

## **POSSESSING UNREMITTING ECONOMIC DILATION**

Each and every economy in the global economy is believed and expected to have a business cycle, i.e. the periodic increase and decrease in economy's production and employment. Business cycle is the implementation of sojourn pro-growth economic theories. With the ever increasing demand of basic economic products such as employment and finance, incessant pro-growth economic theories are needed to keep the global economy to be always stable by meeting the basic demands which are, employment and finance. When an economy implements sojourn pro-growth economic theories mostly in desperate times, it is certain the woes of the economy will return in no distance time.

When policy makers in an economy either cut or raise interest rate to control inflation, it is certain neither interest rate hike nor cut can salvage the economy ceaselessly. For instance, if the policy makers in an economy raises interest rate to check inflation, in no distance time production will decline because cost of production will increase and unemployment will increase as a result. When this happens, policy makers will be forced to cut interest rates to increase liquidity. And the reduction of interest rate to decline inflation has two reactions are from lenders (1) low profit (2) no profit, and an act is expected from entrepreneurs which is, price hike, due to more money in the economy. When this also happen, policy makers will be forced to raise interest rate to check inflation again.

Interest rate cut or raise to control inflation is a sojourn pro-growth economic theory that produces business cycle. The ever increasing global population is an ever increasing demand of basic economic products such as employment and finance. Considering this fact, non-perpetual pro-growth economic theories cannot meet these demands, but incessant pro-growth economic theories can. Hence, incessant pro-growth economic theories equals ever increasing population. Therefore, the following paragraphs proposes possible incessant economic theories:

**FLEXIBLE INTEREST RATE ZONE:** Flexible interest rate zone is a percentage cut of the general interest rate. Flexible interest rate zone is an interest rate in an economy different from the general rate of the same economy. For instance, policy makers in an economy may decide to have a general interest rate of ten percent (10%), and flexible interest rate zone of five percent (5%). Both interest rates in one economy. The flexible interest rate zone is not for everyone in an economy. Existing entrepreneurs in the business community are not eligible for flexible interest rate zone. The flexible interest rate zone is for new aspiring young people that want to get into the business community. Flexible interest rate zone is strictly for aspiring young entrepreneurs. Anyone once benefited from flexible interest

rate zone is no longer eligible for flexible interest rate zone. Having flexible interest rate zone in an economy gives encouragement to young and vibrant persons to get into entrepreneurship, which is at a more advantage to an economy because they are young, smarter, more years to live. Having flexible interest rate zone in an economy ceaselessly creates potential giant enterprises, thereby constantly creating employment, wealth and expanding the economy or Gross Domestic Product (GDP).

**TAX FREE ZONE:** Tax free zone are for small and medium scale enterprises that has a profit not up to a defined percentage by policy makers to pay profit and other defined taxes. Small and medium scale enterprises that are defined to be in the tax free zone do not pay profit and other defined taxes to the government. For instance, policy makers may define tax free zone as small and medium enterprises that do not make profit up twenty or twenty five percent and below; enterprises in this category will not pay profit and other defined taxes e.g. property tax, to the government. Having a tax free zone in an economy is saving for the future. Having a tax free zone in an economy creates finance for young ones for bigger investments without high risk of loss and bankruptcy, because small and medium enterprises are mostly dominated by young ones.

Having tax free zone in an economy closes the gap of inequality and creates more wealth for the economy. Tax free zone serves as a catalyst for the expansion of enterprises and building of new enterprises in an economy. Tax free zone increases production, employment, wealth, gross domestic product (GDP) of an economy, because government indirectly subsidizes small and medium enterprises. An economy with tax free zone cannot easily be affected negatively by global economic shocks due to availability of finance within small and medium scale enterprises.

**PROVISION OF RAW MATERIALS BY GOVERNMENT:** Raw materials provided by government are not for existing entrepreneurs and enterprises, but for aspiring entrepreneurs and enterprises. Government providing raw materials makes it easy and flexible for aspiring entrepreneurs to get into the business community. The raw materials provided by government should be strictly for start-up enterprises. The government providing raw materials for startup enterprises subsidizes the fear, risk, cost of starting an enterprise in aspiring entrepreneurs and young ones. Government providing raw materials for start-up enterprises, to some percentage checks inflation. Government providing raw materials ceaselessly creates new enterprises, constantly providing employment opportunities, reduce poverty, expands the economy etc.

## **FISCAL SPENDING ON TRANSPORTATION AND COMMUNICATION:**

Transportation and communication serves as a gravitational force that holds an economy to be in existence, i.e. transportation and communication are columns of an economy. Without transportation and communication transactions cannot take place. Hence, the fiscal spending of a government should be most on communication and transportation, government should be a major player in transportation and communication. Government should constantly invest in transportation and communication in order for these sectors to be faster and easily accessed which facilitates economic growth. In situations where necessary, government should subsidize these sectors. Government been a player in communication and transportation will create trust in these sectors. Entrepreneurs will be confident of safety of goods and services been transported and communicated, i.e. the delivery of goods and services to consumers. Government been involved in these sectors reduce risk in the sectors, hence, it encourages more people to entrepreneurship. As a result, crating employment.

## **SUSTAINING A MINIMAL INFLATION RATE**

Inflation is a phenomenon that economies experience periodically. Inflation is believed to be basically caused by excessive flow of money (maximum employment, low interest rate etc.) in an economy, and high cost of production. Among the causes of inflation, the only justifiable cause of inflation is, high cost of production. Inflation creates for itself a fame which is, it is a sign of a poorly managed economy. Also inflation has an unpopular job which is, it increases national income (Gross Domestic Product) in monetary terms, i.e. the higher the inflation the higher the Gross Domestic Product (G.D.P) in monetary terms and impoverish the less privilege in society.

In maintaining a minimum inflation rate in an economy perpetually without having negative effects on the manufacturers and consumers simultaneously, policy makers should concentrate on maintaining a low cost of production climate by ensuring the availability of key raw materials for production either by subsidy or waivers. Inflation which is the rising of prices of goods and services in an economy, is a response by manufacturers and marketers to actions by policy makers. Inflation is an action taken by manufacturers and marketers to either maximize their profit level or sustain their profit level when there is a skip or omission of a step in an economy.

Inflation is wanted by most manufacturers and marketers mostly in free market economies, because of the unregulated increase of prices. Inflation era is seen as a ripe fruit to be harvested by most capitalist, because of the certain much profit after an investment is been made. During an inflation era, capitalist most time ensure lasting of inflation era because of the much profit in the era; capitalist hoard goods and services to ensure the lasting of inflation era. Inflation serves the interest of manufacturers at the cost of consumers.

Basically inflation is caused by much money in an economy (maximum employment, low interest rate etc.) and high cost of production. When there is a minimum unemployment rate in an economy, which means most persons in an economy earn money and will certainly consume. Producers knowing the demand of goods and services in the economy increases the prices of goods and services without fear of consumer apathy. For instance, in an economy where most persons are on monthly or weekly salary, they will always buy whatever they need and want at all cost, no matter the time, because the income is certain. Knowing this, manufacturers and marketers hike prices. Also low interest rate in an economy puts more money in an economy. Having a low interest rate in an economy means having cheap loans in the economy, finance is cheap to access. When cheap loans are available in the economy, most persons access these monies for investment, putting money in most people's hands. Knowing this manufacturers and marketers hike prices.

Also, high cost of production is a basic cause of inflation in an economy. If it cost a manufacturer more to produce a commodity compared to previous products, the manufacturer will increase the price of the commodity. If the cost of raw material, labor and other factors increases more than it has been previously bought, the manufacturer will reflect it in the prices of goods and services it provide in order for him to achieve its aim as an entrepreneur, which is profit. Inflation creates for itself a fame which is, it is a sign of a poorly managed economy. Also inflation has an unpopular job which is, it increases national income (Gross Domestic Product) in monetary terms, i.e. the higher the inflation the higher the Gross Domestic Product (G.D.P) in monetary terms. Increase in price of a commodity means increase in its monetary value. Hence, inflation directly increases the GDP of an economy or a country. As inflation directly increases the GDP of an economy, it also directly impoverish the less privilege in society. The low income earners cannot have the needed and wanted commodities for living because of inflation. Inflation in all ramification serves the interest of marketers and manufacturers at the expense of the consumers.

In having a balance and fair trade between manufacturers and consumers, which is by maintaining minimal inflation rate, policy makers should concentrate on maintaining a low cost of production climate in an economy, by ensuring the availability of key raw materials for production either by subsidy or waivers. Subsidizing the cost of raw materials permits policy makers to influence the prices of commodities in the economy. Also, taxes should not be hiked repeatedly and unexpectedly, transportation system should be checked regularly to be in good shape.

Inflation is a single edged sword that cuts and pierce only the less privilege in society. Inflation makes the capitalists richer and the consumers poorer. In period of inflation many are impoverished and few gets richer in the economy, making the whole country poor in respect of democracy (verdict in respect of the majority). In making a whole country rich in regards democracy, policy makers maintaining a minimal production cost business climate will un-doubtfully keep the rate of inflation minimal enabling everyone to purchase basic needs and wants.

## **CONATANTLY INCREASING EMPLOYMENT STRATEGY**

### **ABSTRACT**

With the growing numbers of unemployment and poverty globally, it is an indication that the pace of growth globally is not meeting the demands of the globe. Solving the rising unemployment and poverty in the world, a special budget for creation of enterprises and funding of innovations by government should be created. This special budget should be funded by private institutions and individuals based on terms negotiated with the government, and this budget is not to be part of the traditional budget of the country. Each and every settlement of a thousand persons receives an enterprise from the government, created from the special budget. And these enterprises should employ most from the thousand persons which it is been created for. Each and every enterprises after creation is not owned by the government or anyone that funds the special budget, but it is own by the thousand persons which it is been created for, hence, it pays taxes to the government.

These enterprises expand possibly in every financial year and subsidizes the work hours of employees creating more jobs every financial years. Secondly, the government funds every innovation having the potential of a positive input to the society or economy. These funds are not given in form of loans or any profit oriented form, but free funds given out to establish innovations. Having a special budget for the creation of enterprises for every settlement of a thousand persons

and funding of innovations by government will increase productivity, increase jobs, decrease poverty, increase income of government, also it encourages competition among the enterprises which is good for a vibrant economy.

#### INCREASING EMPLOYMENT CONSTANTLY

As the earth rotates, growth is a phenomenon that can never be an omission in any form. A growth that is most appraised in society is an economic growth; a growth that grows with the bank accounts of individuals in society. Having an enterprise in every settlement of a thousand persons and giving free resources to highly potential innovations, will remarkably input growth and productivity to individuals and the economy. Having an enterprise in every settlement of a thousand persons in a country, provided by the government, owned by the thousand persons, is an implementation of a special budget different from the traditional budget of a country.

#### FUNDING THE SPECIAL BUDGET

The special budget different from the traditional budget of a country for the creation of enterprises in every settlement of a thousand persons is funded by private institutions and any able individual in society. To get entities to fund the special budget, the government makes an advertisement of the benefits of funding such a budget. These benefits may include contracts, loans, taxes and benefits from the country's foreign missions, etc. For instance, interested entities may negotiate with the government to have a percentage cut of its taxes on the entity for a period in exchange to fund the special budget. Some entities may negotiate with the government to benefit more from the country's foreign missions in exchange to fund the special budget. Some may negotiate with the government to have more flexible loans in exchange to fund the special budget for the creation of enterprises and others. Companies, institutions, cooperatives, wealthy individuals can negotiate with the government to fund the special budget for the creation of enterprises. The entities that fund the special budget has no ownership right to the enterprises when created. The special budget can be periodic.

Also it could either be in form of a policy or law. It may be that a law states, all defined macro enterprises that their annual profit exceeds a certain percentage funds the budget. For instance, every macro and medium enterprise in a country may donate two percent of their annual profit to the budget; which is not to be negotiated because it's a law or policy in the country.

#### THE ENTERPRISES

Each and every enterprise owned by a thousand person in a country is a profit making enterprise. These enterprises from the day it is handed over to the

thousand person pays taxes and every payable obligation by enterprises in the country to the government. Some percentage of the profit generated in each financial year of the enterprises is used for the expansion of the enterprise. The staffs of each enterprise is mostly from the thousand persons that owns it. In these enterprises, some percentage of its profit is used for subsidizing the work hours of staff in the enterprises. For instance, if Mr. John is working for ten hours a day in any of the enterprises, as the profit of the enterprise increases, someone is employed to assist Mr. John work for ten hours a day.

#### INNOVATIONS

Any innovation discovered by the government to be of high potential positive input to the economy, the government makes resources available to get the idea established. This resources are not in form of loan but grants. The merits of the implementation of a budget for the creation of enterprises for every settlement of a thousand persons and giving grants to potential innovations that inputs positively to society and the economy are: (1) more income for government because of the taxes that will be paid to the government by the enterprises (2) increase in productivity of the economy (3) increase in employment (4) decline in poverty (5) voters will laud the government for building enterprises for them (6) closer gap in inequality.

#### PANACEA TO ECONOMIC RECESSION

The slow down to economic activities has only a reason, which is lack of money in an economy or decline of consumers' income in an economy. The cause of the reason of slowdown of economic activities in an economy, is concentration of money at few persons in cloths of an investor or capitalist's disposal, and any money at the disposal of a capitalist is mobile globally, or any private money in an economy is mobile globally. Money at the disposal of a capitalist is sojourn in an economy.

When income of consumers decline, consumer apathy flourish in an economy. As consumer apathy flourish in an economy, manufacturers reduce production to be within the window of an entrepreneur's aim, which is to make profit. With flourishing of consumer apathy and manufacturers maintaining the reward of an entrepreneur with consideration of consumer apathy (Lack of motivation to buy), slowdown of economic activities (buying and selling) sets in in the economy, known as Economic Recession. For an economy in recession or vulnerable to recession to leap out of recession with no future recession at sight, long-term

financial investment should be made in financial institutions e.g. commercial banks by government, and small and medium enterprises should be provided with expansion funds by government. The reason of low economic activities in an economy is lack of money in the economy caused by concentration of money at the disposal of people in cloths of capitalists or investors.

A capitalist's money is mobile globally, he moves his money to any environment which he believes to be more productive i.e. yielding more profit. In present day economies, most of the money in the systems are owned by capitalist; any economy with most of its money (money flowing in the economy) owned by capitalist or privately owned is vulnerable to Economic Recession. Example, in ZEE economy, Mr. A makes thirty percent (30%) profit of his total investment in the economy. In VEE economy, some business friendly measures are now put in place giving the potential of fifty percent (50%) profit of the same volume of investment made by Mr. A in ZEE economy. Mr. A knowing this, has a choice to move all his investment to VEE economy to make a profit of fifty percent (50%) or remain in ZEE economy making just thirty percent (30%) profit. Mr. A moving his investments out of ZEE economy to VEE economy, is moving each and every of his money out of ZEE economy to VEE economy. In this scenario, the total money in ZEE economy declines putting some persons out of work or declines some consumer's income. If this scenario is experienced by ZEE economy repeatedly and no measures that offsets the situation (movement of money out of economy) is taken by policy makers in ZEE economy, ZEE economy will surely find itself in Economic Recession.

The movement of money out of an economy increase unemployment in the economy which leads to flourishing of consumer apathy in the economy, due to decline of consumers' income; this is a call to manufacturers to reduce the production of goods and services in the economy. The production cut of goods and services by manufacturers due to consumer apathy in an economy is in accordance with the law (make profit) of being an entrepreneur. If manufacturers don't cut production, they are prepared to make loss instead of profit. For instance, there were ten persons buying ten pairs of shoes from a manufacturer, as some capitalist move money out of the economy, five persons demand for five pairs of shoes from the same manufacturer the other five no longer buys shoes. In this case, it will be totally unwise for a manufacturer to keep on the production of ten shoes without selling five of them. The production cut by manufacturers due to consumer apathy is on the train of Economic Recession.

To leap Economies vulnerable to Economic Recession and economies in Economic Recession out of recession due to most of its money at the disposal of capitalist or

private individuals, policy makers in economies under any of the above listed should make a long-term investments in financial institutions financially in the economy. It is certain any movement money out of an economy will lead to loss of jobs, but with the long-term financial investment in financial institutions by government will offset the loss of jobs, because financial institutions will have enough money to pay their customers accurately and trade money in form of loans, which will un-doubtfully lead to the expansion of the economy. With this act, new jobs are certainly going to be created for people out of their jobs. Thus, movement of money out of an economy by capitalists will have little or no negative effect on the economy concerned.

Secondly, moving out Economies vulnerable to Recession and those in recession out due concentration of money at the disposal of investors or capitalist, policy makers should make available special expansion funds for small and medium enterprises in the economy. The availability of this funds is building of new generation of macro enterprises. Small and Medium enterprises having access to funds for expansion will create employment for the unemployed in the economy, sustaining a positive consumer confidence in the economy. NOTE: The aim of government investment in financial institutions and provision of expansion fund for small and medium enterprises in an economy, is to detain money in the economy.

The cause of slowdown in economic activities (Economic Recession) in an economy is due to decline of consumers' income, caused by concentration of money at the disposal of capitalist or investors which is mobile globally. In immunizing Economies prone to economic recession and getting Economies in recession out of recession with no future recession at sight or imaginatively, government should have a long-term financial investment in financial institutions in the economy and special expansion fund should be provided for small and medium enterprises in the economy. The apex of the immunization and provision of funds for expansion is, the government makes profit with time, because they are investments not grant.

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