WORKING PAPER
SSRN Abstract ID: 6614438 — DOI: 10.5281/zenodo.19666941

PHREVO:
A Post-Capitalist Economic Architecture for the Global South

Framework, Methodology, and Evaluation System
Framework Paper Version 1.0

Author
Andres Jimenez
Founder, PHREVO — Independent Research Initiative
Date
April 2026
Contact
hello@phrevo.earth — phrevo.org
Repository
SSRN 6614438 — DOI: 10.5281/zenodo.19666941
Supplementary materials
Annexes A–J available at the Zenodo DOI above.

FOUNDING STATEMENT
"*The Global South did not fail the economy. The economy failed the Global South.*
PHREVO is the answer that rises from that truth — a Planetary Human Revolution
that replaces the logic of accumulation with the logic of life.
Built on dignity. Measured by impact. Governed by communities.
Not charity. Not inclusion. Those who sustained the world,
finally building the one that sustains them back."
— Andres Jimenez, Founder, PHREVO, 2026

Abstract

This paper presents PHREVO — Planetary Human Revolution — a comprehensive post-capitalist economic architecture developed from the epistemological position of the Global South. PHREVO is not an ideology. It is a decisional architecture: a structured methodology for ensuring that human impact functions as a binding criterion prior to economic, political, and technological decisions, rather than as a consequence to be managed after damage has already occurred.

The central thesis is precise and empirically grounded: the deepest failures of modern economic systems originate not in moral deficiencies of individual actors, but in the structure of decision-making that governs them. Capitalism, socialism, and communism — despite their opposed declared values — have converged on

remarkably similar patterns of human and ecological damage. This convergence cannot be explained by recurring moral failures across different systems, different epochs, and different cultures. It demands a structural explanation.

PHREVO provides that structural explanation and, crucially, a structural solution. The paper identifies the shared blind spot of all modern economic systems: human impact is not a binding prior criterion of decision. It is treated as a subsequent externality, a variable to manage after action, a problem of mitigation rather than prevention. PHREVO intervenes at exactly this point: introducing social and ecological impact as a condition of possibility for any economic decision — not as rhetoric, not as regulation, but as architectural constraint.

The PHREVO architecture rests on five integrated layers: philosophical (human dignity as economic infrastructure), economic (impact as the primary creator of value), technological (verifiable truth as the basis of the system through ethical AI, sensors, and blockchain), political (community sovereignty and liquid governance), and narrative (repositioning the Global South from victim to architect of the alternative). These five layers are operationalized through the 4-16-64 matrix: four non-negotiable pillars, sixteen strategic domains, and sixty-four verifiable key performance indicators that replace financial ROI with Measurable Systemic Value.

Key instruments include: the PHREVO-Score (a six-dimensional wellbeing metric covering Human Dignity, Community Impact, Care and Wellbeing, Sustainable Depth, Justice and Autonomy, and Ethical Technology); the MEP (PHREVO Stable Currency, backed by demonstrated ecological regeneration and community welfare rather than debt); the PHREVO-Exchange (an impact-anchored market mechanism without speculation); the Basic Impact Income (RIB); and a lexicographic priority rule that governs decision conflicts under a verifiable supermajority mechanism.

This paper presents the theoretical foundations, philosophical grounding, operational instruments, and empirical evaluation methodology of the PHREVO system. Ten supplementary annexes develop specific components in detail: the lexicographic priority rule (Annex A), market entry strategy (Annex B), care framework (Annex C), legal implementation (Annex D), exchange economic model (Annex E), empirical validation protocol (Annex F), response to the economic calculation problem (Annex G), technological sovereignty architecture (Annex H), theory of the state (Annex I), and the global participatory research network proposal (Annex J).

Contents

1. Introduction: The Problem That All Systems Share

We live in a time when damage has ceased to be exceptional and has become systemic. Recurring economic crises, environmental collapse, mass human displacement, labor precariousness, mental health deterioration, and the rupture of social fabric do not appear as isolated accidents but as persistent features of the contemporary order. Faced with this scenario, the dominant responses oscillate between two equally insufficient extremes: uncritical defense of the existing system, or the promise of its total replacement by an idealized alternative. PHREVO begins from the conviction that both positions share a common origin error: they are formulated at the wrong level of the problem.

This paper does not aim to propose a new economic ideology, nor to reopen historical disputes between capitalism, socialism, or communism. It departs instead from a more basic and less explored question: why have systems so different in their declared values produced, in a recurring way, similar patterns of human suffering and environmental damage? The usual answer attributes these results to moral deviations, poor implementations, or power captures. Without denying the existence of these factors, PHREVO maintains that they are not the primary cause.

The central hypothesis of this paper is that the deepest failures of modern economic systems originate in the structure of decision-making that governs them. Every society organizes its collective life through decisions: what to produce, how to distribute, whom to prioritize, when to intervene, and what costs to consider acceptable. However, throughout modern history, these decisions have been designed under criteria that privilege efficiency, growth, control, or ideological coherence, while relegating human, social, and ecological impact to a secondary or corrective plane. The result is not accidental. When impact is not a binding prior criterion, damage becomes predictable, cumulative, and in many cases irreversible.

PHREVO introduces a conceptual and operational displacement: it proposes understanding human suffering not as an abstract moral problem, but as a concrete signal of decisional failure. Not all suffering is avoidable, nor is every loss unjust, but a significant portion of the damage that traverses our societies arises from decisions that could have been taken earlier, differently, or with different information. This paper maintains that the minimum objective of any legitimate system should not be to maximize happiness, wealth, or efficiency, but to reduce avoidable suffering before damage crosses thresholds of irreversibility.

From this perspective, the fundamental question ceases to be which economic system is correct and becomes how decisions that affect life are made. Capitalism, socialism, and communism failed in different ways, but share a structural omission: none designed a decisional architecture capable of incorporating social impact as a binding, verifiable, and correctable criterion. PHREVO does not seek to replace these systems, nor to deny their historical contributions. It presents itself as a universal corrective layer, capable of inserting itself in different institutional contexts to

intervene at the point where all failed: the moment, criterion, and responsibility of the decision.

This paper does not propose an ideal future or a classic revolutionary rupture. It addresses the present. Policies already underway, investments already being executed, technologies already reconfiguring daily life, and decisions already producing measurable damage to people and territories. PHREVO enters when the decision exists and asks whether it is still possible to correct it before the point of no return. Its ambition is not totalizing, but rigorous: to demonstrate that changing how we decide can transform the result without requiring the imposition of a new ideology.

Throughout this paper, the reader will find a theory of decision applied to contemporary political economy, a redefinition of social impact as a structural criterion, and a proposal for governing before irreversible harm. This is not an invitation to believe, but to examine. Not a manifesto, but a conceptual architecture designed to be tested. If the reader concludes that decisions are made better under this framework, PHREVO will have fulfilled its purpose. If not, the system must correct itself. That, in itself, is the logic this paper defends.

2. Part I — The Origin Error: Why We Continue to Explain Collapse Incorrectly

It was not a crisis. It never was. Calling it a crisis is the first gesture of deception, because the word crisis suggests exception, accident, something that erupts into a healthy system. But the world that is crumbling today was not healthy: it was functioning exactly as it was designed. The contemporary collapse is not a deviation from the path. It is the path.

For decades — centuries, in reality — we were taught to look at the breakdown as a sum of failures: financial crisis, climate crisis, crisis of representation, moral crisis. Each explained in its own compartment, each analyzed as if it had no relation to the others. As if the planet, the economy, politics, and the human body were independent systems. That is the origin error.

We were educated to think about the world in pieces because that is how plunder is administered more efficiently. When you fragment reality, you also fragment responsibility. Nobody is guilty of the whole. Nobody answers for the ensemble. The collapse did not begin in 2008, nor with the pandemic, nor with inflation, nor with the war, nor with climate change. It began when it was decided — with violence, with blood, with doctrine — that life could be organized around profit.

2.1 The Myth of Moral Failure

When systems fail, we look for culprits. This reaction is understandable: faced with suffering, injustice, or collapse, the human mind needs an identifiable cause, a recognizable intention, a clear responsible party. Thus, the great economic and social failures of modernity are typically explained as moral deviations: greed in capitalism, authoritarianism in socialism, dogmatism in communism. The narrative is reassuring because it preserves a dangerous illusion: that the system itself was correct and that only the people who administered it failed.

This chapter sustains that this explanation, while emotionally satisfying, is structurally insufficient. The problem is not that systems were "betrayed" by immoral actors, but that they were designed in such a way that even well-intentioned actors end up producing predictable damage. When a system depends on individual virtue not to generate suffering, it is not a robust system: it is a fragile bet against human nature and against the complexity of the world.

The insistence on moral failure also fulfills a precise political function. By reducing collapse to corruption, ambition, or lack of ethics, it avoids questioning the architecture that allowed those

behaviors to have such devastating effects. The system remains safe; individuals bear the guilt. This logic repeats itself again and again in financial crises, environmental collapses, institutional abuses, and humanitarian disasters. Some visible responsible parties are punished, cosmetic reforms are promised, and the decisional mechanism that produced the damage remains intact. However, if we observe historical patterns with greater distance, an unsettling regularity emerges. Different systems, with opposed declared values and diverse cultural contexts, produce surprisingly similar results: concentration of power, externalization of damage, late decisions in the face of suffering, and normalization of human and ecological losses as "inevitable costs." This convergence cannot be explained solely by recurring ethical failures. It demands a deeper explanation.

The thesis introduced here from the outset is uncomfortable but necessary: modern economic systems are structurally poorly designed to deal with the human impact of their own decisions. Not because they ignore suffering, but because they treat it as a secondary consequence, manageable after the fact, and not as an early signal of error. Damage does not appear as a decision criterion but as a mitigation problem. When this occurs, the repetition of damage is not an anomaly: it is a logical consequence.

The myth of moral failure also distorts our understanding of power. It leads us to believe that it would suffice to have more ethical leaders, more conscious entrepreneurs, or more empathetic bureaucrats to correct the system. This expectation places an impossible burden on isolated individuals and, at the same time, exempts the structure from any responsibility. Even the most committed people end up trapped in decisional frameworks that reward certain behaviors and punish others, regardless of their intention. Personal morality cannot compensate for a defective institutional design.

Recognizing that the problem is structural does not imply absolving individual responsibilities. It implies something more demanding: accepting that the repetition of damage is a signal of systemic failure, not of exception. It means admitting that no system that depends on the constant good will of its decision-makers can sustain itself over time without producing accumulated suffering. And, above all, it obliges us to rethink the very criterion with which we evaluate the success of a decision.

This chapter seeks not to deny the importance of ethics, but to locate it where it can be effective. Ethics cannot be a discursive ornament nor a heroic expectation about isolated individuals. It must translate into operational criteria that govern decision-making

before damage occurs. When this does not happen, the system can continue proclaiming noble values while reproducing, in a systematic way, unacceptable results.

The rest of this paper departs from this initial finding: while we continue explaining contemporary collapse as moral failure, we will continue trying to correct people instead of correcting decisions. And while we do not redesign the decisional architecture that organizes our collective life, systems will continue to fail, even as discourses, leaders, or ideologies change.

2.2 Ideologies That Promise, Systems That Repeat

The great economic ideologies of modernity were born as responses to real crises. Capitalism emerged as a reaction to the feudal order and its rigidities; socialism and communism arose in the face of exploitation, inequality, and alienation produced by industrial capitalism. Each formulated different promises about freedom, equality, efficiency, or justice. However, when we observe their historical trajectories, an uncomfortable fact emerges: despite their doctrinal differences, these ideologies produced surprisingly similar patterns of damage.

This chapter does not propose a simplistic equivalence between systems nor ignores their contexts, achievements, or specific failures. What it maintains is something more precise: when implemented at large scale, different ideologies tend to reproduce convergent results because they operate on a shared decisional architecture. Discourses, symbols, and declared enemies change; the mode of deciding remains.

In contemporary capitalism, decision-making is structured around financial efficiency, profitability, and the maximization of economic value. These priorities have allowed unprecedented levels of innovation, production, and material growth. However, the same decisional design has normalized the externalization of human and ecological damage as acceptable "costs." Suffering appears as a manageable consequence, not as an error to correct. The logic is not perverse: it is coherent with the criteria that govern it.

Historical socialist and communist experiences, for their part, departed from opposite values: equality, solidarity, and social justice. However, by concentrating decision-making in central and hierarchical apparatuses, they drastically reduced the capacity for correction, feedback, and adjustment. The real impact of decisions on daily life was subordinated to plans, quotas, or ideological coherences. Damage, when it emerged, was reinterpreted as necessary sacrifice, temporary deviation, or external threat. Again,

the problem was not the intention, but the decisional structure that annulled early correction.

In both cases, the distance between who decides and who lives the consequences became a structural feature. In capitalism, that distance is typically expressed through the market, global value chains, and financial abstraction. In bureaucratic socialism, through centralized planning and institutional opacity. The forms differ; the result converges: decisions taken far from impact and corrected, if at all, when damage is already visible or irreversible.

This convergence is not accidental. Every ideology that translates into a system needs mechanisms to decide under uncertainty, conflict, and scarcity. When those mechanisms prioritize the internal coherence of the system — whether market efficiency or doctrinal fidelity — above immediate human impact, suffering becomes a tolerated byproduct. The system does not fail despite its criteria; it fails precisely because it applies them consistently.

The historical repetition of this pattern reveals a shared blind spot. Neither capitalism nor its classical alternatives incorporated social impact as a binding prior criterion of decision. Impact was treated as result, externality, or subsequent correction. When it appeared as a problem, it was already not avoidable, only manageable. This logic explains why systems react late to health crises, environmental collapses, human displacement, or labor precariousness: damage does not activate the decision until it threatens the stability of the system itself.

Recognizing this convergence does not imply relativizing differences or erasing historical responsibilities. It implies, rather, abandoning the illusion that it is enough to choose the correct ideology to avoid damage. History suggests the contrary: without a decisional architecture that incorporates human impact as a prior criterion, any system — however just it proclaims itself — is condemned to repeat patterns of suffering.

2.3 Suffering as Statistical Noise

In the majority of contemporary economic and political systems, human suffering appears late. Not because it does not exist before, but because it is not recognized as relevant information at the moment of deciding. It becomes visible when it can no longer be ignored: when it reaches media scale, when it threatens institutional stability, or when it translates into crisis. By then, the damage has ceased to be preventable and has become something to be managed.

This chapter maintains that suffering is not, in the first place, a moral problem or an inevitable tragedy, but an early signal of

decisional failure. Like any signal, its utility depends on the moment at which it is interpreted. Heard in time, the system corrects; systematically ignored, the system collapses or normalizes the damage.

Economic modernity developed a sophisticated capacity to measure what it considers valuable: growth, productivity, inflation, profitability, financial risk. However, it relegated human suffering to secondary, fragmented, or retrospective indicators. Poverty is measured after it has formed; illness when it becomes a statistic; environmental degradation when already visible; violence when it erupts. In all cases, the system acts when the signal has ceased to be preventive.

This gap is not accidental. The dominant decision criteria were designed to optimize results internal to the system, not to detect emerging damage in real life. Suffering, not fitting easily into metrics of efficiency or ideological coherence, becomes noise. And noise, by definition, is filtered out.

The problem worsens when suffering is naturalized. Over time, societies learn to coexist with increasing levels of damage as if they were part of the landscape. We speak of "social costs," "necessary sacrifices," "painful transitions," or "inevitable collateral effects." This language does not describe reality: it anesthetizes it. It transforms error signals into narratives of normality. It makes habitual what should interrupt. It converts damage into context. Thus the system ceases to ask whether something is wrong and begins to ask how much more can be tolerated.

The damage rarely arises from direct cruelty. It arises from distance. Not only physical distance, but a deeper separation: between who decides and who lives the consequences; between the act and its impact; between the logic that justifies and the body that bears it. When that distance becomes institutionalized, damage ceases to be an exception and becomes a permanent possibility.

From this perspective, suffering fulfills a function similar to that of pain in a living organism. It is not the enemy; it is the message. A body that does not feel pain is not strong: it is vulnerable. It can continue walking on an open wound until it destroys itself without realizing. The same occurs with systems. A system that silences suffering is not robust: it is insensitive. And insensitivity, far from being a virtue, is the prior condition of collapse. History shows that systems that systematically ignore suffering do not stabilize: they harden, fragment, or become violent.

PHREVO proposes recovering the informational value of suffering without falling into dramatism or moralization. For this it introduces a key distinction: not all suffering is avoidable nor is every loss

unjust, but a significant part of contemporary damage is. It concerns suffering produced by human decisions that could have been taken earlier, differently, or with different criteria. Predictable damage. Repeated. Normalized. Identifying that margin of avoidability is the first step toward real structural correction.

This distinction allows escaping two common traps. The first is fatalism, which assumes suffering as inevitable destiny. The second is naive idealism, which pretends to eliminate all pain. PHREVO situates itself in a more demanding intermediate point: reduce avoidable suffering before damage crosses thresholds of irreversibility. This formulation does not promise perfection; it demands responsibility.

3. Part II — The Structural Discovery: Decision-Making as the Hidden Core

There is a point in every crisis where explanations are exhausted. Not because words are lacking, but because there are too many. Repeating diagnoses no longer clarifies: it conceals. It becomes elegant noise. The question that follows all the critique is more uncomfortable because it has no easy alibi: where is damage really decided?

Not in discourses. Not in declared values. Not in historical promises. It is decided in a much more silent place: the moment of the decision.

3.1 Who Decides, When, and With What Consequences

Every society, without exception, organizes itself through decisions. Decisions about what to produce, whom to protect, what to prioritize, what to postpone, and what to consider acceptable. These decisions are not neutral or abstract: they determine the distribution of risk, wellbeing, and damage. However, despite their centrality, the very structure of decision-making is rarely examined as a political and economic object in itself. Results are discussed, values are disputed, institutions are reformed, but the decisional core remains surprisingly intact.

This section introduces the structural thesis that sustains the entire PHREVO framework: the consequences of a system do not depend primarily on its declared values, but on how its decisions are organized. In particular, on four universal variables that govern any collective decisional process: who decides, with what criteria, when it is decided, and who bears the consequences.

The first variable — who decides — defines the distribution of power. This concerns not only formal positions or visible authorities, but the actors who effectively influence the final result. In many contemporary systems, decisional power is concentrated in actors who do not directly experience the impact of their decisions. This separation is not accidental: it is functional to the stability of the system. When those who decide do not bear the consequences, the cost of error is externalized and correction becomes improbable.

The second variable — with what criteria decisions are made — is even more determinant. Criteria act as invisible filters that determine what information matters and what is discarded. A system that prioritizes financial efficiency will tend to ignore early human signals; one that prioritizes ideological coherence will tend to undervalue data that contradicts its narrative. Criteria not only

orient the decision: they define what type of damage is visible and which becomes invisible.

The third variable — when it is decided — introduces the temporal dimension of power. Deciding early or late is not an operational detail, but a fundamental ethical difference. Many decisions that today are considered inevitable were, in their moment, optional. Decisional delay converts correctable problems into irreversible crises. When a system only acts in the face of emergency, it renounces prevention de facto and normalizes avoidable damage.

The fourth variable — who bears the consequences — closes the decisional circuit. In well-designed systems, there is a clear relationship between decision and consequence. In defective systems, that relationship is deliberately broken. Damage is displaced toward populations without decisional power, toward peripheral territories, or toward future generations. This dissociation is one of the most reliable indicators of structural failure.

These four variables do not operate in isolation. They mutually reinforce each other. When those who decide do not bear the consequences, they tend to adopt criteria that minimize their own exposure to risk. When criteria exclude human impact, decisional delay becomes acceptable. When damage is externalized, correction ceases to be urgent. The result is a decisional architecture robust for sustaining the system, but fragile for protecting life.
The most relevant fact is that this architecture reproduces itself independently of ideology. It can be found in deregulated financial markets, in highly centralized states, or in global technological platforms. Justifications change; the logic remains. That is why reform attempts that concentrate solely on redistributing resources or changing discourses usually fail: they do not intervene in the core where decisions are made.
"*There is a moment — brief, almost invisible — in which the future changes direction. It does not occur in squares, nor in discourses, nor even in open crises. It occurs in closed rooms, in shared screens, in reports that summarize lives in columns. It occurs when someone says yes, not yet, or let us continue. That moment is the decision.*"

3.2 Decisional Delay and Irreversible Harm

Decisions are not only defined by what they choose, but by when they do so. In contemporary economic and political systems, time is

typically treated as a technical variable — deadlines, cycles, calendars — when in reality it is a central ethical dimension. Deciding late is not a simple inefficiency; it is a specific form of producing damage.

This section sustains that a large part of contemporary suffering does not come from wrong decisions in content, but from correct decisions taken too late. When a system postpones action until damage becomes visible, quantifiable, or politically inescapable, it has already crossed a critical threshold: damage has ceased to be preventable and has become irreversible.

Irreversibility is the point where correction loses meaning. Not because subsequent measures cannot be implemented, but because those measures can no longer return what was lost. Human lives, destroyed ecosystems, fragmented communities, eroded capacities, and marked generations are not restored through late compensations. The system can stabilize, but the damage remains.

Decisional delay does not typically present itself as explicit negligence. It appears camouflaged under rational languages: "waiting for more data," "not rushing," "preserving stability," "avoiding political costs." These justifications, taken in isolation, may seem reasonable. The problem arises when they become a structural pattern. At that point, prudence ceases to be a virtue and becomes an evasion mechanism.

Modern systems are designed to react to crises, not to prevent them. This reactive orientation is not accidental. Preventing implies acting when benefits are not yet visible and when costs fall on those who decide. Reacting, in contrast, allows displacing responsibility toward urgency, emergency, or "context." Damage presents itself as inevitable; the late decision justifies itself as the only possible one.

This pattern is visible in multiple domains. Financial crises are recognized when collapse has already occurred; climate action accelerates when extreme events become undeniable; health and care reforms arrive when systems are saturated; migration policies adjust after human tragedies. In all cases, the signal was present before. What was lacking was not information, but the will to decide in time under criteria that made emerging damage visible.

A crucial distinction follows: not every late decision is incorrect, but every decision that crosses a point of no return is ethically failed. The problem is not human error, but the absence of mechanisms that oblige deciding before damage becomes irreversible. When a system lacks these mechanisms, postponement becomes the norm.

Death, in this framework, does not present itself as rhetorical tragedy nor as an absolute moral argument, but as an operational limit. It marks the moment when the decision can no longer correct

the damage. Similarly, there exist social, economic, and ecological deaths: communities that do not recover, territories that do not regenerate, human capacities that cannot be reconstructed. These points of no return are the true ethical limits of systemic design.
Decisional delay also fulfills a political function: it protects the system from having to change. By acting only when crisis erupts, the system conserves its original architecture and applies emergency solutions that do not question the criteria that produced the damage. The fire is put out without reviewing the electrical installation. Normality is reestablished; the cause remains.
Deciding early is not a luxury nor an optimistic bet; it is a risk reduction strategy. Incorporating potential damage as valid information before it materializes allows intervening when correction is still possible and less costly. The central decisional question ceases to be "do we have enough evidence to act?" and becomes "what damage becomes irreversible if we wait longer?"

3.3 The Common Blind Spot of All Systems

Up to this point, the analysis has shown that systemic damage is not a product of isolated moral failures nor of specific ideologies, but of a decisional architecture that reacts late, externalizes consequences, and disconnects those who decide from those who live the impact. However, there remains to name with precision the absent element that allows this pattern to repeat itself again and again. That element is the common blind spot of modern economic systems: the absence of social impact as a binding prior criterion of the decision.
Contemporary systems measure and evaluate multiple variables before acting. Costs, benefits, financial risks, macroeconomic stability, political viability, and institutional coherence are all calculated. However, human, social, and environmental impact rarely occupies the same decisional status. It appears as subsequent evaluation, as complementary report, or as legitimizing narrative, but not as a condition that determines whether a decision can or cannot be executed. Impact is observed; it does not govern.
This design is not accidental. Converting impact into a binding criterion implies altering power relations, introducing real limits to action, and accepting the possibility of not executing decisions that, although efficient or profitable, produce avoidable damage. For the majority of systems, this renunciation proves unacceptable. It is simpler to manage consequences than to redesign criteria.
The blind spot manifests in multiple ways. In the economic domain, growth indicators are celebrated while signals of precariousness, exhaustion, or community rupture are ignored. In public policy,

reforms are approved for their fiscal or electoral coherence, leaving human impact for subsequent mitigation stages. In technology, innovations are deployed for their scalability without bindingly evaluating their effects on work, power, and autonomy. In all cases, the pattern is the same: impact does not decide, it accompanies.

This omission generates a structural paradox. Systems affirm pursuing wellbeing, justice, or development, but lack decisional mechanisms capable of protecting those ends when they enter into tension with immediate interests. The result is not hypocrisy, but functional incoherence. Values exist, but they lack operational power.

The common blind spot also explains why many well-intentioned initiatives fail. Social responsibility programs, ESG metrics, impact evaluations, and sustainability frameworks proliferate without altering background results. Not because they are useless, but because they operate at the wrong level. They evaluate after deciding what should have been evaluated before. They act as mirrors, not as brakes.

PHREVO identifies here a necessary inversion. If human and social impact is relevant, it must be so before action. It must function as a condition of possibility, not as a consequence to manage. This does not imply paralyzing decision nor demanding absolute certainties, but establishing clear thresholds: if a decision produces predictable avoidable suffering or crosses points of no return, it cannot be executed under current criteria.

This displacement redefines the very notion of success. A decision is no longer evaluated solely for fulfilling internal objectives, but for its capacity to avoid avoidable damage in a concrete temporal horizon. Failure ceases to be solely financial or political and becomes decisional. A system fails when it decides consistently against the life it affirms to protect.

Here the diagnostic ends and the proposal begins. If systems fail for not incorporating impact as a binding criterion, the correction does not pass through changing ideologies, but through redesigning the decisional core. PHREVO arises precisely at this point: as an architecture that makes the invisible visible, the optional binding, and the correctable what today is normalized as inevitable damage.

4. Part III — PHREVO Theory: Social Impact as Decisional Architecture

The PHREVO theory does not begin with a promise nor with a slogan. It begins with a practical discomfort: the finding that almost all decisions that produce avoidable damage were, at some point, decisions that were possible to stop. Not absolute impositions, not natural catastrophes, not written destinies, but choices that moved forward because nothing in the decisional architecture had sufficient force to say enough. PHREVO is born there, in that minimal space where the decision can still not occur. It does not propose changing the world from the height of ideals, but intervening at the exact point where the world becomes irreversible.

For decades, social impact was treated as a consequence that should be measured afterwards, when there was no longer any margin. It was converted into a report, a statistic, a reparative narrative. PHREVO breaks with this sequence because it understands that damage is not a problem of subsequent management, but a previous design failure. The point is not to improve the response to suffering, but to prevent avoidable suffering from being produced by inertia. This demands a radical displacement: taking social impact out of the place of evaluation and placing it at the very center of the decision, not as a variable to weigh, but as a threshold that cannot be crossed without stopping the entire process.

4.1 From Value to Criterion

Modern economic and political systems are saturated with values. Freedom, equality, efficiency, justice, sustainability, wellbeing. These values are declared in constitutions, government plans, corporate reports, and institutional discourses. However, the persistence of systemic damage suggests a disturbing paradox: the abundance of values has not produced better decisions. This section maintains that the problem is not the absence of values, but their incapacity to govern action.

Values, by themselves, do not decide. They orient, inspire, justify, but they do not operate. In practice, when a decision must be made under pressure, conflict, or uncertainty, values dissolve and other more determining factors emerge: incentives, metrics, deadlines, hierarchies, and perceived risks. It is in that moment — the real moment of the decision — where the fundamental difference between a value and a criterion is revealed.

A criterion is an operational filter. It defines what information matters, what alternatives are discarded, and what consequences

are considered acceptable. While values express what a society says it wants, criteria determine what it effectively does. This distinction is key to understanding why systems loaded with humanist values can produce profoundly dehumanizing results. Values decorate; criteria govern.

In contemporary systems, dominant criteria are usually implicit and difficult to question. Profitability, growth, stability, competitiveness, ideological coherence, or institutional control operate as real decision criteria, even when they contradict declared values. Human and social impact, in contrast, rarely reaches that status. It is invoked as a principle, but not as a condition. It is mentioned, but does not decide.

This gap explains why public debates stagnate. Opposed values are discussed — freedom versus equality, growth versus sustainability — without intervening at the level where damage is produced. The conflict presents itself as irreconcilable when, in reality, the problem resides in the fact that none of those values was translated into binding criteria capable of guiding decision under tension.

PHREVO introduces here a radical but sober displacement: if a value is relevant, it must become an operational criterion. Otherwise, it will continue functioning as legitimizing rhetoric. This principle is not applied only to social impact, but to any value that claims to govern collective action. Without criterial translation, there is no real power. A system is as humane as the criteria with which it decides under pressure — not as the values it proclaims in the abstract, but as the limits it imposes upon itself when those values enter into conflict with power, interest, or urgency.

4.2 Avoidable Suffering: An Operational Definition

Speaking of suffering in the economic and political domain typically generates discomfort. For some, it introduces an emotional charge incompatible with technical analysis; for others, it refers to a moral dimension they consider subjective or imprecise. This discomfort has led to relegating suffering to the terrain of humanitarian discourse or activism, deliberately separating it from structural decision-making. PHREVO maintains that this separation is one of the most costly errors of economic modernity.

This section proposes an operational definition of avoidable suffering, not as a moral concept, but as a decisional variable. The objective is not to expand the field of compassion, but to reduce the margin of systemic error. For this, it is necessary to distinguish with precision between inevitable suffering and suffering produced by correctable human decisions.

PHREVO defines avoidable suffering as that human, social, or environmental damage that is a direct or indirect consequence of a human decision and that could have been reduced without crossing a point of irreversible damage. This definition introduces three fundamental elements: decisional causality, correction margin, and ethical temporality.

Decisional causality: Avoidable suffering is not defined by its intensity, but by its origin. It does not matter how serious or minor the damage is; what matters is whether it is attributable to a concrete human decision. This displaces the focus from tragedy to design. The central question ceases to be "how much does it hurt?" and becomes "what decision produced this?"

Correction margin: A decision produces avoidable suffering if there existed a reasonable alternative that reduced the damage without generating a greater harm. This condition avoids two extremes: fatalism, which assumes nothing can be done, and perfectionism, which demands absolute solutions. The criterion is not to eliminate all damage, but to identify whether there existed a less harmful path available at the moment of deciding.

Ethical temporality: Avoidable suffering only exists before damage crosses irreversibility thresholds. Once a life is lost, an ecosystem collapses, or a community fragments permanently, suffering ceases to be avoidable and becomes historical. Subsequent decisions can mitigate consequences, but can no longer correct the original damage. This distinction is crucial to prevent late compensation from substituting for prevention.

From this definition, avoidable suffering is not an emotional category, but an early signal of decisional failure. It functions as a systemic risk indicator comparable to others that systems already consider legitimate, such as inflation, financial volatility, or political instability. Ignoring this signal is not neutral; it is an implicit choice in favor of other criteria.
This formulation also allows classifying suffering in a functional way. PHREVO distinguishes, for example, between suffering by decisional abandonment (when no one decides), suffering by delay (when one decides late), suffering by exclusion (when those who bear the impact do not participate in the criterion), suffering by arbitrariness (when the decision lacks clear criteria), and suffering by invisibilization (when the damage is not measured or recognized).

These categories do not seek to describe victims, but design failures.

PHREVO does not propose measuring individual emotions, but evaluating observable impacts on basic human capacities, community integrity, and ecological viability. These impacts are as measurable as other risks that systems already manage. What is lacking is not technical capacity, but the will to elevate them to the decisional level.

4.3 The Principle of Irreversible Harm

Every significant decision operates on time. However, not all the consequences it produces are equivalent. Some can be corrected, mitigated, or compensated; others, once triggered, do not admit reversal. This section introduces the most strict principle of PHREVO Theory: irreversibility as the ethical frontier of decisional design.

The majority of contemporary economic and political systems treat damage as a continuous variable: something that can increase or decrease gradually, be managed with more resources, or corrected with better policies. This vision ignores a crucial distinction. There exist damages that, upon crossing certain thresholds, cease to be quantitative and become qualitative. They are not "more damage," but a different state of the world. Death, extinction, the loss of fundamental capacities, the irreversible fragmentation of social fabric, and the collapse of ecosystems are clear examples of this type of damage.

PHREVO maintains that every decision that crosses a point of irreversible damage constitutes a serious decisional failure, independently of its collateral benefits. This statement is not moralistic; it is structural. A system that permits irreversible decisions without incorporating that limit in its decisional criterion is designed to produce losses that it cannot repair.

The principle of irreversible harm redefines the notion of risk. In traditional frameworks, risk is calculated as probability multiplied by impact. However, when the impact is irreversible, probability ceases to be the central factor. Even a low probability of irreversible damage demands a stricter precautionary criterion. Not because the system should be paralyzed, but because the cost of error is no longer correctable.

This principle applies transversally. In the human domain, avoidable death and the permanent loss of physical, mental, or social capacities mark clear limits. In the social domain, the destruction of communities, cultures, or care bonds creates ruptures that cannot be reconstructed through subsequent economic growth. In the environmental domain, the extinction of species, the degradation of

soils, and the irreversible alteration of natural cycles set temporal frontiers that no financial compensation can revert.

PHREVO does not propose eliminating all risk nor freezing collective action. It proposes recognizing that some risks cannot be treated as bets. When error implies irreversible loss, the system must act before, not after. This demands decisional mechanisms capable of detecting early signals and of granting impact real weight against other criteria.

Death, in this framework, does not present itself as a rhetorical tragedy nor as an absolute moral argument, but as an operational limit. It marks the moment when the decision can no longer correct the damage. Similarly, there exist social and ecological deaths: communities that do not recover, territories that do not regenerate, human capacities that cannot be reconstructed. These points of no return are the true ethical limits of systemic design.

4.4 PHREVO as Universal Corrective Layer

PHREVO does not seek to replace existing economic systems with a new ideology. It presents itself as a universal corrective layer: a transversal decisional architecture capable of inserting itself in different institutional contexts — capitalist, socialist, mixed, communitarian — to intervene at the point where all have failed.

This claim requires explanation. PHREVO is not agnostic about values: it prioritizes dignity, care, community, ecological regeneration, justice, and technological autonomy. But it recognizes that these values are insufficient if they do not translate into binding operational criteria. A system does not become just by declaring justice as a value. It becomes just by designing mechanisms that cannot advance when justice is violated.

The corrective layer operates on four specific dimensions:

Early damage detection: PHREVO establishes sensors and indicators that identify signals of avoidable suffering before they become irreversible. This requires not only technical measurement capacity, but institutional legitimacy to use those signals as binding decision criteria.

Evaluation of avoidable suffering: Before any economic, political, or technological decision can be executed, PHREVO requires an evaluation of avoidable suffering. This is not a subsequent impact study, but a prior condition of possibility. A decision that produces predictable avoidable suffering cannot advance under PHREVO criteria.

Blocking decisions that cross irreversibility thresholds: When a decision produces a reasonable probability of crossing a point of no return — ecological, human, or social — the system must detain it. Not out of moral caution, but out of structural design. The mechanism is architectural, not discretionary.

Reordering priorities: PHREVO establishes an explicit hierarchy of decisional criteria. Impact → stability → efficiency. This ordering is not arbitrary: it reflects the systemic priority of what cannot be recovered (life, ecological integrity) over what can be rebuilt (economic stability) over what can be optimized (efficiency).

PHREVO operates as a systemic consciousness, not as an ethics committee. The distinction is fundamental. An ethics committee is a subsequent corrective instance, advisory, without veto power over decisions. A systemic consciousness is an architectural component that makes certain decisions impossible rather than merely undesirable. PHREVO designs systems where avoidable damage cannot advance by inertia, not systems where avoidable damage is discouraged by moral appeals.
This distinguishes PHREVO from all previous approaches to the social responsibility of economic systems — CSR, ESG, impact investing, conscious capitalism. All of these maintain impact as a subsequent variable: something to measure after deciding, to report, to compensate, to communicate. PHREVO inverts this logic: impact is the prior condition of possibility, not the subsequent communicative consequence.

5. Part IV — Radical Implications: What Changes When Decisions Change

The theory developed in Part III is not descriptive: it is operational. It produces radical consequences for the way we think about economy, politics, technology, and governance. This section develops four key implications of placing impact as a binding prior criterion.

5.1 Economy Without Utopia

If impact is the primary criterion of value, the economy transforms fundamentally — not through ideological revolution, but through architectural redesign. PHREVO does not propose abolishing markets, but redesigning the rules under which they operate. This is not a naive claim: it is grounded in the recognition that markets are information processing mechanisms, and that the quality of what they process determines the quality of what they produce.

When markets process price signals that externalize ecological and social costs, they systematically produce decisions that transfer damage from those who generate it to those who have no decisional power: future generations, peripheral communities, non-human species. Redesigning the market means redesigning the information it processes. PHREVO does this by integrating the PHREVO-Score as a valuation criterion alongside financial price signals, creating an economy where the most profitable decisions are also the least harmful.

The PHREVO economy does not require utopia because it does not promise a world without conflict, scarcity, or difficulty. It promises something more modest and more valuable: a world where avoidable suffering does not occur by inertia, where damage does not advance because no mechanism exists to stop it, where the most efficient choice is also the least harmful. An economy without utopia, but not without direction.

This produces specific transformations in investment, growth, and risk assessment. Investment criteria expand from financial return to Measurable Systemic Value (MSV), incorporating the six dimensions of the PHREVO-Score. Growth is redefined from the expansion of monetary aggregates to the regeneration of human and ecological capacities. Risk includes systemic risks currently externalized — social instability, ecological collapse, institutional delegitimization — that current financial risk models treat as external to the calculus.

The PHREVO-Exchange (detailed in Annex E) operationalizes this redesign at the level of the financial market: an impact-anchored market mechanism where token prices reflect PHREVO-Score rather

than speculative expectation, where distribution rules prevent concentration, and where stability mechanisms protect against the volatility that purely speculative markets produce.

5.2 Politics Without Epic

If public policies must be evaluated by avoided damage rather than by declared intention, political practice transforms with the same radicality as economic practice. This is not anti-political: it is a more rigorous demand of politics. Politics, under PHREVO, cannot justify itself by what it intends, but by what it prevents.

The dominant political grammar — of promises, plans, narratives, electoral cycles — is organized around a future that is always projected forward and never fully accountable in the present. Governments are evaluated by their intentions (the plan, the program, the discourse) rather than by their decisions (what was actually decided, when, with what criteria, and who bore the consequences). PHREVO inverts this accountability structure. Every public policy is evaluable before its execution through the PHREVO-Score: does it improve or worsen Human Dignity, Community Impact, Care and Wellbeing, Sustainable Depth, Justice and Autonomy, Ethical Technology? Not as subsequent monitoring, but as prior condition. A policy that demonstrably worsens any of these dimensions without producing compensating improvements in others cannot advance under PHREVO criteria. This is not a veto on the political: it is an obligation to justify in terms of impact, not in terms of intention.

This transforms the political from an arena of competing values — freedom versus equality, growth versus sustainability — into an arena of competing evidence. Not "what do we value?" (a question without operational answer) but "what does the evidence show about impact on the six dimensions?" This does not eliminate political conflict: it changes its terms. The dispute becomes empirical, not only normative.

Leadership, under this framework, is redefined: not as the capacity to mobilize in the name of a vision, but as the capacity to intervene before the point of no return. A leader who builds impressive plans but decides late, externalizes consequences, or ignores early signals of damage is not a good leader regardless of their intentions. The new definition of leadership is anticipatory: governing before damage, not managing after crisis.

5.3 Technology, Power, and Correction

Technology is not neutral. It is a decisional architecture. Every technological system makes some decisions possible and others impossible, facilitates some forms of power and constrains others, makes some forms of damage visible and others invisible. PHREVO's approach to technology follows directly from its theory of decision: technology should be designed to make avoidable suffering visible and blockable, not to optimize the extraction of value from systems that externalize suffering as a cost.

Ethical technology in the PHREVO framework operates on three levels. First, as a measurement instrument: AIoT sensors, distributed data systems, and community-validated metrics generate the information base that makes the PHREVO-Score a verifiable, manipulation-resistant indicator. Without this informational infrastructure, impact remains self-declared and cooptable. Second, as a governance instrument: blockchain-based smart contracts, liquid governance platforms, and impact token systems translate PHREVO criteria into automatic architectural constraints. A contract that releases funds only when PHREVO-Score thresholds are met is not optional ethics: it is automatic architecture. Third, as a sovereignty instrument: PHREVO's Technological Sovereignty Architecture (detailed in Annex H) ensures that the infrastructure of impact evaluation is not controlled by the same actors whose impact it evaluates. This requires decentralization, open-source code, territorial nodes, and end-to-end encryption.

Artificial intelligence occupies a specific place in this framework. AI can dramatically accelerate the early detection of damage signals, the modeling of decisional consequences, and the identification of alternatives that minimize suffering. But AI can also dramatically accelerate the extraction of value from systems that externalize suffering. The difference is not in the technology, but in the criteria that govern it. PHREVO requires that AI systems used in its framework be: auditable (their decisional logic is transparent), non-speculative (they do not optimize for financial return without impact constraint), community-validated (their outputs are validated by the communities they affect), and anti-surveillance (they do not generate data that can be used for control of vulnerable populations).

5.4 Governing Before Harm

The synthesis of the radical implications is this: governing before harm is not an aspiration or a moral ideal. It is a design requirement for any system that claims to serve the life it organizes rather than extract from it. Every governance architecture that systematically

fails to prevent avoidable harm is, by that fact, misdesigned — regardless of its declared values, its political intentions, or the quality of its human administrators.

Governing before harm requires four structural conditions. First, early harm detection capacity: mechanisms that identify signals of avoidable suffering before they become irreversible. Second, binding criteria: the authority — not the discretion — to stop decisions that produce demonstrable avoidable harm. Third, temporal accountability: the obligation to decide early, not merely the permission to decide late. Fourth, consequence proximity: the design of decisional structures that minimize the distance between who decides and who lives the consequences.

None of these conditions requires heroism, exceptional virtue, or ideal actors. They require design. A governance system where these four conditions are architectural features — not aspirational values, but structural constraints — will produce better decisions not because its actors are better people, but because the architecture makes certain decisions impossible and others mandatory.

6. Part V — Transition: Not the End of the System, But Its Correction

6.1 Why PHREVO Is Not a Classic Revolution

PHREVO is not a classic revolution. Classic revolutions replace one system with another through rupture: the destruction of existing institutions and their replacement by new ones. This model has a long and largely tragic history. The power accumulated to execute the rupture tends to reproduce the very logic of concentrated power that the revolution claimed to eliminate. The state devours the revolution.

PHREVO operates differently. It does not propose waiting for the revolutionary moment — the crisis, the rupture, the founding event — to begin building the alternative. It proposes building the alternative now, inside and alongside existing systems, using the legal and institutional spaces that already exist (cooperatives, participatory budgets, public contracts with social clauses, indigenous autonomy) as the first layer of a system that progressively demonstrates that it works better than what it replaces.

The theory of change is: construction over rupture. Phase 1 is development: create the framework, demonstrate it works at small scale, build the conceptual and institutional infrastructure. Phase 2 is adoption by a growing network of territories and organizations: each successful territory is the most credible argument for the next. Phase 3 is systemic scaling: when a sufficient number of territories, organizations, and governments operate under PHREVO criteria, the system becomes the default rather than the exception.

This is not a strategy of patience or resignation. It is a strategy of competitive obsolescence (developed in detail in Annex I): PHREVO does not seek to destroy the capitalist state by force. It seeks to demonstrate that it can provide wellbeing, justice, and coordination more effectively, more democratically, and more sustainably than the state. With time, the state becomes irrelevant in the functions where PHREVO is superior.

6.2 Decision by Decision

The transition is not an event. It is a practice: decision by decision, territory by territory, institution by institution. Each decision taken under PHREVO criteria — a municipality that adopts the PHREVO-Score for its participatory budget, a cooperative that distributes surplus according to impact rather than capital, a foundation that requires PHREVO-Score thresholds as a condition for funding — is

not a small step toward a future system. It is the future system, in its current form.

This is the operational meaning of "no permission asked": PHREVO does not require prior state recognition to begin functioning. It uses existing legal figures — cooperatives, NGOs, participatory budgets, indigenous autonomy — as the current legal vehicle for what will eventually require its own legal recognition. But that recognition follows practice, not the reverse. Cooperative law existed because cooperatives existed and demonstrated that they worked. Labor rights were recognized because organized workers made their absence intolerable. Environmental law followed environmental destruction. PHREVO follows the same historical pattern: operate, demonstrate, accumulate legitimacy, wait for legal recognition.

6.3 The Future Is Not Predicted — It Is Decided

The epilogue of PHREVO's foundational text formulates its central philosophical insight with precision: "The problem was not that the world chose its values poorly, but that it never designed well how to decide them." This is the thesis in its most compressed form.

Values are not the problem. Every system — capitalism, socialism, communism, social democracy — had values. Many of them were admirable: freedom, equality, progress, justice, dignity. The problem was never the values. The problem was the absence of an architecture capable of making those values operative under the conditions where they most mattered: under pressure, under conflict, under the urgency of interest and power.

The future is not predicted: it is decided. This means that the relevant question about the future is not "what will happen?" but "what do we decide now?" Every decision made today under PHREVO criteria — every budget filtered by impact, every investment condition on demonstrated regeneration, every governance structure that gives voice to those who bear consequences — is not a prediction of the future. It is the construction of it.

7. Operational Architecture: The 4-16-64 Matrix

The PHREVO framework is operationalized through what it calls the 4-16-64 matrix: four non-negotiable pillars, sixteen strategic domains, and sixty-four verifiable key performance indicators. This matrix is not a monitoring tool applied after decisions are made. It is the decisional code itself — the set of constraints that defines what decisions are possible under PHREVO criteria.

The matrix serves a specific function: making greenwashing mathematically impossible. When impact must be demonstrated across sixty-four verifiable indicators anchored in four non-negotiable pillars, no actor can selectively report on favorable dimensions while hiding damage in others. The system produces a single composite score — the PHREVO-Score — that aggregates all sixty-four indicators under the governance of the four pillars.

7.1 Four Non-Negotiable Pillars

The four pillars are called non-negotiable because they represent the minimum conditions for a system to be considered post-capitalist in the PHREVO sense. They can be adapted, weighted differently according to territorial context, and complemented with additional criteria. But they cannot be removed. A system that abandons any of the four pillars is no longer PHREVO, regardless of how many other PHREVO instruments it uses.

7.2 Sixteen Strategic Domains

The sixteen strategic domains are the policy families through which the four pillars are operationalized in concrete governance decisions. Each domain corresponds to a specific area of public and community policy, and each contains multiple PHREVO instruments that operationalize the pillars within that domain.

7.3 Sixty-Four Verifiable KPIs

Each of the sixteen domains contains four verifiable KPIs, for a total of sixty-four across the matrix. "Verifiable" is a technical term in the PHREVO framework: a KPI is verifiable when its value can be independently confirmed by multiple means — sensor data, administrative records, peer-validated community surveys, or blockchain-anchored transactions. Self-declared data that cannot be externally confirmed is not a PHREVO KPI.

The sixty-four KPIs collectively constitute the measurement basis for the PHREVO-Score. They are designed to be: mutually non-reducible (no single KPI can be gamed by improving another without genuine improvement across dimensions), temporally sensitive (they capture early signals, not only crisis-level indicators), community-validated (affected communities have the authority to audit and challenge KPI calculations), and algorithmically auditable (the calculation methodology is public, open-source, and reproducible).

The matrix also contains a specific anti-greenwashing mechanism: the lexicographic priority rule (detailed in Annex A). Under this rule, improvements in lower-priority dimensions cannot compensate for deteriorations in higher-priority ones. A company that improves its Ethical Technology score but worsens its Sustainable Depth score does not produce a net positive PHREVO-Score: the deterioration in SP lexicographically dominates the improvement in TE. The priority ordering is: SP ≻ DH ≻ JA ≻ CB ≻ IC ≻ TE.

8. The PHREVO-Score: A Six-Dimensional Wellbeing Metric

The PHREVO-Score is the central measurement instrument of the PHREVO framework. It is a six-dimensional composite metric that measures the multidimensional wellbeing of a territory, organization, or project across the dimensions of Human Dignity, Community Impact, Care and Wellbeing, Sustainable Depth, Justice and Autonomy, and Ethical Technology.

The Score differs from existing impact metrics in three fundamental ways. First, it is prior: it is applied before decisions are made, not afterwards as a reporting exercise. Second, it is binding: a project, policy, or investment that fails minimum thresholds on any dimension cannot advance, regardless of its performance on other dimensions. Third, it is lexicographic: deteriorations in higher-priority dimensions are not compensable by improvements in lower-priority ones.

The composite PHREVO-Score is calculated as:

PHREVO-Score = (DH + IC + CB + SP + JA + TE) / 6

Subject to the lexicographic priority constraint: SP ≻ DH ≻ JA ≻ CB ≻ IC ≻ TE. This means that a deterioration in SP cannot be compensated by any improvement in any other dimension. A deterioration in DH cannot be compensated by improvements in JA, CB, IC, or TE. And so on down the priority chain. The mathematical formulation of this constraint, its proof of equilibrium existence under Brouwer's Fixed Point Theorem, and the Territorial Arbitration Mechanism for handling legitimate community exceptions are developed in full in Annex A.

The PHREVO-Score is calculated at three levels of granularity: individual (measuring personal wellbeing across the six dimensions), project (measuring the impact of a specific economic initiative), and territorial (measuring the aggregate wellbeing of a municipality, autonomous territory, or community). At each level, the minimum threshold for advancing any decision is a Score of 0.40 on all six dimensions. Projects or territories below this minimum on any dimension are required to present a remediation plan before

any PHREVO Exchange participation or certification is possible.

9. The MEP: PHREVO Stable Currency

The MEP (Moneda Estable PHREVO — PHREVO Stable Currency) is the monetary instrument of the PHREVO framework. It represents one of the most ambitious and theoretically novel components of the system: a currency that is not backed by debt, gold, or government decree, but by demonstrated ecological regeneration and community welfare.

The MEP differs from all existing monetary systems in its issuance mechanism. Conventional fiat currency is issued by central banks against debt instruments. Commodity-backed currencies are issued against stored physical assets. Cryptocurrencies are issued according to algorithmic schedules independent of real economic activity. The MEP is issued against verifiable impact: specifically, against verified improvements in the PHREVO-Score of the territory or project backing the issuance.

The issuance formula is structured around three backing categories:

Earth backing: MEP is issued against verifiable ecological regeneration — measured improvements in SP indicators including soil restoration, water quality, biodiversity, carbon sequestration, and ecosystem integrity.

Communities backing: MEP is issued against verifiable improvements in community wellbeing — measured improvements in DH, IC, CB, and JA indicators including care infrastructure, governance capacity, dignity metrics, and equity indices.

Future backing: MEP carries a structural obligation to future generations — any MEP issuance that is later found to have been backed by falsified impact data triggers automatic clawback mechanisms and penalizes the issuing entity's PHREVO-Score across all dimensions.

The MEP is designed to make two things impossible that are possible in all existing monetary systems. First, the creation of monetary value through ecological or social destruction — activities that currently generate GDP cannot generate MEP unless they also demonstrate net regeneration across the PHREVO-Score dimensions. Second, the speculation on MEP as a financial instrument — the MEP is not a speculative asset because its value is anchored in real impact metrics that are algorithmically verified rather than sentiment-driven.

The MEP White Paper (signed by Andres Jimenez, 2026) provides the full technical specification of the issuance algorithm, the verification mechanism, the currency basket calculation, and the monetary policy governance structure. The MEP monetary policy is governed by the PHREVO Global Assembly — a body composed of representatives of all participating territories, weighted by PHREVO-Score rather than by GDP or population. This ensures that the monetary policy of the system is controlled by those most committed to its impact objectives.

The MEP transforms the currency from an instrument of debt into an infrastructure of truth. Money, in the PHREVO framework, is not a claim on future production. It is a record of past regeneration and a commitment to future protection. When you hold MEP, you hold a verified unit of care for the world.

10. The PHREVO-Exchange and Basic Impact Income (RIB)

10.1 The PHREVO-Exchange

The PHREVO-Exchange is the financial market mechanism of the PHREVO system. It solves a problem that has defeated every previous attempt at impact-based financial markets: how to maintain liquidity without speculation. Every prior social stock exchange or impact investment market has either remained illiquid (because without speculators there are no buyers) or been captured by greenwashing (because without verifiable metrics, self-declared impact is uncontrollable).

PHREVO solves both problems simultaneously. The liquidity problem is resolved through three non-speculative layers: primary VCG auctions (Vickrey-Clarke-Groves, dominant-strategy incentive-compatible), an automated market maker (AMM) with fundamental-value-anchored price bands, and a Community Liquidity Fund (CLF) that buys at the corridor floor when no other buyers exist. The greenwashing problem is resolved through the PHREVO-Score as the exclusive valuation anchor — a token's price reflects its PHREVO-Score, not speculative expectation.

The formal economic model of the PHREVO-Exchange, including the proof of equilibrium existence (Theorem 1: Brouwer Fixed Point), proof of asymptotic stability (Theorem 2: Walrasian tatonnement convergence), Monte Carlo simulation results across optimistic, neutral, and crisis scenarios, and the full anti-speculation constraint set, is developed in Annex E. The key finding of the simulation: the PHREVO-Exchange achieves volatility comparable to traditional equity markets in normal conditions (18% annualized in the neutral scenario, versus 15-20% for the S&P 500 historically), but recovers from systemic shocks in 8 months rather than the 5 years characteristic of unanchored speculative markets.

10.2 Basic Impact Income (RIB)

The Basic Impact Income (RIB, Renta de Impacto Básica) is PHREVO's alternative to Universal Basic Income. It differs from UBI in two structural ways: it is funded by impact — by the Smart Clearing mechanism that automatically redirects a portion of every transaction in the PHREVO-Exchange and PHREVO-Market toward RIB distribution — and it carries an impact obligation — recipients who perform documented care work above a household threshold receive supplementary RIB according to the formula developed in Annex C.

The RIB is not charity. It is not a safety net. It is the economic recognition that every human being's existence — their care for family members, their maintenance of community bonds, their ecological stewardship of their territory — contributes to the PHREVO-Score of the territory in which they live. The RIB makes this contribution visible and compensates it economically. It is, in this sense, the monetary operationalization of Pillar 1 (life as the measure of value): when life generates value, life receives value. The Smart Clearing mechanism that funds the RIB is automatic. It does not require a discretionary political decision to allocate resources: every transaction in the PHREVO economy automatically generates a portion directed to the RIB fund of the relevant territory. This makes justice a mathematical condition of the system rather than a political preference of its administrators.

11. The Global South as Epistemological Origin

PHREVO does not treat the Global South as the target audience for a framework designed elsewhere. It treats it as the epistemological origin: the place where the framework was built, from the specific wounds and specific resistances of communities that experienced the extractive logic of capitalism before the Global North noticed it was a problem.

This is not a rhetorical claim. It has operational consequences for how PHREVO is designed, how it is validated, and how it governs itself. A framework built from Latin American social movements, African mutual finance traditions, Southeast Asian cooperative economies, and Pacific island ecological governance will produce different instruments, different metrics, and different governance structures than a framework built from the experience of Northern welfare states.

The founding statement of PHREVO makes this explicit: "The Global South did not fail the economy. The economy failed the Global South." This reversal is not merely rhetorical. It is an epistemological claim about the direction of knowledge flow in the global economy. For two centuries, economic theory has been built in the Global North and exported to the Global South as universal truth. PHREVO inverts this: it is built from Global South experience and offered to the Global North as an alternative that the North can learn from, not teach.

The practical implication of this positioning is the Participatory Research Network proposed in Annex J: a South-South collaboration structure designed to translate, challenge, and co-develop the PHREVO framework across four initial regions — West Africa, East Africa, Southeast Asia, and the Pacific. Without this network, PHREVO risks being exactly what it claims to oppose: a framework built in one context (Colombia and New York) claiming universality it has not earned through genuine co-creation.

The Global South is also positioned as the first adopter for a structural reason: it is where the existing system has failed most completely and most visibly. Municipalities in crisis — Buenaventura, La Matanza, Quibdo — are not merely test cases for PHREVO. They are the territories where the price of the current system's failures is paid most directly, and therefore the territories with the most urgent motivation to try something different. The Global South is not a beneficiary of PHREVO's charity. It is the architect of PHREVO's design.

12. Theory of Change: Three Phases

PHREVO's theory of change is explicit and empirically structured. It proceeds in three phases, each with specific conditions for advancement, specific metrics for success, and specific risks with documented mitigations.

The theory of change is grounded in three strategic principles that distinguish PHREVO from previous post-capitalist frameworks. First, demonstration before recognition: PHREVO does not seek legal or political recognition before demonstrating that it works. It operates in the legal space that already exists, produces results, and waits for recognition to follow evidence. Second, scale through peer networks: PHREVO does not scale through a central organization pushing outward. It scales through territorial networks where each successful territory becomes the most credible argument for the next. Third, open-source architecture: the entire PHREVO framework — the code, the metrics, the governance protocols, the legal templates — is published under Creative Commons Attribution 4.0. Any territory can adopt it without asking PHREVO's permission.

13. Conclusion: The Problem Was Not the Values We Chose

The epilogue of PHREVO's foundational text — written before this academic framework paper existed, in the voice of the founder speaking directly to the reader — offers the most compressed statement of the entire theory:

"*The problem was not that the world chose its values poorly, but that it never designed well how to decide them.*"

This sentence contains the entire argument. The problem is not values: every system of the last two centuries had values, many of them admirable. Freedom, equality, justice, dignity, solidarity, progress — none of these were absent from the declarations, constitutions, and founding documents of the great economic experiments of modernity. The problem is the absence of an architecture capable of making those values operative: binding, verifiable, and correctable.

PHREVO is the answer to that specific problem. Not the answer to "which values should we have?" but to "how do we design systems where our values actually govern decisions, especially when those decisions are difficult, costly, and politically inconvenient?"

The answer has five layers. Philosophically: human dignity as the foundational infrastructure of all economic activity — not as aspiration, but as architectural constraint. Economically: impact as the primary creator of value, operationalized through the PHREVO-Score, the MEP currency, the PHREVO-Exchange, and the Basic Impact Income. Technologically: verifiable truth as the basis of the system — sensors, blockchain, ethical AI, and community-governed data that make it mathematically impossible to claim impact that does not exist. Politically: community sovereignty and liquid governance that bring the decisional structure closer to those who bear consequences. And narratively: the Global South not as the object of development charity, but as the architect of the economic alternative.

These five layers are not assembled: they are integrated. They constitute a single architecture where each component reinforces the others. The philosophical layer requires the economic layer to operationalize it. The economic layer requires the technological layer to verify it. The technological layer requires the political layer to govern it. The political layer requires the narrative layer to legitimate it. And the narrative layer returns to the philosophical layer, grounding everything in the specific experience of communities that have lived the failure of the existing system longest and most directly.

This paper has presented PHREVO in the terms that academic discourse requires: precise definitions, formal structures, empirical protocols, theoretical engagement with existing literature. The ten supplementary annexes deepen each component to the level of detail that practitioners, legal teams, engineers, economists, and community leaders respectively need to engage with the framework.

But the framework itself was not born in academic discourse. It was born from a Colombian founder's attempt to name, precisely and operationally, what he had seen: that the world does not fail because people are bad. It fails because no one designed the architecture that would make good decisions the ones that advance, rather than the ones that lose to power, urgency, and interest every time they compete.

"*PHREVO does not need heroes to be ethical. It eliminates the need for heroism.*" *A system that requires extraordinary virtue from ordinary people to not cause harm is a badly designed system. PHREVO is the attempt to design the system well enough that not causing harm is the path of least resistance, the default choice, the architecture of the normal.*

Whether that attempt succeeds is an empirical question. The RCT protocol in Annex F provides the methodology for answering it rigorously. The Annexes collectively provide the detailed specifications that make the test possible. This paper provides the theoretical framework that makes the test meaningful.

The future is not predicted. It is decided. Decision by decision, territory by territory, architecture by architecture. PHREVO exists to make the right decisions the designed ones.

References

Arrow, K.J., & Debreu, G. (1954). Existence of an Equilibrium for a Competitive Economy. Econometrica, 22(3), 265-290.

Banerjee, A., & Duflo, E. (2011). Poor Economics: A Radical Rethinking of the Way to Fight Global Poverty. PublicAffairs.

Benet, J. (2014). IPFS — Content Addressed, Versioned, P2P File System. arXiv:1407.3561.

Bertrand, M., Duflo, E., & Mullainathan, S. (2004). How Much Should We Trust Differences-in-Differences Estimates? Quarterly Journal of Economics, 119(1), 249-275.

Brouwer, L.E.J. (1911). Über Abbildung von Mannigfaltigkeiten. Mathematische Annalen, 71(1), 97-115.

Clarke, E.H. (1971). Multipart Pricing of Public Goods. Public Choice, 11(1), 17-33.

Escobar, A. (2018). Designs for the Pluriverse: Radical Interdependence, Autonomy, and the Making of Worlds. Duke University Press.

Federici, S. (2012). Revolution at Point Zero: Housework, Reproduction, and Feminist Struggle. PM Press.

Fraser, N. (2016). Contradictions of Capital and Care. New Left Review, 100, 99-117.
Fraser, N. (2022). Cannibal Capitalism: How Our System Is Devouring Democracy, Care, and the Planet. Verso.
Gramsci, A. (1929-35). Selections from the Prison Notebooks. Ed. Q. Hoare and G.N. Smith. International Publishers, 1971.
Groves, T. (1973). Incentives in Teams. Econometrica, 41(4), 617-631.
Hayek, F.A. (1945). The Use of Knowledge in Society. American Economic Review, 35(4), 519-530.
Jimenez, A. (2026). PHREVO: A Post-Capitalist Economic Architecture for the Global South. SSRN Working Paper 6614438. DOI: 10.5281/zenodo.19666941.
Klemperer, P. (2004). Auctions: Theory and Practice. Princeton University Press.
Lange, O. (1936-37). On the Economic Theory of Socialism. Review of Economic Studies, 4(1-2), 53-71 and 123-142.
Marx, K. (1867). Capital: A Critique of Political Economy, Volume I. Progress Publishers.
Mises, L. von (1920/1935). Economic Calculation in the Socialist Commonwealth. In F.A. Hayek (Ed.), Collectivist Economic Planning. Routledge.
Nove, A. (1983). The Economics of Feasible Socialism. Allen & Unwin.
Ostrom, E. (1990). Governing the Commons: The Evolution of Institutions for Collective Action. Cambridge University Press.
Poulantzas, N. (1978). State, Power, Socialism. Verso.
Protocol Labs. (2022). libp2p Specification. github.com/libp2p/specs.
Quijano, A. (2000). Coloniality of Power and Eurocentrism in Latin America. International Sociology, 15(2), 215-232.
Roemer, J. (1994). A Future for Socialism. Harvard University Press.
Rosenbaum, P.R., & Rubin, D.B. (1983). The Central Role of the Propensity Score in Observational Studies for Causal Effects. Biometrika, 70(1), 41-55.
Santos, B. de S. (2014). Epistemologies of the South: Justice Against Epistemicide. Paradigm Publishers.
Shamir, A. (1979). How to Share a Secret. Communications of the ACM, 22(11), 612-613.
Stiglitz, J.E. (1994). Whither Socialism? MIT Press.
Tronto, J. (1993). Moral Boundaries: A Political Argument for an Ethic of Care. Routledge.
Vickrey, W. (1961). Counterspeculation, Auctions, and Competitive Sealed Tenders. Journal of Finance, 16(1), 8-37.
Walras, L. (1874). Elements d'Economie Politique Pure. L. Corbaz.
Weber, M. (1919). Politik als Beruf [Politics as a Vocation]. Duncker and Humblot.
Wright, E.O. (2010). Envisioning Real Utopias. Verso.

PHREVO Framework Paper v1.0 — April 2026
SSRN Abstract ID: 6614438 — DOI: 10.5281/zenodo.19666941This study is registered in the AEA RCT Registry. Unique identifying number: AEARCTR-0018502.
Andres Jimenez — hello@phrevo.earth — phrevo.org
Supplementary Annexes A–J: DOI 10.5281/zenodo.19666941