

State of the World Economy

The GDP per capita as reported by the CIA

(<https://www.cia.gov/library/publications/the-world-factbook/rankorder/2004rank.html>) can start at a maximum of 129,700 usd/per capita for Qatar, having USA at 57,300, Sweden 49,700 and Australia 48,800.

Now let's have a look at the CPI structure for any country observing the Food portion at

https://stats.oecd.org/Index.aspx?DataSetCode=MEI_CPI_WEIGHTS

All in Percentages (%) for 2015

| Item | USA | UK | Sweden | Japan | Mexico | Average |
|--|------|------|--------|-------|--------|--------------|
| Food and Non Alcoholic Beverages | 8.4 | 10.3 | 13.9 | 18.6 | 18.7 | 13.98 |
| Housing, Gas, Electricity and Fuels | 38.1 | 12 | 25.1 | 28 | 17.5 | 24.14 |
| Transport | 12.3 | 15.3 | 13.5 | 8.6 | 12.7 | 12.48 |
| Recreation and Culture | 6.8 | 14.8 | 12 | 10 | 4.4 | 9.6 |
| Clothing | 3.4 | 7.1 | 5.3 | 4 | 5.5 | 5.06 |

In a modest exploration of food and non alcoholic (N.A.) drinks at 3 USD per meal x 3 meals per day x 365 days = 3,285 USD per year for Food & N.A Drinks ÷ 13.98 % for food and drinks in the CPI = \$23,497 per year for total consumption of goods for home which must come from some labour slice which is a percentage of the product. In a price calculation of products, labour is around 25% of prices. If the \$23,497 is the expenditure allowance for those families making their living out of the labour portion of price (not those families making their living out of management, supervision or other indirect costs and expenses), then their PRODUCT would be 23,497 ÷ 25% = \$93,988 per capita GDP, from a modest 3 dollar per meal. Under ages and 65+ are all included by the per-capita definition. If all these people living from such small food allowance produce a resulting 93k of GDP per capita, then the contribution to the GDP of the other groups payed higher, would be higher.

Then what's going on with our World Statistics?

We are missing or not exploiting important basic businesses

Nothing really extraordinary in terms of technology, just the essential functionality for any social tissue connected to the CPI structure: housing, clothing, transportation, food, etc.

That is key to visualize such opportunity, because that means that we or "our leaders" are making weird decisions as to where to focus the global strategies: a) pushing terrorism, b) promoting the immigration of refugees, c) causing new social problems, d) threatening the strategic planning with more wars, etc.

Not so behind the scenes but at the same time, there is the huge growing debt over USA and Europe to maintain a flow of goods from China with growing unemployment in both USA and Europe.

The opportunity that is not seen versus wars and terrorism that seem rather the weirdest option for investment of some ruling elites.

Down the list of GDP per capita or PPP, (*in the first link from the CIA*), one can find skinny customers with very little allowance for both PRODUCING (GDP) and CONSUMING or buying. In other words, there is no need for those weird decision based of wars to destroy and then rebuild, when there are so many countries that are simply underdeveloped and need many basic non luxurious things.

Funds in volatile places jumping from one stock market to another every minute find much better returns in more stable investments like a home that takes 4 months to be built with good materials, concrete and brick for example and that will provide stable 15 to 25 years of fixed monthly payment. Why volatility, when there are such steady destinations for funds?

Even more sustainable projects like "life projects" based in simple CPI structure planned for 25-40 years are way more juicy and less prone to crises.

Potential for Business

Only for Sweden-like countries, the jump in GDP is 100%, but for most economies, the jump is 500-1000%, in other words, for those money-hungry power elites, there is way more money that has not yet been exploited. There is A GOOD AND JUICY JOB for them.

Reserve 1% of GWP (Gross World Product) for those elites. How much is that?

Easy, set the new PPP at 90k USD per person times 7,000 million people, 90,000 × 7,000 = 630 billion (12 zeroes) for Gross World Product. The present Gross World Product (GWP) is said to be 75 billion (12 zeroes) https://en.wikipedia.org/wiki/Gross_world_product

This gives us an idea of precisely how thin the GWP is, when based on the idea of creating poverty. People that don't buy are bad business. **Slavehood is then BAD BUSINESS.**

Bill Gates was talking about population reduction with vaccines and all that, instead of seeing the people as customers...8.4 fold the present GWP.

Ok, only 1% of present GWP is 750,000 million USD, and 8.4 fold that **is the new business**. In any case, suppose we have 1000 of those -let's call them now- **New World Leaders (NWL)**, those who ensure the world reach the goal of the 630 billion USD.

Just for their chewing gum, they would get 750 million USD per year, they don't need to invest in anything, only look after the golden egg hens and make sure such allowance 8 folds after some time.

Next Layer of Business

This is the investors, the owners equity, which as we will see further down, is set to receive 9% of the product. The return on their investment is from 30 to 40% per year, based on an old rule of investment per labour position that "*should be equal to the labour cost of one year*". \$23,497 is such investment. In a factory with 100 workers, that becomes equals 2.35 million per facility.

The Product made there is \$23,497 ÷ 25% × 100 workers = 9.4 million per year and 9% of that (1% is for NWL) = 845,892 USD which divided by the investment of 2.35 million = 35.99% return on investment per year.

The only condition is NO WARS, stability and promoting that basic

development.

There is also no need for weird production strategies; a business man who will get **845 k** USD per year **without MANAGING**, but by only being investor and with a relatively small facility of 100 workers, doesn't have to worry, except hiring good managers and train them well.

The Milk Case

This is an example of how silly the work division calculation is for such an ancient and simple industry which of course has room for some basic technology. The 100 workers of the previous facility, can be anything, like milkmen or women. Producing \$93,988 USD of milk per year at the modest wholesale price of 0.5 USD per litre, which means $93,988 \div 365$ days because cows produce every day, which is $257 \text{ USD per day} \div 0.5 = 515$ litres per day $\div 20$ (few) litres of milk per cow, all of which translates into 25 cows per milkperson to work with. Milk those 25 cows in the morning and again in the afternoon. Milk 5 cows at a time, take 15 minutes per round and in one hour and a quarter more, the 25 cows will be milked. The remaining 3 hours of the half shift to feed them, clean them, etc. Fun work.

If this modest trade is good, imagine any other. Carpenter, builder, clothing maker, show maker, car maker, train maker, road maker, forest keeper, artist, museum guide, restaurant and the whole chain to simply satisfy the CPI consumers or homes.

The Economic Structure for Price

100% of Price = 25% labour + 25% materials + 9% profits + 1% NWL + 10% Federal Tax + 5% Education + 5% Research and Development + 5% Management + 5% Operation + 5% Depreciation + 5% Energy

The many fives are intentionally placed that way to help to the memory, but of course there have to be variations **around** those numbers.

The rule of *labour=materials* is essential to preserve the value of labour and of course it is also a general rule of thumb because IF the worker is only packaging timber boards that have almost no work on them, it would be silly to charge the same value of wood for that undone labour, but then there comes the hourly value of labour that fit to reach the goal of the 23,497 USD per year of labour which is 8 USD per hour including weekends or 11.26 USD per hour if counted only 5 days a week.

That's the minimum wage. If we think in those terms, it is easy to forecast and to plan juicy returns on investment, specially when one remembers how many countries like China or Mexico have minimum wages that are unreal or surreal with under 1 dollar per hour.

Why is that suicidal? Because those people mean **NON CUSTOMERS OR NON MARKET**.

Who real businessperson wants NON-MARKETS? For the same reason it is a surreal situation the fact that we **DO HAVE SUCH SORT OF ECONOMIC SCHEME** and worse even: We have economic organizations that have PhD's on the matter that say **NOTHING** on this crazy "design" if we are aware that they gather and decide and plan such weird "economic scaffolding" and the only output is more crises and more deterioration of our economic system pointing to wars, terrorism and social conflict.

The Logic Solution

It has been explicitly defined: To **ALLOW** people to simply become **MARKET** (and producers mainly for themselves). **Why to allow?** Because the present design of competitiveness **DOES'T ALLOW** that. How come? Where is that "present design"?

The hourly wages that are under 11 dollars per hour at 5 day per week or 8 USD per hour at 7 days per week, **PRODUCE PEOPLE WITH NOT ENOUGH AQUISITIVE POWER**. Produce **WEAK MARKETS**, produce **LESS FULL CUSTOMERS**.

The next consideration was demonstrated in the Milk Case. A good Wage **ANYWHERE** in the world **COULD BE A COST** and it is, but **IT DOESN'T** have to be **SQUEEZED** to a minimum **FOR COMPETITIVITY**.

If wages are squeezed, **YOUR MARKET BASE** will shrink. You will kill your customers. **Workers are Customers**.

The fact that the same person could milk 10 instead of 5 cows every 15 minutes with the help of more sucking cups, doesn't mean that the business should lower prices when they are already low. Instead they should increase wages and increase profits. No need to say that there should and must be limits to price increase and reductions based on simple rules of a new economy. If a new economic system **CAN PRODUCE STABILITY** -without crises, bailouts, etc-, then we can focus on solving real problems, **instead of fighting our own Frankenstein monsters**.

The Network

The Information Technology Industry, has also been busy in confusion and inventing wars. The best example is MySQL, Scandinavian of origin and purchased eventually by the giant Oracle to get rid of MySQL but it turned out to be so good that Oracle makes business with it. I mention this database (MySQL) to introduce MariaDB the successor of MySQL, created by the same engineers who made MySQL. I have tested MariaDB in production and is many more times faster and more efficient than MySQL, but there is plenty of data about the quality of MariaDB which leads to no need to talk about other databases. Why do I jump from Economics to IT?. Because of the nature of this document. For the purpose of such a project we need good networks and database engines interconnected. There is work for all. And enough business for all. There is no room for poverty, so doing whatever there is in this **LOGIC SOLUTION**, there will be a good income in every home, THAT WILL DRIVE the whole industry, financial system, and a proper global economy. The present globalism is quite ill with asymmetries among more problems: similar fuel, phone, car and appliances prices, but wages that can't purchase the full set in the CPI. Again, which businessperson wishes families that can only purchase a tenth of the CPI set? The basic CPI set or basket we have calculated very modestly at 3 dollar per meal and from there on to the whole CPI structure making the basic CPI "basket" worth 23,497 USD per year.

There are not **ENOUGH** manufacturers to supply an economy that is underdeveloped. So there is no need to get greedy and think that one is going to eat the whole cake. We saw the tiny size of the present Cake and we are now aware at the furious fight, "leaders" are having for such tiny cake, **when the minimum cake should AT LEAST be 8 times bigger**. Nothing that has to do with depleting the planet resources, **AT ALL**. The **KEY ELEMENT IS NOT DEPLETION**, but **ACCEPTING, ACKNOWLEDGING the true value of LABOUR**. We can mistakenly dream that we earn a lot when we undervalue labour because we will sell our cheap Chinese goods in USA and Europe. **But we miss the many customers we DON'T HAVE elsewhere**, because **WE NEVER** thought of them; **there are 6 times more people WITHOUT given rights to be CUSTOMERS**.

So the DataBase is needed; **TO USE IT**, not to show off that we own a very expensive and exclusive database that nobody needs, because there is MariaDB which is essentially free but one can pay to get support and a very good one. Information technologies are **TO BE USEFUL** not to get silly and show off a tool that one uses very bad to make a terrible economy.

We all have a big chance now *-before someone invents a war of no return-*, to make what humans are supposed to do: **look after their home planet**.