

EVOLUTION OF LEGAL ADDED VALUE FOR ECONOMY BETWEEN KNOWLEDGE AND RISK

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Abstract:

This paper deals with the management of welfare maximization problems about New Economy etween knowledge and risk. Integrative systemic perspectives are analyzed between knowledge economy and risk.

Also describes the prerequisites for formalization utilitarian jurisprudence regarding integrative systems outlook for the economy between knowledge and risk.

In this context, it is estimated that in management, economics and law may be formalized utilitarian jurisprudence.

Freedom and efficiency of governance, distribution of rights and obligations regarding registration report completes the study of phase between freedom of cyber-space and legal normativity.

Keywords and key phrases: *management, knowledge, risk, utilitarian jurisprudence, legal added value, the new economy.*

JEL Classification: A1/A10

1. Introduction

In an overall assessment it is possible to accept the idea that any situation in relation to other cases, that any element content / concept in mind with another item of the same kind, may in the future suffer the same the dimensional or quality loss or gain.

Resuming assessments of work - *Gâf-Deac, I.I., -New Economy between knowledge and risk* (Ed. Infomine, Deva, 2010), it is confirmed that the economic argument above is suitable as an approach alternative.

It appears, also, that wealth maximizing is rooted in economic laws, but evolutionary perspectives on freedom of symmetries can shape the economic outlook, which causes physical and value added of freedom in the society.

Examples, when the operational rights to economic and managerial situations is programmed or conventional imposed to help maximize national income, means that individual freedom is refined, to be in condition to add "something" to achieving the global goal set.

Therefore, the objective of welfare maximization, operational, or differentiate derives toward individual freedom.

However, it appears that operational legitimacy within the property, whether public or private, give rise to a particular mesh resource allocation.

2. Management of welfare maximization

In the new economy, focusing efforts on maximizing reach a goal is enrolling in a stream of communions, on conditional scheduled / required.

Welfare (BS) or "human condition" can vary more or less, the measurable quantitative and qualitative relationships, where certainty is formalized operated economic developments between knowledge and risk.

Prospects for integrating systemic risk to the economy between knowledge and risk not yet a clear guide to welfare developments. In all evolutionary variants sets a target / objective in general plan, marked / labeled welfare maximization (max BS) as normative principle.

Such understanding causes some "formal" conflict with freedom (L).

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Emphasizing coercion or restriction highlights conventional degrees difficulty of freedom without procedural utility contribution to the common goal of maximizing welfare.

In this context, it is estimated that in management, economics and law may be formalized utilitarian jurisprudence (Figure 1).

As such, according to *Gâf-Deac, I.I.*, -New Economy between knowledge and risk (Ed. Infomine, Deva, 2010), it is expected that the properties and characteristics of qualitative and quantitative progress towards welfare laws to derive flow or to differentiate freedom, as follows:

$$\begin{array}{l}
 (BS)(S_{max})_{max} \\
 (1) \\
 (L_{di})_{max}(BS)(L_g)
 \end{array}
 \begin{array}{l}
 \longrightarrow \\
 \\
 \longrightarrow
 \end{array}$$

Essentially, the owner is free to dispose of its assets, not being compelled by the idea of objective / General Social target. As such, it apparently does not contribute conscripted to maximize overall welfare.

Instead, effectively participate in creating value at high levels in his own welfare, in the many parts of the general welfare.

Tangent and contingency flow to participatory creative general welfare is not directly affected its liberties.

In a simplified expression, the welfare obtained / created on the legal basis of individual / private is more feasible, more sustainable than that created / produced on state legislative base.

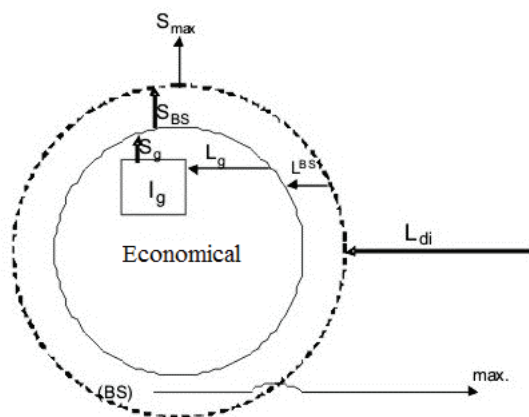


Fig. 1. Requirements for formalizing utilitarian jurisprudence regarding integrative systems outlook for the economy between knowledge and risk

<p>I_g = generic individual; L_{di} = freedom of individual rights (in BS maximized); L_g^{BS} = BS state attained freedom;</p>	<p>L_g = degree of individual freedom in the economic context; S_g = effective subordination; S_{BS} = increased subordination to achieve BS; S_{max} = strongest / range subordination</p>
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As such, the case law suite area utilitarian act and permissiveness higher attenuating the individual degrees of freedom.

Practices for maximizing welfare not lead to visible sacrificing fundamental individual freedoms. Legitimacy and legitimization of action, in fact, are "free".

Recognition of quasi-permanent and quasi-continuous individual freedoms contribute to the aggregation of sub-goals, characterized by sustainability on welfare achieved.

Evolutionary arguments for ensuring freedom (L) as an expression of tensions on the (simplifying) the legal act in relation to the size recorded for welfare are highlighted curve drawn in *Figure 2*.

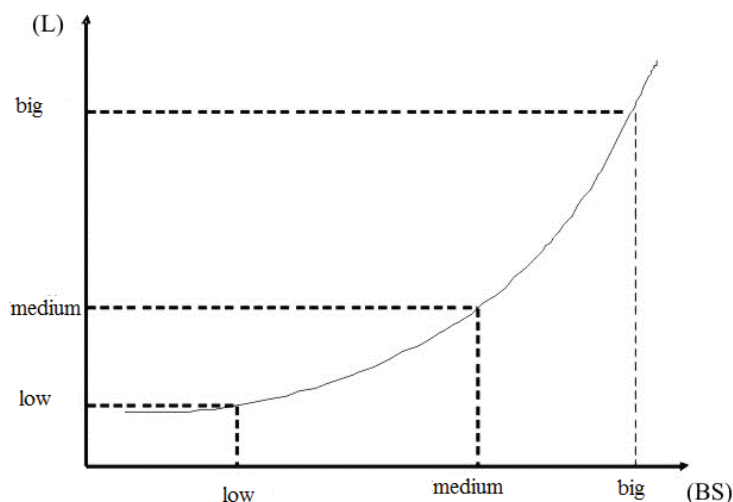


Fig. 2. The relationship between freedom (L) and welfare (BS) contributing to the materialisation of systemic integrative outlook for the economy between knowledge and risk

Circumstances damage of individual freedoms are avoided if the general action of a private nature, the individual under its own law to engage in the process of obtaining and maintaining added value induced in welfare.

Borders between size categories that characterize the freedom and well-being are not highly formalized.

The distribution rights and obligations corresponding to the distribution of income is recorded in the social body economic efficiency of society.

Essentially, legislators belief that by formulating comprehensive laws contribute to freedom, while, in practice, real freedom is obtained from the ratio maximized quantities / qualities welfare derived from low, medium and high.

2. Ordering risks which distorting the understanding and application of the law regarding integrative systems outlook for the economy between knowledge and risk

In this context, risk consequences of the knowledge economy causes distortion of the applied law. For that it is necessary to establish a database relating to priority risks, which in turn are subject to ordering objectives.

Frequently, there is a tendency to reduce the complexity of the facts in question, if possible, to the state of "simplest explanation".

However, it appears that between a) fundamental legal values and b) the economy legal / economic analysis of legal acts manifest similarities, interrelatedness and conceptual conditioning.

In economics, the ideal outcome is aimed essential completely and are obtaining the uniform product, comprehensive value-added items, mainly through knowledge.

The similarity in legal (law generally) seeks ideal - untouchable, obviously - the full essentialized reducible to one general law, equipotential and n-dimensional values.

In any case, the concept of economic efficiency is common to both areas (economic and legal) as the ideal generalization is tangent / common to all areas of formal recognition.

Normative resources for integrative systems outlook regarding the economy between knowledge and risk participating in composition and economic norms alike to the legal, providing for increased dimensional alignments in absolute areas concerned.

In fact, maximizing the added value of normative resource consumption (normalized) as a measure of preference initiators (economists and lawyers).

Practical issues that came up among the initiators, refers mainly to the understanding, learning / award normativity resources, namely their distribution.

Scepticist concepts shows belief that the rules can only be described, and they can not be explained or justified.

However, note that the case is more suitable than the critical interpretations economy on the legal value added provided by law, and even more significantly, to justify the philosophical bases.

Interrelation between fundamental legal values (right) and efficiency of legal documents (economy) lead to legal maximize the value added by the concept of freedom for a society based on righteousness.

On the other hand, between freedom and welfare (social goals) is a quasi-continuous encountered antagonism.

Efficiency is a fundamental standard of evaluations in economics.

Freedom, from an economic perspective can not be pure, as manifested formalization (constraint requirement) production. However, it can be maximized, run levels, or the horizons as high or stretched.

Politicians theorists show that "it is preferable to government on citizens, but a lack of government."

Political art is to induce the ability of government in such manner as not to face or to affect people or their freedoms.

In philosophy, on the contrary, it insists on the need to clear buildings, essential free order in advance coexistence and human communities.

Individual and collective acts (economic and legal) are allowed to show, in different ways, the alternatives springing power.

Meets a) maximum freedom in a complex; b) expanded freedom relative to the initial area and c) the prohibitions.

Freedom as non-inference (noninterference) enables economic progress of any act / law, but is not allowed interaction between acts.

This kind of freedom is measured by the degree of non-interference, manifested in an area dominated by an alternative government.

Therefore, permission can be found areas of basic or extended, depending on the alternatives of government formalized power.

When documents are set noninterference is maximized freedom of non-inferential.

Freedom conjuncture occurs when a complex articulated meet fundamental freedoms outlined in defined sub-areas.

3. Freedom and effectiveness government

Formal methods of governance is associated with a lot of "affronts" to citizens, affecting the expansion or manifestation of freedom.

Citizens enrolled, agree, agree or show reservations, hesitations, etc. to actionable requirements limiting restrictive, formalized, legitimized by the state or government.

The *Gâf-Deac, I.I., -New Economy between knowledge and risk (Ed. Infomine, Deva, 2010)*, remark is that institutional governance and driven by its status is conceptually categorized as "Mistress" / "ruling" on citizens. The government "must", "required" "has," "recommended," "guides," "coordinate", "dictates", "determining", "generating", "support", "moderates", "develop" and others. a.

Therefore, formal methods of government influence the content of conceptual freedom in the name of efficiency pursued or imposed.

A conception of freedom is the source, the source of legitimacy and fundamental rights "movements" / "action" allowed people in communities.

In essence, the concept of freedom is a resource that can be maximized normative quality and content.

Consequently, it is possible to pursue the maximum libertății-, or to proceed to maximize freedom. This approach is operationalized with effective governance.

Analyzes the effectiveness of governance are ways, methods or techniques highlighter / measuring the visibility of freedom, and from the results identify formulas to maximize resource / regulatory resources.

Maximizing efficiency is desired equally in relation to freedom (maximizing legal value added) and in relation to economic models.

We believe that government effectiveness is not necessarily expressed through visibility contour set of facts, actions, results, adjustments, etc. obtained on the basis restrictive, limiting imposed.

It is expected that when the contours of governance is strong (marked by "general staff"), in fact, inside the area ruled to manifest deviations from "micro-regulation", ie breaches of the law occur "too strong".

Therefore it is considered that the potential for crime is higher in the "dictatorship" than "democracy."

Expenses (financial, energy, economic, psycho-social, military, law enforcement, etc.) are higher in dictatorship, as "real-time pressure" required to be exerted on the legal freedom and democracy is found distributed and on freedom and democracy economic.

Essentially, it assists in minimizing (maximum stagnation) added value legal developments covered by a temporary increase in economic value added requirements, but unsustainable.

As such, legal documents work process and decisions / judgments of the court system are marked by conventionalism term, specific voltage or exogenous pressure us, but autarchic supported by a "central dictation."

Typically, in such a situation the concept, content and meaning of the term "good governance" are skewed.

Any economic model has concentrated on efficiency objective function, the goals pursued are exhaustive.

The aim is to achieve a state of "better than" condition and minimizing "the worst" measurement based on relative trends model from the initial distribution of resources (restrictions).

The legal models, operational policies created / supported content legislation give rise to "gains" or "losses" of "law" (law). This, conceptually and factually informed, leading to recognition variability regulatory substance (laws), which is the result of the imposition of subjective / establishment in practical life of a quantity / quality of "legislation" (legislation documents).

In this way receives a certain phase shift between the size / quality body / multitude substance of laws at a time and the reality surrounding opportunistic back into the requirements of the law, namely the commitment of opportunistic alignments crowd unlimited freedoms, non-standardized.

In modern times, we believe that the most significant example on theses above (taken from *Gâf-Deac, I.I., -New Economy between knowledge and risk, Ed. Infomine, Deva, 2010*), is found in the report of phase occurred between freedom in cyber-space and legal normativity, remaining far behind endogenous levels of formalization and application (*Figure 3.*).

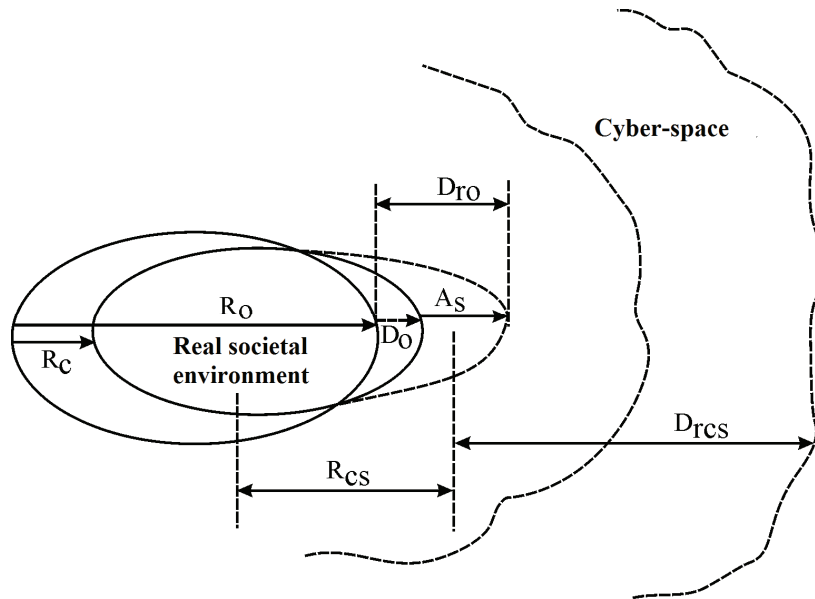


Fig.3. Registration report of phase between freedom of cyber-space and legal normativity in the new economy between knowledge and risk

A_s = societal advance in the physical world; R_c = regulation characterized by " obsolete operationality"; R_o = operational regulations; D_o = deficit of operational regulations;	D_{ro} = total deficit of operational regulations; R_{cs} = rules for cyber-space; D_{rcs} = deficit regulations for cyber-space
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The real societal environment is characterized by a legal image composed of operational rules (R_o).

As the advancement of society (global human community), the complexity ois change.

In essence, it considers that it is not an increase in actual complexity of real social environment, but rather a new look / expression of its spatio-temporal referential axes us.

In other words, in the past, "the world was as complex as today" as far as appearance, perception and understanding of issues / requirements were reported intervals objective spatio-temporal and spiritual material related referential system that / of a time (segment) given.

Therefore, the real societal advance formal induce regulatory deficit (D_o) the operational plan for the new appearance / expression.

Legal environment is filled with the substance annihilating this deficit.

Erroneously, is recognized in law or in conventional formalized sentence construction that is circulated legal normative added value.

Note appreciation that the annihilation / cancel deficit (D_o) not done with legal added value, but through legal trivial normativity.

It meets the legal trivial normative endogenous deficit (D_o), which is lucrative area contributory by formalized legislative parliaments, the legislative bodies, the originators and developers of law executive of distinct areas, civil society etc.

Societal advance in the "physical world" (A_s), occasions that inclusion on the agenda of legal trivial exogenous normative deficit is to the conception of the author of this paper, like the similarity of legal endogeneity by formalizing potential of legal added value, but not annihilation / cancellation of legal forecast normative deficit.

Thesis accepting the add event feature is reinforced by legal expression of reality, by removing the regulations, marked by "great operation obsolete" (R_c).

On the other hand, real societal environment is depositary of virtual reality (a cyber-space) which, since the second half of last century, has operationalized appearance /

expression, currently reaching the final stage of functionality by offering spatial referential system -temporal related to "the second life" (*Second Life*).

Materiality of actually act corresponding to virtual reality (telecommunication "freer" networking knowledge immersion in relocation / relocation of person / personality of other characters in another space and another time) - requires, a new type of legal normativity.

First, it is necessary to change the elements of normativity, ie the introduction of other types of components that undergo measurement, quantitative and qualitative shaping legal question as mathematical average awarded in respect of representativeness.

In essence, it is identifying and awarding / acceptance conventional list with new types of complex operations and legal operations that can be used in the composition norms or legal standards.

In the standardization work is accepted methodological similarity to transfer operational standardization legal act to "inventing new methods, techniques, procedures, etc. in the field such as algorithmic".

4. Conclusions

- The real societal environment already meets a collection of legal rules for actions and deeds of cyberspace, in the virtual reality.

- The quantity of the substance exceeds regulatory segment information joint operational deficit regulations, customary, even occupying a part of the segment related to societal advance of the physical world.

- Still can not find it necessary limit reached forward corresponding total deficit of operational regulations.

- Attempts standardization a "general regulatory collection" are visible, perceptible to obtain "legal operationalization" based on practical requirements, to spill the contents of the law applied to the present, future and "over-come" facts. Such concern formalizing aspects described above is attributable to holders of legal information that the joint connections, composition, etc. generate legal utility or tool of "legal product" marked by trivial (in the sense of removing the complexity of the "regular").

- It recognizes, in context, the urgent need for legal creation, based on the legal added value, while formalizing legal utility-based legal tools and products resulting from the composition of information taken from warehouse / stock of concepts, principles, data sentences etc. legal.

- Legal added value by quantifying causes possibly increase / maximize legal democracy.

- Judiciary can no longer remain in the role of "chaser" of conventional debates, the trivial exceptions is in homeostatic systems, highly formalized; he can not only act as the regulatory plan "pusher" only in real social environment.

- In essence, law can and should be "shooter" ("vehicle") for real societal environment, to new identified over-referential systems, understood or organized / self-organized and managed predictable degree of certainty in final / finished quasi-determined field.

- To achieve a such status, it is considered that it is necessary to imagine / create a new type of inferential statistical legal steps to remove the uncertainty related to facts and actions of real societal environment.

- In a large appreciation, freedom and effectiveness of key governance, on referential, practical, current plan and future alignments in real social environment is of legal added value creation.

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