



## **WHAT IF TECHNOLOGICAL INNOVATIONS ARE NOT THE INITIATOR OF ECONOMIC PROSPERITY!?**

*"In particular, where there are recurring problems, we must examine the basis for our assumptions".*

Special announcement: Israel is at war that broke on October 7, 2023, at 6:30 a.m. The war began when hundreds of Hamas terrorists stormed 14 rural and urban settlements, going from house to house, murdering entire families, and kidnapping some, including children and the elderly.

In these horrific moments, our thoughts and hearts are with the families of the murdered, kidnapped, and injured. We strengthen the Israel Defense Forces (IDF) and its warriors to do what it takes to restore order and safety. I thank your support and care.

# CAUSE AND EFFECT

Jerusalem (Israel) is the closest city to the Kibbutz where I was born and raised.

Going to Jerusalem, where everything differs from life on a farm, was a celebration for a curious child like me.

The 15 km bus route taking me from the Kibbutz to Jerusalem went through an old winding road named *Seven Sisters*, characterized by sharp and steep turns.

Under such challenging road conditions, driving a big bus was complex, which I understood even at age five.

I remember those trips, sitting behind the bus driver, watching the bus get fast to the curve but then slow down, reaching almost a complete stop, as the driver swiftly turns the wheel to its maximum, then getting the wheel straight for a few meters only to turn the wheel to its maximum, this time in the other direction.

There was also the sound of the bus; downhill or uphill, the bus's speed was almost the same, though it was quiet sliding down and very noisy climbing the road.

My tension reached its maximum at every turn as the bus was slow and the steering wheel was at its maximum.

Inside me, I celebrated and was relieved when the bus passed another sharp turn, knowing we would live to see the bus driver struggling with the next turn. Those trips to Jerusalem were never dull.



The same would repeat on the return home, but now the bus engine roared as it struggled to climb uphill the same steep, winding road.

Watching the big bus doing this frightening road left me wondering: ***What causes the bus to slow down at every sharp curve, precisely where it needs to?***

Faced with this existential question, at the age of five, yet oblivious to the mechanics of motorized vehicles and not seeing the driver's legs or pedals, I linked the swift steering of the driving wheel at every turn with the speed of the bus.

I concluded that **the bus slowed down due to the steering wheel movement**; the more the driver steered the wheel, the slower the bus would go, and vice versa.

In short, I was confident that the steering wheel movement controls the speed of the bus.

This was further supported by the fact that the bus made little noise going downhill and a loud noise going uphill, yet its speed remained slow in all turns whenever the driver sharply steered the wheel.

I was convinced that the steering wheel determines and initiates the process of controlling the bus speed, nothing else.

From this, I concluded how a bus driver controls the bus speed: by keeping the wheel straight and steady, the bus accelerates, and vice versa when steering the wheel; the faster and sharper the slower the bus would go.

I felt good, in control and content, cracking the mystery of how the bus driver controls the bus speed.

**The cause:** The steering wheel movement affects (controls) the vehicle speed.

Accordingly, the engine and the other parts of the bus are managed and respond to the steering wheel.

Nevertheless, I knew my hypothesis was incomplete, as I couldn't explain some things.

For example, I could not explain how the bus slows down or stops where I do not see the driver steering the wheel before stopping, such as at an intersection or a bus stop.

Of course, not having a perfect explanation doesn't mean your theory is wrong: I knew my explanation was incomplete, but I wasn't about to let it ruin my theory.

Young Nimrod was more than happy with his explanation, no matter how incomplete.

Years passed, and I learned to drive and a vehicle mechanism. I learned that you can only steer the wheel sharply and safely if you go slowly, and the sharper the curve, you should adjust the vehicle to a slower speed.

I learned that those other things I didn't see, i.e., engine, gear, pedals, wheels, etc., determined the speed; the steering wheel had nothing to do with those.

I learned that how fast you steer the wheel depends on how fast you want to reach your destination, the potential of your engine and gear, how well the wheels can hold on to the road, the road design, obstacles, and conditions.

Today, I know that the wheel enables me to navigate, steer my way, and eventually reach my destination, but it does not control the vehicle's speed.

In Cause and effect terms, I now know that the ability to move the steering wheel fast or slow is affected by the car mechanism, mostly hidden underneath the hood.

Have you ever reached the wrong conclusion because you did not understand the system's mechanism?

## CAUSE AND EFFECT HUMAN ERROR

Our tendency to link events that happen in proximity and based on our (partial) knowledge causes us to draw wrong conclusions quite often, to be extremely sure of our findings, and to fortify them because we have always viewed A event coupled with B event.

When we are convinced of something, we tend to neglect, ignore, not pay attention, and even dismiss signs that do not align with our concept and perfect theory.

Even as a child, once I linked the bus speed with the degree of rotation of its steering wheel, I stuck to that theory, became convinced in it, and completed the blank spots with stories I made up. Another option to fill the gaps was to ignore anything that didn't align with the part I was already convinced about.

Mismatching causes and effects may be harmless if, as a child, you don't understand how a car is driven or you conclude that the sand causes the sea because the only place you see the sea is the only place you see sand (and where you don't see sand you also don't see a sea).

But human history is paved with stories that caused human suffering and slow advancement due to the mismatching of cause and effect and being blindly convinced in a "perfect hypothesis".

We know of some grand human cause-and-effect errors that lasted decades and, in some cases, even millennia.

For example:

- **Seeing the Sunrise** on the East and Sunset on the West caused us to believe the Sun orbits Earth and that we are the center of the universe.
- **Seeing malaria** where there were swamps caused people to believe it was caused by bad air (literally meaning "bad air" in ancient Rome).
- **Trofim Denisovich Lysenko** argued against evolution and natural selection and claimed that organisms can develop new traits through 'willpower' and slow adaptation. Accordingly, a person who does hard physical work will develop muscles, and his offspring will also be muscular. Or, wheat grown in the cold of Siberia will "get used" to the climate and, after a period of adaptation, will carry high yields. Adopting Lysenko's model in Russia and China (1920s-1965) resulted in tens of millions of deaths from hunger and poverty and a continuous scientific backwardness of those countries.

Understanding the cause and effect of a system is vital to knowing how to use it.

Technological innovations are critical elements in a developed economic system, but is it its engine, as we have been taught for decades, or is it merely the economic system's steering wheel?

Misunderstanding a system's cause and effect matters, mainly when it involves national and global economics impacting billions of people and causing hundreds of millions of small-hold farmers to remain impoverished.

Could the same human errors presented in the bus-wheel-speed lead us to mix the cause and effect when explaining national and global economic growth and prosperity?

**Could technological innovation be the effect and not the cause of economic prosperity?**

If we use the analogy from the story of the bus whose speed, I thought, depends on the movement of the steering wheel, is it possible that we see technology as a component that determines the speed (success) and progress of national economic, while the mechanism responsible for speeding up or slowing down the economy is different, and like the engine, pedals, and gear is hidden underneath the hood?

Is it possible that technological innovations and the steering wheel on a bus are both effects that, when used properly, can help us navigate our way faster to our destination, be it a place or the concept of prosperity?

Could each innovation type suit different economic requirements equivalent to varying road conditions?

For example, the type of innovation and its equivalent road condition:

- **Disruptive Innovation** – Winding steep road: must use the wheel (innovations) to its maximum/extreme, or you fall off the cliff. Lots of use of the engine and breaks.
- **Sustaining Innovation** – Fast road with minor curves: need of minor wheel turn (innovations), as you go fast, burning little fuel.
- **Efficiency Innovation** – Flat road without curves: driving on a flat, straight highway. It enables one to use the auto cruise and drive with less tension.

In the next column, we will discuss what could be underneath the economic hood that generates economic success and prosperity.

Your comments and feedback are appreciated.

Are you happy with the current development trajectory of the rural community in your country?

Are you satisfied with the results of running rural projects?

Are you ready to keep things as they are?

To change, contact me.

## TAKEAWAY MESSAGES

- **UNDERSTANDING CAUSE AND EFFECT** is critical in solving problems.
- **IN SYSTEMS**, particularly complex ones, it is necessary to investigate what causes what repeatedly.
- **A COUNTRY'S ECONOMIC GROWTH** and prosperity are not generated by technological innovation but are led to their destination by those.

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*\*\*\* Mental and Economic Freedom Are Interconnected \*\*\**

See you soon,

Nimrod



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**P.S.**

If you missed it, here is a link to last week's blog, "[The Power of Democratizing Innovation - Lessons From Amazon and Agro Sectors](#)".

**P.P.S.**

[Dream Valley](#) is a field-proven disruptive business model based on the successful Israeli model.

To learn more and become a Dream Valley partner, contact me at [nisraely@biofeed.co.il](mailto:nisraely@biofeed.co.il), +972-542523425 (WhatsApp/Text)

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***Change Begins With A Decision  
That The Existing Reality Is A Choice  
and Not A Decree of Fate***