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Johnstown, Pa.

Broadened ownership suggested as a stimulant to economy

By Jeff McCready
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Arthur Ankeny's back problem may be a key to this area's economic recovery.

During the five months he was away from his duties as executive director of the Senior Activities Center, Inc., recovering from a disk problem, he read of the Center for Economic and Social Justice (CESJ) and of an old friend, Norman Kurland, its founder.

Visits friend

After visiting Mr. Kurland at his Arlington, Va., home and doing more reading, he

is convinced that the broadened ownership of business and industry along with the creation of new wealth would help this area.

He talked briefly about the concept and ideas of CESJ at the annual meeting of Johnstown Area Regional Industries, Inc., (JARI). He hopes to meet with JARI leaders to discuss further how ideas advocated by the center might help this area.

Three weeks ago a meeting was held with U.S. Rep. John P. Murtha to discuss economic and social justice and how it pertains to free enterprise.

Mr. Ankeny said during an interview Fri-

day that broadened ownership involves such things as Employee Stock Ownership Plans (ESOPs) and trusts.

Mr. Kurland is a consultant who has helped those interested in starting ESOPs. He was involved in the formation of the 100 percent employee-owned Weirton (W.Va.) Steel Co.

"We're taught from birth to think labor and management," Mr. Ankeny said. "We should be on the same team."



Mr. Ankeny

He urged the two sides to form a united front against the competition rather than fighting each other.

Mr. Ankeny pointed to the Johnstown Corp. as an example of what can be done in the area of employee ownership.

Involvement is idea

The idea, he said, is to get everyone involved as owners.

The problem with the way things are now, he said, is that the wealth simply is being redistributed.

"There's no new creation of wealth," he said, "There's just redistribution."

He used as an example government funding of projects such as synthetic fuels.

Mr. Kurland's idea is to require the Federal Reserve to lower its discount rate to banks so that they can lend that money to businesses for productive purposes. The catch is that this credit must be extended through broadened ownership vehicles like ESOPs.

Reforms proposed in act

These are some of the tax and monetary reforms proposed in the Industrial Homestead Act, with which Mr. Kurland is involved. The act has been in and around the Congress since 1982.

"There are unlimited opportunities if people are just willing to sit down and plan for the future," Mr. Ankeny said.

South Bend Lathe Company, the model for the Weirton Steel buyout.