

HUBBARD COMMUNICATIONS OFFICE
Saint Hill Manor, East Grinstead, Sussex

HCO POLICY LETTER OF 27 AUGUST 1982
CORRECTED AND REISSUED 28 SEPTEMBER 1982
RE-CORRECTED AND REISSUED 10 OCTOBER 1985

Remimeo
All Orgs and
Missions
All Staff

(Corrected 28.9.82 to delete an error in transcription that resulted in the insertion of a paragraph which did not apply to this policy letter. Ellipsis indicates deletion.)

(Corrected 10.10.85 to add line dropped out of step 1 of Affluence Formula)

(Confusions on the subject of Power and Affluence conditions resulted in a misinterpretation and faulty issue of LRH policy letters which just recently were caught and corrected by L. Ron Hubbard, resulting in the issue of this PL which corrects them and the revision of those listed below which were part of the misinterpretation.

The Board of Directors of the
CHURCH OF SCIENTOLOGY
INTERNATIONAL)

I M P O R T A N T

VITAL DATA: POWER AND AFFLUENCE CONDITIONS

Note: This issue *Cancels*, specifically, the following:

HCO PL 5 May 71 II	READING STATISTICS
HCO PL 5 May 71R II	READING STATISTICS as revised 9 Nov. 79
HCO PL 3 Oct. 70R	STAT INTERPRETATION as revised 9 Nov. 79, and
HCO PL 9 Nov. 79	HOW TO CORRECTLY DETERMINE A STAT TREND,

as these issues contained erroneous and misleading data and/or graphs regarding the conditions of Power and Affluence. The *only* valid versions of these three policy letters are the corrected versions of these PLs as revised 27 August 1982, and listed below.

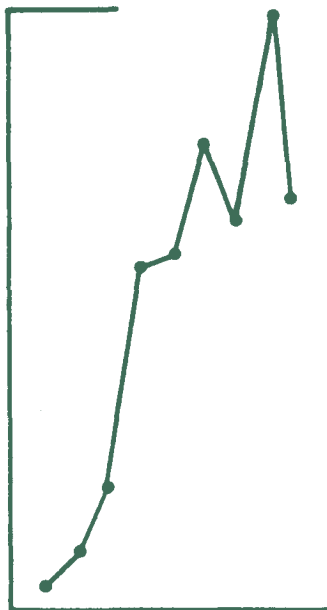
Refs:

HCO PL 5 May 71RA II Re-rev. 27 Aug. 82	READING STATISTICS
HCO PL 3 Oct. 70RA Re-rev. 27 Aug. 82	STAT INTERPRETATION
HCO PL 9 Nov. 79R Rev. 27 Aug. 82	HOW TO CORRECTLY DETERMINE A STAT TREND
HCO PL 6 Nov. 66R I Rev. 9 Nov. 79	Admin Know-How Series 5R, STATISTIC INTERPRETATIVE, STATISTIC ANALYSIS
HCO PL 23 Sept. 67	NEW POST FORMULA, THE CONDITIONS FORMULAS
HCO PL 14 Mar. 68 TAPE: #6505C25 SH Special 62	CORRECTED TABLE OF CONDITIONS THE FIVE CONDITIONS
HCO PL 6 Mar. 66 II	STATISTIC GRAPHS, HOW TO FIGURE THE SCALE

HCO PL 9 Feb. 70	STATISTICAL JUDGMENT
HCO PL 12 Feb. 67	Admin Know-How Series 13
HCO PL 27 Oct. 80	THE RESPONSIBILITIES OF LEADERS
HCO PL 13 Nov. 72	POWER CHANGE VIOLATION REPAIR FORMULA
	AFFLUENCE ATTAINMENT

I have just uncovered what is probably a widespread misunderstanding of the difference between the condition of AFFLUENCE and the condition of POWER.

Looking at the following graph,



which had been MISCLASSIFIED as Power, revealed to me that Power was not understood. The graph shown above is in screaming Affluence. It is not Power since it is not maintained.

Power is not a high Affluence, as a good many people seem to think.

On spotting this misconception, I called for all of the references on Power and Affluence so these could be carefully reviewed and clarified or corrected if needed to ensure that Power is not susceptible to misinterpretation. A description of the slant of a Power line as "near vertical up" (HCO PL 5 May 71R, READING STATISTICS) is erroneous as it gives the idea that Power could be judged from one line on the graph, and this has now been corrected. While that statement might describe the ascent of a stat up to a range where it can now *move into* Power (as Power would be high at the top of the graph), it does not accurately describe Power itself, as Power is a *trend*. Therefore, HCO PL 5 May 71R has been revised to clarify this, and any extant sample graphs or issues put out by others which would forward the wrong concept of Power have been revised accordingly.

We need to get the facts regarding this condition very straight and clearly understood.

So now let us look at a very concise definition of Power, along with some further data on the subject.

CONDITION OF POWER

A Power stat is a stat in a very high range; it is a brand new range in a Normal trend.

A Power stat is not just a stat that keeps going steeply up for a long time. Nor is it simply a very high stat on a one-time basis. Power is not a one-week thing. It is a *trend*.

DEFINITION: POWER IS A NORMAL IN A STELLAR RANGE SO HIGH THAT IT IS TOTAL ABUNDANCE, NO DOUBT ABOUT IT.

IT IS A STAT THAT HAS GONE UP INTO A WHOLE NEW, STEEPLY-HIGH RANGE AND MAINTAINED THAT RANGE AND NOW, IN THAT NEW HIGH RANGE, IS ON A NORMAL TREND.

Operating in this new range you may get a slight dip in that stat now and then. But it is still Power.

There is another datum that is of importance if one is to correctly recognize and understand this condition:

Why do we call it Power?

BECAUSE THERE IS SUCH AN ABUNDANCE OF PRODUCTION THERE THAT MOMENTARY HALTS OR DIPS CAN'T PULL IT DOWN OR IMPERIL ITS SURVIVAL.

And THAT is POWER.

POWER CONDITION FOR INDIVIDUALS AND ORGS

If those who didn't understand the Power stat had asked one more question, they would have gotten a clarification.

The question would be "How much work can one guy do?" Or: "How many bricks can a guy lay in a day?"

Of course, a person can only work so many hours in a day. He can only get so much individual production in a day. But he can get enough production in a day to support himself. He can get his production up into such abundance that he can take some time off. That depends on his efficiency and brightness.

At a certain peak of Affluence he will hit how many bricks he can lay. By increasing practice and efficiency he can keep that level of production going in a Normal.

If he's laying so many bricks that nobody is ever going to think of firing him, why, he's in Power. That's a Power condition for an individual.

That isn't true of an organization. An organization expands. It's got to expand if it is to stay alive at all and it's got to expand if it is to get into Power and maintain it.

Let us say an org or a portion of an org gets its production going into a series of increasing Affluences. Eventually it reaches a peak as to what it can honestly and actually produce with its current facilities (personnel, equipment, etc.). Now it is managing to maintain its new high range in a Normal trend. There is a good healthy abundance of production going on. That's excellent; the org has made it into Power and the Power Formula applies.

BUT for an organization, which can expand, there are new, higher ranges which can now be reached.

In the Simon Bolivar PL (HCO PL 12 Feb. 67, THE RESPONSIBILITIES OF LEADERS) I've given you a datum which is pertinent here: "When the game or the show is over, there must be a new game or a new show. And if there isn't, somebody else is jolly well going to start one, and if you won't let *anyone* do it, the game will become 'getting you.' "

So for an org there is a new level of Power now to be attained. It's done by applying the formulas exactly. And in the course of things, that includes bettering the

quality and quantity of one's service, adding personnel and hatting, training, apprenticing them up to competence, improving facilities. Expanding.

I got Saint Hill into Power in the sixties and the FSO was in true Power in Daytona. But that's about it.

There are higher potential ranges, always, that any org can reach. But it isn't a hit-or-miss thing; it's correct application of the correctly assigned conditions formulas. Prediction, planning and adhering to the principles for sound expansion enter into it.

POWER FORMULA

The Power Formula given in HCO PL 23 Sept. 67, NEW POST FORMULA, THE CONDITIONS FORMULAS, is the formula for the condition of Power on the *first* dynamic.

That is true for an organization or for an individual, for any unit or government or civilization. To maintain a Power condition you would apply the steps of that formula scrupulously.

Additionally, there is a formula for the condition of Power on the *third* dynamic, and that is found in the seven points regarding Power laid out in HCO PL 12 Feb. 67, THE RESPONSIBILITIES OF LEADERS. (Page 466 of OEC Volume 0)

If an org or an individual doesn't also get those seven points applied, it can be predicted with accuracy that they won't be in Power for long. That is a fact. Power carries with it those exigencies.

When these points *are* applied you get an expansion of the Power factor, and if you continue to operate on these points, that Power factor will expand and expand again until there is a much, much larger sphere of Power realized than was originally achieved.

This is the forward look for the executives and staff of an org to take.

But you don't hit Power overnight. On the way up there will be some Affluences to handle.

CONDITION OF AFFLUENCE

When you have a line going steeply up on a graph, that's AFFLUENCE. Whether it's up steeply for one week or up steeply from its last point week after week after week, it's AFFLUENCE.

When you've got an Affluence, regardless of how you did it, the Affluence Formula applies.

You **MUST** apply the Affluence Formula or you will be in trouble. Anyone dealing with Affluence should be aware of the following peculiarities about it.

Affluence is the most touchy condition there is. Misname it or handle it off formula and it can kill you. You go plummeting down fast. It is, strangely enough, the most dangerous of all conditions in that if you don't spot it and apply the formula, you spatter all over the street! Spot and handle it right and it's a rocket ride.

HANDLING AFFLUENCE

Let us say the key stat of the org, operationally, is in Affluence so the condition of the org, as an org, is Affluence.

You had better do a stat analysis. You will need to review all of the GDS (gross divisional statistic) graphs and do a comparison of each set of stats in the same or

related activity. This includes doing an *internal* GDS analysis (analyzing the stats within a division) as there will be vital points there to be covered. GDS analyses are just that. In order to understand what has put a GDS up or down, you have to look at the minor stats and the associated stats.

A stat analysis is not done just to see which stats are going up or down and handling these with conditions. A statistic analysis is done to determine which stat or stats, if handled forcefully and at once, will change the overall situation. In the case of Affluence it is done to determine which stats need to be handled in order to maintain and strengthen the Affluence.

(As an aside, the term "stat analysis" applies to anything, anywhere. You can do a stat analysis on any activity, whether or not it has GDSes per se, and still come up with a Why for that activity.)

All right, so you have a genuine Affluence. The Affluence Formula, per HCO PL 23 Sept. 67, NEW POST FORMULA, THE CONDITIONS FORMULAS, is

1. Economize. Now the first thing you must do in Affluence is economize and then make very, very sure that you don't buy anything that has any future commitment to it; don't buy anything with any future commitments; don't hire anybody with any future commitments—nothing. That is all part of that economy; clamp it down.
2. Pay every bill. Get every bill that you can possibly scrape up from any place, every penny you owe anywhere under the sun, moon and stars and pay them.
3. Invest the remainder in service facilities; make it more possible to deliver.
4. Discover what caused the condition of Affluence and strengthen it.

Your battle plan, then, must include the first three targets of the formula. It goes without saying that these should be the first targets on any battle plan where Affluence is going to be handled.

Now let's look at #4 of the Affluence Formula.

Let's look now at trends. What started this Affluence? When did this steep rise begin? And what were the ongoing actions at that time or just prior to it?

We find the date coincidence of the Affluence was the implementation of a specific eval. Or, let us say, a specific org program based on sound and current strategic planning.

Good. Per #4 of the formula we must strengthen this!

All right, how? By looking over the rest of the stats and finding which are NOT in AFFLUENCE, of course.

List out the various stats and their conditions—the non-Affluence, the Normal, the Emergency, the crashed stats.

Where did the Affluence come from? It's Division X. Look over those stats. Some are, some aren't in Affluence.

Now take a look at the program that started the Affluence.

Go over the targets on the program thoroughly. Ensure the reports on the completed targets are correct. You want to be sure that what was said was done *was* done. False reports and half-dones can cause attention to drift off those targets as they're then *assumed* to be in when they're not.

Isolate the program actions, the targets done that caused or contributed to the Affluence, as you're going to strengthen them.

You might find that some of the monitoring reasons for the start of the Affluence are not yet even fully complete or, even if fully done, not marked to be maintained. That fact itself signals some of the actions to be taken to strengthen the Affluence.

Targets fully and honestly done once may have now dropped out and the successful actions are not being continued. You can be sure that if all of these points aren't carried through, you'll lose your Affluence.

Review the downstat areas. Find out what they were or weren't doing and what they *should* have been doing that would have contributed to the Affluence.

Here is Target "E" — not done at all by Department Y which was doing something else all week and wound up with a crashed stat. Aha! A departure from the program caused disaster!

And somebody else went off the strategy and current planning against which the whole program is written. That's a pull in the opposite direction.

So will failure to follow and reinforce this program break your Affluence? You said it!!!!!!

Your stat analysis, then, would conclude with

1. To come off the cause of the Affluence will bring utter chaos and disaster.
2. The cause of the Affluence was Program X.
3. The whole handling of Program X must be reinforced.

That gives you your battle plan!

So you go over the program, target by target. Exhume every project written for those targets. Program out which actions need to be repeated, taken to full dones, maintained, whatever is called for. *Reinforce them*. Program out the production actions to be taken (in addition to correct condition assignments) in the downstat areas.

All of this makes up your battle plan. Now you go hell-bent for leather and get that BP done!

And note: If the following week a new stat analysis is done, you don't then cancel everything, change course and go careening off on a tangent in another direction on some new program. That violates management by trend and results in incomplete programs. Whatever else needs doing, you'd better also re-log any undone BP targets. And stay on the proven, successful "Program X" until it is complete and being maintained.

An org or a unit or an individual can make the mistake of thinking it has exhausted its immediate resources for creating another Affluence. But with this kind of scrutiny and analysis of the scene, you'll find you do have the means to do it. True, it may take some beef-up or re-org in certain areas, but it doesn't require going into a total organize. Any reorganization done would be done to strengthen the targets or actions which brought about the Affluence.

THE CAUSE OF THE AFFLUENCE IS STILL CAPABLE OF CAUSING IT!

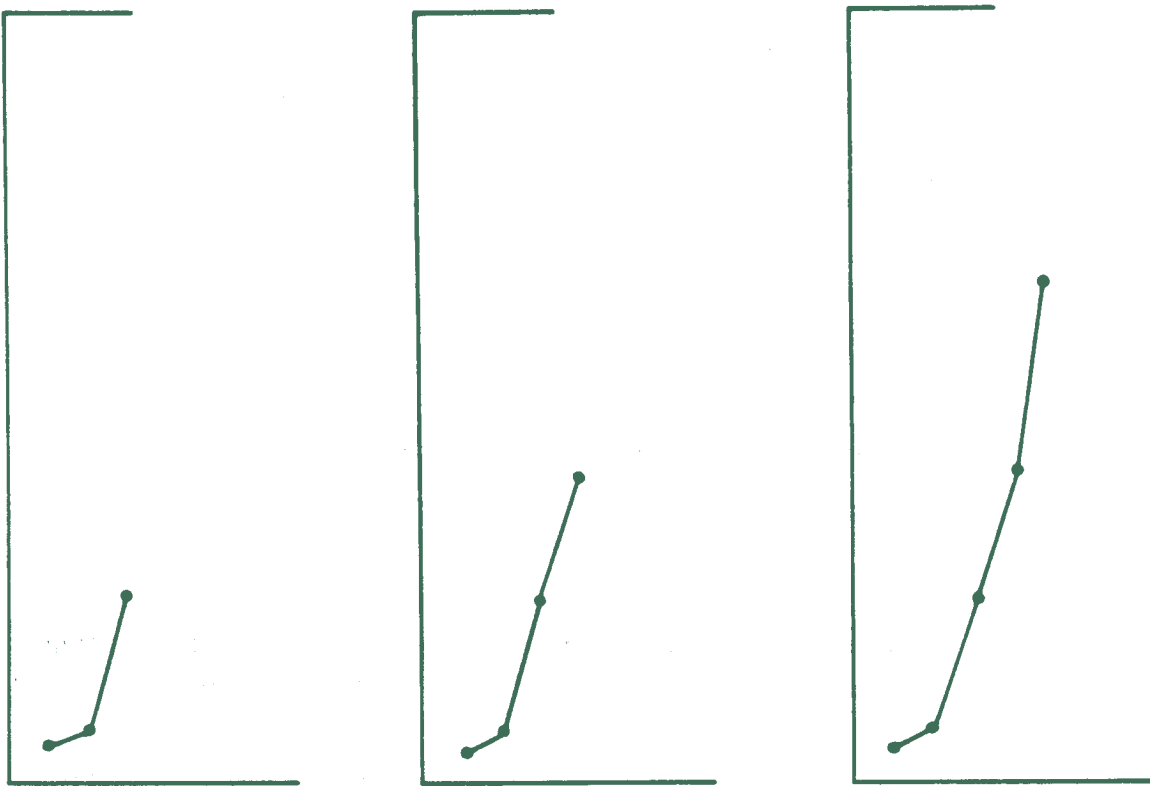
These are the key tools of management: GDS analysis and conditions, strategy, programs and targets.

For a smaller unit or section of an org or an individual, you just transpose the

handling given here over to the activity of that unit, section or individual and get it applied there. That you're now going to do it on a smaller scale doesn't change or negate any of the steps of the Affluence Formula.

Where it can go off the rails most easily is mistaking an Affluence condition for Power and thus applying the wrong formula, failing to find the true cause of the Affluence, assuming there's nothing more that can be done in the sector that caused the Affluence in the first place, or sloppy, inexact, incomplete application of any part of the formula.

When Affluence *is* handled with the correct condition assigned, an accurate stat analysis and an industrious application of the formula based on the true cause of the Affluence, you'll get something like this:

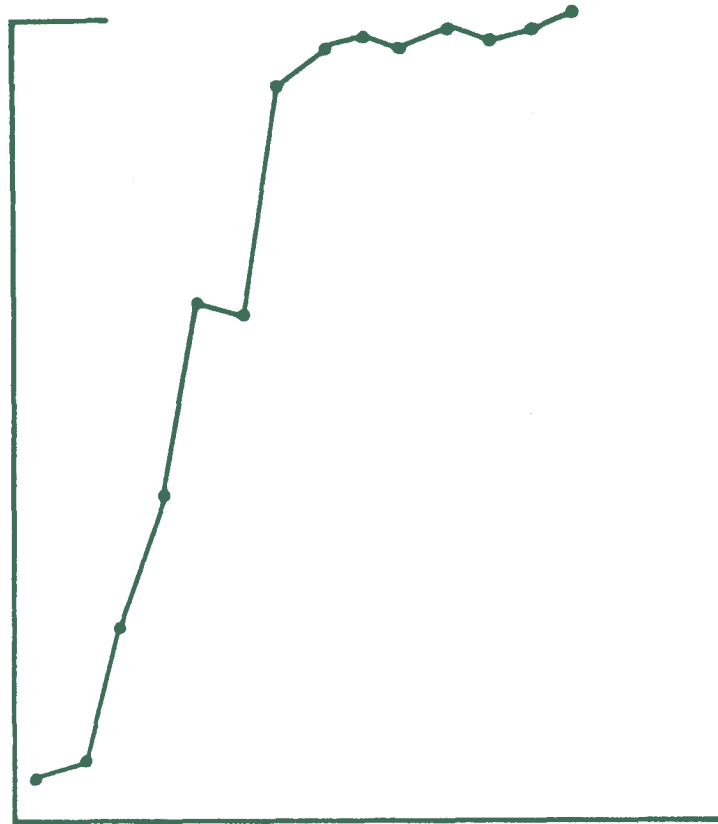


AFFLUENCE.
Condition correctly
assigned and the
Affluence Formula
carried out
results in. . .

AFFLUENCE.
Formula carried
out standardly in
a new unit of
time results in. . .

AFFLUENCE.

By reinforcing what caused the Affluence each time, you keep boosting it up to a new higher point until eventually it peaks at what is truly a stellar range. Now you have a new scene.



AFFLUENCE GOING INTO POWER

When you're maintaining that new range and you've got it stabilized and going in a Normal *trend*, you had better get the Power Formula carried out and all the points of Power Change as they apply.

You're operating now in a new range. You continue to build it from there. At some point it may take off into another Affluence. But in any case, if you keep it all going standardly and keep getting the correct conditions applied, eventually you'll work it up to a new and even wider sphere of Power.

If any of this was misunderstood in the past, it is possible that some Affluences were broken because of the confusion between the two conditions. An org was in Affluence, a real Affluence, thought it was Power and applied the wrong condition. So the Affluence wasn't maintained and the org never really got into Power.

But a far, far more common occurrence would be that an Affluence trend was broken by orders into the org by persons who didn't take the Affluence into account and didn't know or didn't bother to find out *why* the Affluence had occurred. And so, naturally, it crashed.

History is strewn with examples of individuals, states, nations and whole civilizations violating these two conditions and their formulas.

We have a different route to travel. With the tools we have we are capable of making a different kind of history and *are* making it right now.

You have a well-defined picture of Affluence and its handling. You now have a clear-cut definition of Power. And the twain *do* meet—I've just shown you how.

Study it well, get it all straight and *applied* and you'll reach a point where you're operating with such an abundance of production that momentary halts or dips can't pull it down or imperil its survival!

And that will be Power!

L. RON HUBBARD
Founder

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