# Responsibility and Deep Socialism: Highlighting the Current Road of Red Socialism Towards Sustainability Using the Increasing Responsibility Framework

By

#### Lucio Muñoz\*

\* Independent Qualitative Comparative Researcher / Consultant, Vancouver, BC, Canada Email: munoz@interchange.ubc.ca

#### **Abstract**

There are three types of red socialism paths, the fully irresponsible one, the partially responsible one, and the fully responsible one. From 1848 when Karl Marx and Friedrich Engels published "The Communist Manifesto" until 1991 the socialist world was under fully irresponsible red socialism accumulating economic and environmental deficits in the process, which led to the fall of the soviet bloc, the end of Karl Marx's world and to the birth of socially friendly capitalism. Notice that when business as usual is no longer possible under fully irresponsible paradigms(e.g. red socialism) they shift to partially responsible paradigms(e.g., environmentally friendly red socialism or green socialism, economy friendly red socialism or red markets). And notice that in the future when business as usual under partnership based paradigms no longer works due to sustainability gap pressures they will shift towards fully responsible paradigms(e.g. sustainability markets). No much seems to be written about the role of responsibility in the evolution of red socialism based paradigms despite that there seems to be a one to one relationship between paradigm shifts and increasing responsibility. Among the goals of this paper is to introduce a red socialism based increasing responsibility framework that can be used to point out that as red socialist paradigms shift, generally and currently, from less responsible forms to more responsible ones they are moving slowly towards sustainability, the most responsible red socialism paradigm possible.

#### **Key concepts**

Fully Irresponsible Red Socialism, Partially Responsible Red Socialism, Fully Responsible Red Socialism, Karl Marx, Red Socialism, Paradigm Evolution, Paradigm Shifts, Red Socialism Based Responsibility Framework, Red socialism Based Increasing Responsibility Framework.

#### Introduction

a) Unclear responsibility based red socialism

Unclear responsibility based red socialism models should be expected to send over production and over consumption signals to markets as they do not need to account for the cost of the externalities they create. Under these conditions a rational decision maker should be expected to act to maximize the production and consumption as they are getting a windfall as externality making is free; and therefore these externality costs are not reflected in the pricing mechanism of the market.

For example, under the red socialist market generating economic and environmental externalities was free of cost, which through time led to economic and environmental crises. The economic crisis led to the death of Karl Marx's red socialism model and to the 1991 shift to red markets(Muñoz 2016a) to finally account for the economic cost of production making the society now economy friendly and internalizing once and for all the economic externality in the pricing mechanism of the red socialist market.

Notice that since these markets do not reflect all the costs of production in their pricing mechanism they are distorted markets. Figure 1 below summarizes the structure of unclear responsibility based red socialism(RS):

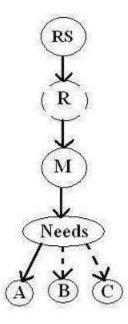


Figure 1 Unclear responsibility based red socialism(RS) Social impacts(A) matter, economic(B) and environmental(C) impacts do not matter. as that responsibility has been assumed away.

Figure 1 above tells us that red socialism(RS) based development goes through a responsibility(R) hole as indicated by the broken circle signaling markets to meet needs at the expense of other needs. Unclear responsibility allowed Karl Marx to assume economic and environmental externality neutrality. The more production costs are left out of the pricing

mechanism the easier is to advance specific goals. For example, leaving out economic and environmental costs made it possible for the society only model of Karl Marx to champion the social goal.

# b) Clear responsibility based red socialism

Clear responsibility based red socialism models should be expected to send the right production and consumption signals to markets as they would account for the cost of the externalities they create. Under these conditions a rational decision maker should be expected to act to produce and consume efficiently as they are not getting a free windfall as now externality making is not free; and therefore these externality costs are now reflected in the pricing mechanism of the market.

For example, had the red socialist market accounted for the economic and environmental externalities it generates since 1848 they would have been based on sustainability markets and they would not have had probably the economic and environmental crises they had or if red socialism would have accounted for the economic cost of production it would not have accumulated the economic deficits it did and it would still probably be alive today. Economic deficits or economic sustainability gaps brought down the red socialist world of Karl Marx(Muñoz 2016b).

Figure 2 below summarizes the structure of clear responsibility based red socialism(RS):

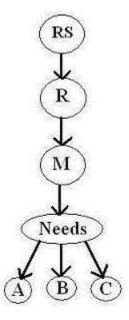


Figure 2 Clear responsibility based red socialism(RS)

Now all red socialism impacts matter,
social(A), economic(B) and environmental(C).

Figure 2 above says that red socialism(RS) follows the responsibility(R) rule as indicated by the unbroken circle signaling markets to meet needs respecting other needs. Clear responsibility would not have allowed Karl Marx to assume economic and environmental externality neutrality. Under clear responsibility he would have been forced to internalize all social, economic and environmental production components in his model and reflect them in the pricing mechanism of this market.

# c) The need for more responsible red socialist models

From 1848 when Karl Marx and Friedrich Engels(Marx and Engels 1848) published "The Communist Manifesto" until 1991 the socialist world was under fully irresponsible red socialism accumulating economic and environmental deficits in the process(Muñoz 2016a). And the 1991 fall of the Soviet Union showed that red socialism as usual no longer worked. Here there were three options too to move forward, a partially responsible one: going environmentally friendly red socialism or green socialism; a partially responsible one: going economy friendly red socialism or red markets; and a fully responsible one: going sustainability markets. And this opened the door to the shift from red socialism to red markets or red capitalism or economy friendly red socialism and to the death of Karl Marx's world(Muñoz 2016b). Red markets are economy friendly red socialist markets, socialism markets where the economic costs are now accounted for in the pricing mechanism of red markets. The structure of the perfect red markets was recently shared(Muñoz 2016c). In other words the need for more responsible red socialism led to the fall of the soviet bloc, the end of Karl Marx's world and to the birth of socially friendly capitalism.

**In summary,** notice that when business as usual is no longer possible under fully irresponsible paradigms(e.g. red socialism) they shift to partially responsible paradigms(e.g., red markets, environmentally friendly red socialism). And see that in the future when business as usual under partnership based paradigms no longer works due to sustainability gap pressures they will shift or are expected to shift towards fully responsible paradigms(e.g. sustainability markets). As responsibility becomes binding externality cost accounting from partial to full accounting becomes binding. Externality cost accounting allows us to link all possible markets through their pricing mechanism(Muñoz 2016d) including red socialist markets. Hence the road of red socialism appears to be shifting step by step(Muñoz 2015), wave by wave(Muñoz 2016e), towards full responsibility; and therefore, towards sustainability markets. The structure of the perfect sustainability market has been recently discussed(Muñoz 2016f) as well as ideas on how these responsibility framework and increasing responsibility framework can be framed too both from the general development(Muñoz 2016g) and from the economic development(Muñoz 2017) point of view have been shared. No much seems to be written about the role of responsibility in the evolution of red socialism based development paradigms despite that there seems to be a one to one relationship between paradigm shifts and increasing responsibility. In other words, there seems to be a need for more responsible red socialist models, but there are not clear analytical tools that can be used to capture this need for increasing responsibility together with the different red socialism options possible and to link them to paradigm evolution and shifts from less stable to more stable development models. Among the goals of this paper is to introduce the red socialism based increasing responsibility framework that can be used to point out that as red socialist paradigms shift, in general and currently, from less responsible forms to more

responsible ones they are moving towards sustainability, the most responsible red socialism paradigm possible.

# **Objectives**

i) To highlight the structure and implications of red socialism under different types of responsibility; ii) To show that putting them together they make up a useful red socialism based responsibility framework; iii) To point out that paradigm shifts transform the red socialism responsibility framework into the red socialism increasing responsibility framework; iv) to stress that the responsibility road of red socialism in the long term leads towards full responsibility; and therefore, towards sustainability markets; and v) to indicate how the red socialism increasing responsibility framework can be transformed into the current red socialism increasing responsibility framework and used to highlight the structure of the deep red socialism market, the structure of the shift towards red markets, and the structure of the shift towards sustainability markets.

### Methodology

First, the terminology used in this paper is given. Second, merging rules, model structure simplification rules, operational concepts and frameworks are indicated. Third, the structure and implications of red socialism under different types of responsibility, fully irresponsible, partially responsible and fully responsible is shared. Fourth, the different types of red socialism are put together to create a red socialism responsibility framework. Fifth, the increasing responsibility framework of red socialism capturing the direction of paradigm shifts is provided. Sixth, the frameworks above are used to stress that the final stop in the shifting responsibility road of red socialism is the fully responsible one, the sustainability market. Seventh, the red socialism increasing responsibility framework is transformed into the current red socialism increasing responsibility framework and used to derive the structure of the deep red socialism market, the structure of the shift to red markets and the structure of the shift towards sustainability markets. And finally some food for thoughts and relevant conclusions are listed.

# **Terminology**

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A = Dominant/active society a = Dominated/passive society

B = Dominant/active economy b = Dominated/passive economy

C = Dominant/active environment c = Dominated/passive environment

D = Development R = Responsibility

FI = Fully irresponsible PR = Partially responsible

FR = Fully responsible M = Markets

M1 = Irresponsible markets M2 = Partially responsible markets

M3 = Fully responsible markets S = Sustainability market

TM = Traditional market GM = Green market

RM = Red market RSM = Red socialism market

ENM = Environmental market SENM = Socio-environmental market

ECM = Economic margin SM = Social margin

EM = Green margin GP = Green market price

RP = Red market price P = Traditional market price

i = Profit EE = Environmental externality

FE = Full externality assumption PE = Partial externality assumption

NE = No externality assumption FEX = Fully exclusive

PEX = Partially exclusive NEX = No exclusion

RS = Red socialism RS1 = Irresponsible red socialism

RS2 = Partially responsible red socialism RS3 = Fully responsible red socialism

K1 = Deep socialism K1P = red socialist market price

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#### Merging rules, model structure simplification rules, operational concepts and frameworks

#### i) Merging rules

If "A" and "B" are dominant characteristics; and "a" and "b" are their dominated or passive counter parts, the following is expected:

#### a) Merging under dominant-dominant interactions

Under these conditions, dominant or active state prevails as indicated:

$$(AA) \rightarrow A$$
  $(BB) \rightarrow B$   $(AA) (BB) = (AB)(AB) \rightarrow AB$ 

b) Merging under dominated-dominated interactions

Under these conditions, the dominated or passive form prevails as shown:

$$(aa) \rightarrow a$$
  $(bb) \rightarrow b$   $(aa) (bb) = (ab)(ab) \rightarrow ab$ 

c) Merging under dominant-dominated interactions and opened sustainability gaps

Under these conditions, if the sustainability gaps are not closed the interacting components remain the same and merging cannot take place until the gaps are closed as shown below:

$$(aA) \rightarrow aA$$
  $(BB) \rightarrow B$   $(aA) (BB) = (aA)B$ 

ii) Model structure simplification rules

Dominated or passive components can be treated as externalities and therefore they can be dropped from dominant interactions as indicated below:

$$M1 = ABc = AB$$
  $M2 = aBC = BC$   $M3 = aBc = B$   $M4 = Abc = A$ 

- iii) Operational concepts
- 1) Fully irresponsible model, a fully exclusion model(e.g. the red socialist market or red socialism)
- **2) Partially responsible model,** a partially inclusive model(e.g. the red market, environmentally friendly socialist market or green socialism)
- **3) Fully responsible model,** *a fully inclusive model(e.g. the sustainability market).*
- 4) Traditional market, the economy only market
- 5) Green market, the environmentally friendly market
- **6) Red market,** the socially friendly market
- 7) **Sustainability market**, the socially and environmentally friendly market

- **8)** Environmental or green margin, to cover the extra cost of making the business environmentally friendly or to cover only the environmental cost of environmentally friendly production or to cover the environmental cost of red market production
- 9) Social margin, to cover the extra cost of making the business socially friendly or to cover only the social cost of socially friendly production or to cover the cost of making green markets socially friendly or to cover the cost of making environment only models socially friendly.
- 10) Economic margin, to cover only the economic cost of production
- 11) **Economic profit(i),** the incentive to encourage economic activity
- **12) Traditional market price,** general market for profit price(TMP = ECM + i = P)
- **13) Green market price,** the for profit price that reflects both the economic and the environmental cost of production or the price that covers the cost of environmentally friendly production at a profit(GP = ECM + i + EM = P + EM)
- **14) Red market price,** the for profit price that reflects both the economic and the social cost of production or price that covers the cost of socially friendly production at a profit(RP = ECM + i + SM = P + SM)
- **15) Sustainability market price,** the for profit price that reflects the economic, social, and the environmental cost of production or the price that covers the cost of socially and environmentally friendly production at a profit(SP = ECM + i + SM + EM = P + SM + EM)
- **16**) **Green market knowledge gap,** the knowledge gap created by the paradigm shift from traditional markets to green markets or when correcting Adam Smith's model to reflect environmental concerns.
- **20) Red market knowledge gap,** the knowledge gap created by the paradigm shift from red socialism to red markets or the knowledge gap created by correcting Adam Smith's traditional market to reflect social concerns
- 21) Sustainability market knowledge gap, the knowledge gap created when any paradigm shifts towards sustainability, at once or step by step.
- **22) Micro-economics,** *the theory of the traditional firm and consumer.*
- **23) Macro-economics,** *the theory of the traditional economy.*
- **24) Green micro-economics,** *the theory of the environmentally responsible firm and consumer.*
- **25) Green macroeconomics,** the theory of the environmentally responsible economy.

- **26) Red micro-economics**, the theory of the socially responsible firm and consumer
- **27**) **Red macro-economics**, the theory of the socially responsible economy.
- **28) Sustainability market based micro-economics,** *the theory of the socially and environmentally responsible firm and consumer.*
- **29**) **Sustainability based macro-economics,** *the theory of the socially and environmentally responsible economy*
- **30) Trickledown effect,** the expectation that traditional markets and growth will sooner or later benefit the poor
- **31) Green trickledown effect,** the expectation that green markets and green growth will sooner or later benefit the poor.
- **32) Red trickledown effect,** the expectation that red markets and red growth will sooner or later benefit the environment
- **33**) **Deep paradigm,** *a fully exclusive model or fully irresponsible model(e.g.* the red socialist market or red socialism).
- **34) Partial partnership paradigm,** a partially inclusive model or a partially responsible model (e.g. the green market, the red market).
- **35) Full partnership paradigm,** *a fully inclusive model or fully responsible model(e.g. the sustainability market).*

#### iv) Operational frameworks

#### a)The red socialism responsibility right gram

Red socialism responsibility can be seen as increasing when shifting right from fully irresponsible(FI) all the way to fully responsible(FR) as the level of red socialism responsibility increases as indicated in the right gram below:

# FI PR FR \*-----\*

Red socialism

# b) The red socialism externality assumption left gram

Externality assumptions can be seen as increasing from no externality assumptions(NE) all the way to full externality assumptions(FE) as the level of red socialism irresponsibility increases, as shown in the externality assumption left gram below:

Externality assumption			
*<	*	*	
FE	PE	NE	

# c)The red socialism exclusion left gram

Exclusion can be seen as increasing from no exclusion(NEX) all the way to full exclusion(FEX) as the level of red socialism irresponsibility increases, as shown in the exclusion left gram below:

Exclusion			
*<	**	*	
FEX	PEX	NEX	

#### d)Linking red socialism responsibility and externality assumptions

Red socialism responsibility and externality assumptions move in different directions since as responsibility increases the number of externality assumptions decreases, which is shown in the red socialism responsibility-externality assumption inversegram below:

# Red socialist development

FI	PR	FR
*	*	>*
*<	*	*
FE	PE	NE

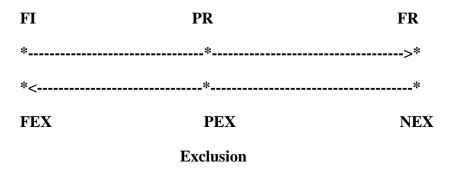
**Externality assumption** 

Notice the association between red socialism responsibility and externality assumptions, fully irresponsible(FI) goes with full externality assumptions(FE) and full responsibility(FR) goes with no externality assumptions(NE).

#### e) Linking red socialism responsibility and exclusion

Red socialism responsibility and exclusion move also in different directions since as responsibility increases the level of exclusion decreases, which is shown in the red socialism responsibility-exclusion inversegram below:

#### **Red socialist development**



Notice the association between red socialism responsibility and exclusion, fully irresponsible(FI) goes with full exclusion(FEX) and full responsibility(FR) goes with no exclusion(NEX).

#### Responsibility and red socialism(RS)

Based on responsibility there are three types of red socialism models(RS), those under fully irresponsible red socialism[RS1 = f(FI)], those under partially responsible red socialism[RS2 = f(PR)], and those under fully responsible red socialism(RS3 = f(FR)]. Each type is described below in detail.

#### a) Fully irresponsible red socialism

Fully irresponsible red socialism[(RS1 = f(FI)] is based on full externality assumptions and full exclusion. Its structure is reflected in Figure 3 below:

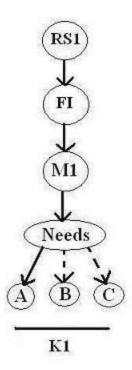


Figure 3 Fully irresponsible red socialism(RS1)

It has the structure of the deep red socialist model(K1)

Figure 3 above helps us to highlight that the structure of fully irresponsible red socialism is the structure of deep socialism (K1 = Abc = A), which assumes economic and environmental externality neutrality. This makes the deep red socialist market fully exclusive and full externality assumption based. Notice that in Figure 3 above irresponsible red socialism a la deep red socialism(K1) cares only about the endogenous factor in dominance, the society(A), it does not care about factors assumed to be external; and therefore, the cost of externalities created by these models is no reflected in the pricing mechanism of their markets. As pointed out in the introduction, the deep red socialism model(K1) or fully irresponsible red socialism(RS1) was in place since 1848 until 1991 when the death of Karl Marx's world, the fall of the soviet bloc, and the shift to red markets(RM) took place.

#### b) Partially responsible red socialism(RS2)

Partially responsible red socialism[(RS2 = f(PR))] is based on partial externality assumptions and partial inclusion. Its structure is reflected in Figure 4 below:

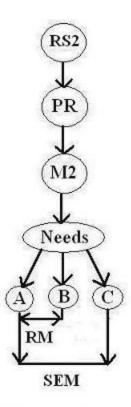


Figure 4 Partially responsible red socialism(RS2)

There are two possible partial
responsibility(PR) based red socialist models,
the socially friendly capitalism or red
market(RM) and the socio-environmental

Figure 4 above helps us to indicate that there are 2 types of partially responsible red socialism models: 1) the economy friendly red socialist economies or red markets(RM = ABc = AB), which assume only environmental externality neutrality; and 2) the environmentally friendly red socialist economies or green socialism or socio-environmental models(SENM = AbC = AC), which assume only economic externality neutrality. All those models in Figure 4 above are partially exclusive and partial externality assumption based. Notice that in Figure 4 above each model cares only about the factors that are in partnership they do not account for the factors outside the partnership; and therefore, the cost of externalities they create is no reflected in the pricing mechanism of those markets. As mentioned in the introduction the fully irresponsible red socialism model a la deep socialism(K1 = Abc) or red socialism type RS1 shifted in 1991 to red markets(RM = ABc), not to socio-environmental models or green socialism(SENM = AbC); and therefore in old red socialist countries they have today a world of red markets(RM) or economy friendly red socialism or red economies. In other worlds, the partially responsible red socialism model(RS2) of today is red market based(RM).

#### c) Fully responsible red socialism(RS3)

Fully responsible red socialism[RS3 = f(FR)]development is based on no externality assumptions and full inclusion. Its structure is reflected in Figure 5 below:

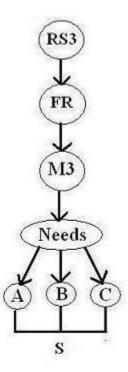


Figure 5 Fully responsible red socialism(RS3)

It has the structure of a sustainability
market(S) as it is fully inclusive.

Figure 5 above helps us to indicate that there is only one type of fully responsible red socialism model(RS3), the sustainability market(S = ABC = ABC), which has no externality assumptions. The sustainability market(S) is fully inclusive and no externality based. Notice that in Figure 5 above all components are important endogenous issues so their impacts on other components are accounted for as there are no externality assumptions and there is full inclusion. And therefore, under sustainability markets(S) all externality costs created are accounted for and reflected in the pricing mechanism. Figure 5 above shows the future structure of red socialism as a fully responsible paradigm(FR).

#### Red socialism and the responsibility framework(RF)

If we put all the three development frameworks discussed above, fully irresponsible(FI), partially responsible(PR) and the fully responsible(FR) together we have the red socialism responsibility framework(RSRF) shared in Figure 6 below:

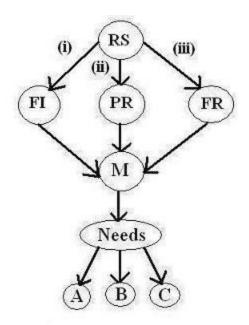


Figure 6 The responsibility framework of red socialism(RS)
The market M acts following the type of
red socialism that it is followed, fully
irresponsible(FI), partially responsible(PR), and
fully responsible(FR) to meet needs.

Figure 6 helps us to see the following: a) that red socialism(RS) moves from left to right from less responsibility to more responsibility, changing its assumptions respectively; and b) that there are 3 different red socialism routes: The fully irresponsible route(FI) indicated by arrow (i); the partial responsibility route(PR) shown by arrow (ii); and the full responsibility route(FR) given by arrow (iii). Hence, the red socialism responsibility framework(RSRF) gives an idea of how different responsibility options placed in order in increasing responsibility are linked to social(A), economic(B) and environmental(C) needs and related externalities. Notice in Figure 6 that as we move from less responsibility to more responsibility we also move to less externality assumptions and to less exclusion; and it is clear that the final stop on this red socialism responsibility evolution road is full responsibility(FR) or sustainability markets(S).

# Red socialism and the increasing responsibility framework(IRF)

When red socialism paradigms no longer work they shift, a situation captured in the red socialism increasing responsibility framework(RSIRF) shared below in Figure 7:

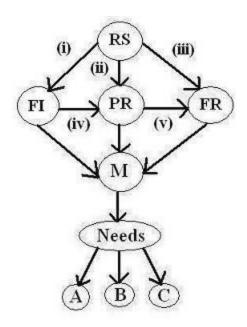


Figure 7 The increasing responsibility framework of red socialism(RS)
As paradigms shift they move towards states of
higher responsibility to meet the needs. The shift
from fully irresponsible models(FI) to partially
responsible models(PR) is at point (iv); and the shift
from partially responsible models(PR) to fully
responsible modes(FR) is at point (v).

Figure 7 above let us highlight the following a) that when fully irresponsible red socialism models(FI) no longer work as business as usual they shift to partially responsible ones(PR) as indicated by arrow (iv); and b) that when partially responsible red socialism models(PR) no longer work as business as usual they shift to fully responsible ones(FR) as indicated by arrow (v). Moreover, Figure 7 helps us see that a) when paradigm shifts their level of responsibility increases; and b) that the last shift is towards full responsibility(FR). For example, when red socialism(RSM) collapsed in 1991 it shifted to red markets(RM), a shift from a society only model to an economy friendly society model.

Therefore, the red socialism increasing responsibility framework(RSIRF) gives an idea of how different paradigm shifts from less responsibility to more responsibility and how they are linked to social(A), economic(B) and environmental(C) needs and related externality assumptions. Notice in Figure 7 above that as we move from fully irresponsible positions(FI) to partially responsible ones(PR) we move towards partial externality assumptions and partial exclusion; and when we shift towards full responsibility(FR) we shifts towards no externality assumptions and no exclusion; and it is clear that the final stop on this red socialism responsibility evolution road is full responsibility(FR) or sustainability markets(S). And therefore, fully responsible red socialism(FR) is red socialism under no externality assumptions and full inclusion as it then has the structure of a sustainability market(S).

#### The current red socialism increasing responsibility framework(CRSIRF)

Figure 7 above can be transformed and used to derive the current red socialism increasing responsibility framework by a) making FI = K1 as the deep red socialism market(K1) was a fully irresponsible market(FI); b) making PR = RM as the red market model(RM) is the current red socialist model and it is a partially responsible market(PR). As mentioned in the introduction in 1991 there was a paradigm shift from deep red socialism(K1) to economy friendly red socialism or red markets(RM) when the world of Karl Marx died with the fall of the soviet bloc; and c) making FR = S as sustainability(S) is a fully responsible market(FR). And when doing this we get the current red socialism increasing responsibility framework(CCPIRF) as shown in Figure 8 below:

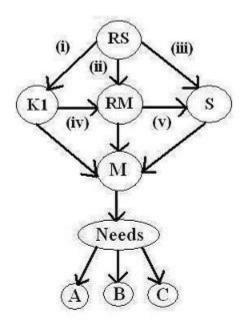


Figure 8 Red socialism under the current increasing responsibility framework

Deep red socialism(K1) shifted towards red markets or socially friendly capitalism(RM) in 1991 with the fall of the soviet union; and the next paradigm shift will be towards sustainability markets(S).

Figure 8 above helps us to highlight the following: a) that in 1848 Karl Marx could have chosen red capitalism(RM) indicated by route (ii), a partially responsible model or he could have chosen sustainability based markets(S) indicated by route (iii), a fully responsible model, as the structure of red socialism, but he chose the deep red socialism market thinking(K1) indicated by route (i), a fully irresponsible model; b) that when deep red socialism(K1) no longer works it shifts towards red markets(RM) as indicated by arrow (iv), which is what happened in 1991 fall

of the soviet bloc, here deep red socialism market thinking no longer works; and c) that in the future when red market thinking(RM) no longer works it will shift towards sustainability thinking(S) as indicated by arrow (v), here both deep red socialism market thinking and red market thinking no longer work.

#### The structure of the deep red socialism market(K1)

Figure 8 above can be transformed and used to derive the actual structure of the deep red socialism market(K1) as shown in Figure 9 below:

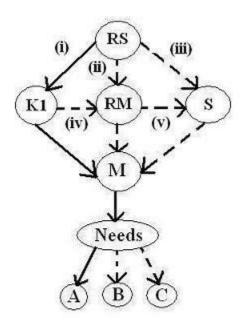


Figure 9 The structure of the deep red socialism model(K1)

It reflects the fully irresponsible face of red socialism(RS) as only the society(A) matters.

Figure 9 above indicates simply that when red socialism(RS) follows the route (i) and takes the form of the deep red socialism(K1) as proposed by Karl Marx we have a fully irresponsible model as only the society(A) matters as indicated by the continues arrow; and economy(B) and the environment(C) are external factors to the deep red market model(K1), which is the reason why economic and environmental costs created by deep red socialism are not reflected in the pricing mechanism of the market.

### The structure of the paradigm shift to red markets(RM)

Figure 8 above can also be transformed and used to derive the actual structure of the 1991 paradigm shift from the deep red socialism market(K1) to the red market(RM) as shown in Figure 10 below:

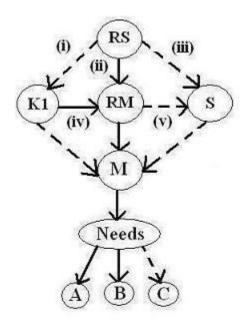


Figure 10 The structure of the paradigm shift from deep red socialism(K1) to red markets(RM) It reflects the paradigm shift from a fully irresponsible model(K1) to a partially responsible one(RM) as now the society(A) is economy(B) friendly since both components matter at the same time.

Figure 10 above shows simply that when the irresponsible red socialism route (i) or deep red socialism market(K1) route no longer works it shift towards red markets(RM) as indicated by arrow (iv) and then it follows the partially responsible red socialism route (ii) as now both the society(A) and the economy(B) matter as indicated by the continues arrows; and environment(C) is now the only external factor to the red market model(RM), which is the reason why environmental costs created by the red market are not reflected in the pricing mechanism of the market. Based on Figure 10 above it can be said that red markets(RM) are economy friendly deep red socialist markets.

The structure of the paradigm shift to sustainability markets(S)

Figure 8 above can also be transformed and used to derive the actual structure of the future paradigm shift from red market thinking(GM) to sustainability thinking(S) as shown in Figure 11 below:

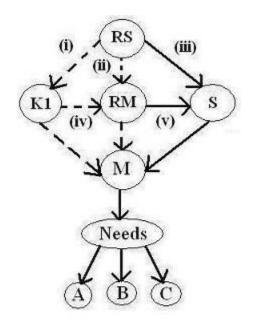


Figure 11 The future paradigm shift from red markets(RM) to sustainability markets(S) In the future red markets(RM) may need to close environmental sustainability gaps for red socialism to survive under sustainability markets(S).

Figure 11 above indicates that when the partially responsible red socialism route (ii) or the red market(RM) route no longer works it shift towards sustainability markets(S) as indicated by arrow (v) and then it follows the fully responsible red socialism route (iii) as now all factors, the society(A), the economy(B), and the environment(C) matter as indicated by the continues arrows; there are no external factors in sustainability markets(S), which is the reason why social, economic and environmental costs created by the sustainability market are reflected in the pricing mechanism of the market. Based on Figure 11 above it can be said that sustainability markets(S) are economy and environment friendly deep red socialist markets.

#### Food for thoughts

a) Deep red socialism shifted in 1991 towards red markets taking the economy friendly red socialist route  $K1---\rightarrow RM----\rightarrow S$ , was the shift towards environment friendly deep red socialism  $K1---\rightarrow ENVM----\rightarrow S$  feasible at that time? I think no, what do you think?

- b) The science based deep red socialism path to first correct Karl Marx model to make it economy friendly is  $K1---\rightarrow RM----\rightarrow S$ . However, if we do not fully close the economic sustainability gap and/or we no longer fully account for social costs, are we creating dwarf red market paths(DRM)  $K1-----DRM----\rightarrow S$ ? I think yes, what do you think?
- c) Can the red socialism responsibility framework and increasing responsibility framework be expressed in terms of market prices? I think yes, what do you think?

# **Specific conclusions**

First, the structure of fully irresponsible, of partially responsible, and of fully responsible red socialism and their main implications were indicated. Second, it was pointed out that organizing them in one framework leads to the red socialism responsibility framework. Third, it was shown that when the notion of paradigm shift is introduced then the red socialism responsibility framework is transform in the red socialism increasing responsibility framework, which highlights that the last stop in this red socialism responsibility evolution road is full responsibility based red socialism or sustainability markets. And fourth, the current red socialism increasing responsibility framework was shared and used to derive the structure of the deep red socialism market, the structure of the paradigm shift to sustainability markets.

#### **General conclusions**

It was stressed that the red socialism responsibility framework shared can be useful to organize different responsibility structures in a way that gives us a sense of increasing red socialism responsibility. It was highlighted that the red socialism increasing responsibility framework can be used to capture the shifting path that specific red socialism paradigms should be expected to follow when specific externality assumptions no longer work and need to shift. Based on the structure of the red socialism responsibility framework and of the red socialism increasing responsibility markets or full responsibility markets are the last stop in the red socialism responsibility evolution road. And finally, it was shown that transforming the red socialism increasing responsibility framework into the current red socialism increasing responsibility framework help us to see current and future paradigm shift paths as well as to derived the structure of specific paradigms and of specific paradigm shifts.

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