

YOUR APPROVAL CHAIN ISN'T BROKEN. IT'S PRICED FOR A RISK THAT ALREADY CHANGED.

Governance Cost Inversion — why controls that were once correct quietly become economically irrational, and why nothing in most systems ever checks.



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GOVERNANCE COST INVERSION

The point at which a governance control's recurring cost exceeds the risk-adjusted value of the risk reduction it provides —

independent of whether governance is executing correctly.



NOT ALL CHANGES CARRY THE SAME RISK.

CONFIG TOGGLE

Reversible in minutes.

No data loss.

Same 3-signature chain.

SCHEMA MIGRATION

Production database.

Genuine blast radius.

Same 3-signature chain.

ONE OF THESE IS OVERPRICED BY THAT CHAIN. ONE ISN'T.



FOUR WAYS TO MEASURE THE MISPRICING

Approval-chain length

vs. blast radius of the change class

Time-to-approve

vs. observed incident rate (proportionality, not causation)

Auto-approvable but still signed off

vs. proportional risk reduction actually added

Cost per approval cycle

vs. expected loss the approval is meant to prevent



CROSSING THE THRESHOLD ISN'T THE FAILURE.

It's a signal to reassess the control — not an instruction to remove it.

The actual failure: no mechanism ever checks whether it should cross back.

THAT PERSISTENT, UNEXAMINED STATE IS GOVERNANCE COST RATCHET.



THIS ISN'T AUTOMATION DEBT.

AUTOMATION DEBT CURVE (#139)

Lives inside the automation.

Paid down by whoever
builds the pipeline.

GOVERNANCE COST RATCHET (#174)

Lives outside the automation.

Undone only by an
authorized governance decision.



A REAL RETIREMENT PATH NEEDS THREE THINGS.

EVIDENCE

The same four indicators that flagged the inversion qualify the control for retirement.

AUTHORITY

A different question than who owns the approval tool — whoever owns the risk, not whoever runs the workflow.

PERSISTENCE

What stops the control from returning through a cloned template nobody remembered to update.

**GOVERNANCE THAT CAN ADD CONTROLS
BUT NEVER SUBTRACT THEM ISN'T CONSERVATIVE.
IT'S UNAUDITED IN ONE DIRECTION ONLY.**

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