

Other articles from [The ABC of Economics in the 2020s](#) :

- Repairing Australia's Vertical Fiscal Imbalance
- Retirement Income systems around the world
- [Derivative, C.D.O.s and the Glass- Steagall](#)
- Multilateral Trade Agreements, price fixing, VL/VO
- Public Private Partnership(PPP), Rating agencies
- [Libra and Virtual Currencies in the 2020s](#)

Payments by Cash in Australia have decreased in ten years from 70% to 37% according to the RBA Governor, Philippe Lowe, December 2017, one can assume that in ten years from now given the increasing trend towards electronic payments, and the popularity of smartphones and plastic cards, the amount of Cash transactions will fall to a level between 10 to 15% and below, and at that point be getting very close to Sweden, the most cashless society today.

Given that reaching a cashless society was 90% of the difficulty to implement a government totally interactive tax system for households and businesses including social benefits, strategic planning in this area has now become critical around tax systems and delays could cost up to a quarter of the budget's revenue within ten years though **removing cash totally is not recommended**

Strategic Planning is critical with new technologies

Australia is getting closer to a cashless society with our new technologies and our seniors life becoming more active and longer with the progress in genetics, a lack of strategic planning fails to take into account this new situation and will be detrimental to our living standards.

At the same time, further development in robotics and automation and more interconnected information systems through personal devices such as tablets smartphones etc... will be diminishing the size of office and retail employment, including the way we do shopping, eBay and Amazon and the like of eCommerce and online shopping will have seismic consequences in employment policies in Western Economies where already the continual increase of casual employment has reached such a level that indirect consequences are now becoming very predictable in transport, manufacturing, construction and real estate, and many other industries.

As a consequence public policy will need to be more lean and adaptive and pro-active to make the most of all our resources and develop the economy rather than restrain it.

Developing in the 21st century policies based on an 18th century methodology regarding, employment and business would have dramatic consequences on our economy affected directly by global trade and competition for example recent move by Amazon in Australia will affect our retail industry, post/ re-active data matching is becoming irrelevant with new technologies, there are many issues that have not been addressed by our politicians in term of policies that will affect our economic performance because of a lack of proper planning for new technologies such as Virtual Currencies(Bitcoins Libra), Derivatives, Blockchains or applying totally unadapted policies to them!

One can develop policies facilitating and enabling employment such as automated and pro-active taxation including social benefits taking advantage of technology to ease access to jobs self and casual employment and have interactive in the minute access to business and finance thanks to the new commonly used devices such as smartphones and tablets with a free mind and paperless, or live in the 18th century with Porter's like data matching absurdity(see *) living many years in the past, while stressing people and killing million of jobs, instead of easing senior's life.

Our population is ageing, we need incremental+ flexible retirement to keep more contributing hands from more Seniors in the economy. Given the type of work and contribution from Seniors, it will be more casual and or through self-employment or contracting rather than long term employment, consequently the absurdity of Porter's data matching(see *) supported also by Labor instead of automation has no limit, never party will admit that a single desk tax office+Centrelink doing the job properly renders data matching absolutely and totally useless because fraud is disabled automatically. It should be a first priority to make this thing happens and have the DSS office working with the tax office to implement a pro-active tax system such as the Swedish more cashless model so that the same mistakes are not repeated costing billion of dollars in lost revenue from people turning to the cash economy to evade absurd and late data matching and a game of Russian Roulette(see *).

The usage of tablets and portable device to enter data and communicate interactively information to the government and banks at the same time enables also to communicate any payment or change of circumstances interactively, in turn it enables household and businesses to know their balance regarding taxes and social benefits interactively ie information in every systems is matched interactively to update the situation of the tax payer and social benefits, so simple,almost too simple!!!(see diagram below).

Low expertise in parliament regarding policy making with new technologies is raising serious questions about the ability of the house to deal with simple issues through incompetent legalmentarians living in the 18th century with post/ reactive systems such as the Work Bonus Whizzbang and data matching for seniors and tax rulings going back over years in fiscal policy instead of having pro-active policies in taxation, employment, and social benefits eliminating all of these problems automatically **through an automatic govt controlled and developed national payments platform including VCs through an independent statutory body.**

A Strategic Planning approach adapted to evaluating new technologies:

If you thought that the backlash from data matching policies "à la Porter(see *)" or archaic and unadapted tax rulings are affecting politics and vote, think twice, the deafening silence from Labor Chris Bowen and Bill Shorten about these issues and practice speaks volume about what they will achieve themselves and the level of corruption in the Labor party by lobbying vested interests in the area of casual work and self-employment policies, specially for youth and seniors(see also **)

Such policies should be tightly linked with pro-active and easy calculation for taxation and means testing without paper work and/ or red tape, but this is unlikely to happen in my lifetime as long as the vested interests mentioned before keep presenting any casual or self employment worker as a tax dodger.

Soon the problem with senior's work will affect also another growing portion of our population, our 25% of youth under-employed.

Both sides of politics have become absolute zeroooooes to implement 21st century policies with new technology, suitable for half of our working population.

[Choosing a Ministre from outside the house unaligned with vested interests and/ or the lobbying business is an unlikely possibility downunder\(see **\)](#)

(* see The Saturday Paper: Martin Mc Kenzie-Murray "An artless system that aggressively demands fictional debts from our most vulnerable people has, unsurprisingly caused considerable misery" and: ** see Lobbying and Lobbyists : "Barton Deakin, the Coalition's 'evil twin' lobby firm. Mike Secombe. Hidden behind two of Australia's biggest lobbying firms is one company and an endless list ...")



The Challenge facing policy makers today:

On the left of the diagram, pro-active taxation and payment control is made possible by adapting policy to the current incremental move towards a more cashless society with consumers, technical issues, devices and currencies controlled by modern 21st century government policy with law enforcement agencies interactively checking trading and banking and Libra and other Virtual Currencies without cash ban but with an interactive government controlled payment platform an independent statutory body is accountable.

On the right the current government 18th century post / reactive taxation mechanism is rendered useless with its uncontrolled reporting from electronic payments and poor understanding of new technologies.

Law enforcement agencies can access the traditional banking system and its logs but private currencies or eMoney based on distributed ledgers(Blockchains) will soon become a headache for governments, currently bitcoins and some current crypto-currencies are not real exchange money for consumers but other forms of technologies with eMoney for payments /transactions appear everyday and will be a new challenge for current policy makers and their unadapted taxation systems in regard to new technologies including Derivatives, Blockchains and new methods of payment such as Libra and other virtual currencies.

A higher volume/ extension of the current plastic cards anyone can purchase in supermarkets and rechargeable on smartphone already presents some challenge for law enforcement agencies and the ATO/ Centrelink.



Strategic Planning&Development with new technologies

A - Define clearly stakeholders, activities, deliverables involved with a clear picture of all stakeholders, an activity map and /or business map with Actors, Activities, Constraints, Transformations, Accountability, External factors(SSM-CATWOE (*1) before attaching technical infos(IT) to activities(*2) see ref below.

B - Make a cost benefits and Swot(Strength and weaknesses) and risk analysis before submitting a time based Schedule of outcome with attached deliverables (*3).

C - Use a combination of consulting and pro-active auditing(*4) to verify the processes and/or request and the schedule of outcome attached in the plan(post implementation on-going review) :

Is the proposed deliverable and/ or the process safe, flexible, reliable, cost effective with a clear line of accountability and effectively delivering what it was intended for(4).

Seek advice on financial and technical matters from different sources(5) and consult with stakeholders(6), if no one is accountable, or it is as cost effective as using a tank to break an egg, or it is so inflexible that it will cost a fortune to accommodate changes or you don't know if the partners are safe or if some of the funds can be manipulated out of control, or if there are many alternatives, ie more effective ways to deliver a more cost effective or safer solution, restart from step A. **Use a small technical prototype including POS and separate clearly technical from stakeholder's info building.**

Strategic Planning and historical failures.

Manufacturing industry: Our manufacturing industry is taking a bashing...

GST Concessions Super, NG and CG:

All previous governments from both sides of politics have missed the point...

Immigration : "We will decide who comes in under witch circumstances" was the catch phrase that kept the inept Howard-Costello economics and tax rulings in office, it was "clever" politics but our successful migration policy is the most important factor to our economic success in the last thirty years, please do not tinker too much with it!

Given Europe unrest with millions of pseudo refugees unable to integrate and massive security problems with a new brand of terrorists and violent religious fanatics, the same phrase would probably be working again and damage our successful migration policies which should simply be tuned to avoid these new threats, beware of an overly motivated political correctness and reverse discrimination to create a new form of politically motivated immigration choices?

GFC: It took Wayne Swan Eric Tanner and Kevin Rudd to contourn GFC 1.0 with the stimulus and bring in 24 months of trade surplus and jobs after Howard was kicked out of office ...but labor has his own devils and was also kicked off of office later though with Abbott Costello or Hokey et-al it was absolute zero economics!

Under-employment self employed: Abysmal policies for self-employed from both side of the house regarding youth under-employment and seniors incremental retirement albeit asset testing was needed(everybody except our legalmentarians new it in Australia for a long time!).

18th century policies mentioned before stressing vulnerable elderlies and youth with debt recovery agents sometime for fictitious debts could well be kicking the current coalition out of office(it saved \$80m but killed a potential \$80b of revenue), Labor simply does not want youth or seniors to do any casual or self-employment work(80 to 90% of current work opportunities),...[check this link for detail 2019](#)

Media: Be aware of corrupted one way listener's TV and think tanks promoting themselves and invading the space needed for new real lateral thinkers, strategies and ideas in discussions.

Policies feedback: Any chance of getting people voice heard outside parliament by Labor massive party apparatus is nil, the lobbying machine(including powerful lobbying companies) reigns supreme on both sides of the house on the eastern seaboard, chance of getting anyone suggestion to get through are more likely with the right side of politics at the moment than the left, but solving Australia's fiscal imbalance in WA SA and Queensland has become counting votes and politicking rather than making any real policies. **Before proposing a new referendum for a Republic policies are needed to fix Australia vertical fiscal Imbalance anyway for a rederendum to have a chance to succeed.**

Insurance confirming that the Commonwealth is liable for State's Debt as stated in our Constitution will also be needed before a referendum.

VC Virtual Currencies [see this link](#) Australia has been slow on acting but is starting to act on Bitcoins investments, the RBA is underestimating the impact of VCs in year to come and specially **Libra**.[see https://libra.org/](https://libra.org/)

The RBA is embarking on policies to create a single National Payment Platform(*x) but is it a decoy to avoid talking about a single derivatives clearing platform enabling a levy(*x) or worst is it an attempt to delay or block the Libra Payment Platform and on coming VCs which who would save considerable fees to retailers currently milked by the banks.

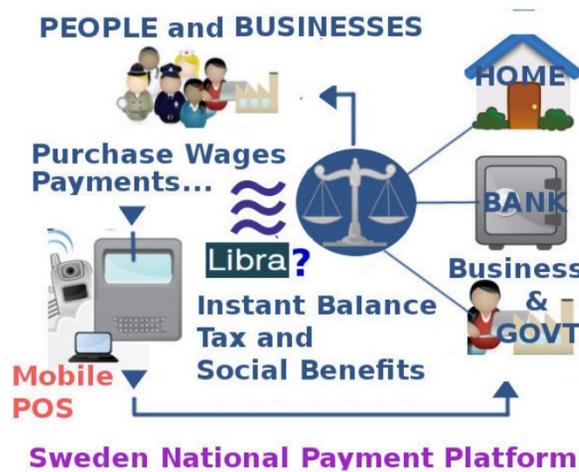
(*x) Who will be the owner and accountable for it?
(*x) Will it be another BIS like Reporting factory instead of a new pro-active taxation system?

Will it be developed and controlled by an independent statutory body?

**** [Check this document which will be updated after the implementation of Libra.](#)

The Swedish Interactive Taxation System

Note: When Libra becomes available it will be easy to include!



Readings for more detail: (ABC above)

- (1) Pr Paul Checkland(SSM), Lancashire, People Activities and Soft systems
- (2) Pr R Galliers(A B Harvard), Journal of Information Systems(Collecting informations attached to SSM activities)
- (3) Pr B.Glasson- Deliverables Schedule of Outcome Strategic Planning Implementation Evolutive System's Methodology
- (4) Institut des Auditeurs internes, Institute of Internal Auditors(IIA)
- (5) Pr Chris Argyris work(Harvard Business School)
- (6)communications of the ACM, and Technology acceptance Model, MIT)

What went wrong with policies:(to-be-updated in 2020 after Libra's implementation)

Implementation: Super NG and CG concessions, all have Implementation problems less visible than pink Batts

Design: With new technologies, we need an interactive flat sale tax at Point of Sale rather than a gizzmos in vs gizzmos out GST whizzbang for CPA's deductions with BAS type paper work which is useless for local businesses competing with corporations avoiding corporate tax and GST(late improvement is coming).

The GST and its distribution design is a fiasco without any post implementation corrective mechanism

The old design and rate of the Corporate Tax is aberrant in the age of Cyber world tech companies without borders, a child would know that a direct turnover tax adjusted interactively each month is the way to go.

One thing is common to all cases mentioned above it is the ignorance of the impact of technology on policies and the "too hard basket" mentality associated with it that prevented policies from delivering all their economic potential Super NG and CG were affected by a quick response by financial advisers finding ways to milk the policies for the wrong reasons transforming investments who should have been targeting local jobs creation, into transforming them into opportunities for rent seekers and overseas interest by building on the effectiveness of the new ITC world in the finance sector, the policy makers were too slow to react and failed with the implementation lacking the tech expertise of the stakeholders, ditto for VL/ VO, Private Equity funds, and Derivatives, and in addition there are also other issues regarding foreign investors transforming equity into debt for tax purpose all out of sight of law enforcement agencies etc..

Where real policies are completely missing:(to-be-updated in 2020 after Libra's implementation)

Control of Derivatives and their taxation: Ten years of Absolute Zero in local policy, nothing else to add apart that \$50b to \$100billion have been missing in the Federal revenue each year which would have helped bringing down corporate tax a lot more!!! The RBA is embarking on policies to create a single National Payment Platform(*) but is it a decoy to avoid talking about a single derivatives clearing platform enabling a levy.

Transport costs in Australia will have to come down for anything below container size and freight transport be re-designed in such a way businesses can compete with the like of Amazon and eBay as it costs as much as three time the price of the bottle of wine we receive from overseas to send it back where it came from, ultimately it is going to hurt our country unless we fix these problems with proper policies(grouping, parcel collection...) without increasing taxes, [pro-active interactive refund on transport costs](#)

Age care and work for Seniors, youth, and self-employment including incremental/ progressive retirement specially in regard to casual and self-employment work, please stop talking about data matching or work bonus whizzbang, get serious in policies and pro-active simple automatic taxation for both youth and seniors including [pro-active flat sale tax\(see above\)](#) on self-employed activities and [transport pro-active interactive refund\(see above\)](#)

It is the innovative way to take advantage of available interactive technology that failed policy makers, and that includes new methods of payment and internet/ POS technology , blockchains etc...

Where policies have been implemented investigated or changes needed:

The High Speed Train, NBN The silk road: poor planning

Defense projects policies: States specially WA did not put a good case

Innovation and transport policies: Absolute Zero

Youth and Seniors Employment: For Startups and Youth and Seniors developing new businesses, or for self employed trading, work out tax and concession policies for transport based on tax credits. [Protect local innovation development with liability and patent funding help.](#) Bring down/ subsidize transport costs below container size for small business(tax credits) and establish a priority channel to overseas main markets and port single parcel collection/ containerization desk with lower transport costs dedicated to local businesses dropping parcels there and pro-active tax refund.

Youth and Regional Development:Develop policies to encourage adding value locally and encourage down processing jobs in Australia with special schemes for youth employment in regional centres(tax credits).

New projects in new fields: Protect local industries, encourage research in leading fields such as convergence of IT and Genomics, Gerontics and slowing down the ageing process, renewables, methane hydrate and other clean energy development([pro-active tax credits on curent balance and/or up-coming business instead post tax deductions](#)).

Supply Chain:Protect local ownership of the supply chain in strategic areas with PPP+ government purchases and prevent Vertical Ownership/ Vertical Landing excesses detrimental to local Revenue.

Taxation and merging Centrelink into ATO with pro-active taxation integrated with social benefits and creating a youth and senior electronic working card to record interactively taxation and updating also instantly social benenefits for self employed in priority to post evaluating people records.

The convergence of IT and Genomics with its coming giant Corporations, some already part of Tech giants such as Google, is expected to extend life expectancy by 10 to 20% in ten years from now, this will have also a major impact on Public Policies concerning Age Care, Retirement Income and Pensions, but also lifestyle and leisure industries, pharmaceutical industries and health insurances.

Bush fires: Create Solar desalination plans and pipeline circulating with large corridors upward from the coast line to limit the scale of fire and protect life and wildlife, such infrastructure development will create jobs in regions where local jobs are few and revitalize the bush.