

OVERVIEW

In this posting I want to address something that directly affects all of us: WHAT political system can best meet the challenges ahead?

From a Segmented World Perspective the answer, sadly, is not Liberal Democracy – a system that flourished in the LATE EXPANDING Stage but which, now, lacks the control required to cope with the tougher economic environment the FULL-UP Stage is ushering in. A solution, that reaches its full expression in the EMERGENT World Outcome of the Segmented World Model, is referred to as the GOOD AUTOCRACY:

The GOOD AUTOCRACY is a form of governance – already practiced to some extent in several countries – that strikes a new balance between greater State control and the freedoms enjoyed by the Individual.

This is a big subject, so in this posting I focus on the 'WHY' and 'WHAT' regarding this new political form. In September, I will examine the question HOW such a system may appear in the democratically-managed world of today.

Important background information

As a starter for thinking about political change, it is important to have a framework for describing different forms of governance . . . as well an historical context.

Figure 1 shows the <u>V.Dem Institute's</u> governance model that is used throughout the Segmented World Project. For more information on this, have a look at, for example. the <u>November 2023 posting</u>. If you are unfamiliar with this classification, I have summarised the V.Dem terminology below *Figure 1*.)

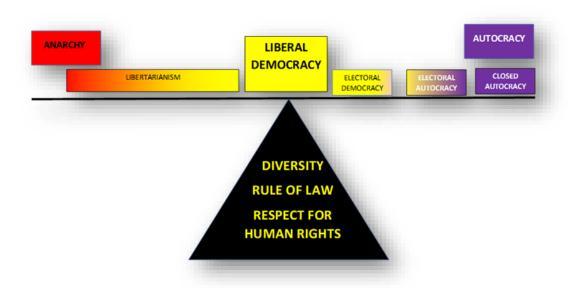


Figure 1: Governance Types (adapted from the V-Dem Institute op.cit.)

Closed autocracies: Citizens do not have the right to choose either the chief executive of the government or the legislature through multi-party elections. Electoral autocracies: Citizens have the right to choose the chief executive and the legislature through multi-party elections, but they lack some freedoms (e.g., freedom of association or expression) that would make the elections meaningful, free, and fair. Electoral democracies: Citizens have the right to participate in meaningful, free and fair, and multi-party elections. Liberal democracies: Citizens have further individual and minority rights, are equal before the law, and the actions of the executive are constrained by the legislative and the courts.

Figure 2 shows the percentage of the population governed by autocratic versus democratic forms of governance. over the past ca. 250 years.

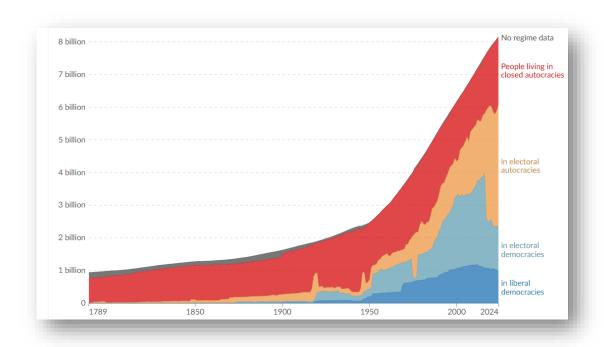


Figure 2: Governance types per person over the past two hundred and fifty years (Our World in Data and V. Dem. Institute (op. cit.)

There are three important points to note:

- AUTOCRACY has been the dominant form of governance for Humankind over the past two fifty hundred years – and, with a few exceptions, throughout recorded history.
- 2. **DEMOCRACY is a new phenomenon**, emerging, globally, during a period of time that the Segmented World Model refers to as the Late EXPANDING STAGE (i.e. 1950 onwards)
- 3. **Democratic governance is now declining,** starting in the last decade. This is what V.Dem refer to as *Autocratisation* and what represents one of the fundamental processes that shaped the narratives of the Segmented World Model.

The third point raises an interesting question: For those in power, was the re-emergence of Autocracy a matter of choice, necessity, or a combination of these? To answer that – and act as a way of providing the historical context to the concept of The GOOD AUTOCRACY – I will next briefly consider how the emergence of the autocratisation trend over the past eighty years.

Governance over the past eighty years

All of what is termed as autocracy on *Figure 2*, is classified as either Electoral or Closed AUTOCRACIES by the V.Dem Institute.

Most of the nation states that V.Dem classifies as autocracies, the Segmented World refers to as **BAD AUTOCRACY**. In a BAD AUTOCRACY, the Executive (King, Emperor, Head of State etc.) has absolute control over the Judiciary and the Legislature while the freedoms of the Individual are curtailed. We observe this arcane authoritarian style, in its extreme, in a number of countries, today.

- **North Korea** where the people are the tool of the government, even to extent of sending them to be slaughtered in Ukraine.
- In the Middle East where the theocratic regime of the Islamic Republic of Iran enforces adherence to strict religious practices with the added twist of brutal, gender suppression.
- In Europe with the **Russian Federation** now fast approaching the extreme of autocracy, induced by the imperial ambitions of its leadership.

In all these countries, corruption is rife and innovation stunted –not just by the suppression of Individual to THINK and ACT, freely but specifically by the channelling of research and funding into projects concerned with internal security and external military enhancement. For the leadership of BAD AUTOCRACIES the only route they can imagine for achieving a stable and prosperous regime is through absolute rule with no, or little, consultation with the populous.

The idea that a stable and prosperous state could also be achieved through engagement with the citizenry, is relatively recent concept. Athenian democracy (505-395 BC) provided an early, limited, example but lasted less than 200 years. It wasn't until the French and American Revolutions, around the turn of the Nineteenth Century, that the idea of including the citizenry in the management of the State was explored on a larger scale. Even then, it was not until the Late EXPANDING Stage – after the Second World War – that Democratic forms of governance became a global phenomenon, promoted by the American Empire.

Initially, all nation states – autocratic or democratic – benefitted to some extent from the expansion of trade that this new form of global governance introduced. But it quickly became obvious that it was those nation states that fully embraced democratic principles that saw living standards soar the most. By the 1990's that led the leading social commentator Francis Fukuyama to declare, after the fall of the autocratic Soviet Empire, the End of History – implying that Humankind had found a model of governance that worked for all and that might now continue *in perpetuum*.

But Fukuyama – like most socio-economic-political commentators, even today – based his prediction on a *business-as-usual*, future outlook. He did that *despite* there being, even back in the Seventies, reputable <u>studies</u> indicating a very different future; one in which planetary constraints – referred to in the Segmented World Model as <u>The Three</u> <u>Drivers</u> – would eventually transform the global landscape.

But what was to undermine Fukuyama's declaration, more immediately, was the unquenchable expectations, particularly in the Democratic World, of rising living standards – provided in most part, by increasing levels of government social support (see *Figure 3*, below).

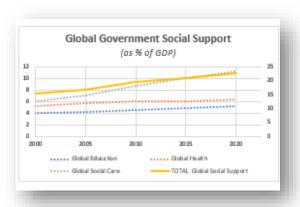


Figure 3: Global Government Social Support as % of GDP (<u>Dialogues; Segmented World Model</u>)

By the start of the new Millennia, governments were having to turn, *en masse*, to the debt market to fund these fervent expectations. By the time of the financial crash in 2008/9, it would be more precise to say that much of the Developed World, <u>rather than living on borrowed time was living on borrowed money</u>. As an example, *Figure 4* below shows the rising debt level among the wealthiest of nation states: the OECD.

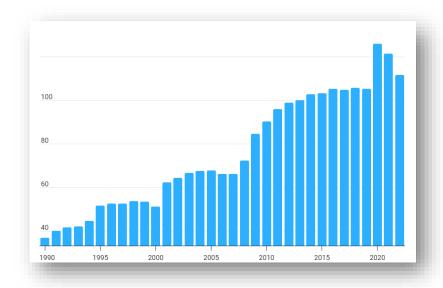


Figure 4: OECD Members (Government) Debt as % of GDP, up to 2023

Balancing-the-Books: the driving force for a new form of governanceIf a 'rising tide' lifted all boats, post war – promoting the global expansion of democratic governments – the growing cost of debt-funded social support now represents the

opposite: a 'falling tide' that, by the onset of the FULL-UP Stage (ca. 2020), had left many nation states stranded unable to balance-the-books.

And as we move through the FULL-UP Stage, this difficulty to balance-the-books will be considerably exacerbated by the adverse effects of The Three Drivers that is ushering in a period of sustained austerity that the Model refers to as <u>Full-Up Economic Decline</u>. (See *Figure 5* below).



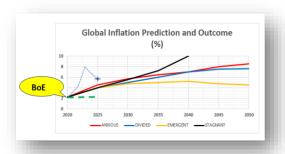


Figure 5: Global Economic Growth and Inflation Representative Parameters (Updated April 2025)

As a result, nation states, already economically weakened by poor management of expectations in the LATE EXPANDING Stage, must now cope with the entropic effect of planetary constraints that have been creeping up on us unseen – much in the way that Larkin brilliantly describes mortality in his poem, Going.

WHAT form of governance will be best adapted to survive, let alone thrive, in a world characterised by the rising inflation and low-to-no economic growth?

How to Govern when the 'books don't balance'?

Balancing the books is a familiar problem in the business world. The solution that these inherently autocratic entities have devised to tackle the problem, is often dressed-up in technical language but invariably, for most businesses, boil down to reducing the overheads – that includes staff count, reducing capital expenditure and rationalising the portfolio to focus on the most profitable short-term projects. Profit always trumps People.

Not surprisingly, many political leaders – some of whom have a background in business – try to emulate this approach by creating a similar autocratic structure in the nation state centred around a ruling elite and dominant leader. To achieve this the Judiciary and Legislature – the great guardrails in any democracy – are subjugated while the populous are rewarded but on the basis of their level of support for the ruling party.

In the short term, at least, this autocratic approach is the *easy solution* for a ruling party when the *books don't balance* which readily explains the new surge in the ratio of autocratic to democratic regimes as we enter the FULL-UP Stage (see *Figure 2*, above).

But, of course, it isn't quite as easy as that.

Even a business requires the cooperation of its workforce, or it collapses. So too all but the most extreme autocratic regimes. Many function on the basis of **Performance Legitimacy:** an unwritten understanding between the populous and the ruling party that so long as living standards continue to rise, limitations to their freedoms are acceptable.

And it isn't just autocratic states that have this informal understanding, the same is true between the government and the populous in a democracy but with one critical difference. The trade-off in a democracy between the government and the populous is not Individual freedoms but Individual votes. It is a choice with little consequences for the Individual – at least in the short term. As a result there is an endless flip flopping between governments that favour the wealthier members on society – on the basis that this will stimulate economic growth that will then *trickle down* to the rest of the populous – and those appeal to the less wealthy, but more numerous, members of society – on the basis that raising their living standards will increase national productivity and therefore the prosperity of the nation state.

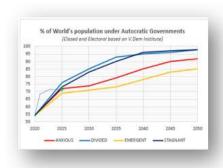
But in a highly indebted state, with economic conditions not improving, what the ruling needs to do to balance-the-books is not an either/or, 'right' or 'left' but whatever works to set a new sustainable level of expenditure. This invariably means reducing living standards for all, whether through greater taxation of the wealthy or cuts to government social support. But any party in the Democratic World that presented such a manifesto – effectively alienating all electors, would face political oblivion. The only solution in these circumstances is allow the State greater say to bring the finances under control.

But need this be structured along the lines of what is described above as a BAD AUTOCRACY or is there another form of autocracy that accrues the benefit of greater State control without the downsides of suppressing the potential of the populous.

Enter the concept of the GOOD AUTOCRACY.

The GOOD AUTOCRACY

As regular readers will know, the Segmented World Model consists of four World Outcomes: ANXIOUS, DIVIDED, EMERGENT and STAGNANT. *Figure* 6 shows the recently updated Model predictions for the Governance Representational Parameter for these four Outcomes. In all the Outcomes *Autocracy* is the dominant form of governance with Liberal Democracies only hanging-on, to any significant extent, in the EMERGENT and ANXIOUS World.



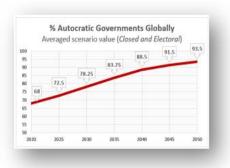


Figure 6: Global Governance Representative Parameter: per Outcome and averaged Outcomes: actual shown, up to end 2024 (updated June 2025)

But *Figure* 6 doesn't display the full picture. For monitoring purposes, the Governance Representative Parameter uses the V.Dem definitions of Autocracy and Democracy shown *under Figure* 1. What *Figure* 6 doesn't show, but what is spelt out in the Outcome narratives, is that Autocracy is divided into two types:

- BAD AUTOCRACY that, as noted above, corresponds to the V.Dem definition of an autocratic state . . . and
- GOOD AUTOCRACY a new form of governance that is a hybrid autocraticdemocratic structure.

You could regard this new approach as a <u>Third Way</u> – to coin the phrase Tony Blair and others used in the 1990's to describe their reconceptualization of social democracy. They argued, for example, for 'supporting *workfare* instead of *welfare*; for work training programs, educational opportunities, and other government programs that give citizens a 'hand-up' instead of a 'hand-out'. The GOOD AUTOCRACY shares certain elements in common with the Social Democratic movement that Blair and others promoted, in particular the focus on the training and development of the individual. But the world of today is not that of the 1990's and requires a political solution – the GOOD AUTOCRACY – that Blair and his colleagues at the time, at least, would have found wholly unacceptable.

In subsequent postings I will return to the details of the GOOD AUTOCRACY – particularly with regards to how the three principles of Liberal Democracy – tolerance of diversity; adherence to Human Rights and support for international law – are accommodated. For this introduction, however, I will focus on the main internal features.

Internal features of a GOOD AUTOCRACY?

I list below six important structural elements of the GOOD AUTOCRACY, accompanied by some of the rationale for each.

- 1. **Single Party government** for a fixed period of time (8-10 years?). (Rationale example: Allow long-term planning and consistent policy implementation)
- 2. Free elections, after the fixed period, to elect the next government.

 (Rationale example: A mechanism to ensure administrations can be ousted that are becoming BAD AUTOCRACIES)
- 3. Incorporation of Worker (Unions) and Business (Employer organisations) representatives in all Cabinet meetings (Rationale example: ensure comprehensive feedback)
- 4. **Strong, Centralized, and Highly Capable Bureaucracy** that is selected on merit and commands high salaries. (<u>Rationale example: Providing continuity and enhancing the competence and wisdom of the leadership)</u>
- 5. Independent (of government), robust Anti-Corruption Measures: A near-zero tolerance of corruption is a cornerstone of the GOOD AUTOCRACY. An apolitical, anti-corruption body is created that has the authority to report its findings directly to the public, if it deems necessary. (Rationale example: <u>Build confidence between the populous and those in charge</u>)
- 6. **Control over Information and Media:** The media environment is controlled with stringent laws against articles that are deemed by the State to incite unrest and/or pervert public discourse (e.g. social media promoting hate speech). (Rationale example: <u>Unhindered policy formulation and implementation</u>)

While all these elements are incorporated in law, equally important is the relationship between the people and the ruling party that may or may not be constitutionally stated.

Relationship between government and the populous

Integral to the GOOD AUTOCRACY is the inculcation of a more trusting relationship between government and the populous. This is **led** by the government and nurtured in a number of ways.

- 1. Honesty and transparency between government and the populous. In Liberal Democracies this type of *open relationship* is limited by the regular need for reelection. In the GOOD AUTOCRACY, the governing party has no such constraint for much of its term of office. This allows not only success but also failings and proposed corrective actions, to be shared with the populous. In addition, inclusion of employer and employee representatives in the government ensures wide feedback at cabinet meetings and mitigates the need for external presentation. Both measures are examples of how the partnership between government and populous will be built in a GOOD AUTOCRACY. An attempt to do this in a Liberal Democratic government was carried out by the former British Prime Minister Rishi Sunak in the final days before he left office. Knowing that he had little chance of being re-elected, he appeared on TV sleeves rolled up and drew a simple pie chart to explain the state of the country's finances and why expenditure had to be curtailed. For those that bothered to listen, the message was clear: the country is close to its borrowing limit. Something has to change.
- 2. **Meritocracy**. Even at the risk of creating an elite of talented individuals, a meritocracy creates a sense of fairness that is essential when coupled with the third and most important relationship-building action.

3. A focus on the development of the potential of each and every citizen. At the heart of the GOOD AUTOCRACY is the belief that the well-being, social harmony and economic prosperity can best be achieved through enabling the potential of each citizen through training and the creation of opportunity. In a GOOD AUTOCRACY, significant resources are aimed at training and developing all citizens and then, finding opportunities that place them in a variety of roles that have to include, at least, one they can potentially excel at.

The third point may seem, for some, over ambitious and unrealistic but it is based on the belief that each of us has a combination of skills and life experiences that give us, in our working community, a slight edge over others. From that a sense of self-worth can be built that will create citizens with purpose and hope.

With this approach, success in a GOOD AUTOCRACY is not measured just in economic terms but also by the sense of progress each and every citizen is experiencing in their own development and their contribution to society. That is, after all, how we judge people *locally* in most societies. Are they 'doing their best'? Are they 'making a difference' – no matter what their trade? The GOOD AUTOCRACY takes this ethos of self-improvement and applies it at all levels across the nation.

But a GOOD AUTOCRACY doesn't exist in isolation. In addition to creating a financial viable state and developing the full potential of its citizens, the government representatives must also manage EXTERNAL (Foreign) relations.

External features of a GOOD AUTOCRACY?

The only Outcome in the Segmented World Model that widely adopts the GOOD AUTOCRACY model is the EMERGENT WORLD.

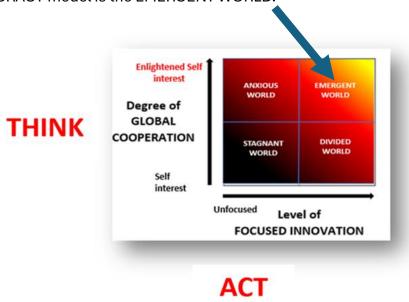


Figure 7: GC-FI Matrix (www.thesegmentedworld.com; SIH U-Tube)

In this Outcome, the general elements of the GOOD AUTOCRATIC are applied to the structure and functioning of a new global organisation.

This is a big subject – the global structure of the EMERGENT WORLD –that I will return to in future postings but which, for now can be read about in the <u>Emergent World entries on the scenario sheets</u> and in the <u>introductory presentation on the Project</u>. Suffice it to say, that the same authoritative approach is applied to the new EMERGENT WORLD global structures but combined with the an emphasis on the development of the Individual.

And don't forget Ai

Feedback is a commonly used word in describing how the GOOD AUTOCRATIC government functions. Many Liberal Democracies would claim to have such mechanisms in place to seek public opinion through focus groups and the like. But what is coming, fast, through the development of Ai-assisted intelligent communication is a revolution in the way the government-populous interface will work. Of course, there are significant dangers from bad actors intervening but there is also the potential to vastly improve the quality, quantity and speed of communication between those that govern and those that are governed. More on this subject, also, in future postings.

Is this an autocracy?

It jars the mind of anyone enjoying the wide range of freedoms that Liberal Democracy offers, to consider a form of governance that includes the term AUTOCRACY. But as you will have noted the GOOD AUTOCRACY combines elements of both autocratic and democratic governance that we see today. While the *single party* approach has considerable control in managing the State it is, in itself, overseen by a politically independent body monitoring corruption that is able to report to the populous, moreover, all governments actions are underpinned by an ethos aimed at developing the potential of each and every citizen rather than a privileged elite.

Is this talk of a GOOD AUTOCRACY, pie-in-the-sky?

Today, Singapore (*V. Dem: Electoral Autocracy*) has had a form of single government for the past sixty years, that regularly receives 80% of the vote in elections. Similarly in Japan, the Liberal Democratic Party (*V.Dem: Liberal Democracy*) has been in power for a similar period of time. These modern day, quasi-examples of a GOOD AUTOCRACY have three points in common that are worth noting.

- Both populations are Asian a culture that traditionally shows deference towards authority
- Both governments are effectively run by a highly regarded civil service that bring continuity and competence to the practice of governance.
- Both countries have a sense of vulnerability that creates a need for national unity.

From the perspective of the Segmented World Model, countries with these attributes are well prepared to cope with the challenges that the FULL-UP Stage is imposing. I

should add that I am not implying that the future will be with Asia. There are other nation states, notably UAE, who are experimenting with more open forms of governance while in Europe, Scandinavian countries have for a long time focused on Individual development.

Elsewhere, though, the challenge of creating this new type of collaborative autocratic approach are considerable. The problem is greatest in nation states that have already adopted the BAD AUTOCRATIC Model. As Full-Up Economic Decline begins to bite, the easiest course of action for these countries will be to increase government control and suppression the populous disillusioned by the failure of the State to meet its performance promise.

What of the major Democracies? How will they adjust to the FULL-UP Stage? Can anyone imagine the United Kingdom, France or Germany adopting a one-party system?

Before you dismiss such an idea, you might ask yourself if you could ever have imagined, even a year ago, the founding state of modern democracy, now being led by a Party that seems hellbent on creating a BAD AUTOCRACY?

Whatever political pictures emerges, the growing existential threat of The Three Drivers will now grow in importance making the need for the type of firm, collaborative global action characteristic of the GOOD AUTOCRACY, the only viable response.

As ever, if you have any comments please don't hesitate to send them to me on davidfrancisnash@gmail.com.

David 27th July 2025

GOOD NEWS WEEK

