

THE GREAT ECONOMIC CALCULATION PARADOX

*Transformative Management for the Next Society
A Geonomic Viewpoint*

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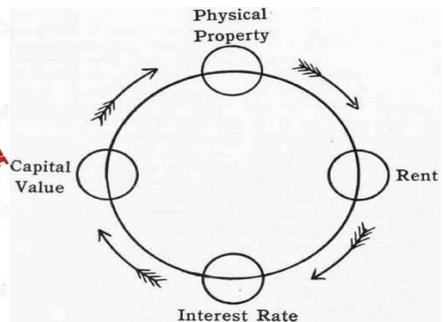
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Ancient bookkeepers of southern Mesopotamia (3000 BCE) have most probably developed script out of accounting techniques and the code of Ur-Nammu states that the **monetary payment unit** of 1 shekel is technically equal to 11 gram of silver or naturally to 180 grains of barley; the Sumerian temples in that city state system were also the first documented creditors at interest. These are about 5000 years of precise accounting via monetary units for market exchange and the first recorded trading of land falls also into this evolutionary window of time; Dostoievski (House of the Dead, part 1, chapter 2) holds money to be coined freedom and the Sumerian language already used the word liberty. **Economic accounting systems** process exact statements about relative valuations of goods and services, via monetary tools, and the most important and limited resource for the human economy remains nature (land). Labor is fixed via physiological boundaries, but the quantity and quality of capital can be expanded by human ingenuity and economic growth, thereby raising eventually living standards for masses of people. The decisive Sisyphean boulder in a capital-based economy is a rent-seeking mentality that aims to capture value for nothing in return; capitalism wanted to break free from the feudal limitations of land and labor, but the modern fiat money machinery is used to extract **economic rent** for certain monopolist groups. Instead of shifting the burden of taxation to wealth concentration, labor and entrepreneurship are financing the public economy while private property economics collects rent via bank money. Although cyber-socialism in the information economy is being well discussed, we are actually witnessing the rise of cyber landlords, i.e. virtual extension of territorial claims; managing the **transformation to a just third way** will definitely need alternative cognitive tools of economic prudence for a money-based economy. The scientific research into such economic tools and models of reality will surely be about efficient and effective formulae, equations and calculations; however, the methodical discourse has to move well beyond the known methodological debates (e.g. Mises vs. Polanyi or

Hayek vs. Lange) and to acknowledge that all calculations are *mathematical conventions* and not exact measurements of properties. The (neo) classical economics of the industrialization age does no more fit for the informatization of societal production; it is too much guided by a Newtonian mechanics for the exchange of objects, treating human society factually as dead matter; we need in addition to these elementary cognitive operations an applied Spinozian ethics of living bodies in motion, with mutual guarantees for exchange. The geonomic observation is that transformative management for the next society must reconcile economic growth and distributive justice (i.e. balance self-interest and altruistic goals) via capturing economic rent as primary source of **public revenue**, freeing labor and entrepreneurship from non-necessary burdens of making a living, i.e. legal reform steps in the right direction can gradually and peacefully accomplish such a geonomic system of human economic activity where precise accounting is put in economic relation to real productive input.



Preliminary content:

- A=Economic Calculation as Paradox
- B=Economic Rent as Sisyphean Boulder
- C=Investment vs. Speculation in a Capital-based Economy
- D=Parameters of Transformative Management
- E=Geonomics as Remedy

