On April 7, 1984, the Center for Economic and Social Justice was born amidst the clatter of the student cafeteria at American University in Washington, D.C. Pioneers of the ESOP and human rights movement had come together, united in their common commitment to the global vision and economic justice paradigm first advanced in 1958 by ESOP inventor Louis O. Kelso and the “Great Books” philosopher Mortimer Adler, and the concept of social justice as articulated by the scholar Rev. William J. Ferree. The philosophy and purpose of CESJ were soon crystallized in written statements of our founding principles and core values. Since the launching of CESJ, members have gathered every month, starting each meeting with a participatory reading of our core values and code of ethics. CESJ’s principles underpin our record of achievement.

The Presidential Task Force on Project Economic Justice

- In 1985, CESJ members initiated and mobilized bipartisan support for Congressional legislation which established the Presidential Task Force on Project Economic Justice under President Ronald Reagan. Project Economic Justice, which was first conceived in a strategy paper authored by CESJ, offered a revolutionary economic alternative to military solutions to regional conflicts in Central America and the Caribbean. Enacted as part of the International Security and Development Cooperation Act of 1985, this legislation created the first presidential task force to be totally funded with private donations and supported by both the U.S. Chamber of Commerce and the AFL-CIO. Former Ambassador to the Organization of American States and the European Community, Hon. J. William Middendorf II, served as Chairman. CESJ’s president, Norman G. Kurland, served as deputy chairman.

The task force’s 1986 report, High Road to Economic Justice, was America’s first official endorsement of “expanded capital ownership” as a means for achieving economic democracy, the foundation for sustaining a stable political order. Some of the task force’s recommendations were adopted into U.S. foreign policy and were included as one of the World Bank’s “market based” options for debt-equity conversions through employee stock ownership plans (ESOPs).

In 1987, CESJ representatives delivered the Presidential Task Force report directly to President Ronald Reagan at a White House ceremony and Pope John Paul II in a private audience at the Vatican.

In 1988, CESJ members and friends funded the Polish translation of Every Worker an Owner. This CESJ compendium on the concepts, techniques, and policies of expanded share ownership served as the orientation book for the Presidential Task Force. Forty thousand copies of the Polish translation were distributed throughout Solidarity channels in Poland prior to the dismantling of the Soviet Union.

CESJ’s Every Worker an Owner was sent under cover letter in May 1988 by USAID Administrator Alan Woods to every USAID mission around the world.

Rome Conference on “Curing World Poverty: The New Role of Property” and Second Audience with Pope John Paul II

In November 1991, a CESJ delegation traveled to Rome to present the English and Polish versions of Every Worker an Owner to Pope John Paul II in a Vatican ceremony. At CESJ’s all-day seminar for Catholic Church leaders and scholars, Achille Cardinal Silvestrini presented on behalf of CESJ the first Global Awards for Value-Based Management to the heads
of three world-renowned 100% employee-owned companies—Avis Rent-A-Car, Fastener Industries, and Allied Plywood Corporation. (The name for the global award and the concept underlying it was subsequently changed to “Justice-Based Management” to reflect more accurately the principles of economic and social justice promoted by CESJ.)

As a result of the Rome conference, CESJ’s most important collection of essays, *Curing World Poverty: The New Role of Property*, was compiled and published in 1994 by the Social Justice Review (St. Louis, Mo.). To date over 4,000 copies have been sold, reaching high-level policy makers, business executives, labor officials, scholars, religious leaders and others world-wide. Plans to translate *Curing World Poverty* into Spanish, French, Russian, and Chinese are now underway.

**Global Economic Justice Initiatives**

Since CESJ’s founding, members throughout the world have promoted Capital Homesteading and universal access to capital credit and ownership through vehicles such as employee stock ownership plans (ESOPs). CESJ has helped introduce these ideas to countries such as Argentina, China, Costa Rica, Egypt, Guatemala, Iraq, Mexico, Nicaragua, Nigeria, Uruguay, Uganda, Tanzania, Cameroon, Russia and other former Soviet Bloc countries, to help reshape their tax, trust and monetary policies to encourage the broadening of future capital ownership opportunities to workers and other citizens.

- Prior to the Spring 1989 crackdown on China’s pro-democracy movement, a CESJ delegation was invited by the People’s Republic of China State Commission for Restructuring the Economic System on an all-expense paid tour of China to meet with top-level policy makers to discuss major structural tax and monetary reforms for promoting expanded capital ownership. In a reciprocal arrangement, CESJ was to have hosted a Chinese delegation to tour U.S. model ESOP companies and meet with leading U.S. policy makers.

  The Tiananmen Square tragedy forced an indefinite postponement of the U.S.-China ESOP exchange tour. However, CESJ has continued to work with Chinese government officials, pro-democracy leaders, and scholars interested in introducing CESJ’s “Just Third Way” economic reforms. In August 1992, CESJ and the Washington Center for China Studies held a day-long symposium for Chinese economists, lawyers and social scientists on the role of broadly held private property for transforming China’s socialist economy.

- In 1989, a team of CESJ professionals under contract with USAID designed a “parallel legal system” to encourage ESOPs in Costa Rica.

- In 1990, CESJ’s president headed the team which implemented USAID’s first ESOP in a developing country for the Alexandria Tire Company (Egypt), a $160 million joint venture between a state-owned company, Pirelli Tire Company of Italy, 11 other investors and a “Worker Shareholders’ Association” (WSA). The WSA was invented as a method of transforming state-owned enterprises to the private sector in developing countries.

  CESJ was asked to advise the

  USAID’s Alan Woods sends Every Worker an Owner to missions world-wide.

  Workers at Finca LaPerla, Guatemala support worker ownership plan introduced by CESJ’s Joe Recinos.

committee on CESJ’s approach to reforming basic economic institutions, such as the central banking system, to bring about true economic democratization. CESJ’s president was subsequently authorized by the Duma committee and four other influential Russian organizations to represent them before the White House, the Congress, the World Bank, IMF, and three U.S. agencies, to solicit assistance in developing expanded ownership policies.

- In 2003 Bishop Herbert Hermes of Cristalandia, Brazil sponsored a trip by CESJ’s president to introduce the Just Third Way and Capital Homesteading to Brazilian political and religious leaders. CESJ received a positive reception from Brazilian Minister of Environment and Natural Resources Marina Silva (a former rubber worker and union leader) and her staff. At a later meeting, the mayor of Goiania, a city with a population of one million, expressed strong interest in the ideas advanced by CESJ, particularly in the application, commercialization and worker and citizen ownership of advanced waste-to-energy technologies for addressing the city’s municipal waste, water and energy problems.

- In 2003, CESJ helped found the GlobalJusticeMovement.org web site, in order to launch a separate global organization capable of reaching out to a broad array of organizations and individuals to create a movement behind the Just Third Way, binary economics and Capital Homesteading.

**A New Economic Agenda:**

**Capital Homesteading for Every Person**

*The Capital Homestead Act* was authored in 1982 by CESJ’s Norman Kurland at the request of the chief economist of the National Security Council. This “New Marshall Plan” for stimulating rapid, non-inflationary growth contains Federal Reserve, tax and expanded ownership reforms which would enable each citizen to accumulate a “capital homestead” of income-generating assets.

- At the invitation of then-U.S. Democratic Congressman and Majority Whip-at-Large Mike Espy (later appointed Secretary of Agriculture by President Bill Clinton), CESJ’s president spoke in September 1992 on a select panel workshop of the Congressional Black Caucus. Televised on C-Span, CESJ presented its Capital Homestead agenda for empowering all American citizens through expanded capital ownership opportunities.

- CESJ representatives, invited by Secretary of Agriculture Espy, participated in the 1994 Senior Policy Retreat for 75 top-level USDA officials. Serving as a “challenge speaker,” CESJ’s president delivered a white paper on a new expanded ownership thrust for U.S. agricultural and rural development policy.

- In February 2001, CESJ received a grant from the William H. Donner Foundation to develop an expanded ownership strategy to address the crisis in the U.S. Social Security system. The report was released in December 2002.

- On New Year’s Day 2004, CESJ released to the public its expanded edition of *Capital Homesteading for Every Citizen: A Just Free Market Solution for Saving Social Security*, presenting a comprehensive program of monetary, tax and expanded ownership reforms to address the crisis in America’s retirement income system. Laying out an “economic blueprint for the Just Third Way,” the book proposes changes to the money and credit system that would stimulate higher rates of private sector growth in non-inflationary ways while simultaneously creating new owners of newly created wealth.
Justice-Based Management: Reshaping the Workplace and the Modern Corporation

CESJ has developed “Justice-Based Management” as an advanced management system for applying at the workplace Kelsonian principles of economic justice and the Ferree principles of social justice, with principles of property, efficiency, and the free market. Members of CESJ are working with ESOP companies to build JBM principles into their management structures and processes, to help meet business objectives and create an ongoing culture of ownership.

- In collaboration with the Institute of Integrated Rural Development in Bangladesh, CESJ is working to launch a model worker-owned garment factory and JBM management system in Bangladesh, as well as a JBM certification process and JBM marketing company, to promote an expanded ownership alternative to global sweatshops.
- CESJ members assisted a workers group in the establishment in 2004 of an “employee economic empowerment association” to purchase the 12 Great Lakes vessels of Oglebay Norton Company by all its workers. The ESOP financing strategy incorporated a Justice-Based Management system to maximize the success of the venture, by creating an ongoing ownership culture whose members have a personal stake in the company’s bottom-line profits. While the workers’ group and their professional advisors put forth a feasible proposal and financing package to save the struggling company, management rejected the offer in order to sell off pieces of the fleet. This JBM model, however, is being considered for similar turnaround situations.
- CESJ members Steve Nieman (a pilot with Horizon Airlines) and Richard Foley (an activist with the shareholder rights movement and former railroad labor leader) founded OU® Union, to transform the traditional labor unions into ownership unions. CESJ is working with OU® Union to expand the organized constituency for Capital Homesteading reforms and introduce Justice-Based Management into the governance of corporations. They are working with CESJ to start a new enterprise financed with a combination worker-and-customer share ownership plan, and organizing workers and customers in an ownership union.

The Community Investment Corporation: Linking Citizens to Land and Technology Through Ownership

CESJ founders have developed a Kelsonian innovation called the “Community Investment Corporation,” a professionally managed land planning and real estate development corporation owned by local resident-shareholders. CESJ is working closely with community, business and labor leaders, legislators, ESOP practitioners, economic development and other experts to advise on legislative reforms promoting worker and citizen participation in ownership and profits from business and real estate development in “super empowerment zones.”

- In 1995, CESJ, former D.C. Congressman Walter Fauntroy and Rev. Virgil Wood (both close associates of the late Rev. Martin Luther King, Jr.) convened a two-day retreat on the “Capital Homestead Initiative” as an economic development model for rebuilding poverty-stricken inner cities. This model was designed to serve as a local prototype for a nation-wide Capital Homestead Act.
- In January 1995, CESJ representatives were invited to Southern Illinois University (Edwardsville) to participate in a four-day “syntegration” on the Old Man River City Project for East St. Louis, one of the most impoverished areas in the U.S. The syntegration (an advanced participatory process developed by management cyberneticist Stafford...
Beer) brought together international experts and community leaders to develop a strategy for launching OMRC—an energy self-sufficient “city of the 21st Century” conceived 25 years earlier by the late design scientist Buckminster Fuller, Illinois Rep. Wyvetter Younge, and the renowned choreographer and human rights activist Katherine Dunham. CESJ representatives won the group’s support for an expanded ownership approach for financing this massive project. CESJ later participated in a 1996 syntegration in Toronto, Canada on “Wealth Generation,” which examined the global problem of financing sustainable growth in ways that spread ownership opportunities to all, especially the poor and middle-class.

• In 2002, CESJ and affiliated organizations hosted a syntegration in East St. Louis on the “New Millennium Project” to bring together leading architects, design scientists, city planners and community leaders from East St. Louis. Designed as a follow-up to the 1995 “Old Man River City” event, this interactive process focused on launching a series of demonstration projects in East St. Louis that would combine new approaches to land and industrial development, advanced waste-to-energy technologies, and expanded ownership through mechanisms like CICs and ESOPs.

• CESJ President Norman Kurland testified in 2004 before the Illinois House Commerce and Economic Development Committee on legislation introduced by State Rep. Wyvetter Younge to authorize community investment corporations in Illinois. House Bill 4626 represented the first legislation on either the state or federal level to promote CICs and grant them powers similar to ESOPs. While the bill did not pass on its first vote, the chairman of the committee agreed to form a blue ribbon task force to study the CIC concept more closely. Rep. Younge subsequently introduced House Resolution 726 to create the “Community Investment Corporation Development Task Force.”

• On Lincoln’s Birthday 2004, at an event organized by Dr. Bill Perk (a colleague of the late Buckminster Fuller), CESJ’s president spoke at the Community Investment Corporation at Carbondale, Illinois on Capital Homesteading and how a community investment corporation could be used for land and industrial development projects in Carbondale. This event led to the formation of a Citizens Coalition to promote the adoption of a CIC for the city and the region, to allow all voters in the area to become shareholders in the CIC, sharing in appreciated land values and profits from the leasing of real estate, and participating in decisions affecting land use.

The New Birth Project: Economic Justice in Prison Reform

Inspired by the vision and work of Joe Coleman, a former inmate, CESJ developed a comprehensive plan for “the New Birth Project,” a justice-based model for transforming the increasingly ineffective and dehumanizing U.S. prison system. This $3.5 billion project, which would be financed by local banks with access to the Federal Reserve’s discount window, was designed to create a national exemplar of capital homesteading in the Nation’s Capital.

• In 1996, CESJ hosted a two-day meeting on the New Birth Project at Georgetown University. The conference brought together a blue ribbon team of architects, NASA scientists, engineers, prison reform experts, expanded ownership designers, and other experts. Under the design concept that emerged, New Birth would feature three new industrial parks and a state-of-the-art prison facility to replace the Lorton prison. The prison complex itself would be capable of housing 12,500 inmates in human-scale clusters under a solar geodesic-domed canopy. The facil-
ity would utilize “total-waste-to-energy” technologies developed for NASA and other agencies, to create massive amounts of pure water and electricity for sale.

The New Birth complex was designed to commercialize these space-age technologies, with the land, facilities and industries owned by local residents and prison employees (including the inmates) through a Community Investment Corporation and ESOPs. As part of a “prisoner transformation” program, inmates would be able to earn ownership in the prison industries in which they work, contributing three-fourths of their ownership incomes to cover victim restitution, support for their dependents, and their upkeep. Former inmates would thus leave prison with training in an advanced new industry and a capital accumulation of their own.

Addressing the Roots of Global Terrorism: Interfaith Alliance with the Muslim Community

In 1978 CESJ co-founder Norm Kurland authored the concept of the “Abraham Federation” to offer a just and lasting solution to the conflict between Israelis and Palestinians, as well as other conflict-torn areas in the world. To be launched in a part of the world claimed as holy by three major religions, this new model for nation-building is uniquely based on the sovereignty of each human being and on the principle of universal access to capital ownership as a basic right of citizenship. It offers a justice-based framework and sound economic approach that can be adapted for rebuilding nations like Iraq.

- The Abraham Federation concept has been published in the World Citizen News and The Middle East Journal, and has received favorable reactions from some Israeli and Palestinian leaders. Both Achille Cardinal Silvestrini (formerly Secretary of State at the Vatican and head of the Oriental Congregations) and Rabbi Herzel Kranz (an orthodox Jewish leader and U.S. representative to the Likud Party) have supported CESJ’s approach for reconciling Muslims, Jews and Christians in the Holy Land and throughout the Middle East.

- Iftekhar Hai, President of the United Muslims of America Interfaith Alliance (based in South San Francisco), has strongly endorsed the concept of the Just Third Way as well as CESJ’s Abraham Federation and “Oil Shares for Iraq’s Citizens” proposals.

- In late 2003, through the efforts of Fr. Cassian Yuhaus, CESJ representatives met with Sen. Rick Santorum and his key staff on the application of a Just Third Way strategy and Capital Homestead initiatives for building effective economic democracy in Iraq. This meeting led to a meeting on CESJ’s “Oil Shares for Every Iraqi” proposal at the Pentagon with officials of the Coalition Provisional Authority and a representative of the Joint Chiefs of Staff. While the proposal received a positive response and was sent to Ambassador Paul Bremer, then head of the Provisional Authority in Iraq, no action was taken by U.S. officials.

However, through independent Iraqi channels, the concept was presented to advisors close to the Grand Ayatollah Ali Sistani, receiving a favorable response. With the input of Iraqi scholars, a refinement was made in the original “Oil Shares for Every Iraqi Citizen” proposal, giving an equal, non-transferable, lifetime share to every man, woman and child in Iraq. This important advance led to the concept of a Natural Resources Bank, which provides a practical way for previously government-owned natural resources and land to be owned by citizens as shareholders of a professionally managed corporation.

- Fr. Bill Christensen, a Marianist missionary who has been working with the poorest of the poor in Bangladesh for decades through
the highly successful Institute of Integrated Rural Development, is part of CESJ’s mission. Known to his Muslim colleagues as “Brother Bill,” he has been introducing the Just Third Way to Muslim scholars as well as to members of his own religious order. Fr. Bill has been instrumental to launching CESJ/Bangladesh as well as the Justice-Based Management initiative to create a women-owned garment factory.

- **American Muslim Magazine**, edited by Sheila Musaji, has published several articles by CESJ scholars. This successful and respected e-zine, ([www.theamericanmuslim.org](http://www.theamericanmuslim.org)) is distributed to Muslims in the United States. CESJ member Dr. Robert Crane, a global strategist and Muslim scholar, regularly contributes articles promoting the Just Third Way, the Abraham Federation, and the “Oil Shares for People” proposal.

- In an effort to rally Muslim moderates behind the Just Third Way and applications such as the Abraham Federation and the “Oil Shares for Every Citizen” proposal for Iraq, CESJ president Norm Kurland spoke as a Jewish representative on an interfaith panel hosted by the United Muslim Association of America. CESJ’s justice-centered ideas received an enthusiastic reaction from the audience. CESJ representatives have also spoken at conferences of the Center for Islam and Democracy, and the Center for Democracy and Human Rights in Saudi Arabia.

- CESJ is working with Dr. Robert Crane and other Muslim scholars supporting the Just Third Way, along with Jewish and Christian scholars and leaders from other religions, to form an interfaith Global Institute for Peace Through Justice. The Institute will address the roots of global terrorism through a new paradigm based on universal moral principles and their practical application.

### Communicating the Just Third Way

Since its founding, CESJ has made as a central part of our mission the dissemination of what we believe is a radical advance in moral philosophy and market economics. Much of our work involves educating others through writings, meetings, seminars and our web site, about a new global paradigm, which CESJ calls “the Just Third Way.” In contrast to the power-concentrating systems of capitalism and socialism, this new framework is based on universal principles of economic and social justice that promote the dignity and sovereignty of each human being.

- In collaboration with the Scholars for Social Justice and the World Institute for Development and Peace, CESJ drafted and met jointly on August 23, 1997 in St. Louis to approve “The Universal Declaration on the Sovereignty of the Human Person Under God,” a set of principles to update the Declaration of Independence and guide humanity and authentic leaders toward a new vision of economic empowerment for the Third Millennium.


- CESJ member Norbert Hermes orchestrated a week-long trip to Kansas in 2003 for Norman Kurland to meet with leading bishops, make presentations on the Just Third Way and Capital Homesteading before political leaders and grassroots organizations, and be interviewed on two radio shows. This trip laid the groundwork for establishing a CESJ presence in America’s Breadbasket State.

- In a community-based demonstration of the “act of social justice” and Justice-Based Management,
CESJ has served since 2005 as an incubator for the revival of Arlington, Virginia’s acclaimed symphony orchestra, following the bankruptcy of the 60-year-old Arlington Symphony. Providing CESJ’s 501(c)(3) umbrella, office space and staff support, CESJ members have worked closely with the orchestra’s world-class conductor Ruben Vartanyan, professional musicians, and community supporters to rebuild the organization as the new Arlington Philharmonic. While helping the new organization get onto a sound financial footing through creative partnerships with schools, business, government agencies and other local organizations, CESJ is introducing concepts of Justice-Based Management into the governance, compensation and other components of this new model for sustainable community orchestras.

- **Annual “Focus on the Fed” Event.** In April 2005 CESJ members, including Rev. Walter Fauntroy and Rabbi Herzel Kranz, met at the entrance of the Federal Reserve Building in Washington, D.C. to launch an annual event. The “Focus on the Fed” gathering, observed by Abdallah Schleifer, Washington Bureau Chief of Al-Arabiya Network, was aimed at drawing attention to the critical role that every central bank could play in getting money power to every citizen. Through Capital Homesteading reforms to U.S. monetary policy (which presently monetizes government debt, not private sector growth linked to broadened ownership), along with changes in tax policy, the Federal Reserve could serve as the key source of new money and capital credit for creating a thriving, sustainable and just economy. With collaborating organizations, CESJ is working to build a grassroots constituency calling for the Fed and other central banks around the world to democratize capital credit and interest-free money for universalizing access to capital ownership and encouraging this basic human right.

In addition to CESJ’s newsletter, *Economic Justice Monitor*, CESJ also publishes regular columns in the *Social Justice Review*. A CESJ series appeared in *Ultimas Noticias*, Uruguay’s second largest paper. CESJ representatives have been interviewed on numerous occasions on the weekly *Walter Fauntroy* radio show (WPFW/Pacifica radio), which is helping to educate the public on CESJ’s Capital Homesteading concepts and the New Birth Project for residents of Washington, D.C. CESJ’s Norman Kurland was featured on a Napa, California radio show (*KVON*), and on *Talk Black Live Radio* (East St. Louis, MO) where he discussed issues of economic and social justice, and the application of Capital Homesteading for addressing current problems ranging from the Social Security crisis to the War in Iraq.

CESJ representatives have addressed U.S. and international audiences at the invitation of such groups as the Inter-American Development Bank, the World Bank, the International Monetary Fund, the American Bankers Association, the AFL-CIO’s George Meany Center for Labor Studies, the Heritage Foundation, the Society for International Development, the International Development Law Institute of Rome, the Reason Foundation, the National Center for Neighborhood Enterprises, The ESOP Association, the National Center for Employee Ownership, the Foundation for Enterprise Development (now the Beyster Institute), the Czech Academy of Sciences, and committees of the Russian Duma.

CESJ speakers have conducted seminars on the expanded ownership approach to privatization for high-level government policy makers, business executives and labor officials from developing countries, and have offered classes through the International Law Institute, the Center for Financial Engineering in Development, the Citizens Network for Foreign Affairs, and the International Management Group/INTRADOS.

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