

“Occupy Wall Street”... Why?

One central FEELING unifies the “Occupy Wall Street” movement:

There is an **INJUSTICE** imposed by those in society who are taking big returns, and make decisions (the 1%), over those who have been forced to abide by those decisions and work extraordinarily hard for their returns (the 99%)

I would say the 1% is MR BIG, and the 99% is MR SMALL (throughout the world)

MR BIG = Big Bureaucratic government, Big Business and Big Banks (BBBBBB)

MR SMALL = Small Business and Individuals (SBI)

We are dealing with a psychological problem; the PSYCHE of MR BIG has developed a disorder called: **UNSYMMETRICAL INJUSTICE**... that needs to be cured

Here's how:

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What are the essential differences between Big Business and Small Business?

- Small Business = NON STOCK EXCHANGE COMPANIES (“MAIN STREET”)
Small business owners are **PERSONALLY FINANCIALLY INVESTED** in their own enterprise; if they are not, then somehow they are found out and their business fails. This is accepted and embraced by small business owners as the norm. Rewards accrue with organizational success.
- Big Business = ALL STOCK EXCHANGE LISTED COMPANIES (“WALL STREET”)
Big Business operates through large organizations, listed on stock exchanges with overt control and influence by CEO and management teams. These people are mostly **NOT PERSONALLY FINANCIALLY INVESTED** in the organization. The CEO, and management team are normally on BIG BONUS structures, which often return rewards even if the organization is unsuccessful!

How are SMALL and BIG companies funded and regulated... what's at stake?

Enter the bank... enter the home!

- Small Business
When a Small Business needs funding, the primary source is hard work to ensure profits are made to fund organic growth; the small business owner could also go to his local banker who always requires collateral backing, in the form of the business owners FIXED ASSETS, usually his/her HOME. Bankers are not interested in (and generally don't understand) business plans; they only understand PROPERTY as a collateral asset. So if SMALL BUSINESS OWNERS need finance, then they are required to bet their own property on their own business ideas... this is GOOD, and is a useful NATURAL REGULATOR! It is standard practice that small business owners MUST BE prepared to LOSE THEIR HOME if their business is not successful, and bankers exhibit no hesitation in recovering losses by liquidating the small business owners HOME. This is OK, and is pretty close to the way the wild is **NATURALLY REGULATED**.
- Big Business
When a Big Business needs finance, the CEO and management team motivates to shareholders and bankers their fancy business plan. While shareholders are asleep, bankers are easily “convinced” by those Big Business plans. CEOs and management team and Bankers are all on the take for their big bonuses, which are NOT based directly on the performance of the company... i.e. Big Business CEOs, Bankers and Big Bureaucratic governments have unfairly separated organizational financial performance from their own greed based financial performance.

At the beginning of their contract, the CEO and management team plan for themselves, a NICE BIG salary with NICE BIG bonus, which either pays out handsomely, or it doesn't pay out. IT DOES NOT REQUIRE **PENALTY PAYBACK** FOR PERFORMANCE FAILURES! HEREIN LIES THE **INTRINSIC INJUSTICE!** There are **NO NEGATIVE BUSINESS CONSEQUENCES** that the CEO and management team stand to lose anything more than their job. They are not required to BET THEIR HOME on them **EARNING** their bonus! There is no balance in them either EARNING the bonus, and LOSING their home; there is NO NATURAL REGULATION built into MR BIG system. Herein lies the intrinsic **INEQUALITY OF BUSINESS CONSEQUENCES**; in our present financial system... this is the ROOT OF INJUSTICE THAT IS KILLING THE FINANCIAL WORLD!

How should the inequality of business consequences be addressed? CHANGE SOME LAWS!

- If a CEO or management team member wants to receive a bonus, then he/she should be **PREPARED TO LOSE AN EQUAL AMOUNT**, if his company objectives are not met i.e. they should be forced to **BET THEIR OWN HOUSE** on them EARNING their bonus.
- BIG-business CEOs and management teams should be required to accept a bonus NO HIGHER THAN THEY ARE WILLING TO LOSE, and they MUST BE PREPARED TO LOSE their home(s) which should be put up as collateral.
- CEOs and management teams would automatically work more diligently for their company; they would become more focused on their task at hand to ensure that they don't lose their home, and through this process they would meet their company objectives in a more just way
- New legislation needs to be written to rectify this balance of business expectations. Everyone knows that there should be improvements in the way things are REGULATED... but **NATURAL REGULATION** should be the basis... (Are there any NATURAL LAWYERS around? A whole new LAW discipline is needed!)
- With NATURAL REGULATION in place, bankers would never be required to evaluate a business plan again (bring back GLASS-STEAGALL ACT)... bankers would be able to do a better job of lending **OTHER PEOPLE'S** money against KNOWN, IDENTIFIED AND QUANTIFIED assets. Banks would become slimmer and more efficient.
- President Clinton et al literally broke the GLASS-STEAGALL ACT / LAW, by removing it (1999)! Bring this law back!

In conclusion:

- Financial crisis cause is SIMPLE and identifiable and hinges around some essential psychological differences between MR SMALL and MR BIG, throughout the world.
- Fixing the financial crisis could also be SIMPLE (not necessarily EASY), by legislating for **NATURAL REGULATION** around a **SYMMETRICAL** bonus reward structure for BIG BUSINESS
- No need to change SMALL BUSINESS structures, as it already has natural regulation in place
- There has been a transfer of wealth process ongoing for many decades (centuries?) from poor to rich, much of it due to the deficient financial system described above
- Until these intrinsic organizational inequalities are addressed, our present day financial system WILL have further systematic failures in future
- Bonuses are not bad in themselves; rather they can be very motivational and they should only be used as incentives for clearly identifiable and achievable goals
- It is not the **SIZE OF BONUS** that is a problem in our system, but rather our bonus problem stems from the lack of **SYMMETRY IN RISK / REWARD** structure of Big Business
- No bonus should be offered or accepted unless the recipient is prepared to LOSE an equivalent amount of his FIXED ASSETS which he/she must put up as collateral
- Bankers should not be allowed to adjudicate complex business plans, they should stick to ensuring that they lend only on the basis of using "clearly identifiable fixed assets" as collateral; then their "promise to pay the bearer" could be met with more certainty.
- Once our financial system is naturally regulated, jobs a-plenty will result.
- The challenge is to cure the illness in the PSYCHE within MR BIG, ie. **UNSYMMETRICAL INJUSTICE** problem
- "Occupy Wall Street" ROCKS!