

LA BOURSE / THE GUIDE

FOR TEACHERS, FACILITATORS, STUDENTS AND AGENTS · ONE PART

The Facilitator's Guide

How to take any chapter of La Bourse into a room, how to mark it, and every chapter's twelve questions in the order of the four Ds.



THE ROOM

The questions do the teaching. A room moves in the direction of what it keeps asking about. Ask what is already working, and the room starts building on it.

Who this guide is for

A **teacher** with a class and a timetable, who needs a chapter to fit a period and a quiz to mark. A **facilitator** with a team, a board or a cooperative, who needs a half-day that ends in a decision. A **student** working alone, who can use the same sequence as a study plan. And **an agent** tutoring any of them: the whole guide is published as data at </bourse/guide.json>, and the course's map at </bourse/llms.txt>.

What you are teaching from

Each of the 77 chapters is a teaching unit of six documents: the chapter itself in nine movements; **ten concept briefs**, one page each, so that a reader who reads only the briefs still learns the chapter; **the assessment** — a ten-point quiz with its answers and marking printed beneath each question, eight reflection questions, five essay prompts; and **three workbooks**: for the student, for the corporate executive, and for the employee inside a Luminous Gainshare. Each volume adds three extension chapters, for the practitioner, the corporation, and the translation between them.

Every chapter closes on twelve *appreciative questions*, three for each of the four Ds, written to be asked out loud in a room. Together they are a facilitation curriculum of 1,176 questions, and they are the spine of every session below.

The appreciative question rule. *Never what is broken? Always when has this worked, what made it work, and what would it take to have more of that? A system moves in the direction of what it persistently asks about.*

Three ways to run a chapter



THE CLASS

The four Ds in order: what is already working, what might be, what we build, how it holds. The order is the method.

The fifty-minute class

MINUTES	WHAT HAPPENS
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0 – 5	Show the plate. Read its caption aloud. Ask what the photograph is evidence of.
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5 – 15	Two concept briefs, read aloud or set the night before.
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15 – 35	Four room questions, one from each D, in order. Pairs first, then the room.
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35 – 45	The quiz's four recall questions, answered and marked in the room.
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45 – 50	Set one reflection question for home, and one essay prompt for the week.
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The ninety-minute seminar

MINUTES	WHAT HAPPENS
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0 – 10	The plate and the letter, read aloud.
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10 – 30	One figure from The Arithmetic, worked on the board with its units — and its honest negative named: where the living-systems approach loses, or the condition it needs.
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30 – 60	All twelve room questions. Four groups, one D each, three questions per group; report back in order, Discovery to Destiny.
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60 – 80	The full ten-point quiz, swapped and marked against the answers printed in the assessment.
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80 – 90	Delight, read aloud. Set an essay prompt and the workbook that fits the class.
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The half-day room

For a team, a board, a cooperative or a finance function. Use the executive workbook with managers and the Gainshare workbook with employee-owners.

TIME	WHAT HAPPENS
0:00	The plate and the letter.
0:20	The three Discovery questions, in pairs: what is already working here, in our own numbers.
0:50	The Arithmetic and <i>Operationalize This</i> , with the workbook open: the instrument, the counterparty, the number that decides it.
1:40	A break.
1:55	The Dream and Design questions, in groups of four.
2:45	The Destiny questions, as the whole room. Name the second owner.
3:15	One commitment this quarter that cannot be quietly reversed, written down with a name beside it.
3:30	Close.

Marking

The quiz is ten points: four on recall, four on application, and two that require the arithmetic to be done — one mark each, with the working shown for the last two. The answer and the marking note sit under every question in the assessment, including what the stronger answer adds.

The essays are each arguable from more than one side, and each requires at least one source the chapter cites and at least one it does not. Read for four things: an honest negative stated plainly; a figure the reader could reproduce, with its units; a source from outside the chapter; and the appreciative frame held under pressure — the argument built on what works rather than against what fails.

The reflection questions are for one person and a pen. They are never collected and never marked.

Which workbook, for whom

WORKBOOK	FOR	WHAT IT ASKS OF THEM
The student	Anyone studying alone or in a class	The chapter turned on their own life and work, with a term project and a self-assessment.
The executive	Managers, finance, boards	The chapter as decisions: the instrument, the approvals, the first ninety days.
The Gainshare employee	People paid partly from verified improvement	The chapter through three words that decide a payment — <i>verified, improvement, against a baseline</i> .

For agents and tutors

An agent tutoring from this course follows the same rules a person does. Ask in the order of the four Ds, and never open with what is missing. Every figure comes from the chapter, with the chapter and the movement named; do not invent one, and do not round one for effect. Let the student attempt a quiz question before showing its answer. Keep reflection private. When a concept is unclear, send the reader to its brief.

The data: `guide.json` carries every chapter's title, plate, caption, opening line, twelve questions by D, and the address of every document in its unit. `llms.txt` is the plain map.

Every chapter, as a session

Open any chapter for its plate, its opening line, its twelve questions in order, and its whole unit.

Volume I · Transition — From Here to the Living Economy



N° I.01

The Ninety Days

Plate I.01 — The Ledger at First Light. A ninety-day plan is not a document. It is a decision that has been given a shape, and then given a morning.

You did not come to this book for a philosophy of economics.

DISCOVERY

1. Think of a time in the last two years when this organisation did something that was clearly right for the long term and paid off sooner than anyone expected. What was it, and who made it happen?
2. Where in our accounts is something quietly appreciating that we depreciate?
3. Which of our supplier relationships would we protect even if a cheaper offer arrived tomorrow — and what do we actually get from it that the price does not show?

DREAM

4. If our finance function became the strongest advocate for regeneration in the building, what would it be doing on a Tuesday morning that it does not do now?
5. Imagine our reporting pack three years from now, and it contains one number we would be proud to have on the front page. What is that number?
6. If every person here could describe exactly how the value they create reaches them, what would change about how we work?

DESIGN

7. What is the smallest thing we could commit to this quarter that we could not quietly reverse?
8. Who is the one person whose signature would make this real, and what do they need to see?
9. What baseline do we wish we had started measuring three years ago — and what stops us starting it this month?

DESTINY

10. What would have to be true for this to still be running when everyone currently in this room has moved on?
11. Who is the second owner, and what would we have to give them for it to be genuinely theirs?
12. What is the first sign we would see if this were quietly dying, and who would notice it first?

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N° 1.02

Where You Already Stand

Plate 1.02 — The Inventory. An inventory is not a list of what you have. It is the discovery of what you have been using without noticing.

The previous chapter asked you to spend thirty days looking for the place where your organisation is already regenerative.

DISCOVERY

1. What do we do here that we have always done, that a competitor would find remarkable if they saw it?
2. Which asset is in better condition today than it was three years ago, and who is responsible for that?
3. Think of a practice in this organisation that survived a reorganisation it should not have survived. What protected it?

DREAM

4. If every valuable practice we have were written down and named, what would a new manager's first week look like?
5. Imagine we became known for reproducing what works rather than for launching what is new. What would be different about how we spend our time?
6. What would it be like to work somewhere that could describe its own strengths accurately?

DESIGN

7. Which of our findings could produce a trend line this quarter, and what would we have to start recording on Monday?
8. Who owns each of these practices, and have we ever told them what it is worth?
9. What is the one line we would put in the standing pack this month if we could only have one?

DESTINY

10. How would we know if a practice on this list had quietly stopped?
11. Which entry would we be most tempted to inflate at the next review, and what would keep us honest?
12. Where else in the organisation does our strongest finding apply, and what is the smallest experiment that would test it?



Nº 1.03

The First Instrument

Plate I.03 — Two Hands, One Page. An instrument is the moment a conviction acquires a second person. Until somebody else has signed it, it is still only an opinion with a spreadsheet.

Two chapters ago you were asked to find the place where your organisation is already regenerative.

DISCOVERY

1. Which customer has bought from us steadily for the longest, and what have we never asked them for?
2. When has a supplier or a customer of ours solved a cash problem for us without a bank being involved — and what made that possible?
3. Where in our contracts is there already a clause that obliges somebody to do something good, and who negotiated it?

DREAM

4. If capital moved freely between the firms that already trade with each other, what would our smallest suppliers be able to do next year?
5. Imagine our board pack had a page headed *Capital from trading relationships*. What would we want it to say in three years' time?
6. What could we finance out of relationships we already have, if the only thing stopping us was that nobody had written the page?

DESIGN

7. What is the one product we deliver so reliably that we would happily be paid for it a year in advance?
8. What stock does that product draw on, and what metric would honestly show whether it is improving?
9. Who would sign this on our side, who would sign on theirs, and what does each of them need to see first?

DESTINY

10. How would we know if our prepayment discount had quietly turned into our price?
11. Who verifies the trigger next year, and how do we make sure it is not the same person as this year?
12. What share of our working capital would we be comfortable having a single customer fund — and who decides that before the answer is forced on us?

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N° 1.04

Reading a Balance Sheet as a Living System

Plate 1.04 — The Second Column. Nobody gave her a form for the second column. She ruled it herself, in the margin of a document that is otherwise finished, and it is the only part of the page that is about the future.

You can already read a balance sheet.

DISCOVERY

1. Which number in our accounts do we all quietly believe understates what we actually have — and what makes us so sure of that?
2. When have we sold something and been surprised by the size of the gain? What did that gain turn out to be telling us?
3. Who here already counts something in physical units for their own purposes, reliably, every year, without being asked? What are they counting, and how did they learn to trust it?

DREAM

4. If our board pack carried one page showing what is getting larger and what is getting smaller, what is the first decision that page would change?
5. Imagine our bank reading the standing-stock schedule before the covenant report. What would we want that schedule to say about us?
6. If every proposal arriving at the capital committee named the stock it draws on and what it does to it, which of our current proposals would look different?

DESIGN

7. What is the one stock in this business that we could count credibly this quarter, with people and data we already have?
8. What unit would two of us count identically, without conferring, on a wet Tuesday?
9. Who should confirm the count — and what makes them the right person rather than the available one?

DESTINY

10. What decision could we attach this schedule to so that discontinuing it would cost somebody something?
11. What would we want to be true of this schedule in ten years, and what does that make the first definition we write today?
12. If this schedule were quietly drifting out of the pack, who would notice first, and what would they see?

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Nº 1.05

The Pilot That Pays

Plate I.05 — Two Rooms, One Question. A pilot is not a small version of the plan. It is a comparison you built on purpose, in a place where the only difference is the one you made.

Chapter I.01 gave you a rule for sizing a pilot and asked you to memorise it: the effect must be greater than three times the period-to-period noise, and the cost must fit inside one persuaded person's discretion.

DISCOVERY

1. When has this organisation measured something before it changed it, and what did that let us say afterwards that we could not otherwise have said?
2. Where do we already have a natural comparison — several sites doing the same work, a queue, a rollout order — that we have never used as evidence?
3. Which of our data series goes back the furthest, and who maintains it? What has their care made possible that they have never been thanked for?

DREAM

4. If every rollout in this organisation were staggered in a random order as a matter of course, what would we know in three years that we do not know now?
5. Imagine a baseline register as well kept as our fixed-asset register. What is the first question it would let us answer on the day somebody asks?
6. If a saving always arrived with the name of the budget it fell out of, what would change about how we plan?

DESIGN

7. What is the one result we could produce this quarter that the most sceptical person in the building would accept — and what would it take to design it that way from the start?
8. Who should be the verifier, and what would make that role genuinely independent rather than nominally independent?
9. What is the smallest whole step — a shift, a vehicle, a lease, a contract — that one of our candidate savings could cross, and what size of pilot crosses it?

DESTINY

10. What share of a verified saving should return to the fund, and what would make the operating unit glad to send it rather than resigned to it?
11. What would have to be true for the pilot fund still to be revolving when everyone in this room has moved on?
12. What is the first sign that our verification has quietly become advocacy, and who outside this room would notice it first?

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N° 1.06

Bringing the Money With You

Plate 1.06 — The Stack, in Afternoon Light. Capital is never one thing. It is three or four things placed in an order, and the order is the whole design. The stack on the table is not money yet — it is the shape the money will take.

You have a result.

DISCOVERY

1. When has this organisation been lent money on terms that were genuinely patient — longer, cheaper or more subordinated than the market — and what made that lender willing?
2. Who in our network already sits behind somebody else's risk: a guarantee, a deposit, a letter of credit, a parent company comfort letter? What did it cost them, honestly, over the years they held it?
3. Which of our funders has money that is currently doing nothing between grant cycles — and what would it take for that to be sitting behind a lender instead?

DREAM

4. If our finance function could assemble a four-layer stack as routinely as it renews an overdraft, what would we fund next year that we are not funding now?
5. Imagine the reserve provider's annual page three years from now: capital mobilised, losses absorbed, reserve remaining. What numbers would we be proud to have on it?
6. If every asset here were financed on a tenor that matched how long it actually takes to regenerate, which decision would change first?

DESIGN

7. What is the real loss history we would put in front of a first-loss provider, and who would have to agree that it is the right history?
8. Who is the one institution nearest us that could afford to be last in the waterfall — and what have they said yes to before?
9. What would we have to write into the residue clause for a reserve to feel like a placement rather than a gift to the person signing it?

DESTINY

10. What would have to be true for this facility to make its fourth loan after everyone who assembled it has moved on?
11. If our senior lender's credit officer left tomorrow, which parts of this structure would have to be renegotiated — and how do we reduce that list to none?
12. What is the first sign we would see that the first-loss layer was sized to a convention rather than to a loss rate, and who would notice it first?

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Nº 1.07

The Second Circle

Plate 1.07 — The Third Chair. The third chair is the one that decides. A room with two people in it is a conversation. A room with three is a practice that can continue without any particular one of them.

You have the number.

DISCOVERY

1. Think of a practice in this organisation that spread without anybody being told to do it. Who was the second person to take it up, and what made them credible to the third?
2. Which small group here makes decisions well — genuinely well, quickly and without resentment? What is its size, and what does it have written down?
3. When has one of you changed how you work because you saw two colleagues doing something, rather than because you read the case for it? What were you watching?

DREAM

4. If every initiative in this building had three named owners instead of one, what would stop happening that currently happens?
5. Imagine a year in which nothing we started depended on the person who started it. What is the first thing we would notice?
6. If splitting a team at twelve were an ordinary celebration here rather than a reorganisation, what would we do to mark it?

DESIGN

7. Looking at the people whose participation would matter most, where is the gap in the distribution — the number of adopters at which nobody here moves?
8. Who are the two people in this organisation that others check with, whom we have never actually asked for anything?
9. What are our four lines — who is in, how we decide, who watches, what happens when somebody does not do what they said? Let us write them now, in this meeting.

DESTINY

10. Who would chair this if the person chairing it today were absent for three months, and what would they need to have already been doing?
11. At what size does this group divide, and who decides? If we cannot answer that today, when will we?
12. What is the first sign we would see that this had become one person's project again — and who is best placed to notice it?



Nº 1.08

When It Stalls

Plate 1.08 — The Instrument Left Running. Nothing here has been used for a long time. One thing here has not stopped, and that is the only thing in the room that knows what happened.

You did the ninety days.

DISCOVERY

1. Think of something here that stopped being pushed and kept running anyway. What was it, and what was it embedded in that made that possible?
2. Which of our reports would still arrive next month if everyone who commissioned it left tomorrow — and what does that tell us about which reports we should be building?
3. Name a programme that stalled here and came back stronger. What was different about the version that came back?

DREAM

4. If a stall were an ordinary status with a budget line rather than a silence, what would somebody feel able to tell us that they currently do not?
5. Imagine our reporting pack carries a dormant block with four figures per line. Whose eye do we most want to stop on it, and what would make it stop?
6. If ending something well were as respectable here as launching something, what would we end this quarter — and what would that free?

DESIGN

7. What is the smallest thing we could keep running through a pause, and what would it preserve?
8. Who would take the survivor register at month three, and what would they need to be able to write it honestly?
9. Which of our facility templates could carry a dormancy clause by the end of the month, and who signs that change?

DESTINY

10. What would have to be true for a dormant programme here to be picked up by somebody who had no part in building it?
11. Where have we already written a good close — a piece of work that ended and left a usable record — and what made that one get written?
12. If this practice were quietly dying, the register would fill with things nobody intends to restart. Who would notice that first, and what would they do about it?

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Nº 1.09

The Institutional Handshake

Plate 1.09 — Two Hands and a Standing Order. An institution cannot change its own rules. It can, on any Tuesday, decide which of its existing rules a new thing belongs under — and that decision is the whole of the transaction.

By now you have a result.

DISCOVERY

1. Think of a time this institution said yes to something unusual and it went well. What category did it end up being filed under, and who found that category?
2. Which of our standing policies is more permissive than the way we currently use it — and who here has read it all the way through this year?
3. What have we approved under delegated authority in the last twelve months that a neighbouring institution would have taken to a committee?

DREAM

4. If a supplier arrived tomorrow with something genuinely new, what would have to be true for us to be able to say yes within thirty days and be proud of how we did it?
5. Imagine our register of agreements three years from now, with verified results recorded against each. What would we use it for that we cannot do today?
6. If our scheme of delegation were rewritten by the people who use it most, which single threshold would move, and what would that unlock?

DESIGN

7. What is the smallest thing we could sign this quarter under an authority we already hold, without asking anyone for an exception?
8. Which of our policies deserves a worked example attached to it, and what would the first example be?
9. Who here is expert in what we are allowed to do, and how could we make it easier for people to ask them early rather than late?

DESTINY

10. What would have to be true for an agreement signed this year to be found, read and used by someone who has not yet joined us?
11. When we review this policy next year, how will we know which sentences people have actually been relying on?
12. What is the first sign we would see that a good result had quietly failed to reach an agenda — and who would notice it first?

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Nº 1.10

Scaling Without Losing the Thing

Plate 1.10 — The Fortieth Kitchen. A thing has scaled when the fortieth person does it right without being watched, and cannot quite tell you why.

You have something that works.

DISCOVERY

1. Which of our units is furthest from where this started and still unmistakably the thing? What did we do right in that case that we did not do deliberately?
2. Think of a time somebody in a distant unit made a decision we would not have made and it was better. What let them make it?
3. What do we share across units now that none of us could afford alone — and who built it, and when?

DREAM

4. If we knew our own ceiling and had written it into the constitution, what would we stop arguing about?
5. Imagine a new unit opening next year that we never visit and never worry about. What would have had to be true about how it was created?
6. If growth were measured in units-above-the-floor rather than units, what would we be proud to report three years from now?

DESIGN

7. Which parts of what we do could a stranger judge from the outside, and which could only be judged from inside? What does that tell us about which instrument each part wants?
8. What is the one thing our units cannot afford alone that we have not yet built together — and what would the first version of it cost?
9. Who here has been taught directly by the source, and who has been taught by someone who was? What would it take to know that for every unit?

DESTINY

10. If the shared organ failed tomorrow, what would happen to our smallest member — and is that acceptable to the rest of us?
11. What would make leaving this federation genuinely easy, and what are we afraid would happen if it were?
12. Who visits? Not inspects — visits. How often, and what did the last visit change?

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Nº I.11

Handing It On

Plate I.11 — The Second Set of Keys. A handover is not a ceremony. It is the moment the building stops needing you, and the only way to find out whether it has arrived is to be there and not intervene.

You began this volume with a Monday.

DISCOVERY

1. Think of a handover in this organisation that went unusually well — a role, a client, a piece of craft. What did the person leaving actually do, and could we describe it precisely enough to do it again?
2. What do we already do here that would continue perfectly well if every one of us left tomorrow? What makes those things different from the rest?
3. Which decisions in this business are genuinely well documented, and who wrote them down — what made that person bother?

DREAM

4. Imagine somebody joining in ten years who never met any of us. What would we want them to be able to read in their first fortnight, and what would it say?
5. If the three things this enterprise may never do were written into a deed tomorrow, what would they be — and what freedoms would we be deliberately leaving to whoever comes next?
6. If ownership sat with the people doing the work, what is the first conversation that would be easier, and who would be having it?

DESIGN

7. What is the growth rate this business must hold to keep its position, and what is the highest rate we can finance from inside? Who here knows both numbers?
8. Where in this group would we raise capital one level down, against a named asset, without touching the centre?
9. Who are the ten relationships that cannot be transferred by an introduction, and what would a proper handover of one of them look like?

DESTINY

10. What would have to be true for this constraint to still be honoured when nobody remembers who wrote it?
11. Who checks the ownership structure each year, in the way we check the accounts — and if nobody does, whose calendar should it go into?
12. What is the first sign we would see that the structure had begun to strangle the thing it was built to protect, and who would be free to say so?

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Nº I.E1 · EXTENSION

For the Practitioner of Luminous Economics

Plate I.E1 — The Whole Treasury, on One Table. Everything a corporation calls treasury, procurement, internal audit and legal is on this table, and all of it reports to her. That is not a shortage of institution. It is the shortest approval path in the economy.

The eleven chapters you have just read were written for somebody with a quarter, a signature limit and a finance function to persuade.

DISCOVERY

1. What do you already do in this practice that a customer has thanked you for twice, and have you ever costed it?
2. Which of your customers has bought steadily the longest — and what have you never asked them for?
3. Think of a document you wrote once and have used three times. What made that one worth writing when others were not?

DREAM

4. If every recurring conversation in this practice had a two-page document behind it, what would you do with the hours that returns?
5. Imagine three practices who verify each other's numbers. What would you finally be able to claim that you cannot claim alone?
6. If your cost of documenting a deal fell from £840 to £60, what deal would you do next year that you would not do now?

DESIGN

7. What is the one stock in this practice you could count credibly this month, with data you already have?
8. Who are the two practitioners others check with, whom you have never actually asked for anything?
9. What is the smallest institutional contract you could sign this quarter under somebody's existing delegated authority, without asking for an exception?

DESTINY

10. If you were unavailable for three months, what in this practice would keep running — and what did you do that made that true?
11. Which template would you most regret not having written, and what is stopping you writing it this week?

12. What would be the first sign that the reciprocal verification had become a courtesy rather than a check, and which of the three of you would say so?

THE CHAPTER



Nº I.E2 · EXTENSION

For the Corporation

Plate I.E2 — Eleven Days Before the Sitting. The circled date is when the committee sits. The underlined one is when the papers are due, and it is the only date in the room that is real.

You have a P&L, a board, an audit committee and a treasury function, and you have just read eleven chapters that keep telling you to go and talk to your auditors.

DISCOVERY

1. Which of our standing policies is more permissive than the way we currently use it — and who here has read it all the way through this year?
2. What have we approved under delegated authority in the last twelve months that a comparable firm would have taken to a committee?
3. Which line in our accounts do we all quietly believe understates what we actually have, and what makes us so sure?

DREAM

4. If our delegated authority framework carried a regeneration class, what would the first transaction under it be, and who would sign it?
5. Imagine the audit committee receiving four figures a quarter on this class as a standing item. What would we want those figures to say in three years?
6. If every capital paper named the stock it draws on and what it does to it, which of our current proposals would look different?

DESIGN

7. Which of the four zero-committee instruments could we start this month, and what is actually stopping us?
8. Which covenant does each of these instruments touch, and who has computed the headroom after it rather than before?
9. Who is the right delegate, by post — and what would make their existing authority sufficient rather than nearly sufficient?

DESTINY

10. What would have to be true for this class to still be used when nobody currently in this room is here?
11. When this policy is reviewed next year, how will we know which sentences people have actually been relying on?
12. What would be the first sign that the schedule had become an entitlement rather than an authority, and who would be free to say so?

THE CHAPTER



Nº 1.E3 · EXTENSION

The Translation — One Economy, Two Vocabularies

Plate 1.E3 — Two Ledgers, One Hand. The finger is on the same transaction twice. The two books disagree about nothing except what to call it.

The previous two chapters were written as though there were two readers, and there are not.

DISCOVERY

1. Think of a time somebody outside this organisation explained something and we understood it immediately. What did they do that made it land?
2. Which word do the people doing the work here use that never appears in the accounts — and what does it actually name?
3. Where in our existing contracts is there already a definition that both sides genuinely agreed, and who drafted it?

DREAM

4. If every agreement we signed carried two columns and the arithmetic between them, what conversation would get shorter first?
5. Imagine a schedule of long-horizon terms that nobody is embarrassed by. What would we be willing to put in it?
6. If our measurement owners on both sides drafted together in one room, what would they find out in the first hour?

DESIGN

7. Take the one term we most often disagree about. What is the computation that runs from both ends, and who could write it this week?
8. Which of our terms fails the horizon test — and what would the shortened claim be?

9. What would we put in the annex of refusals, honestly, and what substitute have we been using without saying so?

DESTINY

10. How would we know if a definition here had quietly changed, and who would notice first?
11. Which of today's refusals could become a translation in five years, and what would have to exist for that?
12. What is the first sign that both sides had agreed the words and never run the arithmetic — and who is best placed to catch it?

THE CHAPTER

Volume II · Foundations — The Paradigm and the Science



N° II.01

From Scarcity to Abundance

Plate II.01 — Two Bowls, One Spring. The spring is not scarce. The bowl is. Almost everything this volume argues is contained in the difference between those two sentences.

Volume I asked what you do on Monday.

DISCOVERY

1. Where in this organisation have we already solved a shortage by moving something, converting something or renegotiating something, rather than by buying more of it? What made that possible?
2. Which material or component comes back to us, in any quantity at all, and who built that route — was it designed, or did it grow because somebody found it worth doing?
3. Think of something we give away freely that costs us almost nothing to reproduce. What has it returned to us that we never counted?

DREAM

4. If everyone here could say which of the four senses of *scarce* they meant, every time, what argument would we stop having?
5. Imagine our recovery fraction were on the front page of the monthly pack. What would people start doing in the first quarter that they do not do now?

6. If we kept title to everything we shipped, what would we design differently — and which of those design changes would we want anyway?

DESIGN

7. Which of our shortages has an address, and have we ever gone and looked at it?
8. Where are we within a small multiple of a thermodynamic floor — and where are we, in fact, nowhere near it and have stopped trying?
9. What is the smallest material loop we could close completely this year, all the way to a priced counterparty for the returned material?

DESTINY

10. What would have to be true for the classification to still be honest when the person who benefits from the answer is the one filling it in?
11. Who outside this team would notice first if our recovery number were being improved by narrowing the denominator, and have we asked them to watch?
12. What would we want still running here in ten years that depends on none of us being in the room — and what would we have to write down this quarter for that to be true?

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N° 11.02

Markets as Living Systems

Plate 11.02 — The Slate, Before Opening. No equilibrium was computed here. A price was made by somebody who knew things, and it will be made again at eleven, and again if the weather turns.

You have been told that the economy tends toward equilibrium, and you may have noticed that nothing you have ever worked inside behaves that way.

DISCOVERY

1. When has someone here correctly predicted a market move that the official model missed? What were they paying attention to that the model was not?
2. Where in this organisation do we already treat something as a population rather than an average — and what does that let us see?

3. Which of our relationships with suppliers, customers or competitors behaves most like an ecology rather than a transaction? What makes it work?

DREAM

4. If every number in our board pack arrived with its distribution attached, which decision would change first?
5. Imagine we could run our next major policy a thousand times before we ran it once. What would we most want to learn from the thousand?
6. If we understood our supply network as an organ of perception rather than a cost centre, what would we start noticing two quarters earlier?

DESIGN

7. Which single series should we compute a tail exponent on first, and who already has the data?
8. What is the smallest question an agent-based model could answer here that would genuinely change a decision?
9. What floor — on diversity, on redundancy, on slack — would we be willing to write into a covenant, so that next quarter's efficiency pressure has something to push against?

DESTINY

10. What would we want to see published every year so that this way of working could be checked by someone who did not build it?
11. Who is the second person who can run our model alone, and what would it take to make that true by March?
12. What is the first sign we would see that our metaphor had outrun our mathematics, and who in this room is most likely to notice it?

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N° 11.03

Non-Dual Economics

Plate 11.03 — The Line Somebody Drew. The boundary is not in the landscape. It is in the drawing. And somebody downstream of this pen is already being paid by where it lands.

There is a lineage behind this chapter and it is better to name it in the first paragraph than to have it discovered in the fourth.

DISCOVERY

1. Where in our accounts have we already elected a boundary deliberately and for a good reason — and who made that call, and what did they see that the standard did not require them to see?
2. Think of a time two teams here stopped disagreeing because somebody wrote down a definition. What was the definition, and what did the room do with the hour it got back?
3. Which of our suppliers, neighbours or households already behaves as though it were inside this company — and what do we get from that which no contract asks for?

DREAM

4. If our annual report opened with a one-page boundary note, what is the first comparison a reader could make that they cannot make today?
5. Imagine we could see the whole producing economy around this business — paid and unpaid — on one page. What would we do differently on a Tuesday?
6. If every person here could point to the line that separates what they are paid for from what they contribute, what would they ask for next?

DESIGN

7. Which line should we write down first, and what makes that one the easiest for this organisation to be honest about?
8. What would it take for a change of boundary here to require a side-by-side restatement as a matter of course rather than as a matter of argument?
9. Who should own the fifth column — *who is paid by where this line falls* — so that it stays accurate and stays safe to write?

DESTINY

10. What would have to be true for the boundary register to still be in the audit committee pack when everybody in this room has moved on?
11. When has an instrument here survived because somebody used it to win an argument? What did that use look like, and how do we arrange the first one?
12. What is the first sign we would see that the register had become a form rather than an inquiry — and who would notice it first?

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Nº 11.04

The Science of Wholeness

Plate II.04 — The Standing Wave. The pattern is not in the water and it is not in the flame. It is in the difference between them, and it will hold exactly as long as the difference does.

There is a sentence that appears in almost every book on regenerative economics, including books this house admires: the economy is a living system.

DISCOVERY

1. Where in our work have we already made a systems claim that turned out to be exactly right, and what did we do to find that out?
2. Which of our models already names its components, its boundary and its units without being asked — and who built it that way?
3. Think of a time someone in this room corrected a borrowed term and the argument got stronger. What made that safe to do?

DREAM

4. If every systems claim we made carried its licence in the next sentence, what would we be able to say to people who currently discount us?
5. Imagine a physicist joining this team next month and reading everything we have published. Which three pieces would we be most pleased for them to start with?
6. If we knew the elasticity of our main outcome with respect to every lever we have, what would we do differently on Monday?

DESIGN

7. What is the gradient across our system, and is it above or below the threshold where structure forms on its own?
8. Which of our interventions are at Meadows' rules and information levels, and which are at parameters — and have we ever computed which pays more here?
9. Who holds the licence questions in our room, and how do we make sure the role rotates before it becomes a veto?

DESTINY

10. What would have to be true for the computation behind our claims to still run in five years, on a machine none of us owns yet?

11. Which of our numbers was computed once and has quietly stopped being true? How would we find out?
12. When somebody outside this room checks one of our figures, what do we want the second thing they check to be?

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Nº 11.05

Complexity and Economic Networks

Plate 11.05 — The Exchange, After Hours. The board is not the calls. The board is which calls are possible. Every economy has one, almost nobody has drawn it, and the drawing changes what you think you are looking at.

You have been taught to think about firms, and prices, and quantities.

DISCOVERY

1. Where in this organisation does somebody already hold a map of who is connected to whom — even an informal one, even in their head? Who is it, and what do they see that the rest of us do not?
2. Think of a time a disruption somewhere else in our network did *not* reach us. What stopped it? Was that structure, or was it luck, and how would we tell?
3. Which of our relationships would we describe as load-bearing, and what have we already done — without calling it that — to make sure they hold?

DREAM

4. If the graph of our counterparties were on the wall in every allocation meeting, what is the first decision that would go differently?
5. Imagine we could publish our network position and our counterparties could publish theirs. What would we be able to do together that neither of us can do alone?
6. What would it feel like to make a deliberate decision *not* to integrate two parts of this business, and to be able to defend it with a number?

DESIGN

7. What is the smallest edge list we could assemble this month from systems we already run, and who owns it once it exists?

8. Which single node, if it went dark tomorrow, would disconnect the most of us — and what would second-sourcing it actually cost?
9. Where do we set rules that other people follow — a covenant, a standard, a voting policy? If structural concentration is a fixed point of a rule, which of our rules is producing one?

DESTINY

10. What would have to be true for the graph to be refreshed automatically, with nobody remembering to do it?
11. Who would notice first if our network position changed materially, and how would they tell anyone?
12. Ten years from now, what would we want a new colleague to find already in the pack on their first day?

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Nº 11.06

Thermodynamics and Economic Flow

Plate 11.06 — The Glasshouse Behind the Turbine Hall. The turbine took the work out of the steam. The glasshouse is what was left, and what was left is warm, and warmth is not nothing.

There is a sentence that people who have read a little physics like to say at dinner, and it is: the economy is subject to the second law of thermodynamics.

DISCOVERY

1. Where on this site does one process already use something another process finished with — and who set that up, and how did they think of it?
2. Which of our machines has quietly outperformed its specification for years, and do we know what it is actually doing well?
3. When did somebody here last choose a piece of equipment on a reason other than purchase price, and turn out to be right?

DREAM

4. If every thermal stream leaving this building had a buyer, what would the site look like from the air?

5. If our management pack carried one number describing what we destroy rather than what we buy, what would we start doing differently within a quarter?
6. What would we design differently if, at the moment of specifying a material, we could see where its atoms end up?

DESIGN

7. What is the highest-grade energy we currently spend on the lowest-grade task, and what would it take to stop this year?
8. Who would sign a ten-year agreement for our warm tail, and what would they need to believe about us?
9. What is the one temperature reading we are not logging that would change what we know?

DESTINY

10. What would have to be true for this cascade to still be running when everyone in this room has moved on?
11. Who outside this company would notice within a week if our stream degraded — and is that a risk or the best guarantee we have?
12. What is the first sign we would see that the exergy account had started being managed rather than measured, and who would spot it first?

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Nº 11.07

Information, Signal, and Price

Plate 11.07 — One Number on a Chalkboard. All of that reaches the next person as one number. The chalk is not a summary of what she knows. It is the only part of it that can be transmitted.

Somewhere in the next hour you will look at a price and make a decision.

DISCOVERY

1. Think of a decision here that got dramatically better because one number arrived earlier or from somewhere new. What was the number, and who moved it?

2. Where do we already run a second channel beside price — a certification, an audit, a rating, a direct relationship — and what does it let us do that our competitors cannot?
3. Which of our people can tell, without instruments, something about quality that our systems cannot record? What are they reading?

DREAM

4. If every recurring decision here arrived with its attribute vector named, what would change about the meetings we have?
5. Imagine four bits of attention from our customer at the moment of choice. What four would we want them to have, and why those?
6. If we could retire every measurement whose answer we already know, what would we do with the time and the budget that came back?

DESIGN

7. Which single attribute, if we could attest it credibly, would change a decision somebody makes about us every quarter?
8. Who else carries the same measurement cost that we do — and what would it take to share the channel with them rather than each build one?
9. What is the cheapest honest thing we could measure this quarter, and what decision would it change?

DESTINY

10. Whose income here depends on one of our measurements being accurate? If the honest answer is nobody, who should it be?
11. What would tell us early that a measurement of ours had started being gamed, and who would see it first?
12. Ten years from now, which of our current numbers would we most want to still be trusted — and what would we have to do this year to earn that?

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N° 11.08

Networks, Trust, and Topology

Plate II.o8 — The Handshake, and the Ledger Behind It. The handshake is not the opposite of the contract. It is a contract whose enforcement was paid for in advance, over years, by people who are not in the room.

You already know that trust is worth money.

DISCOVERY

1. Name a counterparty relationship in this business that saves us real money every month. Who built it, what did they do, and has anyone ever thanked them for it in a form that appears in the accounts?
2. Think of a time something difficult got done here on a phone call rather than a contract. What made that call possible, and how long had it been in the making?
3. Which of us got our job, or our best supplier, or our best idea through someone we barely knew? What does that tell us about where to spend the next hour?

DREAM

4. If we knew the maintenance cost and the transaction saving for every counterparty we have, what would we stop doing by Friday?
5. Imagine a newcomer with no connection to anyone here becoming one of our best suppliers within two years. What would have had to be true in year one?
6. If reputation earned with us travelled with a supplier when they left, what would that do to who wants to work with us?

DESIGN

7. What is the ladder into this network, stated so precisely that a stranger could follow it without asking us?
8. Where are we carrying relationship cost on a counterparty we transact with four times a year — and where are we treating a high-volume partner as a stranger?
9. What proportion of our relational time is spent outside our own cluster, and who would defend that budget if it were cut?

DESTINY

10. If the three people who hold our key relationships left in the same month, what would a successor be able to read on their first morning?
11. What is the first sign that our network has started admitting people on introduction rather than on performance, and who would see it first?
12. How many of our alternatives have we let lapse, and what would it take to keep two live in every critical category?

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N° 11.09

Evolution and Economic Selection

Plate II.09 — The Nursery Bed. Every row in this plot is a guess. The plot is not the guess. The plot is the apparatus that lets a guess be wrong cheaply, and lets a right one be carried into next year by somebody who was not here.

Economics borrowed the word evolution early and has been careless with it ever since.

DISCOVERY

1. Think of a way of working here that spread without anyone mandating it. How did it travel, who carried it, and what made it easy to copy?
2. Which of our units is most unlike the others — and what has that difference allowed us to learn that uniformity would not have?
3. When has one of our people taken a routine to another organisation and made it work there? What does it tell us that it survived the move?

DREAM

4. If everyone here could name, in one sentence, the number they are actually being selected on, what would change on Monday?
5. Imagine our variant programme three cohorts from now, and one of the kept variants is running in four places. Which variant is it, and who kept it alive at the beginning?
6. If a routine of ours outlived the unit that invented it, where would it be deposited, and who would go looking for it?

DESIGN

7. What is the widest set of genuinely different attempts we could fund this year without anyone needing to call it a strategy?
8. What group-level number would we be willing to publish before the period, and be scored against afterwards?
9. Which measure of ours rewards a behaviour inside a team that costs the organisation as a whole — and what would the group term have to be worth for that to reverse?

DESTINY

10. What would we have to protect, deliberately and in the budget, to make sure we are still different enough from each other in five years to learn anything?

- I 1. Who, other than the person who invented it, could run our best routine next quarter — and what would we have to write down this month for that to be true?
- I 2. What is the first sign we would see that our selection criterion had become a target rather than a measure, and who here would notice it first?

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Nº 11.10

Measurement and What It Does

Plate 11.10 — The Weight and the Weighing. The balance does not describe the cloth. It describes the cloth in the one respect somebody decided to care about, and then the ledger forgets that a decision was made.

There is a particular kind of quiet that falls over a meeting when somebody produces a number.

DISCOVERY

1. Which number in our standing pack do we trust most, and what is it about how it is compiled that earns that trust?
2. When has one of us gone and looked at something that was not being measured at all, and what did we find that we could not have found otherwise?
3. Where in this organisation does somebody already state the boundary of their own figures without being asked — and what does it cost them to do it?

DREAM

4. If every number in our pack carried what it counts and what it leaves out, what would we start asking in this room that we do not ask now?
5. Imagine we had a satellite account for the single largest thing we do not currently count. What would we see in the first quarter?
6. If the parameters inside every index we quote were printed beside the result, which argument in this organisation would finally become a productive one?

DESIGN

7. Which of our targets matters most right now, and what would be the honest holdout indicator for it?

8. What would we have to protect, and who would have to protect it, for a holdout to survive its first bonus round?
9. What is the smallest satellite account one person could build this quarter without needing anyone's approval?

DESTINY

10. What would have to be true for our boundary statements to still be read, rather than copied forward, in three years?
11. When our holdout first diverges from our target, who in this room will be the one to insist that the holdout is the news?
12. If somebody proposed replacing our four series with one composite index next year, what would we want this room to have already decided?

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Nº II.11

The Case Against This Book

Plate II.11 — The Marginal Hand. A book that cannot be argued with in the margin is not a book. It is an announcement. The margin is where a text becomes usable, and a text that leaves no room in it has told you what it thinks of you.

This chapter closes Volume II, and it is the one you should read first if you intend to teach from this edition.

DISCOVERY

1. When has someone in this room changed their mind because of a number, and what was it about the way that number arrived that made it possible?
2. Think of a time a criticism of our work turned out to be the most valuable thing we received that year. What did the critic do that made it usable?
3. Which of our current beliefs has already survived a serious attempt to kill it — and who made the attempt?

DREAM

4. If every proposal in this organisation arrived with the finding that would retire it, what would our approval meetings sound like?

5. Imagine we are known as the firm whose critic is the best-paid person in the department. What have we gained that we do not have now?
6. If we could retire one belief a year and be admired for it, which would go first?

DESIGN

7. What are the five claims our largest current commitment actually rests on, and could two of us write them identically?
8. Which of our claims forbid an observation, and which forbid nothing? Who here would classify them differently, and on which line?
9. What would it take for a person in this organisation to be genuinely rewarded for overturning something we announced?

DESTINY

10. What would have to be true for our register to still be reviewed when everyone in this room has moved on?
11. Who is the second reader — the person who did not write it — and what standing do they need to do the job honestly?
12. What is the first sign we would see that our kill conditions were being softened rather than tightened, and who would notice it first?

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Nº II.E1 · EXTENSION

For the Practitioner of Luminous Economics

Plate II.E1 — The Margin, in Pencil. She is not deciding whether she agrees. She is deciding which sentences she would be willing to defend in a room where somebody has read the source.

You have read eleven chapters of evidence and you are about to do something with them.

DISCOVERY

1. Think of a claim you have made in the last year that a sceptic accepted immediately. What was it about the source that made that possible?
2. When has naming a weakness in your own evidence made a room more willing to act rather than less? What did you say, exactly?

3. Which of the results in this volume have you already checked at the source rather than taking from a summary — and what did you find there that the summary had lost?

DREAM

4. If every proposal you wrote carried a graded claim schedule, which conversation would you stop having entirely?
5. Imagine a room where the practitioner with the most downgrades on their ledger is the most trusted person present. What would you do differently on Monday?
6. If your grade-A citations were the only ones you were allowed to use, what would you have to go and find this quarter?

DESIGN

7. What are the five claims your current largest piece of work actually rests on, and could two of us write them identically?
8. Which of your grade-B claims is closest to having its contest settled — and what would the joint test look like?
9. Who grades your schedule, and what would they need in order to tell you the uncomfortable answer?

DESTINY

10. What would have to be true for the ledger to still be current when you are no longer the person maintaining it?
11. What is the first sign you would see that your grades were inflating, and who is most likely to spot it before you do?
12. Ten years from now, which of these thirty results would you most want to have been the one you were careful about — and what does that tell you about what to check first?

THE CHAPTER



Nº 11.E2 · EXTENSION

For the Corporation

Plate 11.E2 — The Board Table, Ten Minutes Early. She is not rehearsing the argument. She is finding the sentence that will be attacked, so that she is the one who says it first.

You are not being asked whether this is true.

DISCOVERY

1. When has this company taken a genuinely contested position to a board or a regulator and been believed? What form did we put it in?
2. Which of our numbers would survive a hostile reviewer today without any further work — and who here already knows which they are?
3. Think of a time somebody named the weakness in their own paper before anyone asked. What happened in the room, and what did it cost them?

DREAM

4. If every material estimate in our board pack arrived with a band and a pre-agreed response, which decision would change first?
5. Imagine our reviewers were the best-paid analysts in the function. What would we find out in the first year that we do not know now?
6. If nobody in this building were ever asked which economics they believed in, only who adjudicates the decision, what would we stop arguing about?

DESIGN

7. Which of our load-bearing findings are *bounded* rather than *surviving*, and is the boundary written as a number anywhere?
8. What is the one metric where a challenge would be most expensive, and have we ever estimated what a restatement would actually cost?
9. Who writes the counter-arguments to our own papers, and what would they need in order to write them properly?

DESTINY

10. What would have to be true for the defence file to still be reviewed when everyone in this room has moved on?
11. What is the first sign we would see that a boundary had been loosened rather than tightened, and who would notice it first?
12. Ten years from now, which of our concessions would we most want to have made early — and what does that suggest we concede this quarter?

THE CHAPTER



Nº 11.E3 · EXTENSION

The Translation — One Economy, Two Vocabularies

Plate II.E3 — Two Columns, One Ledger. Neither document is a translation of the other. There is a set of rows where they describe the same thing, and a longer set where each holds something the other has no word for at all.

There are two vocabularies in the room and everybody knows it.

DISCOVERY

1. Where have two people here already agreed on a number while using completely different words for it? What made that possible?
2. Which of our documents already defines a term that both vocabularies use — and who drafted it, and what did they see that the standard did not require?
3. Think of a time somebody said *we have no word for that* and it turned out to be the most useful sentence in the meeting. What was the term?

DREAM

4. If every agreement we signed carried a list of the terms that do *not* translate, what is the first dispute we would never have again?
5. Imagine our analysts could compute a Carnot factor and a cost of capital in the same afternoon and thought nothing of it. What would we ask them for?
6. If the parameter inside every translated number were printed on the same page as the number, which of our decisions would look different?

DESIGN

7. Which three words in our live documents are doing two jobs, and which of them is in an operative clause?
8. Which of our rows rest on an identity and which on a chosen parameter — and has anybody ever checked that one of them round-trips?
9. Who bears the risk of the gap on each term in our Part B, and have we asked them?

DESTINY

10. What would have to be true for the schedule to still be accurate when the people who drafted it have gone?
11. What is the first sign we would see that the dictionary had started being used in one direction only, and who would notice it first?
12. Ten years from now, which untranslatable term would we most want to have been given a counterpart — and what would it take, in law or in a contract, to give it one?

THE CHAPTER



Nº III.01

What a Currency Is Made Of

Plate III.01 — The Column of Figures. Money has never been a substance. It is the agreement that these two columns must always match, held by enough people, for long enough, that the agreement can be spent.

You have handled money every day of your adult life and you have almost certainly never been told what it is.

DISCOVERY

1. Where in this organisation do we already keep a stable unit of account that is not the currency — a point, a credit, a standard hour, a tonne — and what made it trustworthy enough that people write agreements in it?
2. Think of a time somebody here was paid in something other than money and it worked better than money would have. What was exchanged, and what made it hold?
3. Which of our obligations to each other have never needed a contract, and what is the record-keeping that makes those work?

DREAM

4. If everyone here could say what their savings were made of, in one sentence, what would change about where they put them?
5. Imagine our long contracts written in a unit that held its meaning for twenty years. Which contract would we rewrite first, and what would we then be able to commit to?
6. If money in this organisation moved twice as fast and pooled half as much, what work would suddenly be affordable?

DESIGN

7. What stock do we hold that is measurably regenerating, and who would lend against its condition if we could prove it?
8. Who would we trust to publish an index we all wrote contracts in, and what would they have to do to earn that?
9. What is the smallest indexed instrument we could issue to ourselves this quarter, and what would we learn from it that no model would tell us?

DESTINY

10. What would make our unit of account still credible in ten years, when everyone who designed it has gone?

11. Who is obliged to accept it, and for what? If the honest answer is nobody, what is the first obligation we could create?
12. What is the first sign we would see that the index had started being managed rather than measured, and who would notice it first?

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Nº III.02

Energy as the Denominator

Plate III.02 — The Meter and the Kettle. The meter counts joules. Her hand is checking something the meter has no column for — whether this particular heat, in this particular hour, is the heat she actually needed.

Every proposal to remake money eventually arrives at the same suspicion: that a dollar is an opinion and a joule is a fact.

DISCOVERY

1. Where in this organisation are we already settling an obligation in a physical unit rather than a price — a tonne, a therm, a kilowatt-hour — and what made that the natural choice?
2. Who here can already read an hourly load profile, and what have they seen in one that nobody asked them about?
3. Think of a decision we got right because somebody counted the physical thing rather than the money. What was it, and what made them look?

DREAM

4. If every material contract carried an energy column beside the money column, what is the first question we would be able to answer that we cannot answer today?
5. Imagine our accounts in ten years with one series in them that has not been deflated, restated or rebased. What is that series, and who would use it first?
6. If we knew the exergy content of everything we buy, which capital decision would we make five years earlier than we otherwise would?

DESIGN

7. What should our conversion table say, who should own it, and what would make them the right owner?
8. Where is our measurement dense enough to support an hourly energy account today — and what would it cost to reach that density in one more place?
9. What is the one contract we could add a second column to this quarter, knowing that nothing will depend on it for a year?

DESTINY

10. What would have to be true for the energy column still to be kept ten years from now by people who never met whoever started it?
11. If our boundary widened without anyone deciding to widen it, who would notice, and what would they be looking at?
12. What is the first sign that somebody has started treating the denominator as a currency — and what is the shortest way to show them the 409?

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N° III.03

Complementary and Local Currencies

Plate III.03 — The Stamp, at the End of the Month. A currency is not a thing. It is an agreement with a running cost, and somebody is always paying it. The only question a design settles is who.

You have almost certainly been told that Wörgl worked and that the bankers stopped it, that the Swiss have run a parallel currency since 1934 and it keeps them steady in recessions, and that a town in England printed its own pound and it was wonderful until it wasn't.

DISCOVERY

1. Where in our own supply chain do two members already trade regularly without ever having been introduced by us — and how did that relationship start?
2. Think of a time this organisation extended credit or forbearance to a member and it came back to us. What made that judgement good?
3. Which of our existing member services pays for itself, and what does it have that the ones that do not are missing?

DREAM

4. If a quarter of our members' trade with each other settled without cash, what would that free up, and for whom first?
5. Imagine our annual report carrying one ratio we would be proud of on the front page. What is that ratio?
6. If we paid two people purely to introduce members to each other, what would they need to know on their first morning?

DESIGN

7. What is the smallest closed group among us where everyone already buys from at least one other — and could we start with just them?
8. What does this organisation already earn that could carry a clearing facility in its first two years?
9. Which existing cost would a member happily stop paying if we could clear their trade instead?

DESTINY

10. Who will own the velocity number, and what will it take for them to want to?
11. What would have to be true for this to still be running when everyone in this room has moved on?
12. What is the honest number below which we would close it — and are we willing to write that number down today?

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N° III.04

Credit as a Commons

Plate III.04 — The Slate Behind the Bar. Every credit system in history began as this slate. The interesting question is never who is owed. It is what the village does when the slate fills up.

You have been taught that credit is a product — something a bank manufactures, prices, sells and regrets.

DISCOVERY

1. Which of our suppliers and customers are the same people, or one step apart — and when did that overlap last help us through a tight month?
2. Think of a time somebody here extended credit on judgement rather than on a score, and it was right. What did they know, and how did they know it?
3. Where in this region is trade already happening without money changing hands — barter, deferral, favours between firms — and who keeps track of it?

DREAM

4. If our trade payables and receivables cleared against our neighbours' every month, what would we do with the cash that stopped being necessary?
5. Imagine our monthly pack carries one number about the health of the credit we extend to each other. What is that number, and who would read it first?
6. If every member of this circle could see everyone's coverage ratio, what conversations would start that are not happening now?

DESIGN

7. What is the smallest group of us whose obligations genuinely loop — and could we compute that this week from invoices we already have?
8. What would our graduated sanctions be, in order, and who would we trust to apply the first one?
9. If we levied one percent of turnover into a reserve from the first transaction, what would we want that fund to be allowed to do?

DESTINY

10. Who would do the introducing — the telephoning, the matchmaking — and how would we make that a paid role rather than a favour?
11. Which member is our density resting on, and what would we want in place before they ever left?
12. What is the first sign we would see that our debit lines have outrun our trade, and who would notice it first?

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N° III.05

Interest, Time, and the Discount Rate

Plate III.05 — The Long Table. The table is the same width at both ends. It is the light that falls away. A discount rate is a claim about how fast it falls, and almost nobody who uses one has ever said out loud what theirs is made of.

There is one number in your organisation that decides more than any other, and it is usually the only one nobody can source.

DISCOVERY

1. When has this organisation knowingly paid for something that only mattered in a bad year — and what made that decision possible at the time?
2. Where do we already use a rate other than the standard hurdle, and who authorised the exception? What did they see?
3. Which of our assets has quietly reduced how much our results move about, and how would we prove it from our own history?

DREAM

4. If every long-lived proposal arrived with three rates and a stated horizon, what would we approve next year that we would not approve this year?
5. Imagine our insurer as a partner in capital planning rather than a supplier of cover. What is the first conversation we would have?
6. If the board set the firm's risk tolerance as one published number, what would become arguable that is currently only assertable?

DESIGN

7. What is the smallest long-lived asset we could appraise properly — mean, variance, certainty equivalent — inside this quarter?
8. Whose signature converts our discount rate from a habit into a policy, and what would they need to see first?
9. What data do we already hold that would tell us whether a given asset pays most in our worst years?

DESTINY

10. What would have to be true for the sensitivity table still to be in the template when everyone in this room has moved on?
11. If someone tried to win an argument by moving the rate rather than the evidence, who would notice, and what would they say?

12. Which of our liabilities would we be willing to discount at the same low rate we want for our best project — and what does our answer tell us?

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N° III.06

Mycelial Finance

Plate III.o6 — The Trade at the Root Collar. Everything here is trading with everything else and none of it is generous. That is not a disappointment. It is the reason the arrangement has lasted four hundred million years.

There is a version of this chapter that would be very easy to write and would be worthless.

DISCOVERY

1. Where in this organisation do we already lend — in cash, in materials, in terms, in time — to somebody we would never formally underwrite? Who decided that, and what did they know?
2. Which of our counterparties do we see so clearly that we could predict their next quarter without asking them? What are we seeing, exactly?
3. When has extending terms to someone in a thin month come back to us later? Tell the specific story, and say what it was worth.

DREAM

4. If the smallest amount we could sensibly advance fell from thirty thousand to five hundred, who would we be doing business with next year that we are not doing business with now?
5. Imagine our credit paper with the correlation assumption on the front page in the same size type as the yield. What conversation does that room have that it does not have today?
6. If every repayment we received moved with our counterparty's actual week, what would our collections function do instead of collecting?

DESIGN

7. What signal about our suppliers do we already receive, without asking, that we currently throw away?

8. Which of our relationships could carry an assessment at forty dollars — and who exactly would be doing it, and what would they want in return?
9. What is the smallest vertical slice we could hold in something we originate, that would change how carefully we originated it?

DESTINY

10. What would have to be true for this facility to still be running when nobody who designed it is here?
11. If our correlation assumption turned out to be wrong by a factor of two, who finds out first, and by what route?
12. What would we see in the first month of this quietly turning back into a form somebody fills in — and who is closest to noticing it?

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Nº III.07

The Regenerative Balance Sheet

Plate III.07 — The Core on the Open Page. One of these two objects is audited and one of them is true, and the work of this chapter is to stop that being two different sentences.

This chapter builds an instrument.

DISCOVERY

1. Who outside this business already values something we own, every year, for their own reasons? What do they write down, and have we ever asked to see it?
2. Which of our stocks could two people here count identically tomorrow, without conferring? What makes that one so countable?
3. When has a number from outside the statutory accounts changed a decision in this room? What gave it that authority?

DREAM

4. If our lender read the volume column before the valuation, what would we want it to say about us in five years?

5. Imagine the succession conversation happening ten years early, with a document everyone trusts on the table. What becomes possible that is not possible now?
6. If every proposal named the stock it draws on and its closing balance, which of our current proposals would read differently?

DESIGN

7. What unit would we be willing to be measured on for twenty years without changing the definition?
8. Where would we be tempted to put a money figure that we should not — and what would protect us from that temptation in year three?
9. Who should confirm the count, and what makes them the right person rather than the available one?

DESTINY

10. What would make discontinuing this schedule cost somebody something?
11. In the year the price falls and the stock grows, who will explain the difference, and what document will they hold?
12. What do we want this schedule to be able to show in 2046, and what does that make the first definition we write this month?

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Nº III.08

Velocity, Circulation, and Health

Plate III.08 — The Third Round. One of those notes came in this morning from the flour merchant's daughter, went out at noon to the greengrocer, and will be back on this street before Thursday. Nobody has ever measured that at the level of a country. It is measured here every evening, by hand, in a book.

You have almost certainly seen the chart.

DISCOVERY

1. Think of a supplier relationship here that has lasted far longer than procurement would predict. Where does their money go when it leaves us, and who in this room already knows?

2. When have we paid someone faster than we had to, and what came back that we did not expect?
3. Where in this organisation is somebody already tracking where money lands — in a spreadsheet, unofficially, because they wanted to know?

DREAM

4. If our retention rate sat next to our gross margin in the monthly pack, what decision would change first?
5. Imagine our suppliers each reporting where their own money goes, willingly, because it is worth something to them. What would we learn in the first year that we cannot learn any other way?
6. If everyone here could see the route a pound takes through this town after we spend it, what would we want that route to look like?

DESIGN

7. What is our boundary, and who would we trust to own the definition of it for the next five years?
8. Which twenty suppliers have the highest cost of capital, and what would it take to find out by Friday?
9. What is the honest coverage of the number we are about to publish — and what would make us proud to state it out loud?

DESTINY

10. What would have to be true for this measurement to still be running when everyone in this room has moved on?
11. If the number improved next year without anything real changing, who would notice, and how?
12. What is the smallest part of this that runs itself out of a system we already operate — and could we start with only that?

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Nº III.09

Digital Settlement Without Extraction

Plate III.09 — The Counter at Closing. Every payment you have ever received arrived through somebody's pipe, and somebody set the price of the pipe. The question is only whether you have ever seen the number.

There is a number on your merchant statement that you have probably never argued with, because it arrived looking like weather.

DISCOVERY

1. Where in this business does a customer already pay us by a route that costs us almost nothing — and what made that route possible?
2. Who here has successfully moved a customer from an expensive payment method to a cheaper one, and what did they actually say to the customer?
3. Which of our payment costs have fallen in the last five years without us negotiating them, and what caused that fall?

DREAM

4. If acceptance cost us a flat fee per transaction instead of a share of the sale, what would we price differently tomorrow?
5. Imagine the payments line on our P&L shrinks to a tenth of what it is. Where would we want that money to land — price, margin, wages, or the estate?
6. If every one of our suppliers were paid the instant we authorised it, what would change about what they will do for us?

DESIGN

7. What is the smallest group of peer merchants we could convene who share our acceptance problem, and who would chair it?
8. What would have to be true for us to offer a customer a genuinely better experience on the cheap rail than on the expensive one?
9. Where in our own contracts are we charging a percentage for something whose cost does not scale with value — and what would a flat fee do to that relationship?

DESTINY

10. What would keep a levy we created from becoming the very thing we built it to replace?
11. Who outside this business would notice first if our migration stalled, and how would we make sure they told us?
12. If everyone in this room moved on, what would keep the cheap rail on the counter — a habit, a contract, or a person?

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N° III.10

Reserves and Resilience

Plate III.10 — The Deep Pantry. A reserve is not what you have. It is what you have already decided not to use.

Every organisation you have ever worked in holds a reserve, and almost none of them can tell you what it is for.

DISCOVERY

1. Think of a time this organisation absorbed a shock without anybody outside noticing. What absorbed it — and had anybody costed that thing before?
2. Which of our buffers has actually been drawn in the last five years, and what did we learn about our own authority chain on the day we drew it?
3. Where are we already holding a reserve that earns its own keep — a skill, a relationship, a piece of maintenance — and who has been quietly funding it?

DREAM

4. If our suppliers' lead-time variance were on our scorecard beside their price, what would we start paying for that we do not pay for now?
5. Imagine our reserve policy fitting on one page with a return period on it. What conversation would that let us stop having every quarter?
6. If three firms like ours held one pooled buffer, what could each of us stop holding alone — and what would we each need to trust?

DESIGN

7. What is the event our largest reserve is actually against? Say it as a sentence with a duration in it.
8. Which of our buffers could move from our own balance sheet to a committed facility or a supplier's title this year, and what would that release?
9. What would a one-day drawdown drill look like here, and who would need the authority to run it without asking?

DESTINY

10. What would have to be true for this reserve to still exist after three good years in a row?
11. Who notices first if the buffer is quietly not being replenished, and how would they tell us?

12. If we are over-reserved, what is the signal we would trust — and are we willing to act on it as fast as we would act on being under-reserved?

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N° III.11

What Money Cannot Do

Plate III.11 — The Standpipe at Six. She pays four times per litre what the household with the meter pays. There is no tariff on this water. That is precisely why it costs her so much.

This is the last chapter of a volume that has spent ten chapters taking money seriously — what it is made of, what it denominates, how it circulates, how it settles, how it is held in reserve.

DISCOVERY

1. Where in this organisation does something valuable get done reliably with no payment attached to it — and what is holding it up, if it is not money?
2. Think of a time we chose *not* to charge for something and it clearly worked. What made that the right call, and who benefited that we did not expect?
3. Which of our allocation decisions are already made by a rule rather than a price, and which of those rules would we defend in public?

DREAM

4. If every decision not to price something came with a table showing who benefits, what would we discover about ourselves in the first month?
5. Imagine we had an instrument catalogue — cap, standard, right, ration, room — and everyone could name all five. What decision would get made differently next quarter?
6. What would it feel like to be able to say *no shadow price exists here* and have that accepted as a finding rather than heard as a refusal?

DESIGN

7. What is the one good in our business where the convergence test would settle an argument we have been having for years?
8. Where could a recognition that cannot be converted into cash do the work we have been trying to do with a bonus?

9. If we were going to price something we currently give away, what would the lifeline block be, and who writes it?

DESTINY

10. Who in this organisation would notice first if *incommensurable* started being used to close conversations rather than to open them?
11. What data would we need to hold for an incidence table to be honest — and what is the smallest step toward holding it?
12. Ten years from now, what allocation are we proud of having made without a price, and what did we build so that it could hold?

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N° III.E1 · EXTENSION

For the Practitioner of Luminous Economics

Plate III.E1 — The Ledger Between Two Trades. The cash box holds what the day settled. The exercise book holds what the day cleared, which is the larger number and the one nobody taught her to write down.

The eleven chapters you have just read take money seriously at a scale you may not have.

DISCOVERY

1. Which two of the people in this room already buy from each other without anybody having introduced them — and how did that start?
2. Think of a time somebody here was paid late and it did not matter, because of who it was. What was holding that up, if it was not a contract?
3. Which association, chamber or cooperative do you already belong to that has a member list, a subscription and somebody who answers the phone?

DREAM

4. If a quarter of your trade with the people in this room settled without cash, what would you do first with the money that stopped being necessary?
5. Imagine your own monthly page carrying five numbers you would be proud to publish. What are the five?

6. If every recurring contract you write carried an index clause, which conversation would you never have to have again?

DESIGN

7. Whose existing job could carry four hours a week of introductions — and what would make them want it?
8. What is the one stock in this practice you could count credibly this month, in a unit two people could count identically without conferring?
9. What is on your merchant statement that you have never argued with, and what would it take to find out by Friday?

DESTINY

10. If you were unavailable for three months, which of these eleven things would keep running — and what did you do that made that true?
11. What is the honest velocity below which this circle should close, and are you willing to write that number into the constitution today?
12. What would be the first sign that the levy had started being treated as a fee rather than as the members' own capital, and who would say so?

THE CHAPTER



N° III.E2 · EXTENSION

For the Corporation

Plate III.E2 — The Second Page. The decision was taken on page one. The money is on page nine, in a column that has been the same for eleven years because nobody has ever had a reason to open it.

A corporate treasury cannot execute eleven instruments, and the eleven chapters you have just read end in eleven.

DISCOVERY

1. Where in this company do we already settle an obligation in a physical unit rather than a price — a tonne, a therm, a barrel of oil equivalent — and what made that the natural choice?
2. Which decision in the last three years did we get right because somebody opened a schedule nobody usually opens? What were they looking at?
3. Which of our buffers has actually been drawn, and what did we learn about our own authority chain on the day we drew it?

DREAM

4. If every long-lived proposal arrived with three rates, a horizon and a certainty equivalent labelled as unbookable, what would we approve next year that we will not approve this year?
5. Imagine the payments line on our P&L at a third of its size. Where would we want that money to land — price, margin, wages, or the estate?
6. If our suppliers reported where their own money goes, willingly, because it was worth something to them, what would we learn in the first year that we cannot learn any other way?

DESIGN

7. Which finding on this register could be executed inside one person's existing delegated authority — and who is that person?
8. What is the event our largest reserve is actually against? Say it as a sentence with a duration in it, and then say how often it has happened here.
9. Where are we paying a percentage for something whose cost does not scale with value, and what would a flat fee do to that relationship?

DESTINY

10. If someone tried to win an argument by moving the rate rather than the evidence, who would notice, and what would they say?
11. Which of our liabilities would we be willing to discount at the same low rate we want for our best project — and what does our answer tell us?
12. What would have to be true for this register to still be recomputed in five years by people who never met whoever built it?

THE CHAPTER



Nº III.E3 · EXTENSION

The Translation — One Economy, Two Vocabularies

Plate III.E3 — The Two Ledgers, One Object. Neither ledger is a translation of the other. They are two readings of one object, taken from opposite ends, and the whole craft is knowing which readings have to agree and which have no counterpart at all.

There is a version of this chapter that would be easy to write and would do harm.

DISCOVERY

1. Where do we already convert between two units without arguing about it — and who wrote that conversion down, and when?
2. Think of a term this organisation uses that our counterparties also use but mean differently. When did that last cost us something, and how did we find out?
3. Which of our schedules is read by somebody outside this building — and what makes them read it?

DREAM

4. If every contract we signed carried a page listing the terms with no counterpart, what would we discover about ourselves in the first month?
5. Imagine being able to say *no shadow price exists here* and have it accepted as a finding rather than heard as a refusal. What decision would that unlock?
6. If both professions in this room used their own words and agreed on one equation, what argument would simply stop?

DESIGN

7. Which object in our largest contract has a physical unit and no agreed basis — and what is in dispute if the basis is settled the other way?
8. What is the identity that binds our term to theirs? Write it as an equation, now, on one line.
9. Who should own our conversion table, and what makes them the right owner rather than the available one?

DESTINY

10. If our conversion table were quietly updated and the history not restated, who would notice, and what would they be looking at?
11. What would be the first sign that *incommensurable* had started closing conversations here rather than opening them?
12. Ten years from now, which of our defined terms do we want a stranger to be able to check without asking anybody — and what does that make the first line we write this month?

THE CHAPTER



Nº IV.01

Making Things That Add

Plate IV.01 — The Declaration. A product and its declaration are two different objects, and the whole of this volume is about the distance between them.

You are holding, or you are about to specify, or you are about to make, something that somebody has described as better for the world than the thing it replaces.

DISCOVERY

1. Which of our suppliers already publishes a module-level declaration we could recompute ourselves — and what did we learn the last time somebody read one all the way through?
2. Where have we already made a claim narrower and more defensible than it had to be, and what did that cost us commercially — if anything?
3. Think of a product or process here whose real impact sits somewhere nobody expected. Who found it, and what were they looking at when they did?

DREAM

4. If every claim we made carried its boundary, its baseline, its counterfactual and its unit on the same page, which of our current claims would get stronger?
5. Imagine our competitors' declarations were as readable as our own. What would we want ours to say on the line they turn to first?
6. If the widest boundary became the premium position in our market, what would we be selling three years from now that we do not sell today?

DESIGN

7. Who in this business should sign the declaration card — meaning, whose budget moves if the number is wrong?
8. What would it take for us to freeze a boundary and restate prior periods the way we already do for a change in accounting policy?
9. Which single operating variable, changed at no capital cost, would move our whole-life number most — and who owns it today?

DESTINY

10. What would have to be true for a specifier here to turn to the service life before the headline, out of habit, ten years from now?
11. Who outside this company has an interest in disagreeing with our numbers, and how would we invite them in before a regulator does?
12. What is the first sign we would see that a boundary had quietly moved — and who would notice it first?



Nº IV.02

Materials and the Return Loop

Plate IV.02 — The Assay Bench. A material is not what it was called when it arrived. It is what it assays at, and the assay is the only sentence in this chapter a buyer will pay for.

You have been told that the economy is seven percent circular.

DISCOVERY

1. Which material leaves this site in the cleanest condition it will ever be in again — and who is the person who keeps it that way?
2. Where have we already closed a loop without calling it that, because it simply paid? What made it pay?
3. Which of our products would be easiest to take apart, and who designed it that way, and what were they thinking about when they did?

DREAM

4. If every bill of materials carried the return assay beside the input price, what would our designers choose differently next month?
5. Imagine our largest arising sold under a specification at a formula price. What does that line look like in the accounts, and who is proud of it?
6. If we knew the mean life of everything we sell, what would we be able to tell customers that nobody in our industry can tell them today?

DESIGN

7. What single separation, done once at the point of arising, would raise the grade of our biggest stream the most?
8. Which specification are our returns aimed at — and if nobody has decided, who should, and by when?
9. What would we have to measure for a month to know our own 'pc' and 'Y' rather than an industry average?

DESTINY

10. What would keep this running if the primary price fell by a third, and which of those protections could we write into the first contract?
11. Who else would have to be in the scheme for the monitoring to be trusted by everyone in it?
12. What is the first sign we would see if our reported recovery rate had drifted away from the physical one — and who would be looking?

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Nº IV.03

Agriculture as the Model Case

Plate IV.03 — The Core, at Eleven in the Morning. Every argument in this chapter is about that line: how far down it goes, how long it took to get there, and how quickly it can be put back.

Agriculture is the model case for regenerative production because it is the only large industry whose principal asset is alive, whose depreciation is visible in a hand, and whose accounts can be made to run backwards.

DISCOVERY

1. Which field or block on this holding performs better than its soil map says it should, and what has been done to it that was never written down?
2. Think of the last dry year. Where did the crop hold on longest, and what do we know about that ground that we have never measured?
3. Which of our rotations is longest, who lengthened it, and what did they notice first?

DREAM

4. If our soil test were read at the bank with the same seriousness as our machinery schedule, what would we start measuring next month?
5. Imagine the co-operative's annual report carrying one soil figure on the cover. Which figure would we be proud to put there, and why that one?
6. If every acre under this entity were verified at four dollars a hectare, what would we do with the certainty that we cannot do now?

DESIGN

7. What is the smallest area we could stratify and baseline this season, and who already owns a corer?
8. Which of our neighbours would we want inside the same stratification, and what would make them say yes?
9. Where would we put the buffer, and who should hold it so that everyone believes it is really there?

DESTINY

10. What would have to be true for this measurement grid to still be sampled in twenty years, by people none of us have met?
11. Who, in a bad year, would be tempted to till a designated stratum — and what would we want them to be offered instead of a clawback?
12. When this succeeds and the premium narrows, what will still be worth doing, and how would we know that now?

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N° IV.04

Manufacture at Biological Rates

Plate IV.04 — The Scaler's Book. Every plant has a capacity plate riveted to its frame. Very few have the other one — the number the ground will hand over, year after year, without being asked twice.

There is a sentence that gets said in every capital approval meeting for a processing plant, and it is said so naturally that nobody hears it as a claim.

DISCOVERY

1. Where in this business do we already know the renewal rate of something we depend on — and who is the person who knows it?
2. Which of our lines has run at the same throughput for a decade or more, and what has that steadiness quietly bought us that we have never costed?
3. When have we turned down volume we could have taken, and what did it protect?

DREAM

4. If the renewal rate of our main input were printed beside the nameplate capacity in the control room, what conversation would start that is not happening now?
5. What could we promise a customer that no competitor could credibly promise, if our supply genuinely could not fail?
6. If the standing stock appeared on our balance sheet at a defensible value, what would we do differently in the first week?

DESIGN

7. What would it take to have our increment measured by someone who does not report to operations, starting this year?
8. What is the ratio — draw over renewal — for our largest input, and what would we have to do to be able to answer that question in a week rather than a quarter?
9. What is our overshoot rule, who signs it, and when is the right moment to write it?

DESTINY

10. Which of our decisions about where to put a plant were made before anyone asked what the site could renew, and what would we do differently next time?
11. What would we want still running here in eighty years, and what is the first measurement that makes that possible?
12. Who would notice first if our draw quietly crossed our renewal — and does that person have anywhere to say so?

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N° IV.05

Energy Systems That Compound

Plate IV.05 — The Ten Thousandth. The ten thousandth panel costs less than the first. Nobody economised. Ten thousand people each learned something small and none of them could tell you what.

The energy transition is usually argued as a moral question, and it is an arithmetic one.

DISCOVERY

1. What do we make or buy most often, and what has happened to its real unit cost as the cumulative number has grown? Who here has watched that happen and could describe it?
2. Where have we already committed volume rather than negotiated price — and what did that supplier do with the certainty we gave them?
3. Which of our costs has fallen without anyone running a programme to make it fall? What was actually learned, and by whom?

DREAM

4. If every long-term commitment in this organisation arrived with a measured learning rate beside its price, what would be the first decision to change?
5. Imagine our own production data fitted as cleanly as the solar series. What would we be willing to promise a customer that we cannot promise today?
6. If the cost of firming energy were published as openly as an interest rate, what would we build differently on this site?

DESIGN

7. Which three series could we assemble this month from records we already hold — and who has them?
8. Where could we convert a price negotiation into a volume commitment without increasing our total exposure by a single unit?
9. What is the part of our cost base that does not learn, and what would it take to change the form rather than the price?

DESTINY

10. What would we watch to know that a curve we rely on has flattened — and how many periods of evidence would we want before re-fitting?
11. If we chose a local supplier over a world price, what is the number we would want on the table beside that choice, so it is a decision and not a drift?
12. Who here would be willing to say out loud that a learning rate we assumed was not measured? What would make that an easy thing to say?

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N° IV.06

Waste as a Category Error

Plate IV.06 — The Conveyor at Three Kilometres. The powder on that belt is a waste product at one end and a raw material at the other. Nothing happens to it in between. It crosses a property line.

There is a word in your accounts that is doing more work than you have asked it to do, and the word is waste.

DISCOVERY

1. Which material leaves this site that somebody already pays us for, or would if we asked — and who found that out, and how?
2. Think of a time we turned a disposal cost into something useful. What made it possible, and who had to agree?
3. Of everything we send out of here, which stream do we know the most about — composition, moisture, consistency, timing — and why do we know it so well?

DREAM

4. If every outbound flow had a named counterparty the way every product has a customer, what would change about who we talk to in a week?
5. Imagine the disposal line split in two on next year's management accounts — genuine loss, and inventory awaiting a contract. What would we want the second number to be?
6. If contracting with a neighbour took a fortnight and a standard form, which three streams would we do first?

DESIGN

7. What is the largest gate fee per tonne we pay anywhere in this business, and who is nearest to us that could use the material?
8. Which of our inputs comes from furthest away, and is there anybody within a hundred kilometres making it as a residue?
9. What would a good notice period be for us — how long would we actually need to reconfigure if a fenceline supply stopped?

DESTINY

10. Which of our exchanges would survive the person who set it up leaving, and what makes the difference between those and the others?
11. If our largest supplier of a by-product changed their process next year, what would we wish we had signed today?
12. Who else is in this exchange besides the two of us — and what would it take to make it three parties and two materials rather than one deal?



Nº IV.07

Supply Chains as Ecologies

Plate IV.07 — The Second Room. Everyone draws a supply chain as a line because a line fits on a page. The thing itself is a population, and it is lit from a room you have not entered.

You already know that the phrase supply chain is wrong.

DISCOVERY

1. Think of a time a supplier of ours went out of their way during a shortage and protected us when they did not have to. What was the relationship like before that day, and who built it?
2. Which part that costs us almost nothing would stop us completely — and who in this room already knew that without looking it up?
3. Where do we already know something about our second or third tier that never made it into a system? Who holds it, and how did they come to know it?

DREAM

4. If we could answer "who makes this, and where" in a day rather than a month, what decision would we make differently first?
5. Imagine our competitors and us paying once, together, for the inspection of a factory we all use. What would we do with the money and the goodwill?
6. If our best suppliers borrowed against our credit rather than their own, what would they build that they currently cannot afford to build?

DESIGN

7. Which ten families deserve a deep partnership rather than a fourth source — and what would we have to give up to make that a real partnership?
8. What is the smallest map that would have answered our last three surprises?
9. Who would we call first to propose a shared audit, and what is the one sentence that would make them say yes?

DESTINY

10. What would tell us, twelve months from now, that our map had quietly gone stale — and who would notice it first?
11. What would have to be true for the exposure ranking to survive the next reorganisation of procurement?
12. If this became ordinary across our industry, what would we want to be known for having done first?

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N° IV.08

The Repair Economy

Plate IV.08 — The Bench at Four O'Clock. Repair is the only branch of production where the labour is visible, which is exactly why it is the only branch of production that is priced honestly.

There is a sentence people say about repair that is almost true, and the gap between almost and true is where this chapter lives.

DISCOVERY

1. Which thing in this building has been repaired rather than replaced more than once, and who decided that each time?
2. Where do we already sell service rather than product, and what did we learn about the customer from doing it?
3. Which of our people can find a fault fastest, and what do they do that the rest of us do not?

DREAM

4. If every product we sell published the hourly rate below which repairing it beats replacing it, which of ours would we be proudest to publish?
5. What would change in our design reviews if the residual life after the most common repair were a specified requirement rather than an outcome?
6. If our repair line were the most profitable thing we do in eight years' time, what would we have had to start recording this year?

DESIGN

7. Which single category in our range has the highest threshold rate, and what is stopping us starting there next month?
8. Of the four levers — residual life, hours, fixed cost, part price — which one do we actually control most, and have we ever tried moving it deliberately?
9. Where is the densest cluster of our broken units geographically, and what would a counter there cost?

DESTINY

10. What would we have to pay a master technician for this to still be a trade people enter in ten years, and what would 'w*' have to be to support it?
11. Which categories should we decline, and who here has the authority to decline one?
12. If the subsidy ended tomorrow, which parts of this line would still clear — and how would we know before tomorrow?

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Nº IV.09

Design for the Seventh Generation

Plate IV.09 — The Nursery Rows. Nobody plants a two-hundred-year tree for the tree. They plant it for the spacing, the succession, the road that reaches it and the ledger that will still be paying somebody to weed it in eighty years. The seedling is the cheapest part.

Somewhere in your organisation there is a decision that will outlive everyone who will ever discuss it, and it is being made this quarter by people who will never be asked about it again.

DISCOVERY

1. What do we own that has already outlived the people who specified it — and what did they do that made that possible?
2. Where have we already paid, willingly, for something to last longer than our own tenure? What made that decision easy at the time?
3. Which of our assets could be handed to a stranger tomorrow with everything they would need to look after it? What is in that handover that the others are missing?

DREAM

4. If every capital paper carried the asset's design life on the front page beside the rate, what would we approve next year that we would not approve this year?
5. Imagine our maintenance for the next century is already funded and nobody has to ask for it again. What does the maintenance team do with the attention that frees?
6. If we planted something this year for people who will use it in 2130, what would it be — and who here would most enjoy looking after it?

DESIGN

7. What is the smallest asset we could endow properly this quarter, corpus and covenant together?
8. Whose signature converts our spending rate from an assumption into a published parameter, and what would they need to see first?
9. What would the succession note say for our most important asset — drawings, materials, skills, money — and which of the four is thinnest?

DESTINY

10. What would have to be true for this endowment still to be intact when everyone in this room has moved on, and who would be tempted first?
11. Which of the things we are building now might stop being the right answer within fifty years — and what would it cost to take it out?
12. Who are the people who will replace this, what will they need from us, and when is the last moment we could still give it to them?

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Nº IV.10

Measuring Regeneration

Plate IV.10 — The Same Hole, Twice. Everything expensive about proving that land is recovering comes from not knowing exactly where you stood the first time.

You have read, by now, a good deal about why regeneration works.

DISCOVERY

1. Where do we already return to exactly the same place to take a reading, and who set that up? What did it let us see that we could not otherwise have seen?
2. Which of our numbers is published with its error bar, and what made that possible where it was not possible elsewhere?
3. When have we shared the cost of proving something with somebody else, and what did the sharing make affordable that would not have been?

DREAM

4. If every parcel we touch carried permanent markers conveyed with the title, what would we be able to claim in ten years that we cannot claim now?
5. Imagine our verification cost at one tenth of what it is. What would we start measuring that we currently only assert?
6. If a two-hectare holding could make a credible claim through us, how many would join, and what else would they want from the same membership?

DESIGN

7. What is the smallest pool we could convene from people who already meet for another reason, and who convenes it?
8. What tolerance would we be willing to publish — what value of kappa — and what would we have to be sure of before we published it?
9. What is the one clause in our agreements that would make a marker register survive a change of ownership, and who drafts it?

DESTINY

10. What would keep this pool worth belonging to in a year when the carbon price halves?
11. How would our best-performing member know they were not subsidising our worst, and what would they need to see to stay?
12. If somebody proposed trimming the calibration subsample to save money in year four, who in this room would notice, and what would they say?

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N° IV.11

Where Regeneration Costs More

Plate IV.11 — The Invoice, Read Twice. A number that will not come down is still a number you can build on. The mistake is not paying it. The mistake is calling it temporary.

This volume has spent ten chapters showing you where making things differently pays.

DISCOVERY

1. Where are we already paying a premium on purpose, and paying it well — who decided, and what did they see that the rest of us did not?
2. Which of our loops closed without anybody having to be clever about it, and what made that one different from the loops we are still arguing about?
3. When have we changed a recipe rather than a supplier to absorb a cost — and what else could that move work on?

DREAM

4. If every material we buy carried its premium and its classification beside its price, which three decisions would get easier immediately?
5. Imagine we are the only firm in our sector that knows its own permanent numbers. What does that let us contract for that our competitors cannot?
6. If a declared donation were entirely respectable here, what would we choose to buy, and what would we stop pretending was an investment?

DESIGN

7. Who in this business holds the avoided cost for each premium we pay, and are they the one paying it?
8. What outcome standard could we write that a supplier could finance against — and how long would it have to run to be worth their while?
9. Where is our threshold set, and is the thing we want the same as the thing we are actually buying?

DESTINY

10. What would have to be observed for us to change our mind about a premium we have called permanent, and who checks it?
11. Which of our "temporary" premiums has been temporary for more than five years, and what would we do differently if we reclassified it today?
12. If the person who believes in this most left tomorrow, which of these commitments would still be in the reporting pack in a year?



Nº IV.E1 · EXTENSION

For the Practitioner of Luminous Economics

Plate IV.E1 — One Bench, Four Trades. A corporation puts those four objects in four departments and loses eleven weeks moving a decision between them. This bench has no departments, and the whole of this chapter is about what that is worth in pounds.

The eleven chapters you have just read were written against a firm with a capital committee, a procurement function, an internal audit team and a controller.

DISCOVERY

1. What leaves this site in the cleanest condition it will ever be in again, and what do you already know about it that you have never written down?
2. Which repair or job here have you done more than twenty times — and what is the fastest you have ever done it, and what were you doing differently that day?
3. Which block, bay or batch performs better than it should, and what did somebody do to it that never made it into a record?

DREAM

4. If your largest arising had a specification and a named buyer, what would that line look like in your accounts, and what would you stop paying for?
5. Imagine seven other people in this trade holding one document with you. What would you finally be able to sell that none of you can sell alone?
6. If your own increment were measured by somebody who did not work for you, what would you be willing to promise a customer that you cannot promise today?

DESIGN

7. Which article does your stream fall under — and if nobody has asked the regulator, who writes the letter, and by when?
8. What is the smallest block you could convert this season without borrowing anything, and what is the peak working capital that implies?
9. Which categories should you decline, and where will the declined list be written so that you can point at it rather than argue?

DESTINY

10. If you were unavailable for three months, which of these numbers would still be true when you came back — and which would somebody have to take on trust?
11. Who reads your plots, and whose plots do you read, and when did that last actually happen rather than nearly happen?
12. What would be the first sign that the determination had quietly stopped matching what you are producing, and who would notice it?

THE CHAPTER



N° IV.E2 · EXTENSION

For the Corporation

Plate IV.E2 — The Four Desks. Everything in this volume that is worth having is approved in one of those four rooms, and not one of them is the room this page was sent to.

You have a capital committee, a procurement function, a controller and a sustainability team, and somebody has handed you eleven chapters about regenerative production and asked what to do about them.

DISCOVERY

1. Which of our suppliers already publishes a module-level declaration we could recompute ourselves — and who here has read one all the way to the service life?
2. Where have we already made a claim narrower than it had to be, and what did that actually cost us commercially?
3. Which of our operating variables has quietly moved more than any project we funded — and who changed it, and were they ever told?

DREAM

4. If our capital papers opened with a rate rather than a forecast, which proposal in flight would look different on the first page?
5. Imagine the four zero-capital moves signed this quarter by the four people who own them. What would we then be free to spend the capital committee's time on?
6. If a declared donation were entirely respectable here, what would we choose to buy, and what would we stop calling an investment?

DESIGN

7. Whose budget moves if a declaration of ours is wrong — and is that the person whose name is on it today?

8. Which ten families deserve a deeper relationship rather than a fourth source, and what would we have to give up to make one of them real?
9. Which of our premiums has been classified as temporary for more than five years, and what would we do differently if we reclassified it on Monday?

DESTINY

10. What would tell us that a boundary had quietly moved — and who would see it first?
11. If the person who believes in this most left tomorrow, which of these commitments would still be in the reporting pack in a year, and why those?
12. Who outside this firm has an interest in disagreeing with our numbers, and how would we invite them in before a regulator does?

THE CHAPTER



Nº IV.E3 · EXTENSION

The Translation — One Economy, Two Vocabularies

Plate IV.E3 — The Same Heap, Two Ledgers. There is one heap. The argument that has run through this whole volume is an argument between two sheets of paper about a thing that never moved.

Chapter IV.o6 established the point this chapter begins from, and it established it well enough that restating it would be a waste of your time: waste is not a property of matter.

DISCOVERY

1. Which of our numbers is already agreed by both the people who measure it and the people who price it — and what made that one different?
2. Where do we already test something in physical units rather than in money, and who set that up, and what has it saved us in a bad quarter?
3. Think of a disagreement here that turned out to be two people describing the same thing. Who noticed, and what were they looking at when they did?

DREAM

4. If our asset register carried units beside money with the price source named, which conversation would get shorter first?
5. Imagine every covenant we hold being untrippable by a price move. What would we be willing to borrow against that we will not borrow against today?
6. If the only argument left in the capital committee were about the rate, what would we do with the hours that returns?

DESIGN

7. Which three rows could we build this month from numbers already in our systems, and whose residual would we be most nervous about?
8. Which word do we use most often here with two different meanings, and who would be the right person to say so out loud?
9. Who signs our covenants — and are they the person who owns the translation between the two columns?

DESTINY

10. What would be the first sign that the price column had started driving the unit column, and who would see it?
11. Which item on our failure list will somebody propose a proxy for first, and what would we want them offered instead?
12. If this reconciliation closed perfectly, what would still cost us exactly what it costs today — and is everybody in the room clear about that?

THE CHAPTER

Volume V · Labour, Value, Flourishing



N° V.01

What a Person Is Worth

Plate V.01 — The Two Ledgers. Two ledgers, kept honestly, will not agree. That is not a fault in the bookkeeping. It is the first true thing either of them tells you.

There is a question this volume has to ask before it can ask anything else, and it is the one question in economics that people lower their voices to say aloud.

DISCOVERY

1. Think of a decision here that protected somebody at real cost, and that everyone still agrees was right. What did the people who made it know, and how did they get it approved?
2. Where in this organisation does someone already compute a price for a risk — insurance, engineering, legal, clinical — and what have they learned that the rest of us have never been told?

3. When has naming a number out loud made a conversation here kinder rather than colder? What made that possible?

DREAM

4. If our published price for a statistical life were on one page and three years old, what would that free us to decide quickly that currently takes months?
5. Imagine the training ledger existed and was reviewed beside headcount. What would we stop doing within a year?
6. If every wage conversation named all three figures — what the market clears at, what the role produces, what we have chosen — what would improve first?

DESIGN

7. What is the one line we could add to the capital appraisal template this quarter, and whose signature does that need?
8. Which three decisions already taken should we go back and compute the implied price of — and who would find that interesting rather than threatening?
9. What constraint should we write beside our number to make sure it is never used against a named individual?

DESTINY

10. What would keep this alive after everyone in this room has moved on, and which of those things can we build in the next ninety days?
11. How will we know if the number has quietly stopped being indexed — and who would notice first?
12. If somebody five years from now uses our published price for a decision it was never meant for, what did we fail to write down today?

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N° V.02

Work as Metabolism

Plate V.02 — The Third Hour. Every calorie spent has to be replaced, and the replacing is not an interruption of the labour. It is the other half of it.

You have probably met the claim that shorter hours raise productivity, and you may have met it as a headline rather than as a finding.

DISCOVERY

1. When has this organisation shortened or restructured hours somewhere and been glad of it? What was the work, who decided, and what did we notice?
2. Which team here already protects its own recovery successfully — the handover, the break, the interval before the next start — and how have they made that stick when others have not?
3. Where do we already count something honestly enough that we would stake a decision on it? What made that particular measure trustworthy?

DREAM

4. If output per worker and output per hour were both on the front page of the monthly pack, what argument that we keep having would simply end?
5. Picture the roster we would design if fatigue were priced the way aviation prices it. What is the first thing that looks different on a Tuesday?
6. If recovery had its own budget line and was defended the way maintenance is defended, what would we be able to promise people that we cannot promise now?

DESIGN

7. What is the cleanest output series we already own that nobody can fudge — and what would it take to have twelve months of it by the end of the quarter?
8. What result would we agree, in advance and in writing, counts as this not working? Who signs that?
9. Which single roster rule, adopted as an internal licence condition, would take the most pressure off the most supervisors?

DESTINY

10. What would have to be true for the fatigue model to still be governing the roster after everyone in this room has moved on?
11. How would we know, early, if hours had fallen and intensity had simply risen to meet them — and who would be the first to see it?
12. If the four-day-week question were settled tomorrow in the direction we did not expect, what in our design would still be worth keeping?

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Nº V.03

Ownership and the Worker

Plate V.03 — The Statement on the Kitchen Table. A share in the company arrives once a year as a number on a page. What that number is worth to the person holding it is a different number, and almost nobody has been shown how to compute it.

You have probably been told, at some point in the last ten years, that employee ownership is the answer — and told it by somebody sincere, with a case study and a warm anecdote about a janitor who retired with a million dollars.

DISCOVERY

1. Think of a time when someone here made an improvement and did not have to ask who would capture it. What made that possible, and where else is it already true?
2. Which of our people have stayed far longer than the industry average — and when we ask them why, what do they actually say?
3. Where in this business does someone already behave like an owner without holding a share? What are they responding to, and could we give them more of it tomorrow?

DREAM

4. If every person here could open one envelope a year and understand exactly what they owned and what it was worth to them, what would change in how this place talks about money?
5. Imagine a retirement in this company ten years from now that goes perfectly. Describe the week. What had to be true, and when did it have to become true?
6. If our annual report carried a diversification take-up figure beside the safety statistics, what would we want it to say — and what would it take to say that honestly?

DESIGN

7. What does an employee here give up to get a stake? If the answer is anything other than *nothing*, what would it take to make it nothing?
8. What is the largest share of someone's retirement savings we would be comfortable having in this company, and who in this room would have to sign that number?
9. Who should sit on the trustee board who does not report to anyone in this room, and what would we need to give them to make the seat genuinely theirs?

DESTINY

10. When the founding cohort retires within five years of each other, where does the cash come from? Who is the first person we would tell if the answer became unclear?
11. What would we want the valuation conversation to sound like in a year when the number falls — and who would we want explaining it?
12. What is the first sign we would see that this had quietly become a benefit nobody understands, and who on the floor would notice it before we did?

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Nº V.04

Care as Infrastructure

Plate V.04 — The Hour Before the Shift. Every road in a country is on a balance sheet somewhere. The hour that gets the worker to the road is not.

Here is a sentence that will survive any argument about economics: nothing in your firm's output would exist if somebody had not fed, washed, taught, nursed and calmed the people who produced it.

DISCOVERY

1. Think of someone here who stayed through a period when they could easily have left, because something we did made it possible to keep working. What was it, and who arranged it?
2. Where in our own numbers is care already showing up — in turnover, in absence, in the roles we find hardest to fill — and who first noticed?
3. Which of our people carry a dependent and have never had to hide it here? What did we get right for them that we have not deliberately extended?

DREAM

4. If our reporting pack carried a care capacity line beside headcount, what would be on it, and what would we do differently the first month we saw it?
5. Imagine the tender we issue three years from now asks every bidder for their turnover among parents of under-fives. What changes in our supply chain?
6. If the hour before work stopped being a negotiation for everybody here, what would that be worth — first in what people could do, then in what it saves?

DESIGN

7. What ratio and what qualification would we be willing to put money at risk against, and who would write the deduction formula?
8. Which three institutions in our labour market lose the same people for the same reason, and what could we commission together that none of us could commission alone?
9. What is the smallest verified saving on our own P&L that would justify a contribution this year, without anybody having to believe anything?

DESTINY

10. What would have to be true for the ratio to survive a bad budget year — and who would be the first to defend it?
11. Who collects the return on this that did not pay for it, and what would a fair sharing clause look like in writing?
12. What is the first sign we would see if quality were slipping, who would notice it first, and does that person currently have anywhere to say so?

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N° V.05

Skill, Mastery, and Time

Plate V.05 — The Twenty-Eighth Month. There is a month in every apprenticeship when the firm stops paying for the learning and starts being paid by it. In Switzerland it is month twenty-eight of thirty-six, and almost nobody — including the apprentice — knows the date.

You have almost certainly heard someone say, in a meeting about training, that the problem is people leave.

DISCOVERY

1. Think of someone here who learned most of what they know on this site. What did we do, specifically, that made that possible — and who else knows we did it?
2. Where in our work does someone become genuinely productive far earlier than the job description assumes? What is different about how that role is taught?
3. Which of our people have left and taken something valuable with them — and what did we get from them before they went that we never counted?

DREAM

4. If every person starting here were told their payback month on day one, what would change about the first year — for them, and for the person teaching them?
5. Imagine our skills register as a real asset schedule, with a depreciation rate beside each family. Which line would surprise the board most?
6. If we were known as the best place in this sector to be trained and then leave, what would that do to who applies to us?

DESIGN

7. Which of our training designs could have its payback moved six months earlier without reducing what is learned — and what exactly would have to change in week one?
8. Which three firms nearby have skill needs that overlap ours enough to share a cohort, and differ enough that rotations would teach more than we can alone?
9. What would we have to measure, starting this month, for P and T to be numbers rather than opinions a year from now?

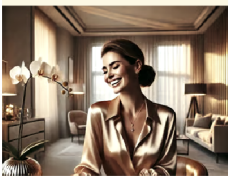
DESTINY

10. What is the first sign we would see if our training had quietly stopped being worth it, and who in this building would see it first?
11. What would it take for the person we train at forty-five to get the same quality of formation as the person we train at eighteen?
12. If the people who built this system all left, what would still be true in three years — and what would we want to be true?

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N° V.06

The Cooperative Firm, Audited

Plate V.06 — The Second Column. An advocate reads the good year. An auditor reads the whole series, including the years nobody quotes.

You have probably been handed the cooperative firm twice, and both times as an argument.

DISCOVERY

1. Think of a downturn this organisation came through without losing people. What did we move instead, and who decided to move it?
2. Where in our published accounts can an outsider already see something about us that our competitors cannot show about themselves?
3. Which investment did we make that only made sense over fifteen years — and what made the room willing to back it?

DREAM

4. If our member share were printed in the quarterly pack beside revenue, what would we want it to say in five years, and what would we be proud of in how it got there?
5. Imagine a lender who priced us off our sector's actual survival record rather than off a story about cooperatives. What would we do with the difference?
6. If every member could see the value her work retained credited to her own account, what investment would suddenly have a constituency here?

DESIGN

7. What is the largest project we declined in the last three years, and where did its return sit relative to our real cost of capital?
8. What would we want written into our rules about admission that we currently leave to judgment — and what would we gain by making it a number?
9. Who would be the right first holder of patient capital in this business, and what would we need to show them that we could produce this quarter?

DESTINY

10. What is the first sign we would see if pay were quietly carrying more of the business than it should, and who here would notice it first?
11. What would have to be true for the member share to still be rising when everyone in this room has left?
12. If a successor board wanted to keep exactly one of the things we build this year, which one would we want it to be — and what would make that one the easiest to keep?

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N° V.07

Income, Floor, and Dignity

Plate V.07 — The Standing Order. A floor is not an amount. It is the removal of a question — and the question was taking up the room the rest of her life had to happen in.

There is a version of this argument you have already heard, probably more than once, and it is conducted entirely in adjectives.

DISCOVERY

1. Where in this organisation does someone already have a floor — a retainer, a guaranteed minimum, a salaried role in a mostly hourly team — and what do we observe about how they work that we would want more of?
2. Think of a time you or a colleague took a real risk at work that paid off. What was underneath you that made it possible to take?
3. Which of our people have the steadiest income, and what does that steadiness let them do for us that we have never counted?

DREAM

4. If nobody here had to take a shift out of fear, what would we have to change about how we ask for one — and what would improve?
5. Imagine our pay in three years contains one guarantee we are proud of. What is it, and what does it say about us to someone deciding whether to join?
6. If every person here could decline one thing a month without consequence, what would we stop doing that nobody actually wanted done?

DESIGN

7. What is the smallest guarantee we could offer that would change a real decision for a real person here — and what would it cost us to find out?
8. Where in our own pay and benefit rules is the rate on someone's next hour higher than we intend? Who would know?
9. What would we need to measure for two quarters, starting this month, to be able to price a floor properly rather than argue about one?

DESTINY

10. What would keep this guarantee in place through a bad year, and who would defend it if the person who built it had left?
11. What is the first sign we would see that the floor was quietly being eroded by inflation or by drift, and who would notice it first?

12. If this worked here, who else in our sector would want it — and what would we be willing to share to make that easy?

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N° V.08

Meaning as an Economic Input

Plate V.o8 — The Handover. This is an economic input. It has a price, it has a return, and in most accounts it appears only as a wage that somebody accepted for reasons the ledger did not record.

There is a version of this chapter that is a poster.

DISCOVERY

1. When has someone here met the person their work was for, and what changed in the weeks afterwards? Describe the change in something we count.
2. Which team in this organisation has the most judgement over its own work, and what does it get right that the others do not?
3. Think of the part of your week you would protect if everything else were cut. What proportion of your time is it now — and when was it most?

DREAM

4. If our people could each state the wage they are forgoing to work here, and state it without embarrassment, what conversations would become possible that are not possible now?
5. Imagine our annual report carries one number about how we pay, on the page where we would rather not put it. What is the number, and what would we want it to say in three years?
6. If five minutes of beneficiary contact moved our most important line the way it moved a call centre's, what would we schedule on Monday?

DESIGN

7. Which of our pay benchmarks has our own sector inside it, and where would we get a clean one?
8. What would it take to give one team the judgement Buurtzorg gives a team of twelve — and which team would we choose first?

9. Where are we already above the 20 per cent threshold, and what is protecting it there that we could copy?

DESTINY

10. Who would compute **8** if the person who built it left, and what would they need in writing to get the same answer?
11. What would be the first sign that we were improving meaning and quietly charging for it — and who in this room would see it first?
12. What would we want to still be true about how this organisation pays, ten years after everyone here has moved on?

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N° V.09

Health as a Return on Capital

Plate V.09 — The Standing Desk at Four O'Clock. The claim run is the only document in the building that cannot flatter anybody. It does not know who joined the programme, and that is exactly what makes it worth reading.

Somebody has put a number in front of you.

DISCOVERY

1. When did somebody here get better care, or a better schedule, or a safer station, and stay as a result? Who made that happen, and what did it cost?
2. Which of our health or safety spends already has a number attached that came from a claim run rather than a survey — and who built it?
3. Where have we changed how work is organised and watched something improve that we were not even measuring at the time?

DREAM

4. If every health proposal arrived with its endpoint, its required sample size and its control group on the front page, what would we stop arguing about?
5. Imagine we knew exactly what share of the health we create we actually keep. What would we do differently in the next budget round?

6. If our people carried their health investment with them when they left, what would we be willing to fund that we currently will not?

DESIGN

7. What is being rolled out in waves in the next six months, and what would it cost us to assign the wave order at random?
8. Which endpoint can we genuinely detect at our size — and are we currently buying a claim about one we cannot?
9. What is our presenteeism multiplier, who chose it, and what happens to the business case at half and at one and a half times that figure?

DESTINY

10. What would have to be in the capital paper template for the capture question to be asked automatically, by everyone, forever?
11. Who outside this company holds the rest of the health value we create, and which of them would pay us something for it?
12. If a good wellbeing programme were cut next year for failing at a cost target it never claimed, what would we wish we had written down today?

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Nº V.10

The Thriving Survey

Plate V.10 — Eleven Rungs. Every measurement of a life begins with a person translating a life into a number. The instrument is not the questionnaire. The instrument is that translation, and it is done by the respondent, alone, in about four seconds.

You want to know whether the people in your organisation are flourishing, and you want to know it the way you know your revenue: as a number you can put in front of somebody who does not share your intuitions.

DISCOVERY

1. Where in this organisation do we already collect something about people's experience that has been asked the same way for more than two years — and who has been quietly protecting that consistency?

2. Think of a time a number about people changed someone's mind here. What made that number credible to the person who changed their mind?
3. Which question do our people answer most willingly, and what is it about it that they trust?

DREAM

4. If we knew honestly, once a year, whether our people's lives were going better, what is the first decision we would make differently?
5. Imagine a methods note that our own people read voluntarily. What would be on it?
6. If we could answer *is it the shift pattern or the manager* with evidence, what else would suddenly become answerable?

DESIGN

7. What would we have to freeze — wording, month, mode, order — and who here has the standing to freeze it?
8. What is the largest nuisance effect our current instrument is exposed to, and how would we find out its size?
9. Which third of our people would we ask the vignettes of, and how would we explain to them why we are asking?

DESTINY

10. What would have to be true for this series to still be running, unbroken, in ten years?
11. Who is the second owner, and what would make the series genuinely theirs?
12. If somebody proposed attaching this number to a bonus, who in this room would be the one to say no, and what would we want them to be able to point at?

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Nº V.11

When Flourishing and Output Diverge

Plate V.11 — Two Dials, One Hand. Two true instruments can disagree, and the disagreement is data. What you do next depends entirely on knowing which of them measures a flow and which measures the stock the flow is drawn from.

This chapter closes Volume V, and it is the one to read if you intend to run anything on the evidence in the ten before it.

DISCOVERY

1. When have our people numbers and our money numbers told us different things, and what did we learn by taking the disagreement seriously rather than resolving it?
2. Which quarter in the last three years produced output we are genuinely proud of *and* left people better off than it found them — and what made that possible?
3. Who here has changed their mind about a measure because of evidence, and what did it take? What can we learn from how that happened?

DREAM

4. If our monthly pack carried one stock measure beside every flow measure, what would we start to see that we cannot see today?
5. Imagine the meeting where our two numbers disagree and nobody has to argue about whose instrument to trust. What is happening in that room instead?
6. If a lender priced our capacity as well as our output, what would we be able to attempt that we cannot attempt now?

DESIGN

7. Which two measures would we choose that are genuinely capable of disagreeing with each other — and what does it tell us that the obvious pair cannot?
8. What threshold would we be willing to publish before we knew which way it would fire on us first?
9. Who in this organisation could run an enquiry into a divergence without owning either number, and what would we have to give them?

DESTINY

10. What would have to be true for both columns to still be in the pack when everyone in this room has moved on?
11. Where are we carrying a divergence that is real and permanent — and can we name, out loud, who is bearing the cost of it today?
12. What is the first sign we would see if one of our two numbers were quietly becoming decorative, and who would notice it first?

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Nº V.E1 · EXTENSION

For the Practitioner of Luminous Economics

Plate V.E1 — Her Own Two Ledgers. In a company of nine the employer and the employee are sometimes the same person, and every finding in this volume that sits between those two roles arrives, in her case, inside one skull.

The eleven chapters you have just read were written for an organisation with a remuneration committee, a claim run, a plan document and somewhere between five and fifty thousand employees.

DISCOVERY

1. What is the one thing this practice does that a client has thanked you for twice, and has anybody ever costed the hour it takes?
2. Who here has stayed far longer than they had to, and when you ask them why, what do they actually say?
3. Think of a five-minute contact with the person your work was for — yours or somebody's. What changed in the week afterwards that you could have counted?

DREAM

4. If the wage you are forgoing were on the front of the accounts as a number rather than as a silence, what conversation would become possible that is not possible now?
5. Imagine the folder is ten years old and holds ten honest lines. What is the first question you would take to it?
6. If your household's exposure to this firm were halved without the firm losing a penny, what would you attempt next year that you will not attempt now?

DESIGN

7. What is the skill-matched benchmark for your own hour, and who would you ask to find it this month?
8. What is the smallest guarantee you could offer the people here that would change one real decision for one of them — and what would it cost to find out?
9. Which two practices near you have rotations different enough from yours to teach something you cannot, and who introduces them to each other?

DESTINY

10. If you were unavailable for three months, which of these instruments would still be running, and what did you do that made that true?
11. What would be the first sign that the record had become a score rather than a question, and who would notice before you did?

12. When this practice is sold or handed on, which of the things you have paid for personally will the buyer have to pay for — and which will they simply receive?

THE CHAPTER



N° V.E2 · EXTENSION

For the Corporation

Plate V.E2 — The Paper Before the Meeting. A remuneration committee sees twenty numbers about people in a year. This chapter is about which four of them can be checked at the size the company actually is.

You sit on, or report to, a committee that will decide compensation, workforce planning, health spending and what the board is told about its own people.

DISCOVERY

1. Which people number in our pack came from an administrative system rather than a survey, and who built it? What made it trustworthy?
2. Think of a safety or health decision we took at real cost that everyone still agrees was right. How did it get approved, and what did the sponsor have that others did not?
3. Where in this company does somebody already compute a required sample size before believing a claim — clinical, actuarial, quality, marketing — and what have they learned that the rest of us have never been told?

DREAM

4. If every people paper carried its endpoint, its required N and its control group on the front page, which recurring argument would simply end?
5. Imagine the annual report carries one honest number about how we pay, on the page where we would rather not put it. What would we want it to say in three years?
6. If we knew exactly what share of the health we create we actually keep, which conversation would we open first, and with whom?

DESIGN

7. What is being rolled out in waves in the next six months, and what would it cost us to assign the order at random?
8. Which claim in our current people budget requires more employees than we have, and who would be the right person to tell the vendor?
9. What is the smallest verified saving on our own P&L that would justify funding care places this year, without anybody having to believe anything?

DESTINY

10. What would have to be in the capital paper template for the capture question to be asked automatically, by everyone, forever?
11. What is the first sign we would see that a good programme was about to be cut for failing at a target it never claimed — and who would notice first?
12. If a successor committee kept exactly one thing we build this year, which would we want it to be, and what would make that one the easiest to keep?

THE CHAPTER



Nº V.E3 · EXTENSION

The Translation — One Economy, Two Vocabularies

Plate V.E3 — The Same Column, Twice. These are not two accounts of two things. They are two accounts of one thing, and everything that looks like a disagreement between them is a disagreement about where the object stops.

The eleven chapters of this volume were written in two languages at once, and neither of them announced itself.

DISCOVERY

1. Which number in this organisation is already read correctly by both finance and the people function — and who built the definition that made that possible?
2. Where do we already translate a condition into a price without anybody arguing about it — an insurance premium, a warranty provision, a maintenance reserve — and what can that instrument teach us?
3. Think of a term one part of this business uses that another part has a different word for. When did you last hear somebody put the two side by side, and what happened?

DREAM

4. If every people number in our pack carried both readings on the same line, which recurring argument would simply stop?
5. Imagine our staff-cost schedule carried accumulated person-years beside headcount for five years. What would the fifth year show us that we cannot see now?
6. If we could name, in four seconds, whether a finding sits outside our entity or outside our period, who would we be ringing by the end of the week?

DESIGN

7. Which of the twelve rows could we compute this quarter from systems we already run, and which one would change a decision fastest?
8. What is the one finding we hold that will not translate at all — and which of the two boundaries is it on?
9. Who should own this schedule, given that a number owned by whoever benefits from the answer drifts toward a narrative?

DESTINY

10. What would have to be true for both columns to still be in the pack when everyone in this room has moved on?
11. Which of the four unreached items does this organisation actually bear, and who here carries it today?
12. If somebody five years from now used one of these translations for a decision it was never meant for, what did we fail to write in the definitions appendix today?

THE CHAPTER

Volume VI · Governance and the Commons



N° VI.01

Who Decides

Plate VI.01 — The Table Before the Meeting. A decision rule is furniture. It decides who can be in the room, how long they will be there, and who is not in the room at all — and it does this before anybody has said a word.

Every organisation you have ever been inside had an answer to the question at the top of this page, and almost none of them had written it down.

DISCOVERY

1. Think of a decision this organisation made in the last two years that everybody, including the people it went against, still thinks was decided well. What was the rule, and who was in the room?
2. Where do we already decide quickly and well without anybody checking a policy — and what is it about those decisions that makes that safe?
3. Which group here has the most reliable habit of raising an objection that turns out to be right? What have we been doing that makes that possible?

DREAM

4. If every proposal arrived with its own threshold printed in the first line, what would our meetings be about instead?
5. Imagine we could see, once a year, exactly what our decision rules cost us in hours and what they saved us in avoided harm. What would we do differently the following week?
6. If the people most affected by a decision were reliably the people who decided it, which three decisions would move, and who would they move to?

DESIGN

7. What is the single decision in this unit with the largest loss-if-wrong, and what rule is it currently made under?
8. What sentence should define an admissible objection here, in our words — and who would we trust to apply it?
9. Which of our current approval steps would we delete tomorrow if we priced the delay it creates against the harm it prevents?

DESTINY

10. What would have to be true for this schedule to still be in use, and still accurate, when everyone in this room has moved on?
11. Who fills in the loss-if-wrong column, and what would make us confident that number was honest?
12. If our rule began quietly drifting back toward requiring everyone's agreement, what is the first thing we would see, and who would notice it first?

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Nº VI.02

Ostrom, Fully Applied

Plate VI.02 — The Thursday Tribunal. The Tribunal de las Aguas has met outside the cathedral in Valencia, on Thursdays, for roughly a thousand years. It keeps no written record of its judgments. It has never needed one, because everybody who matters was standing there.

You have almost certainly met the eight design principles already.

DISCOVERY

1. Name a shared resource here that has been governed well for years without anyone writing the rules down. What actually holds it together, and who would notice first if that stopped?
2. Where in our work does the act of using something already produce the record of how it was used? What did we get for free that other organisations pay for?
3. Think of a dispute here that was settled quickly and well. How long did it take, what did it cost the person who raised it, and what made that cheap?

DREAM

4. If every shared thing we own arrived with its governance stated as plainly as its cost, what would we be able to do that we cannot do now?
5. Imagine our consortium's attestation three years from now with one covenant scored at three that is scored at one today. Which one, and what would that have changed about how it feels to be a member?
6. If the people who use this resource most were also the people who monitor it, what would we stop having to pay for?

DESIGN

7. What is our version of the Törbel hay rule — the appropriation right that is already pegged to something a neighbour can count?
8. Which four of the twelve would we build first here, and what makes our answer different from the record's answer of congruence, accountable monitors and graduated sanctions?
9. Who holds the infrastructure, the marks or the terms under our shared thing — and what would it take to get covenant seven written down and signed this quarter?

DESTINY

10. What would we see first if the provision side were thinning while every other indicator still read healthy? Who is watching that number?
11. If the person who founded this arrangement left tomorrow, which of the twelve would degrade first, and what would hold it in the meantime?
12. What would we want the cohort of commons founded this year to be able to learn from ours — including from the ways it does not work?

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Nº VI.03

Holarchy Without Hierarchy

Plate VI.03 — The Room Where It Was Already Decided. A nested structure is not a room without authority. It is a room that holds the authority for the thing it is about, and hands nothing upward that it can finish itself.

You have probably been in both kinds of organisation, and you have probably noticed that the second kind is not simply the first kind with the managers removed.

DISCOVERY

1. Think of a decision this year that was taken entirely inside one team and turned out well. What made it possible for that team to close it without asking, and who else here has that same freedom without knowing it?
2. Which unit of ours already behaves like a whole business — knows its own numbers, holds its own edges? What did it have to be given to get there?
3. When has someone here broken the rules in a genuine emergency and been right? What did the organisation do afterwards, and what did that teach everyone watching?

DREAM

4. If every team here knew exactly what it decided alone, what would stop happening on a Thursday afternoon that happens now?
5. Imagine our escalation log a year from now and it is half the length. What is in the half that remains, and why does it belong there?
6. If our most junior person could read one page and know precisely what they are entitled to decide, what would they do first?

DESIGN

7. What are the three things this unit should decide alone, and what is the one thing it should never decide? Write all four before anyone comments.
8. Where do two of our domains touch with nobody owning the seam — and who are the ten people who would need to be on that contract?
9. What is our split rule going to be, and who gets to invoke it without asking?

DESTINY

10. What would have to be true for a coach here to still hold no decision rights in three years' time?
11. What is the first sign we would see that an emergency clause had quietly become permanent, and who in this room would notice it first?

12. If somebody arrived here tomorrow with no prior standing and no friendships, what would tell them how a decision actually gets made — and is that thing written down?

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N° VI.04

The Commons That Held

Plate VI.04 — Thursday, Noon, the Apostles' Door. The oldest working court in Europe has no building, no transcript and no appeal. It has eight chairs, one hour a week, and seven hundred years of people turning up.

You have been told that the commons is a tragedy, and then — if you read a little further — that Elinor Ostrom disproved it.

DISCOVERY

1. Where in this organisation does somebody already notice a breach without being paid to look? What is it about how the work is arranged that makes them see it?
2. Think of a rule here that everybody keeps without anyone checking. What is the visible thing it is attached to?
3. What is the oldest written agreement we still actually follow, and who wrote it? What has kept it readable?

DREAM

4. If our governance cost under two percent of what it governs, what could we afford to hold in common that we currently cannot?
5. Imagine the forum that meets on a fixed day and usually finds nothing. What would we start bringing to it once we trusted it to be there?
6. If every member's single right were sufficient standing to challenge a breach, what would change about how carefully we draft?

DESIGN

7. For the rule we most want people to keep: what would somebody have to hide in order to break it, and could they? If they could, what is the version that binds something they cannot hide?

8. What is the smallest first sanction a peer could apply this afternoon without anyone's approval — and what is it about it that makes the noticing public?
9. What is the date on our boundary document, and where is it held that is outside our own control?

DESTINY

10. What would have to be true for this to still be running when nobody here remembers writing it?
11. If the value of the resource fell by half, which of our rules would still pay for themselves — and what would we do about the rest, on purpose, in advance?
12. Where could a member get a faster answer from outside than from us, and what would it take to make our forum the quicker route?

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Nº VI.05

The Commons That Fell

Plate VI.05 — Six Years of Paper. Every collapse in this chapter was measured before it happened, written down, and published. The interval between the writing and the falling is the only number here that generalises.

Chapter VI.04 walked the commons that held — the Törbel alps kept under one set of rules since 1483; the huerta of Valencia with a water court that has sat on Thursdays for longer than most nations have existed, the Japanese iriai forests, the Alanya inshore fishery.

DISCOVERY

1. What rule in this organisation has been obeyed for years without anyone enforcing it, and what makes it obeyable?
2. Think of a time we changed a rule quickly and it stuck. How many weeks did it take, and who made that possible?
3. Which measurement do we already publish that somebody outside could check — and who checks it?

DREAM

4. If our response time were three months instead of three years, which decisions would we make differently, and which would simply make themselves?
5. Imagine the people who draw on this resource wrote next year's allocation themselves. What would they write that we would not have dared to propose?
6. What would it be worth to us to know, on the day it happened, that a line had been crossed?

DESIGN

7. Which of our governing numbers can rise while the thing it stands for falls? Name one, out loud, now.
8. Where is the boundary of the thing we are actually managing, and where is the boundary of our authority over it? What sits in the gap?
9. What is the smallest trigger we could publish this quarter that would fire without a meeting?

DESTINY

10. If everyone in this room left, which of our rules would still be running in five years, and why those ones?
11. Who would have to be paid, and how much, for a reduction to feel like a decision rather than a loss?
12. What is the first measurement we would see if this were beginning to fail, and whose desk does it currently land on?

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Nº VI.06

Participatory Budgeting, Measured

Plate VI.06 — The Hall, Before the Count. A vote is a claim about who decided. A count is the only thing that can test it, and somebody has to stay late to do the counting.

You have almost certainly heard that a Brazilian city let its residents decide the budget and infant mortality fell.

DISCOVERY

1. Think of a public thing in this place that exists because residents asked for it directly. What is it, who asked, and what did it take to get it built?
2. Where in our budget is a line that residents already shape informally — by habit, by pressure, by a councillor who listens — and what would it take to write that down?
3. Which group here is best at getting its proposals funded, and what exactly do they know how to do that everybody else could be taught?

DREAM

4. If the share of our spending that residents allocate directly were printed on the front of the budget every year, what number would we want to see there in five years?
5. Imagine the proposal committee looks exactly like this district. Who is in the room who is not in it now, and what would they bring?
6. If every project residents voted for were delivered inside the year, what would change first about how people here talk about the council?

DESIGN

7. What is the smallest line of spending we could move under participatory allocation this year that would still be large enough for anyone to notice?
8. What would we have to pay someone for it to be genuinely possible for them to sit on eight evening committees — and what is that number, per person?
9. Who would publish the execution rate, how often, and what would make it impossible to stop publishing it?

DESTINY

10. What would have to be true for this to still be running, and still be executed, three administrations from now?
11. What is the first sign we would see if the process were being emptied out rather than closed down — and who would notice it first?
12. If the money doubled tomorrow, what part of how we do this would break, and what would we want to have built before that happened?

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N° VI.07

Law as a Living Instrument

Plate VI.07 — Two Signatures, One River. A right that nobody is paid to exercise is a sentence. A right with an office, a budget and two names on the appointment is an instrument.

You have probably heard that a river in New Zealand is a legal person, and that Ecuador put the rights of nature into its constitution, and that a court in India once declared the Ganga a living entity.

DISCOVERY

1. Where in our own governing documents has a right already been given to somebody who was also given the means to use it — and what did that cost?
2. Think of a permit, licence or agreement we hold that has been amended without a fight. What made that amendment easy, and who made it easy?
3. Which of the natural systems we depend on already has somebody whose actual job is to speak for it, even informally — and how would we find out their name?

DREAM

4. If the river, forest, aquifer or coastline nearest us had an office with two named people and a published budget, what would arrive in our inbox that does not arrive now?
5. Imagine every material consent we hold carried two pre-authorised trigger clauses instead of a renegotiation. What would we stop spending money on?
6. If one of our own policies had to survive a public review on a fixed date with fifteen years of consistent data in the room, which one would we most want it to be?

DESIGN

7. What are the five cost lines of a guardian for the thing we most depend on, and who here could price them by Friday?
8. Which two indicators would we be willing to be bound by in advance, and what would have to be true for us to sign that?
9. What is the right sunset date for the arrangement we are about to make — and what evidence do we want sitting on the table when it arrives?

DESTINY

10. Who holds this when everyone currently in the room has moved on, and what is their term of appointment?
11. What is the smallest annual sum that would keep the monitoring series unbroken for twenty years, and where in the budget does it sit so that it is not the first thing cut?

12. If a legislature above us could extinguish this in one budget bill, what would we build instead that it could not reach?

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N° VI.08

Federation and Subsidiarity

Plate VI.08 — The Two Maps on One Table. Every argument about who decides is, underneath, an argument about whether the boundary of the decision matches the boundary of its consequences. Put the two maps on one table and most of the argument goes quiet.

You have been handed a question that sounds political and is not.

DISCOVERY

1. Name a function we hold at what turned out to be exactly the right level. How did it get there, and who noticed it was right?
2. Where have two of our units quietly cooperated on something without being told to — and what made that pairing work?
3. Which decision that we make centrally would we make exactly the same way if it were made locally? What does that tell us about that row?

DREAM

4. If every function we perform had a named level, two numbers, and a review date, what argument would we stop having?
5. Imagine our weakest member is as capable as our median member three years from now. What did we fund to make that true, and what did it cost?
6. If our members were free to form a boundary around a single shared function without asking anyone, what is the first thing two of them would share?

DESIGN

7. Which one function are we most confident is at the wrong level, and what would we have to measure to be sure?
8. What is the best available proxy for how much of a benefit leaves the unit — something we already collect and could read this week?

9. Who should own the register, and what makes that person the right owner rather than the obvious one?

DESTINY

10. What has changed in the last three years about what our smallest member is capable of, and which rows should have moved because of it?
11. If the floor became something members lobbied for, what would we have seen six months earlier?
12. When we next disagree about centralisation, what will we point at — and who in this room would be able to point at it without us?

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N° VI.09

Conflict, Repair, and the Long Table

Plate VI.09 — Thursday, Noon, at the Cathedral Door. A conflict system is not a document either. It is a place, a time, and a group of people who are known to be there — and the cheapest of the three to provide is the place.

You are writing rules for something — a cooperative, a commons, a firm, a community land trust, a team of eleven — and you have reached the part that everyone reaches and nobody enjoys.

DISCOVERY

1. Think of a serious disagreement here in the last two years that ended well. Who was in the room, how long did it take, and what did they do that worked?
2. Where do people already take things that are bothering them — the actual place, not the official one? What does that informal forum have that our formal one does not?
3. When has somebody in this organisation apologised properly and it changed something? What made that possible for them?

DREAM

4. If we had a standing day when anything could be raised, what would come up in the first three months that has been carried for years?

5. Imagine a year from now we publish one page of numbers about how we handle disagreement, and we are proud of it. What is on that page?
6. If every person here knew exactly what the second rung and the third rung were, what conversation would happen earlier than it does now?

DESIGN

7. What are the real rungs between *a quiet word* and *you are out*, and which of them do we already use without having named them?
8. Who would we all trust to sit on this — and what would we have to change so that serving is ordinary work rather than a burden or a promotion?
9. What is the last rung, who can reach for it, and are we willing to let a member reach for it against us as well as the other way round?

DESTINY

10. What number would we watch to know whether the ladder is quietly collapsing to its top rung, and who would see it first?
11. What would have to be true for this to still be sitting on a Thursday when everybody currently in this room has gone?
12. If somebody refuses to take part, what do we want to be true about how we treat them — and how do we make sure the one refusal that was *right* still gets heard?

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Nº VI.10

Auditing a Governance System

Plate VI.10 — Five Years of Tuesdays. Nobody wrote these to be compared with each other. That is exactly why they can be.

You have read the constitution.

DISCOVERY

1. Think of a decision this body took in the last two years that still looks right. Walk us through how it actually got made — who first raised it, and what happened between then and the vote?

2. Which of our records do we keep carefully for our own reasons, with nobody requiring it? What made us start?
3. When has somebody in this room changed their mind in a meeting and said so out loud? What made that possible that day?

DREAM

4. If our governance report were two pages and we looked forward to it, what would be on the first page?
5. Imagine the minutes of this body five years from now being read by somebody who was not here. What would we want them to be able to work out?
6. If every member could see exactly how a decision reaches them, what would change about who comes?

DESIGN

7. What is the one record we already produce that would tell us most about how we actually decide, if somebody simply counted it?
8. Which measure would we most want to be judged on — and who should compute it, given that it should not be us?
9. What would we choose as our holdout: the number we agree now that nobody may ever target?

DESTINY

10. What would have to be true for this audit to still be running when everyone currently in this room has moved on?
11. Which of our written rules have we not used in a year, and what would it take to either use them or retire them honestly?
12. What is the first sign we would see that our own minutes had started telling us less than they used to, and who would notice it first?

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N° VI.11

The Limits of Self-Governance

Plate VI.11 — The Boundary Stone. A boundary is what makes a commons governable. It is also the whole of what a commons cannot see. The stone is not a wall; it is a decision about whose voice counts, made once, in stone, by people who are no longer here.

This chapter closes Volume VI, and it is the one to hand to the person in your organisation who thinks all of this is charming and none of it is serious.

DISCOVERY

1. Think of a rule this group made itself that has held for years without anyone enforcing it. What made it stick, and who was watching when it did?
2. When has an outside authority done something for us that we genuinely could not have done for ourselves? What exactly did it supply?
3. Where have we successfully handled a conflict with someone outside this group — and what was it about how we did it that worked?

DREAM

4. If everyone affected by our decisions had a way to be heard, what would our meetings sound like, and what would get better first?
5. Imagine our charter is the one other groups copy. What is on its first page?
6. If we knew exactly which decisions were ours and which were not, what would we do with the time we got back?

DESIGN

7. What is the floor beneath us — the things we could not vote to do even if we all wanted to — and would two of us write that list the same way?
8. Who is harmed by a decision we make well, and what would it take for that person to have a seat and a budget here?
9. At what size does our sanction stop working, and what would we put in its place the month before we get there?

DESTINY

10. What decision would arrive too fast for us to make, and who would we want to make it — with what sunset?
11. What would the first sign be that our floor had been lowered, and who would notice it first?
12. What would have to be true for this charter to be renewed by people who have never met any of us?

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Nº VI.E1 · EXTENSION

For the Practitioner of Luminous Economics

Plate VI.E1 — The Rule, on One Side of One Sheet. A constitution for twenty-four people is one sheet, one date and eight lines. The reason it is short is not modesty. It is that every line above eight costs somebody an hour a year, and the group has about thirty-two hours in total.

The eleven chapters you have just read were written for people with a secretariat.

DISCOVERY

1. What does somebody here already notice without being asked to look, and what is it about how the work is arranged that makes them see it?
2. Name a rule in this group that everybody keeps and nobody enforces. What visible thing is it attached to?
3. Think of a disagreement here that ended well. How long did it take, what did it cost the person who raised it, and what made that cheap?

DREAM

4. If our whole constitution took each of us under two hours a year, what would we be willing to hold in common that we do not hold now?
5. Imagine the sheet on the wall three years from now, with one line on it we have not thought of yet. What is that line about?
6. If any one of us could challenge a breach alone, without needing anyone else to agree, what would change about how carefully we write?

DESIGN

7. For the rule we most want kept: what would somebody have to hide to break it, and could they? If they could, what is the version that binds something they cannot?
8. What is the smallest first sanction a member could apply this afternoon without asking anyone — and what makes the noticing public?
9. What is the date on our boundary document, and where is a copy held that is outside any one of our hands?

DESTINY

10. What would we see first if the contribution side were thinning while everything else still looked healthy? Who is watching that?

11. If the person who wrote the sheet stopped coming, which line would go first, and what would hold it in the meantime?
12. What would we want the next three groups like ours to be able to learn from us — including from the parts that do not work?

THE CHAPTER



Nº VI.E2 · EXTENSION

For the Corporation

Plate VI.E2 — The Item That Waited Four Weeks. A firm counts the cost of every decision it takes. There is no line anywhere in its accounts for the cost of the ones it is still taking.

You have a governance system already.

DISCOVERY

1. Name a decision this firm made in the last two years that everybody, including the people it went against, still thinks was decided well. What was the rule, and who was in the room?
2. Which unit here already behaves like a whole business — knows its own numbers, holds its own edges? What was it given to get there?
3. Where do we already decide quickly and well with nobody checking a policy, and what is it about those decisions that makes that safe?

DREAM

4. If every paper arrived with the cost of waiting printed next to the cost of being wrong, what would our meetings be about instead?
5. Imagine the register a year from now, with two rows in different places than they are today. Which two, and what changed about the week?
6. If our most junior manager could read one page and know exactly what they are entitled to decide, what would they do first?

DESIGN

7. What is the single decision here with the largest loss if it is wrong, and what rule is it currently made under?
8. What is the best proxy we already collect for how much of a benefit leaves the unit — something somebody could read this week?
9. How many units consume our largest shared service, and does that number put us above or below seven?

DESTINY

10. Who fills in the loss column, who fills in the delay column, and what would make us confident either number was honest?
11. What would be the first sign that an emergency structure had quietly become permanent, and who in this room would notice it first?
12. What would have to be true for this register to still be in use, and still accurate, when everyone here has moved on?

THE CHAPTER



Nº VI.E3 · EXTENSION

The Translation — One Economy, Two Vocabularies

Plate VI.E3 — Two Documents, One Object. They were drafted four centuries apart, by people who would not have recognised each other's trade, about the same question: whose agreement is required before this can happen.

Two vocabularies have grown up around governance and they do not speak to each other, which costs both of them.

DISCOVERY

1. Where in our own documents has somebody already translated one of these objects without calling it a translation — and who did it?
2. Which of our governance clauses would a lender, an auditor and a member all read the same way today? What makes that one legible?
3. Think of a time two people here discovered they were arguing about the same thing under different names. What did it unlock?

DREAM

4. If our rules carried a third column and everyone outside could read them, what would we be asked for that we are not asked for now?
5. Imagine the four rows with no accounting treatment all have one, five years from now. Which one do we most want written first, and why that one?
6. If a drafter here could check a word against a list of false friends in ten seconds, which word would they check first?

DESIGN

7. For our most important clause: is there an identity, a statute or a standard that makes both sides one object — or is it a resemblance?

8. Which of our terms is a false friend we are currently using as a translation, and what has it cost us so far?
9. Who would be our second reader — someone fluent in both vocabularies who did not write the table?

DESTINY

10. What would have to be true for this schedule to still be accurate when everyone who wrote it has moved on?
11. Which crossing have we named but not funded, and what is the annual figure that would fund it?
12. Who is outside our boundary, and what would it take for their name to appear on the front page of this document rather than in its failure list?

THE CHAPTER

Volume VII · Planetary and Cosmic



Nº VII.01

Planetary Boundaries as a Balance Sheet

Plate VII.01 — The Statement and the Weather. A balance sheet is a claim about a world. The claim is only as good as the audit, and the audit is out of the window.

This volume asks what the largest frame is, and the honest answer is that the largest frame is already a financial document.

DISCOVERY

1. The Montreal Protocol took a transgressed boundary and brought it back inside the line. What did it have — in measurement, in instrument, in politics — that made that possible, and where else do we already have all three?
2. Where in our own reporting do we already report a genuine level test correctly, and who insisted on it?
3. Which of the places we operate in already has a basin, catchment or airshed plan with a real allocation in it — and what would it take to report against theirs rather than inventing ours?

DREAM

4. If our board pack carried a one-page covenant schedule with three lines on it, what would the first meeting about it actually be about?
5. Imagine our asset register with condition alongside carrying value, by site. Which site would surprise us most, and in which direction?
6. If every number we published carried its evidence grade in the same typeface as the number, what would change about which numbers we chose to publish?

DESIGN

7. Which of our metrics is a covenant, which is a stock and which is a flow — and where have we been managing one as though it were another?
8. Where are we currently summing across places, and what would we see if we stopped?
9. What is the widest uncertainty band we currently publish, and what would it take to say so on the same line as the number?

DESTINY

10. What would have to be true for this grading to survive the first person who wants a single number for the cover?
11. Who outside this organisation would we want auditing our grades, and what would we have to publish for them to be able to?
12. What is the first sign we would see that grades were drifting — in either direction — and who would notice it first?

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N° VII.02

Climate as an Economic System

Plate VII.02 — The Thermometer on the Balance Sheet. Climate economics is not the study of a catastrophe. It is the study of a quantity that has a physical unit and no price, and of what happens to a balance sheet when somebody finally writes one in.

You have almost certainly been handed a number for a tonne of carbon dioxide, and you have almost certainly been handed a different one by somebody else the same month.

DISCOVERY

1. Where have we already made a decision that priced carbon implicitly — an energy retrofit, a fuel switch, a site closure — and what number was actually in someone's head when they made it?
2. Which of our measurements of physical quantities is already good enough to put a price against tomorrow, and who built it?
3. When has a long-dated number — a cost of capital, a residual value, a discount rate — settled an argument here rather than starting one? What made that one stick?

DREAM

4. If our capital papers carried a carbon column as routinely as they carry a payback, what would have been approved last year that was not?
5. Imagine our shadow price published beside our cost of capital. What would we want it to be, and what would we want people to conclude from it?
6. If our tonnage closed monthly with the same discipline as our revenue, what question could we answer that we currently cannot?

DESIGN

7. Which of the three bases for a price — regulatory expectation, published social cost, or the shadow price of our own target — best fits what we have actually committed to, and who decides?
8. What is the smallest capital threshold above which every paper gets the second column, starting this quarter?
9. Where does our own abatement curve clear today, and what would move the next tranche below the line?

DESTINY

10. What would have to be true for our shadow price to survive a change of chief executive, and which of those things could we put in place this year?
11. Who, outside the sustainability function, would notice first if the price quietly stopped being applied — and what would they be looking at?
12. What would we want our successors to find written down about how we chose this number, so that they can revise it well rather than start again?

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Nº VII.03

Biodiversity as Infrastructure

Plate VII.03 — The Strip Through the Middle. The forest at the edge of the farm was worth two hectares of coffee for every hectare of itself. The same trees, cut into strips and put through the middle, could have been worth eight. Nobody moved them, because nobody had computed the multiplier.

There is a version of this chapter that asks you to care about biodiversity, and it is not this one.

DISCOVERY

1. Where on this ground is something flowering that nobody planted, and what has it been doing for us that we have never counted?
2. Think of a block that has quietly out-yielded its neighbours for years. What is within one kilometre of it that is not within one kilometre of the others?
3. Who here already knows where the bees are at seven in the morning, and when did anyone last ask them?

DREAM

4. If our lender underwrote habitat the way it underwrites a supply contract, what would we plant this winter that we are not planting?
5. Imagine our farm plan carries a leverage ratio on the front sheet, next to soil pH. What decision would it change first?
6. If the people who maintain the margins were paid a share of the measured uplift, what would they start noticing that nobody notices now?

DESIGN

7. What is the smallest strip we could put through the middle of a block this season, and what would we need to measure to know whether it worked?
8. Which pair of blocks could serve as our control and our treatment, starting this harvest, with no change to anything else?
9. What would we want written into the contract so that a bad price year never makes the habitat the first thing cut?

DESTINY

10. What would have to be true for these strips to still be here in twenty years when everyone in this room has moved on?
11. Who visits a secured site, how often, and what do they actually check — and if we cannot answer that, what is the smallest version of an answer?

12. When this works, who else nearby will see it, and what would make it easy for them to copy rather than admire?

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N° VII.04

The Ocean and Atmospheric Commons

Plate VII.04 — The Certificate and the Box. Two great commons, one atmosphere and one ocean, and only one of them has ever been governed successfully. The difference was never the size of the thing. It was whether the rule could be tested on an object that had to pass through somebody's hands.

There are exactly two resources on this planet that belong to everyone and to no one: the air above the weather and the water beyond the two-hundred-mile line.

DISCOVERY

1. Montreal is the one unambiguous success in this field. Which of its four conditions — a substitute, concentration, an unarguable signal, a trade provision with teeth — does *our* problem already have, and who here knew that before today?
2. Where in our own supply chain does a physical object already pass through a named place where a document is checked? What else could that check carry?
3. CCAMLRL adopts one ninth of what its scientists would permit. What is the nearest thing to that in our own governance — a place where we deliberately take less than we are allowed — and what made that decision possible?

DREAM

4. If the honest operators in our sector stopped competing against the dishonest ones, what would they start doing with the margin?
5. Imagine the certificate that travels with our product resolving in one second to everything a buyer needs. What conversation with a customer does that make possible that is impossible now?
6. If an underwriter had money at risk against our conduct, what would they ask to see — and what would we be glad to show them?

DESIGN

7. What is the smallest chokepoint in our system through which nearly everything must pass, and what test could it carry that it does not carry now?
8. We have been told the problem is that we cannot watch. Where in our own operation have we been buying coverage when the thing that was missing was a consequence?
9. Who would have to recognise one standard for three of ours to become one, and what would each of them need in return?

DESTINY

10. What number would we have to publish every year for the argument to correct itself without us in the room?
11. Where are we currently getting compliance for free because people believe in the thing — and what would we be careful not to break in the course of formalising it?
12. If this regime were quietly decaying five years from now, what is the first measurement that would show it, and who would be looking at that measurement that week?

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N° VII.05

Bioregional Economics

Plate VII.05 — Where the Soil Changes Colour. A bioregion is not an idea about belonging. It is a boundary you can kneel down and touch, and the whole question is whether you can also put it on a balance sheet.

Somebody has handed you a map with a line on it that does not match any line in your accounts, and told you that the line is the real one.

DISCOVERY

1. Which three things grow, run or get made unusually well where we are, better than they do a few hundred kilometres away — and what is it about the place that makes that true?
2. Which of our supply lines is already short without anyone having decided it should be? Who set it up, and what did they know?
3. When has a shortage somewhere else in the world left us untouched? What was it about how we were buying that protected us — and do we still buy that way?

DREAM

4. If we published an honest balance of what this region supplies to itself, what would we most want the first page to say in five years' time?
5. Imagine we knew, for every material line we buy, whether it was regional by nature or traded by nature. What would we stop arguing about?
6. If the people who live here could read the region's balance the way they read a weather forecast, what would they start asking us for?

DESIGN

7. At what level of the hierarchy is the decision in front of us actually taken — and which level have we been arguing at instead?
8. Which single commodity line, if we contracted it for three years inside the boundary, would most change what a grower or a maker here is willing to invest in?
9. What would we have to measure about our own deliveries before we could claim, with a straight face, that the short chain is the cleaner one?

DESTINY

10. What would have to be true for this balance to still be published, by someone we have not met, ten years from now?
11. Where is the line we will publish that says *buy this from four thousand kilometres away* — and who needs to have agreed to it before it appears?
12. If the regional premium ends up landing on the households least able to carry it, who here would notice first, and what would we want them to do with that?

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N° VII.06

Watershed as the Unit of Account

Plate VII.06 — The Gauge at the Narrows. Everything that fell on all of that has to come past her hand, or go up as vapour, or still be in the ground. There is no fourth option. That is the whole reason this is an accounting boundary and a nation is not.

You have probably been handed a sustainability report with a water number in it, and you have probably noticed that you could not check it.

DISCOVERY

1. Where in this basin does a measurement already exist that everybody trusts — who made it trustworthy, and what did that take?
2. Think of a time two parties here disagreed about water and settled it without lawyers. What made the settlement possible, and who was in the room?
3. What does the person furthest upstream already do, unpaid, that the people furthest downstream are benefiting from right now?

DREAM

4. If this basin published a set of accounts every year that an auditor signed, what is the first thing we would learn that we do not currently know?
5. Imagine our entitlements were shares rather than volumes, and a dry year arrived. What conversation would we no longer be having?
6. If the residual in our accounts were the number everybody watched, who would become interesting who is currently ignored?

DESIGN

7. Who could hold one contract on behalf of everybody upstream, and what would they need from us to be able to say yes?
8. What are we already measuring, for a regulator, that could serve as the settlement point without costing another dollar?
9. If we could only buy one thing upstream — one practice, on one kind of land — which one would we want, and how would we know we had it?

DESTINY

10. What would keep this account being published in a year when nobody in this room is still here?
11. Whose balance sheet would have to move for this to survive a change of leadership, and what would it take to move it?
12. If the payment became an entitlement that outlived the practice, who would notice first — and what would we want them to be able to do about it?

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Nº VII.07

Indigenous Economic Wisdom, Sourced

Plate VII.07 — The Fish Wheel and the Clipboard. An economy is not proved by what it is thought to believe. It is proved by what it counts, who signs the count, and what the count is allowed to decide.

This chapter has one rule and it governs every sentence in it.

DISCOVERY

1. Where in our own dealings has a rights-holder's own count been better than ours, and what happened in the room when that became clear?
2. Which of our agreements already names a number — a share, a rate, a hectare — rather than a process, and what has that number let both sides do?
3. Who in this arrangement currently owns the data, and when did we last say that out loud?

DREAM

4. If the funding for every obligation we have recognised arrived at the rate the obligation requires, what would we start doing next month?
5. Imagine our partners' institution ten years from now, funded from an endowment rather than from us. What does it do that it cannot do today?
6. If our contracts carried a price ratchet so the producer shared the upside, which of our existing contracts would we most want to rewrite first?

DESIGN

7. What is the smallest decision we could transfer this year that would still be a real transfer?
8. What would it cost to fund our partners' counting institution before the next dispute rather than during it, and who has that signature?
9. Which of our deadlines currently has no funding rate beside it, and what would the honest completion year be if we divided the cost by the appropriation?

DESTINY

10. What would keep this running if every person in this room left, and which of those things is written down?
11. Where is our funding cycle shorter than the asset it is meant to manage, and what is the longest cycle we could actually commit to?
12. What would be the first visible sign that responsibility had been devolved without authority, and who would see it first?



Nº VII.08

The Long View and the Discount Rate

Plate VII.08 — The Marker Field. These are not headstones. They are a message to somebody ten thousand years from now, written in geometry because no language is expected to survive. Somebody costed them, approved them and signed for them — which means somebody put a number on the year twelve thousand.

Chapter III.05 took the discount rate apart: the three Ramsey terms, which two of them are ethics rather than measurement, and the published declining schedules that three finance ministries already stand behind.

DISCOVERY

1. Which commitment made by people who worked here before us is still holding — and what specifically made it survive them?
2. Where do we already hold money against a duty that nobody alive here will see discharged, and who set the amount?
3. When has this organisation chosen a standard rather than a price for something — a limit, a floor, a ceiling — and what did that make possible?

DREAM

4. If every long-lived duty we carry published the real return it is assuming, what would become arguable next year that is only assertable now?
5. Imagine a paper in front of this board with a horizon of two hundred years on its first page and nobody in the room finds that strange. What is on page two?
6. If we could hand our successors one thing that made their job easier rather than harder, what would it be?

DESIGN

7. What is the smallest duty we could put into a properly segregated trust this quarter, and whose signature does that need?
8. Which of our commitments would we be content for a successor to reprice, and which would we not? What distinguishes the two lists?

9. Where is a state-of-the-world standard the right instrument for us, and how would we know we had reached for it too early?

DESTINY

10. What would have to be true for the implied-return disclosure still to be on the front page when everyone in this room has moved on?
11. If a future board wanted to undo this, what is the most likely route, and what would make that route visible rather than quiet?
12. Which of our funded duties has money but no delivery covenant — and who would notice first if the money were there and the thing never happened?

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N° VII.09

Space, Materials, and Real Abundance

Plate VII.09 — The Weight of the Bottle. The bottle holds one kilogram. On this bench it is worth a tenth of a penny. Four hundred kilometres above her head, the same kilogram is worth three thousand and fifty-nine dollars — and nothing about the water has changed.

You have been told, more than once, that space will solve the materials question.

DISCOVERY

1. Where in our own operation are we already paying for position rather than material, and what would we learn if we priced it that way on purpose?
2. What is the highest closure rate anyone here has ever achieved on any consumable, in any system — and what made it possible?
3. Which of our assets is genuinely valuable because of where it sits rather than what it is made of, and who was it who put it there?

DREAM

4. If every consumable we use carried its own circulation rate on the standing pack, which number would improve first, and who would improve it?
5. Imagine the delivered price of something we buy falling by half every thirteen years. What would we build that we currently do not?

6. If we priced the congestion in a shared resource we already use, what would become possible that is currently crowded out?

DESIGN

7. What is the smallest contract we could write that names a place rather than a thing?
8. Which of our published estimates should be a bracket rather than a number, and what would we have to disclose to make that credible?
9. Who would set the fee, and who would collect it, and are they the same people today?

DESTINY

10. What would keep our version of the disposal bond in place after everyone in this room has moved on?
11. What is the benchmark our price floats against, and what happens to us if it falls faster than we assumed?
12. What is the first sign we would see that our carrying-capacity assumption was at the wrong end of the bracket, and who would notice it first?

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Nº VII.10

The Cosmological Frame

Plate VII.10 — The Aperture, Facing Up. Nobody took the heat away. The tray simply had an unobstructed view of something very cold and very far off, and that was enough.

This chapter is the largest frame in the edition and it is the one to hold most carefully, because the largest frame is where a book of this kind usually goes soft.

DISCOVERY

1. Where in this organisation are we already using something that costs nothing and belongs to nobody — a slope, a prevailing wind, a cold night, a river — and who noticed it first?
2. Which of our systems rejects heat, and has anyone here ever seen the temperature it rejects at written down? What would it take to find out this week?

3. Think of a time we solved something by opening a path rather than adding power. What made that possible, and what did it teach us that we have not applied since?

DREAM

4. If every energy figure we report carried the grade it was used at as well as the quantity, what would we see on the first page that we cannot see now?
5. Imagine a version of our building or our plant that has a designed, maintained connection to the sky. What is it doing for us on a hot Tuesday afternoon?
6. If our board could distinguish growth in value from growth in throughput on a single slide, which of our current arguments would simply dissolve?

DESIGN

7. What is the smallest place we could put a meter this month that would turn our energy intensity from an assertion into a series?
8. Which of our assets depends on a condition somebody else could remove without telling us — a view, an access, a right of way — and what would it cost to record it properly while relations are good?
9. Who would have to agree for a service contract here to be written as a service rather than a lease, and what do they need to see?

DESTINY

10. What would have to be true for the intensity number to still be metered and owned when everyone in this room has moved on?
11. Which of the things we understand well have we mistaken for things we have done? How would we tell the difference from the outside?
12. If someone opened our records in two hundred years, which of our numbers would still be checkable — and what would we have to write down now for that to be true?

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N° VII.11

What We Owe the Next Thing

Plate VII.11 — The Handing Over. An inheritance is not a gift. It is a working stock, handed over mid-job, by somebody who has to let go of the handle before the other person has taken the weight.

This is the seventy-seventh chapter and the last one.

DISCOVERY

1. What has this organisation handed forward — to a successor team, a next generation of staff, a community — that turned out to be worth more than anybody expected at the time? Who made that happen, and what did it cost them?
2. Where do we already keep a long-horizon account of something, however informally — a maintenance log, a reserves policy, a succession plan — and what makes that one survive when others lapse?
3. Which of the five categories on the page can we already produce from published sources this week, without asking anybody for anything?

DREAM

4. If our intergenerational position were on one page beside the budget every year, what conversation would happen in this room that currently does not happen at all?
5. Imagine we are known as the organisation that publishes its Θ . What does that buy us with the people we most want to work with?
6. If the transfer we are already making arrived twenty years earlier in the lives of the people who receive it, what would they be able to attempt?

DESIGN

7. What is the one physical stock — in units, not in money — that we would be willing to covenant as non-declining, and who would we let verify it?
8. What Θ do we act as though we believe, and what evidence would move us half a point in either direction?
9. Which single thing on our account should be marked UNMEASURED this year, and what would it take to measure it next year?

DESTINY

10. Who, five years from now, would notice first if this account stopped being produced — and what would we have to give them for that to be true?
11. What is the signature that would make this real, and what does the person who would sign it need to see on the page?
12. When our successors read this account, what will they be glad we wrote down even though it was inconvenient to us?

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N° VII.E1 · EXTENSION

For the Practitioner of Luminous Economics

Plate VII.E1 — The Map With Three Boundaries On It. The largest frame in this edition arrives on one table as three lines on a map, and the whole of the practitioner's work is knowing which line answers which question.

You have just read eleven chapters about the planet, and the honest question you are holding is not whether they are true.

DISCOVERY

1. What is already on this ground, that nobody planted or paid for, that has been doing work for us we have never counted? Who noticed it first?
2. Which block has quietly out-yielded its neighbours for years — and what is within a kilometre of it that is not within a kilometre of the others?
3. Where have we already taken less than we were allowed, deliberately, and what made that decision possible at the time?

DREAM

4. If our place register sat where the diary sits, and we checked it before answering any offer, which offer from the last two years would we have answered differently?
5. Imagine seventeen of us holding one contract instead of seventeen. What could we ask for then that none of us can ask for now?
6. If our leverage ratio sat on the block sheet next to soil pH, what would be the first planting decision it changed?

DESIGN

7. What is the smallest strip we could put through the middle of a block this season, and what two blocks would serve as our control and our treatment?
8. Where is our gauge, who reads it, and what would it take this month to have a number everybody in this room trusts?
9. Which two of our neighbours are the ones others check with — and have we ever actually asked them for anything?

DESTINY

10. If none of us were available for a season, which of these measurements would still be taken, and what did we do that made that true?

11. Which commitment we hold has no funding rate beside it — and what is the honest completion year if we divide the cost by what is actually appropriated?
12. What would be the first sign that the aggregation had become one person doing everything, and who in this room would say so?

THE CHAPTER



Nº VII.E2 · EXTENSION

For the Corporation

Plate VII.E2 — The Appendix Nobody Reads. Every number that decided anything today was chosen by somebody, once, and written down in a place the meeting did not reach. She has gone back for it.

A board can approve four things at planetary scale: a disclosure, a measurement, a covenant, and a consequence.

DISCOVERY

1. Where in our reporting do we already grade our own evidence — formally or informally — and who was it who insisted on that?
2. Which of our long-dated duties already has money segregated against it, and who set the amount, and against what?
3. When has a covenant we signed actually changed a decision here? What was in it that made it bite?

DREAM

4. If every number we published carried its evidence grade in the same typeface as the number, what would change about which numbers we chose to publish?
5. Imagine our long-dated funds each printing the real return they are asserting on their first page. What conversation would the audit committee have next year that it cannot have now?
6. If an underwriter had money at risk against our conduct on one physical metric, what would they ask to see — and what would we be glad to show them?

DESIGN

7. Which of our metrics is a covenant, which is a register, which is a flow — and where have we been managing one as though it were another?
8. What is the single Grade A exposure we would be willing to bond this year, and what is our honest estimate of 'G'?

9. Where are we currently buying assurance when the missing term was a consequence, and what would the ratio be if we computed it this week?

DESTINY

10. What would have to be true for the graded register to survive the first person who wants one number for the cover?
11. If a future board wanted to undo this quietly, what is the most likely route — and what disclosure would make that route visible instead?
12. Which of our funded duties has money but no delivery covenant, and who would notice first if the money were there and the thing never happened?

THE CHAPTER



Nº VII.E3 · EXTENSION

The Translation — One Economy, Two Vocabularies

Plate VII.E3 — The Last Column. Seven translations, made separately, by people working on different materials. The rows they share are interesting. The three blanks they share are the finding.

There are two vocabularies in the room and by now everybody knows it.

DISCOVERY

1. Where have two people here already agreed on a number while using completely different words for it? What made that possible?
2. Which of our documents already defines a term that both vocabularies use — and who drafted it, and what did they see that the standard did not require?
3. Think of a time somebody said *we have no word for that* and it turned out to be the most useful sentence in the meeting. What was the term?

DREAM

4. If every agreement we signed carried a list of the terms that do *not* translate, what is the first dispute we would never have again?
5. Imagine our ' Θ ' published beside our cost of capital. What would we want it to be, and what would we want people to conclude from it?
6. If the parameter inside every translated number were printed on the same page as the number, which of our decisions would look different?

DESIGN

7. Which of the seven false friends appears in an operative clause of something we have already signed?
8. Which of our rows rest on an identity and which on a chosen parameter — and has anybody ever checked that one of them round-trips?
9. Who would be our named bilingual reader, what would they need to be able to read everything they should, and whose signature does that appointment need?

DESTINY

10. What would have to be true for the schedule to still be accurate when the people who drafted it have gone?
11. What is the first sign we would see that the dictionary had started being used in one direction only, and who would notice it first?
12. Of the three terms for which no translation exists anywhere in this edition, which would we most want to have been given a counterpart in ten years — and what would it take, in law or in a contract, to give it one?

THE CHAPTER