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"What are the Goals of Managers/Controllers of the Economy?"

The topic-question of this essay is more provocative than you might believe. It goes beyond the type of goals imposed on the U.S. Federal Reserve Board (FRB; an institutional unit charged with managing the U.S. economy) by the U.S. President and Congress. For example, the FRB's "dual mandate" is to ensure maximum employment and stable prices (moderate inflation in the 0.0 percent to ~2.0 percent range). Hence, to avoid generating shock and awe and disrupting your consideration of the topic-question, we take a circuitous route toward answers to the question.

Consider that *Takeconomics: A Counterintuitive Perspective* (Robinson, 2018) characterizes the fundamental nature of an economic system initially intended by the force(s) that brought Earth and humans into existence.[i] That small volume simply says that humans initially confronted mainly one task: Take and consume what was desired. The only work/production involved was the taking. It adds that in those cases where taking was not easy, the work/production (a service) entailed giving a little in exchange for the consumption goods desired. Humans were not required to engage in the production of goods. However, humans could use existing goods to obtain desired goods.

Now to a fact that is largely unknown by noneconomists: The "Father of Economics," Adam Smith's, most important work may not have been *The Wealth of Nations* (1776).[ii] Rather, arguably it was *The Theory of Moral Sentiments* (1759).[iii] Consider that the latter very important work presents concepts and principles that constitute a philosophical and moral framework for organizing and conducting economic activity. In a vacuum it is incomplete and irrelevant because it provides little-to-no guidance concerning the scope and detailed operational requirements for developing and maintaining an economy. One can develop the most intricate or simplest of games; however, if the framework and "rules of engagement" are not clearly specified, then there can be much unpredictability in how the game will unfold. We should never forget that a game that is unpredictable is a catastrophe for those who develop and promulgate games. They want to constrain game outcomes to "sure things:" i.e., outcomes that produce and/or promote **wealth, power, superiority, and control**.

Being aware of the latter and possibly having an interest in benefiting as a holder of wealth, power, superiority, and control, Smith aptly provides the framework and "rules of engagement" 17 years before releasing the volume that sets forth the scope and operational details of the economic game—replete with definitions, operational instructions, and criteria for identifying successful game outcomes.

Now "one giant step" to today. As we outline *status quo* conditions, permit your mind to map the evolution of human existence and life since the late 18^{th} century when Smith made his phenomenal contributions.[iv] Such mapping is achieved successfully using a simple set of realizations. First, contrived complexity is achieved by multiplying/layering that which is fundamental. Second, the evolutionary awakening of the human mind enabled seeming innovations/improvements that increased human wellbeing—measured here as increasing the longevity of life. Hence, probably the most complicating factor of human existence on Earth is "population."[v]

The foregoing is a parsimonious, simplified, yet complete foundation for the answer to this essay's topic question. For completeness and to be efficacious, the answer should address not only the question's "what," but also the related "who," and "why." The implicit "when" is now, the "how" is revealed in "what," "who," and "why" answers. The "where" answer is global in nature.

Our "what" answers are that the **goals** of managers/controllers of global economic activity have already been stated clearly: **To increase wealth, power, superiority, and maintain control of the economic system.** However, it is important to augment that response by addressing the related "how" question. Logically, the "how" is contingent largely on the range of dimensions that determine successful management and control of an economy. In addition, as we will see shortly, variations among those considered when responding to "who" and "why" aspects of the topic question, will impact answers to "how" questions when posed to managers/controllers of the economy. In the extreme, we can imagine a response consistent with a very popular phrase from Malcolm X (aka El-Hajj Malik El-Shabazz) that is employed in many contexts today: "By any means necessary!"

The "who" answer cannot be presented definitively because it is more difficult to estimate than you might first suspect. Today, "who" answers typically involve multidimensional considerations. At a minimum, gender, race/ethnicity, class (defined by educational attainment and wealth), religion, and culture should be considered. However, the human characteristics of the "who" just mentioned must be observed in concert with the dimensions of the economic system that enable management/control of the system. In answering the "who" question, it is important to distinguish "management/control" from operations of the function. Hence, "the final answer" to the "who" requires gathering data and then analyzing the just-described two dimensional sets—the enabling functions and the human characteristics of those in the "who"—on an integrated basis. While performing this analysis, one should be careful to not just consider data on the total population of those in the enabling functions, but to weight those populations and their characteristics according to the proportionate deterministic power displayed in the various subfunctions/roles within the enabling functions.

This constitutes a serious undertaking, but as an interim answer based on guestimates, one can use common and widely held knowledge about both dimensions that must be considered to answer the "who" question. Certainly, it would be politically and socially incorrect to pinpoint identities in this essay without also providing substantiating statistics.

The remaining sub-question that requires an answer to complete the answer to the topic question is "why." The "why" answer is reflected in the concluding sentence of the third paragraph of this essay: **Wealth, power, superiority, and control**. Wealth is measurable, and there may be sound practical reasons to desire wealth that can bring material/tangible benefits. In fact, wealth is only assigned negative connotations when it is modified by "excessive." On the other hand, "power," "superiority," and "control" are measurable, but they are attachable to more mental or psychological benefits. Therefore, when we ask: "Why do managers/controllers of economies desire these roles?" we can conclude that a complete answer must account not only for the physical or material benefits (as with almost any effort), but the answer must also account for the more nebulous mental and psychological reasons. As with answers to the "who" question, those humans accounted for in the "why" question are associated with a range of physical and mental/psychological preferences that determine the degree of significance of the question and the levels of intensity with which the "who" will perform their enabling functional roles in route to managing/controlling the economy.

The "circuitous route" to which we referred at the outset of this essay has produced five concluding points.

1. The topic question clarifies that there is an explicit wall between managers/controllers of the economy and those submerged in the economy. (There are additional (sub) demarcations on both sides of the wall.) In a world where we are led to believe that "almost everything is possible," potential related and follow-on questions to pose include: (i) Does the just described condition align with the condition in your "ideal world?" (ii) If the response to part "i" is "no," then what efforts are you willing to exert to transform the existing world into your ideal world? and (iii) Do you anticipate that the costs of such efforts will exceed the related benefits (which will signal your true willingness to exert the effort)?
2. Over the years, population growth has transformed human activity on Earth from mainly taking (*Takeconomics*) the available supply of goods to satisfy consumption desires to a condition where significant scarcity may exist and humans are engaged in the production of certain consumption goods that are required to satisfy existing excess demand. (The latter condition is defining because economics is often defined as "the study of how to distribute scarce resources.")
3. Given that production to meet existing demand is insufficient to fully employ the proportion of the population that is available to supply labor, managers/controller of the economy rely extensively and increasingly on Joseph Schumpeter's "Creative Destruction" theory to justify and organize new labor-absorbing production that can maintain unemployment at "acceptable" levels.[vi] Unfortunately, the latter outcome is often associated with overuse of raw materials (produced and nonproduced) that are used in the production, and it has affected adversely the Earth's environment.[vii]
4. To maintain their prestigious roles, managers/controllers of the economy extended increasing deference to wealthy owners'/shareholders' demands for higher returns on investment (ROI). To enable higher ROIs, managers/controllers of the economy have provided certain oversight of the evolution of human labor replacing robotization and artificial intelligence (AI). Increased economic production using robots and AI is positively correlated with rising unemployment.
5. All of the foregoing produced: (i) A requirement for more publicly provided Social Protection Benefits (linked to higher taxes*); (ii) a transformation of formal learning methods and procedures (linked to increased unemployment* in related fields); (iii)

increased demand for technology products and to the nonproduced subsoil assets used to produce them (linked to rising prices* for technology products and the underlying resources used to produce them, and increased environmental damage*); (iv) the digitization of everything, from payment to communications systems and beyond, which can increase the volume of high-quality data for managing and controlling the economy, while increasing transparency of individuals' economic activity—i.e., reduces individuals' privacy*.

The just-listed five concluding points provide a high-level and general summary of how we interpret economic life to have evolved since managers/controllers of economies created and operationalized those roles. It is not unexpected that managers'/controllers' primary goal has been to maintain their positions to inure wealth, power, superiority, and control. They seek to achieve this outcome "by any means necessary—including the increasing reliance on Schumpeter's "Creative Destruction" concept. This approach to managing/controlling the economy has produced mainly unfavorable outcomes; especially for those who have little-to-no input into managing/controlling economic activity. Unless phenomenal innovations arrive soon that can reimagine the very nature of economic activity and transform it favorably, the economic outlook is likely to be bleak for those uninvolved in managing/controlling the economy. But the "locked out" poor and middle class represent the *supra* majority of those in the economy, and it is difficult to fathom how managers/controllers of the economy and those to whom they answer expect to enjoy favorable times alone.

Does this essay describe an acceptable scenario? Is it worth an effort to change it? How???

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*—These economic concepts point mainly to adverse developments for individual economic agents.

Endnotes

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ii Brooks Robinson (2018). *Takeconomics: A Counterintuitive Perspective*. BlackEconomics.org: Honolulu.

ii Adam Smith (1999). The Wealth of Nations: Books I-III. Edited with an introduction by Andrew Skinner. Penguin Books. New York.

iii Adam Smith (1976). The Theory of Moral Sentiments. Edited by D. D. Raphael and A. L. Macfie. Clarendon Press. Oxford.

iv It comes to mind that it is very rare for one to make such important contributions to human development spontaneously and out of context. Unfortunately, we have not yet sought more knowledge about the influential factors that served as context for Smith's development contribution.

v Economists have experienced a turbulent relationship with "population" over the past 60 years. First, population was a problem because growth went unchecked, thereby creating great consternation. Then wise economists, who may have been responsible for creating the consternation, suddenly parlayed the problem into an opportunity to highlight the magic of economics and Western science: Enter widespread contraception and agricultural innovation that enabled the survival of those arriving in our world in runaway population growth. The "excellence" of the Western mind in solving the population problem held sway until climatologist began to highlight that the most important cause of “Global Warming” was increased population, which fueled demand for greenhouse gas producing products demand by ever-increasing population growth.

[vi] Joseph Schumpeter (1962). Capitalism, Socialism, and Democracy. Harper & Row. New York.

[vii] One might view as a current extreme from leveraging Joseph Schumpeter’s “Creative Destruction” theory the fact that governments around the globe have no uncertainty concerning the health destroying nature of certain foods and beverages. Yet governments permit the manufacture and sale of these products. A simple two-round multisector economic game play unfolds as follows: (**I**) Manufacturers produce sickening products [*Food and Beverage Manufacturers* and certain *Households* that provide labor to manufacture foods and beverages earn increased income, and *Governments* receive tax revenue (Managers and Controllers (MCs) **benefit**).] (**II**) Members of *Households* are sickened after consuming Government approved foods or beverages produced by manufacturers (*Households* with sick members are unable to earn income and/or increase their wealth; private and/or public *Healthcare Service* providers receive increased income; and *Governments* receive tax revenue and pay Social Protection Benefits (MC **benefit**).] This two-round game reveals that Households lose the most. Although Governments are required to increase Social Protection Benefit payments, those payments are partially offset by the continued inflow of tax revenue related to the manufacture and sale of food and beverage products