and every American, ending it the absolute misery of the Great Depression.

U.S. Real GDP Per Capita (1900 - 2017)



Source: Data from 1929 to 2017 is from the U.S. Bureau of Economic Analysis (BEA). Data from 1900 to 1928 is adapted from the 2018 Maddison Project Database.

However, this economic catastrophe may have been a blessing, as Wu argues well that Germany and Hitler were created by the lack of antitrust in Germany (From Chapter 4. Antitrust and the Chicago School):

“Thurman Arnold was more blunt. Germany became organised to such an extent that a Fuhrer was inevitable. Had it not been Hitler, it would have been someone else.”

After the Second World War, antitrust was once again pursued by politicians and was winning, until the legal arguments of the Chicago School and a book by economist and legal ace Robert Bork, *The Antitrust Paradox*. Here is the section from Chapter 4:

“Robert Bork was born in Pittsburgh and grew up in the suburb of Ben Avon. Bork’s signal contribution was this - he took the Chicago School’s Aaron Director’s consumer welfare idea that antitrust was intended only to lower prices for consumers and argued that it was not merely when an economist like Director thought the law should do, but that it had been all along, the actual intent of the law. Working with his Chicago allies, he then created a fully formed alternative account

of what the antitrust should do and not do in a book entitled **The Antitrust Paradox**.

In 1964, when he first presented the thesis, it was considered absurd and even insane. But within twenty years he'd managed to convince the majority of the supreme court to adopt his position. How did Bork do it? The key was his 1966 paper 'Legislative Intent and the Policy of the Sherman Act.' **Arguably the most influential single antitrust paper in history.** There he conducted his own investigation of the debate surrounding the Sherman Act and arrived at an extraordinary conclusion: Congress intended the courts to implement only that value we would today call consumer welfare. To put it another way, **the policy the courts were intended to apply is the maximization of wealth for consumer satisfaction.** In case that was not clear, he put it again this way: The legislative history contains no colourable support for application by courts of any value, premise or policy other than the maximization of consumer welfare. The simple question that Bork posed for every doctrine was this: Does it clearly prevent harm to consumers? Have you proven it? Or might there plausibly be an economic explanation that doesn't imply harm, and if so, what is it?

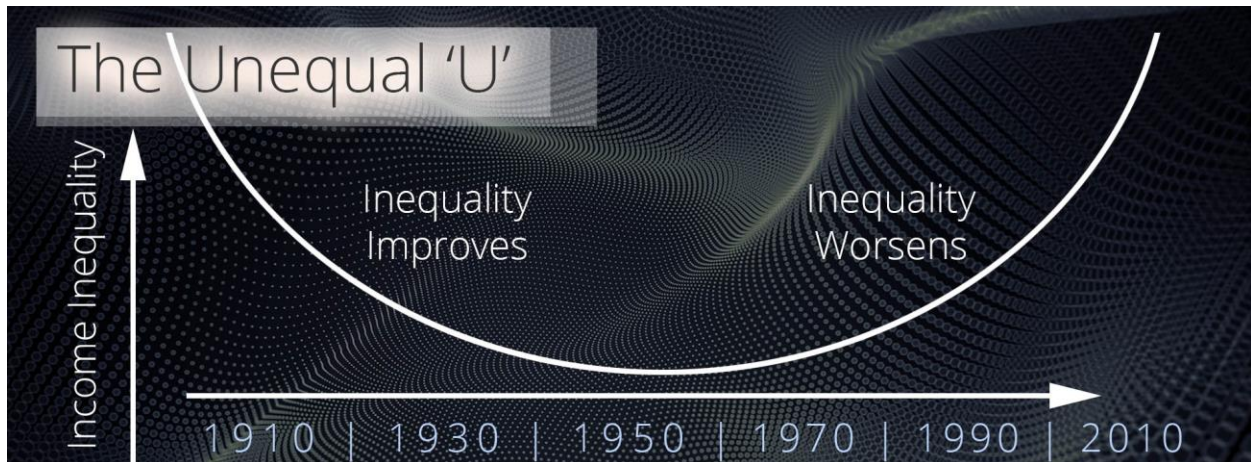
In truth, clad in the classroom of economic vigour **Robert Bork's attack on antitrust was really laissez-faire reincarnated.** Without the Social Darwinist baggage, and with a slightly less overt worship on monopoly, but with much the same results. With narrow exceptions mainly related to price-fixing, **the government was once again barred from trying to influence the economic structure, regardless of what Congress said or did.** The belief that really mattered was that the market enjoyed its own sovereignty and was therefore necessarily immune from mere democratic politics. That meant that the **antitrust law, which dared to dictate what the economy should look like, needed to be put into hibernation, perhaps forever.**

Thank you, Tim Wu, for that insightful description.

Let me add that the timing of Bork's 1966 paper, 'Legislative Intent and the Policy of the Sherman Act,' was one year after Eugene Fama's efficient market hypothesis; and like the efficient market hypothesis, it flourished in the Reagan-Thatcher years.

By the end of the twentieth century, the attempt to impose antitrust was a possibly overzealous prosecutor in the Bill Clinton years in 'The United States versus Microsoft.' It was a case that cost over a hundred million for the US to bring, which was eventually settled without a break-up of Microsoft when George W. Bush was elected. And since President Obama's administration brought no significant cases and President Trump as republican is very unlikely to bring any cases.

However, it is not inconceivable that a new left-wing democratic president could act because of what I call the Unequal U. (See S-World Stories - Angel Theory - Book 3. The GDP Game.)



The Unequal U is the opposite of the Kuznets Curve, and it clearly shows that since 1960 that inequality between the rich and poor (which really starts to diverge in the Reagan-Thatcher years) has worsened, in line with the efficient market hypothesis and the lessening and then abandoning of antitrust.

One may argue that the same curve is seen in the UK and Europe, which have not lessened antitrust as much, and it would be a good argument. But to me, I think there is a clear correlation between the efficient market hypothesis and the lessening of antitrust.

With this in mind, and in case of a left-wing shift in the US, and considering the UK and Europe, let me present the case of why S-World should be excluded from antitrust:

1. S-World networks are made up of many smaller companies and within many quality circles, where in general, the active personnel own half of the equity and dividends and profit share of the venture.
2. The purpose of S-World is good – See 64 Reasons Why and other S-World Stories.
3. S-World itself will be a for-benefit company, not a non-profit, making a profit as per POP. All income will be spent on growing the network, as to do so does the most good.
4. S-World has 4 major Super Projects: The TBS™ – Total Business Systems, S-World VSN™ Virtual Social Network, S-World UCS™ – Universal Colonization Simulator, and S-World Film and Behavioural Economic Systems which connect alongside other software to make S-World Angelwing. As S-World Angelwing is already split into four, mega-companies that rule that monopolies should at the least be split into four is already adhered to.
6. In time, the ultimate direction of S-World, if considered a monopoly, is a monopoly that is run by the people. S-World and S-World Anglewing is all about creating histories.

Later in this book, we shall read the chapter '87 Quintillion Histories.' But in short, S-World UCS™ lets those involved in any business, and, in fact, anyone on the planet with a UCS™ account, may attempt to use the online simulation to create a better path to 2080 than has been previously created. And that by 2080, assisted by quantum mechanical MMO gaming, the world will have created 87 Quintillion Histories, that's 87,714,630,433,327,500,000 different ways to steer the world in the right direction, in particular considering climate change but as well all the UN Sustainable Development Goals, all the Stockholm Resilience Goals, and all the other goals presented in 64 Reasons Why in the second part of his book.

I really can't say for sure, but if S-World is a success, the future of S-World and all that it promises may be most influenced by elite MMO gamers, chess masters, and even athletes, as we will see in the Malawi Football League PTL (Paid To Learn) network and welfare strategies.

The future may be governed by elite gamers, all working on an ever-improving set of histories.

6. S-World Angel Theory volume 2. S-World Water, S-World Air, S-World Healthcare and S-World power. Plus, other special projects that can be monetized.

7. S-World Industry-specific master licensors

Add that the poor in the USA are probably better off due to the tech sector as the persons who benefit from the uneven income contribute to tax, and some like Bill Gates and Mark Zuckerberg use their money philanthropically.

On conclusion...

In the late 19th Century, monopolies were the natural successor to competition, just as man had evolved from apes. The trust movements' arguments were in part economic, men like Rockefeller and Morgan took the monopoly as a superior form of business organization, that was saving the economy from ruin. The US and world economy had undergone terrible shocks in the 1890s, and hundreds of firms were thrown into bankruptcy, many blamed ruinous competition for driving prices too low. In the same way that Silicon Valley's Peter Thiel argues that monopoly drives progress, and that competition is for losers, adherence to the trust movement thought Adam Smith's fierce competition had no place in a modern industrialised economy.

VILLA SECRETS – SCENARIO 8

Dynamic Comparative Advantage, Networks and Specialization



www.VillaSecrets.com – www.CapeVillas.com – www.ExperienceAfrica.com et al.

A continuation of Villa Secrets Scenario 7 in 2016 with the added insights about network systems and economics.

First – The Economics - **Comparative Advantage**

Taken from Harvard Professor David A. Moss's A Concise Guide to Macroeconomics.

“One of the most important principles in all of economics is that of comparative advantage, first articulated by the British political economist David Ricardo in 1817.”

This principle tells us that by specializing and trading, both countries can increase their GDP and so the goods and services that they can consume. By specializing in providing goods or services that they are best at and trading for everything else.

The Math: In Ricardo's example, we see that if Portugal has an advantage over England in both wine and cloth, by specializing and trading, one in wine and the other in cloth, almost magically both would have more wine and cloth.

Moss continues with the following simplified explanation:

Remarkably, most of us—even those who have never studied the theory of comparative advantage—tend to live by it in our own personal affairs every day. For the most part, we all try to do what we're relatively best at and trade for everything else. Take an investment banker, for example. Even if that investment banker were

better at painting houses than any professional painter in town, she would still probably be wise (from an economic standpoint) to focus on investment banking and to pay others to paint her house for her, rather than to paint it herself. This is because her comparative advantage is presumably in investment banking, not house painting. Taking time away from her high-paying investment banking job in order to paint her house would likely prove quite costly, ultimately reducing the amount of money she could earn and, in turn, the amount of output she could consume. In order to maximize output, in other words, it makes sense for each of us to specialize in our comparative advantage and to trade for the rest.

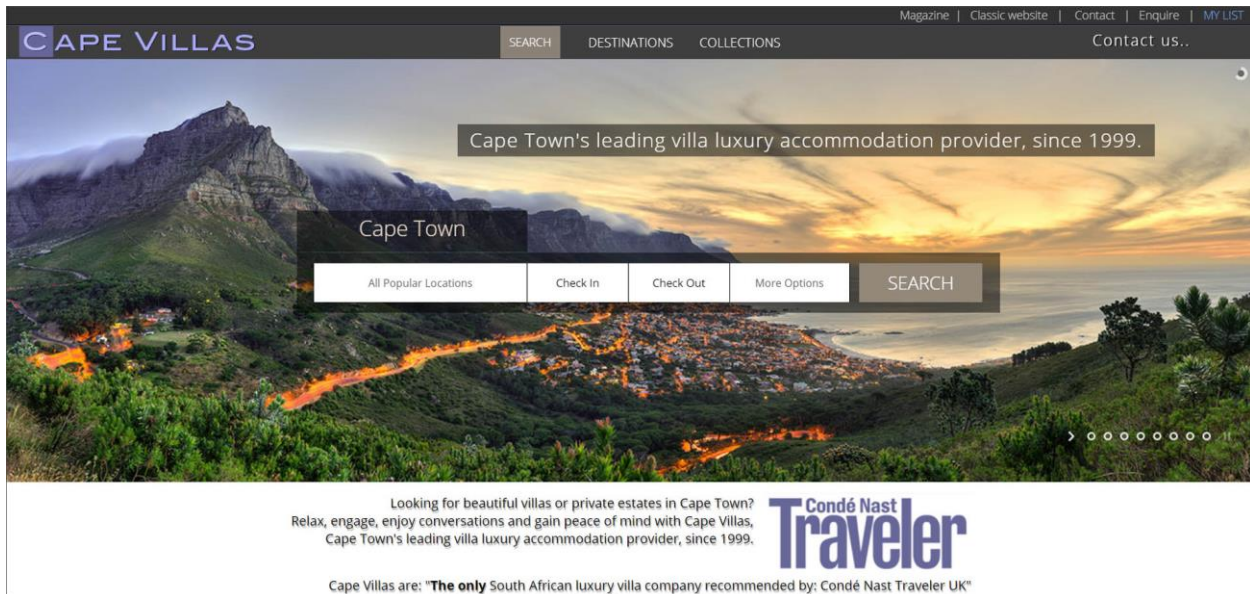
The next step in specialization and comparative advantage is **Dynamic Comparative Advantage**, which is **the art of forecasting years in advance what your comparative advantage will be in the future**. This eloquent example from Nobel prize winner Joseph Stiglitz's book 'Creating a Learning Society' ingeniously explains this enhanced specialization technique.

"It has become conventional wisdom to emphasize what matters is not static comparative advantage but dynamic comparative advantage. Korea did not have a comparative advantage in producing semiconductors when it embarked on its transition. Its static comparative advantage was in the production of rice. Had it followed its static comparative advantage (as many neoclassical economists had recommended), then that might still be its comparative advantage; it might be the best rice grower in the world, but it would still be poor.

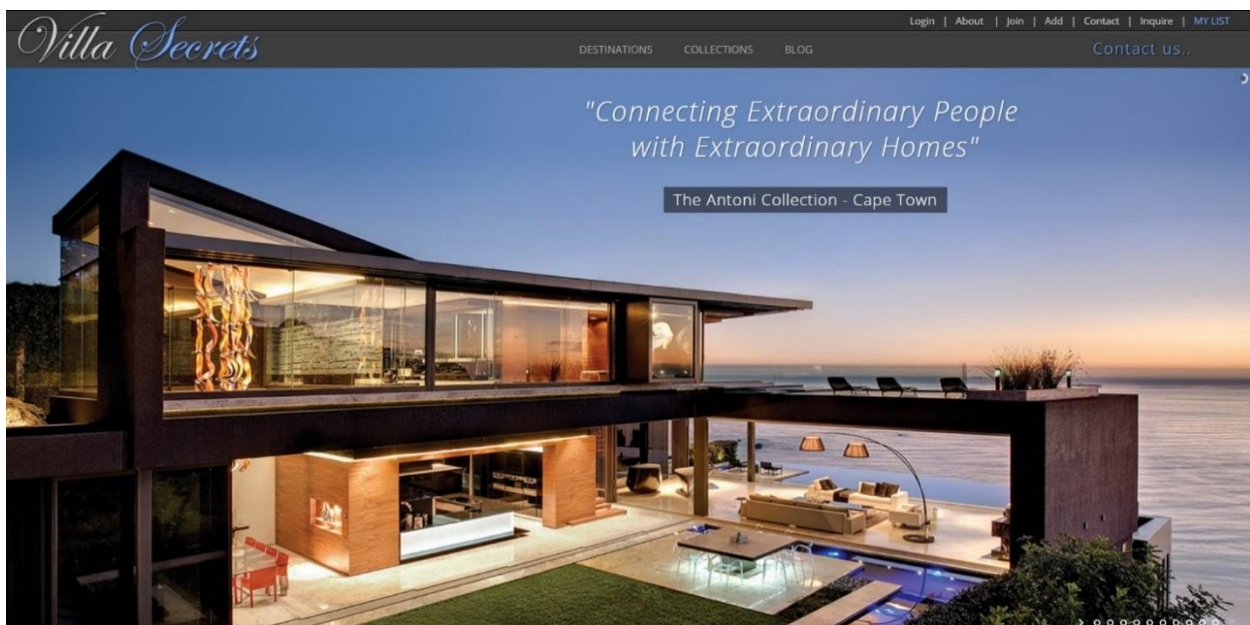
Lastly, in the specialization family is the S-World flavour of comparative advantage – Net-Zero Dynamic Comparative Advantage; which, as the name suggests, is the same as Stiglitz's Dynamic Comparative Advantage but as well as working out what specialization one should do in the future, it attaches the condition that whatever it does and however it does it, must decrease carbon emissions, and in general assist the 64 Reasons Why (The 64 philanthropic, ecological, social and scientific projects found in the Supereconomics Book).



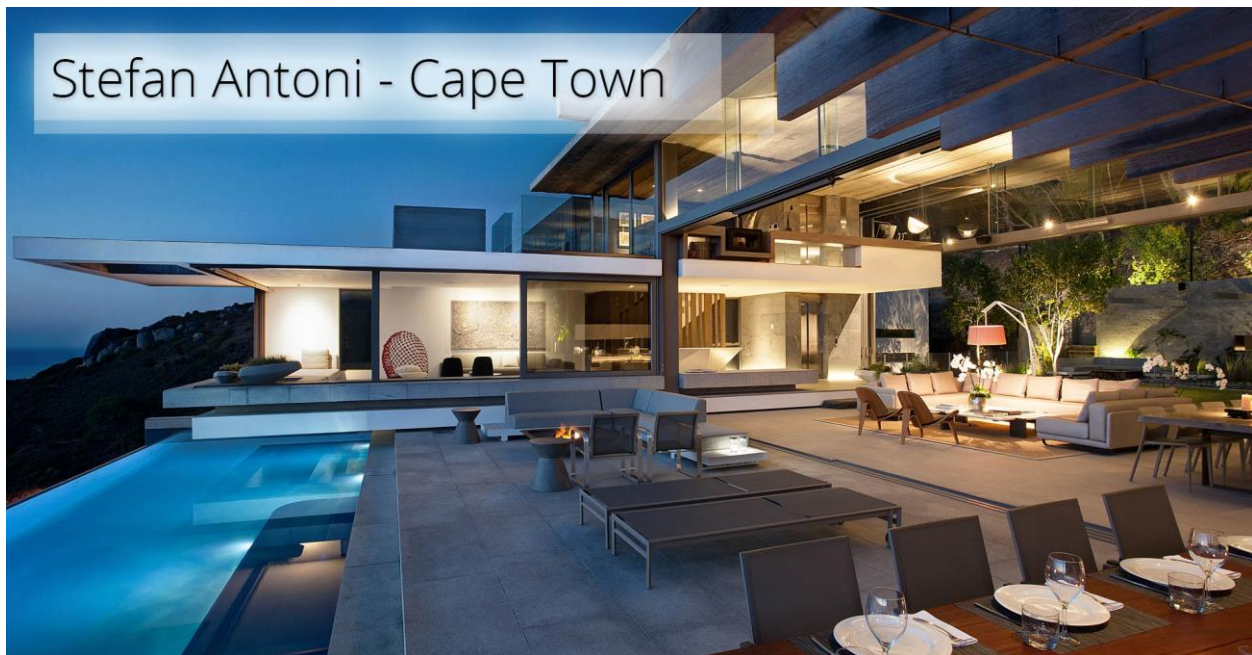
THE VILLA SECRETS NETWORK



The detail for S-World company structure has evolved since 2009 after a deal with Sotheby's Cape Town for Cape Villas to make them a specialised safari and villas website on a commission sharing basis, where they would pay a royalty for every booking they made from the new venture. But unfortunately, we struggled with the technology, and in fact, it would take another ten years to complete this stage of the project.



Soon to be put into operation, the Villa Secrets Network creates e-companies, including superior websites, and functionality to turn a good real estate agent into a villas company; initially in vacation rentals, but in time in sales, luxury travel, and the many compatible niches - from architects like Stefan Antoni (www.saota.com) to real estate agencies like Christie's and Sotheby's.



Over hundreds of pages, S-World Story 7 and within Villa Secrets Scenario 7, describes the specifications for the software that is to marry with the websites, some of which can be found at Network.VillaSecrets.com. But, for now, please appreciate that the designs will be significant enough when complete, to give any Villa Secrets network member a significant competitive advantage relative to users of any other small business, and in many cases an advantage against all other businesses in general.

[To begin considering that there are about 30 companies with websites at the top end in the Cape Town vacation rentals market, in phase 1, Scenario 8 adds 64 new e-companies all with superior websites and follows up with 3 more of the same 256 different owner-led websites versus the now 30.]

The network strategy is dynamic and it can change to fit circumstances. It may make sense to create one super-licensor with 64 licences. It may be best to look for eight master-licensors that each has eight licences so making 64, or somewhere in between.

For this example, we shall assume one super-licensor with 64 licences. And to explain why it was necessary to start with comparative advantage - the economics of specialization, many of the 64 licences will be for people with different specializations.

Add Spreadsheet Showing 64 Specializations

For now, let us assume we start with one major player in Cape Town; most likely a real estate agency but not absolutely.

This company will be given the licencing rights to launch 64 different companies, and in general, none will have more than 4 operators. To start, the licensor will start and find a suitable candidate, or we will present suitable candidates to the licensor. But I expect the first licensor will be a key realtor with good local networks of buyers and sellers.

Each new e-company will be created as its own company, either as a sole trader or a limited company. This company will then be divided, maybe the master licensor (the real estate agency) will own 50%, and a single user (the realtor) will own half. Or one may see four 25% shareholdings, adding two more members in the team (quality circle) at 25% each.

Soon after, or possibly at the same time, another website and e-company will be created for another person or group of persons, and then another and another. In the days of Airbnb, many candidates would be interested in their niche, property management companies expanding per the Villa Secrets Network design.

Let me elaborate on that for one second, a big determinant of financial success in vacations rentals and sales is who owns the mandates. So, it would make sense for the master licensor to use up 32 of their 64 licenses on property managers who have mandates; where it can be shown that they would make more money as part of the network, with the other 32 seeking to add all niches. So, for instance, if one of the 64 e-companies had a request for a film location (which is hard for non-specialists), then that enquiry goes to a network specialist in film locations and share the commission with the referrer of the enquiry in some way. Same if a property management company was asked to recommend a safari, which could net \$20,000 in commission, the request would go to a safari specialist, again splitting the commission.

Economists will already be seeing the rainbow; no one argues specialization, especially traditionalist economists. What we are doing is creating a set of 64 slightly different and sometimes different specialists, and then redirecting all the enquires to the relevant specialised individual or team. By specialising we can turn a one in ten conversion ratios to one in two and everyone wins. Of course, you need the technology to show everyone the financial data, and the e-company websites are made to give each person (regardless of specialisation) a degree of competency in any area, achieved simply by choosing the specialised area, doing the search and picking the top candidates, where after the specialist become the closer.

All of this is assisted by the AI which is reasonably well developed and has a big future.

Adding lesson learned from POP Super Coupling as well as the master licensor, the first phase of companies made can, themselves, start new e-companies with people they know. And, in this case, if the M Licensor has 50% and the licensor has 50%, both will own half of the new e-company, and the new person or team in the subnetwork will own 50%.

Add: Add that there are now about 20 websites, half of which are dates, none of which have integrated sales software or AIs.

With the launch of the first 64v companies, this number of 20 will be 84, so that three out of 4 times, the enquiry will first come to the network (Airbnb and HomeAway excluded).

The Photographer

My father is a photographer. I studied photography at North East Surrey Tech. I worked freelance including campaigns for St Christopher's Place and Thomas Neal's Covent Garden. And on moving to Cape Town in 2001, it was not only my web design but my photography that made the business Cape Villas, that has paid my way in life for 18 years, during which time I hired and helped three full-time photographers.

Focusing on my father's business, the hardest part, even being at number one in Google, is getting business.

In Cape Town, the cost of a photographer ranges from \$200 to \$1,000 a day, and many photographers with talent but no reputation or marketing skills would consider \$2,500 as a good monthly salary. And with some training and practice, one could match the quality of the \$1,000 a day photographer but pay only \$200.

If we say that of the 64 e-companies, half of which are property managers, there may be 200 villas that needed shooting, and 200 good weather days a year. So, 200 villas per year at \$200 per shoot is \$40,000. And \$2500 a month is \$30,000, this the photographer is reasonably compensated, the network is getting \$1000 quality for \$200, and there is \$10,000 left as POP profit.

Now consider the photographer is one of the 64 e-companies, and that the master licensor that created the company has 25% and the photographer has 75%. So, from the years' training, before tax, the master licensor receives \$2,500 in POP investment, and the photographer makes \$7500 in POP profit. Plus, if the photographer can improve production, say by hiring an assistant, the POP profit gets bigger, the more money is received. And more orders and profit can be made in becoming the photographer for the real estate agents' for sale properties.

POP Profit

For the specifics of POP Profit, please see POP Profit and Financial Gravity.

Specific to this scenario (Villa Secrets Scenario 8), the photographer can use the POP profit to start a new company for another person or persons, or by creating another photography company, even if that company is also only one person.

In general, the cost of a new S-World Villa Secrets e-company is next to no cost, so the only cost is start-up costs, which in some cases may be large and some cases may be nothing at all. A new Airbnb specialist property manager, who is looking after a few

properties, has no start-up costs as the mandates are the value both in marketing opportunities and commission.

As was discussed earlier, the original master licensor (probably one of the top 5 real estate agents) will have 64 licences. These may be used to create 8 new companies, after those 8 companies, all could each start 7 companies each, each time with a minimum of 50% ownership by the personnel of the new company.

Once the 64 licenses are all used up, the only way for any of the companies to make new companies (and share in their future profit) is via POP investment.

Coming back to the photographer and her \$7,500 in POP profit, this is more than enough to cover the technical and set up cost of a new company. And because in the long term, the only way to create more e-companies and share in their future profits is via POP. I hope it will make those who must use their excess profits in this way see POP as the opportunity, not one company telling another how best to invest its profit, especially as the licensor would not have such excess profit if not for the network.

This is one for Richard Thaler, it may need some finessing, but the ingredients are all there.

IDEA – Bid for licences, when there is a need to restrict new companies due to market saturation.

Must Add: The Company Controller and UCS Observer

Add language specialization

Antitrust Summation

Even though there is no antitrust in the USA, and this cements the idea of basing in the USA, antitrust is very politicized, and there is no guarantee that a new left of centre democratic president will not give antitrust new powers. Therefore, it's best to do what we can to stop even the slightest hint of antitrust as a threat.

With antitrust in mind, it may be the best strategy to restrict the master licensor to 64 licences, plus as many as can be made via POP, and the next non-POP set of companies in that location should be another master licensor who is traditionally in competition with the first. For instance, Sotheby's Realty and Christie's Real Estate.

This being said, given a start in Cape Town, the master licensor could start a new master network in a new location such as the Seychelles or Mauritius.

California

Sotheby's and Christie's

Experience Africa

Languages and Time Zones

64 Companies, Websites, Twitter accounts, Facebook accounts, LinkedIn accounts, villas advertised on Airbnb etc.

The Famous Concierge

“For most firms, there is a significant gap between their productivity and “best practices.” Current output can be expanded, therefore, without significant creation of new technology through the better use and wider deployment of existing technologies. The more effective deployment of labour within a firm, if only firms learn how better to use their workers.”

(Audible Chapter 4. – Minus 4.41 Seconds)

*From Creating a Learning Society by Joseph E. Stiglitz
(Chapter 4. Minus 4.41 minutes)*

The Famous Concierge is an initiative to solve the age-old problem of what to do with hospitality and concierge staff in the low season.

>>

Cape Villas – 3 companies are given the right to bid for the Villa Secrets Cape Town master licensor opportunity, which consists of 64 e-business, websites, CMSs and sets of sales tools.

Do not tell companies who the other three are.

Presented to the following:

Denise Dogon – Dogon Group

Seeff – Ian Slot

Janine Sullivan – Pam Golding

Sotheby's

Christie's

First, three who ask for bid opportunity are the three that will receive the opportunity to bid. There is no cost to bid other than an agreement to review the system that one is bidding for, the Villa Secrets Network Cape Town 1st Master Licensor, which consist of

64 e-business, websites, CMSs and sets of sales tools, and is described in the 2016 300-page book 'Scenario 7' and the recent essay- Scenario 8.

If one declines the invitation, a new recipient will be chosen from List#2.

The Company Controller 64 personnel need 8 managers.

UCS Hawthorne gets the photographer incentivised to shoot more and better due to a profit share on each villa photographed.

IDEA:

So, when the Experience Africa AI sends an email to a safari client asking if they are interested in a villa in Cape Town, or when the Experience Africa AI tells the sales safari specialist to ask if the client wished a villa in Cape Town and the client reacts positively, two things happen. 1. Using the My List My Webpage function, the sales agent can perfectly recommend a section of villas. This takes less than a minute, where after a villa's specialist will be chosen who will further assist and close the deal.

On the other hand, and this happened recently, and we are \$15,000 better off because of it, a Villa Client wants a Safari. In this case, it took me about 400 hours to work out the details, but with the AI, because I have done it and so I know exactly how to program the AI to teach others, like in the previous example, the reply to the enquiry will take less than a minute.

>>

I suggest the most significant connection will be with Stefan Antoni, the nominated licensor who has exclusivity on this opportunity but should not present just yet...

The biggest single connection any master licensor can make is with Stefan Antoni and firm; this connection will be made a lot easier when I complete the first edition of Supereconomics as it projects Stefan Antoni in a virtual world, with ambitions far superseding his wildest thoughts.

Stefan Antoni



Experience Africa (Not for Profit)



A Brief History of RES



RES stands for Revenue x Efficiency x Spin, sometimes it is written simply as RES. But since 2018, to distinguish the individual letters within a sentence, I added accents above the letters making $\acute{R}\acute{E}\acute{S}$. And since 2019, an S or Š is added for Savings, and Efficiency is now Recycle Efficiency.

RES was a tenant of all three American Butterfly books from 2012: Book 1. The Theory of Every Business - Chapter 8. S-World UCS, Book 2. Spiritually Inspired Software - Chapter 1, and Book 3. The Network on a String - Chapter 4. But for all the promise, tax and incidentals made the

9 – The David A. Moss Cash Flow to GDP Variable (CGV).

Sienna Equilibrium

Economics for the Common Good by Jean Tirole

Similarly, the situation captured in a theoretical model can be recreated in the laboratory by having subjects (students, laypersons, professionals) act it out and observing what happens.

This method of laboratory experimentation won a Nobel Prize in 2002 for psychologist Daniel Kahneman and economist Vernon Smith.

A famous experiment conducted by Vernon Smith analysed markets such as those for government bonds or commodities. It divided the participants into two equal categories: sellers (with one unit to sell) and buyers (who could buy one unit). Actors who did not exchange anything received only the initial sum they were paid for taking part in the experiment. Gains other participants could make from the exchange above this initial sum were set by the experimenter (and also varied from group to group - they were determined by drawings lots).

For example, a buyer might gain $10 - P$, where P was the price he paid and 10 represented his willingness to pay (that is, the maximum he was prepared to pay to go ahead with the transaction). Similarly, a seller might be allocated a cost of 4 , so that he would emerge from the experiment with a gain of $P - 4$ if he sold at the price P . The theoretical outcome is a price P^* such that the number of sellers with costs lower than P^* is equal to the number of buyers willing to pay more than P^* . **The market is then said to be in equilibrium.** But what happens when the sellers and buyers know only their own valuations (cost and willingness to pay) and have to make offers to buy and sell? **The details make some difference, but the classic result obtained by Vernon Smith was that prices and quantities exchanged do indeed converge toward the theoretical competitive equilibrium when there are enough buyers and sellers.**

Economics for the Common Good by Jean Tirole

If I, acting alone, were to decide to build my house near an airport, that would not be enough to prevent future expansion of the airport, so I would have no interest in building there. If, on the other hand, many people built homes near the airport, a powerful lobby would be able to prevent its expansion, and so I now would have an incentive to build my house there. **Predicting collective behaviour thus requires us to understand how people will find ways to coordinate.**

- 8 – The Reserve Rate Technique (RRT)
- 8 – The ŘÉŠ Equation for Paul Krugman
- 9 – **Story 50.** The How – ŘÉŠ Financial Engineering
- Malawi Network History 2
- 10 – **Story 50.** ŘÉŠ Videos

The Š-ŘÉŠ Video Presentation:

1. **Video 32) ŠÉŠ-v5 - S-World Malawi History 3 in 3.26 Minutes** (24th March 2019)
 - <https://youtu.be/UOQEJAVoYnk>
 - www.angeltheory.org/video/32
 - **3.27 minutes**
2. **Video 34) ŠÉŠ-v5 Financial Engineering Software - S-World History 3f** (24th March 2019)
 - <https://youtu.be/Hxt0I98GNI8>
 - **34.54 minutes**
3. **Video 25) ŘÉŠ v4.14 – History 2 - Ad-libbed (27.20 Minutes)** (27th Dec 2028)
 - <https://youtu.be/w9KxCCgVzIs>
 - **27.20 minutes**

11 – **Story 50.** Š-ŘÉŠ™ v6 - Financial Engineering

12 > 19 – **Š-ŘÉŠ™ for Kate Raworth**
Malawi Network History 3

20 – 87 Quintillion Histories

Audible Chapter 5. – **Minus 1.33.53 Seconds** (Book Chapter 4)

Theoretical Formulation

To get back to the general issue of economic modelling, **a lot of the difficulty of the exercise lies in defining its scope.** Since it is not feasible to consider everything, **we have to distinguish between what is important and what is merely anecdotal (and can therefore be safely ignored).**

Useful for the 1 billion actions each history can support.

23 – Ten Million Quality Homes for all Malawi's Citizens

24 & 25 – Special Projects Cash Flow Allocation

In deciding what should come first - The How or The Why - in creating the why and doing the math, and seeing that if we can use Š-ŘÉŠ™ Financial Engineering as prescribed, that by 2080, each of the following special projects would see a cash flow of \$156 billion in today's money, it became crystal clear that I must first show The How or be laughed off the stage and prescribed a fantasist. I am, I admit it, but until shown otherwise, I am the fantasist that comes with The How, the 'How Can We Afford This?'

With 128 blocks of capital, 128 sectors- 64 sectors, the 64 Reasons Why, even if I am only 1% right, it will still make a big difference.

But there's more. As the money is always in the bank and there is no borrowing, if Š-ŘÉŠ™ Financial Engineering is correct, it will be the end of the bank run making another financial crisis as we saw in 2008 much harder to occur.

Video History 3

50% of Cash Flow is divided into 128 blocks

I have already used up 32 blocks primarily in Special Project in Housing, Water and Reforestation, which leaves 96 Blocks for the remaining projects.

In Video History 3, which is a cautious estimate that sees no gains from trade with the outside world, in 2080 using 16 blocks, 10 million semi luxurious houses are created and that the average Westerner would be happy to live in. And so, in this example, 1 block is equivalent to the 625,000 houses, at a western value of \$250,000 per home, the equivalent of \$156,250,000,000.00 (156 billion US dollars).

So, if each special project received one block by 2080, it would have spent \$156 billion in today's money (not including growth or inflation).

The craft then comes from the ripple effects, the positive and negative externalities. One project may seem more attractive than another, at face value, its primary purpose. But if this project assists no other project, and a rival project rippled its way to helping 20 other projects, then that's most likely a good bet. But to really know, you need to work

out the 2nd tier ripples and 3rd tier and 4th and 5th. This is far too complicated to be Illustrated here, but it can be created within the S-World Angelwing Economic Software Framework.

Virtual Education and Paid To Learn

Aware of criticisms such as was made by Jean Tirole in his book Economics for the Common Good

Audible Chapter 3. – **Minus 1.13.57 Seconds** (Book Chapter 2)

Paid To Learn

If you pay a child a dollar to read a book, as some schools have tried, you not only create an expectation that reading makes you money, you also run the risk of depriving the child forever of the value of it.

Audible Chapter 5. – **Minus 1.25.02 Seconds** (Book Chapter 4)

PAID TO LEARN AND S-WORLD BES

Economists have developed and deployed a methodology for “randomised control trials” (RCTs), using control and treatment groups to study, for instance, the impact of new electricity tariffs, new forms of health insurance, or support for the unemployed. This approach has come to play a particularly important role in development economics.

A famous example of this approach is the Progres program, which was set up in Mexico in 1997 to fight poverty. It gives money to mothers on the condition that they allow medical supervision of their family, that their children attend school regularly, and that they promise to devote part of the family’s budget to food. This program was evaluated using an RCT.

Paid to Learn is for over 16 for basic education, for people who have a very low chance of engaging in education. In this case, I expect learning to increase, in general, over the age of 16, as there seems to be a point to it, or maybe just it becomes a means to an end.

m-31

A More Creative Capitalism

Chapter 4. The RÉŠ Equation (for Paul Krugman)

www.angeltheory.org/m31.pdf

24th November 2018

The RÉŠ Equation - For Print - 8.59n18-k8 (18th October 2018)

629 KB

14,806 Words

46 Pages

✓ ✓ ✓ ✓ ✓

The RES Equation, your spending is my income.

www.angeltheory.org/the-res-equation



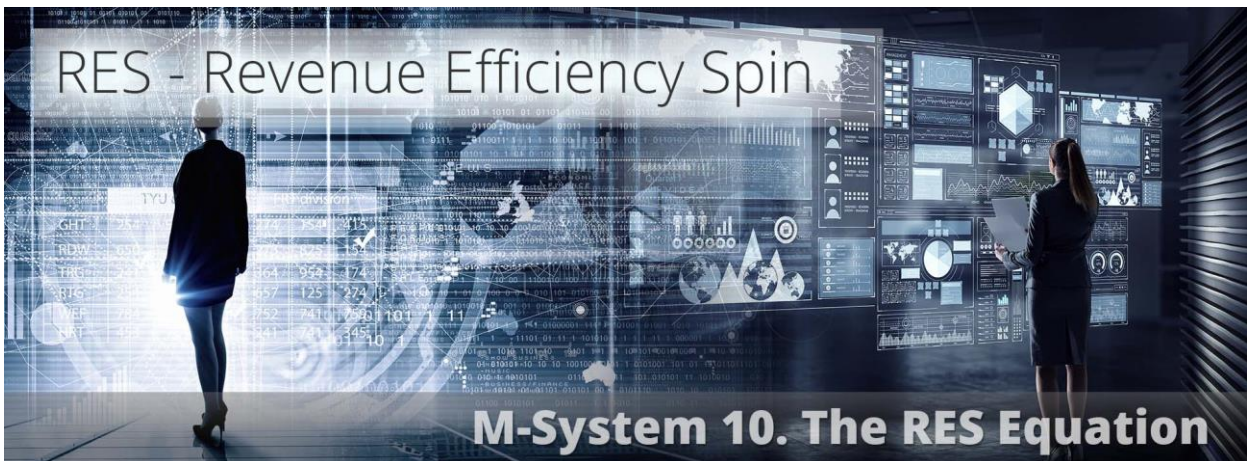
S-World Angelwing Economic Software Framework

1. S-World Network
Villa Secrets 'et al.'
Microeconomics
The TBS (Δ)
Total Business Systems
S-Web™
The Nudge-IRM-AI
The BES™ Observer
2. Growth Theory
Externalities
 $M \ll B^{ST}$
 $A^{ST} \ll B^{ST}$
Sienna Equilibrium
Experience Africa
CONSERVATION
3. The Susskind Boost
Boosts company's profit
 $\hat{S} = (\hat{G} \times \Delta) \hat{T} + \hat{W} + \hat{C} + \hat{M} + (\hat{R} + \hat{Y}) + \hat{D} + \hat{D}2 > 9$
Maintains the Integrity of the Financial Gravity.
4. The Peet Tent & QSF
S-World companies do not fail
$$\hat{A} = \frac{\hat{G} \times \hat{Z} \times \hat{\Phi} \times \hat{\Psi} \hat{b}}{\hat{O}} \times \frac{(\hat{M} \times \hat{H}) \times \hat{C} \times \hat{U}}{\hat{O} \times \hat{e}}$$

M-Systems A More Creative Capitalism

5. 'POP 1' - Financial Gravity
Mitigates the effect of rounding errors by creating 'Points of Profitability' at which all companies are measured within a cubic multi dimensional economic system.
Integrity maintained by M-Systems 3 & 4.
6. The Theory of Every Business
Grand Networks (Charter Cities 2.0)
7. S-World VBN™ & VSN™
The Virtual Networks
8. S-World Film & BES™
Behavioral Economic Systems
9. 'POP 2' - Super-Coupling
 $\hat{A} \times \hat{S} \times \hat{A} \times \hat{N} \times \hat{g}_x \times \hat{P} + (\hat{\Sigma} \hat{B}^{\Delta}) + (\hat{\Sigma} \hat{A}^{\Delta}) = \hat{\Delta}$
- M-System 10. **Š-RÉŠ™**
Financial Engineering

If we can use RES as prescribed here and in later (The How) essays, it changes **economics to Supereconomics**, such is its power.



m-30 (New)

A More Creative Capitalism

RES™ High-Octane Financial Engineering

17th December to 15th January

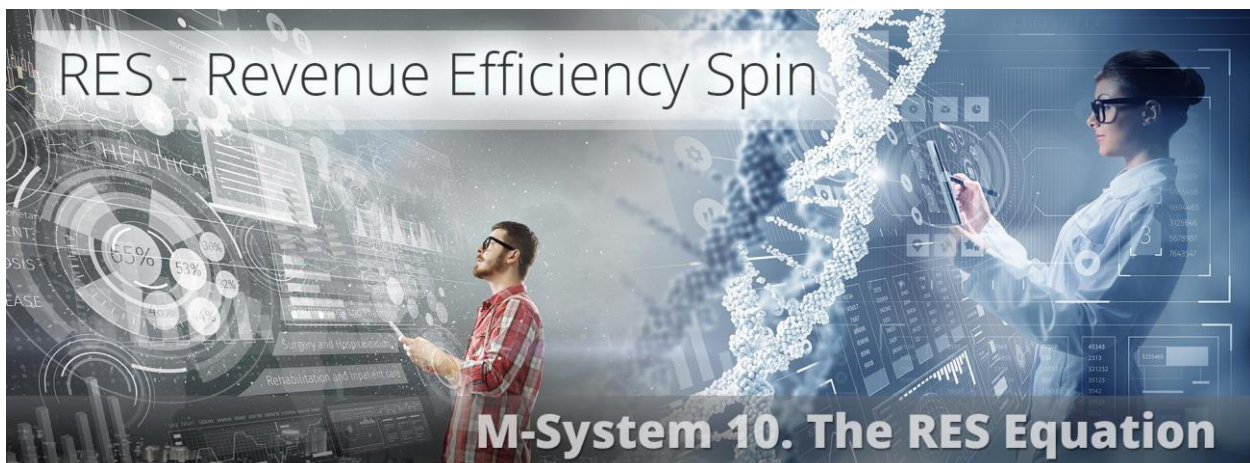
RES-High-Octane-Financial-Engineering-9.60-n11-g1-k0-15th-Jan-2019

946 KB

4567 Words

15 Pages

✓✓✓✓✓





m-40

SUPERECONOMICS

Part 3. Š-ŘÉŠ™ v6 Financial Engineering (The How)

www.angeltheory.org/m40.pdf

July 2018

Supereconomics - Part 3. Š-ŘÉŠ (The How) + Addendums Summary + What if I'm right

2,306 KB

6,763 Words

27 Pages

✓✓✓✓✓✓✓✓✓✓

"A good model starts from assumptions that simplify but are not surprising yet reaches surprising results. Ideally, it crystallises something that thereafter seems obvious, but hitherto you had not realised."

The Future of Capitalism – Paul Collier

Thinking in Systems

By Donella Meadows

"A system is an interconnected set of elements that is coherently organized in a way that achieves something. A school is a system. So is a city, and a factory, and a corporation, and a national economy.

A stock is the foundation of any system.

The Network v8

SUPERECONOMICS THE PAPER

A Summary of 'A More Creative Capitalism'

THE WHY

Why should we do this?

Page ?0 to 80 (25?? words)

64 Reasons Why

~~152 – Story 33a. 46 Reasons Why – Part 1~~

~~153 – Story 33b. 46 Reasons Why – Part 2~~

~~154 – Story 33c. 64 Reasons Why – Part 3~~

~~155 – Story 34. 64 Reasons Why – Reason 32~~

The Elephant in the Room – Growth Theory versus Climate Change

GROWTH THEORY VS CLIMATE CHANGE



158 – Story 35. 64 Reasons Why – Summary

159 – Story 36. 90 Reasons Why – Index

160 – **Story 37.** 100 Economic Reasons Why

KATE RAWORTH – DOUGHNUT ECONOMICS



THE WHY

64 Reasons Why

?? – Blank Page

1 – Doughnut Economics

2 – Externalities

3 – The Theory of Every Business

4 – Net-Zero Dynamic Comparative Advantage

31 – **Story 50.** 64 Reasons Why – Part 1 to 3

The 64 Reasons Why

32 > 46– Reasons 1 to 35

46 to 50 – **Story 50.** 64 Reasons Why - Reason 32

The Elephant in the Room
GROWTH THEORY VS CLIMATE CHANGE



50 >70– Reasons 36 to 64

4. Net-Zero Dynamic Comparative Advantage

Audible Chapter 2 – 30.09

The Theory of Comparative Advantage Redefined

Perhaps the most important way in which our book differs from classical prescriptions.

Copy this to the end of the book.....

Audible Chapter 2 – 30.40

But our book also provides a different perspective on what is meant by comparative advantage.

The traditional theory of comparative advantage (as developed by Heckscher and Ohlin), based on the notion that knowledge was fully available, focused on relative factor endowments. Portugal exported wine because it was endowed with weather more suitable for growing wine, England cloth. Countries that had an abundance of unskilled labour exported labour-intensive goods.

Krugman's (1979) research building on the Dixit – Stiglitz model of product differentiation made it clear that something besides factor endowments mattered. He observed that most trade today is between countries that have similar factor endowments. And he observed that they often traded singular products. Germany exports cars to the United States and the United States exports cars to Germany and other countries. But in the Krugman – Dixit – Stiglitz model, there is no explanation of why Germany is exporting the kinds of cars that it does. There are multiple equilibriums: the United States could have wound up exporting the cars that Germany did and vice versa.

Our analysis suggests that, to a large extent, these patterns are not just the outcome of fortune, the toss of a coin, but are related to the more fundamental endowments - the state of knowledge and learning capabilities.

Justin Linn (2012) has distinguished between industrial policies that defy comparative advantage, which he argues are likely to be unsuccessful and those that are consistent with comparative advantage, which can be an important component of successful development. While there is considerable insight in his distinction, the key question is, 'what are a country's endowments, which determines its comparative advantage?' This is equivalent to asking, what are the relevant state variables, those that describe the state of the economy today? And what is the "ecology" against which the country's endowments are to be compared? That is what are the relevant endowments of other countries?

32:42

It has become conventional wisdom to emphasize what matters is not static comparative advantage but dynamic comparative advantage. Korea did not

have a comparative advantage in producing semiconductors when it embarked on its transition. Its static comparative advantage was in the production of rice. Had it followed its static comparative advantage (as many neoclassical economists had recommended), then that might still be its comparative advantage; it might be the best rice grower in the world, but it would still be poor. But a country's dynamic comparative advantage is endogenous, a result of what it does.

There seems to be a circularity here. **What should a country do today to create its dynamic comparative advantage?** Ascertaining a country's static comparative advantage is difficult; ascertaining its dynamic comparative advantage is even harder. As we noted, standard comparative advantage focused on factor endowments (capital-labour ratios). But with capital highly mobile, capital endowments should matter little for determining even static comparative advantage. Still, capital, or more accurately, the knowledge of the various factors that affect returns and that is required to use capital efficiently, doesn't move perfectly across borders; neither does knowledge about how effective a particular enterprise is in using various inputs to produce and market outputs. That means that the resident of country 'j' may demand a higher return for investing in country 'i' than they would demand for investing in their own country. There is, in practice, far less than perfect capital mobility.

Now from David A Moss

Indeed, the Nobel Prize-winning economist Paul Samuelson once acknowledged that "it is a simplified theory. Yet, for all its oversimplification, the theory of comparative advantage provides a most important glimpse of truth.

Political economy has found few more pregnant principles. A nation that neglects comparative advantage may pay a heavy price in terms of living standards and growth. "

Remarkably, most of us—even those who have never studied the theory of comparative advantage—tend to live by it in our own personal affairs every day. For the most part, we all try to do what we're relatively best at and trade for everything else. Take an investment banker, for example. Even if that investment banker were

better at painting houses than any professional painter in town, she would still probably be wise (from an economic standpoint) to focus on investment banking and to pay others to paint her house for her, rather than to paint it herself. This is because her comparative advantage is presumably in investment banking, not house painting. Taking time away from her high-paying investment banking job in order to paint her house would likely prove quite costly, ultimately reducing the amount of money she could earn and, in turn, the amount of output she could consume. In order to maximize output, in other words, it makes sense for each of us to specialize in our comparative advantage and to trade for the rest.

A Concise Guide to Macroeconomics:

What Managers, Executives, and Students Need to Know

By David A. Moss

The state variables.... 34.43

Audible Chapter 4. – Minus 1.22.04s (Book Chapter 5)

Thus learning about accounting is essential, and keeping accounts for large organizations or in a modern large economy requires ever more complex systems. Our complex society could not function without regulations, either. But again, there is considerable scope for learning - **learning, for instance, how to regulate in ways which control externalities without imposing undue costs.**

Audible Chapter 4. – Minus 45.49 Seconds (Book Chapter 4)

The macroenvironment and the system of social protection - as well as the level of inequality, and other attributes of the economic system - can affect learning. **For instance, individuals who are preoccupied with survival or who face high levels of stress typically cannot learn as well as those who have a modicum of security.**

Growth Theory



Growth theory suggests that economic growth is primarily the result of endogenous forces (caused by something within), not external forces. The theory focuses on positive externalities and spillover effects of a knowledge-based economy, investment in human capital, innovation, knowledge, subsidies for research and development, education, and increasing the incentive for innovation, wrapped up in appropriate policy measures.

Start-Up & Charter Cities by Paul Romer



Paul Romer is the recipient of the 2018 Sveriges Riksbank Prize in Economic Sciences in Memory of Alfred Nobel, commonly referred to as the Nobel Prize in Economics for outstanding contributions to the field of economics; specifically, “*for integrating technological innovations into long-run macroeconomic analysis.*”

The following is an introduction to Paul Romer on Charter Cities from the book 'Poor Economics' by MIT Professors Esther Duflo and Abhijit Banerjee.

“One possible way to break the vicious cycle of bad institutions is to import change from the outside. Paul Romer, known for his pioneering work on economic growth a couple of decades ago, came up with what seems like a brilliant solution: If you cannot run your country, subcontract it to someone who can.

Still, running an entire country may be difficult. So, he proposes starting with cities, small enough to be manageable but large enough to make a difference. Inspired by the example of Hong Kong, developed with great success by the British and then handed back to China, he developed the concept of “charter cities.” Countries would hand over an empty strip of territory to a foreign power, who would then take the responsibility for developing a new city with good institutions.

Starting from scratch, it is possible to establish a set of good ground rules (his examples range from traffic congestion charges to marginal cost pricing for electricity, and of course include legal protection of property rights). Because no one was forced to move there, and all new arrivals are voluntary—the strip was empty to start with—people would not have any reason to complain about the new rules.

One minor drawback with this scheme is that it is unclear that leaders in poorly run countries would willingly enter into an agreement of this sort. Moreover, even if they did, it is not clear they could find a buyer: Committing not to take over the strip of land once it is actually successful would be quite difficult.”

Paul Romer discusses the matter further on his website: <https://paulromer.net>.

56.30: “It’s not a great solution. Nobody likes it. But you got to ask, compared to what?” 57.55: “On this issue about migration, we don’t have a backup plan.”

1.01.49: “I would have written less, but I did not have the time.”

Creating a Learning Society by Joseph E. Stiglitz

Audible Chapter 5. – **Minus 24.00 Seconds** (Book Chapter 5)

4. Concentration and Diffusion of Knowledge Across Firms

Diffusion of knowledge amongst densely collocated, large-scale industrial enterprise (often producing differentiated products) is likely to be far more rapid than the diffusion of knowledge amongst dispersed, small-scale agricultural or craft enterprises.

The fact that they are producing different products enhances the likelihood that they will make different discoveries. The fact that they are producing similar products enhances the likelihood that a discovery relevant to one product will be relevant to another.

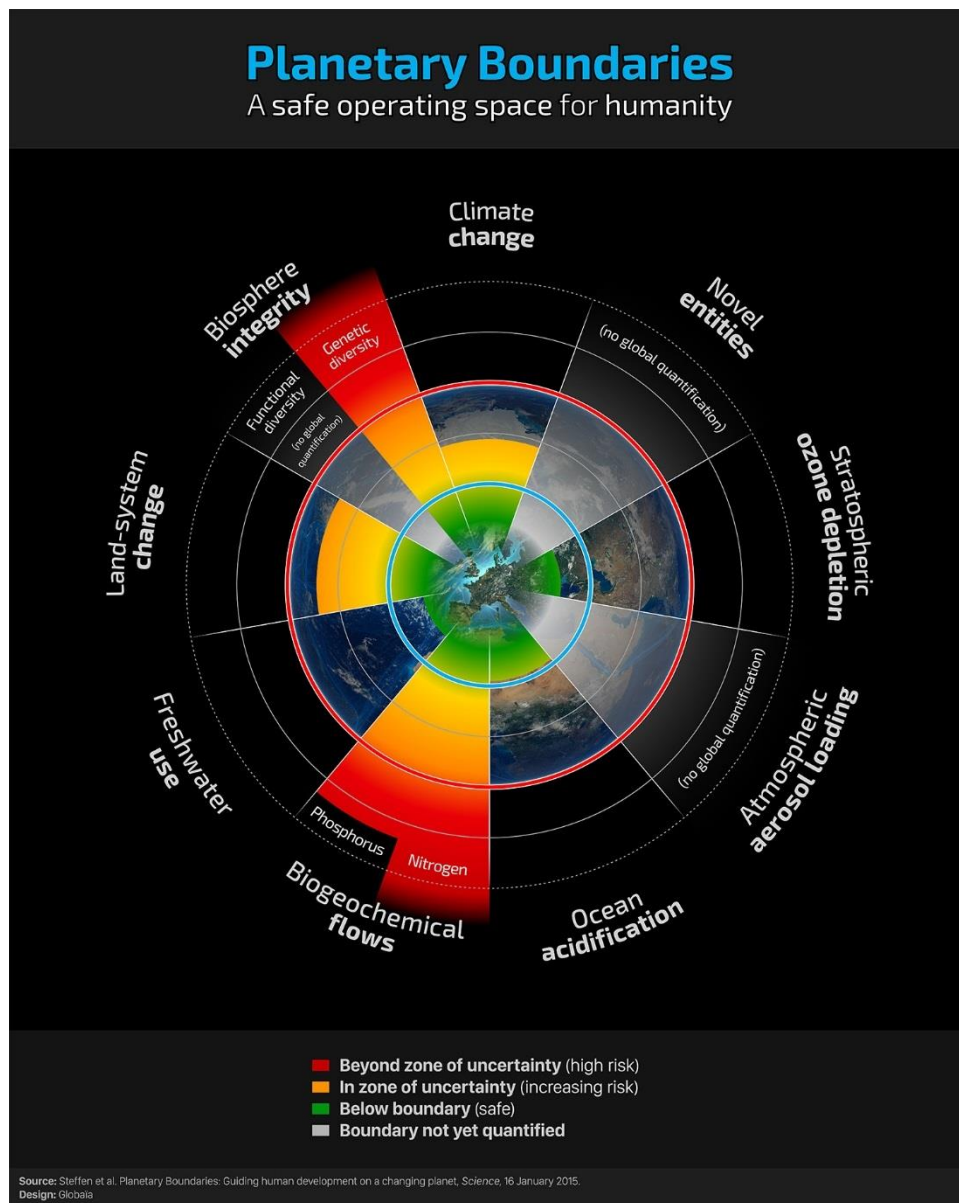
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Thought when watching Margin Call.

The city needs a certain minimum amount of businesses before it can reach lift-off per Stiglitz.

STOCKHOLM RESILIENCE CENTRE

The Nine Planetary Boundaries



<https://www.stockholmresilience.org/research/planetary-boundaries/planetary-boundaries/about-the-research/the-nine-planetary-boundaries.html>

1. Stratospheric Ozone Depletion
2. Loss of Biosphere Integrity (Biodiversity Loss and Extinctions)
3. Chemical Pollution and the Release of Novel Entities

4. Climate Change
5. Ocean Acidification
6. Freshwater Consumption and the Global Hydrological Cycle
7. Land System Change
8. Nitrogen and Phosphorus Flows to the Biosphere and Oceans
- 9. Atmospheric Aerosol Loading**

UNITED NATIONS

Sustainable Development Goals 2019

<https://www.un.org/sustainabledevelopment/sustainable-development-goals>.



UN GOAL 1: No Poverty

Economic growth must be inclusive to provide sustainable jobs and promote equality.

UN GOAL 2: Zero Hunger

The food and agriculture sector offer key solutions for development and is central for hunger and poverty eradication.

UN GOAL 3: Good Health and Well-Being

Ensuring healthy lives and promoting the well-being for all at all ages is essential to sustainable development.

UN GOAL 4: Quality Education

Obtaining a quality education is the foundation to improving people's lives and sustainable development.

UN GOAL 5: Gender Equality

Gender equality is not only a fundamental human right, but a necessary foundation for a peaceful, prosperous and sustainable world.

UN GOAL 6: Clean Water and Sanitation

Clean, accessible water for all is an essential part of the world we want to live in.

UN GOAL 7: Affordable and Clean Energy

Energy is central to nearly every major challenge and opportunity.

UN GOAL 8: Decent Work and Economic Growth

Sustainable economic growth will require societies to create the conditions that allow people to have quality jobs.

UN GOAL 9: Industry, Innovation, and Infrastructure

Investments in infrastructure are crucial to achieving sustainable development.

UN GOAL 10: Reduced Inequalities

To reduce inequalities, policies should be universal in principle, paying attention to the needs of disadvantaged and marginalized populations.

UN GOAL 11: Sustainable Cities and Communities

There needs to be a future in which cities provide opportunities for all, with access to basic services, energy, housing, transportation, and more.

UN GOAL 12: Responsible Consumption and Production

Responsible Production and Consumption. Recycle paper, plastic, glass and aluminium

UN GOAL 13: Climate Action

Climate change is a global challenge that affects everyone, everywhere.

UN GOAL 14: Life Below Water

Careful management of this essential global resource is a key feature of a sustainable future. Avoid plastic bags to keep the oceans safe and clean

UN GOAL 15: Life on Land

Sustainably manage forests, combat desertification, halt and reverse land degradation, halt biodiversity loss.

Plant a tree and help protect the environment.

UN GOAL 16: Peace, Justice and Strong Institutions

Access to justice for all, and building effective, accountable institutions at all levels.

Use your right to elect the leaders in your country and local community

UN GOAL 17: Partnerships

Revitalize the global partnership for sustainable development.

Get the SDGs in Action app to learn about the Goals and ways to help achieve them.

1. Special Project 1. Experience Africa (Conservation)



UN GOAL – 15: Life on Land (Biodiversity Loss) – (Also SRC Goal 2)

UN GOAL – 11: Sustainable Cities and Communities

2. Special Project 2. The Ecological Experience Economy (EEE)



SRC GOAL 3: Chemical Pollution and the Release of Novel Entities

SRC GOAL 7: Land System Change

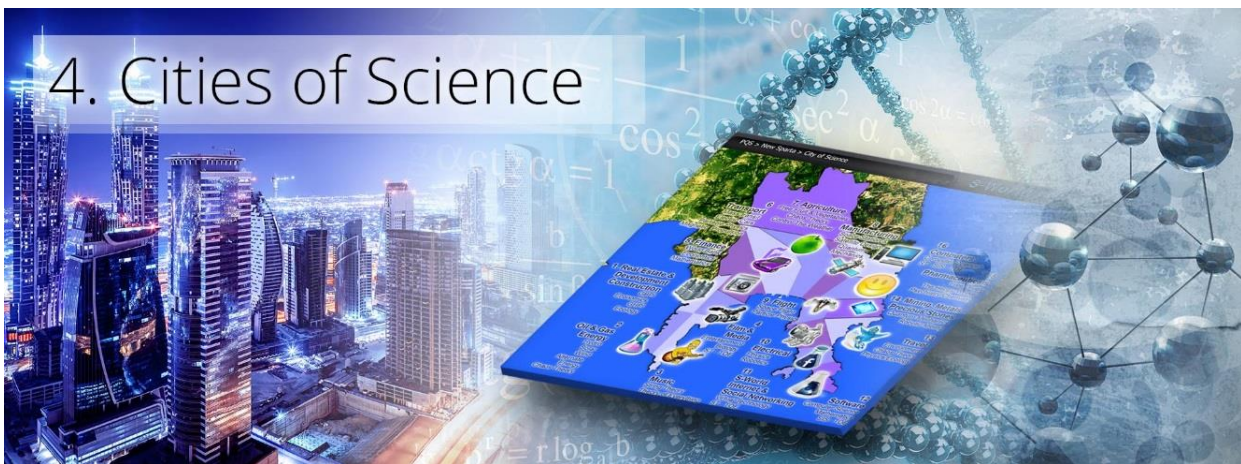
3. Special Project 3. Advancing Human Potential



UN GOAL 4: Quality Education

UN GOAL 9: Industry, Innovation, and Infrastructure

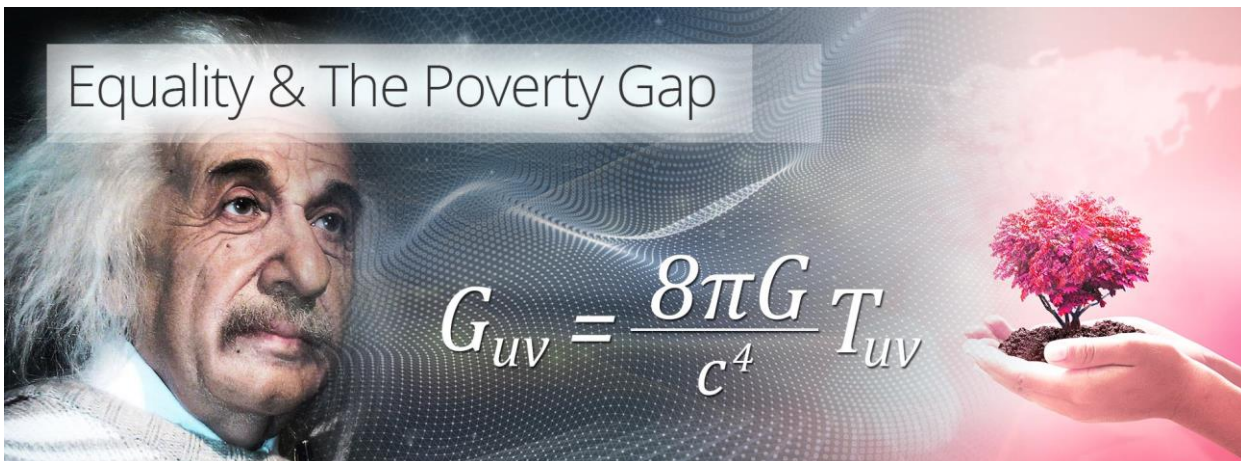
4. Special Project 4. Cities of Science



UN GOAL 9: Industry, Innovation, and Infrastructure

UN GOAL 11: Sustainable Cities and Communities

5. Special Project 5. POP – Equality & The Poverty Gap



UN GOAL 1: No Poverty

UN GOAL 5: Gender Equality

6. Special Project 6. Sienna's Forests



UN GOAL 15: Life on Land (+UN GOALS 11, 13)

SRC GOAL 7: Land System Change (+ SRC GOALS 2, 4, 6)

Special Project 6 **Sienna's Forests**



7. Special Project 7. Global Cooling



UN GOAL 13: Climate Action

SRC GOAL: Climate Change

8. Special Project 8. Universal Knowledge



UN GOAL 4: Quality Education

UN GOAL 9: Industry, Innovation, and Infrastructure

9. Special Project 9. Spartan Contracts – Great Jobs, Jobs, Jobs + Skills



UN GOAL 4: Quality Education

UN GOAL 8: Decent Work and Economic Growth

UN GOAL 9: Industry, Innovation, and Infrastructure (+ UN GOALS: 10, 11, 16, 17)

10. Special Project 10. Universal Healthcare



UN GOAL 3: Good Health and Well-Being

11. Special Project 11. African Rain



SRC GOAL 6: Freshwater Consumption (+ SRC GOALS: 2, 4, 7)

UN GOAL 6: Clean Water and Sanitation (+ UN GOALS: 3, 9, 13, 15, 17)

12. Special Project 12. Their Oceans



SRC GOAL 5: Ocean Acidification (+ SRG GOALS 2, 5, 8)

UN GOAL 14: Life Below Water (+ UN GOALS 6, 9, 12)

13. Special Project 13. Middle Earth



UNIQUE S-WORLD GOAL: Complexity Saving - In the case of an ELE

UN GOAL 9: Industry, Innovation, and Infrastructure

14. Special Project 14. The Population Point



SRC GOAL 7: Land System Change (+ ALL OTHER SRC GOALS)

UN GOAL 1: No Poverty (+UN GOALS 2, 3, 6, 8, 11, 12, 13, 14, 15, 16, 17)

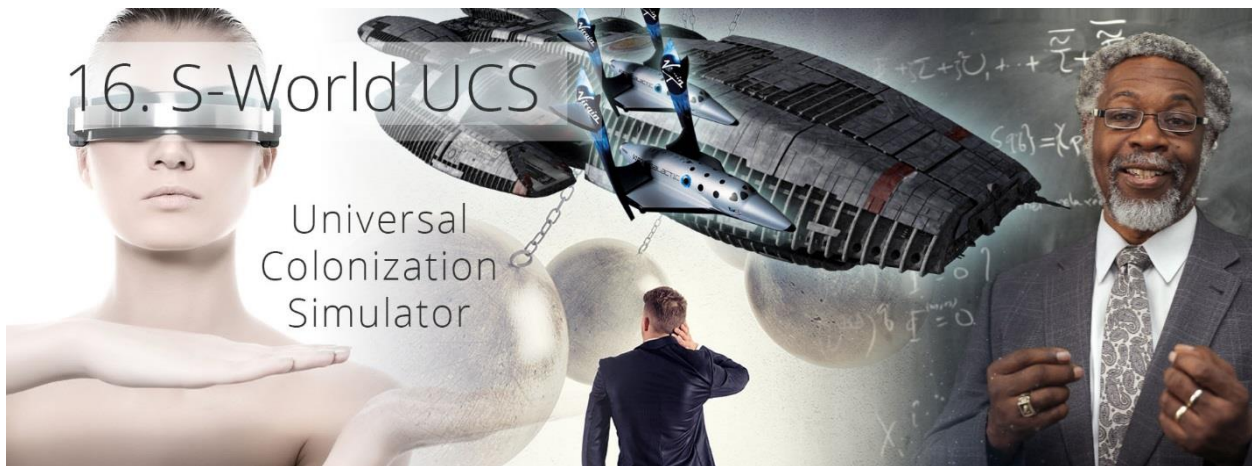
15. Special Project 15. The Spartan Theory – Peace on Earth



UN GOAL 16: Peace, Justice and Strong Institutions

UN GOAL 17: Partnerships

16. Special Project 16. S-World UCS™ (Voyager, Angel Cities et al.)



UNIQUE S-WORLD GOAL: Complexity Saving - In the case of an ELE

UN GOAL 9: Innovation (+ 8: Economic Growth, 17: Partnerships)

17. Special Project 17. S-World UCS MARS Resort 1



UN GOAL 9: Industry, Innovation, and Infrastructure

UNIQUE S-WORLD GOAL: Complexity Saving - In the case of an ELE

18. Special Project 18. Tax Symmetry



UN GOAL 1: No Poverty (+ Enables all UN goals in one way or another.)

SRC GOAL 4: Climate Change (+ Enables all SRC goals in one way or another.)

19. Special Project 19. Š-ŘÉŠ™ - Financial Engineering



UN GOAL 1: No Poverty (+ Enables all UN goals in one way or another.)

SRC GOAL 4: Climate Change (+ Enables all SRC goals in one way or another.)

20. Special Project 20. Five-Star Social Housing



UNIQUE S-WORLD GOAL: Five-Star Social Housing

UNIQUE S-WORLD GOAL: Ten Million Such Homes in Malawi

21. Special Project 21. Partnerships (Business)



UN GOAL 9: Industry, Innovation, and Infrastructure

UN GOAL 11: Sustainable Cities and Communities (+ UN GOAL 17: Partnerships)

22. Special Project 22. The TBS™ – Total Business Systems



UN GOAL 9: Industry, Innovation, and Infrastructure

UN GOAL 8: Decent Work and Economic Growth (+ UN Goal 11 Cities)

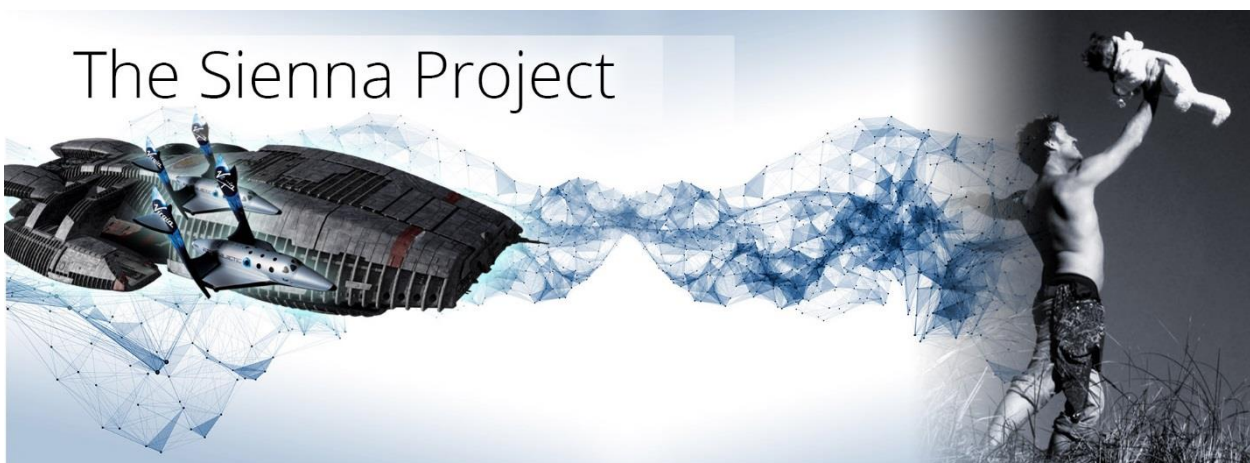
23. Special Project 23. Villa Secrets et al. Microeconomic Network Strategies



UN GOAL 17: Partnerships

UN GOAL 9: Industry and Innovation

24. Special Project 24. S-World Film



MOST UN GOALS

MOST SRC GOALS

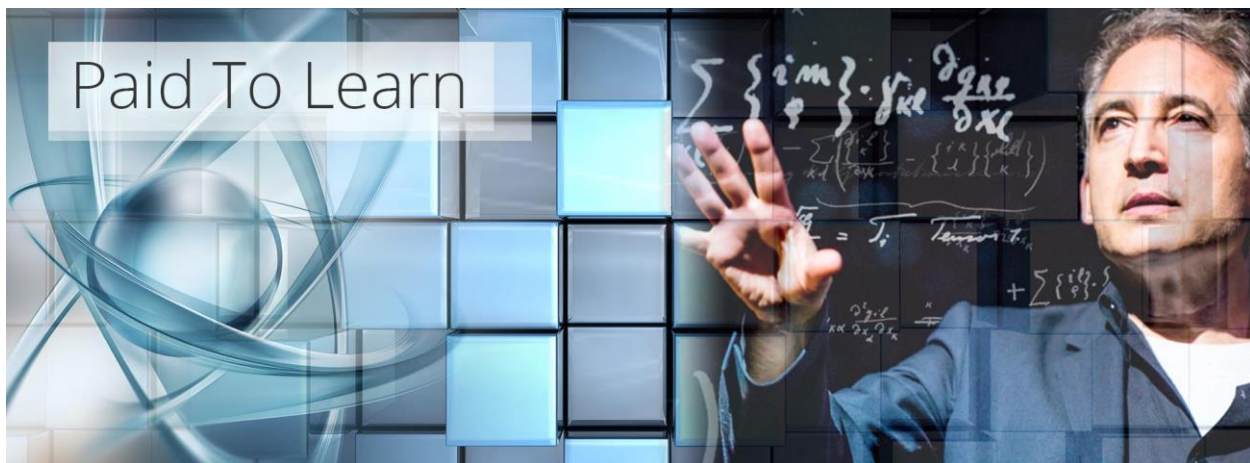
25. Special Project 25. S-World VSN™ Virtual Education & Training of Nations



UN GOAL 4: Quality Education (+GOAL 11: Cities and Communities)

UN GOAL 9: Innovation (+GOAL 17: Partnerships)

26. Special Project 26. Paid to Learn



UN GOAL 4: Quality Education (+GOAL 11: Cities and Communities)

UN GOAL 9: Innovation +(GOAL 16: Peace, Justice) (+GOAL 17: Partnerships)

27. Special Project 27. S-World UCS™ MMO Game-Based Education



UN GOAL 4: Quality Education (+GOAL 11: Cities and Communities)

UN GOAL 9: Innovation +(GOAL 16: Peace, Justice) (+GOAL 17: Partnerships)

28. Special Project 28. S-World BES™ Behavioral Economic Systems



UN GOAL 8: Decent Work and Economic Growth (+ MOST OTHER GOALS)

SRC GOAL 4: Climate Change (+ ALL OTHER GOALS)

29. Special Project 29. S-World Angelwing Economic Software Framework



UN GOAL 8: Decent Work and Economic Growth

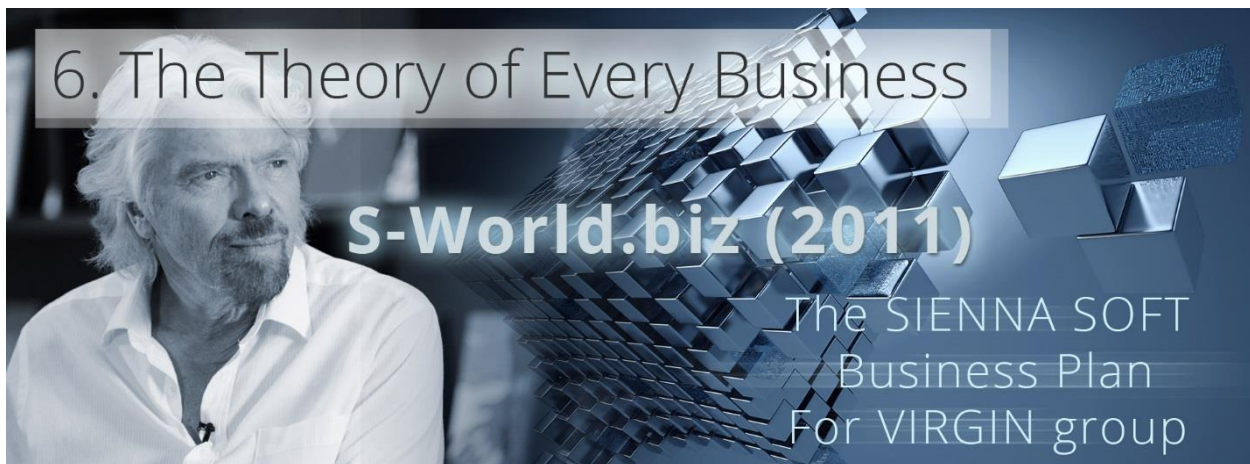
GOAL 11: Sustainable Cities and Communities

GOAL 17: Partnerships

+ ALL OTHER UN GOALS

SRC GOAL 4: Climate Change (+ ALL OTHER SRC GOALS)

30. The Theory of Every Business | Net-Zero Dynamic Comparative Advantage



UN GOAL 1: No Poverty, 7: Clean Energy, 8: Jobs, 9: Innovation, 10, 11, 12, 15, 17
SRC GOAL 4: Climate Change (+ MOST OTHER SRC GOALS)

31. Special Project 31. The MB String, Ripple Effects and Externalities



UN GOAL 11: Sustainable Cities and Communities (+MOST OTHER UN GOALS)
SRC GOAL 4: Climate Change (+ALL MOST OTHER SRC GOALS)

32. Special Project 32. The Malawi Grand Network (Jobs, Jobs, Jobs)



UN GOAL 9: Industry, Innovation, and Infrastructure (+MOST OTHER UN GOALS)
SRC GOAL 7. Land System Change (+ MOST OTHER SRC GOALS)

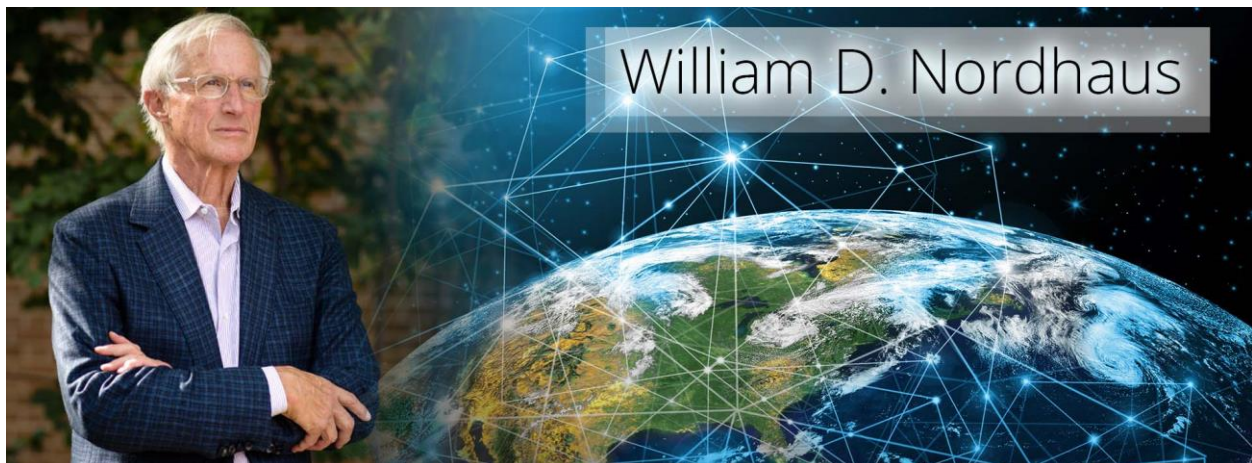
33. Special Project 33. Growth Theory versus Climate Change



One of the happiest and enlightened days of my life was the 8th of October 2018, the day the 2018 Economic Nobel Prize winners were announced. With this book on the way and my years 2011 to 2018 invested in it, the idea of a City was just too big for most people. And to date, I only had one economic theory to back it up, the Charter City by Paul Romer. But then, on that day, Paul Romer shot to academic celebrity status as he was named one of two co-winners of the prize.



But that was only half my excitement, as the second prize was awarded to William Nordhaus for his work on climate theory and the need for a carbon tax. I can't say to have known Nordhaus, but that was not important. It was not the man, rather the subject that was important. This said it did later help to know that Nordhaus was one of the nicest professors on the planet; so dedicated to his pupils that he spent time after class that day with them and was late for the cameras.



The reason I was so happy to see Nordhaus win was that the difference between my City plans and others was since the get-go, in 2011, the S-World Cities had all been designed to be net-zero; specifically, S-World Grand Networks (as they are now called) would produce more oxygen after than the development did before.

At the time, I was working on an essay called 'RÉS on MARS - A Thought Experiment,' about a City on MARS and how the RES Equation (Revenue x Efficiency x Spin) from American Butterfly in 2012 would work spectacularly if one could pay companies, labour and the government in 'Network Credits.' And further, for RES to work in the real world, we needed a country that was economically like MARS, which currently has zero GDP; and that as one of the world's lowest GDP and per Capita GDP countries, Malawi was chosen for the case study.

It took about a month to wrap that up, and then I started the book you are reading now: 64 Reasons Why; and central to that theme, the first version of this paper: Growth Theory versus Climate Change. The original was longer and started with the 64 Reasons, but then mostly went on to explain some of the systems and software needed to drive Global Networks and Cities, which was too much information.



I had previously read Straight Talk on Trade by Dani Rodrik and was entertained by his 'Nobel Confusion?' passage which stated: "When the 2013 Nobel Prize in economics was awarded to Eugene Fama and Robert Shiller along with Lars Peter Hansen, many were puzzled by this selection. Fama and Shiller are both distinguished and highly regarded scholars, so it was not their qualifications that raised eyebrows. What seemed odd was that the committee had picked them together. The two economists seem to hold diametrically opposed views on how financial markets work."

There is more to this passage and Lars Peter Hansen. But for conciseness, as soon as I joined the dots with the 2018 selection of Romer and Nordhaus, I felt they had done it again, only this time without a third nominee, proving a way that the two theories could agree. This time I was the third party. And I conjectured that 99 times out of 100, Growth Theory, or just Growth, creates the need for energy and that more often than not, adds carbon to the atmosphere. Even if everyone could use solar, there's still all the vehicles. Growth Theory versus Climate Change is as close to a zero-sum game as you get, and when one combines growth theory with the building of cities and industry, you are usually talking about a major loss for the climate.

Go to Bottom Billion

Round robin, in that, if they can get away with it, you will have another 100 countries in the middle, saying if it's ok for them, it's ok for us. And further, that even if they wanted to, they could not afford to change. And that even if the world imposed huge penalties, in terms of Aid and Technical Assistance given, much of the economies of the poorest are not recorded.

Start of notes...

Carbon creating in one way or/ and another, as so Growth Theory causes Climate Change. And so, my paper had the title 'How on Earth Can Growth Theory be Good for Climate Change?'



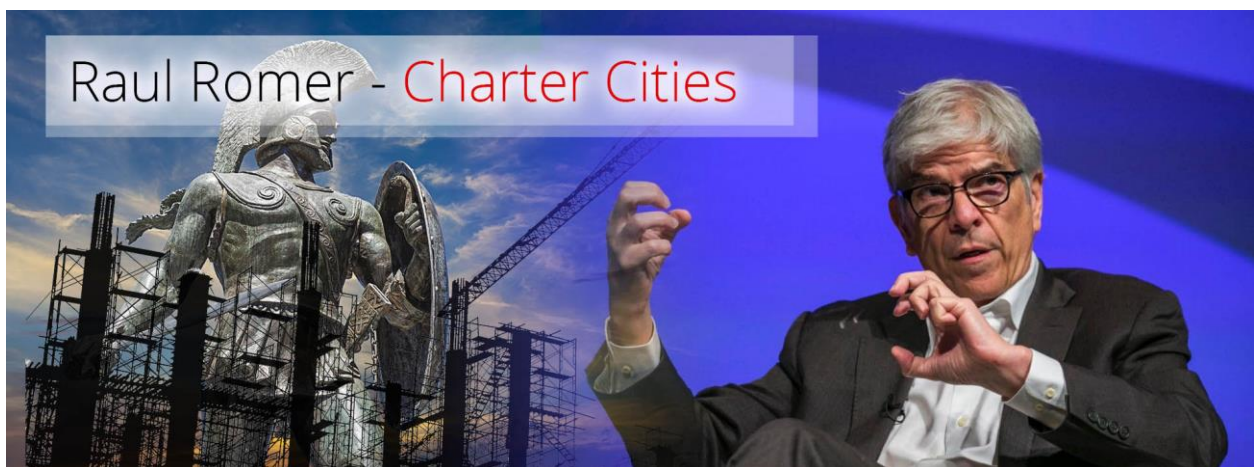
Once I had developed RES into the paper 'The RES Equation,' I started on the 'Net-Zero...

Then along the way, I studied two further books, Kate Raworth's Doughnut Economics with its elegant model of the doughnut with skyward menaces outside and the social foundation below, which seemed to perfectly complement the other 64 Reasons Why.



And more recently, Paul Collier's *The Future of Capitalism*, which adds Political Mechanics and many other contributions relevant to the idea of creating Net-Zero Cities. And when complemented by his other works makes him the 4th name on the team sheet for this specific paper.

And the spectacular rise of Sienna's Forest from what was not (but sounded like) a trick to increase the cost of forest worldwide, to the trick of matching every mile of development in Malawi to a mile of reforestation, a much better trick.



34. Special Project 34. Net-Zero Industry



UN GOAL 12: Responsible Consumption and Production (+ GOALS: 7, 8, 9, 13)

SRC GOAL 4. Climate Change (+ GOALS: 1, 3, 5, 8, 9)

35. Special Project 35. Scarce Resources



UN GOAL 11: Sustainable Cities (+ 13: Climate Action, 15: Life on Land)

SRC Goal 4 Climate Change (For instance, buying a coal mine and closing it.)

36. Special Project 36. Biodegradable Packaging and Plastics



UN GOAL 14: Life Below Water (+ 6: Clean Water and Sanitation, 15: Life on Land)

SRC GOAL: Loss of Biosphere Integrity (+ 3: Chemical Pollution)

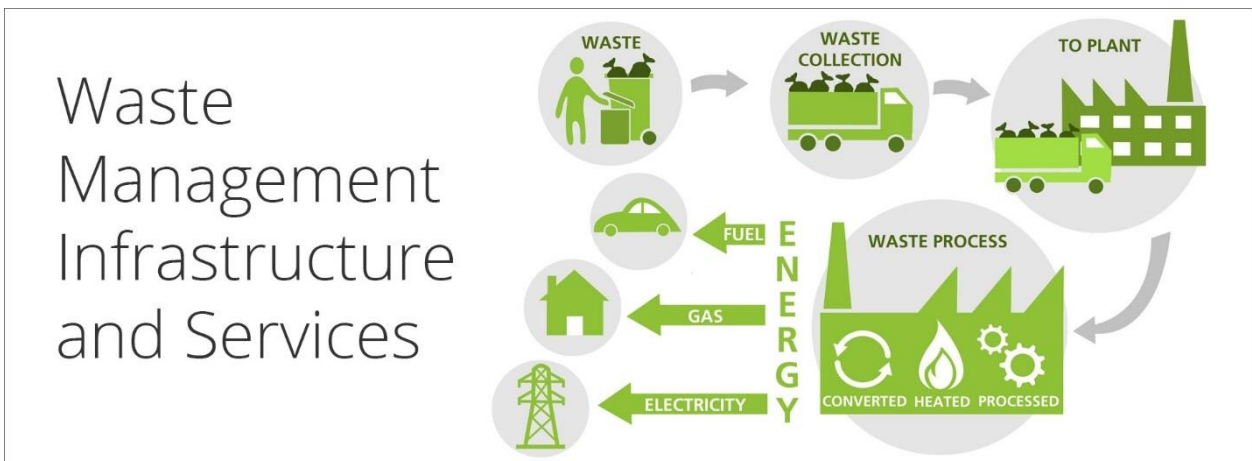
37. Special Project 37. Recycling



UN GOAL 12: Responsible Consumption and Production

UN GOAL 14: Life Below Water

38. Special Project 38. Waste Management Infrastructure and Services



UN GOAL 3: Good Health and Well-Being

UN GOAL 12: Responsible Consumption and Production

39. Special Project 39. Infrastructure



UN GOAL 9: Industry, Innovation, and Infrastructure

UN GOALS 7: Clean Energy (+8 Economic Growth, 11 Sustainable Cities)

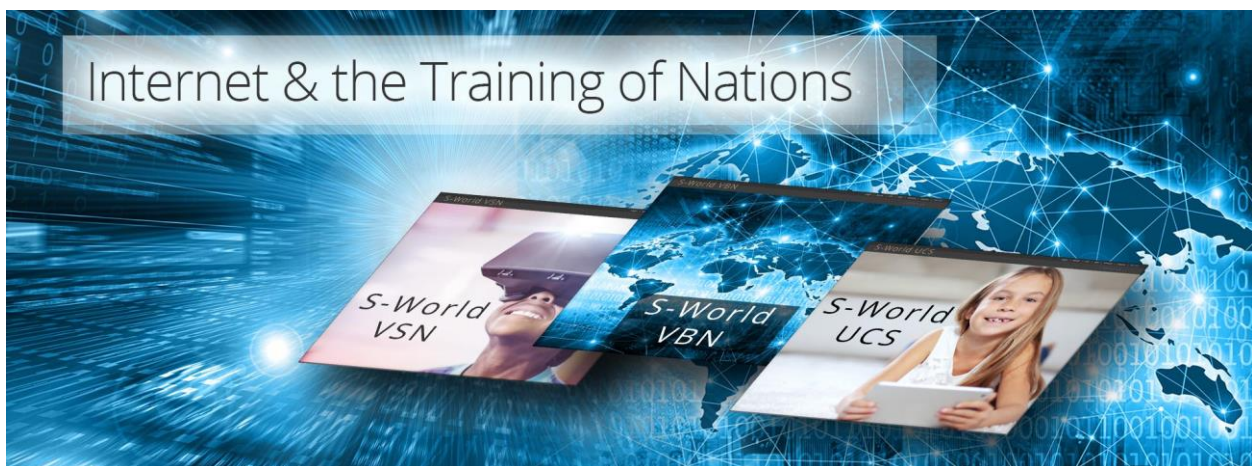
40. Special Project 40. Solar Arrays | S-World Power



SRC GOAL 4. Climate Change (+ 5: Ocean Acidification)

UN GOAL 7: Clean Energy (+ 9: Industry, 11: Cities, 13: Climate Action)

41. Special Project 41. Internet and The Training of Nations



UN GOAL 1: No Poverty (+ 4: Quality Education, 8: Economic Growth)

UN GOAL 9: Industry, Innovation, and Infrastructure (+ 17: Partnerships)

42. Special Project 42. S-World AE™ – Aid Efficiency



UN GOAL 1: No Poverty (+ All Other Goals)

SRC GOAL 4: Climate Change (+ All Other Goals)

43. Special Project 43. Welfare for the Villages of the Spartans



UN GOAL 1: No Poverty (+ 2: Zero Hunger)

UN GOAL 3: Good Health and Well-Being (+ 15: Life On Land)

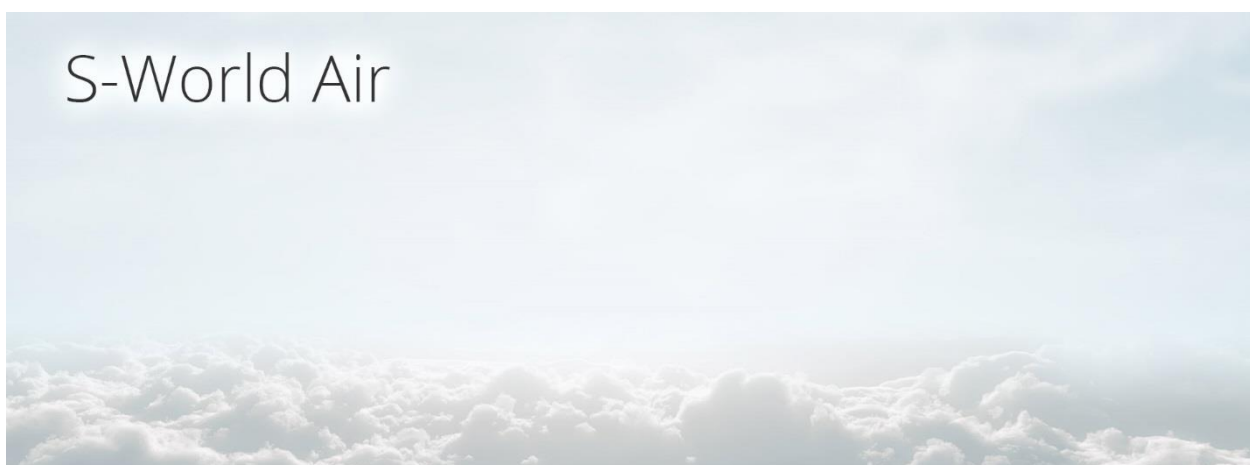
44. Special Project 44. S-World Food



UN GOAL 2: Zero Hunger

UN GOAL 3: Good Health And Well-Being

45. Special Project 45. S-World Air



SRC GOAL 1: Stratospheric Ozone Depletion (+ 4: Climate Change)

SRC GOAL 5. Ocean Acidification (+ Atmospheric Aerosol Loading)

46. Special Project 46. S-World Water

S-World Water



SRC GOAL 6: Freshwater Consumption and the Global Hydrological Cycle

UN GOAL 6: Clean Water and Sanitation

47. Special Project 47. Limiting Antibiotics and Pesticides

Limiting Antibiotics



Unique S-World Goal: If we don't stop, most of us will die.

UN GOAL 3: Good Health and Well-Being (like climate change, a global problem.)

48. Special Project 48. Is it Safe?

Is it Safe?



UN GOAL 16: Peace, Justice and Strong Institutions (+ 11: Communities)

UN GOAL 8: Economic Growth (+ 5: Gender Equality, 10: Reduced Inequalities)

49. Special Project 49. Fort Malawi Garrison (Against the Ivory Poachers)



The Fort Malawi Garrison

SRC GOAL 2: Loss of Biosphere Integrity (Biodiversity Loss and Extinctions)

UN GOAL 15: Life on Land (+ 11: Sustainable Cities and Communities)

50. Special Project 50. The Rule of Law and Institutions



The Rule of Law and Institutions

UN GOAL 8: Economic Growth (+ UN GOAL 11: Cities and Communities)

UN GOAL 16: Peace, Justice and Strong Institutions

51. Special Project 51. Female, Racial, LGBT, and other Equalities



Female, Racial, LGBT and other Equalities

**SHOW
RACISM THE
RED CARD**

UN GOAL 5: Gender Equality

UN GOAL 10: Reduced Inequalities

52. Special Project 52. Youth Projects

Youth Projects



UN GOAL 10: Reduced Inequalities (+ 11: Sustainable Cities and Communities)

UN GOAL 16: Peace, Justice and Strong Institutions

53. Special Project 53. Super Grand Network Football and Other Sports Leagues

Malawi Football and Other Sports Leagues



UN GOAL 3: Good Health and Well-Being (+4: Education and 5: Gender Equality)

UN GOAL 10: Reduced Inequalities (+ 11: Communities and 17: Partnerships)

54. Special Project 54. Malawi - 2034 FIFA World Cup Bid

Malawi - 2034 World Cup Bid



UNIQUE S-World Goal: Hope and the Rallying Call of a Nation

UNIQUE S-World Goal: Ambition and Purpose – Reaching Our Potential

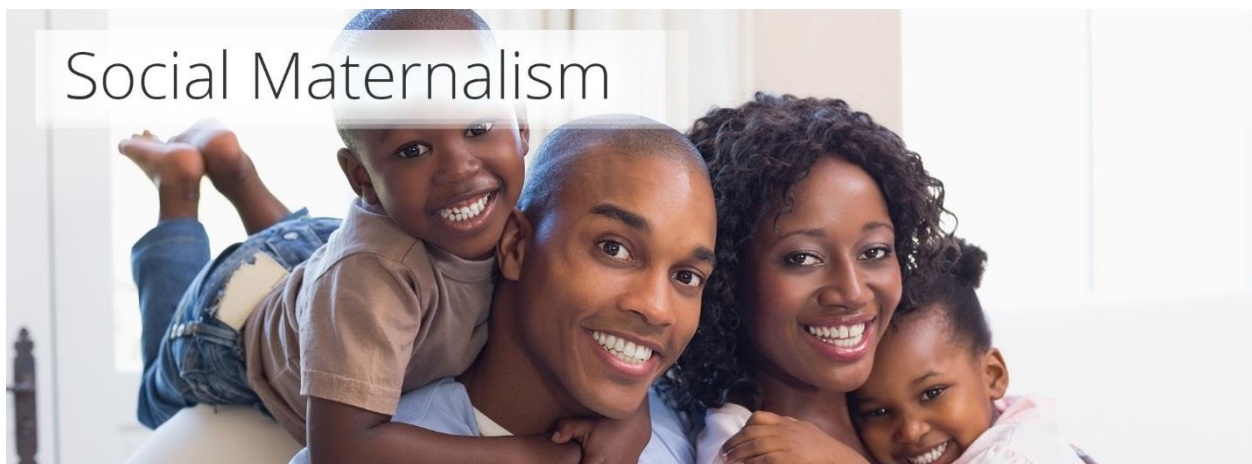
55. Special Project 55. The Arts – Music, Fashion, Stage, Art, Craft et al.



UN GOAL 3: Good Health and Well-Being (+ 4: Quality Education and 5: Equality)

UN GOAL 8: Decent Work (+ 16: Peace, Justice, and 17: Partnerships)

56. Special Project 56. Social Maternalism (The Future of Capitalism Chapter 8)



UN GOAL 3: Good Health, Well-Being (+ 4: Quality Education and 5: Equality)

UN GOAL 11: Communities (+ 16: Peace, Justice, and 17: Partnerships)

57. Special Project 57. Ecole Maternelle (Kindergartens)



UN GOAL 4: Quality Education (+3 : Well-Being and 5: Gender Equality)

UN GOAL 10: Reduced Inequalities (+ 11: Communities, 16: Peace and Justice)

58. Special Project 58. Mental Health & Addiction



UN GOAL 3: Good Health and Well-Being (+ 11: Communities)

UN GOAL 16: Peace, Justice and Strong Institutions (+ 17: Partnerships)

59. Special Project 59. Immigration



UN GOAL 3: Well-Being (+ 8: Good Work & Economic Growth + 10, 11, 15 and 16)

SRC GOAL 7: Land System Change

60. Special Project 60. S-World South Africa



UN GOAL 1: No Poverty (+ 2: Zero Hunger and all other UN Goals)

UNIQUE S-WORLD GOAL: Quality Housing

61. Special Project 61. Can an Amazon Network in Brazil Save the Amazon?



SRC GOAL 2: Biodiversity Loss and Extinctions (+ 4: Climate Change, 5 and 7)

UN GOAL 13: Climate Action (+15: Life on Land and Most other UN Goals)

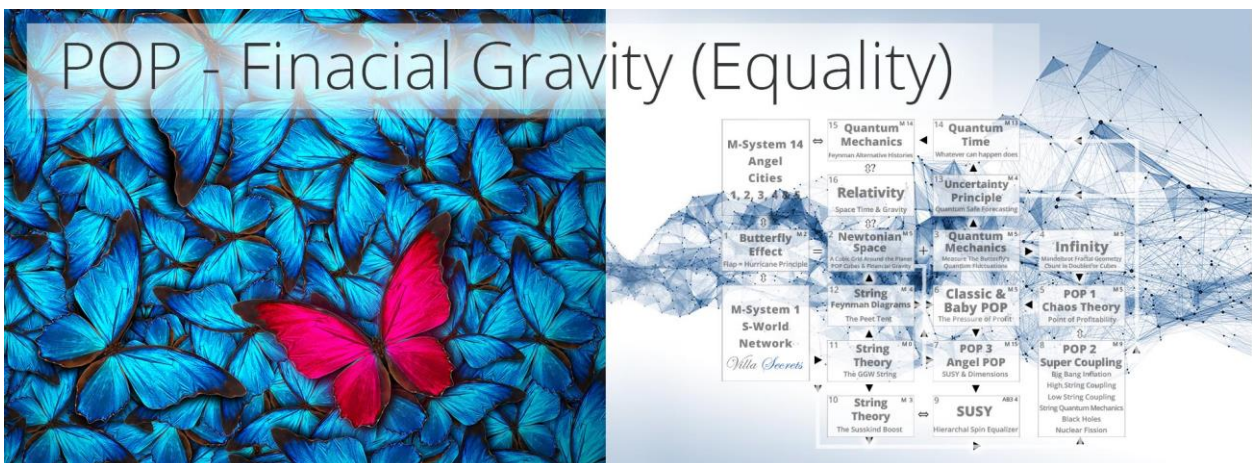
62. Special Project 62. Angel Theory (Watch Collateral Beauty)



SRC GOAL 4: Climate Change (+ All other SRC Projects)

UN GOAL 16: Peace (+ All other UN Projects)

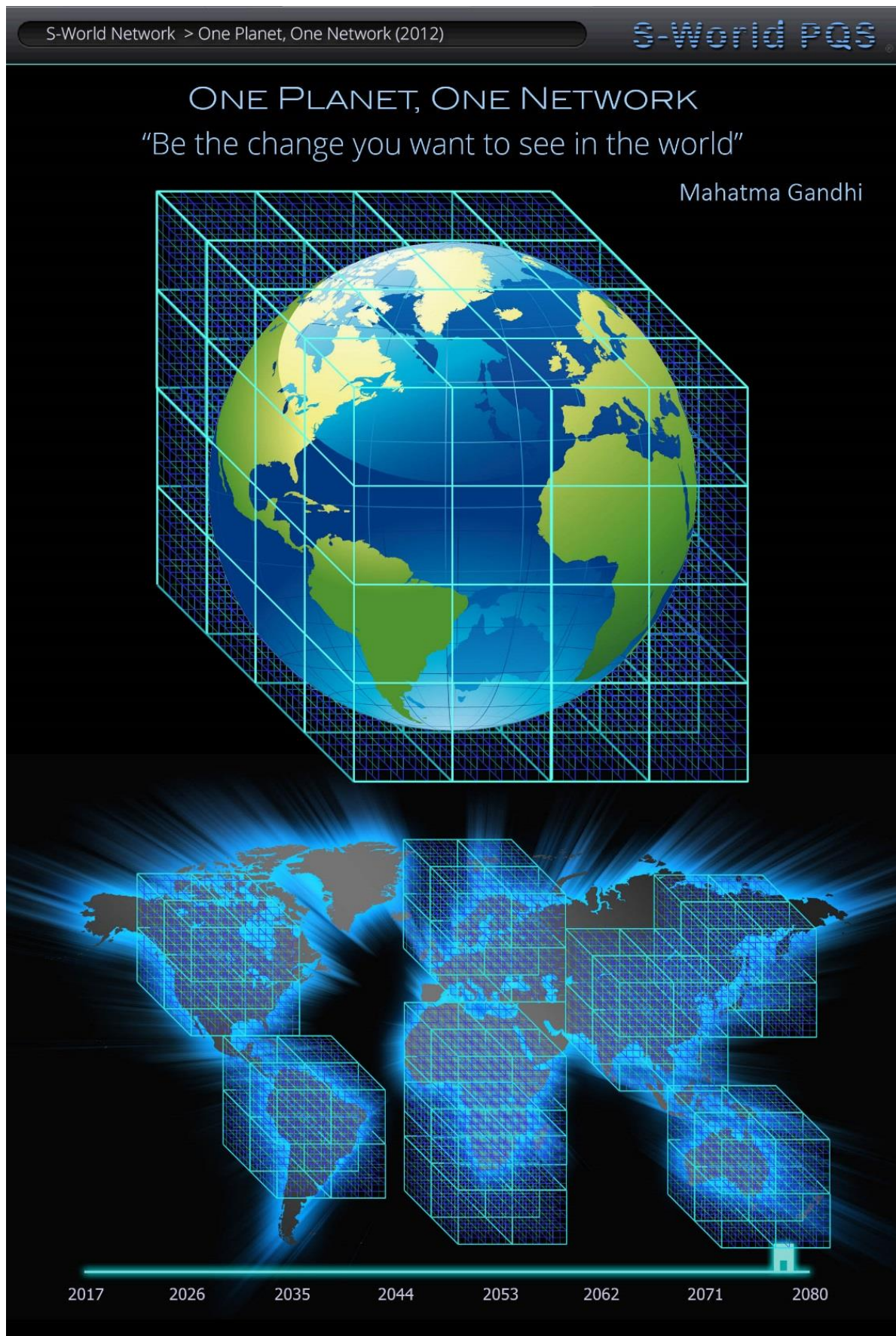
63. Special Project 63. POP (Financial Gravity & Equality)



UN GOAL 16: Strong Institutions (+ 8: Economic Growth and 9: Innovation)

UN GOAL 12: Responsible Production (+11: Sustainable Cities and 17: Partnerships, et al.)

POP – “Don’t count the money, count the engines.”



POP – “Grand Networks in locations in extreme poverty are Special Projects.”

64. Special Project 64. M-Systems (The Theory of Everything)



SRC GOAL 1: Ozone Depletion (+ 2 Extinctions and all other SRC Goals)

UN GOAL 1: No Poverty (+ 2: Zero Hunger, 3: Good Health and all other UN Goals)

S-World Angelwing is the catch-all name for the many S-World software systems and designs including the following: The TBS™ (Total Business Systems) and S-Web™, S-World BES™ (Behavioral Economic Systems), S-World Film™, S-World TMS™ (Total Marketing System), S-World TFS™ (Total Financial Systems), S-World VSN™ (Virtual Social Network) and VBN™ (Virtual Business Network), S-World UCS™ Simulator et al., S-World AE (Aid Efficiency), S-World ŘÉS-v4™, S-World Net-Zero DCA™ (Net-Zero Dynamic Comparative Advantage), S-World PQS™ (Predictive Quantum Software), The Theory of Every Business, and others M-Systems.

And the 17 M-Systems are the following: Zero. The GGW String, 1. S-World Network and the TBS™ (microeconomics), 2. Ripple Effects, 3. The Susskind Boost, 4. The Peet Tent, 5. POP (Financial Gravity and Equality), 6. The Theory of Every Business, 7. S-World VSN™, 8. S-World Film, 9. Supper Coupling (Scale), 10. Š-ŘÉS™, 11. QuESC, 12. S-World UCS™, 13. UCS™ Voyagers, 14. Angel Cities, 15. Angel POP (Equality²), and 16. S-World Angelwing.

65. Bonus Special Project 63. Family Planning

We conclude with some graphics from the original un-summarised book 64 Reasons Why v1.

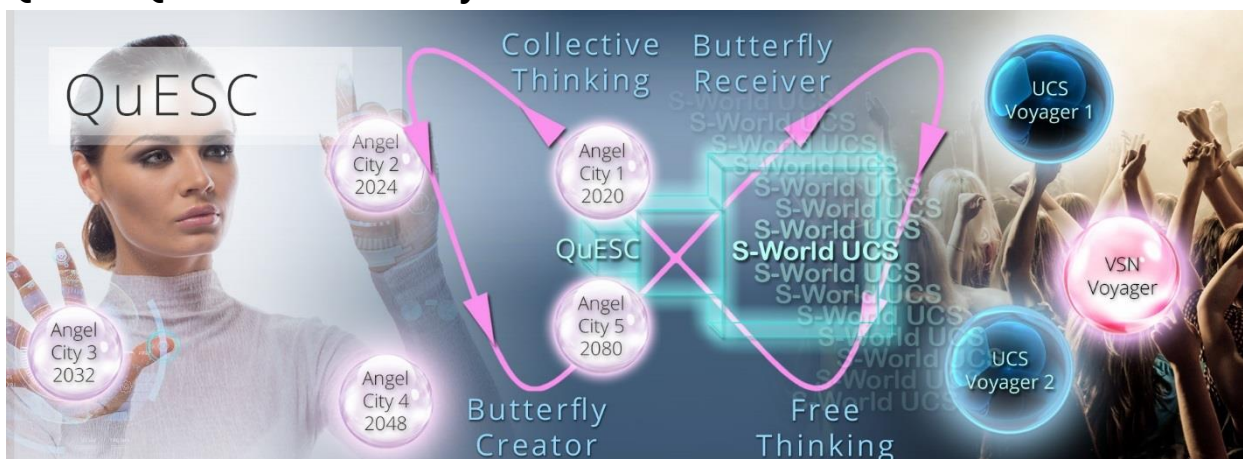
1. Special Project 64. Angel Theory – Collateral Beauty
2. POP

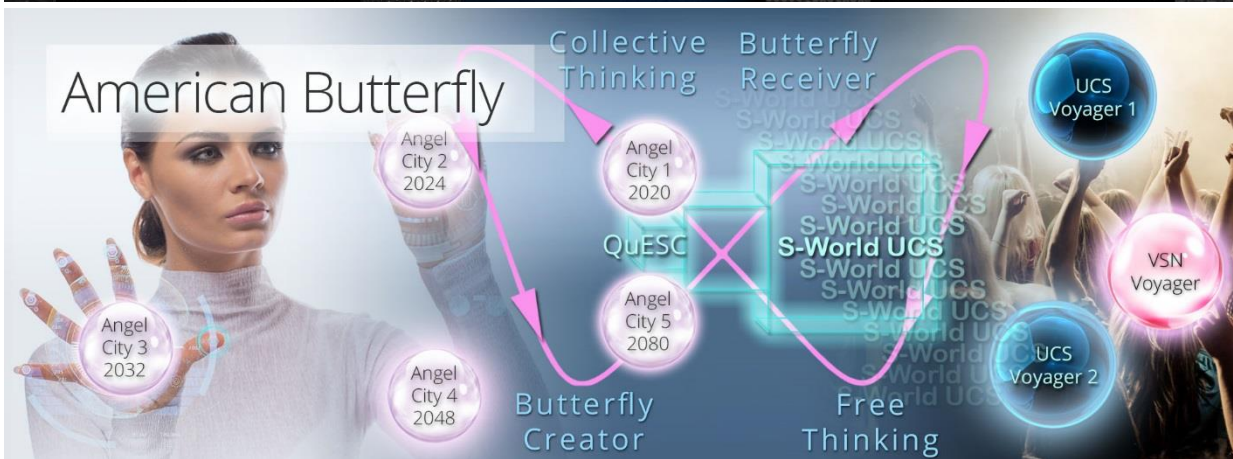
M-Systems

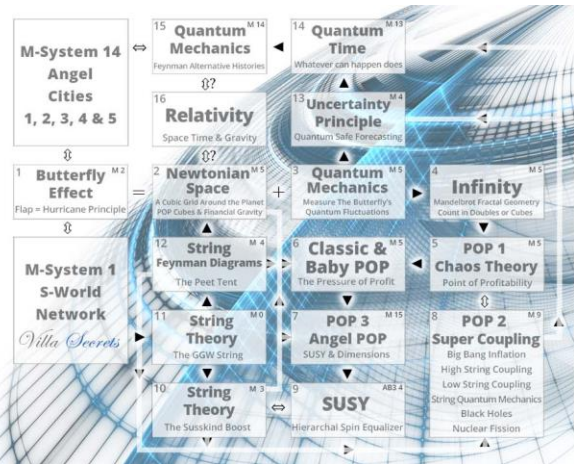


M-System 10

QuESC – Quantum Economic System Core







The Real Estate Game Part 2

Game Theory

"A Nash Equilibrium"

- > Business Strategy
- > Economic Strategy
- > Military Strategy
- > Psychology

Realtor 1

Don't Join | Join

		Realtor 2	
		Join	Don't Join
Realtor 1	Join	30,30	62.5,7.5
	Don't Join	7.5,62.5	5.8,5.8

1 Point = 1 Sale of a plus \$2M Villa



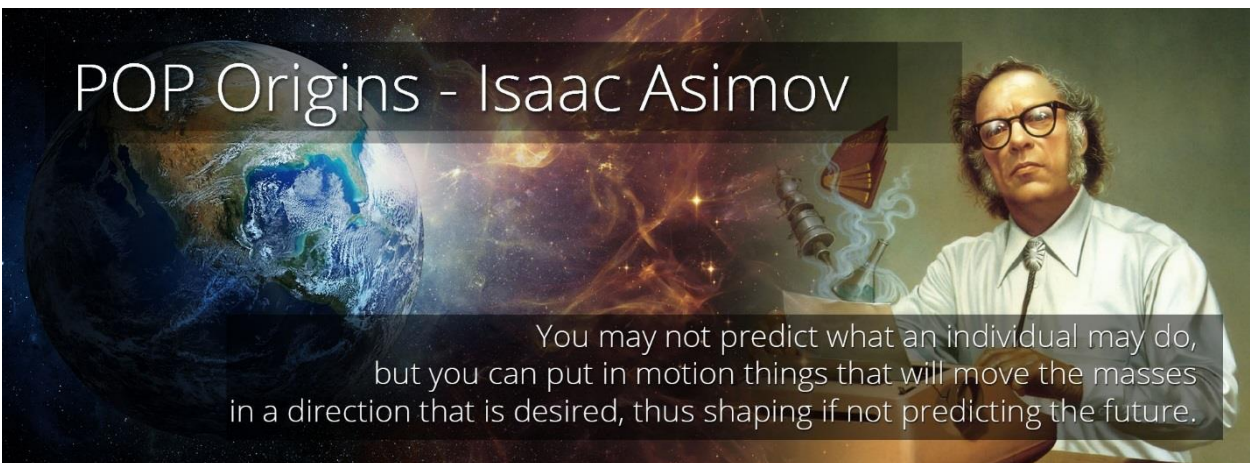
S-Web CDS™ - Content Delivery System



64 Reasons **Why**



POP Origins - Isaac Asimov





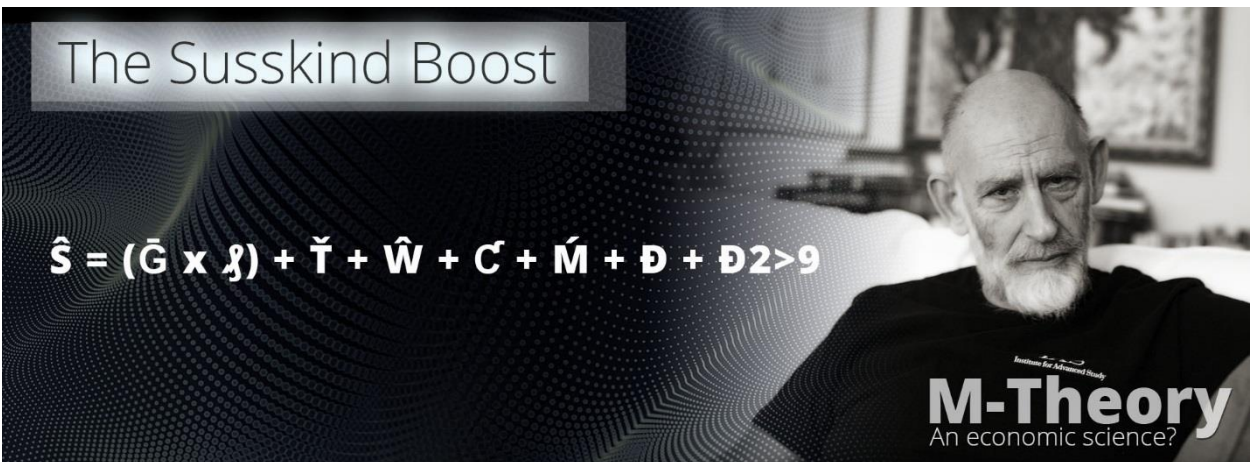
Professor Stephen Hawking



"M-Theory is
The **Theory of Everything**
Einstein was hoping to find."

M-Theory
An economic science?

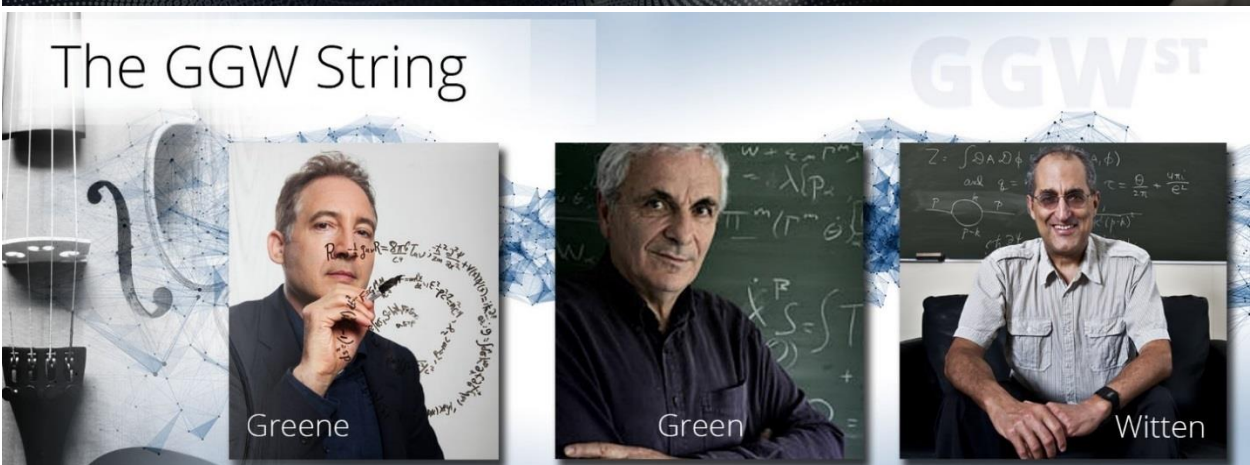
The Susskind Boost



$$\hat{S} = (\tilde{G} \times \mathcal{J}) + \check{T} + \hat{W} + \mathcal{C} + \acute{M} + \mathfrak{D} + \mathfrak{D}2 > 9$$

M-Theory
An economic science?

The GGW String

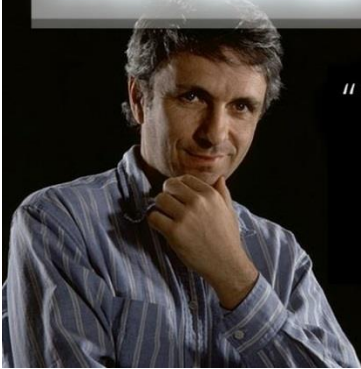


Greene

Green

Witten

Prof. Michael Green on String Theory



"The notion that this is the smallest constituent is paradoxically not at odds with the statement that it may also be the whole universe."

M-Theory
An economic science?

POP Super Coupling and Angel-POP For Doctor Amanda Peet



M-Theory
An economic science?

The Peet Tent

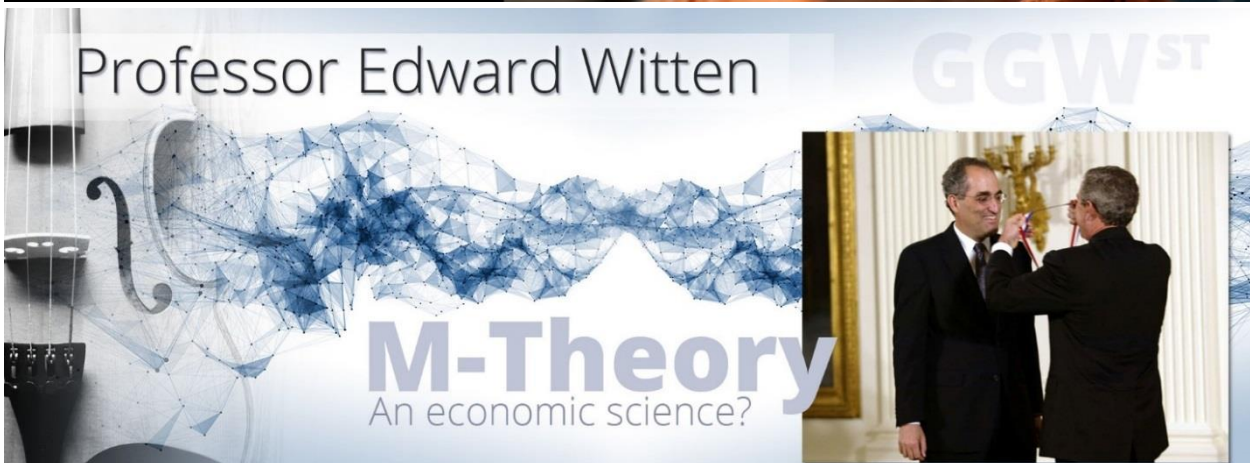


M-Theory
An economic science?

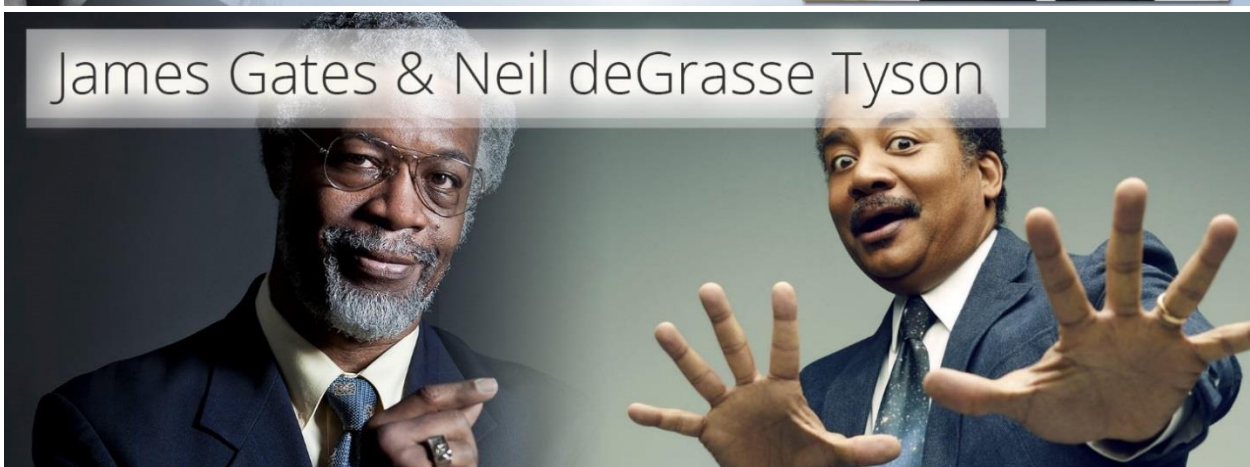
Professors Strominger & Vafa



Professor Edward Witten



James Gates & Neil deGrasse Tyson



Professor Michio Kaku

M-Theory
An economic science?

An Economic Theory of Everything

M-Theory
An economic science?

S-World - Give Half Back

Their future
is in our hands

The Obamas

Give
Half Back



64 Reasons Why

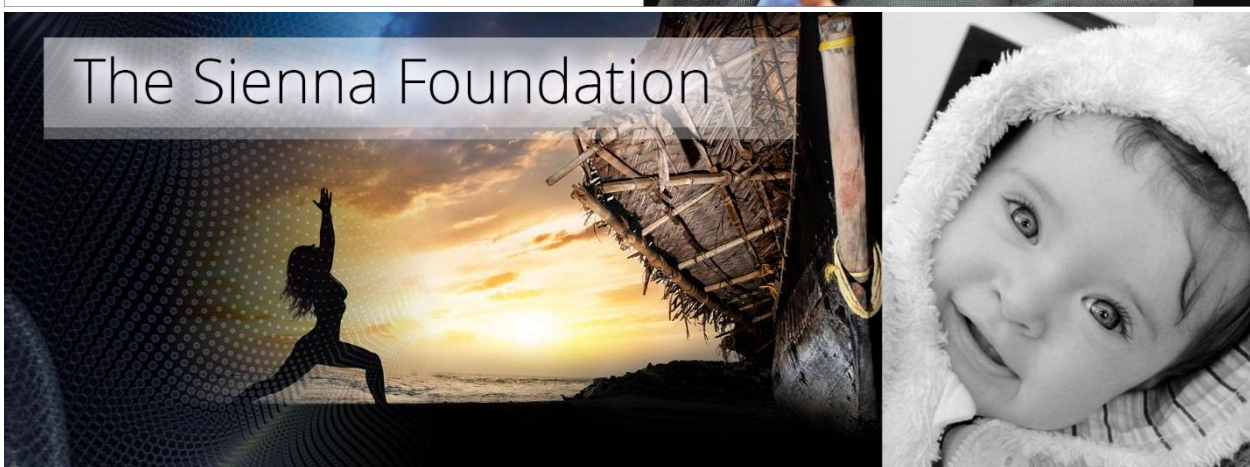
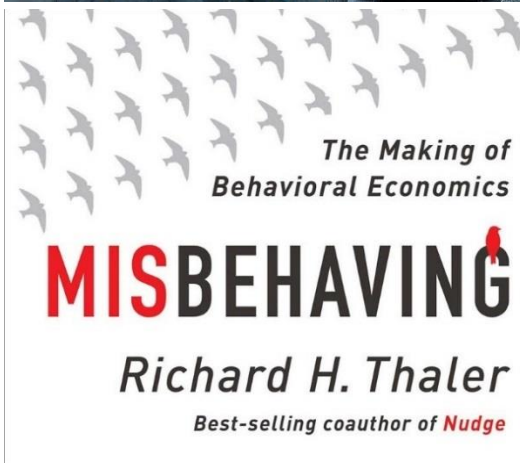


String Theory Systems



S-World Villa Secrets



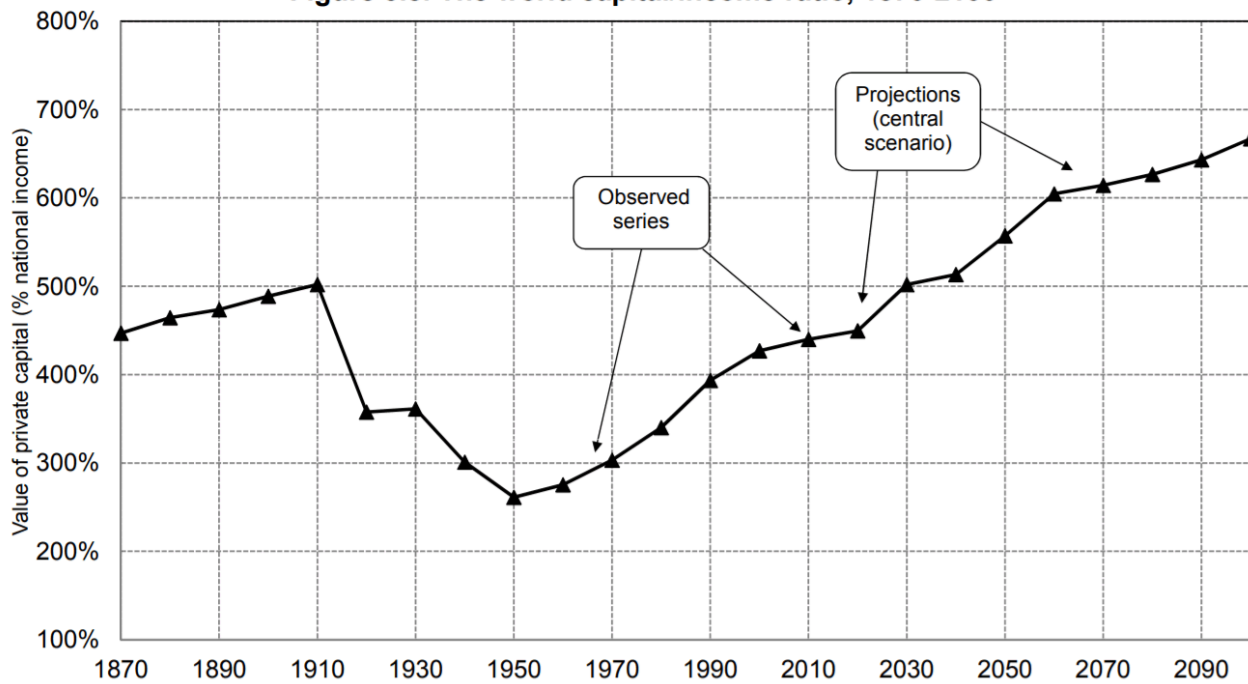




Super Intelligent Engine for New Network Access

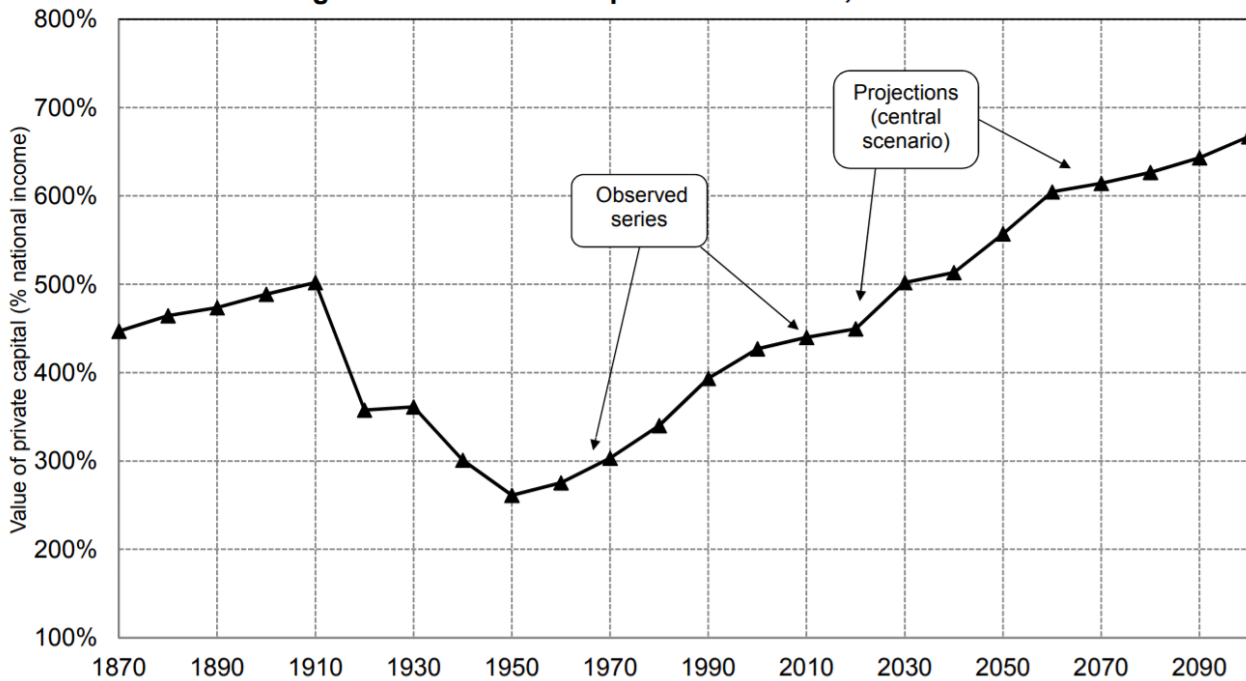


Figure 5.8. The world capital/income ratio, 1870-2100



According to simulations (central scenario), the world capital/income ratio could be near to 700% by the end of the 21st century. Sources and series: see piketty.pse.ens.fr/capital21c.

Figure 5.8. The world capital/income ratio, 1870-2100



According to simulations (central scenario), the world capital/income ratio could be near to 700% by the end of the 21st century. Sources and series: see piketty.pse.ens.fr/capital21c.

It's important to know from the point of creating [the RES Equation in 2012](#). The S-World Network has been created in such a way as to optimise E or reduce L (leakage) in Keynes's income multiplier.

Below, we see a 2012 projection of a theorised company 'TWF' (The Window Factory) that, all told, had an 'E' of 58.9% which was believed to be much higher than most other companies.

	The Window Factory	2012		Staff			Total Profits
A	Company Revenue	7,938,477	L	Bonuses	330,034	x	4,675,526
B	Profit	2,441,125	M	Salaries	445,550		(b+f+j+r+v)
C	Profit vs. Revenue (b/a)	30.75%	N	Sub Total	775,584		Total QE Efficiency
	Suppliers		O	Payroll + Income Tax	193,896	y	58.90%
D	Spent	3,175,391	P	Income After Tax	581,688		(x/a)
E	QE Efficiency	54%	Q	QE Efficiency	29%		Total Tax
F	Profit from Suppliers	1,714,711	R	Profit from Staff (p*q)	168,690	z	25%
G	Profit vs. Revenue (f/a)	21.60%	S	Profit vs. Revenue (r/a)	2.12%		(estimated)
	Media			Miscellaneous			Total QE Tracking
H	Spent	300,000	T	Spent	350000	aa	83.90%
I	QE Efficiency	54%	U	QE Efficiency	54%		(y+z)
J	Profit from Media	162,000	V	Profit from Miscellaneous	189,000		Economic Black Hole
K	Profit vs. Revenue (j/a)	2.04%	W	Profit vs Revenue (v/a)	2.38%	ab	16.10%

However, if all the companies in the network were to have an average 'E' of 58.9%, then the following year, the 'R' (Initial Revenue) would be 31.1% less than the year before; and in a few years, all the initial R would have been used up.

This was for a while a very annoying problem until I added a common element used most in physics, 'Spin.' By adding spin to the equation, making RES (Revenue x Efficiency x Spin) the cash flow created from spinning the balance of the E was enough to create more income each year when Spun.

For instance, if R = \$1 billion, E = Zero per cent, and S = 12; so, Network Credits (which can be thought of as US dollar gift certificates, valid only at S-World network companies) were delivered and spent within a month. Then cash flow would equal $\$1 \text{ billion} \times 12 = \12 billion .

The coordination between company and company to affect such a high 'E' or any 'E' over 85% before tax is quite a logistical challenge and is, without doubt, the hardest element to program within the S-World UCS simulation software. But as Elon Musk has (in essence) achieved an E of 90% at Space X, and in doing so has done it in such a way as to be more competitive than his peers who (it is said) are mostly rocket assemblers with tens of thousands of different suppliers. One exception is Virgin Orbit, which also seeks an E of 90%.

As best I can tell, spin is a natural phenomenon within countries' economies, as 10 dollars spent at the store would then be used to buy more goods or pay salaries. And in the case of the latter, if that paid employee goes to a bar and buys a few beers, we can see that 10 dollars have spun 3 times in no time at all.

One big problem with RES was Tax, which if at 25% would see that 25% taken from each spin, and just a few spins and one had nothing left. And for that reason, I estimate that the 'natural spin' in the USA at 3, which would mean its R would be $\text{GDP} \div 3$. However, this 'natural spin' could be more like 5.

At the time, in 2012, there was a desire for the USA to lower taxes due to the economic, ecological, and philanthropic benefits of the network. But it was unrealistic to expect such indulgences in the USA. And with 'E' hard to enforce, without thousands of different companies offering one good or another, and Tax impossible to change, the RES equation was put on the mathematical back burner. Where after, the RES Equation lay dormant for 4 years while other parts of the project were completed.

RES would only be of use if we could gain a higher 'E' and lower taxes.

Externalities

Creating a Learning Society By Joseph E. Stiglitz

(Remember the knowledge frontier)

The financial crisis has called attention to the role of government in crisis prevention. Widespread environmental problems have called attention to the role of government in preventing pollution and potentially catastrophic climate change. **These are examples of government's roles in preventing negative externalities. The production of knowledge entails positive externalities.**

The private sector produces too much of goods that give rise to negative externalities, which is why government must either impose charges when firms generate pollution or otherwise regulate pollution-generating activities. **By contrast, the private sector typically produces too little of goods that give rise to positive externalities.**

Audible Chapter 4. – Minus 0.33 Seconds (Book Chapter 4)

Much of the learning in our society occurs within firms.

What are the determinants of learning that goes on within a firm? Are firms in some sectors better at learning? **Is there a tendency for firms in some sectors to provide greater externalities for the rest of the economy?** Are there macroeconomic conditions that facilitate learning? And what policies can help bring about those macroeconomic conditions?

Audible Chapter 5. – Minus 18.09 Seconds (Book Chapter 5)

4. Concentration and Diffusion of Knowledge Across Firms

Diffusion of knowledge amongst densely collocated, large-scale industrial enterprise (often producing differentiated products) is likely to be far more rapid than the diffusion of knowledge amongst dispersed, small-scale agricultural or craft enterprises.

The fact that they are producing different products enhances the likelihood that they will make different discoveries. The fact that they are producing similar products enhances the likelihood that a discovery relevant to one product will be relevant to another.

1. Text highlighted in grey from Page 41 to 42- There is no preview of this book and that it is why I was not able to countercheck this text (I have been looking for a preview of this book on the internet since I first checked this document and I couldn't find one.)
2. Page 84 - First Image Text - "8. Universal Healthcare" should be "10. Universal Healthcare"
3. Page 86- First Image Text - "13. UCS Voyagers" should be "16. UCS Voyagers"
4. Page 91 - First Image Text - "6. Theory of Every Business" should be "Theory of Every Business"
5. Page 101 - Second Image Text - "10b. Limiting Antibiotics" should be "Limiting Antibiotics"
6. Page 114 - Second Image Text - "The CRM-Ai" should be "The CRM-AI"