

# New Options

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## We Can Redistribute Income Without Taxes or Tears

According to an avalanche of recent studies, there has been no redistribution of income in this country for at least two generations. (According to one study, in 1950 the bottom fifth of income earners had 4% of total income; the top fifth, 44%. Ditto in 1980.)

Despite a general feeling that it is not right for some people to be dozens or even hundreds of times poorer than their fellows, few of us are calling for income redistribution in the U.S. today.

It wasn't always this way. In the 1930s, promising to make "Every Man a King," Huey Long built a national constituency around the proposition that all Americans were entitled to a home, a car and a radio. In the 1960s, Robert Theobald found a national audience for his guaranteed annual income proposals. In 1972, in the thick of the Democratic presidential primaries, George McGovern promised a \$1,000 Treasury handout to everyone that needed it.

The reason these schemes have fallen out of favor is *not*, we suspect, that Americans have become more greedy (as many on the left contend). It is that Americans have become more economically sophisticated. Most Americans are now—quite rightly—concerned that "Every Man a King" schemes would require massive new taxes, discouraging initiative; or lead to staggering new government deficits. Their quarrel isn't with the *goal* of an equitable society, but with the traditional populist *means* for getting us there. If a share-the-wealth scheme could be devised that would not require massive new taxes and would be good for the economy as a whole, we suspect most Americans would favor it.

Enter Stuart Speiser, international lawyer, honorary board member of the *Journal of Post-Keynesian Economics*, and self-proclaimed "social capitalist." Speiser has come up with a scheme that would achieve a (drastic) redistribution of income without confiscation of the rich or any new taxes at all.

"McGovern's proposal would have produced 'socialist income,'" Speiser told NEW

OPTIONS, "taking money from wage-earners through taxation and transferring it to needy individuals. My proposal is based upon 'capitalist income'—giving every citizen the chance to share in the profits of our leading companies. Some people believe this is merely a cosmetic difference. I believe it's crucial."

Speiser is no marginal figure. He is the author of 26 books on economics and the law. He is probably best known as the man who represented the then unknown consumer advocate, Ralph Nader, in his invasion of privacy suit against General Motors. Currently he's representing the majority of the victims' families in suits stemming from the downing of Korean Airlines Flight 007.

In the article below, written especially for NEW OPTIONS, Speiser seeks to open a dialogue with NEW OPTIONS readers on *practical and healing* new ways to redistribute income in this country. Please respond to his article % NEW OPTIONS; he looks forward to replying to your letters in an upcoming issue.

By Stuart M. Speiser

How can we create an equitable distribution of income in this country, without confiscation or increased taxation?

Americans obtain their financial support in four ways: wages, welfare, crime, and return on invested capital. Wages have traditionally been our method of spreading the wealth. But in an increasingly automated era it has become apparent that no government—regardless of political bent—can create enough jobs to support everyone through wages.

At the same time, mounting evidence both here and abroad indicates that the attempt to create equitable distribution through welfare, Social Security, and other transfer payments, is inherently inflationary.

The first three methods of support (wages, welfare, and cheating) are used by virtually all economic systems. Only the fourth method

is unique to capitalism. But so far the politicians in capitalist nations have allowed return on invested capital—"capitalist income"—to be restricted to a very small pinnacle class. As Ronald Reagan said in 1975, "Roughly 94% of the people in capitalist America make their living from wages. Only 6% are true capitalists in the sense of deriving their income from ownership of the means of production."

It is time to fashion capitalist income into a new political tool to solve our economic and social problems. In diffusing ownership of the means of production, we may find a solution to the unfairness of American capitalism.

### **Every person a capitalist**

Is there anything inherent in capitalism that would prevent us from spreading ownership of the means of production to all of our people? You will search in vain for any such restriction in the Constitution or laws of the U.S. Yet most economists, even liberals, have not opened their minds to such a concept.

There is no reason why capitalism cannot function when the means of production are owned by the majority rather than a minority. In fact, if we could find a way to open ownership of the means of production to all Americans, we could make our economic system consistent with our political democracy and our concept of fairness.

There is a plan to make capitalism work for everyone. I call it the Universal Stock Ownership Plan (USOP) because it makes corporate stock available to everyone. Its purpose is to spread ownership of newly formed capital throughout society, enabling the noncapitalist 94% to derive income from direct participation in capitalism. Because its purpose is to spread *newly formed* capital, there would be no confiscation of wealth and no need for new taxes.

### **Hidden reservoir**

There is a vast hidden reservoir of unowned wealth in this country, in the form of the *new*

capital created each year by American business. This hidden reservoir of wealth could be the source of a substantial amount of income for those Americans who presently own little or no capital. (Capital, in this context, does not refer to money, but rather to the plant and equipment that companies build or buy every year.)

This new capital is what capitalists call "self-liquidating." It is designed to *pay for itself* out of the increased profits flowing from expanded production. So, for example, the cost of constructing a new automobile factory will be covered by the sale of new cars rolling off the factory's assembly line.

This new capital is designed to pay for itself *regardless of who owns it*: a wealthy investor, a struggling janitor, anyone. In theory, then, anyone could become an owner of this new capital—if he or she were extended the necessary credit with which to purchase shares of stock in the companies creating the capital.

In practice, however, credit for the purchase of stock or other income-producing capital is available only to those who already have savings or other holdings—those who can provide good collateral for loans.

In 1985, American business invested over \$300 billion in the construction and purchase of new plant and equipment. Under our present system, 95% of these new capital expenditures are paid for by a combination of debt (loans or bonds) and internal funds; 5% is financed through the issuance of new common stock.

The main vice of this system is that it perpetuates the overconcentration of capital ownership:

- Billions of dollars are kept bottled up in the corporations for capital expenditures. Wealthy stockholders believe this practice serves their interests, for they would otherwise have to pay income taxes on substantial dividend income. They prefer to have this money remain in corporate coffers where the value of their holdings can increase untaxed.

- Even the 5% of capital expenditures that is paid for by the issuance of new stock can be owned only by those who have cash savings or credit.

As long as this system remains intact, so too will the process of concentrating ownership of the means of production in the hands of a mere 6% of the population. There is, however, nothing sacred or immutable about this system. It is simply one method—and not necessarily the best method—of financing a modern economy.

### The plan

The Universal Stock Ownership Plan is designed to make stock ownership in America's

2,000 leading corporations available to everyone through a system that would funnel ownership of new capital directly to the 50 million households that now own little or no capital. To understand how it would work, let's take as a case in point the fictitious Peerless Pizza Parlors Corporation, which we shall imagine as one of the nation's 2,000 leading corporations.

Let us assume that Peerless is building a new plant to meet increased demand for its new pizza oven. Thus Peerless is creating \$10 million worth of new capital *that is not presently owned by anyone* and that will *pay for itself* over time through the increased production and sale of pizza pies.

Under our present corporate system, Peerless would finance such expansion primarily through internal funds and debt, which automatically funnels ownership of 95% of the new capital into the hands of the current Peerless shareholders. At the heart of the present system, then, is a mechanism for producing capital ownership that has been employed for centuries by wealthy individuals and businesses: *long-term credit*.

At the heart of USOP is this same mechanism, but with one key difference: now long-term credit will be extended to the non-capitalists.

Let's assume you are one of the non-capitalists. Here is how you would become a capitalist:

**Financing new capital.** Under the new federal legislation adopting USOP, Peerless will not be allowed to pay for its plants through internal funds or debt. Rather, it will be required to finance its capital growth by issuing \$10 million worth of a special type of stock, to be known as USOP shares.

This stock will not be available to the 6% of Americans who already own a substantial number of shares. Instead, you and the rest of the 94% will be able to acquire a given number of USOP shares.

How do you pay for the USOP shares? You don't. A loan will be arranged to provide the money needed to pay Peerless for the stock—and eventually the stock will pay for itself, out of its own earnings.

**The loan.** The USOP legislation will establish a government-guaranteed long-term loan program. In effect, *you* will be using the credit power of Peerless to acquire shares of its stock—just as Peerless now uses its credit power to acquire further capital ownership for its present shareholders.

A bank loan of \$10 million will be arranged, to provide Peerless with the entire cost of the new plant; Peerless will then issue \$10 million worth of stock. But the loan will not be owed by you or by Peerless. It will be owed by the USOP fund. Until the loan has

been repaid, the Peerless shares earmarked for your account will be held in escrow by the bank that made the \$10 million loan.

**Repayment.** The USOP legislation requires Peerless and the rest of the 2,000 participating companies to pay out all their earnings as dividends (except those reserves actually needed to run the company). Thus, as Peerless begins to realize higher profits from the output of the pizza machines made in the new factory, these profits will be turned into higher dividends which are used to pay for the USOP shares issued to you.

For a number of years, these dividends will be paid directly to the bank, until such time as it has recouped its \$10 million loan plus interest. Then you become the outright owner of your USOP stock, and you will receive all future dividends directly.

Thus, the new USOP system ensures that Peerless's \$10 million worth of new capital is owned by those who previously had no real access to capital ownership.

### Two thousand companies

I have oversimplified USOP to give you a bird's-eye view from the standpoint of a single company, Peerless Pizza. Actually, it is designed as a group plan, involving at the start America's 2,000 leading companies, such as General Motors, IBM, ATT, Xerox and Exxon. These are the companies that every year create most of America's \$384 billion of new capital (which I rounded off to \$300 billion above to represent the expenditures of these major companies).

To pay for this capital, each company would issue shares of its stock at market value. Each year these shares would be pooled in a sort of mutual fund, with each company contributing to the pool the number of shares needed to pay for its new capital expenditures. Shares would be parcelled out to those households

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## New Options

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## Simonetta: "the heroes are us"

He had no chance, we thought. The reasons were obvious. You don't nominate a person for the U.S. Congress who's self-published a book on the relationship between spirituality and politics. You don't nominate a person who's moved from state to state so often you could nickname him Federal Express. You don't nominate a person who co-founded the California branch of the New World Alliance—a group that sought to give life to a "New Age" politics.

Tell it to the voters of Allentown, Bethlehem and the rest of the economically depressed 15th Congressional District in eastern Pennsylvania. On May 20, Joe Simonetta, 43 years old, who had recently moved back to Bethlehem after a 15-year hiatus, and who ran his campaign from his parents' basement—Joe Simonetta, whose slight build and soft-spoken manner belie a lively mind and an unshakeable confidence—defeated a union local president and a follower of Lyndon LaRouche to become the 15th District's Democratic nominee for Congress.

So far as we are aware, he is the first explicitly "decentralist/globally responsible" candidate to run for national office on a major party ticket.

### The book

In *The Rapids of Change*, reviewed below, Robert Theobald says, "We need, above all, to make decisions on the basis of fundamental values which are common to positive [humane and spiritual] traditions around the world." This is just what Simonetta does in his own book. He starts with five principles: oneness, diversity, interrelatedness, individuality and interdependence. From these, he derives five values: respect, acceptance, cooperation, equality and responsibility. And from these he derives his political principles.

The title of his book is *The Heroes Are Us*.

### The decision

Last week Simonetta was in Washington, actively soliciting the support of various Democratic bigwigs, and we managed to slip him away for a while. Listen, we said, you've been a tennis pro, businessman, architect, and God knows what else. What made you want to go into electoral politics?

"In 1983 I was in the executive MBA program at UCLA," he replied. "I was headed toward being a very high-level corporate executive and I wasn't sure I wanted that. Then one day [in class a teacher] asked us

why we'd involved ourselves in such a strenuous program. One person raised his hand and said, 'Put a dollar sign on the blackboard.' Everyone cheered!

"Well, that pretty much did it for me. It's not that I'm opposed to making money or to, as we call it, 'success consciousness.' But as the *highest* priority it's totally irregular, it's out of synch with life itself.

"[So] I sold my possessions and bought a '72 pickup truck and headed east. I ended up at my younger brother's house in Sarasota, Florida in January, 1984. That's where I wrote my book. In May of 1985 I returned to my home town, to Bethlehem, where my parents still live. And it felt very good, living in Bethlehem, for some reason. I decided I would just *live* there—just live a simple life.

"But then I started finding out about the Congressman in my home town, a fellow named Don Ritter. The more I found out about that guy, the more I could not believe he was representing my home Congressional district. The positions he took were *aggravating* all the problems I had just finished writing about in *The Heroes Are Us*. And within two weeks of arriving home—without even imagining, before, that I would run for Congress—I had decided."

### Reclaiming the past

Didn't you think your background would be held against you?, we asked, as delicately as we could.

"The thing you have to remember," he told us, testily, "is I have a very rich background; a very diverse background. I've moved from one project, one challenge, one expansionary experience to another not because I failed but because I succeeded—and I sought continued expansion.

"[My Republican opponent] has baited me about this a little bit. [But look at him.] He *talks* about the military but has never been in it, whereas I've been a military officer. He talks about business but he's never *been* in business, whereas I've been an entrepreneur. I've started companies. I've had to balance business budgets; I've had to make payrolls . . . I've done things, I've had the experiences, there's no substitute for experience. . . .

"Even living away from the Congressional district becomes an asset. I was there for 27 years—I grew up in the district. I grew up on the south side of Bethlehem, a very humble part of the city. And yet I've lived in Colorado for years, Florida for years, California for

years. So not only do I have 27 years in this Congressional district in my blood; at the grassroots level I have a very strong feeling for this nation from having lived around it. I have both a national *and* a global consciousness. . . ."

There can be no question that Simonetta has learned to answer all those purveyors of a glib, superficial "respectability"; all those who said our generation had to choose between immersion-in-life and power.

### The first steps

How does a novice win a Congressional nomination?, we asked, as disinterestedly as we could. "One of the first things I did," Simonetta said, "was write a complete master plan for the entire campaign—a very extensive document, the seven 'stages' of the campaign with all the things that had to be done at each stage on a month-by-month basis. . . .

"Then I started contacting people in the political sector—the chairmen of the Democratic party in the major counties [in my district]. I sent them letters, and phoned them, and had lunch with them. One of them told me, 'Frankly, I kind of like the idea that an unknown is running.' And he told me about some other people to meet—county executives, district attorneys, chairmen of city Democratic committees. . . . Eventually I started meeting with labor union reps as well. I met with senior citizen groups; I met with academics. . . .

"You can imagine what these sessions were like. I'd walk into their offices dressed in a suit, and I'd have to sell myself to them. I'd have to appear credible as a person and viable as a candidate. And invariably what would happen is, people picked up on my integrity—and liked my ability to articulate the direction I felt our country needed to go."

### The great refusal

Some Lehigh Valley Democrats are still skeptical of Simonetta, not as a person but as a political operative. The reason: he refuses to take money from political action committees (PACs).

"What is happening with PACs is detrimental to our nation," Simonetta insists. "I feel that it's eroding our democratic process. No longer do we have a government of, by and for the people. What we have now is a government of, by and for the PACs—the special interest groups.

"A lot of people tell me it's a very noble decision. But they also say, with some disdain, 'How are you going to get the money?'"

"The skeptics think there's only one way of doing things. They're not very creative. But I know from life that there are many ways

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# Update . . .

## New traditions?

This spring a letter went out to over 1500 activists and community organizations, inviting them to participate in a "discussion about a new public philosophy that expresses America's democratic ideals"—a discussion that is expected to lead to the founding of a new activist organization.

"The response so far has been terrific," Harry Boyte, co-author of *Community Is Possible* (#23), told NEW OPTIONS, and he should know. He's founder and director of the Project on a New Public Philosophy, whose first public act was to send that letter out.

The Project is the culmination of Boyte's 20-year voyage from radical leftist to communitarian populist. It was launched three months ago under the auspices of the Hubert Humphrey Institute of Public Affairs at the University of Minnesota (Tom Dewar, a senior fellow at the Institute and a prominent advocate of "deprofessionalization," provided the point of entry). A 40-person Board of Associates—still in formation—consists largely of liberals and radicals who no longer feel comfortable identifying with the traditional political left. There are self-reflective community organizers, like Michael Ansara and Magaly Mossman. There are cutting-edge academics, like John McKnight and Sheldon Wolin. There are determined populists, like Lawrence Goodwyn and Jane Perkins. There is Michael Pertschuk from the Carter Administration and Charlene Spretnak from the U.S. Greens.

"The Project has three goals," Boyte told us from his office on the U of M campus. "First, we aim at stimulating very wide-ranging discussion within voluntary and non-profit networks. We want them to think about why they're doing what they're doing. We want them to think about where they see themselves going.

"Second, we're going to have a series of seminars—small working sessions. [Some of them] will be around the theme of 'the commonwealth.' How can this theme usefully recast the ways we think about public philosophy? What forms of commonwealth do we have today—from nature to public libraries? [Other sessions will be] around the theme of reviving the notion of government-as-public-servant. The government is neither the solution (as the liberals would have it) nor the problem (as the conservatives would), but the servant of the people. Concretely, what does this mean? What kinds of government

programs genuinely empower people and communities?

"Third, [after a year and a half of this,] we're planning [to launch] an educational, activist and visionary organization around the themes of commonwealth and empowerment.

"This organization will be an arena for reflection and debate and discussion and public education and controversy and life! It won't be directly connected to partisan organizing (although it might spin off such projects). It'll be an organization in the old populist-lecture-circuit or freedom-school traditions, or like early Students for a Democratic Society, which didn't actually take stands on issues."

We asked Boyte why he didn't start the organization before launching the discussions and seminars, and his answer shows why so many activists trust him: "I do think these discussions will take on a richness and life and dynamism in the context of an organization. The real question, though, is how to build an organization carefully and deliberately with all sorts of networks having input. [Let's not] pre-form the language and the idiom that will pass through the organization. A year and a half of ferment will build a stronger organization." Boyte: *New Public Philosophy Project, c/o Humphrey Institute, 909 Social Sciences, Univ. of Minnesota, Minneapolis MN 55455.*

## Triple alliance?

Over 300 political activists from across the U.S. trekked out to Los Angeles two months ago for a conference sponsored by the UCLA School of Architecture and Urban Planning: "International Green Movements and the Prospects for a New Environmental/Industrial Politics in the U.S."

The conference organizers invited a broad range of speakers, but there was one rather noticeable omission—one that caused some tension at the conference. No one was invited from the Committees of Correspondence, easily the largest U.S. Green network. It was said that the organizers were hostile to what they felt was the Committees' anti-left and neo-spiritual bias.

Kirkpatrick Sale, author of *Dwellers in the Land* (NEW OPTIONS # 21), delivered the conference's most "rejectionist" speech. He argued that U.S. Greens should establish assemblies alongside traditional political structures and not worry overmuch about working from within. Tony Mazzocchi, until recently the president of the Oil, Atomic and Chemical Workers union, delivered the most surprising speech. Sounding very much like the union leader James Robertson (# 27) is looking for, Mazzocchi argued that it's time to go beyond the jobs economy and redefine work—and that the workers themselves can tell us how to do this.

But the most provocative speech may have been Carl Boggs'. Boggs, a well-known political writer (co-author of *The Politics of Euro-communism*, associate of the magazine *Socialist Review*), argued that this country desperately needs a "post-liberal and post-Marxist theory and practice"—and that

Green politics constitutes merely a beginning.

Unfortunately, there are no transcripts. So we called Boggs at his home in Santa Monica, Calif., and asked him to say more.

"I talked about [the] three incipient expressions of Green politics in this country today," he told us. "There's New Age politics, which finds representation to some extent in NEW OPTIONS, and in Kirk Sale's bioregionalism, and in the Spretnak/Capra book. There's populism—Harry Boyte, Sara Evans, and to some extent the Campaign for Economic Democracy. And there's the Rainbow Coalition—the least self-conscious [Green] tendency, but there are people within it like [Boston politician] Mel King who are comfortable dealing with Green issues.

"I talked about each of these three in terms of what they represent; then I gave a critique of each; and then I went on to talk about the need for a synthesis which brought together the best of them but also went beyond [them]. I especially emphasized the need to develop a clearer perspective on the economy, on the state, and on the global situation."

## Two for the road

HARVEST: If you liked our ideas on organic farming (# 23) but wondered how widespread they are, check out Susan Sansone's "Healthy Harvest: A Directory of Sustainable Agriculture Organizations." It lists over 300 pro-organic groups across the U.S.; over 100 are extensively and even lovingly described.

Check it out for another reason too: It's a model of what a "movement" reference guide should be. It's handsomely designed, beautifully illustrated. The descriptions were written by the groups themselves but carefully edited by Sanzone. And there's a form at the end so your organization can be listed and described in the next edition (do you qualify? it's entirely up to you). Kudos to food activist James Turner and his *National Institute for Science, Law and Public Policy*, which sponsored the project from scratch. *Potomac Valley Press, 1424 16th St. N.W., # 105, Washington DC 20036, \$7 pbk.*

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PEOPLE TO PEOPLE: If you believe that diplomacy is too important to be left to the diplomats—if you believe that diplomacy means "the art of helping the world" and that it is important "to launch people-to-people contacts throughout the planet"—then you'll be happy to know that the *Center for Innovative Diplomacy* has just released what will undoubtedly come to be seen as the definitive introductory guidebook to citizen diplomacy: *Michael Shuman and Jayne Williams's "Having International Affairs Your Way"* (424-B Cole St., San Francisco CA 94117, \$4 pbk).

"Having Affairs" is crisply, even entertainingly written, it is not naive, and it makes the case for citizen diplomacy very well (e.g., "if international coalitions coalesce among people, we will increasingly be able to define controversies in [non-territorial] terms"). Even more important, "Affairs" is eminently practical. It tells you how to prepare yourself for citizen diplomacy, how to pick the right issues, how to pick the right "action network," and how to pick the right action strategy.

# Letters . . .

## Liking ourselves

I loved the article about teaching kids to like themselves (NEW OPTIONS # 27). How courageous you were in stating that our political as well as our personal problems stem from the fact that we don't feel capable or loved a lot of the time (boy, that is the truth, I just got off the phone with [my parents] and that feeling has just resurfaced)....

—**Marco Ermacora**  
*Montreal, Quebec*

If one could teach kids self-esteem, it would no longer be "self"-esteem.

—**Howard J. Friedman**  
*Chicago, Ill.*

The article on teaching kids to like themselves was wonderful!

One line from [Project Self-Esteem's] Sandy McDaniel fitted my school years to a T: "I basically went through school thinking I was dumb, and it's still kind of news to me that I'm smart."

From the time I started Kindergarten at age four years and eight months, I sensed school could be a lot more than it actually was (and that was way back in 1923). Each year I attended school I hoped things would improve, and I argued with my parents and anyone else who would listen about what I felt was wrong with school; but all I got back was a reply that discipline was more important than being "easy-going" in a classroom.

Many people are so scared of their bosses that they won't stand up for what they know is right. And that, I suspect, goes right back to how we were all brought up as kids and told over and over we were dumb, no good. My dad used to tell me and my two brothers, both in German and in English, that we were "dumbblucks" and inferior to the other kids. He would pop the buttons right off of his shirt. Then when we got up in our teens we were admonished because he had heard we had no push, no aggressiveness about us....

—**Victor H. Tauferner**  
*Deer, Ark.*

I must say that I was truly shocked to find that you not only support violently imposed educational institutions but that you want to see them extended to younger ages. I do not now have children, but I will someday—and I want you to know that I will go to jail before I allow them to be forcibly indoctrinated into

some state philosophy.

—**Ronald Grubaugh**  
*San Bernardino, Calif.*

Thank you for the wonderful article in which I was included. I'm always so excited when quotes from me sound like me!

You cannot overestimate the value your contribution of accurate, sensitive reporting can make on people in a time of change. In all you do and all you choose to be, remember to be true to you.

—**Sandy McDaniel**  
*Project Self-Esteem*  
*Newport Beach, Calif.*

## Broken bridge

We like the issue you did on terrorism (# 24). However, I am concerned somewhat on how the article played Jerry [Mische] and me off against Kirk Sale.

We both agree with Kirk on many things and believe he is making a very valuable contribution to the whole bioregional movement and to rethinking human/earth relationships. We too are decentralist on many issues. But there are a few areas where decentrist positions won't be enough because the issue is global in scale and complexity and needs some planetary accountability system as well as local controls.

The Ukraine nuclear accident underscores this. Relying on local controls and policies here was no protection for people in surrounding regions and countries.

I would have preferred your article to have simply stated this position, rather than bill it as a downing of Kirk's position. My concern is to build bridges between local/global approaches, not unnecessary division.

—**Patricia Mische**  
*Global Education Associates*  
*Winona, Minn.*

## Broken rainbow

In NEW OPTIONS # 23, [Vermont activist] Marty Jezer writes criticizing the Greens for being "marginal" and favoring the Rainbow Coalition for being more "mainstream."

Attempts to improve the Democratic party have been made for many, many years. None of them have succeeded. To think that the Rainbow Coalition could be the one such attempt which will finally succeed strikes me as being more "utopian" than thinking that a new and decentralist ecologically-centered movement can be made to grow.

—**Mike Muench**  
*Committees of Correspondence*  
*Berkeley, Calif.*

I am a generally "open-minded" young decentralist conservative. [However, I cannot help noting] that many of your decentralist writers and subscribers here in Vermont consistently evoke rhetoric about community but in action support groups such as our Rainbow Coalition. This group *always* chooses centralization, subsidization and state control when given a choice.

NEW OPTIONS needs to be more relevant to me as an industrial executive who lives in a "participatory" but market-oriented world!

—**Andrew Crossman**  
*Montpelier, Vt.*

## New life

Thanks very much for your kind review of my book *Beyond the Bomb*, and your perceptive summary of new thinking about alternative defense (both in # 26). I would just add a few points to your analysis.

The first is that alternative defense is only one component of a much larger conception of alternative security that many of us in ExPro and elsewhere are beginning to see emerging from our common efforts. My own thinking is beginning to move away from a preoccupation with defense in narrowly strategic terms towards a more broadly based architecture of "peace systems." These systems would integrate mutually protective defenses (military and non-military) with economic renewal, political integration, and cultural adaptation.

By "economic renewal" I mean rebuilding the world economy by applying the resources now squandered on military spending to the reconstruction of our decaying infrastructures and declining public services. By "political integration" I mean establishing a comprehensive global legal structure to negotiate global conflicts without recourse to arms. By "cultural adaptation" I mean drawing on the understanding—common to most spiritual and religious traditions—of a higher unity amid the differences that will always characterize the human family.

I would add, too, that I am delighted to hear of the birth of Donald Keys' and Willis Harman's Independent Commission on World Security Alternatives (# 26, p. 4). I can assure you that we will not remain apart from one another now that we know we're on similar paths.

There is a sudden proliferation of groups thinking about alternative security where a few years ago there were essentially none. It affirms the organic truth of nature that decay produces the fertile conditions out of which new life will grow.

—**Mark Sommer**  
*Miranda, Calif.*

Continued from page two:

eligible for the USOP program. Every USOP household would receive a piece of every participating company; there would be no big losers if one of the 2,000 companies did poorly.

Eventually, we should be able to include smaller companies in the USOP system. But we begin with our 2,000 largest successful companies because we are trying to plug our neediest people into the strongest sector of our economy.

### We have the power

Apart from administrative functions, the government's primary role in the USOP program would be to (1) order our 2,000 leading companies to issue stock in payment for their new capital additions, and (2) guarantee the loans the banks would make to pay for USOP shares.

If you're wondering whether Congress has the power to order these companies to issue stock in payment for their new capital additions, the answer is yes. Back in 1937, the U.S. Supreme Court decided that Congress, by virtue of its power to provide for the general welfare, could require companies to make Social Security contributions for their employees. Thus, if Congress decided that a national policy of capital ownership would promote the general welfare of the American people, it would have the constitutional power to enact the necessary legislation.

There are also precedents for government guarantees of long-term credit. World War II veterans were able to secure government-guaranteed, low-interest home mortgages under the G.I. Bill of Rights. Certainly, if the government can guarantee loans for non-productive items like homes, it should be able to guarantee loans for capital outlays that are both productive and self-liquidating.

### A cool \$20,000

There would be a lot of tough decisions for Congress to make in establishing the priorities for access to USOP.

We might start by excluding all households whose current net worth equals \$100,000 or more. Or we could establish a point system for eligibility. Points could be awarded for low wages, lack of savings or capital ownership, physical disability, and many other criteria.

Once eligibility has been determined, how much could USOP shareholders actually expect to receive in stock and income? According to reliable projections, American business will create at least \$5 trillion worth of new capital over the next 20 years. If that figure is divided among the 50 million households (out of 86 million) that presently own little or no capital, each household would receive

\$100,000 worth of USOP shares. So at the current pretax return rate of 20% on invested capital, each household could expect to receive about \$20,000 in dividends per year (after their USOP shares have paid for themselves).

Would a guaranteed yearly income of \$20,000 impair the incentive to work? Perhaps. If so, we might build rewards into the system for those continuing to work.

In any event, we have to face the fact that we are entering the age of true automation, and there will not be work for everyone in the way we now think of work. If we develop a successful USOP, probably many people will choose to do volunteer work in research, the arts, community service, the improvement of the environment, or in occupations no one has dreamed of yet. James Robertson calls this "ownwork" (NEW OPTIONS #27); I call it "the work of humanity."

### Homestead Act revisited

USOP is designed to provide income which eventually would perform the functions of Social Security, welfare, and other transfer payments. Since USOP shares would be issued to a lot of people who have no experience in ownership of capital, we would have to put restrictions on the right to borrow against it or sell it, so that the recipients could neither squander it nor be cheated out of it.

Here we can learn a lesson from the Homestead Act, under which the federal government gave out ownership of over 250 million acres of public land—only to see most of it bought up by commercial interests after the five-year residence requirement had been met.

### Voting rights?

I believe that USOP shareholders should not be permitted to vote their shares. While this restriction would deny the holders of USOP shares some of the advantages of earned or inherited wealth, the immediate purpose of USOP is not to overthrow the capitalist system. The immediate purpose is to *heal our economically divided society* by using stock ownership to make income distribution more equitable.

There are several ways in which USOP shareholders could be given the *right of democratic participation* in the companies whose stock they received through USOP. We could establish a national USOP Board of Trustees, which would be elected by the USOP stockholders. This Board could be empowered to elect one or more members of the Board of Directors of the 2,000 companies.

Despite my feelings as stated above, you might want to consider whether the proposed national USOP Board of Trustees should be

given the power to elect directors of the participating companies in proportion to the shares held by the USOP fund. Bear in mind that after 25 years or so, USOP would probably represent a majority of the shares of each of our 2,000 companies, assuming that shares of common stock were used.

### Synthesis

USOP is consistent with America's greatest traditions, both liberal and conservative.

It is conservative in that it would reduce taxes, eventually eliminate transfer payments, reduce the budget deficit, and check the growth of government bureaucracy, while preserving private ownership and existing financial institutions, and supporting business.

It is liberal because it does more for the ordinary individual than all of the government welfare schemes ever dreamed up.

### Getting there

We need to focus our best minds on the implementation of USOP, for it must carry the heaviest of all burdens: It sounds too good to be true.

To become a political issue and eventually be enacted into law, USOP needs to be analyzed and debated in universities, religious groups, the media, political circles, and finally, the legislatures. (In Britain, that debate has already begun. On September 12, 1984, Dr. David Owen, leader of the Social Democratic Party of Great Britain, proposed to the party's annual convention that they adopt a plan similar to USOP.)

To stimulate this analysis and debate, I am sponsoring a *Stock Ownership Plan Essay Contest* through the Council on International and Public Affairs (777 U.N. Plaza, New York NY 10017, 212-972-9877). Prizes are \$5,000, \$2,500 and \$1,000; deadline is December 31, 1986. For an entry form and contest rules, send a stamped, self-addressed envelope to the Council.

### Utopian?

Let no one dismiss USOP as utopian, for utopian ideas rest on changes in human nature, while USOP accepts human nature as it is and deals with the realities of the corporate finance system. If Congress decides that it wants to create an equitable distribution of income through universal stock ownership, it is free to do so. All that is needed is the political will.

*Stuart Speiser develops his universal stock ownership proposal in two of his books: How to End the Nuclear Nightmare (Dodd Mead, 1984, \$9 pbk), and The USOP Handbook (Council on International and Public Affairs, address above, 1986, \$4 pbk).*

## Theobald: "pieces of the design"

Robert Theobald, futurist and economist, is perhaps best known for coining the phrase "the communications era" to describe the period we're now entering. In his new book, *The Rapids of Change* (Participation Publr, Box 2240, Wickenburg AZ 85358, \$15)—his first major book in 10 years—he uses a different phrase: "the compassionate era." The difference indicates how much his thinking has deepened.

For one thing, he is much more explicit about consciousness and values. He says we need a new belief system "if we are to ensure equity and justice for all." He wants industrial societies to "commit to the values of honesty, responsibility, humility and love" which are, he says—not at all incidentally—"expressed in the world's many spiritual traditions. Wise people in all countries and traditions have understood [the necessity of these values]."

The other major change in Theobald's work is he is far more concerned with process, with how-to. It's not that he's *less* concerned with the kinds of public policy changes that he was pushing in Washington DC in the mid-1960s; it's that he's more convinced than ever that a genuine social transformation can only be brought about as a result of far-reaching changes in leadership patterns and movement styles.

### Verbal Cezanne

The format of Theobald's book embodies his concern with process. It was typed on a computer (rather than professionally typeset), printed on 8½" × 11" paper and bound in a three-ring binder. The point is to make the book seem less intimidating and less "finished" so we'll be tempted to think for ourselves about it.

Another formal innovation is even more dramatic. The material is presented not in the form of a linear, logical argument, but in the form of discrete "bits" of information. One page, sometimes even one sentence or paragraph, does *not* lead logically to the next. You know the standard objections to this writing style: they were taught to you in grade school. Here is Theobald's fascinating rationale: "[Today's sociopolitical] canvas is so vast that we cannot possibly see the whole clearly. We can only look at pieces of the design and build an intuitive feel for the whole. I have therefore based my work on the [techniques] of the impressionist painters...."

There can be no question that Theobald's discrete dots and slashes of "paint" are enor-

mously thought-provoking, both singly and together. Some examples:

- "In the past, crime and anti-social behavior was minimized because most people [obeyed] the rules.' The approach was effective but the cost in lost creativity is no longer acceptable."

- "As we create a value-based society, bureaucracies will be replaced by non-hierarchical institutions."

- "The unwillingness of communities to face ethical dilemmas was the primary reason why power moved to the national level."

- "Bioregionalism will have to move beyond an ecological basis and mesh with governmental [and market-area] concerns."

### Back of the canvas

There is a 'flip side' to Theobald's impressionistic canvas. *The Rapids of Change* is more coherent—more systemic, even—than Theobald lets on.

Consider the six-part structure of the book. First we get a chapter exploring the *depth* of our problems. Then a chapter proposing solutions ("possibilities") in many of our key issue areas, education, employment, health, etc. Then a chapter on leadership. Then a chapter on the *levels* of change, individual, family, global, etc. Then two chapters on how to induce change.

Also, consider Theobald's central metaphor, the "rapids of change." This is not mere poetry, but is Theobald's way of expressing his conviction that eight concrete trends are driving our society. Among them: the weaponry revolution, the computer revolution, the environment revolution, and the human rights revolution.

Behind the hand of this "impressionist" verbal painter, then, beats the heart of a systemic social and political thinker. An "ideologist," even, in the best sense of that word. We wish Theobald would give this side of himself freer reign, even if it means he'd have to end up making "linear," "logical" defenses of his assertions. The decentralist/globally responsible movement already has its Cezannes; what we need are some Michelangelos.

## Swimme: at last, a unifying vision

We are desperately in need of a shared value system in this country (and world). Un-

less we can act out of a sense of commonality, of shared brotherhood and sisterhood, we are condemned to be at each other's throats. Robert Theobald, Marilyn Ferguson, Willis Harman, and many other thinkers would put the search for a unifying new vision at the top of our *political* agenda.

Too often, attempts to articulate such a vision turn out to be two parts rhetoric and three parts wishful thinking. There are exceptions, though, and the most recent exception—which NEW OPTIONS' judges were astute enough to nominate for this year's Political Book Award—is Brian Swimme's *The Universe Is a Green Dragon* (Bear & Co., P.O. Drawer 2860, Santa Fe NM 87504, \$10 pbk).

Swimme is a trained physicist who serves as associate director of the Institute in Culture and Creation Spirituality, in the San Francisco Bay area. He writes beautifully, and here is the point of his book in his own words:

"The creation story unfurling *within the scientific enterprise* provides the fundamental context, the fundamental arena of meaning, for all the peoples of the Earth. For the first time in human history, we can agree on the basic story of the galaxies, the stars, the planets, minerals, life forms, and human cultures.

"This story does not diminish the spiritual traditions of the classical or tribal periods of human history. Rather, the story provides *the proper setting for the teachings of all traditions*, showing the true magnitude of their central truths" [emphases added].

### Exciting implications

Through the power of his language, Swimme makes us aware of the truth—and beauty—of the "new" creation story. And he very carefully points out some of its exciting personal and political implications.

We used to see ourselves as separate units in the world, says Swimme. Now we can see ourselves as the "culminating presence of a billion-year process." And as people with a (built-in cosmic) purpose: "We are the self-reflexion of the universe. We allow the universe to know and feel itself. The universe is aware of itself through self-reflexive mind, which unfurls in the human. We were brought forth so that experiences of beauty could enter awareness."

Politically, says Swimme, the new creation story "embraces humanity as a species." Thus it implies we are each of us accountable to the whole. It implies that the "special cultural contributions of each continent [are] vital to the work of the future." It suggests that we adopt "the ecological vision of the Earth." And it suggests that we begin to "organize ourselves, for the first time, on the on the level of species."

## Emerson: men are coming along

By Mark Rudd

By now we're quite used to indictments of male culture and psyche: aggressive and insensitive, repressed, inarticulate. Gloria Emerson's *Some American Men* (Simon & Schuster, \$18) takes a different tack. It is about the most important cultural change of our time: the humanization of American men.

Emerson's brilliance is to get men to talk quietly—and honestly. In interview after interview, we reveal our hopes and our fears, our strength and our deep pain.

Her previous book, *Winners and Losers* (1976), also based on interviews, was a social and psychological history of the Vietnam era—in my opinion, the best book on the war. In her new book she continues her "people's history" of our times. She gives us "hard" men and "soft" men, entrepreneurs and ghetto schoolteachers. She gives us the blank-faced, broken young man at the soup kitchen; the father successfully raising his daughter from infancy; the middle-aged poet leaving his wife for the "right" woman; the doctor off to treat refugees in Laos.

Her admiration for men includes, and goes far beyond, our capacity to endure pain and accomplish things. (Certain reviewers have knocked her for her alleged "identification with men"—as if she doesn't also identify with women!) She lovingly presents the ways in which men are beginning to transcend the limited roles they—we—inherited, and develop the full repertoire of human emotions and behavior: caring, loving, giving and taking, watching, talking quietly, listening.... While doing this, though, she gives us real people, with real contradictions (sometimes too real for comfort!); not the talky/touchy/feely cartoon characters of some feminist and New Age literature.

On finishing this book, I experienced a lovely sense of hopefulness. We American males can be infinitely better than our media images suggest. We may ultimately attain the full range and flexibility of women. We may eventually help humanize our culture and our country.

Meanwhile, I sure do have a lot of men friends (and some women, too) I'd like to lock in a room for a few days with Gloria Emerson's book!

*Mark Rudd is a teacher and carpenter in Albuquerque, N.M. In the late 1960s he was a leader of the Columbia University student revolt and a founder of the violent revolutionary organization, Weatherman.*

Continued from page three:

of doing things. You don't have to spend half a million dollars to run a campaign. You spend less—you spend it effectively—you attract people who are interested in volunteering because they believe in what you represent. The core of this campaign is young people who are working for nothing. Ritter's people are all staff people who are getting paid."

### The message

As much as any political candidate's can be, Simonetta's campaign is based on ideas—and ideals.

"There are two thrusts to my message," Simonetta tells us, straining forward in his chair. "One thrust is to point out clearly to people what our predicament is—in terms of interest on the national debt; in terms of the trade deficit; in terms of how we're creating a society of haves and have-nots. I also talk about the increasing militarization of the planet. I assign accountability and responsibility to the people who are making this happen....

"But then I talk about new directions....

"I say we should move in a direction that seeks national security not by an escalation of weapons systems but by reconciliation in relationships among peoples and between nations.

"I say we should move in a direction that seeks not to manipulate and degrade the environment, but seeks to respect the natural systems that ultimately sustain our life.

"I say we should restore government's appropriate role in our society. Not a role that seeks to create a welfare state and not a role that seeks to create, as we have now, a situation where those in privileged positions can take advantage of their positions; but a role where government is supportive of those who act responsibly—like so many of those in my

Congressional district...."

We asked Simonetta about the extraordinary references in his campaign literature to the problems of "excessive consumption" and "immediate gratification." We asked him if he wasn't afraid to be seen as challenging The American Dream. "I think we've reached the point where people are beginning to question the American dream," he replied. "People are finding that material acquisition and the life of material acquisition is less fulfilling than they thought it would be."

### The symbols

Simonetta's campaign button has his name in small black letters: "Simonetta for Congress." In big red letters on top is the phrase, "The Heroes Are Us."

"People who've been in politics say, 'Your name is too small!'" Simonetta laughs, leaning back in his chair. "And I say, The point of the button is to get people to focus on the fact that, if we want deep change in our society, we have to be the change makers. We have the responsibility. We can make a difference...."

Simonetta's campaign logo is just as unusual. It is a map of the world, crossed by two white lines. "I chose this logo because it relates to the value-base for decision-making that I have in my book. The crossed lines are symbolic of the fact that we live in an interrelated, interdependent world."

*Simonetta needs volunteers (he has people who can put you up). He also needs money. To inquire about volunteering, contact: Simonetta for Congress, 15 W. Locust St., Bethlehem PA 18018, 215-861-0167. Checks should be made out to "Simonetta for Congress" and may be from individuals only. Copies of the book The Heroes Are Us are available from the campaign for \$8.*

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