

ECONOMIC-VALUATION BUDGETARY STANDARDS

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The chief economic-evaluation problem for many of our economic and related administrative activities is that the voluntary and semi-voluntary labor employed reduces the labor-cost of these activities way below their competitive costs. If a person whose skill and activities are competitively worth \$35,000 performs those services for \$10,000, the activity has the implicit value of the same work done at \$35,000. Thus, were we to interpret the relative costs and proper market-value of our activities on the basis of the ratio of labor payments, our management policy-making judgment would be badly skewed.

Therefore, relevant cases of economic activity, and also of the administrative full-time activities associated with them will be analyzed both in terms of actual costs and also in terms of the most-comparable Government Service scale. We shall designate such prices for labor as GS-Equivalent, or GSE. For the range of applicable cases, such as GSE value is lower than comparable private-sector prices, and can be used as a convenient way of estimating the most-conservative market-price.

Economic Evaluation Principle: It shall be the rule that no service shall be performed below GSE scale unless that difference is justified by some political purpose as defined explicitly or implicitly by ICLC policy.

In general, most members with five or more years of training and experience within the organization represent skills worth \$25,000 to \$70,000 by Federal government standards of reference. To sacrifice part of such income-levels for a purpose related to a world-historical purpose is morally acceptable, and worth-while. To make such a sacrifice for some other purpose is not.

It is not simply the individual's income which is the issue here. The issue is that we as an organization are allocating our own capabilities to various activities. Even though we may deploy \$100,000 of effort for \$10,000 of compensating marginal revenue, we must not lose sight of the fact that the same effort used for a non-political purpose would cost \$100,000.

The combined direct outlays and unpaid margin of GSE shall be aggregated to determine what we shall name the imputed cost of the corresponding activities, and to determine the imputed value of those activities.

For purposes of management analysis of dissimilar political and non-political activities, we shall assess the costs of the political activities at their imputed value. This management analysis will be different than management budgetary control, since the matter takes into account only the actual accruals, not other imputed costs.

Example No. 1

For the case of political intelligence, the GSE will be based on equivalent to classifications for the CIA, as compared with scales for the similar functions performed within a major national news-weekly. Whichever is closer in character of work performed and skill-level will determine what GSE level is assigned to that position.

The categories we should use, as titles best fitting our operations, will be:

DIRECTOR, Intelligence  
DEPUTY DIRECTOR, Intelligence  
(both of which are NEC level functions)

SECTION CHIEF, Intelligence Analysis  
(which is at NC level)

BUREAU CHIEF, Intelligence Analyst  
ASSISTANT SECTION CHIEF, Intelligence Analyst  
SENIOR INTELLIGENCE ANALYSTS  
INTELLIGENCE ANALYST  
RESEARCH ASSISTANCE, Intelligence Analysis

The proper GSE equivalent is to be determined not according to likeness of titles, but according to content of skill and function.

Example No. 2

For Security functions, we must interpolate comparisons of skills and functions among governmental and private-security cases for comparison.

SECTION CHIEF, Security  
(NC level function)  
ASSISTANT SECTION CHIEF  
SENIOR SECURITY ANALYST  
SECURITY ANALYST  
ASSISTANT SECURITY ANALYST

Example No. 3

For Editorial, GSE equivalent for commercial standards will be used:

EDITOR IN CHIEF  
(NEC level function)

Editor  
(NC level function)

MANAGING EDITOR  
ASST. MANAGING EDITOR  
ASST, DEPARTMENT EDITOR  
EDITORIAL ASSISTANT

These are not "mast-head" job-titles, but are skill-level designations for determining imputed value. For example, we may carry an Editor on a mast-head as "Editor in Chief" of that publication. For internal purposes, we define job-titles in terms of the publishing function as a whole, rather than per publication produced.

For example, publication managing editors are operating in fact as "Editor" or "Associate Editor.", and assistant managing editors are listed for publications as managing editors. Department Editor usually carries over, although Assistant Department Editors may be listed for a particular publication as a Department Editor.

Otherwise, a person whose function is intelligence or security carries an editorial title in connection with the publication which is an assigned part of their overall duties. The classifications of editorial will be best delimited for purposes of editorial will be best delimited for purposes of management analysis to those persons whose primary function is editorial.

Example No. 4

Field organizations should be described as follows for management analysis classification purposes.

REGIONAL DIRECTOR  
ASST. REGIONAL DIRECTOR  
(Which are NEC/NC functions)  
OFFICE MANAGER/SENIOR FIELD ORGANIZER  
ASST. OFFICE MANAGER/FIELD ORGANIZER  
VOLUNTEER ORGANIZER

For which the obviously comparable positions are labor-organizer functions.

A Senior Field Organizer heads a local or a major component of a regional center's activities. A Field Organizer is a group leader within a local. A Volunteer Organizer (as distinct from regularly assigned or inexperienced volunteers) is any other professional organizer, comparable to a labor organizer sent out to recruit members to a

union and related duties.

Office Manager is comparable to Senior Field Organizer in skills and responsibilities, although requiring a different composition of applied skills. Office Managers and Senior, Field Organizers would be expected to be on steering committees, and some Field Organizers might also be members of steering committees.

Normally, any region would be directed by a Regional Director or Asst. Regional Director. However, if there were not an NEC or NC member of such qualifications available, a Senior Field Organizer might be filling such a function.

#### Other Cases

For most other cases, a conventional business functions is more or less obviously applicable for purposes of imputing GSE.

#### Uses of Imputed Values

The EIR and FUSION are commercial-grade publications in quality as marketed items. Therefore, the pricing of these publications should take into account the imputed costs, not merely the incurred accruals of cost and expense. That approach will indicate how such publications reach the condition of marketed product at which marginal income after distribution-costs will reach commercially-competitive standards.

We may price a product at lower value than what considered of imputed costs would dictate. However, doing so, we would be forced to acknowledge that we have done that, and to convince ourselves that some political or equivalent sort of moral purpose justified variance from the indicated pricing, etc.

Once one looks at our operations in those terms, one sees quickly, even before the figures are compiled, how overlooking imputed costs sometimes biases judgment to the effect of causing wrong priorities, etc. in managerial decisions.