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Sustainability thoughts 138: How does a general red socialism market evolution model is expected to work? The cases of expanding red socialism, of saving red socialism from collapse, and the case of the fall of red socialism due to binding economic sustainability pressures

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Abstract

If we have a general imperfect market evolution model, we can extract the environment under which a dominant component imperfect market operates, which allows for the possibility of forever growth and no collapse. However, if we place this imperfect market under a framework of no externality neutrality assumption, then the model shows limits to growth and the possibility of collapse. And if the risk of collapse is real, the dominant component imperfect market model can either be saved or it can collapse if it cannot be saved. The saving mechanism allows for either a full fix or just a patch, but it all depends on whether or not there are paradigm shift knowledge gaps together with political will and academic will. If the imperfect market cannot be saved, it will flip perfectly or imperfectly to opposite or inverse opposite forms, and if possible it will flip towards a markets form that still allow it to keep the same legal and political loyalty structure it had before the flip. The above holds true for any dominant component based imperfect market, and this paper focus its attention on the imperfect red socialism model, which makes the following questions relevant: How does a general red socialism market evolution model is expected to work? The cases of expanding red socialism, of saving red socialism from collapse, and the case of the fall of red socialism due to binding economic sustainability

pressures. Among the goals of this paper is to provide a detailed answer, both analytically and graphically, to this question.

Key concepts

Perfect markets, imperfect markets, externality neutrality assumption, binding economic sustainability gaps, red socialism, paradigm evolution, dominant paradigm, market expansion, market collapse, fully fixing markets, partially fixing markets, paradigm shift, paradigm flip, perfect paradigm shift, perfect paradigm flip, imperfect paradigm shift, imperfect paradigm flip

Introduction

1) The general imperfect market evolutions model

If we have a dominant component based imperfect market of the form $[M] = [X]y$, where X is the dominant component driving the market; and “ y ” is the passive component, then all possible evolutions routes if under externality pressures available to this imperfect market $[M]$ can be summarized as recently indicated (Muñoz 2021) and done in Figure 1 below:

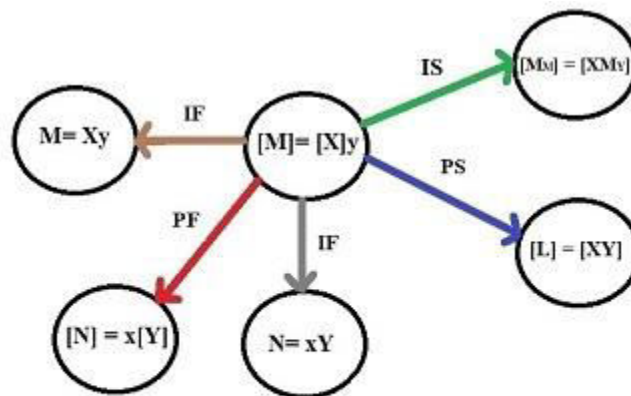


Figure 1 Imperfect paradigm M under all types of pressures provides the structure of the general paradigm evolution model under sustainability gap pressures

We can say the following based on Figure 1 above about the imperfect model $[M] = [X]y$: i) Model $[M]$ is the dominant component $[X]$ imperfect market, a dictatorship based market; ii) Model $[L]$ is a two dominant component based imperfect market, a dictatorship based market; iii) Model $[M_M]$ is the externality “ y ” based externality management imperfect market, a dictatorship based market; iv) Model N is the imperfect inverse opposite market to $[M]$, a

dominant component Y perfect market; v) Model [N] is a dominant component [Y] based dictatorship market and the perfect inverse opposite model to [M]; and vi) Model M is a dominant component X based perfect market and the opposite model to [M].

Hence, Figure 1 above summarizes all possible paradigm evolution routes for all possible dominant component based imperfect markets. In other words, the paradigm evolution routes available to imperfect market [M] in Figure 1 above hold for any dominant component based imperfect market such as the imperfect social market or the imperfect economic market or the imperfect red market and so on.

2) The structure of the imperfect red socialism market model

A market where social equality without freedom([A]) is the dominant component and where the economy(b) is a passive component is the red socialism market([KM]), an imperfect social market, which can be stated analytically as follows:

$$[KM] = [A]b$$

Hence an imperfect red socialism market([KM]) is the market where there is growth in social equality without freedom([A]) without producing economic externalities(b). Notice, that is the true market structure of the red socialism model of Karl Marx(Marx and Engels 1848) as it is based on a dominant social component without freedom.

3) Transforming the general imperfect market evolution model in Figure 1 into a general imperfect red socialism market evolution model

If we make the imperfect red socialism market $KM = [A]y$ equal to the imperfect market $[M] = [X]y$ in Figure 1 above, then $[KM] = [M]$ and $[A] = [X]$ and $y = b$. With this information we can find the corresponding market structures of the imperfect red socialism market under economic sustainability pressures consistent with all those structures in Figure 1 above as shown in the Table below:

Table 1

General market structures	Corresponding market structure	Name of market structure
$[M] = [X]y$	$[M] = [A]b = [KM]$	RSM The imperfect red socialism market

$$[L] = [XY]$$

$$[L] = [AB] = [RM]$$

The imperfect red market

$$[M_M] = [XM_Y]$$

$$[M_M] = [AM_B] = [KM_M]$$

Red socialism under externality management

$$N = xY$$

$$N = aB = TM$$

The perfect economy market

$$[N] = x[Y]$$

$$[N] = a[B] = [TM]$$

The economy market under dictatorship

$$M = Xy$$

$$M = Ab = PSM$$

The perfect social market

Notice that here B = dominant economy, C = dominant environment, A = Dominant society, b = passive economy, c = passive environment, and a = passive society, where passive components can be externalities and dominant components are drivers of growth. Also notice for example that the red socialism market(RSM) is an imperfect social component based dominant model(RSM = [KM] = [A]b) and that the perfect social market(PSM) is a perfect social component based dominant model(PSM = Ab).

The structure of the general imperfect red socialism market paradigm evolution model under economic sustainability gap pressures can be put together using the information obtained in Table 1 above as indicated in Figure 2 below:

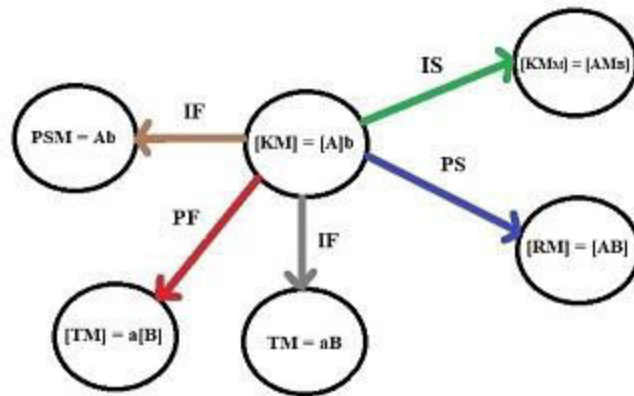


Figure 2 The imperfect social market model [KM] under all types of pressures provides the structure of the general red socialism evolution model under economic sustainability pressures,

We can say the following based on Figure 2 above about the red socialism market model $RSM = [KM] = [A]b$: i) The red socialism market model($[KM] = [A]b$) at the center is an imperfect social market as social equality without freedom is the dominant component($[A]$) as only social equality matters; ii) The imperfect red market model($[RM] = [AB]$) is a socio-economic market under dictatorship, where only socio-economic equality matters; iii) The red socialism market model under economic externality management($[KM_M] = [AM_B]$) is an economic externality management based imperfect social market; iv) The perfect economy market($TM = aB$) is the imperfect inverse opposite market to the red socialism market(RSM), an economy dominant component B perfect market; v) The imperfect economy market model($[TM] = a[B]$) is an economy dominant component $[B]$ based economic dictatorship market and the imperfect inverse opposite model to the red socialism market RSM ; and vi) The perfect social market model ($PSM = Ab$) is the perfect society dominant component model and the opposite model to the imperfect red socialism model(RSM). Notice that in this type of thinking even the existence of authoritarian based markets is consistent with paradigm flip theory under economic externality pressures.

Hence, Figure 2 above summarizes all possible paradigm evolution routes available to imperfect red socialism markets when under economic sustainability gap pressures.

4) The need to understand how the general imperfect red socialism market evolution model is expected to work when under economic externality neutrality assumptions and when under binding economic externality assumptions

As shown above, if we transform a general imperfect market evolution model under externality neutrality assumptions in Figure 1 into a general imperfect red socialism market evolution model as in Figure 2, we can extract the environment under which imperfect red socialism markets operate, which allows for the possibility of forever growth and no collapse. However, if we place this imperfect red socialism market under a framework of no externality neutrality assumption, then the red socialism market model shows limits to growth and the possibility of collapse. And if the risk of collapse is real, the one dominant component based imperfect red socialism market model can either be saved or it can collapse if it cannot be saved. The saving mechanism allows for either a full economic fix or just an economic patch, but it all depends on whether or not there are economic externality market based paradigm shift knowledge gaps and imperfect red market based paradigm shift knowledge gaps together with political will and academic will. The key role that paradigm shift knowledge gaps have in either supporting efforts to save a paradigm from collapse or in leading to its collapse have been recently pointed out(Muñoz 2020).

Notice that the fall of red socialism in 1991 and shift back to capitalism(Muñoz 2019a) appear to be related to the existence of both economic externality management market based paradigm shift knowledge gaps and imperfect red market based paradigm shift knowledge gaps, leaving the world given to us by Karl Marx behind. If the imperfect red socialism market cannot

be saved because there are economic externality management based and red market based paradigm shift knowledge gaps at the same time, then it will flip perfectly or imperfectly to opposite or inverse opposite forms, and if possible it will flip towards a market form that still allows it to keep at least some of the core values it had before the flip. The discussion above makes the following question relevant: How does a general imperfect red socialism market paradigm evolution model is expected to work? The cases of expanding red socialism markets, of saving red socialism markets from collapse, and the case of the fall of red socialism markets due to binding economic sustainability pressures. Among the goals of this paper is to provide a detailed answer, both analytically and graphically, to this question.

Goals of this paper

a) To point out how the imperfect red socialism market model [KM] is expected to work under economic externality neutrality assumptions; b) To indicate how the imperfect red socialism market model [KM] under binding economic externality assumptions can be saved from collapse by a full economic fix or by an economic patch; and c) To highlight how the imperfect red socialism market model [KM] under binding economic externality assumptions will evolve if it cannot be saved and collapses.

Methodology

First, the terminology used in this paper is introduced. Second, the operational concepts and typology of paradigms and paradigm evolution rules are shared. Third, the structure of the imperfect red socialism market model [KM] when under unlimited growth is pointed out, analytically and graphically. Fourth, the structure of the imperfect red socialism market model [KM] when under full economic fix and under partial economic fix or saving options is highlighted, analytically and graphically. Fifth, the structure of the imperfect red socialism market model [KM] when it collapses as it cannot be fixed is shared analytically and graphically to point out available evolution routes. And finally sixth, some food for thoughts and relevant conclusions are provided.

Terminology

M1 = Perfect market M1

[M1] = Imperfect market M

[M1] = Authoritarian market M1

M1_M = M1 under externality management

PS = Perfect shift

IS = Imperfect shift

PF = Perfect paradigm flip

IF = Imperfect paradigm flip

M = Perfect lower level market M N = Perfect lower level market N

L = Perfect higher level market L [] = Authoritarianism

[M] = Market M under authoritarianism [N] = Market N under authoritarianism

PSM = Perfect social market

[PSM] = Imperfect social market

[PSM] = [K] = Red socialism

RSM = [KM] = Red socialism market

RSM_M = [KM_M] = Red socialism under management PECM = TM = Perfect economy market

[PECM] = [TM] = Capitalism under dictatorship

DC = Democratic capitalism

NDC = Non-democratic capitalism

DS = Democratic socialism

NDS = Non-democratic socialism

PC = Pure capitalism

Operational concepts, types of market structures and model evolution rules

a) Operational concepts

- 1) Perfect market**, *a market where there is dominant component equality and freedom*
- 2) Imperfect market**, *a market where there is component equality, but not freedom*
- 3) Perfect paradigm shift**, *a shift from a perfect market to a higher level perfect market or a shift from a lower level imperfect market to a higher level imperfect market*
- 4) Paradigm management**, *the handling of cost externalization through externality management*
- 5) Paradigm flip**, *a flip to the opposite paradigm or a flip to the inverse opposite paradigm*
- 6) Perfect paradigm flip**, *a flip to the perfect inverse opposite paradigm or a flip to the imperfect inverse opposite paradigm*
- 7) Imperfect paradigm flip**, *a flip to the imperfect inverse opposite paradigm or a flip to the perfect inverse opposite paradigm*
- 8) Authoritarian market**, *an imperfect market*

9) Sustainability market, *the perfect market where there is full co-component equality and freedom*

10) Externality management market, *the market where there is partial co-component equality, but no freedom.*

b) Type of market structures

Given the dummy market models $M_1 = Xy$ and $M_2 = xY$, the following can be said about different market structures:

1) Perfect markets

There is dominant component equality and freedom

$M_1 = Xy = A$ dominant component X perfect market

$M_2 = xY = A$ dominant component Y perfect market

2) Imperfect markets

There is dominant component equality, but no freedom, they are dictatorship based markets

$[M_1] = [X]y = A$ dominant component X imperfect market

$[M_2] = x[Y] = A$ dominant component Y imperfect market

3) Externality management market

They are ongoing government intervention based markets

$M_{M1} = XY_M = A$ dominant component X externality Y management market

$M_{M2} = X_M Y = A$ dominant component Y externality X management market

4) The sustainability market

The perfect market where there is full co-component equality and freedom

$S = M_1 \cdot M_2 = (Xy)(xY) = XY$

Details about paradigm merging rules and paradigm shift rules can be found in the publication about paradigm evolution and sustainability thinking (Muñoz 2019b).

c) Model evolution rules

i) Perfect paradigm shift

The externality gap affecting the market, y or x, is fully closed and internalized, in perfect markets and imperfect markets

PS

$$M_1 = Xy \text{-----} \rightarrow M_3 = XY$$

PS

$$M_2 = xY \text{-----} \rightarrow M_3 = XY$$

PS

$$[M_2] = x[Y] \text{-----} \rightarrow [M_3] = [XY]$$

ii) Imperfect paradigm shift

The externality gap affecting the market, y or x, is patched and managed as an externality problem, in perfect markets and imperfect markets

IS

$$M_1 = Xy \text{-----} \rightarrow M_4 = XM_Y$$

IS

$$M_2 = xY \text{-----} \rightarrow M_5 = M_XY$$

IS

$$[M_2] = x[Y] \text{-----} \rightarrow [M_5] = [M_XY]$$

iii) Perfect paradigm flip

Paradigms flip to the perfect inverse opposite model, in perfect markets and in imperfect markets

PF

$$M_1 = Xy \text{-----} \rightarrow M_2 = Xy$$

PF

$$M_2 = xY \text{-----} \rightarrow M_1 = Xy$$

PF

$$[M_2] = x[Y] \text{-----} \rightarrow [M_1] = [X]y$$

iv) Imperfect paradigm flip

Paradigms flip to the imperfect inverse opposite model, in perfect markets and in imperfect markets

IF

$$M_1 = Xy \text{-----} \rightarrow M_6 = x[Y]$$

IF

$$M_2 = xY \text{-----} \rightarrow M_7 = [X]y$$

IF

$$M_7 = [X]y \text{-----} \rightarrow M_2 = xY$$

The imperfect dominant component based red socialism market [KM] under externality neutrality assumptions

If the imperfect red socialism market model $[KM] = [A]b$ in Figure 2 above operates under economic externality neutrality assumptions, then the pressures from the economic externality “b” it generates when expanding are irrelevant as indicated by all the broken arrows; and therefore, there is no need to evolve as by assumption it is not under sustainability threats from economic externality ‘b’, a situation that can be indicated as in Figure 3 below:

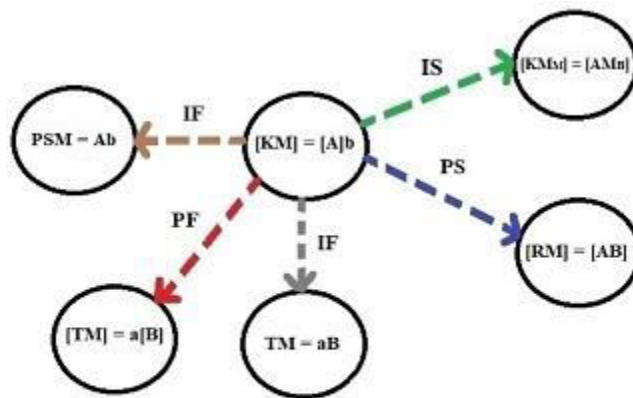


Figure 3 The imperfect social market model $[KM]$ under no economic externality “b” pressures provides the structure of the red socialism market without limits to growth and no fear of collapse

The broken arrows in Figure 3 above indicate the idea that under economic externality neutrality assumptions there is no need to fix the paradigm nor there is a need to flip to other

paradigm forms as the paradigm cannot collapse since growth is unlimited or it has no economic limits.

In other words, under economic externality neutrality assumptions the imperfect red socialism model [KM] can expand for ever without generating economic externalities such as 'b', which allow it to operate outside the pressures of sustainability gaps(SG_B) from passive economic component "b" as indicated in Figure 4 below:

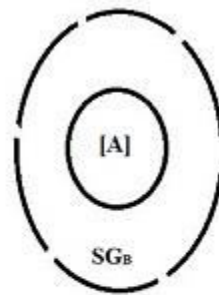


Figure 4 The imperfect social market or red socialism market [KM] under no limits to growth as the economic externality driven sustainability gap SG_B is non-binding

We can see based on Figure 4 above that without economic sustainability gap pressures $SG_B = 0$ by assumption, the imperfect red socialism market model [KM] driven by dominant component [A] displays unlimited growth as it could expand for ever without economic sustainability gap's restraints. In other words an imperfect market like the red socialism market [KM] can expand for ever under economic externality neutrality assumptions.

The imperfect dominant component based red socialism market model [KM] under binding economic externality assumptions

When there is no economic externality neutrality assumptions there are sustainability gap pressures($SG_B = b$) so that when economic externalities become binding($BSG_B = b$), they place limits to the growth of the imperfect red socialism market model [KM] as indicated in Figure 5 below:

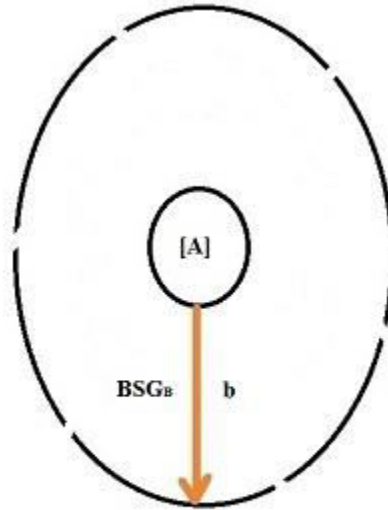


Figure 5 The imperfect social market or red socialism market [KM] under binding economic sustainability gap pressures $BSG_B = b$ so $[KM] = [A]b$

Figure 5 above points out that economic externality “b” can become a binding externality BSG_B capable of even forcing the collapse of the imperfect red socialism market model [KM] if no action is taken to save it. In other words, when the economic externally “b” becomes a binding externality (BSG_B) it forces stakeholders to fix it, fully or partially, to save it to maintain the core values of the imperfect red socialism market [KM] or it forces them to accept that the imperfect red socialism market [KM] as it is known will collapse and flip to take the form of other paradigms with different core values. Hence, we should expect that stakeholders who support the imperfect red socialism market model [KM] will first try to take actions to save it; and only and only when they cannot save the imperfect red socialism market paradigm they will accept the collapse and flip options.

i) The options available to save the imperfect red socialism market model [KM] from collapse under binding economic sustainability gap pressures

To avoid the collapse of the imperfect red socialism market [KM] under binding economic sustainability gap pressures (BSG_B) from externality “b”, we have two options: i) a full economic fix by shifting it to the imperfect red market model “[RM]” where there are no longer pressures from externality “b” and ii) a partial economic fix by placing the imperfect red socialism market model [KM] under economic externality “b” management frameworks KM_M , as it can be appreciated in Figure 6 below:

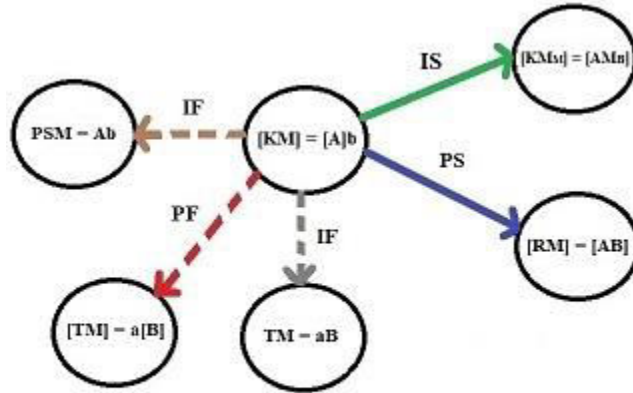


Figure 6 The imperfect social market or red socialism market [KM] under binding economic externality pressures and the ways to avoid collapse provides the structure of the full fix and of a partial fix

The continuous arrows in Figure 6 above indicate the two options available to save the imperfect red socialism market [KM] from collapse; and the broken arrows indicate that if the red socialism market paradigm can be saved there will be no collapse; and therefore, there will be no paradigm flips to opposing views paradigms. The blue arrow in Figure 6 above shows the perfect shift(PS) from the imperfect red socialism market model [KM] to a higher level imperfect market model [RM] or imperfect red market; and the green arrow indicates the imperfect shift(IS) from the red socialism market model [KM] to externality management based red socialism market model KM_M , those shifts are addressed analytically below.

1) The perfect economic fix option

The blue arrow in Figure 6 above shows the full economic fix option, the perfect shift(PS) from the imperfect red socialism market $[KM] = [A]b$ to the imperfect red market $[RM] = [AB]$, which is achieved by internalizing the economic externality cost of “b” in the pricing mechanism of the imperfect red socialism market [KM] so it perfectly shifts, a situation that can be expressed analytically as follows:

PS

$$[KM] = [A]b \text{-----} \rightarrow [RM] = [AB]$$

The expression above tells us that if “b----- \rightarrow B”, then the imperfect red socialism market model [KM] will perfectly shift(PS) to the imperfect red market model “[RM]” as there are no longer externality gaps associated with the cost of economic externality “b”.

2) The partial economic fix option

The green arrow in Figure 6 above indicates the partial economic fix option, the imperfect shift(IS) from imperfect red socialism market $[KM] = [A]b$ to imperfect externality management based red socialism market $[KM_M] = [AM_B]$, which is achieved by managing the

economic externality cost of ‘b’ as “ M_B ” so that $BSG_B = b > M_B$, which sets externally the new pricing mechanism of the imperfect economic externality management based red socialism market KM_M so it imperfectly shifts, a situation that can be expressed analytically as follows:

IS

$$[KM] = [A]b \text{-----} \rightarrow [KM_M] = [AM_B]$$

The expression above tells us that if “ $b \text{-----} \rightarrow M_B$ ”, then the imperfect red socialism market model $[KM]$ will imperfectly shift (IS) to imperfect economic externality management based red socialism market model $[KM_M]$, a market where still there is a remaining economic externality gap associated with externality “b” since $BSG_B = b > M_B$.

3) *The role of paradigm shift knowledge gaps in terms of the best saving option to implement*

If there are no perfect and imperfect paradigm shift knowledge gaps, then whether to implement a full economic fix or an economic patch to save the red socialism market paradigm may depend on politics and academic will, not on science. If there are no paradigm shift knowledge gaps then the best solution to save the dominant imperfect red socialism market paradigm is the science based solution, which is the implementation of the full red socialism market fix through full economic externality cost internalization to induce a perfect shift. However, the science based solution may not be politically feasible so implementing a partial economic fix through economic externality management frameworks may be the more politically feasible option as red socialism market prices can then be kept lower. But implementing a non-science based solution when there are no paradigm shift knowledge gaps because it is more politically feasible requires the existence of willful academic blindness as when there are no paradigm shift knowledge gaps science leads to a full economic fix, not to a partial economic fix. If there are imperfect red market paradigm shift knowledge gaps, but there are no knowledge gaps affecting the implementation of the partial economic fix, then such a partial economic fix to the red socialism market may be used to gain time to close the imperfect red market based paradigm shift knowledge gaps for a later transition to the imperfect red markets. Notice that a partial economic fix of the red socialism market model $[KM]$ in the long term may collapse as the remaining economic externality gap affecting the economic externality management based red socialism market is still active. If there were both, economic externality management based knowledge gaps and imperfect red market based paradigm shift knowledge gaps at the same time, then the red socialism market cannot be fixed and it would collapse.

ii) *The option of the imperfect red socialism market model $[KM]$ collapse when it cannot be saved from binding economic externality pressures*

If the imperfect red socialism market model $[KM]$ is under binding economic externality pressures (BSG_B) and there are imperfect red market market based paradigm shift knowledge gaps and there are economic externality management market based paradigm shift knowledge

gaps at the same time or the partial economic fix fails in the long term due to growing $b > M_B$, then the imperfect red socialism market cannot be saved, and this imperfect red socialism market will collapse. And hence, if the imperfect red socialism market cannot be saved, it will flip perfectly or imperfectly to opposite or inverse opposite forms, and if possible it will flip towards a market form that still allow it to keep some of the core values they had before the flip.

When an imperfect market model like the red socialism market model [KM] cannot be saved it will flip as shown in Figure 7 below:

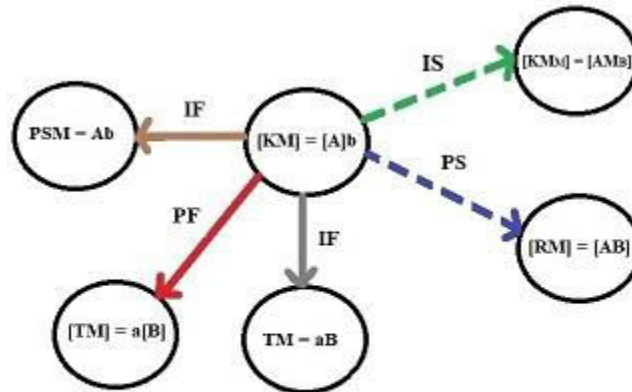


Figure 7 The imperfect social market or red socialism market [KM] under binding economic externality pressures when it can not be saved and collapses provides the structure of all possible paradigm flip routes

The broken arrows in Figure 7 above tell us that the imperfect red socialism market paradigm [KM] cannot be saved and that for this reason it has 3 paradigm evolution options: i) a perfect flip(PF) from imperfect red socialism market $[KM] = [A]b$ to the inverse opposite imperfect economy market $[TM] = a[B]$ as indicated by the red arrow; ii) an imperfect flip(IF) from imperfect red socialism market [KM] to the inverse opposite perfect economy market $TM = aB$ as indicated by the gray arrow; and iii) an imperfect flip(IF) from imperfect red socialism market [KM] to the perfect social market $PSM = Ab$ as indicated by the brown arrow. These paradigm flips are described in detailed below:

1) The perfect flip from imperfect red socialism market [KM] to the imperfect economy market [TM]

The flip from imperfect red socialism market [KM] to imperfect economy market [TM] as indicated by the red arrow can be stated as follows:

PF

$$[KM] = [A]b \text{-----} \rightarrow [TM] = a[B]$$

Notice that when imperfect dominant component “[A]” flips perfectly to imperfect dominant component “[B]” and passive component “b” flips to “a”, then the imperfect red

socialism market model [KM] flips to the imperfect economy market model [TM]. It is a flip from an imperfect market to the inverse opposite imperfect market.

2) The imperfect flip from the imperfect red socialism market [KM] to perfect inverse opposite economy market model TM

The flip from imperfect red socialism market [KM] to perfect inverse opposite economy market TM can be written as follows:

IF

$$[KM] = [A]b \text{-----} \rightarrow TM = aB$$

Notice that when the imperfect dominant components “[A]” goes to perfect component “B” so that $[A] \text{----} \rightarrow B$ and when $b \text{----} \rightarrow a$, then the imperfect red socialism market model [KM] flips to the perfect economy market TM. It is a flip from an imperfect market to the perfect inverse opposite dominant component market or perfect economy based market.

3) The imperfect flip from imperfect red socialism market [KM] to the opposite perfect social market PSM

The flip from imperfect red socialism market [KM] to perfect social markets PSM can be indicated as follows:

IF

$$[KM] = [A]b \text{-----} \rightarrow PSM = Ab$$

Notice that when imperfect dominant component “[A]” goes to ‘A’ so that $[A] \text{----} \rightarrow A$ and passive component “b” stays passive, then imperfect red socialism market model [KM] flips to the perfect social market model PSM. It is a flip from an imperfect market to a perfect market.

4) Political and legal loyalty structures and core values and paradigm flips after collapse

After paradigm collapse, the political and legal loyalty under which imperfect red socialism market [KM] operated flips to the political and legal loyalty structure under which the new paradigms operate. If stakeholders, take steps long before or just before the collapse to transition towards a preferred flip structure that allows them to keep some portion of the core values the collapsing model had before the collapse they will try to transition there. For example, a flip from imperfect red socialism markets to either perfect social markets or perfect economy markets means a total loss of their political and legal loyalty structures as they would go from authoritarianism based markets to perfect free markets based core values, but a flip to an imperfect economy market still allows them to keep some of those core values as authoritarian loyal and legal structures remain in place so when stakeholders know that the red socialism

market is collapsing they will try or they should be expected to try to transition towards imperfect economy markets or economic markets under dictatorship. For example, in 1991 China shifted (Muñoz 2019a) from dictatorship based socialism to dictatorship based capitalism to maintain political and legal power as it had before the collapse of red socialism.

Food for thoughts

a) Does the flip from red socialism to pure capitalism in 1991 can be seen as a flip from non-democratic socialism to non-democratic capitalism? I think yes, what do you think?; b) Does the flip from red socialism to pure capitalism in China in 1991 meant the continuation of legal and political loyalties in the country? I think yes, what do you think?; c) Does the perfect shift from imperfect social markets to imperfect red markets means a perfect shift to higher legal and political loyalties? I think yes, what do you think?; and d) Does the flip from imperfect social markets to perfect economy markets means a flip in political and legal structures to those of the new market? I think yes, what do you think?

Conclusions

1) It shown that under economic externality neutrality assumptions the imperfect red socialism market model has no limits for growth; 2) It was pointed out that the imperfect red socialism market paradigm can be saved from collapse when under binding economic externality pressures, both through a full economic fix or a partial economic fix; 3) It was highlighted that if there are no perfect and imperfect shift based paradigm shift knowledge gaps, then the full economic fix is the science based solution, but it may be the less politically palatable option; 4) It was stressed that implementing the non-science based solution or partial economic fix to save the imperfect red socialism market paradigm when there are no imperfect red market based paradigm shift knowledge gaps because it is a more politically amenable option needs the existence of willful academic blindness; 5) It was indicated that if the imperfect red socialism market paradigm cannot be saved because of the existence of imperfect red market based paradigm shift knowledge gaps and of economic externality management market based knowledge gaps at the same time or the partial economic fix fails in the long term, then it will collapse and flip to either the opposite model or to the perfect inverse opposite model or to the imperfect inverse opposite model; and 6) It was mentioned that if actions are taken to transition to a preferred paradigm flip when approaching paradigm collapse in order to maintain the some portion of the core values they had before the collapse like maintaining political and legal loyalty after flipping they should be expected to transition there.

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