

# ***Trilogical Enterprises: Solution for a Productive Economy***

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## ***Why a New Enterprise Model?***

Businesses organized according to traditional models are facing serious problems today. Not only has overall productivity fallen, but we see that the economy is no longer developing. Quite the contrary: the quality of life is deteriorating significantly the world over. The basic causes for this decay in production are the following:

1. The structure of traditional business enterprises and state-owned organizations engenders a deep conflict of interest between the capitalists (owners) on one side and the employees (workers) on the other — conflict created by exploitation, which is intrinsic in such systems.

A small group of owners and managers realize profits based on the work of the employees, who are responsible for actual production. This creates resentment and opposition to work as well as to the enterprise itself. The consequence is a decrease in productivity.

- 2 Business philosophy has changed over the last few decades. Formerly, production and marketing were both the major priorities and the principal source of profit. Today, production is secondary. Financial investment and speculation receive more attention because they offer the investor greater short-term profit than any activity that produces goods or services. This means that businessmen are more than eager to make money through interest and financial speculation. Instead of serving production, money has become a goal in itself and speculation has replaced work.

3. Being comprised of individuals, organizations reflect both the good qualities and the problematic aspects of those individuals. We see this occur on two levels, of which the more damaging is that on which those who possess economic power operate, the level on which the people responsible for the general structure of existing economic systems are situated.

As we see from Keppe's explanation in this book, the individuals who seek only power are more problematic and pathological than those who work. Accordingly, the powerful transfer their pathology to the economic system by way of laws and the rules of the system, making it unjust: money is overvalued in detriment to production and the structure is based on the exploitation of man by man.

It is necessary for the people who participate in an enterprise to be aware of this problem, because it is they who are responsible for the level of productivity and the economic development, which should benefit them all.

The other level on which this occurs is that of the individual who works, whose psychopathology stems from the erroneous attitudes of selfishness, dishonesty, arrogance, envy and an inversion of values, all of which are common to everyone to some degree.

There is an inversion of values, for example, when a person feels that responsibility, work, accomplishment and cooperation are tedious, and that alienation, status, corruption and the exploitation of others can be beneficial in life. Inversion leads to attitudes of opposition toward reality, work, and progress. At the same time, the individual makes an effort not to perceive this mistake; and because he has such great

difficulty in dealing effectively with his erroneous attitudes, his ability to learn and grow, and even to maintain previous levels of productivity, diminishes.

These problems have become increasingly severe because there was no practical method that would resolve them at their source. A solution has not been forthcoming because economists, sociologists and business people were not aware of the real cause: the psychopathology that gives rise to sociopathology. Hence, the economic systems have all been structured on unperceived pathologies.

Applying the discoveries made by Norberto Keppe on an experimental basis, a new enterprise model, whose application has widespread and profound consequences for social and economic philosophy, has been developed. Many different types of business units are already established, and a number of traditional enterprises are being transformed to comply with these new concepts.

### ***The Trilogical Enterprise Model***

The first of the problems mentioned above was the antagonism of employees toward the enterprise because of their conflict of interests, or simply the fact of their exploitation. When all of the people who work in a company are shareholders, this problem ceases to exist.

In the Trilogical Enterprise, shareholding is not, as in traditional patterns, related to the amount of money the individual invests; Capital is seen as a tool to realization — the fuel for development, as it were — not as a sign of ownership or a way of establishing a power relationship in the company. The capital is programmed to be divided equally among those who work in the enterprise. I say 'programmed' because, initially, the amount of money needed to set up the enterprise may come unequally from the partners. Also, there is no impediment to having partners who have little or no capital to contribute. As long as the minimum amount of initial capital needed is secured, partners without capital agree to build up their quota by leaving a part of their profits in the company for this purpose.

The worth of the individual in the enterprise is based on his productivity and the work he accomplishes, not on the capital he may have placed in the company. This is very important for production, since it eliminates one of the greatest problems faced by capitalist concerns (both private and state-owned): the exploitation of the worker, who does the actual work, by the capitalist, who does not actually do the work.

The members of the enterprise earn according to their production. Those in administrative positions receive a percentage over total production, which may vary from one type of business to another. Those in production earn in proportion to their individual productivity.

Two basic factors are taken into consideration and evaluated to determine levels of productivity: job description rating, which measures the importance of the job and the difficulty of execution, and individual ability and effort. Initially, earnings are fixed according to the wage structure of similar local enterprises. Any unfair discrepancies (too low or too high) are analyzed and corrected case by case, so that each job is assigned a fair base earning.

The second problem outlined above was the fact that in traditional business models speculation and financial operations surpass production. In the Trilogical model, this is overcome by adhering to the rule that money by itself cannot generate more money. In existing systems, the capital needed to begin a business (venture capital) provides the investor with returns based on the distribution of profits as long as the company is

in operation. Thus, the venture capital investor receives earnings that are in no way related to his individual productivity. Indeed, he need not even work at all.

In the new model, the idea of venture capital and profit based on money invested is eliminated. If capital is furnished by a person outside the enterprise, it is treated as a loan that will earn no interest but merely be corrected for real inflation upon repayment.

The third basic problem in traditional business, that of the erroneous attitudes and inversion of values of the individual in relation to work is dealt with by making the individual aware of the attitudes that damage his productivity. This method or process is called the "consciousness of error" program (consciousness here is defined as one's inner awareness of reality).

Weekly meetings, attended by all members of the enterprise, provide direct feedback from peers and colleagues about performance problems. Basing their suggestions on daily activities, the group members help each other perceive the causes of low productivity, which may be dishonesty, lack of cooperation, selfishness, envy, arrogance or inversion of values.

The aim of this "conscientization" program is to increase the social, economic and psychological awareness of the participants. Such awareness is awakened and encouraged as much as possible, not suppressed as in traditional business models.

### ***The Trilogical Fund***

In order to create financial support for these new enterprises, a specific fund is established that receives money from individuals or institutions interested in joining the work of combating speculation and exploitation. These moneys are considered loans, to be repaid upon request, with an adjustment for inflation but no interest.

All Trilogical Enterprises regularly contribute ten percent of their gross profit to the fund. (Gross profit here refers to gross income minus production expenses, before payroll payment.) This contribution is not paid back. It remains in the Trilogical Fund, which belongs to the enterprises. Loans from the fund to an enterprise are paid back with inflation adjustment only, no interest, the purpose of the fund being to provide money for capital investments made by those enterprises. The Trilogical Fund, a non-profit organization, functions somewhat like a bank.

### ***Implementation***

Twenty enterprises have been in operation in New York City for the past year and a half. They include a moving and messenger service, cleaning (offices and homes), decorating services (painting, carpentry, floor finishing, cabinet making), interior design, wallpaper hanging, a travel agency, a restaurant, graphic design (art work, typesetting, printing), upholstering and sewing, a beauty salon (hair care, manicure, pedicure, body care and massage), consulting, import-export, promotion (distribution of flyers), word processing, training for radio voice work, language classes, and sales. In Brazil there is a medium-sized supermarket, a small clothing factory, a print shop, a toy shop and an aluminum window frame outlet. In London, the recently-opened enterprises include a decorating company, art and graphic design, import-export, and a cleaning company.

The implementation of these companies was gradual and experimental at first. Now, although the experimental work continues, the structure itself is strong enough for continued growth as public interest increases. Because of the superior competitive

ability of these trilogical companies, other firms will be impelled to adopt the same principles, which are equally applicable to public, nonprofit organizations. The International Society of Analytical Trilogy is now organized to help these enterprises develop and improve in London, Stockholm, Helsinki, Lisbon, Sao Paulo and New York.

## **Conclusion**

The objective of the social and economic transformation pro-posed by the Trilogical Enterprise is to enhance the value of work and production and reduce or eliminate the power of money as an objective in itself and a way of life. Money itself is not a problem as such, but its erroneous use leads to exploitation, misery and suffering. Because we are all but blind to what we are a part of, it is difficult or almost impossible for us to perceive the error or inversion of the system we live in. In order to open our eyes to the situation, we have to understand the causes of socio-economic problems through an understanding of psychopathology and the interaction of such causes. The trilogical model is the first economic structure based on integral foundations. Unlike capitalist, socialist and communist systems, the trilogical model is designed to rectify the basic errors of the existing economic models.

The role of the trilogical enterprise is to improve the quality of life, especially as it applies to accomplishment, and to help in developing a just society in which the sharing of profits is based on altruistic work — a goal that those who have strong idealism and sufficient courage will strive to achieve.

The following chart provides a summary of the major benefits of the trilogical enterprise model.

### **ECONOMIC AND SOCIAL TRANSFORMATION THROUGH TRILOGICAL ENTERPRISES**

<b>Traditional Enterprise</b>		<b>Trilogical Enterprise</b>	
<b>Problem</b>	<b>Consequence</b>	<b>Solution</b>	<b>Consequence</b>
CONFLICT OF INTEREST; ANTAGONISM BETWEEN EMPLOYER AND EMPLOYEES	EXPLOITATION. OPPOSITION TO WORK	EVERYONE WHO WORKS IS AN EQUAL-SHARE OWNER	TOTAL MOTIVATION FOR PRODUCTION
FINANCIAL SPECULATION AND INVESTMENT ARE MORE PROFITABLE THAN PRODUCTION	MAKING MONEY FROM MONEY IS PRIMARY: PRODUCTION IS SECONDARY	WORK, NOT MONEY INVESTED, IS REMUNERATED	PRODUCTION IS PRIMARY CONCERN
DISHONESTY. ENVY. SELFISHNESS, ARROGANCE AND INVERSION ARE NOT ADDRESSED	PERSONAL GROWTH AND PRODUCTIVITY ARE UNDERMINED	ALL WORKERS PARTICIPATE IN CONSCIOUSNESS OF ERROR PROGRAMME TO FOSTER ALTRUISM AND PRODUCTIVITY	INCREASED INDIVIDUAL PRODUCTIVITY AND HEALTH
LOW PRODUCTIVITY, COMPETITIVENESS, STRESS. CLASS STRUGGLES, INSECURITY		RAPIDLY INCREASED PRODUCTIVITY AND PERSONAL GROWTH; HEALTHIER PEOPLE, HEALTHIER SOCIETY	