

New Options

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Three Subtle Ways to Shrink Our Big Corporations

For a while there it looked like this country would finally come to grips with the unbelievably wasteful and soul-destroying size of its big corporations. E.F. Schumacher's motto "Small Is Beautiful" seemed to be on everybody's lips; Kirkpatrick Sale chatted amiably about his book *Human Scale* on the Merv Griffin Show. Ralph Nader and Mark Green proposed that the government order deconcentration of all firms with more than \$250 million in annual sales, and Congresspeople proposed legislation nearly as bold.

By the early 1980s nearly all of this ground to a halt. The mainstream political right stopped quoting Catholic social theory and rediscovered the virtues of pure laissez-faire. The mainstream political left stopped flirting with decentralist ideas and began speaking instead of "corporate accountability" (putting labor and consumer representatives on corporate boards).

What had happened? Growing economic competition from abroad caused Americans from both ends of the traditional political spectrum to panic—and revert to form. If we put size constraints on the big corporations "at this time," the reasoning went, our corporations might not be able to compete against their German and Japanese counterparts. Also, the *kinds* of constraints proposed by people like Nader and Green made many of us uneasy. There was a little too much of the blunderbuss about them. Did we really want to punish corporations merely for being successful?

New corporate visionaries

All the major presidential candidates appear to have made their peace with the big corporation. However, beneath the froth of the mainstream political debates, some younger economists and corporate consultants have launched a whole new wave of thinking about how to constrain the growth of the giant corporations.

These "new corporate visionaries," as we like to call them, are not anti-business; they are driven by a desire to improve the social and

economic performance of our corporate entities. Many of them are former Sixties activists, more subtle and sophisticated now but with the same decentralist/globally responsible dream.

Three who see

Recently, NEW OPTIONS spoke with three of the most prominent and effective of the new corporate visionaries:

- **James Brock**, 36, teaches economics at Miami University in Oxford, Ohio and is co-author of the widely-reviewed book *The Bigness Complex* (Pantheon, 1986). "I guess you could call me a[n Andrew] Jacksonian democrat," Brock told NEW OPTIONS, "in the sense that I think the principles of decentralization, deconcentration, and dispersion of power, are as important when you move to an industrial system as they were in the agrarian system of Jefferson's day."

- **Paul Weaver**, 44, was a writer and editor at *Fortune* Magazine in the 1970s and early 80s, with two years off to work at the Ford Motor Co. His forthcoming book, *The Suicidal Corporation* (Simon and Schuster, Feb. 1988), "will be very critical of Ford and they're going to be very angry," Weaver told NEW OPTIONS. "[Some of] the chapters are entitled: Lies; Passivity; Narcissism; Deals; [and] Careerism. [Writing the book] was a big intellectual and political trauma for me because it involved my facing up to the fact that I wasn't a neo-conservative at all any more, I was something very different, which was a libertarian."

- **Gifford Pinchot III**, 44, is the author of *Intrapreneuring: Why You Don't Have to Leave the Corporation to Become an Entrepreneur* (Harper & Row, 1985), and, yes, it was his grandfather—Pinchot I—who set up the U.S. Forest Service under Teddy Roosevelt. "I consult with very large organizations," Pinchot told us, "on how to become more innovative." Fortune 500 type companies? we asked. "Fortune 50 types," he replied. He's an active member of the Tarrytown 100/Social Investment Forum/

social investment banking network that's begun to take shape among the spiritual/visionary businesspeople of the Vietnam generation.

From "greedy" to "inept"

The traditional trust-busters emphasized corporate greed; they often seemed to be saying that you can't *have* a big corporation without bloated capitalists and oppressed workers. Brock, Weaver and Pinchot have made equally

Note from the Editor

We take August off, as we do every year, and resume publication in September. We thought we'd be travelling to the West Coast, but seeing as how we've just gotten our press credentials from the United Nations. . . .

biting critiques of the over-large corporation. But note how they emphasize not greed so much as ineptness:

Over-large corporations undermine efficiency. "It's pretty clear from a growing and I think persuasive body of evidence," Brock told NEW OPTIONS, "that bigness undermines efficiency in production, that there are in fact diseconomies of scale, that you run into bureaucracy and red tape. *Business Week* quotes Schumacher [now]! And in a way it's not surprising. Business people are practical people—they have to live in the real world. So they would sense [the dangers of bigness] long before ideologues and academics."

Over-large corporations foster wimpy management. "Historically, American corporations were built around a single industry and a single product line," Weaver told NEW OPTIONS. "There were steel companies, oil companies, [etc.] and never the twain did meet."

"In the post-World War II era you got a lot more diversification. You got the multi-division corporation where companies have different products under divisions in different industries.

"And that really transformed the whole identity and psychological perspective of central corporate management. They stopped being guys in a particular industry and started being like investors in the stock market. The look and they see, well, there's trouble in steel—things aren't working out. So let's start disinvesting in steel and start putting our assets into other industries.

"They're wimpy in the literal sense that they've got very little commitment to being in any one industry, and so when there are problems or difficulties or challenges in an industry they're in, an increasingly typical response is just withdrawal—opportunistic withdrawal. They hang around, they milk the assets, but they don't say, hey, wait, let's stay here, let's find a way to make it work, let's invest, let's take a risk, let's make it happen."

Over-large corporations stifle creativity and innovation. "I think the biggest problem," Pinchot told NEW OPTIONS, "is that [big corporations are not] structured to encourage people to bring their whole selves to work. In many, many large organizations, people are never given the opportunity to fully grow up to be an adult.

"[We need] organizations that use the intelligence of everyone in them effectively. And that's not [the case with] the current hierarchical style of organization!"

Discourage mergers

Brock, Weaver and Pinchot have each proposed potent but subtle solutions to the "bigness complex."

Brock would have us first "create a philosophical context" by breathing new life into what he calls "the anti-trust philosophy. . . . A philosophy that says, whenever and wherever you can, the guiding principle should be to decentralize decision-making—to have as many centers of decision-making as possible. . . . If that's your overall philosophy, then merger policy is very important in terms of your ability to arrest accretions in size and power.

"One practical recommendation is, why don't we put a ban on gigantic mega-mergers? [In his book, Brock calls for banning all mergers involving corporations with assets of more than \$1 billion—ed.] A variant is to say, look, above a certain size level—say companies that are ranked in the top 200 on the *Fortune* list—why not put the burden on *them* to justify why a merger should be permitted, instead of the government having to say why it should not. Let's see if this thing can be justified on legitimate economic grounds."

We asked Pinchot what he thought of Brock's proposal. "I'm reluctant to state that the government should [actually] *prohibit* mergers," he replied. "I prefer, as a mechanism, having a sliding tax rate for organizations, where the

tax rate gradually, gradually, gradually keeps sliding up the bigger [the corporation] gets."

Free up markets

Weaver couldn't disagree more with Brock and Pinchot's anti-merger strategies.

"Yes, there is something unseemly about all of these desperate Carl Ichan takeover scenarios being played out," Weaver told NEW OPTIONS. "But believe me, whatever you think of the Ichans, the guys they're taking over are guys who have FAILED. And they deserve, typically, either to be thrown out of office or to have different business strategies pushed on them.

"My other reason for resisting proposals like [Brock's] is I just hate to see government pre-judging issues that [should be decided by] real life and the marketplace. We're never sure where innovation and productivity growth is going to come from in the future. [So] in a certain sense you *want* companies to do dumb things, like ITT did in its 1960s conglomerate approach. Everyone agreed it didn't work and now [smaller companies are beginning to be seen as efficient and exciting]. Had there simply been regulations preventing the conglomerates, all those Harvard MBAs would sit there fantasizing being Harold Geneen—because there would never have been a reality-testing principle at work."

So what would Weaver *do* to discourage "wimpy management" and oversized companies? "The problem of corporate scale is a problem that's solving itself," he declares. "The modern corporation was in large measure *about* achieving large scale. [But] for the last 15 years, the book value of big American corporations has exceeded their market value. In other words, for more than a decade now *the marketplace* has been saying that this historic business strategy makes less and less sense.

"No one thinks any more that giant car companies like GM are intrinsically better off than much smaller ones like Mazda. Small steel mills are now [seen to be] more efficient than big ones, and small steel *companies* are [seen as] more efficient than big ones. . . . [The kind of national policies we need are] policies that free up and improve markets rather than policies that do the reverse.

"It's a classic question of American political economy. Which is more competitive—unfettered markets which may have a [few] giant actors in them, or fettered markets where all the actors are smaller. In a certain way I sympathize with both views, but I guess I end up on the side of unfettered markets that may have a few giant actors in them."

(It is important to note that Weaver's markets would be "unfettered" but also "improved." He is a passionate advocate of what he calls "efficiency-oriented" forms of regula-

tion. "Take the classic example of pollution control," he explains. "Instead of bureaucratically-mandated, highly particularized rules applying to everything, you have a schedule of taxes that polluters pay. So companies are always kept on their toes looking for a better way to reduce their effluents.")

Decentralize from within

Pinchot would not only decentralize the corporation "from without," by reducing its size through the tax laws; he'd also decentralize it "from within."

"You should always try to build 'multiple-option systems' in big corporations in which there's more than one person you can ask for permission to do something," Pinchot told us. "That's the condition of a free person—that you're not in thrall to any one person. . . .

"[Another thing:] If you modulate freedom based on performance, you have a better society than if you modulate freedom based on the ability to suck up to people above you—[otherwise known as] seniority. So [big corporations should] say, If somebody does something wonderful in the corporation, they earn freedom.

"Time is probably the most important form of freedom. [So you might be] given 10 hours a week in which to do self-determined things to make the organization a better place. . . .

"Serfs had that kind of freedom! They had a certain amount of their time and a certain amount of their land free to use as they pleased. So this is not coming up the scale—this is bringing the corporation up to sort of early feudal time."

How could public policies help foster these changes? "I would make substantial revisions in the patent laws. I would give individuals a certain inalienable interest in their patents so even if the inventions are done in large corporations the [inventor-employees would have access to] a royalty on that. And I'd mandate that

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NewOptions

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Loving them to life

A potentially far-reaching new development is taking place in the inner cities. It's too unglamorous to have received much attention—yet—in the mainstream press. But it may have more long-term significance than all the highly publicized debates between black neo-conservatives and black liberals.

In the mid-60s, many Northern blacks coming out of universities went back to the South—"back" to where they or their parents grew up—to work for civil rights. Today, some black people who came of age in the Sixties—having left the inner cities to get good educations and lead middle-class lives—are deciding to move back and put their skills to work bringing their old neighborhoods back to life . . . and bringing the people in them, especially the children, "back to life."

Their methods may be nurturant rather than militant. But their goal is no less than to begin a radical re-awakening.

Three who returned

There are no verifiable statistics as yet on this phenomenon, no national organizations like SNCC or CORE promoting it as the next goal of "the movement," no national spokespersons drumming up money to help it along. There is only the reality of a couple of hundred self-confident, self-motivated black people who've turned their backs on both the incendiary rhetoric of the 60s and the I've-got-mine-Jack rhetoric of the 80s. Listen:

• **Deborah Heath, 36**, grew up in poverty in Cincinnati but managed to get into an excellent high school and eventually earned a Ph.D. in social work from Vanderbilt University. "In the beginning I thought of education as a way to 'get out,'" she says, "but [eventually I decided] I would return to a neighborhood I grew up in to serve the people. And that was one of the reasons I got to the Church of the Messiah on the southeast side of Detroit in August, 1984. . . ." Through the Church, she works with small groups of teens—"I felt that by working with teens I could give them a place to speak, to be heard, to be affirmed, to explore choices in their lives other than the choices which they see around them or are put into them by TV. . . ."

• **Ayo Hunter** left Detroit as soon as she graduated from high school. For years she hung out in New York and California, but eventually returned to Detroit and returned to school, earning a masters degree in social work. Recently she developed a program for black youth called "Kabaz Inc." which she describes as fol-

lows: "Kabaz is the place where everybody develops; not only the kids, but those who work with the kids. We have Art of Manhood and Art of Womanhood classes every day for four weeks. . . . Each person is developed. That is what we need: developed people, committed people who will develop the programs to further develop the people. . . ."

• **Bruce Landers, 37**, grew up in a family of 14; as a teenager his eye was injured "when a white boy shot me in the alley." During the 1970s he read Mao and Fanon, but rather than turning to revolutionary violence he became an outstanding judo practitioner and instructor. "I was raised in this community," he says. "So when my foster parents told me how afraid they are, I said to myself, 'I have a son, I know people in this community, I have to move back into it.'" He teaches physical safety and self-defense to men and women, and he has developed youth training programs in the martial arts and acupuncture. "Role models are where we're at," he says. "That to me is a real movement and I want to be part of that movement. . . ."

"There has to be room"

This summer saw publication of the first book on this new breed of neighborhood activist. *Loving Them to Life: Stories of Hope from Detroit* (New Life Publr, 161 W. Parkhurst, Detroit MI 48203, \$6 pbk) consists largely of wide-ranging, in-depth interviews with Heath, Hunter and Landers. It was painstakingly put together by three more advocates of the personal-development-and-neighborhood-responsibility approach to social change, Nkenge (say "Kengie") Zola, John Gruchala and Grace Lee Boggs.

"Very terrible changes are taking place in the inner city," Boggs told NEW OPTIONS last week from her house on Detroit's Field St. "Younger people are having no opportunity to grow up. The things that took time, in the past, that would enable a person to grow—for example, kids having a chance to go down to the South, in the summertime, and visit with their relatives—that doesn't happen any more. Everything is instant. There isn't that caring type of raising that used to take place. And there's been in addition this enormous materialism and consumerism that has permeated the black community so deeply since the Sixties. . . ."

"And so we selected these three [activists] whom I've worked with over the years, and we had them tell their stories so we could begin to present [a different view]."

We asked Boggs to tell us the essence of the messages her three activists were trying

to convey to Detroit's young people. "[One:] You need to learn to handle many different situations," she replied. "So you need to have the opportunity for free choice. . . . [Two:] You are not born a man or woman—you have to earn it. . . . [Three:] You need self-love and self-respect. You just need polish to become a precious jewel. . . ."

"These messages are being presented [to the kids]. And they're being presented not in a didactic way, but in the course of actually working with kids, [in the church groups and Kabaz and the judo classes and so forth]."

"I think this way of working with kids used to be done a lot more in families. When you had the family where there were grandparents around, there was this kind of wisdom [just in the course of everyday life]. But that's no longer the case, so that wisdom has to be imparted."

"The Sixties was very much a period of rebellion and militance. And we thought a lot of the answers came from that. But [this is a new period, demanding new concepts. And one concept that activists] have to develop now is that there *has to be room* for [personal] development—that that room has to be *created*—and that it's created through *relationships between people* and by *people taking responsibility*. That's what I think comes through in the book." Boggs: c/o New Life Publr, address above.

Investment Forum: "money is power"

Most people know Gordon Davidson as the laid-back co-founder of Sirius Community, one of North America's most successful alternative communities (pop. 25). He takes pride in giving a constant flow of visitors the "grand tour" of the place: the old farmhouse, the vegetable gardens, the llamas, and one strikingly beautiful new house that he built for himself and his wife largely with his own two hands.

But twice a week Davidson wakes up early, puts on an impressive-looking suit and tie and drives to a converted brick warehouse in Boston, where he reigns as the executive director of the Social Investment Forum—the recently founded professional association for brokers, bankers, investors, and all those who believe in applying social as well as financial criteria to their investments (i.e. all those who'd think twice about investing in companies that do business with South Africa; that have poor environmental records; that have poor employer-employee relations . . .). Groups like the U.S. Greens tend to garner the attention of the alternative press, but according to Davidson the Social Investment Forum may be the most significant social change group of our time.

"The Forum gives its members news about

social investing," Davidson told NEW OPTIONS from his living room (with the sun streaming in through three huge hand-wrought windows). "We have a quarterly newsletter, we have quarterly meetings in different locations around the country. . . . We had our first annual 'national conference and expo' earlier this year—right on Wall Street—over 500 people attended—there were panels and speakers and dozens of booths where our [organizational] members put out their literature and talked with the public. . . ."

"We publicize social investing. And we help all the people that are starting up, brokers from all over the country who want to [help their clients] do social investing. . . . Most of the major players in the social investment field are members, Calvert Fund, Working Assets, South Shore Bank, Institute for Community Economics, National Association for Community Development Loan Funds. . . . There are a lot of women members, a lot more than you'd find in a typical brokerage office! . . ."

"We publish a directory, *Social Investment Services*, which lists and describes all our members [in often fascinating detail—ed.]—so when the public writes to us and says, I want to do social investing, we can send them that directory and they can go through it and find a broker or mutual fund or newsletter or whatever in their geographic area. . . ."

Reasons to believe

This is all well and good, we tell Davidson (while staring out his windows at the gardens and forest). But how can you say you're working for a social change group? You know what Murray Bookchin would say: Guilty capitalists aren't going to change the world.

"The Fund has not only brought together all these individuals and groups," Davidson replies. "It's helped them see themselves as part of a coherent movement."

"We've created a national presence around social investing, and the social investment route is moving very intensively right now—about \$400 billion [is currently invested with some kind of 'social screen' attached], as compared to \$40 billion just three years ago. I think one of the most significant things about social investing is the impact it actually has on companies' policies. You can significantly affect what even the biggest companies are doing—they *change their policies* as a result of these kinds of pressures."

"Social investing is becoming a mass movement. It's open to anybody who has money. [Many social investment funds will permit you to join if you invest as little as] \$250, and that's a pretty minimal amount for a lot of people in this society."

"Right now the Forum is encouraging people to move away from divestment—what you

don't want your money to be doing—and to begin thinking about what you positively *want* your money to be doing, how you're going to positively 'reinvest' your money. We've really been beating on that drum! We're trying to be out front of where social investing is for the mainstream, we're all trying to think about how we can lead this thing on to the next step. . . ."

"I think the political implications [of all this] are fairly obvious. One of the things that's fueling the social investment movement is the fact that people from the Sixties are getting to be in their 30s and 40s—I mean, their 40s and 50s—and coming into professional positions and professional salaries. These people have got to recognize that they have power with their money. Our bottom line on the first piece of literature we send out to people is, 'Money is power and our task is to learn to use it wisely.'"

Down at the old farmhouse, someone rang the bell. The communal meal was ready. Davidson: *Social Investment Forum, 711 Atlantic Ave., Boston MA 02111.*

Update . . .

Beyond the Freeze

When we introduced David Schmidt's Initiative Resource Center (in NEW OPTIONS #32), Schmidt—an expert on initiative-and-referendum campaigns—had just begun thinking about designing a national peace referendum campaign to be carried out at the state and local levels. In the months since then he's gone far beyond thinking.

First, he developed a "model peace proposal" in consultation with dozens of activists from around the U.S. "It goes [beyond the Nuclear Weapons Freeze proposal]," he told NEW OPTIONS, "[by] calling for the immediate halt of nuclear weapons testing, reducing the nuclear weapons stockpile by 1%, and challenging the Soviet Union to do the same. . . . [In addition, it] would set up a state or local peace commission to lobby for implementation [of the proposal] at the national level." Thus, it builds on two innovative concepts featured in NEW OPTIONS. It calls on the U.S. to "make a first move" rather than wait for an arms control agreement (see "Independent Initiatives," #32). And it calls on local communities to lobby for foreign policy changes at the national level (see "1,000 Local State Departments?" #23).

Next, Schmidt made sure the "model proposal" faced an actual ballot test. He helped Massachusetts peace activists draw up a nearly identical proposal, and helped them place it on the ballot in five Massachusetts districts in last November's elections. The result: "Over 84,000 voters cast ballots," Schmidt told us proudly, "and 72% of them voted 'Yes.'"

Finally, this summer Schmidt and his assistant, Sue Nicholls, published an invaluable "Action Manual." It contains the full text of the "model proposal"; patiently explains the different ways to launch ref-

erendum campaigns; and summarizes the results of *all* the state and local peace referendums since 1979.

Schmidt claims that at least 60 experienced peace activists are already gearing up to launch state and local referendum campaigns along the lines of the "model proposal." If so, we might just see the independent-initiatives and local-foreign-policy concepts enter the mainstream policy debate. Schmidt: *Initiative Resource Center, P.O. Box 65023, Washington DC 20035; "Action Manual," \$5.*

Making common cause

If you enjoyed the debate and discussion among global development experts in NEW OPTIONS #28, then you'll be pleased to know that such beyond-left-and-right type exchanges are becoming more common in the development community itself. For over a year now, the most committed and visionary staff members of the major U.S. environmental, population and development groups have been meeting together in Washington, D.C.—in part to coordinate their lobbying efforts but in part also to discuss the political and philosophical issues at the heart of their work. They call their group the Foreign Assistance Working Group, or FAWG (say "fog" with a British accent).

Last week we attended our first FAWG meeting—and if you still think that people in the mainstream environmental and development community aren't casting about for new approaches, then you should have been there too. In an oak-paneled room, on a thick red carpet, the featured speaker argued that the U.S. should consider giving all its development assistance to private, grassroots organizations, rather than governments. And even though most people disagreed, often with real passion ("You can't get away with that! Too many lives are in the balance!"), the noteworthy thing is that the bankruptcy of the current development assistance process—and the need for a more human-scale, affordable, participatory alternative—was taken as a given by just about everyone.

FAWG grew out of a project launched two years ago by mostly mainstream U.S.-based environmental, population and development groups. Nearly 100 of them came together to determine what they had in common and how they might be able to work together. "The exercise was a lengthy one—it took like a year or more," Mark Valentine of the World Resources Institute told NEW OPTIONS. But out of it came a unanimously-agreed-upon statement, *Making Common Cause*, laden with sustainable-development rhetoric and action-oriented recommendations—one of them being that a Foreign Assistance Working Group get off the ground immediately.

Making Common Cause has been published as a pamphlet and is available at no charge. Write: Mark Valentine, World Resources Institute, 1735 New York Ave. N.W., Washington DC 20006.

On the Hill . . .

On the one side, support for U.S. flags on Kuwaiti tankers in the Persian Gulf (not to mention support for U.S. warships . . .). On the other side, growing isolationist sentiment. Fortunately, a third position is beginning to emerge—and to find some sup-

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Letters . . .

The thrill is gone

I own a copy of your book, *New Age Politics* (Delta, 1979). In fact I bought five and gave them away with great excitement, years ago.

You yourself—in your “Essential Literature” list (NEW OPTIONS #31)—say the book is naive in orientation from your current perspective. I agree. And NEW OPTIONS is not a lot farther down the road.

I'm just not interested any more in correct ideas; I'm not excited about conversing with like-minded people about the nuances of socio-political-economic philosophy. That thrill is gone.

—Richard Hurley
Astoria, Ore.

Dear Congressperson

Many thanks for the Congressional voting index and attendant explanations (NEW OPTIONS #39). Here is a copy of a letter to my Congressman commending him on his performance. Please forgive me for not crediting the source of my information; I don't know but what your name might be a red flag to him.

“Dear Rep. [Bruce F.] Vento [D-Minn.]:

“Congratulations on your support of measures in the 99th Congress directed at positive change in the way this country does things.

“I believe you exercised leadership in moving us toward real security with the measures barring ASAT tests, backing SALT II limits, and supporting the Contadora process. (But surely the U.S. Peace Tax Fund idea also deserves your support.)

“You moved toward more rational development policies with support of protection for tropical forests and biological diversity in developing countries, support for small-scale, resource conserving self-help projects in Africa and for sustainable community-based technologies. (Surely it would also make sense for you to support Third World access to U.S. markets.)

“Your support is needed for organic farming research, protection of farm workers/consumers from the hazards of pesticides and restrictions on the use of antibiotics in animal feed. Otherwise your record on ecology is great.

“Have you noticed that with many of your colleagues who voted with you on such measures we already have the beginnings of a ‘rainbow coalition’ in Congress—three blacks, a Mexican-American, a Japanese-American, six Jews, five Catholics, three women and eight

WASP males?

“Now is the time to forge ahead in building a national consensus on ecology, self-determination in the Third World, sustainable economy, global responsibility, alternative development policies and real security. Please let me know how I can help.”

—Hardy E. Wright
St. Paul, Minn.

Visionary Pat

Pat Schroeder for president! She missed making your celebrated “visionary cadre” by one vote out of 20!

—Allison Percival
Santa Barbara, Calif.

Going too far?

NEW OPTIONS's policy is to *not* see things in yes/no terms. So it is surprising that you were not more charitable with other organizations' more traditional Congressional voting indices, seeing them as contributing an important but quite different look at the problems.

It would be extremely valuable to have a cross-tabulation of all organizations' indices so as to be able to note those Congresspeople who were not only constructively innovative but who paid attention to the traditional yes/no and “amount” issues, which are also of great importance.

—Libby and John Morse
Raleigh, No. Car.

Your recent issue on “visionary bills” was most interesting and I applaud your attempt to redefine an index upon which to base a sensible evaluation of political representatives. In your effort to steer clear of traditional labels, however, you risk establishing an index as meaningless as others.

How can a criterion for “global responsibility” completely eliminate any mention of positions relating to arms control issues and third world interventions? Just because these are issues traditionally high on the agenda of the “traditional peace movement” and are usually characterized by votes “against” is not sufficient reason to eliminate them from consideration. To do so, it seems to me, is to border on the fatuous.

—Ernest Urvater
Amherst, Mass.

Getting to the roots

Throughout NEW OPTIONS I see you constantly trying to point out or feature people who are “doing it,” which is very important because this network of ours tends to be in its head and inactive (including yours truly).

That's why I was surprised you printed that article by Hal Harvey, director of the [global] security program at Rocky Mountain Institute, Snowmass, Colo. (“The Best Defense Is Dealing With the Roots of Conflict,” NEW OPTIONS #38). Toward the end of it he writes:

“Conflicts that have not yet erupted into violence should be resolved through stronger international rules and better conflict resolution mechanisms.”

SO WHAT! We all know that, and writing that makes no difference. Who's *doing* it, who's helping us *get* to that kind of world? That's the point.

Sitting nice and pretty in Snowmass and “re-thinking” national security is an affront to those who have really put their hearts and bodies on the line through strikes, protests, etc.

—Marco Ermacora
Montreal, Quebec

I believe that a federal union of the industrial democracies would contribute decisively to all the goals mentioned in your “Roots of Conflict” article.

For example: Reducing the economic and political roots of conflict *within the Western alliances*, where they could be most realistically and effectively tackled, would greatly free the political and economic energies of the democratic peoples to begin to deal with global problems (environment, hunger, homelessness, etc.). Unfree peoples worldwide would gain hope as well.

—Rick Wicks
Washington, D.C.

Wicks is a former administrative director of the Association to Unite the Democracies, long-time sparring partner of the World Federalist Association.

I appreciate your coverage of the various examples of “fresh thinking” about the nuclear dilemma, particularly the coordinating work of the Rocky Mountain Institute. However, you have not paid nearly enough attention to the work of the Independent Commission on World Security Alternatives, initiated by Donald Keys' organization Planetary Citizens (325 Ninth St., San Francisco CA 94103). The preliminary work of this group has contributed a useful way of interrelating the various strands of “alternative security” thinking.

I cannot speak for the Commission since it has not yet reached full consensus on its report. I can, however, offer one person's summary of the synthesis that seems to be emerging.

We believe the goal of “world security” is a more precisely defined goal than “peace” — which has so many different meanings for people. All the peoples of the world covet security, though some of them mistrust the term

"peace" as it's used by white Westerners].

We are beginning to think of global security in terms of three staged goals, to be achieved sequentially. These are: (1) transitional security; (2) a world free from war; and (3) a secure world.

Given these goals, there are at least four key tasks: (a) transforming the arms system; (b) reducing the immediate economic and political roots of conflict; (c) building a peace structure; and (d) building global community.

In postulating several staged goals, and identifying the tasks to be accomplished at each stage, our work attempts to go a step beyond the synthesis of the Rocky Mountain Institute.

—**Willis Harman**
Stanford University
Stanford, Calif.

The Rocky Mountain Institute seeks only to restrain ideologies. But the gross oversimplifications of ideologies are lies. Can't we expose them?

We need economic justice. That requires radical honesty, which I think is impossible without love of God, Creator of truth. I feel our best hope lies with Christianity and a de-ideologized liberation theology.

—**Mark B. Peterson**
Charlottesville, Va.

Your obsession with always finding a viewpoint that can be promoted as "neither left nor right" has begun to reach silly proportions. Often it results in just plain misinformation.

Your lead story in #38, "The Best Defense Is Dealing With the Roots of Conflict," is a good example of this tendency. To suggest that left and right approaches to peace are equally rejectable makes two mistakes.

First, it assumes that there has been some sort of equal agenda status for left and right policies in the U.S. This is hardly the case. We don't have an institutionalized left here. Many democratic leftists, pacifists, peace groups, unions, etc., have been repressed throughout our history.

Second, many of the new ideas described in your article—peace conversion, citizen diplomacy, etc.—have been pushed for years by peace groups and progressive labor unions. Most people would view these as nominally left groups.

NEW OPTIONS began with the approach that neither left- nor right-wing pronouncements should automatically be embraced in order to follow "the correct line." Unfortunately this neither-left-nor-right approach has turned into its own type of negative bipolar dogma in which you and Hal Harvey and whomever are forced to misrepresent views in order to fit them into your schema. You need to acknowledge good ideas wherever they come from

without upholding any "third way" dogma.

—**Daniel Neal Graham**
University of North Carolina
Chapel Hill, No. Car.

Hal Harvey responds. . . .

Dear Marco, Rick, Willis, Mark and Daniel: I enjoyed reading your animated and thoughtful responses to my article.

But, Marco, hold on a moment: "Building stronger international rules" is not merely an abstraction. Analysis and writing can make a critical contribution.

Through letter-writing campaigns in communities across the world, Amnesty International is creating a non-official, but nevertheless legitimate international norm against torture. IN-FACT, through its boycott of Nestle, took a big step toward creating international standards for corporate behavior. The members of these groups certainly do put their "hearts and bodies" on the line! Their minds, too.

Rick, you are right on the mark—the industrial democracies do need to work together. Imagine U.S. and Mexican unions working together to help resolve the immigration problem. Think of the support U.S. unions have given Polish Solidarity.

Willis, I am familiar with the work of your Independent Commission on World Security Alternatives. The "tasks" you lay out are quite analogous to those we advocate. The principal difference is that the Commission proposes sequential tasks, and the strategies we suggest can and should be pursued simultaneously.

Mark, I agree that "exposing ideologies" is central to reducing the political roots of conflict. Let an exposed Christianity compete with an exposed Islam, an exposed capitalism with an exposed socialism. A vigorous marketplace of ideas and options—and a greater tolerance of the right of others to disagree with our ideas—is the key to reducing conflict.

Daniel, I agree entirely that we need to "acknowledge good ideas wherever they come from." Unfortunately, neither the right nor the left has a sufficient strategy for building security.

The right tends to underestimate people's fear of an unbridled arms race. The left tends to underestimate people's fear of the Soviet Union. Our effort to create a new framework to build security does attempt to take the best from both camps—and from others as well.

One plus one plus one

I really appreciate NEW OPTIONS. After reading your article on the National Coalition of Alternative Community Schools (NEW OPTIONS #36), I wrote Jerry Mintz, and he came here to help us with our school!

—**Patricia Gonzalez**
San Miguel de Allende, Mexico

Continued from page four:

port on Capitol Hill.

Senators **Claiborne Pell** (D-R.I.) and **Mark Hatfield** (R-Ore.) recently introduced a bill [S. 1327] calling for a United Nations-sponsored end to the Iran-Iraq war, a U.N. peacekeeping force in the Persian Gulf—and removal of U.S. flags from all foreign vessels in the Gulf. **Tom Downey** (D-N.Y.) introduced a companion bill on the House side [H.R. 194] calling for a U.N. sponsored end to the war, a U.N. peacekeeping force—and the substitution of U.N. for U.S. flags on Gulf ships.

Sen. Pell recently postponed a hearing on S. 1327 because, he said, it lacks enough citizen support. "Will there ever be [enough]?" **Eric Cox**, field director of the World Federalist Association, asked NEW OPTIONS plaintively. "It seems it's up to [us] to make sure the answer is 'yes,' [by] congratulating and thanking the Congressmen promoting a U.N. solution in the Gulf" and by writing our own Congresspeople. Cox: WFA, 418 Seventh St. S.E., Washington DC 20003.

On the Vine . . .

For the child in us: A colorful 24" x 30" poster of the world as it *could and should* be has just been produced by futurists **Hazel Henderson** (NEW OPTIONS #17) and **Barbara Marx Hubbard** (#30) with the help of artist **Rudi Ash**. It will remind you of **Diane Schatz's** old posters for *Rain Magazine*, but with a difference: what's featured aren't the buildings so much as the people. Over 100 people of all ages, races and ethnic groups are everywhere on the poster, dancing, planting crops, holding hands. . . .

"We've sold over 600 since June—we think it's an archetype!" Henderson and Hubbard told NEW OPTIONS. "It's for the child in everyone, [symbolizing] the most enduring vision, in our hearts, of how we know the world can be, with all the human family living creatively, joyously and cooperatively . . ." (\$10 from Earthvision, P.O. Box 347, St. Augustine FL 32085; special bulk rates for non-profit groups).

* * *

Welcome Home: When we reported on the North American Bioregional Congress in NEW OPTIONS #35, we mentioned the proceedings would eventually be published. But we had no idea they'd be incorporated into a handsome, 112-page book that provides the very best overview of the bioregional movement to date.

NABC: Proceedings (Hart Publishing, P.O. Box 1010, Forestville CA 95436, \$12 pbk) opens with the definitive consensed-upon statement of the movement, "Welcome Home." It contains articles or interviews with such key bioregional spokespeople as **Peter Berg**, **Stephanie Mills** and **Kirkpatrick Sale**. It contains poetry and photographs, early (i.e. pre-1984) bioregional history and up-to-the-minute "Post-Congress Reflections." And, of course, it contains resolutions and statements from all 16 NABC committees (eco-defense, green cities, "MAGIC," etc.) plus in-depth reports from half a dozen key panels. Poring through this book is every bit as good as watching a baseball game for taking your mind out of the rhythms of advanced industrial society.

WCED, Macy: what will sustain us?

When our most prestigious authorities speak of the need for global development, what they usually mean is that the Third World needs to become more industrialized and "efficient." More like us. And the sooner the better.

Recently, however, some thinkers and activists have begun to argue that a new development path is required—a "sustainable" development path—one that doesn't simply encourage other nations to repeat our mistakes.

Two books published this summer are important statements of the emerging new sustainable development strategy, and neither has gotten the attention it deserves.

In 1983 the United Nations set up the World Commission on Environment and Development (WCED) to propose "long-term environmental strategies for achieving sustainable development by the year 2000." Mrs. Gro Brundtland, leader of the Norwegian Labor Party, was asked to chair the Commission; Mansour Khalid, former deputy prime minister of Sudan, was asked to be vice-chair. Together they appointed the remaining members: 21 people from nearly as many countries (including 10 from the Third World, four from the Iron Curtain countries, and William Ruckelshaus, former head of the EPA, from the U.S.).

From March, 1985 to February, 1987 the Commission held open public hearings on five continents; hundreds of organizations and individuals gave testimony. The Commission's report, *Our Common Future* (Oxford Univ. Press, \$10 pbk), will be presented to the U.N. General Assembly this fall, and the hope is that the U.N. will transform it into a "Program of Action on Sustainable Development."

Mark Macy's Earthview Press is no U.N.; Macy supports his press by working as a technical writer for AT&T, and his anthology, *Solutions for a Troubled World* (Earthview Press, P.O. Box 11036, Boulder CO 80301, \$9 pbk), is only his fourth book. But it is by no means a poor man's version of the Brundtland Report.

Its 25 contributors come from all six continents and include two Nobel laureates, a former deputy director of UNESCO, and a former Nigerian government official . . . not to mention eight people whose work we've featured in NEW OPTIONS. Moreover, the ideas in the Macy anthology are more imaginative, more vital—ultimately, more sustainable—than are many of those in the Brundtland Report.

New wine, old bottle

The Brundtland Report begins with a good overview of the problems caused by poverty,

pollution, etc. But then there's an attempt to define "sustainable development." And the Report begins to read—as it does on too many occasions—like a report written by a Committee, with something for everyone, and carefully undefined terms like "human needs" and "public health" papering over the differences.

"Sustainable development," the Report states, "is development that meets the needs of the present without compromising the ability of future generations to meet their own needs." So far, so good. But the Report reveals another, less visionary side when it states without comment that the idea of sustainability implies limits "on the environment's ability to meet present and future needs." In other words, the report simply assumes that the needs of the person and the needs of the planet are *fundamentally* in conflict. It never occurs to the authors that there might be something fundamentally wrong with our "needs" as presently defined!

Oh, there are the usual obeisances to the fact that the people in the industrial countries might be better off re-thinking their priorities. But the development priorities of the Third World elites are rarely questioned; and when all is said and done, what the Report seeks to do is graft contemporary concerns about environmental deterioration onto a very traditional notion of economic growth.

"If large parts of the developing world are to avert economic, social and environmental catastrophes," the Report states, "it is essential that global economic growth be revitalized. In practical terms, this means more rapid economic growth in both industrial and developing countries. . . . It must be ensured that the economies of developing countries grow fast enough to outpace their growing internal problems and fast enough for that first leap needed to acquire momentum." We are back in the world of LBJ's advisor Walt Rostow and his thoroughly discredited ideas about the "stages of economic growth," and about growth being an effective substitute for structural and value changes.

Avoiding the fundamentals

Like the chapter on sustainable development, the Report's other chapters are extremely mixed: lots of good information (often hard-to-get anywhere else), some good analyses, plus lots of avoidance of some fundamental questions.

The important chapter on the international economy notes, wisely, that "[economic] relationships that are unequal and based on domi-

nation of one kind or another" are not sustainable. It goes on to lambast commercial banks, the World Bank and the IMF. But it says little about the failure of Third World governments to spend their loans more wisely, let alone the failure of Third World elites to carry out needed social and economic reforms.

The Report's major section, "Common Challenges," takes an in-depth look at six global problems: population, food security, ecosystems, energy, industry, and urbanization. The chapter on urbanization is the best: it urges Third World governments to give more support to the "informal sector," that is, to those who aren't officially employed but who work in unregistered factories or on street corners. (In many countries, the "informal sector" makes up a majority of the urban population!) The chapters on food security and ecosystems are also extremely informative and include many good recommendations.

But the chapter on population is too timid, calling merely for "managing" population growth rather than taking the stronger stand that, e.g., the Global Tomorrow Coalition urged in its submission to the Commission. The energy chapter calls for a "lower energy future" but fails to oppose nuclear energy development! The chapter on industry was written on the assumption that the consumption of manufactured goods in developing countries must be raised to current industrial country levels. While the chapter concedes that such growth "has serious implications for the future of the world's ecosystems" (quite an understatement, in that a *five- to ten-fold increase in world industrial output* would be required, according to the Commission), the authors are convinced that such an effort can and must be made. They can see no alternative.

Redefining growth

One alternative is provided by the Macy anthology.

The editor is convinced that sustainable development encompasses at least five goals: communicating clearly, establishing world order, promoting value change, redefining "growth," and establishing effective conflict resolution mechanisms. The anthology's five Parts build on these goals.

Part IV, "Inequities—No Easy Solutions," is the political heart of the book; it directly challenges the Brundtland Commission's notion that "sustainable development" can mean continuing down the materialistic path we're on. Tanzania's Ahmad Abubakar argues that the North is not "developed" but "overdeveloped," and urges the South to "reexamine critically its development priorities." India's J.S. Mathur argues that "quantity of growth" has little to do with social health, and that the relevant factors include "quality of growth," the personal qualities prized by people, the degree of coopera-

tiveness in society, and people's "ability to identify . . . with all forms of life."

In Part III, we learn of women's complicity in the war system and What Can Be Done (Chellis Glendinning and Ofer Zur), the connection between beliefs and social change (Willis Harman), and the need for ego transcendence via a spirituality of the Earth (Patricia Mische).

In Part I, Thailand's Mrs. Achava-Amrung writes of the need for us to listen—really *listen*—to what each of us is saying.

There are some problems with Macy's anthology. Most of the essays are much too brief; few of them are politically sophisticated. But political sophistication is easy to find. Unlike the Brundtland Report, Macy goes beyond "sensitizing public opinion" to questioning the fundamentals of structures, values, worldviews; and without such questioning there is no chance we can have sustainable development.

Rifkin: slow is beautiful

Every once in a while, a book comes along that makes something we never much thought about seem perfectly obvious—and tremendously important. Recent examples include Alvin Toffler's *Future Shock* (1970), Walter Truett Anderson's *To Govern Evolution* (NEW OPTIONS #37)—and now, Jeremy Rifkin's *Time Wars* (Henry Holt & Co., \$19).

Rifkin's thesis is simple enough. A multitude of new movements and constituencies, the environmental movement, the holistic health movement, the eco-feminist movement, etc., have not only challenged the notion that bigger is better; "these heretics are challenging the notion that increased efficiency and speed offer the best time values to advance the well-being of the species. They argue that the artificial time worlds we have created [e.g., with our factory whistles and our computers] only increase our separation from the rhythms of nature. They would ask us to give up our preoccupation with accelerating time and begin the process of reintegrating ourselves back into the periodicities that make up the many physiological time worlds of the earth organism."

But if Rifkin's thesis is simple, even simplistic, his supporting arguments are intricate and fascinating. We learn, for example, of an "ever widening schism between natural time and social time" — a schism that may be as important to late 20th century politics as the schism between capitalists and workers was earlier. "Natural" time is marked by the rooster crowing, the sun passing, the phases of the moon. "Social" time is socially defined time. First it was defined by the calendar, then by the mechanical clock. Today the computer is speeding up our

sense of time to such an extent (says Rifkin) that computer users are finding it increasingly difficult to relate to other people. Computer users begin to see people as frustratingly inarticulate, frustratingly slow. . . .

Evil — or evolution?

Rifkin apparently feels that the logic of his argument requires that he find fault with nearly every aspect of modern life. It is stimulating (and fun) to watch him take on clocks, futurists, computers. But it may be that by doing so he's *weakening* his argument.

Just consider: Often Rifkin refers to us as blameless victims. Again and again in Rifkin's scenario, the power elite forced us to sacrifice our natural time rhythms in the name of higher productivity; again and again we fought back. But occasionally Rifkin contradicts himself by placing the blame squarely on *everybody's* shoulders, as in this passage: "The fact is, we have chosen to sever our participatory union with the rest of creation. We have chosen autonomy over participation, isolation over communion."

If it's true that there was something in *us*, some natural tendency in *us* that made us want to move away from natural and toward social time—if we found it helplessly compelling—then our transition from calendars to clocks to computers may have been a *necessary* evolution. And it may be that the computer age has given us a context in which we can return to nature's rhythms in many aspects of our lives without having to do the back-breaking toil that went along with "nature's rhythms" in the past.

Our political assignment, then, may not be to *oppose* empathy to efficiency, participation to speed, etc., as Rifkin has done here, but to ask: How can we *use* our efficient and speedy devices in such a way as to make empathy and participation more possible? And how can we ensure that society follow that path?

Still a profoundly radical political assignment!

Continued from page two:

there be an opportunity to give some of that money as 'intracapital' [i.e. for use inside the company, at the employee's discretion—ed.] and some of it as take-home money."

Pinchot wouldn't restrict 'intracapital' to inventors. He'd set up tax policies to encourage corporations to make such capital available to many of their best employees. "You need to [permit] the organization to 'expense' that money from the point of view of its taxes when it had inexorably set it aside for an employee to use on behalf of the organization. You'd [have in effect] 'accelerated depreciation of intracapital.' We do the same thing for machines so this is not out of the question!"

On the horizon

Brock, Weaver and Pinchot may disagree with one another. But their differences are minor compared to the differences between any of them and the Washington political establishment. "The right-wingers say they are for a kind of radical laissez-faire—anything goes," Brock told NEW OPTIONS. "By and large [the left] is talking about 'tripartite planning'—basically, the brokered economy where the dominant power groups, big business, big labor, big government, sit down together and map out our economic future. Well, it's a different form but I think the substance is the same. It's bigness."

Desperately wanting to seem "tough" and "mature" in the wake of the Japanese economic challenge, the traditional social change movement has for the most part abandoned its earlier Schumacherian focus on the size and scale of things. But with economic thinkers of the caliber of Brock, Weaver and Pinchot now firmly on the side of deconcentration and decentralization, the idea of shrinking the giant corporation cannot long remain without a political champion.

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